

Social

Human Resources Development

Stance on Social Issues

Competition for human resources in Japan is likely to intensify as the country's labor force shrinks in line with its low birth rate and aging society. Moreover, as the world gets closer to a sustainable, super-smart society (Society 5.0, the fourth industrial revolution, etc.) due to endeavors to incorporate cutting-edge technologies (such as 5G, IoT, robots, AI, and big data) into every type of industry and people's everyday lives, companies are expected, more than ever before, to create scientific and technological innovations.

Anritsu as a company that aims to contribute to the creation of this kind of society through "Original & High Level" products and services must therefore hire recruits with great potential and develop them so they become highly efficient and capable.

Policy

The real source of a company's value is the diversity of its human resources, and for the Anritsu Group, where technology is a core competence, the hiring and development of human resources capable of leading technical innovation is a key management issue. With that in mind, the Domestic Anritsu Group recruits both new graduates and mid-career employees regardless of gender, nationality or sex for all positions, regardless of whether they are technical or administrative. In addition, the Domestic Anritsu Group is focused on continuously developing employment plans that prioritize diversity in both education and training programs to support the independent growth of our employees and implementing it fairly and transparently.

Structure

Under the Chief Human Resource and Administration Officer at Anritsu Corporation, the Human Resource and Administration Department and Domestic Anritsu Group Human Resource Departments develop employment plans and educational training systems in line with the goal of training employees who will contribute to the development of a global society through our businesses.

Our hiring committee, chaired by the vice president and chief human resource and administration officer, reviews and discusses recruitment policies and implementation plans. Through discussions with business division leaders on the committee and managers, the committee continually works toward securing the quantity and quality of human resources required by the Company.

As part of the efforts to develop employees into valuable human resources, division leaders and the Human Resource and Administration Department discuss how to improve or enhance educational and training systems and programs.

We have an award system to recognize quality of work, initiative,

and the acquisition of skills and qualifications, as we believe it is important for employees to have a sense of accomplishment and their self-development efforts honored in the form of an award whenever they deserve it.

Goals

Hiring

- ▶ Securing a certain number of new graduate hires
- ▶ Hiring employees regardless of nationality

Education and Training

- ▶ Providing education and training that leads to Anritsu and employees growth

Activities and Achievements

New Graduate and Mid-Career Hiring

As part of the selection process when hiring new graduates in Japan, Anritsu Corporation spends a considerable amount of time confirming that the Company and prospective hire both understand each other's expectations during interviews. While time may be limited, we are committed to ensuring a match by deepening mutual understanding through discussion. The turnover rate for the first three years, from 2016 to 2018, for new graduates who joined the Company via the selection process centered on interviews was 5.9%, 0.0%, and 7.4%, respectively, well below the turnover rate of 24% for the manufacturing sector and 26% for companies of equal scale (1,000 or more employees), as announced by the Ministry of Health, Labour and Welfare.

Anritsu Corporation is also proactive in mid-career hiring based on the belief that acquiring diverse perspectives through the employment of personnel with experience in other companies or industries will help the Company expand its business domains and explore new markets.

Message from the Executive Officer in Charge of Human Resources and Administration

Respect for Human Rights and Diversity

● **Human Resources Development**

Occupational Health and Safety

Message from the Executive Officer in Charge of SCM

Supply Chain Management

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Performance Data

P.51 Recruitment Activity
P.52 Activities of Mid-Career Employees

Number of New Graduate and Mid-Career Hires at Anritsu Corporation and the Domestic Anritsu Group

		FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Number of new graduate hires at Anritsu Corporation*1	Male	14	12	22	19	23	34
	Female	3	6	5	6	11	9
	Total	17	18	27	25	34	43
Number of mid-career hires at Anritsu Corporation*1,2	Male	2	2	0	1	5	—
	Female	1	1	1	0	1	—
	Total	3	3	1	1	6	—
Number of new graduate hires at the Domestic Anritsu Group	Male	20	13	18	23	15	6
	Female	6	4	3	5	7	4
	Total	26	17	21	28	22	10
Number of mid-career hires at the Domestic Anritsu Group*2	Male	11	14	11	16	2	—
	Female	0	7	7	3	7	—
	Total	11	21	18	19	9	—
Total of hires		57	59	67	73	71	—
Ratio of mid-career hires		25%	41%	28%	27%	21%	—

*New graduate hires as of April 1 for each fiscal year
*1: Includes hires by newly absorbed subsidiaries for fiscal 2020 and 2021
*2: Number for fiscal 2021 not disclosed due to ongoing recruitment

Anritsu Corporation: Turnover Rate for the First Three Years for New Graduate Hires

