Environment

020 Environmental Management

026 Climate Change and Energy

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035 Preventing Environmental Pollution

037 Resource Recycling

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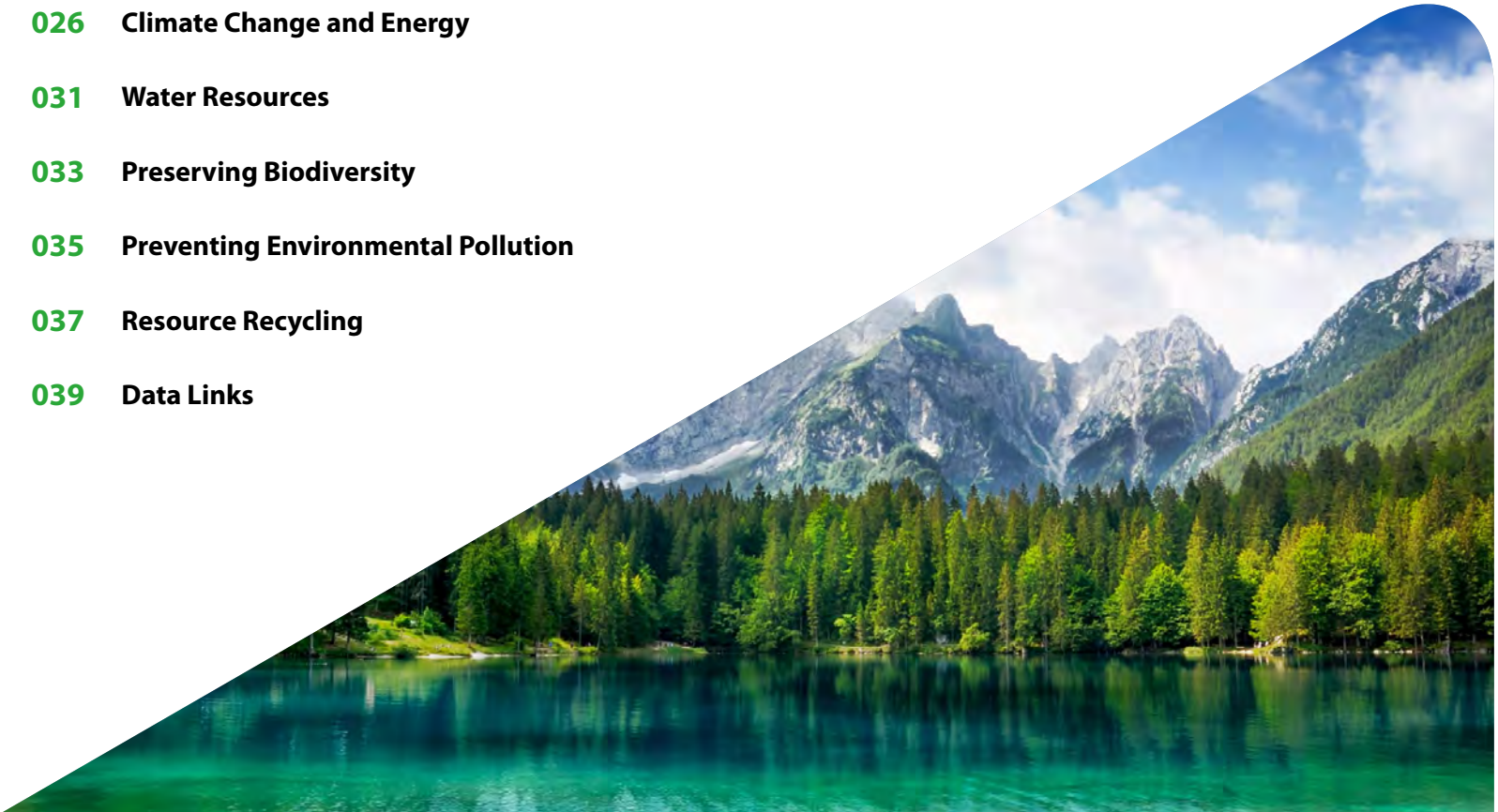


Boundary of Global Environmental Protection

While the boundary of global environmental protection extends to the entire Anritsu Group, in principle the reporting boundary for numerical data, such as environmental impact, encompasses Anritsu Corp. and the following Group companies.

Group Companies in Japan

Anritsu Infivis Co., Ltd.,
Tohoku Anritsu Co., Ltd.,
Anritsu Customer Support Co., Ltd.,
Anritsu Devices Co., Ltd.,
Anritsu Networks Co., Ltd.,
Anritsu Engineering Co., Ltd.,
Anritsu Kousan Co., Ltd.,
AT Techmac Co., Ltd.,
Anritsu Pro Associe Co., Ltd.

Group Companies Outside Japan

Anritsu Company (U.S.A.)
Anritsu Ltd. (U.K.)

Notes:
Within the Anritsu Group, the Hiratsuka site refers to the facilities of AT Techmac Co., Ltd. in Hiratsuka City, Kanagawa Prefecture; the Tohoku site refers to those of Tohoku Anritsu Co., Ltd. in Koriyama City, Fukushima Prefecture; and the Atsugi site refers to the Anritsu Corporation and those of other Group companies in Atsugi City, Kanagawa Prefecture.

Anritsu Networks Co., Ltd., Anritsu Engineering Co., Ltd., and Anritsu Pro Associe Co., Ltd. were absorbed and merged with Anritsu Corp. as of April 1, 2020.

Contributing to environmental protection through climate change mitigation efforts in our business operations



Akio Takagi
Senior Executive Officer, Chief Environment and Quality Officer

Almost every year, we experience a lot of heartbreaking news about occurrences of devastating disasters such as typhoons and torrential rains. We can hardly deny such disasters are most probably caused by global warming. To address the issue of climate change, Anritsu has formulated a plan for reducing CO_2 emissions and obtained approval from the SBT Initiative. Furthermore, under the leadership and firm determination of the Group CEO, we have formulated the Anritsu Climate Change Action PGRE 30, which sets long-term targets for increasing the ratio of private power generation from renewable energy such as solar power. Through these efforts we contribute to SDGs Goal No.7 and No.13. In addition, influences from destructive logging as well as marine and soil pollution to biodiversity are becoming increasingly serious. We will therefore continue our sincere effort through our business activities with considerations such as climate change countermeasures, resource recycling, and pollution prevention hence contributing to the conservation of biodiversity and protection of the global environment.

Environment

Environmental Management

Stance on Social Issues

Recently, ESG (environmental, social, governance) and the SDGs (Sustainable Development Goals) have come to play critical roles in corporate activities. Protection of the global environment is considered particularly important as it directly impacts the goal of creating a sustainable society, and companies are expected to actively tackle this issue.

Anritsu has been ensuring that our business activities, employee awareness and behavior strictly comply with environmental policies. We have also been working on reducing the environmental impact of our products, which leverage our measurement technologies and connect societies together. Through these efforts, we are contributing to the resolution of climate change, creating a recycling-oriented society, and preventing environmental pollution. In addition, we are focused on administering an environmental management system that integrates environmental activities into our business expansion and appropriately disclosing information.

Policy

Note that this policy is applicable to all items in the "Environment" section.

Anritsu's Environmental Policy consists of Environmental Principles and Action Guidelines.

Environmental Policy

Environmental Principles

Anritsu strives to give due consideration to the environment in both the development and manufacture of our products. Through sincerity, harmony, and enthusiasm, we will endeavor to foster a prosperous society at one with nature.

Action Guidelines

We create "Eco-Offices", "Eco-Factories", and "Eco-Products" based on the "Eco-management" of our company and the "Eco-Mind" of every one of us.

1. Over the whole life cycle of a product, from design and development, to procurement, manufacturing, marketing, distribution, and usage by customers, through disposal, we conduct environmentally conscious business activities.
2. We have set up an organizational and operational structure to perform environmental management activities, and have established and maintain an environmental management system that we continuously improve.
3. We comply with legal and regulatory controls and make every effort to continuously improve the environmental performance to meet the requirements from stakeholders.
4. In order to contribute to the prevention of global warming and conservation of biological diversity, we promote energy saving, the 3Rs (reduce, reuse, and recycle), and environmental pollution risk reduction in all of our offices and factories.
5. We provide Eco-Products by saving energy, saving resources, and reducing hazardous substances.
6. We cultivate Eco-Minds by providing appropriate environmental education and training.

*The Action Guidelines apply only to the Domestic Anritsu Group

In addition, Anritsu has stated its intent to "contribute to the preservation of the global environment by promoting environmental management for the coexistence of people and nature" in our Sustainability Policy.

WEB Environmental Policy

P.001 Sustainability Policy

Structure

What we refer to as a "Structure" is applicable to all items within the "Environment" section.

Anritsu has established deliberating bodies, chaired by an Environmental Management Executive Officer (Anritsu Corporation, the Chief Environment Officer), to promote environmental management. The Environmental Management Executive Officer is responsible for reporting any environment-related matters, such as risks and issues, to the Management Strategy Conference and during Board of Directors.

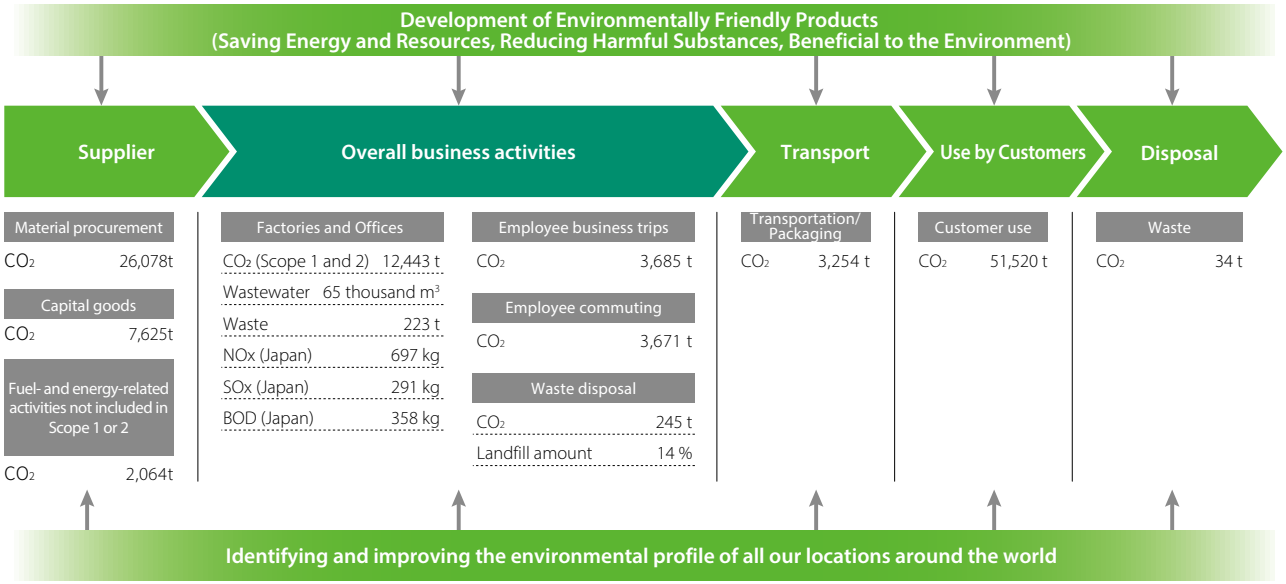
Deliberating Body	Objectives and Members
Global Environmental Management Meetings	Address challenges that Anritsu Group must tackle as a single global entity Members: Responsible officers from the three major locations of Japan, the United States and the United Kingdom
Environmental Management Committee	Promote the environmental management system of the Domestic Anritsu Group Members: Officers responsible for the environment at each division* of the Domestic Anritsu Group, and the officers responsible for the Internal Control Department, Legal Affairs Department, and Sustainability Promotion Center
Promotion of RoHS Group Meeting	Promote the development and production of products that do not contain hazardous substances such as those banned under the RoHS directive of Europe Members: Representatives from the Development Department, SCM Department, IT Department, and Environment Department

*Environmental management activity unit

Goals

2020 VISION: Building an environmental brand by pursuing global environmental management throughout the entire value chain

As part of its environmental management, Anritsu has set out its 2020 VISION goal as, "Building an environmental brand by pursuing global environmental management throughout the entire value chain." In order to achieve the goal of establishing a world-class environmental brand, we are striving to develop and produce environmentally friendly (energy-saving, resource-saving, and hazardous substance-free) products on a global scale and also to understand and improve the environmental impact of all of our bases throughout the entire product value chain.

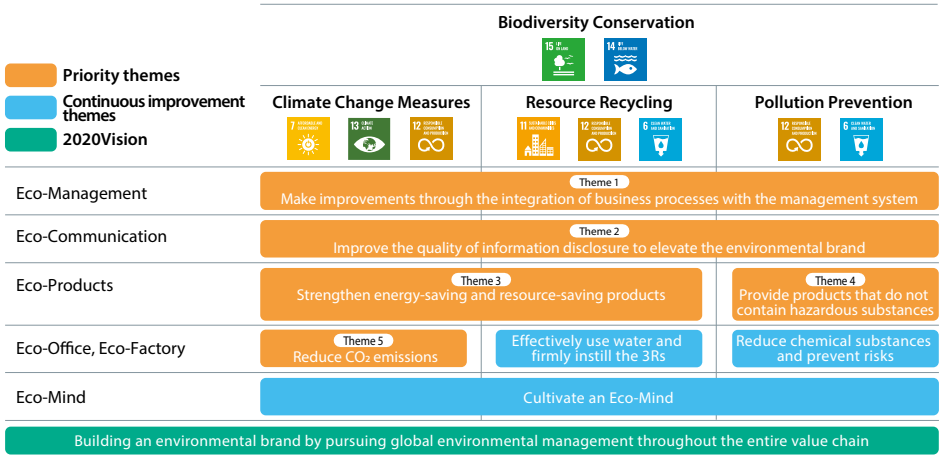


Figures are calculated in accordance with the "Basic guidelines on calculating greenhouse gas emissions in the supply chain." The figures listed here are those for fiscal 2019.

WEB Environmental Impact Across the Entire Value Chain

GLP2020 Environmental Initiative

Anritsu is currently undertaking the GLP2020 Environmental Initiative, its three-year mid-term business plan and the final stage for achieving its 2020 Vision, that began in fiscal 2018.



Objectives and Progress toward Objectives by Priority Theme in the GLP2020 Environmental Initiative

GLP2020 Environmental Initiative has largely progressed as planned. Remaining issues will continue to be addressed.

Priority theme	Fiscal 2020 Objectives	Fiscal 2019 Progress
Theme 1	In departments involved in product realization processes, the management system (MS) is integrated into their business processes. Targets related to quality and environment are set and managed through the integrated MS.	△: Quality management systems (QMS) and environmental management systems (EMS) have been identified as in-scope for the integrated internal audit. Integrated MS internal audits were scheduled for two departments in fiscal 2019, although the audits will actually be conducted in fiscal 2020.
	Construct and administer a mechanism to review compliance with environment-related laws and regulations globally	○: • Environment officers from our offshore offices have conducted environmental internal audits in parts of our domestic organizations. • The environmental internal audit checklist used by our offshore counterparts was shared. • Checklist for Anritsu Infivis (Thailand) was implemented.
Theme 2	Address SDGs, transition to GRI Standards, continue participating in the Ministry of the Environment's "Environmental Reporting Platform Development Pilot Project" and revitalize communication with investors	○: • Nikkei's SDGs Management Survey: Ranked in the top 34 corporations • CDP's Climate Change Survey: B Rank assessment (management level)
Theme 3	Reduce CO_2 emissions related to products (Scope 3*1 Category 1 and 11*2, 3	○: • Established emission targets for 2030*4 for Scope 3, Category 1 and 11, and received SBT Initiative's*5 approval. • Explained to our suppliers about our initiatives to reduce Category 1 emissions and requested their cooperation. • Calculated how much of a reduction in product power consumption is needed for each business unit to achieve the target of Category 11 emission reduction and formulated target reduction scenarios.
Theme 4	Address additional and revised product and environmental regulations, such as RoHS in Europe, and continue to provide products that do not contain hazardous substances	○: • Installed equipment that analyze and detect four new substances that were added to the list of substances prohibited by the RoHS Directive. • Started implementing measures for the ten substances in the RoHS Directive for development of new products which fall under Category 9*6 of the directive. • Implemented and launched an internal system to manage information regarding Europe's RoHS Directive.
Theme 5	Reduce Scope 1 and 2*7, 8 CO_2 emissions by 2% per year compared with fiscal 2015 (26% reduction by fiscal 2030)*7	○: Reduced emissions by 17.6% compared with fiscal 2015.
	Set long-term CO_2 emissions target for 2030 and 2050	○: Established long-term emission targets*9 (Scope 1 and 2) for 2030 and received SBT Initiative's approval. In addition, set provisional long-term emission targets*10 for 2050.

*1 Scope 3: Indirect CO_2 emissions from non-energy sources
*2 Scope 3, Category 1: Purchased products and services
*3 Scope 3, Category 11: Use of sold products
*4 Emission Target for 2030 for Scope 3, Category 1 and 11: achieve 30% reduction from fiscal year 2018 by fiscal 2030 in emissions from purchased products and services and use of sold products.
*5 SBT Initiative: a partnership between the World Wildlife Fund, the old Carbon Disclosure Project, the World Resource Institute, and the UN Global Compact, which helps companies scientifically determine how much they must cut emissions to achieve the goal of limiting the increase in the global average temperature to below 2 degrees above pre-industrial levels (likely to reduce further to 1.5 degrees)
*6 European RoHS directive Category 9 products: monitoring and control equipment as defined by European RoHS Directive
*7 Scope 1: Direct CO_2 emissions
*8 Scope 2: Indirect CO_2 emissions from energy sources
*9 Target for 2030 for Scope 1 and 2: 30% reduction from fiscal 2015 by fiscal 2030
*10 Target for 2050 for Scope 1 and 2: 60% reduction from fiscal 2015 by fiscal 2050

Activities / Achievements

Environmental Audit

In fiscal 2019, the Anritsu Group's main production bases in Japan and the U.S. were subject to periodic external audits for ISO 14001:2015, conducted by an external certification body, and were recertified as being compliant.

In July, the Domestic Anritsu Group examined the conformance, effectiveness, and environmental performance of our environmental management system in an internal environmental audit. In October, we conducted an internal audit focused on verifying the status of legal compliance. In November, we invited environmental officers from our offshore offices to conduct internal audits in parts of our domestic organizations. As a result, no non-conforming items were discovered.

Opportunities for improvement indicated by external audits and observations pointed out by internal audits are reported to the Environmental Management Committee and shared horizontally across all management organizations. Each management organization takes the necessary remediation actions, which are then checked during the internal audit conducted in the following fiscal year.

Environmental Education for Employees

To raise the environmental awareness of each employee and encourage them to actively engage in environmental activities, we provide general education every year for all employees in the Domestic Anritsu Group as well as environmental education programs designed for each job type and rank. These programs are also attended by the suppliers.

General education in fiscal 2019 included the topic of plastic waste. There were 2,744 participants in the course, including 2,642 who attended Web-Based Training.

Environmental Educational Programs		
New employee education	Internal auditor training program	Internal auditor follow-up education
General education	Education for technology departments	Education for sales departments
Onsite consignment worker education	High-pressure gas handler courses	Chemical substances manager training

Environmental Awards System

The Domestic Anritsu Group gives awards to employees who have obtained environment-related qualifications, groups that have carried out environmental projects in the AQU Innovation Activities* and employees who have offered proposals for improvement.

In fiscal 2019, 22 Group projects and 56 proposals were recognized with environmental awards.

*Activities undertaken by the Domestic Anritsu Group to improve operational efficiency, quality, and other aspects.

Environmental Communications

Anritsu actively communicates with stakeholders inside and outside the Company using various platforms.

The Domestic Anritsu Group has implemented many ways to respond to environment-related inquiries from its stakeholders. We publish its Integrated Report and Sustainability Report, place advertisements about the environment, and release environment-related news features. We also provide environmental information tailored for each group of stakeholders, including publishing "Anritsu Environment News" for customers and the quarterly publication of "Eco Club" environmental magazine via the Intranet for employees as well as its English version of "Global Eco Club" for overseas employees starting fiscal 2019.

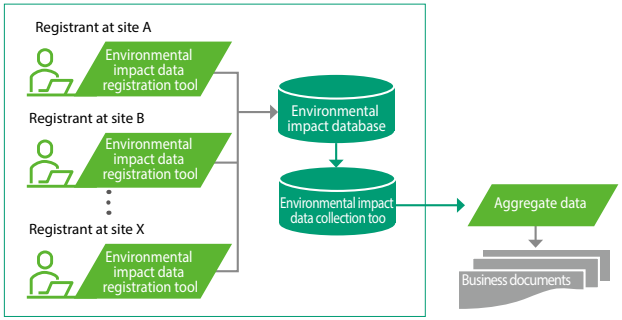
In addition, as in previous years, Anritsu continued to participate in the Ministry of the Environment's Environmental Reporting Platform Development Pilot Project.

We will make every effort to ensure prompt and effective communication with our stakeholders by disclosing our environmental information, responding to environmental surveys, and exchanging opinions.

Framework for Collecting Environmental Impact Data

The Anritsu Group has developed a framework and is administering a collection of environmental impact data such as electricity usage from its business sites including those overseas. The environmental impact data collected from business sites is stored in a database and used in aggregate data and to create business documents.

■ Framework for Collecting Environmental Impact Data



Development of Environmentally Friendly Products

The Anritsu Group actively promotes the development of environmentally friendly products to be certified as Excellent Eco-Products or Eco-Products by conducting global product assessments of every product under development. This responds to customer demand for products that save energy and resources and are free of hazardous substances. They also meet stakeholder expectations for reducing environmental impact. Moreover, this helps us to manage risks and identify new opportunities. Environmentally friendly products accounted for about 88%, and Excellent Eco-Products, the highest rank in environmentally friendly

products, about 80% of sales of measuring instruments for fiscal 2019.

In addition, the Domestic Anritsu Group calculates environmental preservation costs associated with designing environmentally sound products as well as the associated economic benefits. In fiscal 2019, the total environmental preservation cost was 16.1 million yen with associated economic benefit expected to be 171.2 million yen.

WEB Global Product Assessment, Environmentally Friendly Products, Excellent Eco-Products

Adaptive Gateway NN4000 Series (Eco Product)

The Adaptive Gateway NN4000 series is for IP converter of analog leased lines to Long-Term Evolution (LTE) lines using analog infrastructure.

These converters are typically installed inside outdoor boxes and therefore require many design considerations, such as size, ease of installation, electricity requirements and operating temperature. To address these issues, we designed the product to be small, energy-efficient and operable over an extended temperature range. We successfully reduced the size of the printed circuit board and reduced power consumption by selecting energy efficient electrical parts with a wide operating temperature range. We also positioned the redundant antenna in its optimal position and designed the AC power source as a separate unit. In addition, we designed the casing and the heat-dissipating part in aluminum and integrated them, which resulted in reduced size and weight and a wider operating temperature range (from -20°C to +60°C).

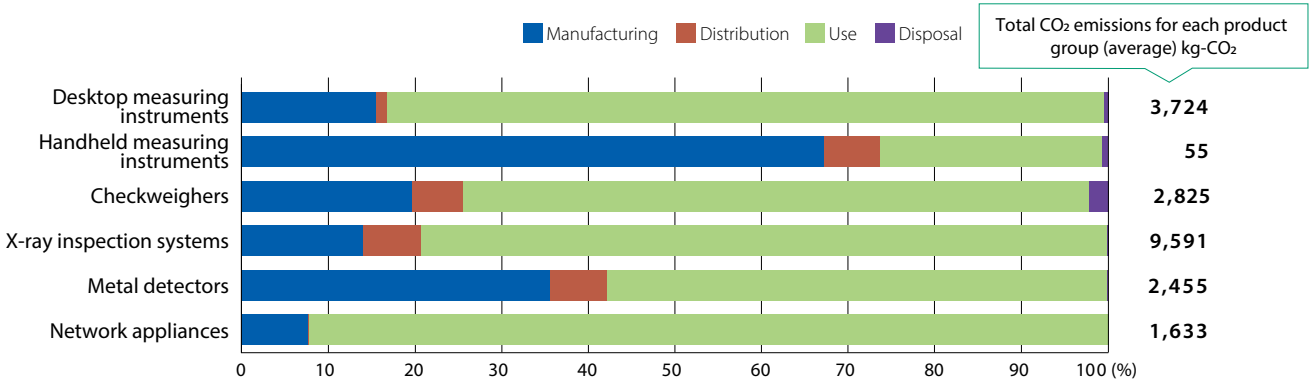


Compared to conventional products with the same functionalities, the N4004A is 83% smaller, 71% lighter and consumes 66% less electricity.

CO_2 Emissions Across the Life Cycle of Our Products

The Domestic Anritsu Group conducts product life cycle assessments to monitor the CO_2 emissions at each stage of the product life cycle.

■ CO_2 Emissions and Breakdown across the Life Cycle of Product Groups (Fiscal 2019)



Environmental Considerations in Supply Chain Management

The provision of environmentally friendly products requires the use of parts and materials that reduce environmental impact. The Anritsu Group upholds environmental considerations in supply chain management through green procurement and conducts research on the chemical substances in the parts it purchases, in accordance with the Basic Rules of Procurement.

P.055 Supply Chain Management

Compliance with Environmental Laws and Regulations

The Domestic Anritsu Group confirms the status of environmental regulatory compliance through internal audits and at Environmental Management Committee meetings. In fiscal 2019, Anritsu did not receive any complaints or citations for violations of laws and regulations related to the environment.

ISO 14001 Certification Acquisition Status

The Anritsu Group has acquired environmental management system ISO 14001:2015 certification for our core development and manufacturing bases in Japan and the United States. The coverage rate of the system is approximately 70% when based on the number of Anritsu Group employees.

Anritsu Corporation (The Domestic Anritsu Group)

- **Certification Date:** August 1998
- **Updated:** February 2019
- **Certification Organization/Number:** Japan Quality Assurance Organization/JQA-EM0210

- Anritsu Corporation (Includes all sales centers)
- Anritsu Infivis Co., Ltd.
- Anritsu Customer Support Co., Ltd.
- Anritsu Networks Co., Ltd.
- Anritsu Engineering Co., Ltd.
- Anritsu Kousan Co., Ltd.
- AT Techmac Co., Ltd.
- Anritsu Pro Associe Co., Ltd.
- Anritsu Devices Co., Ltd.
- Tohoku Anritsu Co., Ltd.

Anritsu Company (U.S.A.)

