

Relationship with Employees

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

Approach to Human Resources

The Tokyo Electron Group respects the autonomy of its employees and their willingness to undertake challenges. In order to be a corporate group that allows employees to pursue their full potential, our workplace environment ensures (1) Fair evaluation of employees who take reasonable risks in creative endeavors; (2) Fairness in handling our personnel; and (3) Equitable compensation in order to attract and retain the most qualified applicants and employees.

Our personnel system is designed to motivate the organization and help each employee achieve self-development. The system focuses on results and also emphasizes the process leading up to results. Our goal is to fairly evaluate employees' total job performance based on the following three main criteria: Competency in terms of evaluating processes leading up to a result; the individual employee's mission; and performance based upon the employee's mission. The competency of an employee is a way of measuring that individual's growth in terms of the skills and abilities required for accomplishing a variety of tasks.

were successfully promoted to management positions, in line with their wishes, after they were evaluated for those positions using an aptitude test.

Creating a Comfortable Workplace Environment

The TEL Group is committed to providing employees with a comfortable workplace. As part of these efforts, we revised our childcare leave system in April 2007 and introduced a parenting benefit program the following October. Under the program, employees can now take extended periods of leave for child care¹ and choose to work shorter hours (one hour less than regular hours) for a longer period of time². In FY2009, a total of 57 employees took childcare leave. Our regular employees are also eligible to receive financial assistance when their children are born, turn three years old, and enter elementary school or junior high school.

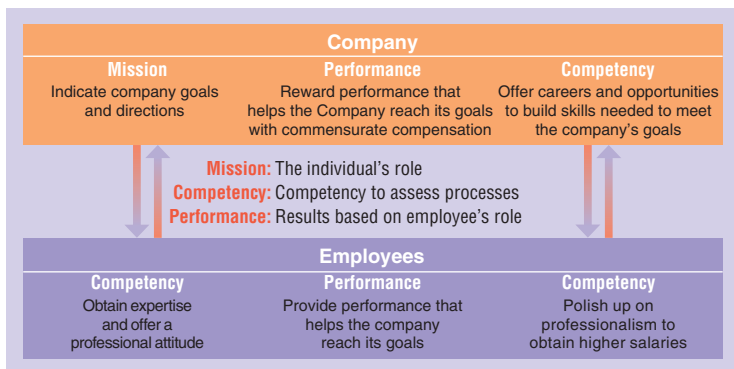
In addition, we have also instituted a "refreshment vacation" system, which allows employees to take a two-week to one-month holiday when their term of service has reached 10, 15, 20, or 25 years. We are also taking active steps to prevent on-the-job mental health problems, which have increased recently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

We also conduct an annual survey of employee awareness of the TEL Values to gauge the degree to which employees have assimilated those values, what effect they have on their motivation, and the attitude of employees toward their workplace and supervisors. The results of this survey are utilized to improve the workplace environment, organizational management, and the personnel system.

^{*1} In the past, employees were eligible for childcare leave until their children turned one year old (or 18 months in exceptional cases); however, now they can take leave until the end of the April following the date on which their child turns 18 months old (or until their children are three years old in some exceptional cases).

^{*2} Eligible employees can use this system until the end of the fiscal year when their children graduate from elementary school; whereas in the past eligibility was limited to those with children aged three or younger.

Concept of Our Personnel System



Assisting Employees' Career Development

The TEL Group provides support to its employees in response to the wide variety of their career ambitions.

Once a year, employees fill out a "Self-Declaration Questionnaire" to communicate their preferences regarding job transfers or to discuss certain problems. These employee requests are taken into consideration and decisions on transfers are made. In addition, in order to provide employees with opportunities to create their own career paths and increase the vibrancy of the corporate group, the Open Job Posting System was introduced. In FY2009, this system successfully matched 36 eager and motivated employees with appropriate hiring departments within the Group, to which they were then transferred. On top of that, eight employees in the general job category

Raising My Child with Peace of Mind

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I was able to take a maternity/childcare leave from June 2007 until the end of March 2009. I had originally planned to return to work at the end of July 2008, when my daughter turned one, but I could not find a nursery school for her so I took advantage of the company's system and extended my leave. As a result, I was able to stay home and focus on raising my daughter. This gave me the chance to see her turn over for the first time, begin to crawl, and take her first steps. I am very grateful to the company for allowing me to share this precious time with my daughter.

TEL's Basic Philosophy on Human Resource Development

Based on the belief “employees are our precious treasure,” the TEL Group fosters a spirit of learning among its employees, characterized by the following three key principles: (1) The workplace must nurture employees (so that they grow through their work); (2) Self-motivation and a sense of responsibility are the basic requirements for developing one’s talents and career; and (3) The company must build a platform or framework that provides its employees with the motivation to learn and the necessary information and knowledge. We believe that education and training only bear fruit when maintained over an extended period of time. For this reason, the Group is enhancing its management organization while continually maintaining its educational budget at the designated level.

TEL UNIVERSITY

The TEL Group established TEL UNIVERSITY in order to provide our employees with opportunities for continual learning, while at the same time fostering employees and enhancing their organizational abilities. TEL UNIVERSITY is designed to provide employees with opportunities to obtain the knowledge and skills necessary for each to become a world-class professional. Additionally, TEL UNIVERSITY is useful in developing employees’ management capabilities and educating the next generation of leaders. TEL UNIVERSITY’s role is to help employees fully develop their potential, while deepening their understanding of the TEL Values, which constitute the motivational force for the growth of the TEL Group.

TEL executives also attend TEL UNIVERSITY courses, participating in lively discussions with employees on how to address the issues facing the Group. Successful human resource development requires employees that are motivated to learn, 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 jobs and workplaces leads to the growth of both the individual employees and the organization as a whole. TEL UNIVERSITY is engaging in human resource development that contributes to the growth of the TEL Group and also contributes to the advancement of society.

Fostering Next-generation Leaders

TEL UNIVERSITY is also fostering the next generation of leaders. This includes, for instance, the BLP Basic Course, which is designed for potential next-generation group leaders among younger employees; and the BLP Advanced Course, which is intended for mid-level managers who are candidates for senior management positions. There is also executive training for senior managers who are candidates for executive-level positions. In this way, the TEL Group is selecting potential next-generation leaders from every level of the organization and supporting their development.

Thoughts on Attending the BLP-B (Business Leader Course)

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We all tend to spend each day focusing on the narrow work-related tasks to which we are assigned, but by attending the selected course and being exposed to the innovative ways of thinking and ideas of the instructors and other participants, I was able to realize many things and had the chance to raise my own level of motivation. Although individual participants work on developing different products and there are differences in our business systems, we all share a common enthusiasm as TEL Group employees; and we have also developed a sense of unity. I am determined to work even harder to ensure that my personal growth will help enhance my workplace and our company as a whole.

Educational Framework

	Basic education			Specialized education	Manager education	Leadership training	Cross-cultural and language training	Support
	Company-wide (requisite)	Class (requisite)	Enhancement (selective)	Professional course	Management course	Business leader course	Global communication	OJT/Career
Senior management level	Company-wide baseline education	Class-by-class basic education	Business skills General skills	Management of Technology Champion seminar	Director training	Corporate manager Executive training	English ability assessment test Program to support self-study of English	Trainer/Mentor system for freshmen
Management level					GroupLeader training	BLP Advanced Course		
Mid-level						BLP Basic Course		
Younger level								
Introduction					New employee education (joint seminar and individual company education)			