

Message from the Chief Human Resource and Administration Officer

Respect for Human Rights and Promotion of Diversity

Human Resource Recruitment and Development

Occupational Health and Safety

Message from the Chief SCM Officer

Supply Chain Management

Quality and Product Safety

Customer Service and Support



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Message from the Chief Human Resource and Administration Officer



Takashi Sakamoto

Vice President, Chief Human Resource and
Administration Officer

Establishing an environment for diverse individuals to work in multiple styles and perform to their full potential and best abilities

In today's ever-evolving business environment, key elements for creating and growing businesses depend on People, Diversity & Inclusion. One objective for Anritsu's acquisition of TAKASAGO Ltd. and launch of Hapi Sma Co., Ltd. with its workplace designed to support the long-term employment of people with disabilities is to achieve diversity and thereby strengthen the Anritsu Group's human resources.

I'm constantly thinking about how we can establish a workplace environment in which diverse employees can maintain a sound life-work balance and grow through healthy competition and job satisfaction. We have been working on "advancement of women," "employment of physically challenged people" and "advancement of the elderly" to promote diversity management, which is one of the sustainability targets of the GLP2023 Mid-Term Business Plan. As a result, with Hapi Sma certified as a special subsidiary company for people with disabilities, the Domestic Anritsu Group's ratio of employees with disabilities reached 2.54% (as of the end of March 2022), exceeding the legally mandated employment rate. In addition, we plan to adopt new programs in October 2022, in which the retirement age is raised to 65 and can be extended to 70 years old, in order to create a setting for senior employees to utilize their abundant experience and continue to experience contributing to the Company.

As for further strengthening initiatives for empowering female employees, we will increase the female ratio of new graduate hires in both technical and administrative jobs and recruit mid-career female candidates for manager positions. Apart from providing more options for maintaining a sound balance between family and work by encouraging the use of programs such as teleworking, shorter working hours, and childcare leave for male employees, we will also introduce a career path system for female employees to facilitate their long-term career goals after being assigned to managerial positions. Our employee satisfaction survey found that over 90% of employees satisfy with the workplace environment in both fiscal 2020 and 2021, and more female employees experienced work satisfaction than male employees in fiscal 2021 for the first time. I believe that these results can be attributed to our actions to support human resource diversity.

We have positioned fiscal 2022 as the first year of workstyle reform and will strive to instill and promote diversity and inclusion. We will then focus the multiple energies of the Company and employees with versatile values so everyone can work enthusiastically, fulfill both personal and professional life goals. Anritsu and its employees envision a shared sustainable future and will together work toward achieving the 2030 vision of becoming a company that contributes to solving social issues.

Social

Respect for Human Rights and Promotion of Diversity

Stance on Social Issues

Respect for human rights has become more important than ever before in today's business practices, and every company is now responsible for creating a work environment in which the human rights of each employee and other stakeholders are respected beyond differences in their ideas and values. 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. For the Anritsu Group, whose overseas sales account for 70% of total sales (in fiscal 2021), 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

The Anritsu Group as a global business entity constantly reminds employees about policies related to human rights as indicated below for responsible action, based on the International Bill of Human Rights, 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, ISO 26000:2010 (which provides guidance on how companies can operate in a socially responsible way), and Children's Rights and Business Principles.

Sustainability Policy

As the Group's guiding principle instructing employees to contribute to building a sustainable future of the global society as part of the effort to increase our long-term corporate value, the Sustainability Policy declares: "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."

Anritsu Group Charter of Corporate Behavior

As the Group's guiding principle on corporate behavior, the Charter states: "The Anritsu Group 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."

Anritsu Group Code of Conduct

As the Group's guiding principle instructing employees on appropriate business behavior, the Code states: 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.

Diversity Policy

As the Group's guiding principle on creating a work environment in which a diverse group of employees can work actively and share their values, the Diversity Policy emphasizes the commitment 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.

Sustainability Policy

Anritsu Group Charter of Corporate Behavior

Anritsu Group Code of Conduct

Diversity Policy

Structure

Human rights matters are deliberated on by the Corporate Ethics Promotion Committee, which is set up under the Board of Directors and the Management Strategy Conference and is chaired by the executive officer in charge of compliance and participated in by representatives of the Domestic Anritsu Group companies. This committee discusses and formulates the basic policy on corporate ethics of the Group, makes revisions to the Code of Conduct, plans for intra-Company monitoring with a corporate ethics survey, conducts analysis, makes improvements, and plans for other promotional activities related to ethics and compliance. It also reports annually on the status of ethics and compliance across the Anritsu Group to the Board of Directors.

The Anritsu Group implements human rights initiatives

throughout the value chain, including customers, suppliers and employees, under the joint leadership of the departments of Human Resource and Administration, Sustainability Promotion, Legal, and Global Procurement Operation. In order to promote 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 the Project Team as a special unit for those tasks.

Goals

Respect for Human Rights

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

GLP2023 targets on human rights in the supply chain

- Strengthening of supply chain due diligence: Accumulative total of 10 or more companies, over three years

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**

GLP2023 targets (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

Other targets

Mid-career hiring: hire mid-career employees at a rate of 30% of all new hires every year.

Foreign-national employees: Maintaining the same number of foreign-national managers as in fiscal 2021 (with foreign-national directors and managers in Anritsu Corporation representing: 10% of the total)

Activities and Achievements

Human Rights

Practicing Human Rights

In March 2006, Anritsu declared its support for and participation in the Ten Principles of the UN Global Compact (UNGC). The Anritsu Group as a whole promotes initiatives that respect human rights alongside its sustainability-related activities. For the purpose of deepening understanding of the Anritsu Group Charter of Corporate Behavior and the Anritsu Group Code of Conduct, 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. In fiscal 2021, written confirmation was submitted by 99.4% of employees in the Domestic Anritsu Group and 100% of those in Overseas Anritsu

Group. We use the responses to annual corporate ethics surveys to assess human rights risks and reduce them, which included optimizing working hours and eliminating all types of harassment in fiscal 2021.

Human rights training is provided to new employees and newly appointed managers at the Domestic Anritsu Group to instill an understanding of the importance of human rights awareness.

We also have set up hotlines through which employees of the Domestic and Overseas Anritsu Group can report incidents of violation and receive consultation.

In the supply chain, we seek the understanding and cooperation of our 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.92** Hotline (Receiving Violation Reports and Offering a Consultation Service)

➔ **P.71** Supply Chain Management

Latest Response to Risks Associated with COVID-19

We assessed potential risks to employees caused by increased teleworking in response to the COVID-19 pandemic. The identified risks included a rising trend toward excessively long working hours and leading to negative impacts on mental and physical health, as well as unrecognized overtime that was therefore unpaid. As preventive measures, we introduced a system to use computer log-in and log-out time for work hour management.

We also introduced an emergency measure called the Leave of Absence Guideline for Overseas Travel to address the prolonged circumstances under which foreign-national employees have neither been able to see their families nor to refresh themselves in their home countries due to ongoing travel restrictions. The measure not only grants employees with special paid leave for quarantine periods for entering foreign countries, but also allows

them to use combined paid leave. As a result, 12 foreign-national employees were able to reunite with their families in their home countries for the first time after an extended period of time.

Response to Human Rights Issues in the Supply Chain

We conduct due diligence reviews to detect and prevent human rights risks, such as those related to modern slavery, that might be present in our business and supply chain. In fiscal 2021, we took action online to prevent such risks with six suppliers in Japan, Germany, China, and Taiwan and confirmed there were no serious risks relevant to human rights and labor, or health and safety. The initiative is disclosed in our statements in compliance with the UK Modern Slavery Act and the Australian Modern Slavery Act.

➔ **P.73** Complying with the Modern Slavery Act

Human Rights Education

The Domestic Anritsu Group provides human rights training for new employees and newly appointed managers every year. In fiscal 2021, a 60-minute session on human rights and diversity was provided for 52 new employees, while a 30-minute session on labor management, human rights, and diversity promotion and a 90-minute session on mental health was provided for 26 newly appointed managers. Moreover, education programs related to the Anritsu Group Charter of Corporate Behavior and the Anritsu Group Code of Conduct are provided by the Legal and the Sustainability Promotion departments to raise awareness and understanding of the importance of respecting human rights.

**Improving Working Conditions
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 2021 included permanent employees (excluding managers) at Anritsu Corporation, Anritsu Customer Support Co., Ltd., and Anritsu Infivis Co., Ltd.

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

Participation in an Industry Group on Labor Standards

Anritsu is a member of the Japan Employers' Federation of Electrical, Electronics & Information Industries and uses information provided by the organization and exchanged with other members to review and improve the Company's working conditions.

Anritsu also cooperates in the federation's activities to collect opinions across the industry and bring the industry's collective voice to related governments and business associations.

Labor Union Membership Rates at the Three Domestic Anritsu Group Companies (as of March 31, 2022)

Company	Labor Union Members (Persons)	Regular Employees (Persons)	Labor Union Membership Rate (%)*
Anritsu Corporation	1,497	1,758	85.2
Anritsu Customer Support	56	66	84.8
Anritsu Infivis	69	72	95.8

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

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 2022, 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. In fiscal 2021, Nozomi Ueda was appointed as an outside director and member of the Audit & Supervisory Committee. Anritsu has one female director, or 10% of all directors.

In fiscal 2019, Olaf Sieler, a German national, was appointed and has since served as executive officer as of fiscal 2022.

WEB [Anritsu Integrated Report 2022, CTO Message](#)

WEB [Anritsu Integrated Report 2022, 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 24% in fiscal 2020 and 15% in fiscal 2021. 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).

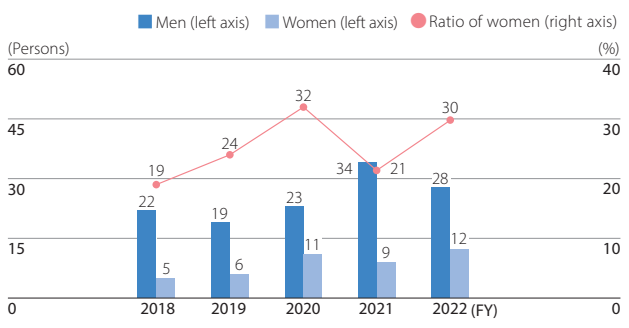
In order to achieve the GLP2023 sustainability target ratio of female managers of at least 15% of the total worldwide, we have been hiring more female employees, as new graduates or mid-career workers, and focusing on enhancing the workplace to be more welcoming for women. In April 2022, we introduced a new career path program with an emphasis on life-work balance that allows female employees to heighten and make full use of their professional specialty and expertise, to work in a style that meets their stage in life stage and personal needs and to advance their career while also contributing to business performance and solutions.

➡ P.58 Employee Data, Female Anritsu Employees Globally

Recruitment Activity

Anritsu hires employees on a gender-and race-neutral basis in all positions, be they in office administration or technical areas. We have set a target of raising the ratio of female employees to 20% of all new recruits. The ratio of women among all new hires in April 2022 was 30%, exceeding the target for the fourth consecutive year since 2019. We will keep working on this target ratio to further increase the ratio of female employees with the hope that many will become significant assets for the Anritsu Group.

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



Education on Unconscious Biases

As the first step for promoting Diversity & Inclusion, we provided all directors, executive officers, and employees of the Domestic Anritsu Group with an e-learning program on unconscious biases—in other words, social stereotypes about certain groups of people and the importance and benefit of having diverse viewpoints.

Life-Work Balance

Placing the lifestyle of each individual at the center of how they spend the 24 hours of each 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 on the next page), we have been working to advance awareness of revised workstyles and reduction of overtime work. In fiscal 2021, we introduced a system for tracking and visualizing screen time on the computers of teleworking employees to reduce overtime. As a

result, the average annual total of overtime in the Domestic Anritsu Group decreased by 36% and 6.5% from fiscal 2019 and fiscal 2020, respectively. We will continue to improve working conditions under our workstyle reform.