- **Address:** 490 Jarvis Drive, Morgan Hill, CA 95037
- **Certification date:** March 2007
- **Updated:** May 2018
- **Certification organization/number:** AMERICAN GLOBAL STANDARDS, LLC/AGS-USEMS-051618-1

WEB Anritsu Corporation ISO 14001 Certification (English)

WEB Anritsu Company (U.S.A.) ISO 14001 Certification

Environmental Impact Mass Balance*1 (Fiscal 2019)

WEB Environmental Impact Mass Balance Data

Input

Electricity	Electric power used in factories, offices, etc.	30,472 MWh	(7.2%)
Gas	City gas, LPG, and natural gas used as energy in factories, offices, etc.	206,924 m³	(0.8%)
Fuels	Heavy oil, diesel, and gasoline used in factories, offices, and vehicles, etc.	399 kℓ	(-5.5%)
Water	Municipal water, groundwater (excluding recycled water)	79,588 m³	(9.4%)
Chemical substances	Greenhouse gases such as HFC, PFC, SF_6, N_2O	152 kg	(93.2%)
Chemical substances	Chemical substances that are regulated by laws in Japan*2,3	10 t	(33.1%)
Chemical substances	PRTR	2 t	(-10.2%)
Paper	Copy paper used in factories and offices	25 t	(-16.3%)
Packaging material	Packaging material for transportation of products	364 t	(2.7%)

Output

CO_2*4	CO_2 emitted as a result of using electricity, gas, fuel or other greenhouse gasses	12,443 t	(-2.3%)
NOx*5	Nitrogen oxides generated as a result of using gas and fuels	697 kg	(-46.6%)
SOx*5	Sulfuric oxides generated as a result of using gas and fuels	291 kg	(-42.9%)
Wastewater	Wastewater discharged from manufacturing sites and offices	64,978 m³	(11%)
BOD	Biochemical oxygen demand in wastewater	358 kg	(37.3%)
General waste in Japan	Waste other than industrial waste that is generated as a result of business activities (such as kitchen waste and waste paper)	37 t	(3.8%)
Industrial waste in Japan	Waste generated as a result of business activities, that is regulated by the 'Waste Disposal and Public Cleaning Law' such as sludge, waste plastics, waste acid, and waste alkali	80 t	(19.5%)
Waste outside Japan	All waste generated by business activities	106 t	(-7.3%)
Recycle ratio		85 %	(3%)
Non-recycle ratio		15 %	(-14.4%)

*1 Environmental impact mass balance: Environmental impact expressed in the form of a balance sheet in which substances entering the company are identified and listed by name and mass in one column and substances and mass exiting the company are identified and listed in the other column to more clearly display the relationship between business activities and environmental impact. Percentage figures in parentheses in the input and output tables indicate year-on-year changes.

*2 Substances regulated by law include toxic, deleterious and hazardous substances, organic solvents, and specified chemical substances.

*3 A heavy oil used as fuel is not included.

*4 Calculated using the "Emissions factor by electric utility" under the Ministry of the Environment's "Greenhouse Gas Emissions Accounting, Reporting, and Disclosure System" for electric power in Japan; the emissions factor reported by electric companies for electric power in the United States; the emissions factor from the BEIS GOVERNMENT GHG CONVERSION FACTORS FOR COMPANY REPORTING for electric power in the United Kingdom; and the emissions factor under the Ministry of the Environment's "Greenhouse Gas Emissions Accounting, Reporting, and Disclosure System" for energy other than electric power in Japan and outside of Japan. Data include the CO_2 conversion values for greenhouse gases other than CO_2.

*5 For NOx and SOx, annual emissions are calculated based on values measured annually.

Environment

Climate Change and Energy

Stance on Social Issues

Intense climate-related disasters cause major damage nearly every year. In 2019, the Japanese government designated two typhoons, the Reiwa 1 Boso Peninsula Typhoon and the Reiwa 1 East Japan Typhoon, as Extremely Severe Disasters. As the impact of climate change caused by global warming becomes more serious and pronounced, companies are expected to do more to reduce the emissions of greenhouse gasses in their business operations and take action to address natural disaster damage.

Recognizing climate change as the biggest issue in environmental management, the Anritsu Group is focused on reducing CO_2 emissions throughout its value chain and offering products and solutions that mitigate damage associated with natural disasters.

We proactively publicize our countermeasures to climate change and disclose related financial information according to recommendations that the Task Force on Climate-related Financial Disclosures (TCFD)* published in June 2017.

*An international initiative launched by the G20 Financial Stability Board (FSB) in 2015 to improve the disclosure of information related to the financial impact stemming from climate-related risks and opportunities.

Our Response to TCFD Recommendations

Information Disclosure in Accordance with the TCFD Framework

The Anritsu Group's initiatives for addressing climate-change, summarized below, are disclosed in accordance with TCFD's recommended framework.

Governance

Climate-change related risks are managed by the executive officer in charge of environmental activities under the supervision of the Group CEO. The executive officer oversees the Environment and Quality Promotion Department, which plays a vital role in the Anritsu Group's business, and chairs the Global Environmental Management Meetings and the Environmental Management Committee in Japan. This structure ensures that risk management is given due consideration, planned, executed, and consistently managed across the global organization. Major risks associated with the Anritsu Group's business and management are appropriately reported during the Management Strategy Conference and Board of Directors. In addition, risk management items, plans, status, and reports of the annual management cycle are also presented to these entities.

P.075 Promotion of Risk Manaegement: Structure

Strategy

Anritsu has analyzed risks and opportunities related to climate change in view of the 2 Degree Celsius (2DS) scenario. The analysis revealed that, under the scenario, we may face changes in regulation and experience physical impacts in short-, mid-, and long-term timeframes. This represents a major risk not only to our own business but also to our entire value chain, and we have therefore positioned climate change as our most critical issue and defined science-based targets (SBTs). To achieve these, we will invest in renewable energy generation facilities and expand our capability for consuming the energy we generate. This will directly impact the rising volume of electricity generated using renewable energy sources, and we strongly believe this is the most direct way to address climate change.

Risk Management

Under the Basic Risk Management Policy, to ensure the effective management of risks across the entire Company, the Environment and Quality Promotion Department creates an inventory of potential risks, including those related to climate change, from sources such as the results of the annual environmental impact assessment conducted by each business division and Group company, the Environmental Management Committee, and during Global Environmental Management Meetings. Each identified risk is assessed and its business impact is evaluated based on legal and regulatory requirements as well as global trends. The division creates a finalized list of risks and opportunities related to climate change from this inventory. As deemed necessary, the list is reported during the Management Strategy Conference and Board of Directors. The risks and opportunities on the finalized list are assigned for remediation to the related business division or to the Environment and Quality Promotion Department if an item is understood to impact the entire Company. Currently, the Group is in the process of identifying emerging risks in 2030 and 2050, which will be included within the scope of the GLP2020 Environmental Initiative.

Indicators and Targets

In December 2019, the Science Based Targets initiative (SBTi) approved the Anritsu Group's greenhouse gas emissions reduction targets as science-based targets under the 2DS scenario.

- **Scope 1 and 2:** By fiscal 2030, reduce greenhouse gas emissions by 30% compared to the fiscal 2015 level.
- **Scope 3:** By fiscal 2030, reduce greenhouse gas emissions resulting from the purchased goods and services as well as the use of sold products by 30% compared to the fiscal 2018 level.

The Anritsu Group established the "Anritsu Climate Change Action PGRE 30" plan as one measure for reducing greenhouse gasses and also began to expand its capability to generate renewable energy.

P.028 Established Anritsu Climate Change Action PGRE 30

Risks and Opportunities (2 Degree Celsius Scenario)

Examples of Transition Risks

A portion of the climate-related investment budget, approximately 800 million yen (deemed as 1/10 of the overall budget), was invested to build a new global headquarters building (ZEB Ready*) as the initial step for the Scrap-and-Build initiative in the Atsugi head office area. The investment made to renewable energy through the solar power generation facilities is expected to pay off in approximately 10 years, with some variation depending on the installation environment and conditions. In regard to the Paris Agreement and recent global trends, we expect that energy-related laws and regulations, including the Act on the Rational Use of Energy, will tighten and that additional measures such as carbon taxes will be introduced. There will be a need to cut back even further on our energy consumption and greenhouse gas emissions. In order to respond to these risks, it is vital that we diligently execute our energy-saving measures, replace and rebuild aging equipment and buildings to improve energy efficiency, and install renewable energy facilities.

*ZEB refers to a Net Zero Energy Building. ZEB Ready is a progressive building that incorporates the necessary features for achieving ZEB status. It is well insulated, equipped with highly efficient energy-saving equipment, and achieves more than 50% energy savings in primary energy consumption, excluding non-renewable energy sources.

Examples of Physical Risks

The Anritsu Group procures parts and materials from locations around the world, and floods and major typhoons brought on by climate change mean that there is some risk of suppliers in affected regions being unable to supply necessary parts and materials. In response, the procurement department has mapped the main manufacturing and sales locations of our suppliers and formulated a system in which we can grasp potential damage immediately. The system also allows the Anritsu Group to make purchases from several companies. The first factory of Tohoku Anritsu Co., Ltd., in Koriyama City, Fukushima Prefecture, is another example. It is located near the Abukuma River, which is at high risk of flooding during torrential rains. To mitigate flood risk, the company built its second factory in a flood-free zone within city limits in 2013. Major production lines were moved to the new location, and the remaining production lines in the first factory were moved to the second floor. As a result, even though the first factory suffered from flooding during the Reiwa 1 East Japan Typhoon, and the water level rose up to 1.5 meters on the first floor, the company was able to resume operations and shipments within two weeks.

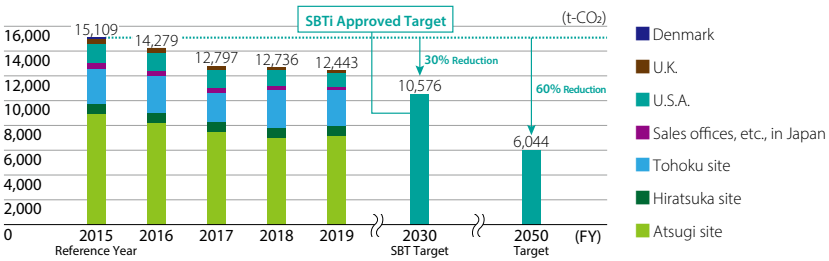
Goals

Fiscal 2020 Targets	Fiscal 2019 Progress
Reducing Scope 1 and 2 CO_2 emissions by 2% per year compared to the fiscal 2015 level (26% reduction by fiscal 2030)	○: Reduced by 17.6% compared to the fiscal 2015 level.
Setting long-term CO_2 emissions reduction targets for 2030 and 2050	○: Established 2030 long-term reduction targets for CO_2 emissions (Scope 1 and 2) and received approval of the SBT Initiative. Established 2050 long-term targets.
Reducing product-related CO_2 emissions (Scope 3, Category 1 and 11)	○: • Established emissions targets for 2030 for Scope 3, Category 1 and 11, and received SBTi's approval. • Explained to our suppliers about our initiatives to reduce Category 1 emissions and requested their cooperation. • Calculated how much reduction in product power consumption is required for each business unit to achieve the target of Category 11 emissions reduction and formulated target reduction scenarios.

Targets	Fiscal 2019 Progress
SBT Scope 1 and 2: By fiscal 2030, reduce greenhouse gas emissions by 30% compared to the fiscal 2015 level	Reduced by 17.6% compared to the fiscal 2015 level.
Scope 1 and 2: By fiscal 2050, reduce greenhouse gas emissions by 60% compared to the fiscal 2015 level*1.	
SBT Scope 3: By fiscal 2030, reduce greenhouse gas emissions resulting from the purchased goods and services and the use of sold products by 30% compared to the fiscal 2018 level.	Reduced by 4.4% compared to the fiscal 2018 level.
Anritsu Climate Change Action PGRE 30 Using the Anritsu Group's energy consumption*2 in fiscal 2018 as a reference, invest in solar panels and increase the share of private renewable energy generation from 0.8% of its energy consumption to about 30% by around 2030.	Share of private renewable energy generation reached 0.9% In January 2020, installed an additional 57 kW in solar power generation facility in the Atsugi area. Also, a 1,100 kW solar power generation facility is being built in the Anritsu Company and scheduled for completion in October 2020. We expect the ratio of private renewable energy generation to reach 4.3% in FY2020.

*1 SBT Initiative's evaluation has not been requested.
*2 Excluding AT Techmac Co., Ltd. power consumption, which is not applicable to the wholly owned subsidiary.

■ CO_2 Emissions and Reduction Targets in Scope 1 and 2 (Market-based)



Activities / Achievements

Established SBT

The Anritsu Group has established targets for reducing greenhouse gas emissions* to be achieved by 2030. These were approved by the SBT Initiative in December 2019 as scientific-based targets for achieving the Paris Agreement's goal of limiting the increase in the global average temperature to less than two degrees above pre-industrial levels.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

*Scope 1 and 2: By fiscal 2030, reduce greenhouse gas emissions by 30% compared to the fiscal 2015 level.
Scope 3: By fiscal 2030, reduce greenhouse gas emissions resulting from the purchased goods and services, as well as the use of sold products, by 30% compared to the fiscal 2018 level.

Established Anritsu Climate Change Action PGRE 30

We established the Anritsu Climate Change Action PGRE 30* plan (PGRE 30) as an additional measure for achieving the reduction target for greenhouse gas emissions (Scope 1 and 2). Using the Anritsu Group's energy consumption in fiscal 2018 as a reference, the plan is intended to invest in solar power generation facilities (a renewable energy source) and increase the private renewable energy generation ratio from 0.8% to about 30% by around 2030. The goal of PGRE 30 is to install and commission over 6 MW (6,000 kW) in solar power generation facilities across our main business sites, the Atsugi site, the Tohoku site, and the Anritsu Company in California, U.S.A. According to data from the Agency of National Resources and Energy, the ratio of energy generation using renewable sources in Japan in 2018 was 16.9%, 6.0% of which was from solar. These numbers are extremely low compared to those of other countries. We view our target of supplying about 30% of our energy requirement with a proprietary solar power generation system to be extremely high compared to the current Japanese standard, and we wanted to contribute directly to expanding renewable energy offerings. For this reason, we chose not to rely solely on purchasing renewable energy certificates but instead to install our own renewable energy generation facilities.

In fiscal 2019, we expanded the generation capability in the Atsugi site and added 57 kW in solar power generation facility. We are also in the process of building a 1,100 kW solar power generation facility at the Anritsu Company. We will continue to advance toward achieving the 2030 reduction target for greenhouse gas emissions.

*"PGRE" stands for Private Generation of Renewable Energy, and "30" refers both to the approximate target year 2030 for achieving the goal and to the target ratio of about 30%.



Solar power generation facility, currently under construction (U.S.A.)



Solar power generation facility (Atsugi site)



Solar power generation facility (Tohoku site)

■ Renewable Energy (Annual Electrical Output)

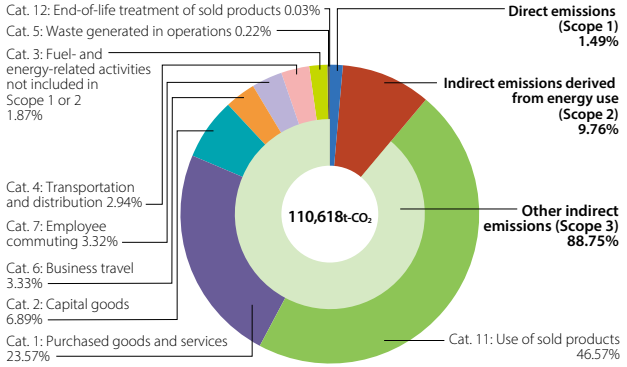
(MWh)

	FY2015	FY2016	FY2017	FY2018	FY2019
Solar energy	241	227	233	241	246

*Amount of renewable energy generated was reviewed by a third party.
*The Koriyama Second Factory was installed in fiscal 2013. The global headquarters building was installed in fiscal 2015 and expanded in fiscal 2019.

CO_2 Emissions Throughout the Entire Value Chain

■ Value Chain CO_2 Emissions by Scope (Fiscal 2019)



(t-CO_2)

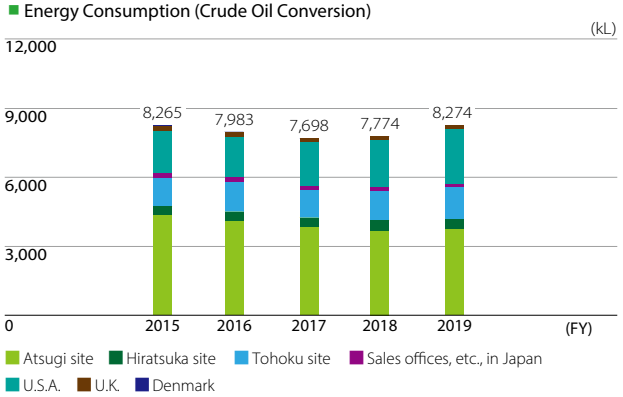
CO_2 emissions volume	FY2015	FY2016	FY2017	FY2018	FY2019
Total CO_2 emissions volume*1	162,957	141,906	138,683	110,258	110,618
Scope 1	1,722	1,698	1,591	1,574	1,649
Scope 2 (Market-based*2)	13,387	12,581	11,206	11,162	10,794
(Location-based*3)	15,310	14,741	12,354	11,991	11,804
Scope 3*4, 5, 6, 7	147,848	127,626	125,885	97,522	98,175
Category 1	80,332	69,608	73,008	29,057	26,078
Category 2	17,606	5,806	5,737	4,996	7,625
Category 3	1,068	1,022	989	998	2,064
Category 4	2,645	2,184	1,702	2,791	3,254
Category 5	34	19	127	145	245
Category 6	2,829	2,621	3,554	4,002	3,685
Category 7	3,879	3,743	3,434	3,404	3,671
Category 11	39,358	42,590	37,304	52,096	51,520
Category 12	96	33	31	33	34

*1 The calculated value of actual emissions was verified by a third party. Total CO_2 emissions volume is calculated as the sum of CO_2 emissions volumes from Scope 1, 2 (market-based), and 3.
*2 Market-based refers to a calculation method that reflects emissions according to specific electricity providers.
*3 Location-based refers to a calculation method that reflects the average emissions of grids through which energy is consumed.
*4 We revised the calculation method for Category 1 data beginning in fiscal 2018.
*5 We revised the lifetime usage period in the Category 11 calculation beginning in fiscal 2018.
*6 Category 8, 10, and 13–15 are not applicable to the Anritsu Group's business activities and have therefore been excluded from the calculation.
*7 The calculation for Category 9 is extremely difficult, and therefore no calculation was made.

Energy-saving Activities at Factories and Offices

We have mainly focused our efforts on reducing energy consumption, as more than 98% of Anritsu Group CO_2 emissions (Scope 1 and 2) are from energy consumption. In fiscal 2019, the Anritsu Group's energy consumption (crude oil equivalent) increased by 6.4% compared to the fiscal 2018 level. This was due to an increase in the number of overtime hours worked, a result of increased demand for measuring equipment, triggered by the arrival of 5G. In the Domestic Anritsu Group as well, energy consumption increased by 2.9% compared to the fiscal 2018 level. However, we implemented a raft of measures that included a review of the operation status of our air conditioning equipment and the new installation of high-efficiency air conditioning equipment, which contributed to an approximately 1.2% reduction in energy consumption (crude oil equivalent).

■ Energy Consumption (Crude Oil Conversion)



Other Targets of the Domestic Anritsu Group	Results for Fiscal 2019
Improving the basic unit of energy by 1% every year toward fiscal 2020 (program promoted by the electric and electronics-related industries in Japan for establishing a low carbon society)	15.8% improvement from the base year (fiscal 2012)
Achieve annual reductions of at least 1% in the basic unit of energy consumption per real sales for the past five years under the Act on the Rational Use of Energy	7.2% improvement

Reducing CO_2 Emissions from Purchased Goods and Services

Anritsu is working to reduce CO_2 emissions related to the purchased goods and services (Scope 3, Category 1), particularly those with a high ratio of CO_2 emissions across our entire value chain. This is in line with our overall goal of achieving the SBTi-approved Scope 3 target. It is imperative that we collaborate with suppliers to reduce Category 1 emissions. So that the results of our collaboration are accurately reflected in our reports, we directly collect CO_2 emissions data from suppliers. In fiscal 2019, our CO_2 emissions were reduced by approximately 10% compared to the fiscal 2018 level. We will also continue to discuss with our suppliers at a forum for the exchange of information regarding reducing Category 1 emissions and request their cooperation.

Reducing CO_2 Emissions from the Use of Sold Products

Anritsu is working to reduce CO_2 emissions related to the use of sold products (Scope 3, Category 11), which has the highest percentage of CO_2 emissions across the entire value chain. This is in line with our overall goal of achieving the SBTi-approved Scope 3 target. In fiscal 2019, although the sales volume of energy-intensive products in the Measurement Business increased, the CO_2 emissions factor was lower, and overall CO_2 emissions were reduced by 1.1% compared to the fiscal 2018 level. In addition, we have calculated the level of reduction in product power consumption that is needed for each business unit to achieve the Category 11 emissions reduction target and formulated target reduction scenarios. In the coming years, we will continue our efforts to reduce CO_2 emissions under these targets and scenarios.

■ Reduction in Energy Consumption and CO_2 Emissions during the Use of Sold Products[*1,2]

	FY2015	FY2016	FY2017	FY2018[*5]	FY2019
Reduction in Energy Consumption (GJ)[*3]	27,748	36,713	31,241	71,744	85,847
Reduction in CO_2 Emissions (t-CO_2)[*4]	1,611	2,162	1,604	3,569	3,978

*1 Conversion coefficient × time spent in operation over one year × sales volume × reduction in power consumption when compared to a conventional product functioning and performing at the same level.
*2 Hardware products developed by the Domestic Anritsu Group, for which product assessments have been conducted
*3 Source for conversion coefficient: Act on the Rational Use of Energy
*4 Source for conversion coefficient: national average coefficient based on the Law Concerning the Promotion of Measures to Cope with Global Warming
*5 Reflects revisions regarding annual use, implemented beginning in fiscal 2018

Reducing CO_2 Emissions from Transportation

The Domestic Anritsu Group is actively working on reducing CO_2 emissions from the transportation and distribution (Scope 3, Category 4) by promoting a modal shift from trucks to railway transportation and reviewing and optimizing loading methods, among other measures.

Third-party Verification of CO_2 and Other Emissions

In order to ensure the reliability of the report, we sought and received third-party verification from the Sustainability Accounting Co., Ltd. regarding our CO_2 emissions (Scope 1, 2, and 3), annual renewable energy power generation and total energy consumption.



SuSA

Independent Assurance Statement

July 15, 2020

Mr. Hirokazu Hamada
Representative Director, Chairman of the Board, Group CEO
ANRITSU CORPORATION

1. Purpose

We, Sustainability Accounting Co., Ltd., have been engaged by ANRITSU CORPORATION ("the Company") to provide limited assurance on the Company's CO_2 emissions during the fiscal year 2019, that were 1,649 tons-CO_2 (Scope 1), 10,794 tons-CO_2 (Scope 2, market-based), 11,804 tons-CO_2 (Scope 2, location-based), and 98 thousand tons-CO_2 (Scope 3), 320,481GJ of energy use and 246 MWh of annual electricity from renewable energy generated by solar power (collectively, "the Environmental performance data"). The purpose of this process is to express our conclusion on whether the Environmental performance data were calculated in accordance with the Company's standards. The Company's management is responsible for calculating the Environmental performance data. Our responsibility is to independently carry out a limited assurance engagement and to express our assurance conclusion.

2. Procedures Performed

We conducted our assurance engagement in accordance with International Standard on Assurance Engagement 3000 (ISAE 3000) and International Standard on Assurance Engagement 3410 (ISAE 3410). The key procedures we carried out included:

- Interviewing the Company's responsible personnel to understand the Company's standards and reviewing the Company's standards
- Visiting to one of the Company's sites
- Performing cross-checks on a sample basis and performing a recalculation to determine whether the Environmental performance data were calculated in accordance with the Company's standards

3. Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Environmental performance data have not been calculated in all material respects in accordance with the Company's standards.

We have no conflict of interest relationships with the Company.

Takashi Fukushima
Representative Director
Sustainability Accounting Co., Ltd.

Climate Change Survey Results by CDP

The score for Anritsu's response to the CDP questionnaire on climate change for fiscal 2019 was "B: Management level," which is the same score as fiscal 2018. This means that the Company is taking action to mitigate climate risk and its impact.

We will continue our efforts to enhance the reliability of our information disclosure and reduce CO_2 emissions throughout the entire value chain to prevent global warming.

Related Data

■ Scope 1 and 2 CO_2 Emissions Volume per Sales (Market-based) (t-CO_2/100 million yen)

	FY2015	FY2016	FY2017	FY2018	FY2019
Scope 1 and 2 CO_2 Emissions Volume per Unit (Sales)*	15.8	16.3	14.9	12.8	11.6

* Scope 1 and 2 CO_2 emissions (market-based) / sales

■ Energy Consumption*1 and Reductions*2, 3, 4 by Energy Type (GJ)

Type of energy*5, 6	FY2015	FY2016	FY2017	FY2018	FY2019	Reductions
Total energy consumption in the Organization	320,197	309,232	298,178	301,108	320,481	-285
Subtotal for non-renewable energy Sources	23,713	25,927	24,066	24,364	23,539	173
Class A heavy oil*7	5,202	6,830	5,476	5,018	4,439	763
Light oil*7	285	262	223	224	165	120
Gasoline*7	9,925	10,165	9,113	9,098	8,926	999
Kerosene*7	969	969	969	932	859	110
City gas*8	2,216	2,409	2,824	2,750	3,054	-838
LPG*9	189	158	146	115	78	110
Natural gas*7	4,927	5,134	5,315	6,227	6,018	-1,091
Purchased electrical power*7	296,076	283,304	274,112	276,744	296,942	-866
Regional heating*10	408	—	—	—	—	408

*1 Method for calculating energy consumption: volume purchased × conversion coefficient
*2 Method for calculating reduced energy consumption: 2015 energy consumption – 2019 energy consumption
*3 Base year for reduction comparisons is fiscal 2015
*4 Reason for choosing the base year: 2015 was chosen as this was the year the global headquarters building was completed, in March, subsequently ushering in major changes in the use of energy-saving equipment.
*5 There was no consumption of air conditioning, steam, sold energy, or renewable energy sources.
*6 Energy consumed outside the organization was not included due to the difficulty of documentation.
*7 Source for conversion coefficient: regulations in line with the Act on the Rational Use of Energy
*8 Source for conversion coefficient: Agency for Natural Resources and Energy: Act on the Rational Use of Energy, Procedure for periodic reports under Articles 15 and 19 (2) (revised March 30, 2018)
*9 Source for conversion coefficient: Agency for Natural Resources and Energy: Act on the Rational Use of Energy, Procedure for periodic reports under Articles 15 and 19 (2) (revised March 30, 2018) 50.8 x (1/458) (propane/butane m^3 equivalent).
*10 Source for conversion coefficient: reports from operations in Denmark

■ Energy Consumption per Sales (GJ/100 million yen)

	FY2015	FY2016	FY2017	FY2018	FY2019
Basic unit of energy consumption (sales)*	335	353	347	302	299

* Total energy consumption/sales

Environment

Water Resources

Stance on Social Issues

Water is irreplaceable for us to lead our daily lives and for conducting economic activities. Yet today water resource depletion and water conflicts have emerged as major issues around the world due to factors such the rising global population, economic growth of developing countries, and climate change. Although Anritsu does not require large quantities of water for its businesses, we are engaged in major development and manufacturing sites in high water risk areas, including the Anritsu Company (U.S.A) in the state of California, U.S.A., and we are therefore no exception in the global situation. That is why Anritsu believes that efforts to use limited water resources efficiently and appropriately are important.

