

2015 CSR Report

Continuous Growth with Sustainable Society



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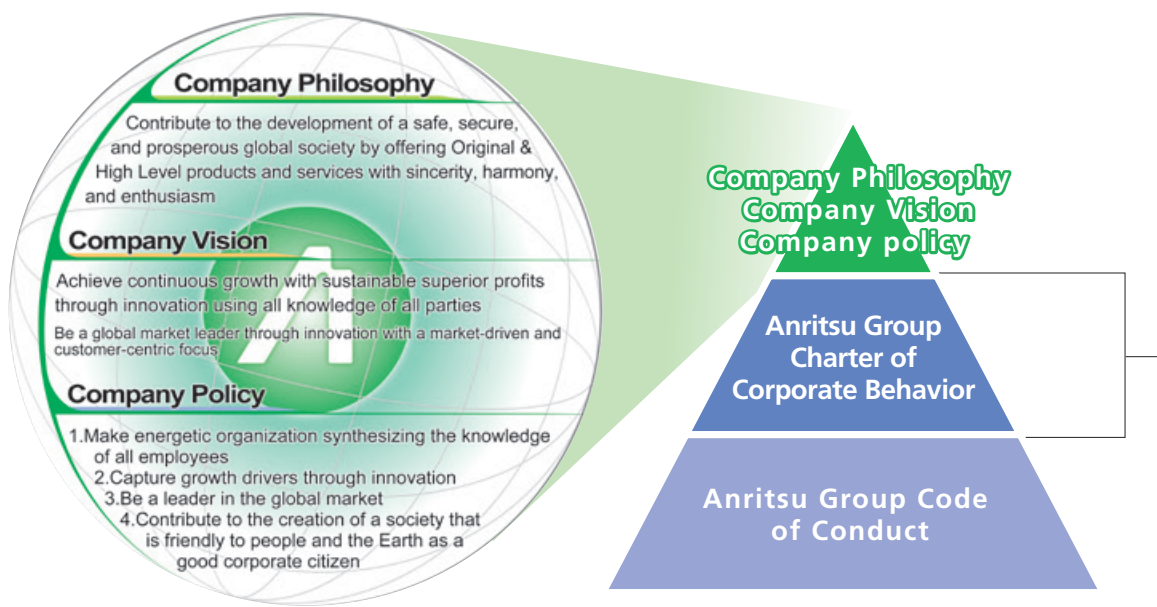
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Company Philosophy, Company Vision, Company Policy

Anritsu is putting into practice the basic principles of its company philosophy, vision and policy. Anritsu also respects the Global Compact that Anritsu upholds as the principles of action for a global enterprise. And Anritsu is promoting CSR activities by adhering to the Anritsu Group Charter of Corporate Behavior and the Anritsu Group Code of Conduct that set out concrete values and behavioral guidelines.



Anritsu Group Charter of Corporate Behavior

The Anritsu Group's philosophy is to create corporate value with sincerity, harmony, and enthusiasm.

We will provide solutions through innovation using all knowledge of all parties with the core being our "original & high level" technology. At the same time we will conduct our business with high ethics and the goal of contributing to the advancement of society. The Anritsu Group will act enthusiastically to carry out its corporate social responsibility with sincerity and with respect for the individual, while at the same time working to assure that we address the interests of all our stakeholders: shareholders, customers, suppliers, employees, and local and global societies.

Protecting Human Rights	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.
Valuing Employees	The Anritsu Group will respect each employee's individuality and will create work environments where all of its employees can fully demonstrate their abilities and carry out their jobs with enthusiasm.
Harmony with Society	The Anritsu Group will respect the customs and cultures of the international society and the local society, and will manage its activities in a way that contributes to the development of all societies that it interacts with.
Preserving the Global Environment	The Anritsu Group will reduce the impact of its operations on the global environment and will contribute to build a sustainable society.
Conducting Social Contribution Activity	The Anritsu Group will, as a good corporate citizen, actively engage in activities that contribute to the betterment society in addition to its normal business operations.
Attaining Customer Satisfaction	The Anritsu Group will develop and provide socially useful products and services, giving full consideration to quality, safety and the environment. This combination of receiving value and receiving it from a socially responsible company will result in high customer satisfaction.
Conducting Ethical Company Activities	The Anritsu Group will engage in fair, transparent, and free competition, and will maintain healthy and normal relationships with political institutions, governmental administration as well as citizens and other organizations.
Disclosing Corporate Information	The Anritsu Group will disclose its corporate information in a timely, clear, and appropriate manner in order to improve the transparency of its corporate activities.
Managing Information Property	The Anritsu Group will execute proper management of information property it obtains including observing privacy policies concerning individual information and customer information.

The Anritsu Managers will take the responsibility for implementing this charter and for taking all necessary action in order to raise awareness in their corporation. They will also take initiative and set an example so that every employee in the Anritsu Group becomes fully aware of the philosophy in this Charter. This includes creating corporate in-house systems to fulfill the intent of the Charter and endeavoring to maintain high corporate ethics.

When a law or a rule is violated, the Manager must take action to notify senior management and then work together to resolve the problem, endeavoring to clarify its causes and prevent its recurrence. And the Manager will promptly and adequately disclose all relevant information to the public when deemed appropriate, and will institute disciplinary action upon identifying who authorized and was responsible for such acts. No responsible employee or officer is to be shielded from these disciplinary actions.

About this report

■ Editorial Policy

We publish CSR Report 2015 in PDF format to report our CSR activities for fiscal 2014. Having been organized under the 12 material issues identified through a materiality assessment conducted in 2008, the concrete status of activities is presented in this report for communicating our CSR activities to more stakeholders.

■ Boundary Definitions

This report covers Anritsu Corporation only or the Anritsu Group

Companies, according to subject and definitions as follows:

- "Anritsu" or "Anritsu Group" refers to both Anritsu Corporation and the entire Anritsu Group.
- "Anritsu Corporation" refers to Anritsu Corporation in Japan only.
- "Group Company (or Companies)" refers to a group company (or companies) or all group companies, excluding Anritsu Corporation in either case.

■ Reporting Period

This report covers the period from April 1, 2014 to March 31, 2015, and also includes some activities before and after that period.

■ Guidelines used as reference

- ISO 26000:2010
- GRI Sustainability Reporting Guidelines (G4)
- The Ten Principles of the UN Global Compact

■ Expanded information on the web

Please refer to the following websites for further information



URL

For details on CSR activities



URL

For details on financial performance

■ Date of issue

October 1, 2015

Top Commitment



120 Years in Business Implementing “envision : ensure” in order to build a better society

October 2015

Hirokazu Hashimoto

Representative Director,
President

Since its founding in 1895, Anritsu has been a pioneer in the telecommunications field, marking its 120 years of growth with achievements that include creating the world's first practical wireless telephone, which paved the way for today's smartphones. We would like to express our sincere gratitude to our customers and everyone else who has made this possible.

With its measurement business as the pillar supporting the further advancement of its mobile broadband services, Anritsu offers solutions that are indispensable for building a safer and more secure society in a broad range of fields including quality assurance inspection equipment for foods and pharmaceutical products, remote monitoring and control systems, traffic shapers, and high-speed electronic devices.

Through remarkable advances in telecommunications technology, we have achieved the creation of an environment in which smartphones have become a commodity, and convenient and useful mobile applications can be used anytime and anywhere — coinciding with this, the volume of data traffic is increasing rapidly. Furthermore, in this era of social innovation in which nearly everything is connected to the internet, and in which big data is being utilized in diverse fields such as healthcare, medicine, education, transportation, and the environment, the question of how to build information and communication systems that are stable and ready to connect is a universal challenge for society.

For ourselves to be able to contribute to finding the solutions to such challenges while serving as a true partner to everyone, Anritsu has envisaged the company's form in the year 2020 through its “2020 VISION”, under which it has set forth its goals to be a global market leader and to create new business through emerging business.

We will strive to achieve these targets under the slogan of “envision : ensure,” our brand statement, which expresses our dedication to sharing our dream and vision with our customers and creating tangible results through innovation.

The Anritsu Group is pursuing its corporate mission of CSR management by upholding four CSR goals centered on resolving social issues through the company's core business.

Seeing our 120th anniversary as a turning point, the Anritsu Group will make a united effort to fulfill our promise of “envision : ensure” and contribute to creating a safe, secure and comfortable society.



Company Profile

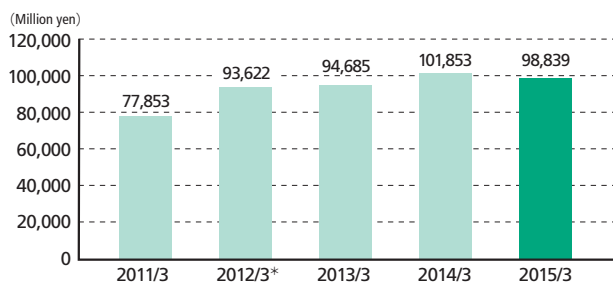
Anritsu Group Profile

Company Profile

Headquarters address	5-1-1 Onna, Atsugi-shi, Kanagawa, Japan	No. of shareholders	24,232 ^{*1}
Company founded	1895	No. of employees	3,926 (consolidated) ^{*1}
Capital	19,052 million yen ^{*1}		789 (non-consolidated)
Net sales	98,839 million yen ^{*2}	No. of suppliers and partners	666 ^{*1}

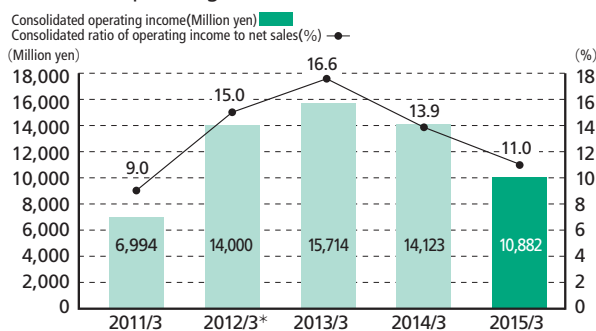
^{*1} As of March 31, 2015 ^{*2} Year ended March 2015

Net sales



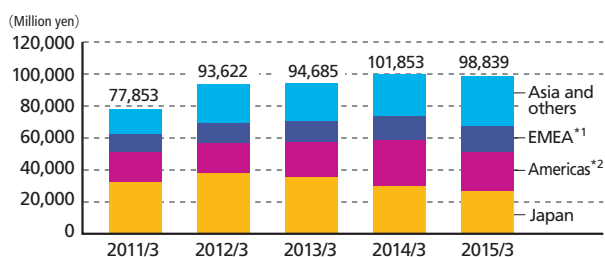
* IFRS applied from the year ended March 2012.

Consolidated operating income / ratio of operating income to net sales



* IFRS applied from the year ended March 2012.

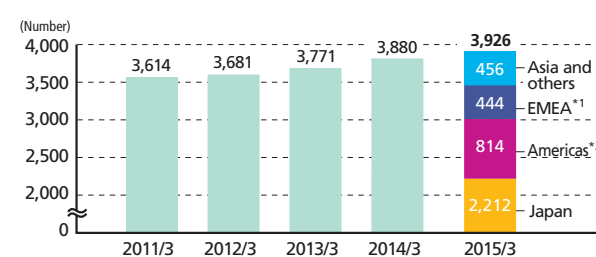
Consolidated net sales by market



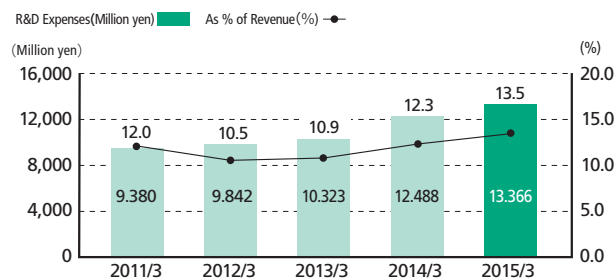
*1 Europe, the Middle East and Africa

*2 The United States, Canada, Mexico and Brazil

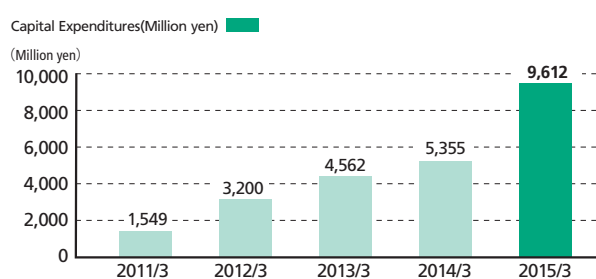
Number of employees (Anritsu Group)



R&D Expenses



Capital Expenditures



Business Outline

The Anritsu Group business is woven into everyday life.

Anritsu provides solutions for a safe and secure society

Connecting, monitoring and detecting...

Anritsu supports everyday life and business in a variety of areas, including information communication, food processing, pharmaceuticals and image monitoring for a safer, more secure and comfortable society.

Bringing greater convenience and comfort to people's lives

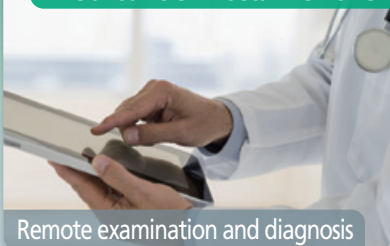
— Measurement solutions for mobile broadband services —

Communication



Connect and expand

Medical Services/Welfare



Remote examination and diagnosis

Automobile



Safety Drive

Making your life safe

— Various solutions for everyday life in food safety, disaster monitoring and ophthalmic examinations —

Contaminant inspection



Detecting contaminants

Remote monitoring



Monitoring dam water levels

Medical equipment



Light source for ophthalmic equipment

Supporting infrastructures for everyday life

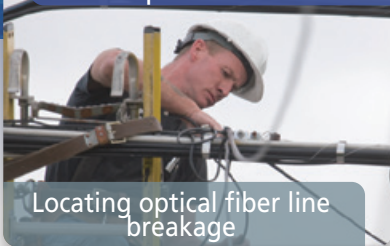
— Measurement solutions for secure broadband networks —

Mobile phone base stations



Checking base station service areas

Optical fiber



Locating optical fiber line breakage

Communication networks

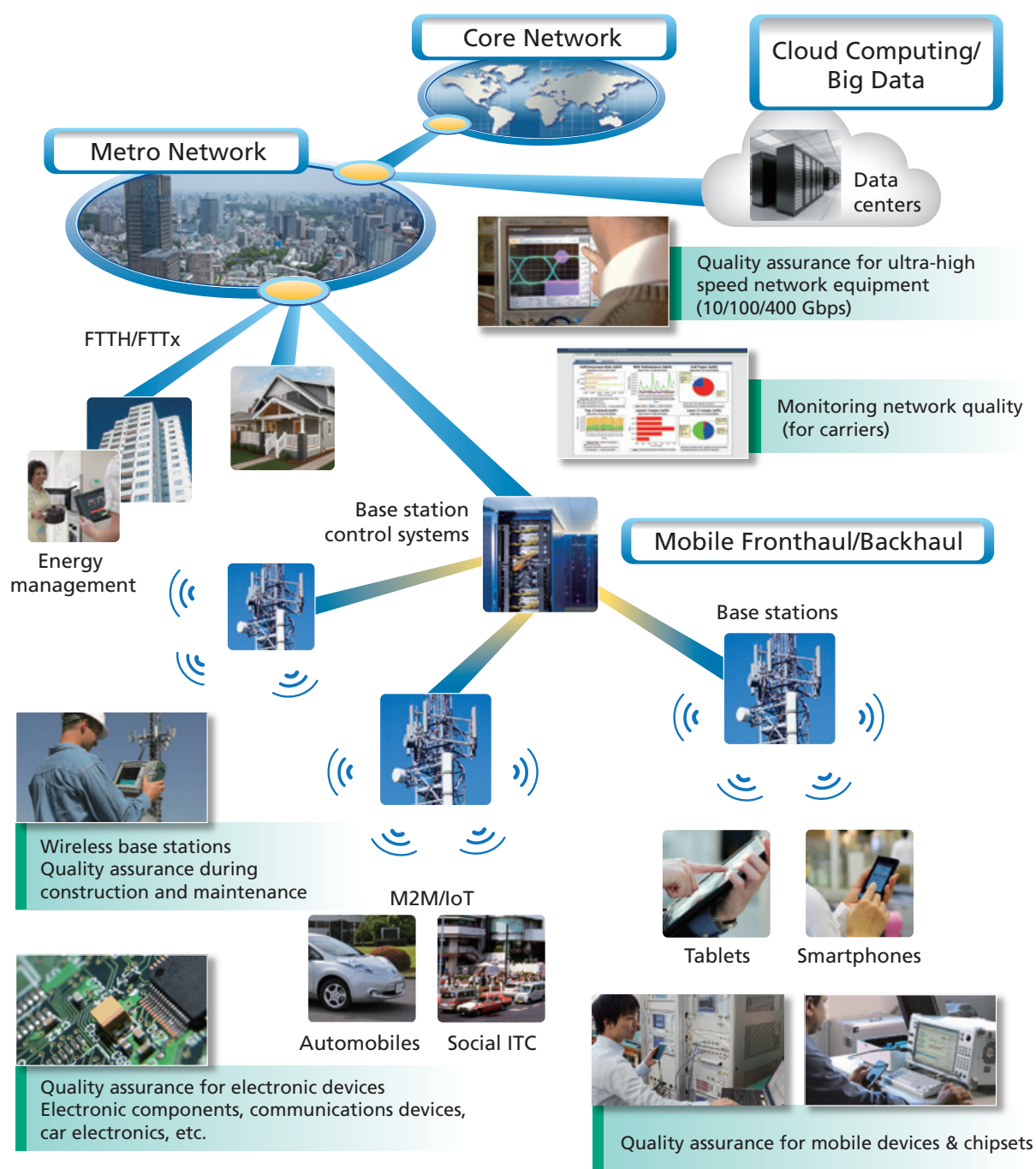


Network monitoring and quality assurance

Test and Measurement

Anritsu provides test and measurement solutions encompassing all areas of wireline and wireless telecommunications. These include mobile devices such as smartphones and tablets, global network infrastructure such as optical communications networks and wireless base stations, and telecom-use electronic components embedded in various electronic devices, used everywhere from R&D and manufacturing to construction and maintenance in each field as they serve as the backbone of comfortable, high-quality telecommunications services.

Anritsu at Work in Diverse Settings



● Contribution of Anritsu as a top supplier in the mobile test and measurement field



We participated in creating the international standard for third generation (3G) mobile phones, which led us to develop the world's first base station simulator. We have been building on the technology and customer trust gained through this experience in order to contribute to the R&D of next-generation LTE and LTE-Advanced communication standards.



We provide test and measurement solutions for conducting wireless transmission tests and simultaneous measurement of several wireless technologies using a single unit of equipment. The Solution realizes high quality and high productivity.



We were first in the world to develop compact measuring instruments that realize the needs of hand carry type for network construction and maintenance sites. We contribute to the construction and expansion of mobile broadband networks that are spreading across the world.

● Supporting R&D for the Most Advanced Mobile Terminals

The Mobile Device Test Platform ME7834 is an all-in-one platform for conducting protocol conformance tests and carrier acceptance tests on mobile terminal supporting the FDD TD-LTE and LTE-Advanced standards. ME7834 is being used at the most advanced R&D sites as a testing system to verify that the chip sets for wireless communications developed by our customers comply with various international standards.



The Mobile Device Test Platform

● Supporting the Production of Wireless Devices

The Universal Wireless Test Set MT8870A is a measuring instrument that enables the efficient assessment of smartphones, tablet devices and IoT communications modules that support LTE and other cellular communications standards and diverse interfaces, including wireless LAN and Bluetooth.

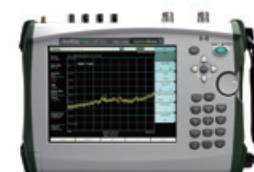
We provide test and measurement solutions for conducting wireless transmission tests and simultaneous measurement of several wireless technologies such as LTE, wireless LAN and Bluetooth using a single unit of equipment during the manufacturing and inspection processes of customer production lines in order to help enhance the quality and efficiency of production.



The Universal Wireless Test Set

● Supporting the Construction and Maintenance of Network Infrastructure

The Spectrum Master MS2720T is a handheld measuring instrument that can be easily carried to mountainous regions, inside buildings and underground. The MS2720T helps sustain the advancement of networks by offering its best performance in the rapid construction and maintenance of wireless base stations that cover the world.



The Spectrum Master

Industrial Solution Business

We serve the food product, pharmaceutical and cosmetics industries by providing production control and quality assurance systems such as X-ray inspection systems and metal detectors for identifying contaminants in products, and checkweighers for high-speed, high-accuracy measurement of product weight.

● X-ray Inspection Systems

X-ray inspection can check through an object and also allows the system user to identify shape defects and quantity shortages. With the XR75, we were able to extend the life cycle of the sensor, thus reducing the costs of parts replacement and installation. We are contributing to enhancing quality in areas where inspection had not been previously conducted.



X-ray Inspection Systems
XR75series

● Metal Detectors

Our instruments can detect even minute units of metallic contaminants such as iron, stainless steel and aluminum. The M5 series metal detectors are easy to operate and offer solid operational stability.



Metal Detectors
M5series

● Quality Management and Control Systems

The QuiCCA system manages and controls the entire production line to provide total management of production status and quality. It also supports to assure traceability by recording various production data such as X-ray images.



QuiCCA

Other Businesses

Information and Communications

We provide remote monitoring systems that contribute to the prevention of traffic and river disasters to central government agencies, such as the Ministry of Land, Infrastructure, Transport and Tourism and local governments. We also provide bandwidth controllers that ensure high quality for IP networks for private sector clients such as financial institutions.

● Bandwidth Controllers

The PureFlow® series of dedicated bandwidth controllers are for telecommunications networks in a time of growing demand for higher speeds and capacity. They provide unrestricted control over bandwidths by company, location or application, to guarantee line capacity and communication speeds for users of network services.



PureFlow®Series

Devices and Other Businesses

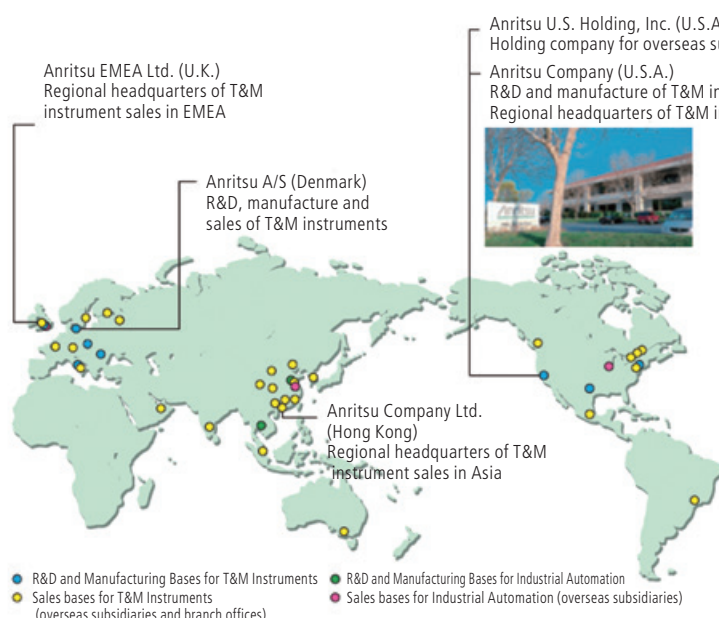
We provide electrical and telecommunications equipment manufacturers with fiber optical and ultra-high-speed devices used in communication infrastructure.



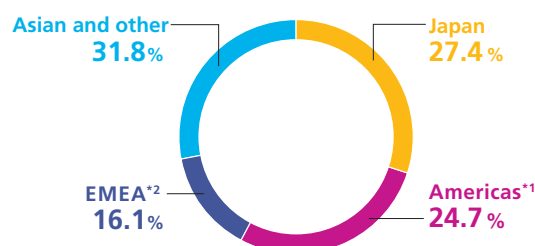
Optical Device

Global Network

Anritsu's test and measurement business serves customers around the world by providing solutions through a network in 21 countries, including 8 R&D bases and manufacturing bases. We also maintain 16 service centers in 12 countries to offer a variety of services to ensure our international customers can reliably use our products.



Net Sales by Market



*1 United States, Canada, Mexico and Brazil

*2 Europe, Middle East and Africa

Group Companies in Japan

Japan	Main Business
Anritsu Infvis Co., Ltd.	Development, manufacture, sales, repair, maintenance and other services for industrial machinery
Tohoku Anritsu Co., Ltd.	Manufacture of measuring instruments and information and telecommunications equipment
Anritsu Customer Support Co., Ltd.	Calibration, repair, maintenance and EMC / HALT testing of measuring instruments
Anritsu Engineering Co., Ltd.	Development of software and hardware
Anritsu Networks Co., Ltd.	Development, sales, system design, maintenance and services of information and telecommunications products
Anritsu Devices Co., Ltd.	Development, manufacture and sales of optical devices
Anritsu Kousan Co., Ltd.	Resale and recycling of measuring instruments, design services and production of documents
Anritsu Real Estate Co., Ltd.	Real estate leasing
Anritsu Pro Associe Co., Ltd.	Operation of shared service center for accounting, financial affairs, payroll calculation and benefits
AT Techmac Co., Ltd.	Manufacture and sales of metal parts and unit assembly articles

Group Companies outside Japan

U.S.A	EMEA	Asia and others
Anritsu U.S. Holding, Inc.(U.S.A.)	Anritsu EMEA Ltd.(U.K.)	Anritsu Company Ltd.(China)
Anritsu Company(U.S.A.)	Anritsu Ltd.(U.K.)	Anritsu Electronics (Shanghai) Co., Ltd. (China)
Anritsu Instruments Company (U.S.A.)	Anritsu GmbH(Germany)	Anritsu (China) Co., Ltd.
Anritsu Electronics Ltd.(Canada)	Anritsu S.A. (France)	Anritsu Company, Inc.(Taiwan)
Anritsu Eletronica Ltda.(Brazil)	Anritsu S.r.l.(Italy)	Anritsu Corporation, Ltd.(Korea)
Anritsu Company S.A. de C.V.(Mexico)	Anritsu AB(Sweden)	Anritsu Pte. Ltd. (Singapore)
Anritsu Industrial Solutions U.S.A. Inc.(U.S.A.)	Anritsu A/S(Denmark)	Anritsu India Private Ltd. (India)
	Anritsu Solutions S.r.l. (Italy)	Anritsu Pty. Ltd.(Australia)
	Anritsu Solutions S.R.L. (Romania)	Anritsu Industrial Solutions (Shanghai) Co., Ltd.(China)
	Anritsu Solutions SK.s.r.o.(Slovakia)	Anritsu Industrial Systems (Shanghai) Co., Ltd. (China)
	Anritsu Industrial Solutions Europe Ltd.(U.K.)	Anritsu Industrial Solutions (Thailand) Co., Ltd.(Thailand)

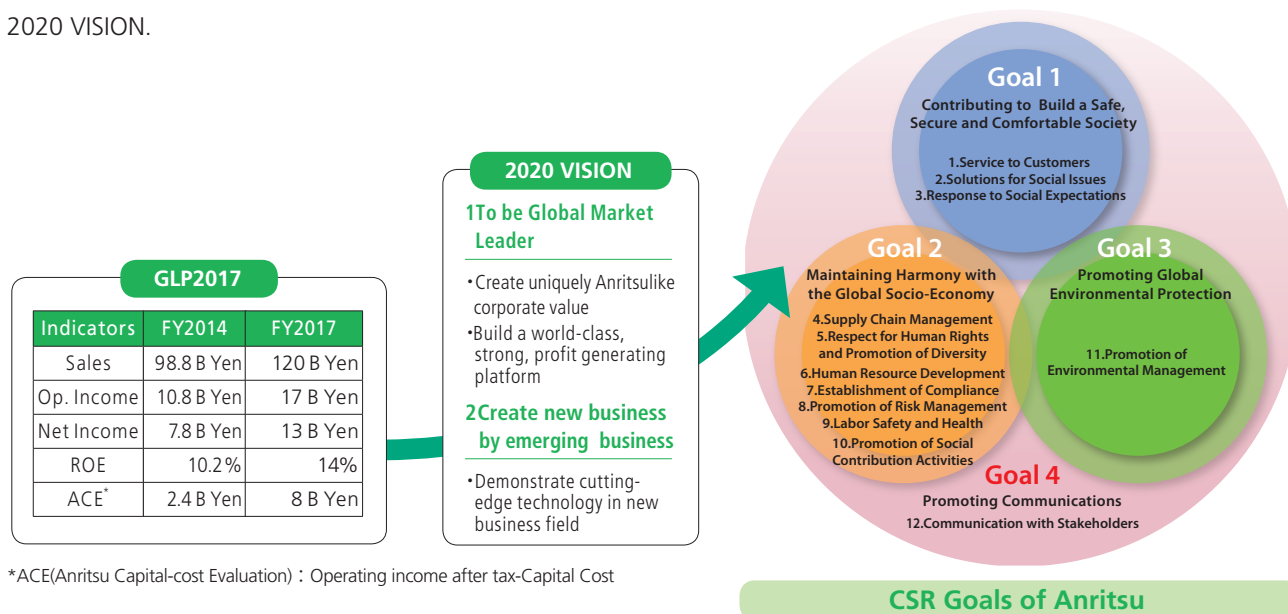
CSR at Anritsu

Basic Concept

Based on its company philosophy of "Sincerity, Harmony and Enthusiasm," Anritsu implements corporate social responsibility throughout its business operations from economic, social and environmental perspectives, with due respect for laws and regulations, ethics, and social norms. Anritsu also aims to build and elevate its corporate and brand values via better communication and better relationships with stakeholders.

Promoting Global CSR Activities based on Business Strategies

Since fiscal 2012 Anritsu has been integrating its social responsibility into its business strategy by formulating a mid-term plan for CSR that closely aligns with the Mid-term Business Plan, GLP2017. We implement our CSR activities by keeping in mind this plan, which covers the three-year period from fiscal 2015 to fiscal 2017, and the longer range 2020 VISION.



For Achieving Four Goals

To identify the mid- to long-term goals of our activities, Anritsu set four CSR goals in fiscal 2006 toward realizing an ideal future. We believe that Anritsu's ideal, long-term future can be realized by sharing these four goals with our stakeholders and responsibly pursuing GLP2017 and the 2020 VISION.

Since the goals were formulated, we have revised important issues and objectives as needed to take into consideration the changing business environment and social expectations. Moreover, we have sought to enhance our actions for achieving continuous growth with sustainable profits for society and the Anritsu Group and to disclose information broadly, including the status of our progress.

■ Anritsu's Stakeholders and Four Goals

The Anritsu Group's business is founded on relationships of trust with stakeholders. We believe in the importance of forging even stronger relationships with stakeholders through effective communication.

We are working to create a corporate culture in which each business office, division, individual officer and employee recognizes the needs of society and stakeholders and takes those needs into account on a day-to-day basis as they do their jobs.



Goal 1

Contributing to the Build of a Safe, Secure and Comfortable Society

The goal for Anritsu	Anritsu contributes through Original & High Level technologies to improve customers' safety and security.
The goal for employees	Every employee listens to the voice of customers and provides products and rapid support services with a quality that surpasses market expectations.
Appreciation by society	Anritsu gains a solid reputation for its technologies and earns trust in its brand.

Goal 3

Promoting Global Environmental Protection

The goal for Anritsu	Adhering to its environmental principles, Anritsu has fully established global environmental management in which it addresses climate change, creates a recycling-oriented society and prevents pollution throughout the value chain.
The goal for employees	Every employee has heightened their Eco-Mind and, on their own initiative, pursues environmental activities that are closely related to their operations.
Appreciation by society	Anritsu promotes global environmental management and is publically recognized as a company that actively contributes to protecting the global environment.

Goal 2

Maintaining Harmony with the Global Socio-Economy

The goal for Anritsu	Anritsu fulfills its social responsibilities throughout the supply chain by conducting business activities that are in harmony with the cultures and characteristics of each region in its global development.
The goal for employees	Every employee enthusiastically engages in work and achieves personal growth amid diverse attributes, cultures and values with an awareness of compliance and respect for human rights.
Appreciation by society	Anritsu has established a relationship of trust with the regional community and society by undertaking social contribution activities that are rooted in the region.

Goal 4

Promoting Communications

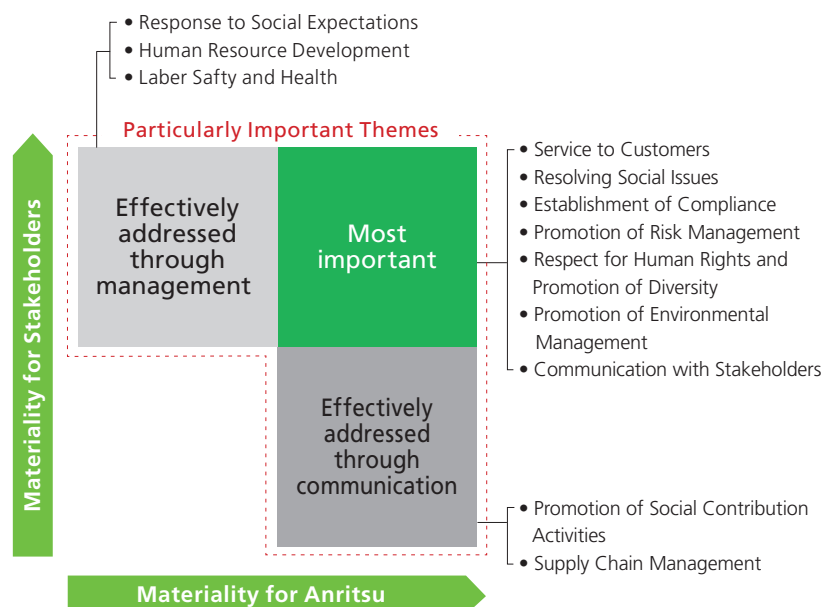
The goal for Anritsu	Anritsu has forged a partnership with stakeholders by actively disclosing information and seeking dialogue throughout its business activities.
The goal for employees	Every employee listens to the expectations of stakeholders, actively seeks to establish communication and cultivates mutual understanding.
Appreciation by society	Anritsu communicates an accurate image of itself to stakeholders and has earned their recognition and trust.

Materiality

Method and Result of Materiality Assessment

In 2008, Anritsu conducted a materiality assessment based on discussions conducted with 30 key persons inside the Group on 142 items of proper corporate behavior expected by society.

Of these 142 items, 12 items plotted within the domains marked in red were identified as themes with particular importance for the Anritsu Group and were designated as our core material issues.



With regard to social expectations (materiality for stakeholders), we conduct an annual review by consulting CSR guidelines; results of surveys conducted by research companies, media organizations and governmental bodies for the purpose of evaluating CSR activities; and the CSR Procurement Surveys we give to our corporate customers. The review is undertaken by the CSR Promotion Sub-Committee by seniormanagers, a cross-sectional organization comprising internal divisions related to CSR, and the results are reflected in the reviews of annual plans and mid-term plans by each division.

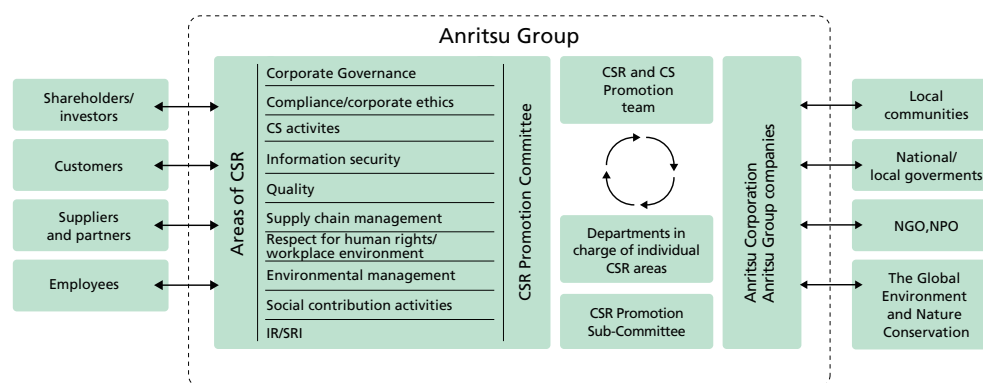
Selected Key CSR Issues (GRI-G4 aspects)

Category	Economy	Environmental	Social			
Sub-Category			Labor Practices and Decent Work	Human Rights	Society	Product Responsibility
Aspect	-Economic Performance -Market Presence -Procurement Practices	-Energy -Water -Emissions -Products and Services -Compliance -Supplier Environmental Assessment	-Training and Education -Diversity and Equal Opportunity -Supplier Assessment for Labor Practices	-Non-discrimination -Child Labor -Forced or Compulsory Labor -Supplier Human Rights Assessment	-Anti-corruption -Anti-competitive Behavior -Compliance	-Customer Health and Safety -Product and Service Labeling -Compliance

These aspects were also discussed with the experts who participated in the stakeholder dialogue, and we have reconfirmed our understanding that they indeed represent the key CSR issues for Anritsu.

CSR Promotion System

The CSR Promotion Committee set up in November 2004 is chaired by the President so that top management can lead CSR promotion. In addition, the CSR Promotion Center was organized as a dedicated department to encourage unified activities across a broad array of departments. The center is now called the CSR Promotion Team, and it serves under the Corporate Communication Department as the secretariat of the CSR Promotion Committee and Sub-Committee to support Anritsu's CSR activities in line with the committee's policies. CSR cannot be fulfilled by the efforts of any single department or organization. The cooperation of all departments of Anritsu and Group companies is essential for success. With this in mind, and to ensure effectiveness, Anritsu Corporation's departments in charge of individual CSR fields, including customer satisfaction and quality, human rights and social contribution, lead activities through cross-sectional cooperation across Group companies. The CSR Promotion Team serves as the secretariat. We identify and analyze the current situation of individual areas from a CSR perspective and strive to address issues of improvement for the future of Anritsu.



Promotion of Global CSR

To promote CSR activities on a global scale and deepen communication with our stakeholders across the world, the Anritsu Group is exchanging information internally based on a regional system and annual schedule. Each year, regional staff report to the Head Office CSR and CS Promotion Team on the ten items listed at right.

