



ENVIRONMENTAL, HEALTH & SAFETY REPORT 2007



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This report generally contains data from 1998 through May 2007. It was published in October 2007.

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EH&S Policy

It is Tektronix' policy to conduct its business activities in a manner that protects and maintains the natural environment, and that promotes and protects the health and safety of its employees, customers, and members of our local communities worldwide. We strive to integrate sound environmental, health and safety programs and practices into the organization to address the applicable laws in the countries where we operate. Tektronix is committed to continuous improvement and using development and manufacturing processes that do not adversely affect the environment, that minimize waste and prevent pollution, and that minimize health and safety risks.



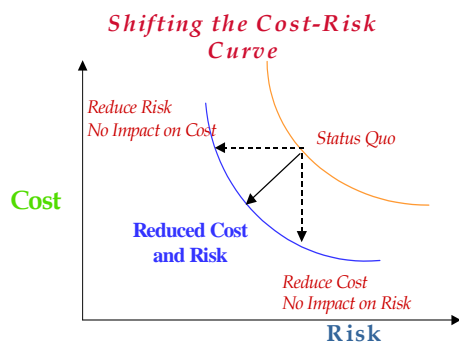
ISO-14001 Environmental Management System

Tektronix launched its Environmental Management System program in 2001 in order to provide a framework within which Tektronix could ensure an ordered and consistent approach to environmental concerns.

Tektronix initiated its ISO-14001 program with several goals in mind:

- ▶ **Ensuring that Tektronix is meeting internal and external environmental performance expectations.**
- ▶ **Integrating environmental considerations with business operations.**
- ▶ **Effectively implementing the environmental provisions of Tektronix's EH&S policy.**
- ▶ **Improving environmental performance through continual improvement.**

Tektronix achieved its first ISO-14001 certification in January 2003 for its Beaverton facility. Subsequently, certification was obtained for our Japan, China and Maxtek facilities. Our goal is to achieve ISO-14001 certification at all of our manufacturing facilities.



A properly implemented EMS should be able to simultaneously lower the cost of environmental compliance and reduce the risk of non-compliance.

Environmental Aspects

The high tech electronics industry is generally considered to be a “clean industry”, and Tektronix operations fall within that category. Nonetheless, in an effort to continually improve our operations, Tektronix identified five aspects of its business as having the most potential to impact the environment and established those aspects as priorities for our EMS for CY 07:

1. Utility Consumption
2. Solid Waste Generation/Disposal
3. Product Design & Engineering
4. Facilities Maintenance
5. Purchasing

ISO-14000 Environmental Goals & Objectives

Tektronix has established goals and objectives for its significant environmental aspects. Some examples are listed below:

1. Reduced utility usage/generation rate as normalized to facility square footage and sales.
2. Increased solid waste recycling rate to 60%
3. Identification and sourcing of alternative technologies and materials to meet hazardous substance restrictions in global markets (RoHS).

Status

Currently, Tektronix is achieving our ISO-14001 goals and objectives as demonstrated in the following sections of this report (i.e., EHS Performance).

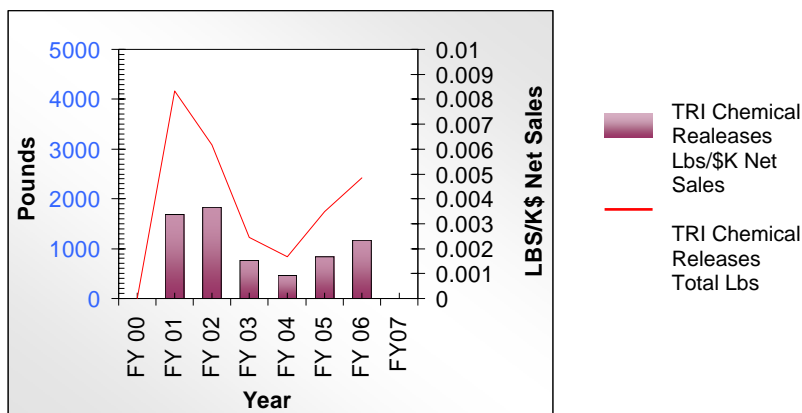
EHS Performance

Since 1995, Tektronix has reported on the company's annual environmental, health and safety performance to the audit committee of the Tektronix Board of Directors. With the implementation of an Environmental Management System in the late 1990s and the conversion to ISO-14001 in 2001, Tektronix has been continually monitoring its environmental performance in numerous areas using a variety of EHS metrics. The following are some of the key indicators we use to monitor and manage our EHS performance.¹

