

# Anritsu Way

## “Sincerity, Harmony, and Enthusiasm” “Original & High Level”

### Contribute to the development of a safe, secure, and prosperous global society

The identity that typifies Anritsu Corporation, and which the Company has dedicatedly fostered since its foundation, is compressed in two phrases: “Sincerity, harmony, and enthusiasm” and “Original & High Level.”

“**Sincerity, harmony, and enthusiasm**” can be defined as the management philosophy that shows our mind-set and values, including the attitude, thoughts, and preparedness the Company has in conducting business. Respectively, the meanings are:

**Sincerity:** Reliability to meet the expectations of customers and all stakeholders

**Harmony:** Adaptability to respond promptly to changes in the business environment and society’s demands by using all knowledge of all parties from inside and outside the Company

**Enthusiasm:** Innovativeness to provide new value by polishing up cutting-edge technologies

This identity has been amassed historically as corporate value.

“**Original & High Level**” means (1) the superior social and customer value provided by our products and services, and (2) the corporate culture, management system, and work procedural methods that give rise to those kinds of deliverables. In other words, “Original & High Level” can be said to exist in the spirit of enterprise that extends from the upstream to the downstream of Anritsu’s corporate activities. Having created many original, pioneering products, for which the needs of society and customers had been taken into consideration, Anritsu has been contributing to the development of society. Anritsu will leverage that ability to make change in confronting the solutions to sustainability issues that global society requires.

## Corporate Philosophy

### Company Philosophy

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

### Company Vision

Achieve continuous growth with sustainable superior profits through innovation, using all knowledge of all parties and contribute to the sustainability of society

### Company Policy

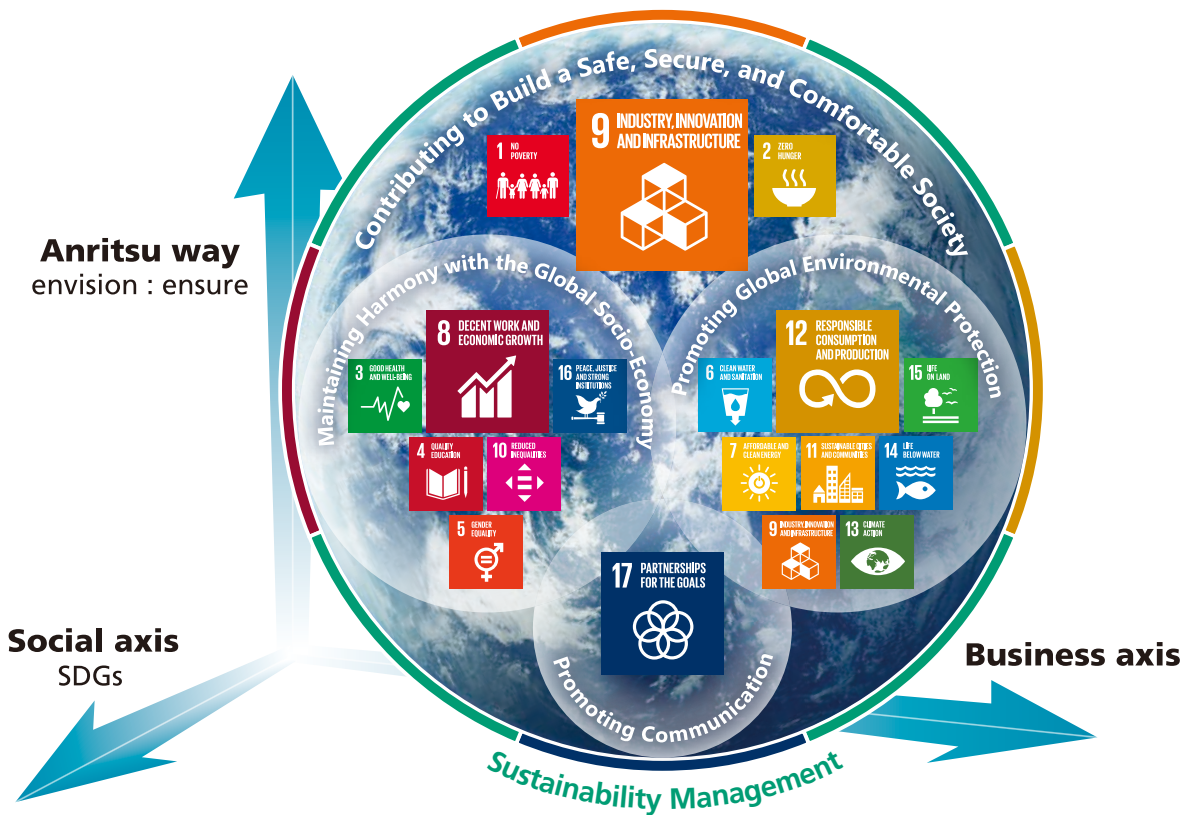
1. Make energetic organization synthesizing the knowledge of all employees
2. Capture growth drivers through innovation
3. Be a leader in the global market
4. Contribute to the creation of a society that is friendly to people and the Earth as a good corporate citizen

