Human Resources Development

Social issues as a background

Competition for human resources in Japan is likely to intensify moving forward as the labor force shrinks in line with the low birthrate and the aging of society in the country. Moreover, we note that endeavors such as Society 5.0 and the fourth industrial revolution are contributing to the world moving closer to creating a sustainable, super-smart society, one in which cutting-edge technologies such as 5G, IoT, robots, artificial intelligence (AI), and big data are incorporated into industry and the daily lives of citizens. In such a world, companies will be expected to continue to produce scientific and technological innovations.

Anritsu aims to contribute to the resolution of social issues by offering "Original and High Level" products and services, which makes the acquisition, securement, and training of human resources a key management issue for the Company.

Policy

The real source of a company's value is the diversity of its human resources, and for a company such as Anritsu, where technology is a core competence, the hiring and development of human resources capable of leading technical innovation is a key management issue.

At the Domestic Anritsu Group, we believe in the importance of being an organization in which employees feel they are contributing to society and their own growth through their work while working with enthusiasm toward achievement of the Company's goals.

With this in mind, without regard to nationality or gender, we are focused on continuously developing employment plans that prioritize diversity in both education and training programs to support the independent growth of our employees.

Structure

Under the Chief Human Resources and Administration Officer at Anritsu Corporation, in the Human Resources and Administration Department and the Domestic Anritsu Group Human Resources Department create the employment plans and educational training systems in line with the goal of training human resources to contribute to Anritsu's business and the development of a global society.

Anritsu in fiscal 2017 established a hiring committee, chaired by Vice President and Chief Human Resource and Administration Officer. The committee focuses on recruitment policies and plans for their implementation. Through discussions with business division leaders on the committee and executives, the committee continually works toward securing the quantity and quality of human resources required by the company.

The company has held a meeting between division leaders and the human resources and administration department to exchange views on human resources since fiscal 2014. With human resources development as a main theme, the meeting has been an opportunity for the company to improve its educational and training system.

Medium- to long-term goals

Hiring

- Securing a certain number of new graduate hires
- Maintaining overseas hiring

Education and Training

- Expansion of self-development support programs
- Improve training programs for next-generation leadership candidates

Social

Human Resources Development

Activities / Achievements

Hiring

As part of the selection process when hiring new graduates in Japan, Anritsu spends a considerable amount of time confirming that the company and the prospective hire both understand each other's expectations in interviews. While time may be limited, we are committed to ensuring a match by deepening mutual understanding through discussion. The turnover rate over the first three years for new graduates joining via the selection process centered on these kinds of discussions is only 0.0%–5.9%, well below the turnover rate of about 29% for companies of equal scale (500 to 900 employees) and the turnover rate for the manufacturing sector, as announced by the Ministry of Health, Labour and Welfare, of about 20%.

Domestic hiring of new graduates at Anritsu Corporation

	April 2018	April 2017	April 2016
New graduate	27	17	17
hires (persons)	(22 male, 5 female)	(11 male, 6 female)	(14 male, 3 female)

Anritsu Corporation: Turnover rate over the first three years for new graduate hires				
Joined the company in April 2014	0.0			
Joined the company in April 2015	0.0			
Joined the company in April 2016	5.9			

For information on promoting the careers of non-Japanese employees, see "Respect for Human Rights and Diversity" (Page 40).

Education and Training

Anritsu is focused on training its employees through on-the-job training (OJT) as well as through educational and training programs. On-the-job training allows employees to gain the skills and experience built up by the Company over its many years of operation, while educational and training programs encourage the same employees to pursue self-study and personal growth.

In line with the basic concepts of "choosing what to study and learning when you want to" and "employees should know their own capabilities and strengths," the Company in fiscal 2017 overhauled its conventional correspondence courses and group training programs. As a human resource development program shared among the Domestic Anritsu Group, the Company supports career advancement efforts that meets the lifestyle needs of its employees.



Human Resources Development

Social

• Level-based Training

In fiscal 2017, we have also redefined and revised traditional training under the titles of "Leadership Basic Training" and "Selfimprovement Training & Hands-on Management Training."

With the goal of making it easier to participate and taking life-work balance into account, we shifted some training sessions in fiscal 2018 from overnight programs to one-day programs.

• Self-development Program (Learning Content)

The correspondence course was released as a new "learning content" self-development program, with enhanced content, including online English conversation courses and classroom-based course work. The number of applications for this program has tripled when compared to fiscal 2016. We added English conversation classes as a high-level program in fiscal 2018. Moving forward, we plan to prepare and further improve the environment for employees to learn on their own.

