

Invigorating people and workplaces



Medium-term goal

Maximize dreams and drive

Priority themes



Human rights and diversity



Work-life balance



Health

Relevant SDGs



3 Good health and well-being



8 Decent work and economic growth

Human rights and diversity

Human rights

TEL recognizes the importance of respecting human rights in all aspects of business activities. Our principles for respect for human rights are established in our Management Policies and Code of Ethics prohibiting discrimination based on gender, nationality, age, race, creed, or religion; forced labor, child labor, and harassment. The Group aspires to create a pleasant workplace environment where everyone can work free of discrimination by implementing employee training and establishing hotlines for prompt awareness and resolution of activities related to human rights issues.

Workstyles of a diverse workforce

Active involvement of women

Action plan

With business operations across the globe and with overseas sales accounting for more than 80% of total sales, TEL continues to develop work environments for a diverse workforce.

Based on the Act on Promotion of Women's Participation and Advancement in the Workplace, we have developed and implemented an action plan to promote the active involvement of female employees by 2019. The action plan lists two goals for improving work conditions for both women and men: achieve a 70% take-up rate of annual paid leave, and prevent harassment in the workplace.

As a result of efforts encouraging employees to take leave, the take-up rate of annual paid leave in fiscal 2017 was 64.1%.¹ These efforts included understanding how much leave was being taken, raising awareness for the planned use of leave, and regularly monitoring how much leave was used. Meanwhile, the development of regulations was central to the efforts for preventing harassment. Some subsidiaries also took steps to establish and raise the profile of help desks and advisors, as well as reviewing and conducting effective training and education.

¹ Group companies in Japan

Technology conference for women engineers

In February 2017, a technology conference for female engineers was held as an event to support female employees. On the day, five female engineers from different areas of the company gave presentations on their own areas of specialization and their own work styles. This event was an opportunity for the all-female audience to learn about the various roles in our company, as well as address their worries and provide advice for their future careers. About 90 female employees participated in the conference, with a teleconferencing system used to link our Akasaka headquarters with our factories and offices throughout Japan.

Active involvement of people with disabilities

TEL seeks to be a corporation where a diverse range of employees can work to their full potential. We have established an inclusive working environment for people with disabilities. People with disabilities account for 2.13% of employees at TEL headquarters and 1.98%² of employees in Japan operations overall.

² As of March 31, 2017

Employee voices | Active involvement of employees with disabilities

I joined TEL in 2015, and currently I am in charge of approval work for the export of parts. I commute to work by car, which is less stressful for me, and TEL has given thoughtful attention to my work setup. For instance, the document cabinets are at an easy height for me to use, and my desk has been placed close to the exit so that it is easier for me to get around in my wheelchair. What pleases me most about TEL is that I am treated the same as a person without disabilities. For example, during the recruitment screening process, I felt that I was being assessed on my skills and experience. Going forward, I will continue to work hard in order to meet the company's expectations.



Akihiko Suzuki
Export & Logistics
Control Dept.

Work-life balance

Workstyle reform

TEL is working to introduce a new personnel system aimed at supporting its vision to become “a real global company generating high-added-value and profits,” as part of the medium-term management plan. The system is designed to enable each employee to challenge themselves to meet their goals without fear of failure, and to provide fair evaluations proportionate to individual levels of contribution. Based on the idea that raising the engagement¹ of employees is essential for sustained growth of our company, the new system also aims to create a rewarding workplace environment where employees can challenge themselves to achieve higher goals with widening global career opportunities. The new personnel system specifies new ways of working, such as clarifying roles and expectations, enabling employees to work more autonomously with challenging goals linked to the company’s vision, and rewarding eagerness and voluntary effort important for increased motivation. Rating, evaluation, and remuneration will be built as common global systems, enabling us to share objectives and goals among employees worldwide. This new system will become part of standard operations in fiscal 2018.