Our Global System

Headquarter : Corporate Communication Department (CSR and CS Promotion team)

Americas : Human Resources Division, Anritsu Company (U.S.A.)

EMEA : Human Resources Division, Anritsu EMEA Ltd. (U.K.)

Asia : Human Resources Division, Anritsu Company Ltd. (China)

Action Items

- CS activities, Quality Improvement
- Quality Improvement
- Health and Safety
- Compliance
- Supply Chain
- Information Security
- Protecting Human Rights
- Valuing Employees
- Promotion of environmental management
- Conducting Social Contribution Activities

Global Meetings

The following corporate divisions hold annual global meetings more than once a year:

Environment and Quality Promotion, Human Resources, Global Audit, Accounting and Control, Information System, Trade Control and Procurement

CSR Results for Fiscal 2014, CSR Objectives for Fiscal 2015

Unless otherwise specified, the content of objectives in this table covers operations of Anritsu Corporation and its Group Companies in Japan.

Performance evaluation: ○ = fully attained; △ = attained 50% or more

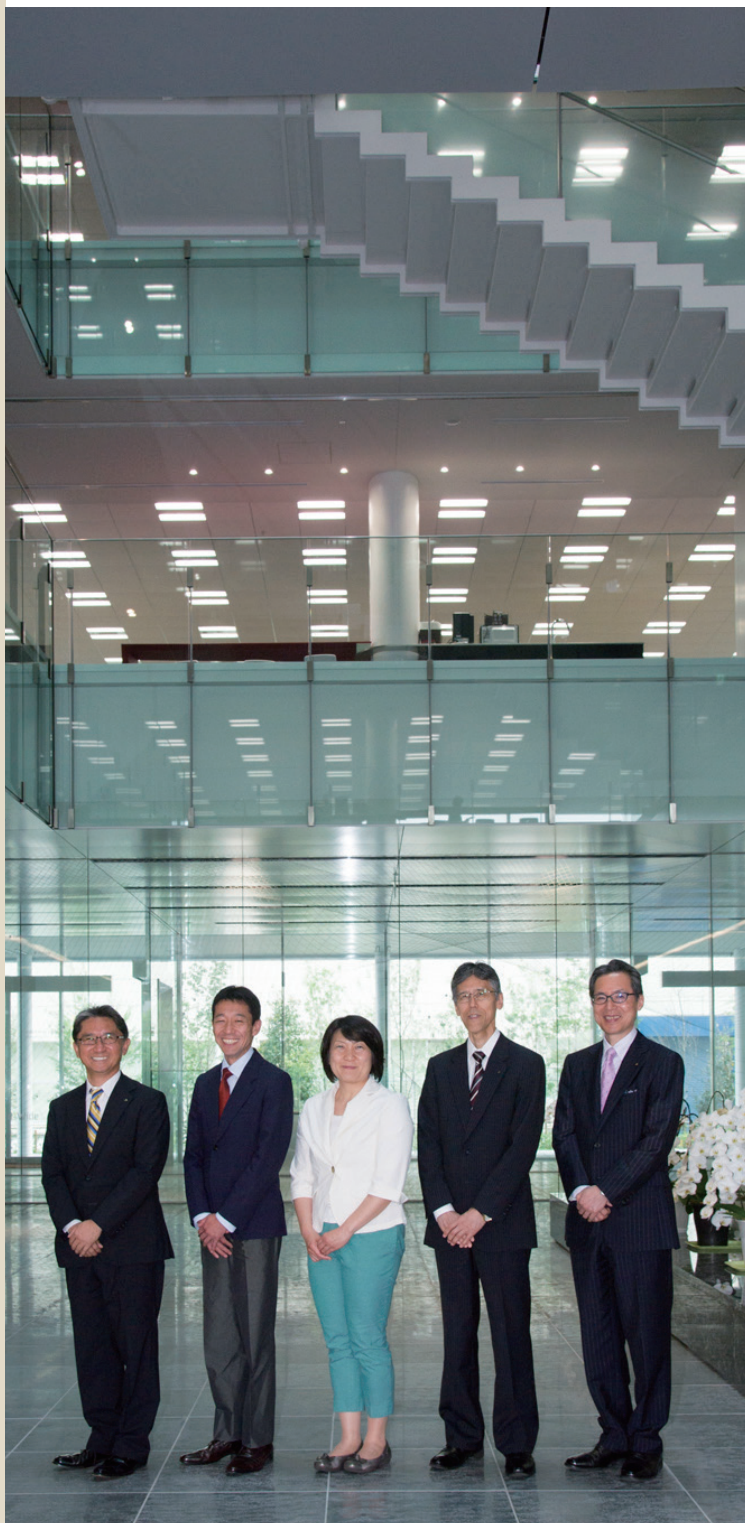
CSR Goal	Key Issues	Objectives for Fiscal 2014	Results for Fiscal 2014	Performance evaluation	Objectives for Fiscal 2015
Goal 1 Contributing to Build a Safe, Secure, and Comfortable Society	Service to customers	【Anritsu Corporation】 (1)Collect stakeholder opinions toward developing a system for improvement activities. (2)Enhance the customer contact point; share the response database. (3)Promote global activities	【Anritsu Corporation】 (1)Used the content of stakeholder dialogues in improvement activities. (2)Made effective use of the correspondence table for customer inquiries, improved the web-based contact point. (3)Only collected information on the activities in each region.	○ △ △	【Anritsu Corporation】 (1) Sort status and tasks regarding VOC collection. (2) Formulate a plan for linking with the customer database. (3) Reorganize the CS promotion system.
	Solutions for Social Issues	【Anritsu Industrial Solutions Co., Ltd.】 (1)Improve content of the sales website; establish a system to support local subsidiaries (excluding a part of the subsidiaries). (2)Update content of the recruitment information website with the support of young staff members.Add content for the recruitment of full-time employees; enhance the appeal of the recruiting navigation site.	【Anritsu Industrial Solutions Co., Ltd.】 (1)Updated product explanations for the Japanese site, provided product exhibitions and website content but fell short of establishing a support system. (2)Limited to discussing content in fiscal 2014. Will make revisions in fiscal 2015. Completed the addition of content for recruitment of full-time employees.	△ △	【Anritsu Corporation】 • Establish a brand strategy for each business entity. • Create an internal education program. • Disseminate the brand through commemorative programs for the 120th anniversary. • Establish brand management for the global website.
	Response to social expectations	【Anritsu Corporation】 (1)Continue to implement a global response to conflict materials. (2)Conduct activities including information sharing with the contact points of overseas business sites in response to social issues (and hold a global meeting).	【Anritsu Corporation】 (1)Held a global meeting and shared information on our response to conflict minerals. (2)Held a global meeting with CSR contact points at overseas business sites and confirmed the status of activities.	○ ○	【Anritsu Corporation】 Share CSR goals, organize a working group with members of related divisions. • Risk management(BCP) • Human rights due diligence Prevent illegal transactions(extortion and bribery, etc.).
Goal 2 Maintaining Harmony with the Global Socio-Economy	Establishment of Compliance	【Anritsu Corporation】 (1)Collaborate with overseas regional headquarters on compliance. -Conduct web-based training for overseas employees on extortion and bribery. -Share information on risks related to extortion and bribery and develop countermeasures. (2)Hold a liaison meeting on harassment with domestic Group companies. -Set up liaison meetings. -Set a theme for each Group company.Provide Group company support (e.g., education).	【Anritsu Corporation】 (1)Collaborated with overseas regional headquarters on compliance. - (1)-1 Conducted web-based training on extortion and bribery for all Anritsu Group employees in the sales and marketing materials divisions. Target: 1,435 employees (Japan: 871; overseas: 564) Course completed by all employees (100% attendance) - (1)-2 Completed diagnosis of the current status primarily with regard to extortion and bribery risks based on a comparison with the compliance system required under FPCA Guidelines and UKBA Guidance, formulated improvement plans for fiscal 2015 and beyond. (2)Held individual meetings with staff responsible for preventing harassment at Group companies in Japan, identified issues at each company, designated improvement themes for each Group company.	○ ○ △	【Anritsu Corporation】 (1)Conduct global compliance education. (2)Develop a compliance program for preventing extortion and bribery. (3)Collaborate with overseas regional headquarters on compliance-related operations. (4)Collaborate with Group companies in Japan on compliance-related operations. 1. Meet with staff responsible at Group companies in Japan at least once a year to identify their needs. 2. Provide training and other support based on their needs (at least 5 times a year)
	Promotion of Risk Management (Information Security)	【Anritsu Corporation】 (1)Strengthen management of confidential information (2)Global security risk assessment (3)Security education (4)Maintain an internal audit on information management (5)Maintain ISMS certification	【Anritsu Corporation】 (1)Strengthen management of confidential information Promoted encryption of important information at each department. (2)Global security risk assessment Conducted a global assessment by overseas customers in which unresolved issues on global governance were pointed out. (3)Security education Conducted new employee training by sending staff fake e-mails in October. (4)Maintain an internal audit on information management Conducted an internal audit. (5)Maintain ISMS certification Maintained ISMS certification from an external audit institution.	○ ○ ○ ○	【Anritsu Corporation】 (1)Construct global information security management system (2)Security education (3)Continue internal audit on information management. (4)Maintain ISMS certification.
	Promotion of Risk Management (Internal Controls)	【Anritsu Corporation】 (1)Implement risk management focused on the nature of business (e.g.,activities to reduce material risks) at each division of every Anritsu Group company. (2)Conduct an effective audit, based on risk analysis, at each division of every Anritsu Group company in Japan	【Anritsu Corporation】 (1)Conducted session-based risk management training on the theme of practical business risks for newly appointed executives at the head office and Japanese subsidiaries, conducted session-based risk management training on the theme of operational risks for leaders in the procurement division. (2) Conducted business audits at three Japanese locations and four overseas locations to assess the risks and verify the effectiveness of internal controls at each location, internal control issues were presented as findings or requests to promote improvements for facilitating business activities.	○ ○	【Anritsu Corporation】 Define material issues for the company in accordance with the Company Philosophy and Company Policy, recognize each associated risk as a corporate risk for the entire company, rank the risks according to their potential for materializing and level of impact, and implement risk management according to their respective significance. Support business activities through audits based on risk analysis and launch initiatives for detecting new risks.
	Supply Chain Management	【Anritsu Corporation】 (1)Strengthen the governance system. (2)Strengthen the BCP system.	【Anritsu Corporation】 (1)- 1 Conducted an audit based on the Subcontractor Act at four Group companies Implemented corrective measures in response to the audit results. Two companies are scheduled to complete their measures in the first half of fiscal 2015 and the other two companies will complete theirs in the second half of fiscal 2015. (1)- 2 Confirmed the level of understanding on the Subcontractor Act during Compliance Promotion Month , created a plan to implement company-wide education by adding content on less-understood points in fiscal 2015. (2)- 1 Reinforced information management of location data for suppliers (strengthened acquisition of information on secondary suppliers and beyond). (2)- 2 Continued monitoring for the next Tonankai Earthquake, began considering an emergency logistics response with logistics operators. (2)- 2 Implemented a Risk Response Plan based on a review of procurement risks (formulated five Risk Response Plans).	○ ○	【Anritsu Corporation】 (1)Formulate the CSR Procurement Plan. (2)Respond to immediate risks. (3) Strengthen the BCP system. (4) Centralize management of contracts for Group companies in Japan. (5) Strengthen the operation of internal controls.

CSR Goal	Key Issues	Objectives for Fiscal 2014	Results for Fiscal 2014	Performance evaluation	Objectives for Fiscal 2015
Goal 2 Maintaining Harmony with the Global Socio- Economy	Respect for Human Rights and Promotion of Diversity Human Resource Development	【Anritsu Corporation】 (1)Promote the recruitment of foreign nationals. (2)Start preparations for the introduction of a new human resource system. (3)Formulate a global HR policy toward implementing the HR strategy in GLP2017.	【Anritsu Corporation】 (1)Hired three graduates from overseas universities. (2)Conducted a human resources review with responsible officers in each division, discussed rotation of member education. (3)Held a global meeting, shared the global mission and formulated a local HR strategy based on the mission.	○ ○ ○	【Anritsu Corporation】 (1)Promote diversified hiring (foreign nationals, mid-career recruits). (2)Establish a system for human resource development. (3)Revitalize global HR activities. (4)Review working styles to meet the diversification of employees.
	Labor Safety and Health	【Anritsu Corporation】 (1)Promote advancement measures related to working hours (2)raise awareness of balancing work and the nursing of parents, and investigate the introduction of such a program. (3)Improve the BCP system for the Atsugi site.	Anritsu Corporation (1)Implemented additional measures including additional designation of compulsory "leave work on time" day to coincide with Family Week in November. (2)Formulated a plan for conducting a fact-finding survey on nursing care. (3)No activities related to the BCP were conducted due to construction of the Global Headquarters Building.	○ ○ ×	Anritsu Corporation (1)Maintain and improve employee health (2)Continue to implement PHASE I at the head office, formulate PHASE II (Master Plan). (3)Establish a global BCP.
	Promotion of Social Contribution Activities	【Anritsu Corporation】 (1)Promote social contribution activities at each location outside Japan;disclose information on these activities. (2)Develop and promote the "Great East Japan Earthquake Reconstruction Support Plan;" lunteer activities of employees.	【Anritsu Corporation】 (1)Obtained the activities of the global base and disclosed them in CSR Report. (2)Providing outdoor recreation for preschool children in Fukushima	○ ○	【Anritsu Corporation】 (1)Promote social contribution activities at each location outside Japan;disclose information on these activities. (2)Develop and promote the "Great East Japan Earthquake Reconstruction Support Plan;" lunteer activities of employees.
Goal 3 Promoting Global Environmental Protection	Promotion of Environmental Management	Waste reduction and recycling (1)Maintain industrial waste emissions under 58 tons, the actual level for fiscal 2013 (Atsugi and Hiratsuka sites). (2)Maintain industrial waste emissions under 9 tons, the actual level for fiscal 2013 (Tohoku site). (3)Reduce the volume of municipal waste carried to a facility of the Atsugi City government to under 40 tons (actual level for fiscal 2013: 42.8 tons) (Atsugi site). (4)Maintain zero emissions (Japan). (5)Reduce the volume of landfill waste by 3.7 % compared to fiscal 2013 (U.S.A.). Energy conservation (1)Reduce energy consumption (in crude oil equivalent) to 1.0 % or lower compared to fiscal 2013 (Anritsu Group companies in Japan). *To be managed by correcting for disturbance factors related to energy consumption (ambient temperature, total floor area, operating time, days worked, etc.). Fiscal 2014 will be the trial period for improving the accuracy of corrective methods. (2)Reduce the basic unit of energy consumption per sale to below levels in fiscal 2013 (U.S.A.). Eco Products (Anritsu Group companies in Japan) (1)Ratio of environmentally sound products of all products covered: 100 % (2)Ratio of products that can save resources by 10 % or more of all products covered: 100 % (3)Ratio of products that are 30 % or more power efficient of all products covered: 100 %	(1)57.6t (2)7.4t (3)37.7t (4)Recycling rate: 100 % (5)Reduced by 0.8 % (1)Reduced by 1.9 % (2)Increased by 19 % (1)86 % of target products (2)86 % of target products (3)100 % of target products	○ ○ ○ ○ × ○ × × ○	Waste reduction and recycling (1)Maintain industrial waste emissions under 58 tons, the actual level for fiscal 2013 (Atsugi and Hiratsuka sites). (2)Maintain industrial waste emissions under 9 tons, the actual level for fiscal 2013 (Tohoku site). (3)Reduce the volume of municipal waste carried to a facility of the Atsugi City government to under 38 tons (Atsugi site). (4)Maintain zero emissions (Japan). (5)Maintain the volume of landfill waste under the actual level for fiscal 2014 (U.S.A.). Energy conservation (1)Reduce energy consumption (in crude oil equivalent) to 1.0 % or lower compared to fiscal 2014 (Global Anritsu Group companies). (2)Reduce energy consumption (in crude oil equivalent) to 1.99 % or lower compared to fiscal 2013 (Anritsu Group companies in Japan). *To be managed by correcting for disturbance factors related to energy consumption (ambient temperature, total floor area, operating time, days worked, etc.). (3)Reduce the basic unit of energy consumption per sale to below levels(0.0020kWh/s) in fiscal 2013 (U.S.A.). Reduce water consumption (1)Reduce water consumption to below 1 % from the fiscal 2014 level (global Anritsu Group). Wastewater management (1)Maintain zero excess of the voluntary management limit for inorganic wastewater (Atsugi site). Eco Products (Anritsu Group companies in Japan) (1)Ratio of environmentally sound products of all products covered: 100 % (2)Ratio of products that can save resources by 10 % or more of all products covered: 100 % (3)Ratio of products that are 30 % or more power efficient of all products covered: 100 %
Promoting Communications	Communications with Stakeholders	【Anritsu Corporation】 (1)Share the issues presented during stakeholder dialogues and promote communication activities at each division. (2)Improve communications with investors; investigate and promote integrated report.	【Anritsu Corporation】 (1)Conducted stakeholder dialogues, assigned tasks for each division. (2)Increased non-financial (CSR management) information in the Annual Report, considered the publication of an integrated report for the next fiscal year.	○ ○	【Anritsu Corporation】 (1)Communication with each stakeholder will be undertaken by the related internal division and the content disclosed to the public. (2)Publish an integrated report for communicating with investors, apply integrated reporting on a global basis.

*USA is represented by Anritsu Company (USA), and China is represented by Anritsu Company Ltd. (China).

Key CSR Issues for the Global Expansion of Anritsu

As part of its new three-year plan, GLP2017, Anritsu has decided to pursue its goals of addressing four key CSR issues and promoting social contribution activities at locations outside Japan. We again invited two experts to participate in the dialogue for fiscal 2014 and exchange views on putting CSR initiatives to practice and ensuring global information disclosure.



Changing Business Environment Surrounding Anritsu

● **Taniai** This marks our fourth stakeholder dialogue. In our last discussion, the experts talked about global perspective, sustainability management, relationships with NGOs and NPOs, key performance indicators (KPIs), CSR goals and materiality.

Following that dialogue, we decided to pursue (1) addressing our key CSR issues and (2) promoting social contribution activities at locations outside Japan, as the CSR goals of GLP2017, our new three-year plan that covers the period through fiscal 2017. With regard to the first goal, we have designated (I) unifying our BCPs (business continuity plans), (II) human rights issues, (III) preventing corruption and (IV) disclosing information through integrated reporting as issues that require solutions based on efforts spanning our entire organization.

Looking back on the three years leading up to fiscal 2014, a dramatic change has occurred in the mobile phone market, our main market. A new player arose in China while a competitor that had been prominent in the past exited the market, leading to a realignment in the industry. Meanwhile, advances in technology such as LTE-Advanced and in connectivity further broadened the scope of potential services.

In the industrial solution business we have seen significant expansion in the North American markets. There is a growing need in the United States for detection of chicken bone contamination, which has created more opportunities for us to put our technology to use. The keywords “making measurements” are for both our test and measurement business and our industrial solution business. As opposed to measuring instruments that operate under common global standards, a key aspect in industrial machinery is incorporating the way people think in each region and their needs.

● **Takahashi** With regard to 5G, a major public-private sector effort is underway in Japan with the aim of becoming the first nation in the world to commercialize this technology by the time it hosts the Tokyo Olympic and Paralympic Games in 2020. Part of this objective is to realize wireless communications at speeds equivalent to or faster than household fiber optic networks. In addition to achieving higher speeds, the technology is expected to play a role in the event of a large-scale earthquake by transmitting locations and vital signs over several days, even if the user is trapped under rubble. We are currently at the stage of sorting the requirements specification, which will be followed by considerations of technical solutions.

● **Yamaguchi** As the world becomes more and more connected via the Internet, we will, we will move beyond communication between a limited number of terminals to a network that includes practically everything. Wouldn't this lead to an exponential rise in demand for measuring instruments and solutions?

● **Takahashi** As many as 1.3 billion smartphones and mobile phones are being shipped across the world every year. In an era when the Internet connects almost everything, the number of these mobile devices has risen to about 10 billion. Mobile devices are tested under various user environments based on the premise of user mobility. In contrast, the requirements for testing connectivity between vending machines, surveillance cameras, traffic lights and various types of sensors should be far simpler because they are stationary. Data collected from physical objects will be stored in servers for analysis and future use. In some cases, the information will be used to transmit instructions. We will live in a society where traffic lights operate automatically and provide alternate routes during emergencies and where disaster response robots are controlled from remote locations. This is expected to give rise to needs that differ from conventional testing, and the solutions we provide will change accordingly.

Anritsu's materiality

● **Akabane** Please explain how Anritsu decided on its four key CSR issues.

● **Taniai** We identified issues, primarily through external assessment surveys, that were not being adequately addressed. For example, for the question on whether or not we should disclose our BCP policy, we cannot answer "Yes" at the moment. We believe we will be able to meet public expectations by resolving each unaddressed task. We understand that the selection criteria for FTSE4Good, a major SRI index, will become more stringent in 2017. Our goal is to meet that criteria

● **Yamaguchi** Anritsu seeks to respond to topics that are of interest to global stakeholders by using external indexes as benchmarks for its initiatives and information disclosure. This stance is not self-serving and befits its status as a global enterprise.

Value Chain and CSR

● **Fujikake** With regard to the four key CSR issues, efforts throughout the entire value chain are essential. We set up the Procurement Headquarters in April 2015 to unify Anritsu's CSR procurement policy and thereby enhance the capability of the Anritsu Group as a whole.



Hiroyuki Fujikake

Senior Manager, Procurement Headquarters
Anritsu Corporation

For Anritsu, suppliers are team members with whom we work together to solve problems. Once a year, we invite our suppliers from Japan and overseas to communicate Anritsu's aspirations and basic approach of keeping our doors open in a spirit of fairness and impartiality.

Our overseas procurement ratio has risen as high as 50% over the past five to six years, making it extremely important to nurture mutual understanding and relationships of trust from a risk management perspective. When we enter into business, we visit each supplier, even those located overseas, to communicate our thinking and ensure understanding. We also listen to the policies of top management. We hope to forge partnerships and work alongside companies whose top management has reliable policies that are shared throughout the company. After starting business, in principle our local staff will visit the supplier once a year. The staff will regularly monitor the corporate atmosphere and report its impressions, such as by noting that fewer employees are smiling.

A BCP is one example of an initiative that is undertaken in cooperation with a supplier. Any disruption in the supply chain will prevent us from manufacturing products and continuing to do business. In our test and measurement business in Japan, and particularly with respect to suppliers from which we purchase specialized components, our databases include information on manufacturing sites as well as the logistics locations of suppliers at the first to fourth tiers. We plan to collect information on the U.S. sites of our test and measurement business and in our industrial solution business through conversations with our suppliers during fiscal 2015.

● **Yamaguchi** Are you aware of all the basic risks associated with your first-tier suppliers?

● **Fujikake** Yes. In addition to when an issue related to quality or delivery time arises, we will visit the supplier directly when an alarm has been sounded through our communication with sales staff, such as a delayed response, to get a firm grasp on the situation. At the same time, we check up on the supplier's understanding of compliance, human rights issues and CSR procurement.

● **Akabane** While the Western method of conducting audits using checklists may be more efficient, a company that values communication as much as Anritsu may be able to conduct a more substantial assessment. Especially in Asia, the use of an auditing firm may give rise to collusion between the auditing firm and the subject of the audit, resulting in a report that does not reflect reality.

● **Yamaguchi** Anritsu asks suppliers to sign a letter of consent on its procurement standards. Does that include information on international requirements such as child labor and forced labor?

● **Fujikake** Anritsu publishes its five "Requests" to suppliers on its website, which include prohibitions against child labor and forced labor. We seek the understanding and approval of our suppliers on our policies, including those issues, before signing the letter. We plan to expand this initiative to suppliers of our overseas test and measurement business and our industrial solution business. We hope to have a better understanding of all our suppliers in fiscal 2015 and a PDCA cycle in place by fiscal 2017.



Makiko Akabane

Director
CSR Asia Japan

Commented on recent Anritsu's CSR activities through external study sessions.

Promoting Local Social Contribution Activities Worldwide

● **Akabane** From the standpoint of promoting CSR at Anritsu's global locations, what responsibilities are being assigned to regional staff?

● **Taniai** In North America, EMEA and China, managers of the human resources divisions are also responsible for promoting CSR. For example, employees in these divisions will send us information on the social contribution activities in each region. The ideal situation would be to appoint dedicated staff to this mission who could transmit information and follow the activities in each region. We will work on that.

● **Akabane** Social contribution is important, particularly if you are seeking recognition in the Americas or China. While a good company acts for the benefit of the regional community in the U.S., in China offering emergency aid is important in the event of an earthquake, flood or typhoon. And a recent trend there has been observed in companies setting up foundations. These corporate foundations are expected to provide donations for the children of workers who are working away from their hometowns. In China, the income gap is wide, the land is vast and the population is large. The government has not come around to solving social problems and seems to expect companies to contribute actively.

One indicator for assessing the value of a global company in each region is the length of service of its employees. Even in American societies, where switching jobs is the norm, a long length of service may indicate that the company is attracting employees with high morale, awareness and motivation. It will therefore become increasingly important to retain and secure excellent human resources.



Toshihiko Takahashi
Anritsu Corporation
Senior Vice President, CTO,
Environmental and Quality Officer

● **Fujikake** Overseas companies must often bring in management from the outside since they cannot retain their own employees. In Anritsu's case, there is an established system of promotions that creates a lively environment.

● **Takahashi** At Anritsu's American subsidiary, we have a system of priority linked to length of service. While each company may be implementing different measures, they have not necessarily been viewed from the standpoint of employee satisfaction or publicized.

● **Yamaguchi** Japanese companies typically build up their achievements of CSR initiatives in such areas as social contribution, human resources, compliance and the environment. They also focus on providing CSR training for employees, which should be developed on a global scale. Although building up good deeds is important, this isn't enough to gain strong recognition overseas. A typical example is the limits placed on imported Japanese food products in Taiwan. While the nuclear accident is a special factor, Japanese food products are not considered safe overseas. Even though individual efforts may be solid, and they should be safe from the standpoint of a buildup method, they may not be viewed as safe from an objective standpoint, because the process lacks the global requirement of traceability. In other words, regardless of how good it may be based on a buildup method, it will not be recognized as such unless validated by an internationally accepted method. I think there are efforts related to CSR in Japan that are similar, in general.

● **Taniai** Not only is Anritsu expanding its businesses globally, but nearly half of its shareholders are overseas investors. We will endeavor to communicate our CSR efforts in ways that the global audience can easily understand.

Addressing Information Disclosure to Meet Global Standards

● **Yamaguchi** When we think about building recognition overseas as a global company, the type of information we disclose becomes important. For example, overseas companies publish in their CSR reports the numbers of first-tier suppliers, suppliers audited and suppliers at which problems were found as well as details about



Toshiyuki Tanai

Vice President and Director, Chief Corporate Officer,
Anritsu Corporation

corrective measures. Investors and stakeholders who value non-financial factors look at companies from this perspective, so it would be a loss to any company making such efforts if they were not to disclose them fully. Japanese companies would do better to pursue transparency on a global scale as part of international communications.

● **Taniai** We sought to publish an integrated report as part of our information disclosure. We incorporated much of our non-financial information into our annual report for fiscal 2014 and published an integrated report in 2015. While the report is intended for investors, it combines the annual report and a digest version of the CSR report while incorporating the guidance of the International Integrated Reporting Council as much as possible.

● **Akabane** An officer responsible for CSR in Europe for a Japanese manufacturer once told me they couldn't understand what the company was trying to say in the English version of their CSR report, so they decided to publish a local version. Simply translating the material is not enough; the report is useless unless it is composed in a way that can be understood by readers around the world. Anritsu is a company whose overseas procurement ratio exceeds 50%, and it has a high proportion of overseas investors. I'm sure that your overseas suppliers and employees at overseas locations would like to know more about the company, which makes the English version very important.

● **Yamaguchi** Many Japanese reports include descriptions of all the initiatives, but the English version could have a simpler structure that emphasizes key points: the risks, and why they are viewed as risks; the goals; progress being made; and the results. These topics should be expressed in simple terms. While the policies of top management should be explained in depth, individual initiatives can be presented in a format similar to a database. While this might be difficult, the ideal would be to create the English version first and then translate it into Japanese.

● **Fujikake** Other companies present their goals and achievements in concrete figures. As a company engaged in global business, we must also think through how we present ourselves in the report.

● **Takahashi** In our report for 2014, we showed how Anritsu's businesses are addressing social issues. Progress in technologies such as 5G and IoT will not change our stance of actively seeking solutions for social problems. I think that is our qualitative message.

● **Akabane** How a company addresses social issues through its core business and how it communicates that are very important. You mentioned the dangers of chicken bone contamination in the Americas. Anritsu's value lies in the fact that it can address this problem. Foreign companies clearly express the value they have created by addressing a social issue. And they will proudly declare their contribution, even if the result is more qualitative than quantitative.

● **Yamaguchi** There are examples of Japanese corporate reports in which the standpoint of reporting is slanted toward the company and not linked to social issues. On the other hand, one foreign company uses half of a two-page spread for social issues. For example, they explain the impact of changing demographics, how that change has affected the company's business, and how the organization is responding through its business. They specify the social issues behind its business and clearly communicate the role it is playing. When you take up a social issue, it's good to describe them in terms of objective themes, as in the global issues discussed by the World Economic Forum and the



Toshimune Yamaguchi

Director

Caux Round Table – Japan

Offered support for Anritsu's materiality assessment aimed at identifying 12 material issues in 2007 and 2008.

United Nations. For example, “contributing to people’s safety and security” is a statement that often appears in Japanese corporate reports, but that alone is not enough to gain global understanding. You should be aware of what lies behind safety and security—it may be food or it could be water—and what is on the agenda for global discussion.

● **Taniai** Many of your points are related to topics we have been discussing in the company that have not yet been transformed into concrete action. With your valuable comments we will strive to practice CSR in a way that is unique to Anritsu and communicate our efforts to the world.

Discussion Theme	Comments from Dialogue Participants		Status of Anritsu’s Response (Review of Fiscal 2014 and Future Plans)
	Fiscal 2013	Fiscal 2014	
Promotion of Global CSR	Express Anritsu’s vision as a global enterprise from the perspective of how it will contribute to resolving social issues premised on diverse values and incorporate that vision into its operations.	Seek greater recognition in the global community by expressing positive aspects that are unique to Anritsu as a Japanese company in response to values that are accepted globally as rules, and actively engage in CSR issues that carry considerable risk.	We continued to practice our corporate philosophy of “Sincerity, Harmony and Enthusiasm” at a global scale while sharing our CSR vision and goals of the mid-term business plan through global meetings with liaisons from each region.
	Present a clear policy statement that applies to each country while transferring authority to each region. Since worksites operate more efficiently when an initiative is top-down rather than bottom-up, it would be a good idea to introduce CSR elements into the assessment criteria for top managers in each region. Grant decision-making authority to CSR liaisons and consider developing methods of self-management for meeting each region’s requirements.	Taking a Japan-centric approach limits the scope of activities. Communicating the CSR policies to overseas bases in simple terms is more effective for adding depth to global initiatives.	We will promote initiatives by identifying CSR liaisons at each base and confirming progress on annual activities (goals, mid-term report, results).
	Create a successful globalization model while retaining a Japanese style in deploying the Charter of Corporate Behavior and Code of Conduct to overseas bases.	—	In fiscal 2012 we defined our Guidelines on Prevention of Extortion and Bribery, CSR Procurement Guidelines and Guidelines on Conflict Minerals, and disseminated them across the company. In fiscal 2013 we shared each region’s mid-term reports on objectives for the year, annual reviews and plans for the next fiscal year. We plan to compile details on regional issues through global meetings.
Identifying Materiality	In determining materiality, consider issues from the perspective of what is necessary for Anritsu to take the next step forward on a global scale.	Make good use of the ES survey results because taking action on issues that stakeholders expect Anritsu to address is important. To determine the company’s response to social issues that affect multiple divisions, consider materiality from society’s perspective.	We designated the following items as key CSR issues in the mid-term business plan GLP2017, which began in fiscal 2015. (1) Key CSR Issues: Address cross-organizational issues from among the broader social issues and seek solutions within the period of the mid-term business plan. Key CSR Issues (I) Unify our BCPs (business continuity plans) → Establish a unified BCP within the company and throughout the supply chain (II) Human rights issues (employees’ human rights, diversity, supply chain management) → Ensure the human rights due diligence is functioning appropriately on a global scale (III) Prevent corruption (prevention of extortion and bribery, supply chain management) (IV) Disclose information through an integrated report (financial data + ESG data) (2) Promote local CSR activities: Global CSR activities and information disclosure
	Anritsu must understand its impact on human rights issues and determine its response by starting from the ideal and working backward. Begin with the supply chain and identify challenges through low-key activities such as visiting suppliers. Also start by identifying conflict minerals as a materiality and take the opportunity to exchange opinions and information with suppliers to develop human rights initiatives for the entire value chain.	—	
	Produce a CSR report that instantly communicates Anritsu’s materiality and proactively provides information.	Provide information on the uniquely Japanese initiative of working alongside suppliers to resolve their problems.	Promote Local CSR → Assign CSR liaisons at the three global bases, establish local CSR activities and win high recognition from local communities.
Setting KPIs	The global employee satisfaction survey can be used as a KPI for benchmarking employee engagement.	To become a global market leader, set KPIs that clearly express the corporate vision, such as the desired results and impact.	Designated the ESG assessment benchmark of FTSE4Good as a benchmark in the CSR section of GLP2017 to give concrete form to our goals. Also set a KPI to be published in the CSR report and Integrated Report for fiscal 2015.
	Using hours spent in training for global employee development and occupational safety as a KPI would be a good way to disclose information on human resources.	—	
	You need to understand your environmental impact in areas such as CO ₂ emissions throughout the entire lifecycles of your products. Consider setting a KPI that links operating income to CO ₂ . Consider KPIs as gateways to better engagement and start with areas that can be quantified.	Set KPIs that correlate with company goals in order to give concrete form to engagement and increase impact.	

The goal for Anritsu	Anritsu contributes through Original & High Level technologies to improve customers' safety and security.
The goal for employees	Every employee listens to the voice of customers and provides products and rapid support services with a quality that surpasses market expectations.
Appreciation by society	Anritsu gains a solid reputation for its technologies and earns trust in its brand.

Service to Customers

Basic Concept and Policies

Anritsu upholds its vision of becoming a brand that enjoys the continued trust and preference of customers in all countries and regions by providing them with satisfaction as its goal for 2020.

We aspire to be a company that shares the dream of social change with customers and surpasses their expectations by delivering innovative solutions. To do this, we believe that each employee must be cordial when serving customers and closely communicate with them in order to meet their needs, while at the same time identifying their needs and challenges.

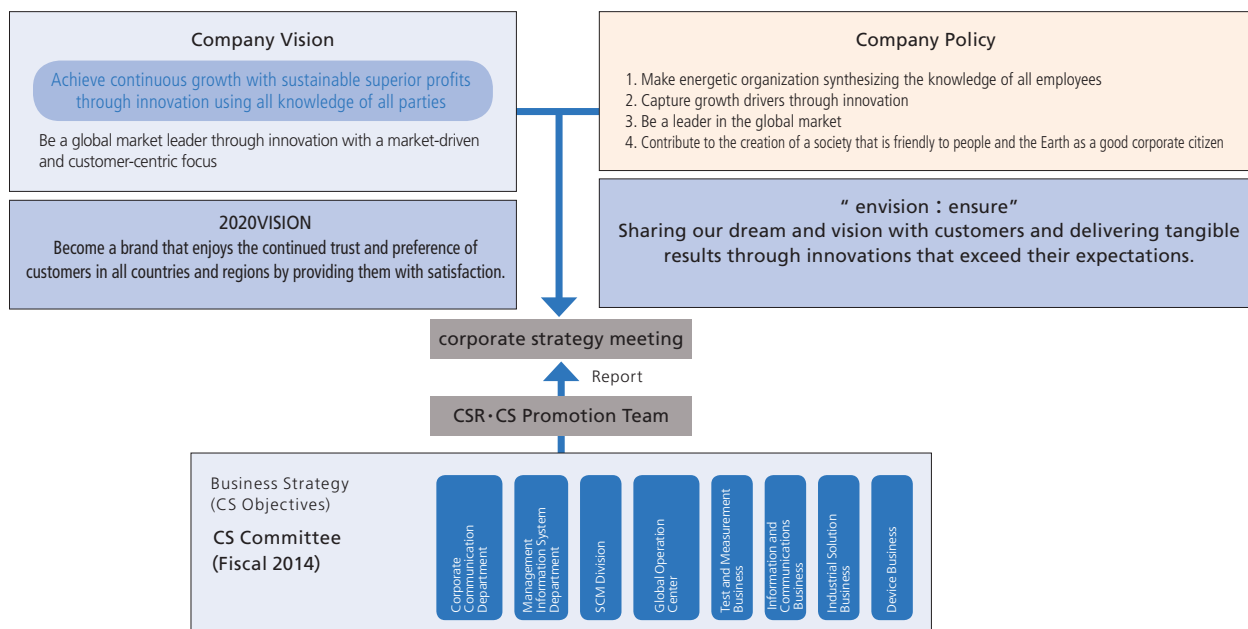
We will establish win-win relationships with customers and continue proposing new value that delivers satisfaction.

Customer Satisfaction (CS) Promotion Framework

The Anritsu Group in Japan encourages mutual sharing of CS issues and improvement activities through the Japan CS Committee, which consists of representatives from Anritsu Group companies. To realize our 2020 VISION and accomplish our Mid-term Business Plan, we have formulated a CS Promotion Action Plan and implement improvement activities based on this plan.

In fiscal 2014, toward our goal of becoming a CS company deeply trusted by customers, we listened to customers and reflected their voices in our operations. Moreover, we worked to accelerate our response and increase the user-friendliness of our many customer contact points.

