



Anritsu
Sustainability Report

2023

Introduction

- 03 About the Anritsu Group
- 04 Anritsu at a Glance

Sustainability Management

- 05 Message from the CEO
- 06 Approach to Sustainability
- 07 Sustainability Promotion System
- 08 Materiality
- 09 The Future Sustainability Management Aims to Create
- 10 Business and SDG Contribution Areas
- 14 Sustainability Goals and Progress
- 15 Dialogue and Co-Creation with Stakeholders

Environment

- 17 Message from the Chief Environment Officer
- 17 Resolving Climate Change and Other Social Issues
- 20 Responding to Climate Change
- 28 Preserving Biodiversity
- 30 Preserving Water Resources
- 32 Preventing Environmental Pollution
- 34 Resource Recycling
- 37 Environmental Management System

Social

- 42 Message from the Chief Human Resource and Administration Officer
- 42 Respect for Human Rights
- 45 Promoting Diversity
- 49 Human Resource Development
- 52 Creating a Comfortable Working Environment
- 55 Health Management and Safety
- 59 Supply Chain Management
- 62 Quality and Product Safety

Governance

- 64 Message from the Chief Governance Officer
- 64 Corporate Governance
- 66 Risk Management
- 68 Internal Control
- 69 Compliance
- 73 Information Security
- 74 Business Continuity Management



Contents and Editorial Policy

- Introduction
- Sustainability Management
- Environment
- Social
- Governance

 Editorial Policy

Anritsu publishes a Sustainability Report in PDF format once a year to report non-financial information. The Sustainability Report 2023 primarily includes activities for fiscal year 2022. In addition to this report, Anritsu also uses the Integrated Report and websites to improve communication with stakeholders.

Reports

-  *Integrated Report*
-  *Corporate Governance Report*

Websites

-  *Anritsu Corporation and Anritsu Group*
-  *Investor Relations*
-  *Sustainability*

Boundary Definitions

This report covers Anritsu Corporation and its subsidiaries and affiliates in Japan and overseas. Coverage of this report varies to either Anritsu Corporation alone or inclusive of Anritsu Group companies, depending on the subject. Definitions are described as follows.

- "Anritsu" and "Anritsu Group" refer to the entire Anritsu Group.
- "Anritsu Corporation" refers to Anritsu Corporation in Japan only.
- "Domestic Anritsu Group" refers to both Anritsu Corporation and Group companies in Japan.
- "Overseas Anritsu Group" refers to Group companies outside Japan.

Reporting Period

This report covers the period from April 1, 2022 to March 31, 2023, and also includes some activities before and after that period.

Guidelines Used as Reference

- GRI Sustainability Reporting Standards
This report has been prepared in accordance with the GRI Standards.
- The Environmental Reporting Guidelines 2018 published by the Ministry of the Environment
- The Ten Principles of the UN Global Compact
- ISO 26000: 2010
- IFRS Foundation (SASB Standards)
- TCFD (Task Force on Climate-related Financial Disclosures)

-  *GRI Sustainability Reporting Standard Content Index*
-  *SASB Content Index*



Anritsu signed the United Nations Global Compact in March 2006, and is a member of the Global Compact Network Japan.

Date of Issue

December 1, 2023
(Date of publication in the previous fiscal year: October 31, 2022)


Third Party Verification

Some environmental data is verified by a third party. Please refer to the independent third party verification report for more information.

 *Third Party Verification*

Contact

Anritsu Corporation
Sustainability Promotion Center

 *Contact for corporate information*

About the Anritsu Group

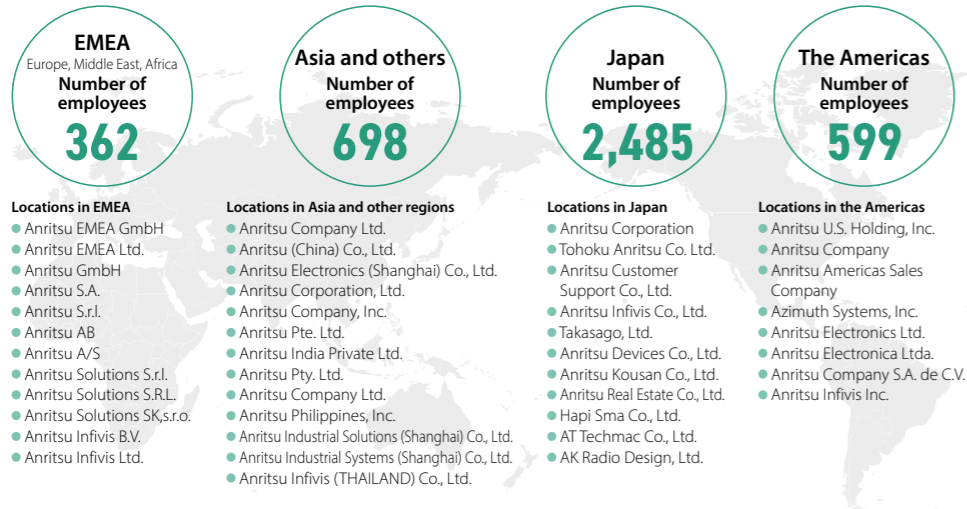
Sekisan-sha, founded in 1895 and later renamed to Kyoritsu Electric, and Annaka Electric, founded in 1900, merged in 1931 to form Anritsu Electric Co., Ltd. The company name was changed to Anritsu Corporation in 1985. Since its founding in 1895, Anritsu has been leading the way as a pioneer in information and communications equipment, contributing to the evolution and development of communications technologies. Anritsu has since expanded its business to include test and measurement instruments and quality assurance inspection equipment for food products, and currently operates four primary businesses: Test and Measurement, PQA (Product Quality Assurance), Environmental Measurement, and Sensing & Devices. We have development, manufacturing, engineering and service locations throughout the world.