Goals

Fiscal 2020 Targets	Fiscal 2019 Progress
Maintain Domestic Anritsu Group water consumption at less than 60,000 m³ (about the level consumed in fiscal 2017)	×: 62,161 m³. An increase of 5.9% compared with fiscal 2017.

Activities / Achievements

Reducing Water Consumption

Most of the Anritsu Group's water usage is in toilets, for the washing of hands and so on. The Domestic Anritsu Group has reduced water consumption through efforts such as leakage inspections, upgrading to water-saving toilets, and the use of circulated water in production facilities. The Hiratsuka site uses alkaline washing agents to degrease metallic materials, and the rinsing water used by the facility in this process is reused by circulating it through filters and ion-exchange resins, which reduces annual water consumption by approximately 40 m³.

In the Domestic Anritsu Group, in fiscal 2019 water usage increased by 4.1% compared with fiscal 2018 due to an increase in the overtime hours worked in the development and manufacturing departments as a result of increased sales.

Water Risk Regional Evaluation

We have evaluated the water risk associated with the Domestic Anrisu Group Companies, Anritsu Company (Morgan Hill, California, U.S.A.) and Anritsu Ltd. (Luton, U.K.), that serve as our main bases for development and manufacturing, using Aqueduct, a water risk evaluation tool developed by the World Resource Institute. The results of our review of what is called an "Overall Water Risk" for these sites were "Low (0–1)" and "Low-Medium (1–2)." However, despite the fact that Anritsu Company is in what is referred to as a "Low" risk region according to the tool, we still believe we are exposed to high water risk since we adhere to rules and regulations governed by the state of California, which is subject to a high risk of drought. In fact, the state experienced record-breaking droughts from 2011 to 2017, and in 2015 all residents were asked to reduce their water use by 20%.

Water Resources in Regions Experiencing Water Shortages

The Anritsu Company was able to reduce its water consumption by about half from fiscal 2013 to fiscal 2015 through efforts such as replacing a water-intensive lawn with plants that can withstand dehydration and introducing water-saving toilets. In fiscal 2019, however, water consumption increased significantly. A newly introduced production process increased water consumption, and as California's drought rules were relaxed, the Company resumed watering plants to maintain its grounds.

Consideration for Water Resources

Anritsu Group draws on two sources of water. We use underground water for flushing toilets at the Atsugi site, and we use city water, which in turn uses surface water drawn from rivers for its source, at all our facilities.

At the Atsugi site, we have reduced our use of groundwater to about a quarter of the volume, compared to the level about 15 years ago, by upgrading to water-saving toilets. Meanwhile, at the global headquarters building, we installed a rainwater permeation basin to facilitate the penetration of rainwater into the ground for groundwater recharges and preventing flooding caused by heavy rainfall.

■ Efforts to Protect Water Resources

Details of our efforts	Atsugi Site	Hiratsuka Site	Tohoku Site	U.S.A.
Introduced a body detection sensor for men's toilets	○		○	○
Introduced water-saving toilets	○		○	○
Introduced automatic faucets	○		○	
Used groundwater for flushing toilets	○			
Reuse of rinse water from the metal degreasing unit		○		
Installed a rainwater permeation basin	○			
Installation of Valves to Conserve Water	○			○
Installed a sound emulator, "Otohime," for toilets	○			
Conducted leakage inspections	○	○	○	
Upgraded to high-efficiency water heaters				○
Replanted plants that can withstand dehydration				○
Replaced to a drip water supply system				○
Cessation of Watering in Rainy Season				○
Introduced a waterless method for cleaning windows				○
Arranged an inspection of a water supply facility by external institutions				○
Participated in Mt. Fuji Green Fund Afforestation Efforts	○	○		
Participated in a cleanup of the Sagami River (River cleanup activities)	○			

■ Amount of Water Intake by Type*, Wastewater by Type, and Recycled Amount (m³)

		FY2015	FY2016	FY2017	FY2018	FY2019
Total Amount of Water Intake		82,794	80,352	70,837	72,777	79,588
City Water Intake	Subtotal	65,207	63,382	54,371	55,774	61,585
	Atsugi site	37,320	34,798	30,277	30,181	31,695
	Hiratsuka site	805	750	716	700	659
	Tohoku site	12,353	11,888	11,203	11,363	11,711
	Sales offices, etc., in Japan	66	69	47	476	93
	U.S.A.	14,011	15,477	11,858	12,858	17,312
	U.K.	421	401	270	196	116
	Denmark	232	—	—	—	—
Groundwater Intake	Atsugi site	17,587	16,970	16,466	17,003	18,003
Total Wastewater Amount		71,570	65,741	58,373	58,530	64,978
Amount Deposited to Sewers	Subtotal	59,217	53,853	47,170	47,167	53,267
	Atsugi site	48,191	45,004	40,935	41,364	44,364
	Hiratsuka site	805	750	716	700	659
	Sales offices, etc., in Japan	66	60	47	476	93
	U.S.A.	9,530	7,639	5,202	4,431	8,036
	U.K.	394	401	270	196	116
	Denmark	232	—	—	—	—
Amount Deposited to Rivers	Tohoku site	12,353	11,888	11,203	11,363	11,711
Recycled Amount	Hiratsuka site	40	40	40	40	40
Recycled Rate (%)	Hiratsuka site	5	5	5	5	6

*City water and groundwater are our only two sources for water intake.

Environment

Preserving Biodiversity

Stance on Social Issues

Biodiversity provides natural resources that are essential for daily life and business activities. If it is lost, human survival would be threatened, posing a major risk to corporate sustainability.

Throughout the Anritsu Group's value chain, from the procurement of raw materials to the disposal of a product, there are factors in business operations that affect biodiversity such as the discharge of waste and chemicals and the consumption of energy. We therefore have an obligation to work on biodiversity conservation and have a basic policy to reduce environmental impact, while also engaging in social contribution activities for protecting the natural environment.

Policy

The Anritsu Group has analyzed the relationship between the Company's business activities and biodiversity and concluded that we have no specific business activities that have a direct impact on biodiversity. Our basic policy for preserving biodiversity is therefore focused on activities aimed at reducing environmental impacts and is centered on the following three areas.

- Global warming prevention to mitigate climate change
- Resource-saving and recycling to manage overexploitation and habitat loss
- Control chemical substance usage and releases as well as other risk mitigations to manage pollution and habitat loss

In addition, as part of our social contribution activities, we are actively participating in tree planting, local clean-ups, and other activities that help to preserve biodiversity.

For information on our goals for "Promotion of Global Warming Prevention," "Promotion of Resource-saving/ 3R's," and "Reduction in Chemical Substance Usages/Releases and Promotion of Risk Mitigating Measures" based on our Biodiversity Conservation Basic Policy, please refer to each relevant item under "Environment."

Activities / Achievements

In addition to environmental impact reduction activities in line with the Biodiversity Conservation Basic Policy, we actively participate in social contribution activities, such as greening and cleanup activities, to expand the global environment's ability to regenerate itself. In the initiative to green Company premises, we are planting species that best match the climate and soil of the site as potential natural vegetation.

Joined the Declaration of Biodiversity by "Keidanren" Promotion Partners

The Domestic Anritsu Group has endorsed Nippon Keidanren's Declaration of Biodiversity and participates as a promotion partner to exercise leadership in creating a society that values and supports biodiversity.

Acquired FSC™ CoC Certification

In January 2020, the printing department in Anritsu Kousan Co., Ltd. acquired FSC™ CoC certification*, which contributes to achieving the SDG 15 "Life on Land." As well as using recycled paper, the team uses FSC™-certified paper for printing and producing catalogs, reports and other materials.

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The mark of responsible forestry

*The Forest Stewardship Council™ (FSC™) is a global, not-for-profit organization dedicated to the promotion of responsible forest management worldwide. FSC™ defines standards based on agreed principles for responsible forest stewardship that are supported by environmental, social, and economic stakeholders. To learn more, visit www.fsc.org

Supporting the Kanagawa No Plastic Waste Declaration

A dead blue whale calf was found washed up on the shores of Yuigahama beach in Kamakura, Kanagawa prefecture in 2018. A later autopsy found a store of plastic garbage in the calf's stomach. Kanagawa Prefecture considers itself a "SDGs Future City" and views this incident as a "message from the whales." In line with the SDG for creating a sustainable society, the prefectural government issued the Kanagawa No Plastic Waste Declaration with the aim of working toward a solution for the issue of marine pollution, which is becoming increasingly severe, especially in regard to the problem of micro-plastics. Anritsu is not only a supporter of this activity, but also conducts clean-up activities in the areas around its Atsugi and Hiratsuka sites, works to prevent plastic pollution in rivers and the ocean through participation in Sagami River clean-up activities, and works to educate its employees through general environmental programs and the quarterly publication of "Eco Club" environmental magazine.

かながわプラごみゼロ宣言

私たち一人ひとりの行動が、未来につながる。
SDGs 未来都市 神奈川県

Participation in the Nijyu-maru Project (Double 20 campaign)

The Domestic Anritsu Group in fiscal 2017 pledged its contribution toward achieving the Aichi Biodiversity Targets as part of the Nijyu-maru Project*, which is being run by the International Union for the Conservation of Nature – Japan (IUCN-J).

*Project that seeks citizen groups, companies, local governments, etc., to declare their intention to join the effort to achieve the 20 Aichi Targets agreed at the 10th Ordinary Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP10).

Activity Name	Actions	Aichi Targets
Participation in the Mt. Fuji "Forest fund-raising" greening project	This project has been active since 2000 and focuses on reviving forests cleared by the 1996 typhoon over a span of 80 years. Anritsu has been a participant since 2006.	Habitat destruction Preserving vulnerable ecosystems Ecosystem servicing
Greening when constructing a new building	We planted trees and vegetation appropriate to the climate and soil of the area on the grounds and surrounding area of the Anritsu global headquarters building, for which construction was completed in March 2015.	Habitat destruction Ecosystem servicing



Thinning trees as part of the Mt. Fuji "Forest fund-raising" greening project

Environment

Preventing Environmental Pollution

Stance on Social Issues

Toxic chemical pollutants in the air, water and soil adversely affect human health and the environment and also trigger global warming. The list of laws and regulations focused on the handling and discharge of chemical substances is extensive and becoming stricter.

In its product development and manufacturing, Anritsu handles chemicals, and if they were not properly managed, they would seriously affect the surrounding environment. For our sustainable business activities, it is critical that we maintain appropriate control over the use and discharge of these chemicals. We will continue to focus on pollution prevention toward creating a sustainable society while achieving our corporate growth.

Goals

Fiscal 2020 Target	Fiscal 2019 Progress
Maintain zero excess of the voluntary management limit for industrial wastewater (Atsugi site)	○: Zero excess maintained.

We will work to maintain zero excess of the voluntary management limit.

Activities / Achievements

Regulatory Compliance

The Domestic Anritsu Group is working to prevent environmental pollution by establishing voluntary management standards that are stricter than laws and regulations for wastewater quality, air and noise.

The voluntary management standards for wastewater quality are based on historical data, and the limit for the amount of pollutants in wastewater is about half of that of the regulatory requirement.

WEB Wastewater quality data for the Domestic Anritsu Group

WEB Air quality data for the Tohoku site

WEB Noise data for the Domestic Anritsu Group

Wastewater Management

The Atsugi site operates an industrial wastewater treatment facility to detoxify industrial wastewater containing acids and alkali and wastewater discharged from small boilers used to adjust humidity inside cleanrooms. We upgraded the facility, modifying the structure to incorporate a breakwater to prevent any leaks of raw water, intermediary wastewater, or chemicals used for treatment from the tanks. We are working to reduce risks by, introducing a double monitoring system to ensure that water exceeding the permitted pH limit would not be discharged into the surrounding environment. In addition, we manage the quantity of heavy metals by running simple analysis on a weekly basis and calling in third party specialists every three months to analyze other check items as agreed with the government.

At the Hiratsuka site, we degrease and wash metal materials using alkaline washing agents, and the degreasing solution is collected in batches. Since the water used for rinsing is circulated, this is not released as process wastewater. While there are no specific facilities that discharge industrial wastewater at the Tohoku site, we have installed a pH monitor and emergency cutoff valve to address the risk of water exceeding the permitted pH limit being discharged from boilers and septic tanks in the event of malfunction.

Each site has developed response procedures to address the potential leakage of chemical substances due to human error or natural disaster. Regular equipment inspections and training are also conducted, and necessary revisions are made to prepare for unexpected accidents.

Chemical Substances Management

In regard to chemical substances, the Domestic Anritsu Group applies unique standards for determining banned or restricted chemical substances considering such factors as environmental regulations, hazardousness, safety and health, and disaster prevention. Expert evaluators, each assigned to specific categories, assess the chemical substances in question and determine whether they can be used in the company.

We also inventory all chemical substances used by Domestic Anritsu Group divisions and employ a chemical substances management system that makes a record of the amount of chemical substances purchased, used, and disposed of every three months. We use this database to assess the amount of substances subject to the Pollutant Release and Transfer Register (PRTR) Law, calculate the total stored amount of hazardous materials as designated by the Fire Service Act, calculate as greenhouse gas emissions, and monitor designated chemical substances in line with revisions to laws and regulations. We also consider replacing substances as necessary with alternatives that are safer and have a lower environmental impact. Moreover, we conduct risk assessments when using chemical substances that are subject to the reporting requirements of the Industrial Safety and Health Law.

In fiscal 2019, the handling volume at the Tohoku site of methylnaphthalene, a substance found within the Class-A heavy oil used in boilers, exceeded 1 tonne again. As this substance falls under the PRTR Law, we calculated the transfer amount and submitted reports to the appropriate regulatory authorities. Methylnaphthalene is burned in boilers and very little is released externally, but we will still work to reduce handling volume moving forward.

■ Regulated Chemical Substances in Manufacturing by the Anritsu Group

Banned substances	7 Groups of substances: CFC (chlorofluorocarbons), halon, tetrachlormethane, 1,1,1-trichloroethane, HBFC (hydrobromofluorocarbons), bromochloromethane, methyl bromide
Suppressed substance	7 Groups of substances: HCFC (hydrochlorofluorocarbons), trichloroethylene, tetrachloroethylene, dichloromethane, HFC (hydrofluorocarbons), PFC (perfluorocarbons), SF_6 (Sulfur hexafluoride)

Measures for Regulated Toxic Chemical Pollutants of Products



Analyzing phthalates

The European Union published Directive (EU) 2015/863 in 2015 adding 4 phthalates (DEHP, BBP, DBP, and DIBP) to the list of restricted substances in the EU's RoHS Directives. We had already taken the necessary precautions for Category 3 products related to our IT and communication devices in the Information and Communications business before the restrictions came into force at the end of July 2019. Our main products, measuring equipment and products in the PQA business, fall under Category 9, and we will implement the necessary measures as the restrictions come into force in July 2021. To reduce the risk of discharging chemical substances into distribution, we have been using fluorescent X-ray analyzers to selectively examine purchased components for the presence of hazardous substances, particularly the original six substances that are restricted in the RoHS Directives. In fiscal 2019, we started selective testing on the presence of four additional phthalates with newly introduced analyzers. In addition, since phthalates can migrate, we also check surfaces that come in contact with the products during manufacturing.

Groundwater Management

In regard to organochlorine substances, we completely eliminated the use of trichloroethylene at the Atsugi site in 1970 and 1,1,1-trichloroethane in 1993, though we continue to voluntarily analyze and monitor the five designated organochlorine substances in groundwater at regular intervals. While levels of tetrachloroethylene were higher than permitted under environmental standards, this substance has never been used by the Anritsu Group. The results of the soil survey showed that Anritsu was not responsible for trichloroethylene contamination. This data suggest that the source of contamination originated upstream from Anritsu's location, which the local government also agrees with. We will continue to conduct regular analysis and monitoring of the site.

WEB Groundwater data for the Domestic Anritsu Group

PCB Management

In respect to condensers of high concentration PCB waste at the Atsugi site, which account for a significant portion of PCB waste, processing at the Japan Environmental Storage & Safety Corporation (JESCO) Tokyo Facility was completed in fiscal 2016. Our analysis also revealed that pressure-sensitive copying paper came under the category of low-concentration PCB waste, therefore we contracted a government-certified treatment company to properly complete processing of the waste and confirmed completion in fiscal 2016. We also outsourced the treatment of low-concentration PCB transponders, which were completed in fiscal 2018. With regard to the remaining ballasts containing a high concentration of PCB, we are in the process of outsourcing waste processing to the JESCO Hokkaido Facility, with completion expected in fiscal 2020. And we regularly report storage status to the Kanagawa Prefectural government based on our strict management guidelines, which comply with the storage standards for specially controlled industrial waste.

Anritsu does not store PCB waste outside of the Atsugi site.

Environment

Resource Recycling

Stance on Social Issues

The volume of waste is increasing as the world's population grows while a culture of mass production, mass consumption and disposables becomes wider spread, resulting in shortages of natural resources and placing a heavy burden on the environment. To address this, companies around the world are expected to manage and dispose of their waste properly and reduce the amount of waste generated.

It is our social responsibility to contribute toward tackling the waste issue. To this end, we properly handle the waste generated by our plants and offices as well as our products when they reach the end of their life. In addition, we aggressively practice the 3Rs (reduce, reuse, and recycle) while also reducing the amount of waste we generate and using environmentally friendly materials.

Goals

Fiscal 2020 Target	Fiscal 2019 Progress
Maintain zero emissions*1 at the Domestic Anritsu Group	○: Maintained zero emissions.
Maintain industrial waste volume at the Domestic Anritsu Group at 67 tons or lower	×: Exceeded industrial waste volume of 67 tons (68.3 tons*2 in fiscal 2019)
Maintain general waste and put at the Atsugi site at 36 tons or lower	○: Maintained general waste output below 36 tons (33.4 tons in fiscal 2019)

*1 Zero emissions is defined as achieving a directly landfilled and burned disposal rate of less than 0.5%

*2 Excluding irregular disposals resulting from layout changes, etc.

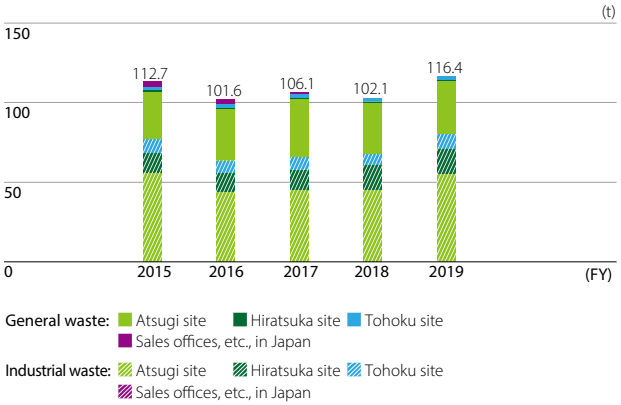
Activities / Achievements

Waste Reduction

The Domestic Anritsu Group is promoting 3R activities and the separation of waste in our offices and production lines. For example, we have reduced waste wood by replacing special wooden frames used to ship components produced abroad to Japan with rented reusable plastic frames, and we have also improved the recycling method for part of our waste solvent from thermal to material recycling.

In fiscal 2019, our industrial waste volume exceeded our target. This resulted from a few one-off scenarios including the use and disposal of wood by a department that typically does not use wood and the use and the disposal of packaging materials for research and experiment activities. We will continue to promote the 3Rs and work to reduce waste further.

■ Change in Volume of Waste (Domestic Anritsu Group)



■ Volume of Waste Generated by the Domestic Anritsu Group by Treatment

(t)

Treatment Method	Type	FY2019
Material recycling	Waste metal	156.1
	Waste paper	95.2
	Waste oil	2.8
	Waste glass and ceramic	2.2
	Waste plastics	1.6
	Sludge	1.1
Thermal recycling	Waste plastics	43.7
	Animal and plant residue	36.8
	Waste oil	16.2
	Waste wood	10.4
	Sludge	3.6
	Waste paper	2.4
	Waste alkali	1.3
	Waste acid	0.6

Environmental Considerations in Packaging

The Domestic Anritsu Group seeks to reduce the volume of packaging materials. Together with our packaging subcontractors, we have completely discontinued the use of shock-absorbing material for packaging made of urethane foam produced by using a liquid concentrate containing Methylenebis (4,1-phenylene) diisocyanate, which is designated as a Class I Designated Chemical Substance under the PRTR Law. For the substitute packaging method, we assess and introduce suitable materials and methods to each product to strive for environmentally friendly packaging.

■ Eco-friendly Packaging Efforts at the Domestic Anritsu Group

Packaging Method	Target Product Group	Action	Result
Polyethylene foam packaging (PEF packaging)	Desktop measuring equipment and handheld measuring equipment shipped overseas*1	Adopted polyethylene foam as a cushioning	Material Reduction in packaging material waste volume (waste material is polyethylene foam)*2 Volume reduction of 40% (compared to film packaging)
Film packaging	Desktop measuring equipment shipped overseas*3	Adopted method where product is held between two layers of elastic film	Reduction in packaging material waste volume (waste material is elastic film)*2
H160 Air-based cushioning materials	Unit components and small measuring equipment shipped overseas	Adopted air-based cushioning material that can withstand atmospheric pressure changes in air transport	Reduction in packaging material waste volume (waste material is air film)*2
Cardboard as a cushioning material packaging	Handheld measuring equipment for domestic and overseas locations	Adopted cardboard as a cushioning material in packaging Package standard attachments and optional parts in the open spaces within the cardboard cushioning material	Reduction in packaging material waste volume (waste material is cardboard)*2 Volume reduction of 40% (compared to when Access Master equipment is packaged using urethane foam
Eco-logistics	Products shipped domestically (mainly calibration instruments)	Adopted reusable boxes for delivery and pickup (cushioning material is also reusable) Simplified product packaging (Packaging with protective polyethylene)	Reduction in waste volume by 94% compared to regular packaging*4.
No packaging	Large products shipped domestically (mainly Anritsu Infivis products)	Adopted method in which product was wrapped in stretchable film and put in a reusable pipe container	Achieved zero waste emissions through a shift from disposable crates to reusable pipe frames.

*All packaging materials must protect the product from shock and vibrations while in transport.
*1 Desktop measuring equipment and handheld measuring equipment being developed and shipped overseas from fiscal 2016 is, in principle, shipped using PEF packaging.
*2 Reduction in packaging material based on a comparison of urethane foam waste with waste when item in parentheses is used
*3 Used for large measuring equipment and measuring equipment with a shape for which PEF packaging is problematic
*4 Assuming eco-logistics boxes are reused 20 times

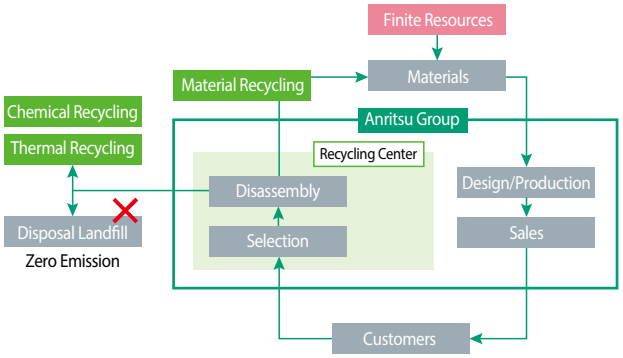
Recycling Center

Anritsu led the measuring instrument industry in establishing the Recycling Center at Anritsu Kousan Co., Ltd., as a division in 2000. Anritsu Kousan obtained a license to engage in the industrial waste disposal business in 2002 and started operating in fiscal 2003. The center is primarily engaged in treating used products received from customers.

In fiscal 2019, the Center received 108 tons of used products and equipment generated by the Anritsu Group and recycled nearly 100% of the waste after disassembling and sorting, shipping 92.3% of the resultant material as valuable resources.

Anritsu Kousan also promotes the refurbishment of used products. A selection of equipment used in demonstrations is reconditioned and calibrated by Anritsu and then delivered with a one-year guarantee, thus extending the lives of the products.