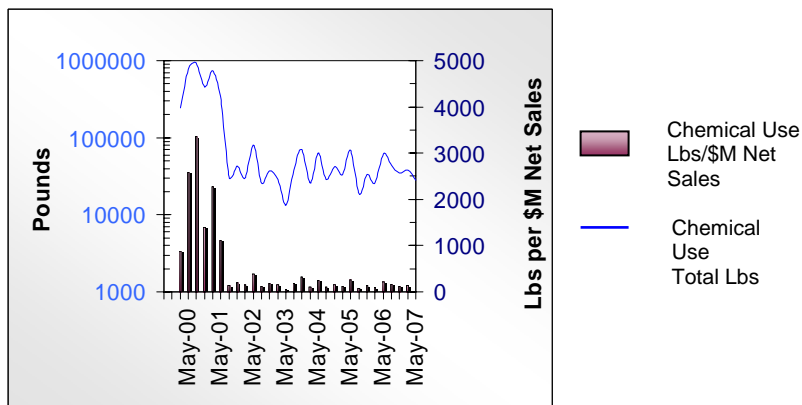
CHEMICAL USE:

The evolution of our manufacturing processes, combined with our continuing business model refinements, has resulted in significant reductions in the volume of chemicals, water and other resources used by our manufacturing operations. We continue to look for opportunities to reduce chemical and other resource consumption.

Toxic Chemical Releases (TRI)



Chemical Use



¹ Unless otherwise indicated metrics are specific to Tektronix' Beaverton, Oregon facility.

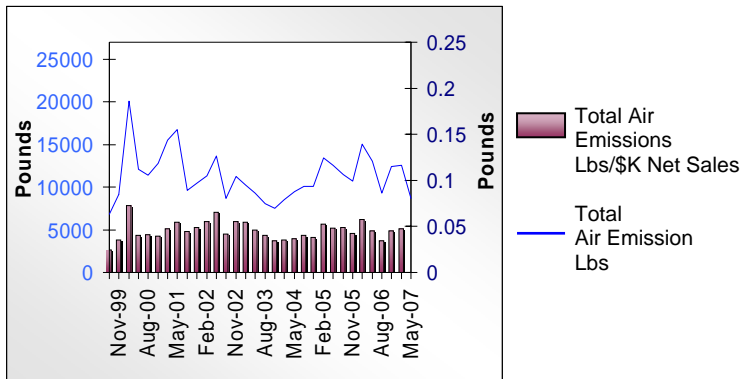
UTILITY AND ENERGY USE:

Tektronix recognizes the impacts its operations have on the global environment, and the potential impacts of global climate change to all of us. We recognize that the biggest impacts our operations have on the global environment are related to our consumption of carbon based energy resources. Tektronix believes that the efficient use of energy is not only a sound environmental principle (reduced carbon and other emissions); it is good business practice, particularly given the volatility in the energy markets over the past few years. To that end, we have active energy conservation programs in place to make our energy use as efficient as possible. Some indicators of our commitment to energy conservation are:

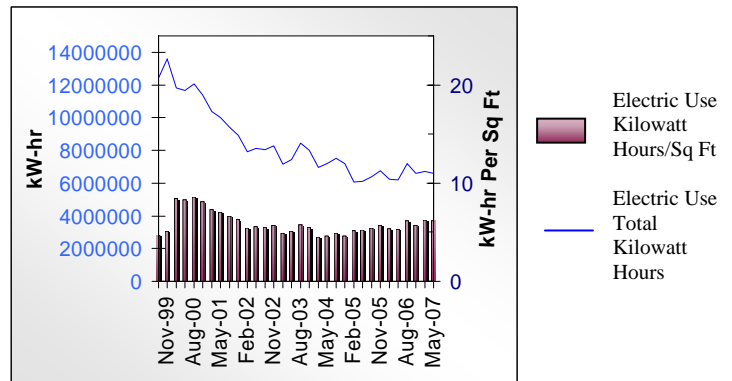
- **Building lighting upgrades, chilled water efficiencies and air compressor upgrades have netted a reduction of over 400,000 kWh/year for the Beaverton Campus.**
- **We participate in an “interruptible supply” natural gas program that allows our local utility to divert gas to high priority users (residential, commercial and industrial) at times of low supply and high demand.**
- **We have been tracking total carbon emissions since 2002 and have participated in the Carbon Disclosure Project, sponsored by a consortium of institutional investors, for the past two years.**