Company Name	ANRITSU CORPORATION
Head Office	5-1-1 Onna, Atsugi-shi, Kanagawa, 243-8555 Japan
Founded	1895
Capital	19.218 billion yen (as of March 31, 2023)
Net Sales	110.919 billion yen (fiscal year ending March 31, 2023: consolidated)
Number of Employees	4,144 (consolidated) (as of March 31, 2023) 1,750 (non-consolidated) (as of March 31, 2023)
Business	Development, manufacturing, and sales of electronic measuring instruments, quality assurance systems for food and pharmaceutical products, and environmental measuring instruments and devices



Anritsu Corporation

Development, Manufacturing, Engineering, and Service Locations (as of March 31, 2023)



- | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Locations in EMEA <ul style="list-style-type: none"> Anritsu EMEA GmbH Anritsu EMEA Ltd. Anritsu GmbH Anritsu S.A. Anritsu S.r.l. Anritsu AB Anritsu A/S Anritsu Solutions S.r.l. Anritsu Solutions S.R.L. Anritsu Solutions SK,s.r.o. Anritsu Infivis B.V. Anritsu Infivis Ltd. | Locations in Asia and other regions <ul style="list-style-type: none"> Anritsu Company Ltd. Anritsu (China) Co., Ltd. Anritsu Electronics (Shanghai) Co., Ltd. Anritsu Corporation, Ltd. Anritsu Company, Inc. Anritsu Pte. Ltd. Anritsu India Private Ltd. Anritsu Pty. Ltd. Anritsu Company Ltd. Anritsu Philippines, Inc. Anritsu Industrial Solutions (Shanghai) Co., Ltd. Anritsu Industrial Systems (Shanghai) Co., Ltd. Anritsu Infivis (THAILAND) Co., Ltd. | Locations in Japan <ul style="list-style-type: none"> Anritsu Corporation Tohoku Anritsu Co. Ltd. Anritsu Customer Support Co., Ltd. Anritsu Infivis Co., Ltd. Takasago, Ltd. Anritsu Devices Co., Ltd. Anritsu Kousan Co., Ltd. Anritsu Real Estate Co., Ltd. Hapi Sma Co., Ltd. AT Techmac Co., Ltd. AK Radio Design, Ltd. | Locations in the Americas <ul style="list-style-type: none"> Anritsu U.S. Holding, Inc. Anritsu Company Anritsu Americas Sales Company Azimuth Systems, Inc. Anritsu Electronics Ltd. Anritsu Electronica Ltda. Anritsu Company S.A. de C.V. Anritsu Infivis Inc. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Sales Ratio by Region (Consolidated, FY2022)

EMEA 13%	Asia and others 35%	Japan 30%	The Americas 22%
-----------------	----------------------------	------------------	-------------------------

Test and Measurement Business

We provide test and measurement solutions that support the realization of a 5G and IoT society.



Radio communication test station

Main Customers

Mobile Market

- Smartphone and tablet device manufacturers
- EMS (Electronics manufacturing service companies)
- Chipset manufacturers
- Telecommunications carriers
- Automotive and automotive-related manufacturers

Network Infrastructure Market

- Telecommunications carriers
- Telecommunications contractors
- Telecommunications equipment manufacturers
- IT-based service providers

Electronics Market

- Electronic device and component manufacturers
- Telecommunications equipment manufacturers
- Smartphone and tablet device manufacturers
- Electronics manufacturers
- Automotive and automotive-related manufacturers
- Government agencies
- Universities and research institutions

PQA Business

We offer solutions that address a wide variety of concerns and issues our customers face at their manufacturing sites to ensure the safety and security of food products and pharmaceuticals.



X-ray inspection system



Auto checker (Checkweigher)

Main Customers

Food Products Market

- Food manufacturers (processed foods, raw materials, meat and seafood, agricultural products)

Pharmaceutical Market

- Pharmaceutical and cosmetics manufacturers (tablets, capsules, liquids, and adhesives)

Environmental Measurement Business

We provide environmental measurement solutions that help maintain social infrastructure and the creation of a decarbonized society.



Hybrid power supply

Main Customers

Environmental Measurement Market

- Government agencies and municipalities
- Video distributors
- EV and battery manufacturers

Sensing & Devices Business

We supply high-quality custom products that meet the needs of our customers based on our cutting-edge devices and sensing technologies.



SOA (semiconductor optical amplifier)

Main Customers

Sensing & Devices Market

- Electronics manufacturers
- Telecommunications equipment manufacturers
- Ophthalmic medical device manufacturers

Sales Ratio by Business (Consolidated sales in FY2022: 110.9 billion yen)

Test and Measurement Business 66%	PQA Business 22%	Environmental Measurement Business 6%	Sensing & Devices Business 6%
------------------------------------------	-------------------------	----------------------------------------------	--------------------------------------

