

# Stakeholder engagement

## Communication with stakeholders

Murata has a variety of stakeholders, including customers, employees, shareholders, investors, suppliers and members of local communities. Companies cannot operate without social trust. For that reason, we believe it is necessary to listen to the

opinions from stakeholders and strive to respond to their requests. We aim to co-create new value with stakeholders through close communication with them, thereby realizing the Murata Philosophy and sustainable growth.

	Relationship with stakeholders	Means of communication	Department(s) in charge
<b>Customers</b>	At Murata, the values of "CS and ES"* are regarded as key values in our management. In order to realize them, Murata strives to understand customer needs through technology exchange meetings, etc. at an early stage of planning, development and designing phase of new products. By resolving customers' issues and responding to their needs through such activities, Murata endeavors to build long-term trusting relationships with customers.	<ul style="list-style-type: none"> <li>• Daily business activities</li> <li>• Product exhibition and online seminar</li> <li>• Website</li> </ul>	Sales department Other departments in each business division
<b>Employees</b>	At Murata, the values of "CS and ES"* are regarded as key values in our management. Murata aims to be a company where each and every employee achieves satisfaction and continues to grow through the performance of their work duties. To foster such company culture, we are committed to improving the work environment and take various measures. (p.86 Respect for human rights and diversity)	<ul style="list-style-type: none"> <li>• Policy briefing session by the president</li> <li>• Employee survey</li> <li>• Employee training (job grade-specific training programs/philosophy education, etc.)</li> <li>• Discussion with executives</li> <li>• Internal portal site/newsletters</li> <li>• Whistle-blowing system and consultation hotlines</li> </ul>	Personnel department Sustainability department Corporate communications department Legal affairs department
<b>Shareholders and investors</b>	Murata strives for timely, accurate and fair disclosure of information to shareholders and investors. Murata is also engaged in constructive dialogue with shareholders and investors with the aim of achieving sustainable growth and increasing the corporate value.	<ul style="list-style-type: none"> <li>• Briefing session for securities analysts and investors (Information meetings, earnings release conference)</li> <li>• Meetings with securities analysts and investors in Japan and overseas</li> <li>• Shareholders' Meetings</li> <li>• Company website (IR)</li> </ul>	IR department General affairs department
<b>Suppliers</b>	At Murata, we consider it important to build mutually trusting relationships with suppliers that enables us to thrive and prosper together. We work with suppliers to improve our unique technologies and management technologies, and build trusting relationships by treating them sincerely, with impartiality and fairness, while complying with laws and regulations and abiding by social ethics. We also conduct business activities with an emphasis on human rights and the environment. (p.93 Supply chain management)	<ul style="list-style-type: none"> <li>• Interaction with suppliers in daily procurement practice</li> <li>• Website exclusively for suppliers</li> <li>• Hotline for suppliers</li> <li>• On-site audit for suppliers</li> <li>• Questionnaire for suppliers</li> <li>• Initiatives with suppliers to improve quality</li> </ul>	Procurement department Quality control department Manufacturing department
<b>Members of local communities</b>	Murata aims to become a "presence in local communities that is a source of pride and joy to those communities" In order to achieve this, Murata has made efforts to build trusting relationships with the people of the region while gaining their understanding toward Murata's business and initiatives by continuously engaging in activities that lead to solutions to the problems of the region in which we conduct business. (p.89 Coexistence with local communities)	<ul style="list-style-type: none"> <li>• Discussion and information exchange meeting with the local government, local communities, residents, and NPO in areas where our factories or offices are located</li> <li>• Factory tour</li> <li>• Participation/sponsorship for local events</li> <li>• Volunteer work of employees in the area</li> <li>• Providing visiting class on science, STEAM, career, etc.</li> </ul>	General affairs department Affiliates

\* CS and ES: Please see p.21 Murata's management capital.

## Case study

**Dialogue with customers**

**Continuing to co-create value with customers by the appropriate communication means in accordance with changes in the environment**

Murata aims for the management that creates a virtuous cycle of social value and economic value to be trusted by customers and remain the company of choice. Murata utilizes the global network as its strength to provide value to customers from a perspective of QCDS\* and resolving social issues. To maximize the value provided to customers, it is essential to understand their needs by closely communicating with them. We have had less opportunities to communicate with customers in person due to the COVID-19 pandemic, however, we have actively used digital communication including online discussion and seminars to optimize customer

communications. We take appropriate measures in accordance with changes in the environment and realize sustainable growth of corporate value through communication with customers.



Online seminar

\* QCDS - Quality, Cost, Delivery (delivery date and availability) and Service (response and support)

**Communication with employees**

**Providing opportunities for "chatting and consulting" to create new value**

Murata aims for autonomous and decentralized organizational management. In order to achieve it, we believe it is necessary that the President's intentions are shared with and understood by employees. Murata introduced a new internal communication tool and delivers the messages from the President to employees all around the world. It engages employees in active two-way communication; they can ask questions, consult or make suggestions to the President. Employees say they feel "closer to the president," "happy to be receiving answers from him directly," "the President gives tips for their actions and thoughts," and

"they can obtain management information in a timely manner." The revitalization of the organization has been the foundation for new value creation.



Internal communication tool "Chitchat with president"

**Communications with shareholders/investors**

**Co-creating value with shareholders and investors through active communications**

Murata conducts various IR activities so that shareholders and investors would understand the actual situation of the company and our management ideology. We provide analysts and institutional investors with over 600 communication opportunities including quarterly earnings release conferences, information meetings and individual meetings. We also communicate with individual investors through general meetings of shareholders, etc. We share valuable opinions received from them with the Board of Directors and Vice Presidents and reflect them in our management strategies and initiatives to

expand information disclosure. Murata also strives to sustainably increase corporate value through internal IR activities\* by the IR department to raise employee awareness for shareholders and investors.



Internal IR activities (conducted in FY2019)

\* Internal IR activities - Providing feedback to executives and employees based on opinions received through communication with institutional investors, etc.