
Stakeholders Communication

Providing information
and communicating
with stakeholders

Providing Information and Communicating with Stakeholders

Anritsu establishes good partnerships with stakeholders by providing disclosure information in an appropriate and timely manner and ensuring transparent, fair, prompt, and resolute decision making to its various stakeholders.

Stakeholders	Status of activities	An example of a communication opportunity, related site
Customers	<ul style="list-style-type: none"> ● Creating cutting-edge products and services with a high degree of safety and quality and providing appropriate product and service information, satisfying customer inquiries. 	Customer help line, information on website
Shareholders/ Investors	<ul style="list-style-type: none"> ● Improved internal regulations and systems in line with the Fair Disclosure Rule to be enforced from April 1, 2018 ● Interviewed 268 Japanese investors and 120 overseas investors ● Provided feedback to the Information Disclosure Committee that participates at the management level to give a voice to shareholders and investors at our Management Strategic Conference 	<p>Established the Information Disclosure Committee that participates at the management level in investor relations briefings, shareholders meetings, IR individual interviews, and IR activities for overseas investors</p> <p>Details (WEB) Rating Information for Stocks and Corporate Bonds</p> <p>Details (WEB) Disclosure Policy</p>
Business Partners	<ul style="list-style-type: none"> ● Established a social gathering for our business partners to explain and publicly acknowledge our Company policies ● Established an information exchange meeting to explain policies such as business policy and material procurement policy ● Created business opportunities through activities such as supplier product exhibitions, seminars, and technical exchange meetings ● Promoting Partner QU (Quality Up) Activities to facilitate proposals for improvements and requests from business partners ● Implementation of interview and questionnaire to receive feedback on interviews with our employees 	<p>Business Partner Gathering</p> <p>Information Exchange Meeting</p> <p>Exhibition of partner products and technologies</p> <p>Partner QU (Quality Up) Activities</p> <p>Established a collaboration room</p> <p>Interview and questionnaire</p>
Employees	<ul style="list-style-type: none"> ● Implementation of surveys into satisfaction levels of employees ● Implementation of ethics questionnaire ● Establishment of Helpline ● Implementation of training at different organizational and departmental levels 	Establishment of employee satisfaction survey, ethics questionnaire, Helpline, and a range of other training
Regional Societies	<ul style="list-style-type: none"> ● Developing community-based social contribution programs under the three pillars of "partnerships for educating youth," "contributing to local communities," and "protecting the environment (biodiversity conservation)" 	<p>Contributions include;</p> <p>Kanagawa Science Summer hosted by Kanagawa Prefecture, A Fun Science Classroom* sponsored by Atsugi City Board of Education,</p> <p>Workplace Experience for Junior High School Students, sponsored by Atsugi City Junior High School,</p> <p>The Anritsu Cup, an Atsugi city invitational U12 Soccer Tournament,</p> <p>Atsugi City Kids' Softball Competition,</p> <p>Anritsu Cup Dodge Ball Competition,</p> <p>Donation of unused socks to the Atsugi City child consultation office, sponsored by Atsugi Citizen Group,</p> <p>Radio Production Experience Class, sponsored by the Koriyama City Board of Education, Fukushima Prefecture, and Mt. Fuji Green Fund Afforestation Campaign</p>
NGOs and NPOs	<ul style="list-style-type: none"> ● Information sharing in the event of disaster ● Inviting applications for grants for volunteers to support Fukushima Prefecture, where Tohoku Anritsu Co., Ltd. in Koriyama City is also located. Delivered donations to Japan Platform (JPF), a registered NPO for the fund "live together" 	Supporting reconstruction following the Great East Japan Earthquake "Anritsu Group Fukushima support charity donation"

Social contribution activities

For details about social contribution activities in fiscal 2017, please refer to our webpage.

Details (WEB)
Social Contribution Activities

TOPICS

Japan Platform, a registered NPO, performs a broad range of activities, and Anritsu relies on them as a source of information when disasters occur. We are also sharing a strong connection through support activities in Fukushima Prefecture, where Tohoku Anritsu Co., Ltd. of Koriyama City is located.

Japan Platform, an organization we work with on volunteer activities, provided us with comments about activities with Anritsu stakeholders.