Other

Introduction

About the Anritsu Group

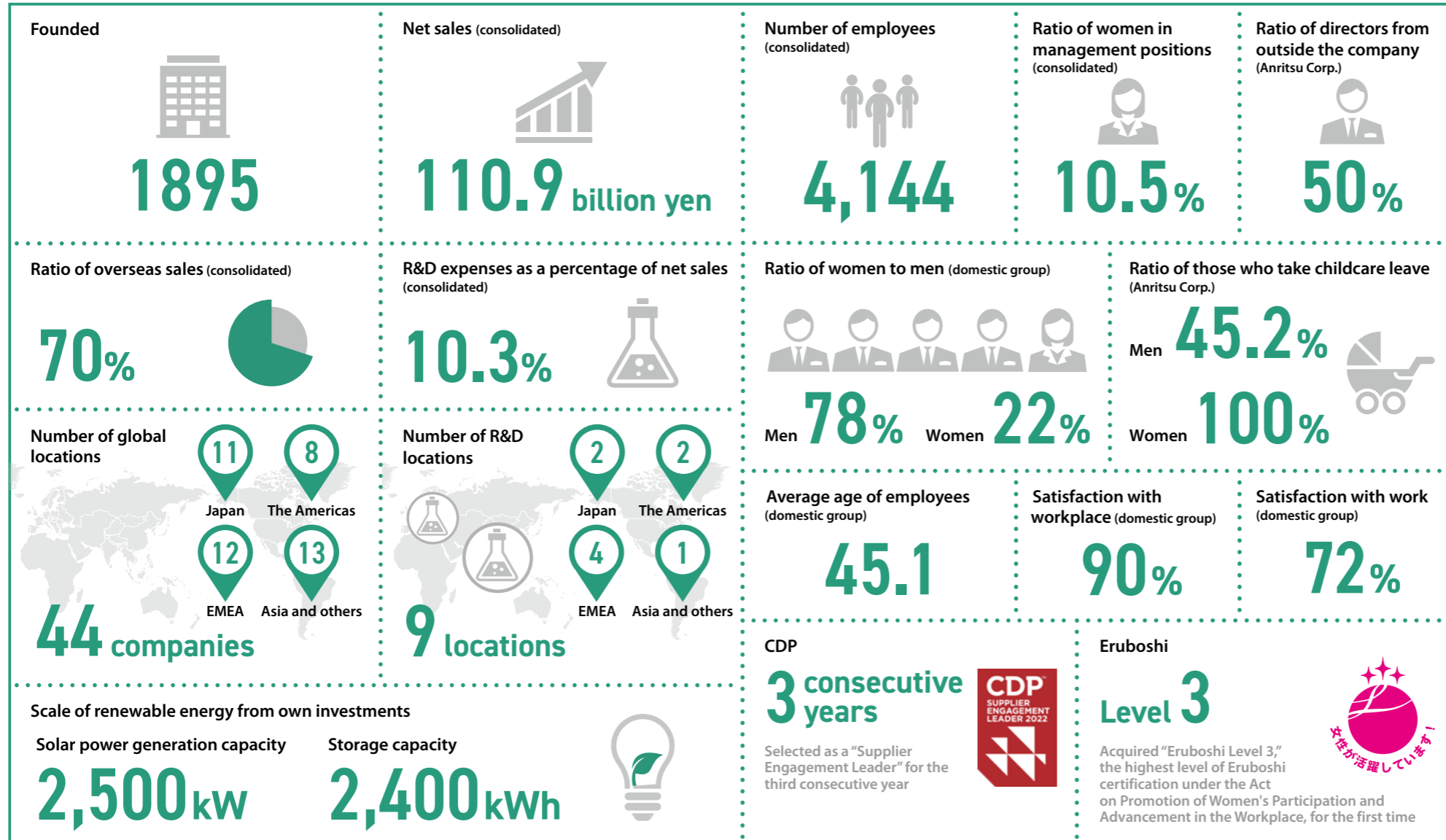
Anritsu at a Glance

Sustainability Management

Environment

Social

Governance



Introduction

- About the Anritsu Group
- Anritsu at a Glance**
- Sustainability Management
- Environment
- Social
- Governance

Promoting the Creation of a Sustainable Future Society through Sincere Business Activities

Representative Director, President of Anritsu, Group CEO
Hirokazu Hamada



Guiding principles for decarbonization and respect for human rights in FY2022

While the global economy showed signs of recovery in FY2022 thanks to a focus on living with COVID-19, the year also saw heightened geopolitical risks, major natural disasters, and escalating energy and human rights issues. Anritsu responded to these issues and made steady progress in its efforts to create a sustainable society for the future. In the areas of environment and society in particular, we have made the Carbon Neutral Declaration and the establishment of an Anritsu Group Human Rights Policy the cornerstones of our future ESG activities.

In our decarbonization activities, we have declared our intention to become carbon neutral, with virtually zero greenhouse gas emissions from our operations by 2050, and we have resubmitted our plan for the 1.5°C target for SBT. Due to the frequency and severity of natural disasters caused by extreme weather events in recent years, I feel the need to accelerate Anritsu's most important materiality,

"Responding to Climate Change." Therefore, we will promote the decarbonization of the entire value chain by further strengthening the "Anritsu Climate Change Action PGRE 30," our own initiative for in-house generation and consumption of renewable energy from solar power, and improving the power saving features of our products. The Anritsu Group Human Rights Policy is the top guideline for strengthening our activities in consideration of human rights. There is no standard for respecting human rights that provides concrete minimal requirements. We will always respect the individuality and diversity of each person, and will continue to learn about human rights while faithfully addressing issues that change with the times.

Focusing on plastic-free and respect for human rights in FY2023

The themes for FY2023 are "plastic-free" and "respect for human rights."

With regard to becoming plastic-free, we have established the Anritsu Group's Zero Plastic Waste Policy and are moving toward the realization of zero plastic waste in our business activities. Anritsu has long made efforts to reduce the amount of plastic packaging that is thrown away immediately after a product is delivered. With plastic pollution having a serious negative impact on the global environment, it is critical to move beyond to the throw-away culture we have become accustomed to. Anritsu takes this challenge seriously and aims to achieve a plastic-free society while gaining the understanding of our stakeholders. With regard to respect for human rights, we will identify priority issues to be addressed through human rights risk assessments and implement human rights respect initiatives based on the Anritsu Group Human Rights Policy, while listening to the opinions of experts and stakeholders.

Anritsu technology provides the foundation for society's future

Society is now undergoing major changes toward decarbonization, including reduced commuting through ICT, more efficient logistics through automated driving, and power savings through green data centers. Anritsu products are not always visible in our daily lives, but they play an important role in the communications sector by supporting IT technologies that are the foundation for a decarbonized society. Anritsu will continue to refine this original and high-level measuring technology and work toward the development of a safe, secure, and prosperous global society with "Sincerity, Harmony, and Enthusiasm."

Approach to Sustainability

In April 2021, Anritsu formulated its new company vision and company policy toward 2030 and revised its sustainability policy.

We take on the challenges of creating a sustainable society together with our stakeholders through the actions of every employee under the philosophy, vision, and policy.



Sustainability Policy

The Anritsu Group aims to increase our long-term corporate value through contributing to building a sustainable future of the global society with "Sincerity, Harmony, and Enthusiasm."

- 1 | We will contribute to building a safe, secure, and prosperous global society through our business activities, based on our long-term vision.
- 2 | We will take the initiative in solving environmental issues, such as climate change, to contribute to building a people- and planet- friendly future.
- 3 | 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.
- 4 | We will operate as a business with high corporate responsibility, peaceful, just, and ethics while maintaining business transparency to meet our social obligations.
- 5 | We will promote communications with stakeholders to develop strong partnerships and meet the challenges of solving social issues.

Revision April 2021

The sustainability policy is based on the concept that corporate value can only be enhanced by responding to the demands of global society and helping to solve social issues through sincere corporate activities. It encompasses the five Ps of the 2030 Agenda for Sustainable Development adopted by the United Nations in 2015: "People," "Planet," "Prosperity," "Peace," and "Partnership."

