

Relationship with Employees

We are striving to create a workplace that enables all of our employees to reach their full potential based on respect for their enthusiasm, autonomy, and willingness to take on challenges.

Approach to Human Resources

In pursuit of our vision of becoming an energetic, dynamic and creative company, the TEL Group respects the autonomy of its employees and their willingness to undertake challenges, thereby helping them to realize their full potential.

Our personnel system is designed to help each employee achieve self-development and to contribute to the organization. Our evaluation system does not simply focus on results but also emphasizes the process leading up to results, in particular, the efforts made and the level of skills demonstrated by individual employees achieving certain results. The purpose of this system is to fairly evaluate employees' total job performance based on the following three criteria: scope of ability to be assessed for the process-focusing evaluation (competency); roles expected to play (mission); and results achieved according to the roles (performance). The assessed competency provides the skills and competencies possessed by an employee at the time of evaluation, and the assessment is used to improve the skills and competencies required for accomplishing a variety of tasks.

Assisting Employees' Career Development

The TEL Group provides a variety of support to its employees in response to their different career ambitions. Once a year, employees fill out a Self-Declaration Questionnaire to communicate their preferences regarding job transfers or to share individual work-related problems. These employee requests are taken into consideration when transfer decisions are made. In addition, in order to provide employees with opportunities to pursue their own career paths and add dynamism to the organization, an Open Job Posting System was introduced. In fiscal 2010, this system made 21 matches between eager and aspiring employees and recruiting departments within the Group. In addition, 12 employees in the general job category were successfully promoted to management positions, in line with their wishes, after they were evaluated for those positions using an aptitude test.

Developing Employee Support Systems

The TEL Group is committed to developing a system for helping employees to achieve work-life balance. These efforts include enhancement of childcare leave¹, childcare support working hours², nursing leave (five days per year) and childcare support leave (five days per year). In fiscal 2010, a total of 82 employees took childcare leave.

We have instituted a "refreshment vacation" system, which allows employees to take a two-week to one-month holiday when their term of service has reached 10, 15, 20, or 25 years. We are also taking active steps to prevent on-the-job mental health problems, which have increased recently in Japan, by increasing our healthcare staff and providing education on mental health issues.

Enjoying both work and child-raising

Tokyo Electron has numerous schemes to support employees to continue to work after maternity/paternity leave. During the several months it took my child to become accustomed to daycare, I worked shorter hours under one of the Company's childcare support schemes and was able to be at the daycare center for pick-up before it became dark. In addition, my child often falls sick, and the nursing leave helped me a lot on these occasions.

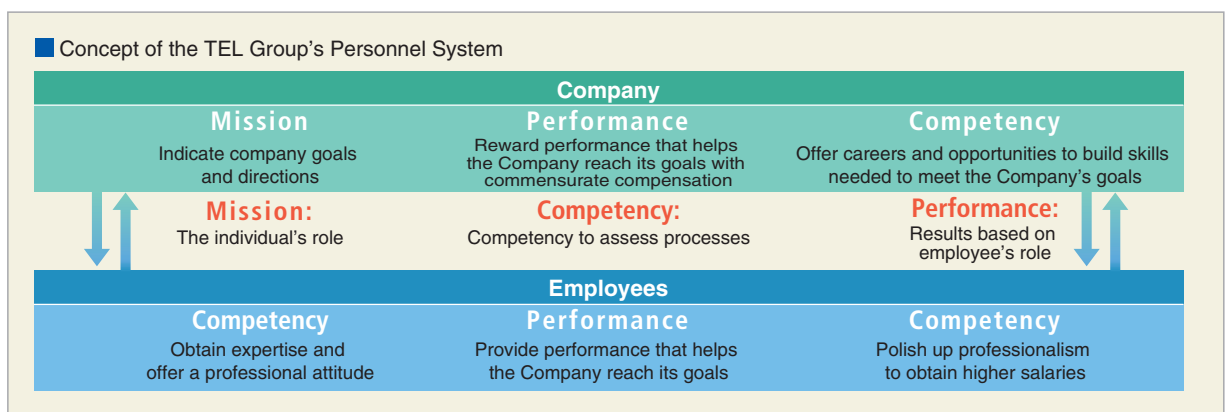
With TEL's extensive childcare support systems as well as a work environment supportive of working parents, I can continue working with peace of mind and enthusiasm while raising my child. I really appreciate the support offered by the Company.