Customer Satisfaction (CS) Promotion Framework



Global Customer Service Activities

The Anritsu Group intends to forge partnerships of trust by providing solutions to customers around the world. Our test and measurement business offers customers solutions through a network of sales bases in 21 countries. We also maintain 16 service centers in 12 countries to offer a variety of services to ensure our customers can reliably use our products.

Anritsu Industrial Solutions Co., Ltd. has sales bases at 4 Group companies in 4 countries and its maintenance network, including agents, now covers 54 countries.

We provide reliable maintenance services to customers operating on a global level.

Operations of Each Group Company

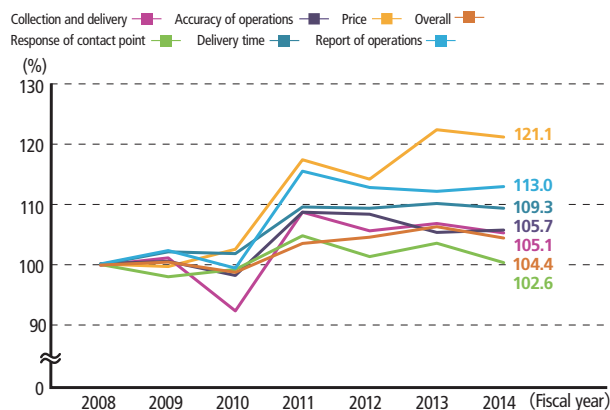
Multifaceted Support Operations

Anritsu Customer Support Co., Ltd. undertakes multifaceted operations: maintenance, including calibration and repair of measuring instruments; testing, such as EMC*; measurement technical support for responding to technical inquiries about calibrating measuring instruments; and global support, which responds to requests for repairs and parts supply from Anritsu product service centers around the world. We are planning to redesign our web-based services to further enhance our overall service.

In addition, we are striving to improve our service by asking customers to write down their requests for each assessment criterion and then taking action to respond promptly.

* Electromagnetic Compatibility

Customer Satisfaction Levels for Calibration and Repair Services (Baseline: Fiscal 2008)



Supplying maintenance parts to overseas sites

●Providing High-Quality Maintenance Services

Anritsu Infivis Co., Ltd., which provides inspection systems to the food and pharmaceuticals industries, operates a customer support center that is available 24 hours a day, 365 days a year, allowing for customers to consult experienced maintenance engineers for solutions to problems.

In fiscal 2014, we began full-scale operation of a new IT maintenance support system for customer relationship management. We integrated the IT systems used to manage the maintenance of customer information by maintenance engineers at the customer support center and at the service station to solve customer problems more quickly.

In fiscal 2015, we will share and utilize the maintenance information stored by the IT Maintenance Support System and for constructing an IT maintenance mechanism, unrestricted by time or space, to provide high-quality maintenance services and product development as well as improvements that satisfy customers.



The customer support center is available year-round.

●Providing Support across the Product Life Cycle

Anritsu Networks Co., Ltd., which provides telecommunications systems that sustain the stability of communications infrastructure, sought to raise the quality of its customer support further in fiscal 2014 by setting up a dedicated toll-free number and mailing address at its customer support center, thus establishing a system for more quickly responding to inquiries.

In fiscal 2015, in addition to responding to inquiries, we will promote seamless customer support across the entire product life cycle by actively providing our accumulated know-how, encompassing product installation to general maintenance, and make it available in the form of FAQs on the website while also organizing maintenance and design training for corporate partners.



Regular meeting on maintenance training for corporate partners

●Using Customer Feedback to Enhance Our Service

Anritsu Engineering Co., Ltd. provides customers with test and measurement solutions. In our quest to satisfy all our customers, we set goals as part of our AE 2020 VISION, which is shared with every employee.

To become a true global player that can directly contribute to customers' activities worldwide, all of our employees take action in line with their individual goals for 2020. In addition, we are taking on the challenge of contributing to greater safety, security and comfort for society by connecting the thoughts and actions of each employee toward developing our technological capabilities and improving our products and services.

As a first step in fiscal 2015, every employee participated in designing a reliable roadmap to 2020. While raising our technological capabilities, we will also reinforce our ability to offer proposals in order to provide optimal service.



● Initiatives in North America

Anritsu Company (US) has established a Voice of the Customer Program which is incorporated into Anritsu's total Customer Experience Management.

This program was designed to manage the customer experience through listening to feedback, analyzing data, understanding root cause and providing continuous improvement through corrective actions.

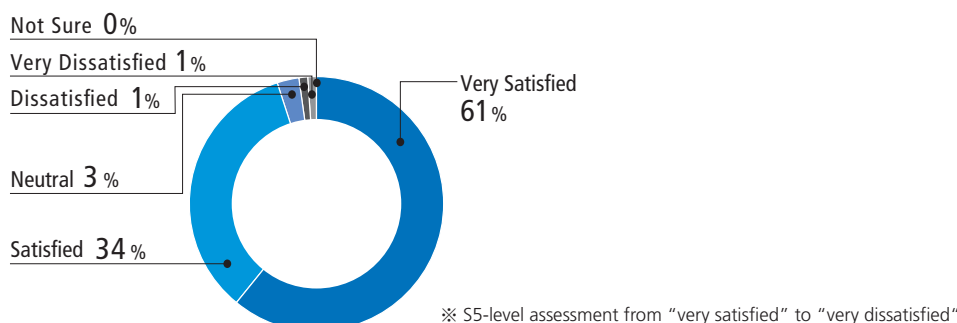
The Voice of the Customer Program ensures Anritsu is engaging with the customer from pre-sales to post-sales and beyond. Keeping the customer as our primary focus throughout the customer journey.

Moreover, we conduct an annual survey to gather customer feedback, the results of which are used to enhance customer satisfaction.

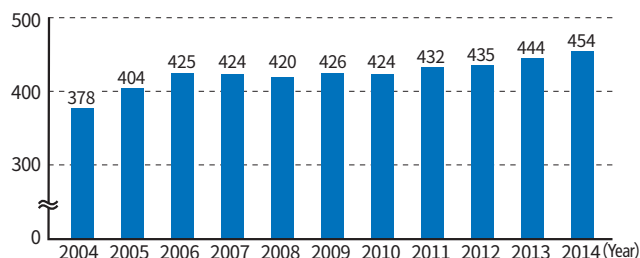
※ Customer experience management:

A management focus on the experiences and feelings of customers with the aim of determining added value and supported by customer contact points.

▶ Level of Satisfaction for Fiscal 2014 (U.S.A.)



▶ Overall Customer Satisfaction trend



※ Scored at five levels from "very satisfied" to "very unsatisfied"
Score weighted 5 = very satisfied through to 1 = very dissatisfied

■ Employee Training

We conduct CS training in Japan to deepen CS awareness among employees. We continue to implement the training program for new managers, launched in fiscal 2011, with the goal of having all new managers attend every year. Our curriculum integrates training content for newly appointed managers and for staff in charge to ensure that CS awareness is shared within the same division.

In fiscal 2014, the CS goals set by newly appointed managers in the course of divisional training were scrutinized within the respective divisions and shared with other managers to implement improvements.

In addition, we recognize employees for their contributions to enhancing CS with the CSR Award. The purpose of this program is to recognize employee contributions that go beyond customer service, including efforts to improve the environment, society and our brand. Many employees have earned this reward.



Received a commemorative flag of appreciation from a customer in China for emergency overnight response

Quality Management

Anritsu Corporation has established quality policies and action guidelines under its corporate 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," and firmly implement them in order to provide products and services that satisfy customers and society.

Quality Policy

We work with sincerity, harmony, and enthusiasm to create products that satisfy customers and society.

Quality Policy Action Guidelines

- Eliminate product defects through dedicated attention to detail
- Take the entire process into consideration by maintaining the policy of "your next process is the customer"
- Proactively suggest improvement

Promoting the Quality Management System

Anritsu has been certified under ISO 9001 international quality management standards for quality assurance since 1993 and has developed a consistent global framework, from product design and development to production, services and maintenance. In our Japanese operations, we have sought to integrate ISO 9001 certifications separately obtained by each Group company. This has been done to support continuous improvements by effectively implementing PDCA cycles under a unified quality management system.

The following list summarizes Anritsu Group companies around the world that have obtained ISO 9001 certification. The certification has been obtained for all organizations engaged in product realization processes. Of the total number of Anritsu employees in our global operations, about 60% of them are covered by the quality management system.

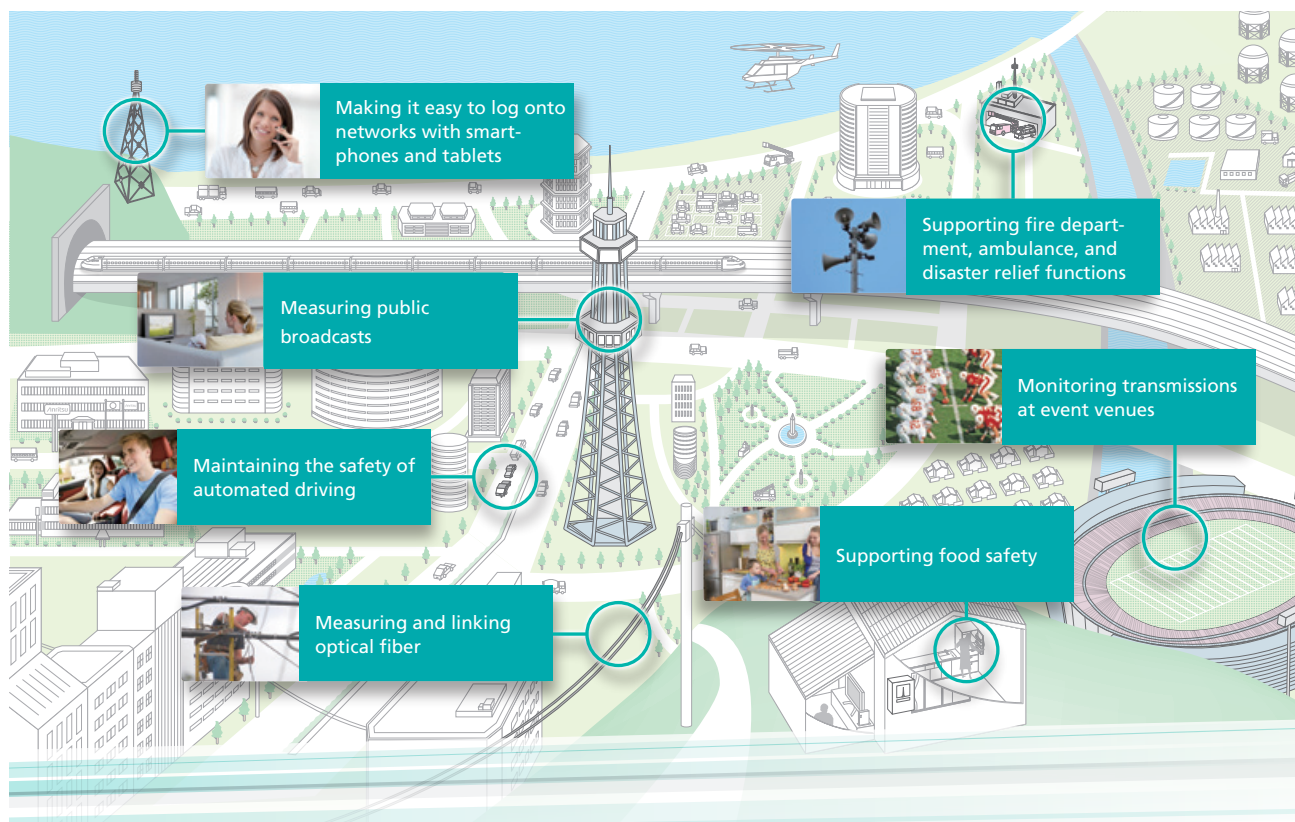
Companies with ISO 9001 Certification

Japan	
Anritsu Corporation	
Major Group Companies in Japan	
Anritsu Infivis Co., Ltd.	Tohoku Anritsu Co., Ltd
Anritsu Customer Support Co., Ltd.	Anritsu Engineering Co., Ltd.
Anritsu Networks Co., Ltd.	Anritsu Devices Co., Ltd.
AT Techmac Co., Ltd	
Group Companies outside Japan	
U.S.A	
Anritsu Company(U.S.A.)	Anritsu Eletronica Ltda.(Brazil)
Anritsu Electronics Ltd.(Canada)	
EMEA	
Anritsu EMEA Ltd.(U.K.)	Anritsu Ltd. (U.K.)
Anritsu GmbH (Germany)	Anritsu S.A. (France)
Anritsu S.r.l. (Italy)	Anritsu Solutions S.r.l. (Italy)
Anritsu A/S(Denmark)	Anritsu AB(Sweden)
Anritsu Solutions S.R.L. (Romania)	
Asia and others	
Anritsu Electronics (Shanghai) Co., Ltd.(China)	Anritsu Company, Inc.(Taiwan)
Anritsu Corporation, Ltd.(Korea)	Anritsu Pte. Ltd. (Singapore)
Anritsu India Private Ltd. (India)	Anritsu Industrial Solutions (Thailand) Co., Ltd. (Thailand)
Anritsu Pty. Ltd.(Australia)	

Solutions for Social Issues

Basic Concept

Anritsu seeks to share its future vision with customers and create value that is uniquely Anritsu toward its goal of addressing social issues in partnership with customers.



Beyond Tomorrow's Communications: Contributing to Realizing Advanced Communication Services Required by Society

As smartphones and tablets become increasingly user-friendly and wearable devices move into the spotlight, mobile broadband services using cutting-edge communication technologies such as LTE and LTE-Advanced are being integrated into cloud services with ultra-high speed data transmission technologies, and this is ushering in a new era of innovation in telecommunications systems.

Mutual connectivity between all things has led to social innovations in diverse areas, including medicine, the environment and education. It is also driving a dramatic increase in data traffic, which is projected to surge as high as eleven times the current volume by 2018, making efficient network construction a new social issue.

Over the years, Anritsu has been responding to turbulent advances in communications technology by developing pioneering test and measurement technologies. We stand resolved to continue meeting the network needs of society and customers as a pioneering and reliable test and measurement company that is capable of addressing both wired and wireless communication.

And we will strive toward the creation of a sustainable society that offers connectivity anytime, anywhere, in a safe, secure and comfortable manner.

● Successful Data Communication with Three-Carrier Aggregation Modem for LTE-Advanced

Carrier aggregation is the key technology of LTE-Advanced, in which multiple frequencies are combined to realize high-speed communication. Anritsu participated in a joint verification using the carrier aggregation modem under development by Qualcomm Technologies, Inc. as well as Anritsu's MD8430A base station simulator. As a result, we became the first in the industry to successfully transmit data via carrier aggregation of three frequencies.

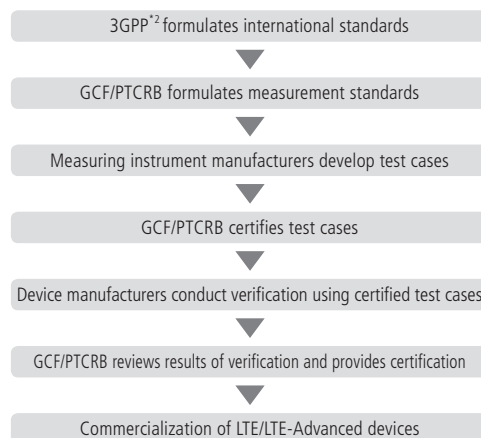
● Contributing to the Early Start of the Certification Process for TD-LTE-Advanced Modems

Anritsu was the first to obtain GCF^{*1} certification for more than 80% of the test cases (testing criteria) used to establish whether carrier aggregation functions of LTE-Advanced modems based on the TDD method (TD-LTE-Advanced) conform with standards. GCF certification is a requirement for commercializing these modems. It also certifies test cases, and as a precondition for seeking certification the modems must first be tested using test cases that have obtained GCF certification for at least 80% of its testing criteria.

Anritsu is contributing to the early commercialization of TD-LTE-Advanced modems by becoming the first in the industry to meet the certification requirements for test cases.

*1 Global Certification Forum: An organization that sets operational standards for networks and conformance testing standards for mobile phones.

► Certification Process for LTE/LTE-Advanced



*2 Third Generation Partnership Project: An organization that formulates international standards for mobile phone systems.

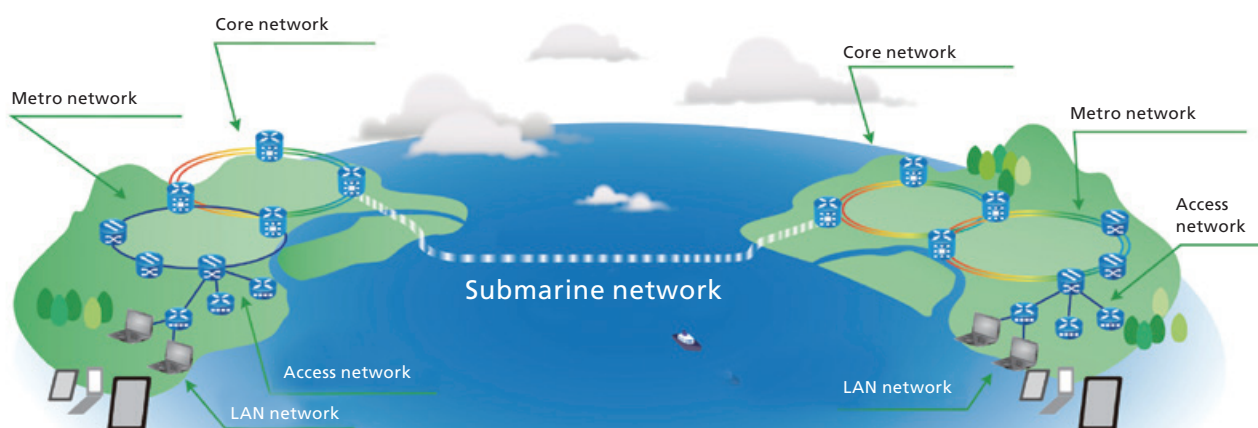
● Contributing to the Practical Application of 100G/400Gbps Networks

The dissemination of LTE and LTE-Advanced has led to a rapid increase of Internet access from mobile devices. Base station facilities are connected to metro core networks, and these networks are increasingly introducing 100Gbps services to handle the massive flow of mobile data traffic from the base stations; R&D for 400Gbps networks is currently underway.

Anritsu developed the Network Master Flex MT1100A as a measuring instrument capable of evaluating communication networks for speeds up to 400Gbps, thus supporting the practical application of ultra-high speed networks.



Network Master Flex



■ Contributing to Food Safety and Security

Every year, diets are becoming increasingly rich and varied, and many of us have plenty of opportunities to taste a broad range of food products. Meanwhile, in the wake of a series of food product recalls and contamination incidents in Japan, the nation's food industry has set stringent targets for quality assurance.

Anritsu strives to provide solutions to customers who are concerned about these issues by applying technologies and on-site know-how gained through many years of experience.

Our XR75 X-ray inspection system is a highly versatile instrument that is not only capable of detecting contaminants but also of identifying product shape defects, inspecting packaging integrity, checking for missing products, and determining quantity.

By significantly enhancing the performance of the detection area, we have tripled the life of the X-ray generator and X-ray sensor compared to conventional models and reduced the running cost of parts replacement, making system installation more affordable.

The XR75 contributes to food safety and security by meeting the stringent, complex quality inspection needs of the times.

● Shape Inspection

This instrument uses X-ray images for analysis of outlines, area and mass and will detect irregularities in the shape of a product as well as broken or missing pieces. It is also capable of inspecting for missing cream in products such as bread and cookies.



X-ray inspection system

■ Contributing to “Connected” Networks

Ensuring stable communications is a major issue for networks that require higher speeds and greater capacity. Instruments in our PureFlow® series have been specifically designed to enable service operators to control bandwidth freely and provide their network service users with assurances for line capacity and communication speeds. Operators that use high-capacity lines such as carriers and cloud operators can provide VPN environments equivalent to dedicated lines at an optimal cost to their network service users.



Bandwidth Controllers PureFlow® Series

Response to Social Expectations

Basic Concept

Anritsu gives priority to proactively responding to global social expectations through its business activities.

Agree to the Global Compact

Since March 2006, Anritsu has practiced the ten principles of the United Nations Global Compact, and has linked these principles with its own CSR efforts to firmly establish them throughout Group activities worldwide.



Global Compact (GC) and Related Activities

Anritsu's CSR activities during fiscal year 2013 relate to the ten principles of the Global Compact*. The United Nations Global Compact Office has selected Anritsu CSR Report 2007 as one that matches their Notable COP (Communication on Progress) policies.

The Ten Global Compact Principles			Anritsu's Major Actions in Fiscal Year 2014	Related Pages
Overall		Applying the ten GC principles	<ul style="list-style-type: none"> The Anritsu Group Charter of Corporate Behavior, which reflects the spirit of the Global Compact, now serves as the basis of our group activities. We began applying the Anritsu Group Code of Conduct to our activities on a global scale. Promoting compliance, Anritsu Corp. and the Group companies made efforts to prevent violations and to establish more pleasant workplaces by (1) familiarizing people with Anritsu Code of Conduct; (2) promoting groupwide education, including training by organizational levels; (3) avoiding risks on ethical matters via questionnaire survey; and (4) preventing violation of ethics rules via help-lines inside and outside the company. 	Anritsu Group Charter of Corporate Behavior Anritsu Group Code of Conduct Establishment of Compliance
Human Rights	Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	<ul style="list-style-type: none"> Anritsu Corp. and the Group Companies promoted activities to secure workplace safety and health. 	Labor Safety and Health Supply Chain Management
	Principle 2	make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> We included a clear statement on protecting human rights in the CSR Procurement Guidelines intended for suppliers and partners, collaborated with them on actions addressing the issue of conflict minerals, and requested their compliance. 	Supply Chain Management
	Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> Anritsu Corp. and the Group Company surveyed the actual status of harassment to employee by ethics questionnaire. We operate an external helpline to address harassment and other compliance issues. 	Establishment of Compliance
Labor Standards			Anritsu Corp. requested that its suppliers and partners not be complicit in human rights abuses.	Supply Chain Management
	Principle 4	the elimination of all forms of forced and compulsory labour;	<ul style="list-style-type: none"> Responding to employee requests, and in order to improve work-life balance, Anritsu Corp. and the Group companies continued to improve labor conditions. In Japan, we set up an internal website that can be accessed by employees to support work-life balance. 	Respect for Human Rights and Promotion of Diversity
	Principle 5	the effective abolition of child labour; and	<ul style="list-style-type: none"> We are maintaining our efforts to establish the Charter of Corporate Behavior and Code of Conduct worldwide. Anritsu Corp. continues to request that its suppliers and partners not be complicit in forced labor. 	Anritsu Group Charter of Corporate Behavior Anritsu Group Code of Conduct Supply Chain Management
	Principle 6	the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> We sought to establish the Charter of Corporate Behavior and Code of Conduct worldwide. Anritsu Corp. requested that its suppliers and partners not be complicit in child labor. 	Anritsu Group Charter of Corporate Behavior Anritsu Group Code of Conduct Supply Chain Management
Environment	Principle 7	Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> Anritsu Corp. and the Group companies promoted Eco-Factory and Eco-Office activities. 	Eco-Office and Eco-Factory
			Anritsu Corp. and the Group companies in Japan continued environmental accounting.	Environmental Accounting
	Principle 8	undertake initiatives to promote greater environmental responsibility; and;	<ul style="list-style-type: none"> Anritsu committed to Eco-Management Anritsu promoted activities of Eco-Minded Employees. Anritsu continued its efforts to prevent of global warming. 	Eco-Management and Eco-Mind Eco-Management and Eco-Mind Eco-Office and Eco-Factory
	Principle 9	encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> Anritsu Group in Japan promoted development of environmentally conscious products. 	Eco-Products Development
Anti-Corruption	Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> We provided web-based training on preventing extortion and bribery for managers above the level of division heads at Anritsu Group companies in Japan and overseas. Anritsu Corp. and the Group companies in Japan circulated case study sheets on anticorruption measures in an ongoing effort to educate employees. 	Establishment of Compliance
			<ul style="list-style-type: none"> We disseminated the Anritsu Group Corporate Procurement Guidelines among our suppliers and partners in an effort to prevent corruption. 	Supply Chain Management

The goal for Anritsu	Anritsu conducts business in harmony with the culture and characteristics of individual communities in its global deployment and fulfills its social responsibility throughout the supply chain.
The goal for employees	Every employee is fully aware of compliance, respects human rights, and vigorously does their work and achieves growth within a framework of a diversity of attributes, cultures and values.
Appreciation by society	Anritsu builds up relationships of trust with communities and society through community-based social action programs.

Establishment of Compliance

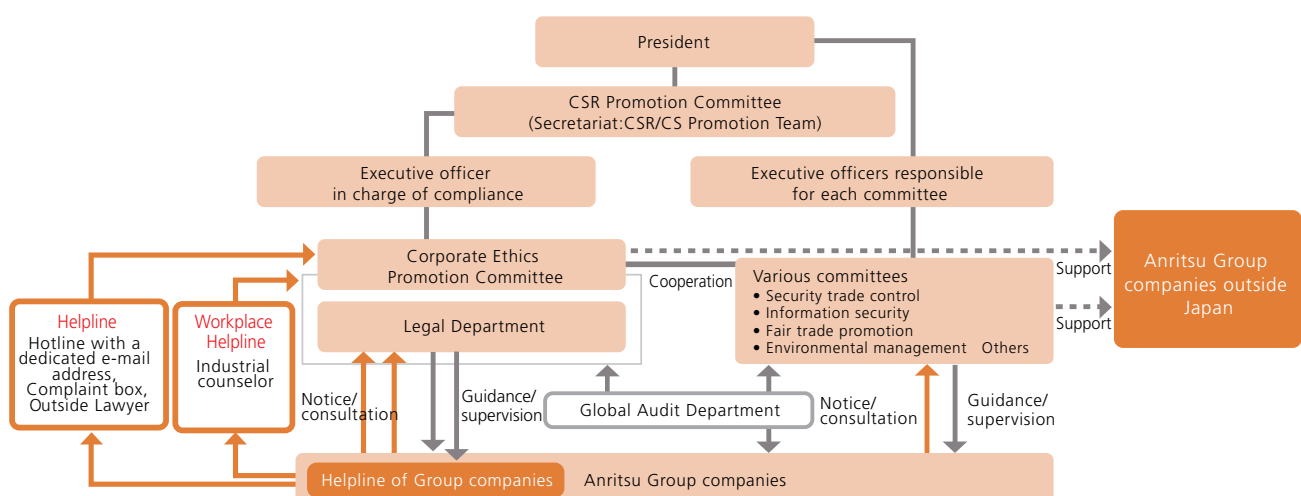
Basic Concept

By promoting sound and fair corporate behavior that addresses social concerns beyond basic adherence to ethical standards, laws and regulations, Anritsu continually advances key measures for strengthening its Ethics and Compliance Promotion System and to enhancing ethical awareness throughout the Group's entire workforce.

We believe it is important to respond to public expectations by developing a deep awareness of our corporate social responsibility, complying with laws and regulations in all aspects of our corporate activity, and acting according to social ethics.

Ethics and Compliance Promotion System

In Anritsu's framework for promoting corporate ethics and compliance, the president takes the initiative and sets an example as chairman of the CSR Promotion Committee. To promote compliance effectively, we have also set up a Corporate Ethics Promotion Committee, chaired by the executive officer in charge of compliance, which oversees activities related to corporate ethics and compliance at Anritsu Group companies in Japan.

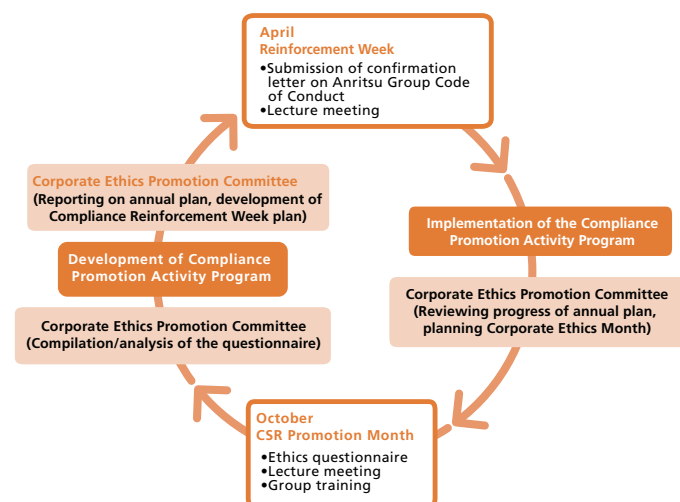


Corporate Ethics Promotion Committee and Ongoing Improvement Activities (annual)

The Anritsu Group in Japan set up a Corporate Ethics Promotion Committee consisting of representatives from individual departments related to corporate ethics and from Group companies. The committee plans, supports and implements Group compliance activities. We conduct a corporate ethics survey during CSR Promotion Month (October), and each business unit formulates an annual action plan for the next fiscal year based on the results of the survey.

To ensure continuous improvement of our compliance activities, we follow a one-year cycle in which each business unit monitors the implementation of its annual plan and uses the survey to assess its effectiveness.

Compliance Promotion Activities



Constituent Departments of the Corporate Ethics Promotion Committee

Corporate Ethics Promotion Committee

- Management Information System
- Global Audit Department
- Corporate Communication
- Legal
- Trade Control
- Accounting
- Procurement
- Business Strategy Support Team, Global Operation Center
- Representatives from group companies
- Human Resource and Administration
- Development Support, Technology Management Center

Compliance Promotion Activities

CSR Reinforcement Week and CSR Promotion Month

Every year during CSR Reinforcement Week in mid-April and CSR Promotion Month in October, we offer lectures by experts and conduct training and group-based learning programs organized by departments responsible for promoting corporate ethics to raise compliance awareness among employees of the Anritsu Group in Japan. During CSR Reinforcement Week, employees and temporary workers in Japan are required to submit a confirmation letter affirming their awareness and understanding of the Anritsu Group Code of Conduct. During CSR Promotion Month, we also carry out a corporate ethics survey for all employees, temporary workers and other staff working for the Anritsu Group in Japan. The survey targets regular employees and temporary staff of the Anritsu Group in Japan—as well as employees of partners, suppliers, and other staff—to confirm the effectiveness of compliance promotion activities and identify areas for improvement in individual organizational units. Analysis, examination and deliberation over the questionnaire results are fed back to the management of the individual organizational units to be used in drawing up future compliance promotion activity programs and other actions.

- Confirmation letters for the Code of Conduct of the Anritsu Group
- Training by organizational level (recruits, newly promoted managers)
- Individual/specialized training by separate committee or department
- Lecture meeting with invited external speakers (once or twice a year)
- Divisional educational activities using case studies
- Lending and showing of videos or DVDs



Lecture meeting with experts



Divisional educational activity

● Anti-Bribery Policy / Publication of Case Study Sheets

Anti-Bribery Policy

The preventing bribery is a serious issue throughout the world. Particularly stringent bribery laws have been enacted in the United States and the United Kingdom. These laws are not limited to incidents within the respective countries but extend to incidents that occur outside them as well. Bribery represents major compliance risks for the Anritsu Group, which conducts business on a global scale, and we are therefore working on preventive measures.

While the Anritsu Group Code of Conduct already prohibits corruption and bribery, we sought to more firmly uphold this prohibition throughout the Group in Japan and overseas by establishing the Anritsu Group Anti-Bribery in April 2012.

In January 2015, we provided thorough, web-based training for our sales, marketing and procurement staff as well as employees above the level of divisional head at Anritsu Group companies in Japan and overseas toward preventing extortion and bribery across the Anritsu Group.

Case Study Sheets

Every month, the Anritsu Group in Japan selects concrete cases that have actually occurred or could occur, under the two themes of daily life and business, and publishes these as Case Study Sheets that include concise advice and explanations. Sheets are posted on our intranet and as printed posters, and are used as educational tools of individual organizational units. A total of 170 cases have been published as of March 2015.

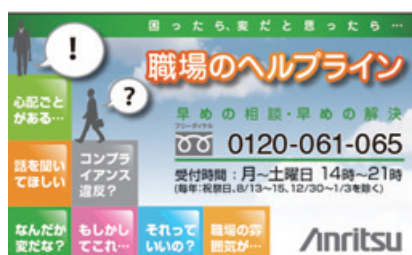
● Compliance Situation of the Antimonopoly Law and Internal Audit

To confirm the conduct of fair and free sales activities, the Anritsu Group in Japan conducts internal audits of the activity status and order intake/sales process of the sales departments (including local bases) once a year. In conjunction with the internal audit, we also conduct compliance training (Act on Prohibition of Private Monopolization and Maintenance of Fair Trade; Act against Delay in Payment, etc. to Subcontractors; export controls; etc.)

● Helpline

To prevent violations of ethics and laws and maintain pleasant workplace conditions, Anritsu Group companies in Japan operate the Helpline, which accepts internal reports and requests for consultation. And we provide the three outside Helplines (Lawyers, Industrial Counselors and Workplace Helpline). Lawyers are available from outside the company for employees to consult for legal advice. In addition, Legal Consultation Days (twice a month) are held to provide legal consultation on internal problems as well as any other issues affecting the lives of employees.

In October 2012, we set up the Workplace Helpline separately from the internal contact point to improve accessibility by consigning the operation of contact points to a private company with no vested interests in the Anritsu Group. Consultation is provided by industrial counselors. The Workplace Helpline accepts requests for



Information card promoting the Workplace Helpline

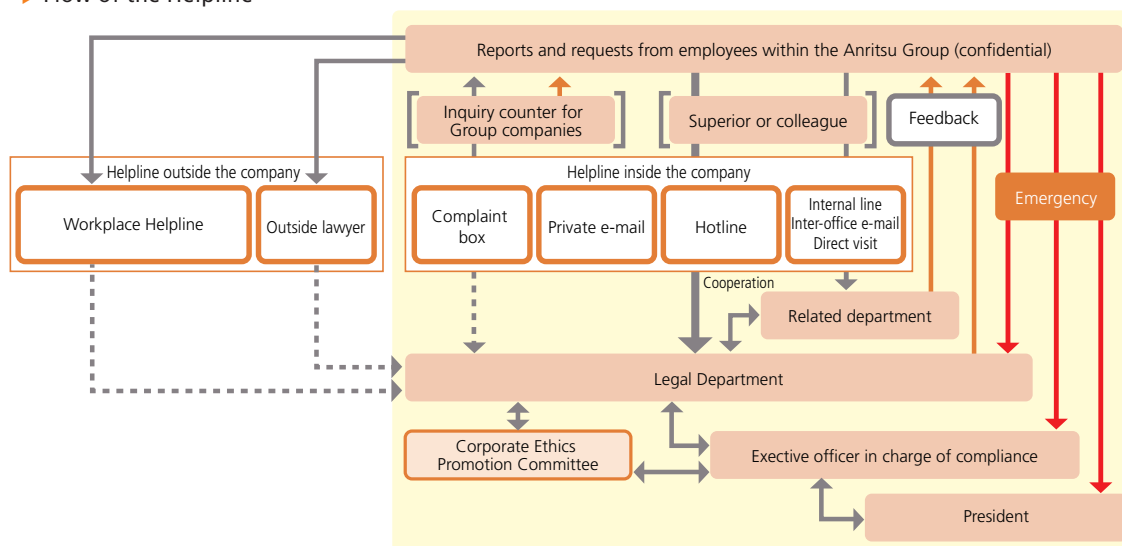
consultation outside office hours, including on holidays, and in English on designated days, giving employees better access to the service.

Both the in-house Helpline and the Workplace Helpline maintain rules of confidentiality on the content of reports and the fact that a report was made, and neither the reporter nor the whistleblower will be unfairly treated in any way.

In fiscal 2014 (April 2014 to March 2015), the Workplace Helpline provided five consultations; four were conducted over the phone and one via e-mail. In all five cases, however, the reporter declined to notify the company, so we are not aware of the content of the reports or of the reporters' identities.

In addition to improving the whistleblowing processes, such as the establishment of internal and external contact points for consultation, we also train consultants by organizing skill development seminars for contact point staff with a focus on role-playing to simulate one-on-one consultations.

► Flow of the Helpline



*The Helpline is open to Anritsu Group employees as well as staff engaged in operations within the Anritsu Group (e.g., suppliers and business partners, and employees of cleaning contractors) and also to former Anritsu employees who have left the company within one year.

● Working with Group Companies in Japan and Overseas

Anritsu has been actively developing a compliance system for the Group in Japan and overseas. The Code of Conduct was formulated and shared with the Group in Japan as a guideline for promoting compliance. Also, Group companies participate in the Corporate Ethics Promotion Committee, and we conduct compliance promotion events and related educational programs throughout the Group. With regard to overseas Group companies, while the respective laws of each country may differ from our Code of Conduct, we created the "Guidelines and Insights for All Members of the Anritsu Group," which contains elements of the code, and distributed this document to employees as a means of sharing basic ideas and policies across the Group. At the same time, we formulated localized codes of conduct that correspond to the respective legal systems, cultures and customs of each country.

● Working with Overseas Group Companies

We collaborate with overseas subsidiaries as part of our activities for promoting corporate compliance at Anritsu Group companies outside Japan.

We set up an English language website for the Legal Department that can be accessed from overseas locations. The site provides case study sheets citing concrete examples of various compliance violations in the same way as our Japanese language site. We created three language versions for each sheet, one in English and two in Chinese, to facilitate their use in training activities in China. We plan to expand the content of this international site to support and collaborate in activities for promoting compliance at other overseas Group locations.

● Export Control

Anritsu's measuring instruments are equipped with hardware and software that represent the cutting edge of technology and could be abused were they to fall into the hands of countries developing weapons of mass destruction or of Terrorist groups. Anritsu designates export control as one of its seven major risks and follows stringent standard procedures to contribute to maintaining and promoting peace and security in the international community.

The Export Control Committee leads a staff organization for dealing with global trade, and we have formulated our own global regulations, including the Rules on Security Trade Control (compliance program) and rules on specific export controls. Moreover, we have an established information system for effectively conducting risk management and screening.

