

# 2011

## Corporate Social Responsibility Report Digest

ANRITSU CORPORATION  
[www.anritsu.com/csr](http://www.anritsu.com/csr)

# CSR

CSR Report Digest



# Anritsu

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Anritsu defines CSR (Corporate Social Responsibility) as “the integration of social justice and environmental considerations into corporate operational processes and activities in order to fulfill the company’s accountability to its stakeholders including shareholders, employees, customers, suppliers and partners, the environment and the community, thereby improving the company’s economic, social and environmental performance.”

## Editorial Policy

Again this year, we report detailed information on the CSR activities of Anritsu on the corporate website while delivering a digest version in PDF. This PDF version provides easy-to-understand explanations of specific activities, particularly for each of Anritsu's CSR Goals. For the website version, our aim is to reach more stakeholders by organizing information under 12 material issues identified through materiality assessment and then describe concrete activities for each of them.

For more information on Anritsu's CSR activities, please visit our website at:

<http://www.anritsu.com/en-US/About-Anritsu/CSR/>

■ This CSR report mainly focuses on Anritsu's social and environmental performance. For details on financial performance, please refer to our annual report or website at:

<http://www.anritsu.com/en-US/About-Anritsu/Investor-Relations/index.aspx>

Guidelines used as reference

- GRI Sustainability Reporting Guidelines 2006
- ISO26000:2010

## Reporting Period

This report covers the period from April 1, 2010 to March 31, 2011, and also includes some activities before and after that period.

## Boundary Definitions

This report covers Anritsu Corporation only or the Anritsu Group Companies, according to subject and definitions as follows:

- “Anritsu” or “Anritsu Group” refers to both Anritsu Corporation and the entire Anritsu Group.
- “Anritsu Corporation” refers to Anritsu Corporation in Japan only.
- “Group Company (or Companies)” refers to a group company (or companies) or all group companies, excluding Anritsu Corporation in either case.

Date of issue: August 25, 2011

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(The next CSR report is scheduled for release in July 2012)

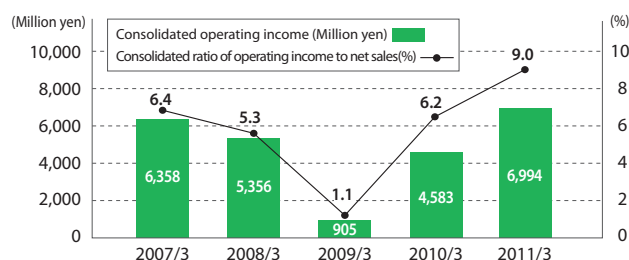
# Company Profile



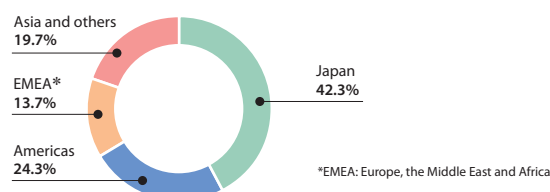
Headquarters address:  
5-1-1 Onna, Atsugi-shi, Kanagawa, Japan  
Company founded: 1895  
Capital: 14,051 million yen<sup>\*1</sup>  
Net sales: 77,853 million yen<sup>\*2</sup>  
No. of shareholders: 16,573<sup>\*1</sup>  
No. of employees: 3,614 (consolidated)<sup>\*1</sup>  
825 (non-consolidated)<sup>\*1</sup>  
No. of suppliers and partners: 807<sup>\*3</sup>

<sup>\*1</sup> As of March 31, 2011 <sup>\*2</sup> Consolidated, year ended March 2011 <sup>\*3</sup> As of June 14, 2011

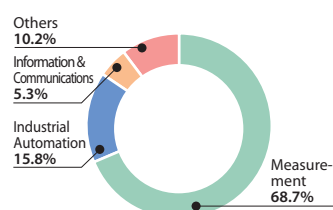
## Consolidated operating income/ ratio of operating income to net sales



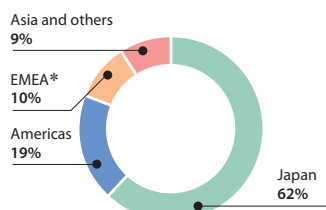
## Consolidated net sales by region (Year ended March 2011)



## Consolidated net sales by business segment (Year ended March 2011)



## Consolidated employee composition by region (Year ended March 2011)



## Anritsu Corporation employee data

No. of employees: Figures in parentheses refer to number of managers included in total count	FY 2008	FY 2009	FY 2010
Male	745 (167)	719 (171)	711 (165)
Female	128 (5)	112 (5)	114 (4)
Total	873 (172)	831 (176)	825 (169)

## Percentage of female employees worldwide (As of the end of January, 2011)

	Japan	The Americas	EMEA	Asia and others	Total
Percentage of female employees (No. of female employees ÷ No. of total employees)	14%	32%	23%	29%	23%
Percentage of female managers to male managers (No. of female managers ÷ No. of female employees) ÷ (No. of male managers ÷ No. of male employees) expressed as %.	12%	64%	64%	44%	48%

## Ratio of employees with disabilities

	2008 / 12	2009 / 12	2010 / 12
Planned ratio (non-consolidated)	1.80%	1.80%	1.80%
Actual ratio (non-consolidated)	1.59%	1.76%	1.98%
Ref: Actual ratio (in Japan, consolidated)	1.44%	1.37%	1.50%

## Anritsu Group companies in Japan

- **Anritsu Industrial Solutions Co., Ltd.**  
Development, manufacture, sales, repair and maintenance of industrial automation
- **Tohoku Anritsu Co., Ltd.**  
Manufacture of information communication equipment and measuring instruments
- **Anritsu Customer Services Co., Ltd.**  
Calibration, repair, maintenance and EMC testing of measuring instruments
- **Anritsu Devices Co., Ltd.**  
Development, manufacture and sales of optical devices
- **Anritsu Networks Co., Ltd.**  
Development, sales, system design, maintenance and servicing of information communication equipment
- **Anritsu Precision Co., Ltd.**  
Development, manufacture and maintenance of precision measuring instruments
- **Anritsu Engineering Co., Ltd.**  
Development of software and hardware
- **Anritsu Kousan Co., Ltd.**  
Resale and recycling of measuring instruments, design and production of documents, business cards and other materials
- **Anritsu Real Estate Co., Ltd.**  
Real estate leasing
- **Anritsu Techmac Co., Ltd.**  
Manufacture and sales of cutting and sheet metal parts and unit assembly articles
- **Anritsu Pro Associe Co., Ltd.**  
Operation of shared service center for accounting, financial affairs, payroll calculation and benefits

