

ENVIRONMENTAL, HEALTH AND SAFETY ACTIVITIES

Tokyo Electron's corporate missions include placing the highest priority on people's health and safety and taking the global environment into account when conducting business activities.

Fundamental Policy

Tokyo Electron positions environmental, health and safety activities as one of its most important management issues to achieve sustained corporate growth and continued development of society. With that in mind, Tokyo Electron is committed to reducing environmental loads across its activities, and to ensuring absolute safety in the Company's business premises and in those of its customers.

Tokyo Electron embodied these commitments in "TEL's Credo and Principles on Environmental Preservation" and "TEL's Safety and Health Credo and Principles" formulated in 1998. The former statement was reviewed and revised in May 2006 in light of the direction the business was taking and the Company's evolving approach to these issues. Also, recognizing the need to deal with current global warming and climate change issues, in October 2007, Tokyo Electron inaugurated an environmental steering committee in order to accelerate environmental response activities. The committee, the highest internal function on environmental activities, comprises the executive officer of development, as well as members from marketing, corporate strategic planning, and corporate communications.

Moreover, we are considering the establishment of medium-term environmental objectives under the slogan "Technology for Eco Life™." Going forward, we will define standards and an achievement plan and promote activities for these objectives.



EHS Management

Since 1997, Tokyo Electron has developed and implemented environmental management systems based on ISO 14001 standards, mainly for manufacturing operations, and obtained certification.

Adoption of Environmental Accounting

Tokyo Electron has introduced an environmental accounting system that quantifies the cost of its activities in respect of environmental protection, and uses this as the basis for developing corporate action policies. For more information on achievements in fiscal 2008, please see the "Environmental and Social Report 2008" to be released in September 2008.

ISO-14001-Certified Plants and Offices

Company/plant	Plant	Certification date	Certification number
Tokyo Electron AT Limited Tokyo Electron PS Limited	Sagami Plant	December 10, 1997	1110-1997-AE-KOB-RvA
Tokyo Electron Tohoku Limited	Tohoku Plant	February 19, 1998	1118-1998-AE-KOB-RvA
Tokyo Electron Kyushu Limited	Kumamoto/Koshi/Ozu/Saga plants	March 26, 1998	1120-1998-AE-KOB-RvA
Tokyo Electron AT Limited	Yamanashi Plant (Fuji/Hosaka area)	May 15, 1998	1124-1998-AE-KOB-RvA
	Miyagi Plant	March 1, 2005	01245-2005-AE-KOB-RvA
Tokyo Electron Device Limited	Yokohama Office	July 14, 2004	EC04J0144

Product-related Environmental Initiatives

Proactive Environmentally Conscious Product Design

As clearly set forth in our revised TEL's Credo and Principles on Environmental Preservation, Tokyo Electron believes that promotion of product designs sensitive to the environment is vital. Tokyo Electron has positioned promotion of energy conservation in its products and reduction and replacement of hazardous chemicals in its products as priority issues.

1. Energy Conservation During Equipment Use

Since many of our products are manufactured and used in clean rooms, we take an all-inclusive approach to energy conservation in the entire system, including equipment and the clean room. The five major targets in this respect are as follows:

1. Reduce energy consumption of equipment
2. Reduce energy consumption of peripheral devices
3. Use equipment in ways that conserve energy
4. Reduce energy consumption of the clean room
5. Overall clean room management (planned and appropriate operation)

Tokyo Electron played a central role in developing the SEMI S23 Guide for Conservation of Energy, Utilities and Materials Used by Semiconductor Manufacturing Equipment that was adopted as the global standard by the semiconductor industry. Tokyo Electron assesses the energy consumption of its products in accordance with these guidelines.

2. Hazardous Substances in Products

Growing out of the concern that hazardous substances in parts and materials could affect the environment and the ecological system, regulations restricting the use of such substances in automotive and electrical products are being tightened throughout the world. In July 2006, for example, the RoHS*1 directive came into force in Europe. Having determined that its semiconductor production equipment could be exempt from these directives as they fall within the definition of "large-scale stationary industrial tools," Tokyo Electron has prepared a written statement to that effect. Regarding the China RoHS directive*2 issued in March 2007, Tokyo Electron has achieved complete compliance. The Tokyo Electron Group is acting in advance of regulatory requirements and has established the Chemical Substance Measures Team to share necessary information. The team comprises representatives of manufacturing divisions. In addition, the Tokyo Electron Group is seeking active cooperation from suppliers in investigating materials that contain such substances and

finding and promoting substitutes. The Tokyo Electron Group will begin shipping products that are free of the six substances specified by the RoHS directive beginning in October 2008.

