



## CEO's Message

I would like to express my sincere gratitude to all stakeholders for your continued support and patronage.

The previous year saw the global spread of COVID-19 and frequent natural disasters arising from climate change, including torrential rains in Japan and hurricanes and cold spells in North America. In addition, there were geopolitical issues such as trade friction as well as various human rights issues that occurred worldwide. It became a year carved in history as one that had a major impact on society and the lives of people.

On the other hand, it was also a year when digital transformation (DX) made progress in our daily lives and all kinds of industries, and the importance of semiconductors, which are essential for information and communication technology (ICT), became prominent. Applications expanded for the displays that link people and data, and additional advances in technological innovation were made.

As a result of the spread of the IoT, AI, 5G and other technologies, we are transitioning to a data society at an unprecedented pace. As efforts to solve global environmental problems progress, the balancing of "digital and green" is now a major trend around the world.

Under the circumstances, Tokyo Electron seeks to leverage our expertise developed as a globally leading company and as a manufacturer of semiconductor and flat panel display production equipment and use all of our management resources, including the employees who are the source of value creation, in order to contribute to the realization of the social issue of the compatibility of digitalization and greening as well as a shared value. We strive to practice our Corporate Philosophy, "We strive to contribute to the development of a dream-inspiring society through our leading-edge technologies and reliable service and support" while increasing medium- to long-term profit expansion and continuous corporate value enhancement.

Our pursuit of sustainability is the practice of our Corporate Philosophy, and we undertake a diverse range of company-wide measures through our business.

As the social importance of semiconductors and displays increases, the key issues that we need to strengthen (i.e., material issues) based on a strong management foundation of safety, quality, compliance, governance and risk management underpinning our business activities are product competitiveness (being the first to identify leading-edge technological trends and changing needs), continuously creating next-generation products with the overwhelming added value and performance that future customers will require, and being the sole strategic partner based on our extensive track record and customer responsiveness, as well as higher productivity based on the continual improvement of operational efficiency. As a result of these efforts, we will further reinforce earnings power.

To address environmental issues, our technologies contribute to enhancing the performance and reducing the power consumption of semiconductor devices and displays, and in December 2020, we revised our medium-term environmental goals for fiscal year 2031. Our goals are to reduce CO<sub>2</sub> emissions per wafer by 30% compared with fiscal year 2019 and to reduce total CO<sub>2</sub> emissions from plants and offices by 70% compared with fiscal year 2019 by using 100% renewable energy and implementing other measures. In addition to these industry-leading goals, we launched E-COMPASS (Environmental Co-Creation by Material, Process and Subcomponent Solutions) as a new initiative in June of this year. We believe that continuously implementing global environmental preservation measures throughout the entire supply chain will strengthen product competitiveness and lead to the provision of added value to customers. Through these measures, we will perform our social roles for achieving decarbonization.

To promote the sustainability management expected of us by global society, we signed the United Nations Global Compact and joined the Responsible Business Alliance (RBA). Through these international initiatives, we are actively addressing environmental issues and human rights issues as well.

Regarding corporate governance that underpins our business activities, we strive to create highly effective structure that can achieve sustainable growth while considering our corporate culture and the unique characteristics of our business so that we can adequately perform management decision-making and supervisory functions.

Moving forward, to properly fulfill our mission and responsibilities, we will aim to remain a truly excellent global company that is loved and highly trusted by all stakeholders by promoting sustainability-focused management and contributing to addressing issues of industry and society as well as their development.

Your continued support and patronage are very much appreciated by all of us at Tokyo Electron.

Toshiki Kawai  
Representative Director, President & CEO  
Tokyo Electron Limited