In regard to childbirth and childcare, we offer 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. In fiscal 2022, we extended the childcare leave period by one year, allowing employees to take the leave until the end of April of the following year in which their child turns two, instead of one. To ensure that employees applying for these programs, regardless of their gender, can balance work and childcare with greater peace of mind, we disseminate the related information Companywide. During fiscal 2021, seven female and seven male employees took childcare leave. We continue to work on raising awareness and improving the understanding of these programs.

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.



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

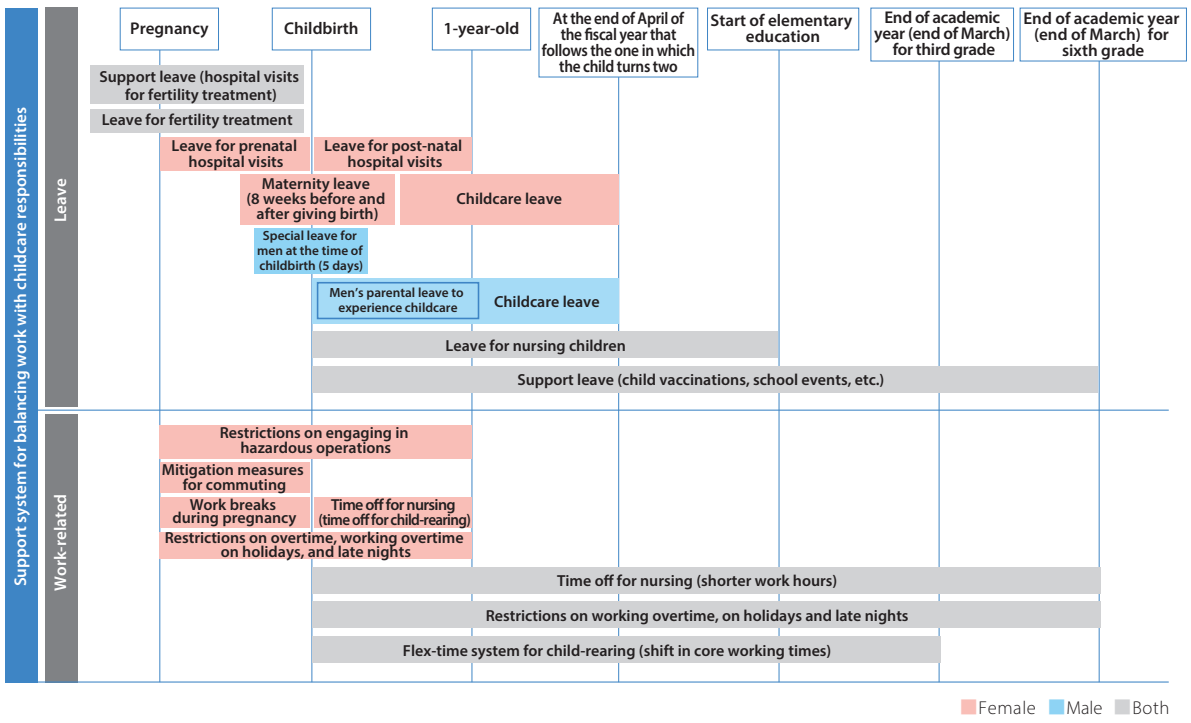
Objectives	Measures	Actions
Improve working conditions toward workstyle reform	Review and improve the workplace environment so employees have a better life-work balance	From April 2020: considering and designing a flexible system that offers workstyle options (such as telework)
Draw up, consider and 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

Data related to childcare leave	Gender	Period covered		
		FY2019	FY2020	FY2021
Total number of employees who have had children	Male	14	23	19
	Female	7	3	8
Total number of employees who started childcare leave	Male	2	4	7
	Female	7	5	7
Rate of employees who took childcare leave*1	Male	14%	17%	36%
	Female	100%	166%*2	87%
Total number of employees who returned to work following childcare leave	Male	2	4	6
	Female	4	7	8
Rate of employees who returned to work after childcare leave	Male	67%	100%	100%
	Female	100%	100%	100%
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*3	Male	4	6	8
	Female	19	18	23
One-year-later retention rate of employees who returned to work after childcare leave	Male	100%	100%	100%
	Female	100%	100%	100%

*1 Rate of employees who took childcare leave: number of employees who started childcare leave ÷ number of employees who have had children × 100
 *2 The rate is higher than 100% because the number of employees who started childcare leave includes those who have had children during the previous fiscal year or earlier and started childcare leave during the fiscal year, apart from those who have had children during the fiscal year.
 *3 For fiscal 2021, 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 2018 and fiscal 2020, as of March 31, 2022.

Parenting and Childcare Programs



Legend: Female (Red), Male (Blue), Both (Grey)

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Early Request Submission and Handoff Planning for Six-month Childcare Leave

Hisashi Hayashi
Product Development Department,
Infvis Company Anritsu Corporation

I've been the leader of the electricity team in the Checkweighers Product Development Department and took childcare leave for six months from April 2021. Although the rule allows for one month advance notice, I talked to my boss about my intention six months earlier to start preparing for the handoff as soon as possible. I believe it worked out fine and didn't cause trouble to the person taking over my job.

I am the father of twin babies, and of course they are very cute. But I found taking care of them to be much tougher than I had imagined. My wife and I rarely had time to go out or sleep until the babies turned one and were able to go to a nursery. I am grateful that the Company granted me the leave. At first, I was nervous about the process for using the leave, because none of my male colleagues had taken it for such a long period. However, our childcare leave system, including the Childcare Leave Guidebook (for Fathers) and helpful explanation by the Human Resource Department staff, was sufficiently well designed to make me feel confident about taking the leave.

I hope I can share my experience with my colleagues who are considering using this system.

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, 2022, 51 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 allocated its human resources without any regard to nationality to realize global management in which we will understand, share and use social and customer needs across the world through collaboration among all the Group's companies. A number of employees from overseas Anritsu Group companies serve as managers at Anritsu Corporation, and approximately 30% of executive members of the Overseas Anritsu Group companies are foreign nationals.

While we don't set quotas on the promotion of foreign-national employees to manager positions, we believe that at present the Anritsu Group has a sound balance and diversity in the nationalities of managers, and we are going to maintain the current state for the foreseeable future.

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Acting as a Role Model for Other Foreign-National Employees

Shi Wei
 Manager Global Business Development Department Anritsu Corporation

While I am from China, I graduated from university and looked for a job in Japan.

Back then, not many Japanese companies hired foreign nationals. Anritsu, however, was recruiting regardless of nationality, and that is why I joined the Company. I have since been engaged in marketing for overseas markets and was promoted to manager in April 2022. I decided to take a management promotion exam when I was a team leader, as being a leader widened my perspective and made me always think about ways to build strong teamwork and contribute to the Company business. It was not easy to prepare for the exam while working, but I passed it thanks to the great help from many people around me.

Anritsu has customers around the world. To further expand our business, we must become a good partner with customers who have different views or values. This is one reason why Anritsu needs to be a company with diversity and build relationships of deeper trust with customers.

I'd like to be a role model for other foreign-national employees and prove that, based on my experience, they have limitless possibilities at Anritsu if they take on challenges toward meeting their goals.

Social Participation by People with Disabilities

In September 2021, Anritsu established Hapi Sma Co., Ltd. to support people with disabilities to work and gain financial independence, and the Company has since provided a work environment in which they could make full use of their talent and abilities. "Hapi Sma" comes from "happy" and "smile," and the company is mainly engaged in soap production. As of the end of March 2022, it has seven employees with disabilities in addition to non-disabled workers. By sharing views among all employees, regardless of whether they are with or without disabilities, the company seeks to expand its business and grow into an enterprise that will contribute to the sustainability of society. On January 14, 2022, it was certified by the Minister of Health, Labour and Welfare as a Special Subsidy Company as defined in the Act to Facilitate the Employment of Persons with Disabilities. As of the end of March 2022, the ratio of employees with disabilities (including those hired collectively and individually) at Anritsu Corporation was 2.54%, exceeding the legally mandated ratio of 2.3%. We will continue to cooperate with outside organizations such as Hello Work, the Japanese government's employment service center, to further enhance our workplaces to encourage mutual support between employees with and without disabilities.

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

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Legal disability employment ratio	2.00	2.00	2.20	2.20	2.30	2.30
Ratio of employees with disabilities	1.72	1.74	1.63	1.87	2.05	2.54

Notes:
 1. As of March 31 for each fiscal year (e.g., FY2021=March 31, 2022)
 2. For fiscal 2021, the data are aggregated between Anritsu Corporation and its special subsidiary company of Hapi Sma Co., Ltd.

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Eco-Friendly Production of Soaps in a Lively Workplace

Mayumi Kato
 Service Management Supervisor Hapi Sma Co., Ltd.

Hapi Sma produces soaps under the guidance of a soap manufacturing company. Everybody here is helpful, cooperative, and friendly, making the workplace lively and filled with laughter.

In June 2022, Anritsu Headquarters switched the soap used in its restrooms to a Hapi Sma product. We have since delivered our handmade soaps engraved with the Company logo, along with a message card.

In the production of soaps, offcuts are usually disposed of as waste. At Hapi Sma, our staff carefully sorts and recycles them into new soap to preserve the environment. Unlike many other soaps, we do not package soap bars individually; we just insert a wax paper sheet between them to prevent them from sticking to each other in the containers, which are repeatedly reused, and help reduce plastic waste.

Every member here dreams of creating their original soaps in the future. I hope that more and more of us will find the job satisfying and fulfilling, and I hope I will be useful in that journey.

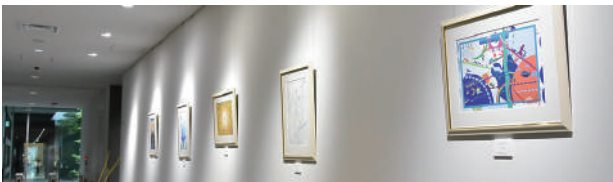


Hapi Sma's employees making soaps by hand and caring for users

Sponsoring Paralym Art

For the mission of “creating a world where people with disabilities can make their dreams come true through art,” Paralym 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 in fiscal 2021 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 Paralym Art paintings, 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.

*Paralym Art is a social action business promoted by the general incorporated association of Shogaisha Jiritsu Suishin Kikou.



Paralym Art paintings exhibited at our office

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From Paralym Art Toward a Society That Appreciates Diversity



Rinko Mishima
Corporate Branding Department
Anritsu Corporation

The Paralym Art paintings are exhibited at our office with the hope that more of us will take an interest in the reality of life faced by people with disabilities.

The paintings were selected based on the themes of living together in fiscal 2021 and growing together in fiscal 2022. Both themes reflect our commitment to respecting the rights of all colleagues as well as their ambitions and workstyles and contributing to the creation of a society in which every member can lead a happy life. We are also promoting communication with artists and received letters from the artists via the Paralym Art’s secretariat, in which they wrote about being glad to have their works displayed at our office, which in turn made us feel fulfilled. Each painting has a unique charm, and I hope many people get to see and enjoy them.

I am going to keep myself involved in the Paralym Art initiatives and will hopefully play a role in the creation of a society that values increased diversity at work and in personal lives.

Applying the Skills of Senior Employees

The employment extension program of the Domestic Anritsu Group has been in place in which employees can continue working after retirement at age 60. In October 2022, we are introducing a new program to extend the retirement age to 65 years, allowing more senior employees to continue applying the ample knowledge, experience, and advanced skills they have gained over the years. We also raise the salary for employees aged 60 to 65 from about 40 to about 80% of the level at the age of 60. Moreover, we plan to introduce an employment extension program in which employees can continue working after turning 65 and until turning 70, thereby meeting the request pursuant to the Act on Stabilization of Employment of Elderly Persons for striving to provide employment opportunities for those aged up to 70. We will continue to promote the creation of a workplace in which senior people can play an active role.

