

MESSAGE

Message from the Executive Officer in Charge of Human Resources and Administration



Takashi Sakamoto

Executive Officer, Chief Human Resource and Administration Officer
Director of the Human Resource and Administration Department

Employee diversity is our source of growth and value creation for society.

In fiscal 2020, Anritsu's management took all possible precautions to protect employees from COVID-19. The Group set up an emergency response headquarters, led by the president, and has since implemented measures such as a new set of rules on telework. Telework had been discussed before; however, we defined the rules this year specifically to protect employees from infection and implement the system, which allows for flexibly increasing and decreasing the scale of telework in response to the circumstances of the current pandemic.

Anritsu set the Sustainability targets (ESGs) in the GLP2023 Mid-Term Business Plan. In the social area, we are more actively supporting the career development of female and senior employees and hiring more people with disabilities. For female employees in particular, we seek to attain the female manager ratio of 15% or higher, and we are rebuilding the promotion team under the leadership of female directors. We will also strengthen the supporter and mentor role of current female managers to help other female employees overcome the three barriers in the areas of consciousness and determination, surroundings and environment, and abilities and skills. Moreover, we will introduce new employment systems, such as compulsory child-care leave for male employees, as well as new career and skill development programs.

Anritsu's workstyle reform should enable all employees to maximize work quality, quantity and value creation. To that end, we are planning to optimize our workplace for all employees and increase their engagement in the Group.

A company is a group of people with different values. This diversity is the true driver of corporate growth and value creation and is why our renewed Sustainability Policy emphasizes that "We will respect the human rights of all people and strive to create a workplace offering healthy lives and decent work for all where diverse individuals can grow together."

The Anritsu Group envisions itself in 2030 as a group of companies whose business is contributing to society while satisfying employee life-work needs and ambitions. Realizing this vision will require converging multiple vectors, which will in turn build sustainable relationships between management and employees. As the executive officer in charge of personnel and general affairs, I will plan and implement effective strategies for such a future.

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Respect for Human Rights and Diversity

Stance on Social Issues

A company is a group of people with different ways of thinking and different values, 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 believe it is increasingly important for companies to promote diversity management. For Anritsu, for which overseas sales account for 69% of total sales (in fiscal 2020), maintaining its current business and achieving the Company Vision renewed in April 2021 requires creating an environment in which a diverse group of employees can work actively and share their values.

Policy

As a group of companies 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 Ten 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 Anritsu Group Charter of Corporate Behavior for guiding the Anritsu Group in the conduct of its social responsibility, we declared that 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 we will never accept child labor or forced labor.

The Anritsu Group 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.

Apart from its Code of Conduct, the Anritsu Group has its Diversity Policy, which serves as the guiding principle for workplace improvement. Under the policy, we are committed to maintaining global perspectives, appreciating the visions of those at other companies or industries, evaluating employee creativity regardless of age or gender, and increasing our diversity by raising the ratio of female, mid-career and foreign-national employees within the workforce.

[WEB Anritsu Group Charter of Corporate Behavior](#)

[WEB Anritsu Group Code of Conduct](#)

[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 people with disabilities, and developing the careers of foreign-national employees and senior employees, we set up in fiscal 2016 the Diversity Promotion Team, a special team for those tasks, within the Human Resource and Administration Department.

Goals

Respect for Human Rights

- ▶ **Raising employee awareness of human rights and strengthening the supply chain's responses to human rights issues**

Respect for Diversity

- ▶ **Striving to converge vectors between management and employees beyond diversity, foster a sense of contribution to Anritsu and society in all employees, and support them in maintaining a sound life-work balance**

Major Indices (Goals until Fiscal 2023)

- Advancement of women: A proportion of women in manager positions of 15% or more (global)
- Advancement of the elderly: Employment until the age of 70 and the establishment of a new compensation packages
- Promote employment of physically challenged people: Achieve the legally mandated employment rate of 2.3% through job development

