

# Society

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## Employment and Diversity

The second "I" of our core value INTEGRITY stands for inclusion and diversity. We believe that inclusion and diversity can make us even stronger.

### Human Resources Basic Philosophy

Advantest respects employees, who are valuable assets to the company, and evaluates them fairly. Advantest is supporting the diverse lifestyles of employees as well as the growth of individual employees so that they grow together with the Company. Advantest established the human resources basic philosophy in September 2000 to protect these valuable assets and enhance their value, and is implementing various human resources measures, such as ensuring fairness and consent and actively supporting human resources development.

Advantest also supports the United Nations Global Compact 10 Principles, Universal Declaration of Human Rights, and Guiding Principles on Business and Human Rights, and is paying adequate attention to these principles of human rights and labor in its business activities.

#### Advantest's Human Resources Basic Philosophy

Regarding its employees as valuable management resources (assets), Advantest has formulated the following policies for implementing various human resources measures and has been making continuous efforts to achieve them.

1. Performance-based personnel system  
Advantest will promote a personnel system where employees who overcome difficulties and achieve innovative results by challenging themselves are highly evaluated and fairly treated.
2. Fairness and consent  
Advantest will ensure that all its policies and systems are objectively fair and gain consent from employees, so that the maximum and optimal results can be achieved with these policies and systems.
3. Active support for human resources development  
Advantest will actively support employees who make continuous efforts to refine their skills, acquire greater expertise, and broaden their knowledge.

## Efforts to Promote Diversity

Active participation of each employee is crucial for a company's sustainable growth. Thus, Advantest has "INCLUSION AND DIVERSITY" as one of its core values. We believe that creating a comfortable and inclusive workplace environment and instilling working practices that maximizes employee capabilities while balancing work and home is imperative to a company. Under this philosophy, Advantest actively works to create a workplace and corporate culture that allows each employee to maximize their capabilities and individuality, and continue to work with great enthusiasm.

### Employment and Utilization of Global Human Resources

Advantest has consistently strived for success and growth by attempting to leverage our talented human capital on a global basis. One of the most notable examples of this is the integration of Verigy, acquired in 2011. This integration resulted in a major change in our workforce composition, with nearly half of our employees located overseas at that time. Today, this trend is even stronger, with approximately 60% of our workforce now located in our overseas bases. In the recent years, in order to further expand its business globally, Advantest has been recruiting personnel who have deep cross-cultural understanding and communication skills and can work in a global arena.

For instance, Advantest will continue personnel exchange among group companies so that employees can experience working in a global environment, and share their skills and know-how through routine work and training in each organization so that individual employees can acquire more advanced skills, including skills to adapt to various business environments.

In order to make personnel exchange easier, Advantest has been globally implementing the "Global Transfer Policy," a system that offers fair treatment and enables personnel exchange on a global level, regardless of job type.

In addition, as competition for human resources intensifies on a global scale, we are striving to retain excellent human resources by expanding the scope of stock compensation and grant.

As of July 2023, 13 out of 25 executive officers, who are management personnel, have foreign nationalities, and employees from 10 countries are currently working for Advantest Corporation. Advantest will give fair opportunities to talented personnel, regardless of their nationality, and promote global personnel development and organizational globalization through borderless personnel recruitment and exchange.

### Support for Diverse Workstyles Through a Second Job System

Advantest acknowledges diverse workstyles for the sake of our employees' diverse lifestyles and individual growth. As part of this effort, in November 2022, we established rules for second jobs for all employees with the aim of improving employee skills and acquiring and retaining a wide variety of talents.

Advantest has a diverse group of employees with special skills. We believe that second jobs not only provide

employees with opportunities to improve and develop their skills, but also help to create innovation within the company by giving the company a grip on these talented skills.

On the other hand, second jobs naturally come with risks. For this reason, along with requiring employees to obtain approval to engage in second jobs, the company also requires that both the employee and his/her supervisor read the manual thoroughly and take an e-learning course to guarantee that they fully understand the precautions before starting a second job.

While due consideration is to be paid to the risks involved, second jobs are attractive not only to employees but also to the company itself as a way to develop and improve employees' skills and produce innovation within the company. We will endeavor to make the system meaningful while developing rules in response to the changes over time.

## Promotion and Utilization of Female Employees

Advantest always accepts diverse values and is promoting the creation of a corporate culture where everyone can work regardless of race, gender, age, and nationality.

As of March 2023, the percentage of female employees to total employees is 21.2% (20.8% in the previous fiscal year), and the percentage of female managers to total managers is 9.0% (9.6% in the previous fiscal year). For Advantest Corporation (non-consolidated), the percentage of female employees is 16.1% (16.5% in the previous fiscal year), and the percentage of female managers is 3.6% (3.4% in the previous fiscal year). Although many indices show improvement over the previous fiscal year, increasing the number of female employees and managers still remains an urgent task.

Advantest has been recruiting students with a technical background, which has not motivated female students to take entrance exams for Advantest in recruitment activities. In light of these circumstances, Advantest has been strengthening public relations activities for women with a focus on conveying the attraction of Advantest to female students, particularly those with a technical background. Information on active female employees in the workforce has been disseminated through corporate websites and recruitment brochures, and at recruitment events, Advantest has explained about programs and career plans for women and introduced how our female employees are working at Advantest.

In fiscal 2021, Advantest participated in a roundtable discussion titled "Listening to Young Employees in the Semiconductor Industry", a joint project between SEMICON JAPAN and the manufacturing YouTuber "Monozukuri Taro" and asked one of our female technical employees to share her experiences working at Advantest. This video of a female employee freely offering her opinions on the content of her work creates an opportunity, especially for young people, especially women, to take an interest in the semiconductor device materials industry, including Advantest.

From FY2018, Advantest Corporation (non-consolidated) has set numerical targets to boost the ratio of women in management positions to meet or exceed the industry average based on the Act on Promotion of

Women's Participation and Advancement in the Workplace, and has been making efforts toward this goal. In November 2020, we acquired "Certification level 2 (two stars)" of the 'Eruboshi' certification based on the Act on Promotion of Women's Participation and Advancement in the Workplace. We give consideration to the various changes in female employees' life stages, with a focus on providing support to enable good work-life balance through flexible working styles that correspond to each individual's circumstances.

Advantest will move forward with initiatives to raise the female employee ratio and establish systems for long-term employment toward increasing the ratio of female employees in management positions.

## Active Utilization of Senior Employees (Japan)

Following the amendments to the Act on Stabilization of Employment of Elderly Persons in April 2013 and the increase in the minimum age for pension eligibility by the government, Advantest has revised its re-employment program for utilizing employees who retire at the age of 60. Advantest is actively utilizing the skills and know-how of experienced employees by employing senior personnel steadily and treating and assigning them to jobs with consideration towards their past experience and assigned positions during their working years. In addition, Advantest has established a system to reflect each individual's achievements in their wages to motivate senior personnel and expect them to produce results that match their wages. Furthermore, in FY2018, Advantest introduced a system where employees are allowed to reduce their working hours or days as desired and have a second job on non-working days.

In FY2022, of the 44 individuals who started with our re-employment program, one employee is working shorter hours and five are working shorter days. Advantest believes that this system will allow senior personnel to work more flexibly according to their lifestyles, contributing to further enhancing work-life balance.

### Example

At Advantest, a senior employee with many years of experience in the Production Unit has begun holding a training course for employees at the Gunma Factory titled "What is a Tester?" since June 2022. When asked of his motives for developing this course, he mentioned that products are increasingly difficult to understand as they have evolved in complexity, and the psychological burden on employees has been swelling due to the spread of COVID-19 pandemic as well as by the challenges faced in parts procurement with production volume increasing rapidly. The senior employee planned the event hoping that by learning about testers, it would teach people the relationship between their own work and products, as well as between products and society as a whole, and ultimately, everyone could find their work rewarding.

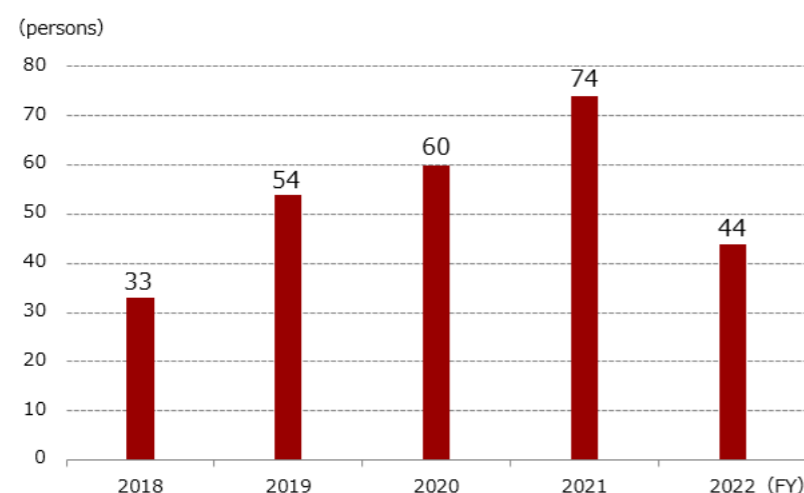
The training course is held in small groups, and the style of explanation is based on the level of understanding of the participants, making it an interactive learning experience for both the participants and the organizers. 47 sessions were held by April 2023, with 237 participants, more than half of the Production Unit employees.



With each session, the program has evolved to make it easier for employees to understand the relationship between their work and the products and how products are beneficial in society. We, too, feel that this has led to improved employee engagement.

From FY2023, employees who have shared their understanding of this activity through the internal newsletter have begun developing their own "What is a Tester?" courses for each of their tasks in and out of Japan.

Trends in the number of employees who use the re-employment program



\* Boundary of data: Advantest Corporation (non-consolidated)

Advantest is tallying the number of employees who have started using the re-employment program. (These numbers do not include those who have been using the program since the previous year.)

## Employment of the Disabled

In order to promote the employment of the disabled, Advantest established a special subsidiary company, Advantest Green Corporation, in September 2004. Since its establishment, this company has been working to promote stable employment of the disabled under the slogan of "Independence of individuals and growth of society."

Its core business includes landscaping, cleaning, front gate reception work, delivery, baking and sale of bread, and recycling promotion. Advantest Green is providing workplaces where its employees can work comfortably, and is also actively collaborating with local communities and relevant organizations to develop workplaces where disabled and non-disabled people can work together.

Currently, 13 highly motivated disabled employees are working at overseas affiliated companies.

As of March 2023, Advantest's employment rate of the disabled is 2.91%, which exceeds the mandatory employment rate. However, Advantest will continue to actively promote the employment of the disabled to address future amendments to the mandatory employment rate.

## Efforts to Explore New Occupational Fields

Advantest promotes initiatives such as standardization of work procedures and work visualization to create a work environment in which employees with disabilities will be able to work to their full potential, and also refer our workplace as one in which people with various disabilities can actively participate to outlets such as special-needs schools. We also actively accept training and visitation requests for employment as well as consider new job categories and more.

Advantest introduced a paper-making machine, which produces new paper from used paper such as rejected documents, in order to launch a business that manufactures and provides items such as copy paper, business cards, and calendars made from recycled paper. We continue to support initiatives that promote employment and contribute to environmental improvement.

For more information on recycling using paper machines, please refer to "Recycling Resources" on the Environment page.

## Efforts to Enhance Job Fulfillment

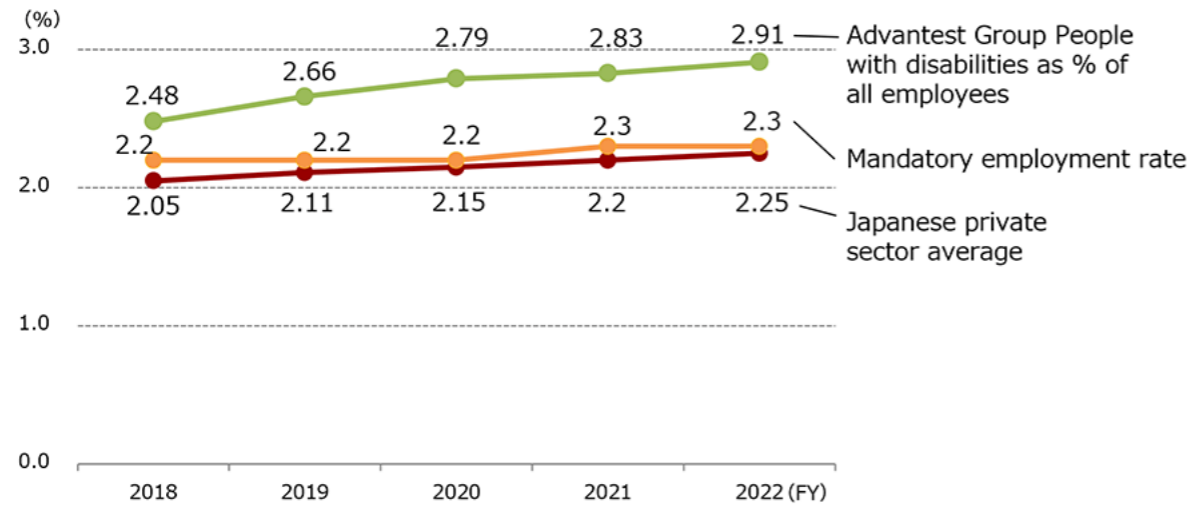
We also foster a culture of mutual respect and recognition by actively implementing initiatives through a goal or commendation system to enhance their motivation, such as "meaningfulness" and "job fulfillment," and established a "Monthly MVP" award system that involves evaluation and praise by others.

Additionally, Advantest assigns qualified staff including job coaches, counselors for the disabled, and career consultants at each workplace, along with conducting regular four-way meetings with support organizations, the company, and family members for early detection and information sharing on issues, in order to offer workplace support catered to the characteristics of employee disabilities.

In FY2021, these initiatives and the many efforts made by our employees over the years were recognized by Saitama Prefecture, and two Advantest Green employees received the President's Award from the Saitama Prefecture Employment Development Association as excellent workers with disabilities.



Trends in the percentage of disabled employees



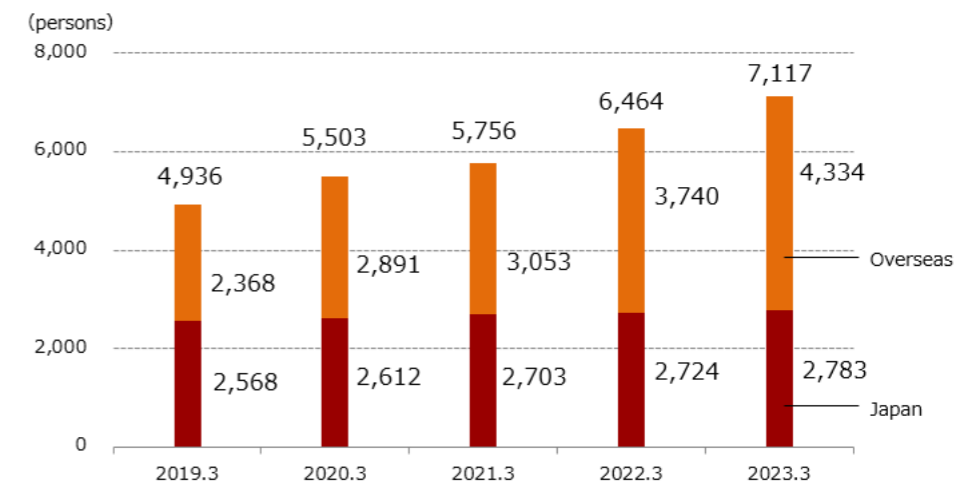
\* Boundary of data: Advantest Corporation (non-consolidated) + Advanfacilities Co., Ltd. + Advantest Green Corporation

## Employment Data

Advantest Group has formulated a basic policy to promise that it respects the human rights of individual employees, eliminate discrimination based on race, gender, age, nationality, religion, social status, disability, disease, sexual orientation, and so on. Advantest is also eliminating discrimination in employment and promotion and actively employing, developing, and promoting personnel who can play a leading role in global situations.

The graph below shows the trends in the number of employees.

Employment data



## Number of employees by region

		FY2020			FY2021			FY2022				
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Percentage of female employees	Percentage by region
Japan	Japan	2,213	490	2,703	2,220	504	2,724	2,256	527	2,783	18.9%	39.1%
Overseas	Asia	905	290	1,195	959	321	1,280	1,088	372	1,460	25.5%	20.5%
	Europe	720	153	873	763	157	920	903	202	1,105	18.3%	15.5%
	North America	756	229	985	1,178	362	1,540	1,363	406	1,769	23.0%	24.9%
	Overseas total	2,381	672	3,053	2,900	840	3,740	3,354	980	4,334	22.6%	60.9%
Total		4,594	1,162	5,756	5,120	1,344	6,464	5,610	1,507	7,117	21.2%	

\* Boundary of data: Advantest Group

## Number of managers by region

		FY2020			FY2021			FY2022						
		Male	Female	Total	Male	Female	Total	Male	Female	Total	Percentage of female employees	Percentage by region	Number of locally recruited employees	Promotion rate of locally recruited employees
Japan	Japan	486	15	501	465	18	483	465	20	485	4.1%	37.5%	484	99.8%
Overseas	Asia	226	43	269	225	45	270	237	45	282	16.0%	21.8%	272	96.5%
	Europe	200	19	219	214	23	237	223	25	248	10.1%	19.2%	243	98.0%
	North America	198	24	222	246	36	282	251	27	278	9.7%	21.5%	269	96.8%
	Overseas total	624	86	710	685	104	789	711	97	808	12.0%	62.5%	784	97.0%
Total		1,110	101	1,211	1,150	122	1,272	1,176	117	1,293	9.0%		1,268	98.1%

\* Boundary of data: Advantest Group

\* Definition of managers: Level 7 or higher in the 10-level qualification system. In this 10-level qualification system, Job Levels 1 to 6 are applied to general employees and Job Levels 7 to 10 to managers.

## Number of employees by type

	FY2020			FY2021			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time employees	4,242	1,019	5,261	4,739	1,202	5,941	5,194	1,350	6,544
Non-full-time employees	352	143	495	381	142	523	416	157	573
<b>Total</b>	<b>4,594</b>	<b>1,162</b>	<b>5,756</b>	<b>5,120</b>	<b>1,344</b>	<b>6,464</b>	<b>5,610</b>	<b>1,507</b>	<b>7,117</b>

\* Boundary of data: Advantest Group

## Number of employees by age

	FY2020			FY2021			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Age -29	443	156	599	627	215	842	884	262	1,146
Age 30-39	793	258	1,051	969	291	1,260	1,088	338	1,426
Age 40-49	1,347	334	1,681	1,328	356	1,684	1,325	382	1,707
Age 50-59	1,415	228	1,643	1,519	289	1,808	1,581	317	1,898
Age 60-	244	43	287	296	51	347	316	51	367
<b>Total</b>	<b>4,242</b>	<b>1,019</b>	<b>5,261</b>	<b>4,739</b>	<b>1,202</b>	<b>5,941</b>	<b>5,194</b>	<b>1,350</b>	<b>6,544</b>

\* Boundary of data: Advantest Group (full-time employees only)

## Number of new employees

		FY2020			FY2021			FY2022			Percentage of female employees	Percentage by region
		Male	Female	Total	Male	Female	Total	Male	Female	Total		
Japan	Japan	41	15	56	49	18	67	70	23	93	24.7%	8.1%
Overseas	Asia	110	30	140	147	45	192	209	60	269	22.3%	23.4%
	Europe	58	17	75	67	12	79	188	46	234	19.7%	20.3%
	North America	77	33	110	563	181	744	421	133	554	24.0%	48.2%
	Overseas total	245	80	325	777	238	1,015	818	239	1,057	22.6%	91.9%
<b>Total</b>		<b>286</b>	<b>95</b>	<b>381</b>	<b>826</b>	<b>256</b>	<b>1,082</b>	<b>888</b>	<b>262</b>	<b>1,150</b>	<b>22.8%</b>	

\* Boundary of data: Advantest Group (full-time employees only)

## Employee turnover

		FY2020			FY2021			FY2022			Percentage of female employees	Percentage by region
		Male	Female	Total	Male	Female	Total	Male	Female	Total		
Japan	Japan	13	2	15	21	4	25	25	5	30	16.7%	6.4%
Overseas	Asia	37	16	53	89	15	104	74	8	82	9.8%	17.4%
	Europe	9	4	13	17	6	23	30	3	33	9.1%	7.0%
	North America	84	9	93	144	48	192	247	78	325	24.0%	69.1%
	Overseas total	130	29	159	250	69	319	351	89	440	20.2%	93.6%
Total		143	31	174	271	73	344	376	94	470	20.0%	
Turnover rate		3.48%	3.30%	3.45%	6.39%	7.16%	6.54%	7.93%	7.82%	7.91%		

\* Boundary of data: Advantest Group (full-time employees only)

\* From December 2019, the method of aggregating the number of employee turnover has been changed from including month-end employee turnover in the number of employee turnover on that month to including them on the next month.



