

HUMAN RIGHTS TRANSPARENCY STATEMENT

INTRODUCTION FROM THE REPRESENTATIVE DIRECTOR, PRESIDENT

As businesses and supply chains are expanding globally, Tokyo Electron group (the group) recognizes all business entities are at risk of unintentionally being involved in human rights exploitation. As a responsible company in the global business community, and with the group's corporate philosophy defining its mission in society as "We strive to contribute to the development of a dream-inspiring society through our leading-edge technologies and reliable service and support", we are committed to collaborating with our supply chains to combat human rights abuses such as modern slavery and human trafficking.

To respond to the global concerns, as parent company of Tokyo Electron Europe Limited, Tokyo Electron Limited, has established a dedicated function to promote corporate social responsibility (CSR) throughout the group. As the guiding principle of CSR, the group has incorporated universal guidelines and standards, such as the United Nations Global Compact and an industry standard, Responsible Business Alliance (RBA) Code of Conduct, into the group's strategies, policies and procedures, and established a culture of integrity.

Key human rights issues are addressed explicitly in the group's Code of Ethics and Procurement Policy, which covers its entire operations and our direct supply chains. The group is committed to partner with its people and supply chain to create an environment where workers' human rights are fully respected in any place where its activities take place.

Our European operation is fully aligned with the group, and not only do we uphold our basic responsibilities to people and the planet, but also set the stage for long-term success.

ORGANISATION'S STRUCTURE

As a distributor of Tokyo Electron Limited, a Japanese company which manufactures semiconductor production equipment, we engage in sales and services in a wide range of high-technology fields in Europe.

The annual turnover of Tokyo Electron Europe Limited is £631.2 million as of the fiscal year ending March 31, 2018.

OUR BUSINESS

Tokyo Electron Europe Limited, located in the United Kingdom, is the headquarters of our European operation, comprising 517 employees in 3 companies across 9 countries.

OUR SUPPLY CHAINS

Our main direct suppliers are manufacturers of semiconductor production equipment and its components and parts, as well as labour service providers for supporting such equipment. Among the group-wide supply chains, the majority of our suppliers by spend are located in Japan.

OUR POLICY ON HUMAN RIGHTS

Tokyo Electron group issued a “Human Rights Policy” in September 2017 as we recognize corporate social responsibility and believe that it is important for us to conduct ourselves with a strong sense of integrity. We recognize the importance of human rights and the responsibility of businesses to respect human rights. We have firmly upheld human rights since our founding as reflected in the spirit of “the Corporate Philosophy” and “the Management Policies” of the Tokyo Electron group. We incorporate the concept of respect into every aspect of our business activities, and strive for the creation of a corporate culture that enables each person to realize his or her full potential and freely enjoy their livelihoods. We also give the highest consideration to the health and safety of every person and respect his or her dignity. For us, respecting human rights means a significant undertaking not only to fulfill our responsibility for eliminating adverse impacts on people caused through our business activities, but also those who support our business activities, and contribute to the realization of a sustainable dream-inspiring society.

Tokyo Electron Group's Human Rights Policy

<https://www.tel.com/csr/related-policy/>

(File: <https://www.tel.com/csr/cms-file/HumanRightsPolicy.pdf>)

In recent years, because of the emerging concern in the electronics industry for better

treatment of workers in supply chains, our parent company publicly announced that it became member of the RBA in June 2015 and committed that the group would conform to the RBA Code of Conduct. In line with this, our European operation is committed to pursue socially responsible practices in line with global standards and to advocate CSR in our operations and in our supply chains with a continuous improvement approach.

DUE DILIGENCE PROCESSES FOR HUMAN RIGHTS ABUSES

The group has worked to establish a robust due diligence system throughout the organization as of the fiscal year ending March 31, 2018. Major steps we have taken are as follows, and we are continuously improving the system.

- In order to fulfil the group's responsibility for respecting human rights and to represent our commitment, a cross-functional team was formed to establish "The Tokyo Electron Group Human Rights Policy (the policy)" under the supervision of a corporate director of Tokyo Electron Limited in business ethics and CSR promotion.
- The drafting process of the policy was carried out with multi-stakeholder input, with guidance from a team of external human rights professionals. The policy was released in September 2017.
- We assessed our conformity with the RBA Code of Conduct in the area of labour and employment practices, health and safety, ethics, the protection of the environment, and management systems. We confirmed that our group's major sites including our European manufacturing operation were all rated as low risk.

The RBA Code of Conduct Version 6.0

http://www.responsiblebusiness.org/media/docs/RBACodeofConduct6.0_English.pdf

- A new whistle-blower channel administered by an external expert has been launched. "Supplier Hotline" has also been made available for any suppliers in our supply chain to obtain their feedback on or violations against Tokyo Electron group procurement practices.

Tokyo Electron Supplier Hotline

<https://secure.tel.com/eng/contactus/hotline/input>

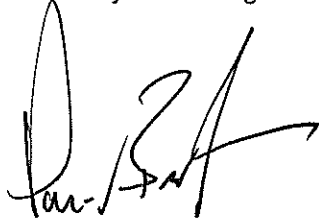
OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We used the RBA assessment tool to measure our effectiveness. We have zero tolerance for child labour, forced labour, bonded labour and human trafficking, and the tool is in line with this. According to the result of the assessment in 2018, we have not found any evidence of any of these within our major operations.

FURTHER STEPS

Following a review of the effectiveness of the steps we have taken in the past years, we will continuously improve our practices and due diligence systems to ensure that there are no human rights abuses in any part of our businesses and in our supply chains.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Tokyo Electron Europe Limited's slavery and human trafficking statement for the financial year ending March 31, 2018.

A handwritten signature in black ink, appearing to read 'David Brough', written in a cursive style.

David Brough
Representative Director, President
Tokyo Electron Europe Limited

Date: June 30, 2018