Activities and Achievements


Human Rights


● Respecting Human Rights

In March 2006, Anritsu declared its support for and participation in 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. For the purpose of deepening understanding of those four principles, Anritsu Group employees are required to annually review the Anritsu Group Code of Conduct through an online program and submit a written confirmation of their intention to observe the code. Newly

appointed managers at the Domestic Anritsu Group companies are also required to participate in an educational program on human rights to refresh their understanding and awareness of what constitutes proper behavior. The Anritsu Group places emphasis on measures against discrimination, acts disrespectful of human dignity, and all types of harassment. Through the use of internal and external hotlines and annual surveys on corporate ethics, we seek to identify and eliminate any human rights risks that may exist in the organization.

In the supply chain, we seek the understanding and cooperation of our supply chain partners through the 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.

 **P.84** Hotline

 **P.63** 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, we have released the UK Modern Slavery Act Statement. In 2020, we also released the Australian Modern Slavery Statement.

 **P.64** Modern Slavery Act

● Human Rights Education

The Domestic Anritsu Group provides human rights training for new employees and newly appointed managers every year to raise or refresh their awareness and understanding of the importance of respecting human rights in doing business. They also learn or review the Anritsu Group Charter of Corporate Behavior, Anritsu Group Code of Conduct, and Rules of Employment.

● Labor Union and Dialogue Between Labor and Management

The labor union at Anritsu is based on respect for freedom of association and the right to collective bargaining as stated in Principle 3 (Labor) of the Ten Principles of the UN Global Compact and for the rights guaranteed in the Constitution of Japan for employees to organize, bargain and act collectively. Members of the Anritsu labor union in fiscal 2020 included employees in general positions (excluding part-time workers and managers) at Anritsu Corporation and Anritsu Customer Support Co., Ltd.

To establish a sound labor-management relationship, representatives from the Anritsu companies meet regularly with the labor union to share information and engage in discussion. Issues raised at these meetings are separately resolved through labor-management negotiations.

Labor Union Membership Rates at the Two Domestic Anritsu Group Companies (as of March 31, 2021)

Company	Labor Union Members (Persons)	Regular Employees (Persons)	Labor Union Membership Rate (%)*
Anritsu Corporation	994	1,284	77.4
Anritsu Customer Support	56	69	81.2

*Labor union membership rate = labor union members/regular employees

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● Using Fairtrade-Certified Coffee Beans

Since November 2019, Fairtrade-certified coffee beans have been used for the coffee served to guests at HQ's reception and conference rooms and made available at corporate cafeterias. Through the purchase of beans produced and sold under fair trade terms, Anritsu supports Fairtrade's initiative to improve the living standard of producers and laborers in developing countries and support their financial independence. (As of August 2021, coffee is not served for guests as part of measures to prevent COVID-19.)



Diversity

● Career Development for Cultivating Female Leaders

Women-focused recruiting and career-development initiatives are under way at Anritsu to support female employees more directly involved in the process of growing the Company and raising its corporate value while also supporting them to maintain a life-work balance.

Appointment of Directors

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, Hanako Noda was appointed as executive officer and CTO, and she has since headed the Advanced Technology Research Center.

In fiscal 2021, Nozomi Ueda was appointed as an outside director and member of the Audit & Supervisory Committee. She has expertise in corporate governance and compliance. Keiko Shimizu, an outside director and member of the Audit & Supervisory Committee, has resigned from the job. Anritsu has 1 female director, or 10% of all directors.

WEB Anritsu Integrated Report 2021, CTO Message

WEB Anritsu Integrated Report 2021, Directors and Executive Officers

Promotion to Managers

In fiscal 2017, we revised the tier-based training system for young workers and leaders, which had accepted only workers recommended by department managers until fiscal 2016, to allow participation by anyone who meets certain conditions. This helped raise the female participation rate from around 12% through fiscal 2016 to 17% in fiscal 2017, 20% in fiscal 2018, 14% in fiscal 2019, and 27% in fiscal 2020. Other measures, such as the training program aimed at supporting the advancement of women's careers, also proved to be successful, leading to the appointment of two female managers in fiscal 2020 and two more in fiscal 2021 (14% of all newly appointed managers in both years).