## Anritsu Group companies outside Japan

- Anritsu U.S. Holding, Inc. (U.S.A.)
- Anritsu Company (U.S.A.)
- Anritsu Instruments Company (U.S.A.)
- Anritsu Industrial Solutions U.S.A. Inc. (U.S.A.)
- Anritsu Electronics Ltd. (Canada)
- Anritsu Eletronica Ltda. (Brazil)
- Anritsu Company, S.A. de C.V. (Mexico)
- Anritsu Ltd. (U.K.)
- Anritsu EMEA Ltd. (U.K.)
- Anritsu Industrial Solutions Europe Ltd. (U.K.)
- Anritsu S.A. (France)
- Anritsu GmbH (Germany)
- Anritsu S.r.l. (Italy)
- Anritsu Solutions S.r.l. (Italy)
- Anritsu AB (Sweden)
- Anritsu AB (Finland)
- Anritsu AB (Denmark)
- Anritsu A/S (Denmark)
- Anritsu EMEA Ltd. - Dubai Liaison Office (U.A.E.)
- Anritsu EMEA Ltd. - Representation Office (Russia)
- Anritsu Solutions S.R.L. (Romania)
- Anritsu Company Ltd. (China)
- Anritsu Electronics (Shanghai) Co., Ltd. (China)
- Anritsu Industrial Solutions (Shanghai) Co., Ltd. (China)
- Anritsu Company, Inc. (Taiwan)
- Anritsu Corporation, Ltd. (Korea)
- Anritsu Pte. Ltd. (Singapore)
- Anritsu Industrial Solutions (Thailand) Co., Ltd. (Thailand)
- Anritsu Pte. Ltd. India Branch Office (India)
- Anritsu Pty. Ltd. (Australia)

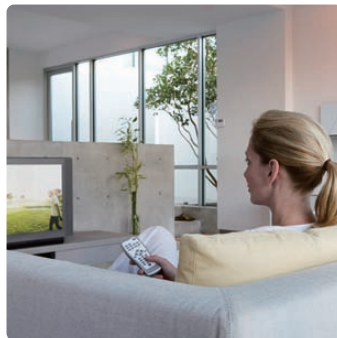
# The Anritsu Group business is woven into everyday life.

Bringing greater convenience and comfort to people



Mobile phones

Verifying the operations of mobile phones



Terrestrial digital broadcasting

Checking broadcast areas



Car electronics

Verifying the operations of car navigation systems and ETC



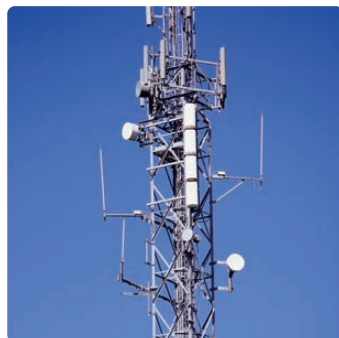
Financial network system

Quality assurance for key communications

## Anritsu Provides Solutions

Measuring, monitoring and support  
Anritsu supports everyday life and including information communication, and image monitoring for a safer,

## Supporting infrastructure



Mobile phone base stations

Checking base station service areas



Optical fiber

Locating optical fiber line breakage

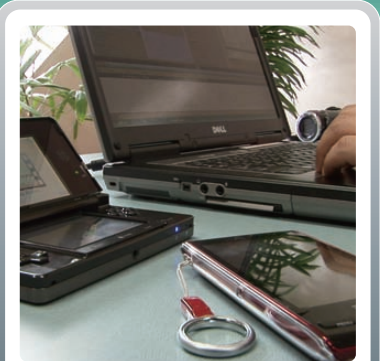


Communication

Network monitoring quality



ple's lives.



Information appliances

Testing internal PC board soldering

Making your life safe.



Community

Confirming safety through interactive communications



Food

Detecting contamination by foreign substances



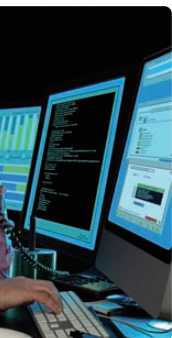
Pharmaceutical products

Testing the shape and mass of pharmaceuticals

for a Safe and Secure Society

ing...  
business in a variety of areas,  
food processing, pharmaceuticals,  
more secure and comfortable society.

tures for everyday life.



Communication networks

Monitoring and assurance



Remote monitoring

Video monitoring of traffic, rivers and disaster areas



Data centers

Realizing higher speed communication facilities

# Creating a New Future with Sincerity, Harmony and Enthusiasm

## Promoting “Good in Five Key Areas” through “Solidarity and Symbiosis”

I would like to express my deepest sympathy to those whose lives were impacted by the Great East Japan Earthquake and extend my hope for a speedy recovery and reconstruction of the affected areas. What can we do to help in the reconstruction of Tohoku? We must each answer this question and individually do what we can. However, I believe many of our efforts have commonalities where solidarity and symbiosis can also significantly yield results. In the Anritsu Group, although the Koriyama Office and Tohoku Anritsu Co., Ltd. buildings in Koriyama, Fukushima Prefecture were partially damaged, all production line operations were restored to normal after two weeks. This quick recovery was the result of customers, business partners, carriers and employees working together. Over the course of restoring operations, I experienced a sense of symbiosis with all our stakeholders and reaffirmed the importance of solidarity to solve problems.

Our goal is to be a company with integrity, and that thinks and acts for the sake of harmonizing the interests of five key areas. These areas: sellers, employees, consumers, society and the natural environment, are the basis for our CSR under our slogan “Good in Five Key Areas,” which I have advocated since becoming president. The Anritsu Group will widen the circle of solidarity and symbiosis with all its stakeholders in order to play a role in developing a sustainable society in which people, society and nature live together in harmony.

## Providing New Value through Innovation

I recognize the reconstruction of Tohoku is intimately connected with the issue of how Japan should rebuild itself as a nation and society, and information communication technology will play a key role. The earthquake led many people to experience the importance of being connected. Information communication networks represent vital lifelines with no limits on technological innovation, and their utilization

is growing in various fields, including the environment, healthcare, welfare and administrative services, with the expectation of creating a new value and greater convenience for all of society.

The Anritsu Group has been repairing measuring instruments that were damaged by the disaster and lends measuring instruments free of charge for such purposes as maintaining optical fiber lines.

We will faithfully continue these efforts while also providing solutions with even greater added value to aid in the reconstruction.

Innovation is the foundation for all these efforts. The Anritsu Group takes advantage of a variety of technologies in fields such as measurement, video distribution, foreign materials detection and check weighing. We will constantly review these technologies from fresh perspectives to generate ideas for creating solutions that support the development of a safe, secure and comfortable society.

## Contributing to the Progress of the International Community

The Anritsu Group’s continued contribution to the resolution of social issues through its core business will mean that Group employees worldwide will have to share common values and ethics. Most of the Group’s business operations are conducted on a global basis, with the measurement, industrial automation and optical device businesses for customers outside Japan accounting for approximately 60% of the Group’s sales, and 70% in our core measurement business. 40% of our employees work outside Japan and increasingly more materials are being procured worldwide. We must establish common guidelines for all Group employees in order to conduct business and strengthen cooperative relationships with stakeholders from different countries, which have their own legal systems, customs and cultures. Therefore, all members of the Anritsu Group agree to operate under the United Nations Global Compact in addition to the Anritsu Group Charter of Corporate Behavior. By incorporating such behavioral principles under the international initiative in our day-to-day operations, we aim to become a company that is trusted and recognized by the international community.

## Weaving the Future with Sincerity, Harmony and Enthusiasm

The Anritsu Group conducts business across wide-ranging fields including information communication, food and pharmaceuticals, and social infrastructure. As stated in our company philosophy, the foundation of these businesses is "Sincerity, Harmony and Enthusiasm."