Contents and Editorial Policy

Introduction

Sustainability Management

Message from the CEO

Approach to Sustainability

Sustainability Promotion System

Materiality

The Future Sustainability Management Aims to Create

Business and SDG Contribution Areas

Sustainability Goals and Progress

Dialogue and Co-Creation with Stakeholders

Environment

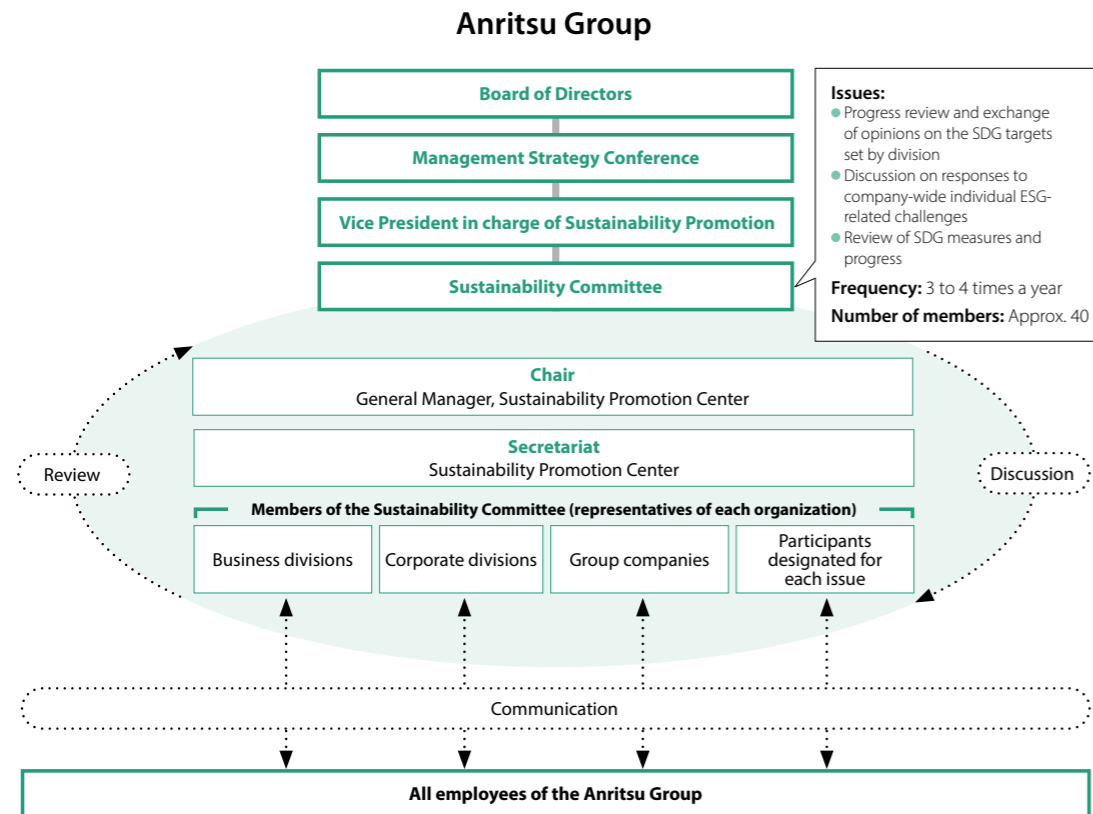
Social

Governance

Sustainability Promotion System

Anritsu promotes the activities implemented by its Sustainability Committee in accordance with its company philosophy, company vision, company policy, and sustainability policy.

Sustainability Promotion System



Governance

In April 2023, Anritsu changed the meeting body, which consists of representatives from major divisions, from the Sustainability Promotion Committee to the Sustainability Committee in order to clarify key issues for action, share information, hold discussions for improvement, and communicate and disseminate actions to be taken by each division through its representative. Progress is also discussed at the Management Strategy Conference and Board of Directors meetings, to which the Vice President in charge of Sustainability Promotion reports. In FY2022, 13 sustainability issues were discussed at Board of Directors meetings.

The Sustainability Promotion Center receives audits by Audit & Supervisory Committee members and the Management Audit Department, and discusses the progress of issues set for sustainability activities, activities to spread awareness of sustainability among employees, risk management, and the status of internal control.

Raising Employee Awareness

In promoting sustainability, we believe it is important to raise the awareness of every employee, and we are undertaking various initiatives to spread this awareness within the company.

- Training through the use of e-learning for all Anritsu Group employees
- Publication of SDG case studies and holding related discussions in the workplace
- Dissemination of articles addressing human rights issues
- Survey of the dissemination of SDGs among employees

P.51 Sustainability Training

Contents and Editorial Policy

Introduction

Sustainability Management

Message from the CEO

Approach to Sustainability

Sustainability Promotion System

Materiality

The Future Sustainability Management Aims to Create

Business and SDG Contribution Areas

Sustainability Goals and Progress

Dialogue and Co-Creation with Stakeholders

Environment

Social

Governance

Materiality

Anritsu has established materialities (key issues) for each business and ESG by focusing on our two pillars of sustainability management: solving social issues through business and taking on challenges to meet the needs of society (ESG). With the review of our company vision, company policy, and sustainability policy in April 2021 and the change in structure within the segment, as well as the addition of Takasago, Ltd. to the group in January 2022, we reviewed the materiality from two perspectives: the importance of social issues and improving the corporate value of Anritsu.

Perspective	Business					ESG					
	Customer and Business Environment			Environment		Society		Governance			
Risks and Opportunities	Opportunity					Risk					
	Expanding into new business opportunities through digital innovation		Demand for safe and secure food, medical, and pharmaceutical products		Demand for decarbonization	Disasters due to climate change	Human rights violations (including supply chain)	Discrimination and harassment of minorities	Loss of societal trust due to lack of transparency in management		
Materiality	Adapting to DX technological innovation	Developing robust IT infrastructure	Reduction of food loss	Providing solutions for quality assurance	Ensuring healthy lifestyles	Disaster prevention and mitigation for natural disasters	Providing products that contribute to a decarbonized society	Responding to climate change	Respect for human rights	Promoting diversity and inclusion	Maintaining management transparency

Materiality by Business

Test and Measurement Business : Adapt to DX technological innovation and develop a robust IT infrastructure

Support customers who aim for new social transformation through digital innovation and contribute to the construction of safe and secure communication infrastructures with communication test solutions.

PQA Business : Reduce food loss and provide solutions for quality assurance

Support customers who aim for a stable supply of safe and reliable food and pharmaceutical products, with highly reliable and sensitive inspection equipment and quality management control systems that contribute to the automation of quality inspection processes in production lines and the reduction of food loss.

Environmental Measurement Business : Prevent and mitigate natural disasters, and provide products that contribute to a decarbonized society

Support customers who aim for new social transformation through digital innovation. Contribute to the transformation of a new digital society through information and communication solutions, and to the realization of a decarbonized society through EV (electric vehicle) and battery evaluation solutions.

Sensing & Devices Business : Develop a robust IT infrastructure, and ensure healthy lifestyles

Support customers who aim for new social transformation through digital innovation, and contribute to the realization of a safe, secure, and comfortable society through optical device businesses and ultra high-speed electronic devices.

Materiality by ESG

Environment : Respond to climate change

Addressing climate change is the most important materiality. This is because global climate change has a tremendous impact on social life and industry, causing natural disasters such as floods and droughts. The first factory at Tohoku Anritsu in Koriyama City, Fukushima Prefecture, an Anritsu manufacturing location, has suffered flood damage due to a river flooding on two previous occasions. Suppliers were also affected by the disaster, and we recognize that this is an issue that affects the entire value chain of Anritsu procurement, manufacturing, and logistics. In order to reduce greenhouse gas emissions, which have a significant impact on climate change, Anritsu will prioritize the in-house generation and consumption of renewable energy.

Social : Promote respect for human rights and diversity & inclusion

We will promote respect for human rights and the promotion of diversity and inclusion as concepts for the entire Anritsu Group and disseminate these values throughout the company. We recognize that in order for a company to continue to grow in today's complex, ever-changing, and unpredictable world, we must harness the power of human resources with diverse values. We will also work to develop human resources, as improving the abilities of each individual is essential for the company's growth.

