

Risk management

Basic view

In order to minimize loss by emergence of risks and improve sustainable corporate value of the entire Group by managing various internal and external risks related to business activities, Murata periodically carries out initiatives to classify and evaluate risks, take preventative measures, and reduce loss in case of emergency.

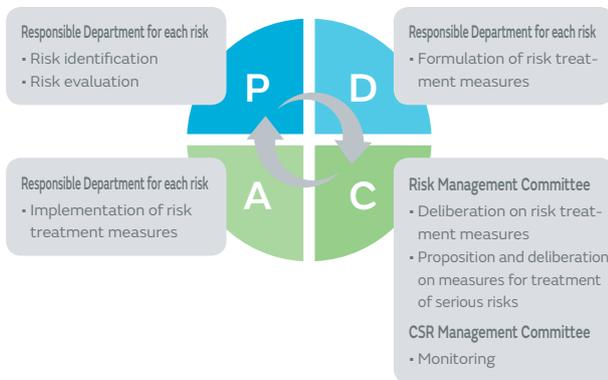
Promotion structure

Murata Manufacturing Co., Ltd. has established a Risk Management Committee as a subordinate body of the CSR Management Committee. This committee is chaired by a vice president and comprises directors from departments of General Affairs, Personnel & Industrial Relations, Corporate Communications, Intellectual Property, Environmental Affairs, Information Systems, and Legal Affairs. Together, the committee members study ways to address risks Company-wide. We have also established the Information Security Subcommittee and BCM* Subcommittee as subordinate organizations to study and take measures to address particular risks.



*BCM (Business Continuity Management)

Management activities that are operated on an ongoing basis to formulate, maintain, and renew the BCP (Business Continuity Plan), to allocate budget and resources for business continuity, to take preventative measures, and to conduct, check, and continually improve education and training for permeating initiatives.



Our initiatives

■ Strengthening of Information Security

For Murata to continue to grow, it is essential to protect information that is a Company asset, which includes technological knowhow and other confidential information. Accordingly, by establishing an organization for information security, we are working to carry out development and implementation of information security measures throughout the Company.

Besides establishing the Information Security Policy and the Information Security Management Regulations, in order to have all executives and employees understand information security and correctly handle information, we have distributed the Information Security Guidebook and promoting education, including internal training.

Furthermore, we are recording and monitoring the operations of employees on personal computers, as well as Internet communications. At the same time, for our information systems and networks, we are using third-party security diagnoses to promote measures to cope with cyberattacks.

Understanding risks

Responsible Department for each risk identifies and evaluates risks that Murata actually faces and will possibly face in the near future and formulates treatment measures twice a year, the Risk Management Committee deliberates those contents, and, if necessary, instructs additional measures. Each risk is classified in accordance with its frequency and impact so that management understands more important and urgent risks to take appropriate risk treatment measures.

■ Management of disaster risks

A major natural disaster has the potential to bring business to a stop for extended periods. Consequently, Murata Manufacturing Co., Ltd. takes various measures to ensure that business continues and that we can provide customers with a stable supply of products. We have ensured earthquake resistance and safety for buildings and production facilities, constructed backup frameworks for our communications and information systems and implemented stockpiling.

In addition, by regularly carrying out disaster drills, we will work to verify the effectiveness of our initial response as well as its continual improvement. In March 2018, Crisis Countermeasures Headquarters at the Head Office and Yokaichi Plant in Shiga Prefecture carried out a drill simulating a large earthquake to improve crisis response capabilities and find points to be improved regarding BCP.