Japan Platform provides a system where NGOs, the business world, and governments form an equal partnership to provide emergency assistance in the event of natural disasters. Because Anritsu has a factory in Koriyama City, Fukushima Prefecture, it has a keen interest in the recovery of the disaster area affected by Great East Japan Earthquake, especially Fukushima Prefecture. As one initiative, aiming for reconstruction support closer to the afflicted area, Anritsu decided to donate to NPOs that provide support in Fukushima by running an employee fund-raising campaign. And Japan Platform was chosen to receive the donations. As part of the fund-raising drive, our Fukushima association representative staff worked well to gather material about Fukushima's disaster area and provide lecture meetings for employees.

Even now, seven years after the earthquake, Anritsu still feels for those in the disaster area, and has made its way to the disaster area to ascertain the situation themselves. The Company's stance has been to call for support while at the same time communicating the situation in afflicted regions to its employees. This has allowed Anritsu to appreciate the gravity of the basic concept underpinning its social contribution activities, namely, to provide a "contribution to regional societies."

The influence of companies on society is very large, and, as a member of an NPO, I feel strongly that Anritsu's enthusiastic contribution to society in this way is indispensable for the reliable reconstruction of disaster afflicted areas and for realization of a sustainable society.

I think healthy regional societies are a necessary premise for corporate activities. I would be pleased if we could continue to work together for society in the future.



Non-Profit Organization (Registered NPO)
Japan Platform
Liaison Department Manager
Naoya Hirano

Recommendations from stakeholders

We asked the experts who, as third parties have watched over Anritsu's CSR activities, about their expectations in respect to our initiatives ranging from CSR to sustainability promotion activities.



Makiko Akabane
Country Director,
Japan Office
CSR Asia

1. Expectations in Respect to Anritsu Initiatives from CSR to Sustainability Promotion Activities

From fiscal 2018, the Anritsu Group established the Sustainability Promotion Center, which operates directly under the Board of Directors. This demonstrates well the Group's fundamental position emphasizing sustainability in managerial decision making. With overseas sales accounting for approximately 70% of total sales, Anritsu approaches its 123rd anniversary with well-established sustainability management practices in place and is building a system for further growth. I think that it is a wonderful organization. In the future, I think that the permeation of sustainable ethics within companies will become more important. How can each employee through daily work activities incorporate elements of sustainability into their job? I hope that employees can take the initiative and incorporate sustainability into their work and link this to broader Company-wide sustainability management.

2. Anritsu's Important Themes

Anritsu is working on three main issues related to manufacturing; supply chain management, quality, product safety, and promotion of protection of the global environment.

- ▶ We would like you to provide your opinions on activities and items that should be evaluated or added in relation to current activities and KPIs.
- ▶ For Anritsu, supply chain management is extremely important. Please point out any areas you consider insufficient or where you sense there may be issues.
- ▶ We would like you to provide your opinions and evaluations in relation to the implementation of environmental management from the standpoint of the way it should be and what further efforts we should make.

Worker health and safety related to the supply chain is a major concern in large companies around the world. For example, it is important to ensure the installation and checks of emergency exits so that employees can evacuate in case of emergency. In addition, night evacuation drills are necessary at the manufacturing sites with a night shift. I recommend the disclosure of a little more information in relation to occupational health and safety.

I viewed the questions in the CSR procurement questionnaire to suppliers, and I was concerned by the use of the word "appropriate". For example, in one question there is the phrase "conducting appropriate health care for all employees". However, if the respondent takes that to mean "adequate," where Anritsu takes it to mean "insufficient", then this can be taken to be a violation. It is important to avoid wording that allows an answer to be changed subjectively by respondents.

For Anritsu to further raise how its environmental management is evaluated globally, I think it should disclose more information about pollution prevention. Throughout the world, environmental pollution problems are listed as matters of concern. For example, "industrial wastewater" is described from the time a leak occurs, but, if there is further information such as countermeasures and training, please consider disclosing these other items also.

Recommendations from stakeholders



Daisuke Goto
Representative Director
ideaship Inc.

1. Expectations in Respect to Anritsu Initiatives from CSR to Sustainability Promotion Activities

I believe that organizational changes that place the Sustainability Promotion Center on a governance level directly under the Board of Directors is a significant step for the Anritsu Group in the sense that it clearly identifies the Board of Directors as responsible for how sustainability is managed. In the future, my expectation is that the Board of Directors will raise the standard of sustainability management through substantive deliberations on measures to address important sustainability issues and reviewing and approving the Sustainability Report.