## Supporting Diverse Working Styles

We create a work environment that facilitates the achievement of a good work-life balance in order to support our employees' diverse lifestyles and individual development.

### Initiatives for Work-Life Balance

Advantest believes that the realization of a good work-life balance will ultimately contribute to the improvement of corporate value. We believe that a well-balanced workstyle is necessary to allow employees to maximize their capabilities while balancing their private life with work, and to maintain their motivation. Based on this philosophy, Advantest has continued to create good working environments that offer flexible working systems.

In Japan, Advantest has been promoting active use of existing systems, such as days to leave the workplace at the appointed time, use of annual paid leave, and flextime (for all employees). The ratio of employees using annual paid leave usage (23 days a year (22 days for employees with less than 10 years of continuous service)) has maintained a high standard at around 70% each year, marking 76.1% in fiscal 2022.

Moreover, a remote working system and a home office working system for all employees have been established, aiming to expand systems in which many employees will be able to conduct flexible and efficient work according to their tasks, workstyles, and lifestyles.

#### Remote Working System

The Advantest Group in Japan has introduced the remote working system since April 2020. We withdrew the restrictions on the maximum number of days that remote work is possible. We provide an environment in which most of the tasks can be done remotely in accordance with the basic information security policies.

The introduction of the remote working system has led to an expansion of new workstyles, helping employees, not only those who are raising children or caregiving family members, but also many others, to balance work and private lives.

#### Work-Life Balance Programs for Childcare and Caregiving

Advantest actively promotes support programs for balancing work and private life, providing flexible ways of working according to each individual's situation at various stages in employees' lives.

#### Examples of support programs in Japan

At Advantest, pregnant employees can receive 100% compensation during prenatal checkups and pregnancy complications leave, and are offered the choice to work shorter hours if instructed by a doctor. Advantest offers childcare leave and caregiving leave that exceeds legal standards. Childcare leave can be taken until the child reaches the age of two years and three months, and caregiving leave can be taken for

a maximum of three years. Other leave programs are also widely used, such as the accumulated holiday program, which can be taken for a variety of reasons, by fathers as well as mothers, including a spouse's childbirth, childcare, fertility treatment, and other caregiving responsibilities.

Furthermore, Advantest offers shorter work hours for employees who are raising children or looking after ill relations. Shorter working hours for childcare can be used until the employee's youngest child reaches the sixth grade, and is currently being used by many employees with children to balance work and childcare. There is no restriction on the period in which employees can work short hours in order to care for ill family members, so that employees can best balance their jobs with their home lives.

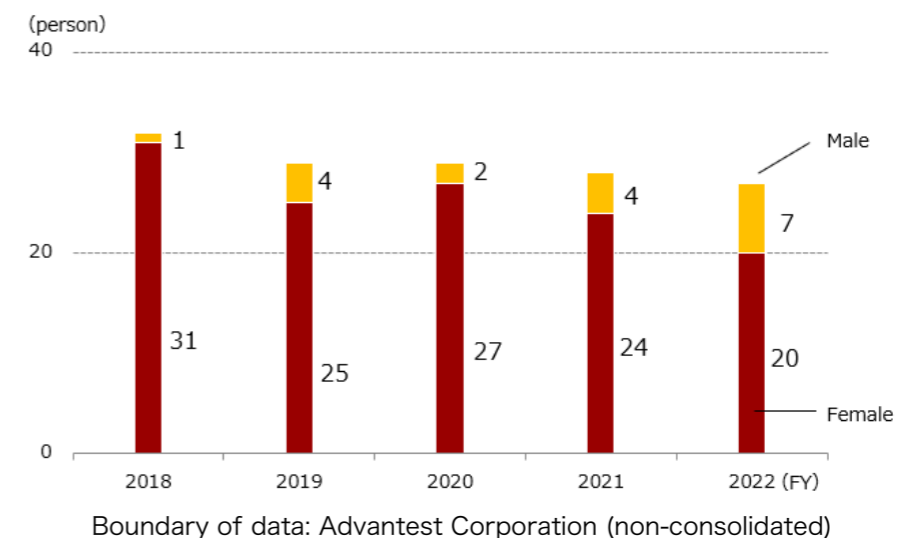
As there are cases in which employees resign their jobs during life transitions, such as marriage, childbirth, childcare, caregiving for the family, and spouse job relocation, Advantest has established a re-employment program for employees who meet a certain criterion.

We are also working on support for childcare participation for fathers, which includes the provision of personal consultations for male employees with children and their supervisors, guidance for childcare-related systems, and support for using childcare leave. In addition, starting in fiscal 2022, we have institutionalized a childcare leave subsidy of up to four weeks for employees who take childcare leave within eight weeks of the birth of their child.

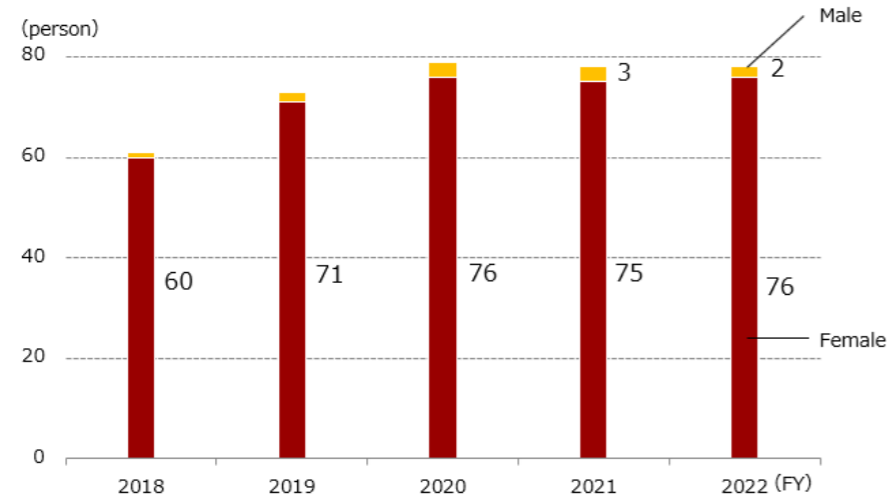
It should be noted that re-employment of female employees following childcare leave as a result of these efforts, was 94% in fiscal 2022, and the ratio of male employees taking childcare leave in fiscal 2022 was 21%.

Advantest will continue to support fathers' participation in childcare by offering individual consultations for fathers raising children.

Number of employees using childcare leave

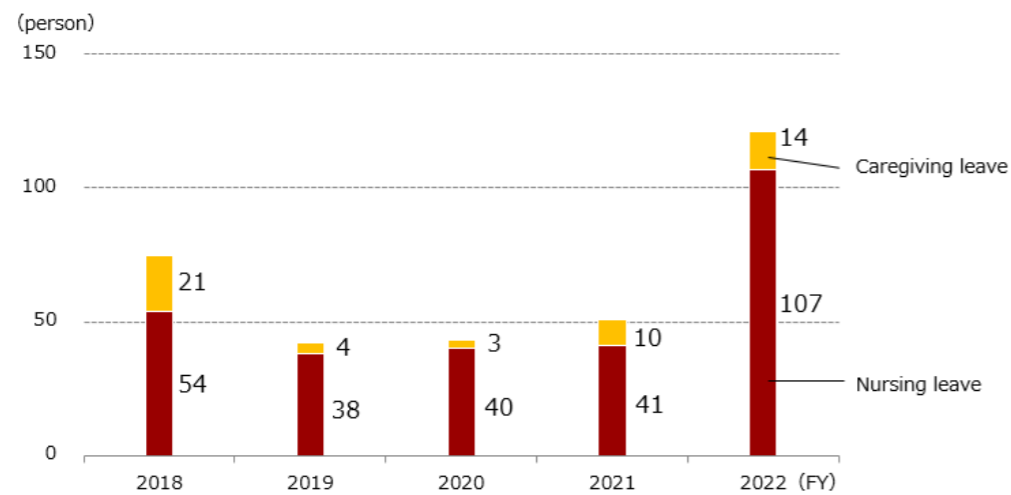


Number of employees using shorter working hours for childcare



Boundary of data: Advantest Corporation (non-consolidated)

Number of employees using caregiving and nursing leave



Boundary of data: Advantest Corporation (non-consolidated)

### Evaluation of Activities Supporting Work-Life Balance

In Japan, based on the Act on Advancement of Measures to Support Raising Next-Generation Children, efforts were made (measures and initiatives to increase the ratio of fathers taking childcare leave and creating environments that support work-life balance, and initiatives to reduce overtime and promote the use of annual paid leave) in accordance with the action plan period from April 2022 until March 2024. These activities so far were recognized, and Advantest received its second "Kurumin" certification in October 2022.

We will continue to focus on each employee's work-life balance and promote various initiatives toward creating work environments in which diverse human resources can play active roles.

### Promotion of Work-Life Balance Programs

In Japan, Advantest launched the "Work-Life Balance Support Guide" website on the company intranet, offering information on work-life balance programs that can be used according to one's lifestyle, and raising awareness of the various programs that Advantest provides and encouraging utilization of the same. In recent years, Advantest has actively announced the work-life balance program, posted experiences of our male employees taking childcare leave, and also developed an environment that allows easier consultation, such as establishing a consultation service, to promote an environment in which employees can use work-life balance programs with peace of mind.

### Reducing Overtime Hours

Advantest strives to ensure employees work appropriate hours to protect their health and achieve a work-life balance.

The Advantest Corporation (non-consolidated) has set the goals specified below and focused on increasing operational efficiency, encouraging a change in employee mindsets, and making the most of available work arrangements such as flextime and shift work while striving to reduce the amount of overtime.

#### Our overtime reduction goals

Number of employees with a monthly overtime of 80 hours or more	0
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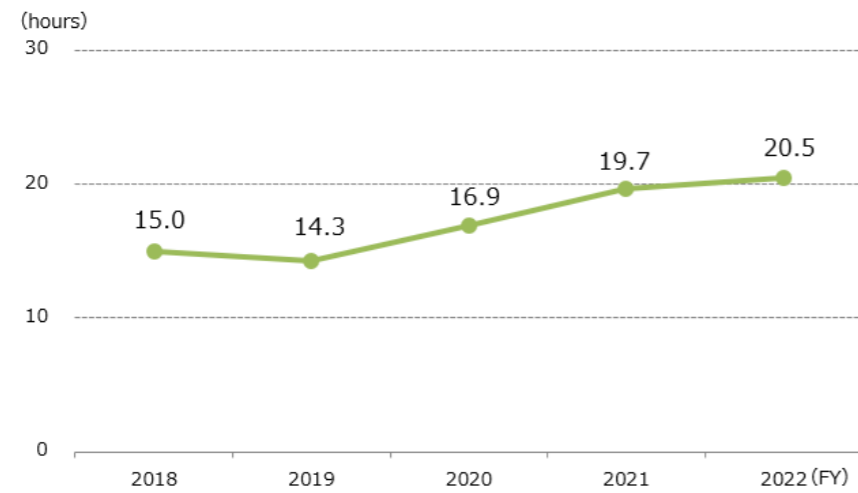
From fiscal 2020 onwards, we will continue to adopt the reduction of overtime work into our action plan under the Act on Promotion of Women's Participation and Advancement in the Workplace. We will raise awareness via the company intranet and promote initiatives to achieve flexible workstyles in order to further reduce the number of overtime hours.

Despite these initiatives, we were unable to achieve our company plan of zero employees working 80 hours or more of overtime per month for FY2022.

We were unable to achieve these goals due to keeping up with increased production and delivery support as well as dealing with unexpected problems.

The overtime hours per employee for FY2022 were an average of 20.5 hours as of March 2023. We saw an increase in our overtime hours due to the impact of COVID-19 as with last year, as well as due to increased demand and efforts to meet short delivery deadlines.

Average overtime hours worked per person



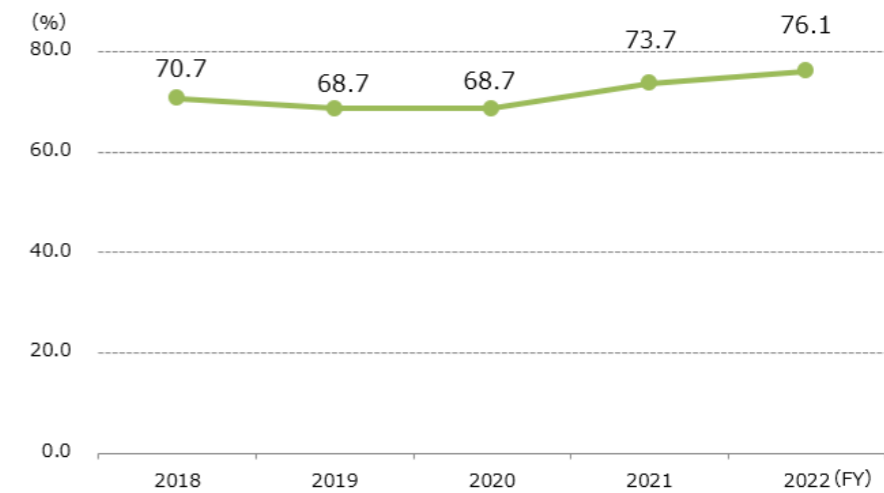
\* Boundary of data: Advantest Group (Japan, China, Korea)

\* Overtime hours are included for management positions with no subordinates (For Korea only).

### Annual Paid Leave and Other Leave Systems

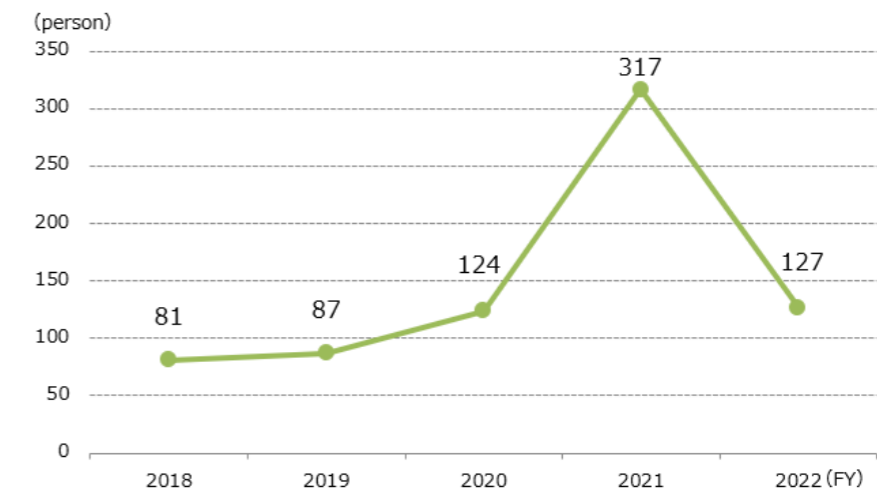
We encourage employees to take annual paid leave (up to 23 days per year) according to the job schedule of each person, work-life balance, and other work conditions to realize work-life balance at Advantest (non-consolidated). In addition to planned paid leave (6 to 12 days each year), we have also introduced multipurpose consecutive leave (3 days a year) and refresh leave (3, 5, and 8 days of leave given to employees after working continuously for 10, 20, and 30 years, respectively). Furthermore, annual paid leave that will be lost can be carried over as cumulative paid leave for 5 days a year up to a maximum of 30 days to use for reasons that include injury to the employees themselves or the need to take care of a child or family member as well as volunteering, self-development, infertility treatments, or to help with donor activities, and due to disasters.

Graph of paid leave taken



Boundary of data: Advantest Corporation (non-consolidated)

Number of employees taking accumulated holiday



Boundary of data: Advantest Corporation (non-consolidated)



## Creating a Workplace with Higher Job Satisfaction

Advantest has been striving to realize good work-life balance for all employees and to create a work environment in which each and every employee can work with higher job satisfaction.

With the spread of remote work and the progress of globalization and workstyle reforms due to the current COVID-19 situation, the working environment has changed drastically, forcing us to recognize a need for a more diverse form of office use. Under such circumstances, we have been unceasing in our exploration for the very existence of the office that ensures comfort, safety, and productivity, and have prompted improvements to further enhance the work environment by renovating the office.

### Office Building Renovated to Support New Workstyles

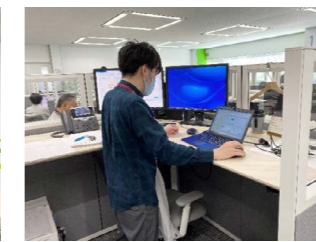
Advantest has been renovating offices at each of our sites to realize new workstyles. The Marunouchi Office, Advantest Laboratories at Sendai, and Advantest (Singapore) Pte. Ltd. were renovated in FY2021. In FY2022, we have begun office renovation at the Gunma R&D Center.

Gunma R&D Center began a complete renewal of its office floors against the backdrop of aging fixtures and fittings that have been in use since construction was completed (Building 1 in 1996 and Building 2 in 2001) and changes in workstyles, including an increasing trend in remote work and web conferencing.

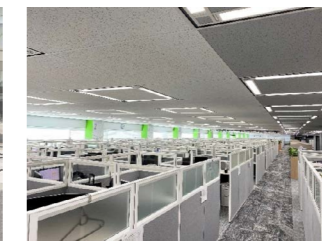
Up till now, we have introduced ABW (Activity Based Working) type free address system on a trial basis for the renewal of a corner of an office floor and common spaces. In order to promote the systematic renewal of all floors, we formulated renewal concepts and plans by interviewing the Executive Vice President of each division, conducting a employee survey, and holding workshops with employees selected from each division. Based on the renewal concepts and standard plan, we completed renewal work on two office floors in FY2022.



Semi-enclosed booth



Office seats: adjustable using the automatic raise/lower function



Office area



Fully enclosed booths



Semi-enclosed booth 2



Magnet space and copy machine corner



Booth seats



Café/Lounge



Graphic design 1



Graphic design 2

### Concept of GRD floor renewal

- **Expected workstyles**

Employees are engaged in active discussions and are showing creativity. Furthermore, employees are excited and enjoy their work, producing output with a high level of productivity.

- **Offices that support the expected workstyle**

- A. Increases opportunities for communication and awareness
- B. Increases synergy through cross-functional interactions
- C. Respects diversity having a high degree of freedom of workstyles
- D. Increases concentration and speed of individual work
- E. Enhances mental and physical health
- + Installment of ICT equipment and operations to support the above

All office seats on the new floor have automatic height-adjustable desks for better mental and physical health and greater work efficiency. The common area has a café/lounge in the center for refreshment and interaction. There are focus spaces where individuals can concentrate, and spaces for meetings and communication with multiple people. In addition, in anticipation of upgrading to a high-speed networking

environment, we installed ICT equipment such as large displays and web conferencing systems, and also newly introduced a conference room reservation system. Going forward, we plan to renovate each floor sequentially.

Owing to the large-scale nature of this renewal, we are taking a long-term perspective and proceeding through a trial-and-error process to determine what kind of fixtures and layout will be effective in realizing the overall concept, while also conducting post-renovation verification of its effectiveness. In addition, in anticipation of the progression of global operations, the working environment will change dramatically in the future, and further diversity in working places and styles will be required. As one of the measures to consider what the company's offices should ideally be like, we hold regular meetings with facility managers at our regional units for active discussion. We aim to create a better environment by exchanging information on how to build an office that ensures comfort, safety, and productivity.

### Promotion of Digital Workplace Activities #myADV

Advantest has been continuously improving the #myADV digital workplace (#myADV), which started in May 2020, in order to encourage and support global business development and a "hybrid" way of working for employees globally.

#myADV is promoted by the Global IT Collaboration team and supports volunteer #myADV guides (over 150 guides as of the end of February 2023). Specifically, the Global IT Collaboration team conducts regular coaching sessions for #myADV guides, as well as organization-specific use case analysis and training for specific business entities to support company-wide dissemination and use of collaboration tools.

With the introduction of latest tools and technologies to facilitate global collaboration, we have integrated our global intranet into Advantest's #myADV Digital Workplace. We also help establish a global work model on a company-wide, latest communication and collaboration platform.