The Anritsu Group will mark its 120th anniversary in 2015, an impressive milestone against the conventional wisdom that any typical business can only flourish for 30 years. The company's long history in the rapidly evolving information-communication field is the result of constant innovation that has consistently delivered "Original & High Level" products and services. The "DNA" of Anritsu includes "Sincerity and Harmony," enduring values that have not changed since the company's establishment, and innovation, which reflects our enthusiasm for change. This DNA will enable us to continually evolve long into the future and to work toward the sustainable development of society and continuous growth in corporate profit. We look forward to your continued support and cooperation.



July 2011

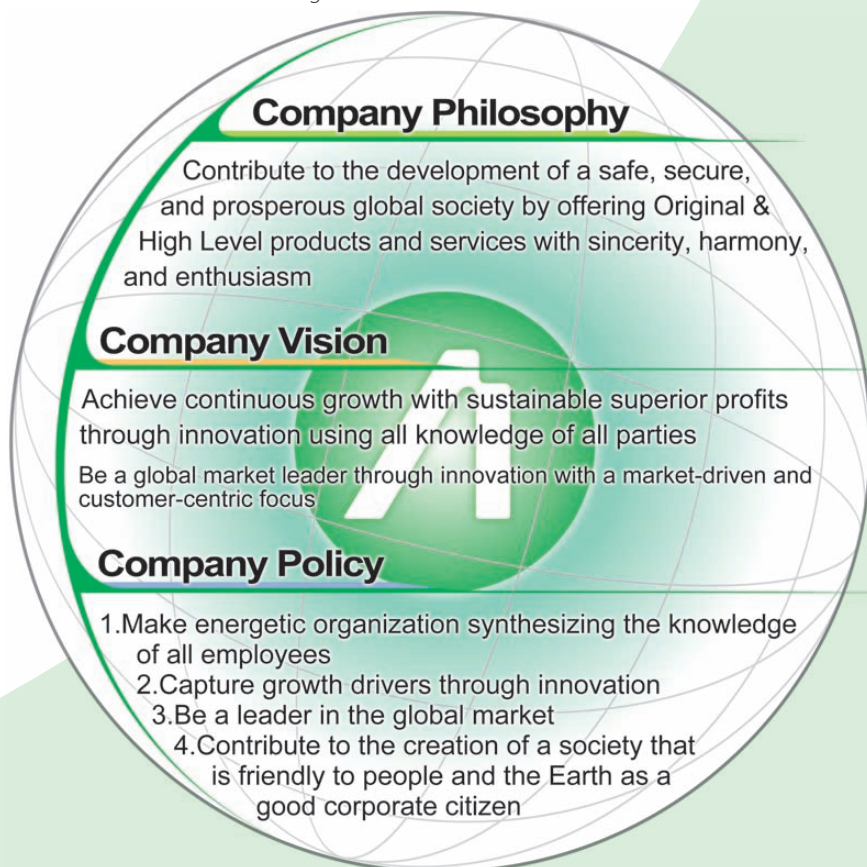
Hirokazu Hashimoto

Representative Director, President, Anritsu Corporation



## ◆ Company Philosophy, Vision and Policy

Anritsu is promoting CSR activities by implementing the basic principles of its company philosophy, vision and policy into practice; by respecting the Global Compact that Anritsu upholds as a global enterprise; and by adhering to the Anritsu Group Charter of Corporate Behavior that sets out concrete values and behavioral guidelines.



### United Nations Global Compact



This is our Communication on Progress in implementing the principles of the United Nations Global Compact.

We welcome feedback on its contents.

**Approving of the activities of the United Nations Global Compact, Anritsu announced its participation in the compact in March 2006.**

\* The United Nations Global Compact is an assembly of bodies that support ten principles in the areas of human rights, labor, the environment and anti-corruption. Proposed by former U.N. General Secretary Kofi A. Annan at the World Economic Forum held in January 1999, the compact was officially launched at U.N. Headquarters in New York in July 2000.



**We are working for the sustainable growth of society and the Anritsu Group through business operations under our corporate philosophy, "Contribute to the development of a safe, secure, and prosperous global society by offering Original & High Level products and services with sincerity, harmony, and enthusiasm."**

### Social Demand and Solutions of Anritsu

The Anritsu Group conducts business worldwide, mainly in the fields of information communication, food and pharmaceutical products. Advancements made in information communication has led to connecting people with people, people with society, and enterprises with enterprises, which represent significant changes in daily life and business. Its use is also broadening in many areas, including distance learning, remote medical care, and IT applications for transportation systems as well as applications for reducing environmental impact (e.g., Green by ICT).

These are responses to social issues such as bridging the digital divide, providing greater access to medical care in developing countries, reducing traffic accidents and protecting the global environment, and they are also conducive to the sustainable development of society.

In the field of information communication, the Anritsu Group provides measurement solutions for R&D and production of mobile phones and electronic parts for communications systems. It also provides solutions for the construction and maintenance of communications infrastructure and quality assurance of communications networks. The Group provides optical communication devices and bandwidth control systems that control data flow through networks, thereby contributing to the creation of communication environments that ensure reliable connections and stable quality. Anritsu has been able to maintain its No. 1 position worldwide, especially in measurement solutions that support R&D for LTE devices and mobile phones which represent next-generation communication systems, and in the construction and maintenance of mobile phone base stations.



Measuring instrument for mobile phone base station

Food and pharmaceutical products represent the foundation for everyday life and well-being. Around the world, people have come to

demand and expect safe food and pharmaceutical products. As a result, food manufacturers are increasingly focusing on improving the quality of their products. In response to public demand, Anritsu Industrial Solutions Co., Ltd. supports food safety and security by providing quality assurance solutions, including X-ray inspection systems for detecting foreign substances in food, such as metal, plastic and bone fragments.



X-ray inspection system

### Business Globalization and CSR

Globalization continues to unfold in the measurement business, which offers solutions to the information communication field. Our ratio of sales outside Japan rose from 71% in fiscal 2009 to 73% in fiscal 2010. The current long-term business plan (GLP2012) sets goals for boosting our total global market share from 10% (fiscal 2009) to 13% (fiscal 2012) and expanding the sales ratio outside Japan of our industrial automation business targeting food and pharmaceutical products from 29% (fiscal 2009) to 33% (fiscal 2012). Meanwhile, the percentage of employees outside Japan increased from 37% (fiscal 2009) to 38% (fiscal 2010) on a consolidated basis.

We will help develop an affluent global society by pursuing innovation through the full utilization of our potential strengths. These consist of R&D capabilities, which enable us to offer a broad selection of products, our expert customer support, and our human resources and organizational power that drive our global business expansion, all of which allow us to achieve sustainable corporate growth.

Our social responsibilities in business operations will be fulfilled by implementing the basic guidelines stated by the corporate philosophy, vision and policy of the Anritsu Group. At the same time, we will observe the United Nations Global Compact, which lays out the principles of conduct for a global enterprise, and the Anritsu Group Charter of Corporate Behavior, which presents the shared values and perspectives that unify Anritsu's operations worldwide.