**Brand Statement**

**envision : ensure**

The “envision : ensure” brand statement symbolizes Anritsu’s promise “As well as sharing our dream and vision with our customers, it shows that our dedication to innovation will lead to tangible results that exceed their expectations.” The Company throughout its history has been contributing to technological innovation, providing products meeting the needs of customers, such as the world’s first practical use wireless telephone, Japan’s first radio broadcast receiver, and television broadcasting equipment. The pioneer concept of “I think, therefore I realize.” has been passed down through the history of the Company, and we intend to carry this philosophy going forward as we take on new challenges. Together with our stakeholders, we are committed to resolving sustainability-related issues, and we focus, in particular, on the Sustainable Development Goals (SDGs) noted below, in order to contribute to realization of a “safe, secure, and prosperous global society.”

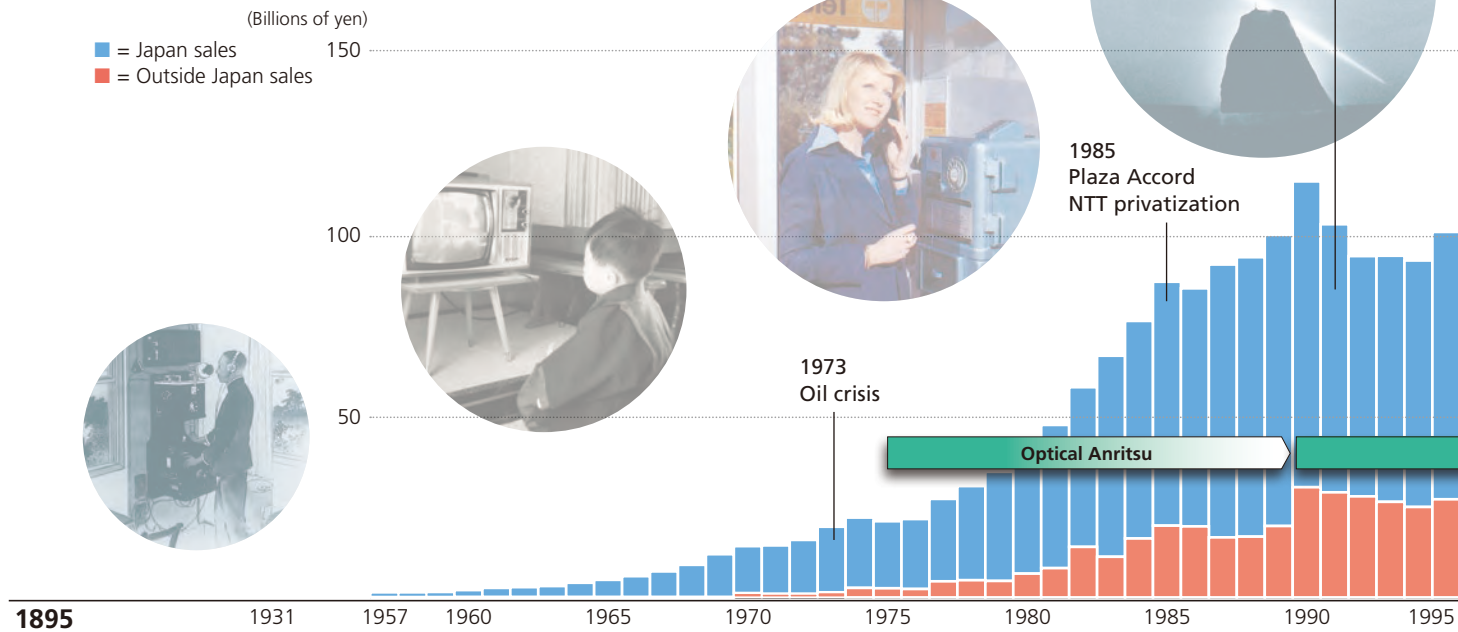
**The targets for sustainability management**



The Sustainable Development Goals (SDGs) were unanimously adopted at the UN General Assembly in September 2015. The Anritsu Group will continue to contribute toward the achievement of these SDGs through its business activities.