	April 2016	April 2017	April 2018
Number of new hires	17	18	27
Number of new hires who left	1	0	2
Turnover rate (%)	5.9	0.0	7.4

Education and Training

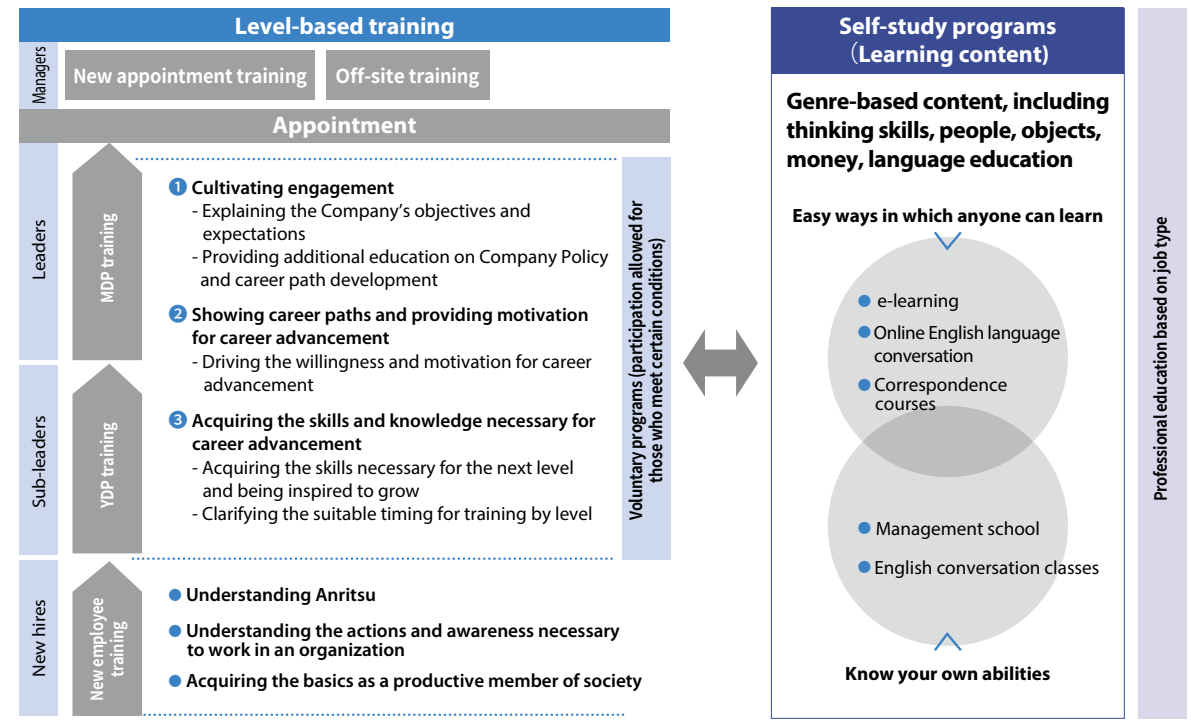
To encourage employees to develop and upgrade their strengths at their own initiative, and thereby drive future corporate growth, we provide employees with on-the-job training and off-the-job

education. On-the-job training helps employees gain the skills and expertise built up by Anritsu over many years of operations, while off-the-job education supports employees' self-improvement and self-development.

Off-the-job education is built on the concept of voluntary choice of what and when to learn. Comprised of level-based training and a self-development program (Learning Content), the education programs are shared across the Anritsu Group. The average hours of training per employee at the Domestic Anritsu Group was 7.4 hours for fiscal 2019 and 5.3 for fiscal 2020 (hours of training on programs

organized by the Human Resource Department).

The training of engineers was previously conducted at the initiative of business departments to which the engineers belong, but since fiscal 2020, it has been conducted by human resources staff in cooperation with business departments. The human resources staff, who are assigned exclusively to the training of engineers, also work with the Engineering Division, launched in April 2020, to help newly hired engineers become full-fledged engineers and to plan and provide cross-sectional training programs for engineers across the Anritsu Group.



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● Level-Based Training

We have provided employees with a Leadership Basic Training (YDP) and Self-improvement Training & Hands-on Management Training (MDP) for fostering mid-level leaders who will run the Anritsu Group in the next generation. In 2021, we renewed the content of these programs with the aim of placing more emphasis on enhancing employee engagement toward cultivating leaders who will apply their skills for the Group's growth as well. By articulating these objectives and expectations in the programs, we instill employee motivation for personal and professional advancement.

Moreover, we are considering starting a new career program for middle-aged and senior employees, apart from the life planning seminar we have held for a number of years, because we are living in the age of 100-year life spans.