While energy consumption is seasonally cyclical, we continue to see a downward trend in consumption and related emissions:

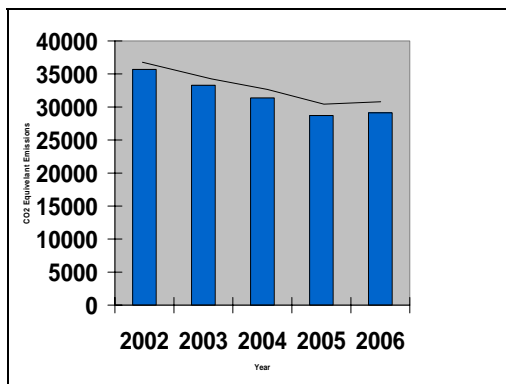
Total Air Emissions



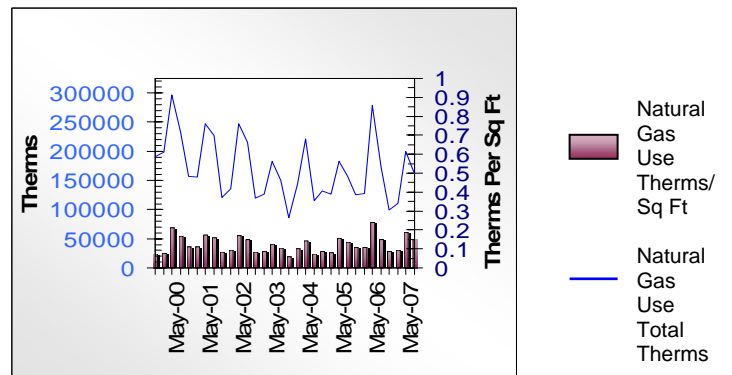
Electric Use



Global Carbon Emissions



Natural Gas Use

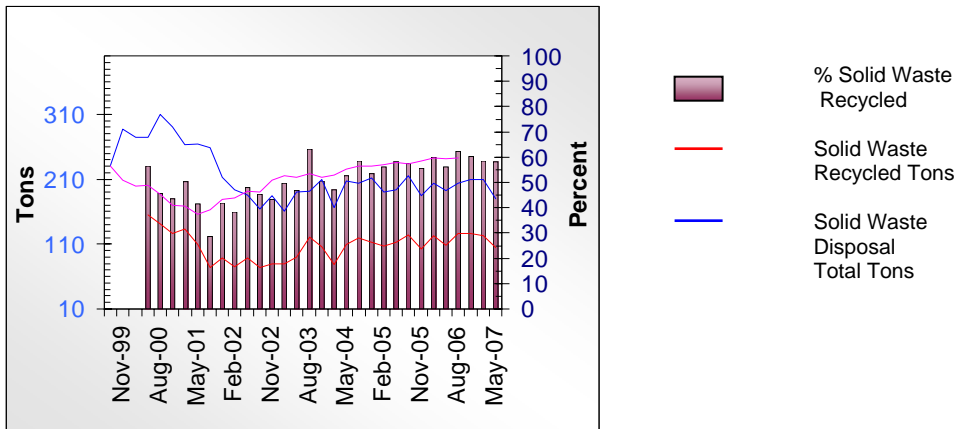


SOLID & HAZARDOUS WASTE:

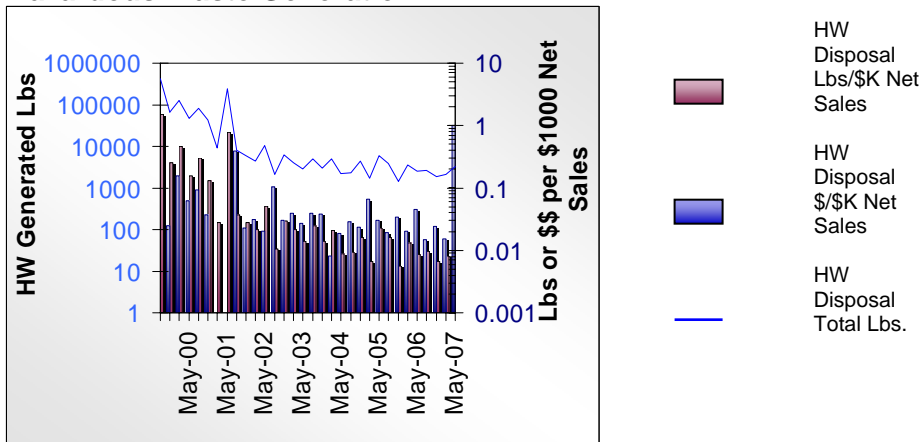
Since the 1970s Tektronix has been recycling a significant percentage of its solid waste through our Recycling and Materials Salvage operation. We teamed with Weyerhaeuser at our Richardson, TX facility in 2007 to recycle paper and wood waste with the goals of increasing the volume of general office waste recycled and to lower the cost of disposal for our remaining waste material. Today, Tektronix has an average recycle rate of nearly 60% at its Beaverton facility.