Learning content: a comparison of the total applications submitted

Name	Old content		Revised learning content	2016 ⇒ 2017 Increase in total applications submitted (%)
Fiscal year	2015	2016	2017	
Domestic Anritsu Group total	127	169	547	224%
Anritsu Corporation	59	81	313	286%

• Improving Training for New Employees

In fiscal 2019 we revised group work programs with the goal of further bolstering in new employee training the concept of understanding the actions and awareness necessary to work in an organization. Using hands-on training in a real-world experience, the program focuses on promoting team-based results with each person acting in a leadership role.

• Fostering Candidates for Next-generation Leadership Training

As part of our business succession plan, which focuses on finding and fostering management candidates, we traditionally send those selected

for participation to management school, and are considering an optional educational menu that will allow development in line with individual departmental policies.

Global Human Resource Development

The Domestic Anritsu Group is working to expand its business overseas, primarily in the area of test and measurement. Developing human resources capable of leading these overseas businesses represents a key challenge for achieving growth in the coming years for Anritsu Group. In developing global human resources, we think it is important not only to raise the level of language proficiency but also to develop the mindsets of employees so they can effectively work around the world.

As part of the training for new recruits, the trainees learned how important it is to collaborate with colleagues in and outside Japan and are given the opportunity to learn details of international business from staff members with plenty of overseas experience in representative projects. The importance of staff members inside and outside Japan and their real-life overseas business pointers clearly motivated new recruits.

We also send employees abroad proactively in order to gain direct overseas experience. In addition to improving language skills and promoting cross-cultural understanding, the program also serves to promote the formation of overseas connections.



Global Training for the Test and Measurement Business

Anritsu holds global training in the Test and Measurement business for about 100 sales engineers engaged in this business at our overseas bases. The training is comprised of sessions on a wide range of subjects, such as new products, new

product functions, market trends, Anritsu's solutions, success stories, demonstration know-how, sales strategies, and product road maps. The participants not only became more knowledgeable through the lectures, they were also able to develop their practical skills such as by operating instruments on their own as a means of gaining direct experience to assist in selling points, while also learning how to better demonstrate the instruments. More recently, Anritsu Devices Co., Ltd. was added to the device products training program.



Sharing market trends and new product functions

Global Training for the PQA Business

Anritsu Infivis Co., Ltd. holds global service training for overseas distributors in the PQA business. Service employees from European and Asian agencies gathered together at the company's headquarters in fiscal 2018 to gain new skills and knowledge, including in regard to maintenance and product features, while also participating in equipment handling exercises. The meeting provided an excellent venue for exchanging information helpful for product development, including as a result of product inquiries from customers and distributors by service personnel in the closest contact with the company's customers.

Occupational Health and Safety

Social issues as a background

Given the increased focus on the prevention occupational accidents, in addition to death from overwork and mental health disorders as social issues, we believe it vital to renew our efforts at creating a workplace environment in which every employee can work safely and in good health. There are more than 3,700 employees in the Anritsu Group, and we believe creating a workplace where each employee can work with enthusiasm and in the best health bolsters creativity and productivity, resulting in even greater strength in our business activities. We understand that maintaining and supporting the health of our employees contributes to value creation and is this is therefore an important point of focus for the Group.

Policy

The Anritsu Group believes that in order to enable every employee to fully achieve their potential, it is important to secure employee safety and health and to create a comfortable and efficient workplace. As part of the effort to achieve this, the Company puts an emphasis on "Respect for Employees" in its Charter of Corporate Behavior and "Improving the working environment" in the Anritsu Group Code of Conduct, stipulating the creation of a working environment in which employees can work with enthusiasm in safety and good health while complying with all related laws and regulations.

In addition, with the goal of the Company and health insurance union playing an active role in maintaining and improving the health of each employee, we have established separately the Anritsu Group Health Management Policy for the Domestic Anritsu Group.

Anritsu Group Health and Productivity Management Policy

The Anritsu Group believes our corporate value is founded on the ability of each employee to work to the best of their abilities and in good health. With the goals of creating an environment in which all employees have an interest in health, are cognizant of their own health challenges, and taking measures on their own to maintain and improve their heath, the Anritsu Group companies and the Anritsu Health Insurance Association work together to promote effective health management throughout the Group.