LGBT Consideration

Anritsu has declared its commitment to respecting the human rights of all people and creating a workplace that allows all employees to perform to their full potential and feel fulfilled. This commitment also applies to LGBT inclusion, as is seen in the capability of internal and external helplines to handle related issues and gender-neutral restrooms. Our recruitment entry sheet no longer has a gender section. In fiscal 2021, we conducted an employee training program on unconscious biases to eliminate latent preconceptions or prejudices about certain groups of people. We will continue to foster a culture of diversity and inclusion.

P.93 Harassment Prevention Education and Anger Management Seminar

Message from the Chief Human Resource and Administration Officer

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Employee Data

Employee Data by Global Region (as of March 31, 2022)

(Persons)

	Japan	Americas	EMEA	Asia and Others	Global Total
Number of regular employees	2,506	632	341	689	4,168
Male	2,077	443	265	486	3,271
Female	429	189	76	203	897
Non-regular employees	570	45	31	12	658

Employee Data for Domestic Anritsu Group (as of March 31 of each fiscal year)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Total number of regular employees of the Domestic Anritsu Group	2,249	2,251	2,248	2,272	2,297	2,506
Male	1,938	1,936	1,919	1,924	1,923	2,077
Female	311	315	329	348	374	429
Foreign nationals	44	49	51	54	52	53
Average age (regular employees)	42.6	43.2	43.6	43.9	44.2	44.3
Average working years (regular employees)	19.8	20.3	20.7	20.9	21.1	20.9
Number of non-regular employees	500	428	506	508	525	570
Ratio of employees with disabilities at Anritsu Corporation (%)	1.72	1.74	1.63	1.87	2.05	2.54*
Ratio of employees with disabilities at the Domestic Anritsu Group (%) (reference)	1.76	1.70	1.75	1.95	1.79	2.14

*For fiscal 2021, the data are the total of Anritsu Corporation and its special subsidiary company Hapi Sma Co., Ltd

Employee Data for Anritsu Corporation (as of March 31 of each fiscal year)

		FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Number of employees (number of managers included in total count)	Male	705 (184)	726 (198)	715 (198)	731 (194)	1,062 (265)*	1,459 (323)
	Female	110 (4)	118 (3)	121 (2)	124 (4)	222 (8)	299 (9)
	Total	815 (188)	844 (201)	836 (200)	855 (198)	1,284 (273)	1,758 (332)
Average age	Male	43.0	43.7	44.1	44.4	45.3	44.8
	Female	39.9	40.6	41.2	41.5	41.7	41.2
	Total	42.6	43.3	43.7	43.9	44.7	44.2
Average working years	Male	18.9	19.5	19.9	20.3	21.3	20.3
	Female	17.0	17.1	17.5	17.7	17.7	15.8
	Total	18.6	19.2	19.6	19.9	20.7	19.6
Annual rated working hours		1,867.75	1,852.25	1,852.25	1,860.00	1,860.00	1,867.75
Average days of paid holidays used per year		15.5	16.3	16.3	16.0	15.0	14.9
Number of employees who took paid childcare leave		5	11	6	9	9	14
Number of employees whose employment has been extended beyond normal retirement age	Number of eligible employees	5	9	11	11	22	39
	Number of employees over retirement age hired	2	6	8	8	20	36

Note: The increase in the number of employees resulted from the merger of Anritsu Networks Co., Ltd., Anritsu Engineering Co., Ltd. and Anritsu Pro Associe Co., Ltd. on April 1, 2020.

Number of Employees by Age Group (as of March 31, 2022)

(Persons)

	Under 30	30-50	51 and over
Domestic Anritsu Group	336	1,323	847
Anritsu Corporation	250	949	559

Turnover Rate for Anritsu Corporation (FY2021)

Number of Employees Who Left	Number of Personnel	Turnover Rate (%)
23	1,758	1.29

Notes:

1. Calculated in accordance with the formula provided in the Japan Company Handbook
2. Turnover rate = number of employees who left in the target fiscal year / (number of regular employees at end of fiscal year + number of employees who left in the target fiscal year)
3. Definition of employee who left: Among regular employees, those who leave the Company for reasons other than retirement or promotion to directorships, or those whose transfers were cancelled

Female Anritsu Employees Globally

(as of Fiscal Year-end on March 31)

Ratio of Female Employees (number of female employees / number of all employees) (%)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Japan	14	14	15	15	16	17
Americas	31	31	31	30	30	30
EMEA	19	19	21	19	23	22
Asia and others	28	27	27	28	29	29
On a global consolidated basis	19	19	20	20	21	22

Ratio of Female Managers (number of female managers / number of all managers) (%)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Japan	1.3	1.0	1.1	1.8	2.3	2.8
Americas	24.7	23.0	20.2	18.3	17.9	21.6
EMEA	19.7	22.1	23.5	21.6	24.2	20.3
Asia and others	21.7	21.6	24.1	23.4	24.0	23.7
On a global consolidated basis	10.2	9.9	10.5	10.4	10.8	10.9

Social

Human Resource Recruitment and Development

Stance on Social Issues

Competition for human resources in Japan is likely to intensify as the country's labor force shrinks in line with its low birth rate and aging society. Moreover, as the world gets closer to a sustainable, super-smart society (Society 5.0, the fourth industrial revolution, etc.) due to endeavors to incorporate cutting-edge technologies (such as 5G, IoT, robots, AI, and big data) into every type of industry and people's everyday lives, companies are expected, more than ever before, to create scientific and technological innovations.

Anritsu as a company that aims to contribute to the

creation of this kind of society through "Original & High Level" products and services must therefore hire and develop human resources capable of sharing their personal values and leading technological innovation at a global level.

We believe that it is important to build effective education and training programs for advancing individual strengths and to create a workplace that drives engagement and performance while reflecting diversity.

Policy

For the Anritsu Group, where technology is a core competence, the hiring and development of human resources capable of leading technical innovation is a key management issue.

With that in mind, the Domestic Anritsu Group recruits both new graduates and mid-career employees regardless of gender, nationality or sex for all positions, regardless of whether they are technical or administrative. The Overseas Anritsu Group essentially takes the same approach, although local hiring by Group companies must comply with prevailing legal and regulatory requirements.

We are focused on continuously developing employment plans that prioritize diversity in both education and training programs to support the independent growth of our employees and implementing it fairly and transparently.

We maintain an employee award system and means for capturing employee thoughts since fostering employee engagement is vital to human resource retention and motivation for growth.

Structure

Under the Chief Human Resource and Administration Officer at Anritsu Corporation, the Human Resource and Administration Department and Domestic Anritsu Group Human Resource Departments develop employment plans and educational training systems in line with the goal of training employees who will contribute to the development of a global society through our businesses.

Our hiring committee, chaired by the vice president and chief human resource and administration officer, reviews and discusses recruitment policies and implementation plans. Through discussions with business division leaders on the committee and managers, the committee continually works toward securing the quantity and quality of human resources required by the Company.

Our level-based training programs are periodically revised in line with the formulation of a GLP and the opinions of in-house companies and Group companies. Also, division leaders and the Human Resource Administration Department hold meetings to exchange information on human resource reviews to introduce the necessary training programs and encourage employee engagement.

Goals

Hiring

- Securing a certain number of new graduate hires
- Hiring employees regardless of nationality

Education and Training

- Providing education and training that leads to Anritsu and employees growth

Activities and Achievements

New Graduate and Mid-Career Hiring

As part of the selection process when hiring new graduates in Japan, Anritsu Corporation spends a considerable amount of time confirming that the Company and prospective hire both understand each other's expectations during interviews. We are committed to ensuring a match by deepening mutual understanding through discussion. The turnover rate for the first three years, from 2017 to 2019, for new graduates who joined the Company via the selection process centered on interviews was 0%, 7.4%, and 4.0%, respectively,

well below the turnover rate of 24% for the manufacturing sector and 26% for companies of equal scale (1,000 or more employees), as announced by the Ministry of Health, Labour and Welfare.

Anritsu Corporation is also proactive in mid-career hiring based on the belief that acquiring diverse perspectives through the employment of personnel with experience in other companies or industries will help the Company expand its business domains and explore new markets.

The Overseas Anritsu Group hires throughout the year at their own discretion in light of circumstances that differ from Japan.

As of the end of March 2022, of the 1,662 permanent employees working at the Overseas Anritsu Group, 1,651 are local hires except for the 11 assigned by the Domestic Anritsu Group.

P.55 Making Use of Mid-Career Employees

Number of New Graduate and Mid-Career Hires at Anritsu Corporation and the Domestic Anritsu Group

		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Number of new graduate hires at Anritsu Corporation*1	Male	12	22	19	23	34	28
	Female	6	5	6	11	9	12
	Total	18	27	25	34	43	40
Number of mid-career hires at Anritsu Corporation*1,2	Male	2	0	1	5	21	—
	Female	1	1	0	1	9	—
	Total	3	1	1	6	30	—
Number of new graduate hires at the Domestic Anritsu Group*3	Male	13	18	23	15	6	7
	Female	4	3	5	7	4	5
	Total	17	21	28	22	10	12
Number of mid-career hires at the Domestic Anritsu Group*2	Male	14	11	16	2	7	—
	Female	7	7	3	7	1	—
	Total	21	18	19	9	8	—
Total of hires		59	67	73	71	91	52
Ratio of mid-career hires		41%	28%	27%	21%	42%	—

Note: New graduate hires as of April 1 for each fiscal year
 *1: Includes hires by newly absorbed subsidiaries from fiscal 2020
 *2: Number for fiscal 2022 not disclosed due to ongoing recruitment
 *3: Includes hires by newly absorbed subsidiaries for fiscal 2022

Anritsu Corporation: Turnover Rate for the First Three Years for New Graduate Hires

	April 2017	April 2018	April 2019
Number of new hires	18	27	25
Number of new hires who left	0	2	1
Turnover rate (%)	0.0	7.4	4.0

Education and Training

To encourage employees to develop and upgrade their strengths at their own initiative, and thereby drive future corporate growth, we provide employees with on-the-job training and off-the-job education. On-the-job training helps employees gain the skills and expertise built up by Anritsu over many years of operations, while off-the-job education supports employees' self-improvement and self-development.

Off-the-job education is built on the concept of voluntary choice of what and when to learn. Comprised of level-based training and a self-development program (Learning Content), the education programs are shared across the Anritsu Group.

With regard to specialized training for engineers, the engineering training was previously conducted at the initiative of business departments, but since fiscal 2020 it has been conducted at the initiative of human resources staff exclusively assigned to the training of engineers in collaboration with the relevant business departments to enhance training content. The human resources staff also work with the Engineering Division to help newly hired engineers become full-fledged engineers and to plan and provide cross-sectional training programs for engineers across the Anritsu Group. In fiscal 2021, employees of the Domestic Anritsu Group received an average of 7.0 hours of training conducted by the Human Resource Department.

Hours of Training Received per Domestic Anritsu Employee (hour)

	FY2019	FY2020	FY2021
Training conducted by the Human Resource Department	7.4	5.3	7.0

VOICE

Unfailingly Capturing Changes in New Hires and Creating an Environment in Which They Can Seek Advice Confidently

Training Officer
 Human Resource and Administration Department
 Anritsu Corporation

I was hired April 2021, and the guidance my training officer in the Human Resource Department provided was very helpful. I was also impressed there were times I could share my concerns with other new hires and have one-on-one meetings with my training officer, even after the training period was over.

Now as a training officer myself, I am working to strengthen our support for new employees, capitalizing on my own experience as a new hire last year, through effective use of the On-the-job training Report and the monthly questionnaire survey. The On-the-job training Report is a tool for them to communicate regularly with senior colleagues and supervisors. It allows new hires to reflect on what they have learned during the past month and plan for the next one while also helping them receive feedback from senior colleagues and supervisors, which is something they care most about. The monthly questionnaire survey introduced this year enables us to check how well they are adapting to the workplace and watch for signs of any physical or mental health issues. It helps us to detect minor changes in the lives of new hires and provide just the right level of support.

I am going to keep in mind that I should always be myself with new hires so that I can better serve them as a training officer and they can feel comfortable with and rely on me for assistance and advice.