As a result of toxic use reduction and waste minimization initiatives, combined with changes in our business model, we have seen dramatic reductions in hazardous waste production and disposal. A significant achievement for Tektronix was reaching Small Quantity Generator Status for our Beaverton operations in 2006.

Solid Waste



Hazardous Waste Generation

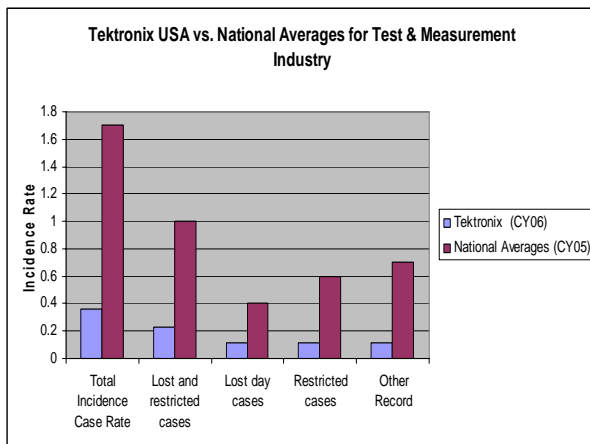


INJURY TRENDS

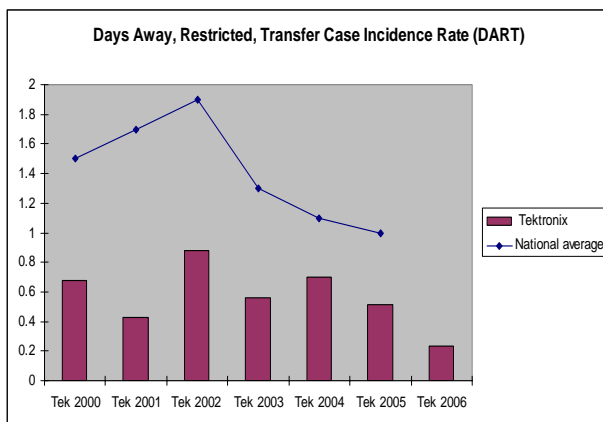
Tektronix is committed to the health and safety of our employees. This commitment has resulted in low incidence rates which have remained significantly below the national average in our industry for over a decade when compared to the Test & Measurement industry (NAICS 334515).

Tektronix goal is zero accidents. While we have yet to achieve that goal, Tektronix has experienced a downward trend for all recordable injury statistics for the past two years. The most recent year is the lowest DART we have seen.

Injury Case Rate/100 Employees



Days Away From Work



Environmental Initiatives

Every year Tektronix dedicates time and resources to company and community events that reflect our commitment to the environment. Selected projects are presented below.

SOLV Great Spring Beach Cleanup



Every year Tektronix sponsors “a day at the beach” as part the SOLV Great Oregon Spring Beach Cleanup (SOLV is a non-profit organization that brings together government agencies, businesses and individual volunteers in programs and projects to enhance the livability of Oregon.) In 2006, 225 Tektronix employees joined 5,245 volunteer beachcombers and picked up 46.5 tons of trash from Oregon’s coastline.

What started out as a sunny day in Portland ended in the rain and wind on the Coast. But true to the spirit of Oregon and Tektronix, our employees endured the weather to ensure our assigned beaches were cleaned and made safe again for the wildlife that calls the coast home.

2006 Bike Commute Challenge



Tektronix Beaverton is a participant in the Portland area Bicycle Transportation Alliance’s annual Bike Commute Challenge, in which organizations throughout the Portland, Oregon Metro area challenge one another to commute by bike. In 2006 Tektronix was 4th in our category, with 124 riders traveling 12,800 miles.