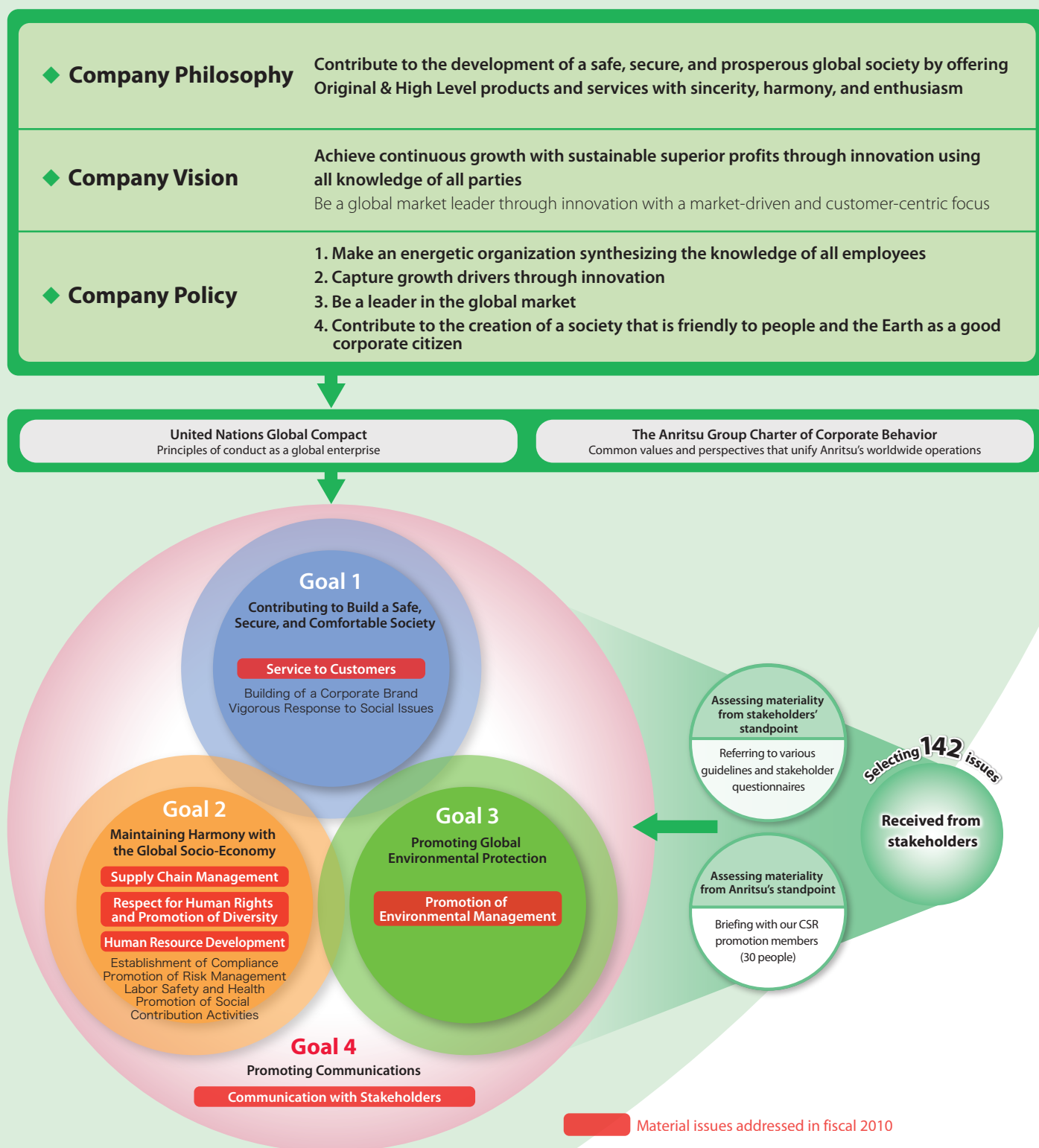


## Meeting our Goals for CSR Management

In 2006, the Anritsu Group set four goals toward realizing an ideal future. Since then it has been establishing the foundation for its CSR management through various initiatives and in line with global business development.

Goal 1, "Contributing to Build a Safe, Secure, and Comfortable Society," is what the Anritsu Group aims to do through its business operations. Goal 2, "Maintaining Harmony with the Global Socio-Economy," represents an ideal global enterprise that has well-maintained diversity among

employees, duly considers the entire supply chain, and is committed to contributing to local communities. Goal 3, "Promoting Global Environmental Protection," affirms our determination to protect the environment throughout the entire product lifecycle, while Goal 4, "Promoting Communications," directs us to improve our communication skills with stakeholders who support CSR management. Looking ahead, we will strengthen our management and further improve stakeholder communications to achieve these goals.



# Contributing to Build a Safe, Secure, and Comfortable Society



**Committed to building a safe,  
secure and comfortable society**

**Tetsuo Kawabe**  
Vice President, Senior Manager,  
Management Strategy Center  
Anritsu Corporation

The Anritsu Group provides innovative solutions worldwide to support the creation and evolution of information communication networks and ICT (information communication technology) services. In the area of food and pharmaceutical products, we provide quality management solutions for weight measurement and foreign substance detection. My mission is to ensure the sustainability of the company and society through these businesses.

To accomplish this, we cannot remain content with our current businesses; we must continue advancing for the next generation. The Anritsu Group will be exploring specific strategies for sustainability over the next 10 years, centered on the strengthening of Group management and the creation of new ventures. To this end, we are developing systems designed to encourage innovation. We intend to deliver “Original & High Level” value by steadfastly responding to social concerns and expectations and using all knowledge of all parties.

The Great East Japan Earthquake has reminded us that business continuity plans (BCPs) are vital. Although I believe our BCPs functioned relatively well in the aftermath of the disaster, key departments such as R&D and IT are reviewing their BCPs to be better prepared for worst-case scenarios.

Every business of the Anritsu Group is closely connected to the everyday lives of people as well as businesses. With this responsibility borne across the Group through our various roles, we will continue contributing to the creation of a safe, secure and comfortable society.

Anritsu safeguards your safety and security through “Original & High Level” products and services while vigorously responding to social issues through its business operations.

## Playing our part in the global dissemination of mobile phones

More than a billion mobile phones are produced annually, and more than half of the world's population uses them, with each country adopting mobile phone communication systems\*<sup>1</sup> for their specific circumstances. Consequently, the mobile phone manufacturers market requires measuring instruments for many of these communication systems, from conventional to cutting-edge implementations. Having to provide different measuring instruments for each system, however, not only increases the business investment of our customers, but also works against responsible conservation of resources. Anritsu has addressed this issue by equipping some of its measuring instruments with specific hardware and software that include functions required for various mobile phone communication systems.

By doing this we provide flexible, scalable solutions that customers can choose from. Built into the production lines of many mobile phone manufacturers, our measurement instruments boost production efficiency and save resources from the customers' perspective, while facilitating the dissemination of mobile phones across the globe.

### \*<sup>1</sup> mobile phone communication systems

Communication systems adopted across the world include LTE, W-CDMA, CDMA2000, TD-SCDMA, GSM, etc.