# Anritsu Value History

Anritsu has been continuing to provide “Original & High Level” value to society with “Sincerity, harmony, and enthusiasm” for more than 123 years. Having since its foundation accumulated the technologies that are the source of the Group’s corporate value —such as in communications, testing and measurement as well as in inspection— the Company has also garnered absolute trust from its customers as a result. Here, we present a history of these Anritsu value creations.



<b>Foundation</b>	<b>Anritsu Electric Co., Ltd. established</b>	<b>Company name changed to Anritsu Corporation</b>
Sekisan-sha Annaka Electric Co., Ltd.	 安立電気株式会社 Anritsu Electric Co., Ltd.	 Anritsu

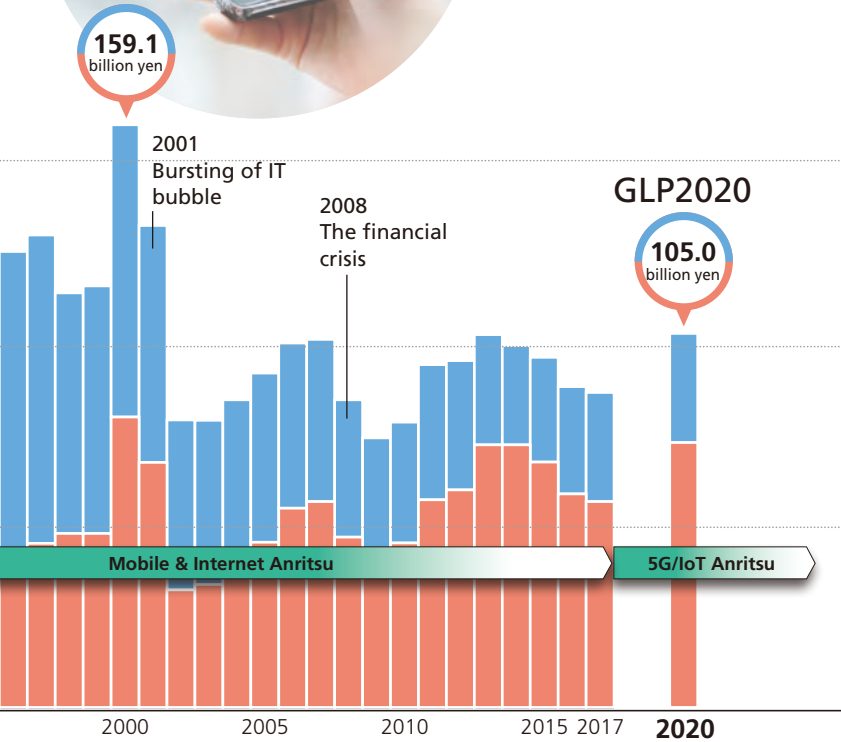
<b>Dawning of new era (1885–1930)</b>	<b>Period of wired/wireless integration (1931–1949)</b>	<b>Period of revival under revived Anritsu Electric Co., Ltd. (1950–1962)</b>	<b>Business expansion brought about by diversification (1963–1974)</b>	<b>Optical Anritsu (1975–1989)</b>
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### History of Change by Showing Sincerity, Harmony, and Enthusiasm

Bears burden of dawning of new era for Japanese information and communications technology  Company mired in management crisis due to economic downturn in aftermath of Great Kanto Earthquake, Great Depression, and intensified competition	Anritsu Electric Co., Ltd. founded by merger of Kyoritsu Electric (Sekisan-sha) and Annaka Electric Co., Ltd.  From outbreak of Sino-Japanese War to war era (armaments boom)  Began corporate reconstruction by switching to civilian demand even as war ended	Restarted under second company system on basis of Enterprise Reconstruction and Reorganization Law  Supported expansion and upgrading of communication infrastructure for Japan’s reconstruction  Construction of Tokyo headquarters office/opening of Atsugi business office (current headquarters)	Promotes business diversification through system comprising six business divisions  Supports development of communications infrastructure that underpins Japan’s high growth  Starts payphone export business	Establishes business foundation in United States with mass deliveries of microwave line measuring equipment to AT&T  Domestic and overseas optical measurement business expanded by increased investment in optical communications networks  Expansion of T&M equipment market due to opening up of communications market following NTT’s privatization  Expansion of overseas payphone business
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### History of Challenges to Achieving Original & High Level