Even after the COVID-19 pandemic, #myADV activities continue to progress well, adapting to the new hybrid work models. In addition, training for employees across the entire group have been implemented to boost the level of tool usage, along with the development of new tools and functions, aiming to maximize team collaboration using digital technology.

### Awarded as a "Best employers in the category of "Information Technology and Communication"" (Germany Great Place to Work®)

Advantest Europe GmbH (AEG) has participated in the surveys of the international human resources consulting agency "Great Place to Work®" every other year since 2017. AEG has been recognized as one of the top 100 companies in 2017, 2019 and 2021 and ranked in the top 10 companies in Information Technology and Communication sector in 2023. Great Place to Work® evaluates companies of all sizes, industries, and regions, and annually releases a top 100 list of "Great Place to Work®" based on solid relationships of trust within the workplace and whether each employee can make the most of their potential. Awards are offered to companies that collaborate with their employees in a fair and sincere manner with a powerful sense of unity.



In addition, workstyle reform is being tackled in each Group company in order to create workplaces where all employees can work while having a sense of worthwhile.

### Advantest Korea, 'Family Friendly Corporation' certified

In December 2022, Advantest Korea (ATK) was certified as a Family Friendly Corporation, a credential awarded by the South Korean government to exemplary companies that foster a family-friendly culture and successfully operate work-life balance programs. Certified companies are benefited from certification mark, extra points when participating in government projects, and discounts on public facilities for those employees.



ATK's employees have taken full advantage of the systems and benefits of the work-life balance program. Therefore, ATK is very proud to receive the certification, passing with high scores. In particular, ATK received perfect scores for the utilization of flexible worktime, maternity/childcare leave, reduced working hours for pregnant employees. Besides, employee satisfaction with the family-friendly culture turned out to be very high and ATK was assessed quite remarkable for vacation use, PC-off system, and inviting families to events.



## Employee Engagement

Advantest conducted our first Global Employee Engagement Survey in 2018. Though the implementation of the survey was postponed due to the outbreak of COVID-19, three years later, in the fall of 2021, we repeated the Gallup survey (Next implementation scheduled for 2024).

### Purpose of the Survey

Advantest continuously pursues a culture in which all employees are appreciated, respected, and work together to achieve common goals. The purpose of this survey is to provide employees with opportunities to share their thoughts on our company or organization. It stimulates dialog between the manager and the team, which ultimately leads to creating ideas for improving our company or organization from every level. The survey results provide a clue to knowing what the employees think of their work or work environment and how the company can support its employees. The survey makes it possible to identify the company's strengths and the fields that require improvement through open feedback from employees. In addition, we will take actions for improvements so as to raise the level of employee engagement in work and workplace environments, with the aim of improving the performance of the company as a whole as well as the performance of individual employees. Advantest believes that individual and organizational strengths are the two "wheels" that not only drive employee engagement but are needed to enhance the comprehensive strength of human capital.

### Engagement and its Basics

Employee engagement refers to the emotional commitment of employees to their organization or its goals. An employee who is engaged in work does not only do what is minimally required, but goes about his/her work enthusiastically and energetically, with an effort to output more than what is required. According to a survey conducted by Gallup, Inc., engagement among employees worldwide is only 15%. In addition, it has become clear that there is a connection between employee engagement and the following indexes.

- Profitability, customer ratings, and productivity (in direct proportion)
- Turnover, absenteeism, safety incidents, and quality defects (in inverse proportion)

### Implementation of the Survey and Future Plans

The survey during fiscal 2021 was conducted from October 12th to 26th for all employees of the Advantest Group who had been employed for three months or longer at that point. The response rate was 90%. The survey was conducted using the platform of Gallup, Inc. in an online format in which anonymity is ensured.

### Results

The results showed significant improvements over 2018, including an increase in scores for all items in Q12 (12 questions for engagement measurement derived from the findings of Gallup, Inc.). The overall average score was 3.64, an increase of 0.16 points from the previous survey. This is by far the biggest improvement among companies who consecutively completed the Gallup survey. We also saw an improvement in

awareness and opportunities related to the category of Recognition (the need to know that efforts are recognized and valued) and Development that were highlighted during the previous survey, marking 26% for the ratio of Engaged (diligent) employees, a 6-point increase from the previous score. This survey confirmed that the engagement level of Advantest Group companies is considerably higher than the standard for each country. These are clear indications of each of our employees' efforts to understand the importance of engagement, and shows how they have embraced and implemented our corporate reforms such as "INTEGRITY" and "Leading with INTEGRITY," yielding measurable results.

Our overall score is not high, when compared to other companies participating in Gallup's survey, and there is still room for improvement. After sharing information with each department, where department leaders discussed the factors that may have led to these results, we drew up action plans to address each issue.

### Future plans

A third Gallup survey is scheduled to be conducted in 2024. This survey plays a meaningful role not only in confirming activity results in numerical terms, but also in terms of instilling an awareness of engagement as part of our corporate culture. Engagement varies considerably depending on the customs and cultures of each country. While localized efforts are necessary, our INTEGRITY Core Values, which are the foundation of our corporate philosophy, The Advantest Way, are shared globally. We believe that it is essential to enhance engagement by executing action plans that address the characteristics and challenges of each department, sharing information about activities across the entire Group, and promoting investment in human and economic resources aiming to foster our corporate culture.

### Company-wide Activities to Further Boost Engagement

The results of the 2018 Gallup employee engagement survey provided us an opportunity to reflect on our attitudes and mentality towards work.

Since 2019, we have held multiple workshops to deepen all employees' understanding of INTEGRITY Core Values, and since FY2021, we encouraged all our managers to participate in the Leading with INTEGRITY workshops. In addition, the "INTEGRITY Award" was also introduced, enabling Advantest employees to recognize and express their appreciation for colleagues who have demonstrated our corporate culture in exceptional ways.





In 2022, to further promote activities related to INTEGRITY, a "Culture Council" consisting of President Yoshida and several executive officers was established, and representatives nominated by each business unit, functional unit, and regional unit were appointed as "INTEGRITY Ambassadors". These Ambassadors will be responsible for planning and developing various activities to realize the transformation of our corporate culture over the next few years.

## Cross-organizational Initiatives

"Cross 1on1" is a little different from the conventional 1on1, referring to a place where mentors (advisers) and mentees (those who are advised) can talk one-on-one across organizational boundaries. Mentees are able to gain insights that cannot be obtained from their own department or daily work alone, and foster their potential. Mentors also have the opportunity to improve their coaching skills, which is one of the most important elements of the leadership model.

What started as merely 10 participants in the ATE Business Group (Japan) in 2020, has increased in number over time with each round of 1on1 activity. This activity was selected as one of the President's Award winners of The INTEGRITY Award in FY2021, in recognition of its efforts to implement the EMPOWERMENT aspect of INTEGRITY core values, and the expanded network of communication. By the seventh round of FY2022, we had more than 140 participants.

## Examples of Visualization Tools

From April 2021, the ATE Business Group (Japan) has incorporated an engagement visualization tool to survey the team, followed by team discussion and improvement activities every three months. These initiatives are managed by survey feedback activity promotion members who are volunteers from inside and outside the department, and their participation is optional, decided upon a consensus of the team. This platform of communication includes regularly inviting external lecturers who hold webinars and creating opportunities to share examples of each team's activities. These efforts have drawn interest among our young engineers who reported that work has become easier, requesting for more involvement in these activities.

In FY2022, 32 INTEGRITY Ambassadors (IAs) were appointed worldwide to further promote the transformation of our corporate culture on a global scale. Among them are two members of the promotion team. The survey feedback activities were shared through regular exchanges among the IAs, giving momentum to the development of the activities that transcend organizational walls. These activities, which began in April 2021 with 169 members (22 teams), have increased to 277 members (30 teams) as of March 2023, expecting further growth in our network of activities in FY2023.

## FS Global Coffee Talk Offered to Foster Solidarity

Now in its third year, the Field Service (FS) Group's FS Global Coffee Talk has become a popular communication space with a total of 200 to 300 global members participating in hybrid experiences, both livestream and video sessions. In fiscal 2022, four FS INTEGRITY Awards and one FS MVP Award were presented, which not only recognized the dynamic customer activities of the global team, but also

spotlighted the logistical support provided to the support delivery team by individual (Single Contributor) efforts in a particular region.

In addition, starting in fiscal 2023, the FS Best-In-Best Award was established and presented by the FS Management Team for selected activities and achievements from the previous year's FS INTEGRITY Award and FS MVP Award winners. Recognition as the best activity and contribution of the year will further motivate members to actively participate in CX (Customer Expectation) improvement activities that drive the growth of FS's core business.

We have also changed the format of the sessions so that it is hosted by each region in rotation. The sessions are now run not only by the FS management team, but also by the global members, with everyone participating. The session moderator, who was not familiar with the format, was warmly supported by the participating members, which also encouraged more lively conversations. This made the session a place for interactive dialogue where a spirit of global teamwork and oneness among the Group could be felt even more.

## Initiatives to Improve Engagement in the Production Division (Japan)

Since the production division varies in job types and organizational forms, we believe that measures to improve engagement and support systems should be tailored to each division. We feel that the organization is being revitalized through cumulative efforts of activities.

Starting in FY2019, we are using a survey tool that allows employees to report their monthly work, relationship, and health conditions and comments to their managers. By October 2021, the majority of members are using the tool. In August 2023, the tool will be made available to all production division employees aside from management.

Also, activities, which began in December 2020 amidst the COVID-19 crisis, where we listen to employees' conditions and opinions using the survey function of the collaboration tool are progressing. These activities include online distribution of messages from the Executive Vice President and introductions of initiatives implemented by each division, as well as monthly questionnaires asking employees for their impressions and opinions. The survey responses following the distribution of the messages are received from approximately 40% of the employees, and an interactive communication is realized while the Executive Vice President responds to the questions raised by the employees.

Such interactive communication has evolved to a new stage in 2022. A proposal by a senior employee led to the creation of a course called "What is a Tester?" which was well received that more than half of the employees in the production division took the course. In addition to the conventional activities to enhance the corporate climate and culture as well as the connection among employees, we were able to understand the connection between the work we do and the world, which can be perceived as a big step toward becoming a rewarding workplace. We will continue to promote these initiatives so as to improve productivity as a result of these series of activities.

[Active Utilization of Senior Employees \(Japan\)](#)

## Change to the Culture of Praise & Recognition (Advantest Korea Admin Dept.)

As part of the Advantest's Group-wide Culture Change Journey, Administration department members of Advantest Korea made a small but very meaningful change.

As many psychological studies have shown, praise and recognition are critical to employee engagement. Despite its importance, in many organizations, employees' effort and contribution are often taken as something not special and praise and recognition are hardly seen. That's why the voluntary culture change that our praise and recognition activity created is inspiring.

The first step was to make "praise" the guiding principle and take concrete action. People were given their own compliment pads and stickers, and were guided to give a sticker to a colleague who did great job in a daily routine. We did this activity face-to-face not only to exchange stickers but also to give compliment and appreciation to each other.

The next step was to learn, talk, and empathize together about the meaning and impact of compliment. We regularly watched a variety of videos on compliment and also held workshops twice. Through open conversations, we were able to face underlying negative perceptions of compliment. By sharing positive experiences, we finally became more convinced of its effectiveness.

According to our own internal survey, the result for the question related to praise and recognition improved by 12% and the result for the question related to encouragement to develop improved by 13%. In addition, employees' subjective perception that praise and recognition are much more common and familiar in their culture than in the past is the most reliable evidence of change.

## Human Resources Development, Fair Evaluation and Treatment

We develop professional employees with global-level skills. In addition, we actively support employees who diligently strive to undertake self-directed study.

### Policies Regarding Human Capital

Human capital is the foundation for R&D capital, manufacturing capital, and customer relationship capital, which are necessary to realize our management strategies. Advantest promotes a variety of initiatives that focus on both the "individual strength" and the "organizational strength", the wheels needed to enhance the comprehensive strength of human capital. The Advantest Group, thereby, has established two basic policies regarding human capital development and internal environment development.

### Basic Policy Regarding Human Capital Development

The Advantest Group ("Advantest") regards employees as human capital essential for its sustainable growth. Advantest strongly believes developing employees as human capital indicates an investment in human capital, and that the "individual strength" enhanced through the development and the "organizational strength" utilizing the enhanced individual strength are the two "wheels" that drive employee engagement and become the sources of future value creation. Accordingly, Advantest proactively, continually and fairly implements measures to develop human capital under The Advantest Way, INTEGRITY Core Values, technical and professional management strategies, and the skills required to grow within the development framework.

#### (1) Self-Directed Career Development

We encourage employees to be proactive in their career development, while Advantest provides the resources and support to acquire the experience and knowledge necessary to enhance their careers inside Advantest.

#### (2) Global Human Capital

From a long-term perspective, we are committed to developing human capital with a global viewpoint, this includes providing opportunities to enhance expertise and management literacy on a global scale.

#### (3) Leading-Edge Human Capital

To achieve our corporate mission statement, "Enabling Leading-edge Technologies," we aim to develop the strengths of every employee and foster high performers to take on leading-edge challenges.

#### (4) Advantest Development Framework

Under The Advantest Way and our management strategies, we have defined and provide resources for all employees to enhance their skills required to advance their careers within the Advantest Development Framework.

Established on April 25, 2023

## Internal Environment Development Policy

The Advantest Group (“Advantest”) regards employees as human capital essential for its sustainable growth. Advantest also recognizes that maximizing the value of human capital will directly lead to increase its corporate value. Accordingly, Advantest proactively, continually and fairly implements measures to develop the internal environment for human capital under The Advantest Way, its management strategies, and this policy.

### (1) Corporate Culture

We understand The Advantest Way is a corporate culture to bring together our diverse employees to a globally unified team. We continue efforts to instill The Advantest Way as a deeply-rooted corporate culture, aiming to ensure all employee's embody and practice The Advantest Way in our daily work life.

### (2) Human Capital Development/Cultivation

We are committed to strengthening the development and cultivation of human capital to facilitate self-directed career development for motivated employees. We regularly conduct employee engagement surveys to gain a deep understanding of the strengths and issues of human capital and appropriately reflect the survey results in our measures and action plans to develop and cultivate the Advantest human capital.

### (3) Health Management

Under our Health and Productivity Management (HPM) Policy, we are strategically committed to maintaining and improving employees' health from a managerial perspective.

### (4) Workstyles and Work Environments

We accept, encourage, and support diverse workstyles which enables every employee to achieve a good work-life balance. In addition, we promote developing an office environments that provides the necessary resources and support for employees to enhance their remote work environments.

Established on April 25, 2023

## Efforts to Develop Human Resources

Triggered by the employee engagement survey, which was conducted in 2018, we have launched our INTEGRITY Core Values, as a means to listen deeply to our employees' stories, and instilled them in everyone's hearts as a set of values that unite us. From the summer of 2019, we offered interactive INTEGRITY workshops for all our employees. This training, which incorporates the theme of the core values into daily work and encourages changes in the corporate culture, lasted until the end of FY2020 while avoiding the spread of COVID-19. Build upon a firm springboard, there were positive effects on internal communication and also offered a place where leaders thrive, and ideas prosper. In FY2022, as in FY2021, as a next phase of our cultural evolution, we worked on cultivating "leaders" who will drive the organization, and human resource development with a focus on the growth of individual employees.

### The Leading with INTEGRITY Program

In an era of high uncertainty and unpredictability, leaders must understand and make decisions about how to effectively demonstrate their skills and expertise in various circumstances. A new Advantest Leadership Model was created for our leaders worldwide to further develop skills and expertise in the four key areas - LEADER, MANAGER, COACH and EXPERT, and Leading with INTEGRITY workshops were held. Over 1,200 Advantest leaders have participated in this learning opportunity. In this training, leaders from various organizations, transcending national borders or organizations, participate in the same workshop, form a group of two ("learning buddies"), and spend about five months together discussing their progress toward their skill development goals and their concerns. These workshops not only play a role in mutually inspiring our colleagues but also provides insight on diversity.

#### Four areas of the new Advantest Leadership Model

- Leader :** The core purpose is to set vision, mission, and direction, which requires visionary thinking and the ability to inspire others.
- Manager :** The core purpose is to organize and direct teams to achieve business objectives and ensure compliance, which requires the ability to orchestrate work in teams and excellent people and project management skills.
- Coach :** The core purpose is to enable others to perform at the highest level possible, which requires leaders to enable learning opportunities and encouraging others.
- Expert :** The core purpose is to provide domain expertise, which requires the education, teaching and mentoring of others.

### Activities for Succession

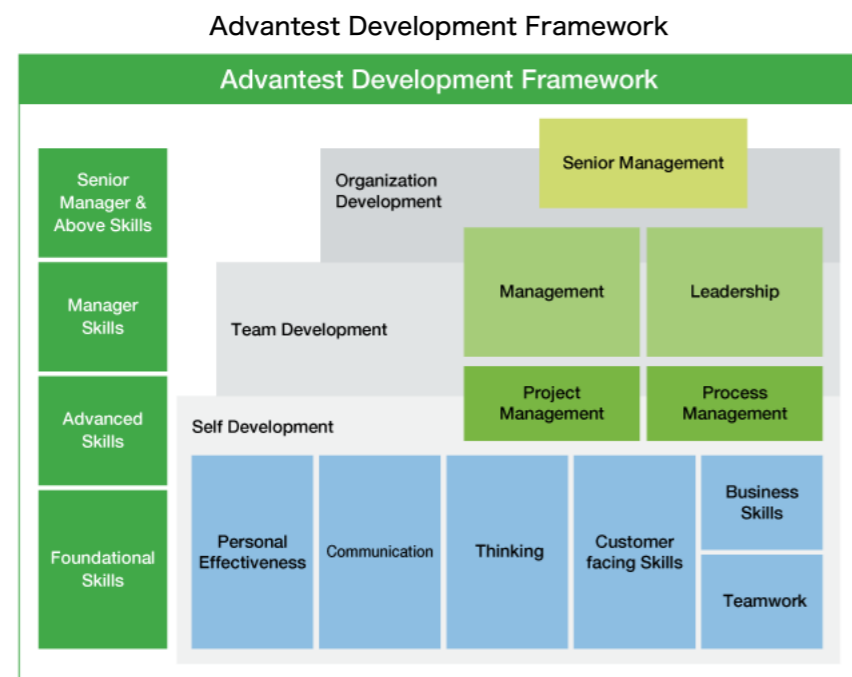
In order to pool human resources and retain the best talent in the industry who will be our future leaders of the company, we implemented a "talent management program" for nine months, including a curriculum in management, finance, and liberal arts, for members selected from among our managers from FY2021. In FY2022, we have expanded the scope of the program to include participants from group companies in each country and are implementing a "Global Talent Management Program" for 13 months starting in September 2022.

Through group work activities, in which participants were asked to consider Advantest's challenges and its countermeasures propose them to the management, the participants were able to form strong connections with the management and members outside of their own departments. These training activities also helps Advantest to become a "learning organization" - one of our long-term goals.

### Visualization of Skills Expected for Employees and Support Systems

In order to improve corporate value over the long term, each employee must clearly understand the roles they play and improve their individual capabilities. In addition, we are required to combine these individual strengths and fully demonstrate them as an organizational strength in the global business playing field. With this in mind, Advantest has established the Advantest Development Framework which defines the foundational skills, advanced skills, manager skills, and senior management skills that Advantest seeks for in all levels of our employees, and shared it among all employees globally in January, 2022. In conjunction with the development framework introduction, we also introduced two new online learning platforms which are intended to provide all employee's and manager's access to training classes to further enhance the skills for their career advancement. Since some of these should be adapted to local customs and rules, the HR in each country decides the details of operation.

Advantest promises to actively support our employees who constantly strive to better themselves and seek to acquire advanced expertise and broad education.



\* The implementation will be adapted to local rules and practices

### Introduction of a Peer-to-Peer Program: The INTEGRITY Award

To further foster the corporate culture introduced during the 2019 reform, the INTEGRITY Award, a peer-to-peer program that offers Advantest employees worldwide a platform to recognize and express appreciation for colleagues who have exemplified excellence at work by adopting INTEGRITY as our company values, was introduced.

In FY2022, the award was received by a team of employees who worked together to carry out the "Newcomer Camp" at Advantest Taiwan Co., Ltd. In recent years, the company has hired an increasing number of new employees with diverse backgrounds. With these, the challenge was how to integrate them into Advantest's culture and to retain them. Through a variety of activities, the new employees were welcomed to the company, while the company has succeeded in attracting top talent by organizing training programs ensuring that the newcomers could be able to access the information and resources they need.