Training Programs

Training for New Employees

All new employees receive training on establishing the foundation for becoming workers who will lead the Anritsu Group to a higher level. Through lectures and group sessions, participants gain an understanding of Anritsu as well as the actions and awareness necessary to work in an organization. They also acquire basic skills as a productive member of society so they will feel comfortable with the ability to effectively perform when assigned to their first job at Anritsu. In fiscal 2022, training was conducted online using teleconferencing tools, with sufficient communication opportunities through more frequent group sessions. Tours of manufacturing facilities, which had been suspended due to COVID-19, were conducted live online.



Remote training for new employees

Training for Leaders

We have provided employees with a Leadership Basic Training (YDP) and Self-improvement Training & Hands-on Management Training (MDP) for fostering mid-level leaders who will run the Anritsu Group in the next generation. In 2021, we renewed the content of these programs with the aim of placing more emphasis on enhancing employee engagement toward cultivating leaders who will apply their skills for the Group's growth as well. By articulating these objectives and expectations in the programs, we instill employee motivation for personal and professional advancement.

Training for Developing Next-Generation Leadership

Anritsu is developing next-generation executives through a specifically designed training program.

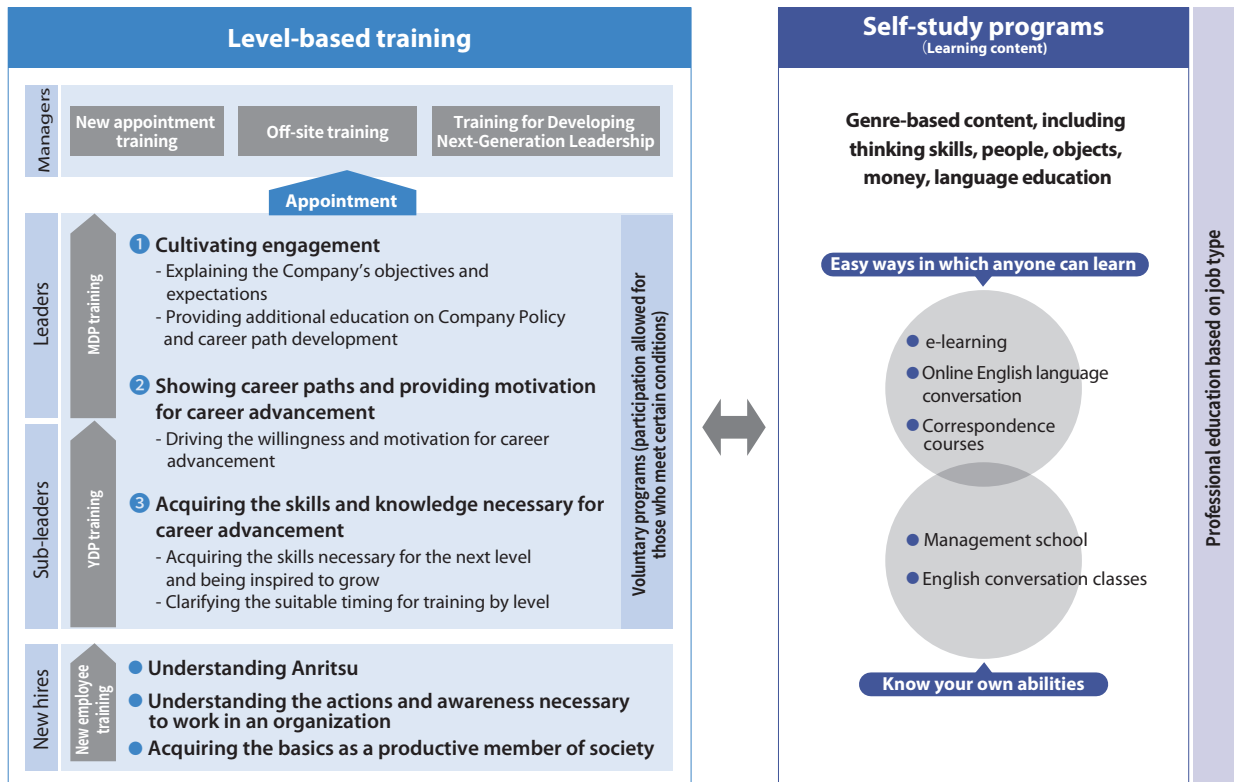
Management executive candidates who will lead Anritsu into realizing its corporate vision in fiscal 2030 are selected for the power of empathy and awareness with the Company's vision and policy, high character, initiative, the power of action, and rationale thinking power, strategic and conceptual thinking power, and high ethical values.

The candidates are reviewed by the Group CEO once every two years and as needed, and they participate in on- and off-the-job training programs, arranged in accordance with the review findings, to gain the required experience to become next-generation executives.

P.87 Next-Generation Leadership Program

Training for Senior Employees

In fiscal 2022, we started a new career program for middle-aged and senior employees, apart from the life planning seminar we have held for a number of years, because we are living in the age of 100-year life spans.



Self-Development Program (Learning Content)

For our self-development program, we offer about 100 courses on business, language, and other skills that we select each year.

All of the courses can be taken in various formats, including correspondence, e-learning, and online and in-person classes to accommodate different study styles and schedules. Employees who complete any of the courses are awarded with a financial incentive equivalent to 60% of course fees.

Learning Content: Total Applications Submitted (Number of applications)

	FY2018	FY2019	FY2020	FY2021
Domestic Anritsu Group total	448	500	332	351
Anritsu Corporation alone	247	272	240	322

Education Programs on Sustainability

The Anritsu Group provides education programs for employees to raise their awareness and deepen their understanding of sustainability.

Education Programs on Sustainability

Category	Theme	Target	Page
Environment	Circular economy and carbon neutrality	All directors, executive officers, and employees of the Domestic Anritsu Group, and suppliers	P. 27 Environmental Education
		Newly-appointed managers of the Domestic Anritsu Group	P. 52 Human Rights Education
Human Rights	Respect for human rights and promoting diversity	Newly hired employees of the Domestic Anritsu Group	
		Diversity & Inclusion	Unconscious biases
Compliance	Preventing harassment	All directors, executive officers, and employees of the Domestic Anritsu Group	P. 93 Harassment Prevention Training and Anger Management Workshop
		Anger management	

Global Human Resources Development

The Anritsu Group operates businesses around the world. One Group priority, therefore, is to equip its personnel with the capabilities to lead global projects. We believe such leaders must acquire advanced language skills as well as a global business mindset and business-related skills.

During new employee training, we provide opportunities for participants to learn typical global projects from experienced staff. Through their stories, participants experience the excitement of handling global projects and understand the key points of global business such as the importance of collaboration with colleagues in and outside Japan. We also send employees outside Japan so they can gain experience working in foreign countries. In addition to improving language skills and promoting cross-cultural understanding, the program serves to promote the formation of overseas connections.

Employees working in the Test and Measurement Business and those in the PQA Business acquire global business skills firsthand through sales promotion activities in which they share information about market trends and customer needs with overseas colleagues on a daily basis.

Fostering Employee Engagement

Improvement through Surveys and Interviews

In order to maximize employee performance, it is important to foster employee engagement by creating a supportive workplace environment and boosting each employee’s work satisfaction. The Domestic Anritsu Group conducts an engagement survey with all employees every year to ascertain their levels of satisfaction and identify issues that may need to be addressed. The survey results are disclosed to all employees through the intranet, and departments receive feedback for applying the results to improve their workplace environments. We have focused on measures to further increase work satisfaction, and we will continue this approach.

We have also introduced a Self-Reporting System as an opportunity for employees to discuss their career aspirations with their supervisor annually. We encourage mutually supportive communication for employees to consider how they can apply their strengths and interests to their future career and share their plan with supervisors, who share their expectations in turn. In fiscal 2020, these interviews provided occasions for supervisors to share their department’s policies and issues with subordinates as well as to explain the roles and responsibilities they are expected to assume. Starting in fiscal 2022, the interviews are conducted twice a year and now include additional sharing of information on roles and also providing employee feedback.

Employee Job Satisfaction Survey Results (%)

	FY2017	FY2018	FY2019	FY2020	FY2021
Response rate	93	92	98	98	97
Satisfaction with the workplace	88	88	87	90	90
Satisfaction with work	70	70	70	75	75

Satisfaction = positive responses (ratio of those who are “very satisfied” and “satisfied”)

Employee Awards

Anritsu has an award system to recognize quality of work, initiative, and the acquisition of skills and qualifications, as we believe it is important for employees to have a sense of accomplishment and their self-development efforts honored in the form of an award whenever they deserve it. Those who have significantly contributed to the Company’s business performance and growth are commended by the president of Anritsu Corporation or presidents of in-house companies. An award ceremony related to business performance is held every July, whereas the President Award and High Performer Award are given to those upon their selection.

The President Award is not only for an individual’s accomplishments but also for contribution to various initiatives, including outstanding projects, patent acquisition, and workplace health and safety. At the July 2021 ceremony, 23 were commended by the president of Anritsu Corporation and 11 by presidents of in-house companies. In fiscal 2021, 71 immediate awards, such as the High Performer Award, and 297 for patent application and registration were received.

We are also developing AQU Innovation Activities with a focus on promoting business process innovation (operational reform and improvements for business goals) from the bottom up at each worksite toward achieving the GLP. These involve both group and innovation-proposal activities and are carried out under the categories of profit creation, environmental promotion, and workstyle reform. In fiscal 2021, awards for AQU Innovation Activities were given to 82 groups and for 213 proposals.

Social

Occupational Health and Safety

Stance on Social Issues

Companies are expected to implement a wide range of occupational health and safety initiatives, such as to prevent accidents, reduce long working hours, which can have adverse health effects, address mental health issues, and ensure the safety and health of senior workers, as well as to take measures to prevent COVID-19 and relieve the stress associated with it. We recognize that it is vital to establish a sound workplace environment for the health and safety of our employees, as

they are the source of the Anritsu Group's value creation. We also believe that a vibrant workplace, which ensures the well-being of each one of them, will lead to higher productivity and creativity.

Policy

The Anritsu Group's Sustainability Policy, Anritsu Group Charter of Corporate Behavior, and Anritsu Group Code of Conduct stipulate that we comply with all relevant laws and regulations and create a working environment in which employees can do their jobs with enthusiasm in safety and good health.

In addition, with the goal of the Group and health insurance union playing an active role in maintaining and improving the health of each employee, we have separately established the Anritsu Group Health Management Policy for the Domestic Anritsu Group.

Our collective agreement with the Anritsu Labor Union sets forth certain matters concerning health and safety. More specifically, it stipulates that we, as the owner of the business, shall implement appropriate measures to ensure the safety of employees and maintain and improve the health of employees, establish the Occupational Safety and Health Committee and generate selection criteria for the committee; conduct educational programs on health while providing health checkups for employees, and restrict employees from engaging in dangerous or hazardous work.

Sustainability Policy

As the guiding principles for enhancing our corporate value through contributing to the creation of a sustainable future for global society, our Sustainability Policy declares 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."

Anritsu Group Charter of Corporate Behavior

In the Anritsu Group Charter of Corporate Behavior for guiding the Anritsu Group's corporate behavior, we declared that "The Anritsu Group will respect each employee's individuality, diversity, and personality so as to realize work practices in that all of its employees can fully demonstrate their abilities. Also, we will create safe and healthy work environments where all of our employees can carry out their jobs with enthusiasm."

Anritsu Group Code of Conduct

As the ethical standards for all Anritsu Group employees, the Anritsu Group Code of Conduct stipulates the following three principles for occupational safety and health.

- We will comply with laws and regulations concerning occupational safety and health, and strive to create a safe, secure, and hygienic

working environment.

- We will strive to improve the moral and manners necessary to conduct our business and create a disciplined working environment.
- We will strive to maintain sound communication and create a comfortable working environment in order to perform our business.