To that end, the Sustainability Promotion Center steps into the role of the coordinator, which has conventionally been the role of the CSR Promotion Organization, collects and analyzes information itself, forms strategies and plans while also working with related departments. Of course, isn't it also necessary for the Sustainability Promotion Center to be involved in implementation and to play a more-active role? By doing so, I think that the Sustainability Promotion Center will be able to respond in a timely and appropriate manner to changing sustainability demands and to operate an effective PDCA cycle.

2. Anritsu's Important Themes

- ▶ Anritsu is conducting a reconstruction of social issues to be addressed by taking account of the sustainable development goals (SDGs) for each department. We invite your opinion on how to deal with materiality and areas that require further consideration.
- ▶ Please give us your opinion on what Anritsu's position should be and, from a medium- to long-term perspective, how to achieve the KPI.

Based on the various challenges presented by the SDGs, and as a mirror on the global problems that must be resolved, the reorganization and redefinition of the social tasks into the main areas to be acted on provide Anritsu with an opportunity to take the initiative and rethink its business activities. To maximize the effect of this important effort, I will make three proposals.

The first is to focus on the future rather than the present. I would like to propose that the main purpose of SDGs is not the contribution that the Company currently makes but the contribution that is possible by the year 2030.

The second is to read the SDGs purposely and carefully. The Anritsu Group plays a social role supporting the information and communication infrastructure, and this provides only an indirect relationship between daily life and industry. I think that it is beneficial to devise ideas and flexible interpretations to convey the broad benefits that this infrastructure brings to the world. Looking forward, Anritsu should take a broad perspective and set living, meaningful goals for each business to pursue.

Finally, I propose the Company draws together views submitted by each department from a cross-sectional/strategic perspective. This might be an opportunity to trial the leadership of the Sustainability Promotion Office.

Recommendations from stakeholders



Toshimune Yamaguchi
Director
Caux Round Table-Japan

1. Expectations in Respect to Anritsu Initiatives from CSR to Sustainability Promotion Activities

For the integration of management and sustainability, it is important to incorporate a sustainability perspective into the governance functions that provide for the oversight of management execution as well as mechanisms for management execution and decision making. There are still many Japanese companies that have been unable to achieve this. In April 2018, in tandem with revisions to clarify its Sustainability Policy to bring it into line with the Basic Policy on Corporate Governance, Anritsu is evaluating its proactive governance reforms including the implementation of organizational changes that position four divisions, including the Sustainability Promotion Center, on a governance level directly under the Board of Directors.

To make sure the system and structure can function effectively in the future and ensure that it does not become merely a facade, it is important to establish internal reporting and lines of communication. And, above all, I believe that enhancing the transparency of information disclosure and ensuring an open stance toward stakeholders will strengthen the external oversight functions and improve reliability.

2. Anritsu's Important Themes

In addressing issues related to human resources, Anritsu is incorporating the three major issues: respect for human rights and diversity, human resource development, and occupational health and safety.

- ▶ Please evaluate Anritsu's efforts in relation to human resources and outline any areas you think Anritsu should be mindful of or should implement.
- ▶ With human resources becoming especially important due to the declining birthrate and aging population, and a strident advocacy for diversity, what kind of efforts are required for enterprises in the future? And, through these efforts, what should we aim for?

Anritsu has assessed policies actively promoted thus far that take into consideration diversity and work-life balance, such as improvement in the employment ratio of new female graduates and its response to LGBT issues.

In the future, as the declining birthrate, the aging of society, and globalization progress, initiatives in relation to human resources cannot be achieved if they are designed merely for the convenience of companies. When Anritsu uses the term diversity, it means that the Company must accept the diversity in the community as it is, regardless of gender, nationality, or religion. This may be a difficult thing to do. However, while accepting diversity and taking both the employees' human rights and their employability into account, the Company must not forget how to devise a means to link this to the growth of the Company.

I think there are various ways to create specific systems and mechanisms to respond to human resource issues, but, in responding to diversity, it is important to maintain an ability to listen to the voice of employees. For example, by maintaining an approach where the Company emphasizes engagement with employees through means such as employee satisfaction surveys and a helpline system, Anritsu is demonstrating its desire to communicate with employees. As a result, I believe that a chemical reaction occurs whereby a diverse range of employees can work with peace of mind, providing a premium to the Company, and enhancing their own motivation and abilities.