### Education and Training System and Implementation Status

Advantest has prepared a training program that anyone can participate in, and where a wide range of topics can be learned, from basic knowledge up to the latest technology trends. In addition, we will continue to make improvements to adapt the training program to the changing environment, providing industry-leading superior human resource training, and attracting the best talent in the industry through this program, in cooperation with Advantest Academy, which specializes in employee education.

To adapt to the business environment that is drastically changing due to globalization, we are strengthening the human resources development training system in line with our mid/long-term management policy. To make this training even more effective, we are forging and implementing new programs, including the expansion of 1-on-1 communication trainings. New programs will also be delivered by specialists to make them more effective, and we will selectively use in-house or external lecturers depending on the program content.

At each Group company, we will also provide a wide range of education to increase the skills and expertise of individuals based on the needs in each country and region in addition to education through day-to-day operations.

For example, Advantest Europe GmbH (AEG) hosted the AEG Application Days, an event where over 100 participants, including all AEG application engineers, as well as employees from other areas such as sales were invited to join to learn about new solutions. The event not only allowed our employees to share application relevant information, exchange ideas, and learn about new market trends and new solutions, but also allowed them to grow and improve their daily work. We aim to develop and instill a system that boosts the level of the entire Advantest Group by sharing information on these efforts between Group companies.



## Training in Japan

In FY2022, we continued to offer events that integrated both virtual and in-person as a flexible hybrid program due to restrictions by COVID-19 issue. We incorporated web conferencing systems to provide opportunities to learn despite the pandemic, offering environments for training that did not require coming in to work. By increasing online group work activities, which proved to be effective in boosting employee motivation, we were able to promote mutual awareness building across departments and expand connections regardless of work location.

In terms of language education, we focused on strengthening in-house marketing by introducing courses to employees and holding pre-learning sessions to solicit a wide range of participants. While spending most of the time at home due to the COVID-19 pandemic, we introduced micro-learning, allowing employees to effectively use their spare time, making it easier for learners to secure time to study. A total of 961 employees, 5% more than last year, participated to improve their language skills.

As part of our leadership development initiatives, we introduced a liberal arts educational program to cultivate a sense of culture and have newly appointed managers obtain the "power to think" by themselves. As we enter a new post-pandemic era, this initiative develops the big picture of what is necessary for leaders from wide perspectives that include religion and philosophy. Through the three training sessions, group members deepened their awareness of issues and exchanged opinions, while also revitalizing exchanges in preparation for the presentation of their results.

As a demonstration of "Inclusion and Diversity," one of Advantest's core values, we have made it possible for working mothers who have returned from childcare leave and are working shorter hours to participate in outside seminars, mainly career education, from FY2021. Advantest is a tech company, and naturally, the number of female employees is not as large as that of male employees. The program is designed to offer participants an opportunity to think about balancing childcare and work, in other words, their own careers, while sharing opinions with other working mothers outside the company who are in the same situation, and to learn how to communicate effectively with their supervisors and coworkers.

### Training Time

At the Advantest Corporation (non-consolidated) in FY2022, a total of 5,229 employees received training of some kind, and the average number of training hours per employee was 8 hours for 42,007 hours of total lesson time. A total of 59,031 people took part in e-learning globally, including Japan, and the average number of training hours per employee was approximately an hour for 51,351 hours of total lesson time. In total, the average training hours per employee was approximately 9 hours.

Training category	Target	Number of trainees	Lesson time (hours)
Business Training (human resource management, etc.)	Managers, General	831	6,384
Technical Training (technology)	Managers, General	501	1,192
e-learning (human resource management, etc.)	Managers, General	2,770	1,137
New Employee Training (by job level)	General	47	17,603
Language/TOEIC (global)	Managers, General	961	14,262
Outside seminars (e.g., on business skills, etc.)	Managers, General	119	1,430
Total		5,229	42,007

\* Data range for tabulation: Advantest Corporation (non-consolidated) data

## Development of Engineers (Japan)

We place particular emphasis on educating engineers, with the aim of ensuring that our products continue to underpin leading-edge technologies.

We have created a training program accessible to every employee of the Group and covering a wide range of subjects, from basic knowledge to the latest technologies.

In FY2022, 501 engineers participated in the various technology seminars and technical training that were provided.

Some of the programs include courses in which Advantest's senior engineers appear as internal trainers. For example, one of the seminars featured a lecture on design quality by an employee in charge of design, thereby shedding light on the basic technologies required to maintain and improve product quality based on the speaker's first-hand experiences. Courses are held by inviting instructors from outside the company based on themes requested by engineers or management-level personnel, so as to support them in adapting to a rapidly changing business environment.

The program acts as a means of imparting not only technical knowledge but also Advantest's corporate DNA to future generations.

### Software-Related Education

We have been conducting software engineering forums six times a year for the past 30 years. In these forums, cutting-edge information on topics such as agile, continuous integration (CI), Graphics Processing Unit (GPU), as well as security-related information and current affairs in the world are shared by internal and external instructors, from domestic and overseas. In October 2019, Advantest Engineering Friday was established as a place where employees can share their findings with each other on a continuous basis. Multiple subcommittees have been started from here, and they regularly meet up on Friday afternoons as a separate community from the organization where they can learn from each other. In FY2022, presentations were offered from a wide range of internal departments, including IT, operations, and production divisions. The "Software Engineering Forum" has acted as a bridge for employees "wanting to know and spread" their knowledge, information, and initiatives held within the company, and as an opportunity for internal technical exchange.

### Other Courses on Advanced Technologies

We invite external instructors to provide course on themes and the latest trends that are of great interest to our employees, which also serve as a means to pass on technical know-how to the next generation. In FY2022, Advantest cosponsored the D2T Symposium by the Systems Design Lab (d.lab) of the School of Engineering at the University of Tokyo, and the EMC Technical Seminar with partner companies. We devised ways to provide lectures and symposiums on a wide range of topics, regardless of whether they are related to work or not, providing opportunities to broaden one's scope as an engineer and to increase their motivations.

We are planning to increase the number of participants not only by holding various trainings and lectures, but also by establishing an environment where participants can learn what they wish to learn (on-demand education), and encourage employees to learn independently.

### New Employee Education and Training (Japan)

Advantest's training program for new employees starts with one month of basic business training covering the basics of working life. After that, the new recruits are put into one of two occupation-specific training regimes, depending on whether they have been hired for engineering or administrative job assignments. Engineering employees first learn the basics of design, and then go on to learn the necessary skills as Advantest engineers through basic technology training to obtain the basic knowledge required, hardware training, software training, and device test training. New administrative employees receive basic training for administrative operations to learn the basics of administration and brush up on their administrative skills, while learning the contents of the Group's business and how the divisions are interrelated.

We review the training programs each year to ensure that they reflect the characteristics of new employees and the policies of the company as a way to cultivate the basic skills of junior employees. Since new employees in FY2022 joined the company while adjusting to the new normal in the era of the pandemic, we conducted face-to-face team-building training immediately after they joined the company so that they could bond together in a better manner.

Prior to their assignment, they take a "talent assessment" together with their OJT leaders, of which data is used as reference information for mutual understanding.

By having new employees experience diverse types of training in this manner, we are able to ensure that they will clearly understand their own roles, and will recognize the importance of teamwork with other divisions. Our training period for new recruits acts as a key formative phase in their professional development as Advantest employees.

New employees training

	April	May	June	One year after assignment
Engineering roles	Combined group training	Basic engineering training ● Safety training ● Quality assurance training ● Hardware training	● Software training ● Device test training, etc.	OJT period
Administrative roles		Basic administrative training ● Microsoft training ● Manufacturing training, etc.		
Manufacturing roles, Others		Manufacturing training ● Screw tightening, Soldering, etc.		



## Fair Evaluation and Treatment

Performance assessments and career development are conducted under a common global system. Goals are set at the beginning of the fiscal year, communication with superiors is conducted as necessary during the year, and an evaluation interview is conducted at the end of the fiscal year. This interview is conducted not only for full-time employees but also for some contract and temporary employees.

### Advantest Resource Management System (ARMS)

With overseas sales ratio of over 90%, and more than 60% of our employees located in overseas affiliated companies, this allows Advantest to grow as a global company. Given this structure, we introduced the Advantest Resource Management System (ARMS), a unified human resources system, in April 2012. ARMS promotes cooperation among multiple bases around the world, as well as smooth personnel exchanges and transfers.

Global human resource system



Under ARMS, the unique job classification systems decided on by Group companies in each country have been replaced by a new 10-level job system that is common to all. In this system, job levels 1 to 6 are for general employees, while levels 7 to 10 are for management positions. There are two management paths in this system: one for "people managers," who manage budgets and deal with staff merit and labor issues, and one for "functional managers," who tend to business and ensure that operations are carried out properly. Line managers with subordinates are assigned to the first path, and all other specialists are assigned to the second. With these two lines for advancement, we ensure that our diverse personnel have opportunities to develop as managers.

We also apply common global rules to our pay scale, including basic pay and bonuses. Previously, for example, bonus payments in each country mainly reflected the performance of Advantest's subsidiary or affiliate in that country, but under the new system, bonus payments reflect the Company's consolidated earnings. Starting in fiscal 2012, we have applied a new system of evaluating employee performance. No matter where Advantest employees work, they can now be evaluated and rewarded according to the new common global system, with every employee receiving an evaluation/cultivation interview at least once a year.

Since the introduction of our global human resources system, during which efforts have been made to increase the number of employees seconded from Japan to overseas postings and the number of personnel exchanges with overseas affiliates; this system has contributed to invigorating the organization and improving corporate performance.

Global job level and title

Job Level	Job Title		Descriptions
1	Entry		Performs routine tasks of a repetitive nature in a...
2	Career		Duties and responsibilities focused on structured and...
3	Associate		Requires specific knowledge of a business function or...
4	Developing		Handles moderately complex assignments and works...
5	Senior		Provides specialist or technical recommendations to...
6	Expert		Requires ability to make tactical judgments that are...
7	(Sr.)Manager	(Sr.)Consulting Manager	Operational team leader or professional/technical advisor...
8	Director	Consulting Director	Sets goals and targets for a department or management team...
9	Sr. Director	Principal	Sets annual plans in accordance with the global or regional strategy...
10	VP (or SVP)	Fellow	Accountable for developing and establishing long-term plans in line with the Advantest Group strategy...

Meanwhile, the new human resources framework offers labor management flexibility in setting up working hours, telecommuting arrangements and other job specifics, so that managers can more aptly address such matters directly in accordance with the laws and regulations of their respective nations and in line with local employment practices.

Starting from fiscal 2014, we have established a global personnel database, which is effectively utilized for project team composition and smooth personnel changes on a global scale. Beginning in fiscal 2015, we began using a new global personnel evaluation system to replace the existing personnel evaluations. In the future, we will be setting up human resource development schemes with a worldwide reach, promoting employee diversity through active efforts to hire and promote employees with different backgrounds, and taking decisive steps toward forging an employee recruitment strategy that is in accordance with the business strategies of our operations in diverse countries.

In the spirit of establishing ourselves as a truly global company going forward, Advantest will continue to work hard to create a professional business environment where every member of a diverse Advantest Group workforce can make the most of his or her individual capabilities.

### Reflection of the core values in the evaluation system

Since the launch of the INTEGRITY Core Values in 2019, we dedicated a section of the evaluation sheet in the personnel evaluation system to the core values, providing an opportunity to reflect on our actions during the term.

Specifically, the nine values of INTEGRITY (Innovation, Number One, Trust, Empowerment, Global, Respect, Inclusion & Diversity, Teamwork, and Yes) are used as the behavioral evaluation items on the evaluation sheet, where employees describe their own actions for each of the items on the sheet. Employees are encouraged to discuss with their supervisors during the evaluation interview, and their supervisors provide feedback with comments after the interview.

It is crucial for us to not only understand our core values in words through trainings or other means, but also act for it by linking these values to our own actions. Reflecting on them during the evaluation process will ultimately encourage changes in each employee, which help realize an organization that can flexibly address various issues.

### Pension system

Domestically, Advantest has introduced a point system to determine retirement benefits. In addition, Advantest has introduced a fund-type defined benefit corporate pension system as part of the retirement benefit system, where the retirement benefit can be received as pension under certain conditions.

In fiscal 2018, Advantest incorporated a defined contribution corporate pension system as part of its defined benefit corporate pension system and started the defined contribution corporate pension system in addition to the point-based retirement benefit system.

As a result, retirement benefits will be divided into a retirement lump sum paid by the Company, the benefit from the fund which can be paid out as pension according to the years of service and the defined contribution.

## Employee Health and Safety

Based on our belief that employee health as well as safety and health management are priority issues in all business operations, Advantest has committed to health management and safety as well as health activities.

### Promotion of Health and Productivity Management

Thus far, Advantest has implemented various initiatives for employee health and productivity, including measures on lifestyle disease prevention, mental health, and abstinence from smoking. To further promote these initiatives, we have decided to incorporate Health and Productivity Management, and in September 2019, we formulated a Declaration of HPM Policy.

Since establishing the Declaration of HPM Policy, Advantest, our domestic Group companies, the health insurance association, and labor union have come together to promote health check-ups, boost the implementation rate of specified health guidance, and introduce a health portal site, along with various other activities that directly affect employee health. These activities include online dieting/smoking cessation programs, encouraging exercise using a mobile app-based health promotion, and health literacy training.

We have also actively made efforts to encourage work-life balance. In November 2020, Advantest obtained the "Eruboshi" certification based on the Act on Promotion of Women's Participation and Advancement in the Workplace, and in February 2021, we obtained the "Kurumin" certification mark based on the Act on Advancement of Measures to Support Raising Next-Generation Children. Advanfacilities Co., Ltd. also obtained the "Eruboshi" certification in July 2022.

Furthermore, we have taken thorough measures to prevent the spread of COVID-19 infection, such as issuing notifications from top-level management to prioritize health, and thorough implementation of remote working. As a result of these efforts, Advantest has once again been recognized under the 2023 Certified Health & Productivity Management Outstanding Organizations Recognition Program, which is jointly implemented by the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi (Japan Health Council), as one of the organizations in the large enterprise category. At the same time, METI has certified Advantest as one of the "White 500"-the top 500 corporations recognized under the program—for the third consecutive year. In addition, all seven group companies in Japan have been certified as well for the first time.



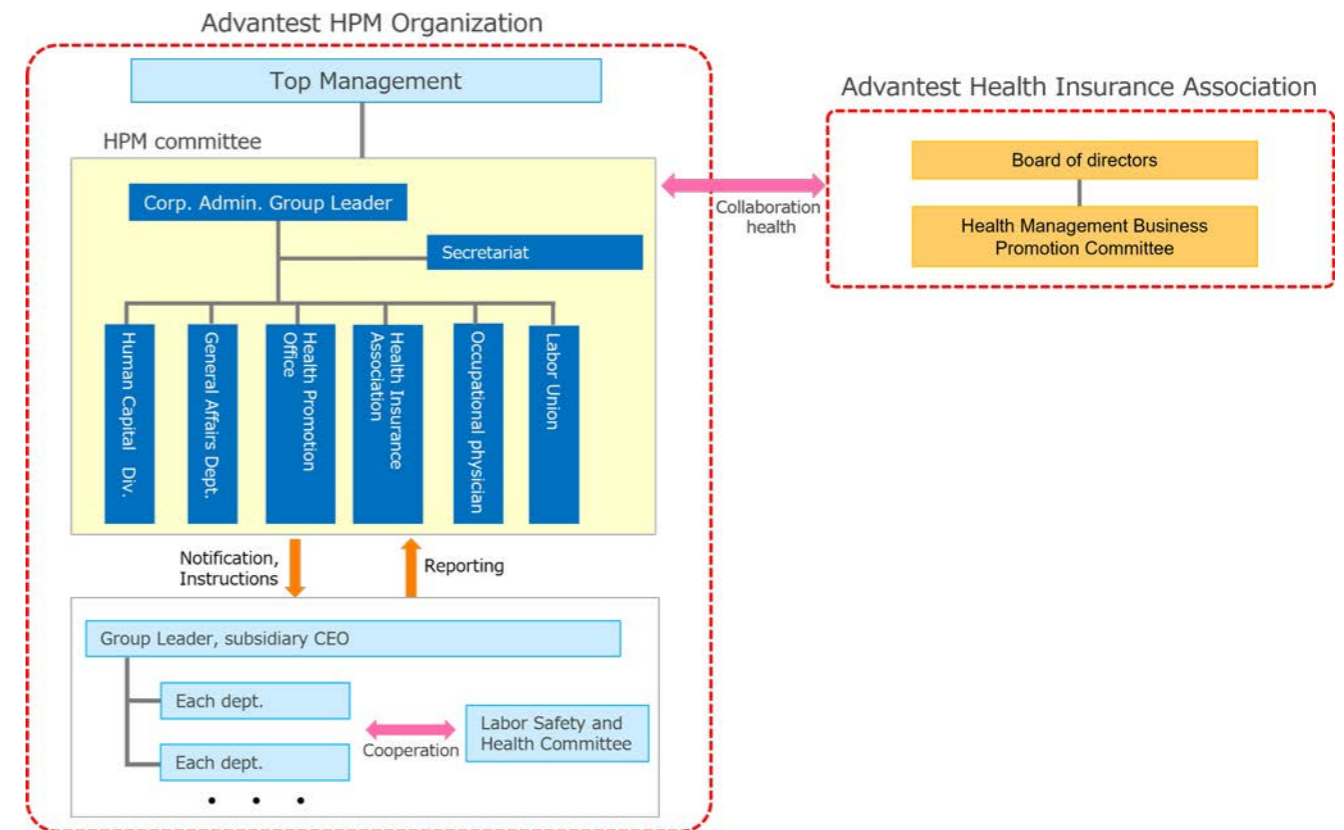
## Declaration of Health and Productivity Management Policy

In order to realize Advantest's mission, we will strive to create a workplace where every employee can work in good health, both physically and mentally, to contribute to the achievement of a sustainable society as a corporate citizen.

Based on HPM policy, promote HPM from the following three viewpoints.



## Organization



## Mental Health

At Advantest we believe that a vigorous workforce makes for a vigorous workplace. Accordingly, our Health Promotion Office supports efforts to ensure both the mental and physical health of our workforce, so that we can provide a safe and comfortable workplace environment. We introduced stress checks in FY2012 before they became required by law because we consider preventative measures as the key to our mental health activities. By quantifying stress (thus making it visible), we promote stress awareness among everyone in our workforce, which is useful for self-care.

In the 2022 stress check, which achieved 85% response rate, 6.6% of the employees with the highest diagnosed stress levels were referred to mental health consultations, and 5.2% of them actually received consultations. We also held seminars (during FY2022, e-learning seminars were held) to reinforce self-care, and the participation rate was 95%.

Organizational analysis stated that high stress workplaces decreased from 17.2% in FY2017 to the 2% range (2.2% in FY2022). From fiscal 2019, this initiative was narrowed down to target only managers in high stress workplaces and offered more practical training for workplace environment improvement. We continuously work on improving stress levels by following up on the implementation situation to create a workplace that mitigates the occurrence of mental health disorders.



We have also formulated recovery plans with occupational physician from the latest reports as well as provide support for employees to return to the workplace after taking a leave of absence, enabling them to take time off without worry if their mental state worsens due to a variety of stress. In addition, an eight-step process (which includes status reports, consultation with occupational physician, return to work planning, and follow-up interviews after returning to work) has been set up to avoid oversteering people and the workplace.

## Health Consultations

At Advantest's Health Promotion Office, a comprehensive range of health professionals (including occupational physician, clinical psychologists, public health nurses, nurses, and industrial counselors) provide counseling services for physical and mental problems of all kinds. Applications for counseling can be submitted easily by telephone or e-mail, or via the company's intranet. In fiscal 2022, counseling services were provided on 835 occasions.

## Health Check-ups and Health Guidance

Advantest and its domestic Group companies provide regular health check-ups to maintain and improve the health of employees in addition to regular physicals through subsidies from the health insurance association. We provide health check-ups once or twice each year both in domestic and overseas bases. We have achieved a 100% health check-up ratio since FY2018 for domestic employees, with a 60.8% ratio of individuals undergoing thorough examination in FY2022 (55.6% in FY2021) and 76.0% ratio of individuals who received specific health guidance in FY2021 (67.0% in FY2020).