European Waste and Electrical and Electronic Equipment Directive



Tektronix has chosen Supply Chain Alliance as their recycling agent within the European Union (“EU”) to address the new Waste and Electrical and Electronic Equipment Directive (“WEEE”) electronic regulations. The new regulation commonly referred to as the product “Take-Back and Recycle” program requires manufacturers to take responsibility for the end-of-life recycling of products they sell under their brand and to label all affected products. The environment benefits because the instruments Tektronix recycles are removed from the general waste stream and disposed of in an environmentally responsible manner.

Tektronix Receives ISO-14001:2004 Certification for Environmental Management Systems



Tektronix achieved another milestone in environmental protection in January 2006 when it received certification to the ISO-14001:2004 international standard for Environmental Management Systems (EMS). Previously certified to ISO-14001:1996 in January 2003, the upgraded certification demonstrates accredited third-party verification that Tektronix meets the requirements of the international environmental management system standard. It is granted to companies that have demonstrated commitment to environmental stewardship. Certification can have economic benefits, from lower cost of materials to increased regulatory flexibility to improved investor relations.

Achieving ISO-14001 certification is just one more way that Tektronix continues to distinguish itself as a leader in the test and measurement industry.

Receiving the ISO-14001 certification is recognition of Tektronix' long history and

strong culture of environmental protection and stewardship. Tektronix leveraged its already well-developed quality management system with requirements for EMS certification, saving time and resources and creating an unusually mature system for initial certification.

Energy Conservation



Tektronix, together with Washington Group International as our facilities and maintenance service provider, has achieved significant accomplishments in the area of energy conservation.

Renewable Energy Sources



Tektronix joined with the Bonneville Environmental Foundation (BEF) as an active participant in the Green Tag Program. The Green Tag Program allows power users to purchase portions of their power from environmentally friendly energy sources. Each "green tag" is equivalent to 1000 kWh's of electricity generated from a renewable resource; in Tektronix's case, the power is generated from wind driven turbines located in Condon, Oregon. Tektronix purchased 999 green tags in 2006 or about 2.2% of the Beaverton campus load.

Formation of Energy and Water Conservation Team

In 2006 Tektronix formed an energy and water conservation team drawn from employees, vendors and tenants to collaborate on energy and water saving ideas to reduce the environmental impact of utility consumption and minimize water usage. The team brainstormed ideas, calculated return on investment (ROI) criteria and

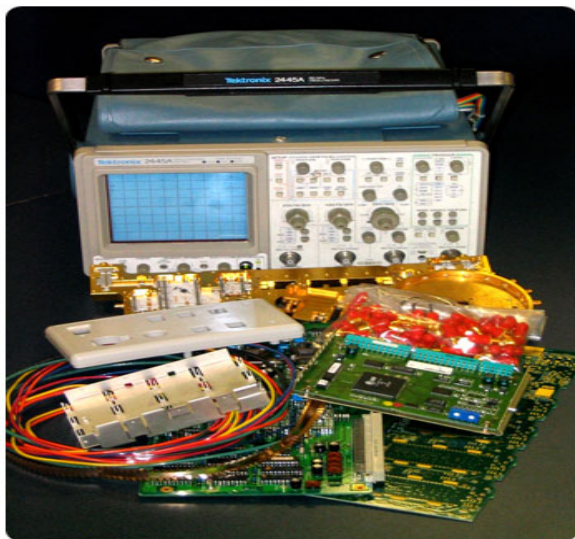
implemented projects with strong ROI. Tektronix expects significant savings and environmental improvements from some of these projects in the future.

Feasibility Project for Smart Irrigation Systems

Another project under review is to determine the feasibility of using “smart” irrigation systems to reduce irrigation water. In 2006, Tektronix replaced a time clock controlled irrigation system with a smart system which controls irrigation based on real time measured criteria such as rainfall, temperature, and evaporation rate. Evaluations of the results of the investigation are pending.

Recycling and Material Salvage

Tektronix has recycled a significant percentage of its solid waste through our Recycling and Materials Salvage (RAMS) operation since the 1970s.



RAMS is a centralized organization at Tektronix whose primary purpose is to find alternatives to landfill disposal of a variety of surplus materials, excess equipment and parts, and a multitude of generally discarded items generated by the company.