■ Recycling System for Used Products



Environment

Data Links

Reporting Theme	Content	Title	Format	Page in this Report	Website
Environmental Management	Environmental policy	Environmental Policy	Text document (HTML)	020	https://www.anritsu.com/en-us/about-anritsu/sustainability/environment
	Environmental impact summary encompassing the entire value chain	Environmental Impact Encompassing the Entire Value Chain	Historical data by year (Excel)	021	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/environmental-data/lca.xlsx
	List of excellent Eco-products	Excellent Eco-products	List (HTML)	024	https://www.anritsu.com/en-us/about-anritsu/sustainability/environment/eco-products
	CO_2 emissions across the life cycle of our products	CO_2 Emissions and Breakdown across the Life Cycle of Product Groups	Graph of fiscal 2019 data	024	—
	Eco-friendly procurement guidelines	Anritsu Group Global Green Procurement Specification	Booklet (PDF)	055	https://dl.cdn-anritsu.com/ja-jp/about-anritsu/environment/environmental-supplier-information/Guide-Eg.pdf
	Environmental management system certifications	Anritsu Corporation ISO 14001 Certification (English)	Certificate (PDF)	025	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/iso14001/jqa-em0210-en.pdf
		Anritsu Company (U.S.A.) ISO 14001 Certification	Certificate (PDF)	025	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/iso14001/ems-certificate.pdf
	Input/output data	Environmental Impact Mass Balance	Spreadsheet of historical data by year (Excel)	025	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/environmental-data/mass-balance.xlsx
Climate Change/ Energy	Greenhouse gas emissions	CO_2 Emissions & Reduction Targets in Scopes 1 and 2 (Market-based)	Graph of historical data and target by year	027	—
		CO_2 Emissions Across the Value Chain per Scope	Graph of fiscal 2019 data	028	—
		CO_2 Emissions Across the Value Chain per Scope	Spreadsheet of historical data by year	028	—
		Scopes 1 and 2, and CO_2 Emission Volume per Sales (Market-based)	Spreadsheet of historical data by year	030	—
	Renewable energy generated	Renewable Energy (Annual Electrical Output)	Spreadsheet of historical data by year	028	—
	Energy consumption	Energy Consumption (Crude Oil Equivalent)	Historical data by year	029	—
		Consumption and CO_2 Emission during the Use of Sold Products	Spreadsheet of historical data by year	029	—
		Energy Consumption and Reductions by Energy Type	Spreadsheet of historical data by year	030	—
		Energy Consumption per Sales	Spreadsheet of historical data by year	030	—
Water Resources	Efforts to protect water resources	Efforts to Protect Water Resources	List	032	—
	Water consumption	Amount of Water Intake by Type, Wastewater by Type and Recycled Amount	Spreadsheet of historical data by year	032	—
Preventing Environmental Pollution	Wastewater quality	Wastewater Quality Data for the Domestic Anritsu Group	Spreadsheet of historical data by year (Excel)	035	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/environmental-data/water-quality.xlsx
	Air quality	Air Quality Data for the Tohoku site	Spreadsheet of historical data by year (Excel)	035	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/environmental-data/air.xlsx
	Noise	Noise Data for the Domestic Anritsu Group	Spreadsheet of historical data by year (Excel)	035	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/environmental-data/noise.xlsx
	Groundwater	Groundwater Data for the Domestic Anritsu Group	Spreadsheet of historical data by year (Excel)	036	https://dl.cdn-anritsu.com/en-en/about-anritsu/environment/environmental-data/groundwater.xlsx
Resource Recycling	Waste emission	Change in Volume of Waste (Domestic Anritsu Group)	Graph of historical data by year	037	—
		Volume of Waste Generated by the Domestic Anritsu Group by Treatment Method and Waste Type	Spreadsheet of fiscal 2019 data	038	—
	Environmental considerations in packaging	Eco-friendly Packaging Efforts at the Domestic Anritsu Group	List	038	—

Social

041 Respect for Human Rights and Diversity

047 Human Resources Development

051 Occupational Health and Safety

055 Supply Chain Management

059 Quality and Product Safety

061 Customer Service and Support

063 Performance Data



We develop our employees into talented workers who maximize our business output and contribute to society.



Takashi Sakamoto
Executive Officer, Chief Human Resource and Administration Officer

Anritsu needs employees with ability and leadership in order to operate its business, maximize output and contribute to society while responding to the complex, ever-changing market environment. I have responsibility to establish a corporate system that allows employees to work with passion and a sense of mission.

Anritsu changes its business in response to an evolving marketplace. Employees at Anritsu also go through changes. All these vectors of change must be optimized to establish an employer-employee relationship in which each party encourages the other to reach a higher level. With my sights set on not only the 2020s but also the 2030s and beyond, I work together with business management to draw up organizational reform and human resource strategies that correspond with the changes and needs of all parties.

Social

Respect for Human Rights and Diversity

Stance on Social Issues

A company is a group of people with different ways of thinking and different senses of value, and an employer is responsible for giving due consideration to the human rights of each employee. In order to better secure human resources and respond to the risks and needs of a diversifying market in an aging society with a declining birth rate, we also believe it is increasingly important for companies to promote diversity management. For Anritsu, for which overseas sales account for 66% of total sales (in fiscal 2019), maintaining its current business and achieving the growth strategy set out in "Beyond2020" requires creating an environment in which a diverse group of employees can work actively and share their values.

Policy

As a company developing its business at the global level, Anritsu streamlines policies and guidelines based on international standards, including as set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the 10 principles of the UN Global Compact, the Guiding Principles on Business and Human Rights endorsed by the UN Human Rights Council, and ISO 26000:2010, which provides guidance on how companies can operate in a socially responsible way. In the Charter of Corporate Behavior for guiding the Anritsu Group in the conduct of its social responsibility, we declared we will respect the human rights of all those who are connected with it, and will not permit any discriminatory practice related to race, gender, and so forth or infringement of individual dignity, and will never accept child labor or forced labor.

The Code of Conduct sets forth the ethical standards for all Anritsu Group employees and stipulates that we will not discriminate in word or deed or engage in acts of violence or impair personal dignity and that we will seek to deepen our understanding and act to respect human rights through educational programs and other appropriate means.

Finally, we will continue to practice diversity and inclusion throughout the entire Group as stipulated in our Diversity Policy.

WEB Anritsu Group Charter of Corporate Behavior

WEB Anritsu Group Code of Conduct

WEB Diversity Policy

Structure

Under the leadership of the Human Resource and Administration Department, the Sustainability Promotion Center, the Legal Department, and the Global Procurement Operation Division, the Anritsu Group engages in activities aimed at promoting respect for human rights for all members in our value chain, including our employees, customers, and suppliers. In order to promote respect for diversity in a number of ways, including by advancing the career development of women, promoting Life-Work Balance, hiring more persons with disabilities, and developing the careers of non-Japanese employees and senior employees, we set up the Diversity Promotion Team, a special team for those tasks, within the Human Resource and Administration Department in fiscal 2016.

Goals

The Anritsu Group is focusing on the promotion of workstyle reforms through the creation of a company where employees can work to the best of their abilities, the promotion of diversity, as well as improved productivity as a medium- to long-term goal. Anritsu promotes a corporate culture that allows a diverse range of employees to demonstrate their personal abilities by providing a workplace in which they can play an active role regardless of race, nationality, gender, age, views on work, faith and region, sexual orientation or disability.

To promote the career development of women, a particular area of focus, we set a new goal of raising the ratio of female managers at or above the industry average by the end of March in 2024 (the ratio in 2020: 3.3%), apart from maintaining the ratio of female employees among all new recruits at 20% or higher, the percentage of which we attained in April 2020. For additional details, please see the Career Development for Cultivating Female Leaders section.

Activities / Achievements

Respecting Human Rights

In March 2006, Anritsu declared its support for and participation in of the ten principles of the UN Global Compact (UNGC), which are grouped into four categories: Human Rights, Labor, Environment, and Anti-Corruption. The Anritsu Group as a whole promotes these principles alongside its sustainability-related activities. Anritsu Group employees in Japan are required to submit letters of confirmation that provide assurance they understand and agree with the Code of Conduct of the Anritsu Group. We also seek to address and improve the status of human rights issues through the use of corporate ethics surveys and consultation points.

P.074 Estabilishment of the Compliance :Hotline

In the supply chain, we seek the understanding and cooperation of our supply chain partners through Anritsu CSR Procurement Guidelines in establishing a supply chain based on a respect for human rights, labor, health and safety, and the prevention of corruption and consideration of the environment.

P.055 Supply Chain Management

Complying with the Modern Slavery Act

We are particularly focused on human rights issues and as part of supply chain due diligence in compliance with the UK Modern Slavery Act and have released the UK Modern Slavery Act Statement. In 2020, we also released the Australian Modern Slavery Statement.

P.056 Supply Chain Management: Modern Slavery Act

Career Development for Cultivating Female Leaders

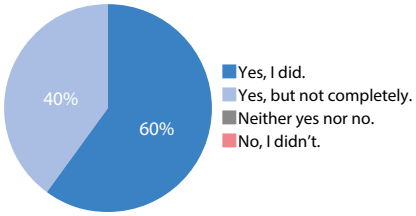
Initiatives are underway at Anritsu to support female employees so that they become more directly involved in the process of growing the Company and raising its corporate value while also supporting them to maintain a healthy balance between work and private life. Because of the nature of our business, we tend to recruit more graduates with a science background than in the liberal arts, and that factor has made the hiring of women rather difficult. In fiscal 2016, we set the goals of boosting the ratio of female employees in Japan to 20% of all new recruits by 2020 and improving our work environment for female employees. As a result of some measures, such as public relations activities focused on female graduates, the ratio of female new recruits reached 20% in April 2020. To support female employees in their career development efforts, we have increased the number of participants in level-based training and organized several kinds of workshops. Fiscal 2019 and 2020 saw the promotion of several female employees into management positions. While maintaining the ratio of female employees among all new recruits at 20% or higher, we are seeking to raise the ratio of female employees among all managers to the industry's average or higher by the end of March, 2024. We remain determined to keep increasing the number of female employees, supporting their career development efforts, and improving our work environment so it will nurture many of our female employees into corporate leaders.

■ Initiatives for Women's Career Development

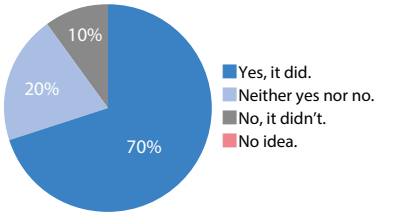
Female Executives and Employees	Major Initiatives
Executives	In the appointment of directors, Anritsu looks beyond gender or nationality to consider knowledge, experiences and abilities as well as to diversify the board. In fiscal 2019, Keiko Shimizu was appointed as on outside director (member of the Audit & Supervisory Committee), and Hanako Noda was appointed as executive officer and CTO. Noda has cultivated an extraordinary passion for cutting-edge technology and has exercised great leadership since she joined Anritsu as a new graduate recruit. WEB Message from the CTO, Anritsu Integrated Report 2020
Managers	In fiscal 2017, we revised the tier-based training system for young workers and leaders, which had accepted only workers recommended by department managers until fiscal 2016, to allow participation by anyone who meets certain conditions. This helped raise the female participation rate from around 12% through fiscal 2016 to 17% in fiscal 2017, 20% in fiscal 2018, and 13% in fiscal 2019. Other measures, such as the training program aimed at supporting the advancement of women's careers, also proved to be successful, leading to the appointment of three female managers (30% of all newly appointed managers) in fiscal 2019 and two female managers (14% of all newly appointed managers) in fiscal 2020. Toward the new goal of raising the ratio of female managers to or above the industry average* by the end of March 2024, we keep promoting the appointment of female employees who are committed to growing our business and raising our corporate value. *For reference: the industry's average ratio is 3.3% as of March 2020. P.063 Performance Data (Social): Employee data, employment conditions for female employees around the world
Leaders	Various training programs exclusively for female employees have been held since fiscal 2016. In fiscal 2019, a round-table discussion was held by female employees who were pursuing promotion into management positions. We will continue to provide female employees with career development programs in fiscal 2020 and beyond. **FY2019 Round-table Discussion for Female Employees** Participants: female applicants who have previously taken the Management Course Exam*. Number of participants: 10 *Examination to measure the levels of knowledge in marketing, management and accounting (Only those who pass the exam are qualified to become managers.) ● Objectives (1) Provide an opportunity to think about their future careers in a clear and specific manner (2) Help them establish a network of female employees ● Subjects of the round-table talk (1) Life-work balance: "What is your ideal work style?" "What needs to be done to realize a balance?" (2) Career development: "What is it like to be a manager?" "What are your career goals?"
New recruits	Anritsu hires new employees on a gender neutral basis in all positions, be they in office administration or technical areas. We attained the goal of raising the ratio of female employees in Japan to 20% of all new recruits by 2020 as a result of public relations activities focused on female students and the best use of websites and job fairs. The average ratio of female employees among all new recruits during the period from fiscal 2016 to 2020 was 23%. We retain the goal of raising the ratio of female employees to 20% of all new recruits and also seek to increase the number of female employees who will play an active role at the Anritsu Group.

■ Results of the Questionnaire Survey Conducted with FY2019 Round-table Talk Participants

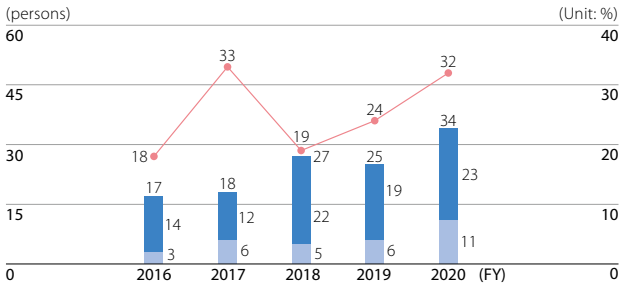
Q1 Did you share your concerns or questions with other participants?



Q2 Did the round-table discussion offer a good occasion to find someone whom you could share information with or seek advice from in the future?



■ Ratios of Female employees among New Graduate Recruits of the Anritsu Corporation in Japan



Life-Work Balance

Placing the lifestyle of each individual at the center of how they spend the 24 hours of each day and where they place work in that day, the Anritsu Group is focused on enabling its employees to enjoy a harmonious Life-Work Balance (we use this term to emphasize "life" first, rather than the more common "work-life balance"). We seek to improve employee productivity by encouraging them to pursue a fulfilling personal life as well as an equally fulfilling professional life, by allowing them to work in a way that is well balanced with their personal pursuits. In line with the Anritsu Corporation's Action Plan to Support Child-Rearing (5th stage), which began in fiscal 2017 (see the table on the right), we have focused on promoting improved life-work balances among our employees and have accordingly been working to advance awareness of revised workstyles and reductions of overtime work. We will continue to strive to improve working conditions in fiscal 2020 toward workstyle reforms. Efforts by labor and management through the Committee for Promoting Life-Work Balance are also under way, and we acquired the Kurumin Double Star certification from the Ministry of Health, Labour and Welfare in 2018.

In regard to childbirth and childcare, the Domestic Anritsu Group has a system that exceeds legal requirements including in terms of leave, reinstatement, and shorter work hours, both before and after childbirth as well as during child-rearing. To ensure that employees applying for these programs, regardless of their gender, can balance work and childcare with greater peace of mind, we disseminate information companywide to establish familiarity with the programs and raise awareness to inspire greater understanding. During fiscal 2019, seven female and two male employees took parental leaves. We continue to work on raising awareness and improving the understanding of the opportunity among employees.

■ Anritsu Corporation's Action Plan to Support Child-Rearing (5th Stage, April 1, 2017 to March 31, 2020)

Objectives	Measures	Action
Increase initiatives for reducing overtime work and improve working conditions toward Work-style Reform	• Implementation of management training on supporting work/life balance, workstyle reforms • Considering a system allowing workers to choose from a variety of workstyles	• Implemented Ikuboss*1 e-learning for managers (2017) • Altered "36 agreement", revising upper limit on overtime work (2017) • Implemented telecommuting to allow employees to cope with the time difference with some overseas locations (2018) • Launched campaign to review labor union/management working relationship (2017, 2018) • Considered new work styles such as telecommuting (2019)
Review and reinforce systems to support child-rearing	With the goal of promoting life-work balance, Anritsu is committed to creating an environment in which it is easy for employees to take leave.	Introduced an hourly-based leave system and expanded the acceptable reasons for taking childcare and parental leave as part of the support leave*2 (2018)
Create an environment where employees can balance work with nursing care responsibilities	Providing an environment in which our employees can balance their work with any nursing care responsibilities.	• Held seminar on balancing work with nursing care responsibilities (2018) • Conducted survey on nursing care conditions (2018)

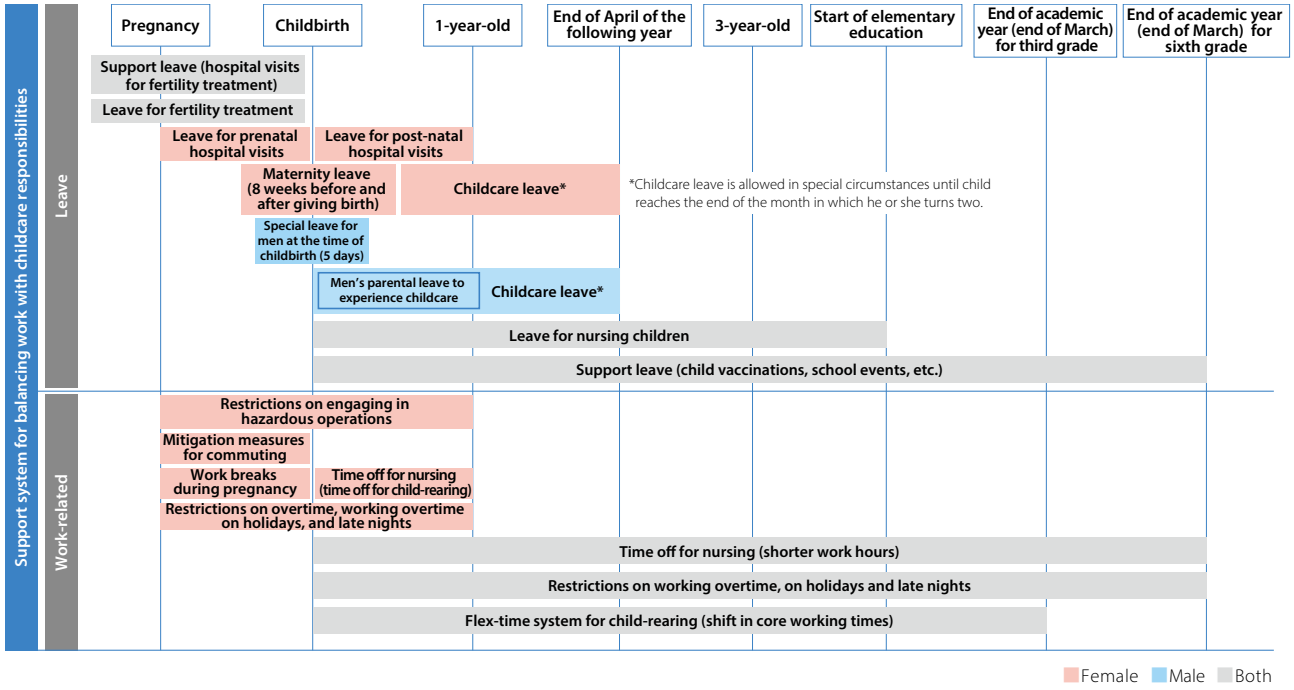
*1 Managers who understand the importance of joining child-rearing.
*2 Support Leave covers a range of reasons including child-rearing and nursing, commuting to hospital, and school events.

■ Anritsu Corporation Childcare Leave Usage Results

	Gender	Reporting Period		
		FY2017	FY2018	FY2019
Total number of employees eligible to take childcare leave	Male	22	23	14
	Female	8	4	7
Total number of employees who took childcare leave	Male	3	2	2
	Female	8	4	7
Total number of employees who returned to work following childcare leave	Male	2	2	2
	Female	2	12	4
Total number of employees who have been with the Company for one year or long since returning to work after childcare leave taken during the three years preceding the reporting years*	Male	4	4	4
	Female	19	15	19
Rate of employees who returned to work after childcare leave	Male	100%	100%	67%
	Female	100%	100%	100%
One-year-later retention rate of employees who returned to work after childcare leave	Male	100%	100%	100%
	Female	100%	100%	100%

*For fiscal 2019, the total shows employees who have been with the Company for one year or longer after returning to work, with childcare leave taken between fiscal 2016 and fiscal 2018, as of March 31, 2020.

■ Parenting and Childcare Programs



LGBT Consideration

The Anritsu Group is taking a proactive stance in improving the environment for LGBT employees, including by creating a function within the internal and external consultation points for addressing LGBT issues and installing multi-gender bathrooms. Our recruitment entry sheet no longer has a gender section. We will continue to work to foster a climate of diversity and acceptance.

Promoting the Careers of Non-Japanese Employees

The Domestic Anritsu Group hires employees, including new recruits and mid-career employees, regardless of nationality as it participates in employment-related events organized by overseas universities, accepting interns from universities in Japan and overseas, and hiring exchange students in Japan. As of March 31, 2020, 54 foreign nationals are employed mainly at our worksites in Japan. We broadened our in-house training programs for employees who are not fluent in Japanese. We will continue to develop a working environment that supports the engagement of non-Japanese employees.

Status on Employment of Those with Disabilities

As of the end of March 2020, the ratio of employees with disabilities at the Anritsu Corporation was 1.87%, which fell below the legally mandated employment rate of 2.2%. The Company continues to engage in related recruitment activities, including in cooperation with outside organizations such as Hello Work, the Japanese government's employment services center. We are committed to creating a comfortable workplace where people with disabilities can work together with others and to the best of their abilities.

■ Employment Rate for People with Disabilities at the Anritsu Corporation

(%)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Legal disability employment ratio	2.00	2.00	2.00	2.00	2.20	2.20
Ratio of employees with disabilities	1.78	1.89	1.72	1.74	1.63	1.87

*As of March 31 for each fiscal year

Applying the Skills of Senior Employees

The Domestic Anritsu Group operates an employment extension program in which employees can continue working after retirement at age 60. In principle, we grant extensions to all applicants, who are then able to continue applying the ample knowledge, experience, and advanced skills they have gained over the years and provide guidance and training for the next generation. To enhance productivity we will continue to promote diverse working styles and develop a working environment in which diverse personnel can excel at their careers.

Labor Union and Dialogue Between Labor and Management

Anritsu respects freedom of association and the right of employees to collective bargaining. The Constitution of Japan guarantees the rights and activities of labor unions, including the right to organize, as well as bargain and act collectively. Members of the Anritsu labor union in fiscal 2019 included those in general positions at the Anritsu Corporation, Anritsu Networks Co., Ltd. and Anritsu Customer Support Co., Ltd. (excluding part-time workers and managers).

With the goal of building a sound labor-management relationship, representatives from each company regularly interact and share information with the Anritsu labor union, and issues raised in the process are discussed and solutions negotiated on an individual basis.

■ Labor Membership Rates at the Three Domestic Anritsu Group Companies

(As of March 31, 2020)

Company	Labor Union Members	Regular Employees	Labor Union Participation Rate (%)*1
Anritsu Corporation	620	855	72.5
Anritsu Networks*2	52	77	67.5
Anritsu Customer Support	54	69	78.3

*1 Labor union participation rate = labor union members/regular employees
*2 Anritsu Networks was merged into the Anritsu Corporation on April 1, 2020.

Social

Human Resources Development

Stance on Social Issues

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

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

Policy

The real source of a company's value is the diversity of its human resources, and for the Anritsu Group, where technology is a core competence, the hiring and development of human resources capable of leading technical innovation is a key management issue. With that in mind, and without regard to nationality or gender, the Domestic Anritsu Group is focused on continuously developing employment plans that prioritize diversity in both education and training programs to support the independent growth of our employees.

Structure

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

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

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

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

Goals

Hiring

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

Education and Training

- Expanding self-development support programs
- Improving training programs for next-generation leadership candidates

Activities / Achievements

Hiring New Graduates

As part of the selection process when hiring new graduates in Japan, Anritsu spends a considerable amount of time confirming that the Company and prospective hire both understand each other's expectations during interviews. While time may be limited, we are committed to ensuring a match by deepening mutual understanding through discussion. The turnover rate over the first three years for new graduates who joined the Company via the selection process centered on these kinds of discussions over the

three years was 0%, 5.9%, and 0%, respectively, and well below the turnover rate of about 29% for companies of equal scale (500 to 900 employees) and the turnover rate of about 20% for the manufacturing sector, as announced by the Ministry of Health, Labour and Welfare.

P.041 Respect for Human Rights and Diversity

■ Number of New Graduates at the Anritsu Corporation in Japan (persons)

	April 2018	April 2019	April 2020
New graduate hires	27 (22 male, 5 female)	25 (19 male, 6 female)	34 (23 male, 11 female)

■ Anritsu Corporation: Turnover Rate over the First Three Years for New Graduate Hires (%)

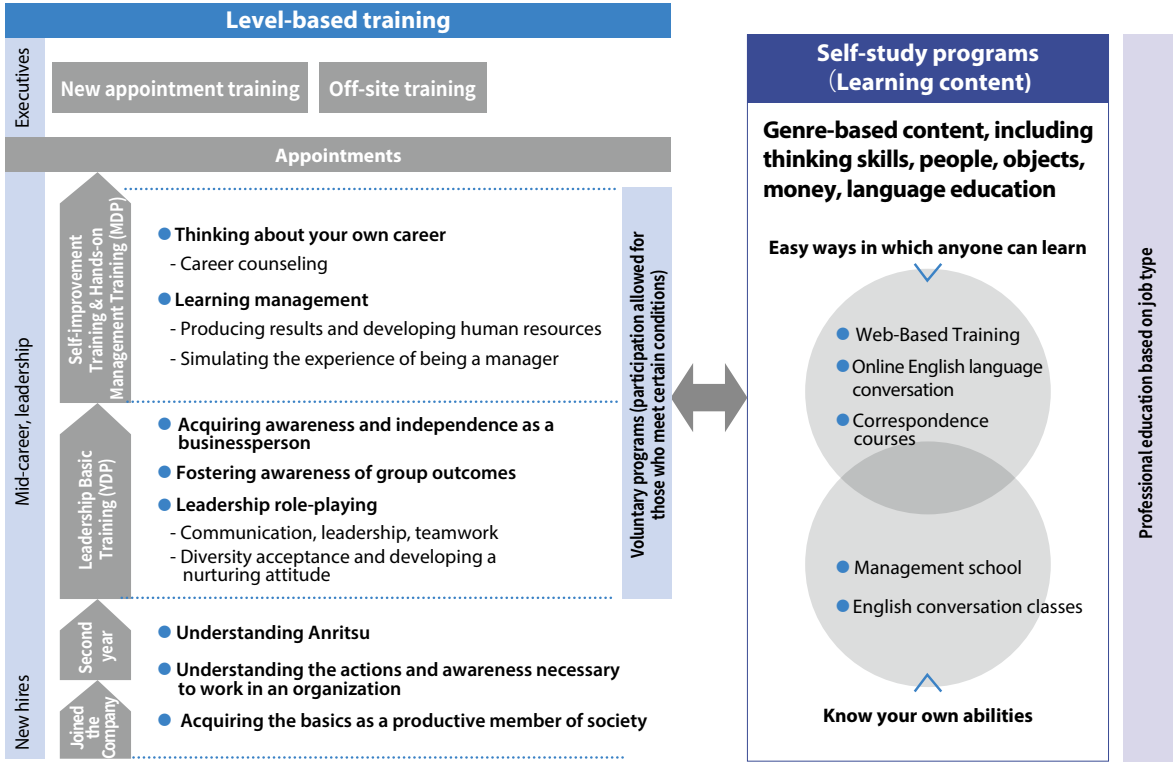
Joined the company in April 2015	0.0
Joined the company in April 2016	5.9 (one of 17 left)
Joined the company in April 2017	0.0

Education and Training

To encourage employees to build their strengths independently and update their skills at their own initiative, Anritsu provides on-the-job training as well as educational and training programs. On-the-job training allows employees to gain the skills and experience built up by the Company over its many years of operation, while the programs encourage them to pursue self-study and personal growth.

Our educational and training programs are built on the concepts stated as, "choosing whwr own capabilities and strengths." Comprised of level-based training and a self-development program (Learning Content), the programs are shared across the Anritsu Group. The average hours of training each year per employee at the Domestic Anritsu Group was 8.8 hours in terms of program hours offered by the Human Resource Department in fiscal 2018.