In FY2022, 97.7% of our employees received health literacy training (97.2% in FY2021), while 23.3% of our employees are using health promotion applications. Advantest is also promoting projects that allow employees who do not have the habit of exercising to start doing so (ratio of employees with exercise habits: 29.7% in FY2022) by holding walking events using this health promotion application.

The Health Promotion Office provides health guidance, email support, and staff/occupational physician consultations for employees who have received a diagnosis through checkups. Furthermore, employees with a history of brain and heart disease are interviewed regardless of their health check-up results, and work restrictions are put into place to ensure their safety.

## Promotion of Occupational Health and Safety

### Advantest Group Health and Safety Policy

Advantest Group recognizes that Health and Safety (H&S) is one of the important aspects of our business operation. This policy is set forth to ensure every Advantest employee's Health and Safety.

1. Health and Safety First  
We will make H&S as the first priority for employees in all Advantest operation groups.
2. Compliance with Laws and Regulations  
Aim to achieve compliance with legal requirements through good occupational health and safety performance.
3. Regular Review of Health and Safety Compliance  
To support this policy, we will provide employees with an annual activity plan which will address every business location's H&S regulations through management support.
4. Education and Training  
Ensure that employees receive appropriate training, and are competent to carry out their designated responsibilities.
5. Disclosure of Health and Safety  
To raise awareness, we will announce our H&S information to all employees publicly.

### Promotional System

At Advantest, every year we convene the "Health and Safety Committee Meeting" which decides the health and safety direction and policy for the whole group. The approach to health and safety is based on the main activity themes decided on at this meeting, upon which the health and safety committees at each location set their annual targets and plans.

We also regularly hold health and safety committee secretariat meetings throughout the company, and strengthen each location's health and safety activities through this sharing of information about relevant activities.

Japan's company-wide Health and Safety Committee is made up of the heads of the Health and Safety Committees at each business location, which are officers and presidents of domestic Group companies. Furthermore, the Health and Safety Committees at each business location are composed mostly of representatives of both the company and union employed at the business location.

Organization of Health and Safety Management (Japan)



ISO45001:2018 Certification obtained at the Gunma Factory

On April 19, 2023, Advantest obtained ISO45001 certification, an international standard for occupational health and safety management systems, at Gunma Factory.

ISO45001 is a global standard for occupational health and safety, established in 2018 by the International Organization for Standardization (ISO), and is a universal framework that defines the establishment and operation of systems to prevent work-related accidents and disasters and to achieve the provision of safe and healthy workplaces.

Advantest will continue its effort to improve our working environment and create a comfortable workplace.

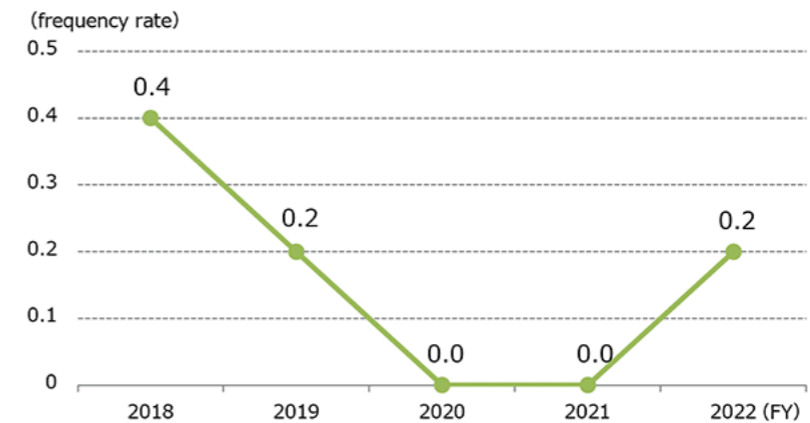


Bureau Veritas Certification (copy)

Advantest Corporation ISO45001 certification scope

Applicable standards	ISO45001 : 2018
Certification number	JP023542
Certification scope	Manufacture of semiconductor and component test systems, mechatronics-related products and maintenance services, other related equipment and electronic components, electronic circuit boards
Certifying body	Bureau Veritas Certification Holdings SAS
Date of first certification	April 19, 2023
Applicable business locations	Gunma Factory (including subsidiaries at the site)

Occupational accident rate in Japan (frequency rate\*)



- \* Frequency rate: Number of injuries or deaths due to labor accidents per one million of actual total working hours
- \* Boundary of data: Advantest Group (Japan)
- \* From FY2019, the data includes temporary employees.

There have been no fatalities in operations in the last five years. In addition, the rate of occupational accidents (frequency) was 0.5 for FY2022 when including both domestic and overseas Group companies.

## Occupational Health and Safety Education

The Advantest Group regularly conducts occupational health and safety education and strives to build a safe workplace where everyone can work with peace of mind by preventing occupational accidents before they happen and raising awareness about occupational health and safety. E-learning has been incorporated to some areas of Advantest's unique health and safety education. We will strive towards further participation from employees.

Occupational health and safety results achieved in fiscal 2022

Education category	Target employees	Number of trainees (Total)	Hours of education
General education	Managers, General employees	10,837	5,510
Specialized education	Managers, General employees	1,214	6,008

## Respecting and Protecting Human Rights

Under "The Advantest Group Declaration of Human Rights," we believe that the rights of our employees, who are a valuable resource to the company, should be protected along with the rights of all individuals affected by our business activities.

### Human Rights Policy

#### Advantest Group Human Rights Policy

The Advantest Group contributes to humanity's safe, secure and comfortable existence by "Enabling Leading-edge Technologies." We recognize that the human rights of all the people we touch must be protected in our global business activities. This is stipulated in "The Advantest Way," the Advantest Group's code of ethics, and this Advantest Group Human Rights Policy (hereinafter "this policy") expresses the Advantest Group's responsibility to respect human rights, based on "The Advantest Way."

**(1) Respect for international norms**

We support and respect international human rights standards such as the Universal Declaration of Human Rights, the 10 Principles of the United Nations Global Compact, the International Code of Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. We promote respect for human rights based on the UN's Guiding Principles on Business and Human Rights.

**(2) Responsibility to respect human rights**

We will implement appropriate measures to prevent / mitigate any negative impacts on human rights from our business activities, or implement remedies should it become clear that we have contributed to negative impacts. We will fulfill our responsibility to respect human rights.

**(3) Scope of application**

This policy applies to Advantest Group officers and all employees (including full-time employees, contract employees, and dispatched employees). In addition, if a negative impact on human rights caused by a supplier, employees of an outsourcing partner, other business partners, or related parties, is directly linked to the business activities of the Advantest Group, we will take measures to prevent infringement of human rights based on dialogue and consultation with the other party.

**(4) Compliance with applicable laws and regulations**

The Advantest Group complies with the laws and regulations of the countries or regions in which we operate. In countries and regions where there are discrepancies between laws and international norms, we consider local laws and regulations insofar as possible. We promote efforts to respect international norms regarding human rights.



**(5) Human rights due diligence**

We will continue to build and implement due diligence mechanisms for human rights to address any apparent or potential negative impact of our business activities on human rights.

**(6) Education**

We continuously promote appropriate education to raise awareness of human rights among officers and all employees so that this policy and our human rights due diligence are understood and effectively implemented throughout our business activities.

**(7) Disclosure of information**

We report on the status of our human rights activities and impact on our corporate website and in our Integrated Annual Report, based on this policy.

**(8) Dialogue / discussion**

We will appropriately implement top-priority issues related to human rights as the separately defined "Advantest Group Priority Issues Related to Human Rights," based on this policy. We understand that these priority issues need to be reviewed as appropriate to reflect changes in social and business trends.

July 1, 2021

Yoshiaki Yoshida

Representative Director, President & CEO

 [Advantest Group Priority Issue Related to Human Rights \(PDF 63KB\)](#)

## Efforts in the Workplace

Focused around the Corporate Ethics Office and the Human Rights Protection and Personnel Mediation Committee, Advantest strives to promote and set policies on human rights issues and deal with complaints about discriminatory treatment.

We share the Advantest Supply Chain CSR Promotion Guidebook with our suppliers, and endeavor to ensure that they are fully aware of the need to respect human rights (including the prohibition on forced labor, child labor, and discrimination).

### Creating a Workplace that Respects Human Rights

Advantest believes considerations to human rights are a vital element in expanding businesses globally. We support international standards related to human rights such as the Universal Declaration of Human Rights while complying with the laws and regulations in each country and region.

In addition, we have signed the United Nations Global Compact (UNGC), a global sustainability initiative, and participated in Global Compact Network Japan, a local network in Japan. We support the "Ten Principles of the UN Global Compact," which are universal principles covering human rights, labor, the environment, and anti-corruption that companies should abide by, and promote efforts in each of these fields.

The Advantest Way incorporates a pledge that we will respect human rights without discriminating on the basis of race, gender, age, nationality, religion, social origin, physical disabilities, disease, sexual orientation or any other factors. We have established a manual for human rights and discrimination and prevention guidelines for harassment as well as promoted the protection and respect for human rights.

In FY2013, we launched an e-learning program on the Advantest Way for all Group employees. In FY2022, this training was completed by all employees in the Advantest Group, both in Japan and overseas.

 [The Advantest Way](#)

### Freedom of Association and Labor-Management Dialogue

Advantest respects the basic human rights of freedom of association and collective bargaining. In countries and regions permitting the formation of labor unions, Advantest recognizes the right of a union to organize, the right for collective bargaining and the right to hold strikes through labor agreements. Even in countries and regions which do not permit the formation of unions due to laws and regulations or labor practices, we strive to build sound relationships and solve problems through dialogs between labor and management with the goal of fostering freedom of association and collective bargaining.

Organizations include the Advantest Labor Union at Advantest and its domestic subsidiaries. In FY2022, 78.0% of employees, excluding managers and others, are members of labor unions at Advantest. All unions engage in discussions on labor and management.

Furthermore, safety, health, and settlement of grievances are described in the labor agreement with the Advantest Labor Union, and both sides cooperate to respond to issues such as Health and Safety Committee operations, human rights issues, and personnel grievance settlements at each business base.

### Reporting and Consultation Framework (Whistleblower Office) for Human Rights Issues

Advantest has set up a Corporate Ethics Helpline to address human rights issues and concerns that are not readily resolvable in the workplace, designed so that those facing such issues can report to and consult with our Corporate Ethics Office. We have adopted a system that allows anonymous report and consultation, which are accepted in 16 languages. Posters with QR codes have also been posted at each business location for reporting and consultation via mobile devices like smartphones. Reports and consultations are overseen mainly by the Corporate Ethics Office, and every precaution is taken to prevent those employees seeking help from suffering any disadvantage or retribution. Additionally, we have established an external law firm (lawyer) as a contact point in order to make it easier for our employees to consult with or report to the helpline. The helplines and contact point can also be used from overseas, and links are available on the Global Intranet page.

Moreover, in Japan, we have established a Human Rights Protection and Personnel Mediation Committee together with the labor union to oversee consultations about domestic human rights issues. There is one harassment-related consultation received by the Helpline and Human Rights Protection and Personnel Mediation Committee in FY2022 (already resolved). The Human Rights Protection and Personnel Mediation Committee properly responds to all incidents to seek a rapid resolution while giving due consideration to the privacy of the employees concerned.

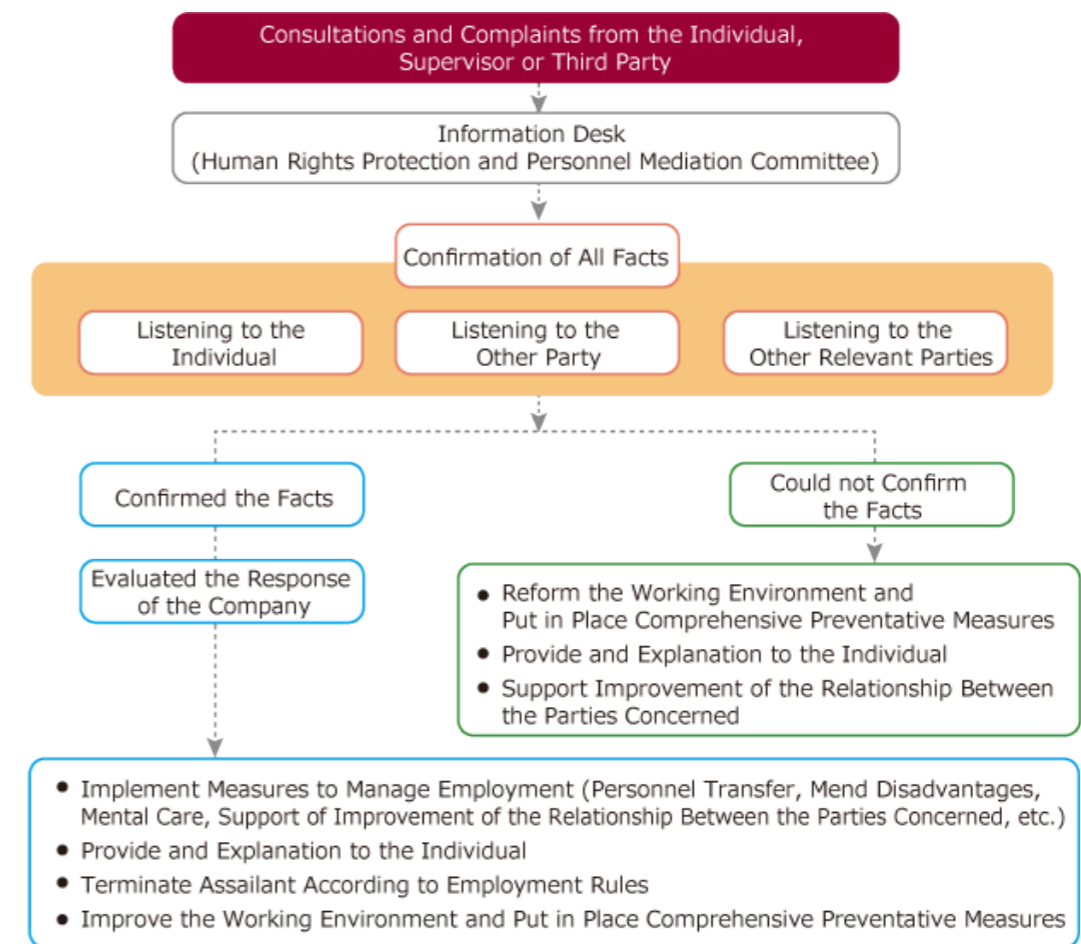
Through this activity, Advantest aims to foster a workplace environment in which employees can work with peace of mind while respecting each other's human rights.

### Efforts Within Japan

The Human Rights Protection and Personnel Mediation Committee responds to consultations and complaints received in a flexible manner which cause no disadvantage to the consultants, while taking into consideration the consultants' intentions and the contents of the hearing.

When the Human Rights Protection and Personnel Mediation Committee receives a consultation or complaint from the person concerned (or from the head of the department or a third party), a primary contact person is selected from among the committee members according to the content of the hearing. The committee members and the labor union then conduct hearings with the "person concerned (victim)," the "other party (perpetrator)," and the "bystanders". The following actions are taken depending on the factual situation.

<p><b>If the facts are confirmed</b></p>	<p>After reviewing the company's response, the following actions are taken:</p> <ul style="list-style-type: none"> <li>▶ Measures in terms of employment management (personnel relocation, recovery of damage, mental care, support for improving the relationship between the parties involved, etc.)</li> <li>▶ Explanation to the person concerned</li> <li>▶ Disciplinary action against the perpetrator in accordance with employment regulations</li> <li>▶ Improvement of the workplace environment and implementation of recurrence prevention measures</li> </ul>
<p><b>If the facts are NOT confirmed</b></p>	<ul style="list-style-type: none"> <li>▶ Review of the workplace environment and thorough implementation of prevention measures</li> <li>▶ Explanation to the person concerned</li> <li>▶ Support for improving the relationship between the parties involved</li> </ul>



## Harassment Prevention

In July 1999, Advantest created a manual to prevent harassment, and has since made efforts to prevent all forms of harassment. This manual has been revised and expanded following amendments to laws and regulations to include pregnancy, childbirth, and parental leave. The manual is published on the intranet to offer easy access to employees.

The key points are as follows.

1. Recent harassment trends
2. Sexual harassment in the workplace
3. Workplace bullying in the workplace
4. Workplace pregnancy, childbirth and parental leave harassment
5. Impact of harassment
6. Harassment from a legal and regulatory perspective
7. Harassment prevention measures
8. Dealing with harassment

We are working to devise methods for self-checking that can be conducted in response to the issues above.

To boost employee understanding of harassment prevention, every year starting from April 2006, training for new employees and new managers has incorporated training on harassment prevention as well as human rights education. Furthermore, training on the topic of harassment was conducted for all management personnel from FY2019 to FY2020.

## Community Activities

We bear in mind our responsibility as a member of civil society, and work to actively contribute to regional communities.

### Efforts Toward Social Contribution Activities

The social contribution activities of the Advantest Group focus on "preserving the global environment," "developing the next generation," and "contributing to local communities" under our basic policy of "We will respect our stakeholders, promote harmony with society, and contribute to the SDGs in order to achieve a sustainable society" within the "ESG for Sustainability" established in July 2019.

In addition, we use our business activities to meet the needs of our stakeholders and of society, and to fulfill our social responsibilities as a group throughout the world.

### Academic Support and Next-generation Development Support

Enabling Leading-Edge Technologies: the business activities of Advantest are supported by the skills of many engineers from around the world and the understanding of the communities in which we operate. With this, Advantest supports academia and science education, mainly in regions that host our research and development sites, to contribute toward the development of human resources for science and technology. For example, in Japan, we have established "The Advantest D2T Research Division" at the Tokyo University Systems Design Lab (d.lab), to provide students in Japan studying design technology of very large scale integration (VLSI) with an integrated education environment from VLSI design to testing, with the aim of developing specialist in test design and supporting research activities for SoC (System on Chip) design. Advantest also makes efforts to promote mutual understanding and exchange between international students and Japanese society, etc. through supporting (by making donations to) the Foundation of Corporate Friendship Network for Foreign Students with the aim of supporting students from around the world studying in Japan. We also are continuing our community-based activities while under the limitations due to the COVID-19 pandemic, such as holding science craft classes for children in elementary schools near our Japan business bases, and hosting "Girl's Day" workplace experiences by inviting German female students interested in electronics to our offices.

### Humanitarian Support

Advantest has been involved with many social support and charitable activities around the world for many years, rooted in "The Advantest Way."

In 2022, when the disruptive effects of the war in Ukraine intensified, we donated a total of JPY 90 million to UNICEF and four other domestic and international organizations as crisis relief efforts aiding people afflicted by difficult situations. In addition to these donations, our German subsidiary has set up an in-house "Ukraine Task Force Team," which is carrying out volunteer activities such as providing accommodation, clothes, and hygiene-related goods to refugees from Ukraine via local aid organizations in Europe.

In 2020, when the COVID-19 pandemic spread across the world, Advantest increased its donation budget



across the group to support medical assistance and socially vulnerable citizens in need in Japan, the U.S., Germany, and Singapore, through donations to organizations such as medical and nursing associations, medical institutions, Red Cross Societies, and NPO organizations.

Along with support activities related to the pandemic, Advantest also supports victims of major disasters. Furthermore, Advantest employees around the world continue to engage in charitable activities along with their business activities in order to support disabled people, refugees, and people facing economic hardships.

### Promotional Structure

Advantest has promoted CSR and environmental initiatives in every country and region. However, the importance for more global CSR and environmental initiatives is increasing as a company that contributes by itself or through its supply chain to a broader range of societies. We continue contributing to global societies through our CSR and environmental initiatives.



### Framework to promote employee participation

The Advantest Group actively advocates for employee participation in volunteer activities. Volunteer activities for giving back to society recruit participants through systems such as an intranet message board. Reports on activities in each region are also published in our internal newsletter and social media (My LIFE. ON.), which contributes to attracting new participants. Employees can save up their unused paid holidays that would otherwise not be carried over to the next year and use them for volunteer activities.

For details on My LIFE. ON., please refer to "Global Educational Activities on Our Internal Social Networking Platform "My LIFE. ON."" (Environmental Education page).

### Examples of Social Contribution Activities in Fiscal 2022

The Advantest Group is engaged in a variety of social contribution activities at its locations around the world so that each individual employee contributes to the betterment of society. In addition to providing diverse support to various regions, many employees participated in nature conservation activities in FY2022 in relation to contributing to biodiversity, one of the key themes of the "E-Environment" aspect of the ESG Action Plan.

Below are a few examples of our social contribution activities.

