

## Labor Practices and Decent Work

# Training and Education

### Basic Approach and Policy

#### Basic Stance on Personnel Systems

Olympus regards “people” as its most important management resource and respects individuals. At the same time, we strive to be an organization that responds swiftly and systematically to changes in the management environment. Toward this end, we believe that it is important for each employee to transform themselves into a self-reliant professional with a mature character and to acquire the ability to respond to changes in society.

It is also important to trust the motivation and vitality of employees, make a fair evaluation of the results they achieve through their individual abilities, and treat them fairly.

To achieve this, our personnel system sets out the outcomes and capabilities called for in individual employees as capacity development guidelines. We have also introduced a goal management/evaluation system, MBO-S\*, to support the development of employees’ abilities.

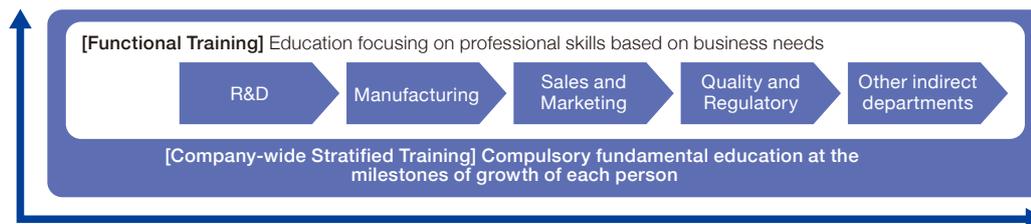
### Promotion Structure

#### Promotion Structure of Training and Education

In April 2016, Olympus established the Education & Training Department which charts strategies related to the training and career development of Group employees in Japan, and plans and implements systematic education programs.

The Education & Training Department has revamped our training system after a year of discussion, and clarified the training contents and promotion structure. The new training system consists of “stratified training,” which is the fundamental training given to all employees throughout the company in Japan, and “functional training,” which includes professional skills training and training programs appropriate to individual circumstances, implemented mainly by the functional departments on the basis of the stratified training.

The stratified training aims to give employees effective practical training from the medium- to long-term perspective. Over the next five years, we will be consistently planning and systematically developing new programs in sequence that we will shift to from existing training.



### Systems and Mechanisms

#### MBO-S\* Goal Management /Evaluation System

Olympus manages its own goal management and evaluation system, called MBO-S, to allow employees to proactively pursue their business themes and develop their abilities to grow towards their goals. Employees have individual interviews with their superiors every six months to confirm the degree to which they have achieved their quantitative and qualitative targets and to set goals for the next half year.

Repeatedly attending interviews and improving their abilities not only allows employees to make temporary improvements in performance, but also allows them and their company to pursue mid- to long-term growth.

\* MBO-S

Acronym for “management by objectives and self-control.” MBO-S applies to regular employees of Olympus Corporation including about 6,000 non-managers overseas.

### The “Olympus College” Capability Development System

Olympus conducts more than 250 courses per year, consisting of management training, business training, technical training, global training, and so on, in the “Olympus College” Capability Development System.

In 2016, we rebuilt these programs into “Company-wide Stratified Training” and “Functional Training” based on the concept of a “new training system” aimed at effective training from the medium- to long-term perspective. Company-wide Stratified Training is positioned as the fundamental training scheme that is conducted throughout the entire company. It is essential training that all employees receive from the simultaneous hiring of new graduates. With Functional Training, in addition to the training programs offered by functional departments focusing on professional skills development, we also offer training programs that can be selected depending on the needs and circumstances of each employee. We have worked on improving the effectiveness and efficiency of in-house training, including preparations for integrating Olympus College and e-learning, which were previously managed separately, to strengthen capability development.

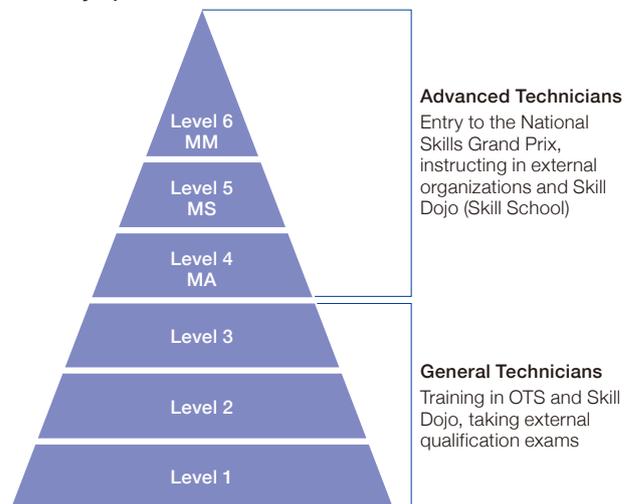
#### Overview of New Training System

Company-wide Stratified Training				Functional Training
Qualification-specific Training		Role-specific Training		
Management training		Management training	New director training	Pre-retirement training
			Existing group leader training	Training for those in their 50s
New group leader training	Training for those in their 40s			
Existing team leader training				
New team leader training				
Mid-level career training	Innovative mind Leadership facilitation, etc.			Professional skill development training
Young employee training	Establishing a professional mind (5th year)	Mentor training		
	Contributing to organization and problem solving in action (4th year)			
	Practical communications, and application of problem solving (3rd year)			
	Role awareness and basic problem solving (2nd year)			
	Basics of work and organizational activities (1st year)			
Writing skill and languages (Prospective employees)				

### Manufacturing Technicians Training Program

Olympus regards its manufacturing technicians as an important source of added value, and classifies them into 6 stages, aiming at a planned level-up. Level 1 to 3 new employees are “general technicians,” Level 4 and above are certified as “advanced technicians” with high technical skills. Level 4 employees are referred to as Manufacturing Advisors (MA), Level 5 as Manufacturing Supervisors (MS), and the highest level 6 as Manufacturing Masters (MM). From new recruits to MMs, we nurture our employees in a planned manner according to their level.

#### Skill level of ‘advanced technician development system’ in Olympus



### **Developing Human Resources Overseas to Become Manufacturing Workers**

Olympus is proactive in promoting human resources development at its overseas manufacturing bases. For example, the Shenzhen Factory in China, which manufactures digital cameras and microscope products, has an in-house skills qualification system for the lens polishing and coating processes that is based on the Japanese National Skill Test. Our Shenzhen and Vietnam factories have also introduced qualification systems for bonding and soldering work based on Japanese certification programs. For initiatives such as these, experts from Japan visit local factories, offer guidance and hold certification exams.