Anritsu Group Health and Productivity Management Policy

The Anritsu Group believes our corporate value is founded on the ability of each employee to work to the best of their abilities and in good health. With the goals of creating an environment in which all employees have an interest in health, are cognizant of their own health challenges, and take measures on their own to maintain and improve their health, the Anritsu Group companies and the Anritsu Health Insurance Association work together to promote effective health and productivity management throughout the Group.

Sustainability Policy

Anritsu Group Charter of Corporate Behavior

Anritsu Group Code of Conduct

Anritsu Group Health and Productivity Management Policy

Structure

The executive office overseeing occupational health and safety at Anritsu Corporation is in charge of safety and health for the Domestic Anritsu Group and is tasked with formulating and implementing safety and health related matters common to the Group. We also report the number of occupational and commuting accidents at the Management Strategy Conference on a quarterly basis and have a safety and health management system that complies with all relevant laws and regulations.

To maintain and improve the health of Group employees, a variety of initiatives and support services are provided by industrial physicians, counselors, and health staff assigned to the Anritsu Corporation Health Management Center. These include regular worksite visits, a variety of medical checkups, post-stress check follow-ups, and individual consultation services for mental and physical health.

Goals

Safety Goal
 → **The Domestic Anritsu Group targets zero accidents.**

Health Goal
 → **The Domestic Anritsu Group will further raise health awareness through efforts that help employees to better maintain and improve their health.**
We will continue to work toward achieving our targets for fiscal 2023 based on a plan formulated using the results of the Medium-term Health Management Plan up to fiscal 2020.
*See page 66 for targets and results.

None of the work conducted by the Domestic Anritsu Group's employees falls under tasks associated with or at high risk of the incidence of specified diseases.

Activities and Achievements

Initiatives through the Occupational Health and Safety Committee

The Anritsu Corporation holds a meeting of the Labor Management Occupational Health and Safety Committee every month and horizontally disseminates information and measures across the Domestic Anritsu Group. Matters discussed by the committee are promptly disseminated to all employees via the intranet along with the minutes and sent to the Management Audit Department, which keeps track of the health and safety status of employees.

In fiscal 2021, the committee held its meetings online throughout the year to prevent the spread of COVID-19. Discussions covered topics related to COVID-19, including the physical and mental effects of teleworking and the effectiveness of vaccinations.

Anritsu Corporation Occupational Health and Safety Committee (FY2021)

Chairperson	Senior manager for the Human Resource Management Team, Human Resource and Administration Department of Anritsu Corporation
Vice-chairpersons	Two individuals (one of whom is selected by the Anritsu labor union)
Committee members	Ten (five of whom are selected by the Anritsu labor union)

Industrial physicians, employees of the Domestic Anritsu Group, health insurance union leaders, and secretariat members also participated. The Anritsu labor union has a union shop agreement with Anritsu Corporation.

Results of Safety Efforts and Major Measures

In fiscal 2021, there were zero lost workdays and four restricted workday incidents involving a cut injury from a box cutter, a cut injury from a sharp window frame, a fall on stairs, and a fall on a wet road surface on the Company's premises upon leaving work for the day.

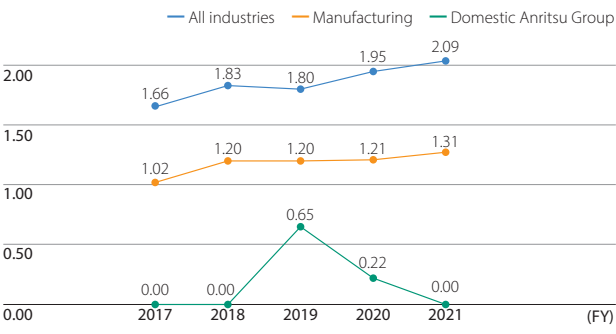
Immediately after each incident, we investigated any unsafe behavior or conditions, conducted a risk assessment, and reviewed work procedures and methods. We thoroughly strive to prevent the recurrence of accidents by eliminating unsafe work practices through tangible measures, such as installing protective equipment. For fiscal 2022, we renewed our determination for zero occupational accidents across the Domestic Anritsu Group and have made efforts to attain the goal.

In fiscal 2021, there were three commuting accidents involving Domestic Anritsu Group employees. One was a lost workday incident involving a cyclist struck by a car turning left, and the other two were restricted workday incidents in which a gust of wind caused a person to fall while walking and another person being caught in a traffic accident while driving to work. We will continue working to raise employee awareness of risks while walking, riding a bike, or driving a car.

Workplace Accidents at the Domestic Anritsu Group (FY2021)

Type	Number of accidents (+/- from the previous year)
Lost workday cases	0(-1)
Restricted workday cases	4(±0)
Commuting accidents	3(+1)
Lost workday cases due to commuting accidents (more than or equal to a day)	1(+1)

Frequency Rates of Lost-worktime Injuries (per Million Hours)



Results of Health Efforts and Major Measures

The following are the results of our efforts in fiscal 2021 under the Medium-term Health Management Plan. We provided consultations with industrial physicians to employees and supervisors at high risk of glucose metabolism disorders, and the results were generally successful.

Targets and Results of the Medium-term Health Management Plan

Issues	KPIs	Bench marks	FY2021 Targets	FY2021 Results
1 Minimization and maintenance of the demographics with risks to future health maintenance, stable and continuous employment	☆ Ratio of employees at high risk of glucose metabolism disorders (fasting glucose level at 200 mg/dl or HbA at 1c 8.0% or higher)	2.4 (1)	2.0% or under	1.0%
	☆ Ratio of employees at high risk of high blood pressure (180/110 or higher)	1.7 (1)	1.5% or under	0.3%
	☆ Mental leave rate (Domestic Anritsu Group's leave ratio at year end)	0.8 (2)	0.8% or under	0.5%
2 Improved awareness of health	☆ Ratio of employees with proper body weight (BMI from 18.5 to less than 25.0)	64.9 (1)	64% or under ★	64.0%
	☆ Ratio of employees who habitually exercise (to sweat lightly for 30 min./day and twice or more a week)	23.7 (1)	25.1% or higher ★	26.3%
	☆ Ratio of employees who meet the physical activity standards (by walking or doing an equivalent physical activity for one hour/day or more)	35.6 (3)	36.1% or higher ★	33.0%
	☆ Ratio of employees engaged in an effort to achieve a healthier lifestyle	24.6 (3)	27.6% or higher ★	32.3%
	☆ Ratio of employees who have a registered account with a health app (Pepup)	43.1%	43.1% or higher ★	43.2%
3 Establishing health and productivity management	◎ Certified as an Excellent Enterprise of Health and Productivity Management (Anritsu Corporation)	Certified	Continued certification	Certified

◎: Key KPI ☆: Based on periodic checkup results in the head office area
 (1): Average values for companies that participated in the METI's Health Management Survey 2018
 (2): Ratio of employees on mental leave at large-scale companies according to the MHLW's Survey on Industrial Safety and Health in 2017
 (3): Men's data compiled by the National Federation of Health Insurance Societies
 ★: FY2020 results

P.69 Occupational Health and Safety-related Figures

Participation in the Labor Standards Initiative

Since fiscal 2020, the vice president in charge of occupational health and safety at Anritsu Corporation has served as the director of the Kanagawa Institution of Occupational Safety and Health and the chief of the institution's Atsugi Branch, contributing to the improvement of occupational safety and health standards in Kanagawa Prefecture and the Atsugi district. His term of office at the institution is two years through fiscal 2021.

In addition to serving as the director, he has participated in the safety committee of the Atsugi City Safe Community Workplace (Labor) since fiscal year 2019, contributing to improving the level of health and safety within the community.



Executive officer for occupational health and safety giving a speech as the Atsugi branch chief

Message from the Chief Human Resource and Administration Officer

Respect for Human Rights and Promotion of Diversity

Human Resource Recruitment and Development

Occupational Health and Safety

Message from the Chief SCM Officer

Supply Chain Management

Quality and Product Safety

Customer Service and Support

ISO 45001 Certification

In September 2019, Anritsu EMEA Ltd. (in the U.K.) completed its transition from OHSAS 18001, an international standard for occupational health and safety management, to ISO 45001. Anritsu A/S (Denmark) also completed the transition in February 2020.

Anritsu EMEA and Anritsu A/S have since created a safe and healthy workplace based on ISO standards.



Anritsu EMEA Ltd.
ISO 45001 Certificate of Registration



Anritsu A/S
ISO 45001 Certificate of Approval

Certified as an Excellent Enterprise of Health and Productivity Management in 2022

Anritsu Corporation was certified for the sixth consecutive year by the Ministry of Economy, Trade and Industry of Japan (METI) as a Excellent Enterprise (large enterprise category) Company in the Health and Productivity Management Organization Recognition Program for meeting the criteria on regular medical checkups, work-life balance, health maintenance, lifestyle disease prevention, and mental health support.

The program recognizes enterprises that demonstrate outstanding health and productivity management aligned with the healthcare recommendations of the Nippon Kenko Kaigi. It evaluates companies in the following five aspects, which are also used by the METI and Tokyo Stock Exchange in their joint selection of the Health and Productivity Stock Selection: (1) management philosophy, (2) organizational structure, (3) implementation of systems and measures, (4) evaluation and improvement, and (5) compliance and risk management.



Workstyle Reform for Employee Wellbeing

At the Domestic Anritsu Group, we are promoting workstyle reform with the goals of boosting productivity, generating innovation, and raising corporate value while simultaneously prioritizing the safety and health of every employee. Measures to ensure appropriate work hours based on the Group-wide management policy have been put in place as part of the reform, and these include shortening

overtime work, minimizing midnight-shift work, and strict observance of the “no-overtime day” rule. In fiscal 2021, we strived to minimize overtime hours while working at home by visualizing computer access time and achieved a 36% reduction in average annual overtime hours worked for the entire Domestic Anritsu Group compared to fiscal 2020 and a 6.5% reduction compared to fiscal 2021.

We believe in efficiency, and we therefore encourage employees to start working on the official start time, not to work after 7 p.m. unless necessary, as the office lights are turned off at that time, to shorten meetings by streamlining agendas, and to eliminate unnecessary meetings. Development staff telecommute when they work late evenings or early mornings to communicate with overseas colleagues in different time zones.

With the spread of COVID-19, we required teleworking throughout the Domestic Anritsu Group to protect the health of our employees and their family members. In May 2022, we temporarily discontinued teleworking as a BCP measure and subsequently instituted a teleworking system limited to four times per month from the perspective of improving life-work balance, business efficiency, and productivity. However, given the resurgence of COVID-19, we are now increasing the number of teleworking days for employees at risk of developing serious illness from COVID-19.

P.53 Life-Work Balance

P.93 Making Sure to Manage Overtime

Training and Seminars

For employees working at the Domestic Anritsu Group, occupational safety training and in-house seminars on health are held every year. In fiscal 2021, as in fiscal 2020, we only conducted seminars that we could do online or outdoors, to prevent the spread of COVID-19. Other specialized training was offered with flexibility, allowing only those programs that could not be held online to be conducted in person. Nevertheless, due to the state of emergency and pre-emergency measures, we were forced to further adjust our plans and had to cancel some of the programs.

In fiscal 2022, we will work to organize more effective training and seminars by using both group and online formats while closely monitoring the COVID-19 situation.



Bicycle safety workshop

Seminars, Lectures, and Educational Presentations for Domestic Anritsu Group Employees (FY2021)

	Contents	Participants
In-house lecture/education	Operational safety education for high-pressure gas users	62
	Bicycle safety workshop	3
	Health and safety education for new employees	52
	Occupational health education for new employees	52

Measures to Prevent COVID-19

We have taken the following measures as an emergency response to COVID-19.