#### Nature Preservation

##### U.S.A. (AAI): Trail Build at Coyote Ridge Open Space Preserve

Advantest employees partnered with Open Space Authority to build a new hiking trail segment at Coyote Ridge Open Space Preserve in California. The Coyote Ridge Open Space Preserve provides critical habitat for endangered plants and animals such as the Western burrowing owls, golden eagles, and many more. Under the direction of the Open Space Authority field staff and with the support of expert Trail Master volunteers, the employees used hand tools to create nearly 850 feet (approximately 260 meters) of a new hiking trail; ultimately, contributing to the preservation of nature.



A view of trail building

##### China (ATC): Bamboo Forest Conservation Activity

Advantest cooperated with Zhejiang Future Smile Charitable Foundation in carrying out bamboo forest conservation activities at Longwang Village, Anji. While bamboo forests have a huge carbon sequestration capacity, if bamboos over a certain age (usually more than six years) is not maintained and harvested, it is said to affect the growth of other bamboos and plants. The employees learned and identified aged bamboo and worked together to harvest them. They also reinforced and maintained the mountain paths with the harvested bamboos, contributing to reducing the risk of forest fires.



How a participant is cutting a bamboo

##### Singapore (ASP): Tree Planting Activity

Advantest held a collaborative tree planting event with local Nanyang Technological University (NTU) at the campus's vicinity. This event is aligned with Singapore National Park's One Million Trees movement which is a key component of Singapore's conservation plans, as an effort to transform Singapore into a City in Nature by 2030. A total of 100 participants, including Advantest colleagues, Singapore National Parks team, NTU leadership, staff, and students, gathered for the event. ASP was the corporate sponsor donating 100 trees (SGD15,000 equivalent) for the event.



A scene during the tree planting event



## Welfare Support

### U.S.A. (AAI): Housing Project

Advantest employees, their families and friends volunteered with Habitat for Humanity East Bay/Silicon Valley (EBSV) at Habitat for Humanity's Esperanza Place location. This activity aims to build stronger communities by empowering families through affordable housing solutions. The employees, together with future homeowners and other volunteers helped various tasks including installation of a sub-floor, insulating doors, and others.



During the housing project

### Japan: School Meal Support for Developing Countries

In Advantest, we participate in the TABLE FOR TWO (TFT) program (a global meal-sharing initiative where one school meal is donated to a developing country for every healthy menu item or beverage purchased in developed countries) as one of our SDGs activities. For every set meal and beverage purchased by an employee at a cafeteria or kiosk at a business site in Japan, 20 yen will be donated. In FY2022, we were able to donate a total of 200,040 yen to TABLE FOR TWO International, a non-profit organization.



TABLE FOR TWO

### Singapore (ASP): Soup Kitchen

Advantest's employees participated in a non-affiliated charity Willing Heart's (an activity where meals are provided for free to the needy) Soup Kitchen and helped in cutting vegetables and distributing food. Willing Heart's kitchen operates 365 days a year, that prepares, cooks, and distributes approximate 11,000 daily meals to the needy in Singapore. Advantest has been actively participating this event for years.



Cutting vegetables

## Developing the Next Generation

### Japan

The Japanese government has proposed an IP creation education\* to enhance society by having children and students understand and enjoy "creating something new" and "respecting what has been created". Schools and communities need to work together to create educational materials in order to promote IP creation education with consideration for their development stage.

Advantest has held classes and workshops based on the concept of invention and great inventions in the history of Japan for elementary school students from 2021. The children learned that people's lives have been enriched by inventions, garnering positive feedback from their schools. We will continue our activities so that more children can receive IP creation education.

\*: For details of IP creation education, please refer to the materials on IP creation education of the Cabinet Office.

<https://www.kantei.go.jp/jp/singi/titeki2/tizaikyoiiku/pdf/s-1.pdf>

### Held Science Craft Classes and Nature Observation Event

We conduct various educational support activities in the areas where our offices are located, with the aim of supporting the education of schoolchildren who are future leaders of our society and contributing to local communities. In FY2022, while taking measures to prevent the spread of COVID-19, our employees taught elementary school students in the vicinity of Advantest Gunma R&D Center how to make a mechanical kitchen timer whose parts are mostly made of wood. In addition, we held science craft classes such as speaker making at elementary schools in Gunma and Miyagi prefectures where our business sites are located. We also held a nature observation event for local elementary school students at the Gunma R&D Center biotope, one of the largest company owned biotopes in Japan, as an opportunity to learn about biodiversity.



Educational workshop held at an elementary school

### 25,000 Sheets of Recycled Paper Donated to Local Elementary Schools

Advantest Gunma R&D Center has installed a [dry process office recycle machine](#), which processes discarded copy paper into recycled paper. We also made notebooks from these recycled paper and distributed them to local elementary school students who visit our biotope and to students and teachers at special needs schools who visited our company as souvenirs. In FY2022, we donated 25,000 sheets of recycled paper to a local elementary school.



Handover of recycled paper

### Usage of The Interactive Digital Globe

We have installed an interactive globe at Advantest's Gunma R&D Center, displaying real-time Earth data, for use in environmental education for children who, we believe, are the generations that will bear the responsibility of shaping the world's future, our employees, and our stakeholders. This tool not only allows us to learn about global atmospheric temperature changes, but also about the past, present, and future of the Earth.

In FY2022, this globe was also set up in the ESG corner of our booth at SEMICON Japan, a premier international exhibition offering latest insights into semiconductor manufacturing equipment and materials. It was well received by our visitors and provided an opportunity to discuss various social issues such as climate change. Likewise, we used the globe for environmental learning during the training of new employees in FY2023, following on from FY2022. We will continue to make effective use of this tool for environmental learning for a wide range of our stakeholders.



Interactive digital globe

### Advantest Participates in Edu Town SDGs Alliance

In addition to science classes for elementary school students, Advantest has also participated in the "EduTown SDGs Alliance" (produced by Nikkei Business Publications and TREE / operated by Tokyo Shoseki) project since fiscal 2021, which provides education on the SDGs to elementary and junior high school students.

The "EduTown SDGs Alliance" is a project that supports the development of creators of a sustainable society, and has created and operates the educational website "EduTown SDGs" as well as freely distributes supplementary materials (booklet).



[Advantest's page on the EduTown SDGs website](#)

[Advantest's page on the EduTown Ashitane website](#)

### China

Under the theme of "Social Contribution", Advantest (China) Co., Ltd. continuously strengthen the collaboration with universities and research institutes to develop talents for IC industry, especially on their IC test knowledge, even amid the COVID-19 pandemic and also in the post pandemic era.



In 2022, our engineers, together with our partners (from universities, research institutes, and private companies), carried out IC test trainings online 3 times, covering more than 90 trainees. Also, we developed a new partnership with a university and opened "CloudTesting™ Service based IC test fundamental" class.

In 2023, we visited several universities and invited the professors to our office to discuss new collaboration opportunities. As of May 2023, we opened IC test classes in 3 universities for more than 60 students. We also have a busy worklist for near future; prepare seminar with professors focusing on IC test class setup in universities, develop more partner universities and look for various collaboration models.

## Other Examples of How We Support the World

### Malaysia (AMY & ASM): COVID-19 Humanitarian Give Back Society

Through its corporate social responsibility (CSR) initiative, Advantest has donated RM20,000 to the CovidCareMy 3.0 Covid-19 Response Fund, an immediate crisis response initiative launched by the Malaysian non-profit organization Development of Human Resources for Rural Areas (DHRRRA). The contribution will go towards supporting families across Malaysia whose livelihoods have been impacted by the pandemic. Also, we contributed emergency aid baskets worth RM150 comprising groceries, food items, face masks and sanitizers to DHRRRA Malaysia.



Recipients of the Food Aid

### Malaysia (AMY & ASM): Contribution to The National Autism Society of Malaysia

Advantest decided to give contribution-in-kind to help to meet the needs of the people living with autism and donated stationeries, bookshelves and fans to the National Autism Society of Malaysia (NASOM). We also donated goodies bags using cash collections at approximately RM 2,000 (approximately 60,000 yen/470USD) from our employees containing a variety of toys, snacks, beverages, stationeries, and home accessories. Moreover, environmentally friendly bags made from 80% recycled from plastic bottles were used to pack these items.



Packing goodies bag

### Korea (ATK): Donation of Fixed-asset Disposal Profits

Advantest donated fixed-asset disposal profits of 2,474,800 KRW, raised by selling steel waste, to Cheonan City Welfare Foundation. Retired 10 devices of 4-year-old laptops were contributed to our local community and were delivered to people in need such as local students.



During the handover

### Germany (AEG): Donated Laptops to Ukraine Refugees

After the outbreak of war in Ukraine in February 2022 many women, children and older people fled to Germany with only few belongings and no money. AEG management and members chose to help and support these very unfortunate refugees, and provided used laptops to Freundeskreis Degerloch, an organization that helps refugees. Upon receipt, the refugees were not only able to access schooling material and but also empowered them to prepare diverse applications (job, recognition of qualifications, flat etc.) they need to submit.



Using the laptop provided by AEG

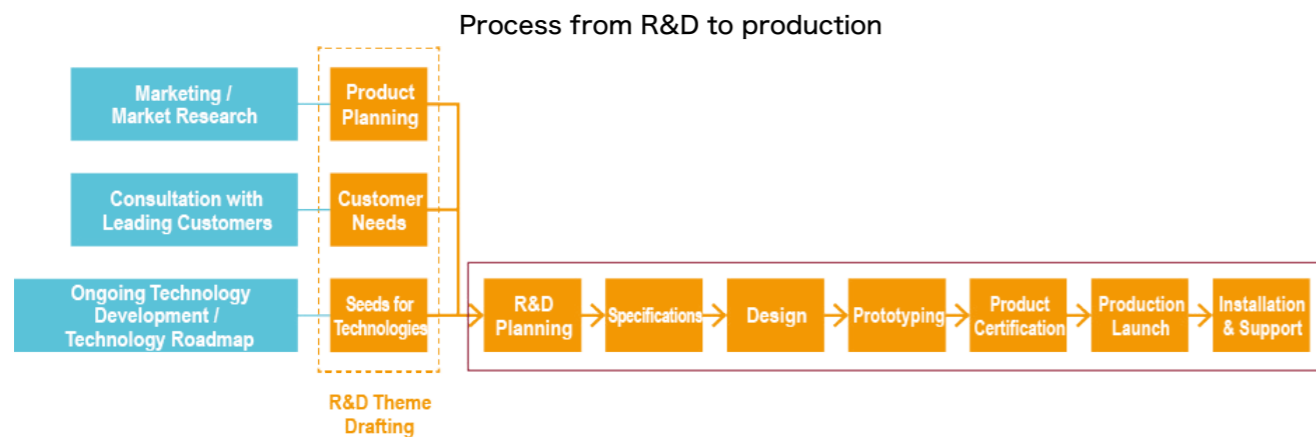


## Taking Responsibility for Our Products

We constantly aim for improvement in customer satisfaction in various areas such as design, manufacturing, sales, and service.

### Supporting Product Safety and Quality

The process from product planning to completion of development and transfer to the production department requires collaboration with various departments such as marketing, sales, quality assurance, manufacturing, and service. In this section, we explain how we face the challenges of improving product safety and quality with the aim of enhancing customer satisfaction.



### Initiatives to Secure Product Safety and Quality

Aiming to meet the increasingly high product safety standards seen as important by modern society, we adopted the Advantest Product Safety Charter in May 1995.

To achieve the above, we formulated the “Product Safety Promotion Regulations” and established a company-wide committee as an organization to promote advances in product safety. From May 1995 to the present, this committee has continued to actively take part in product safety improvement initiatives.

In FY2022, we commissioned external specialists to undertake inspections of the safety and durability of 13 major Advantest products.

The results indicated that there was no need for further revision of improvement of Advantest's safety specifications.

It should be noted that, in fiscal 2021 there was one case in which the standards specified in Advantest's Product Safety Promotion Regulations were violated. This case has been rectified by changing the product design in order to comply with the relevant regulations.

Advantest operates a 10 m Radio Anechoic Chamber (EMC Center) that complies with the EMC Act

required for the sale of products worldwide.

Europe (CE Marking) and South Korea (KC Marking) in particular have strict EMC laws and regulations.

Even in The United States, Advantest takes measures to comply with American EMC laws and regulations (FCC) due to a risk of litigation caused by noise in the surrounding environment when operating products as well as due to customer requirements.

The EMC Center is run by staff who have acquired the ISO17025 international standards regulating the operation of test facilities, in addition to EMC engineers who have been certified under the International Association for Radio, Telecommunications and Electromagnetics (iNARTE), which allow internationally recognized in-house EMC certified testing.

The facilities of the EMC center also put in place an environment that is capable of testing large industrial machinery that is only available in a few places in Japan thanks to equipment that include a turntable with an 8-meter diameter to equip with products, a 3-phase power supply able to supply a total of 148 KVA power capacity that can withstand 10 t, and equipment that can provide water cooling.

It is necessary to keep an eye on the latest legislative trends for each country of origin particularly for EMC laws and regulations. Advantest collects information about EMC laws and regulations by participating in the KEC Electronic Industry Development Center (KEC) working group. We also provide EMC regulatory information to the semiconductor manufacturing industry through the Semiconductor Equipment Association of Japan (SEAJ).

### Advantest Group Quality Policy

**Customer satisfaction is the ultimate goal of all our activities.**

- (1) We maintain product quality for the entire life cycle of our products and services and satisfy our customers' requirements throughout the value chain.
- (2) We fulfill our social responsibility and increase stakeholder satisfaction through continuous improvement of our quality management system to optimize business processes, while complying with all applicable laws and regulations.
- (3) We provide technologies, products, and services that satisfy customers in a timely manner.

### Quality Management System

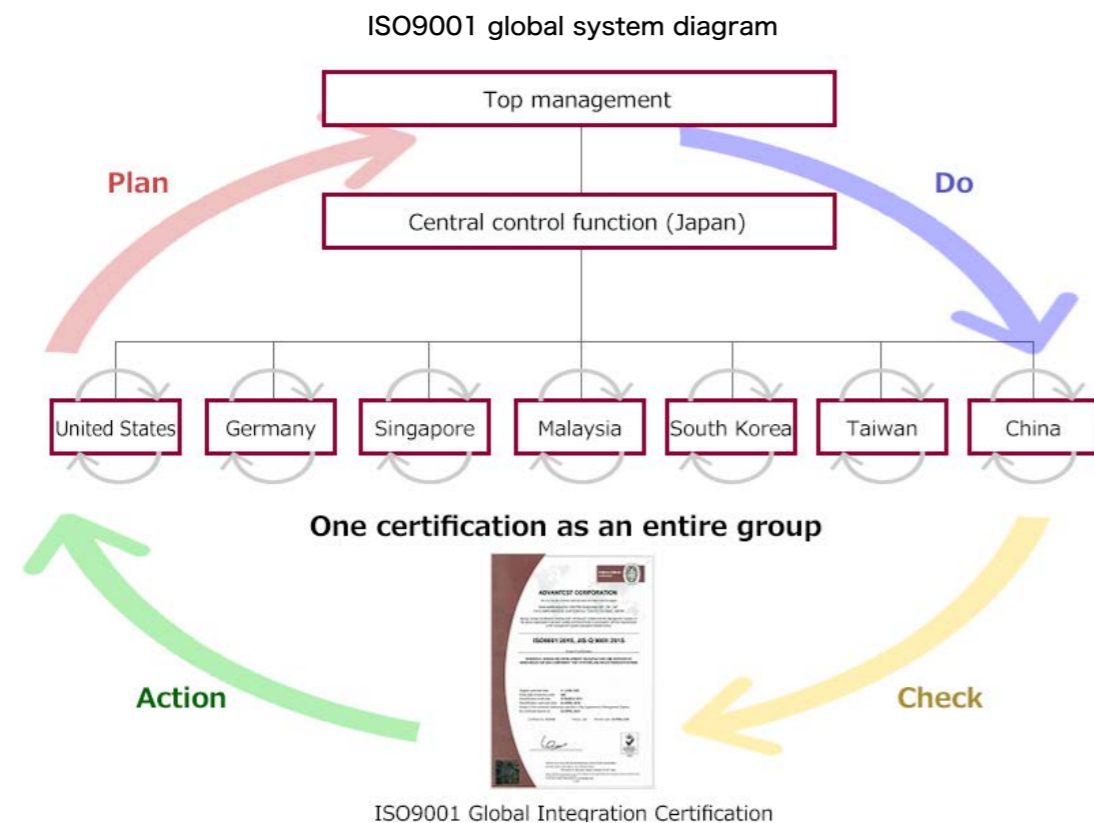
In keeping with our product quality plan where customer satisfaction is the fundamental basis of all our activity, we have designed our quality management system to comply with the international quality assurance standard ISO9001 throughout the Company.

We have established an organization to promote the system within the company-wide framework, led by the Quality Assurance Manager under the supervision of the executive management, which maintains and improves quality systems, with the goal of raising customer satisfaction. We have also constructed our own internal audit framework, and we maintain and improve our systems through regular internal audits.

Furthermore, the entire Group (eight countries and 21 sites) is advancing system integration and has acquired the ISO9001 Global Integration Certification as of April 25, 2018 to strengthen global quality management systems.

By FY2022, system integration has expanded further to eight countries and 24 sites.

The number of product recalls in FY2022 was zero with the help of this quality control system. In the future, we aim to strengthen and expand quality control while maintaining this framework.



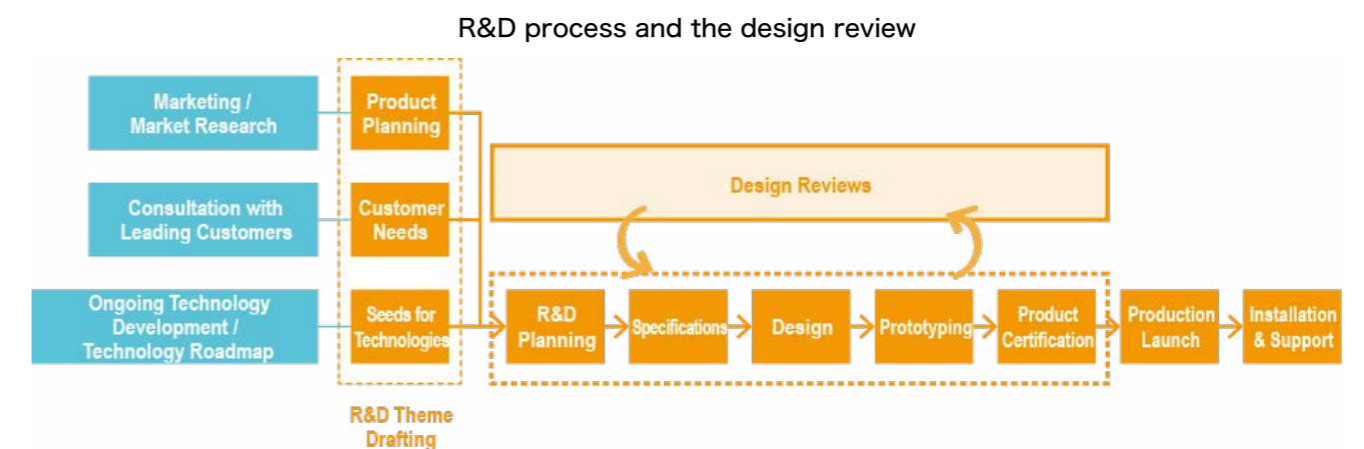
### Design Review System Aimed at Improving Quality

Customers constantly require functionality, performance, and quality in Advantest products. In response, our circuitry has become increasingly larger and complex. Meanwhile, we are also responding to demands for shorter development lead times, a challenge we feel is best addressed by instilling quality at the upstream design phase so that we can detect potential issues early on. Accordingly, we introduced a new design review system in 2008 as a framework for achieving these goals.

- Our design review system was amended to ensure that the project leader establishes a design review plan when product development begins, so that reviews are conducted regularly.
- We changed the system so that the relevant staff and the project leader, as well as the quality assurance group, carry out monitoring to prevent follow-up omissions, by enabling the visual identification of issues raised.
- We also adopted the Design Review Meister System, which involves forming groups of in-house experts for each technical area to participate in the related design reviews. This system increases the rate of problem detection in design reviews, encourages the succession of technologies, and facilitates in-house education. Many positive results have been achieved through these activities.

For instance, the rate of defect detection during the design phase has recently improved, leading to a decrease in setbacks and minimizing development delays. The new design review system has resulted in improvements in design quality and a reduction in development lead times. However, it has also revealed some cases in which problems that should have been detected by the designer ultimately found their way into the design review or the post process.