RAMS provides environmentally friendly alternatives to the disposal of these surplus materials in landfills; e.g., recycling, metals and precious metal reclaim, resale, and reuse

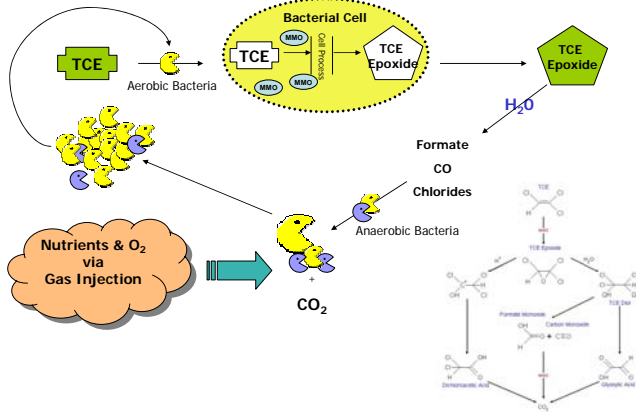
within the company. In the past three years, over 560,000 pounds of material (metal-bearing material, electronic scrap, and plastics) was sold to reclaimers and recyclers. Through the resale of surplus and obsolete items through the Company Store, e-Bay, and direct outside sales, RAMS has generated nearly \$1 million in revenue over the past three years. In addition, over the past three years RAMS has saved Tektronix nearly \$2.5 million through redeployment of equipment within the company. RAMS has also donated approximately \$600,000 in equipment to numerous universities, elementary and secondary schools and non-profit organizations.

Beaverton Campus Environmental Assessment

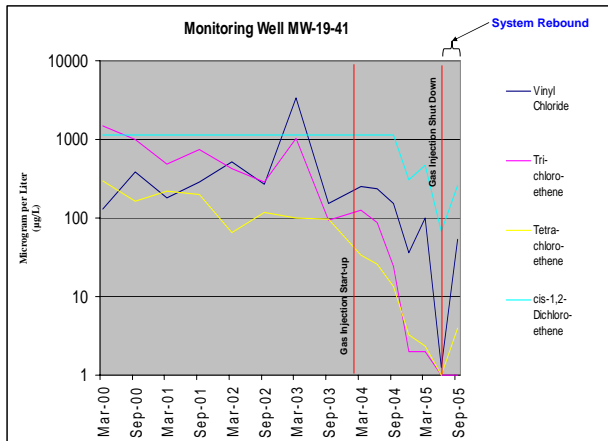


Since the mid 1980s, Tektronix has been working in partnership with the Oregon Department of Environmental Quality (DEQ), and the U.S. Environmental Protection Agency to identify and investigate areas of possible environmental contamination on the Beaverton campus. In connection with our continuing and cooperative efforts, Tektronix and DEQ entered into an agreement to complete site-wide investigations at the Beaverton campus.

In-situ Aerobic Oxidation



As part of this investigation, from 2004 through 2005, Tektronix installed and ran a pilot project using an innovative gas injection remediation technology. Gas Injection wells were installed in an area of known VOC contamination to determine the feasibility of removing Trichloroethylene (TCE) contamination in soil and groundwater using this new technology. Unfortunately, even though early analytical data collected showed a sharp decline in contaminants, it was ultimately concluded that the technology was only of limited effectiveness due to the nature of the soils at the Beaverton facility.



Tektronix continues to work cooperatively with the DEQ to ensure the protection of the environment and the health and safety of our employees, guests, visitors, and neighbors.

Green Building Award



Pollution prevention and toxics control initiatives, combined with Tektronix' continuing business model refinements, have resulted in a reduction of the volume of chemicals used and waste generated by our operations. As a result, Tektronix closed its centralized waste treatment plant and waste storage facilities in 2001.

Tektronix demolished the remaining structures in 2005. Recycling was a major objective from the onset of the project. As a result, 30,000 tons of concrete and brick were reused on-site in construction of an employee soccer field and the project achieved a total material recovery rate exceeding 99%.

Because of these outstanding recycling results, the project was awarded the Associated Builders and Contractors **2006 Excellence In Construction Award** in the Green Demolition Category.

Chromium Conversion

In 2007, the Model Shop at the Beaverton Facility made the conversion from hexavalent chromium to trivalent chromium for its chrome treatment process. The conversion to trivalent chrome has greatly reduced the toxicity of the chrome treatment process.

