

Cover Story Group CEO Message Solving Social Issues Through Business Management Supply Chain Sup

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

Rights and Diversity

Respect for Human Rights and Diversity

Management

Stance on Social Issues

Development

Health and Safety

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

Quality and Product Safety

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.

Customer Service and Support

Performance Data

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.



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4	WEB	Anritsu Group Charter of Corporate Behavior
1	WEB	Anritsu Group Code of Conduct
4	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.

Health and Safety

Activities / Achievements

Development

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.



Rights and Diversity

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.



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.

Customer Service and Support

Performance Data



Quality and Product Safety

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.



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■ 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.					
Managers	In fiscal 2017, we revised the tier-based training system for young workers and leaders, which had accepted only who meets certain conditions. This helped raise the female participation rate from around 12% through fiscal 201 ing program aimed at supporting the advancement of women's careers, also proved to be successful, leading to t 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 growing our business and raising our corporate value. *For reference: the industry's average ratio is 3.3% as of March 2020.	6 to 17% in fiscal 2017, 20% in fiscal 2018, and 13% in fiscal 2019. Other measures, such as the train- he appointment of three female managers (30% of all newly appointed managers) in fiscal 2019 and				
Leaders	Prizota Constant Discussion of Female Limployees					
New recruits		Ratios of Female employees among New Graduate Recruits of the Anritsu Corporation in Japan (persons) (persons) (Unit: %) 45 30 18 27 25 20 17 18 19 27 25 20 17 18 19 27 21 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 11 10 10 11 10 10 11 10 1				



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Through Business

Sustainability Management

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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.

2018年認定

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.



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* (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.

Anritsu Corporation Childcare Leave Usage Results

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

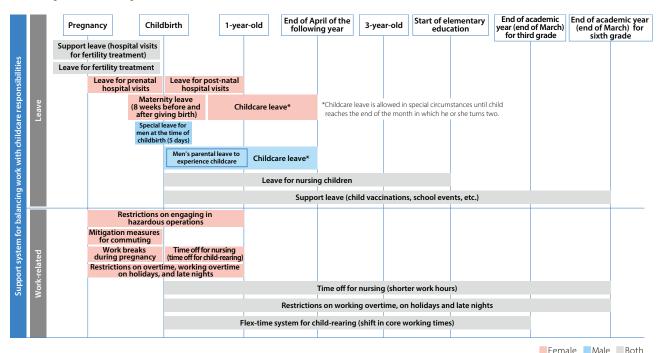
^{*}For fiscal 2019, the total shows employees who have been with the Company for one year or longer after returning to work, with childcare leave taken between fiscal 2016 and fiscal 2018, as of March 31, 2020.

^{*2} Support Leave covers a range of reasons including child-rearing and nursing, commuting to hospital, and school events.



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■ 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.