Becomes pioneer in wired communications in Japan (manufacture of payphones)  Bears burden of making world’s first wireless telephone practical (TYK radio-telephone)	Development and manufacture of Japan’s first television transmitter  Development of magnetic recorder (AC bias system)	Mass production of payphones and magnetic switching devices  Microwave line measuring instrument forerunner of T&M equipment business  Development of radio equipment for vessels	Development of T&M equipment for digital transmissions  Checkweigher development serves as forerunner of Products Quality Assurance (PQA) business  Development of computers and their peripheral equipment	Development of T&M equipment for optical fiber communications (optical time domain reflectometer [OTDR], world’s first optical pulse tester)  Card-type payphone
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120th anniversary



**Building foundations as multi-national company (1990–2000)**      **21st century; Path to becoming global brand (2001–)**

**100th anniversary of foundation:** 21st Century Company Vision "To become a global company with global technologies for global customers"

Integrates and expands overseas development, manufacturing, and sales bases following acquisition of Wiltron Company

Falls into red due to Heisei Era depression

Business selection and concentration: withdrawal from non-core businesses, proceeds with business transfers

Records all-time high profit and significant slump into red due to North American IT bubble

Management structure reforms (headquarters functions centralized at Atsugi)

Growth toward becoming global leading company in mobile T&M business field

Enters operations support systems (OSS) market following acquisition of Nettest

Produces series of T&M equipment for digital mobile wireless use

Development of SONET/SDH/PDH/ATM analyzer for high-speed, large-capacity optical digital communications market

High-speed semiconductor device (monolithic microwave integrated circuit (MMIC)) developed

Development and external sales of excitation light sources (optical devices) for optical amplifiers

World's first W-CDMA conformance test system developed

Development of world's most-efficient millimeter-waveband flat antenna

Development of the world's first 5G chipset terminal verification tester that complies with 3GPP standards

Adaptability

Reliability

Innovativeness

**Intellectual capital**  
120 years of knowledge accumulation, ability to innovate

**Human capital**  
Global organization and human resources

**Social and relationship capital**  
Partnerships with leading companies

**Financial capital**  
Financial stability in preparation for changes in market situation

**Manufactured capital**  
Original & High Level production processes

**Natural capital**  
Environmental management that extends along entire value chain

# The Value Creating Story

The sources of Anritsu's corporate value are its tangible and intangible capitals, which are also the basis for the values that Anritsu holds dear: Reliability, Adaptability, and Innovativeness. Anritsu uses the capital it has amassed to the fullest extent possible to provide solutions to social issues through the conduct of its corporate activities.



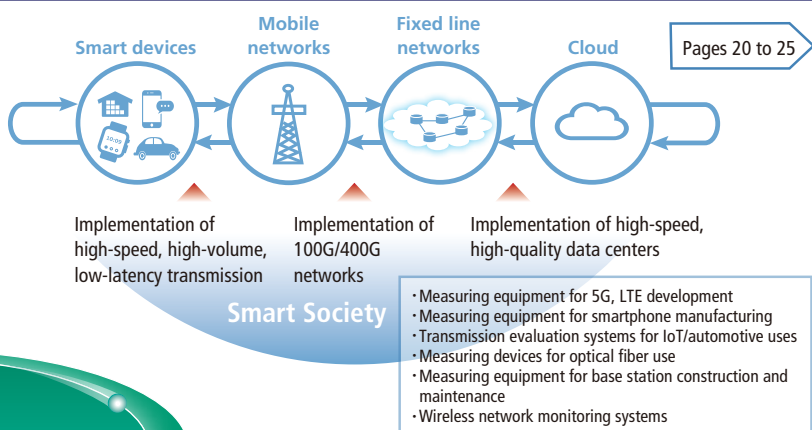
\* PQA: Products Quality Assurance

“envison : ensure” expresses the unending challenge of social innovation and our intent to take the initiative in advancing the limitless cycle of value creation.