Advantest regularly collects analysis and feedback on issues that have gone undetected and makes improvements to the review framework as necessary. Moreover, going forward we will implement further improvements to the design process involving thorough checking prior to design reviews to achieve better design quality.



### Activities to Improve Component Quality (SQE Activities)

We are committed to the belief that individual components underpin overall product quality, and therefore the quality of each and every component has to be exceptional. Based on this belief, the Advantest Group engages in SQE (Supplier Quality Engineering) initiatives beginning at the component adoption phase, drawing on the support of our supplier network. SQE initiatives are undertaken with the aim of enlisting a team of experts to bring about improvements to component quality. Accordingly, it is critical that we engage in practices to ensure component quality, particularly given that the number of parts used in our products is roughly equivalent to the 200,000 to 3,000,000 parts that make up an aircraft.

Our SQE initiatives involve the following three practices.

- Careful selection of components: When given the choice of multiple components with similar performance specifications, we select the best item through a process involving in-house quality analysis and evaluation.
- Quality improvement through PDCA: We apply PDCA-cycle practices from the component design phase to manufacturing to achieve improvements prior to high-volume production and thereafter.
- Ensuring that tolerances are maintained in component design: We aim for component design benchmarks determined on the basis of tolerances rather than standard specifications.



In this way, by running SQE activities from the product development stage, we can reduce problems with components in the manufacturing process and the risk of component problems reaching the marketplace, which contributes to greatly reducing the risk of losses. The results of this approach can be seen in the smooth running of our end users' processes and in the increased security that our clients enjoy when using our products.

In addition, by decreasing the number of rejected parts, we decrease the need for their exchange and disposal, and thus contribute to reducing the environmental impact.

### Availability

Advantest is committed to helping its customers achieve higher levels of productivity by offering them products that guarantee high availability – meaning that they are unlikely to malfunction, and will recover immediately should failure occur. More specifically, availability refers to the ratio of time that a system is operational over a given time, and as such constitutes one of the benchmarks of product integrity. The Advantest Group delivers high availability by working hard to improve MTBF<sup>\*1</sup> so that systems will operate without malfunction over longer duration of use, while also reducing MTTR<sup>\*2</sup> so that systems will be more readily serviceable when a malfunction does occur.

\*1 To improve MTBF: MTBF: Mean Time Between Failure

\*2 To reduce MTTR: MTTR: Mean Time To Repair

### Initiatives Aimed at Improving Software Quality

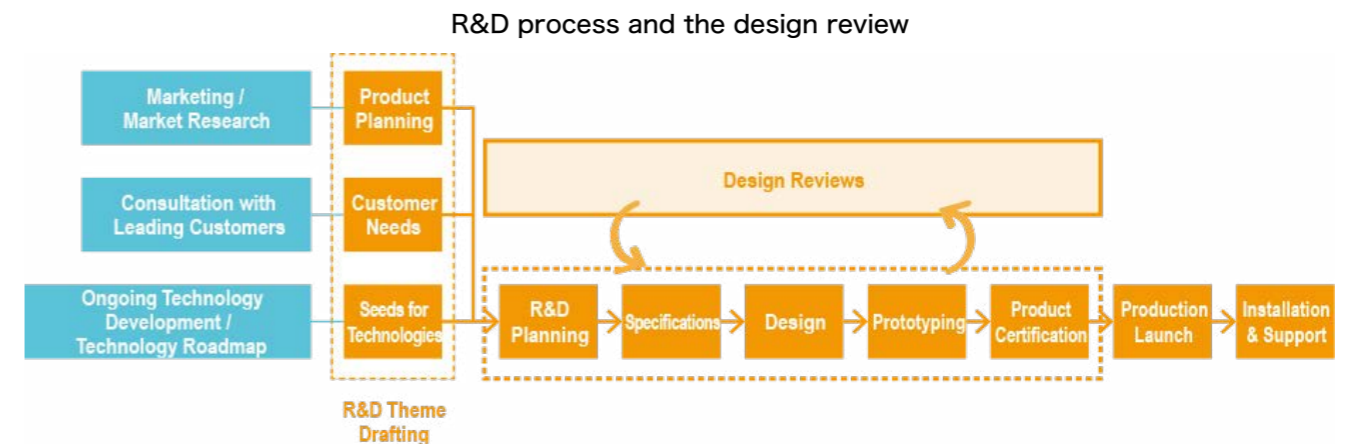
Advantest continues to implement initiatives aimed at improving software quality. Software for test systems, handlers and other such systems shipped by Advantest first goes through a process that involves quality verification by the Quality Assurance Group. The specification sheet, a parallel product of development, is examined by the Quality Assurance Group in real time and feedback is given, which helps to ensure quality at upstream stages of development. The examination is implemented before development is completed, and after it has been confirmed that quality standards have been met, products are shipped.

Advantest promotes the incorporation of Automotive SPICE<sup>\*1</sup> into the development process in order to ensure the quality of embedded automotive software. In 2021, we obtained Automotive SPICE Level 1 certification for the V93000 system software SmarTest. We are also working to obtain Automotive SPICE Level 2 certification for T2000 system software. These initiatives help to bring about the timely delivery of even better products.

\*1: Stands for "Automotive Software Process Improvement and Capability Determination", which is an automotive industry standard software development process model

## Efforts to Improve Customer Satisfaction

To improve customer satisfaction, we strive to develop and manufacture products that satisfy customers' needs, keeping abreast of market trends. In order to develop products that exceed customer expectation, we conduct appropriate design reviews in the process of product development including various departments; not only Manufacturing Division and Quality Assurance Division but also Sales Group, Field Service Group, Marketing Division, and other related departments who directly communicate with our customers. We will continue to serve our customers by quickly responding to customer needs as our customers deal with the ever-changing markets and the development of competitive next-generation technologies.



### Basic Policy for Improving Customer Satisfaction

Customer satisfaction is the most fundamental principle underpinning Advantest's business.

- (1) We maintain product quality for the entire life cycle of our products and services and satisfy our customers' requirements throughout the value chain.
- (2) We fulfill our social responsibility and increase stakeholder satisfaction through continuous improvement of our quality management system to optimize business processes, while complying with all applicable laws and regulations.
- (3) We provide technologies, products, and services that satisfy customers in a timely manner.

By sharing the above product quality policy throughout the Group, we strive to offer products that provide not only superior performance but also superior environmental friendliness and safety. We are committed to keeping our customers satisfied at every stage, from design and manufacturing to sales and service, by providing an ever higher level of guaranteed quality, top-notch service, and support on a global scale.

## Sales and Marketing Practices to Ensure Higher Customer Satisfaction

In the semiconductor market, where technology continues to evolve, our customers consistently take on the challenges of addressing environmental and social issues. Advantest believes that a proactive and speedy provision of comprehensive solutions is crucial in increasing customer value while our customers keep striving ahead for new challenges. As part of our efforts to increase customer value, we have been improving sales and marketing organizational structure. Advantest integrated marketing function of our business units, which was responsible for product strategy and new product planning, into our sales headquarters in December 2016 and we also integrated system solutions department, which provided semiconductor test system support, in June 2017. The integration of marketing department into the sales headquarters has enabled sales units to provide timely feedback to the marketing units on needs gathered through communication with customers, enabling more efficient development and delivery of products to customers. In addition, the integration of system solutions into the sales headquarters has also helped us to provide prompt technical support for our customers.

Furthermore, the sales and marketing units within the sales headquarters were integrated in March 2020 to create a system that can more speedily and accurately reflect customer needs in product development.

We aim to further improve customer satisfaction by taking measures in response to changing market and customer needs.

## Sales and Marketing Activities to Improve Customer Satisfaction

Not only do we provide test solutions, but also keep our customers up-to-date on the latest technology and product information related to the market so as to stay committed in supporting our customers' technical innovations. Due to the impact of COVID-19, we held our conventional face-to-face exhibitions and customer events online; however, beginning in 2022, we are resuming in-person events while taking vigilant measures to prevent the spread of infection. In May 2023, we successfully held the VOICE - Advantest Developer Conference in Santa Clara, California, USA. VOICE is run by a committee made up of Advantest and voluntary customers, serving as an international community where users and strategic partners related to our product portfolio gather and grow together, and celebrated its 15th anniversary this year. The conference is also a place for participants to deepen their insights and build lasting relationships by discussing the efficiency and productivity of semiconductor testing and learning about the latest technology trends and applications.

## Promoting Customer Support

The Advantest Group has established its basic policy for customer support with the aim of realizing the globally-oriented restructuring of the Group's service businesses.

Our basic policy is outlined as follows.

## Basic policy for customer support

- We will propose total solutions in the form of support packages designed to deliver maximum efficiency to our customers in their device measurement operations.
- We will propose unified service support matching the customer's business model from development to the mass production environment.
- We will respond to customer demands by proposing service support packages that encompass total solutions.
- We will always take the customer's point of view and draw on our global organization in offering solutions.
- Our premium services and customer support will not only be efficient, but will also take the environment and safety into consideration.
- We will offer high-value-added professional services.
- We will strive to maintain our zero-accident record by thoroughly observing safety standards in field service provision and elsewhere.

## Better Customer Support with a Global Focus

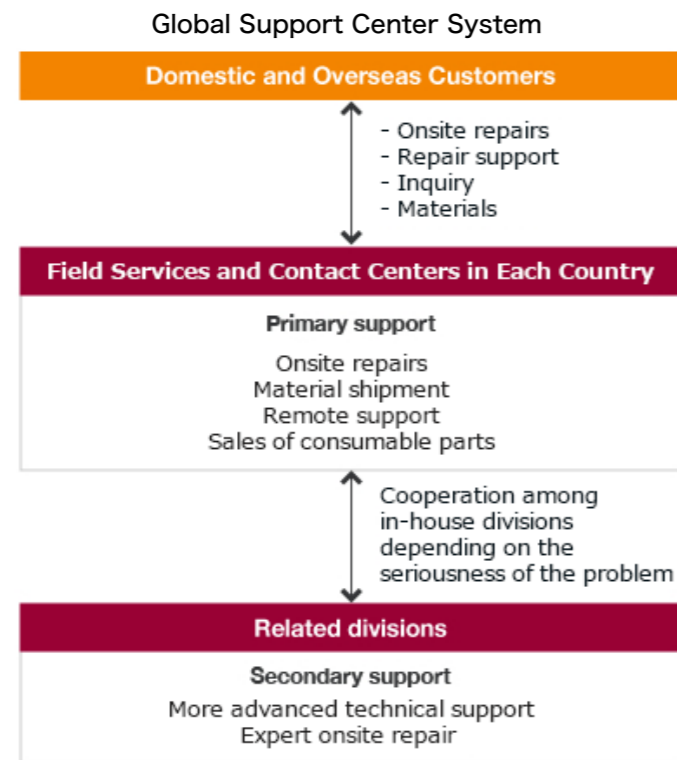
Advantest is building a global support framework capable of responding effectively to a variety of customer support requests and inquiries from customers. While responding to routine inquiries through customer contact centers in each country, as well as by telephone and e-mail, we are also implementing primary support consisting of technical service and onsite repairs by field service engineers.

We place expert global support teams in product development bases to carry out secondary support, allowing us to respond appropriately based on the content and degrees of difficulty of customer support. This way, we are working to improve customer satisfaction while building relationships of trust with customers through a system that can provide high-quality services.

We have developed a global supply-chain network covering customer operations ranging from their development bases to mass production facilities. Moreover, we also operate a supply-chain control mechanism through which replacement equipment and parts at service centers in each country are monitored to determine inventory needs at respective locations worldwide.

We continue to run an engineer exchange program between overseas subsidiaries and our secondary support division, which helps field service engineers improve their professional skills and raises the quality of our support. This two- to three-year human resource development program aims to sharpen engineers' technical skills, develop cross-cultural competencies, and raise foreign language and communication proficiencies.

In the mass production facilities of customers, we offer on-request expert engineering consulting and solutions regarding productivity issues as well as training and proposal services regarding device measurement, aiming to increase customer value through collaborative creation with our customers.



### Strengthening the Recycling and Remarketing Businesses

Advantest Finance Inc. (AFI) changed its name to Advantest Pre-Owned Solutions Co., Ltd. (APO) in January 2022. Therewith, the company marked its transition from its leasing/rental business and sale of pre-owned (used) Advantest equipment to one which focuses on business including after-sale services as a part of the Field Service BU (FS BU). This has enabled us not only to respond to long delivery times for new products but also to propose and provide purchase/resale services as a complete solution. Despite recycling being a domestic Japan-only solution, we will continue to consider its global applications and expand our activities.

Advantest will contribute to our customer's test capacity management together with FS BU. One stop shopping, quick upgrade and End-to-End test cell integration expert support will be provided for all Advantest products.

\*Remarketing business: Business that puts second-hand goods back on the market ("remarket")

[Product Recycling](#)

### Advantest Named THE BEST Supplier of Chip Making Equipment and #1 ATE Supplier for 4th Consecutive Year by TechInsights (formerly VLSIresearch)

Advantest aims to grasp customer needs accurately and strives to provide customers with high-performance, high-quality total test solutions in a timely manner.

We make efforts to gain a better understanding of our customers' needs through information that we acquire from our daily business activities, and also through yearly participation in the customer satisfaction survey conducted by TechInsights (formerly VLSIresearch), a company renowned for its semiconductor market research.



In the 2023 Customer Satisfaction Survey, Advantest captured the No.1 spot of global semiconductor companies for the fourth consecutive year. The company has also been named on the 10 BEST Suppliers list of large suppliers of test equipment for the 35th consecutive year. Advantest also achieved superior customer ratings for Recommended Supplier, Trust in Supplier, Technical Leadership, Partnering, Field Engineering Support, and Commitment and was once again the only ATE supplier to receive a TechInsights Five-Star designation.

#### <Some reviews from our customers>

- [Advantest Collaborates with Synopsys to Deliver Real-Time Data Analytics for Semiconductor Test](#)
- [Advantest Introduces Industry's First Flexible DUT Interface Enabling Increased Parallelism on V93000 EXA Scale Test Systems](#)
- [Advantest Rolls Out ACS Adaptive Probe Cleaning to Optimize Probe Card Cleaning Efficiency](#)
- [Advantest's TAS7500 Terahertz Spectroscopic Imaging System Wins Laser Industry Award for Excellent Product](#)

#### Related News

- [Advantest Ships 10,000th V93000 SoC Test System](#)
- [Global Customers Rank Advantest THE BEST Test Equipment Supplier in 2023 and the #1 Large Supplier of Chip Making Equipment in Annual Customer Satisfaction Survey](#)



## Innovation Initiatives

With the aim of "enabling leading-edge technologies," Advantest conducts research and development of fundamental technologies and products that will lead to greater value creation in the area of measurement technologies that support the semiconductor industry, the electronics industry, and the information and telecommunications industry. The results of these R&D activities contribute to the evolution of the semiconductor value chain on which our business is based on. In addition, we contribute to the realization of a safe, secure, and comfortable society by promoting the widespread use and social implementation of semiconductors with high performance and economic efficiency. Since R&D activities are a direct source of not only our own growth, but also of expanding our contribution to society, we have positioned R&D as an area of investment of utmost importance, and have invested a large amount of capital over the long term.

### Summary of Innovation Initiatives

We wish to continue to be a company that provides high-value, world-class, state-of-the-art semiconductor test technology to all of our semiconductor customers. Our customers include many of the world's technology leaders, including the world's leading semiconductor manufacturers and IT companies, and their future success leads to the success of Advantest. On the other hand, in order to continue to create products and solutions that meet the high expectations of these customers, we must overcome a number of technological hurdles, which requires long-term, sustained, large-scale R&D management with a timeframe of 5 to 10 years. Our R&D management is based on a medium- to long-term roadmap, which is formulated based on the future technology needs and investment forecasts gathered through close communication with our customers, as well as market research on future technology trends and demand forecasts in the semiconductor-related market.

We are also engaged in developing new measurement solutions for medical devices and other applications outside the semiconductor value chain that leverage our electronic and optical measurement technologies.

### Expansion of Direct Contributions to the Realization of a Sustainable Society through Innovation

At Advantest, all products undergo a product environmental assessment. In addition, we are committed to incorporating the improvement of environmental performance, such as power consumption efficiency, into our R&D process for new products, in view of contributing to a decarbonized society. Our contribution to the realization of a sustainable society is therefore integrated with our business activities.

#### Major basic technology developments in the most recent fiscal year

- Development of optical semiconductor devices, light sources, and optical integrated circuits for optical measurement and collective optoelectronic device test systems
- Development of sensor technology, algorithm technology, and application technology for ultra-sensitive magnetic measurement

- Elemental technologies such as pin electronics, pattern and timing generation, and DC test resources for semiconductor and component test systems
- Development of compound semiconductors such as low-distortion devices and high-speed, high-frequency devices for use in semiconductor and component test systems
- Development of technologies that enable testing of next-generation protocols and optical signal interfaces, including multi-level transmission
- Development of calibration methods capable of simultaneously adjusting the timing and waveform quality of ultra-high-speed signals with multiple pins
- Development of data linkage and analysis methods throughout the semiconductor supply chain, from the design process to the test process

[Green products](#)

### Test solutions appealing to diverse customer needs

#### V93000 Series

The requirements of today's industry for even higher speeds, performance and pin counts means that test systems must offer greater functionality while maintaining low cost of test. With its scalable platform architecture, the V93000 tests a wide range of devices, from low cost IoT to high end, such as advanced automotive devices or highly integrated multicore processors. It also requires not only innovative technology, but also a system architecture with a long use-life, high scalability, and high investment efficiency.



V93000

The V93000 tests a wide range of devices, from low cost IoT to high end, such as advanced automotive devices or highly integrated multicore processors. Staying focused on the single scalable platform strategy, the V93000 is widely accepted at the leading IDMs, foundries and design houses. Outsourcing IDMs and fabless companies find V93000 test capacity installed in all leading OSATs worldwide.

[Advantest Introduces Industry's First Flexible DUT Interface Enabling Increased Parallelism on V93000 EXA Scale Test Systems](#)

[Advantest Launches Compact Test Station for V93000 Platform, Enabling 4X Capacity Increase in IC Engineering Labs](#)

[Advantest Launches Universal VI and Power Supply Card for V93000 EXA Scale SoC Test System](#)



### T6391 Test System

Display driver ICs (DDIs) control operations of display panels, used in various electric apparatus such as smartphones and televisions. Advantest's T6391 is the latest addition to the T6300 series, the industry standard for DDI testing, with an installed base of more than 2,500 units worldwide. The T6391 is the latest test platform designed to address various needs for the next-generation DDI technology trends including increasing pin counts, faster interfaces, and multifunctionality.



T6391

The new LCD HP (high-performance) per-pin digitizer and comparator module has been developed for use with the T6391 display driver test systems featuring two key performance improvement. First, it improves measurement precision 5x compared to the previous module, making it ideally suited to accommodate the testing demands of advanced display driver ICs (DDICs) for high-end smartphones and augmented/virtual reality (AR/VR) applications. Second, it can handle high-voltage testing up to ±40V, enabling the module to address the high-reliability testing demands of brand-new automotive DDICs.

[Advantest Expands T6391 Display Driver Tester Capabilities with New Per-pin Digitizer and Comparator \(LCD HP\)](#)

### inteXcell

Test solutions for next-generation memory devices, which are becoming both faster and larger in capacity, will require not only high-speed and massively parallel testing capability, but also a scalable test environment that is highly automated, leading to a smaller system footprint.



inteXcell

Advantest launched [inteXcell](#), a new line of minimal-footprint test cells designed to address demanding final-test requirements presented by the increasing bit densities, lower power consumption and faster interface speeds of future memory devices. inteXcell is the first ever fully integrated and unified test solution to combine broad test coverage with high-throughput handling in a highly flexible system architecture.

[Advantest Introduces New inteXcell Series of High-Performance, Economical Test Cells for Advanced Memory ICs](#)

### Advantest Cloud Solutions™ (ACS)

With the aim of expanding and growing corporate value, Advantest is extending its solutions by enhancing test solutions and introducing new technologies. As an example, Advantest has been promoting [Advantest Cloud Solutions™ \(ACS\)](#), which integrates data generated through customers' semiconductor manufacturing processes with semiconductor testing data, which is then analyzed to generate new value.