Governance : Maintain management transparency

We aim to be a company that maintains management transparency and lives up to the trust and expectations of society. In addition to working to improve the effectiveness of the Board of Directors to strengthen corporate governance, we will promote risk management and enhance information security as a part of our social responsibility.

Contents and Editorial Policy

Introduction

Sustainability Management

Message from the CEO

Approach to Sustainability

Sustainability Promotion System

Materiality

The Future Sustainability Management Aims to Create

Business and SDG Contribution Areas

Sustainability Goals and Progress

Dialogue and Co-Creation with Stakeholders

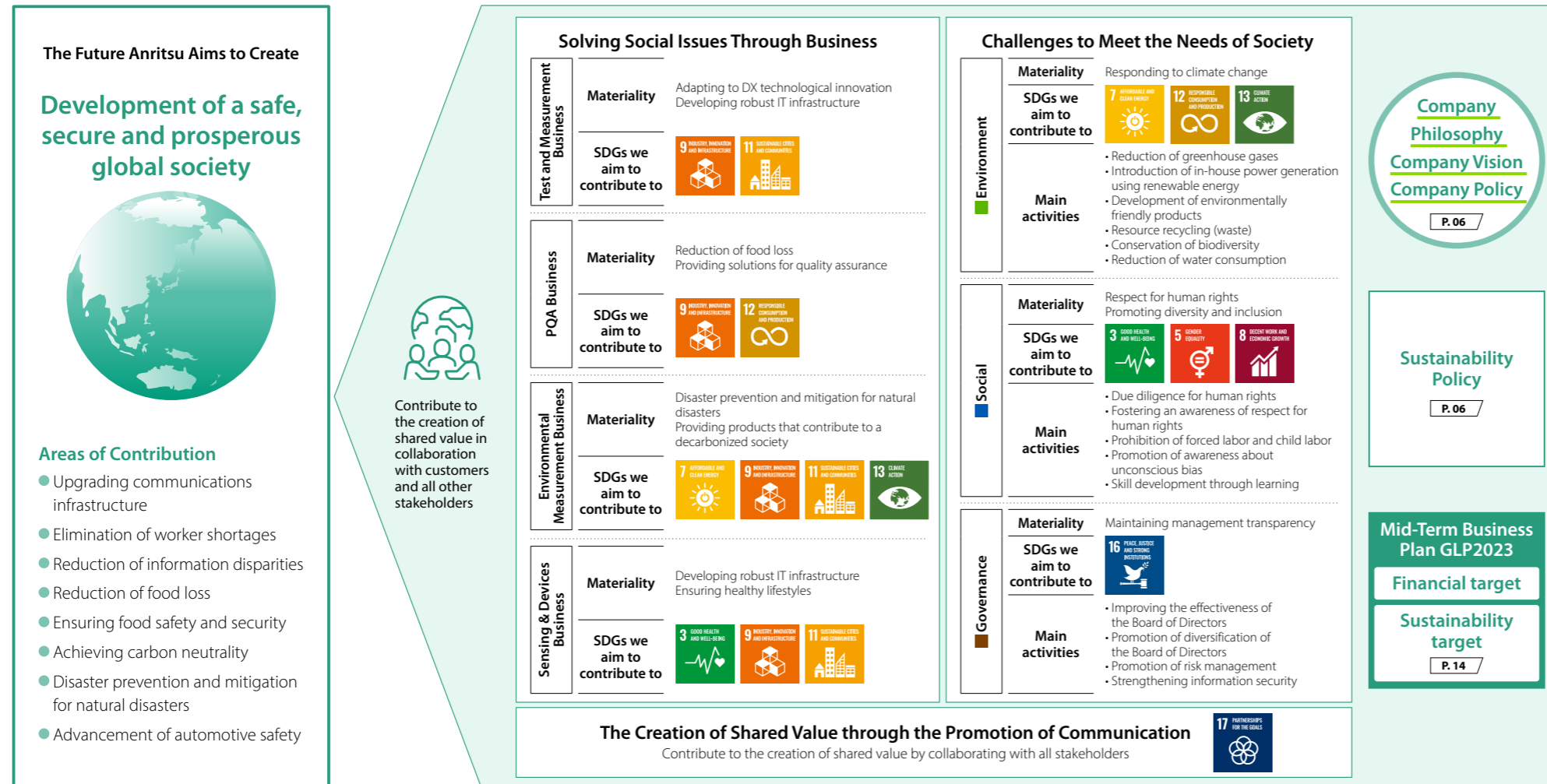
Environment

Social

Governance

The Future Sustainability Management Aims to Create

Anritsu aims to contribute to the creation of a sustainable future for global society through the use of sustainability management. Through our business, we aim to create innovations centered on Anritsu's competency in measurement technology and contribute along with our customers to providing solutions to social issues. We will also tackle issues that respond to the demands of society, place importance on communication with all of our stakeholders, and work toward the development of a global society.



Test and Measurement Business

Supporting customers who aim for new social transformation through digital innovation and contributing to the construction of safe and secure communication infrastructures with communication test solutions

Materiality

- Adapting to DX technological innovation
- Developing a robust IT infrastructure

Social issues

- Promote DX
- Strengthen IT infrastructure
- Reduce traffic accidents and traffic congestion
- Increase the efficiency of industry and reduce shortages in human resources
- Eliminate regional disparities

Strengths of Anritsu

- Communication and measurement technologies and products covering optical, wired, wireless, and protocols
- Seamlessly supporting customers, from development to manufacturing and maintenance
- Rapid deployment of cutting-edge products through partnerships with customers and suppliers
- Global development and sales systems that provide timely support to customers



Example 1

Providing quality assurance solutions for wireless modules, and contributing to the practical application of automated driving systems

Automated driving is expected to act as social infrastructure to help solve the social issues of securing a means of transportation for people in underpopulated areas and the elderly, as well as the shortage of drivers in the transportation industry. Automated driving requires information on surrounding vehicles, pedestrians, and bicycles to be obtained from wireless communication networks/GPS and sent to the vehicle, and therefore a large amount of information is exchanged in real time. Anritsu supports the practical application of automated driving systems by providing customers in the automotive industry with a wide range of measuring instruments, from those for development to those for manufacturing, to guarantee the quality of vehicle-mounted radio modules that are required for such communication.



