

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.

The Anritsu Group operates businesses for maintaining social infrastructure, including the evaluation and efficient operation of information and communication systems and the production of food and pharmaceuticals. Even in the wake of a disaster, we recognize that ensuring the safety of our employees and business continuity are a core mission and vital for the Group.

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

We established a prevention system associated with disasters that could significantly affect our management, places top priority on ensuring the safety of our stakeholders, including employees and local communities. In the event of a disaster or accident, we strive to minimize damage and promptly resume business activities in order to fulfill our social responsibility and ensure sustainable growth.

*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.

Response to Disasters and Infectious Diseases (Structure)

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 and Achievements

Business Continuity Planning

Each division and Group company formulates a business continuity plan (BCP) to maintain efficient operations in the event of a natural disaster, infectious disease, or other unexpected event by minimizing damage and resuming full business activities as quickly as possible.

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.

Moreover, in response to the COVID-19 pandemic, we established the Emergency Response Headquarters and have been taking action based on the Infectious Diseases Response Manual. While placing the highest priority on ensuring the safety of our customers, suppliers, employees, and their family members and preventing the spread of the pandemic, we will continue to take appropriate actions to ensure the reliable delivery of products and services to customers and help solve social issues brought on by the spread of the pandemic.

Disaster Prevention Initiatives

● Response to the 2021 Fukushima Earthquake

At around 11:07 P.M. on Saturday, February 13, 2021, a strong earthquake with a magnitude of 7.3 occurred off the coast of Fukushima Prefecture. It recorded a maximum seismic intensity over 6 in both Fukushima and Miyagi prefectures and partially damaged the first and second factories at Tohoku Anritsu Co., Ltd., located in Koriyama City, Fukushima Prefecture.

The Emergency Call (EMC) system was automatically triggered immediately after the earthquake, and we were able to confirm the safety of all our employees in the affected areas by the next morning. To assess the extent of the damage, we inspected the buildings and production facilities and discovered that had occurred to the buildings and some objects had fallen. However, since the impact on the production facilities was minimal, we were able to complete the necessary repair work and a quality verification, and we resumed normal operations from the start of the business day on Friday, February 19.

● 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

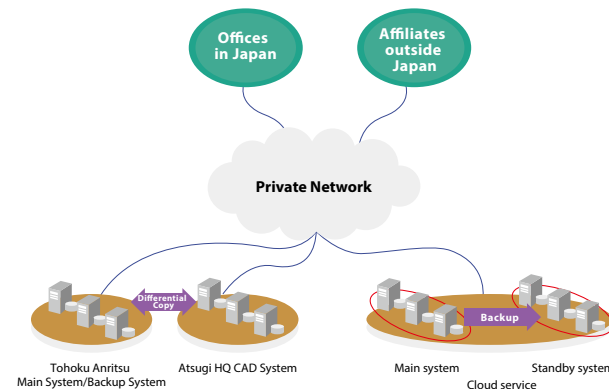
Anritsu has been steadily expanding the building safety assessment system for the Atsugi Headquarters region that was introduced in

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.

In fiscal 2021, we plan to reuse buildings not currently in use by implementing seismic reinforcement.

● 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

The Emergency Response Headquarters, established at the end of January 2020, has continued to work on a variety of measures to prevent the spread of COVID-19 and respond to potential outbreaks. To prevent the spread of COVID-19 within the Company, we have increased the number of thermography cameras installed and conduct thorough temperature checks to protect our office premises from virus. We are also striving to encourage contactless work styles to adapt to the new normal, which include telecommuting, distributing masks, disinfecting, installing partitions to contain respiratory droplets, ensuring social distance when using meeting rooms, elevators and cafeterias, moving external and internal events online, and restricting business trips and face-to-face customer services. In addition, we manufacture and distribute nonwoven masks for employees in the event of a mask shortage. We also operate shuttle bus services for employees between the head office and Hon Atsugi Station to protect them from COVID-19.

During declared states of emergency or quasi-emergency, 70% to 80% of our employees telecommute.

In countries where COVID-19 is spreading, Anritsu Group companies are following the policies and guidance of local health authorities and following precautionary practices, such as washing hands, wearing masks, installing partitions, social distancing, and telecommuting.

We will continue to strengthen and thoroughly implement measures to prevent COVID-19.

Response to Stakeholders (as of July 31, 2021)

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 In-house manufacture and distribution of masks to employees
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 DS2 dust masks stockpiled in the neighborhood 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

In-house Manufacturing of Nonwoven Masks

Anritsu manufactures its own nonwoven masks and distributes them to employees. This activity is intended to support an effective BCP by providing a stable supply of masks to employees to prevent the spread of COVID-19 in preparation for a prolonged duration of the pandemic.

To manufacture masks, the Global Procurement Operation

Division, SCM Division, Management Strategy Center, Human Resource and Administration Department, and Anritsu Kousan Co., Ltd. worked together in a project team to introduce manufacturing equipment, procure materials, and acquire manufacturing techniques. Although material procurement posed significant challenges due to the continuously rising demand for masks, thanks to the cooperation of our suppliers, the project team managed to procure all the necessary materials, including nonwoven fabrics. The masks are manufactured by employees of Anritsu Kousan Co., Ltd., which acquired the technique from advice offered by the equipment manufacturer. The manufactured masks are inspected using our metal detector to ensure that they do not contain any metal particles.

We distribute them to our employees as well as to customers, suppliers, and local communities around our business establishments to help prevent the spread of COVID-19 through droplets.



Manufacturing site for nonwoven masks



Metal Detector

Quality of Our Masks

The National Mask Industry Association, which belongs to the Japan Hygiene Products Industry Association, has established the voluntary standards for labeling and advertising of masks and voluntary standards for safety and sanitation of sanitary masks to promote proper labeling of sanitary masks and standardized performance tests of their filters.

After undergoing strict screening, the safety of our masks has been recognized by the National Mask Industry Association, granting

Anritsu membership to the association. The package boxes are printed with a mark verifying the masks have been manufactured in compliance with the standards as a member of the association.



Masks made by Anritsu



The back of the box, showing the voluntary standard label and a membership mark

VOICE

Contributing to COVID-19 Prevention by Manufacturing High-Quality Masks

Daisuke Shibuya
Anritsu Kousan Co., Ltd.

Despite never having manufactured masks before, we managed to overcome a number of challenges, such as procuring the right materials and adjusting our production processes, with help from other departments that worked with us as a team. After significant trial and error, our production process is now fully reliable. I'm proud to be part of this initiative, with the knowledge our efforts will lead to the safety and security of many people in and outside the Company. Looking ahead, we'll continue to do our best to ensure a stable supply of high-quality nonwoven masks.