The Advantest Cloud Solutions™ (ACS) ecosystem helps customers accomplish intelligent data-driven workflows. The ACS open solution ecosystem, a family of cloud-based products and services, is based on a single scalable data platform, which enables customers to develop or procure market-leading solutions from Advantest and its partners. Using these real-time machine learning, market-leading solutions, customers can automate turning insights into production actions in an easy-to-use and accessible way across the entire semiconductor value chain.

- [Advantest Rolls Out ACS Adaptive Probe Cleaning to Optimize Probe Card Cleaning Efficiency](#)
- [Advantest Collaborates with Synopsys to Deliver Real-Time Data Analytics for Semiconductor Test](#)
- [Advantest Announces New ACS University Program Allowing University Partners to Participate in the ACS Open Solution Ecosystem](#)
- [Advantest Launches ACS Solution Store to Enable Real-Time Data Analytics Solutions for Semiconductor Test](#)
- [Advantest Launches Unique AI-Powered Software Solution to Accelerate Yield Improvement Throughout IC Engineering and Production](#)

### System Level Test Systems

As a new test solution, Advantest is developing products that support [system level testing](#) to guarantee the performance of the final product. While System Level and Burn-In tests are not new methodologies, both are gaining more momentum particularly for production test.



T5851-STM16G

- [Advantest Adds System-Level Testing Capability for Advanced Memory ICs Used in High-Growth Automotive Market](#)
- [Advantest Enables PCIe Gen 5 NVMe & CXL Device Testing on Proven MPT3000 SSD Test Systems](#)

### E5620

The E5620 Defect Review Scanning Electron Microscope (DR-SEM), its newest mask SEM product for reviewing and classifying ultra-small defects on photomasks and mask blanks. With its high-accuracy, high-throughput defect review capability, the E5620 DR-SEM is expected to contribute appreciably to production quality improvements in next-generation photomasks and shorter mask manufacturing turnaround times.



E5620

The E5620 implements Advantest's highly stable image capture technology to easily import defect location data from mask inspection systems and automatically image the locations. The system has a number of improvements over its predecessors, specifically to target review of masks for the next generation of EUV lithography.

[Advantest Unveils E5620 DR-SEM for Review and Classification of Ultra-Small Photomask Defects](#)

### Photoacoustic Microscope

We have released "Euclid", a three-dimensional image viewer that can display 3D images by superimposing data on melanin in the skin, the vascular network, and the skin structure, as measured by a Hadatomo™ Z tool. Advantest is also accumulating new research results with Hadatomo™ Z photoacoustic microscope.



WEL5200

[Advantest Launches new "Euclid" 3D Image Viewer](#)

[Hadatomo™ Z 2 New Research Achievement Articles Added](#)

### Terahertz Spectroscopic / Imaging System

Terahertz spectroscopy and imaging systems are used to perform non-destructive analysis of pharmaceuticals, chemicals, communications materials, etc., without requiring a specially constructed analysis environment, and is expanding the range of applications for our customers.



Left) TAS7500IM  
Right) TAS7500SP

[Advantest's TAS7500 Terahertz Spectroscopic Imaging System Wins Laser Industry Award for Excellent Product](#)

### External Collaboration

Advantest aims to contribute not only to semiconductor testing but also to the entire semiconductor value chain by promoting innovation through industry-academia collaborations and other external collaborations, as well as through human capital development initiatives.

[Advantest Announces New ACS University Program Allowing University Partners to Participate in the ACS Open Solution Ecosystem](#)

[Advantest and Singapore Polytechnic Jointly Establish New Test Engineering Centre to Boost Capabilities of Integrated Circuit Test Engineers in Southeast Asia](#)

[Advantest, NXP and Arizona State University Collaborate to Launch New Test Engineering Curriculum](#)

In addition to the above, we have established "The Advantest D2T Research Division" at the Tokyo University Systems Design Lab (d.lab), with the aim of developing specialist in test design and supporting research activities for SoC (System on Chip) design.

Together with the University of Tokyo, Advantest has begun working on research and development of new, advanced system technologies from April 1, 2023 in the Research Association for Advanced System (abbreviated as RaaS, hereafter referred to as RaaS<sup>\*1</sup>) (Chairperson: Professor Tadahiro Kuroda, Director of the System Design Lab (d.lab) of the Graduate School of Engineering, the University of Tokyo). The six members of the cooperative, the University of Tokyo, Advantest, Toppan Inc., Hitachi Ltd., Mirise Technologies Corporation, and Japan's RIKEN Scientific Research Institute, will work together to do R&D on a next-generation leading-edge semiconductor development platform that can be shared among the members.

\*1 RaaS

An acronym of the Research Association for Advanced Systems. It advocates the provision of semiconductors not as components (products) but as core system knowledge (services), and reads "Raas". It also stands for "research as a service".

[Advantest & Other Members of the Research Association for Advanced Systems Launch Advanced Semiconductor Design Platform R&D Project for Democratization of Access to Silicon Technology](#)

# Intellectual Property Protection

The guiding principles underlying Advantest's intellectual property management emphasize compliance with intellectual property right laws and regulations and the need to respect the intellectual property rights of third parties.

## Basic Stance Toward Intellectual Property

The basic principles of Advantest's intellectual property management are compliance with intellectual property laws and regulations and respect for the intellectual property of third parties.

## Organization of Intellectual Property Management

Advantest establish the intellectual property management systems seen below and we manage appropriately the intellectual property with cooperation of business units, Advantest laboratories and corporate planning department (cooperating organizations, universities, etc.) in Japan, Germany and the U.S., our major development bases.

The Intellectual Property Department conducts monthly online meetings with intellectual property managers in Germany, the U.S., Singapore and China, joining forces with the IP Strategic Committee in each area to promote intellectual property activities in accordance with business unit, research and management plans.

The Patent Remuneration Committee consists of members in Japan, Germany and the U.S., and the members meet together to determine the Business Contribution Awards and the Prizes for Excellent Invention Awards every year.

The IP Strategic Committee is selected from among the various business unit, laboratories and corporate planning department in Japan, Germany and the U.S., and develops the patent application strategies linked to the business strategies.

Organization of intellectual property management



## Providing Information to the Management and the Business Units

The strength of Advantest is our state-of-the-art technological capabilities. Therefore, we believe protecting our intellectual property as the source of our competitiveness vital to persist as an enterprise. In recent years, Advantest has been working to protect and manage our intellectual property, as well as to leverage our and other companies' intellectual properties. For instance, Advantest promotes an IP landscape and provides information on intellectual property to the management and each business unit.

## Intellectual Property Education

Advantest conducts education on intellectual property every year and strives to raise each employees' awareness of intellectual property.

In fiscal 2022, we conducted a two-day training, including a series of hands-on training, for new technical employees to acquire knowledge on intellectual property necessary for engineers. In addition, we provided intellectual property training on our ethical standards, stipulated under "14. Protection of Assets and Confidentiality" of [The Advantest Way](#), for all employees of the Advantest Group via e-Learning.

As part of our Efforts Toward Social Contribution, we held classes and workshops for elementary school students to promote IP creation education. Please refer to "[Community Activities](#)" for details.

## Disputes and Litigation Relating to Intellectual Property

As of March 31, 2023 there were no such disputes.



# Supply Chain Management

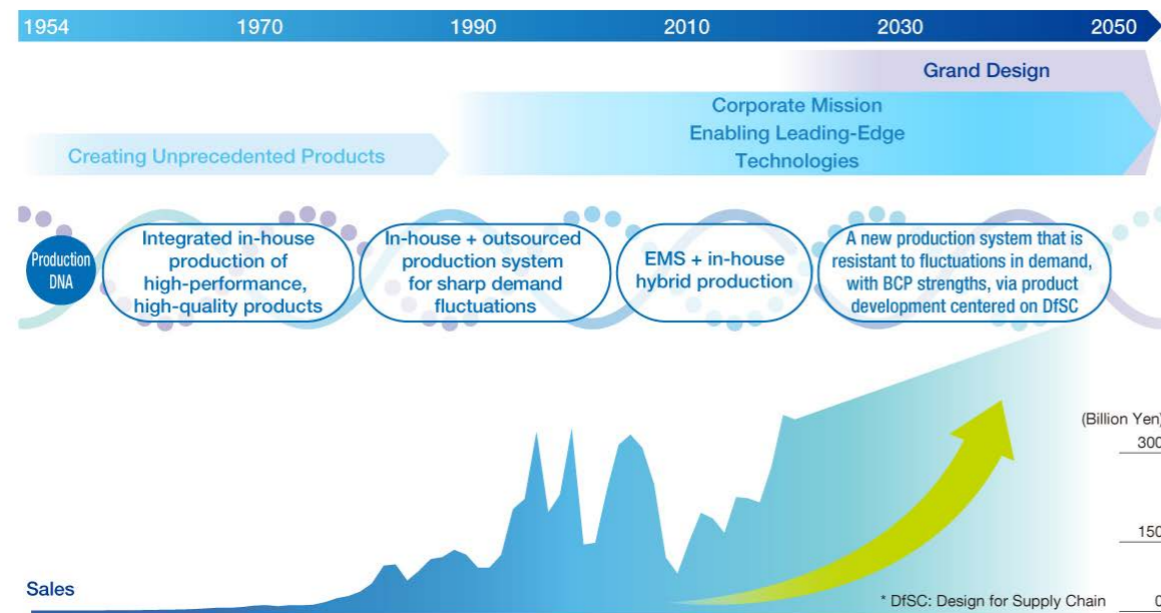
Cooperative relations with our business partners are the foundation of all our businesses. We value communication with our business partners, and maintain fair business dealings with them based on related laws and regulations.

Advantest effectively combines three different production methods: all-in-house production, EMS production by a company that handles the entire supply chain, and outsourcing to partners that handle only the manufacturing of products. With the slogan Design for Supply Chain (DfSC) in mind, we aim to build a manufacturing system that is resilient to supply-demand fluctuations and BCP, while exploring ways to maximize the benefits of each method.

The Gunma Factory, our in-house production facility, is evolving into a “mother factory” that operates the entire manufacturing process in collaboration with our outsourcing partners. Now, we have expanded the ratio of outsourced production to more than 80%.

A cooperative relationship with our business partners is essential for developing the best supply system based on three different production methods. Advantest upholds fair business relations in accordance with relevant laws and regulations while maintaining close communication with our business partners.

Manufacturing Capital — Design for Supply Chain



## In-house Initiatives for Supply Chain Management

Advantest upholds collaboration and cooperation with our suppliers in our ESG Initiatives Basic Policy. We place value on open communication with our business partners, which will ultimately lead to building trusting relationships and mutual development.

In order to maintain fair business relationships in accordance with relevant laws and regulations, we have established a Basic Procurement Policy, to which we have shared and sought cooperation from our suppliers. We have also prescribed the [Supply Chain CSR Promotion Guidebook](#) and [Green Procurement Guidelines](#), and endeavor to build a supply chain with the need to respect human rights, occupational safety, and environmental considerations.

[Advantest Procurement Policy](#)

[Supply Chain CSR Promotion Guidebook](#)

[Green Procurement Guidelines](#)

## Supply Chain Management System

Advantest's Supply Chain Division and the Global SCM Division are responsible for formulating and implementing procurement, outsourcing, logistics strategies, and other additional services. Moreover, we procure parts, which have been certified by each global base, in a timely and appropriate manner based on globally standardized evaluation criteria for parts selection.

## ESG Action Plan 2021-2023

Based on the Mid-Term Management Plan (MTP2), Advantest has established an ESG Initiatives Basic Policy, upon which the ESG Action Plan 2021-2023 has been set up in accordance with this policy. In the supply chain, we are working together with our business partners in order to promote CSR procurement, with the goal of realizing a sustainable society by promoting activities for climate change, respecting human rights, occupational safety, fair trade, and observing compliance.

[Our Activities in FY2022](#)

## Education for Implementing Fair Trade

Advantest offered education on the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors for all employees of group companies in Japan, along with company-wide compliance education. As a result, we saw an upliftment of the levels of consciousness among all employees in Japan, irrespective of the department they belong to.

Going forward, we will continue to maintain fair trade through ongoing employee education and individual support.



## Efforts to Address Our Supply Chain

### Supply Chain CSR Questionnaire

Based on our ESG Action Plan 2021-2023, we conducted a CSR Questionnaire for business partners who account for 85% of the transaction value of all Advantest Group companies (Supply chain due diligence). The contents of the FY2022 questionnaire mainly referred to the "Supply Chain CSR Promotion Guidebook" in line with international norm and initiatives such as the RBA Code of Conduct\* while asking to submit reports on the introduction of renewable energy and limitation of greenhouse gas emissions with the goal of mitigating climate change as in the previous fiscal year.

Having in mind that the entire supply chain should address social issues, we aim to enhance supplier engagement not only by providing materials summarizing the results of the questionnaire for each business partner, but also supplying feedback on points that were highly evaluated as well as requests for improvement, and by holding seminars for business partners who mentioned difficulties of reporting their greenhouse gas emissions.

The 2022 questionnaire was conducted in March 2023, to which we were able to obtain responses from all of the companies that received the questionnaire. We will continue to work with business partners who find it difficult to report their greenhouse gas emissions or whose measures to mitigate climate change remained undecided.

In Japan, we also evaluate the QCD\* of our business partners every quarter aimed to ensure the stable supply of products while maintaining and improving quality.

FY2022 Implementation of CSR questionnaire (Global)

Survey period	March 2023
Implementation of seminars	March 2023
Feedback to business partners	July 2023 (planned)

FY2022 Business Partner QCD Evaluation (Japan)

Evaluation period	Quarterly (July/October 2022, January/April 2023)
Feedback to business partners who require improvement	Quarterly (August/November 2022, February/May 2023)

\* RBA Code of Conduct: A code of conduct pertaining to social responsibility advocated by the Responsible Business Alliance.

\* QCD: An acronym of Quality, Cost, and Delivery.

### Establishment of a Contact/Reporting Window

We ask for reports to be made through the [contact window](#) on our webpage if there is any action by an Advantest employee, etc. that violates the code of conduct, business contracts, or laws and regulations, or any other action deemed to be suspicious. There were no complaints filed (no cases) in FY2022.

Note that Advantest will not subject the whistleblower, nor the whistleblower's company, to any disadvantage. If an investigation finds any issues, the relevant action shall be stopped and measures shall be taken to prevent recurrence.

[Contact Window \(https://www.advantest.com/about/procurement/contact\)](https://www.advantest.com/about/procurement/contact)

### Announcement of the Declaration of Partnership Building

Advantest and Advanfacilities Co., Ltd. have agreed to and endorsed the Declaration of Partnership Building and announced our framework on Declaration of Partnership Building\* in the fall of 2021.

The Declaration of Partnership Building declares, in the name of the representative of the company, that it will build new partnerships by promoting further collaboration and prosperous coexistence with business partners in the supply chain and encourage businesses that create value. The following are few examples of matters to observe for the promotion of partnership building.

- Leveraging information technology to promote operational efficiency throughout the supply chain
- Working together with suppliers and vendors to improve quality and productivity, aiming for mutual development
- Working together towards the realization of a decarbonized society throughout the entire supply chain, including Advantest.

\* The Declaration of Partnership Building was founded by the Council on Promoting Partnership Building for Cultivating the Future, which consists of representatives from business circles and labor organizations including the Chairman of Keidanren, the Chairman of the Japan Chamber of Commerce and Industry, and the Chairman of the Japanese Electrical Electronic & Information Union as well as related ministers (Cabinet Office, Ministry of Economy, Trade and Industry, Ministry of Health, Labor and Welfare, Ministry of Agriculture, Forestry and Fisheries, and Ministry of Land, Infrastructure, Transport and Tourism).

## Examples of ESG promotion with our business partners

Advantest supports the philosophy of the Declaration of Partnership Building and promotes various ESG activities together with our business partners.

### Introduction of environmentally friendly pallets

The Gunma Factory introduced environmentally friendly pallets for parts storage in 2022 in response to a proposal from Alps Logistics Co., Ltd., to whom we outsource parts warehousing. These pallets are made from a blend of marine plastic waste, with logos of "Plastics Smart" printed on the sides, an initiative to reduce marine plastic waste lead by the Ministry of the Environment. Using these pallets represent our commitment towards our contribution in combating marine plastic debris from a logistics perspective.



### Awarded from the Tokyo Metropolitan Government for eco-driving

Musashiseki Unyu Co., Ltd., our freight forwarder who transports our products via eco-drive technology, was awarded the highest rating of "three stars" for the second consecutive year in the 2022 "Tokyo Freight Transportation Evaluation System" (evaluation of efforts, such as eco-driving, of freight forwarders based on actual driving fuel efficiency and consumption), and was also selected as one of the top five highest rated forwarders. Advantest has set the reduction of greenhouse gas emissions throughout the value chain as one of its key themes. We believe that the fact that our business partner won such an outstanding award shall be a further driving force for ESG promotion, as we continue to promote efforts to reduce supply chain emissions.

### Implementation of activities and educational campaigns to promote the Pink Ribbon Movement

Advantest Japan supports the Pink Ribbon Campaign, an international campaign to raise awareness about breast cancer and promote early detection, diagnosis, and treatment of the disease. During the Pink Ribbon Month in autumn, 2022, we conducted educational and promotional activities ((1) on-demand streaming of a seminar on breast cancer awareness, (2) two walking events, and (3) fundraising) in collaboration with one of our business partners.

During the walking event, pink towels (original towels with ADVANTEST and business partner's logos), symbolizing the Pink Ribbon Movement, were created and distributed to all participants. Fundraising activities made a total of ¥93,752 which we donated to J.POSH, an authorized NPO. In addition, we created original pin badges for the Pink Ribbon Campaign, made from eco-friendly biomass resin, and gave them to those who donated over a certain amount as souvenirs.

## Examples of consultations on business continuity and SDGs activities

In November 2021, Meisei Corporation, a partner company of Advantest, consulted Advantest about their business continuity plans and SDGs initiatives. We shared our initiatives and opinions regarding the global trends, with a particular emphasis on the promotion of initiatives that match the company's collective goal. After thorough discussion within Meisei Corporation, which stimulated their willingness to engage in contributions for the world, they drew out the following initiatives.

- Participate in the CoCoLo Project\* to promote decarbonization and contribute to society by introducing solar power generation on factory roofs
- Disclose SDGs Declaration
- Promote female leader development education to for better tapping the high ratio of women

\* CoCoLo Project: A project initiated by the West Group, which converts the environmental value created by companies into credits through the J-credit system\* and utilizing them for various donation activities as efforts to promote the reduction of CO<sub>2</sub> emissions and regional revitalization.

\* J-credit system: A system in which the government certifies the amount of CO<sub>2</sub> emissions reduced through the introduction of energy-saving equipment and the use of renewable energy, and the amount of CO<sub>2</sub> absorbed through appropriate forest management as credits.

## Efforts for Procurement

### Measures against procurement risks

In addition to the stagnation and confusion of logistics due to Russia's invasion of Ukraine and the prolonged lockdown in China, climate change and natural disasters are causing supply chain disruptions that has never been experienced before. On top of the ongoing visualization of the factory (visualization of processes and information from parts procurement to production and shipping), we have established a system to predict requirements in real time to enable prompt and appropriate response. Furthermore, at our global bases, executives are spearheading partnership agreements with our suppliers, exchanging information at the top level, and boosting cooperation with EMS.

Advantest promotes procurement from multiple companies in principle as a contingency for the procurement of components from the perspective of BCP.

We created a BCP map of our suppliers and manufacturing bases to speed up information collection and countermeasure examination in case of a disaster.

## Responsible mineral procurement

Although Advantest is not subject to Section 1502 of the US Dodd-Frank Wall Street Reform & Consumer Protection Act (Conflict Minerals Clause), we are voluntarily addressing the issue of conflict minerals. Since 2013, Advantest has been implementing an annual mineral procurement survey of our business partners using the Conflict Minerals Reporting Template (CMRT) tool developed by the Responsible Minerals Initiative (RMI)\*. In FY2022, we conducted a survey of our business partners and verified the smelters/refiners listed on the CMRT with the information disclosed by the RMI. The results are as follows.

Survey (CMRT) collection rate	99%
• Total number of refineries/smelters	351
• Number of conformant certified refiners/smelters	229
• Number of refineries/smelters without conformant certification (including pending refineries/smelters)	122

In total, the ratio of conformant smelters was 65.2%.

We will continue to seek cooperation from our business partners who we are yet to confirm.

In FY2023, we will enhance our system so as to aim for 100% of our suppliers who are conflict-mineral-free.

\* RMI: [Responsible Minerals Initiative](#)