Signaling tester for comprehensive evaluation of wireless terminal applications

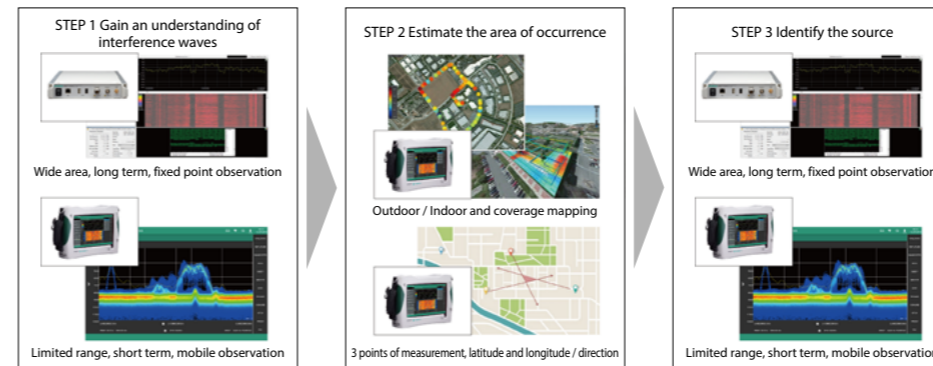


Variety of wireless communications for automobiles

Example 2

Contributing to industry DX through solutions for searching for interference waves

Private 5G, a network that can be used in limited areas, is beginning to be used by companies and municipalities. This technology is expected to connect the equipment that is used at construction sites, in agriculture, and in factories to a network, which will improve work efficiency and safety and solve issues such as shortages in human resources. On the other hand, the risk of communication failure due to interference waves is increasing in today's world where multiple wireless communication systems are in operation. For the stable operation of Private 5G, it is important to find the types and locations of interference waves. Anritsu contributes to industry DX by providing customers with solutions for searching for interference waves and supporting the development of a robust communications infrastructure.



PQA Business

Supporting customers who aim for a stable supply of safe and reliable food and pharmaceutical products, with highly reliable and sensitive inspection equipment and quality management control systems that contribute to the automation of quality inspection processes in production lines and the reduction of food loss

Materiality

- Reduction of food loss
- Providing solutions for quality assurance

Social issues

- Provide a stable supply of food and medicines
- Reduce food loss

Strengths of Anritsu

- High-speed, high-precision in-line quality inspection technology
- Adaptability for introducing inspection equipment into diverse production lines
- Extensive maintenance service system and experienced maintenance engineers
- Past record and top-class market position in the food inspection market



Example 1

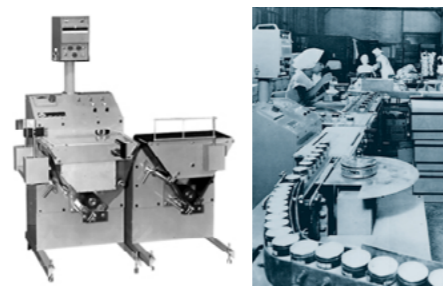
Contributing to the stable production of safe pharmaceutical products by providing high-precision checkweighers

The global demand for pharmaceuticals is increasing, requiring pharmaceutical manufacturers to both maintain quality and improve productivity. In particular, strict mass control is required for high-potency drugs such as anticancer drugs and immunosuppressants, for which even the slightest difference in filling volume can affect efficacy and cause side effects.

Anritsu also provides pharmaceutical manufacturers with solutions for inspecting for foreign material and checking for printing and sticker defects, contributing to the stable supply of safe pharmaceutical products. The Anritsu auto-checker for capsules is capable of sorting up to 230,000 capsules per hour with an industry-leading accuracy of ± 0.5 mg.



Auto checker (Checkweigher) for capsules for pharmaceutical products. A high accuracy of ± 0.5 mg makes it suitable for performing full inspection when strict mass control is required, such as for anticancer drugs and immunosuppressive drugs.



The first Anritsu auto checker was delivered to a pharmaceutical manufacturer. Since then, we have continued to develop Anritsu technology as we learn from the pharmaceutical industry's strict approach to quality control.

Example 2

Contributing to the reduction of food loss through solutions for performing quality inspections

If processed foods that have been shipped and distributed to the market are found to be defective, large quantities of food must be recovered and disposed of. Anritsu provides food manufacturers with X-ray inspection and metal detection machines to check for foreign matter, cracks and chips, and packaging defects, helping to prevent the release of defective products. In the unlikely event that a defective product is released, the total quality management and control system can be used to check and analyze the images from the X-ray inspections of all products to identify lots and prevent a large volume of food waste. Anritsu helps reduce food loss by providing food manufacturers with solutions for performing quality inspections.



X-ray inspection System. Used to detect contaminants such as metal and stones, and bones that have not been removed.



Comprehensive quality management and control system capable of centrally managing the recording of measurement data and the operating history of multiple inspection devices

Contents and Editorial Policy

Introduction

Sustainability Management

Message from the CEO

Approach to Sustainability

Sustainability Promotion System

Materiality

The Future Sustainability Management Aims to Create

Business and SDG Contribution Areas

Sustainability Goals and Progress

Dialogue and Co-Creation with Stakeholders

Environment

Social

Governance

Environmental Measurement Business

Supporting customers who aim for new social transformation through digital innovation, and contributing to the transformation of a new digital society through information and communication solutions, and to the realization of a decarbonized society through EV (electric vehicle) and battery evaluation solutions

Materiality

- Disaster prevention and mitigation for natural disasters
- Providing products that contribute to a decarbonized society

Social issues

- Create a resilient society
- Promote DX
- Achieve a carbon neutral society

Strengths of Anritsu

- Provide solutions that integrate advanced proprietary technologies
- Ability to accurately identify customer issues and provide effective solutions



Example 1

Using disaster prevention cockpit solutions to contribute to strengthening disaster resilience

In recent years, natural disasters have become more frequent and severe due to the effects of climate change. This has required the enhancement and strengthening of disaster countermeasures. The Ministry of Land, Infrastructure, Transport and Tourism is working to collect surveillance camera images and sensor information from various locations, including rivers and roads, in order to provide prompt guidance for evacuation.

Anritsu has developed a disaster prevention cockpit solution that centralizes a variety of disaster prevention information and allows real-time monitoring. By providing this solution to government agencies and municipalities, we support accurate decision-making in times of disaster and contribute to strengthening resilience to disasters.



Example 2

Providing EV test equipment to contribute to the realization of a carbon-neutral society

The development of EVs is accelerating around the world toward the realization of a carbon-neutral society. Anritsu welcomed Takasago, Ltd., which maintains advanced energy control and emulation technologies, to the Anritsu Group in January 2022.

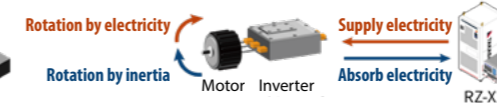
Takasago, Ltd. provides EV and battery-related manufacturers with a variety of test equipment, including EV power emulation equipment and battery charge-discharge test systems that can evaluate the performance and reliability of key EV components, such as batteries, inverters, and motors, thereby contributing to an early transition to environmentally friendly transportation systems.



Charging/discharging power supply
(reproduces charging and discharging operations)



Bidirectional DC power supply
(reproduces battery operation)



Hybrid power supply that condenses a charging/discharging power supply and a bidirectional DC power supply into a single unit. The complex behavior of motors, inverters, and batteries can be reproduced, significantly shortening the development time of EV batteries.