The education and training of engineers, which used to be conducted at the initiative of each business division, is now the responsibility of human resources staff. A team was put together in fiscal 2020 in cooperation with the business departments to which the trainee engineers belong. It also works with the Engineering Division, launched in April 2020, to help newly hired engineers become full-fledged engineers and to plan and provide cross-sectional educational programs for engineers across the Anritsu Group.



Level-based Training

The Anritsu Group's Leadership Basic Training (YDP) and Self-improvement Training & Hands-on Management Training (MDP) are designed to develop employees into mid-level leaders—the next-generation of Company management. Some overnight sessions were replaced with one-day sessions to give due consideration to the life-work balance of participants and make the programs more accessible. We are currently reviewing and revising the MDP program to include greater emphasis on the importance of attaining personal growth and development, contributing to better business performance, and strongly engaging in work, as we believe these factors are great motivators.

Self-development Program (Learning Content)

In fiscal 2017, in addition to the self-development program comprised of correspondence courses, we introduced Learning Content, which includes Web-Based Training and online or in-person classes.The number of applicants has increased since fiscal 2017 around three times the number in fiscal 2016. Moreover, the program now offers a course for Japanese employees to improve their English skills and another for foreign nationals to learn Japanese, both of which were added in the wake of the increasing globalization of our business. Moving forward, we plan to prepare and further improve the environment for employees to learn on their own.

■ Learning Content: Comparison of Total Applications Submitted

	Old Content	Updated Content		
	FY2016	FY2017	FY2018	FY2019
Domestic Anritsu Group total (number of applications)	169	547	448	500
Anritsu Corporation (number of applications)	81	313	247	272
Total	250	860	695	772

Improving Training for New Employees

In fiscal 2019, we revised group work programs in the training for new employees in order to develop their understanding of the actions and awareness required to work in an organization. Using hands-on training in a real-world experience, the program focuses on promoting team-based results with each person acting in a leadership role. In fiscal 2020, the group work program, which we further refined, was held online because new employees who joined us in April 2020 were teleworking due to the COVID-19 pandemic.



Training new recruits remotely via the Internet

Fostering Candidates for Next-generation Leadership

As part of our business succession plan, which focuses on finding and fostering management candidates, we traditionally send those selected for participation to management school, and we are considering an optional educational menu that will allow development in line with individual departmental policies.

Global Human Resources Development

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

During new employee training, we provide opportunities for participants to learn typical global projects from experienced leaders. Through their stories, new employees experience the excitement of handling global projects and understand the key points of global business such as the importance of collaboration with colleagues in and outside Japan.

We also send employees outside Japan so they can gain experience working in foreign countries. In addition to improving language skills and promoting cross-cultural understanding, the program serves to promote the formation of overseas connections.

Global Training for the Test and Measurement Business

At our overseas bases, Anritsu holds global training for about 100 sales engineers involved in the Test and Measurement business. This comprises sessions on a wide range of subjects such as new products, new product functions, market trends, Anritsu solutions, success stories, demonstration know-how, sales strategies, and product road maps.

Training in fiscal 2019 included a greater number of 5G-related sessions.

Each year, participants not only become more knowledgeable through the lectures but also gain practical skills, such as by operating instruments to gain an understanding of selling points while also learning how to demonstrate them effectively. In fiscal 2018, Anritsu Devices Co., Ltd. was added to the group responsible for organizing the device products training program.



Sharing market trends and new product functions

Global Training for the PQA Business

Anritsu Infivis Co., Ltd. engages in the business of product quality assurance (PQA) solutions, which support the safety and security of food and pharmaceutical products around the world. The company holds a repair and maintenance training event for employees and distributors in and outside Japan. In fiscal 2019, the event attracted more than 80 service engineers from 12 countries. The knowledge and skills gained are documented in charts or maps and shared across the Company. For the mission of providing prompt, reliable services for the ongoing evolution of testing instruments, Anritsu Infivis is always creating a corporate environment in which all members learn from each other and mutually improve their abilities.



Global PQA training in Chile

Social

Occupational Health and Safety

Stance on Social Issues

More than ever before, companies are expected to establish workplace environments where every employee can work safely and in good health through reinforced measures to prevent occupational accidents as well as overwork-related deaths and mental disorders, which have become greater social concerns. For the Anritsu Group, where about 4,000 employees strive to create value, it is imperative to continually renew our efforts to maintain such an environment, as we believe it leads to higher employee morale, productivity, and creativity and boosts the quality of our corporate activities.

We set up a task force on January 31, 2020 that helps to protect employees from COVID-19, and several related measures are in place across our operations.

P.081 Business Continuity Management: Response to Infectious Diseases

Policy

At the Anritsu Group, we believe that in order to enable every employee to achieve their full potential, we must secure employee safety and health and create comfortable and efficient workplaces. As part of our efforts to achieve that, the Company emphasizes "Respect for Employees," as stated in its Charter of Corporate Behavior, and "Improving the working environment," in the Anritsu Group Code of Conduct, which stipulates the creation of a compliant work environment in which employees can do their jobs with enthusiasm in safety and good health.

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

Anritsu Group Health and Productivity Management Policy

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

Structure

The executive office overseeing occupational health and safety at Anritsu Corporation is in charge of safety and health for the Domestic Anritsu Group and is tasked with formulating and implementing safety and health related matters common to the Group. We also have a safety and health management system that complies with all relevant laws and regulations.

To maintain and improve the health of Group employees, a variety of initiatives and support services are provided by industrial physicians, counselors, and health staff assigned to the Anritsu Corporation Health Management Center. These include regular worksite visits, a variety of medical checkups, post-stress check follow-ups, and individual consultation services for mental and physical health.

The Anritsu Corporation holds a meeting of the Labor-Management Occupational Health and Safety Committee every month. As described on the following page, the committee is structured to encourage information-sharing and the horizontal implementation of measures across the Domestic Anritsu Group. Matters discussed by the committee are promptly disclosed along with the minutes via the intranet to all employees.

■ Anritsu Corporation Occupational Health and Safety Committee (Fiscal 2019)

Chairperson	General health and safety manager (Executive in charge of safety and health)
Vice-chairpersons	Two individuals (one of whom is selected by the Anritsu labor union)
Committee members	Eight (four of whom are selected by the Anritsu labor union)

Industrial physicians, employees of the Domestic Anritsu Group, health insurance union leaders, and secretariat members also participated. The Anritsu labor union has a union shop agreement with Anritsu.

The Anritsu Corporation and Anritsu Labor Union have a collective agreement that sets forth certain matters concerning health and safety. More specifically, it stipulates that the Anritsu Corporation, as the owner of the business, shall implement appropriate measures to ensure the safety of employees and maintain and improve the health of employees; maintain the Occupational Safety and Health Committee and generate selection criteria for the committee; conduct educational programs on health while providing health checkups for employees; and restrict employees from engaging in dangerous or hazardous work. None of the work conducted by the Domestic Anritsu Group's employees falls under tasks associated with or at high risk of the incidence of specified diseases.

Goals

Safety Goal

The Domestic Anritsu Group targets zero accidents.

Health Goal

The Domestic Anritsu Group continues to work toward meeting the targets of the three-year medium-term health management plan for fiscal 2018–2020.

■ Progress in our Medium-term Health Management Plan

	Main focus points	KPIs	FY 2017	FY 2018	FY 2019	FY2020 Targets
1	Minimization and maintenance of the demographics with risks to future health maintenance, stable and continuous employment	☆ Ratio of employees exhibiting glycometabolism (HbA 1c 5.6% or higher)	42.0%	43.4%	44.5%	40% or under
		☆ Ratio of employees exhibiting elevated blood pressure (140/90 or higher)	9.9%	9.4%	9.7%	Maintaining at FY2017 levels
		★Mental leave rate (leave ratio at year's end)	0.4%	0.4%	0.4%	Maintaining at FY2017 levels
2	Betterment of the abnormal finding rate at periodic medical checkups	☆ Abnormal findings rate at periodic checkups	57.9%	57.9%	59.9%	59% or under
3	Improved awareness of health	☆ Ratio of employees with proper body weight (40 years of age and older)	67.7%	68.4%	67.2%	69 % or higher
		☆ Ratio of employees habitually exercising (40 years of age and older)	26.5%	27.0%	28.6%	28 % or higher
4	Establishing health and productivity management	Certified as an Excellent Enterprise of Health and Productivity Management	Certified	Certified	Certified	Continued certification

☆: Indicates current and target values based on periodic checkup results in the head office area of Kanagawa Prefecture
★: Indicates current value for the Domestic Anritsu Group

P.064 Performance Data (Social) : Occupational Health and Safety

Activities / Achievements

Results of Safety Efforts and Major Measures

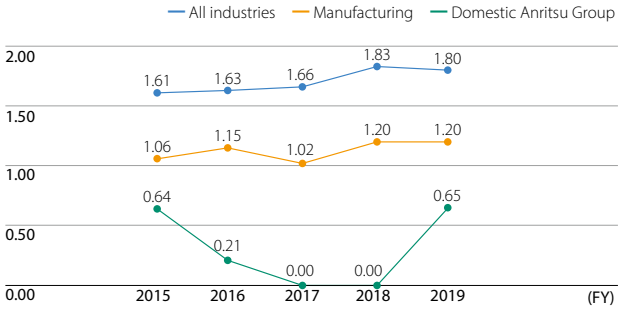
We fell short of attaining zero accidents in fiscal 2019 because of three lost workdays and one restricted workday case resulting from accidents caused by unsafe behavior.

After these occurred, we reviewed work procedures, implemented structural measures, and performed a risk assessment to prevent recurrence. For fiscal 2020, we renewed our determination for zero occupational accidents across the Domestic Anritsu Group and have made efforts to attain the goal. In fiscal 2019, there were six commuting accidents involving Domestic Anritsu Group employees, and two were lost workday cases. The leading causes were falling after a trip while walking and falling from a bicycle after improperly braking. We will continue working to raise employee awareness of risks while walking, riding a bike, or driving a car.

■ Workplace Accidents at the Domestic Anritsu Group (Fiscal 2019)

Type	Number of accidents (+/- from the previous year)
Lost workday cases	3(+3)
Restricted workday cases	1(-5)
Commuting accidents	6(+2)
Lost workday cases due to commuting accidents (more than or equal to a day)	2(-1)

■ Frequency Rates of Lost-worktime Injuries (per One Million Hours)



Participation in Labor Standards Initiative

Since fiscal 2018, the senior manager for the Human Resource Management Team, Human Resource and Administration Department, of Anritsu Corporation has served as the director of the Kanagawa Institution of Occupational Safety and Health and the deputy chief of the institution's Atsugi Branch, contributing to the improvement of occupational safety and health standards in Kanagawa Prefecture and the Atsugi district.

OHSAS 18001 Certification


bsi.
Certificate of Registration

Anritsu EMEA Ltd. (in the U.K.) obtained certification for OHSAS 18001:2007 in May 2012, an international standard for occupational health and safety management, and had the certification renewed in May 2018. Through a framework for realizing the international standard's principles of "identifying and controlling health and safety risks," "reducing the potential for accidents," "aiding legal compliance," and "improving overall performance," Anritsu EMEA promotes the establishment of a work environment that is safe and free of risks to employee health.

Certified as an Excellent Enterprise of Health and Productivity Management in 2020

In 2020, Anritsu Corporation was certified for the fourth consecutive year by the Ministry of Economy, Trade and Industry of Japan (METI) as a White 500 (large enterprise category) Company in the Health and Productivity Management Organization Recognition Program for meeting the criteria on regular medical checkups, work-life balance, health maintenance, lifestyle disease prevention, and mental health support.

The program recognizes enterprises that demonstrate outstanding health and productivity management aligned with the healthcare recommendations of the Nippon Kenko Kaigi. It evaluates companies in the following five aspects, which are also used by the METI and Tokyo Stock Exchange in their joint selection of the Health and Productivity Stock Selection: (1) management philosophy, (2) organizational structure, (3) implementation of systems and measures, (4) evaluation and improvement, and (5) compliance and risk management.

2020
健康経営優良法人
Health and productivity
ホワイト500

Work-Style Reform for Employee Wellbeing

At the Domestic Anritsu Group we are promoting work-style reform with the goals of boosting productivity, generating innovation, and raising corporate value while simultaneously prioritizing the safety and health of every employee. Measures to ensure appropriate work hours based on the Group-wide management policy have been put in place as part of the reform, and these include shortening overtime work, minimizing midnight-shift work, and strict observance of the "no-overtime day" rule.

We have abandoned the old notion that those who work longer do better. We believe in efficiency, and we therefore encourage employees to start working on the official start time, not to work after 7 p.m. unless necessary, as the office lights are turned off at that time, and to shorten meetings by streamlining agendas. Development staff telecommute when they work late evenings or early mornings to communicate with overseas colleagues in different time zones.

The telecommuting adopted by all Domestic Anritsu Group companies after the onset of the COVID-19 pandemic currently remains in place as a preventive measure to protect employee health.

Training and Seminars

For employees working at the Domestic Anritsu Group, in-house seminars on health are held in addition to occupational safety training. In fiscal 2019, we organized seminars on sleep, female health, and dietary education. A mini-lecture on diseases is also held for prediabetic employees to reduce the incidence of employees with glycometabolism abnormality, which continues to be a significant health concern. Also, we continue to implement initiatives for raising employee health awareness.


Seminar on dietary education

■ **Seminars, Lectures, and Educational Presentations for Domestic Anritsu Group Employees** (Total Number of Participants: 868) (Fiscal 2019)

(Persons)

Contents		Participants
In-house open seminar	Seminar on health for women	50
	Seminar on sleep	81
	Seminar on dietary education	57
	Disaster management training	450
In-house lecture/ education	Traffic awareness training	26
	Basic lifesaving training	24
	Bicycle safety workshop	66
	Health and safety education for new employees	53
	Occupational health education for new employees	54
	Health and safety education for new employees (foreign employees)	7

Other Activities for Occupational Health and Safety

Activities for Occupational Health and Safety in General

- Review of the status of activities and formulation of accident prevention measures by the Occupational Health and Safety Committee
- Enhancing the awareness of safety and health through training at different organizational levels, and providing training on specific issues such as risk assessment
- Implementing occupational health and safety education when part-time, contract, or other non-regular employees are hired

Activities with a Focus on Safety

- Reducing the risk of accidents by conducting inspections before introducing, relocating, or changing equipment, or when purchasing chemical materials
- Providing a safe, secure, and comfortable workplace by assessing working environments, workplace patrols, emergency drills, and basic life-saving training

Activities with a Focus on Health

- Health checkups (periodic, special, when starting employment, for overseas assignee) and implementation of and follow-up for the stress check system
- Questionnaire screening, interviews by industrial physicians and health maintenance measures for overtime workers
- Mental healthcare education and counseling for senior executives

Building and Maintaining a Flexible Supply Chain at the Side of Our Partners



Hiroyuki Fujikake
Vice President, Chief SCM Officer

Anritsu's products play an important role in realizing comfortable and convenient living through a sophisticated telecommunications network and in ensuring the quality and safety of foods and pharmaceuticals. Anritsu's SCM is responsible for establishing a flexible supply chain as one team, side-by-side with its customers and suppliers, to produce high value-added products and quickly deliver them to the markets. To that end, SCM depends on establishing commonly shared values across the supply chain, which in turn requires sharing information. Consequently, every effort must be made to enhance information sharing and maintain close communication between Anritsu and its partners.

Everyone involved in the supply chain talks about dreams and creates dreams to provide high value-added products that are low-cost, reliable and yet easy to make, procure, and maintain while responding to exchange rate fluctuations. We will continue to work on its realization.

Social

Supply Chain Management

Stance on Social Issues

Large-scale natural disasters and the COVID-19 pandemic have been creating severe risks for business continuity. Expanding the capabilities and sophistication of the supply chain also poses significant challenges associated with labor issues, potential human rights violations, and environmental pollution.

While the Anritsu Group's procurement activities are international, in order to consistently provide high-quality products for customers around the world, the Group must possess a flexible, internationally extensive management structure throughout the whole supply chain while also paying due consideration to ESG concerns. Besides granting equal opportunities to all suppliers in and outside Japan and selecting suppliers through fair competition, the Anritsu Group complies with all relevant laws and regulations, commercial practices, and social norms, and it respects human rights in all its partnerships. We can only respond to the expectations and demands of society by building great relationships with suppliers and managing the supply chain seamlessly and comprehensively.

Policy

We believe in the importance of moving as one with the entire supply chain, together with our suppliers, in conducting procurement, and linking this activity to the mutual growth of all parties. With this conviction, we established our Basic Rules of Procurement in 2005 and have since asked our suppliers to comply with those rules in addition to the Anritsu Group CSR Procurement Guideline and Anritsu Group Global Green Procurement Specification. Through those rules and guidelines, we construct a supply chain that respects human rights, gives due consideration to labor, health and safety, fair trade and ethics as well as the environment.

- WEB Anritsu Basic Rules for Procurement
- WEB Anritsu Group CSR Procurement Guideline
- WEB Anritsu Group Global Green Procurement Specification

Structure

We operate procurement hubs in the U.S., China, and Japan. Our current effort to unify our parts evaluation criteria globally will allow the procurement hubs to use suppliers approved by other hubs, prompting better coordination across our worldwide procurement operations.

In addition, our Global Preferred Suppliers (GPS) system certifies suppliers for making them available for all Anritsu Group companies. The system has not only helped us to streamline procurement

operations but also to facilitate the sharing of development roadmaps and technical issues with suppliers. The use of this system can further reduce the TTM (time to market) of our products. Ten suppliers have been certified so far through the GPS.

Goals

We are working toward the following objectives stated in the GLP2020 mid-term business plan.

1. Promote global CSR procurement

- Promoting CSR procurement as one team together with suppliers in and outside Japan throughout the whole supply chain.
- Reinforcing global supply chain management through a due diligence process

2. Promote global green procurement

- Promoting green procurement as one team together with suppliers in and outside Japan throughout the whole supply chain.
- Reinforcing global supply chain management by increasing Environmental Partners

P.057 Environmental Partner Certification System

Activities / Achievements

Anritsu Group CSR Procurement Guideline

In fiscal 2010, we formulated the Anritsu CSR Procurement Guideline, which complies with the Supply-Chain CSR Deployment Guidebook published by the Japan Electronics and Information Technology Industries Association (JEITA).
Along with posting the Guidelines on our website, we also ask that our suppliers have an understanding of and take initiatives for CSR Procurement at the outset of business with new suppliers and during policy briefings with suppliers.

WEB Anritsu Group CSR Procurement Guideline

Supply Chain Due Diligence

In evaluating a new supplier, we investigate the supplier's credit standing, review quality and environmental management, and inspect their factory. Since fiscal 2011, we have asked suppliers to submit a Letter of Consent for our CSR procurement practice and have received consent from many suppliers. As means to verify the stance of suppliers to CSR, we also conduct a questionnaire with our suppliers, including questions about human rights, labor issues, occupational health and safety, fair trade, ethics, product quality and safety, and information security. In addition, we conduct an onsite audit. In fiscal 2019, we visited two secondary suppliers in China and Taiwan for audits. Through interviews with their employees and the inspection of written rules, educational materials, and transaction records at the departments concerned, we ensured that both suppliers had systems for promoting CSR with controls against the violation of human and labor rights and for protecting employee health and safety.

Modern Slavery Act

Focusing on human rights issues in particular in its supply chain due diligence, Anritsu remains in compliance with the UK Modern Slavery Act. Anritsu Corporation and Anritsu EMEA Ltd. are legally obliged to disclose a statement to remain in conformity with the Act, and both companies have uploaded the statement to their respective websites every year since 2016. In regard to efforts made to comply with the Act in fiscal 2019, we cited the aforementioned CSR questionnaire surveys and onsite inspections at the premises of suppliers in the statement. Since the Australian Modern Slavery Act enacted in 2018 is also applicable to Anritsu Corporation, the Company is preparing a statement for submission to the Australian government by the end of 2020.

Conflict Minerals

Anritsu is also working continuously on the issue of conflict minerals. Following the 2012 adoption of the final rule of Section 1502 (the Conflict Minerals Regulation), Anritsu declared its support. To prevent the use of conflict minerals in its products, the Company holds briefings for its suppliers. When a customer submits inquiries related to this issue, it asks suppliers in Japan and abroad to investigate and provides the findings to the customer.

WEB Anritsu Basic Rules for Procurement

Compliance in Practice

We conduct fair and transparent business by strictly following our Code of Conduct, which includes not accepting entertainment or gifts, or buying or selling stocks based on the insider information from suppliers. Furthermore, comment boxes for collecting feedback from suppliers are placed in the negotiation rooms of our head office and Tohoku Anritsu Co., Ltd. in an effort to promote CSR procurement based on the direct feedback from our suppliers. We continue to work hand in hand with suppliers to promote CSR procurement.

Education of Procurement Staff

For new recruits and transferees assigned to our procurement sections, we provide training on CSR procurement based on the Anritsu CSR Procurement Guideline, in addition to Web-Based Training programs on SDGs, the U.K. Modern Slavery Act, the Subcontract Act of Japan and ISO 9001. Case studies on human rights and labor issues are also conducted by procurement team members to exchange opinions and raise staff understanding and awareness of the issues.

Green Procurement Specification

The Anritsu Group created the Green Procurement Specification to promote, along with suppliers, the production of eco-friendly products in fiscal 1999 and has since conducted green procurement, giving preference to eco-friendly parts and raw materials. The Green Procurement Specification were revised into the Anritsu Group Global Green Procurement Specification in fiscal 2016 to involve all Group members, including overseas production sites. Whenever revisions are made to international regulations on chemicals, such as the RoHS Directive and REACH regulations in Europe, we update our Specification to ensure compliance with those renewed regulations by ourselves and by our suppliers.

WEB Anritsu Group Global Green Procurement Specification

Environmental Partner Certification System

Anritsu launched the Environmental Partner Certification System in fiscal 2001 to promote green procurement. Under the system, we evaluate the environmental initiatives taken by suppliers and certify suppliers who excel in their commitment to the environment. We modified the evaluation process in September 2019 and have since evaluated suppliers in the sole aspect of managing the chemical substances contained in products. Evaluations are undertaken using a check sheet with the ratings of A, B, and C, and suppliers rated A or B are recognized as Environmental Partner Companies. As of May 2020, we have 210 Environmental Partner Companies. We support the improvement efforts of suppliers who need assistance in managing chemical substances contained in products.

■ Rating in the Environmental Partner System

A-rated	Reliable management	
B-rated	Basic requirements satisfied	Anritsu implemented support and improvement activities
C-rated	Unreliable management	

Exhibition of Supplier Products and Technologies

Every year, we hold an event to showcase products manufactured by our suppliers and their technologies. The event also provides an occasion for our engineers to share information with their counterparts at our suppliers. The event for fiscal 2019 was held in December with 44 suppliers under the theme of next-generation technologies for 5G, IoT, cars and data centers, featuring millimeter wave and microwave components, printed circuit board technologies, optical components. Seminars by suppliers were also offered to keep participants abreast of the latest market trends and cutting-edge technologies.

Suppliers Gatherings

We host a gathering for suppliers every January. In 2020, we invited 318 participants from 148 suppliers in and outside Japan. The focus selected for this year's presentations by our Group CEO and business representatives was 5G, including explanations about its commercialization, the introduction status of local 5G systems, and initiatives taken by Anritsu. The main products of all of our business segments were exhibited for the first time at this event to increase participant understanding of our business and growth strategies.

At the event in December, we called for even stronger partnerships to expand our value chain through collaboration and co-creation under our global procurement system. Awards were also presented to suppliers who excelled in all of the aspects of quality, delivery and pricing.

Promoting Partner QU Proposal Activities

We are promoting the Partner QU (Quality Up) Activity as a communication channel for suppliers so that they can offer proposals for improvements, requests, and opinions concerning Anritsu. We also accept proposals in a broad range of areas, beyond procurement, such as sales and marketing, technology, manufacturing, services, health and safety, the environment and CSR, and all proposals serve to improve our business operations.

A council for the Partner QU Activity deliberates and determines whether to adopt proposals and grants awards to suppliers present outstanding proposals. In fiscal 2019, we received 35 proposals, including one recommending a change in design to reduce cost while another proposed a different procurement method for faster delivery. We adopted 26 proposals this year.

Collaboration Room

Anritsu maintains several collaboration rooms within the Company to revitalize communication between our development engineers and suppliers. We invite different manufacturers and agents to dispatch their sales engineers in a daily rotation, provide an environment conducive to generating new solutions, and strive to play a leading role in promoting development.

Supply Chain BCP

We have in place the following BCP(Business Continuity Plan) for promptly resuming our normal procurement operations in the event of a natural disaster.

(1) The latest locations of suppliers' production sites are mapped out to quickly grasp which suppliers may be affected by a natural disaster.

(2) Responses to be taken by us are categorized according to the possible scale of the natural disaster and the potential damage that may result.

We maintain good relationships with suppliers through frequent communication, and we believe that those relationships will help us and suppliers overcome any disaster or crisis.

Social

Quality and Product Safety

Stance on Social Issues

Every business must have a comprehensive approach to satisfying customer needs and earning their trust, not only managing the quality and safety of their products but also protecting the environment and keeping the business ready for contingencies that may arise at any time.

The Anritsu Group's social mission is to contribute to the realization of a safe, secure and prosperous society. To achieve this, it must provide safe and secure electric equipment with top priority on preventing product accidents and a commitment to constantly raise quality Group-wide.

Policy

Anritsu's quality policy and related conduct policy are shared by Group companies in Japan. Under the corporate philosophy of "contributing to the development of a safe, secure and prosperous global society by offering 'original and high-level' products and services with sincerity, harmony and enthusiasm," we constantly improve the quality of our products and services to meet customer needs and social demands.

Quality Policy

Supply satisfactory products to customers and society with sincerity, harmony, and enthusiasm.

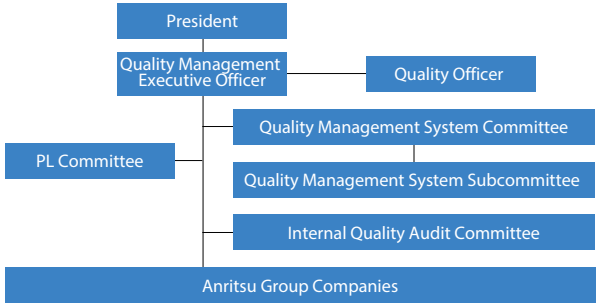
Conduct Policy

- Work with sincerity and seriousness not to make nonconforming products.
- Handle after-processes considering customers and harmony with others.
- Propose improvement with enthusiasm.