- Temperature checks before coming to work and thermal camera temperature checks upon arrival
- Thorough hygiene practices throughout the Company, including frequent hand washing and disinfecting offices, cafeterias, and bathrooms
- Installation of acrylic panels in meeting rooms and cafeterias to ensure social distancing, limiting the number of people who can use meeting rooms and elevators at the same time, and eliminating congestion in the cafeteria by using a four-shift system
- Distribution of non-woven masks and requiring employees to wear masks in the workplace
- Application of a special leave of absence that allows employees to take time off without feeling guilty when they or their family members are affected by COVID-19
- Administering workplace vaccinations for all employees working on Company premises and their family members (a total of three vaccinations from July to August 2021 and in February 2022)

➔ P.100 Countermeasures to Infectious Diseases

Other Occupational Health and Safety Initiatives

Activities for Occupational Health and Safety in General

- Reviewing the status of activities and formulating accident prevention measures by the Occupational Health and Safety Committee
- Enhancing the awareness of safety and health through training at different organizational levels and providing training on specific issues such as risk assessment
- Implementing occupational health and safety education when part-time, contract, or other non-regular employees are hired

Activities with a Focus on Safety

- Reducing the risk of accidents by conducting inspections before introducing, relocating, or changing equipment, or when purchasing chemical materials
- Providing a safe, secure, and comfortable workplace by assessing working environments, workplace patrols, emergency drills, and basic life-saving training

Activities with a Focus on Health

- Health checkups (periodic, special, when starting employment, for overseas assignee) and implementation of and follow-up for the stress check system
- Questionnaire screening, interviews by industrial physicians and health maintenance measures for overtime workers
- Mental healthcare education and counseling for managers

Message from the Chief Human
Resource and Administration OfficerRespect for Human Rights
and Promotion of DiversityHuman Resource Recruitment
and Development**Occupational Health
and Safety**Message from
the Chief SCM OfficerSupply Chain
ManagementQuality and
Product SafetyCustomer Service
and Support

Occupational Health and Safety-related Figures

as of March 31 of each fiscal year

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	
Ratio of employees who underwent a regular checkup (%)	100	100	100	100	100	100	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture
Ratio of employees who underwent a regular complete checkup (%)	68.2	56.7	72.5	73.7	55.5	65.6	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture
Ratio of employees found to have a health issue in a regular checkup (%)	56.0	57.9	57.9	59.9	62.9	62.2	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture
Ratio of employees who smoke (%)	26.1	22.1	21.8	20.5	20.3	18.9	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture (smoking rates among employees aged 40 or older)
Ratio of employees who regularly exercise (%)	23.1	26.5	27.0	28.6	24.9	26.9	Percentages based on the results of regular (group) checkups for the Anritsu Group in Kanagawa Prefecture (rate of employees aged 40 or older who exercise two or more times per week and 30 or more minutes per session)
Annual scheduled hours worked	1,890.7	1,877.3	1,872.2	1,875.2	1,860.0	1,867.8	Average for the Domestic Anritsu Group
Average monthly overtime hours worked	15.1	14.8	16.9	18.4	11.1	11.0	Average monthly overtime worked by regular employees of the Domestic Anritsu Group excluding those in management positions at fiscal year-end
Annual paid holiday usage rate (%)	73.2	79.0	78.2	77.0	70.4	71.9	Rate for regular employees of the Domestic Anritsu Group excluding those in management positions at fiscal year-end (number of paid holidays used / number of paid holidays granted for the fiscal year × 100)
Number of on-the-job accidents	4	7	6	4	5	4	Total for the Domestic Anritsu Group
Number of accidents resulting in leave (of four or more days)	1	0	0	1	0	0	Included in the total for the Domestic Anritsu Group
Number of cases of work-related illness	0	0	0	0	0	0	Included in the total for the Domestic Anritsu Group
Number of days of leave from work	9	0	0	52	3	0	Total for the Domestic Anritsu Group
Number of deaths	0	0	0	0	0	0	Total for the Domestic Anritsu Group
Rate of lost-worktime injuries	0.21	0.00	0.00	0.65	0.22	0.00	Statistical values for the Domestic Anritsu Group (number of deaths and injuries / total labor hours × 1,000,000)
Accident severity rate	0.002	0.000	0.000	0.011	0.001	0.000	Statistical values for the Domestic Anritsu Group (number of lost work days / total labor hours × 1,000)
Number of commuting accidents	8	15	4	6	2	3	Total for the Domestic Anritsu Group
Number of accidents resulting in leave (of four or more days)	2	5	3	0	0	1	Included in the total for the Domestic Anritsu Group

Social

Message from the Chief SCM Officer



Hiroyuki Fujikake
Vice President, Chief SCM Officer

Building a supply chain that quickly responds to the demands of customers and markets through forward-looking SCM

Fiscal 2021 was marked by a number of challenges due to the resurgence of COVID-19, including lockdowns around the world and tight supplies of semiconductors and other components. Despite these circumstances, we were able to minimize production risks insofar as possible thanks to our efforts in making detailed delivery adjustments, proactively adopting substitute products, and optimizing production plans. Above all, we are grateful for the partnerships we have formed with our suppliers, who have been supporting our efforts. In fiscal 2022, we will focus on reducing inventories and standard costs, which we failed to achieve due to putting priority on ensuring on-time delivery.

It is also essential to take steps to avoid social responsibility risks in the supply chain. The Anritsu Group conducts CSR Procurement Surveys of its suppliers both in Japan and overseas to identify at an early stage any risks in the areas of human rights, labor, health and safety, the environment, and fair trade. We particularly ask our suppliers to respect human rights and prohibit forced labor, human trafficking, and child labor, and we obtain their agreement to these conditions. We also conduct human rights due diligence. In fiscal 2021, we inspected two domestic and four overseas suppliers and

confirmed that there were no significant risks.

Anritsu is promoting the integration of procurement, manufacturing, and services across the entire Group by seeking to realize the ultimate form of supply chain management (SCM). We have been focusing on providing high-value-added products and services and maximizing the business growth and profits of our customers by having our development and production bases, including TAKASAGO Ltd., which joined us in fiscal 2021, work together to function as “One Factory.”

In fiscal 2022, we will take this approach one step further and pursue “forward-looking SCM,” in which we will look ahead and take the initiative to flexibly respond to customer and market demands. We will establish a supply chain that quickly responds to the demands of customers and markets by anticipating and taking the initiative to assess the impact of demand fluctuations, natural disasters, and geopolitical factors while co-creating and collaborating with all our suppliers and other stakeholders. In doing so, we will fulfill our responsibilities as a company that supports the realization of advanced communications networks and the production of safe and secure food and pharmaceutical products.

Social

Supply Chain Management

Stance on Social Issues

Large-scale natural disasters and the COVID-19 pandemic have been creating severe risks for business continuity. Expanding the capabilities and sophistication of the supply chain also poses significant challenges associated with labor issues, potential human rights violations, and environmental pollution.

The Anritsu Group's procurement activities are international. In order to consistently provide high-quality products for customers around the world, the Group must possess a flexible, internationally extensive management

structure throughout the whole supply chain while also paying due consideration to ESG concerns. Besides granting equal opportunities to all suppliers in and outside Japan and selecting suppliers through fair competition, the Anritsu Group complies with all relevant laws and regulations, commercial practices, and social norms, and it respects human rights in all its partnerships. We can only respond to the expectations and demands of society by building great relationships with suppliers and managing the supply chain seamlessly and comprehensively.

Policy

In our procurement activities, we believe it is important to position our suppliers as partners in solving social issues set forth in our Sustainability Policy and to link this activity to mutual growth. With this conviction, we established our Basic Rules of Procurement in 2005 and have since asked our suppliers to comply with those rules in addition to the Anritsu Group CSR Procurement Guidelines and Anritsu Group Global Green Procurement Specification. Through those rules and guidelines, we construct a supply chain that respects human rights, gives due consideration to labor, health and safety, fair trade and ethics as well as the environment.

[Sustainability Policy](#)

[Anritsu Basic Rules for Procurement](#)

[Anritsu Group CSR Procurement Guidelines](#)

[Anritsu Group Global Green Procurement Specification](#)

Structure

Anritsu's Global Procurement Operation Division not only conducts procurement operations but also develops and implements the Group's strategies for procurement, production outsourcing, and logistics under the leadership of the executive officer in charge of SCM. Anritsu maintains its flexible procurement system by collectively managing procurement and logistics activities conducted by its Group's and other worksites around the world and also by concentrating or decentralizing those activities in an optimal manner.

All of the Group's procurement hubs in the U.S., China, and Japan are committed to local procurement and share the Group's parts evaluation criteria, allowing the use of suppliers approved by other hubs.

Goals

We set out the following goals in the GLP2023 mid-term business plan for the period from fiscal 2021 to 2023.

→ **Conducting a CSR procurement survey with at least ten suppliers during the three years and on a more global scale (mainly in Asia)**

→ **Deepening supplier understanding of Anritsu's CSR procurement initiatives through a three-year program, which provides procurement-related information and other useful knowledge**

→ **Raising the ratio of Anritsu-certified green suppliers and providing non-green suppliers with environmental education to cultivate an eco-friendly supply chain**

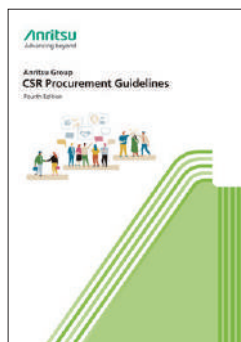
Activities and Achievements

Revision and Application of the Anritsu Group CSR Procurement Guidelines

In September 2021, we revised the Anritsu Group CSR Procurement Guidelines, established in fiscal 2010. We did this to reflect a major revision of the Supply-Chain CSR Deployment Guidebook, published by the Japan Electronics and Information Technology Industries Association (JEITA), to which our guidelines must comply.

While our previous guidelines mainly focused on corporate codes of conduct, the revised version addresses the growing demand for sustainability and now consists of three parts, Code of Conduct, Management System, and Appendix. The first two parts summarize points to be observed by companies and considerations regarding management methods, while the Appendix provides detailed explanations. The new version is also available in Chinese and English in addition to Japanese.

Before starting business or during policy briefings with suppliers, we ask them to learn about and follow our CSR Procurement Guidelines and submit a letter of consent to show their support for our CSR procurement policies.



Anritsu Group
CSR Procurement Guidelines
Fourth Edition

In addition, a comment box for collecting feedback from suppliers is placed in business meeting rooms at the head office and Tohoku Anritsu to promote CSR procurement based on direct feedback from suppliers. We continue to work hand in hand with suppliers to fulfill our corporate and social responsibility through our procurement operations.

 [Anritsu Group CSR Procurement Guidelines](#)

Supply Chain Due Diligence

CSR Procurement Survey

Before opening an account with a supplier, we review the supplier's credit standing, quality, and environmental management and inspect their factory. We also conduct a CSR procurement survey of our suppliers to confirm the status of their efforts to comply with our CSR Procurement Guidelines and take action as necessary. The survey asks self-assessment questions in such areas as human rights and labor issues, health and safety, the environment, fair trade and ethics, product quality and safety, and information security. Given the increasing importance of human rights across the supply chain in recent years, the survey also includes questions on prohibition of forced labor, prohibition of child labor, consideration for young workers, consideration for working hours, appropriate wages and benefits, prohibition of inhumane treatment, prohibition of discrimination, and freedom of association and the right to collective bargaining.

In fiscal 2021, we conducted a CSR procurement survey of 418 companies, including suppliers in the PQA business, and received responses from 372 companies (response rate: 88.9%). We repeatedly remind those 46 companies that have not yet responded to do so, and we will include them in our priority CSR survey in fiscal 2022.

We score the survey responses to visualize the level of commitment of our suppliers. In fiscal 2021, the average score on

questions about human rights was 26.97 out of a 28 points. In line with the revision of our CSR Procurement Guidelines, the survey has been available in Chinese since fiscal 2021.

We will continue to monitor the content and number of survey responses, response rate, and average response scores to ensure the effectiveness of our CSR procurement efforts.

Conducting Due Diligence

Anritsu conducts due diligence to confirm the details and evidence of responses to its CSR procurement survey. Subject companies are selected while taking into account factors such as necessity based on the results of the CSR procurement survey and scale of transactions.