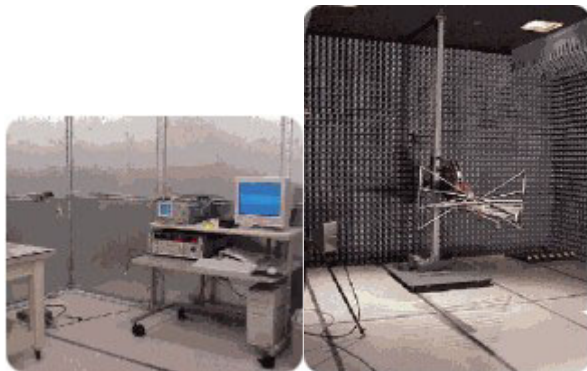
Products

Tektronix has a policy that all of its products will meet applicable regulatory standards and requirements in all geographies where they are marketed and sold. The testing and evaluation process to ensure this policy is met includes a comprehensive test plan / methodology and third party certification where appropriate.

Our commitment to the environment doesn't end with meeting the minimum requirements; that is just the starting point.

New products receive applicable certification before they are offered for sale. Certification may take the form of a company-declaration (e.g. CE mark), or it may be a third party certification, registration, or license (e.g. Underwriters Laboratories registration, GOST for Russia, selected telecom registrations, RESY packaging marks, RBRC battery mark, Green Dot recycling mark, etc.).

International Standards



Tektronix Design for Environment Statement

Tektronix has a strong commitment to meet its environmental regulatory obligations. Our key objective is to ensure that our high standards of product quality, reliability and safety are maintained as we strive to reduce the environmental footprint of our products and processes.

To achieve this objective, Tektronix is actively engaged in a corporate wide initiative working with industry consortia to develop and define

common technical qualification criteria, acceptable material alternative, and testing and reporting standards that will allow us to transition our product designs to meet evolving regulatory obligations. We will also provide customers with end-of-life product take-back and recycling capability wherever local law requires.

Waste Electrical and Electronic Equipment (WEEE) – Product Recycling

European Union WEEE

In support of our environmental goals, effective August 2005 Tektronix launched a formal product Take-Back and Recycle Program in Europe that complies with the European Union Directive 2002/96/EC on waste electrical and electronic equipment (“WEEE Directive”).

This program provides self-service instructions for product take-back and recycling. Equipment that is returned through this program will be handled in an environmentally safe manner using processes that comply with the WEEE Directive requirements.

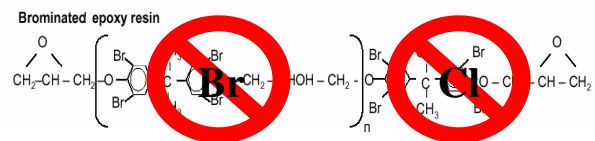
Earth Friendly Plastics

Recyclable



Since 1999, we have included ISO 11469 plastic identification codes to molded plastic parts to aid in their recycling and use.

Halogen Free



As a result of the environmental concerns surrounding the casual disposal of plastics containing halogenated fire retardants, we use only halogen free plastics that employ an environmentally benign phosphorous based fire retardant.

Heavy Metal Content

Significant efforts have been undertaken to minimize or eliminate the amount of lead and cadmium present in Tektronix products.

A major effort was recently completed that resulted in the removal of nearly 95% of the cadmium containing components once used in Tektronix products, with complete elimination as the ultimate goal.

A dedicated circuit board manufacturing line for fabrication of lead-free circuit boards has been installed, and new and existing Tektronix products are being migrated to the more environmentally sound process.

Energy Efficiency

A program is in process to transition external power supplies utilized in new products and service applications to more energy-efficient, Energy Star-compliant models. This change will save our customers energy in both stand-by and operational mode. In one case the energy efficiency in use mode was increased by over 25% resulting in a 50% performance improvement.

Battery Recycling



photo courtesy of RBRC

Tektronix has been a licensee to the Rechargeable Battery Recycling Corporation (RBRC) battery collection system since 1999, to aid in the collection and recycling of nickel cadmium (NiCd) battery packs used to operate portable instruments. Since 2001, all new portable products have been designed using environmentally friendly lithium-ion power sources, to eliminate the environmental risks associated with cadmium containing batteries.