Structure

For the sake of maintaining, improving, and ensuring product quality and effectively operating its quality management system, the Domestic Anritsu Group maintains committees headed by the Quality Management Executive Officer, who serves as the Chief Quality Officer at the Anritsu Corporation. The committees include the Quality Management System Committee, which consists of the presidents of the Domestic Anritsu Group, and the Internal Quality Audit Committee. The Quality Management System Subcommittee, consisting of the Quality Managers of the Domestic Anritsu Group, reviews the Group's quality policies and improvement initiatives to reinforce quality management across the Group in Japan. The Product Liability (PL) Committee, set up to supervise product safety, is chaired by the Quality Management Executive Officer and consists of representatives from various sections, including public relations, legal affairs, internal control, procurement, and servicing along with the Quality Managers of the Domestic Anritsu Group. The PL Committee draws up operational strategies for potential product accidents, designs preventive measures, and reviews the effectiveness of those measures. The Quality Management Executive Officer annually reports on quality circumstances at the Management Strategy Conference.

■ Domestic Anritsu Group's Quality Management System Structure



ISO 9001 Acquisition Status

Since 1993, Anritsu has been ISO 9001 certified, the international standard for quality management systems. We consistently manage quality Group-wide for all processes, from product design, development, and production to servicing, repair, and maintenance.

All Group companies currently engaged in the development or manufacture of products are certified under ISO 9001. The certification rate for the Anritsu Group's quality management system is 100%, while the rate based on the size of our labor force is approximately 75%.

WEB Companies with ISO 9001 Certification

Goals

The Domestic Anritsu Group identified the following themes for the GLP2020 Quality Initiative, its mid-term management plan covering fiscal 2018–2020.

Themes	Fiscal 2019 Progress and Performance
1. Improvements through the integration of management systems	Generated a checklist for internal audit on QMS/EMS integration. ISO-certified with expanded scope, including Partner Solution Div., from external auditors.
2. Strengthening energy- and resource-saving products (environmentally friendly products)	Mapped out Scope 3 CO_2 emissions reduction targets, which were approved by the SBT Initiative as science-based targets.
3. Strengthening legal and regulatory compliance as well as product safety management	Established and implemented a system for controlling specified hazardous substances for product safety.
4. Strengthening proactive prevention processes	Held a seminar on proactive prevention techniques.
5. Promoting global quality and environmental actions	Shared quality information worldwide. Conducted internal audits on quality at operation sites.

Activities / Achievements

Improvements through the Integration of the Management Systems

In fiscal 2020, we will begin conducting a checklist-based internal audit on the integration of quality and environmental management systems. In fiscal 2019, our ISO 9001 certification was renewed by external auditors, with an expanded scope including the Partner Solution Division.

Strengthening Environmentally Friendly Products

In order to respond to the requests from customers and other stakeholders to reduce environmental impact, the Anritsu Group has worked on the energy- and resource-saving features of its products under the GLP2020 Quality Initiative.

The CO_2 emissions reduction plan and targets set in fiscal 2019 were approved by the SBT Initiative. We are further promoting the development of energy- and resource-saving products and strengthening collaborations with suppliers to achieve the Scope 3 indirect CO_2 emissions targets for corporate value chains.

P.029 Reducing CO_2 Emissions from Purchased Goods and Services, and Reduced CO_2 Emissions from the Use of Sold Products

Enhancing Regulatory Compliance and Product Safety Management

Phosphorus, which is sometimes used as a flame retardant in resins for electronic components, carries the risk of causing a short circuit or smoking that could result in a product accident. Therefore, the Anritsu Group specified phosphorus as a hazardous substance for product safety and started monitoring its content in our purchased parts. We also established and implemented a new process for controlling specified hazardous substances for product safety.

Moreover, we provided employees with quality management training focused on legal compliance, product safety, and preventing quality fraud.

Strengthening Proactive Prevention Processes

In addition to periodic lectures on software quality improvement, we organized a seminar on techniques for proactively preventing quality defects. In fiscal 2020, we will launch an initiative to incorporate those techniques into our operational processes.

Promoting Global Quality and Environmental Actions

We convene our global quality management meeting concurrently with the annual Global Environmental Management Meeting. At the meeting, participants from Japan, the U.S., and the U.K. shared information about the status of quality management. We also conducted an internal quality audit at operation sites toward establishing a quality assurance system that would allow us to deliver high-quality products worldwide.

Social

Customer Service and Support

Stance on Social Issues

Communications infrastructure and safe food products are indispensable to modern society.

Businesses in these sectors focus on productivity and quality assurance in addition to the development of new products and services.

The Anritsu Group maintains a global network to provide customers with the products and support services they need at any time or place.

We build relationships of trust with customers and seek to address social issues with them by doing our best to respond sincerely to their requests or orders.

Policy

In the Charter of Corporate Behavior, the Anritsu Group stipulates that the Group "will provide customers with socially useful products and services and appropriate information, and will communicate with customers in good faith. This will result in high customer satisfaction and trust." In the Code of Conduct, We states that the Group" will continuously provide creative, high level products and services that would satisfy the needs of our customer." We strive to be a company that is and will continue to be trusted and chosen by customers around the world.

Structure

Through various points of contact with customers, including sales and marketing and repair and maintenance services as well as our corporate website, the Anritsu Group provides customers with supports to solve their business issues. Since customers vary by business segment, our customer service and support are managed separately by the department in charge under each business group.

Service and Support by Major Businesses

The Test and Measurement Business deploys repair and maintenance service centers at 14 locations in 12 countries so that customers around the world can use Anritsu's products worry-free. The R&D centers in the U.S., China, and India offer development support for customers. In Japan the Measurement Support Center serves as the point of contact with customers, and staff with ample knowledge about products are assigned to respond efficiently to customer inquiries. The Measurement Support Center liaises through a CRM*1 system with the Sales & Marketing Team and Repair & Maintenance Team to offer brochures, generate quotations, and provide operational instructions and troubleshooting for customers. The repair and calibration of instruments are assigned to Anritsu Customer Support Co., Ltd., a wholly owned subsidiary of Anritsu Corporation.

Anritsu in the Americas introduced the Voice of the Customer Program as part of its CEM*2. This allows us to collect customer feedback and discuss it along with data analysis findings, placing us in a stronger position to identify the root causes of problems and implement improvements that will boost customer satisfaction.

The PQA Business, which has a corporate body in each of five countries apart from Japan, operates repair and maintenance centers or agencies in 56 nations. Those centers and agencies are staffed by employees with rich field experience, providing customers with exactly the support they need, around the clock, 365 days a year. The PQA Business streamlines its operations through a CRM system and regularly conducts training programs for its staff in and outside Japan to provide reliable and secure customer service.

*1 System for managing customers.
*2 Approach used to track potential added value at touch points between businesses and customers by focusing on customer experience and feelings.

The Information and Communications Business provides product support as well as comprehensive system support services, including the pre-purchase verification of connection with customer communication systems, training on use and management methods, and troubleshooting.

The Sensing & Device Business, which supports customers across the world through a system established with Group companies and sales agents outside Japan, has enhanced its information service by focusing on customer convenience. For instance, the Sensing & Device Business offers basic product information and guidance for product selection along with a presentation of products by type of device on its section of the website. Anritsu holds global training for the Test and Measurement, PQA, and Sensing and Devices businesses toward enhancing product support.

P.047 Human Resources Development

The Anritsu Group is enhancing its online support service to respond to increased teleworking as a result of COVID-19.

P.079 Business Continuity Management

Social

Performance Data

Employee Data

■ Employee Data by Global Region (as of March 31, 2020)

(Persons)

	Japan	Americas	EMEA	Asia and Others	Global Total
Number of regular employees	2,272	654	338	617	3,881
Male	1,924	461	274	445	3,104
Female	348	193	64	172	777
Non-regular employees	508	36	30	10	584

■ Employee Data for the Domestic Anritsu Group (as of March 31 of each fiscal year)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Total number of regular employees of the Domestic Anritsu Group	2,212	2,244	2,249	2,251	2,248	2,272
Male	1,917	1,932	1,938	1,936	1,919	1,924
Female	295	312	311	315	329	348
Foreign nationals	30	38	44	49	51	54
Average age (regular employees)	42.3	42.6	42.6	43.2	43.6	43.9
Average working years (regular employees)	19.2	19.3	19.8	20.3	20.7	20.9
Number of non-regular employees	566	537	500	428	506	508
Ratio of employees with disabilities at Anritsu Corporation (%)	1.78	1.89	1.72	1.74	1.63	1.87
Ratio of employees with disabilities at the Domestic Anritsu Group (%) (reference)	1.74	1.70	1.76	1.70	1.75	1.95

■ Employee Data for Anritsu Corporation (as of March 31 of each fiscal year)

		FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Number of employees (number of managers included in total count)	Male	684 (177)	695 (176)	705 (184)	726 (198)	715 (198)	731 (194)
	Female	105 (4)	108 (4)	110 (4)	118 (3)	121 (2)	124 (4)
	Total	789 (181)	803 (180)	815 (188)	844 (201)	836 (200)	855 (198)
Average age	Male	42.0	42.4	43.0	43.7	44.1	44.4
	Female	38.4	39.4	39.9	40.6	41.2	41.5
	Total	41.5	42.0	42.6	43.3	43.7	43.9
Average working years	Male	17.8	18.2	18.9	19.5	19.9	20.3
	Female	15.9	16.5	17.0	17.1	17.5	17.7
	Total	17.5	18.0	18.6	19.2	19.6	19.9
Annual rated working hours		1,860.00	1,867.75	1,867.75	1,852.25	1,852.25	1,860.00
Average days of paid holidays used per year		15.1	15.6	15.5	16.3	16.3	16.2
Number of employees who took paid childcare leave		9	5	5	11	6	9
Number of employees whose employment has been extended beyond normal retirement age	Number of eligible employees	4	9	5	9	11	11
	Number of employees over retirement age hired	3	7	2	6	8	8

■ Turnover Rate for Anritsu Corporation

Number of Employees Who Left	Number of Personnel	Turnover Rate (%)
16	855	1.8

Notes 1. Target year: fiscal 2019
2. Calculated in accordance with the formula provided in the Japan Company Handbook
3. Turnover rate = number of employees who left in the target fiscal year / (number of regular employees at end of fiscal year + number of employees who left in the target fiscal year)
4. Definition of employee who left: Among regular employees, those who leave the Company for reasons other than retirement or promotion to directorships, or those whose transfers were cancelled

■ Number of Employees by Age Group (as of March 31, 2020) (Persons)

	Under 30	30–50	51 and over
Domestic Anritsu Group	342	1,273	657
Anritsu Corporation	140	478	237

Female Anritsu Employees Globally (as of Fiscal Year-end on March 31)

■ Ratio of Female Employees (number of female employees / number of all employees) (%)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	13	14	14	14	15	15
Americas	30	31	31	31	31	30
EMEA	21	20	19	19	21	19
Asia and others	26	26	28	27	27	28
On a global consolidated basis	19	19	19	19	20	20

■ Ratio of Female Managers (number of female managers / number of all managers) (%)

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Japan	1.3	1.3	1.3	1.0	1.1	1.8
Americas	19.7	22.7	24.7	23.0	20.2	18.3
EMEA	15.9	17.0	19.7	22.1	23.5	21.6
Asia and others	19.0	18.2	21.7	21.6	24.1	23.4
On a global consolidated basis	9.4	9.6	10.2	9.9	10.5	10.4

Occupational Health and Safety

■ Occupational Safety and Health-related Figures

	FY2017	FY2018	FY2019	
Ratio of employees who underwent a regular checkup (%)	100	100	100	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture
Ratio of employees who underwent a regular complete checkup (%)	56.7	72.5	73.7	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture
Ratio of employees found to have a health issue in a regular checkup (%)	57.9	57.9	59.9	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture
Ratio of employees who smoke (%)	22.1	21.8	20.5	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture (smoking rates among employees aged 40 or older)
Ratio of employees who regularly exercise (%)	26.5	27.0	28.6	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture (rate of employees aged 40 or older who exercise two or more times per week and 30 or more minutes per session)
Annual scheduled hours worked	1,877.3	1,872.2	1,875.2	Average for the Domestic Anritsu Group
Average monthly overtime hours worked	14.8	16.9	18.4	Average monthly overtime worked by regular employees of the Domestic Anritsu Group excluding those in management positions at fiscal year-end
Annual paid holiday usage rate (%)	79.0	78.2	77.0	Rate for regular employees of the Domestic Anritsu Group excluding those in management positions at fiscal year-end (number of paid holidays used / number of paid holidays granted for the fiscal year × 100)
Number of on-the-job accidents	7	6	4	Total for the Domestic Anritsu Group
Number of accidents resulting in leave (of four or more days)	0	0	1	Included in the total for the Domestic Anritsu Group
Number of cases of work-related illness	0	0	0	Included in the total for the Domestic Anritsu Group
Number of days of leave from work	0	0	52	Total for the Domestic Anritsu Group
Number of deaths	0	0	0	Total for the Domestic Anritsu Group
Rate of lost-worktime injuries	0.00	0.00	0.647	Statistical values for the Domestic Anritsu Group (number of deaths and injuries / total labor hours × 1,000,000)
Accident severity rate	0.000	0.000	0.011	Statistical values for the Domestic Anritsu Group (number of lost work days / total labor hours × 1,000)
Number of commuting accidents	15	4	6	Total for the Domestic Anritsu Group
Number of accidents resulting in leave (of four or more days)	5	3	0	Included in the total for the Domestic Anritsu Group

Governance

066 Corporate Governance

070 Internal Control

071 Establishment of Compliance

075 Promotion of Risk Management

077 Information Security

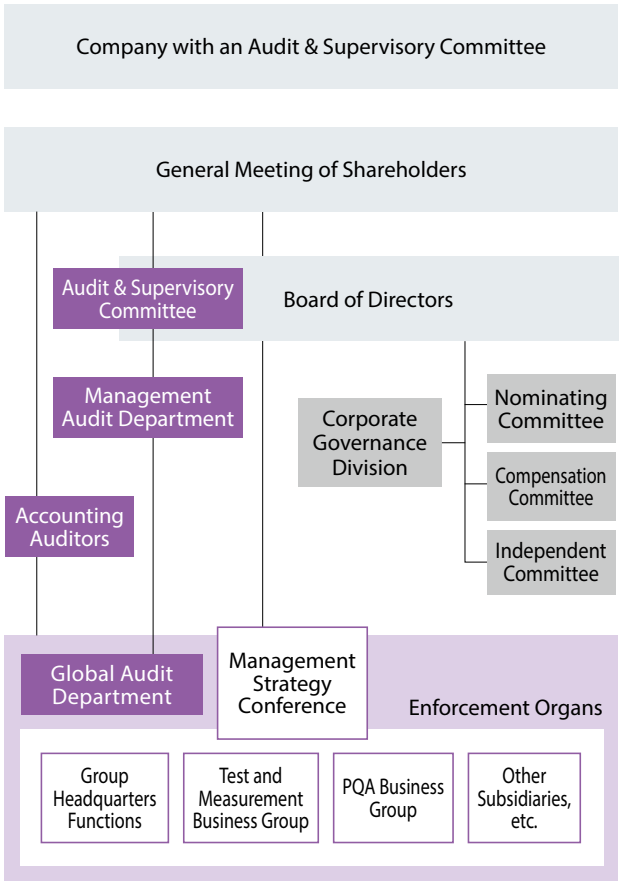
079 Business Continuity Management



Governance

Corporate Governance

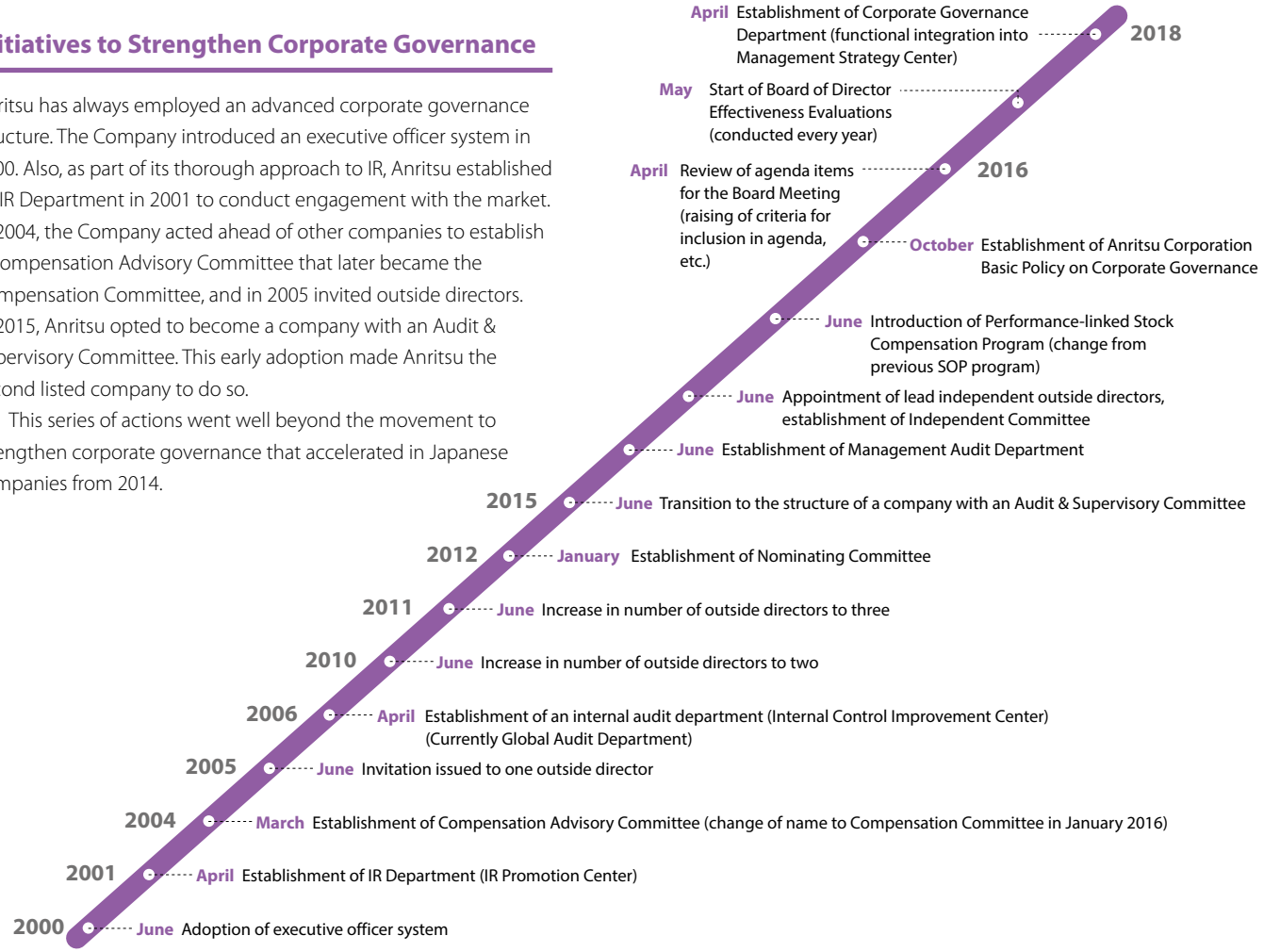
Corporate Governance Structure



Initiatives to Strengthen Corporate Governance

Anritsu has always employed an advanced corporate governance structure. The Company introduced an executive officer system in 2000. Also, as part of its thorough approach to IR, Anritsu established an IR Department in 2001 to conduct engagement with the market. In 2004, the Company acted ahead of other companies to establish a Compensation Advisory Committee that later became the Compensation Committee, and in 2005 invited outside directors. In 2015, Anritsu opted to become a company with an Audit & Supervisory Committee. This early adoption made Anritsu the second listed company to do so.

This series of actions went well beyond the movement to strengthen corporate governance that accelerated in Japanese companies from 2014.



Criteria for Selection of Directors

Selection of Internal Directors

The Company considers internal director candidates who have advanced expertise who can be expected to display high competence in business execution, and to contribute to business performance. Viewing human resources in light of "Anritsu Value," the Company comprehensively evaluates self-awareness as a leader of the Company, understanding of the Company's management philosophy, personal capacity, ability to take action, imagination, ethical sense, and other factors.

■ Reasons for Selection of Internal Directors

Name	Reasons for Selection
Hirokazu Hamada	Tasked with product development and domestic/overseas marketing at the Test and Measurement Business Group, Mr.Hamada currently leads the entire Anritsu Group business as the Company's Representative Director, President and Anritsu Group CEO. Mr. Hamada was deemed qualified as a board of director for possessing broad knowledge and experience in business operations that include industrial and technological trends.
Akifumi Kubota	Having had been in charge of the Accounting & Control Department for the Company and overseas subsidiaries, and Mr.Kubota is now responsible for finance strategy and Group business administration as CFO and Chief Corporate Officer. Mr. Kubota was deemed qualified as a board of director for his extensive knowledge and experience in the areas of finance, accounting, and corporate governance.
Masumi Niimi	Mr. Niimi is tasked with production management, corporate planning and overseas subsidiary management at the Product Quality Assurance (PQA) Business. He currently leads the PQA Business as a group executive and as the President of the subsidiary Anritsu Infivis Co., Ltd. Mr. Niimi was deemed qualified as a board of director for demonstrating his strong leadership in managing the PQA Business.
Takeshi Shima	Mr. Shima has wide-ranging knowledge and experience concerning global business, and currently exerts leadership in the Test and Measurement Business as the President of the Test & Measurement Company. Mr. Shima was deemed qualified as a board of director for demonstrating his strong leadership in Anritsu Group's core Test and Measurement Business.
Toshisumi Taniai	Mr. Taniai was deemed qualified as a director for his broad knowledge and experience in the areas of corporate planning, corporate governance, and compliance, having overseen the Group business administration as Chief Corporate Officer. He also has a wealth of experience obtained as Director of the Company.

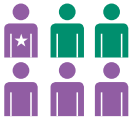
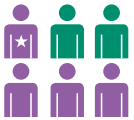
Selection of Outside Directors

From the perspectives of the balance of knowledge and experience of the Board of Directors as a whole and of incorporating the viewpoints of diverse stakeholders into the oversight and appropriate management of the Group's business activities, the Company comprehensively judges candidates with consideration of diversity of fields of expertise, backgrounds, and other factors, also taking into account independence from the Company.

■ Reasons for Selection of Outside Directors

Name	Reasons for Selection
Takaya Seki	Mr. Seki was deemed qualified as an outside director for his abundant knowledge and outstanding insight as a specialist in global corporate governance.
Kazuyoshi Aoki	Mr. Aoki was deemed qualified as an outside director for having specialized knowledge, abundant experience of and remarkable insight into finance and accounting from his background as a manager responsible for finance and accounting of a listed company, and also for having a wealth of experience in global business.
Norio Igarashi	Mr. Igarashi was deemed qualified as an outside director for his specialized knowledge and abundant experience in finance and accounting as a certified public accountant and university professor as well as for his wide-ranging expertise in management from his experience as an outside auditor of a listed company.
Keiko Shimizu	Ms.Shimizu was deemed qualified as an outside director for her specialized knowledge and abundant experience in finance and accounting as a certified public accountant and university professor as well as for her wide-ranging expertise in the areas such as information security and so forth.

Composition and Activities of the Advisory Committees

Organization	Composition	Purpose	Number of times convened in FY2019
Audit & Supervisory Committee	 Norio Igarashi☆ Toshisumi Taniai Keiko Shimizu	Anritsu established the regulations for the Audit & Supervisory Committee system and the accompanying subsidiary rules and at the beginning of the term, the selection of chairperson, the selection of full-time directors, the allocation of auditing work, and other matters necessary to carry out the duties of the Audit & Supervisory Committee members are agreed. The committee reviews the audit results of the previous fiscal year, evaluates risks of management concerns for the current fiscal year, and deliberates on and formulates audit policies, priority audit items, annual audit plans etc.	10
Nominating Committee	 Takaya Seki☆ Kazuyoshi Aoki Hirokazu Hamada Norio Igarashi Akifumi Kubota Keiko Shimizu	Bears the duties of supplementing the role of the Board of Directors in the appointment, selection, removal, and dismissal of directors and executive officers, and improving validity and transparency in the appointment, selection, removal, and dismissal of directors and executive officers.	3
Compensation Committee	 Kazuyoshi Aoki ☆ Takaya Seki Hirokazu Hamada Norio Igarashi Akifumi Kubota Keiko Shimizu	Bears the duties of supplementing the role of the Board of Directors in determining compensation for directors and executive officers, and improving the fairness, validity, and transparency of compensation.	3
Independent Committee	 Takaya Seki ☆ Norio Igarashi Kazuyoshi Aoki Keiko Shimizu	Composed of four independent outside directors; holds twice-yearly regular meetings as well as conferences before and after meetings of the Board of Directors as needed, with the aim of ensuring the supervisory functions of the Company from an independent standpoint.	2

Director Outside Director ☆Chairperson

Basic Concept on Corporate Governance

By flexibly and speedily responding to changes in the business environment and enhancing Anritsu's competitiveness as a global company, the Company aims to achieve continuous growth with sustainable superior profits, as well as increases in corporate value over the medium- to long-term.

Throughout the process, the Company will maintain an awareness of the duties it bears toward shareholders, employees, clients, business partners, creditors, local communities, and other diverse stakeholders. Furthermore, with the goals of transparent, fair, speedy, and resolute decision-making and appropriate and timely information disclosure, the Company will maintain a structure and frameworks for corporate governance and will work continually toward the advancement and enhancement of them.

Corporate Governance Structure

As its structure for corporate governance, the Company has adopted the structure of a company with an Audit & Supervisory Committee and has set up a Board of Directors, Audit & Supervisory Committee, and Accounting Auditor, with the aim of further strengthening audit and supervisory functions.

As part of a highly specialized manufacturing industry that calls for on-site-oriented sensibilities and swiftness in business execution, the Company has introduced an executive officer system and has separated the decision-making and oversight functions of the Board of Directors from the business execution functions of executive officers.

The Board of Directors is composed of nine directors, five of whom are not involved in business execution (with four of the five being independent outside directors). Of note, the attendance rate of outside directors at Board of Directors meetings in fiscal 2019 was 100%.

Board of Directors

As a management decision-making body, the Board of Directors makes determinations on important matters including management policy and management strategy for the Group as a whole, while also monitoring and supervising the execution of operations by organizations that execute business.

The Company has strengthened the monitoring and supervision functions of the Board of Directors through the inclusion of multiple outside directors into the board. In Board of Directors' meetings, directors who possess wide-ranging knowledge and experience express opinions regarding agenda items proposed by company management from their respective viewpoints and engage in active discussion. The current Board of Directors consists of five internal directors and four outside directors (with both groups including directors who are Audit & Supervisory Committee members), for a total of nine Board of Directors members.

Methods for Evaluating the Efficacy of the Board of Directors

Every year, the Company conducts a review of the effectiveness of the Board of Directors with respect to items specified in the Basic Policy on Corporate Governance, and undertakes measures to improve effectiveness. This evaluation of the effectiveness of the Board of Directors takes place over the span of four to five months every year, progressing from reaffirmation of issues from the previous fiscal year to evaluation of the status of actions and the degree of improvement. This is followed by discussions of whether any points in the previous year's evaluation methods or evaluation items should be changed for the current fiscal year.