Reflecting the high level of trust in our export control system, Anritsu has been certified under the Authorized Economic Operator (AEO) system to ensure security while facilitating international trade, and the company has been granted a Special Comprehensive License from Japan's Ministry of Economy, Trade and Industry, which also provides practical benefits in facilitating the flow of our exports.

We will continue to contribute toward bolstering international security through stringent controls while promptly responding to customer requests by continuously seeking to improve and strengthen our initiatives.



Mark of the AEO system administered by customs (Authorized Economic Operator)



Yutaka Saito
Director of Trade Control
Department,
Anritsu Corporation

Balancing Stringency and Efficiency in Export Control

We must achieve a balance between thorough trade compliance and efficient export control operations in order to contribute to the safety and security of the global community and more quickly and reliably deliver products that society and customers need.

In an effort to attain this balance, we have been managing risks by categorizing them according to the country of the counterparty and the product. We seek to accelerate our procedures for low-risk transactions by using IT systems, while high-risk transactions are subject to a detailed investigation as well as a special screening by the chief officer. We execute these operations under international trade control rules, enhance effectiveness by conducting audits and convene an annual global meeting to share and resolve issues.

We will strive to deepen further the trust from society and customers by continuing to focus on balancing the rigor and efficacy of our export control procedures.

Promotion of Risk Management

● Basic Concept

The Anritsu Group views risks as uncertain events that affect corporate value such as organizational profit and social credibility. In other words, we do not consider risks as necessarily negative but instead as potentially positive events if managed appropriately. We recognize proper risk management as a vital management issue and have established a risk management system for the Anritsu Group as a corporate entity under basic policies concerning the development of an internal control system approved by the Board of Directors. We are focusing on initiatives for enhancing sensitivity to risks beyond management to include all employees while promoting risk management through an all-inclusive effort to maintain and expand our corporate value, fulfill our corporate social responsibility and seek sustainable development for the Group.

● Risk Management Promotion System

The Anritsu Group has identified seven major risk categories: (1) business risks associated with management decision-making and execution of operations; (2) legal violations; (3) environmental preservation; (4) quality of products and services; (5) import/export management; (6) information security; and (7) disasters. We have established a management system for each risk, supervised by the chief officer responsible for each risk or the head of the relevant division, who concurrently serves as the chief administrator. The chief administrator is responsible for the committee comprising the heads of relevant divisions and chief administrators of Group companies, exercises overall control of the Group companies involved in managing the relevant risk, and provides timely reports on the risk management measures, plans, status of implementation and results to the Corporate Strategy Meeting.

In addition, Anritsu's risk management promotion divisions are responsible for setting rules and guidelines and conducting education and training to raise the level of risk management and ensure ongoing business development.

	Risk Categories and Related Rules		Responsibility for Risk Management	Committees and Other Organizations
1	Business risks associated with management decision making and execution of operations		Executive officers in charge of each business division, presidents of subsidiaries and executive officers in charge of operations	Executive organ of each business division and the corporate division
2	Risks associated with legal violations	Anritsu Group Charter of Corporate Behavior Anritsu Group Code of Conduct	Executive officer in charge of compliance	Corporate Ethics Promotion Committee (Committee for Promoting Fair Trade in Sales Activities) (Committee for Promoting Fair Trade in Procurement)
3	Risks associated with environmental preservation	Basic Rules of Environmental Systems	Chief officer in charge of environmental management	Environmental Management Committee
4	Risks associated with product and service quality	Rules on Quality Management Systems	Chief quality officer	Quality Management System Committee
5	Risks associated with export/import management	Rules on Security Trade Control	Chief officer in charge of trade control	Export Control Committee
6	Information security risks	Basic Rules on Information Management	Chief officer in charge of information management	Information Management Committee
7	Risks associated with disasters	Basic Rules on Disasters and Emergency Response	Chief officer in charge of disaster prevention	Disaster Prevention Headquarters

● Activities in Fiscal 2014

In fiscal 2014, we responded to the results of a risk management survey conducted in fiscal 2013 at overseas subsidiaries by revising the model contract for countering the risks of extortion and bribery and offering web-based training. We also held training sessions on managing practical business risks for newly promoted managers at the head office and subsidiaries in Japan, as well as training on managing operational risks for leader-level employees in the procurement department. In addition, we practice development project management based on a risk management approach in our development department.



Risk management training

■ Enhancing Corporate Value through Internal Controls

● Basic Policy

The Anritsu Group's internal control system is intended to raise the effectiveness and efficiency of Group management, ensure the validity of financial reporting and establish legal compliance. We are continuously improving and reinforcing the system to respond to the changing business content of the Anritsu Group and growing complexity and diversity of the business environment. This has enabled us to practice sound management activities sustained by a viable internal control system and strive to enhance corporate value.

● Promotion System

In the Anritsu Group, the Internal Control Committee, which deals with the validity of financial reporting, and the Corporate Ethics Promotion Committee, which oversees compliance and related committees for information management, promoting fair trade, export control and environmental management, undertake the necessary deliberations, establish and operate internal control systems by implementing cross-Group information sharing and educational programs, and conduct activities to ensure viability.

Furthermore, the internal audit department of Anritsu Corporation and the Group companies, Audit & Supervisory Board Members and the Management Audit Department conduct audits as part of their responsibility to evaluate the activities of these committees and the internal control system.

● Activities in Fiscal 2014

With regard to activities related to the evaluation of internal controls conducted in fiscal 2014, and in the area of financial reporting, the internal audit department of Anritsu Corporation and Group companies evaluated the effectiveness of internal controls related to financial reporting. Appropriate improvements were implemented against potential risks identified during the evaluation process. In areas other than financial reporting, Anritsu Corporation's internal audit division conducted operational audits to evaluate the effectiveness of internal controls related to compliance, such as information management and export controls. During the audit, emphasis was placed on verifying processes that had been revised in their control environment due to organizational reform and IT system upgrades.

Business Continuity Management (BCM)

Basic Policy on Business Continuity Management

Each Anritsu department creates a business continuity plan (BCP) to maintain smooth operations in the event of a disaster or emergency by minimizing damage and resuming full business activities as quickly as possible.

*Business Continuity Plan : A plan formulated to ensure the rapid resumption of critical business functions in the event that business activities are interrupted by an emergency.

Disaster Prevention

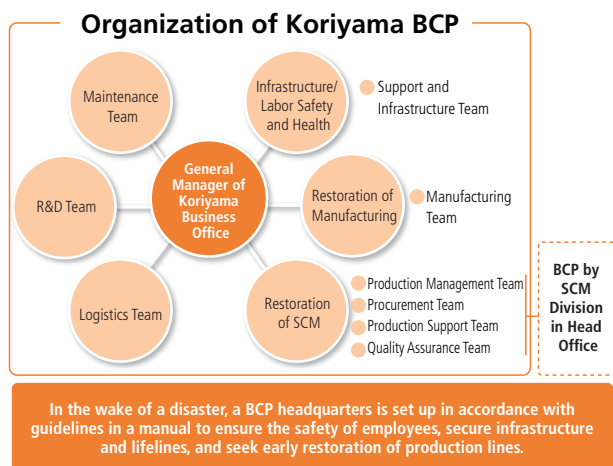
The Anritsu Group has laid out its BCM policy in the following Basic Policy on Disaster Response.

Basic Policy on Disaster Response

The Anritsu Group establishes a prevention system against disasters that may significantly affect its management, places top priority on ensuring the safety of its stakeholders including employees and local communities in the event of a disaster or accident, and strives to minimize damage and promptly resume business activities in order to fulfill its social responsibility and continue to seek enduring success for the Anritsu Group.

BCM at Manufacturing Bases

The stable procurement of materials for parts production represents the very backbone of any manufacturing company's BCP. Tohoku Anritsu Co., Ltd. and the Koriyama Business Office of Anritsu Corporation, which serve as the manufacturing base of the Anritsu Group, have formulated BCPs to respond to earthquakes and other natural disasters by identifying them as material risks. These BCPs clearly set out concrete steps for each process in the event of a disaster. Applying the lessons learned from an actual large-scale disaster, we revised the criteria for invoking the BCP in an emergency to prepare against a broader range of risks and refined our procedures for responding to each risk.



Education, Training and Manual Revision

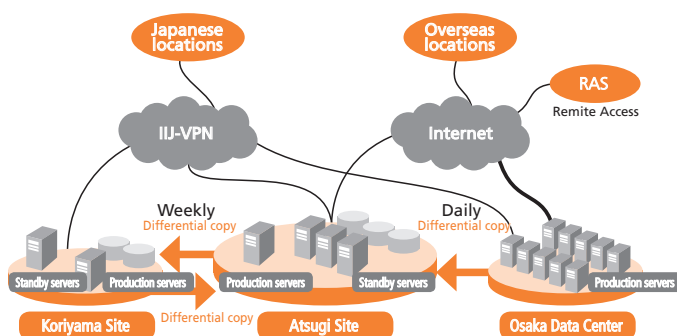
Tohoku Anritsu Co., Ltd. seeks to ensure that all employees can respond effectively in the event of a disaster or emergency. We formulate an education plan every year and conduct training and drills on a regular basis. The officer in charge of BCPs also participates in these drills to determine whether or not the manual requires a review and revises it as needed.

● Developing the Infrastructure for Stable Supply

Seeking to disperse exposure to risks, Tohoku Anritsu Co., Ltd. opened a second plant in July 2013. Production lines have been distributed between the two plants to ensure stable supply.

● Securing the Information System

For key information systems, including the Group's mission critical systems and e-mail, we have established a structure in which data is replicated across our Osaka Data Center, Atsugi site and Koriyama site. This allows us to continue operating these systems from an alternate site, even in the event that any one site is stricken by a disaster. We are preparing our response to disasters by designating emergency procedures with a targeted time for recovery. We also conduct regular recovery drills based on projected scenarios to assess the effectiveness of our procedures and correct any problems that may arise.



● Working with Business Partners

In our effort to minimize disruptions in supplying products to customers, we have visualized our supply chain. We have created a database on the status of approximately 2,800 sites operated by our business partners to understand their standard and alternative transport routes to Anritsu, and we seek to identify and minimize any risks that may emerge in the immediate aftermath of a disaster. In addition, we request key business partners to provide information on their business partners further upstream in the supply chain. We have also developed an in-house system for exchanging information on business partners to further strengthen our ability to maintain stable supply during emergency situations.

TOPICS

The Global Headquarters Building with Seismic Isolation System

Our global headquarters building was completed at our Atsugi site in March 2015 under the BCP concept for maintaining the continuity of the Group's core functions. Its steel construction comprises a low-rise building and a high-rise building, both incorporating seismic isolation structures for enhanced safety following an earthquake and an emergency power generator capable of meeting power needs for 144 hours. The high-rise building has a concrete filled tube (CFT) structure, in which steel tubes used as posts are filled with concrete. The structure ensures anti-seismic performance with fewer, compact posts, which affords greater freedom for space design. Also, we have set aside several areas for stimulating creative communication to raise the intellectual creativity of the building.



Exterior of the global headquarters building



Seismic isolator

Information Security Management

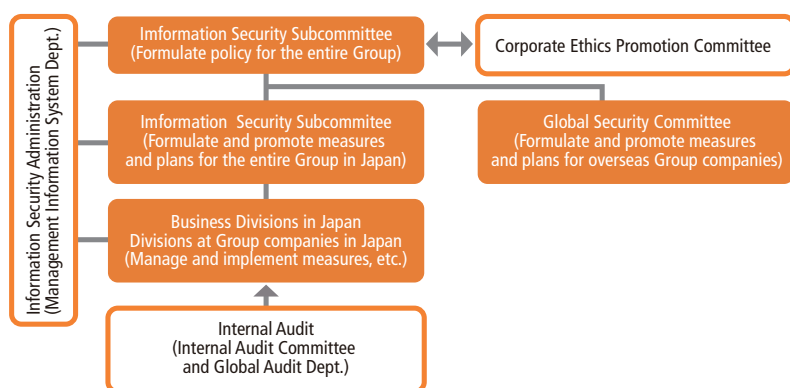
Basic Concept

Anritsu is making a continuous effort to maintain and enhance information security through its information security management system.

Management System (Information Security Management)

Anritsu's management system consists of the Information Management Committee comprising key executive officers from each business division and Group companies, the Information Security Subcommittee comprising representatives from business divisions in Japan, and the Global Security Committee, whose members include representatives of IT departments at overseas Group companies.

The Information Management Committee formulates basic policies on information management for the entire Group. The Information Security Subcommittee and Global Security Committee develop annual action plans and concrete measures. The plans these high-level bodies formulate are implemented through the actions of each department. Anritsu uses this management system to oversee its annual PDCA cycle.



Major Activities in Fiscal 2014

Risk Assessment Related to Information Security and Countermeasure Development

Anritsu tracks the ever-changing nature of threats to IT systems by conducting an annual risk assessment to address changes in the risks we face. In fiscal 2014, we took action to address risks in the following two areas:

<Conducting a Global Assessment (risks associated with changes in external and internal environments)>

Global IT infrastructure has recently taken on a greater significance in supporting Anritsu's overseas strategy. We manage an environment in which all our offices around the world have been networked and can be accessed from any location. However, this has also raised risks to global security. Today more companies sustain damage from being singled out in cyber-attacks. A globally-connected corporate network is subject to the risk that a single breach may escalate into a considerable accident. Companies must therefore maintain uniform security throughout the world. In fiscal 2014, we launched an initiative to extend the security assessments we have been conducting in Japan for our global operations. We will undertake activities to eliminate regional gaps by using the same check sheets worldwide.

<Response to the End of Support for Windows Server 2003 (risk associated with a change in the external environment)>

On July 15, 2015, Microsoft Corporation formally ended its support for its Windows Server 2003. As of May 2015, Anritsu was using this operating system on approximately 100 servers but has since upgraded all of its servers to Windows 2008 or higher.

Promoting for Employee Education

Executives and other employees of the Anritsu Group in Japan participate in web-based training every year to deepen their understanding of security. In addition, to deal with the growing threat of computer viruses attached to e-mail, we conducted training during the current fiscal year by sending fake e-mails to all employees. Those who mistakenly opened the messages were retrained to raise their awareness of email-related risks.

Supply Chain Management

Basic Concept

Anritsu's procurement operations are global in scope, reaching beyond Japan and across the world. We offer equal opportunities to every company in Japan and overseas through fair assessment practices.

We strive to respond to the expectations and demands of society across the entire supply chain by developing stronger partnerships through the willing involvement of suppliers and partners in various activities, and by ensuring compliance with relevant laws and regulations, business practices and social norms as well as initiatives for preserving the local environment.



Hiroyuki Fujikake
General Manager, Global
Procurement Operation
Division,
Anritsu Corporation

Promoting CSR Procurement throughout the Group

We set up the Global Procurement Operation Division in April 2015 to integrate the procurement functions that had been implemented across our Group businesses for the purpose of raising operational efficiency and cutting procurement costs, while also promoting CSR procurement at a global scale and bolstering our risk management system.

We identified about 150 risks related to our procurement operations and divided these into five categories according to their impact on business and probability of occurrence in order to prioritize and consider countermeasures. For example, we are pursuing initiatives such as considering alternative routes based on the assumption that the Tonankai Earthquake in Japan will occur and testing actual routes in collaboration with logistics operators so that we can understand the related costs and issues.

Looking ahead we will tackle the issue of formulating a unified CSR procurement strategy for the Group and develop an action plan for realizing that strategy. CSR procurement vitally depends on cooperating with our partners, so we hope to build even closer partnerships with suppliers and business partners who share Anritsu's dreams and aspirations to achieve growth together.

Global Supply Chain Committee

Anritsu maintains three main development locations in the U.S., Europe and Japan. Until now, parts have been procured through an approval process using assessment criteria established at each location. Anritsu is currently establishing a globally unified set of assessment criteria approved by each location to optimize the mutual use of the supply chain. We intend to promote parts procurement through global collaboration.

Mutual approval is also offered as a means for recognizing business partners that provide us with products we commonly use as Global Preferred Suppliers. We also intend to shorten time to market (TTM) for product development by sharing development roadmaps and technological issues with these suppliers.

■ Anritsu Basic Rules of Procurement

The Anritsu Group believes in the importance of moving as one with the entire supply chain, together with our business partners, in conducting procurement. With this conviction, we established our Basic Rules of Procurement in 2005 to forge partnerships anchored in mutual trust and seek the cooperation of suppliers and business partners.

Basic Rules for Procurement

1. Selection of suppliers and partners

Anritsu always keeps the door open to new potential suppliers and partners inside and outside Japan, in a spirit of fairness and impartiality. Anritsu objectively selects suppliers and partners based on proper standards - focusing on quality, price, delivery schedules and environmental measures.

2. Partnership

Anritsu builds mutually beneficial relationships with all suppliers and partners through sound business practices.

3. Compliance and secrecy protection

Anritsu conducts business in full compliance with relevant laws, and does not disclose information acquired through business with suppliers and partners to any third party without these suppliers' and partners' prior consent.

4. Activity based on ethical concepts

Personnel involved in procurement keep in mind at all times the importance of performing assignments fairly, free of personal interests with suppliers and partners, while maintaining sound relationships with these parties.

5. Considerations of human rights and labor

Anritsu respects human rights and promotes industrial hygiene, safety and security, and requests that suppliers and partners agree to this policy and promote these activities as part of their supply chain operations. Anritsu may reconsider relationships with suppliers and partners if their business operations are linked with human rights violations, such as the use of child labor, racial and sexual discrimination, etc.

Furthermore, we will work together with our suppliers and partners regarding non-use of conflict minerals that lead to these human rights issues.

6. Environmental considerations

Anritsu stipulates Green Procurement Guideline and promotes green procurement by purchasing parts and materials that have been proven less damaging to the environment.

■ Requests

To promote our Basic Rules of Procurement, the Anritsu Group communicates the following requests directly to all suppliers as it seeks their cooperation in activities undertaken throughout the entire supply chain.

Requests

1. Observance of laws and social norms

Observance of relevant laws, prohibition of child labor, forced labor and cheap labor; and prohibition of discrimination and transaction with antisocial forces

2. Environmental considerations

Realization of environmental measures in line with Anritsu's Green Procurement Guidelines, environmental requirements, etc.

3. Ensuring good quality, supply at fair prices and maintenance of delivery schedules

4. Preventing leakage of secret information and respect for intellectual property rights

5. Prompt response to contingencies and timely, appropriate information disclosure

Formulating and Disclosing Guidelines on CSR and Green Procurement

In fiscal 2010, we formulated the Anritsu Group Corporate Procurement Guidelines, which complies with the Supply-Chain CSR Deployment Guidebook published by the Japan Electronics and Information Technology Industries Association. The Corporate Procurement Guidelines are posted on our website, together with our Green Procurement Guidelines, and we hold briefings for suppliers and business partners to raise their understanding of and establish further cooperation in CSR procurement.

Anritsu CSR Procurement Guideline

I Human Rights and Labor

1. Prohibit forced labor
2. Prohibit inhumane treatment and infringements of human rights
3. Prohibit child labor
4. Prohibit discrimination
5. Pay appropriate wages
6. Regulate working hours
7. Respect the rights to freedom of association

II Occupational health and Safety

1. Apply safety measures for equipment and instruments
2. Promote safe activities in the workplace
3. Promote hygiene in the workplace
4. Apply appropriate measures for occupational injuries and illnesses
5. Properly manage disasters and accidents
6. Be careful about physically demanding work
7. Promote safe and hygiene in all company facilities
8. Promote health maintenance programs for employees

III Environment

1. Control hazardous chemicals in products
2. Control hazardous chemicals in manufacturing
3. Establish and apply an environmental management system
4. Minimize environmental pollution (water, soil, air)
5. Obtain environmental permits
6. Promote resource and energy saving by reusing, reducing, and recycling(3R)
7. Promote green-house gas reduction
8. Promote waste reduction
9. Disclose environmental preservation activities

IV Fair Trading

1. Prohibit corruption and bribery
2. Prohibit abuse of a superior position
3. Prohibit the offering and receiving of inappropriate profit and advantage
4. Prohibit impediment to free competition
5. Provide accurate information on products and services
6. Respect intellectual property
7. Use appropriate export procedures
8. Disclose appropriate company information
9. Detect injustice promptly
10. Prohibit doing business with antisocial forces

V Product Quality and Safety

1. Ensure product safety
2. Establish and apply a quality management system

VI Information Security

1. Secure computer networks against threats
2. Prevent the leakage of personal information
3. Prevent the leakage of confidential information of the customer and the third-party

VII Contribution to Society

1. Contribute to society and community



URL

CSR Procurement Guidelines



URL

Green Procurement Guidelines

Requesting Letters of Consent from Business Partners and Conducting the CSR Survey

Since 2011 we have been seeking the cooperation of business partners in promoting CSR procurement by requesting that they submit letters of consent. As of March 2014, we have received letters of consent from all 434 of our major business partners.

Anritsu began conducting CSR Procurement Surveys to monitor CSR efforts at its business partners in fiscal 2011. We have distributed surveys to 77 major suppliers and received 66 replies, a response rate of approximately 85%.

We will continue to promote CSR procurement by conducting the CSR Procurement Survey and requesting that new business partners submit letters of consent.

In fiscal 2012, we set up the Direct Delivery mailboxes in the negotiation rooms of our head office and the Koriyama Business Office in an effort to promote CSR procurement based on the direct feedback from our partners and survey results.

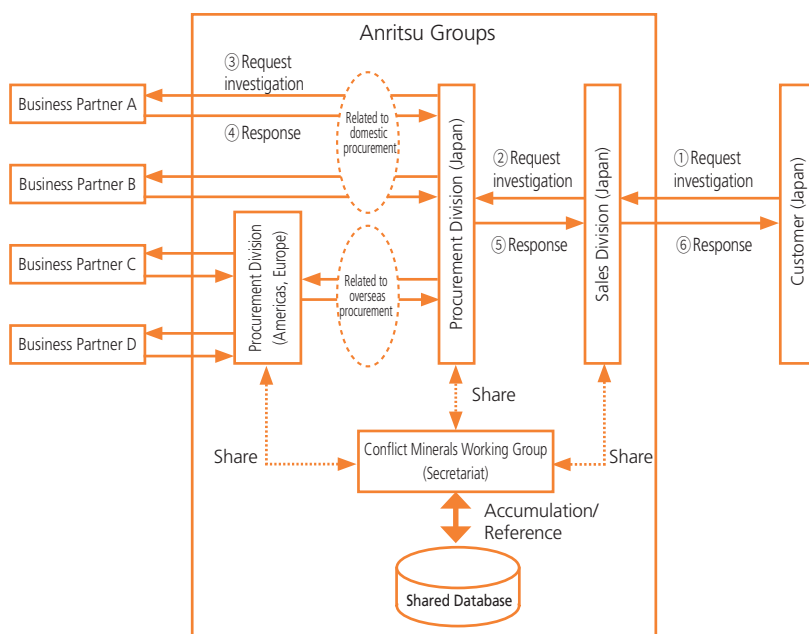
Conflict Minerals as a Human Rights Issue

The Anritsu Group does not list its own shares in the United States but some of its corporate customers are U.S. listed companies. Therefore, following the 2012 adoption of the final rule of Section 1502—the conflict minerals provision of the U.S. Financial Reform Bill—Anritsu declared its support and began working with its supply chain to prevent the use of conflict minerals in Anritsu products. We also hold briefings for our business partners to prevent any oversights.

We respond to customer inquiries related to this issue by requesting investigations by business partners in Japan and abroad. We also channel this information to the Conflict Minerals Working Group at our headquarters to accumulate information in a shared database.

To date there has been no use of conflict minerals at Anritsu.

Response to Customers in Japan



Exhibition of Products Our Partners Make

We held an exhibition at the Anritsu head office featuring products manufactured by 54 of our suppliers and partners. The exhibition acquainted development engineers at Anritsu with new products and technologies such as components for wireless communications (for example, Bluetooth, Wi-Fi, LTE-Advanced) and optical networks (40/100G), as well as general-purpose electric parts, optical parts and components that ensure electromagnetic compatibility (EMC). The event also included seminars featuring lecturers from our business partners, aimed at keeping participants abreast of cutting-edge technologies.



Introducing new products and technologies

Respect for Human Rights and Promotion of Diversity

Anritsu upholds respect for human rights as one of our highest priority issues in both the Anritsu Group Charter of Corporate Behavior and Anritsu Group Code of Conduct. Given the rapid evolution of business worldwide, we believe it is important to attract a diverse workforce in terms of nationality, gender, age and views on work. This enables us to develop systems and programs that allow every individual to demonstrate their strengths based on their lifestyles, and to provide safe, secure and comfortable working conditions.

Human Rights

● Basic concept and policy

Anritsu participates in the United Nations Global Compact, which is intended to encourage conduct under the universal principles of human rights and labor. We establish policies and guidelines based on international rules on human rights that serve as in-house rules and strive to be aware of issues and promote initiatives at every stage of the value chain, from research and development to procurement, production, logistics and sales.

To further reinforce our initiatives, we will formulate a three-year plan that complies with international rules, including the International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work and the Guiding Principles on Business and Human Rights endorsed by the U.N. Human Rights Council in 2011. In fiscal 2015, the plan's first year, we will set up cross-divisional working groups and convene a global meeting to report and deliberate on human rights issues. In fiscal 2016, the Anritsu Group will formulate a unified policy on the human rights of its employees and on human rights initiatives throughout the supply chain. And we plan to construct a due diligence framework in fiscal 2017 for implementing human rights at a global scale.

● Management and System

As a global enterprise headquartered in Japan that advocates respect for basic human rights in its constitution, the Anritsu Group complies with international standards, including the ten principles of the U.N. Global Compact. We also declare respect for human rights in the Anritsu Group Charter of Corporate Behavior and the Anritsu Group Code of Conduct and are striving to establish a corporate culture that does not tolerate discrimination.

In the Charter of Corporate Behavior for guiding the Anritsu Group in the conduct of its social responsibility, we declared we will respect the human rights of all those who are connected with it, and will not permit any discriminatory practice related to race, gender and so forth or infringement of individual dignity, and will never accept child labor or forced labor.

As for the Code of Conduct, which guides the daily operations of all Anritsu Group employees, it states that we will not discriminate in word or deed or engage in acts of violence or impair personal dignity, and that we will seek to deepen our understanding and take action to respect human rights through educational programs and other appropriate means.

Protecting Human Rights:

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.

● Assessing and Monitoring Risk

Initiatives for the Group

Anritsu Group employees in Japan are required to submit letters of confirmation that provide assurance they understand and agree to the Code of Conduct of the Anritsu Group. We also seek to address and improve the status of human rights issues through the use of corporate ethics surveys and consultation points. For more information on these consultation points, see Compliance (pages 34 to 35).

● Initiatives for the Supply Chain

Human rights and labor are upheld in Chapter 1 of our Corporate Procurement Guidelines, and we seek the understanding and cooperation of our business partners. Moreover, we conduct an annual survey to confirm the status of implementation and make site visits to key business partners. For more information, see Supply Chain Management (pages 43 to 46).

■ Basic Approach to Respect for Diversity

Anritsu upholds respect for human rights as one of our highest priority issues in both the Anritsu Group Charter of Corporate Behavior and Anritsu Group Code of Conduct. Given the rapid evolution of business worldwide, we believe it is important to attract a diverse workforce in terms of nationality, gender, age and views on work. This enables us to develop systems and programs that allow every individual to demonstrate their strengths based on their lifestyles, and to provide safe, secure and comfortable working conditions.

▶ Employee Data: Group companies in Japan

	FY2011	FY2012	FY2013	FY2014
Total No. of regular employees of Group companies in Japan	2,206	2,194	2,206	2,212
Male	1,927	1,900	1,913	1,917
Female	279	294	293	295
Foreign nationals	16	24	26	30
Average age	41.5	41.5	41.9	42.3
Average working years	18.6	18.5	18.9	19.2
Non-regular employee	463	525	567	566
Ratio of Employees with Disabilities (non-consolidated) %	2.25	1.95	1.71	1.78
Ratio of Employees with Disabilities (The Anritsu Group in Japan) %	1.56	1.70	1.75	1.74
Regal Disability employment ratio (Reference)	1.80	1.80	2.00	2.00

Employee Data of Group companies in Japan as of the End of March (eg., data for fiscal 2014 is as of March 31, 2015)

► Employee Data (Anritsu Corporation)

		FY2011	FY2012	FY2013	FY2014
No. of employees: Figures in parentheses refer to number of managers included in total count	Male	711 (176)	712 (174)	646 (165)	684 (177)
	Female	113 (4)	119 (4)	111 (4)	105 (4)
	Total	824 (180)	831 (178)	757 (169)	789 (181)
Average age	Male	40.4	41.7	41.5	42.0
	Female	36.1	37.3	37.3	38.4
	Total	39.9	41.0	41.0	41.5
Average working years	Male	16.5	17.6	17.6	17.8
	Female	13.4	14.5	14.9	15.9
	Total	16.1	17.1	17.2	17.5
Annual rated working hours		1,875.5	1,860	1,860	1,860
Average days of paid holidays used per year		15.6	14.2	14.5	15.1
No. of employees who took paid childcare leave		9	8	9	9
No. of employees whose employment has been extended beyond normal retirement age (for hiring employees over retirement age)	No. of eligible employees	18	19	6	4
	No. of employees over retirement age hired	15	14	4	3

Anritsu Corporation Employee Data as of the End of March (eg., data for fiscal 2014 is as of March 31, 2015)

● Human Rights Education and plan

We conducted education on respect for human rights in accordance with the Anritsu Group Code of Conduct for university graduates and mid-career employees upon joining the company. We also implemented a number of activities such as organizational level training to foster an awareness of human rights within and outside the company on issues that require constant vigilance, including discrimination against minority groups, sexual harassment and abuse of power in the workplace, and to improve communication.

Anritsu Group Code of Conduct

- We will respect every person's fundamental human rights from a defender of human dignity standpoint, eliminate prejudice, and will not discriminate depending on race, nationality, religion, creed, sex, age, social status, or disabilities whether mental or physical.
- We will respect each and every individual's personality, and will not accept any discriminatory languages or behaviors, sexual harassment, or any kind of harassment which would result in hurting other people's personality.
- We will develop deeper understanding and act towards human respect through various educational programs.

To promote respect for human rights across the entire supply chain, the Anritsu CSR Procurement Guidelines contain articles calling for the abolition of forced labor and prohibition of inhuman treatment, child labor and discrimination.



URL

Anritsu CSR Procurement Guidelines

● Creating Jobs for People with Disabilities

Our employment ratio of people with disabilities for fiscal 2014 (as of December 31, 2014) rose to 1.78% from the previous year but we were unable to meet the legally mandated employment ratio of 2.0%. To meet this requirement in fiscal 2015, we will steadily maintain our recruitment efforts and seek to create a better working environment by expanding the range of available jobs so that individuals with disabilities can apply their strengths in mutual cooperation with other employees in the workplace.

	2011	2012	2013	2014
Planned ratio (non-consolidated)	1.80	1.80	2.00	2.00
Actual ratio (non-consolidated)	2.25	1.95	1.70	1.78
Ref: Actual ratio (consolidated in Japan)	1.56	1.69	1.59	1.77

As of the end of December in each year

● Supporting Women's Career Development

Anritsu emphasizes the creation of a safe, secure and comfortable workplace environment in which employees can enrich their lives and develop their careers.

In regard to supporting women in their career development, we are proactively working to establish a workplace environment that supports balancing work and childcare. This includes providing programs for paid leave, maternity leave and reinstatement, both before and after childbirth and during childrearing. To ensure that employees applying for these programs can balance work and family with greater peace of mind—regardless of gender—we disseminate information companywide to establish familiarity with the programs and raise awareness to inspire greater understanding.

► Worldwide Ratio of Female Employees

		Japan	Americas	EMEA	Asia and others	Total
Ratio of female employees (No. of female employees / Total employees)	FY2014	13	30	21	26	19
	FY2013	13	30	22	26	19
	FY2012	17	31	25	31	22
Ratio of female managers to male Managers ((No. of female managers/No. of female employees)/ (No. of male managers/No. of male employees))	FY2014	9	56	72	66	44
	FY2013	9	59	74	78	47
	FY2012	8	59	82	57	45

● Balancing Work and Family

Anritsu Corporation has been expanding its programs and developing its systems under the third stage of its three year plan (see the chart below). We completed all scheduled initiatives within the plan period, which included the launch of a website to support balancing work and life, and the introduction of a paid leave program for those who are parenting. In fiscal 2015, we will continue these efforts and considerations under the next action plan to enhance support and further establish our systems for achieving a balance between work and childcare as well as nursing care.

Objectives	Measures	Action
Allow men and women employees to take leave for child-raising with greater peace of mind.	Enhance child-raising leave program, widened the eligibility for shorter schedules for working parents, etc.	Shorter work hours available for more parents of children up to sixth grade (FY2012) Introduced parental leave for child-raising (FY2013)
Reinforce system to help parent employees with temporary child-raising service charges.	Subsidize child-raising service charges at a family support center run by a local government.	Introduced a program to subsidize day care fees of a family support center (FY2012)
Enhance understanding among employees that we support greater work-family balance in child-raising.	Launch website on programs that support child-raising and achieving work-life balance, etc.	Launch website on programs that support child-raising and achieving work-life balance (FY2013)

Anritsu Corporation's Action Plan to Support Child Welfare 3rd Stage (April 1, 2012 to March 31, 2015)

Applying the Skills of Senior Employees

Anritsu Corporation and its Group companies in Japan operate an employment extension program in which employees can continue working after retirement at age 60. In principle, we grant extensions to all applicants, who are then able to continue applying the ample knowledge, experience and advanced skills they have gained over the years and provide guidance and training for the next generation. We will continue to promote diverse working styles and careers for our human resources.

Promoting the Careers of Non-Japanese Employees

Anritsu Corporation and its Group companies in Japan hire employees regardless of nationality while participating in job fairs* organized by overseas universities, accepting interns from universities in Japan and overseas and hiring exchange students in Japan. As of March 31, 2015, 37 non-Japanese nationals are employed at our worksites in Japan. In fiscal 2014, we introduced Japanese lessons for employees who cannot speak the language, and 13 employees attended. We will continue to develop a working environment that supports the engagement of non-Japanese employees.

Job fairs: : Opportunities for exchanging information and developing a mutual understanding between job applicants and companies.

Human Resource Development

Basic Concept

Anritsu believes in the importance of being an organization in which employees feel they are contributing to society and growing while being vibrant and actively achieving the company's goals. With this belief, we constantly strive to create a workplace in which employees can grow through their work.

Education/Training System

Anritsu Corporation focuses on on-the-job training as a framework for supporting every employee in identifying the areas of work that are in line with their individual interests and developing the skills that enable them to realize their aspirations. Programs that are shared among all Anritsu Group companies in Japan include new recruit orientation, training by organizational level, correspondence courses and language studies, which all support the professional development of every Group employee.

Education and Training in Fiscal 2014

In fiscal 2014, we continued our initiative from fiscal 2013 and held training for mid-career employees at all Group companies in Japan. Our objective was to develop the mindset employees need to become valued staff members who can achieve more as leaders in the workplace and as team members, as evaluated from the perspectives of five primary roles that mid-career employees are expected to take in their mid-thirties. We are creatively revising the program in response to post-program survey results and feedback from employees who have attended it.

We also continued offering marketing training based on case studies for mid-career employees engaged in marketing and sales operations in FY2014. Participants consider themes from the various case studies in order to develop the skills required for formulating marketing strategies such as analysis, insight and planning.

Education/Training System Global Human Resource Development

Anritsu is working to expand its business overseas, primarily in the area of test and measurement. Developing human resources capable of leading these overseas businesses represents a key challenge for achieving growth in the coming years. In developing global human resources, we think it is particularly important to raise the level of language proficiency and build on that foundation by strengthening our communication skills with non-Japanese people.

In fiscal 2014, Anritsu Corporation accepted two non-Japanese people as interns, who participated in onsite training at a worksite that develops products. On the receiving end, the supervisor and employees at the site communicated with the interns in English and experienced stimulating differences in culture and ways of thinking.

We will continue to focus on providing education and training to develop global human resources, including lessons in languages other than English and training sessions to help our employees understand different cultures.



Onsite training

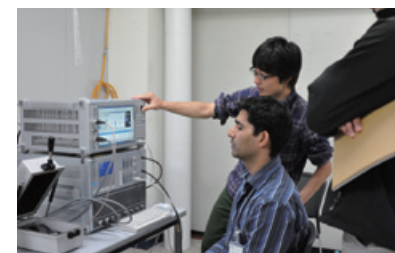


Presentation of results by interns

Global Training for the Test & Measurement Business

Global Training for the Test & Measurement business was held in April 2015. Sales engineers engaged in this business at overseas bases gathered for sessions on new functions and demonstrations of products as well as those still in development. In addition, they attended lectures on the market and technology trends for LTE-Advanced carrier aggregation. We also held discussions on market requirements for our new product, the MT1000A/MT1100A network master.

This year a total of 82 persons—75 participants and 7 lecturers—traveled to Japan to attend these events.



Global Training for the Test & Measurement Business

Global Activities on Respect for Human Rights and Promotion of Diversity and Human Resource Development

	Results for Fiscal 2014	Targets for Fiscal 2015
U.S.	<ul style="list-style-type: none"> Fell short of attaining some of the annual targets of the affirmative action plan but were able to clearly advocate for equal employment opportunity; revised our systems to comply with Article 503 of the U.S. Rehabilitation Act. Held three training sessions for managers on labor management, such as human resource allocation, performance management, non-discrimination, salaries and working hours. The rate of implementation was 78%. Conducted an engagement survey in February 2015 and disclosed the survey results to all managers in April of that year. 	<ul style="list-style-type: none"> Complete the annual affirmative action plan by June 2015. Comply with all local labor laws and regulations including continuous training for managers. Continue engagement survey.
EMEA	<ul style="list-style-type: none"> Published a quarterly newsletter, sent by e-mail to all employees in the EMEA region. 	<ul style="list-style-type: none"> Continue promoting respect for human rights and diversity in the EMEA region to ensure sound relationships with employees. Increase the number of regions where the newsletters are published.
China	<ul style="list-style-type: none"> Not able to conduct employee satisfaction survey. Continued monthly communication meetings. Continued monthly birthday parties. No reported violations of rules for protecting human rights. 	<ul style="list-style-type: none"> Continue holding monthly communication meetings and monthly birthday parties. Develop a personnel program encompassing diversity and human rights. Comply with Chinese human rights laws and regulations at the head office in China and discuss related issues at management meetings as required. Ensure that all corporate policies and rules do not violate human rights.

