



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.

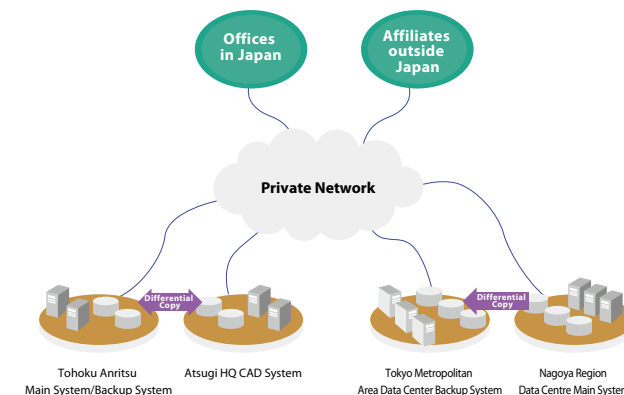
Production lines have been distributed between the two plants to ensure stable supply. In March 2015, we constructed a global headquarters office building in Atsugi City, Kanagawa Prefecture, as a BCP countermeasure to maintain the continuity of Group core functions. This building has a seismic base 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.





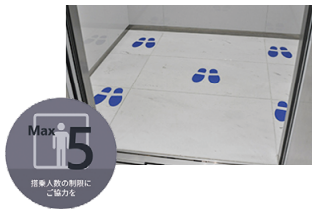
Response to Infectious Diseases

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



乗車人数の制限にご協力を

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)	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Online financial briefings and IR meetings
Supply chain	<ul style="list-style-type: none"> Information collection and support from suppliers Consideration of substitute suppliers depending on the status of infection and operation
Regional societies	<ul style="list-style-type: none"> 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) <ul style="list-style-type: none"> Banned business trips to China and unnecessary business trips to other foreign countries; visitors were given a questionnaire, and their temperature was measured
February		<ul style="list-style-type: none"> 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% <ul style="list-style-type: none"> 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% <ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Started corporate bus services for commuting