The discussion is deepened through exchanges of opinions within the Board of Directors, where issues are shared, and the outcomes are connected to initiatives for the following year.

Results of Evaluating the Efficacy of the Board of Directors

Every year, the Board of Directors carries out an analysis and evaluation of the effectiveness of the Board of Directors, based on factors including self-assessments by directors. The main results of evaluation of fiscal 2019 are as follows.

The Board of Directors of the Company affirmed that its composition is appropriate in terms of the presence and number of internal and outside management personnel. This is to enhance the Company's global management structure with the aim of business expansion and taking into account the source of the Group's corporate value. It also affirmed that structures are in place for conducting constructive discussions and decision-making concerning key matters involving the management of the Group and for supervising business execution by directors. The board further confirmed that directors who are constituent members of the Board of Directors, Audit & Supervisory Committee, Independent Committee, Nominating Committee, and Compensation Committee fully understand the roles that they should carry out to achieve improvement of corporate value and continuous growth with sustainable superior profits for the Group, and that, in respective committee meetings, the directors display insight and expert knowledge based on diverse experience and that all, internal and outside directors alike, engage in active discussions.

Conversely, issues identified for further enhancement of effectiveness include increasing the number of opportunities to hear from business executives in subsidiaries regarding strategies, progress, and other management issues concerning the subsidiaries, to deepen appropriate involvement of the Board of Directors in business execution of the Group as a whole. Initiatives aimed at addressing and mitigating these issues were shared among all directors.

In response, the Board of Directors of the Company will enact necessary measures to further improve the effectiveness of the board with respect to issues based on the evaluation and review of effectiveness, and will work toward improvements without being

bound by precedent.

The Company intends to continue conducting regular evaluations of the effectiveness of the Board of Directors, and will continue to pursue the ideal for the Company by aiming to achieve better corporate governance.

■ FY2019/Main Themes for Deliberation at the Board of Directors/ Number of Reports Submitted

(case)

Category	FY2019
Management Strategy/Sustainability/Governance/General Meeting of Shareholders	20
Business Related	26
IR, SR	6
Budget/Settlement of Accounts/Dividends/Finance Related	26
Internal Control/Risk Management/Compliance Related	5
Human resources/Nomination/Compensation	14
Audit & Supervisory Committee/Accounting Auditor	3
Individual Projects (Investment and Loan Projects etc.)	1
Total	101

Meetings Held for the Board of Directors and its Advisory Committees (FY2019)

B oard of Directors A udit & Supervisory Committee
C ompensation Committee N ominating Committee
I ndependent Committee F ree Discussion

■ Meetings in FY2019

April	B A F	October	B A F
May	B A	November	B N I
June	B A	December	B B A
July	B A F	January	B A F
August	B A C	February	B C N
September	B A	March	B A C N I

System of Officer Compensation

Under the policy stated below, the composition and level of officer compensation, etc. are determined with reference to data on officer compensation from external research organizations, while also taking into account a balance between basic compensation according to responsibilities and performance-linked compensation, with the primary aim of compensation to function effectively as an incentive for the improvement of business performance and the increase of medium- to long-term corporate value every fiscal year.

- The scheme and its content should lead to the enhancement of motivation to achieve management objectives and sustainably improve corporate value
- The scheme and its content should attract and retain talented, diverse personnel who are sought after as officers of global corporations.
- The Company will ensure the validity and objectivity of the decision-making process and the balanced allocation of compensation, etc.

The current scheme for officer compensation, etc. sets business performance-linked compensation to the equivalent of 50% of the basic compensation, as a structural feature to motivate officers in sharing a profit orientation with shareholders and in engaging in management from an awareness of performance and stock price from a medium- to long-term perspective. However, it limits directors who do not engage in execution of business (including outside directors) to fixed compensation only.

The performance-linked compensation is composed of monetary compensation (bonus equivalent to 30% of basic compensation) and non-monetary compensation (stock compensation equivalent to 20% of basic compensation) through an incentive plan employing trusts – i.e., it consists of a bonus as short-term performance-linked compensation and stock compensation as medium- to long-term performance- linked compensation.

The Company conducts evaluations in light of factors including the level of distribution of surpluses for the fiscal year under evaluation, degree of achievement of numerical targets involving management metrics, and degree of achievement of management objectives that include non-financial perspectives set in advance.

Compensation, etc. of Directors

Officer classification	Amount of compensation, etc. (millions of yen)	Amount of compensation, etc. by type (millions of yen)				Number of officers
		Basic compensation	Performance-linked compensation			
			Bonus	Stock compensation	Subtotal	
Directors (excluding Audit & Supervisory Committee Members and Outside Directors)	222	116	80	26	106	6
Directors on the Audit & Supervisory Committee (excluding Outside Directors)	23	23	—	—	—	2
Outside Directors	30	30	—	—	—	6

Notes: 1.In addition to the above payments, there is an amount equivalent to the employee salary (including bonuses) of \9 million for directors who concurrently serve as employee.
2. Anritsu does not pay bonuses or stock-based compensation to directors and outside directors who are members of the Audit & Supervisory Committee.
3. The above number includes four directors (excluding those who are Audit & Supervisory Committee members and of which two are outside directors) who retired at the conclusion of the 93rd Ordinary General Meeting of Shareholders held on June 26, 2019, and two Audit & Supervisory Committee members (of which one is an outside director).
4. None of the officers of the Company has a total of 100 million or more in consolidated compensation, etc. (including compensation as officers of major consolidated subsidiaries).

Governance

Internal Control

Stance on Social issues

There appears no end of late to corporate scandals involving improper accounting and compliance violations. Once such a scandal occurs, there is a very real risk of a company losing the trust of its stakeholders, making the continued conduct of its business very difficult. In the midst of this environment, companies are being called on to conduct transparent and fair decision-making in activities such as ensuring financial solidity and legal compliance, aimed at preventing these kinds of incidents.

The Anritsu Group believes it is important to establish rules and clear business processes, to abide by them faithfully, and to build and strengthen its operating systems on a global basis so as to prevent any such improper conduct.

Policy

The Anritsu Group's internal control system is intended to raise the effectiveness and efficiency of Group management, ensure the validity of financial reporting and establish legal compliance. We are continuously improving and reinforcing the system to respond to the changing business content of the Anritsu Group and growing complexity and diversity of the business environment. This has enabled us to practice sound management activities sustained by an effective internal control system and strive to enhance corporate value.

WEB Basic Policy for Establishing Internal Control System

Structure

In the Domestic Anritsu Group, the Internal Control Committee deals with the validity of financial reporting, and the Corporate Ethics Promotion Committee and related committees for information management, promoting fair trade, export/import control, and environmental management with a focus on compliance. All the committees undertake the necessary deliberations, establish and operate internal control systems by implementing cross-Group information sharing and educational programs, and conduct activities to ensure effectiveness. On a global basis, the Anritsu Group has established a Global Internal Control Committee consisting of members of the internal control and promotion departments in Europe, Asia, the Americas, and Japan. This committee shares the current status of the response to risks inherent in the business activities and management issues in each region. They also support the incorporation of internal control procedures for all business processes and are conducting activities to develop an effective and efficient internal control system. Furthermore, the Internal Audit Department of Anritsu Corporation and the other Group companies, directors elected as Audit & Supervisory Committee Members, and the Management Audit Department conduct audits as part of their responsibility to evaluate the activities of each committee and the internal control system and to offer recommendations to related organizations.

WEB Arrangement of internal control system and risk management system

Activities / Achievements

In the area of financial reporting, the Internal Audit Department of Anritsu Corporation and other Group companies evaluated the effectiveness of internal controls. Appropriate improvements were implemented against potential risks identified during the evaluation process. With regard to compliance, Anritsu Corporation's Internal Audit Department verified the effectiveness of internal controls, placing emphasis on verifying processes that had been revised in their control environment due to organizational reform and IT system upgrades. With regard to Group companies outside Japan, in addition to audits conducted by audit officers in each region, our directors in their capacity as auditors elected as Audit & Supervisory Committee members, along with staff from the Management Audit Department and Internal Audit Department, visited each company to evaluate the effectiveness of internal controls. In fiscal 2019, Anritsu conducted audits on some of the areas in Asia and the Americas in relation to their status on business execution, financial reporting, and compliance, and verified effectiveness.

Governance

Establishment of Compliance

Stance on Social issues

Corporate social responsibility is being called into question, and efforts toward compliance are becoming increasingly important. Compliance violations can damage the company's credibility, reduce corporate value, and cause significant losses to stakeholders. We believe it important to state that companies are obliged to not commit compliance violations, and should conform to social demands by always reconfirming the true meaning of sound and sincere corporate behavior. Anritsu believes the continued conduct of our business with high ethical standards requires us to continually strive to establish and improve compliance throughout the Group.

Policy

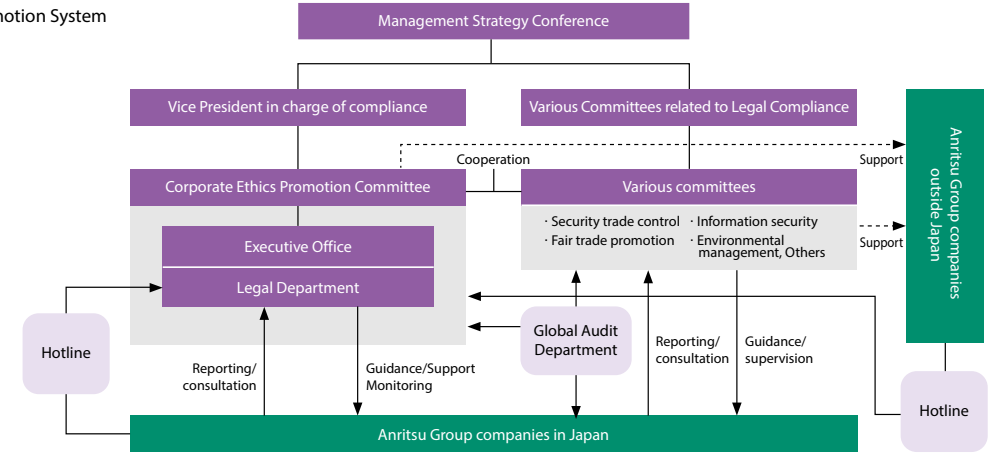
Everyone working in the Anritsu Group is required be deeply aware of corporate social responsibility, comply with relevant laws and regulations in all their corporate activities, and behave in a manner that conforms to the demands of society. With the goal of maintaining Anritsu as an ethical corporate group, the Company established the Anritsu Group Code of Conduct as a guideline for all employees in the conduct of their day-to-day business activities.

WEB Anritsu Group Code of Conduct

Structure

Promotion of compliance at the Domestic Anritsu Group is led by the Group CEO, who takes the role as the chairman of the Management Strategy Conference. Under this conference, we have set up a Corporate Ethics Promotion Committee, chaired by the executive officer in charge of compliance and participated by employees of the Domestic Anritsu Group companies, which oversees activities related to compliance promotion. The Corporate Ethics Promotion Committee discusses and conducts establishment of the basic policy on corporate ethics of the Group, revisions

■ Compliance Promotion System



of the Code of Conduct, planning for intracompany monitoring with a corporate ethics survey and its analysis and improvement, and planning other promotional activities related to ethics and compliance. It also reports annually on the status of ethics and compliance across the Anritsu Group to the Board of the Directors.

The Corporate Ethics Promotion Committee and the Legal Department, which serves as secretariat to the former, work with committees dealing with legal matters to provide guidance and necessary support to Anritsu Group companies outside Japan in complying with the ethics and laws of the country or region in which they operate, giving due respect to the legal systems, cultures, and customs of those areas. The Legal Department also works with compliance officers at each overseas company in line with the goal of establishing a global compliance system.

The Internal Audit Department conducts an audit of the system to ensure that it is functioning appropriately and offers recommendations and requests for improvement as needed.

Goals

The Anritsu Group maintains its target of zero serious compliance violations. In an examination of the analytical results from the corporate ethics questionnaire and a comparison of our risk awareness with that of other companies, including in regard to revised laws, we identified issues to focus on in fiscal 2019.

- Anti-bribery and corruption outside Japan
- Creating harassment and constraints free workplace environment
- Making sure to manage over time work

P.053 Work-Style Reform for Employee Wellbeing

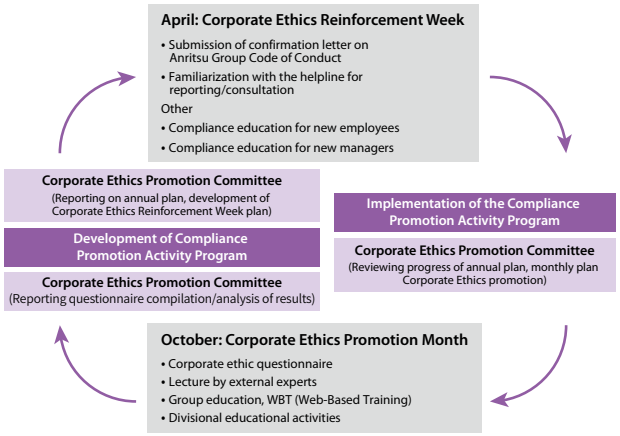
Activities / Achievements

Establishment and Improvement of Compliance

The Domestic Anritsu Group shares the Anritsu Group Charter of Corporate Behavior (revised in April 2018) as the common principles of corporate behavior, and the Anritsu Group Code of Conduct, which guides all employees in the implementation of the Charter of Corporate Behavior in their daily activities. Moreover, the Guidelines and Insights for All Members of the Anritsu Group, which excerpts key parts of the Anritsu Group Charter of Corporate Behavior and Anritsu Group Code of Conduct, has been distributed to all employees to guide them in their actions at all times. Overseas Group companies have created their own codes of conduct based on the Anritsu Group Code of Conduct and customize them to reflect the respective legal systems, cultures, and customs of each country and region.

Compliance promotion events and various types of educational activities are conducted throughout the Domestic Anritsu Group.

■ Compliance Promotion Activity Cycle



Anti-bribery and Corruption

With a high ratio of overseas sales, the Anritsu Group recognizes bribery prevention as the most important issue. We therefore began enforcing the Anritsu Group Anti-Bribery and Corruption Rules, which were updated in line with global standards on April 1, 2016, from the Anritsu Group Anti-Bribery Policy established in April 2012, and we outlined the company's specific policies and procedures. These rules specifically focus on the high risk issues of seeking prior approval for entertaining and presenting gifts, as well as due diligence* prior to signing new contracts with a third party, including sales agents. Our educational efforts include Web-Based Training for 1,450 domestic and overseas employees and in-person training for domestic and overseas Group companies.

Initiatives in fiscal 2018 included country manager-led self-assessments at overseas locations, which were later analyzed and evaluated at the head office. Furthermore, in fiscal 2019, training through lectures in local languages, whether directly in English or through interpreters, was conducted for executives and employees in sales departments, especially at locations with high risk or local sales bases responsible for high-risk locations (China, South Korea, Thailand, and Singapore). These activities are reported to the Board of Directors and during the Management Strategy Conference.

*Due diligence here refers to investigating and analyzing the management environment, legal problems, risks, etc., of counterparty companies.

WEB Anritsu Group Anti-bribery and Corruption Policy

Bribery-related Violations

Based on the results of the fiscal 2019 self-assessments, the Anritsu Group moved to deepen understanding of the Company's policies and rules in regard to bribery, and in the same year saw no instances of bribery-related violations.

Initiatives to Protect Personal Information

Over recent years, there have been moves to legislate the strengthening of personal information protection and appropriate handling of information in countries around the world. The Anritsu Group has established a range of information protection measures, including personal information protection policy and personal information protection rules, and we strictly manage personal information of stakeholders including employees. In addition, the Anritsu Group acquired TRUSTe certification issued by TrustArc, a third-party certification organization in the United States.

It has also prepared education and regulations associated with the certification and publicized those in order to ensure compliance with the EU General Data Protection Regulations (GDPR), which came into effect on May 25, 2018.

WEB Anritsu Web Privacy Statement

WEB GDPR Statement

Promotion of Fair Trade in Relation to Sales Activities

The Domestic Anritsu Group established the Committee for Promoting Fair Trade for Sales Activities. The committee's activities include conducting an internal audit annually and in compliance with the Anti-Monopoly Act and related laws and regulations for all sales departments of Anritsu Corporation. Internal audits are conducted through hearings based on the self-check , and verification of evidence and suggestions for improvement. Conducted in tandem with internal audits, the Anritsu Group also provides group training in areas such as the Anti-Monopoly Act and related regulations, striving to raise compliance awareness and an appreciation of risk among its employees. In addition, with the aim of auditing risks such as bid rigging, the Legal Department conducts secondary audits of internal audits for the sales departments participating in bids for public projects. In fiscal 2019, the audits did not uncover any incidents or problems that would conflict with the Anti-Monopoly Act or related regulations.

Formulation of Social Media Policy

The recent widespread use of social media has enabled individuals to easily transmit information via websites. Anritsu formulated the Anritsu Group Social Media Policy in April 2020, and strives to disseminate that fully in order to ensure appropriate use of social media while also ensuring legal compliance and the accuracy of transmitted information, as well as other considerations, and respecting the freedom of individual expression.

Tax Compliance

The Anritsu Group stipulates the following provisions in the Code of Conduct of the Anritsu Group, which also applies to overseas subsidiaries, and has adopted the same stance in regard to tax-related operations.

- **Perform proper accounting abiding by relevant laws and company regulations in the course of operation**
- **Accurately prepare and properly save all the various records of finance and accounting, and not perform improper accounting or any other means which would cause damage to the company**

Specifically, Anritsu complies with all tax-related laws and regulations in the countries and regions in which it does business and does not intentionally avoid taxes through the use of tax havens or seek to reduce taxes through the use of tax law interpretations that differ from the spirit of the law or regulations.

In the course of overseas trade, arm's length prices are calculated based on the OECD Transfer Price Guidelines, and documents for the transfer prices are prepared in accordance with the respective laws and regulations of each country. The Anritsu Group will make use of tax incentives available in the normal course of its business to ensure that it is carrying an appropriate tax burden. It is also working to reduce uncertainty in taxes by consulting with tax officials in advance and making relevant information disclosures.

Transparency in Political Donations

The Anritsu Group does not make political contributions, including to political parties, organizations, or candidates for public office.

Violation of Law and Regulations in the Socio-economic Field

The Anritsu Group incurred no serious compliance violations, accompanying fines, or sanctions in fiscal 2019.

Hotline (Reporting/Consultation Service)

The Anritsu Group has set up two hotline systems inside the Company and outside the Company for the purpose of reporting and preventing violations of internal ethics laws. Reporting or consultations on the subject can be made anonymously, either via phone, dedicated e-mail, or letter. For overseas employees working in Japan, we have established a Workplace Hotline that accepts submissions in either Japanese or English.

The hotline appears to be functioning effectively, with the results of a recent survey showing that 97% of employees in fiscal 2019 knew about it. When a report or request for consultation is received, fact-checking is conducted through interviews with the individual who contacted the hotline. If any problems are found, the appropriate procedures and measures are implemented. Also, as the details and facts of any consultation or report are handled confidentially, the individual will not suffer any disadvantage as a result of using the hotline.

The external reporting and consultation service for overseas Group companies has been operating in the Americas since August 2016. With the establishment of a global operations system, it was also set up for other Anritsu Group companies in Europe and Asia in April 2020.

■ Number of Cases at the Reporting/Consultation Service
Total Number of Cases (April 2019–March 2020)

	Reporting/Consultation Service		Number of Consultations
1	External reporting/ consultation service Workplace Hotline	Phone	18
		E-mail	3
2	Internal reporting/ consultation service In-house Hotline	Direct contact or phone	3
		E-mail	4
3	Interview conducted based on response in the Corporate Ethics Survey		13

In-house Educational Efforts to Prevent Harassment (Domestic Anritsu Group)

Anritsu's efforts in regard to sexual harassment and power harassment are not limited merely to defining the issue and educating employees about prohibited behavior. Rather, the company is focused on providing an education centered on determining what kind of behavior should be taken to improve the workplace culture, and how to effectively promote communication within the workplace and the organization as a whole. In addition to educational efforts targeting executives, we also hold lectures for all employees to learn how to prevent harassment of this type. In fiscal 2019, 260 employees attended the lectures (attendance was not limited).

■ Number of Participants in Educational Efforts to Prevent Harassment for Executives and Business Division Leaders

Fiscal 2017	Fiscal 2018	Fiscal 2019
72	88	73

Education by Case Study Sheets

The Domestic Anritsu Group references cases that have occurred or could occur in daily life and business, examples of scandals involving other companies reported in the mass media, and issues in the Case Study Sheets, which include concise notes of caution and brief explanations. A total of 200 cases have been introduced as of March 2020. In addition, the Case Study Sheets are posted on our intranet and used as tools for promoting a better understanding of compliance. During Corporate Ethics Promotion Month (October of every year), workplace discussions on the case studies, which are led by executives of each department, are set as part of in-house educational activities, and outcomes of the discussions are submitted to the Corporate Ethics Promotion Committee.

Governance

Promotion of Risk Management

Stance on Social issues

The globalization of the economy has contributed to an ongoing increase in business opportunities, requiring companies to perform multifaceted management of increasingly diverse and complex risks to fulfill their social responsibilities.

In order for the Anritsu Group, which is expanding its global business, to achieve sustainable profit growth, it needs to identify those risks having the potential to impact business and establish a system for appropriately responding to and managing the risks on a global basis.

Policy

The Anritsu Group recognizes proper risk management as a vital management issue in terms of continuously enhancing its corporate value and fulfilling corporate social responsibilities. With this point of view, we formulated the Risk Management Policy.

Risk Management Policy

The Anritsu Group will maintain and increase its corporate value, fulfill its corporate social responsibility and seek sustainable development for the Group by appropriately managing risks that affect management.

(1) We will seek to enhance the risk sensitivity of not only general managers but of all employees in an all-inclusive effort to promote risk management.
(2) General managers and all employees will promote risk management by complying with the Anritsu Group Charter of Corporate Behavior and the Anritsu Group Code of Conduct as well as laws and regulations as the basis of the Company's internal controls.
(3) We will generate profit and limit losses by controlling management risks related to strategic decision making such as entry into new business areas and product development strategy, as well as operational procedures.
(4) We will anticipate potential emergency situations insofar as possible to prevent their occurrence. In the event that an emergency does occur, we will seek to minimize and limit losses and promptly extricate ourselves from the critical situation into a state where autonomous recovery is possible, and subsequently prevent a recurrence.

Structure

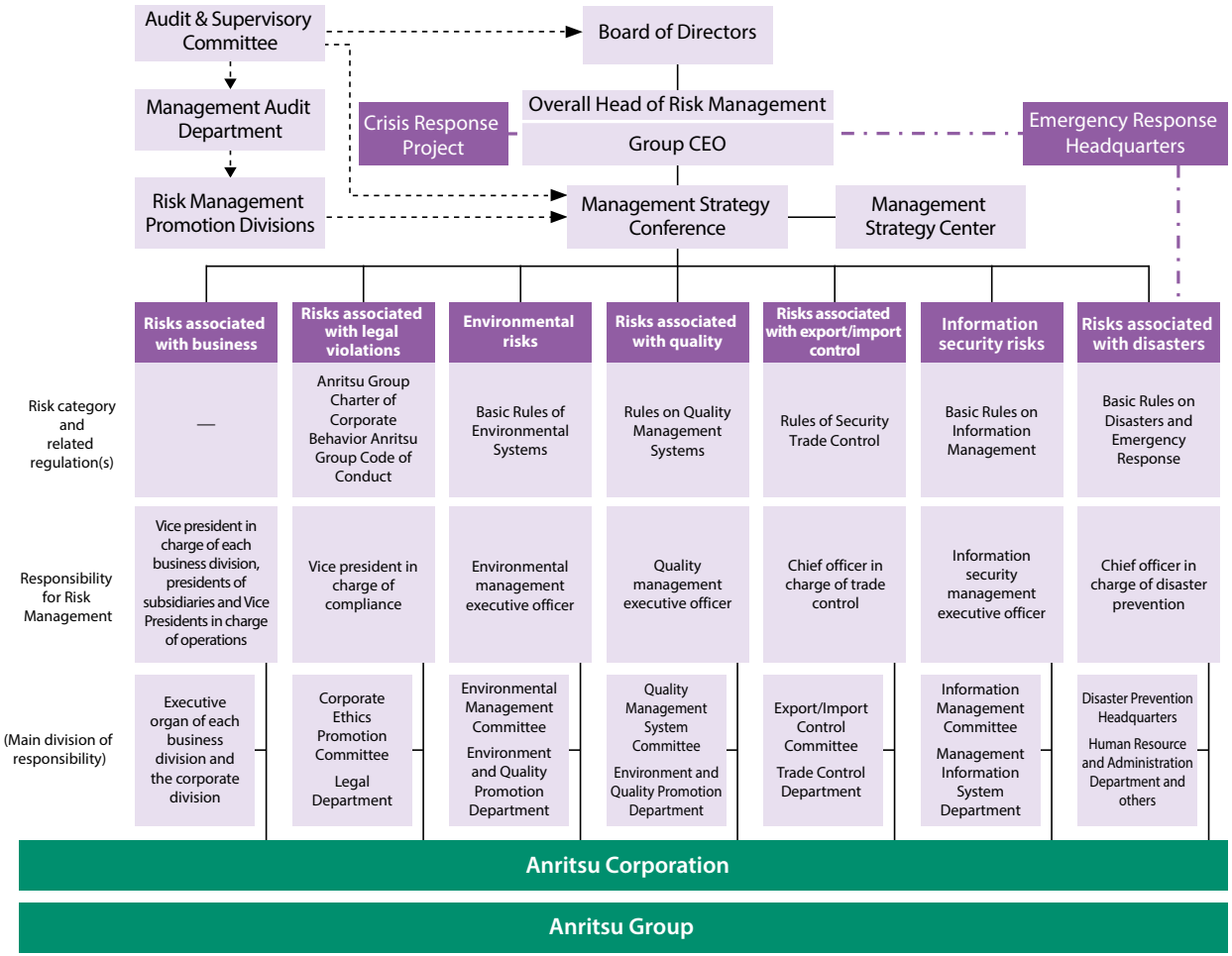
The Anritsu Group's CEOs supervise risk management. In regard to the identified main risks, an executive officer serves as manager for these on a Group-wide basis, striving to raise the level of risk management to ensure ongoing business development in cooperation with the risk management promotion divisions.

Within the risk management promotion system are risks associated with legal violations, and we mainly focus on identifying such risks associated with the following laws and regulations. Moreover, personnel working in the field conduct annual inhouse reviews of activities and results to make improvements.