P.72, 73 Employee Data, Female Anritsu Employees Globally

Career Support Programs

We have been conducting various training programs exclusively for female employees. In fiscal 2020, a round-table discussion and workshop were held by female employees pursuing promotion to management positions. We will continue to provide female employees with career development programs.

FY2020 Round-table Discussion and Workshop for Female Employees

In fiscal 2020, as in fiscal 2019, the round-table discussion and workshop sessions were held online by the Domestic Anritsu Group. In fiscal 2021, these events will be more comprehensive thanks to cross-sectional preparation currently under way.

Participants: female applicants who have previously taken the Management Course Exam*
*Only those who pass the exam are qualified to become managers.

Number of participants in the round-table discussion: 11 participants

● Objectives

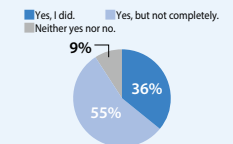
Providing participants with opportunities to think about future careers and helping them meet more colleagues for sharing information and network with female managers

● Discussion theme

Thinking about your future career: "What is your ideal workstyle?" and "What are your career goals?"

● Results of the Questionnaire Survey Conducted with the Participants

Q Did you find information to solve your concerns or questions?



Number of participants in the six-session workshop: 9 participants and 4 female managers as facilitators

● Objectives

Reading the designated book, How to Break the Twelve Bad Habits that Ruin Women's Careers, and practicing the discontinuation of bad habits toward career development and confidence building

● Workshop overview

Making a three-month plan to overcome bad habits that have hindered one from achieving their personal vision of themselves, receiving and giving coaching on the plan from and to other participants,

and presenting in front of other participants what you are going to do to reach your planned goal

● Feedback from participants (examples)

- Advice and encouragement from various perspectives made me realize that I should not stand in my own way.
- I was able to consciously shift in my habits toward the goal I have pursued.
- I found managers' action plans informative and inspiring.

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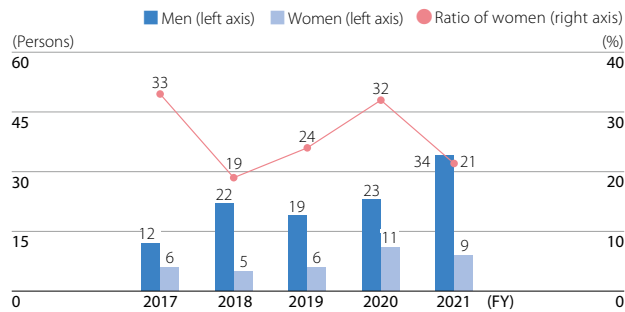
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Recruitment Activity

Anritsu hires new employees on a gender-neutral basis in all positions, be they in office administration or technical areas. We attained the goal set in fiscal 2016 of raising the ratio of female employees in Japan to 20% of all new recruits by 2020 as a result of public relations activities focused on female students and the best use of websites and job fairs. We continue to work toward the goal of maintaining a female employee ratio at 20% or higher of all new recruits and seek to further increase the number of female employees who will play an active role in the Anritsu Group.

Ratios of Female Employees among New Graduate Recruits of Anritsu Corporation in Japan (as of April 1 for each year)



● **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. In line with Anritsu Corporation's Action Plan to Support Child-Rearing (6th stage), which began in fiscal 2020 (see the table below), we have focused on promoting improved life-work balance among

our employees. In fiscal 2021, we are striving to improve working conditions as part of our workstyle reform.

Efforts by labor and management through the Committee for Promoting Life-Work Balance are also under way. Anritsu was recognized as a "company supporting child-raising" by the Ministry of Health, Labour and Welfare in 2015 and 2018 and was awarded the Kurumin Triple Star Certificate by the ministry in 2020.

In regard to childbirth and childcare, the Domestic Anritsu Group offers programs that exceed legal requirements including in terms of leave, reinstatement, and shorter working 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. During fiscal 2020, five female and four male employees took parental leave. We continue to work on raising awareness and improving the understanding of the opportunity among employees.