*1 Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment

*2 The official name of the Chinese version of RoHS is Measures to Control Pollution From Electronic Information Products

Health and Safety Activities

Tokyo Electron promotes health and safety in all of its operations. This includes giving top priority to the health and safety of our employees and customers and designing products with safety in mind. TEL's Safety and Health Credo and Principles clearly state that all employees are responsible for being constantly aware of health and safety considerations in all their business activities.

Even with increasing sales and product shipments, in fiscal 2008, the Tokyo Electron Group achieved a reduction of over 40% in the number of accidents resulting in injury (excluding those requiring first-aid alone) or death. In particular, accidents occurring during start-up and maintenance operations performed at customer locations declined significantly. This reduction resulted from the overseas implementation of a safety management system already in use at customer sites in Japan, with emphasis on adoption during factory installations for new customers in Asia. The system includes the assignment of a safety management supervisor, deployment of safety patrols, and holding risk assessment meetings prior to the start of jobs. The decrease in accidents was also due in part to the development of proprietary safety tools, enhanced education, and progress in reducing tasks involving heights or heavy objects. Tokyo Electron's policy moving forward will continue to promote activities for further reducing accidents.

Communicating With Stakeholders

The Tokyo Electron Group actively promotes communication with all stakeholders. To develop environmental, health and safety initiatives, we believe that it is vital to share information as much as possible with all parties related to our business activities and to receive feedback.

One example is efforts to give back to local communities. Our philosophy states, "We place the highest priority on gaining the trust and acceptance of customers, suppliers, investors, and communities around the world" and "We therefore strive to be a faithful and cooperative member of the communities and nations where we do business." In line with this philosophy, we engage in activities to contribute to society and build relationships of trust with governments and local communities around our facilities. These activities are conducted both in Japan and overseas.

For further details, see "Environmental and Social Report 2008" (to be published in September 2008).
<http://www.tel.com/eng/citizenship/ehsreport.htm>



TOPICS

Modification of Existing Equipment to Reduce Energy Consumption

Tokyo Electron Group considers the promotion of environmentally sound design extremely important. The Company prioritizes efforts to develop energy-efficient equipment and reduce and replace regulated chemical substances contained in equipment.

Although we now develop and manufacture new products with more consideration given to conserving energy and resources, some of the products that we sold and delivered to customers in the past were not designed with the same consideration for the environment that is acceptable today.

To rectify this, the Tokyo Electron Group markets products which can be used to make improvements to existing equipment. For example, we provide various products designed to improve the environmental functions of the thermal processing system ALPHA (α)-8SE. The following are two such products:

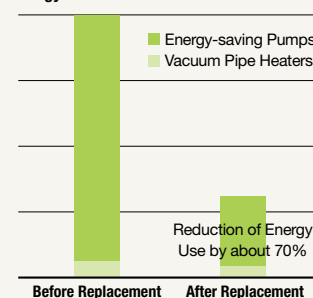
1. Improving the heat insulating properties of pipe heaters

It is necessary to keep the inside temperature of some pipes used in the thermal processing system as high as 100 to 200 degrees centigrade to prevent substances from adhering to the inside surface. The electricity consumed by the pipe heaters used to control the inside temperature can be reduced by 40% to 50% by installing high-performance heat insulators around the heaters.

2. Energy-saving pumps

Power consumption can be reduced by approximately 70% by replacing conventional pumps with high-efficiency energy-saving pumps. Use of these products may result in an overall reduction in energy use of around 70%.

Energy Conservation Effects



ALPHA (α)-8SE

In addition, we provide products that help reduce the amount of heat discharged into the clean room by a water cooling mechanism, products that reduce the amount of nitrogen used, and products that improve the overall process quality and productivity.