Radio communication analyzers

## Supporting the launch of commercial Long Term Evolution services

Long Term Evolution (LTE) is a new information communication service that was first offered in Japan, the United States and Europe. This high-speed, high-capacity system supports optical-fiber-level communication services for mobile phones and is expected to be used for remote medical care and e-government. When releasing LTE devices, mobile phone manufacturers must certify that their phones comply with international standards, and Anritsu's mobile phone conformance test system is used for this purpose. Test systems themselves must reach the GCF's\*<sup>2</sup> 80% test case validation threshold.

Anritsu is the first company to meet this requirement and became the first test supplier

in the industry to obtain GCF approval in April 2010. We have continued to develop our capabilities and have moved ahead of the competition to achieve GCF approval for 80% of test cases for the frequency ranges used in the United States and Europe. Carriers across the world plan to introduce LTE, which is expected to emerge as the world standard for mobile broadband services, and Anritsu is prepared to support the commercialization of these LTE services.

### \*<sup>2</sup> GCF:

The GCF (Global Certification Forum) is a standard-setting organization for network operations and mobile device certification to validate global interoperability.

## Restoration support through business

Information communication networks are lifelines and represent the foundation of Anritsu's business. We therefore lend measuring instruments free of charge to support the restoration of communication networks damaged by the Great East Japan Earthquake. As of June 2011, about 60 measuring instruments were being used under this initiative to check the signal quality of optical fiber and detect points of disruption.

We are also offering free failure diagnosis for measuring instruments and X-ray inspection systems that were damaged by the earthquake. We conduct on-site diagnosis and handle inquiries and consultation by phone and e-mail.



Optical measuring instrument



LTE RF Conformance Test System



LTE Protocol Conformance Test System

## Maintaining Harmony with the Global Socio-Economy



### Promoting respect for diversity and responses to globalization

Ichiro Takeuchi

Senior Manager, Human Resource and  
Administration Department  
Anritsu Corporation

In the wake of business globalization and diversifying lifestyles, society expects corporate enterprises to create systems and working environments that demonstrate greater respect for human rights and diversity. This is also a priority for the Anritsu Group as it engages in business across the world.

I believe the essential foundation for responding to this expectation is the value we place on harmony, which is one of the words we use in our corporate philosophy in the expression “sincerity, harmony and enthusiasm.” It is important to work together, recognizing and accepting each other’s way of living and thinking. Besides establishing and improving systems, we intend to develop working environments in which all employees possess a deeper understanding of diversity.

We will also step up our human resource development efforts with a sharper focus on globalization and diversity. We will explore various directions in our staff development and training curriculum to create a variety of career paths, so that employees can maximize their abilities in line with their own lifestyles and ways of thinking.

The ideas of “respecting others” and “steering clear of reproachful situations” are firmly rooted in the spirit of Anritsu Group employees. As we hold fast to these fundamental tenets, of which we are proud, we will further improve our working environments and human resource development in response to diversification and globalization in order to create a company with ideal working conditions in which employees experience personal growth.



Anritsu will strengthen its foundations as a caring corporation by creating comfortable work environments in which human rights are respected and employee diversity is valued while building trusting relationships with the supply chain, the community and society at large.

### Cultivating diverse human resources who work in a global capacity

The Anritsu Group's sales in Japan represent about 40% of total sales while sales outside Japan account for almost 60%. Furthermore, 70% of the sales of our core measuring instrument business are outside Japan, and 40% of our employees work outside Japan. Now, more than ever before, worksites must reflect a commitment to human rights and diversity in the wake of the ongoing evolution of international business and widely varying ways in which people work. We are committed to improving working conditions and systems for a richly diverse workforce, from hiring to the dynamic quality of communication across the organization.

### VOICE | Trusting relationships begin with respect for the other side

Four years have passed since I started my assignment at Anritsu Company (U.S.A.). My major tasks as a buyer include negotiations with American business partners, price surveys in the U.S. market, procurement, and information exchange in cooperation with buyers of Anritsu Company (U.S.A.). I am grateful to the many people who have helped me with these tasks. Because there are differences in, for example, how requests are made, work styles, culture, points of view and upbringing, I make a point of learning by observing what the local people do. Following the proverb, "When in Rome, do as the Romans do," I am working every day to more effectively cultivate cooperation with the people here while contributing my own ideas drawn from my experiences in Japan. I am also trying to strengthen relationships of trust through face-to-face discussions, respecting the opinions of partners and developing ways to compromise in order to find common ground. For the remaining term of my assignment, I would like to continue growing professionally and experiencing satisfaction in both my work and private life.

Yasumori Miyakubo  
Temporarily posted to Anritsu Company (U.S.A.)  
Procurement Department  
Anritsu Corporation



### Principal personnel measures for diversity

#### ● Creating jobs for people with disabilities

As a result of our efforts to expand the range of jobs and improve the working environment for people with disabilities, Anritsu Corporation raised its employment ratio of people with disabilities to 1.98% as of December 2010, the legally mandated standard.

#### ● Anritsu Corporation's Action Plan to Support Child Welfare 2nd Stage

Anritsu Corporation has been working to expand its child-raising leave system under the second stage of the Anritsu Corporation's Action Plan to Support Child Welfare (period covered: fiscal 2008 to 2011). The company intends to further enhance the system so that employees can have a better balance between work and child rearing.

#### ● Borderless recruiting

Our recruitment efforts are not limited to any one nationality. As of the end of December 2010, 29 Anritsu Group employees at our Japan-based facilities were citizens of other countries.

### CSR procurement

Anritsu established the "Anritsu Basic Rules of Procurement," "Requests to Suppliers and Partners" and "CSR Procurement Guidelines" in order to establish strong partnerships built on trust, enabling our entire supply chain and us to respond to demand and societal expectations.

We realize, of course, that our responsibility for CSR procurement is to conduct fair and sound transactions. But we also request that our suppliers make improvements and support them as needed to ensure due consideration for human rights, labor issues and the environment in their business operations.

### Strengthening Business Continuity Plans

Maintaining the supply chain is a high-risk component of our Business Continuity Plans (BCP). The SCM\* Division developed a supply-chain oriented BCP that encompasses the organizational structure and identification of key operations as well as anticipated risks and damage. Under this plan, Anritsu Corporation in Atsugi, Kanagawa Prefecture, will work in concert with the Koriyama Office and Tohoku Anritsu Co., Ltd. in Koriyama, Fukushima Prefecture, in the event of a disaster or a severe accident.

The Great East Japan Earthquake in March 2011 damaged a part of the Koriyama Office building and disrupted public lifelines. We will draw upon the experience to fortify our BCP, construct an emergency response framework, and conduct drills to ensure faster, more effective response.

\*SCM: Supply Chain Management

## Promoting Global Environmental Protection



### Contributing to a sustainable global environment

**Toshisumi Taniai**  
Vice President and Director,  
Chief Environmental Officer,  
Anritsu Corporation

The current power shortages consequent to the Great East Japan Earthquake have challenged us to do more to conserve energy in business operations, product development and supply, which all have a direct impact on the sustainability of society.

The Anritsu Group introduced Life Cycle Assessment (LCA) in its “Green of Products” initiative for reducing the environmental impact of products by conserving energy/resources and reducing harmful substances, and its “Green by Solutions” initiative for directly reducing the environmental impact of customers’ operations. We will intensify these efforts, assess CO<sub>2</sub> emissions throughout the product lifecycle and take action where significant reductions are expected.