Anritsu Corporation's Action Plan to Support Child-Rearing (6th Stage, April 1, 2020 to March 31, 2024)

Objectives	Measures	Actions
Improve working conditions toward workstyle reform	Review and improve the workplace environment so employees have a better life-work balance	From April 2020: considering and designing a flexible system that offers workstyle options (such as telework)
Draw up, consider and implement a plan for revising and reinforcing childcare systems	Cultivate a workplace culture in which employees feel free to take days-off or leave for a better life-work balance	From April 2020: promoting a workplace culture that is more supportive of men taking childcare leave

Anritsu Corporation Childcare Leave Results

	Gender	FY2018	FY2019	FY2020
Total number of employees eligible to take childcare leave during the year	Male	23	14	23
	Female	4	7	3
Total number of employees who took childcare leave	Male	2	2	4
	Female	4	7	5
Total number of employees who returned to work following childcare leave	Male	2	2	4
	Female	12	4	7
Total number of employees who have been with the Company for one year or longer since returning to work after childcare leave taken during the three years preceding the reporting years*	Male	4	4	6
	Female	15	19	18
Rate of employees who returned to work after childcare leave	Male	100%	67%	100%
	Female	100%	100%	100%
One-year-later retention rate of employees who returned to work after childcare leave	Male	100%	100%	100%
	Female	100%	100%	100%

*For fiscal 2020, 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 2017 and fiscal 2019, as of March 31, 2021.

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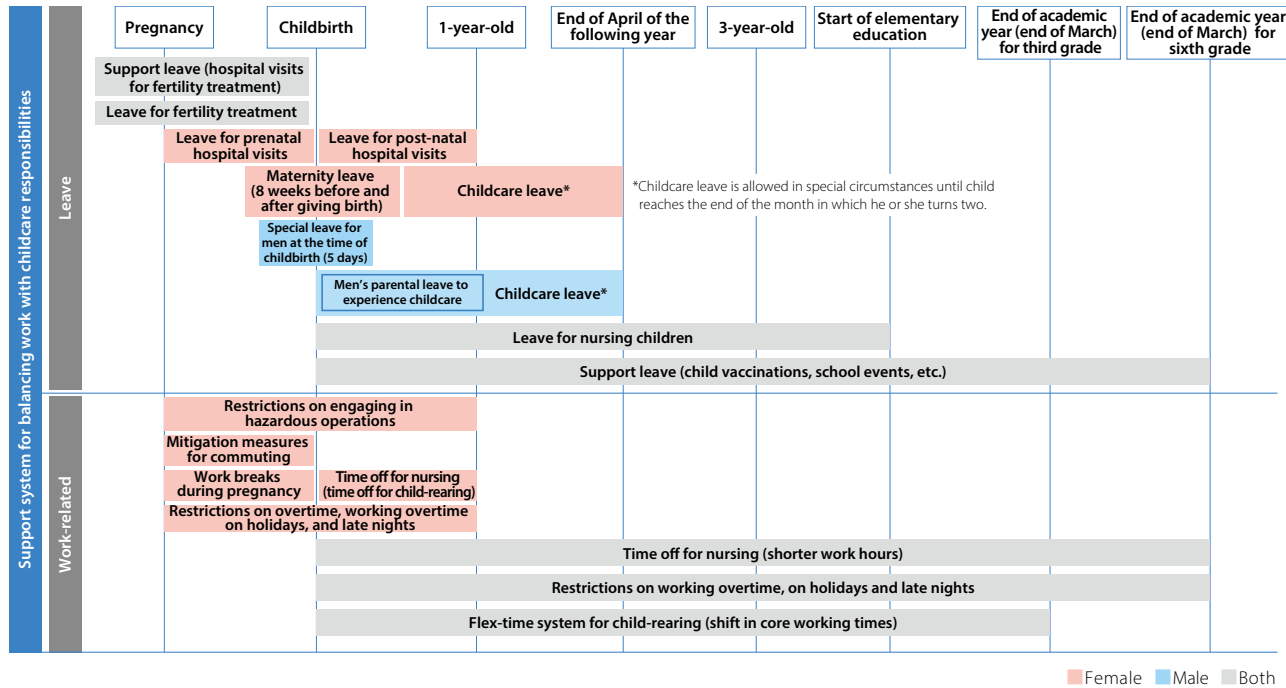
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Parenting and Childcare Programs