¹ Engagement: A constant feeling of pride, passion and a sense of responsibility in one’s own work and a desire to work hard to achieve results

Features of the new personnel system

- **Rating system**

The system clarifies duties (the roles and responsibilities required of the employee) supporting a global way of working

- **Evaluation system**

The system is designed to establish performance goals appropriate to employee level and stretch goals designed to develop the employee, and it assesses the employee based on achievement of (or contribution to) those goals

- **Remuneration system**

In addition to a level of remuneration that is competitive in the market, the system provides the employee with career opportunities as well as a productivity-linked bonus proportionate to their degree of achievement (contribution)

Refreshment leave

TEL has a refreshment leave system that offers a special paid leave every five years to regular employees with 10 or more years of continuous service. Refreshment leave ranges from two weeks to one month.² The purpose is to renew employees’ eagerness to work, encouraging them to refresh their body and mind. In fiscal 2017, 586 employees in Japan took refreshment leave.

² Employees with 10, 15, 20, and 25 years of continuous service can take a leave of two weeks, three weeks, two weeks, and one month, respectively

Systems supporting flexible workstyles

TEL is committed to reducing overtime, encouraging employees to take time off, and improving the various leave systems. In this way, we allow employees to adopt a flexible approach to work according to their individual lifestyle and stage in life. Amid a declining birthrate and aging population, we are focused on enhancing our childcare and nursing care leave systems, enabling all employees to develop their careers.

Our childcare support system in Japan allows employees to extend their leave until their child turns three. Also, we give parental guardians an option of taking reduced work hours until their children finish elementary school, which goes significantly beyond the legal requirement. As a result of these measures, 44 employees (including two male employees) took childcare leave in Japan operations in fiscal 2017, and 44 (including two male employees) returned to work after taking childcare leave in previous years for a 93.6% return rate. About 35% of female TEL employees in Japan are successfully balancing work and family as working mothers.

Leave and other support systems for childcare and nursing care

System	Overview	Eligible employees	Notes
Relief for commuting difficulties	Allows work start times and finishing times to be moved forward or back by a maximum of one hour each day	Pregnant female employees who are under instruction from their doctor	As per the legal requirement
Childcare leave	(1) Allows leave to be taken up until a requested date but no later than the end of April after the child turns 18 months of age (2) If the child cannot gain admission into a nursery school, leave may be extended from the end of April after the child turns 18 months of age until the child turns three years of age (i.e. the day before their third birthday)	Employees with a child who will be less than 18 months of age at the end of the following April	More than the legal requirement (up to a maximum of three years of age)
Childcare time	Allows an employee to request time to care for their infant for two 30-minute periods per day, in addition to prescribed rest periods (treated as paid leave)	Female employees with an infant under one year of age	More than the legal requirement (paid component)
Flexitime for childcare and nursing care	Allows work start times and finishing times to be moved forward or back by a maximum of 90 minutes per day	Employees with a child who has not graduated elementary school, or who are caring for a family member requiring nursing care	More than the legal requirement (up until the child finishes elementary school)
Leave to care for a sick/injured child	Allows leave to be taken for up to a maximum of five days for employees with one child, and 10 days for employees with two or more children, per business year (up to five days treated as paid leave)	Employees with a child not old enough to commence elementary school	More than the legal requirement (paid component)
Childcare support leave	Special leave to care for a child for up to a maximum of five days per business year (unpaid)	Employees with a child not old enough to commence junior high school	Unique system
Short nursing care leave	Allows leave to be taken for up to a maximum of five days for employees with one family member requiring nursing care, and 10 days for employees with two or more family members requiring nursing care, per business year (up to five days treated as paid leave)	Employees with a family member requiring nursing care	More than the legal requirement (paid component)
Extended nursing care leave	Allows an extended period of leave to be taken for up to three times per person requiring care, up to a maximum of one year in aggregate	Employees with a family member requiring nursing care	More than the legal requirement (up to one year of leave)

Employee voices | Childcare leave for men

I took 17 months of childcare leave from September 2015 to February 2017. This was due to several reasons: my strong, long-standing desire to be involved with my children, a desire to help my wife return to work as a freelance piano teacher, and the problem of waiting for admission to a nursery school.