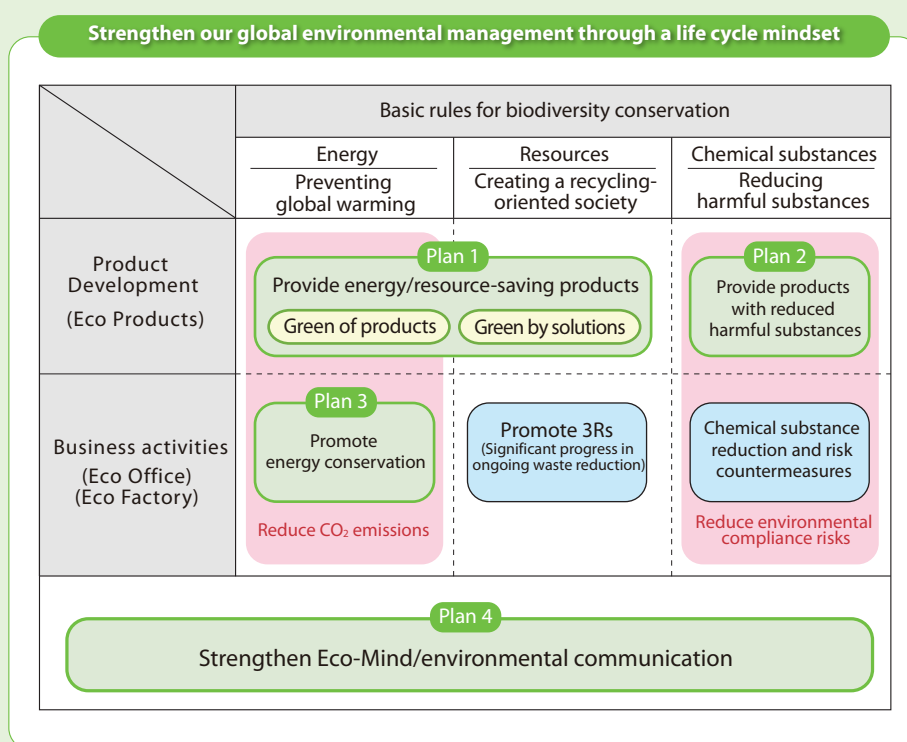
In addition, we are endeavoring to save power this summer by alternating shutdowns among our buildings and offering employees alternative weekly days off. It is necessary, however, to further raise employee environmental awareness so that we are able to respond to social demand on a mid- and long-term basis. To this end, we will further educate employees through various means and opportunities, encouraging them to always practice energy conservation, at home and at the workplace.

The global environment is becoming an increasingly important business issue. We intend to bolster our efforts and implement environmental management groupwide with a broader perspective that encompasses both business operations and product development.

Anritsu is actively involved in protecting the global environment by developing and producing environmentally conscious products and implementing global environmental management.

## Environmental management at Anritsu

The Anritsu Group is pursuing environmental management worldwide by taking into account the entire product lifecycle using the environmental strategy illustrated in the figure to the right. Concretely, we are focusing on four key policies: "Provision of energy/resource-saving products" and "Provision of products with reduced harmful substances" in product development; "Promotion of energy conservation" in our business operations; and "Strengthening of Eco-Mind and environmental communication," which supports the entire strategy. We will also continue to maintain and improve the efforts of "promotion of 3Rs (Reduce, Reuse, Recycle)" and "reduction of chemical substances and risk countermeasures" in business activities. In addition, we have established the Basic Rules of Biodiversity Conservation, reflecting due consideration for the relationship between Anritsu's business structure and biodiversity. We believe implementing these rules will help mitigate climate change, the loss of habitat from overexploitation and pollution.

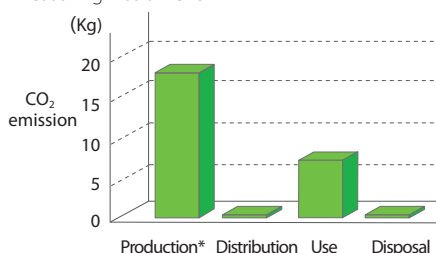


## Development of environmentally conscious products based on Life Cycle Assessment

Of the four key policies identified above, we view the "provision of products that save energy and resources" as the one that most requires strengthening. Suitable actions include stepping up the development of environmentally conscious products using Life Cycle Assessment. Reducing environmental impact will require examining the current environmental impacts of the company's manufacturing process as well as every stage of the product lifecycle, from material extraction and manufacturing to distribution, customer use and disposal. For example, in the lifecycle of small and light field measuring instruments, around 70% of CO<sub>2</sub> emissions are released during production. On the other hand, in the lifecycle of measuring instruments for mobile phone production, 95% of CO<sub>2</sub> emissions are released during customer use. We maintain an efficient product development framework that enables us to

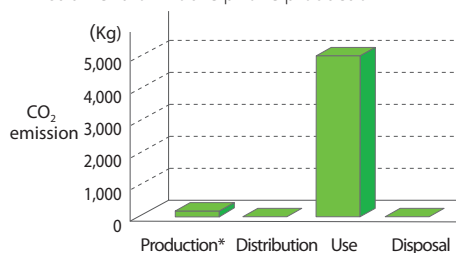
identify the most promising improvement targets for each product by evaluating the characteristics of products in detail.

■ CO<sub>2</sub> emissions in the lifecycle of a field handheld measuring instrument



Field handheld measuring instrument

■ CO<sub>2</sub> emissions in the lifecycle of a measuring instrument for mobile phone production



Measuring instrument for mobile phone production

\* Production: raw material production + parts production + product assembly

## Promoting Communications



### Fostering an environment that values communication

— Mitsue Doi

Manager, CSR Promotion Team,  
Corporate Communication Department  
Anritsu Corporation

Anritsu is developing sound partnerships with stakeholders, and my role is to help enhance customer satisfaction as the secretariat of the CS Committee, composed of representatives of Anritsu Group companies in Japan. Through these activities I always strive to identify the issue from the customer's point of view and make improvements that exceed customer expectations.

In fiscal 2010, Anritsu focused on better interactions with customers in addition to improved quality and delivery times by establishing a system for guaranteeing response to customer inquiries. We also improved the appearance and usability of our public website.

Recognizing the need to change the mindset of employees in order to support more genuine communication, we reviewed our CS training program and conducted workshops for Anritsu Group employees. We are looking into expanding the scope of participation to include employees from all divisions.

We will continue to foster an environment that values communication with customers as well as every stakeholder so that we can push forward as a trusted company that consistently exceeds customer expectations.



Anritsu ensures proactive information disclosure and dialogue throughout its business activities and furthermore builds a good partnership with stakeholders.

## Communication with society

### • Building of a new global website

We have updated our websites with a unified design and operability that accommodates multiple languages to provide the same services and support to every customer around the globe. Our goal has been to create a framework for easily retrieving and gaining access to product information as well as support and service information in response to customer requests. In fiscal 2010, we redesigned our websites for Chinese, Australian, European and American visitors.