● **Making Use of Mid-Career Employees**

We believe that having diverse perspectives beyond the boundaries of companies and industries is crucial in expanding business domains and tapping into new business fields. We have therefore hired many mid-career employees. The ratio of mid-career employees to all managers at Anritsu Corporation is approximately 10%, while the corresponding ratio in management positions (vice president, executive officers, advisors, etc.) is approximately 20%, indicating that the intended diversity is in place. We intend to hire mid-career employees at 30% of all new hires every year.

● **Promoting the Careers of Foreign-National Employees Hiring by Anritsu Corporation**

Anritsu Corporation 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, 2021, 52 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. And we will continue to develop a working

environment that supports the engagement of foreign-national employees. Anritsu Corporation is not hiring technical intern trainees.

● **Promotion to Managers**

Anritsu has deployed its human resources without any regard to nationality. A number of overseas Anritsu Group employees serve as managers at Anritsu Corporation, and approximately 30% of executive members of the Overseas Anritsu Group companies are foreign nationals.

Anritsu will continue personnel assignments regardless of nationality to further diversify its business; the global perspectives of foreign-national employees and their local networks are essential for increasing our business domains and exploring new markets.

In addition, Anritsu does not set quotas on the promotion of foreign-national employees to manager positions.

The Domestic Anritsu Group has worked closely with the Overseas Anritsu Group, sharing information about social issues and customer needs and reflecting it in the joint development and marketing of products. The Anritsu Group maintains a sound balance and diversity in the nationalities of managers and will continue to do so for the foreseeable future.

● **Status on Employment of People with Disabilities**

As of the end of March 2021, the ratio of employees with disabilities at Anritsu Corporation was 2.05%, which fell below the legally mandated employment rate of 2.3%. The Company continues to engage in related recruitment activities, including cooperation with outside organizations such as Hello Work, the Japanese government's employment service 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.

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Employment Rate for People with Disabilities at Anritsu Corporation (%)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Legal disability employment ratio	2.00	2.00	2.00	2.20	2.20	2.30
Ratio of employees with disabilities	1.89	1.72	1.74	1.63	1.87	2.05

*As of March 31 for each fiscal year (e.g., FY2020 = March 31, 2021)

● Sponsoring Paralympic Art

For the mission of “creating a world where people with disabilities can make their dreams come true through art,” the general incorporated association named Shogaisha Jiritsu Suishin Kikou (“Paralympic Art”) sells or loans out works of art created by persons with disabilities to support their financial independence and participation in social activities, and it is contributing to achieving the SDGs. Anritsu joined the association’s sponsorship program to show support for this mission and to participate in the creation of a world in which people respect and support each other. By decorating an office wall with five Paralympic Art paintings selected by employee vote, Anritsu is enabling the artists to earn money and publish more works. The theme of the five paintings is “living together in the difference.” They are a reminder of our commitment to becoming and being a company where everyone feels welcome, appreciated and encouraged to contribute to the creation of a world where everyone can lead a happy life.



Paralympic Art paintings exhibited at our office

● 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. Senior employees will remain indispensable in this age of declining younger populations, and we will continue to promote the creation of a workplace in which they play an active role.

● LGBT Consideration

We have improved our working environment for LGBT employees. For instance, our employee help desks installed in and outside the Group are now capable of handling LGBT issues. Some of our facilities have gender inclusive bathrooms, and our recruitment entry sheet no longer has a gender section. Looking ahead, we will continue to foster a climate of diversity and inclusion.