Seeing as it is still uncommon for male employees to take long-term childcare leave, my supervisor was surprised at first, but happily accepted my temporary departure. People around me were also concerned about me taking leave for such a long time, but in the end, I was allowed to return to the same marketing work as before. I am extremely grateful for this. I would be glad if the option of taking childcare leave continues to be afforded to male employees. I plan to take the joyful experience of spending many days close to my newborn, and apply it to my work and life in the future.



Masahiro Atsumi
Marketing Department 1, TFF

Human resource development

TEL UNIVERSITY

To enhance its HR development and organizational capabilities, TEL has established a corporate educational institution called TEL UNIVERSITY. The curriculum includes courses that provide world-class knowledge and skills, training programs for next-generation leaders, and courses for developing managerial and organizational capabilities.

Main activities in fiscal 2017

With career level-specific programs, TEL has started “step-up” activities for junior employees. These employees set their own work theme, establish challenging targets, plan ideas for related activities, and accomplish work with their supervisors and colleagues. These “step-up” activities provide opportunities for learning and awareness with the aim of nurturing independency at work within two years of joining the company.

In these purpose-specific programs, TEL experts lead a wide variety of workshops to share specific knowledge within the company. Other efforts this year included using our internal skills and talents to make improvements to new hire training and to promote completion of e-learning and correspondence courses designed to develop skills needed for the work environment (including language skills).

Life design seminars have also been held every year, targeting employees eligible for retirement. The programs provide knowledge and information necessary to prepare for leaving work, such as pre-retirement preparation and post-retirement financial planning. They include seminars with a number of Q&A-type sessions to help dispel doubts and anxiety about retirement.

TEL UNIVERSITY Programs (Fiscal 2017)

	Number of participants
New hire training (full year)	71
Junior employee programs	310
Manager programs	78
Business leader programs	60
Workshop for engineers	333
Technical seminars	735
Business skills programs	807
Practical English courses	306
Life design seminars	220

Visionary Talks

Since 2015, TEL has hosted internal events called “Visionary Talks.” In these seminars, we invite experts and specialists from various fields to speak freely on their vision for the future.

The event is a great opportunity for employees to expand their creativity and imagination for envisioning the future, by allowing them to hear the experiences and feel the enthusiasm and conviction of leading figures in a variety of fields, including science, technology, art, and sport. At Visionary Talk 2016 in November, five guest speakers were invited to our headquarters in Akasaka, Tokyo. The talk was attended by 200 employees in person and streamed to our offices in Japan, Korea, China, Taiwan, and Singapore, providing more than 900 employees with flashes of inspiration for the future. Visionary Talk also serves as an opportunity for collaboration with external parties in research and development in areas such as artificial intelligence.

Health

Wellness declaration

In February 2012, TEL announced its wellness declaration based on the view that the health and safety of employees is paramount. In accordance with this declaration, we have conducted a number of ongoing wellness initiatives, including the establishment of health help desks, the provision of counseling services, and the introduction of stress checks. We also offer walking events, healthy food choice initiatives for company cafeterias, and body composition measurement sessions.

Since 2016, we have promoted the improvement of employees’ exercise habits. At nine of our factories and offices in Japan, we are developing an Eat-Rest-Walk-Talk program, which proposes that employees spend every day in a healthy way, incorporating some kind of regular exercise into their daily activities.