Sensing & Devices Business

Supporting customers who aim for new social transformation through digital innovation, and contributing to the realization of a safe, secure, and comfortable society through optical device business and ultra high-speed electronic devices

Materiality

- Developing a robust IT infrastructure
- Ensuring healthy lifestyles

Social issues

- Strengthen IT infrastructure
- Conserve energy in the industrial sector and reduce environmental impact
- Improve medical technology
- Extend healthy life expectancy

Strengths of Anritsu

- Advanced device technology with compound semiconductor as core technology
- Realizing flexible responses and high product quality through in-house integrated processes ranging from wafer processing - such as crystal growth - to packaging

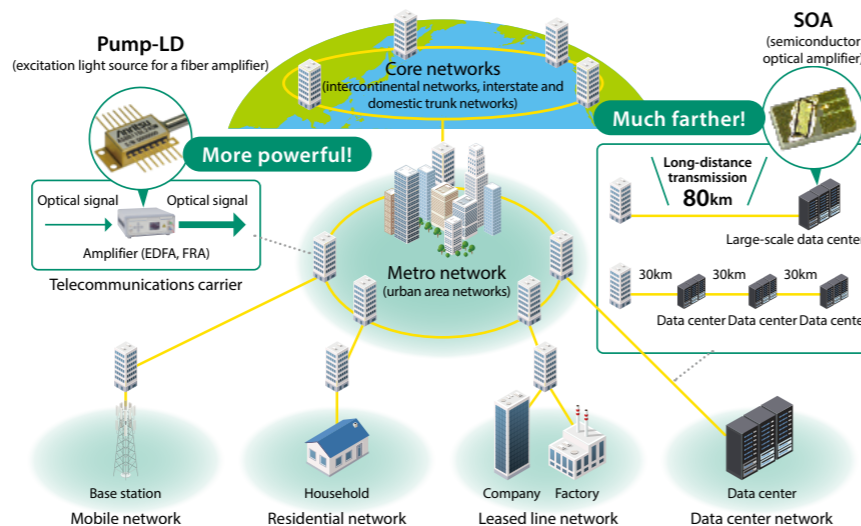


Example 1

Supplying semiconductor optical devices to contribute to stable operation and power conservation for the telecommunication infrastructure

With the spread of AI, SNS, video streaming, games, and other cloud services, data traffic continues to increase. This has made a stable communications infrastructure indispensable to our daily lives.

Data centers, which are critical components of the telecommunications infrastructure, are interconnected by a long-distance optical communications network. Anritsu contributes to the construction of a stable communication infrastructure by providing SOAs (semiconductor optical amplifiers) that amplify optical signals without degradation. The amplified signals are received by the light reception parts of optical transceivers that are installed in communication equipment used in optical communication networks. We also supply chip-on-carrier type devices, as well as SOAs that maintain their amplification factor even in high-temperature environments, thereby contributing to the miniaturization and reduced power consumption of communication equipment.



Example 2

Contributing to the field of ophthalmology by providing SLDs and wavelength swept light sources

In recent years, ophthalmological diagnosis has become more important than ever before due to an increase in eye diseases as the population ages and an increase in juvenile myopia caused by prolonged use of smartphones.

Anritsu provides Super-Luminescent Diode (SLD) light source and wavelength swept light sources that are incorporated into ophthalmic diagnostic instruments, allowing non-contact, high-precision retinal examinations with minimal burden on the patient. These efforts contribute to the early detection of age-related macular degeneration and glaucoma, the early treatment of cataracts, and the prevention of axial myopia.



Ophthalmology OCT (cross-section retinal scanner)

Anritsu SLDs, which are built into optical coherence tomography (OCT) systems that use light interference to take tomographic images of the inside of objects and the human body, are key devices for obtaining high-resolution inspection results.

Contents and Editorial Policy

Introduction

Sustainability Management

Message from the CEO

Approach to Sustainability

Sustainability Promotion System

Materiality

The Future Sustainability Management Aims to Create

Business and SDG Contribution Areas

Sustainability Goals and Progress

Dialogue and Co-Creation with Stakeholders

Environment

Social

Governance

Sustainability Goals and Progress

Anritsu's business divisions, corporate divisions, and group companies have formulated the three-year Mid-Term Business Plan (GLP: Anritsu Global Long Plan). GLP2023, our Mid-Term Business Plan covering FY2021 through FY2023, sets sustainability targets in the ESG field, and we are actively working to resolve various issues that hinder a sustainable society.

	KPI: Sustainability Targets for GLP2023 (Targets from FY2021 to FY2023)		FY2021 Results	FY2022 Results
Environment	Greenhouse gas (Scope 1 + 2)* ¹	23% reduction compared with FY2015	12% reduction* ³	6.7% reduction* ³
	Greenhouse gas (Scope 3)* ¹	13% reduction compared with FY2018	14.7% reduction	21.8% reduction
	Share of private power generation (PGRE 30)* ²	13% or more (based on electricity consumption in FY2018)	6.7%* ⁴ As of March 31, 2022	7.2% As of March 31, 2023
Social	Advancement of women	Proportion of women in management positions: 15% or more (10.8% as of March 31, 2021)	10.9% As of March 31, 2022 *Consolidated	10.5% As of March 31, 2023 *Consolidated
	Advancement of the elderly	Employment until the age 70 and the establishment of a new compensation package (FY2020 results: Employment extended until the age of 65)	Employment until the age 70 and the establishment of a new compensation package	Employment until the age 70 and start implementation of the new compensation package
	Promoting the employment of people with physical or mental disabilities	Achieve 2.3% of the legally mandated employment rate through job development (2.05% as of March 31, 2021)	2.54% As of March 31, 2022 *Combined with Hapi Sma Co., Ltd., a special subsidiary	2.36% As of March 31, 2023 *Combined with Hapi Sma Co., Ltd., a special subsidiary
	Strengthening of supply chain due diligence	A cumulative total of 10 or more companies over 3 years (0 companies as of March 31, 2021)	Implemented by 6 companies	Implemented by 6 companies (A cumulative total of 12 companies over 2 years)
	Developing awareness and providing training on CSR procurement to suppliers	At least twice a year for developing awareness and at least once a year for training (Twice for developing awareness and once for training, as of March 31, 2021)	Three times for developing awareness and one time for training	Three times for developing awareness and one time for training
Governance	Promoting the diversity of the Board of Directors	Share of outside directors: 50% or more (44% (4 out of 9) as of March 31, 2021)	50% (5 out of 10)	50% (5 out of 10)
	Establishment of an internal control system at overseas subsidiaries	All overseas subsidiaries meet the criteria of the Control Self-Assessment (CSA)	CSA criteria and standards required of each company are currently being defined for the FY2023 assessment (to be finalized in FY2022)	Companies that meet the criteria in 90% of the items: 87% (Number of items:181)

KPI after the Carbon Neutral Declaration

In December 2022, we joined the Race To Zero of the United Nations Framework Convention on Climate Change (UNFCCC) by making a Carbon Neutral Declaration to reduce greenhouse gas emissions from our business activities to virtually zero by 2050. In response to this, we raised the mid-term target for Environment to a value consistent with the level of "limiting the temperature increase to 1.5°C above pre-industrial levels" by 2030, and this target was resubmitted to SBTi in May 2023. At that time, we changed the boundary to include Takasago, Ltd. and Anritsu Infvis Inc. (U.S.A.) and others.