Global Meeting

Each corporate department of Anritsu's headquarter holds a global meeting every year. Members of the business division, Global Audit Department, Environment and Quality Promotion Department, Management Information System Department, Accounting and Control Department, Human Resource and Administration Department, Trade Control Department and Procurement Department gather at locations in Japan and abroad to share information about business guidelines, external trends and issues from a global perspective.

Developing Human Resources in China

In February 2015, we held a training session in the Shenzhen office of Anritsu (China) Co., Ltd. A total of 30 sales staff participated in training on making valuable sales proposals and sought to enhance their sales and negotiating skills.



Human resource development in China

Labor Safety and Health

Basic Concept

Our Charter of Corporate Behavior calls for “Respect for employees.” Anritsu believes that in order to enable every employee to fully achieve their potential, it is important to secure employee safety and health and to create an ideal workplace.

Safety and Health, Health Management System

The Anritsu Group in Japan established a safety and health management system that complies with Japan’s Occupational Safety and Health Act. Industrial health staff, led by industrial physicians and counselors assigned to the Health Management Center, provide support services to maintain the health of Group employees.

In addition, the Anritsu Group in Japan has focused on preventing health problems associated with long working hours by continuously pursuing measures for normalizing working hours in accordance with common management policies for all companies, such as reducing overtime in response to results from fiscal 2013 and closely adhering to the hour designated for leaving the workplace.

Major efforts for safety and health, health management

- Having the Safety and Health Committee review activity status and formulate plans to prevent employees from accidents
- Reducing the risk of accidents by conducting inspections before introducing, relocating or changing equipment, or when purchasing chemical materials
- Enhancing the awareness of safety and health through training at different organizational levels, and providing training on specific issues such as risk assessment
- Providing safe, secure and comfortable workplaces by assessing working environments and conducting periodic inspections
- Conducting health checkups—initial, periodic, special, and for expatriates, as well as follow-up examinations
- Screening through questionnaire and industrial physician interviews to those who work extended hours to prevent impaired health
- Raising health awareness through lectures by industrial physicians, for example, on preventing lifestyle diseases and infectious diseases
- Mental healthcare education for managers
- Counseling

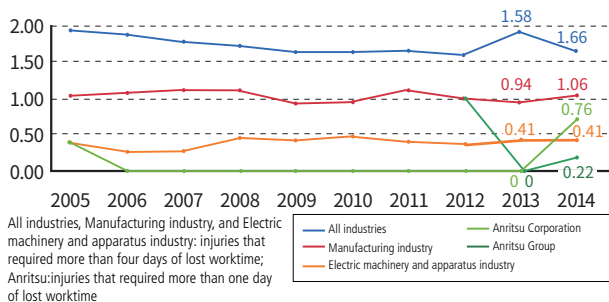


Safety and Health Committee meeting

Labor Accident

The Anritsu Group in Japan is promoting health and safety activities toward achieving zero accidents. In September 2014, Anritsu Corporation in Atsugi recorded 15.8 million continuous working hours with no accidents, achieving Category 3 Zero Accident Work Hours. However, an accident leading to absence from work subsequently occurred at Anritsu Corporation, and although the incident occurred on the staircase and involved only a short absence, we were unable to maintain the zero lost-time accidents we had attained in fiscal 2014. In fiscal 2015, we will start anew on our challenge to achieve the zero record for the entire Anritsu Group in Japan.

► Frequency Rate of Lost-worktime Injuries (per million hours)



► Labor Accident

		FY2012	FY2013	FY2014
Anritsu Corporation	lost worktime	0(0)	0(0)	1(0)
	no time loss	0	1	1
Anritsu Group in Japan	lost worktime	4(0)	0(0)	0(0)
	no time loss	4	5	3

Fatalities numbers are put in parentheses.

■ Seminars and Lectures

In fiscal 2014, the number of commuting accidents involving Group employees in Japan increased by 3 to 12. Of the 8 accidents that resulted in lost work time, many occurred while commuting by bicycle, which led to our understanding of the need to raise employee awareness of bicycle safety. In fiscal 2014, we sought the cooperation of the Atsugi Police Department and held training primarily focused on bicycles, including seminars on traffic safety and anticipating dangerous traffic situations using computer graphics simulations. We will reinforce our educational efforts to prevent commuting accidents in fiscal 2015.

Meanwhile, the ratio of abnormalities found in regular health checkups for Group employees in Japan continues to steadily increase in line with the national trend. In view of the results of these health checkups, we promoted activities for health education and development in 2014, including guidance for individual employees by our industrial health staff, lectures by industrial physicians and yoga classes.



Seminars on traffic safety and anticipating dangerous traffic situations



Yoga classes

TOPICS

Overseas Topic (OHSAS 18001 Certification)

In May 2012, Anritsu EMEA Ltd. in the United Kingdom obtained certification for OHSAS 18001 (2007 version), the international standard for labor safety and health.

- Identify and control health and safety risks
- Reduce the potential for accidents
- Aid legal compliance
- Improve overall performance



Promotion of Social Contribution Activities

Basic Concept

Anritsu contributes to society through its business operations while at the same time pursuing activities that benefit the development of the local community as a corporate citizen.

Community-based social contribution programs are at the center of these initiatives under the three pillars of “partnerships for educating youth”, “contributing to local communities” and “protecting the environment (biodiversity conservation)”, we carry out activities that our employees can participate in continuously.

Partnerships for Educating Youth

Kanagawa Science Summer Sponsored by Kanagawa Prefecture

Anritsu participated in the 14th “Kanagawa Science Summer” event organized by Kanagawa Prefecture. Our program focused on the environment and manufacturing, and consisted of a talk and a “Let’s Make a Radio” Children’s Science and Environment Class, designed to familiarize children with wireless technology through building a radio at Anritsu corp. headquarter. The one-day event was held during the children’s summer vacation and attended by 34 participants comprising 17 Kanagawa Prefecture elementary school children each paired with a parent.



Kanagawa Science Summer



Fun Science Laboratory Sponsored by the Atsugi City School Board, Kanagawa Prefecture

There has been a growing concern with regard to young people’s waning interest in science. At the suggestion of the Atsugi City School Board, Anritsu has offered the “Fun Science Laboratory” at neighboring elementary schools since fiscal 2007 with the aim of raising children’s interest in science through a variety of experiences. In fiscal 2014, we sponsored an educational event for learning about electricity and the mechanism of batteries. Students participated in an experiment in which they formed a “human battery” using a salt solution, aluminum foil and a spoon to create a musical box that could play music. Many of the participating children told us the event had been exciting and fun.



Fun Science Laboratory

Workplace Experience for Junior High School Students

For many years, Anritsu has supported local educational programs that offer junior high school students the opportunity to experience actual work at companies and stores in the community. In fiscal 2012, we received requests from one neighboring school.

A workplace experience at Anritsu took place at the recycling center of Anritsu Kousan Co., Ltd., where students disassembled personal computers and also learned how to sort equipment components by material. We also provided environmental training on recycling.

●Support for Youth Sports Competitions

We serve as a co-sponsor for the following youth sports competitions as a part of our contribution to the local community in Atsugi City, the location of Anritsu Corporation's head office.

Anritsu Cup Atsugi City Invitational U12 Soccer Competition

Anritsu Corporation has been co-sponsoring the annual Atsugi City U12 Soccer Competition held every year in February since 1995, Anritsu's centennial year.

Until last year, the company had been sponsoring the Atsugi City Boys' Soccer Competition. With the decision to expand the scope of our support to include girls' teams starting in fiscal 2014, we adopted the Under-12 team registration category of the Japan Football Association and kicked off a new start with a competition for both boys and girls.



Atsugi City Invitational U12 Soccer Competition

Supporting the Atsugi City Kids' Softball Competition

Anritsu Corporation has been co-sponsoring the Anritsu Cup Atsugi City Kids' Softball Competition since fiscal 2011.



the Atsugi City Kids' Softball Competition

Anritsu Cup Dodge Ball Competition

In fiscal 2013, Anritsu Corporation co-sponsored the 2nd Anritsu Cup Dodge Ball Competition, organized by the Atsugi Dodge Ball Committee since fiscal 2012.



Dodge Ball Competition

●Contributing to Local Communities

Collecting Plastic Bottle Caps

The Anritsu Group in Japan collects plastic bottle caps in collaboration with the Amadera Industrial Park Council. The caps are sold as resin material with the proceeds used to purchase polio vaccines. In fiscal 2014, proceeds from the combined total of caps collected by the Anritsu Group and the Amadera Industrial Park Council were used to donate 782 doses of the vaccine.



Collecting Plastic Bottle Caps

Cooperating with Social and Recreational Events and Employee Education at Other Companies

The site of Anritsu Corporation's head office includes a sports field, which is normally used as a practice field for the company baseball team as well as a sports venue for employees. The field is also available for use by other local companies upon request.

Supporting Reconstruction following the Great East Japan Earthquake

Anritsu Corporation supports a program organized by Save the Children Japan to provide opportunities for preschool children in Fukushima Prefecture to play outdoors. In fiscal 2014, we began co-sponsoring the program, which includes voluntary activities by Anritsu employees.(refer to p.95: NGO/NPO of Communication with Stakeholders)



Charity Event

Anritsu EMEA Ltd. organizes “Coffee Mornings” through which the proceeds from selling homemade cakes are donated to various charities. As part of this activity, we made a donation to Macmillan Cancer Support, a British organization founded in 1911 that provides medical and psychological support, assistance and financial support, and organizes campaigns for improved cancer treatment. Its support is directed at patients as well as their families.

In addition, we held a Coffee Morning on March 16, 2015, in support of World Down Syndrome Day. The U.K.-based Down Syndrome International (DSI) designated March 21 as World Down Syndrome Day, which was also recognized as an international day by the United Nations in 2012. DSI promotes international activities and events for raising awareness of Down Syndrome, what it means to have the disorder, and how people with it play an important role in our daily lives and communities.



Charity Event



●Protecting the Environment (biodiversity conservation)

Mt. Fuji Green Fund Afforestation Campaign

The Mt. Fuji Green Fund afforestation activities sponsored by Ricoh leasing Co., Ltd. were held on October 25, 2014. Under a clear blue sky, volunteers enjoyed a beautiful view of Mt. Fuji as they worked hard to prune the branches of trees, which had grown to about three meters high, and eliminate climbing vines. The activity is part of a grand, 80-year-long effort launched in 2000 for regenerating forests destroyed by a typhoon in 1996.

Community Cleanup Efforts

Every year, Anritsu Group companies in Japan organize cleanups of the areas surrounding the Head Office of Anritsu Corporation and Tohoku Anritsu Co., Ltd. In fiscal 2012, the Head Office of Anritsu Corporation carried it out keeping up with Amadera clean-up campaign by Conference of the Amadera Industrial Park Council. A large number of employees participated in the project by picking up litter and weeding around the company. We also participate in community environmental preservation activities and other community projects such as the Sagami River Clean-up Campaign.



Picking up litter around the company

The goal for Anritsu	Based on its environmental principles, Anritsu establishes an environmental management system to prevent global warming and to create a recycling-oriented society and to reduce toxic substances throughout the life cycles of its products.
The goal for employees	Every employee enhances their environmental awareness and independently engages in environmental activities that are closely related to their own jobs.
Appreciation by society	Anritsu earns public recognition as an enterprise that actively contributes to global environmental protection by pursuing global environmental management.



Toshihiko Takahashi
Senior Vice President, Chief
Technology Officer, Chief
Environment and Quality
officer,
Anritsu Corporation

Promotion of Environmental Management

Anritsu considers environmental management as a key issue for its management strategy and engages in various efforts to realize its 2020 VISION. In 2015 we launched our new three-year plan, the GLP2017 Environmental Initiative, as the second stage of our vision.

Upon the simultaneous upgrades of ISO 14001 and ISO 9001 to their 2015 revisions, we will review both of our management systems to enhance the management quality throughout the entire value chain. We will maintain our global efforts related to social issues, including our initiatives on climate change, effective use of water resources and prevention of pollution. In addition, we will improve the quality of information we provide so that stakeholders can gain a deeper understanding of our environmental management.

We intend to continue promoting the environmental management of the Anritsu Group in line with the keywords "entire value chain" and "global."

Eco-Management, Eco-Mind



Basic Concept

Developing corporate environmental management group-wide, Anritsu further advances its activities toward the creation of Eco-Office, Eco-Factory and Eco-Products with Eco-Minded Employees.

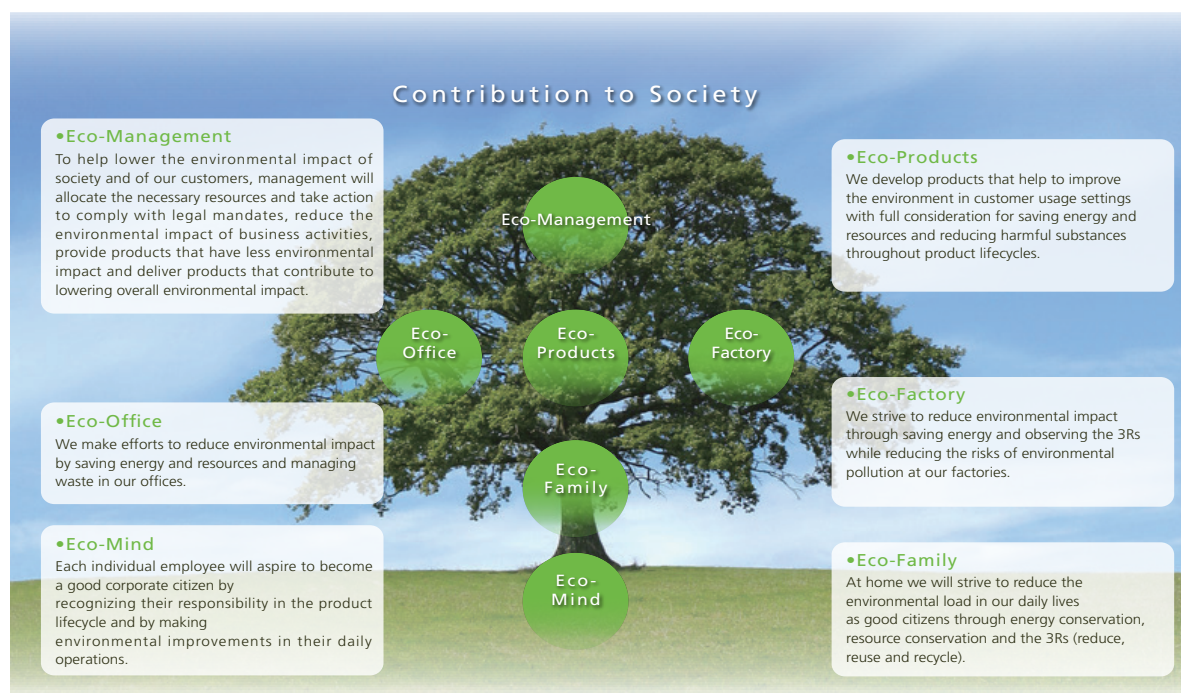
The Anritsu Group's Environmental Principle

Anritsu strives to give due consideration to the environment in both the development and manufacture of our products.

Through sincerity, harmony and enthusiasm we will endeavor to foster a prosperous society at one with nature.

Action Guidelines

We create "Eco-Office," "Eco-Factory," and "Eco-Products" based on the "Eco-Management" of our company and the "Eco-Mind" of every one of us.



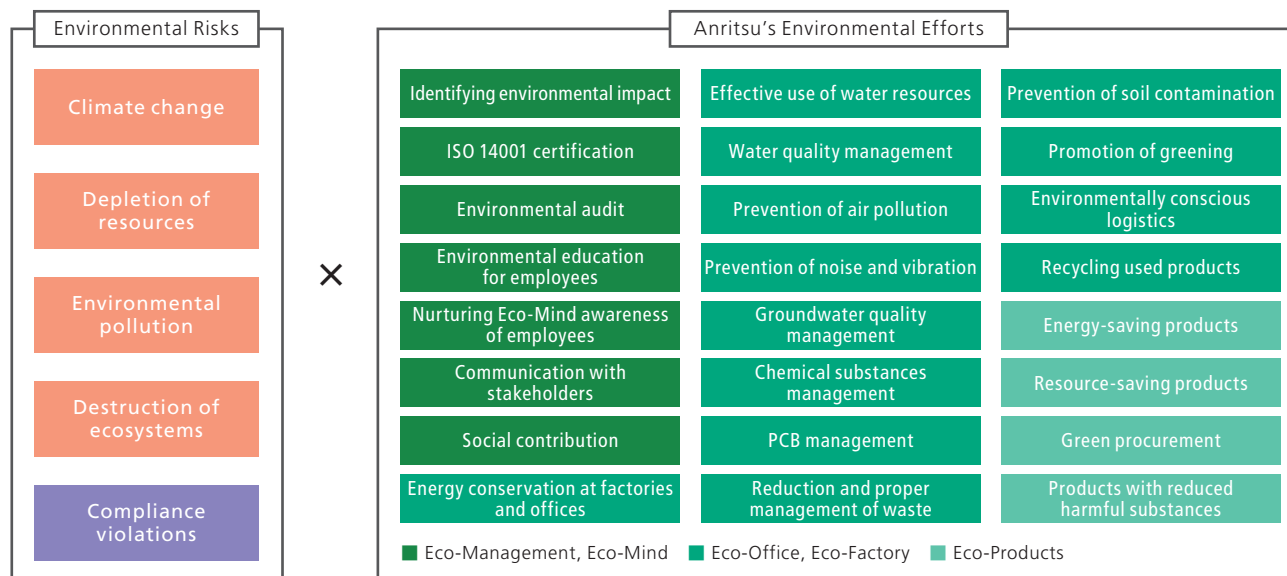
Boundary of Global Environmental Protection

The articles in "Preserving the Global Environment" cover Anritsu Corp. and the following Group Companies:

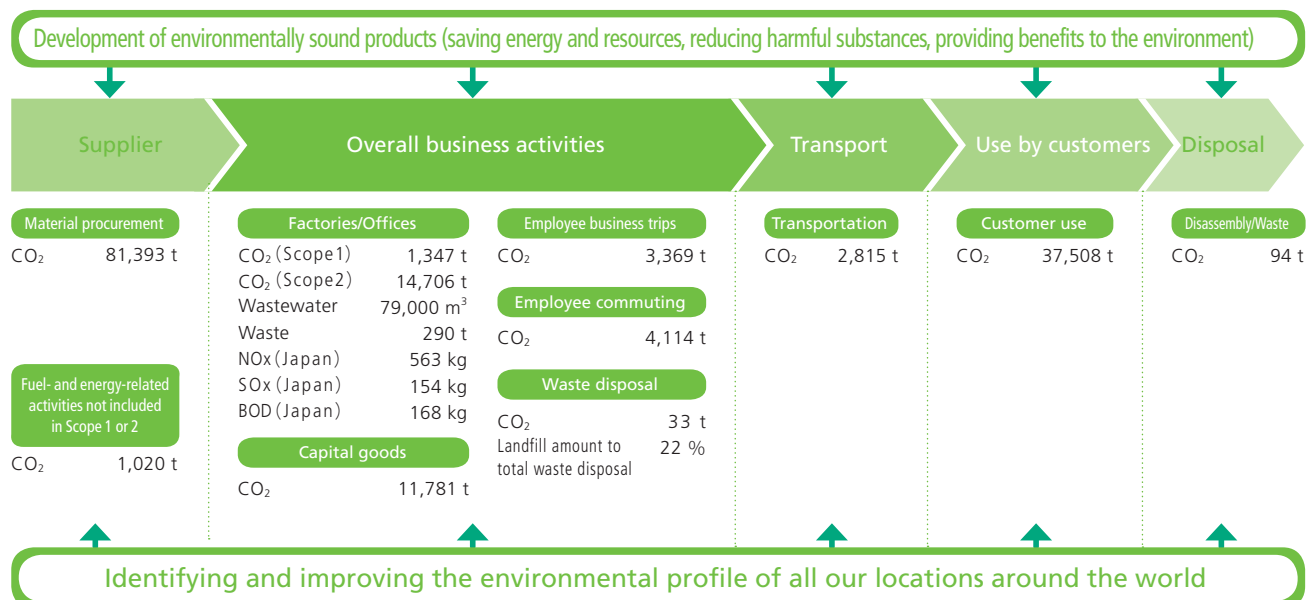
Group Companies in Japan	Anritsu Invis Co., Ltd.	Tohoku Anritsu Co., Ltd.	Anritsu Customer Support Co., Ltd.
	Anritsu Devices Co., Ltd.	Anritsu Networks Co., Ltd.	Anritsu Engineering Co., Ltd.
	Anritsu Kousan Co., Ltd.	AT Techmac Co., Ltd.	Anritsu Pro Associe Co., Ltd.
Group Companies outside Japan	Anritsu Company (USA)	Anritsu Ltd. (UK)	Anritsu A/S (Denmark)

Environmental Management at Anritsu

In pursuing initiatives for continuous improvement anchored in its environmental management system, Anritsu identifies both harmful and beneficial factors from the perspective of the environment.



Anritsu seeks to reduce environmental impact throughout the entire value chain from the dual perspectives of developing environmentally conscious products and identifying and improving the environmental compatibility of all our global locations.



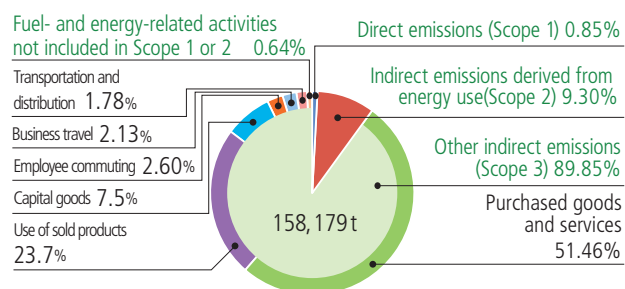
Notes:

- Figures are calculated in accordance with the "Basic guidelines on calculating greenhouse gas emissions in the supply chain."
- For detailed information, please refer to Detailed Data.

Excel Detailed Data

Scope Calculations

Anritsu calculates greenhouse gas emissions generated throughout the entire value chain in accordance with the Scope Standard of the GHG Protocol. We have obtained third-party verification for actual emissions.



Initiatives for Realizing the 2020 VISION

Anritsu promotes environmental management toward its 2020 VISION goal of “Building an environmental brand by pursuing global environmental management throughout the entire value chain.” With respect to activities launched in fiscal 2012, we have completed the three-year plan, which constituted the first stage, in fiscal 2014. In terms of efforts for the entire value chain, we identified environmental impacts using the Scope 3 standard and strengthened the Life Cycle Assessment of products. As for global management, we expanded our development of environmentally conscious products on an international scale and sought closer collaboration as a global group. In fiscal 2015, we launched the GLP2017 Environmental Initiative as the second stage, through which we will pursue five priority themes until fiscal 2017, the initiative’s final year, toward realizing the 2020 VISION.

► Priority themes of GLP2017 Environmental Initiative

2020 VISION : Building an environmental brand by pursuing global environmental management throughout the entire value chain.

	Efforts to Preserve Biodiversity		
	Prevention of global warming Energy/ Water	Create a recycling-oriented society Resources	Prevention of pollution Chemical substances
Eco-Management	Priority Theme 1 Improve the management system to create a closer link with management		
Eco-Communication	Priority Theme 2 Provide information that meets stakeholder expectations		
Eco-Products	Priority Theme 3 Provide energy- and resource-saving products		Priority Theme 4 Provide products that do not contain hazardous substances
Eco-Office, Eco-Factory	Priority Theme 5 Effectively use energy and water	Observance of the 3Rs	Reduction of chemical substances and prevention of risks
Eco-mind	Cultivation of Eco-Mind awareness		

● Priority Theme 1: Improve the management system to create a closer link with management

Upon the simultaneous upgrades of ISO 14001 and ISO 9001 to their 2015 versions, we will revise our management systems so that they contribute to management by building on the product realization process and integrating systems with the quality management system more closely linked with the value chain while also seeking to raise the efficiency of system management.

● Priority Theme 2: Provide information that meets stakeholder expectations

We will provide the accurate information required by stakeholders to realize goals that meet stakeholder expectations.

● Priority Theme 3: Provide energy- and resource-saving products

We will continue to create environmentally conscious products on a global scale. We will also consider ways to make improvements in the “Purchased goods and services” and “Use of sold products” categories under Scope 3, which are particularly high in CO₂ emissions.

● Priority Theme 4: Provide products that do not contain hazardous substances

We will ensure full compliance with the European RoHS Directive on Category 9 products (including Anritsu’s mainstay products of measuring instruments and industrial equipment) by the July 2017 deadline. We will also quickly respond to hazardous substance regulations by gathering accurate information, as their use in products will be subject to tighter restrictions.

● Priority Theme 5: Effectively use energy and water

Anritsu has been consistently striving to effectively use energy across the globe. Water is a resource that is at risk of becoming depleted, and we will launch a worldwide effort on the effective use of water to expand our previously local efforts.

● Themes for Continuous Improvement

We will maintain our efforts in areas such as promoting the 3Rs, reducing the factory use of chemical substances and preventing related risks while also cultivating Eco-Mind awareness among employees.

■ Environmental Management Promotion System

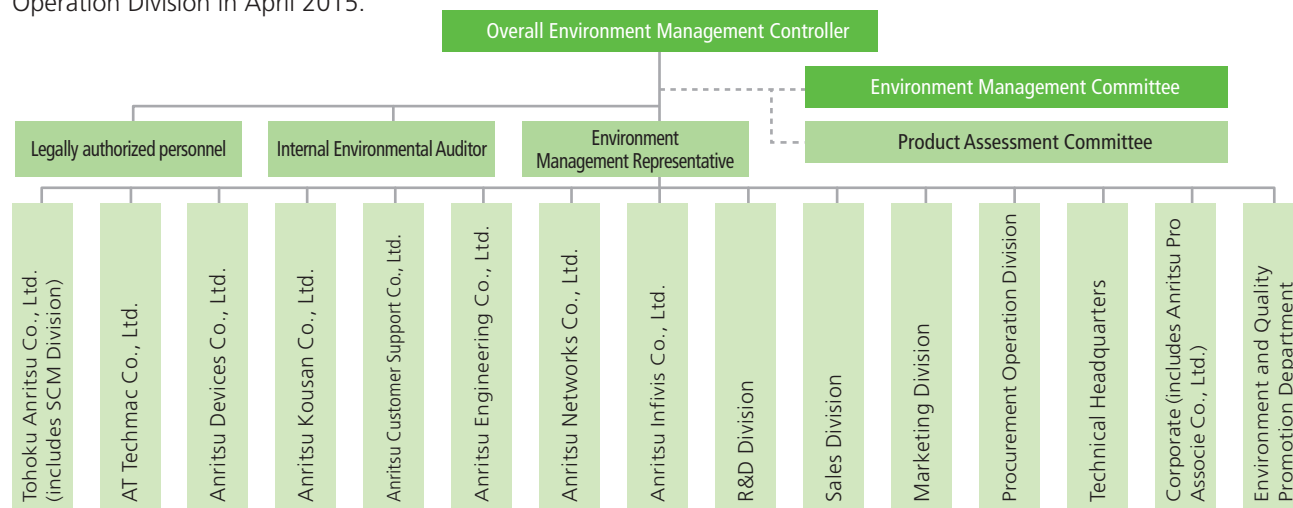
A rising number of issues have required that Anritsu make a global effort, including the environmental expectations of customers, regulations on chemical substances contained in products such as the RoHS Directive, development of environmentally conscious products, prevention of climate change and water resource issues. To deal with global environmental issues in general, we hold Global Environment Management Meetings, attended by responsible officers at our four major locations in Japan, the United States, the United Kingdom and Denmark. To pursue our global efforts, we also set up an Environment Management Committee that aims to resolve environmental issues while using the environmental management system, a Product Assessment Committee for promoting the development of environmentally conscious products, and a Promotion of RoHS Group Meeting for the development and production of products that do not contain banned substances.



■ Environmental Management Organization (Japan)

The environmental management organization of the Anritsu Group in Japan promotes environmental management activities under the leadership of the director of environmental management (Anritsu Corporation's vice president in charge of overall environmental management).

As part of our organizational restructuring, we established the Technical Headquarters and the Global Procurement Operation Division in April 2015.



Environmental Management Systems

The Anritsu Group has established environmental management systems at major production sites in Japan and the United States and has obtained ISO 14001 certification.

Based on the number of Anritsu staff in our global operations, the ratio covered by the environmental management system is approximately 70%.

ISO14001 Registration Company

Anritsu Corporation(Head Office)

【Certification Date】 August 1998 【Update】 February 2013 【Certification Organization】 JQA/JQA-EM0210*

- | | |
|-------------------------------------|--------------------------------|
| •Anritsu Corporation | •Anritsu Kousan Co., Ltd. |
| •Anritsu Infivis Co., Ltd. | •AT Techmac Co., Ltd. |
| •Anritsu Customer Support Co., Ltd. | •Anritsu Pro Associe Co., Ltd. |
| •Anritsu Networks Co., Ltd. | •Anritsu Devices Co., Ltd. |
| •Anritsu Engineering Co., Ltd. | •Tohoku Anritsu Co., Ltd.* |

*Expanded the scope of ISO14001 accreditation to include Tohoku Anritsu Co., Ltd., which independently acquired certification in October 1999.

Anritsu Company(USA) 【Address】 490 Jarvis Drive Morgan Hill, CA 95037

【Certification Date】 March 2007 【Update】 March 2013 【Certification Organization】 NQA/EN12275



Environmental Audit

In the external ISO 14001 recertification audit for fiscal 2014, the Anritsu Group in Japan received an integrated audit in which audits were simultaneously conducted for the ISO 9001 quality management system and ISO 27001 information security management system. As a result, all items were found to be in compliance.

In addition, the Anritsu Group in Japan conducted two internal environmental audits of the conformance and effectiveness of our environmental management system and environmental performance in July and compliance status in October. While this resulted in indications of 28 areas as well as 4 areas of potential opportunities for improvement, there were no nonconforming areas. We also report on and improve common Group issues through the Environment Management Committee.



Compliance Status

The Anritsu Group in Japan recognizes business-related environmental laws and regulations and confirms the status of compliance through internal environmental audits. In activities involving regulations on water quality, air and noise, we strive to ensure compliance by adopting voluntary management standards that are more demanding than statutory regulations. As a result, there have been no legal violations for over a decade.

More than fifty years have passed since we opened our office at the Atsugi site, so we are currently undertaking a scrap-and-build operation for aging buildings and facilities. While this has involved numerous tasks related to submitting requests and gaining regulatory approval, we completed all procedures by maintaining close contact with the relevant public agencies.

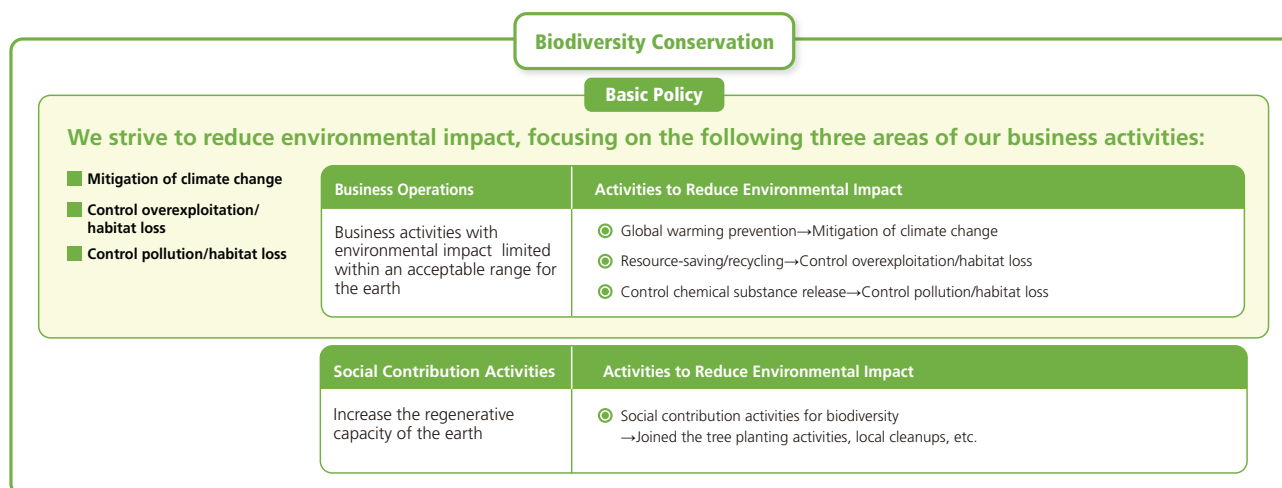
In addition, we have an established mechanism for handling complaints under the environmental management system. In fiscal 2014, we received no complaints from interested parties including people living around the site.

Looking ahead, we will further reduce our environmental impact through ongoing maintenance while maintaining full compliance.

Efforts to Preserve Biodiversity

Basic Policy for Conserving Biodiversity

The business operations of the Anritsu Group benefit and influence the ecosystem supported by diverse organisms at the same time. Preserving the biodiversity which is the foundation of the ecosystem is therefore a vital concern for environmental management. The basic policy of the Anritsu Group is to encourage activities that reduce our environmental impact associated with our business operations and to preserve biodiversity through social contribution efforts that protect the natural environment.

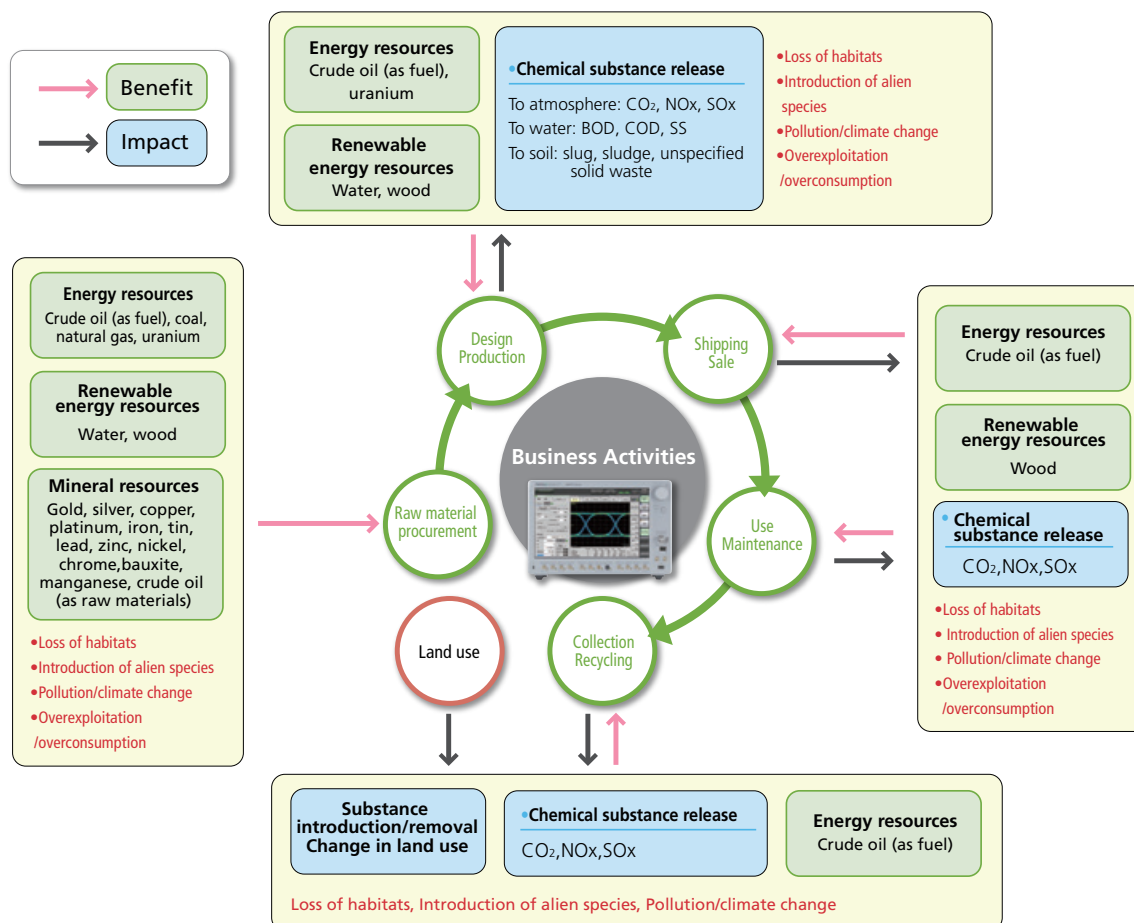


Acknowledging the Current Situation

We work to conserve biodiversity fully recognizing that the Anritsu Group's business activities enjoy various benefits from the biodiversity of the surrounding ecosystem, and that these business activities, in turn, impact biodiversity.

● Biodiversity Relevance Map

We created a relevance map based on the Japan Business Initiative for Conservation and Sustainable Use of Biodiversity format to better understand the relationships between our business activities and biodiversity. The map illustrates our relationship with ecosystems and helps identify areas of major impact. The result is reflected in our Basic Policy for Conservation of Biodiversity.



● Joined Nippon Keidanren's Declaration of Biodiversity

Anritsu has endorsed Nippon Keidanren's Declaration of Biodiversity and participates as a promotion partner to exercise leadership in creating a society that values and supports biodiversity.

Environmental Education for Employees

To raise the environmental awareness of each employee and encourage them to actively engage in environmental activities, we provide general education through e-learning every year for all Anritsu Group employees as well as environmental education programs designed for each job type and rank. These programs are also attended by employees of business partners under consignment.