- **Eat**
Three balanced moderately-sized meals every day
- **Alcohol in moderation**
Two days every week without alcohol
- **No smoking**
Quit now for your future



- **Sleep**
Recharge through quality sleep time
- **Rest**
Vary the pace of your day to improve efficiency



- **Walk**
Target 10,000 steps every day
- **Climb**
Use the stairs at work
- **Enjoy**
A change of mood through a hobby



- **Understand**
Have a health check every year
- **Talk**
Talk with others rather than dwelling on a problem alone

Stress checks

Since being mandated by law in December 2015, TEL has offered stress checks to employees at each factory and office in Japan. Employees complete a questionnaire recommended by the Ministry of Health, Labour and Welfare, and if judged to be under high stress, they are given face-to-face support by a public health nurse or occupational health physician. The stress check conducted in July 2016 was taken by about 90% of employees.

Introduction of the Pep Up healthcare platform

As part of the national requirement for new health management systems, TEL actively promotes activities for improving employee health based on collaboration between employers and health insurance societies. In 2016, we introduced the Pep Up personal healthcare platform. By using this system, individual employees can easily check health information such as the results of their medical checkups and itemized details of their medical expenses. The various support offerings also include enabling employees to record their daily health management data (weight, blood pressure, body fat ratio, length of sleep, etc.) as well as recommended activities to suit their state of health (walking and running events, fitness centers, etc.). In collaboration with the health insurance society, we will continue to push for a broader user base of Pep Up, raising the health awareness of employees.

TEL's social contribution activities

TEL conducts social contribution activities around the world. Through various initiatives, we strive to build solid, trustworthy relationships with community members to help develop local communities and resolve social issues at the global level. In this, we will develop a rich, dream-inspiring society and enhance our corporate value.

Initiatives around the world

With Innovation and Technology, Education, Environment, and Community Involvement as the four focuses of our social contribution, we conduct activities that best meet the requirements of each locality.

9 INNOVATION AND TECHNOLOGY AND INFRASTRUCTURE Innovation and Technology: Semiconductor scholarship (Korea)

Through a program run by the Korea Semiconductor Industry Association (KSIA), an organization that focuses on developing human resources in the semiconductor sector, TEL granted scholarships to outstanding students recommended by universities. One student is



selected every year and awarded the scholarship on Semiconductor Day. This year marks the ninth occasion since 2008.

4 QUALITY EDUCATION Education: SEMI High Tech U (U.S.)

A High-Tech Career Exploration Program was held at the Austin office in the United States, where students could have fun experiencing cutting-edge technologies with practical applications. About 30 local high school students participated in the program, which featured educational materials provided by SEMI, a global industry association serving the electronics industries, and interacted with employees from our Austin office over the three-day period.



13 CLIMATE ACTION Environment: Tree-planting activities (Japan)

Tokyo Electron Technology Solutions' Tohoku Office has been planting trees in nearby sites. In 2016, about 700 oak seedlings and five memorial cherry trees were planted. Two hundred and seventy employees



and family members participated in the event, providing an opportunity for workers and their families to deepen their friendships with each other.

17 PARTNERSHIPS FOR THE GOALS Community Involvement: REWE Team Challenge (Germany)

Twenty employees teamed up with clients to participate in a 5 km charity marathon run through the city center of Dresden, strengthening the ties between them.



Kumamoto Earthquake relief efforts

TEL actively provided a wide range of support to those affected by the April 2016 Kumamoto Earthquake to help bring stability to their lives and restore their communities as soon as possible.

Relief supplies and livelihood support

Amid the tremendous damage to the transportation infrastructure, TEL made full use of its trucks and warehouses to swiftly deliver daily necessities, water, food and other goods from across the country. At the affected areas, we offered our recreational facilities as support bases and evacuation centers and provided assistance activities to employees and local communities.

Donations

A total of 100 million yen in donations was presented to Kumamoto Prefecture.

Matching donations

To support efforts aimed at matching funds for reconstruction, TEL matched donations collected from employees around the world. The donations were distributed to affected employees, and emergency supplies were donated to surrounding municipalities.

Charity concert

A charity concert was held with the hope of using music to raise the spirits of those affected by the disaster. Employees and volunteer staff worked to transform two gymnasiums of local junior high schools into concert halls. For two days, the concert was enjoyed by 1,600 students, local residents, and employees and their families.

