Relationship with Employees

We are striving to create a work environment that values employees' enthusiasm, autonomy and willingness to take on challenges and enables them to reach their full potential.

• Basic concept of the Tokyo Electron Group's Human Resource (HR) management system

In pursuit of our vision of becoming an energetic, dynamic and creative company, the Tokyo Electron Group's HR management system is designed to help each employee achieve self-development and to contribute to the greater dynamism of the organization. Our evaluation system does not simply focus on results but also emphasizes the process leading up to them, including, in particular, the efforts made and the level of skills demonstrated by individual employees in achieving the results. The purpose of this system

is to fairly evaluate employees' total job performance based on the following three criteria: **1 individual role** (mission), **2 scope of abilities required at each step of a process** (competency), and **3 results achieved according to role** (performance). The competency factor in **2** is used not only for evaluation and assessment purposes but also as a guideline for each employee to improve their skills and for the Group to determine capability development targets for each employee.

■ Basic concept of the Tokyo Electron Group's HR management system

	Mission	Competency	Performance
Employee	Understand his/her individual/organization's role.	Develop professional skills.	Capitalize on his/her skills to achieve his/her individual/organization's goals.
Company	Clarify and convey the company's philosophy and goals.	Provide all employees with opportunities to develop their career and skills as required to achieve their individual/organization's goals.	Point-addition scoring method Ensure fair distribution of remuneration.

Career development support

The Tokyo Electron Group provides a variety of support to its employees in response to their different career ambitions.

Self-Declaration

Employees can communicate their preferred career path and submit other work-related requests by filling out a dedicated form. An interview is held and necessary arrangements are made as needed.

2 Open Job Posting System

Employees can apply at their own volition to join new projects or projects with a high degree of urgency. By widely recruiting eager and aspiring employees from within the Group and giving them additional opportunities to develop their career, this system proves effective in adding a greater level of dynamism to the organization, as well as in promoting projects.

3 Outstanding Employee Award

This award is presented to young and mid-career employees who have actively undertaken challenges at the frontline of business and produced great results for the Group. In addition to giving recognition to outstanding employees, the award is also intended to communicate the impressive performance of the award-winners to all employees as a way of increasing motivation throughout the Group.

Creating a comfortable work environment

We have introduced various employee support measures as part of our efforts to create a comfortable work environment.

1 Health Declaration

We announced our Health Declaration in February 2012. Based on our firm belief that "the healthy growth of the Group can be achieved only through its human resources" and our "employees are valuable assets and they must be mentally and physically healthy in order to perform world-class work," we promote employee health management through Group-wide efforts.

2 Childcare support program

We support a balance between work and childcare by offering a range of childcare support including childcare leave, childcare support working hours, nursing leave, and childcare support leave. In fiscal 2012, a total of 76 employees took childcare leave.

3 Anniversary time off

Employees can take two weeks to one month of leave when their term of service has reached 10, 15, 20 or 25 years.

4 Employee education

We are also taking active steps to prevent on-the-job mental health problems and continuously improve the work environment by providing education on mental health and harassment.

Enjoying both work and family!

Tokyo Electron offers a range of childcare support and both managers and employees are supportive about childcare. I was worried about returning to work after taking childcare leave, but my boss and colleagues welcomed and supported me warmly, and this helped me quickly regain my normal pace of work. Although my child is already in elementary school, I can still use the childcare support working hours and other systems to attend school events and PTA activities as often as I'm able. To fulfill my responsibilities



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concerning both work and childcare, I need to maintain a good balance between them. I think Tokyo Electron's childcare support program is well designed to fit our lifestyles and allows us to keep the balance.

Respect for individuals

The Code of Ethics of the Tokyo Electron Group prohibits any act of harassment, discrimination based on gender, nationality, age, race, creed, religion, and others, forced labor, and child labor. By strictly observing this Code of Ethics, we make utmost efforts to create a work environment that is free from discrimination and comfortable for everyone.

Basic policy on human resource development

Based on the belief that our "employees are valuable assets," the Tokyo Electron Group encourages and supports employees' proactive approaches toward learning by establishing the following three principles:

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

We also believe 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

With the aim of providing employees with opportunities for continued learning and thereby enhancing the capabilities of both individual employees and the organization overall, the Tokyo Electron Group has established an internal educational institution. TEL UNIVERSITY is intended to provide employees with opportunities to obtain the knowledge and skills necessary to perform world-class work and build their management and organizational capabilities as well as to develop the leaders of tomorrow.

As part of its curriculum to develop the leaders of tomorrow, TEL UNIVERSITY teaches employees about management philosophy grounded in ideals along with how to cultivate a broad perspective and deep psychological insights, as well as general strategic abilities. Through dialogue with the Group's own executives and experts from various fields, the training program also seeks to encourage employees to establish their own values on which they can base their decision-making.

We also offer a training program for group leaders in charge of their respective workplaces. During this program, group leaders express their own vision and reflect on what actions to take today to make it a reality, with other participants providing input and feedback.

The Group's executives also attend TEL UNIVERSITY courses and take part in lively discussions with employees.

Basics of work

· Baseline education

Basic technologies

Successful human resource development requires employees that are enthusiastic about learning, superiors and colleagues who support employee growth, and a corporate culture that fosters employee enthusiasm and development. By actively learning at TEL UNIVERSITY and applying what they have learned to their tasks and in their workplaces, employees can not only achieve individual growth but also help promote the growth of the organization as a whole.

Going forward, TEL UNIVERSITY will continue to contribute to the growth of the Tokyo Electron Group by developing competent professionals.

1 Organizational capability development program

Managers learn how to share their future vision—a picture of the organization/team they want to realize—with their staff in the workplace as well as how to implement that vision while promoting the growth of each staff member. This helps them to further increase the strength of their organization/team, even amid challenging conditions.

Training under this program is provided four times a year. In fiscal 2012, a

total of 76 managers took part in the training. The training takes the form of action learning, under which each manager is encouraged to pursue his or her own future vision concerning their organization/team discussed during the training through repeated practice in the actual workplace.



Organizational capability development program

2 Professional capability development program

TEL UNIVERSITY also offers professional education for employees in various jobs, with a particular emphasis on the semiconductor and other technical fields.

Regarding semiconductors, we provide a technical course targeted at engineers along with a more basic course that provides employees who are not directly involved in semiconductor production technologies with an easy-to-follow introduction to semiconductors.

In technical seminars, Tokyo Electron's internal experts in various fields give seminars on their area of specialization based on the company's actual

products. This facilitates the sharing of practical knowledge that can be used by engineers at each site.

Many employees took part in the program in fiscal 2012, with 290 employees participating in the semiconductor courses and 413 employees attending the technical seminars.



Professional capability development program

Overview of TEL UNIVERSITY

Introduction for new

employees

New/young

employees

	Learn about Tokyo Electron	Become professional	Increase organizational capability	Undertake corporate management	Learn about the world
Executives	Introduction	Utilize technical knowledge gained	Action learning toward future organizational vision	Become next-generation top management	Gain language skills
Leaders Mid-career employees	Introduction for mid-career recruits	MOT*Project management	 Organizational capability development program 	Top management training Next-generation top management program Pre-next-generation top management program Basics of corporate management	English learning programOther languages
		Gain technical knowledge	Learn management skills		Get to know other cultures
		 Technical lecture Semiconductor Core technologies Common basic technologies 	New group leader development program Basics of management		Understanding different cultures
	Introduction	Gain basic knowledge			

* MOT: Management of Technology