Key Laws and Regulations Include:

Labor laws, subcontracting laws, anti-trust laws, truth-in-advertising laws, the Financial Instruments and Exchange Act, laws and regulations pertaining to intellectual property, the Companies Act, laws and regulations pertaining to the prevention of bribery, and the Modern Slavery Act (as well as other laws and regulations pertaining to human rights).

■ Risk Management Promotion System



Activities / Achievements

Risk Management Training

We conducted risk management training for newly appointed managers of the Domestic Anritsu Group in fiscal 2019. Participants formulated a risk response plan by converting methods learned from the training into practical business practices. They also learned from instructors about specific methods used in risk management during six months of follow-up activities related to their plan.

Activities to Lower Global Risks

Anritsu formulated and disseminated the management guidelines in fiscal 2019 to lower risks in overseas companies.

The guidelines outline the minimum compliance requirements for all overseas companies of the Anritsu Group. Moreover, we distributed a questionnaire in line with the requirements of the guidelines and analyzed the results to identify items to be addressed on a priority basis. The results will be applied as we establish a structure with associated monitoring activities to be implemented starting in fiscal 2020.

Risk Management at Overseas Group Companies

Each risk management officer supports the activities of overseas Group companies in managing relevant risks. The regional headquarters in the Americas set up a task force for each business risk to conduct management activities. In addition, with respect to compliance risk, compliance officers at each regional headquarters formulate annual plans and conduct risk assessments.

Governance

Information Security

Stance on Social Issues

Cyber-attacks that threaten corporate management evolve day by day, and the method of attack has become increasingly diversified and malicious. The targets of these attacks are broadening in reach, and, irrespective of size or industry, we have entered an era where everyone is a target. For companies and organizations, information security is regarded as an important management task, and we continue to seek further advanced measures to deal with the issue. The Anritsu Group believes that properly handling and protecting information depends on sharing information and setting an equal level of security across both domestic and overseas areas to establish a robust management system.

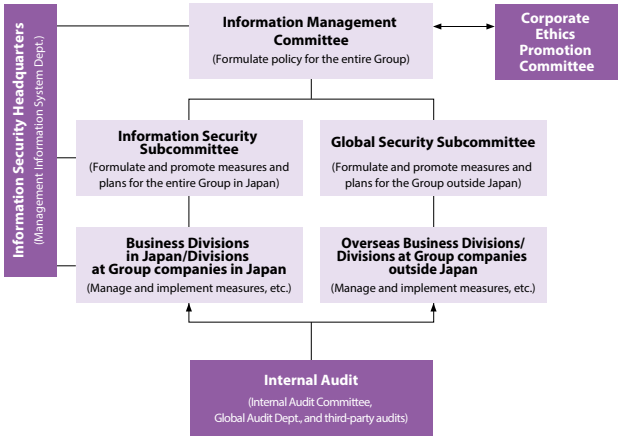
Policy

In conducting its business activities, the Anritsu Group considers it a social obligation to protect the information of all stakeholders, including customers, shareholders and investors, suppliers, employees, and it also recognizes these information assets as important property. Having established the basic rules of information management from this perspective, we are making a continuous effort to maintain and enhance information security.

WEB Basic Rules of Information Management

Structure

The information security management system consists of the Information Management Committee made up of key executive officers from each business division and Group companies, and the Information Security Subcommittee operating under the Information Management Committee. The Information Management Committee formulates policies on investment and strategies related to information management for the entire Group. The Information Security Subcommittee conducts policy enactment and implementation measures and activities such as employee training, countermeasures to deal with an incident when it occurs, and information sharing. The Information Security Subcommittee composed of representatives of Japanese Group companies and the Global Security Subcommittee consisting of Chief Regional Officers. As the security officer of their respective affiliated organizations, each member of these subcommittees strives to maintain and enhance information security.



Goals

The Anritsu Group operates businesses globally and is linked by a network of offices all around the world that engage in information sharing. In information security, if there is a vulnerability in even one place in the system, it will impact on the overall security level. We are therefore working internationally on establishing a robust, uniform security system.

Activities / Achievements

Global Security Level Visualization

In order to achieve its goals, the Anritsu Group two years ago created its own website, which allows for evaluation of global security by quantifying and visualizing the level of security that may be less visible. This website is used to raise the overall level of security and eliminate regional disparities by correcting the variation in the level of security that exists between regions. With the idea that management based on the PDCA cycle is important to the maintenance and improvement of information security, we continuously strive to improve the management systems in each region.

Security Measures for Networks in Factories in Japan

The network connecting various devices at our development and production sites can create an environment vulnerable to security gaps. This results are an increase in the number of attacks aimed at the networks, and major manufacturers have experienced incidents that have forced them to shut down operations for several days. The Anritsu Group adopted devices to enhance security monitoring for the networks operated in the the Atsugi headquarters and Tohoku Anritsu Co.,Ltd., which play a central role in development and production in Japan. When abnormal communications are detected, the devices enable automatically shutting down the affected network to minimize damage.

Enhancing Security in the Asian Region

Using the results of an evaluation of global security at the website, we worked to raise the level of security in the Asian region and implemented such measures as restructuring the management system (e.g., clarification of roles and responsibilities), preparing related rules, reeducating employees, and an awareness survey. In fiscal 2020, we intend to focus on technical issues.

Conducting Educational Programs on Global Information Security

Anritsu conducted information security educational programs for employees around the world in fiscal 2019, focusing on phishing e-mail fraud. About 90% of Anritsu Group employees participated in the programs.

Focus on IT Investment

The Anritsu Group considers supporting business growth, promoting overall optimization of Group management, and providing safe and secure IT services to be priority items for IT investment.

Supporting business growth is achieved through investing in the construction of our website, marketing automation (MA), and the customer relationship management (CRM) system, which acts as the point of contact with customers.

Promoting overall optimization of Group management is achieved by completing ERP* standardization at Japanese Group companies, and the automation of Group transactions, internal control, business continuity planning (BCP), and visualization have been achieved. We are now promoting the introduction of ERP in overseas Group companies.

Moreover, we are working to establish an IT system that supports remote business and working from home to respond to a new lifestyle as a measures for preventing COVID-19 infections.

*Enterprise resource planning: Integration of core business processes in areas such as accounting, sales, production, and procurement

Governance

Business Continuity Management

Stance on Social issues

Natural disasters such as torrential rains due to climate change, typhoons, and earthquakes may cause economic stagnation in the affected areas and significantly impact companies.

Furthermore, COVID-19 has been severely affecting business operations and material procurement worldwide by weakening economic activity, not just in specific limited areas such as those affected by natural disasters, but across the globe.

Under these circumstances, the Anritsu Group recognizes business continuity as a mission and a vital issue for the Group, which is involved in social infrastructure such as telecommunications and food distribution and operates globally.

Policy

Disaster Prevention

The Anritsu Group has laid out its BCM* policy in the Basic Policy on Disaster Response, stipulated in the Basic Rules on Disasters and Emergency Response.

Basic Policy on Disaster Response

The Anritsu Group establishes a prevention system against disasters that may significantly affect its management, places top priority on ensuring the safety of its stakeholders including employees and local communities in the event of a disaster or accident, and strives to minimize damage and promptly resume business activities in order to fulfill its social responsibility and continue to seek enduring success for the Anritsu Group.

*Business continuity management: Management activities conducted during normal operations, such as formulating, maintaining, and updating business continuity plans, securing budgets and resources for continuing business, taking preparatory measures, implementing education and training before launching initiatives, conducting inspections, and making continuous improvements

Response to Infectious Diseases

We are taking preventive measures and implementing actions to ensure business continuity under the Basic Policy on Disaster Response to cope with COVID-19.

Structure (Response to Disasters and Infectious Diseases)

In the event of large-scale disasters or infectious diseases, including COVID-19, the Anritsu Group establishes an Emergency Response Headquarters to determine corporate actions.

■ Members of the Emergency Response Headquarters

Title	Member
General manager	President
Deputy general manager	Chief officer in charge of disaster prevention (vice presidents)
Staff	Persons appointed by the general manager (vice presidents overseas, presidents of the Group companies, etc.)

Activities / Achievements

Disaster Prevention Initiatives

Impact of a Disaster, Typhoon Hagibis in 2019

The ground floor of the 1st factory at Tohoku Anritsu Co., Ltd. in Koriyama City, Fukushima Prefecture was damaged by flooding caused by Typhoon Hagibis in October 2019. Since the production line had originally been set up on the second floor and higher, and a second factory was in the same city and not affected by the flooding, our production system was able to quickly recover, and shipments restarted about two weeks after the suspension.

We are well prepared for an initial response and can quickly procure production materials in the event of a disaster.

P.058 Supply Chain BCP



Shipment resumed



Employee operating a forklift to collect waste generated by the typhoon

Business Continuity Planning

Each Group company formulates a business continuity plan (BCP) to maintain smooth operations in the event of a disaster or emergency by minimizing damage and resuming full business activities as quickly as possible. We will conduct a survey with Group companies and continue to consider our response to future disasters.

Tohoku Anritsu Co., Ltd., which serves as the manufacturing bases of the Anritsu Group, identifies natural disasters such as earthquakes and flooding of rivers due to torrential rains material risks, and these clearly set out concrete steps for each process in the event of a disaster. Applying the lessons learned from an actual large-scale disaster, we revised the criteria for invoking BCPs in an emergency to prepare against a broader range of risks and refined our procedures for responding to each risk.

Developing Infrastructure for Stable Supply—Global Head Office Building Installed with Seismic Isolation Equipment

Seeking to disperse exposure to risks, Tohoku Anritsu Co., Ltd. opened a second factory in July 2013.

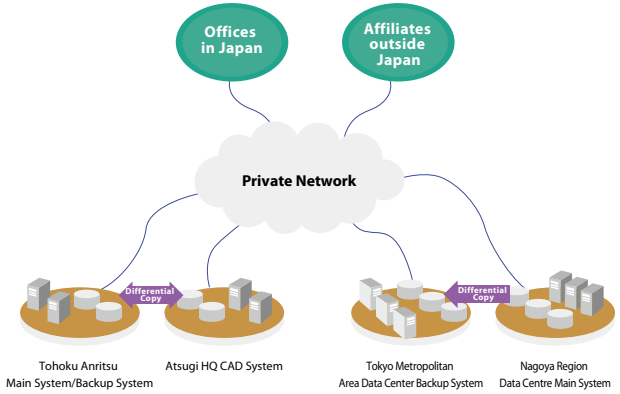
Production lines have been distributed between the two plants to ensure stable supply. In March 2015, we constructed a global headquarters office building in Atsugi City, Kanagawa Prefecture, as a BCP countermeasure to maintain the continuity of Group core functions. This building has a seismic base isolation system to enhance earthquake safety and provides an emergency backup power supply of six days.

Introduction of a Building Safety Assessment System, Equipment, and Facility Disaster Prevention Protocols

Anritsu has been steadily expanding the building safety assessment system for the Atsugi Headquarters region that was introduced in fiscal 2017. The goal of this initiative is for the Company to quickly ascertain conditions at the buildings during an earthquake or series of earthquakes and move rapidly to either enact or end entry restrictions. We are also implementing disaster prevention measures including ceilings and electrical equipment.

Securing the Information Systems

Anritsu Group saves key information systems in backup, including the core systems and the CAD system used for product development. In the event that the main systems are stricken by disaster, it is possible to continue to operate the information system through either of the sites used as the destination for backing up data. Also, in tandem with designating emergency procedures with a targeted recovery time, we are preparing our response to disasters by conducting regular disaster response and recovery training and evaluating the effectiveness of this training to correct any issues.

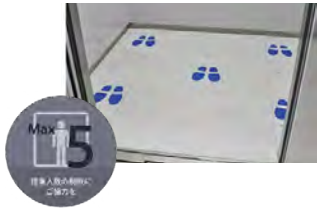


Response to Infectious Diseases

We established the Emergency Response Headquarters at the end of January 2020 to work on preventive measures against COVID-19. In addition to encouraging telecommuting and distributing masks, we conducted initiatives for succeeding in a "new normal," such as thorough sanitization, and social distancing when using meeting rooms, elevators, and cafeterias.

■ Office Partitions and Elevators





Social distancing in offices

■ Thermography Camera



Temperature measurement on arrival by thermography camera

■ Investor Relations Briefing



Held a remote investor relations briefing

Response to Stakeholders (As of July 31, 2020)

Stakeholders	Initiatives
Employees (domestic and overseas Anritsu Group companies)	● Restriction of business trips, travel bans, temporary return of expatriate employees, restriction of meetings and interviews, thorough reporting of any poor health conditions, telecommuting, staggered commuting, temporary permission to commute by car, COVID-19 paid leaves, support for parents dealing with temporary school closures ● Maintenance of social distancing; distribution of masks; consistent wearing of masks at workplaces; hand sanitization and thorough sanitization of internal offices, cafeterias, and restrooms; temperature measurement before going to work; temperature measurement on arrival by thermography camera, etc. ● Relocation of a part of the development environment to Tohoku Anritsu Co., Ltd. (Koriyama City) and telecommuting for the continuity of development activities
Customers	● Questionnaire about recent overseas travel records and health conditions ● Launching the Anritsu exhibition website ● Webinar about 5G, operating guide for test and measurement instruments, webinar about the usage of PQA products ● Launch of web content to support customer telecommuting ● Customer relations on a telecommuting basis ● Continuation of repairs and calibration work (a part of the business was downscaled)
Shareholders and investors	● Online financial briefings and IR meetings
Supply chain	● Information collection and support from suppliers ● Consideration of substitute suppliers depending on the status of infection and operation
Regional societies	● Donation of stockpiled DS2 dust masks from company storage to Atsugi City Hospital ● Intra-company sale of masks produced by a Continued Employment Support Type B Office* in Atsugi City

*Set up under the Services and Supports for Persons with Disabilities Act

Time Sequence of Measures Taken (As of July 31, 2020)

Major Trends		Efforts
2020 January	Declaration of a state of emergency by the WHO	**Set up the Coronavirus (COVID-19) Response Headquarters (January 31)** ・ Banned business trips to China and unnecessary business trips to other foreign countries; visitors were given a questionnaire, and their temperature was measured
February		・ Remote working, staggered commuting, commuting by car (temporary parking lots), staggered lunch breaks
April	Declaration of a state of emergency by the Japanese government	**April 9: Telecommuting and prohibition of commuting by public transportation** Reduced the number of employees coming to work by 60% ・ Distributed masks to all employees; employees work masks during work hours **April 20: Enhanced telecommuting and prohibited coming to work in all divisions except production** Reduced the number of employees coming to work by 80% ・ Enhanced VPN, shutdown for two weeks during GW, substitute holiday
May	Termination of a state of emergency by the Japanese government	**"Telecommuting enhancement and prohibited coming to work in all divisions except production" was lifted.** Reduced the number of employees coming to work by 60% **Established the New Normal Team** ・ Social distancing, meeting rooms, office desks, sanitization, non-contact ・ Distribution of a health seminar video (for telecommuting)
June	Issuance of a Tokyo Alert	**Remote working (rotation) and prohibition of commuting by public transportation passing through Tokyo** Reduced the number of employees coming to work by 30%
July	Issuance of a Kanagawa Alert	**Enhanced telecommuting (rotation) and prohibition of commuting by public transportation** Reduced the number of employees coming to work by 60%, or 70% excluding the production departments ・ Started corporate bus services for commuting

Other Information

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About this Report

Editorial Policy

We have published the 2020 Anritsu Sustainability Report in a PDF to report our corporate activities for fiscal 2019.

By presenting a concrete report of our activities from the standpoint of sustainability, we aim to effectively communicate our corporate activities to our stakeholders.

Boundary Definitions

This coverage of the report varies to either standalone Anritsu Corporation or inclusive of the Anritsu Group companies depending on the subject. Definitions are described as follows.

- **"Anritsu" and "Anritsu Group"** refer to both Anritsu Corporation and the entire Anritsu Group.
- **"Anritsu Corporation"** refers to Anritsu Corporation in Japan only.
- **"Domestic Anritsu Group"** refers to both Anritsu Corporation and Group companies in Japan.
- **"Overseas Anritsu Group"** refers to Group companies outside Japan.

Reporting Period

This report covers the period from April 1, 2019 to March 31, 2020 and also includes some activities before and after that period.

Guidelines Used as Reference

- GRI Sustainability Reporting Standards (GRI Standards) 2016/2018 Core options
- The Ten Principles of the UN Global Compact
- ISO 26000:2010

Supporter of the UN Global Compact

In March 2006, Anritsu declared its support for and participation in the Ten Principles of the UN Global Compact (UNGC), which are grouped into four categories: human rights, labor, environment, and anti-corruption. The Anritsu Group as a whole promotes these principles alongside its sustainability-related activities. For additional information on Anritsu's efforts in the four key categories, please see the "Supporter of the UN Global Compact" page on our website.



WEB Supporter of the UN Global Compact

Date of Issue

October 30, 2020
(date of publication in the previous fiscal year: September 30, 2019)

Contact

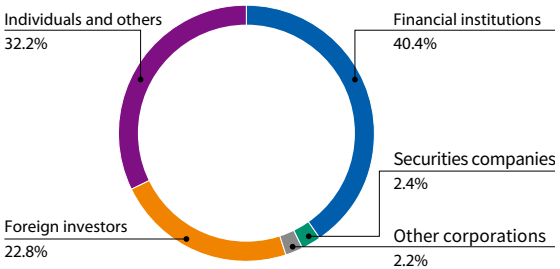
Anritsu Corporation Sustainability Promotion Center

WEB Contact for corporate and other information

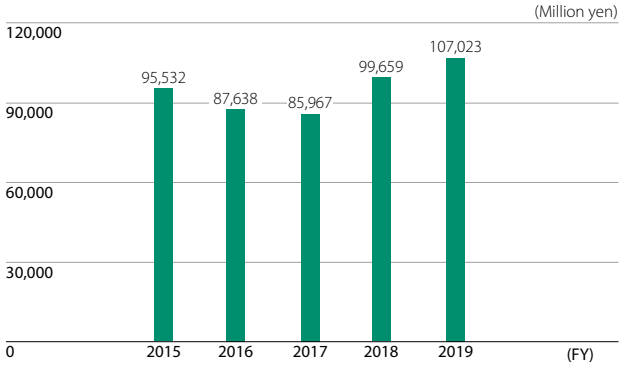
Corporate Profile (as of March 31, 2020)

Head Office:	Anritsu Corporation 5-1-1 Onna, Atsugi-shi, Kanagawa 243-8555, Japan Tel: +81-46-223-1111 URL: https://www.anritsu.com
Company Founded:	1895
Established	March 17, 1931
Paid-in Capital:	19.151 billions of yen
Number of Employees:	3,881 (consolidated) 855 (non-consolidated)
Stock Listing:	TSE 1st Section (Ticker Symbol No.: 6754)
Transfer Agent:	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo 100-8233, Japan
Number of Shareholders:	72,772
Rating:	Rating and Investment Information, Inc. Long-Term: A- Short-Term: a-1
Authorized Shares:	400,000,000
Issued Shares:	138,257,294

Breakdown of Shareholders



Sales (Anritsu Group on a consolidated basis)



Major Subsidiaries (as of August 31, 2020)

Japan	
Company Name	Principal Businesses
Anritsu Infivis Co., Ltd.	R&D, manufacture, sales, repair, and maintenance of PQA equipment
Tohoku Anritsu Co., Ltd.	Manufacture of T&M instruments and information and communications equipment
Anritsu Customer Support Co., Ltd.	Calibration, repair, and maintenance of T&M instruments
Anritsu Devices Co., Ltd.	Manufacture of optical devices
Anritsu Kousan Co., Ltd.	Management of facilities, welfare services, and production of catalogs and other materials
Anritsu Real Estate Co., Ltd.	Real estate leasing
AT Techmac Co., Ltd.	Manufacture and sales of processed products

EMEA	
Company Name	Principal Businesses
Anritsu EMEA Ltd. (U.K.)	Sales and maintenance of measuring and other instruments
Anritsu Ltd. (U.K.)	R&D and manufacture of measuring and other instruments
Anritsu GmbH (Germany)	Sales and maintenance of measuring and other instruments
Anritsu S.A. (France)	Sales and maintenance of measuring and other instruments
Anritsu S.r.l. (Italy)	Sales and maintenance of measuring and other instruments
Anritsu AB (Sweden)	Sales and maintenance of measuring and other instruments
Anritsu A/S (Denmark)	R&D, manufacture, sales, and maintenance of T&M instruments
Anritsu Solutions S.r.l. (Italy)	R&D of measuring and other instruments
Anritsu Solutions S.R.L. (Romania)	R&D of measuring and other instruments
Anritsu Solutions SK, s.r.o. (Slovakia)	R&D of measuring and other instruments
Anritsu Infivis Ltd. (U.K.)	Sales and maintenance of PQA equipment
Anritsu Infivis B.V. (Netherlands)	Sales and maintenance of PQA equipment

Americas	
Company Name	Principal Businesses
Anritsu U.S. Holding, Inc. (U.S.A.)	Holding company for American subsidiaries
Anritsu Americas Sales Company (U.S.A.)	Sales and maintenance of measuring and other instruments
Anritsu Company (U.S.A.)	R&D, manufacture, sales, and maintenance of measuring and other instruments
Azimuth Systems, Inc. (U.S.A.)	R&D, manufacture, and maintenance of measuring and other instruments
Anritsu Electronics, Ltd. (Canada)	Sales and maintenance of measuring and other instruments
Anritsu Eletrônica Ltda. (Brazil)	Sales and maintenance of measuring and other instruments
Anritsu Company S.A. de C.V. (Mexico)	Sales and maintenance of measuring and other instruments
Anritsu Infivis Inc. (U.S.A.)	Sales and maintenance of PQA equipment

Asia and Others	
Company Name	Principal Businesses
Anritsu Company Ltd. (Hong Kong)	Sales and maintenance of measuring and other instruments
Anritsu Electronics (Shanghai) Co., Ltd. (China)	Maintenance of measuring and other instruments
Anritsu (China) Co., Ltd. (China)	Sales and maintenance of measuring and other instruments
Anritsu Company, Inc. (Taiwan)	Sales and maintenance of measuring and other instruments
Anritsu Corporation, Ltd. (South Korea)	Sales and maintenance of measuring and other instruments
Anritsu Pte. Ltd. (Singapore)	Sales and maintenance of measuring and other instruments
Anritsu India Private Ltd. (India)	Sales and maintenance of measuring and other instruments
Anritsu Pty. Ltd. (Australia)	Sales and maintenance of measuring and other instruments
Anritsu Company Limited (Vietnam)	Sales and maintenance of measuring and other instruments
Anritsu Philippines, Inc. (Philippines)	R&D of measuring and other instruments
Anritsu Industrial Solutions (Shanghai) Co., Ltd. (China)	Sales and maintenance of PQA equipment
Anritsu Industrial Systems (Shanghai) Co., Ltd. (China)	Manufacture of PQA equipment
Anritsu Infivis (THAILAND) Co., Ltd. (Thailand)	Manufacture and maintenance of PQA equipment

Communication Tools

Sustainability Report

Environmental, economic, and social efforts included in the CSR report since 2005 have been incorporated into the Sustainability Report since 2018 and published annually.

Securities Report/Quarterly Financial Report

These reports provide information on financial performance for the fiscal year at Anritsu on a quarterly and annual basis.

Financial Information

Financial information includes financial results, presentation materials, and presentation of Q&A summaries.

Integrated Report

This annual publication contains performance highlights, a message from the Group CEO, business summaries, strategies and future trajectories, past performance trends, as well as financial and non-financial data and other information.

Business Report

The Business Report provides a basic summary of business activities, highlights, and other information for the fiscal year on an interim and full-year basis.

Information for the General Meeting of Shareholders

This information includes notices of the general meeting of shareholders, reports of resolutions adopted, and presentation materials for shareholders.

WEB Investor Relations

Communication tools are provided on Anritsu's website at Home > About Anritsu > Investor Relations > IR Library.
URL: **https://www.anritsu.com/ir**

WEB Sustainability and ESG Policy

WEB Status on Inclusion in ESG Indexes, External Evaluations

GRI Sustainability Reporting Standard Content Index

This report has been prepared in accordance with GRI Sustainability Reporting Standards 2016/2018: Core option.

GRI102: General Disclosures 2016

●: Disclosure required for Core option

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●	102-3	Location of headquarters	84
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	102-33	Communicating critical concerns	74, Fundamental policy of corporate governance -2. 2 .5. Internal notification system
	102-34	Nature and total number of critical concerns	74
	102-35	Remuneration policies	Website: Corporate Governance (Executive Compensation)
	102-36	Process for determining remuneration	Website: Corporate Governance (Executive Compensation)
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○ : The material issues identified by the company

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	GRI-201: Economic Performance		
	201-1	Direct economic value generated and distributed	1-2, Anritsu Integrated Report 2020- Anritsu Value Creating Story-12-13
	201-2	Financial implications and other risks and opportunities due to climate change	26, Anritsu Integrated Report 2020-19
	201-3	Defined benefit plan obligations and other retirement plans	Securities Report 5. Accounting notes 21. Employee benefits
	201-4	Financial assistance received from government	Not applicable
	GRI-202: Market Presence		
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	—
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	GRI-206: Anti-competitive Behavior		
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○ : The material issues identified by the company

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●	GRI-305: Emissions 2016		
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	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	25
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	306-4	Transport of hazardous waste	Not applicable
	306-5	Water bodies affected by water discharges and/or runoff	Not applicable
	GRI-307: Environmental Compliance 2016		
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GRI400: Social

○ : The material issues identified by the company

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●	GRI-412: Human Rights Assessment 2016		
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	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Not applicable
	GRI-413: Local Communities 2016		
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●	GRI-414: Supplier Social Assessment 2016		
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Anritsu Head Office (Atsugi City, Kanagawa Prefecture)



Tohoku Anritsu Co., Ltd. (Koriyama City, Fukushima Prefecture)



Anritsu Company (Morgan Hill, California, U.S.A.)

Anritsu Climate Change Action PGRE 30*

The Anritsu Climate Change Action PGRE 30 is a voluntary action plan to mitigate climate change. Under the plan, we have been promoting the introduction of solar power generation facilities as a renewable energy source toward increasing the ratio of the Anritsu Group's share of private power generation of total energy consumption to about 30% by around the year 2030 from 0.8% for fiscal 2018, the base year. As part of PGRE 30 we are also installing and expanding solar power generation facilities at our major locations in Atsugi City in Kanagawa Prefecture, Koriyama City in Fukushima Prefecture, and Morgan Hill in California, U.S.A.

* Private Generation of Renewable Energy, with the number 30 representing both 30 in the year 2030, the target year, and 30%, the target ratio for in-house power generation.

Anritsu

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