In fiscal 2014, we conducted educational programs for the technical and quality assurance divisions, particularly driven by the application of the CE marking* of the RoHS Directive.

*Mandatory compliance standard applied to designated products in the European Union.



Environmental Education

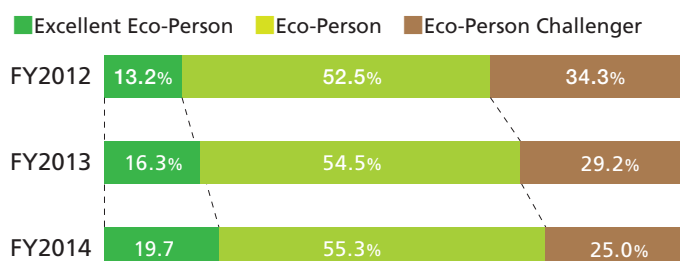
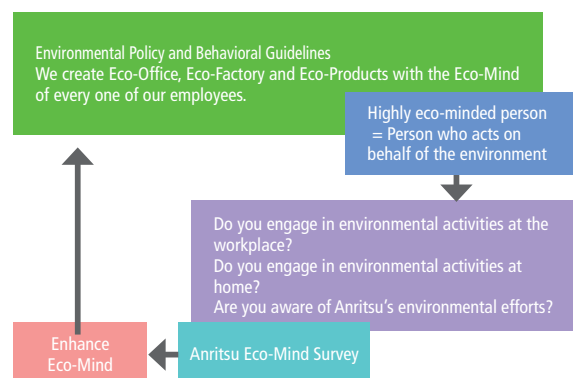
Educational Programs		
New employee education	Internal auditor training program	Internal auditor follow-up education
General education	Education for technology departments	Education for sales departments
Onsite consignment worker education	High-pressure gas handler courses	Chemical substances manager training

Eco-Mind Awareness of Employees

We conduct a survey of all Anritsu Group employees in Japan to determine the degree to which we share an Eco-Mind awareness.

Questions were designed to determine the state of workplace activities by asking whether action is being taken toward creating the Eco Office (promoting conservation, promoting the 3Rs and reducing environmental compliance risks), as well as the state of activities at home and about participant awareness with regard to efforts undertaken by Anritsu.

In fiscal 2014 we implemented actions that reflected the results of last year's survey, which led to an increase in the ratio of "Excellent Eco-Persons," who scored above 90 points on the survey, to 19.7%. We intend to increase the ratio of Excellent Eco-Persons by motivating employees to participate in environmental activities through the Eco-Mind Survey and through other actions in response to survey results.



Promoting Environmental Communication

We disseminate information inside and outside the company with a firm belief in the vital importance of raising stakeholder awareness of our environmental activities and gaining their support in Anritsu's efforts to protect the global environment.

To provide environmental information tailored for each group of stakeholders, we publish the "Environment Leaflet" for customers and "Eco Club" for employees, in addition to our CSR report, environmental advertisements and environment-related features offered via the Internet.

In fiscal 2014, we followed up on the results of the Eco-Mind Survey conducted in fiscal 2013 by publishing a special Eco Club issue for employees that featured examples of environmental actions that can be taken at home.



Environment Leaflet for customers



Eco Club for employees

CDP

The CDP is a not-for-profit organization that collaborates with institutional investors (822 companies with approximately 95 trillion dollars in combined assets under management as of July 2015) to send questionnaires to approximately 5,000 leading companies in the world (500 are Japanese), requesting disclosure of information on climate change strategy and volume of greenhouse gas emissions. The CDP analyzes and assesses the responses and discloses the results to investors, which can be used to inform their investment decisions.

Anritsu has been responding to the CDP questionnaire since fiscal 2012.

In fiscal 2014, we responded by undergoing third-party verification for our Scope 3 data. As a result, our disclosure score rose from 77 in fiscal 2013 to 83, while our performance score of "B" remained the same.

We will continue our efforts to enhance the reliability of our information disclosure and reduce CO₂ emissions throughout our supply chain to prevent global warming.

Eco Office, Eco Factory

Our Environmentally Friendly Global Headquarters Building

The construction of the Global Headquarters Building, completed at our Atsugi site, incorporated the concept of contributing to the creation of an environmentally friendly society and features a number of environmental designs. The building qualifies for the S-rank, the highest recognition given by Kanagawa Prefecture under its “CASBEE Kanagawa” assessment system for global warming countermeasures in building plans, which requires companies to submit a plan that includes measures against global warming for new construction or renovation of buildings exceeding a certain size. Only 4 of the 140 applicants in fiscal 2013 qualified as S-rank buildings, including Anritsu’s Global Headquarters Building, which places it in the top class of environmentally friendly buildings in Kanagawa Prefecture.

Building area	About 6,400 m ²
Total floor area	About 27,700 m ²
Structure	6 stories/base-isolated structure



● Solar Power Generators

We installed solar power generators each with a maximum output of 15 kW on the roof and use the electricity as the power source for air conditioning and other building services.

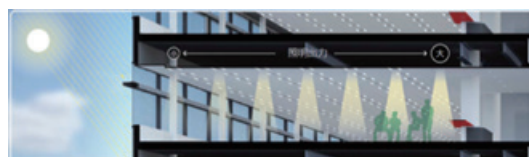
● Skylight and Light Courts

We installed a skylight in the central atrium and two light courts on the fifth and sixth floors to capture natural light. There is almost no lighting equipment in the central atrium because of the skylight, and the conference room near the light court is also structured to receive natural light.



● LED Lighting

We have significantly reduced electricity consumption by using LEDs for all lighting. Moreover, LED lighting on the second to sixth floors is controlled by sensors that detect daylight and the presence of human bodies, allowing us to lower luminance in bright areas near windows and automatically turn off the lights where no people are present, leading to further cuts in electricity consumption.

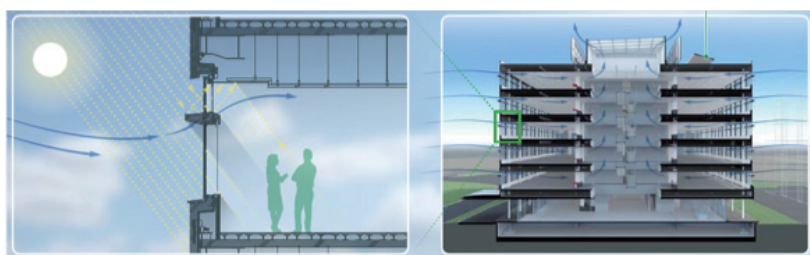


●Light Shelves

Light shelves that take in natural light are installed on the second to sixth floor windows, running north to south. Natural light from these shelves and daylight sensors in the LED lighting system limit the electricity used for lighting.

●Natural Ventilation System

The light shelves are also fitted with air intakes for a natural circulation of air. The natural ventilation intake monitors temperatures inside and outside the building as well as humidity and wind direction, and central surveillance will control the opening and closing of the intake when certain conditions are met. The flow of outside air exits from the uppermost window of the central atrium. This efficient, natural air conditioning reduces electricity consumption, especially in the spring and autumn.



Light Shelves

Natural Ventilation System

●Highly Efficient, Multi-Split Air Conditioning and Ventilation Systems

The air conditioners reduce input to the compressor through inverter control and stabilize room temperatures. We also installed an air conditioning system capable of separately controlling partitioned zones in the building, such as by story, floor or area. This helps to reduce electricity consumption by setting separate temperatures for air conditioning in each zone and by turning off the air conditioning in others. We also use CO₂ sensors to take in outside air in order to prevent indoor CO₂ density levels from rising too high.

●Thermal Insulation and Air Tightness

Low-E multiple layer glass is used for the windows, which lets light inside but blocks heat. The walls also feature strong insulation properties.

●Water Conservation

The water-efficient toilets and urinals use sensors to conserve water.

●Rainwater Infiltration

Considering the possibility of groundwater depletion and flooding caused by heavy rainfall, we installed a rainwater permeation basin to facilitate the penetration of rainwater into the ground.

●Greening

In the inner court and outer perimeter of the building, we are planting vegetation with due consideration for the climate and soil of Atsugi City as well as plants that are indigenous to the region (potential natural vegetation).

●Visualizing Electric Power Consumption

We disclose electric power consumption data for the Global Headquarters Building and other buildings via monitors and the corporate intranet to raise employee awareness of energy conservation.

Energy-saving Activities at Factories and Offices

Anritsu pursues energy conservation as the most important factor of environmental activities undertaken at its factories and offices. The Anritsu Group in Japan depends on electric power for over 95% of its energy needs and is therefore continually striving to conserve electricity.

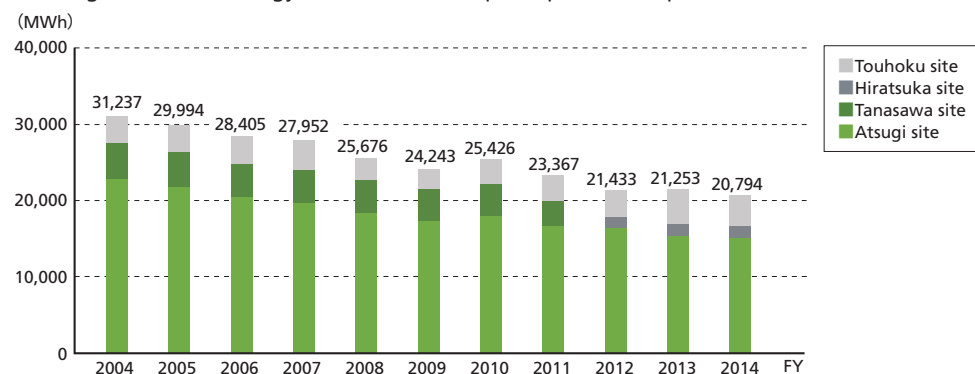
Air conditioning equipment consumes the greatest amount of electricity, and we have been systematically upgrading to energy-saving equipment, installing ice thermal storage units, frequently cleaning air filters, and undertaking heat insulation work on the walls of buildings. We have also sought to conserve energy by replacing equipment with energy-saving models, such as inverters for fluorescent lighting equipment and low-loss transformers. We have taken part in Cool Biz and Warm Biz activities for over a decade, and energy-saving awareness has taken root among the employees. We have consequently been able to reduce electric power consumption by about a third over the past ten years.

In fiscal 2014, we achieved even higher efficiency by upgrading air conditioning equipment at the Atsugi and Tohoku sites, reducing electric power consumption by 2.2%. In March 2015, we completed construction of our Global Headquarters Building featuring the latest environmentally friendly technology and intend to promote further energy savings.

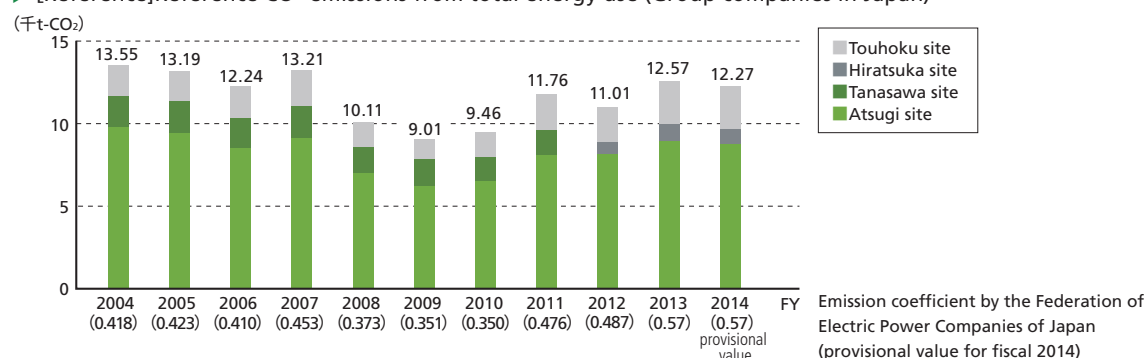
In addition to these activities, the Anritsu Group in Japan participates in a program promoted by the electric and electronics-related industries in Japan for establishing a carbon-free society by achieving the common goal of improving the basic unit of energy by 1% every year toward 2020.

Under the mid-term plan of our GLP2017 Environmental Initiatives, we will strive toward our global goal of reducing electric power consumption by 1% every year compared to fiscal 2014 levels for the Anritsu Group worldwide.

Change in electric energy use (Anritsu Group companies in Japan)



[Reference] Reference CO₂ emissions from total energy use (Group companies in Japan)



Reference

We calculated CO₂ emissions resulting from the use of all energy sources at Anritsu Group companies in Japan using the emission factor adopted by the Law Concerning the Promotion of the Measures to Cope with Global Warming (revised March 29, 2006). Note that CO₂ emissions associated with electric power are calculated using the CO₂ emission factor (t-CO₂/MWh) published by the Federation of Electric Power Companies of Japan for each fiscal year (the actual figure for fiscal 2013 was temporarily used as the emission factor for fiscal 2014).

The CO₂ emission factor varies each fiscal year according to the supply situation of each electric power company. Therefore, some fiscal years show an increase in CO₂ emissions, despite reductions in electric energy consumption. (Example: In fiscal 2011, electric power consumption decreased in fiscal 2010, while CO₂ emissions increased year-on-year.)

*Until fiscal 2012, we had been using the adjusted CO₂ emission factor including the Kyoto Mechanism Credit, etc. However, following the revision of the Act on Promotion of Global Warming Countermeasures and the exclusion of the Kyoto Mechanism Credit, etc., from the adjusted CO₂ emission factor, we decided to start using the actual emission factor in fiscal 2013.

Revision of Energy Conservation Targets for the Anritsu Group in Japan to Adjust for Disruptive Factors

In past energy conservation activities, the Anritsu Group in Japan had sought to reduce total energy use, or the basic unit of energy. Target management, however, proved to be difficult due to disruptive factors such as differences in average annual temperatures, changes in total floor area caused by scrap-and-build operations for buildings, and disparities in sales and operational hours at each factory and office, making this target an unreliable indicator of actual conditions.

As a corrective measure to eliminate these disruptions and enable us to visualize the net results of our energy saving efforts, we began experimenting with a management method that corrected for multiple factors, including external temperatures, total floor area, and the number of working days and operational hours. With regard to external temperatures, for example, we set a correction factor for each site based on past trends for energy use and external temperatures and made adjustments in consideration of the differences between the benchmark year of fiscal 2013 and the monthly average temperatures for fiscal 2014. As for working days, a difference in one day results in an impact close to 0.5% against the target of a 1.0% reduction, so adjustments were also made to account for the difference in working days.

After we incorporated these corrections to reflect conditions at each site, the result was a 1.9% reduction, and a meaningful link was established between actual monthly results for fiscal 2013 and the monthly targets for fiscal 2014. This provides us with a picture that is closer to the actual situation and has enabled us to visualize the results of our reduction efforts. Looking ahead, we will introduce this management method across the company and seek further improvements toward our goal of reducing energy consumption by 1.0% each year up to 2020.

Renewable Energy

The Koriyama Second Business Office uses electricity generated by solar power generators with maximum output capacity of 200 kW. In fiscal 2014, the site used 200 MWh of renewable energy generated by solar power, representing about 16% of its total electricity needs. Surplus electricity is supplied at no cost to Tohoku Electric Power Company.

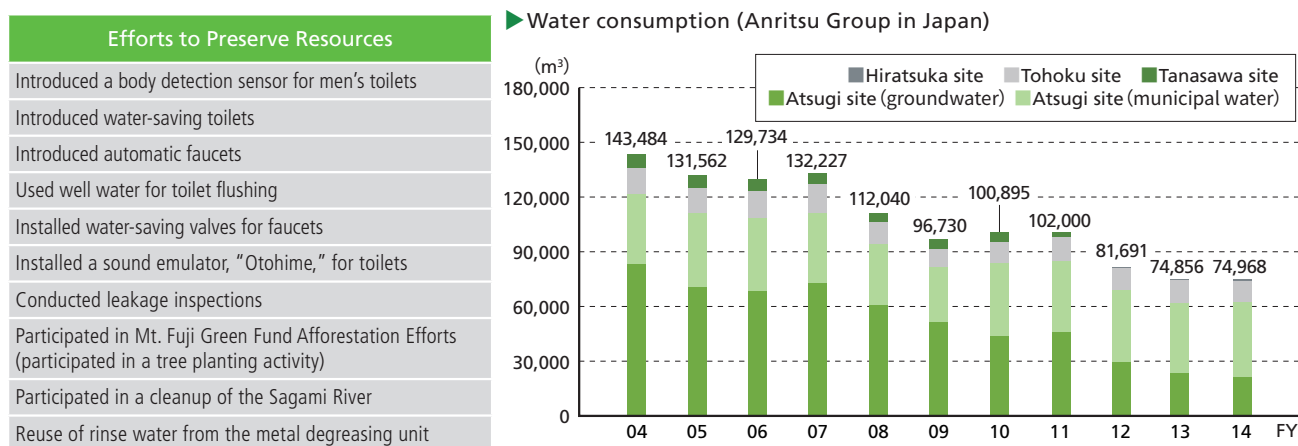


Solar Power Generating facility of Koriyama Second Business Office

Water Resources

Over the past ten years, the Anritsu Group in Japan has reduced water use by nearly 50%. At the Atsugi site, which uses large volumes of water, we have been reducing water use through efforts such as monthly leakage inspections, upgrading to water-saving toilets and using circulated water in facilities. Specifically, we have been using groundwater to flush toilets in the Atsugi site, and we have reduced our use of groundwater to about a quarter of the original volume over the past ten years.

Until now, we have sought to reduce water usage and effectively use water on a local basis. We have decided to address this as a global issue by setting an annual average reduction target of around 1.0% for the Anritsu Group worldwide.



Groundwater Management

With regard to organochlorine substances, we completely eliminated the use of trichloroethylene in 1970 and 1,1,1-trichloroethane in 1993.

In fiscal 2012, levels of tetrachloroethylene were higher than permitted under environmental standards. Anritsu, however, has never used this substance, and the local government is also aware that the source of contamination lies upstream from Anritsu. We will nevertheless continue to monitor the site.

Item	Environmental standard level [mg/l]	Measured value [mg/l]
Trichloroethylene	0.03	0.014
Tetrachloroethylene*1	0.01	0.064
1,1,1-trichloroethane	1	<0.0005
1,1-dichloroethylene	0.1	<0.002
Dichloromethane	0.02	(*2)
Cis-1,2-dichloroethylene	0.04	0.020

*1 Tetrachloroethylene surpassed acceptable level, but Atsugi site has never used it.

*2 We have never used dichloromethane in our processes and the results for fiscal 2008 were below the lower limit of quantification (0.002mg/l). Therefore, we discontinued taking measurements in fiscal 2009.

Excel Environmental Data of Each Site

Wastewater

The Atsugi site operates an industrial wastewater treatment facility to detoxify industrial wastewater containing acids and alkali and wastewater discharged from small boilers used to adjust humidity inside cleanrooms. In fiscal 2013 we upgraded the facility, partly to address the wear and tear of existing facilities but also because of changes in our business structure (the discontinuation in 2002 of industrial processes that use large volumes of water, such as manufacturing printed wiring boards, coating and plating). This has led to a significant decrease in the volume of wastewater as well as a change in its quality. Moreover, intermediate treatment liquids stored in large tanks posed a major risk of leakage in the event of a contingency such as an earthquake. To eliminate this risk, we upgraded the facilities by modifying the structure to incorporate a breakwater to prevent any leaks of raw water, intermediary wastewater or chemicals used for treatment from the tanks. We further reduced the risk by adding a second monitoring system to ensure that water exceeding the permitted pH limit would not be discharged into the surrounding environment.

The Hiratsuka site uses alkaline washing agents to degrease metallic materials but does not discharge industrial wastewater. The rinsing water used by the facility is reused by circulation through filters and ion-exchange resins, which reduces annual water use by approximately 40m³.

While there are no facilities that discharge industrial wastewater at the Tohoku site, we have installed a pH monitor and emergency cutoff valve to address the risk of water being discharged from boilers and septic tanks in the event of malfunction, which could cause the pH level to exceed regulatory standards.

Each site has developed response procedures to address the potential leakage of chemical substances due to human error or natural disaster. Regular equipment inspections and training are also conducted, and necessary revisions are made to prepare for unexpected accidents.

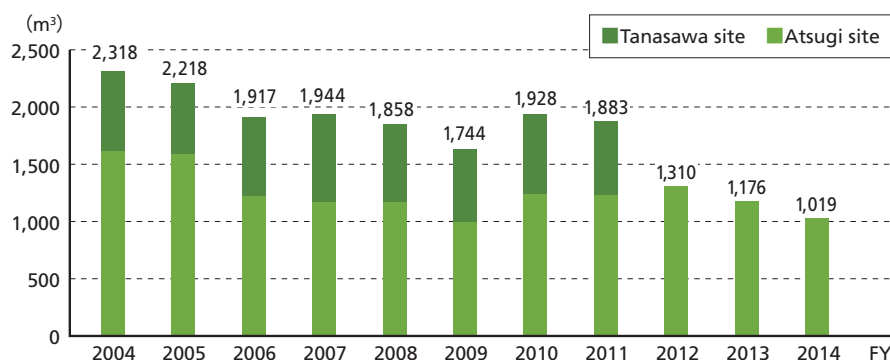


Overall view of the industrial wastewater treatment facility



Neutralization segment of the industrial wastewater treatment facility

Wastewater discharge from operations



► Atsugi Site: Laws and regulations of Atsugi City regarding discharge into public sewage systems

Item	Emission standard [mg/l]		Measured value [mg/l]		
	Regulation value	Voluntary control value	Average	Min.	Max.
pH	5.0-9.0	5.7-8.7	7.4	6.6	8.1
SS	600	300	6.0	< 1.0	16.0
BOD	600	300	16.3	0.5	80.0
Normal hexane extracts Mineral oil	5	3	0.8	< 0.5	1
Normal hexane extracts Organic oil	30	18	0.8	< 0.5	1
Iodine consumption	220	90	1.1	< 1.0	1.3
Fluorine	8	4.8	0.6	0.2	1.1
Total cyanide	1	0.4	< 0.01	< 0.01	< 0.01
Nitrogen	380	125	3.3	< 0.1	12.1
Boron	-	-	-	-	-
Chromium	-	-	-	-	-
Dissolved iron	10	4	0.11	0.04	0.27
Copper	3	1.2	0.05	0.004	0.18
Zinc	2	1.2	0.07	0.033	0.13
Dissolved manganese	-	-	-	-	-
Nickel	1	0.6	0.03	< 0.001	0.05
Lead	0.1	0.06	0.02	< 0.001	0.04

※ Items subject to the laws and regulations but excluded from this list were not used as raw materials and therefore not measured.

► Tohoku Site (Koriyama First Business Office): Fukushima Prefecture Government regulations

Item	Emission standard [mg/l]		Measured value [mg/l]		
	Regulation value	Voluntary control value	Average	Min.	Max.
pH	5.8-8.6	6.0-8.4	6.9	6.7	7.4
SS	70	30	2.8	1.0	6.4
BOD	40	20	4.3	0.8	6.5
Dissolved iron	10	4	0.11	(*1)	(*1)
Copper	2	0.8	Below the detection limit [0.01mg/l]	(*1)	(*1)
Zinc	2	1.2	0.05	(*1)	(*1)
Nickel	2	0.8	Below the detection limit [0.01mg/l]	(*1)	(*1)
Lead	0.1	0.08	Below the detection limit [0.05mg/l]	(*1)	(*1)
Number of colon bacillus (piece/m3)	3000	2400	13.3	0	160

※ Items subject to the laws and regulations but excluded from this list were not used as raw materials and therefore not measured.

*1 There is no max. or min. records as survey is conducted only once a year.

► **Tohoku Site (Koriyama Second Business Office): Fukushima Prefecture Government regulations**

Item	Emission standard [mg/l]		Measured value [mg/l]		
	Regulation value	Voluntary control value	Average	Min.	Max.
pH	5.8-8.6	6.0-8.4	6.9	6.5	7.2
SS	70	30	2.2	1	4.7
BOD	40	20	3.3	1.2	6.6
Dissolved iron	10	4	0.08	(*1)	(*1)
Copper	2	0.8	Below the detection limit [0.01mg/l]	(*1)	(*1)
Zinc	2	1.2	0.07	(*1)	(*1)
Nickel	2	0.8	Below the detection limit [0.01mg/l]	(*1)	(*1)
Lead	0.1	0.08	Below the detection limit [0.05mg/l]	(*1)	(*1)
Number of colon bacillus (piece/m ³)	3000	2400	0	0	0

※ Items subject to the laws and regulations but excluded from this list were not used as raw materials and therefore not measured.

*1 There is no max. or min. records as survey is conducted only once a year.



Environmental Data of Each Site

Prevention of Air Pollution

Having eliminated the coating process in 2000, no facility at the Atsugi site generates air pollution subject to legal regulations. The Tohoku site operates heavy oil boilers subject to the Air Pollution Control Law.

The boilers are operated on a voluntary management standard to control air quality. No facility at the Hiratsuka site generates air pollution subject to legal regulations.

► **Tohoku Site (Koriyama First Business Office): Air Pollution Control Law**

Item	Emission standard		Measured value
	Regulation value	Voluntary control value	
Smuts [g/m ³ N]	0.3	0.18	below the detection limit <(0.005mg/l)
Sulfur oxide [m ³ N/h]	4.37	2.63	0.06
Nitrogen oxide [ppm]	180	170	100



Environmental Data of Each Site

Noise

We are implementing a variety of efforts to detect abnormalities at an early stage, including a system of prior examination before introducing equipment, equipment inspections at the beginning of every operation and regular patrols on the premises. We also regularly monitor noise levels at borders every year.

At the Hiratsuka site, a location with many types of machining equipment, we are working to reduce risks by moving particularly noisy equipment to a soundproofed room and placing noise reducing covers over exhaust vents. Results show that measured noise levels not only meet legal standards but fall below our own voluntary standards as well.



Soundproofed room



Exhaust vent with a noise reduction cover

► Atsugi site : Kanagawa Prefecture Government regulations

Measured point	Regulation value [dB] [daytime]	Voluntary control value [dB] [daytime]	Measured value [dB][daytime]
At the eastern border line	70	68	66
At the western border line	70	68	58
At the southern border line	70	68	57
At the northern border line	70	68	64

► Tohoku Site (Koriyama First Business Office): Fukushima Prefecture Government regulations

Measured point	Regulation value [dB] [daytime]	Voluntary control value [dB] [daytime]	Measured value [dB][daytime]
At the eastern border line	75	73	42
At the western border line	75	73	50
At the southern border line 1	75	73	56
At the southern border line 2	75	73	50

► Tohoku Site (Koriyama Second Business Office): Fukushima Prefecture Government regulations

Measured point	Regulation value [dB] [daytime]	Voluntary control value [dB] [daytime]	Measured value [dB][daytime]
At the eastern border line	75	73	51
At the western border line1	75	73	47
At the western border line2	75	73	45
At the northern border line	75	73	46

► Hiratsuka Site: Kanagawa Prefecture Government regulations

Measured point	Regulation value [dB] [daytime]	Voluntary control value [dB] [daytime]	Measured value [dB][daytime]
At the eastern border line	65	64	57
At the western border line	65	64	59
At the southern border line	75	73	63
At the northern border line	75	73	52



Environmental Data of Each Site

Chemical Substances Management

Utilization of chemical substances by the Anritsu Group companies in Japan is determined by designating banned or restricted substances from the standpoints of environmental regulations, hazardousness, safety and health, and disaster prevention, and having expert evaluators with knowledge of each criterion conduct prior assessments.

In addition, the amounts of chemical substances purchased, used and disposed of within a three-month period are entered into a chemical substances management system. We use this database to compile the amount of substances subject to the Pollutant Release and Transfer Register (PRTR) Law, calculate the total stored amount of hazardous materials as designated by the Fire Service Act, and monitor chemical substances designated by revisions in laws and regulations. We also consider replacing substances with safer alternatives as necessary.

In fiscal 2013 we raised the efficiency of our chemical substances management operations by upgrading the chemical substances management system used for prior assessment and registration of the above-mentioned substances and for monitoring their use. We also sought to visualize our internal efforts in chemical substances management through measures such as expanding the checklist for environmental regulations related to the use of chemical substances.

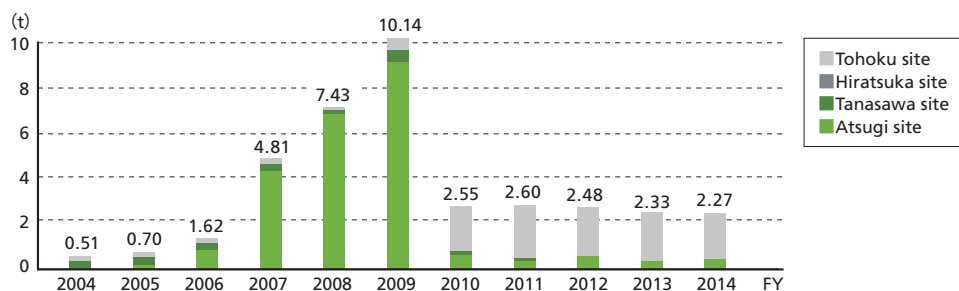
With respect to substances designated by the PRTR Law, the volume we handle at our sites changed significantly due to a revision of the law in 2010 that excluded from the list liquid bisphenol A epoxy resin, an ingredient used at the Atsugi site, while adding new ingredients, including methylnaphthalene, which is an additive agent, to heavy oil used as fuel at the Tohoku site. More than one ton of methylnaphthalene was handled at the Tohoku site in fiscal 2013 and reported accordingly. Because it is burned in a boiler, very little methylnaphthalene is externally released; nevertheless, we will reduce the amount we handle by reducing our use of heavy oil.

Methylenebis (4,1-phenylene) diisocyanate, designated as a Type I chemical substance under the PRTR Law, is a substance that Anritsu uses in fairly large quantities. The substance is contained in the liquid concentrate required in the chemical reaction between two liquids that produces urethane foam, a shock-absorbing material for packaging. We have been reducing our use of this substance over the years by improving packaging methods and have begun working toward our new goal of completely discontinuing its use by fiscal 2017.

Use Regulates Chemical Substances of Anritsu Group

Banned substances	Class of 7 substances: CFC (Chlorofluorocarbons), halon, carbon tetrachloride, 1,1,1-trichloroethane, HBFC (Hydrobromofluorocarbons), bromochloroethane, methyl bromide
Limited-use substances	Class of 7 substances: HCFC (Hydrochlorofluorocarbons), trichloroethylene, tetrachloroethylene, dichloromethane, HFC (Hydrofluorocarbons), PFC (Perfluorocarbons),

Chemical Substances Management under PRTR Law



PCB Management

At the Atsugi site, we tightly control condensers of electric devices, fluorescent ballasts and pressure sensitive copying paper that contain polychlorinated biphenyl (PCB) within the storage standards for specially controlled industrial waste. Storage status is reported annually to the prefecture under the Law concerning Special Measures for Promotion of Proper Treatment of PCB Waste. In 2006, analysis conducted while upgrading an extra high-voltage transformation installation identified a small amount of PCB in two large transformers. In the course of replacing transformers in 2010, we identified a small amount of PCB in the insulation oil of decrepit equipment and issued an additional notification in June 2011. In 2005 we filed an early request for the treatment of PCBs with the Japan Environmental Safety Corporation, an interim storage and environmental safety company, and are currently awaiting our turn for the treatment. We are also considering early treatment of waste contaminated with trace amounts of PCB in view of the recent rise in the number of licensed processing companies.

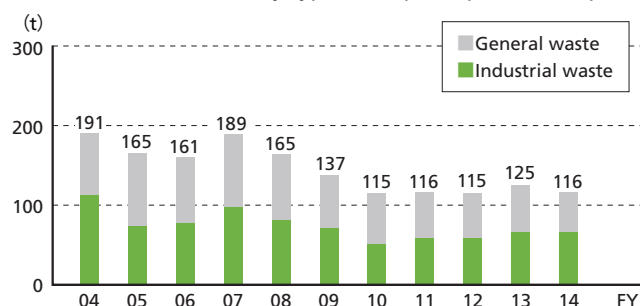
Waste Reduction

The Anritsu Group in Japan has achieved and maintained zero emissions* since 2004 by promoting 3R activities and separation of waste in our offices and production lines.

At the Atsugi site, we began separating paper containers used for food in fiscal 2013, and have sought to enhance the quality of our recycling activities by shifting from thermal recycling to material recycling. In fiscal 2014 we reduced approximately 4.3 tons of raw garbage generated by the employee cafeteria. In future we will continue our efforts to reduce waste.

* Zero emissions: Recycling all waste. Anritsu defines this as achieving a final landfill disposal rate of less than 0.5%.

► The amount of waste by type (Group companies in Japan)



Examples of separate collection of waste

By thorough classification collection, we are working to reduce waste.



Certified Business Site Promoting Environmental Consideration

The headquarters (Atsugi site) of Anritsu Corporation, located in Kanagawa Prefecture, is certified and registered both as a business site practicing environmental management and as a business site promoting environmental consideration.*

* Kanagawa Prefecture recognizes companies that meet its requirements for reducing environmental impact, properly controlling chemical substances and establishing organizational frameworks for the environment, and registers them as certified business sites that promote environmental considerations.

Column

Upgrading and Consolidating Environmental Preservation Facilities



Yoshiro Kenmochi
Environment Team, Facility
Management Center, Facility
Management Group,
Anritsu Kousan Co., Ltd.

The Atsugi site is executing a scrap-and-build program based on the concept of creating advanced and reliable infrastructure for the next generation. As part of the program, we completed a three-year plan for upgrading and consolidating aging environmental preservation facilities (an industrial wastewater treatment facility, solid waste yard and hazardous materials warehouse) in fiscal 2014.

Under the plan, we planned first to conduct soil analysis in the second half of fiscal 2011 and then in fiscal 2013 replace the old wastewater treatment facility, which had been necessary for treating large volumes of industrial wastewater containing heavy metals when we were coating, plating and manufacturing print wiring boards, with a compact, upgraded facility suitable to the current volume and quality of wastewater. We intended to use the vacant lot created as a result to consolidate environmental preservation facilities that had been dispersed across the site in fiscal 2014 by building a new solid waste yard and a hazardous materials warehouse, thereby raising the efficiency of operations. While we naturally sought to ensure workability in implementing the plan, we also made a committed effort to counter the risks of leakage and contamination, with due consideration for environmental needs.

With regard to the industrial wastewater treatment facility, we sought to reduce environmental contamination risks by incorporating a leakage detection system for intermediate wastewater and chemical agents, installing breakwaters that could hold the entire volume in the event of leakage, and introducing a dual monitoring mechanism to prevent the discharge of wastewater exceeding the permitted pH limit.

At the waste yard we installed LED lighting and outdoor lights with luminance sensors and also sought to save energy by fitting ventilation windows that let in natural light. Moreover, we used rainwater permeating asphalt as a measure against groundwater depletion and heavy rainfall.

In extra space created through the compact design of the facilities, we planted trees to enhance the greening ratio.

For the industrial wastewater treatment facility, although the initial going was tough, as when we encountered unexpected difficulties during the test operation, we were able to complete the plan without running into any major issues in fiscal 2014.

Each day brings new developments in the environmental area. I intend to keep up with the rapid changes by building on this experience as I continue my pursuit of environmental preservation.



Fiscal 2012
Old industrial wastewater treatment
facility



Fiscal 2013
Construction of a new industrial
wastewater treatment facility and
disassembly of an old facility



Fiscal 2014
Construction of a new solid waste yard
and hazardous materials warehouse

Environmental Considerations in Packaging

The Anritsu Group in Japan seeks to reduce the volume of packaging materials and promotes the use of packaging that is free of hazardous substances.

Eco-Logistics

Overview of Eco-Logistics

Delivery

The carrier takes out the product from a returnable box and delivers it to the place customer has designated. After delivery, the returnable box is brought back by the carrier.

Pick up

The carrier arrives at the customer's location with packaging materials and picks up the product after packaging.

Response to carrier

We maintain transport quality by conducting in-depth discussions between carrier and Anritsu to build a safety system on transport.

Comparison of conventional cardboard packaging with Eco-Logistics

	Conventional cardboard packaging	Eco-Logistics
At delivery	Customer needs to dispose a lot of packaging materials. -A large amount of waste. -Cost of waste disposal will be expensive.	Customer needs to dispose only a few packaging materials. -Small amount of waste. -Enable to reduce the cost of waste disposal.
At pick up	Customers package by themselves with the packaging materials sent by Anritsu. -Customer's product packaging operation occurs. -New packaging materials are required. = Waste occurs.	Carrier picks up the product after wrapping it with their packaging materials. -Customer's product packaging operation becomes unnecessary. -New packaging materials are unnecessary. = Waste reduction.

An example of delivery



The product is first covered with polyethylene bag to prevent from scratches and dust, and then packaged in returnable box.

The product and attached equipment box are packaged as in the left picture.



Carrier removes the product from the returnable box.



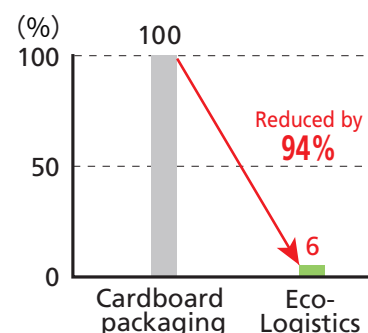
The product and attached equipment box are delivered to customer, covered with polyethylene bag for protection. Invoice is attached to the product. After delivery, carrier brings back the returnable box and packaging materials.

Reduction of packaging material waste.

For returnable box, customer only needs to dispose the polyethylene bag that covers the product.

Comparing the traditional cardboard packaging with returnable containers, waste emissions by packaging materials for customer will be greatly improved, which is about 94% reduction by weight.

(Assuming that returnable box is used 20 times)



Environmentally Conscious Export Packaging

Anritsu uses environmentally conscious export packaging that does not involve urethane foam, which is produced by using a liquid concentrate containing Methylenebis (4,1-phenylene) diisocyanate, designated as a Type I chemical substance under the PRTR Law. The packaging is made using a shock-absorbing method with a structural assembly of cardboard and an efficient method for housing standard attachments and optional parts. Although 40% smaller than conventional packaging, it provides the same level of protection for products against vibration and shock during transport.