Anritsu website for Americas

### • Cooperation with internship programs

Every year, the Anritsu Group in Japan provides opportunities for students to learn about working, living and socializing as adults, and typical company activities. These opportunities were offered in fiscal 2010 by several company entities, including the corporate and development divisions.

## VOICE | Valuable experience in Japan

I worked as an intern at the head office of Anritsu for 10 weeks in fall 2010. I was assigned to the Corporate Communication Department with principal responsibility for competitor analysis and CSR support. I felt very welcomed throughout my time there, not only in the course of my daily tasks in the workplace, but also during off-site activities when coworkers brought me along to industry conferences or sightseeing. I experienced working abroad and gained insight into how our corporate culture is different from that of Denmark as well as various problem-solving methods. All these experiences are extremely valuable to me, and I intend to apply what I have learned from them in the future.

Ghazal Yosefipor  
Human Resources, Student Assistant  
Anritsu A/S



## Communication in the Group

### • Sharing information and raising employee's awareness

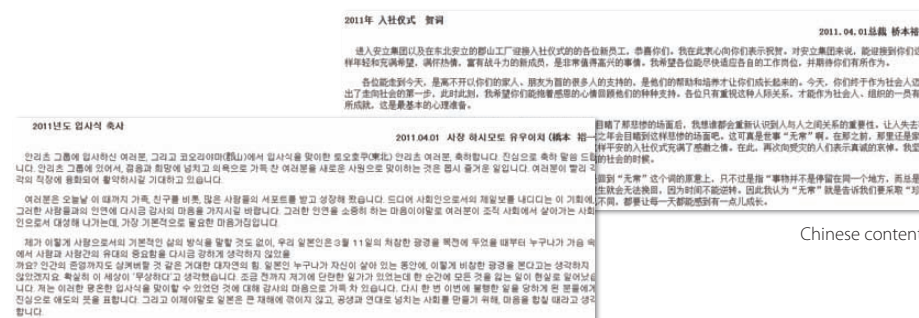
Anritsu provides a number of occasions and tools to further improve communications between management and employees. In fiscal 2010, the president and top executives conducted dialogues with employees in the United States, Europe and Hong Kong to raise employee awareness through discussions on corporate philosophy, vision and policy as well as the Anritsu Group's approach to CSR under the theme "Innovation for Sustainability." We also redesigned and enhanced the interactive functionality of our internal website, "The President's Web Office," used by the president for directly communicating with employees. The site is available in Japanese and English and also includes content in Chinese and Korean. We are using the site as a communication channel for Anritsu Group employees worldwide.



Dialogue between the president and employees



English version of the message from The President's Web Office



Chinese content

Korean content

# CSR Results for Fiscal 2010, CSR Objectives for Fiscal 2011

Unless otherwise specified, the content of objectives in this table covers operations of Anritsu Corporation and its Group Companies in Japan.

Performance evaluation: ○ = fully attained; △ = attained 50% or more; x = not attained