● Self-Development Program (Learning Content)

The company offers a self-development program called "Learning Contents", to employees which is available to take voluntary basis, and the company pays a portion of the course fee if it meets the completion requirements.

The program offers about 150 courses on business and language skills, and all of these can be taken in various formats, including correspondence, e-learning programs, online and in-person classes, to accommodate different study styles and schedules.

Learning Content: Total Applications Submitted (Number of applications)

	FY2017	FY2018	FY2019	FY2020
Domestic Anritsu Group total	547	448	500	332
Anritsu Corporation alone	313	247	272	240

● Improving Training for New Employees

All new employees receive training on establishing the foundation for becoming workers who will lead the Anritsu Group to a higher level. Through lectures and group sessions, participants gain an understanding of Anritsu as well as the actions and awareness necessary to work in an organization. They also acquire basic skills as a productive member of society so they will feel comfortable with the ability to effectively perform when assigned to their first job at Anritsu. In fiscal 2020, all the lectures and group sessions were conducted remotely through teleconferencing. In fiscal 2021, the program was conducted both remotely and in person, with new hires reporting to the office on a rotating schedule so they had opportunities to get to know one another and adapt themselves to working remotely from home.



Remote training for new employees

● Fostering Candidates for Next-Generation Leadership

To enhance the practicality of Anritsu's top management skills, we are considering the introduction of a system that will allow board members to develop a succession plan on their own in line with their department policy and offer firsthand management experience and hands-on guidance to their selected successors.

Global Human Resources Development

The Anritsu Group operates businesses around the world. One Group priority, therefore, is to equip its personnel with the capabilities to lead global projects. We believe such leaders must acquire advanced language skills as well as a global business mindset.

During new employee training, we provide opportunities for participants to learn typical global projects from experienced staff. Through their stories, new employees experience the excitement of handling global projects and understand the key points of global business such as the importance of collaboration with colleagues in and outside Japan. We also send employees outside Japan so they can gain experience working in foreign countries. In addition to improving language skills and promoting cross-cultural understanding, the program serves to promote the formation of overseas connections.

● Global Training for the Test and Measurement Business

The Test and Measurement Business invites sales engineers working at our overseas sites to Japan for global training every year. Japanese employees serve as lecturers and cover a wide range of topics such as new products, new functions, market trends, demonstration of expertise, sales strategies, and product roadmaps.

The global training for fiscal 2020 was cancelled due to the COVID-19 pandemic. However, individual training by instrument type has since been held online, and the online training has helped participants gain practical skills such as demonstrating the use of an instrument while handling a video camera. All product catalogs, manuals, videos and other relevant materials are uploaded to a cloud-based file system so members can constantly share the latest information.

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● Online Global Training for the PQA Business

The PQA Business provides global customers with product quality assurance (PQA) solutions that support the safety and security of food and pharmaceutical products. And the business conducts training on repair and maintenance services for employees and sales agents in and outside Japan.

In fiscal 2020, 14 training sessions were conducted, mainly online due to COVID-19, with a total of 212 participants in seven countries, including Japan.

By using more video manuals and providing camera-based demonstrations, we have increased the effectiveness of online training even for participants without direct access to instruments.

The online format is more useful than that for in-person training in terms of explaining an operating procedure to a large audience, while the in-person format allows trainees to directly operate the instruments. We plan to use both formats starting in fiscal 2021 to take advantage of their respective advantages and heighten the effectiveness of training.

Fostering Employee Engagement

In order to maximize employee performance, it is important to foster employee engagement by creating a supportive workplace environment and boosting each employee's work satisfaction. The Domestic Anritsu Group conducts an engagement survey with all employees every year to ascertain their levels of satisfaction and identify issues that may need to be addressed. The survey results are disclosed to all employees through the intranet, and departments receive feedback for applying the results to improve their workplace environments. We have focused on measures to further increase work satisfaction, and we will continue this approach. One such measure is the Self-Reporting System, through which an interview is held annually between each employee and their supervisor to discuss the employee's career aspirations. The system provides staff with opportunities to consider how they can apply their strengths and interests to their future career and share their plan with supervisors, who share their expectations in turn, encouraging mutually supportive communication. The system also encourages employees to engage more deeply in their work.

Engagement Survey Results

	FY2016	FY2017	FY2018	FY2019	FY2020
Response rate	95%	93%	92%	98%	98%
Satisfaction with the workplace	86%	88%	88%	87%	90%
Satisfaction with work	73%	70%	70%	70%	75%

Satisfaction = positive responses (ratio of those who are "very satisfied" and "satisfied")