Ayako Konishi
FPD Division
Tokyo Electron Limited



¹ Childcare leave: a system under which employees can take leave until the end of the April following the date on which their child turns 18 months old (or until their child reaches the age of three in some exceptional cases)

² Childcare support working hours: a system under which employees can opt to work for shorter hours by one hour per day until the end of the fiscal year in which their child completes elementary school (age 12)





TEL's Basic Philosophy on Human Resource Development

Based on the belief that “employees are our valuable assets,” the TEL Group fosters a spirit of learning among its employees, characterized by the following three principles established for its human resource development.

- (1) The workplace must support employee development.
- (2) Self-motivation and a sense of responsibility are the basic requirements for employees to develop their talents and careers.
- (3) The Company must build a platform or framework that provides employees with the opportunity and motivation to learn.

The Group believes that education and training only succeed when implemented continuously. In line with this belief, we are working to enhance our management organization and maintain our educational budget.

TEL UNIVERSITY

The TEL Group established an internal educational institution, TEL UNIVERSITY, with the aim of providing employees with opportunities for continued learning, thereby enhancing the capabilities of both individual employees and the overall organization. TEL UNIVERSITY is intended to provide employees with opportunities to obtain the knowledge and skills necessary for each to perform world-class work in addition to building employees' management capabilities and organizational strength and developing future leaders.

TEL executives also attend TEL UNIVERSITY courses, participating in lively discussions with employees. Successful human resource development requires employees that are enthusiastic about learning, as well as managers and a corporate culture that support employee growth. Employees actively learning at TEL UNIVERSITY and applying what they have learned to their work and workplaces contributes to the growth of both individual employees and the organization as a whole. TEL UNIVERSITY will continue to contribute to the growth of the TEL Group by developing competent professionals.

Nurturing Leaders

TEL UNIVERSITY has programs for nurturing future leaders and strengthening the abilities of leaders. These programs

include training in strategy formulation and organizational management, which are essential subjects for individual leader programs, and collective training sessions for all group leaders of workplaces.

The leader programs are designed to provide practical, interactive training—by encouraging participants to discuss a wide range of workplace-related issues—in addition to giving lectures and teaching theory.

This training also helps increase the team spirit of the Group, which is built by trainees from different locations in Japan.

Participating in management training

I have participated in a number of training programs, but unfortunately I could not make effective use of the knowledge I obtained from those programs to help my work or workplace. However, this is not the case with the management training program I recently attended.

Previously, I had a negative image of “management,” assuming it to be an impersonal, rigorously result-oriented kind of work. To my surprise, this training corrected my negative view, making me realize that the essence of management is how effectively you can encourage your subordinates to learn and grow and how well you can create and manage a competent team, although getting results is also important.

I started to try new approaches in my workplace using what I learned from the training. I am pleased to realize that the training and my follow-up practice has greatly helped enhance my interaction with my subordinates and develop my ability and personality.

Jun Ookura

SPE Elec. Engineering Dept.
Tokyo Electron Kyushu Limited



TOPICS

Initiatives to Invigorate the Corporate Group

As part of activities to spread TEL values, the TEL Group provides an “invigoration fund” of 10,000 yen per person to all employees in Japan, including contract employees. With this fund, each department plans and carries out activities that allows participation of all department members, aiming to invigorate the workplace. This program began in fiscal 2008 and is to be held for the fourth time in fiscal 2011. Each department prepares a proposal and reports details on the activity after it was held via the corporate intranet. Almost all departments take part in this initiative and a diverse range of activities have taken place across the country, including pottery workshops, cook-out parties, fishing contests, and sports meets held jointly with a number of departments.