## Outputs

### Test and Measurement Business

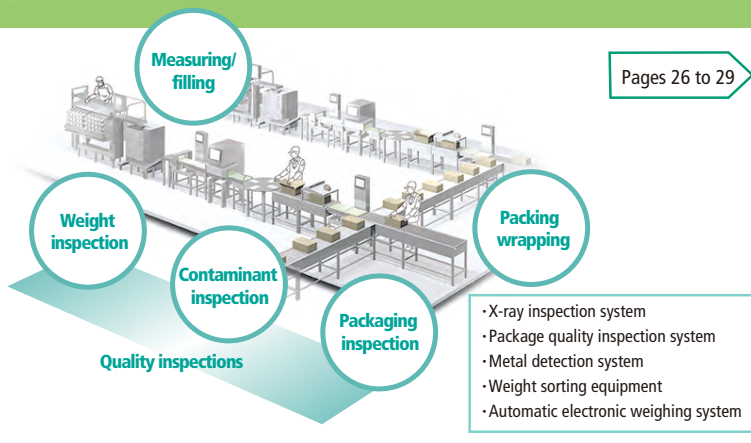
Measurement solutions that support 5G/IoT networks and drive social innovation



ensure

### PQA Business

Solutions for assuring quality of food products and pharmaceuticals



## Value Provided to Society

### Contributing to creating a safe, secure, and comfortable society



Put into place a safe and secure infrastructure which leads to the building of a sustainable society and encourages innovation



Put in place a robust network infrastructure that will provide safety and security in all areas and lead to building a sustainable society



Realize a society where everyone can live in safety and security by enhancing quality assurance for food and pharmaceutical products.



Implement a sustainable society where food loss is kept to a minimum.

### Contributions in the ESG Domain



Together with diverse human resources, we seek to contribute to the creation of workplaces where each individual can achieve personal growth and experience job satisfaction.



Contributing to the creation of a society with sustainable consumption and sustainable corporate production practices



Contributing to the creation of shared value with collaboration among all stakeholders

# Sustainability Management

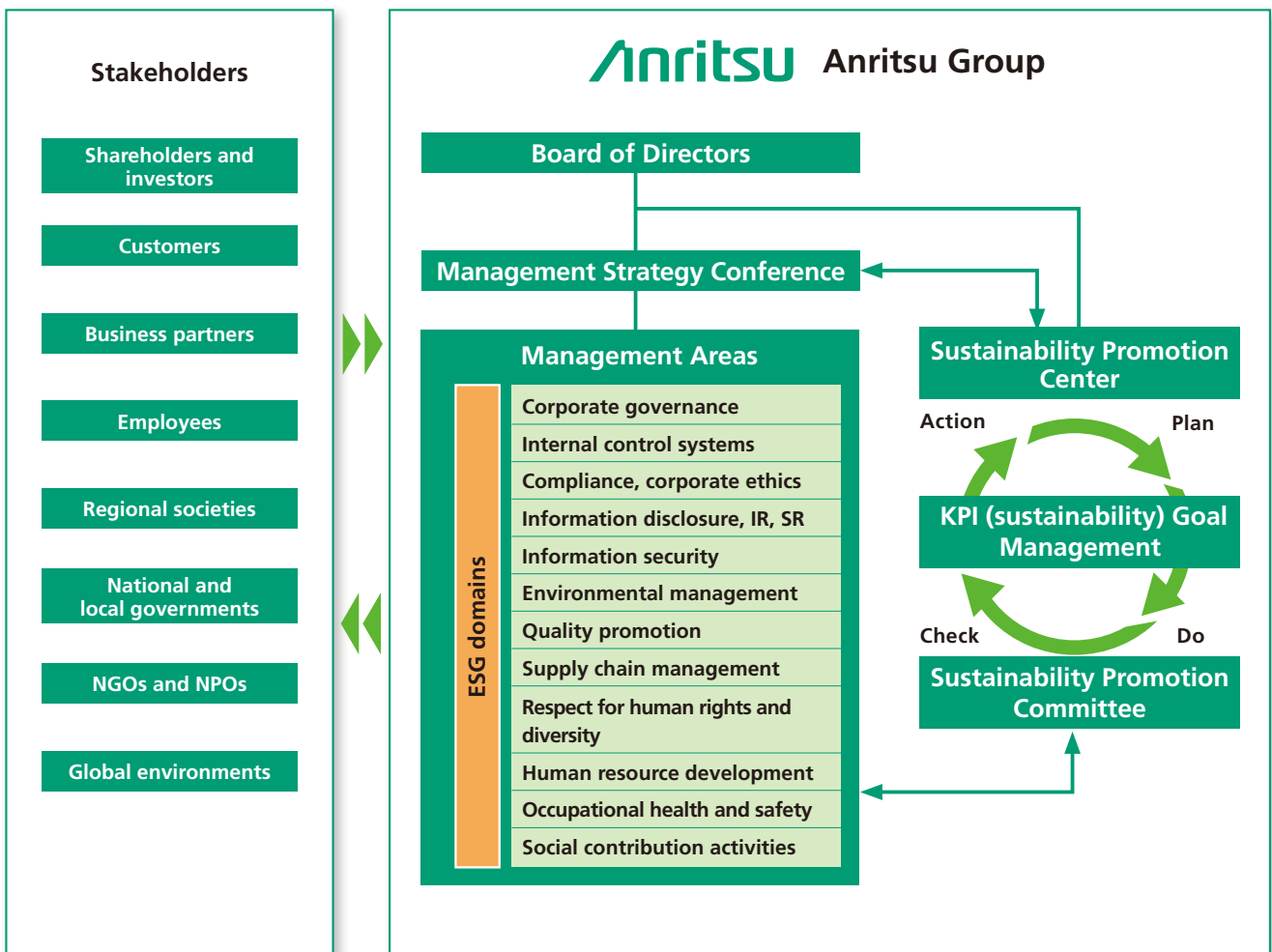
Anritsu has been actively engaged in CSR activities in accordance with its Company philosophy, Company vision and Company policies. Achievement of our CSR goal is the ultimate aim of all our CSR activities, and we have accordingly established a new sustainability policy that targets the further clarification of our contribution to a sustainable society through the development of these CSR goals.