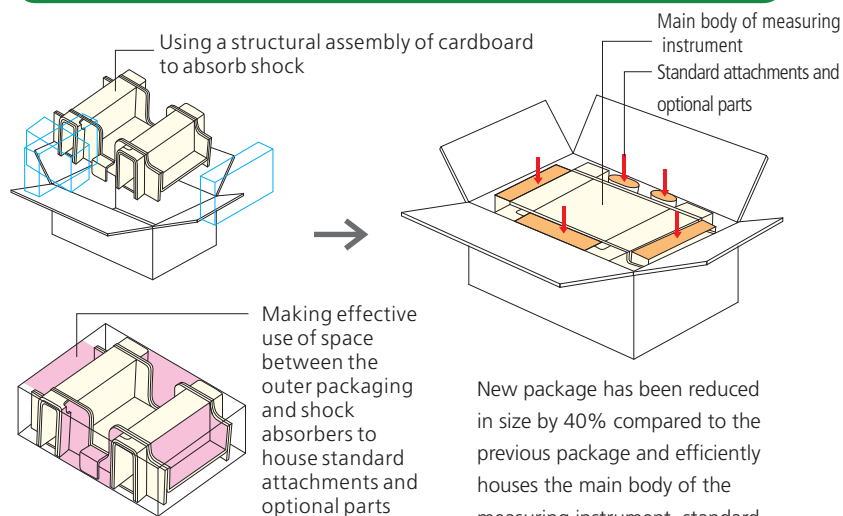
① Reducing package size

The new cardboard package is smaller than the previous package.



Left: New cardboard package
Right: Previous package with urethane foam as a shock-absorbing material

② New cardboard package without urethane foam as a shock-absorbing material



New package has been reduced in size by 40% compared to the previous package and efficiently houses the main body of the measuring instrument, standard attachments and optional parts.

Recycling Used Products

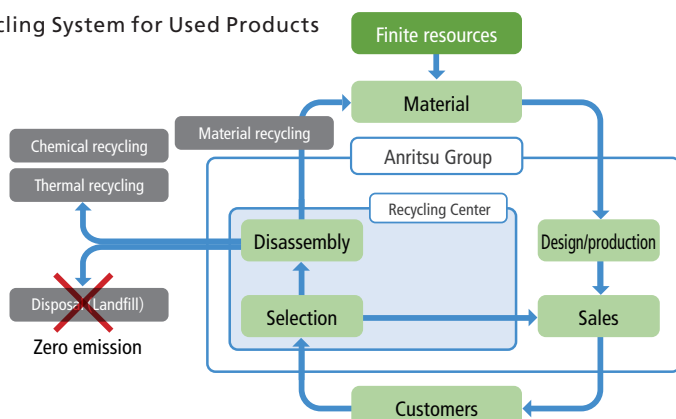
Anritsu led the measuring instrument industry in establishing the Recycling Center at Anritsu Kousan Co., Ltd., in 2000. Anritsu Kousan obtained a license to engage in the industrial waste disposal business in September 2002 and started operating in fiscal 2003.

In fiscal 2014, the center received 123 tons of used products and equipment generated by the Anritsu Group and recycled nearly 100% of the waste after disassembling and sorting.

The Recycling Center promotes the refurbishment of used products.

Refurbished measuring instruments are products used for demonstration. Although these products are recycled, they are highly reliable after being reconditioned and calibrated by Anritsu and are provided with a one-year guarantee. Anritsu Kousan, acting as a sales agent, sells the products to universities and other educational institutions in Japan, thus extending the lives of the products.

► Recycling System for Used Products



Eco Products

Eco Products Development

Anritsu is promoting environmental efforts across the product life cycle, from parts and materials procurement and manufacturing to shipment, customer use, recycling and disposal. We conduct product assessments to check and assess the effects of environmental impact reduction from the early design stage of every product's development, comply with environmental regulations around the world and vigorously provide energy- and resource-saving products and products that do not contain hazardous substances as a key aspect of our environmental management.

Complying with Product Environmental Regulations

The European Union (EU) enacted the WEEE Directive in 2005, the RoHS Directive in 2006, the REACH regulations in 2007 and the ErP Directive in 2009. Environmental regulation of products centered on the EU has been expanding throughout the world.

Anritsu has been responding promptly to these product environmental regulations. Information is shared with Group companies outside Japan through forums such as the Global Environment Management Meeting to develop a unified Group response.

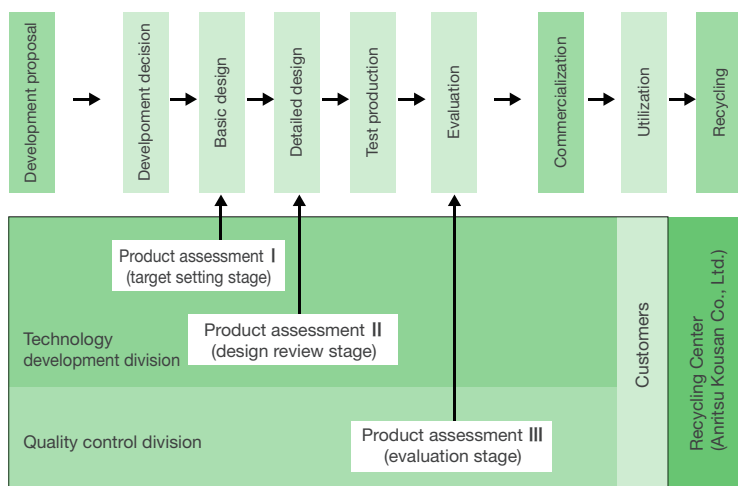
Global Product Assessment Implementation Guidelines

The development of environmentally conscious products has been conducted separately from products assessments in Anritsu Group companies in Japan and as DfE (Design for Environment) in Anritsu Company (U.S.A.).

To ensure that Anritsu Group companies around the world adhere to the same standards for developing environmental products, we unified our product assessment standards into the Global Product Assessment Implementation Guidelines in fiscal 2014.

Operational Procedure

Global product assessments are conducted in three stages that must be concluded prior to commercialization: Product Assessment I (target setting), in which targets for the product development process are clarified; Product Assessment II (design review), in which progress on attaining the targets is reviewed; and Product Assessment III (evaluations), in which a final assessment on the product is conducted. During Product Assessment III, a third-party evaluation is conducted by the Quality Management Department and other entities.



※ Follow-ups are conducted as needed at each stage of product assessment.

● Evaluation Items

Evaluation items in the global product assessment cover basic factors such as improvements in volume, mass and power consumption against a reference product. Additional items for evaluation include resource savings and the reduction of harmful substances and overall environmental impact throughout production, physical distribution, use and disposal.

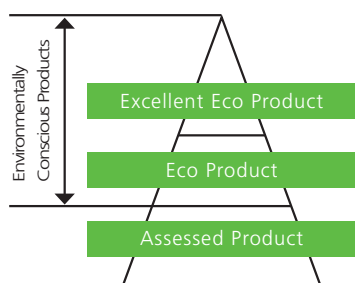
A reference product is an existing product that is similar in function and performance to the product being assessed.

Resource saving; Reduced load during manufacturing	<ul style="list-style-type: none"> • Reduced volume and mass • Adoption of reusable or recyclable components • Expanded functionality and longer operating life • Use of recycled paper for operation manuals 	<ul style="list-style-type: none"> • Reduction of consumable supplies • Reduction of surface treatment • Reduction of difficult-to-process materials
Reduced harmful substances	<ul style="list-style-type: none"> • Elimination of banned substances in products • Reduction of substances subject to RoHS Directive 	<ul style="list-style-type: none"> • Compliance with RoHS Directive • Reduction of other harmful substances
Reduced load in physical distribution	<ul style="list-style-type: none"> • Reduction of packing materials • Use of recycled paper for packing materials 	<ul style="list-style-type: none"> • Ease of transport after collection
Reduced load during use	<ul style="list-style-type: none"> • Reduced power consumption during operation • Inclusion of a standby mode 	<ul style="list-style-type: none"> • Designed to lower power consumption • Clear instructions on power-saving functions
Reduced load at time of disposal	<ul style="list-style-type: none"> • Fewer parts • Reduced use of difficult-to-recycle materials • Designed for easy dismantling and disassembly • Identification of the material on resin components 	<ul style="list-style-type: none"> • Reduced variety of materials and use of common materials • Recycle labeling on batteries • Response to WEEE Directive • Response to Chinese RoHS

■ Environmentally Conscious Product Program

● Environmentally Conscious Products

Anritsu Group certifies the Excellent Eco Product and Eco Product as environmentally conscious products based on the results of global product assessment.



- **Excellent Eco Product:**
Product that meets Excellent Eco Product requirements
- **Eco Product:**
Product that meets Eco Product requirements
- **Assessed Product:**
Product that meets Assessed Product requirements

● Major Environmentally Conscious Criteria for Excellent Eco Products



- **Top industry ranking for environmentally conscious properties**
- **Environmental information ready for disclosure**
- **CO₂ emission evaluated by Life Cycle Assessment (LCA)***
- **Environmental management system in place at the relevant business entity and main production site.**

*Life Cycle Assessment: method for quantitatively assessing environmental impact across the entire life cycle of a product, encompassing the extraction of raw materials, manufacturing, use, collection and disposal.

For Excellent Eco Product, "Excellent Eco Product" mark and environmental information of the product is described in the catalog and elsewhere. The mark is categorized as Type II labeling (self-declared environmental claims) under the international standard ISO 14021.



Excellent Eco-Products Recognized in Fiscal 2014

MT1000A Network Master Pro



Osamu Yamashita

Development Support Division, R&D Headquarters,
Anritsu Corporation



MT1100A Network Master Flex



Tomohiro Ito

No. 1 Product Development Division, R&D Headquarters,
Anritsu Corporation



The MT1000A Network Master Pro enables network operators to efficiently conduct network OTN installation and maintenance, optimization and troubleshooting for each company, and the MT1100A Network Master Flex allows for efficient transport testing for 1.5 Mbps to 100 Gbps networks and transport devices during R&D, manufacturing, OTN installation and maintenance. Both products support multiple communications protocols.

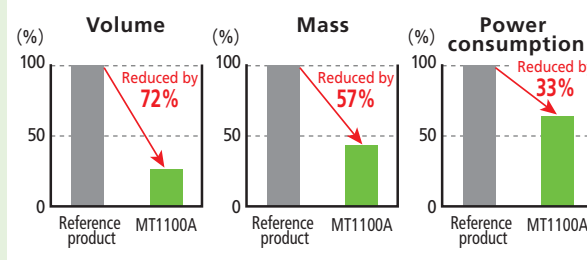
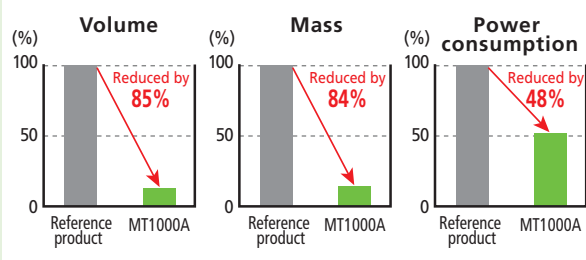
Energy conservation at network OTN installation and maintenance sites is an essential requirement made possible by compact, lightweight, battery-powered devices with handheld portability, while R&D sites require multiple ports and independent control by multiple customers. MT1000A is a portable all-in-one field transport tester that meets the requirements of OTN installation and maintenance while providing two ports that simultaneously support all communications protocols of any product.

MT1100A is a portable all-in-one transport tester that meets the requirements of OTN installation and maintenance as well as R&D while providing four ports that simultaneously support all communications protocols used in today's converged telecom network.

We reduced the number of reinforcing parts for MT1000A by using lightweight molded parts for its casing and adopting a honeycomb internal structure. We were able to create a compact, lightweight design with low power consumption based on new FPGA* technology, which allowed us to use a single FPGA where two units had been used to install two ports independently in conventional products. As a result, we reduced volume by 85%, mass by 84% and power consumption by 48% compared to a conventional product.

For MT1100A, we decided on a structure that would separate the functions into modules for control, testing and power supply, which would allow customers to couple only the required modules. By adopting this coupling structure, we could eliminate unused space created in slot-type casing structures when only a few modules are used. In addition, we used the latest FPGA to concentrate large circuits and mount two ports on a single module to achieve a compact, lightweight design and low power consumption. As a result, we reduced volume by 72%, mass by 57% and power consumption by 33% compared to a conventional product.

*FPGA: Field Programmable Gate Array. An electronic component that allows the designer to freely structure the circuitry.



Eco-Products Recognized in Fiscal 2014

NA2000 Series Industrial Ethernet Switch



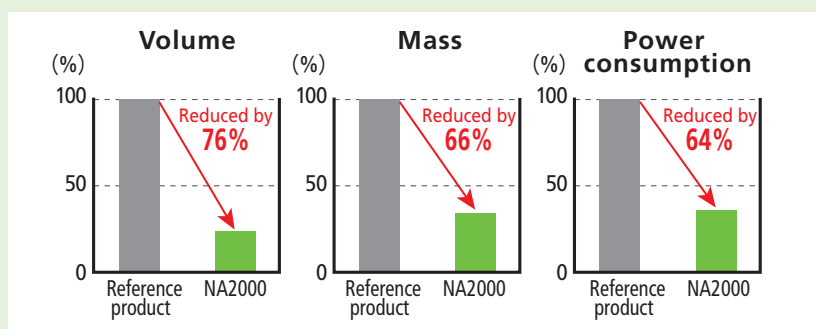
Masanao Kobayashi
Development Department,
Anritsu Networks Co., Ltd.



The NA2000 Series Industrial Ethernet Switch features the environmental durability and excellent reliability required by the diverse installation environments of social infrastructure systems. As the high-end model of the EC2060 Series high-reliability compact switch, optimal for fiber optic networks for roads and rivers, the NA2000 Series is a ventless, sealed product with anti-corrosive gas features.

While conventional products use fans to dissipate heat, the structural design of this product dissipates heat from the surface of the casing without a fan. Its fanless structure contributes to its compact design and increases energy performance by eliminating the need for a fan power source while also reducing failure factors and noise. By using a high-efficiency compact power source and changing the casing material from iron and stainless steel to aluminum, we reduced volume by 76%, mass by 66% and power consumption by 64% compared to a conventional product.

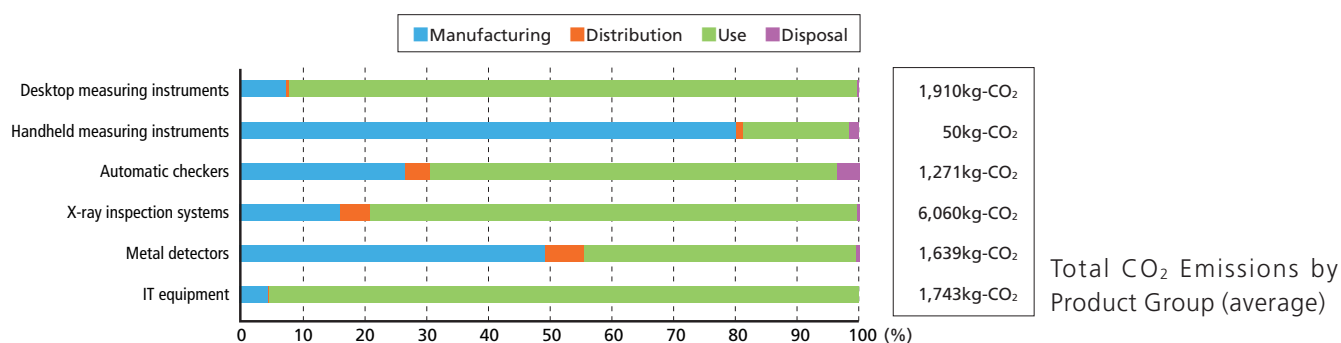
The product has a height and width of 42 mm and 210 mm, respectively, allowing for the installation of two units inside the 1U space (1.75 inches = 44.45 cm) of a standard 19-inch rack.



CO₂ Emissions across Product Life Cycles

The Anritsu Group in Japan expanded its LCA, previously applied only to some products, to all of its products beginning in fiscal 2013, and is aware of CO₂ emissions at each stage of the product life cycle.

CO₂ Emissions and Breakdown across the Life Cycle of Product Groups



■ Promotion of Supply Chain Management

The provision of environmentally conscious products requires the use of parts and materials that reduce environmental impact.

The Anritsu Group in Japan upholds environmentally conscious supply chain management through green procurement and conducts research on the chemical substances in the parts it purchases, in accordance with the Basic Rules of Procurement.

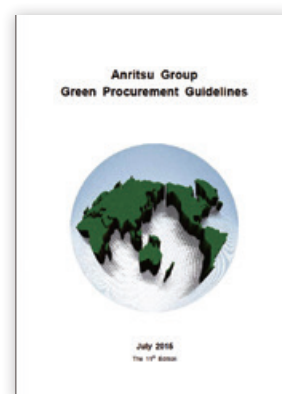
■ Green Procurement

Anritsu undertakes green procurement in accordance with its Green Procurement Guidelines established in fiscal 1999 by preferentially procuring environmentally conscious parts and materials.

Since Anritsu Corporation's environmental partner company certification system was launched in 2001, the company has been evaluating the status of Anritsu suppliers' environmental management systems (EMS) and product assessment procedures by ranking them at three levels and encouraging the environmental initiatives of suppliers. In fiscal 2009, we incorporated into the system a means for assessing the management status of chemical substances in products. We have also provided suppliers with check sheets and conducted factory audits to strengthen the reliability of information on chemical substances in products.

In fiscal 2011, we introduced the concept of preserving biodiversity to our activities and began implementing initiatives to deepen supplier understanding of biodiversity preservation.

As of fiscal 2014, 173 suppliers have been certified as environmental partners.



Green Procurement Guidelines



■ Management of Chemical Substances Contained in Products

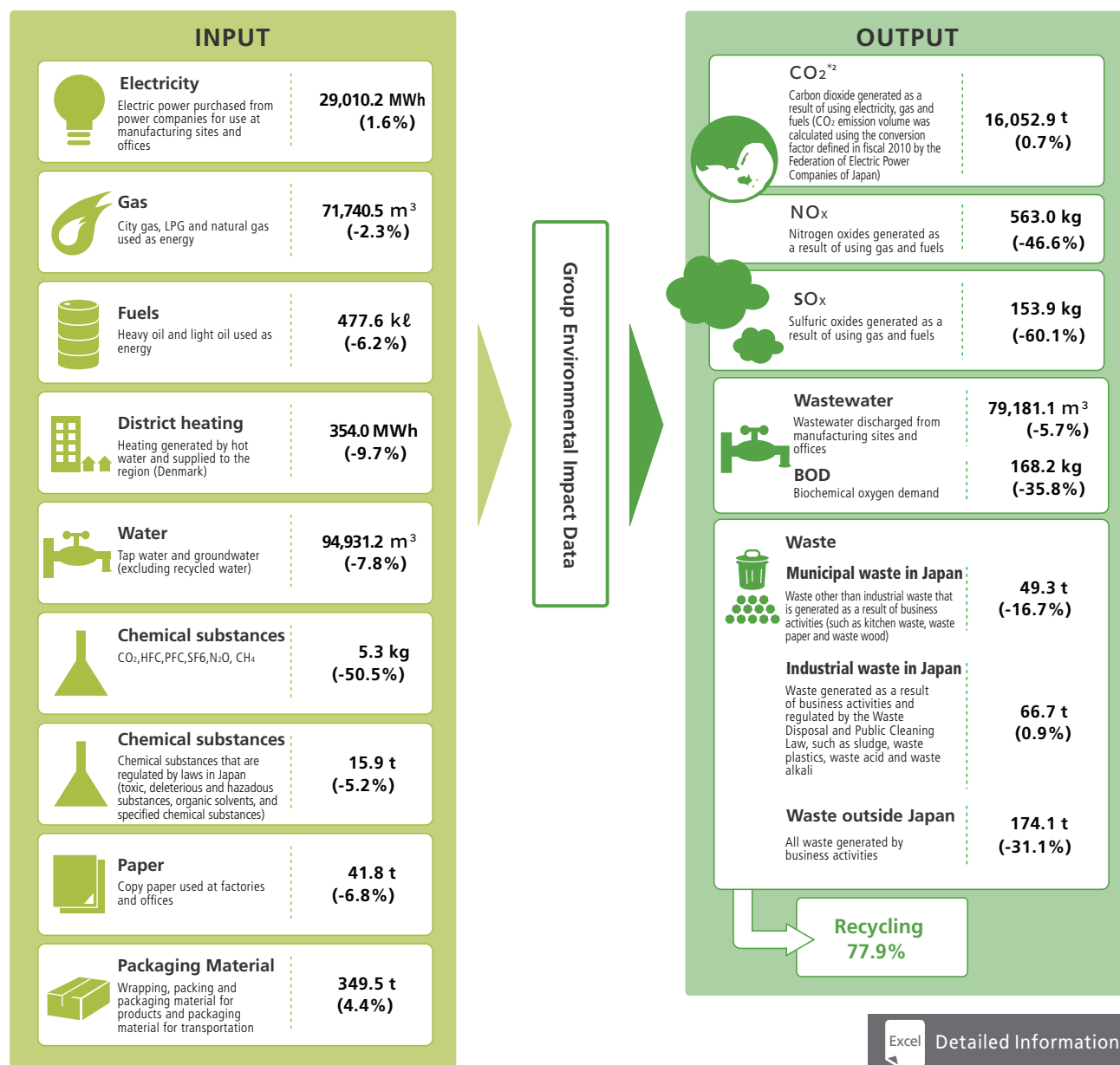
Ensuring no harmful substances are in our products requires proper and continuing chemical substance management by suppliers and companies further upstream. Anritsu seeks to procure appropriate parts and materials by investigating chemical substances contained in purchased goods in accordance with our Green Procurement Guidelines and entering the results into a database.

Group Environmental Impact Data*1

Anritsu quantifies its environmental impact and environmental protection activities in monetary and physical units in order to assess and upgrade the efficiency of these activities. We disclose the results to enable our stakeholders to gain a deeper understanding of our environmental actions.

The environmental impact mass balance of the Anritsu Group's global business activities is summarized below.

Percentage changes from fiscal year 2012 are in parentheses.



*1 Environmental impact expressed in the form of a balance sheet in which substances entering the company are identified and listed by name and mass in one column and substances and mass exiting the company are identified and listed in the other column to more clearly display the relationship between business activities and environmental impact.

*2 Calculations for energy sources other than electricity for sites both in and outside Japan are based on the emission factor under the Act on Promotion of Global Warming Countermeasures, as revised March 29, 2006. Calculation of CO₂ emission volume from electricity use in the United States is based on the emission factor of 0.285, while CO₂ emission volume from electricity use in regions other than the United States is based on the emission factor provided by the Federation of Electric Power Companies of Japan (actual figure for fiscal 2013: 0.57).

Environmental Accounting

Environmental Accounting (fiscal 2014)

In fiscal 2014, investment into environmental conservation increased by approximately 2.4 times compared to the previous fiscal year, due to upgrades in air conditioning, heat insulation work on buildings and construction of the new Global Headquarters Building. Costs increased by 13% due to higher depreciation costs related to capital investments. Economic impact decreased by 46% due to revising the benchmark year from fiscal 2004 to fiscal 2012 in order to better reflect the results of Cool Biz and Warm Biz initiatives (economic impact decreased by approximately 9%, based on the conventional comparison with fiscal 2004).

● **Aggregate scope** : Anritsu Corp. and Group Companies in Japan

● **Eco Product** : April 1, 2014 to March 31, 2015

Figures in brackets are the results from FY 2013

Environmental conservation cost				Benefits	
Category	Breakdown	Investment (millions of yen)	Cost (millions of yen)	Economic benefits (millions of yen)	Environmental impact reduction benefits
Business area cost	Pollution prevention cost	1.4 [3.30]	11.7 [22.0]	146.1[149.4]	
	Global environmental conservation cost	49.6 [18.8]	30.0 [16.9]	21.4 [164.6]	369 (t-CO ₂) [3,764 (t-CO ₂)]
	Resource circulation cost	5.2	80.0 [59.1]	0.0[0.0]	Reduced due to sale of valuable resources 219 (t)
	Waste disposal cost		51.4 [48.3]	22.0 [27.0]	
Upstream/downstream cost	Green purchasing/procurement cost		18.0[23.4]	59.9 [56.6]* ¹	1,707 (t-CO ₂)* ¹ [1,254 (t-CO ₂)]
	Design of environmentally conscious products		26.8 [20.2]		
	Recycling and treatment of products, containers and packaging		0.0 [0.0]		
Administration cost	Environmental education/training		20.0 [20.3]	0.0 [3.7]	
	Operation and maintenance of EMS and internal audit		53.2 [45.2]	0.0 [3.1]	
	Environmental load monitoring and measurement cost	0.0 [0.8]	19.3 [19.2]	0.0 [1.4]	
	Personnel expenses for environmental management		10.7 [6.2]	0.0 [0.0]	
	Greening and upkeep of greenery		8.4 [9.3]	0.0 [0.0]	
Social activity cost	Support for community groups, environmental conservation bodies, etc.		1.3 [1.2]	0.0 [0.0]	
	Disclosure of information		10.3 [9.8]	0.0 [0.0]	
R&D cost	Research and development to reduce environmental impacts		0.1 [0.1]	0.4 [0.0]	
Environmental remediation cost	Cost incurred for recovery from environmental degradation		0.0 [0.0]	0.0 [0.0]	
Total		56.2 [22.9]	341.2 [301.3]	249.4 [405.9]* ²	
Total after the removal of upstream/downstream cost				189.5 [349.3]* ³	
Percentage change from FY2013 to FY 2014		144.9%	13.2%	-45.8%	

*1 Estimated environmental impact reduction benefits when products are in use. Reduction of electric power: 2,994MWh [2,574 MWh]

*2 Including estimated benefits

*3 Excluding estimated benefits

The Anritsu Group is gradually switching to energy-saving equipment as part of its ongoing effort to reduce greenhouse gases. Of particular note is our Global Headquarters Building, completed in March 2015, which was entirely designed with consideration for the environment, including a highly insulated building structure, high-efficiency air conditioning, LED lighting and solar power generators. The building is expected to have a significant impact on reducing greenhouse gases.



【Atsugi site: upgraded air conditioners, conducted insulation work for buildings, completed the Global Headquarters Building.】

● Cost: 424.3 million yen

● Reduction in CO₂ emissions: 1,326 t-CO₂/year

【Tohoku site: upgraded air conditioners, shifted to Hf inverter fluorescent lighting】

● Cost: 71.9 million yen

● Reduction in CO₂ emissions: 78 t-CO₂/year

History of Anritsu's Environmental Management Activities

2014	Completed the new, environmentally conscious Global Headquarters Building.
2013	"Certified and registered as an "Environmentally conscious Business Site" under the Kanagawa Prefectural Ordinance on Conservation of Living Environment (Atsugi site). Established an environmentally conscious factory, the Koriyama Second Business Office."
2012	"Ceased operations at the Tanasawa site due to the consolidation of Anritsu Device Co., Ltd. operations at the Atsugi site. Created the new Hiratsuka site following the opening of a new plant by AT Techmac Co., Ltd. (Hiratsuka City, Kanagawa Prefecture)."
2011	Contributed to local communities through activities such as the Radiation Seminars for PTAs in Koriyama City, Fukushima Prefecture.
2010	Received the Kanagawa Prefecture award for meritorious service in environmental improvement (for promoting a recycling-oriented society) as a company from the Governor of Kanagawa Prefecture.
2009	Joined the promotion partners for Nippon Keidanren's Declaration of Biodiversity.
2008	Expanded the scope of ISO14001 certification to the Anritsu business sites.
2007	Wins the Kanagawa Global Environment Award 2007. Anritsu Company (USA) aquired ISO14001 certification.
2006	Wins President Award from the Atsugi Area Waste Renewal Conference. Anritsu Company (USA) wins Excellence Award for 2006 from Morgan Hill, California.
2005	Tohoku Anritsu Co., Ltd. wins an excellence award for the business division in a zero emission activity proposals contest sponsored by the Fukushima Prefectural Government. The first Global Environment Management Meeting is held at Anritsu Ltd. (UK).
2004	Revised "Anritsu Group Green Procurement Guidelines". Anritsu group Companies in Atsugi, Tanasawa, and Tohoku sites achieved zero emission.
2003	Integrated ISO14001 certification to include Anritsu group companies in Atsugi, Tanasawa, and Tohoku sites.
2002	Organized Environment Promotion Center unified disparate environment-related departments. Expanded ISO14001 certification to include Tanasawa Site and Anritsu group in the Atsugi area. Acquired the Industrial Waste Disposal Contractor License for Recycling Center in Japan.
2000	Anritsu Limited (U.K.) acquired ISO14001 certification. Established the Anritsu Eco-Product system. Established the Recycling Center.
1999	Published "Anritsu Green Procurement Guidelines - for product development". Tohoku Anritsu Co., Ltd. acquired ISO14001 certification.
1998	Acquired ISO14001 certification for Atsugi Site (Japan). Atsugi site was commended by the Manager of the Kanto International Trade and Industry Bureau as an excellent 'green' factory. Organized the Environmental Engineering Group in the Technology Division. Organized the Lead-free Soldering Committee.
1997	Established Anritsu's environmental policy.
1996	Joined the "Green Purchasing Network". Established the Anritsu Environment Manual. Decommissioned the facilities specified in the Air Pollution Control Act (kerosene boilers) at Atsugi Site.
1995	Received the Atsugi Site Waste Renewal Conference Chairman's Award.
1994	Reorganized the ZP Committee at Atsugi Site into the Environment Management Committee. Organized the Product Assessment Committee.
1993	Ended use of all ozone-depleting substances (except refrigerants and fire extinguishing chemicals) companywide. Organized the Environment Management Committee. Made adjustments to comply with statutory nickel-cadmium regulations. Established an environmental principle and environment management system regulations. Investigated flame retardant bromic substances and disposal methods. Organized the Energy Reduction Subcommittee.
1992	Received the Atsugi Site Waste Renewal Conference Chairman's Award.
1991	Atsugi Site received the Japan Greening Center President's Award.
1990	Started centralized purchase and distribution of chemical substances. Organized the Environment Management Section within the General Affairs Department at Atsugi Site.
1987	Constructed elevated pipelines system of inorganic wastewater processing at Atsugi Site.
1981	Atsugi Site received an Excellent Environment Preservation Award from the Kanagawa Prefecture Central Area Administration Center.
1980	Atsugi Site was commended as a Kanagawa Prefecture 'green' model factory.
1979	Atsugi Site was commended by the Kanagawa Environmental Conservation Association for its excellent environmental conservation practices.
1978	Connected waste water other than rain water to the public sewage system at Atsugi Site.
1974	Introduced an activated sludge processing facility as the kitchen drain water processing.
1970	Established the Zero Pollution (ZP) Committee at Atsugi Site.
1962	Constructed a wastewater treatment facility after opening a chemical engineering plant at Atsugi Site.

The goal for Anritsu	Anritsu establishes partnerships by proactively disclosing information and dialoging with stakeholders throughout its business activities.
The goal for employees	Every employee develops a sense of mutual understanding with stakeholders by listening to their expectations and actively communicating with them.
Appreciation by society	Anritsu gains a solid reputation and trust by communicating a true image of itself to stakeholders.

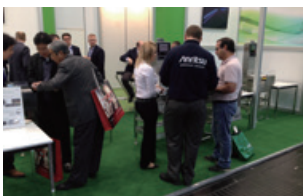
Communication with Stakeholders

Anritsu establishes partnerships by pro-actively disclosing information and dialoguing with stakeholders throughout its business activities.



Customers

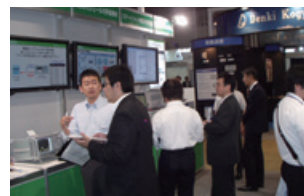
We participate in trade shows in order to introduce Anritsu products to our customers and many other stakeholders.



Interpack



Interop2014

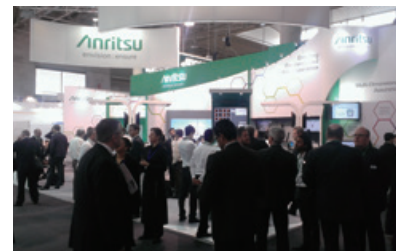


Wireless Technology Park

● Mobile World Congress 2015

The Mobile World Congress 2015 in Barcelona, Spain, is the world's largest trade show for wireless communication. During the event, which attracted around 93,000 visitors from 200 countries, we showcased our cutting-edge technology with an exhibit of the latest LTE-Advanced solutions and a connectivity demonstration between an in-vehicle chip, in response to growing interest in the automotive market.

We will continue contributing to the development of mobile broadband services by remaining the first to provide the most advanced technologies.



Mobile World Congress 2015

● OFC 2015

We participated in OFC 2015, held in March 2015 in Los Angeles, United States, by exhibiting measurement solutions that serve as the backbone of 100 Gbps and 400 Gbps high-speed communications.

The development of mobile broadband services and IoT is expected to spur an even more dramatic rise in data traffic. Moreover, Anritsu is contributing to the construction of wired communications systems, including submarine cables between Japan and the United States, as well as inter-city networks in various countries. Our MP1800A Signal Quality Analyzer and the MT1100A/MT1000A Network Master Series received Lightwave Innovation Awards, which recognize superior products.

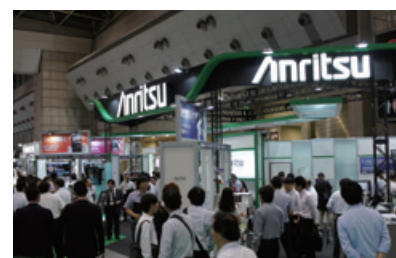


OFC 2015

● FOOMA JAPAN 2014 International Food Industry Trade Show

About 2,300 visitors visited the Anritsu booth at FOOMA JAPAN 2014, where we exhibited products that contribute to food safety and security. We also set up a mini seminar area for a basic-level session, "Inspection Systems on the Food Production Line—Weight and Contaminant Inspection," and an intermediate-level session, "Inspection Systems Changing Food Defense."

For those interested in metal inspections, we introduced critical control point management using PITT personal authentication and bar code readers, as well as high-security inspection systems that integrate contaminant and mass inspections with camera surveillance. Visitors were impressed with the opportunity to experience the operating inspection equipment first-hand.



The Anritsu booth attracted many visitors

Shareholders and Investors

We are proactively disclosing information and encouraging interactive communication to build an important relationship with shareholders and investors and applying their feedback to improve our business and IR activities.

Disclosure Policy

Anritsu will disclose accurate information at any time to every stakeholders with good faith and positive attitude by observing the related laws.

Action policy

1. Anritsu will disclose accurate information
 - in clear and plain speech
 - actively with timely and promptness; and
 - broadly with equality
2. Anritsu will place a strict control on information management and strive to prevent insider trading.

System for Investor Relation Activities

Anritsu seeks to obtain an appropriate assessment of its corporate value through communication with shareholders and investors while striving to achieve higher shareholder satisfaction by enhancing corporate value and delivering returns to shareholders. To this end, we carry out IR activities under the leadership of the IR Department. Comments by shareholders and investors are shared with our Information Disclosure Committee, which includes members of management, and at the IR Promotion Meeting, along with information on the participation of those responsible for IR activities in the Management Strategy Center, Accounting and Control Department and Legal Department. The feedback is also used for improving information disclosure and business activities.

Recognition by External Organizations

Anritsu has been selected for the FTSE4Good Index Series by the U.K.-based FTSE Group, a global SRI fund, and is among the 150 publicly listed in MS-SRI, Morningstar Japan K.K.'s socially responsible investment index. We will continue to disclose information to stakeholders and sincerely respond to requests and issues toward further enhancing corporate value.



Activities from Fiscal 2014 to the First Quarter of Fiscal 2015

Since Anritsu Corporation conducts business worldwide that does not come into direct contact with general consumers, we think it is very important to inform our shareholders as faithfully as possible of our business structure, framework for generating profits and other factors that affect our business results. Our ongoing activities include quarterly results briefings; individual meetings with international institutional investors; roundtable conferences for shareholders after our general shareholders' meeting; annual reports, business reports and other publications; disclosure of information and shareholder/investor questionnaires on our website; and posting of IR information on external financial information sites.

From fiscal 2014 to May 2015, we disclosed information mainly through quarterly financial reports and progress reports on our mid-term business plan. To expand our shareholder base we actively communicated with a broad range of investors by conducting overseas IR activities, holding briefings for individual investors, and participating in IR forums. We also enhanced the transparency of our information disclosure by publishing an annual report on a website dedicated to IR.

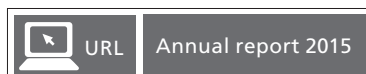


Results briefing for institutional investors



Anritsu report 2015

We have published the integrated report in place of the annual report in 2015



Shareholder Composition (as of March 31, 2015)

Please refer to the Stock, Bonds and Ratings page on our corporate website.



Business Partners

Strengthening trust with business partners is vital to achieving mutual growth. We value forging even stronger partnerships involving the participation of our business partners in meeting society's expectations and needs through the operations of the entire supply chain.

Business Partner Gathering

On January 21, 2015, we hosted a business partner gathering which drew 287 representatives of 142 Anritsu business partners (127 Japanese companies and 15 overseas companies). We explained how the development of mobile broadband services is driving Anritsu's growth by presenting opportunities in our measurement business and the related strategies we have been implementing. We also laid out our procurement guidelines and shared our vision with business partners. Our most valued business partners were awarded with a certificate of gratitude, a plaque and commemorative gifts.

In addition, we announced this year's symbolic Chinese character, shin (new), which was selected from among employee recommendations.