CSR Goal	Key Issues	Results for Fiscal 2010	Evaluation	Objectives for Fiscal 2011
<b>Goal 1</b> Contributing to Build a Safe, Secure, and Comfortable Society	Service to Customers	(1) Developed a customer service flow; carried out thorough response history management.	○	(1) Grasp the current situation of the global CS promotion activities (in Asia). (2) Spread individual CS survey throughout the group and implement an employee CS awareness survey. (3) Implement CS education throughout the Anritsu Group.
		(2) Carried out a CS survey at an exhibition (measurement and information communication businesses). Carried out a CS survey using broadcast mail deliver.	○	
		(3) Disseminated the CS policy to business groups at the CS Committee and to others through the intranet. Developed and implemented a CS education curriculum (18 participants in total in fiscal 2010).	○	
	Building of a Corporate Brand	Actively transmitted CSR news in addition to product/IR news.	○	Continue timely communication activities using the website.
<b>Goal 2</b> Maintaining Harmony with the Global Socio-Economy	Establishment of Compliance	(1) Developed the Anritsu Group Code of Conduct and the Guideline and Insights for All Members of Anritsu Group and disseminated them to the organizations worldwide.	○	(1) Develop and implement a mid-term plan for compliance promotion worldwide. (2) Improve education tools for the dissemination of the code of conduct and use them worldwide. (3) Hold regular information exchange meeting with the Helpline staff of Anritsu Group companies in Japan.
		(2) Published the revised Anritsu Group Code of Conduct and distributed the Guideline and Insights for All Members of Anritsu Group to all employees.	○	
		(3) Held an information exchange meeting with the Helpline staff of Anritsu Group companies in Japan. Checked the Helpline system and its operation.	○	
	Promotion of Risk Management (Information Security)	(1) IT managers of Japan, Asia, Europe and US confirmed the procedure of IT control.	○	(1) Fully implement USB memory management. (2) Continue security education. (3) Continue certification of the Information Security Management System (ISMS). (4) Improve IT control. (5) Develop secure information sharing with business partners.
		(2) Implemented education on security using video in all departments during the CSR Promotion Month.	○	
		(3) Introduced a system monitoring software and started monitoring of key servers.	○	
	Promotion of Risk Management (Internal Control)	(4) Completed the release of the global website. Enhanced the security of the website through a vulnerability test.	△	(1) Strengthen company-wide risk management using internal audits that are based on risk approach. (2) Reinforce the global risk management system through grasp/guidance of the trade control by overseas affiliated companies.
		(5) Halved the number of physical servers by using server virtualization.	○	
		(6) Started to strengthen antivirus measures for a part of equipment used for promotion, etc.	○	
	Supply Chain Management	• Expanded the monitoring of internal control from financial reporting to others; developed an audit procedure based on risk approach and implemented a business audit trial. • Developed a procedure to formulate audit plans that enable effective and efficient use of audit resources and reasonable selection of audit issues. Completed the identification of the financial-reporting-related risks in Europe and the improvement of their control.	○	(1) Construct a framework for global procurement. (2) Promote regular monitoring of suppliers. (3) Promote CSR procurement. (4) Develop and implement BCP worldwide.
		(1) Assigned procurement staff on a global basis.	○	
		(2) Improved the system for optimization of supplier monitoring plan.	○	
<b>Goal 3</b> Promoting Global Environmental Protection	Respect For Human Rights and Promotion of Diversity Human Resource Development	(3) Held a briefing session on the Anritsu Group CSR Procurement Policy and started the application of the guidelines.	○	(1) Implement programs based on a new human resource development system to produce human resources who work internationally. (2) Achieve the legally mandated employment ratio for all Anritsu Group companies in Japan. (3) Implement measures of the Anritsu Group in response to power shortage and review our BCP toward the reconstruction. (4) Continue dialogues with employees, develop and implement career support plans (USA, UK, China).
		(4) Completed a survey of production bases of 300 suppliers.	△	
		(5) Developed responses to earthquake disaster, which are scheduled to be made into a manual in the next fiscal year.	x	
	Labor Safety and Health	(1) Considered the improvement of the human resource development system and double-track career path.	△	(1) Continue measures for adjustment of work hours. (2) Maintain zero accidents involving lost work time at the Anritsu Corporation head office. (3) Enhance mental health measures. (continued) (4) Promote ongoing dialogue with employees; develop and implement environment improvement plans related to labor safety and health (USA, UK and China).
		(2) Considered achieving the legally mandated employment ratio for all Anritsu Group companies in Japan based on the special provision for calculation for business groups. Ratio of employees with disabilities at Anritsu Corporation (December 2010): 1.98%	○	
		(3) Considered in conjunction with "restructuring of education/training programs." (4) Continued recruitment based on the Affirmative Action Plan (USA). Conducted employee attitude surveys and dialogues with employees in USA, Europe and Asia-Pacific regions. Continued employee education and development (China).	△	
<b>Goal 4</b> Promoting Communications	Promotion of Environmental Management	(1) Continued activities based on the policy shared in Anritsu Group companies in Japan. Implemented efforts with partial reinforcement such as encouragement of leaving the office on time according to the family schedule and addition of the day to leave the office on time.	○	(1) Disseminate the policy for contributing to local communities worldwide. (2) Report community contribution activities worldwide on a timely basis. (3) Establish volunteer activities among employees and report on their activities.
		(2) Maintained zero accidents involving lost work time at the Anritsu Corporation head office (as of the end of March 2011).	○	
		(3) Provided specialized education for managers by an industrial physician; continued promotion of "refresh talking" by an external counselor.	○	
		(4) Provided health programs for employees; implemented employee safety and health education (USA); continued subsidy for employee welfare programs (UK).	△	
<b>Goal 3</b> Promoting Global Environmental Protection	Promotion of Environmental Management	(1) Disclosed the policy of social contribution activities in our CSR Report 2010 on the Web.	○	(1) Waste reduction and recycling - Maintain waste emission (general waste + industrial waste) under 160.4 tons (Anritsu Group companies in Japan). - Reduce volume of landfill waste by 10% compared to fiscal 2009 by the 4th quarter of fiscal 2011 (USA). (2) Resource and energy conservation - Reduce energy consumption (crude oil equivalent) by 10.6% [6.0% reduction from the level of fiscal 2006] - Reduced energy consumption by 1.5% (USA). [1% reduction from the level of fiscal 2009] - Paper consumption increased from the level of fiscal 2009 (USA). [10% reduction from fiscal 2009] - Reduced water consumption by 2.5% (USA). [2% reduction from fiscal 2009] (3) Eco Products (Anritsu Group companies in Japan) - Ratio of environmentally conscious products: 100% [over 80%] - Ratio of models that can save resources by 10% or more: 33.3% [over 30%] - Ratio of models that are 30% or more power efficient: 66.7% [over 20%] (4) Target figures to be monitored - Ratio of industrial and general waste taken to landfills: 0% [below 0.5%] - Cases of exceeding set limits: 0 [0]
		(2) Reported our social/community contribution activities of the fiscal year on a timely basis by setting up "CSR news column" within "CSR Information" of our website for external audiences (Japan).	○	
		(3) Reported our social contribution activities to internal audiences; reporting of volunteer activities by individual employee remains a task for the next fiscal year.	△	
		(1) Waste reduction and recycling - Emitted waste was 114.8 tons. [below 160.4 tons]	○	
		- Volume of landfill waste reduced by 7.3% (USA). [10% reduction from fiscal 2009]	△	
		(2) Resource and energy conservation - Reduced energy consumption (crude oil equivalent) by 10.6% [6.0% reduction from the level of fiscal 2006]	○	
		- Reduced energy consumption by 1.5% (USA). [1% reduction from the level of fiscal 2009]	○	
		- Paper consumption increased from the level of fiscal 2009 (USA). [10% reduction from fiscal 2009]	x	
		- Reduced water consumption by 2.5% (USA). [2% reduction from fiscal 2009]	○	
		(3) Eco Products (Anritsu Group companies in Japan) - Ratio of environmentally conscious products: 100% [over 80%]	○	
		- Ratio of models that can save resources by 10% or more: 33.3% [over 30%]	○	
		- Ratio of models that are 30% or more power efficient: 66.7% [over 20%]	○	
<b>Goal 4</b> Promoting Communications	Communication with Stakeholders	(4) Target figures to be monitored - Ratio of industrial and general waste taken to landfills: 0% [below 0.5%] - Cases of exceeding set limits: 0 [0]	○	(4) Target figures to be monitored - Maintain zero emission: less than 0.5% of landfill (Anritsu Group companies in Japan). - Maintain zero excess inorganic wastewater (i.e., not exceeding set limits) (Atsugi site).
		Set up and started the operation of a CSR news column in the CSR top page.	○	

• USA is represented by Anritsu Company (USA), UK is represented by Anritsu EMEA Limited (UK), and China is represented by Anritsu Company Limited (Hong Kong).

• For fiscal 2010 objectives, see "CSR Results for Fiscal 2010, CSR Objectives for 2011" in CSR Report 2011 at: <http://www.anritsu.com/en-US/About-Anritsu/CSR/>

## Independent Review and Response to Independent Review

### Independent Review

I had the opportunity to learn about Anritsu's CSR efforts over the course of the year from the president and other board members. What I discovered was that the company is steadily advancing its CSR activities as an enterprise that responds to public expectations. For example, Corporate Ethics Month in October was redesigned into CSR Promotion Month in fiscal 2010, an event in which the president spearheads efforts to instill the company philosophy, vision and policy, and to provide an opportunity for reviewing various aspects of current activities from a range of perspectives.

In terms of disclosure, it has been my opinion that key points for a CSR report as a communication tool include providing readers with a clear context at the beginning and then present the detailed content, that is, report current efforts and achievements in light of previous reviews by readers. In the current report, Anritsu made an effort to introduce the relationship between its CSR and business operations (pages 6 and 7). I appreciate this as a sound approach to disclosure because readers are able to evaluate CSR efforts based on their understanding of Anritsu's unique business operations.

In my independent review last year, I requested key performance



**Takashi Fukushima**

President, Sustainability Accounting Co., Ltd.



indicators for innovation, but there appears to be little progress in this regard. Today, CSR reports are recognized as tools for confirming the sustainability of a company's growth based on its contribution to the sustainability of society as a whole. As long as innovation remains a key factor for Anritsu, I believe sharing your approach to innovation as well as innovation management and target indicators, wherever possible, will validate growth potential. I feel that introducing Anritsu's own innovation process rather than hastily laying out the results of innovation will open the door to more effectively communicating your social contribution through your core business, as your stakeholders should expect.

### Response to Independent Review

We sincerely appreciate Mr. Fukushima's evaluation of our report, which describes the relationship of our CSR activities and business operations in fiscal 2010.

We included a new section under the heading, "Anritsu's CSR" (pages 6 and 7), to deepen stakeholder understanding of our CSR efforts. Here we described the connection between public demand and business, as well as their connection to CSR. Since there is still room to apply our ingenuity to help readers better understand this relationship, we will certainly make improvements in the next report.

In regard to setting key performance indicators for innovation, we will consider this recommendation as we further advance innovation efforts throughout the company.

Anritsu will continue to develop its CSR activities with due consideration for Mr. Fukushima's specific guidance and stakeholder feedback.

CSR Promotion Team, Corporate Communication Department  
Anritsu Corporation



Discover What's Possible™

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