The Company at the same time has established the Sustainability Promotion Center, with a Sustainability Promotion Committee comprising leaders in the main operating and ESG domains. The department is in charge of the promotion of sustainability-related issues for the Anritsu Group.

Sustainability promotion activity will follow the corporate value improvement policies as determined by the Board of Directors and at a Management Strategy Conference and fall under PDCA activity as part of the new GLP2020 Mid-Term Business Plan targets (see page 9).

In respect to key ESG issues and social issues the Company aims to alleviate through its business activities, we have sought to maintain objectivity and inclusiveness in addressing the concerns of each of our stakeholders and have accordingly identified and prioritized key issues for action after consulting and cooperating with all related departments.

## System for Promoting Sustainability



Sustainability Management Structure

Company Philosophy  
 Company Vision  
 Company Policies

Sustainability Policy

The Anritsu Group believes our business should increase our long-term value through contributions to the sustainability of global society with sincerity, harmony, and enthusiasm.

- 1 We will contribute to building a safe, secure, and comfortable society through our business activities, based on our long-term vision.
- 2 We will maintain harmony with the global socio-economy and society through ethical company activities.
- 3 We will contribute to the preservation of the global environment by promoting environmental management for the coexistence of people and nature.
- 4 We will build strong partnerships by promoting communication with all stakeholders.

GLP2020

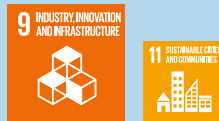
Principal Financial Goals

◆ Revenue	◆ Operating profit	◆ ROE	◆ ACE
¥105.0 billion	¥14.5 billion	12 %	¥5.0 billion

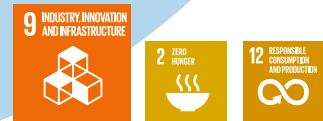
1 Social Issues We Address through Our Business Activities

Put into place a safe and secure infrastructure which leads to the building of a sustainable society and encourages innovation.

◆ Test and Measurement business



◆ Products Quality Assurance business



Major Issues in ESG

2 Maintaining Harmony with the Global Socio-Economy

Together with diverse human resources, we seek to contribute to the creation of workplaces where each individual can achieve personal growth and experience job satisfaction.

- Respect for human rights and diversity
- Human resource development
- Occupational health and safety
- SCM that gives due regard to human rights



3 Promoting Global Environmental Protection

Contributing to the creation of a society with sustainable consumption and sustainable corporate production practices

- Reduction in CO<sub>2</sub> emissions volume (energy usage volume) and water usage volume
- Developing and manufacturing of high-quality and environmentally friendly products
- Supply chain management that lowers environmental burden



4 The Creation of Shared Value through the Promotion of Communication

Contributing to the creation of shared value with collaboration among all stakeholders

- Providing information to and communicating with stakeholders
- Establishing compliance as a part of our mind-set
- Promoting risk management