Health & Safety

Tektronix recognizes the importance of a safe and healthy work environment. We count on all employees to make Tektronix a safe work place. The commitment to a safe workplace is an integral part of doing business and is communicated annually to all employees in our business ethics and compliance program:

“Responsibility for compliance with Tektronix's Environmental Health & Safety guidelines extends to all levels of employees at Tektronix and its subsidiaries. Each Tektronix and subsidiary employee has a responsibility to be aware of Environmental Health & Safety guidelines and to use sound judgment. Tektronix recognizes the importance of providing a safe workplace and a work environment that minimizes health risks to employees. Every employee has the responsibility to communicate with area management about possible unsafe or hazardous conditions in the workplace, as well as accidents that result in injuries, illness, or damage.”

Tektronix Business Practices Handbook

Global Occupational Health and Safety Management System

The Environmental, Health & Safety organization has developed a global Occupational Health & Safety Management System (OHSMS) and supporting guidance documents. With the recent release of the *Global Occupational Health and Safety Management System Policy*, Tektronix is moving ahead with a multi-year phase-in of the OHSMS.

The OHSMS provides us with a systematic management process for global Occupational Health & Safety (OHS) performance (much as ISO-9000 does for Quality and ISO-14001 does for Environmental). Tektronix chose to be proactive and implement the OHSMS for

several reasons. First, the safety of our employees is of utmost importance. Tektronix is committed to providing a safe and healthy workplace for all employees world-wide. The OHSMS provides a standardized and formal safety management system that results in increased safety awareness and reduction in risks. Second, it is becoming more and more common for our customers to evaluate our OHS performance as part of their selection criteria. In this respect, having an OHSMS in place helps us effectively communicate our commitment to safety as well as our outstanding safety record.

OHSMS implementation is planned in phases, with the first phase targeting higher risk locations such as manufacturing locations and locations with more than 150 employees. Other locations will be added on a risk prioritization basis in subsequent phases.

OH&S Risk Assessments

In step with our global efforts, international locations will undergo OH&S Risk Assessments. Identified unacceptable risks will be managed through the corrective action management systems.

Our People

Tektronix recognizes employees make a difference. We ask employees to be engaged and step up to the challenge of continuously improving the work environment. The following is a partial representation of how some of our employees participate to improve work place safety.

Safety Committees consist of both managers and employees who are empowered to take actions to resolve safety issues. Committees play a key role in identifying and correcting hazards.

Working Teams or work groups consisting of employees, engineers and managers are formed to address safety, production or quality improvement issues. For example, a Lean Manufacturing group identified foot and leg fatigue as a potential problem. The work group

resolved the issue by installing anti-fatigue mats, sit/stand chairs and cushioning devices for shoes.

Training & Education: To help our employees reduce the risk of injury at work, employees are required to attend relevant safety training and education to improve their knowledge in hazard recognition. More and more OH&S trainings are available on demand through our intranet. Depending on the employee's job responsibilities the training/education could be in one or more of the following:

- ▶ Electrical Safety
- ▶ EHS Awareness for New Hires
- ▶ Chemical Hazards
- ▶ Controlling Hazardous Energy Sources
- ▶ Lead Safety Awareness
- ▶ Personal Protective Equipment
- ▶ Building Evacuation/Emergency Preparedness
- ▶ Other Safety & Health topics associated with their job.

Health & Safety Audits

Health & Safety audits are conducted routinely to evaluate the effectiveness of the H&S programs. The reviews target higher-risk operations and utilize a closed loop corrective action management systems.

Chemical Safety

New-to-Tektronix chemicals are reviewed by the EH&S department utilizing an electronic chemical approval process. This process evaluates the toxicology and addresses safe handling, usage, storage, and disposal precautions.

Ergonomics

Tektronix is progressive in helping to improve working conditions and optimize performance through applied ergonomics. Based on workplace surveys, 99% of our employees believe ergonomics is a good investment.

Office Ergonomics



Tektronix requires new office workstations and task chairs be adjustable to facilitate employee comfort and safety. In addition to providing employees with information on proper workstation setup, Tektronix offers various ergonomic accessories and an opportunity to get advice from our health and safety staff. Qualified ergonomics evaluators are available to help employees with specific needs.

Manufacturing Ergonomics



Ergonomic design is an integral part of the manufacturing engineering process. New 'Tektronix Lean' work stations have been designed to minimize waste and maximize productivity and feature adjustable workbenches and tools to reduce risk factors associated with repetitive injuries.