Our goal under GLP2023 (fiscal 2021 to 2023) is to conduct due diligence on a cumulative total of at least ten companies. In fiscal 2021, we conducted due diligence on six suppliers in Japan, Germany, China, and Taiwan, including those originally planned for fiscal 2020 but postponed due to COVID-19, and we confirmed that none of them presented serious risks associated with human rights, labor, or health and safety. In addition, none of our suppliers has been found to be out of compliance according to our CSR procurement questionnaire surveys and due diligence that have been conducted to date.

In fiscal 2022, we plan to conduct due diligence on three suppliers in Japan and three overseas.

We also joined a working group organized by the Supply Chain Subcommittee of Global Compact Network Japan (GCNJ) to collect and exchange information about methods with other members. We will continue our efforts to monitor the status of CSR procurement in our supply chain and strive to promote and improve our CSR procurement practices.

Complying with the Modern Slavery Act

The Anritsu Group is in compliance with the UK Modern Slavery Act, enacted in 2015, and the Australian Modern Slavery Act, enacted in 2018. We disclose a standard statement complying with these acts on the respective websites of Anritsu Corporation, Anritsu EMEA Ltd. (UK), and Anritsu Proprietary Ltd. (Australia) as well as registering on the prescribed websites as required by Australia. The statement contains an overview of the Anritsu Group's commitment to respect for human rights, descriptions of its business and supply chain, its policy and concrete activities regarding human rights, its supply chain due diligence process and risk assessment, and its awareness-raising and training programs for employees in Japan and overseas.

In our activities to date, we have not identified any problematic practices or suppliers with respect to modern slavery. We will continue to strengthen our assessment of modern slavery risks in our operations and supply chain and ensure the effectiveness of our ongoing efforts to address them.

[Anritsu's Response to Human Rights Issues in the Supply Chain](#)

Responsible Mineral Sourcing

The Anritsu Group is committed to responsible mineral sourcing. Following the 2012 adoption of the final rule of Section 1502 (the Conflict Minerals Regulation), Anritsu declared its support. As a means for preventing conflict minerals from entering our supply chain, we clearly state in the Anritsu Group Basic Rules for Procurement and the Anritsu Group CSR Procurement Guidelines that we are working to prevent the use of conflict minerals, and we also hold meetings with suppliers to explain this effort and seek their understanding. When a customer submits inquiries related to this issue, we ask our suppliers in Japan and overseas to investigate and provide the findings to the customer.

- [Anritsu Basic Rules for Procurement](#)
- [Anritsu Group CSR Procurement Guidelines](#)

Global Preferred Suppliers System

The Anritsu Group's Global Preferred Suppliers certifies suppliers for making them available for all Anritsu Group companies. The system has not only helped streamline procurement operations but has also facilitated the sharing of development roadmaps and technical issues with suppliers and will allow us to further reduce the TTM (time to market) of our products. Twelve suppliers have been certified so far through the GPS.

Compliance in Practice

Anritsu sets forth compliant procurement practices in the Anritsu Group Charter of Corporate Behavior, Anritsu Group Code of Conduct, and Anritsu Group Basic Rules for Procurement. We conduct fair and transparent business by observing these standards of conduct, which include not accepting entertainment or gifts and not buying or selling stocks based on insider information from suppliers.

- [Anritsu Group Charter of Corporate Behavior](#)
- [Anritsu Group Code of Conduct](#)
- [Anritsu Basic Rules for Procurement](#)

Education of Procurement Staff

For new recruits and transferees assigned to our procurement sections, we provide training on CSR procurement based on the Anritsu CSR Procurement Guidelines, in addition to e-learning programs on SDGs, the U.K. Modern Slavery Act, the Subcontract Act of Japan and ISO 9001. Case studies on human rights and labor issues are also conducted by procurement team members to exchange opinions and raise staff understanding and awareness of the CSR procurement.

Supply Chain BCP

Using a Proprietary Supplier Information Database

Our business continuity plan (BCP) is principally designed to enable us to quickly collect information and take the first steps in the event of a natural disaster and thereby mitigate any risk of interrupting a supplier's business operations.

Under the BCP, we first use our proprietary database containing information about suppliers' production and warehousing sites to determine which suppliers are likely to be affected by any suspension of our operations. We then contact those suppliers and media agencies to collect information. Finally, based on that information, we narrow down risks and take action to minimize them so product supply for customers will continue without disruption. In October 2021, as part of our effort to facilitate our BCP actions, we expanded the database to include information about supplier production sites by product item and synchronize the database with map information.

Results of BCP Actions

In fiscal 2021, we activated the BCP on eight occasions. Despite the impact of the global shortage of semiconductors, coupled with the COVID-19 pandemic as well as natural disasters such as earthquakes and typhoons, we focused on minimizing the damage

by closely communicating with suppliers, adjusting our production schedule, and switching to alternative parts for 20 models and 300 items. We will continue to enhance the database to raise our level of preparedness.

Monitoring Suppliers' Financial Standing

Anritsu is enhancing its monitoring of the supplier financial standing to ensure stable procurement by promptly detecting any change in supplier behavior and shifting to a different supplier or discontinuing dealing with a specific supplier before problems arise. In fiscal 2021, we added suppliers in the PQA business to the monitoring. We also raised the level of our monitoring of suppliers that may be at a high bankruptcy risk, by obtaining their financial reports, and are also considering seeking alternatives. Additionally, our procurement hub in the U.S. focuses on stable procurement by monitoring the financial standing of suppliers and strengthening preventive measures.

Green Procurement Specification

The Anritsu Group created the Green Procurement Specification to promote, along with suppliers, the production of eco-friendly products in fiscal 1999 and has since conducted green procurement, giving preference to eco-friendly parts and raw materials. The Green Procurement Specification was revised into the Anritsu Group Global Green Procurement Specification in fiscal 2016 to involve all Group members, including overseas production sites. Whenever revisions are made to international regulations on chemicals, such as the RoHS Directive and REACH regulations in Europe, we update the Specification to ensure compliance with those renewed regulations by ourselves and by our suppliers.

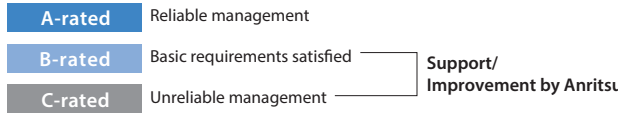


Environmental Partner Certification System

Anritsu launched the Environmental Partner Certification System in fiscal 2001 to promote green procurement. Under the system, we evaluate the environmental initiatives taken by suppliers and certify suppliers who excel in their commitment to the environment. We modified the evaluation process in September 2019 and have since evaluated suppliers in the sole aspect of managing the chemical substances contained in products. Evaluations are undertaken using a check sheet with the ratings of A, B, and C, and suppliers rated A or B are recognized as Environmental Partner Companies. We support the improvement efforts of suppliers who need assistance in managing chemical substances contained in products.

As of May 2022, 226 companies had been certified as Environmental Partner Companies, up from 203 compared to the same period of 2021, indicating the effectiveness of our support.

Rating in the Environmental Partner System



Exhibition of Supplier Products and Technologies

Every year, we hold an event to showcase products manufactured by our suppliers and their technologies. We also provide an occasion for our engineers to share information with their counterparts at our suppliers. In fiscal 2021, as in the previous year, we held the Anritsu Online Exhibition online twice for a total of three weeks, with 45 suppliers in attendance. The exhibition featured 11 webinars on cutting-edge technologies, providing an opportunity to exchange opinions and information with our suppliers. In fiscal 2022, we plan to hold the exhibition both online and in person.



Anritsu Online Exhibition

Suppliers Gatherings

We host a supplier gathering every January, and its main session is designed to share our business policies and initiatives with suppliers that are presented by our Group CEO and the presidents of our major Group companies, as well as our procurement policies, CSR procurement efforts, and requests for CO₂ emission reductions presented by the general manager of our Global Procurement Operation Division. The event for fiscal 2021, held online due to the COVID-19 pandemic, welcomed 421 participants from 179 suppliers, including those of TAKASAGO Ltd., which joined the Anritsu Group in January 2022. While our suppliers gave presentations, we also presented awards to ten suppliers who excelled in all of the aspects of quality, delivery, and pricing as a means of showing our gratitude for their efforts, and the reasons for the awards have been explained and shared with all participants.

In addition, our suppliers also gave presentations.

Promoting Partner QU Proposal Activities

We are promoting the Partner QU (Quality Up) Activity as a communication channel for suppliers so that they can offer proposals for improvements, requests, and opinions concerning Anritsu. We also accept proposals in a broad range of areas beyond procurement, such as sales and marketing, technology, manufacturing, service, health and safety, the environment and CSR, and all proposals serve to improve our business operations.

Collaboration Room

To encourage thought-provoking communication between Anritsu's development engineers and its suppliers, Anritsu Corporation invites different makers and business agents to dispatch their sales engineers to the Company's Collaboration Rooms in a daily rotation. Featuring an atmosphere conducive for generating new solutions, the Collaboration Rooms play an important role in driving our development. These rooms are currently closed due to COVID-19, and active communication between our development engineers and suppliers' sales engineers continue through teleconference meetings.

Social

Quality and Product Safety

Stance on Social Issues

Every business must have a comprehensive approach to satisfying customer needs and earning their trust, not only managing the quality and safety of their products but also protecting the environment and keeping the business ready for contingencies that may arise at any time.

The Anritsu Group's social mission is to contribute to the realization of a safe, secure and prosperous society. To achieve this, the Anritsu Group must provide safe and secure electric

equipment with top priority on preventing product accidents and a commitment to constantly raise quality Group-wide.

Policy

Anritsu's quality policy and related conduct policy are shared by Group companies in Japan. Under the Company philosophy of "Contribute to the development of a safe, secure, and prosperous global society by offering 'Original & High Level' products and services with 'Sincerity, Harmony, and Enthusiasm'," we constantly improve the quality of our products and services to meet customer needs and social demands.

Quality Policy

Supply satisfactory products to customers and society with sincerity, harmony, and enthusiasm.

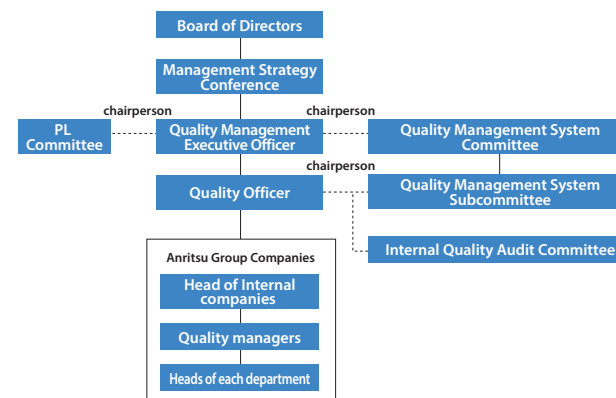
Conduct Policy

- Work with sincerity and seriousness not to make nonconforming products.
- Handle after-processes considering customers and harmony with others.
- Propose improvement with enthusiasm.

Structure

Under the following structure, the Domestic Anritsu Group strives to effectively operate its quality management system to maintain, improve, and ensure product quality.

Domestic Anritsu Group's Quality Management System Structure



Quality Management System Committee

The Quality Management System Committee is chaired by the quality management executive officer (chief quality officer of Anritsu Corporation) and consists of the presidents of internal companies as well as the presidents of the Domestic Anritsu Group companies involved in product operations. The state of quality is annually reported by the chief quality officer at the Board of Directors and the Management Strategy Conference.

Quality Management System Subcommittee

The Quality Management System Subcommittee is a subordinate committee of the Quality Management System Committee. It is chaired by the quality officer and consists of the quality managers of the internal companies and the Domestic Anritsu Group. The Quality Management System Subcommittee develops quality policies common to all Group companies and promotes initiatives as Group-wide efforts to improve quality.

Internal Quality Audit Committee

The Internal Quality Audit Committee, chaired by the quality officer, conducts internal audits on quality.