Business Partner Gathering

Promoting Partner QU Proposal Activities

We conduct the Partner QU (Quality Up) Activity as a communication channel for business partners so that they can offer ideas for improvements, requests and opinions concerning Anritsu. In addition to procurement-related issues, we welcome opinions on a broad range of other areas, including sales, technology, manufacturing, service, safety and health, the environment and CSR.

A council that promotes and supports the Partner QU Activity meets once a month to deliberate on the proposals, determine whether or not to adopt them, and select companies for the annual award.

NGOs and NPOs

Anritsu is co-sponsoring a program that supports outdoor recreation activities for preschool children in Fukushima Prefecture. The program is planned and organized by the public interest incorporated association Save the Children Japan and implemented by Kodomo-no-Mori (Children's Forest), a non-profit organization. Twenty-six employees participated as volunteers for the outdoor activities, which took place over ten days between July and October 2014.

The program aims to address the decline in frequency of children's outdoor play since the Great East Japan Earthquake, particularly in Fukushima Prefecture, by providing opportunities and a place for children to enjoy the normal childhood experience of spending free time in a natural environment.

We will continue to contribute to society through collaborations with international NGOs and NPOs.



Providing outdoor recreation for preschool children in Fukushima
©Save the Children Japan



Employees

The increasing globalization of our businesses and diversification of work styles have raised the importance of respecting human rights and promoting diversity. Moreover, from the perspectives of recruiting human resources and revitalizing internal communications, we are emphasizing systems and workplace environments that allow diverse groups of personnel to work in comfort.

As part of these efforts, the Anritsu Group conducted an employee satisfaction survey in the U.S., the Asia-Pacific region and Japan. The survey gathered employee responses on issues such as how well they understood the direction of the company, its efforts in various programs, workplace communication, and their general sense of fulfillment at work. The results were reported to each division and incorporated into daily operations.

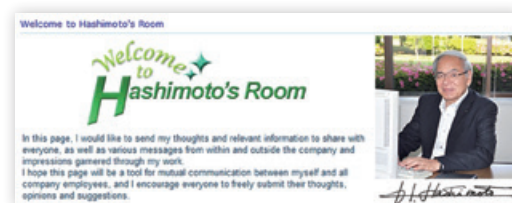
■ Consultation Contact Points for Employees

The Anritsu Group in Japan offers various means for employees to provide feedback or receive consultation. Employees can access the internal website, choose from a list of contact points, and communicate by phone or e-mail.



■ Communication with the President

Since his appointment, President Hashimoto has been using the corporate intranet to convey his management policies and provide other information. He also set up his own blog, the "Online President's Room," to communicate with employees by commenting on familiar topics each week. Overseas employees can read content from the blog under the title "Hashimoto's Room."



Corporate Governance

Basic Approach and System Overview

Basic Approach

Anritsu's priority management issues are responding to changes in the operating environment in a flexible and speedy manner, improving competitiveness as a global company, and continuing to increase corporate value. To address these issues, we are placing priority on and working to create an environment and structure where corporate governance can function effectively.

1. Greater management transparency
2. Appropriate and timely disclosure of information
3. Stronger management supervision
4. Management resources development

With this approach, we will continue to fulfill our corporate mission with "Sincerity, Harmony, and Enthusiasm", as stated in the Anritsu Group's corporate philosophy, by maintaining and implementing our internal system to facilitate transparent, fair, prompt, and bold decision making in the interests of shareholders, customers, employees, the community, and other stakeholders.

System Overview

Anritsu, as a company with an Audit & Supervisory Board, appointed three independent outside directors and two independent outside audit & supervisory board members. In addition, Anritsu formed its Nominating Committee and Compensation Advisory Committee, as voluntary advisory bodies to the Board of Directors, which are composed mainly of outside directors, with the aim of securing transparency and accountability. Through these and other activities, Anritsu has been taking initiatives to strengthen its corporate governance system.

Beginning in June 2015, Anritsu started to move forward with these corporate governance initiatives by continuing the functions of the Nominating and Compensation Advisory Committees, choosing to become a "Company with an Audit Committee" as provided in the revised Companies Act, and forming an Audit Committee with the aim of strengthening its corporate governance system. The reasons for becoming a Company with an Audit Committee are as follows.

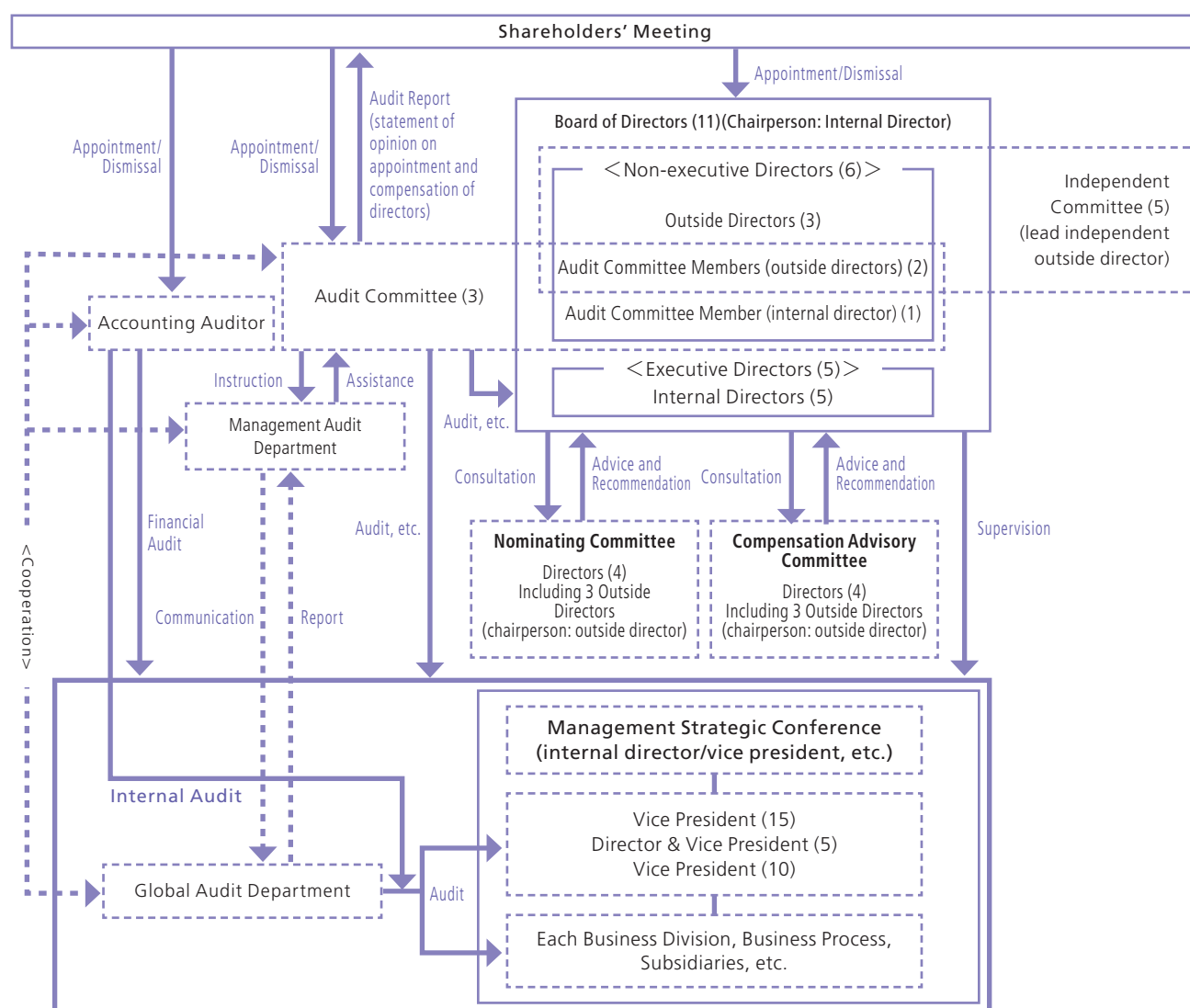
1. In view of the Company's high consolidated overseas revenue ratio and high foreign stock ownership ratio we will establish a corporate governance system that is easily understandable from a global perspective.
2. By bringing together independent outside directors with valuable skills and insight and including them in the membership of the Company's Board of Directors to increase transparency and hold active discussions from the shareholders' viewpoint.
3. By establishing an Audit Committee and providing voting rights in the Board of Directors to Directors who are members of the Audit Committee, we will strengthen their audit and supervisory functions and substantially enhance our internal control system.

As a highly specialized manufacturer, Anritsu believes that in regard to decision making it is important to stay in touch with its sites of operations, and for this reason it will maintain its executive officer system with the aim of ensuring the timely execution of operations. While the Articles of Incorporation states that the Board of Directors can delegate all or part of the decision-making process regarding the execution of important operations to a director by its resolution, the Board of Directors will, in principle, deliberate and decide on such matters for the time being. We will review the issue of partially delegating such decision making to a director, as well as the criteria for the Board of Directors' agenda, to narrow down the agenda items for the purpose of developing the deliberations and strengthening the supervisory function of the board.

The number of members comprising the management system is as follows. According to our Articles of Incorporation, Anritsu can have not more than 10 directors (excluding directors elected as Audit Committee members and can have not more than 5 directors elected as Audit Committee members. There are 15 executive officers (including 2 foreign nationals).

Category and number of directors	Internal/full-time directors (number)		Outside directors	Total (number)
	Executive directors	Non-executive directors		
Directors (excluding directors elected as Audit Committee members)	5	—	3	8
Directors elected as Audit Committee members	—	1	2	3
Total (number)	5	1	5	11

► Corporate Governance Management System Diagram (as of June 25, 2015)



Company Structure

■ Board of Directors

The Board of Directors system was streamlined in accordance with the adoption of an executive officer system in 2000. Discussion by the small number of people involved facilitates prompt decision making. The board discusses reports and matters for resolution with the aid of candid opinions actively provided by outside directors. In each quarter, following the Board of Directors' meetings, a "Free Discussion" is held with the participation of the executive officers as well as directors who have attended the Board of Directors' meetings. Based on themes presented by each executive officer and related to their respective areas of responsibility, discussions on medium- to long-term management issues and the like are held with the involvement of all members.

■ Management Strategy Conference

Anritsu separates the decision-making and supervisory functions of the Board of Directors from the business execution functions of the executive officers. Important matters related to business execution are deliberated on and resolved by the Management Strategy Conference, chaired by the president. Management strategy and, in particular, important matters associated with the basic policies on Anritsu Group management and the mid- to long-term strategies for business and finance are deliberated by the Management Strategy Conference before they are presented to the for decision making.

■ Compensation Committee

The compensation for directors and executive officers is discussed and assessed by the Compensation Committee, an advisory body to the Board of Directors, with reference to various judgmental criteria including the amounts of the previous year's performance-based bonuses paid to directors and executive officers and their compensation packages, including their levels, for the current fiscal year. The committee chairperson (who also chairs the committee meetings) is served by an outside director. Currently, the committee is comprised of a total of 4 directors including 1 full-time director and 3 outside directors to ensure its transparency in its discussions on remuneration.

■ Nomination Committee

Anritsu has established the Nomination Committee as an advisory body to the Board of Directors, with the aim of improving transparency, objectivity and fairness in the selection and removal of director nominees and the resignation of representative directors as well as obtaining advice and recommendations concerning the development of management personnel capacity. The Nomination Committee is comprised of a total of 4 directors including 1 full-time director and 3 outside directors. The committee chairperson (who also chairs the committee meetings) is served by a different outside director from the chairperson of the Compensation Committee. The Nominating Committee is responsible for the preparation of a list of candidates for executive officers and other key members of management at the same level as executive officers. It also prepares a list of candidates for outside director that takes account of criteria for independence of outside directors, diversity of the board, and other considerations and submits it to the Board of Directors.

■ Independent Committee

As a new corporate governance initiative, the Independent Committee has been formed to have five independent outside directors as members, including outside directors who are members of the Audit Committee. As a result, along with the appointment of a lead independent outside director, a venue for lively discussion has been created and members are able to exchange information and share awareness from an independent and objective perspective as well as provide advice and recommendations on management issues.

Status of Internal Audits and Audits by Auditors

With regard to an internal audit, the Global Audit Department conducts operational audits and provides guidance and assistance to internal audit departments of the group companies. Additionally, relevant departments and committees share functions as needed, such as daily monitoring for export control conducted by the Trade Control Department. Thereby, enhancement and improvement of company-wide audit functions are attempted.

From the current fiscal year, Anritsu became a company with an audit and supervisory board. With regard to audits conducted by its Audit & Supervisory Board members, when the board receives an outline of audits and quarterly review plans, summary of quarterly audit review, term-end summary of audits, accountant's report and notices issued in accordance with article 131 of the Corporate Accounting Rules, the board is presented with brief explanations about the information reported in these documents by the accounting auditor and exchanges opinion. In addition, each Audit & Supervisory Board member (including outside Audit & Supervisory Board members) conducts meetings as needed with the accounting auditor to exchange opinions and information including the results of visiting audits.

Moreover, in order to implement effective and efficient audits, Audit & Supervisory Board members and the internal audit department (Global Audit Department) conduct regular meetings once every quarter and irregular meetings on a case-by-case basis. They exchange opinions on such topics as audit policies, audit plans, and the state of audit implementation. They also undertake endeavors to strengthen collaboration through audit reporting in each audit case.

In addition, in order to enhance the effectiveness of the managerial supervisory function, Audit & Supervisory Board members, including outside members of this board, meet with the president twice a year to discuss and exchange information.

Audit Committee and Management Audit Department

Following the conclusion of the 89th Ordinary General Meeting of Shareholders held on June 25, 2015, rules on the Audit Committee and its detailed regulations were established at the first Audit Committee meeting held on the same date after the transition to a Company with an Audit Committee. We deliberated on audit policies, audit plans, audit methods, sharing of responsibilities for audit operations and similar issues in addition to the appointment of the chairperson of the Audit Committee, appointment of full-time Audit Committee members, and other matters necessary for carrying out duties of the Audit Committee members. Takaya Seki, an outside director, was elected as the chairperson of the Audit Committee and Tomoyuki Kikugawa was appointed as a full-time Audit Committee member. We will link this to a more prompt and accurate understanding of information internally and agile auditing. Yuji Inoue, an outside director, worked as a general manager of the accounting department of his former company and experienced accounting and finance operations. Therefore, he has considerable knowledge on finance and accounting. Currently, there are a total of 3 directors elected as Audit Committee members including 2 outside directors and 1 full-time director who does not execute operations. A team comprising the aforementioned members will carry out the duties of the Audit Committee members and manage the Audit Committee.

Moreover, we established the Management Audit Department in April 2015 as an organization for supporting the operations of the Audit Committee to maintain and improve the audit quality of the Audit Committee. The Management Audit Department (comprising 2 members as of June 2015) will conduct its operations in cooperation with the Audit Committee, the accounting auditor and the Global Audit Department (comprising 5 members as of June 2015). As we have multiple domestic and international subsidiaries in our group and prioritize governance of global corporate groups including such subsidiaries, directors elected as full-time Audit Committee members and executives of the Management Audit Department will take the positions of Audit & Supervisory Board members (or non-executive directors for companies without Audit & Supervisory Board members) in our major domestic and international subsidiaries, sharing the responsibilities involved. Through this, we will enhance the functions for auditing and monitoring of subsidiaries.

In addition, we will utilize the audit know-how acquired before the establishment of the Audit & Supervisory Board members and the Audit & Supervisory Board and will continue making effective efforts based on the experiences we have cultivated over a long period. At the same time, we will aim to improve further the quality and efficiency of audits.

Status of Accounting Audit

The certified public accountants who have conducted our accounting audit operations are Iwao Hirano, Tatsuo Morii and Atsushi Nagata, all members of KPMG AZSA LLC. Assisting accounting audit operations for the fiscal year ending March 2015 are 6 certified public accountants and 10 other personnel. In addition, no agreement on a restriction of liability for damages has been executed between Anritsu and the independent auditor.

Role of Outside Officers

■ Approach

Following the conclusion of the 85th Ordinary General Meeting of Shareholders held on June 28, 2011, Anritsu implemented a system with a total of 5 outside officers, including 3 outside directors and 2 outside Audit & Supervisory Board members. As part of our efforts to strengthen corporate governance, a system was put in place to promote management utilizing external viewpoints and to enhance further monitoring functions related to the execution of operations. After the conclusion of the 89th Ordinary General Meeting of Shareholders held on June 25, 2015, Anritsu made a transition to a Company with an Audit Committee and has adopted a system with 5 outside directors. Following the transition and by bringing together independent outside directors with valuable skills and insight and including them in the membership of the Board of Directors, we have increased the percentage of outside directors as well as raised the level of transparency and can hold active and effective discussions from the shareholders' point of view.

■ Consideration for Independence in the Selection Process

The company tries to appoint outside directors who possess extensive global business experience as corporate executives, a wealth of knowledge and excellent insight, such as attorneys at law in Japan and the United States, certified public accountants and corporate governance specialists. The company expects to draw on directors' advice based on their outside perspectives in areas such as management. The company also believes that this will strengthen objectivity and fairness in the decision-making process at Board of Directors' meetings while also leading to an increase in management transparency. The company enters into an agreement with each of its outside directors to limit any liabilities for damages in their relevant positions. Under the agreement, the maximum amount of liability for outside directors shall be the higher amount of either 10 million yen or the amount regulated under laws and regulations.

The company has assigned all of its 5 outside directors as its independent officers and filed them with the Tokyo Stock Exchange. Outside Director Teruaki Aoki has experience as a managing director, senior executive vice president, executive officer, and in other executive posts at Sony Corporation, and currently serves as president of Sony University of the company. Outside Director Takaya Seki currently serves as a lecturer at the Graduate School of Global Business and the Organization for International Collaboration at Meiji University. Outside Director Yuji Inoue has experience as a group executive officer, managing director, and in other executive posts, and as a Standing Audit & Supervisory Board member (full-time) at Ricoh Company, Ltd. The Anritsu Group has business relationships, both directly and indirectly, with the above corporations and others where its outside directors and outside Audit & Supervisory Board members concurrently serve or formerly worked, as well as their major subsidiaries, principally through the sales and maintenance of Anritsu Group products. However, the amount of such business transactions is small (each of them accounted for less than 1 percent of Anritsu's consolidated revenue for the current fiscal year). Other than the above, there are no personal, capital or trading relationships, or other conflicting interests between the company and each

of its outside directors and outside Audit & Supervisory Board members. Therefore, Anritsu has determined that there are no potential conflicting interests between them and the general shareholders, on the grounds that none of them is a person who executes business or is a principal shareholder or former employee of the major clients of Anritsu or its affiliates, and that the company recognizes no significant matters concerning these outside officers that affect their independence.

In selecting outside officers, Anritsu pays close attention to potential conflicts of interest with general shareholders as laid down in the “Guidelines Concerning Listed Company Compliance, etc.” of the Tokyo Stock Exchange. This precludes any possibility of selecting a person who may be under significant influence of the company’s management or exerts a significant influence on its management. In addition, with a view to reflecting various stakeholders’ views on the supervision and proper management of the Anritsu Group’s operations, the company places importance on the diversity of nominees’ professional competence, background and other aspects.

In order to facilitate sustainable and robust corporate governance, the company believes that arbitrariness must not be a part of the selection or nomination of candidates for outside officers, and to establish an environment that maintains the independence of outside officers after they assume their office. In line with this notion, the Board of Directors resolved to adopt the “Criteria for the independence of outside officers,” detailed below. The establishment and revisions of these criteria shall obtain approval and be resolved by the Board of Directors after deliberation at the Nomination Committee, which is an advisory body of the Board of Directors. Anritsu emphasizes that its outside officers remain neutral and independent of the company. In light of this, in selecting candidates for these positions, it places importance on determining whether their independence meets these criteria.

■ Criteria for the Independence of Outside Officers

With reference to the results from reasonable assessments conducted by Anritsu and other information, the company will determine whether the outside director or outside Audit & Supervisory Board member (hereinafter collectively referred to as “outside officer”) or outside officer candidate is sufficiently independent of the company’s management, if they or their business title does not fall into any of the following categories.

1. A person who executes business^{*1} of the Anritsu Group or its subsidiaries (hereinafter collectively referred to as the “Anritsu Group”)
2. A principal shareholder^{*2} of Anritsu or a person who executes business^{*1} for such a shareholder
3. A person who executes business^{*1} of an organization of which the Anritsu Group is a principal shareholder^{*2}
4. A person of an organization of which the Anritsu Group is a major client^{*3} or a person who executes business^{*1} for such an organization
5. A major client^{*3} of the Anritsu Group or a person who executes business^{*1} for such a client
6. A person of an organization that receives a large amount of contributions in the form of money or other assets^{*4} from the Anritsu Group or a person who executes business^{*1} for such an organization
7. A consultant, professional accountant (e.g., certified public accountant) or legal professional (e.g., lawyer) who receives a large amount of money or other assets^{*4} other than director’s compensation (if the subject receiving a large amount of money or other assets^{*4} is a corporation or institution such as an association, then a person belonging to one of these organizations)
8. A person from an organization with which the Anritsu Group has a reciprocal outside director appointment^{*5} relationship
9. A person who has fallen under any of the above 1 to 8 in the past^{*6}
10. A person who is a spouse or relative within the second degree of those stated in (a) or (b) below
 - (a) Important persons^{*7} of those described in 1 (note that these include both incumbent and former directors who are or were not persons who execute business^{*1} when judging the independence of outside directors elected as Audit Committee members or their candidates);
 - (b) Important persons^{*7} of those described in 2 to 8
11. Other than those described above, a person whose circumstances are reasonably considered incapable of fulfilling an outside officer’s responsibilities from an independent and impartial standpoint with respect to the company.

Notes:

- *1 "A person who executes business" refers to a person who executes operations as a director (excluding outside directors), officers, employees (including executive officers), etc. It also refers to a person who executes operations of a legal entity (other than a corporation) or an institution, e.g., an association.
- *2 A shareholder whose voting common stocks in the company (held either directly or indirectly), accounting for 10 percent or more of the total, is reasonably deemed as a "principal shareholder."
- *3 "Major client" is defined according to the description of a "major client" prescribed in III 5. (3)-2 of the Guidelines Concerning Listed Company Compliance, etc. of the Tokyo Stock Exchange.
- *4 The company reasonably assesses that the value of "money or other assets" awarded to the person is "large" if it, for any fiscal year, stands at 10 million yen or more or accounts for 2 percent or more of the person's gross income, whichever is greater.
- *5 "Reciprocal Outside Director appointment" refers to a relationship between the Anritsu Group and another company where an incumbent outside director of the other company was previously an employee of the Anritsu Group and in reverse an outside director of the Anritsu Group was previously an employee of the relevant other company.
- *6 The "past" in this context does not represent any specific period of time with regard to the person stated in 1 above, whereas the term "past" in reference to 2 to 8 means the previous 10 fiscal years, including the most recent.
- *7 The term "important persons" in (a) means persons who execute business as stated in 1. They include important employees such as executive officers but exclude those whose positions are senior managers or of a lower rank. With regard to "important persons" of those described in 2 to 8 (excluding 7) and specified in (b), the criteria is limited to important persons who execute business and ranked at important positions, such as director, officer and executive officer. Separately, the "important persons" referred to in 7 are limited to those with professional qualifications, such as public certified accountants and lawyers.
- *8 The company will separately set out, as necessary, the criteria for "the amount of transactions or contributions that can be deemed not to have significant influence on shareholders' decisions regarding the exercise of their voting rights," concerning "Listed company clients and directors who were previously employees of such clients" and "Beneficiaries of contributions made by listed companies or directors who were previously employees of such beneficiaries" (both are mandatory attributable information to be incorporated in the Corporate Governance Report and Independent Directors/Auditors Notification filed with the Tokyo Stock Exchange in accordance with its rules).

Compensation of Directors

Policy and Decision Making on the Calculation Method for Compensation of Directors

The compensation of directors and executive officers is discussed in the meetings of the Compensation Committee, an advisory group to the Board of Directors. Discussions cover Directors' bonuses based on performance in the previous fiscal year, the scheme for Director's compensation, compensation levels for the current fiscal year, and other related matters. Basic policies for Director's compensation and related matters are as follows.

1. Creation of systems that will create motivation for achieving corporate objectives and continuing to create corporate value
2. Creation of attractive systems that will enable the Company to secure capable and diverse personnel as Directors of a global corporation
3. Securing appropriateness and objectiveness in the compensation determination process and in allocation of compensation

Under the policy stated above, the amount of directors' compensation is determined with reference to information gained from external research organizations and concerning the rates of remuneration for similar posts, and also in consideration of the balance between a fixed amount of compensation based on the directors' responsibilities and a floating amount closely tied to Anritsu's business performance for each fiscal year. With this method, the company principally aims to make efficient use of the directors' compensation scheme to provide them with incentives to enhance the company's performance for each fiscal year and achieve medium- to long-term maximization of corporate value. The compensation package contains a bonus linked to the company's performance and the amount of bonus equals 40 percent of an executive director's annual salary, which is used as the basis for their compensation package. For the compensation scheme, we have adopted an institutional design that allows the relevant directors to share their awareness of profits with shareholders and to be motivated to perform management based on an awareness of performance and stock value from medium- and long-term viewpoints. The bonus is comprised of monetary remuneration (bonuses) and non-monetary remuneration (stock-based remuneration) in accordance with an incentive plan using trusts. Each director is evaluated in light of the level of distribution of surpluses for given fiscal years targeted for evaluation, the degree of achievement of numerical targets in relation to management indexes, and the degree of achievement in relation to management indexes including non-financial viewpoints established by each director in advance, etc.

• Compensation of Directors Elected as Audit Committee Members

Focusing primarily on effective auditing of the execution of the company's duties, compensation of the directors elected as Audit Committee members in the form of fixed fees has been determined within the amount resolved at the general meeting of shareholders based on consultation with the Audit Committee members. This has been done so that the Audit & Supervisor Board members will be able to fulfill their duties independent of the influence of persons who execute business.

Disclosure of Directors' Compensation

Position	Total amount of compensation (millions of yen)	Total amount classified by compensation type (millions of yen)				Number of eligible officers
		Basic compensation	Stock option	Bonuses	Retirement benefits	
Directors (excluding outside directors)	188	125	8	55	—	5
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	42	42	—	—	—	2
Outside directors	40	40	—	—	—	6

Note:

※1 In addition to the aforementioned items, the salaries (including bonuses) for directors who serve concurrently as employees (3 persons) amount to 45 million yen.

※2 The number of directors eligible for compensation includes 1 director (outside director) who retired at the close of the 88th Ordinary General Meeting of Shareholders held on June 26, 2014.

※3 No director of the company received 100 million yen or more in the total consolidated compensation (including compensation for the director of its principal consolidated subsidiaries).

Sharing Sustainability Issues and Bolstering Knowledge among the Management Executives

In the current fiscal year, an outside director who is concurrently serving as a professor and instructor at a graduate school gave a lecture for executive officers and other management executives of Anritsu. The lecture was on corporate governance and management issues of Japanese enterprises, which are his areas of expertise. This was a meaningful approach from the viewpoint of fostering managerial personnel.

GENERAL STANDARD DISCLOSURES		Report Pages
Strategy and Analysis		
G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	04
G4-2	Provide a description of key impacts, risks, and opportunities.	04, 07-09, 11-13
Organizational Profile		
G4-3	Report the name of the organization.	Back Cover
G4-4	Report the primary brands, products, and services	06-09
G4-5	Report the location of the organization's headquarters.	05
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	10
G4-7	Report the nature of ownership and legal form.	05
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	05-10
G4-9	Report the scale of the organization, including: <ul style="list-style-type: none"> • Total number of employees • Total number of operations • Net sales (for private sector organizations) or net revenues (for public sector organizations) • Total capitalization broken down in terms of debt and equity (for private sector organizations) • Quantity of products or services provided 	05
G4-10	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).	48-50
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: <ul style="list-style-type: none"> • Changes in the location of, or changes in, operations, including facility openings, closings, and expansions • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) • Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination 	None
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization.	31
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	31
Identified Material Aspects and Boundaries		
G4-17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	05, 10
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.	03, 13
G4-19	List all the material Aspects identified in the process for defining report content.	13
G4-20	For each material Aspect, report the Aspect Boundary within the organization, as follows: <ul style="list-style-type: none"> • Report whether the Aspect is material within the organization • If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: <ul style="list-style-type: none"> —The list of entities or groups of entities included in G4-17 for which the Aspect is not material or —The list of entities or groups of entities included in G4-17 for which the Aspects is material • Report any specific limitation regarding the Aspect Boundary within the organization 	10
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	None
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	None
Stakeholder Engagement		
G4-24	Provide a list of stakeholder groups engaged by the organization.	12, 91
G4-25	Report the basis for identification and selection of stakeholders with whom to engage.	12, 91
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	91-96
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	17-22
Report Profile		
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	03
G4-29	Date of most recent previous report (if any).	03
G4-30	Reporting cycle (such as annual, biennial).	03
G4-31	Provide the contact point for questions regarding the report or its contents.	Back Cover
G4-32	a. Report the 'in accordance' option the organization has chosen. b. Report the GRI Content Index for the chosen option (see tables below). c. Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guidelines.	Core
G4-33	a. Report the organization's policy and current practice with regard to seeking external assurance for the report. b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided. c. Report the relationship between the organization and the assurance providers. d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.	61
Governance		
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	14, 97-104

	G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	14, 97-104
	G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.	14, 97-104
	G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.	14, 32, 93, 94
	G4-38	Report the composition of the highest governance body and its committees by: <ul style="list-style-type: none"> • Executive or non-executive • Independence • Tenure on the governance body • Number of each individual's other significant positions and commitments, and the nature of the commitments • Gender • Membership of under-represented social groups • Competences relating to economic, environmental and social impacts • Stakeholder representation 	14, 97-104
	G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	97
	G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including: <ul style="list-style-type: none"> • Whether and how diversity is considered • Whether and how independence is considered • Whether and how expertise and experience relating to economic, environmental and social topics are considered • Whether and how stakeholders (including shareholders) are involved 	97-104
	G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders, including, as a minimum: <ul style="list-style-type: none"> • Cross-board membership • Cross-shareholding with suppliers and other stakeholders • Existence of controlling shareholder • Related party disclosures 	Website(Anritsu Group Charter of Corporate Behavior, Chapter 5)
	G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	14
	G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	104
	G4-44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.	14
	G4-45	a. Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities.	14, 37
	G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	14
	G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	14
	G4-48	The highest committee or position that formally reviews and approves the organization's sustainability report	14
	G4-49	Report the process for communicating critical concerns to the highest governance body.	32-35
	G4-50	The nature and total number of critical concerns communicated to the highest governance body and the mechanism(s) used to address and resolve them	35
	G4-51	a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration: <ul style="list-style-type: none"> • Fixed pay and variable pay: <ul style="list-style-type: none"> -Performance-based pay -Equity-based pay -Bonuses -Deferred or vested shares • Sign-on bonuses or recruitment incentive payments • Termination payments • Clawbacks • Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives"	103, 104
	G4-52	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	103
	G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	103
Ethics and Integrity			
	G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	02
	G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	32-35
	G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	32-35

SPECIFIC STANDARD DISCLOSURES**Report Pages****Disclosures on Management Approach**

	G4-DMA	a. Report why the Aspect is material. Report the impacts that make this Aspect material. b. Report how the organization manages the material Aspect or its impacts. c. Report the evaluation of the management approach, including: <ul style="list-style-type: none"> • The mechanisms for evaluating the effectiveness of the management approach • The results of the evaluation of the management approach • Any related adjustments to the management approach" 	13, 14
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Economic

●	Economic Performance		
	G4-EC1	Direct economic value generated and distributed	05
	G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Annual Report

		G4-EC3	Coverage of the organization's defined benefit plan obligations	Annual Report
		G4-EC4	Financial assistance received from government	NA
●	Market Presence			
		G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	49, 50
●	Procurement Practices			
		G4-EC9	Proportion of spending on local suppliers at significant locations of operation	19
Environmental				
	Materials			
		G4-EN1	Materials used by weight or volume	88
		G4-EN2	Percentage of materials used that are recycled input materials	82, 88
●	Energy			
		G4-EN3	Energy consumption within the organization	Website(Group Environmental Impact Data), 71,88
		G4-EN5	Energy intensity	16
		G4-EN6	Reduction of energy consumption	71
		G4-EN7	Reductions in energy requirements of products and services	85, 86
●	Water			
		G4-EN8	Total water withdrawal by source	73, 88
		G4-EN9	Water sources significantly affected by withdrawal of water	73
		G4-EN10	Percentage and total volume of water recycled and reused	74
	Biodiversity			
		G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	NA
●	Emissions			
		G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	61, 88
		G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	61, 88
		G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	61
		G4-EN19	Reduction of greenhouse gas (GHG) emissions	71
		G4-EN21	NOx, SOx, and other significant air emissions	Website (Environmental Data of Each Site), 76,88
	Effluents and Waste			
		G4-EN22	Total water discharge by quality and destination	74, 88
		G4-EN23	Total weight of waste by type and disposal method	79, 88
		G4-EN24	Total number and volume of significant spills	NA
●	Products and Services			
		G4-EN27	Extent of impact mitigation of environmental impacts of products and services	81-86
		G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	81, 82
●	Compliance			
		G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	NA
	Transport			
		G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	61, 81, 82
	Overall			
		G4-EN31	Total environmental protection expenditures and investments by type	89
●	Supplier Environmental Assessment			
		G4-EN32	Percentage of new suppliers that were screened using environmental criteria	45, 87
		G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	45, 87
	Environmental Grievance Mechanisms			
		G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	NA
Social				
	Labor Practices and Decent Work			
	Employment			
		G4-LA3	Return to work and retention rates after parental leave, by gender	49
	Occupational Health and Safety			
		G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	55
●	Training and Education			
		G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	51-53
●	Diversity and Equal Opportunity			
		G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	5, 48-51

●	Supplier Assessment for Labor Practices		
	G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	44, 45
	G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	44, 45
	Labor Practices Grievance Mechanisms		
	G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	NA
	Human Rights		
	Investment		
	G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	44, 45
	G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	33, 49
●	Non-discrimination		
	G4-HR3	Total number of incidents of discrimination and corrective actions taken	NA
●	Child Labor		
	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	31, 44, 45
●	Forced or Compulsory Labor		
	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	31, 44, 45
	Indigenous Rights		
	G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	NA
	Assessment		
	G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	47, 48
●	Supplier Human Rights Assessment		
	G4-HR10	Percentage of new suppliers that were screened using human rights criteria	44, 45
	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	44, 45
	Human Rights Grievance Mechanisms		
	G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	NA
	Society		
	Local Communities		
	G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	56-58
●	Anti-corruption		
	G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	34
	G4-SO4	Communication and training on anti-corruption policies and procedures	34
	G4-SO5	Confirmed incidents of corruption and actions taken	NA
●	Anti-competitive Behavior		
	G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	NA
●	Compliance		
	G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	NA
	Supplier Assessment for Impacts on Society		
	G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	44, 45
	G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	44, 45
	Grievance Mechanisms for Impacts on Society		
	G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	NA
	Product Responsibility		
●	Customer Health and Safety		
	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	27
	G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	NA
●	Product and Service Labeling		
	G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	NA
	G4-PR5	Results of surveys measuring customer satisfaction	24, 26
	Marketing Communications		
	G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	NA
	Customer Privacy		
	G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	NA
●	Compliance		
	G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	NA

●:Identified Material Aspects

Independent Review

Representative Director, ideaship Inc.
Daisuke Goto



I was fortunate to have been involved in the early stages of putting together the Anritsu Group's CSR report and would like to offer my thoughts as an outside expert with an interest in its development.

In determining the scope of its CSR activities and the report, the Anritsu Group examines a broad range of requirements set out by the latest guidelines and socially responsible investment indexes while also seeking the opinions of outside experts. As a result, the key CSR issues addressed in the report for 2015 are firmly grounded on the principle of materiality.

While the plans and goals of its CSR activities reflect the issues recognized by each division and Group company, Anritsu also endeavors to address responsibly the issues that have been pointed out through dialogue with outside experts and the independent review. I respect Anritsu's stance of consistently and openly accepting outside opinions and proceeding only after careful consideration. Providing a comprehensive explanation of this approach may be a good way for the company to communicate its position on CSR with even greater clarity.

The GRI Guidelines require background explanation

when reporting on material issues, which is known as the Sustainability Context Principle. The principle encourages companies to develop an eye for strategy by asking why, while also building an understanding among readers. Regarding these aspects, I expect Anritsu will implement a full-fledged effort over the coming years.

Strengthening the organic link between reporting elements is another way to produce a more reader-oriented document. For example, providing precise information on major factories in the company profile and business outline sections would facilitate understanding of the content of the section on environmental management. I believe that moving to an integrated report this fiscal year, one that requires connectivity of information, will help strengthen these efforts.

Another remarkable development is the reinforced system of global CSR promotion. Until recently, CSR liaisons in each region have remained low key, but as they become more actively involved in identifying issues and creating initiatives, they could one day be the driving force behind raising to a new level the quality of Anritsu's reporting process as well as the content.

Response to the Independent Review

This year marked the 120th anniversary of Anritsu's founding and the tenth year since the Anritsu Group's CSR Division was established. In the independent review for CSR Report 2015, we received high marks and sound advice from Mr. Goto, Representative Director of ideaship Inc., which has been guiding us since the inauguration of the CSR Division.

With regard to his point on the process for reflecting stakeholder opinions in the annual plan and goals of each division, we will seek to offer explanations that would be easy for anyone to understand. We will also make improvements to the report on material issues in

accordance with the GRI Guidelines and create a more reader-oriented publication.

In addition, with regard to our global activities, representing a long-standing issue in our promotion of CSR, we will more closely collaborate with each region to develop actions that are based on engagement, including the sharing of issues and formulation of initiatives in response.

We stand committed to promoting communication with our stakeholders and will vigorously push forward to provide solutions for social issues.

CSR-CS Promotion Team,
Corporate Communication Department, Anritsu Corporation



The entrance to Anritsu's new global headquarters building symbolizes its limitless growth and vitality. The paintings on both sides of the entrance door are the work of Soshi Kimata.

Anritsu

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