	KPI: 1.5°C Target (by FY2030)		FY2021 Results	FY2022 Results
Environment	Greenhouse gas (Scope 1 + 2)* ¹	Reduce by 42% compared with FY2021 by FY2030	—	Increase by 6.2% compared with FY2021
	Greenhouse gas (Scope 3)* ¹	Reduce by 27% compared with base year* ⁵ by FY2030	—	Reduce by 8.4% compared with base year
	Share of private power generation (PGRE 30)* ²	Increase from 0.8% to approximately 30% by around 2030 (PGRE 30), based on the electricity consumption* ⁶ of the Anritsu Group in FY2018	—	7.2% As of March 31, 2023

*1 Scope 1: Direct emissions of greenhouse gases by businesses themselves (fuel combustion, industrial processes), Scope 2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies, Scope 3: Indirect emissions other than Scope 1 and Scope 2 (emissions of other companies related to the activities of the project operator). We have adopted Category 1 and 11 as KPIs for Scope 3.

*2 PGRE30, an Anritsu initiative, is based on the Group's electricity consumption in FY2018. The goal of this action is to increase the ratio of in-house solar power generation, a renewable energy source, from 0.8% in FY2018 to approximately 30% by around 2030.

*3 Corrected value due to errors in the amount of electricity used in the billing statements of electricity distribution companies in the U.S.

*4 FY2021 data has been corrected from 16.8% to 6.7% due to an error caused by a bug in the software on the cloud that manages solar generation in the U.S.

*5 Base year: Average value from FY2018 to FY2021

*6 At the time PGRE 30 was formulated, AT Technac was not a wholly-owned subsidiary, so the company's electricity consumption was excluded.

Contents and Editorial Policy

Introduction

Sustainability Management

Message from the CEO

Approach to Sustainability

Sustainability Promotion System

Materiality

The Future Sustainability Management Aims to Create

Business and SDG Contribution Areas

Sustainability Goals and Progress

Dialogue and Co-Creation with Stakeholders

Environment

Social

Governance

Dialogue and Co-Creation with Stakeholders

Anritsu aims to collaborate with stakeholders and contribute to the creation of shared value.

To this end, we emphasize communication with our stakeholders and strive to disclose information in an appropriate and timely manner.

Through partnerships, we are also working to solve various social issues.

Stakeholder	Themes and Objectives	Method of Communication	Reference
Shareholders and investors	<ul style="list-style-type: none"> Fair, timely, and appropriate disclosure Improve corporate credibility Promote understanding of Anritsu 	<ul style="list-style-type: none"> Financial results Shareholders' meetings Individual IR interviews Participation in conferences sponsored by securities firms Integrated report Websites 	<p>WEB Latest IR Materials</p>
Customers	<ul style="list-style-type: none"> Provide creative, high-level products and services that meet customers' needs Improve the brand value of Anritsu and Anritsu products and increase understanding and trust in Anritsu Promote fair operating practices 	<ul style="list-style-type: none"> Sales activities Customer service department Publicity, advertising Websites 	<p>WEB Anritsu Corporation and Anritsu Group</p>
Suppliers	<ul style="list-style-type: none"> Build partnerships based on mutual trust Promote CSR throughout the supply chain Promote fair procurement practices 	<ul style="list-style-type: none"> Receptions and exchanges of information CSR procurement surveys, green procurement, human rights due diligence Product exhibits Partner Quality Up activities Installation of collaboration rooms 	<p>P.59 Supply chain management</p>
Employees	<ul style="list-style-type: none"> Respect the individuality, diversity, and personality of each employee and achieve a work style that allows employees to fully demonstrate their abilities Create a vibrant work environment that is health and safety conscious 	<ul style="list-style-type: none"> Employee engagement surveys Interviews with supervisors and subordinates Business ethics surveys Hotline (reporting and consultation) 	<p>WEB Initiatives related to human capital</p> <p>P.45 Promoting diversity</p> <p>P.49 Human resource development</p> <p>P.52 Creating a comfortable working environment</p> <p>P.55 Health management and safety</p>
United Nations and international organizations, governments, and municipalities	<ul style="list-style-type: none"> Contribute to international cooperation and development Comply with international rules and laws 	<ul style="list-style-type: none"> Participation in international initiatives Public-private partnership projects Policy recommendations 	<p>WEB Supporter of the UN Global Compact</p> <p>P.40 Participation in and endorsement of industry associations and initiatives</p> <p>P.57 Participation in labor standards initiatives</p>
Global environment	<ul style="list-style-type: none"> Take a proactive approach to environmental issues Contribute to the creation of a prosperous society where people can coexist in harmony with the planet Enhance our environmental brand through information disclosure 	<ul style="list-style-type: none"> Promoting activities to reduce environmental impact at business sites Promoting environmental communication with internal and external stakeholders Volunteering in the community 	<p>P.20 Endorsement of TCFD</p> <p>P.39 Environmental communication</p> <p>P.29 Tanzawa Oyama Nature Restoration activities</p>
Local community NGOs / NPOs	<ul style="list-style-type: none"> Cooperate with and contribute to regional development 	<ul style="list-style-type: none"> Social contribution activities Volunteering in the community Humanitarian assistance for disasters 	<p>WEB Social Contribution Activities</p> <p>P.47 Sponsorship of Paralymp Art</p> <p>P.57 Participation in labor standards initiatives</p>
Other	<ul style="list-style-type: none"> Communicate with evaluation agencies regarding ESG 	<ul style="list-style-type: none"> Various ESG survey questionnaires Response to CDP Suppliers audited by external organizations (RBA, EcoVadis, SMETA) 	<p>WEB Status of inclusion in ESG indices, External Evaluation</p>

Contents and Editorial Policy

Introduction

Sustainability Management

Message from the CEO

Approach to Sustainability

Sustainability Promotion System

Materiality

The Future Sustainability Management Aims to Create

Business and SDG Contribution Areas

Sustainability Goals and Progress

Dialogue and Co-Creation with Stakeholders

Environment

Social

Governance