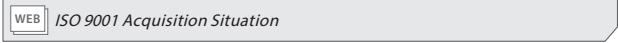
PL Committee

The PL Committee is chaired by the quality management executive officer and consists of the quality officers of the departments of public relations, legal affairs, internal control, procurement, and servicing and internal companies. The PL Committee responds to product-related accidents, develops and improves systems for preventing such accidents from occurring, and implements initiatives for preventing recurrence.

ISO 9001 Acquisition Status

Since 1993, Anritsu has been certified under ISO 9001, the international standard for quality management systems. With all Group companies engaged in the development or manufacture of products under ISO 9001, consistent quality management is conducted around the world throughout the process from design, development, and production to servicing, repair, and maintenance.

The certification rate, when based on the total number of Anritsu Group personnel, is approximately 74%.



Goals

The Domestic Anritsu Group has carried out the GLP2023 Quality Initiative, a mid-term management plan covering fiscal 2021–2023, under the four themes below.

GLP2023 Quality Initiative

Themes	Major activities
1. Increase the effectiveness of management systems in business operations	<ul style="list-style-type: none"> Consider expanding the QMS scope Increase the accuracy of internal quality audits by auditor pre-training
2. Strengthen the Group's quality-related mindset	<ul style="list-style-type: none"> Strengthen ability to meet quality requirements by raising quality awareness
3. Strengthen legal and regulatory compliance as well as product safety management	<ul style="list-style-type: none"> Build a system to share information about laws and regulations Increase the use of data on controlled parts containing specific hazardous substances for product safety
4. Promote global quality actions	<ul style="list-style-type: none"> Conduct a continuous improvement activity for the global quality information website

Activities and Achievements

Increasing the Effectiveness of Management Systems in Business Operations

Considering the Expansion of the QMS Scope

We started optimizing the certification of an integrated quality management system (QMS) for a timely and prompt application of our QMS in business expansion through M&As and the launch of new businesses. We intend to establish a procedure for quick decision-making on the application of the QMS, promptly launching it, and making use of the MS, which will thereby enable us to achieve business targets and generate synergies.

Increasing the Accuracy of Internal Quality Audits

In order to reduce variance in audits, and improve quality to thereby increase effectiveness, we started providing our auditor qualification program to internal auditors on an annual basis (rather than once every three years) and immediately prior to the internal audits.

In fiscal 2021, as in fiscal 2020, we combined, on a trial basis, our internal audit on the QMS with that on the Environment Management System. We will continue exploring ways to increase the effectiveness of the internal audit within a limited timeframe.

Strengthening the Group's Quality-Related Mindset

In fiscal 2021, we provided employees with product safety training with an emphasis on product safety in October and quality management training in November. We also conducted the practical education program Naze-Naze Bunseki (Five Whys) at Tohoku Anritsu Co., Ltd. and other sites. We monitor changes in quality awareness among program recipients through questionnaire surveys. Additionally, we have found that ongoing educational programs on quality have helped reduce the costs of defects.

Enhancing Regulatory Compliance and Product Safety Management

We are building a web-based system for sharing information about laws and regulations across the Anritsu Group. Since relevant laws and regulations vary widely among internal companies, we have been considering establishing a system ahead of the competition, starting with the Test and Measurement Company in fiscal 2021.

Red phosphorus carries the risk of causing a short circuit or smoking that could result in a product accident. The Anritsu Group therefore identifies red phosphorus as a hazardous substance for product safety and limits its content in purchased parts. In fiscal 2021, we developed a system for limiting the use of parts containing red phosphorus at the time of product design and trial-launched

the system a year earlier than originally scheduled. In fiscal 2022, we started the full-fledged operation of the system.

Promoting Global Quality Actions

Since fiscal 2019, Anritsu Corporation has maintained a global website designed to share all its information on quality as well as product laws and regulations in countries around the world with overseas Anritsu companies. Using this global information sharing system, the Test and Measurement Company has begun efforts to select and expand the scope of information to be posted on the website.

Preventing Product Accidents and Legal Violations

As of the preparation of this report, there have been no product accidents resulting in a recall or any violation of laws for product safety by Anritsu.

To facilitate a prompt response to any product accident, the Domestic Anritsu Group established an emergency reporting channel on the intranet's homepage to facilitate a prompt response to any product accident. To ensure its use, all Domestic and Overseas Anritsu employees receive training in October, a month dedicated to the promotion of corporate ethics, to deepen their knowledge of laws governing product accidents and Anritsu's product safety systems. To further prevent violations of prevailing laws, we also established a scheme that allows employees to detect any sign of a potential legal violation and swiftly remedy and report it to management. The scheme has been in place.

As a standard component of our effort to ensure customer safety, we voluntarily post notices on our corporate website about the risks of accidents that could be associated with the use of our products as well as information about inspections and repairs.

Improving the Quality of Our Products and Purchased Parts and Materials

At each internal company, complaints from customers, findings of surveys on customer satisfaction, and quality-related information collected through day-to-day customer support services are fed back into products and the operation process to improve quality. The results of all such initiatives and outcomes are incorporated into management reviews held every fiscal year and in quality targets pursued in a PDCA cycle across the Group. In the development of our products, the quality assurance, manufacturing, and servicing departments join the development department in conducting objective assessments from their respective viewpoints to improve quality. Testing on conformity with environmental and legal requirements as well as thermal and vibration testing are also conducted to provide safe and secure products and services.

In order to ensure the quality of purchased parts, the procurement department carries out acceptance inspections and takes remedial action when problems are detected. Findings from acceptance inspections are examined and verified per supplier, and a factory audit and onsite guidance for quality improvement are provided for the supplier if needed.

Whenever an accident occurs in our purchased parts or a legal violation or quality fraud is committed by any company across our entire supply chain, we investigate and determine the potential influence on our products and promptly and appropriately take action.

Social

Customer Service and Support

Stance on Social Issues

Communications infrastructure and safe food and pharmaceutical products are indispensable to modern society.

Businesses in these sectors focus on productivity and quality assurance in addition to the development of new products and services.

The Anritsu Group maintains a global network to provide customers with the products and support services they need at any time or place.

We build relationships of trust with customers and seek to address social issues with them by doing our best to respond sincerely to their requests or orders.

Policy

In the Charter of Corporate Behavior, the Anritsu Group stipulates that the Group “will provide customers with appropriate information on products and services, and will communicate with customers in good faith. This will result in high customer satisfaction and trust”. The Code of Conduct states that the Group “will continuously provide creative, high-level products and services that would satisfy the needs of our customer.” We strive to be a company that is and will continue to be trusted and chosen by customers around the world.

Structure

Anritsu operates through four groups of businesses, Test and Measurement, PQA, Environmental Measurement, and Sensing and Devices. Through various points of contact with customers, including sales, marketing, maintenance service and corporate website, each business group provides customers with services and support that meet their business needs.

Activities and Achievements

Test and Measurement Business

The Test and Measurement Business has business sites in 26 countries to closely attend to the respective needs of customers developing next-generation technologies in each nation. By sharing development roadmaps with customers and verifying their development of mobile and other communication devices, the business supports customers in meeting their time-to-market requirements.

The business also deploys repair and maintenance service centers at 14 locations in 12 countries so that customers around the world can use Anritsu’s products worry-free. Those centers in the U.S., China, India, and the Philippines offer development support for customers.

PQA Business

The PQA Business, which has a corporate body in each of five countries apart from Japan, operates repair and maintenance centers or agencies in 56 countries. Headquarters are staffed by employees with rich field experience, supporting customers around the clock, 365 days a year. The PQA Business streamlines its

operations through a CRM system and regularly conducts training programs for its staff in and outside Japan to provide a customer service that is reliable and secure.

TOPIC

Investment in Aroma Bit, Inc. to Create New Value through Smell Testing

In the past, there was no suitable sensor for the sense of olfaction, one of the five senses, and as a result, data utilization was underdeveloped. Aroma Bit, Inc. has pioneered the creation of a smell market through the use of its innovative technology and services. Through an investment in the company, Anritsu is focusing on developing new quality assurance solutions, such as enabling smell-based testing or monitoring and advancing the level of sensory evaluation, while also seeking to contribute to safety and security, automation and labor-saving, and reducing disposal loss at food and pharmaceutical manufacturing plants.

Environmental Measurement Business

The Environmental Measurement Business provides product support as well as comprehensive system support services, including the pre-purchase verification of connection with customer communication systems, training on use and management methods, and troubleshooting.

For Private 5G networks, we work with AK Radio Design Inc. and Anritsu Customer Support Co., Ltd. to provide a service that combines simulation and measurement to support the introduction and operation of Private 5G networks.

VOICE

Actual Measurement to Support Exact Area Design



Ryo Haruguchi
(Left)

Namio Sukegawa
(Right)
Anritsu Customer Support
Co., Ltd.

Anritsu Customer Support Co., Ltd. offers a service for measuring the state of Private 5G communications. The use of Anritsu-manufactured measuring instruments enables us to make the state of radio waves visible to customers at their sites. At a later date, we provide customers with measurement results and other observations, which surprise many of them because actual measurements often turn out different from simulation results due to factors such as plant conditions, architectural structures, and landforms. Our actual measurement has helped customers design Private 5G areas more adequately.

TOPIC

NEC Networks & System Integration Corporation, Anritsu, and AK Radio Design Strike a Business Partnership to Popularize and Expand 5G and Private 5G

Three companies are bringing together their expertise in specific fields in a special business partnership. NEC Networks & System Integration Corporation possesses Private 5G expertise through its work in mobile communications and demonstration experiments. Anritsu Corporation is an expert in the verification of telecommunication quality for networks and wireless telecommunication devices. AK Radio Design Inc. provides services in radio wave propagation simulation and measurement in combination. This business partnership provides a total service package of radio-wave verification for alleviating the customer burden associated with introducing Private 5G. The service will lower the hurdles experienced by municipalities and companies, contributing to the realization of a comfortable and convenient society.

Sensing and Devices Business

The Sensing and Device Business supports customers across the world through a system established with Group companies and sales agents outside Japan. It focuses on customer convenience and posts a variety of information on the website. Apart from product data by type, these posts include beginner information and guidance for optimal product choice.

Customer Support amid the COVID-19 Pandemic

As telework is increasingly becoming the norm amid the COVID-19 pandemic, the Anritsu Group has conducted much of its marketing and customer support online. The Test and Measurement Business offers solutions that support 5G, ultrahigh-speed networks, and other advanced telecommunication systems. The business's website is thoroughly dedicated to information about its products in various formats, including remote demos, webinars, and video instruction.

In fiscal 2021, the business hosted "Anritsu Tech Days" for exhibiting its 5G testing solutions and other Anritsu solutions.

The PQA Business also maintains its own website to offer product information, including a solution for customers to remotely monitor testers and restore failures.

P.99 Business Continuity Management

Practicing Responsible Initiatives through External Audits

At a time when environmental and ethical business practices are expected throughout the supply chain, more companies are using specialized external auditors to objectively evaluate the reliability of suppliers. In 2019, Anritsu's PQA Business received a SMETA audit*1, an assessment specifically for the food and pharmaceutical industries. Anritsu also underwent a sustainability survey by EcoVadis, a company that provides supplier rating services to assess their environmental, human rights, ethical, and other initiatives. In July 2022, the Koriyama Office of Tohoku Anritsu Co., Ltd. received an RBA audit*2, used for the electronics industry.

We continue to make use of knowledge and improvements discovered through such audits to fulfill our corporate responsibilities.

*1 SMETA stands for Sedex Members Ethical trade Audit, a social audit criteria set by Sedex, which provides an online platform for companies to manage and improve the working conditions of their global supply chains. A SMETA audit encompasses the areas of labor standards, health and safety, environment, and corporate ethics.

*2 RBA stands for Responsible Business Alliance and is designed to audit the safety of a working environment, whether workers are treated with respect and dignity, and whether the manufacturing process is taking responsibility for environmental impacts in supply chains in the electronics industry.