

Working Together with Employees

Business growth requires that each employee, as the core of the company, be creative and have a positive attitude, flexibility, enthusiasm and a sense of responsibility. The TEL Group believes that each individual employee is the source of value creation, and we strive to respect and understand differences in values arising from one's character, individuality, or daring spirit by making the work environment a place where each employee can work to their full potential.

Easy-to-work environment

Personnel system

In order to achieve our goal of creating a visionary and innovative company full of energy, we adopted a personnel system that promotes each individual employee's growth and organizational stimulation. For example, with an evaluation system, not only results, but also the initiatives for achieving the results are important. We provide opportunities for personal growth to our employees and engage in fair evaluation of skills and treatment so that talented employees who make significant achievements are well rewarded.

Initiatives for work-life balance

The TEL Group has enhanced its childcare support system and nursing care leave system to help employees continue to pursue their careers through various life events. According to Japanese law, companies must take measures such as reducing hours worked for parents raising children under the age of three. Tokyo Electron goes beyond this minimum, giving parents of children of elementary school age or younger the option to work shorter hours, and offering additional assistance in balancing work and home life. As a result of these measures, we saw 53 employees return to work after taking childcare leave and another 70 take childcare leave in fiscal 2014.

Improving the workplace environment and employee health

The TEL Group places the highest priority on the safety and health of its employees, and in February 2012 issued a health declaration to provide services such as walking events for promotion of health, healthy meals at company cafeterias, and health counseling with doctors. In addition, we are working to continually ensure that TEL is a safe and productive workplace environment by requiring harassment prevention education for upper level management, as well as providing professional counseling services.

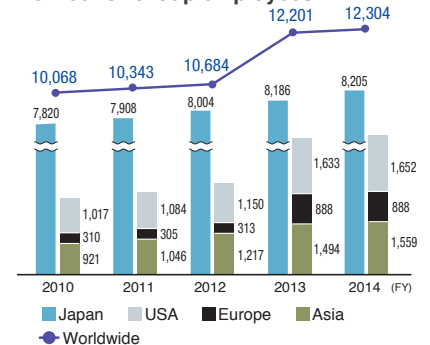
In Focus Fulfilling work and childcare

Last year, I returned to work after taking childcare leave for a second time. I currently handle administration work such as sales and accepting orders in the sales division. I have been called to the day care center when my child developed a sudden fever, but with the understanding and cooperation of my workplace, I have taken advantage of this system and been able to balance work while raising my children. At the same time, I have switched from regular office work to more comprehensive work with greater responsibility, and I was able to place importance on improving my own career. By balancing work while raising children like this, I am thankful that I am able to continue working while growing and feeling challenged.

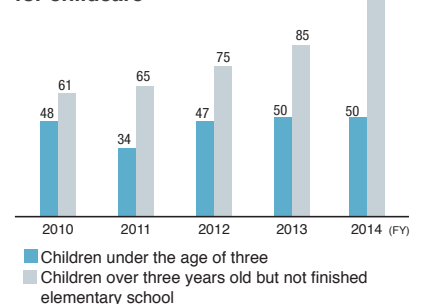


Mari Kurahashi
Clean Track Sales Dept.
Tokyo Electron Limited

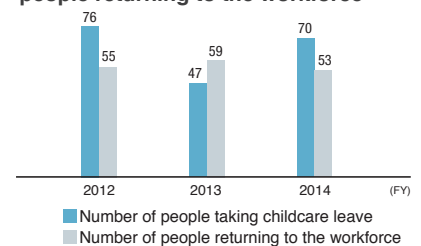
Number of Group employees



Users of shorter working hour system for childcare



People taking childcare leave and people returning to the workforce*



* Excluding Tokyo Electron Device Ltd.
Refers to Group company employees in Japan

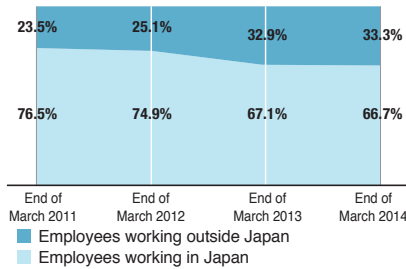
Employee retention rate three years after joining the company

94.2%

The Tokyo Electron Group has adopted an OJT System* for newly hired employees in Japan to enable them to quickly transition and work in a productive and nurturing environment. In addition, we hold regular meetings to keep up with and discuss the state of the workplace and employee relations to create a pleasant work environment for all employees.



Work location of Group employees



Parking space for the disabled



Washroom for the disabled

Initiatives for globalization and diversification

The TEL Group does business around the world, and as of March 2014, overseas sales account for 84% of the Group's total sales. Additionally, about 33% of TEL Group employees work outside Japan. In line with this shift toward globalization, even TEL Group companies within Japan are aggressively expanding overseas hiring to develop diverse workforces, with 11% (as of March 2014) of new hires being recruited from among foreign nationals.

Furthermore, along with working to create an excellent work environment the TEL Group recognizes that every person is entitled to basic human rights, and we strive to be a corporation where a diverse range of employees can work to their full potential. One of those efforts is establishing a work environment where employees with disabilities can work without any inconveniences. All of our business sites and company recreation facilities are equipped with parking spaces, washrooms, slopes, and handrails for the disabled.

Human resource development

TEL UNIVERSITY

The TEL Group has established TEL UNIVERSITY, an internal education institution with the goal of enhancing its human resources and improving the overall capabilities of the organization. TEL UNIVERSITY courses include a program that provides individual employees with world-class knowledge and skills, a leadership development program for next-generation leaders and a management and organizational training program.

Main initiatives for fiscal 2014

Our main goal for 2014 is to establish TEL as a truly global organization, one aspect of which is to allow TEL employees to further develop their English ability. All employees of the TEL Group in Japan were interviewed in English to determine the appropriate English level for them to begin studying at, and allow them to experience the fun and the difficulties of learning English firsthand. Based on its results, we developed and provided appropriate programs such as self-learning assistance and English conversation courses.

Another initiative aimed at increasing diversity is our employee training program for understanding differences in communication style between foreign cultures, and deepen mutual understanding so foreign employees are able to do their jobs smoothly in the workplace. In addition, seminars are held at TEL Group companies in Japan with the goal of improving Japanese communication and facilitation skills.

Furthermore, we hold career design seminars for individual employees to reflect and grow together with the TEL Group to improve and enrich their personal careers. Also, we offer life design seminars and consultation services to explain and discuss work and life plans before and after retirement, as well as reemployment systems after retirement.

English interview participation rate

Fiscal 2014 results (Japan)

92.0% (6,560 people)

TEL UNIVERSITY-hosted program examples

Number of participants by program for fiscal 2014

English conversation class	24 classes	129 persons
Communication and facilitation seminar	5 classes	100 persons
Global communication program	4 times	32 persons
Career design seminar	18 times	500 persons
Life design seminar	10 times	339 persons
Next-generation leaders development program	27 times	43 persons
Management	8 times	85 persons

| Glossary | * OJT system: On-the-Job Training system. This is a teaching method whereby an employee takes on actual work and cultivates their skills to gradually increase the difficulty level of their job.