



Business continuity management (BCM)

Background of setting the issue of materiality

Even when a major natural disaster that has a significant impact on our business activities occurs, we are required to fulfill our social responsibility by promptly resuming the supply of products while ensuring the safety of people's lives. As a company that aims to be the global No.1 component & module supplier, Murata recognizes the importance of promoting business continuity management at a global level. Therefore, Murata has set this key issue.

Our goal

We aim to establish BCM systems at business sites and plants in Japan and overseas, so that we are well prepared for a disaster.

Basic policy for BCM

1. We act in a way to ensure the safety of employees and other persons concerned and to prevent secondary disaster.
2. We strive to prevent suspension of supply to the market, while making every effort to restore the production capacity.
3. We support recovery in areas affected as a member of local communities.
4. We implement the necessary preventive measures based on a cost effectiveness analysis in order to minimize loss of assets due to disaster and to resume production promptly.
5. We review the business continuity plan (BCP) regularly or in accordance with changes of the business environment and continuously improve business continuity management.
6. Under the active leadership of management, all employees cooperate for the maintenance of business continuity management.

Business continuity plan (BCP)

Major natural disasters give rise to the risk of halting the company's operation for a long period. In order to fulfil its responsibility to stably provide products to customers, Murata has measures in place to ensure damage is minimized and its business remains in operation by designing a BCP, ensuring earthquake resistance and safety of buildings and production facilities, maintaining backups for communication and information systems, and maintaining extra inventory to prevent supply disruption.

In the procurement of materials, we operate databases on source locations of materials so that

our procurement activity will not be disrupted when risks materialize from natural disasters and are working to develop ways to quickly implement responses by designing initial response frameworks based on risk scenarios and work-flows. For important materials, we have implemented measures such as maintaining levels of inventory that takes into account expected lengths of time required for recovery in the event of materialization of risks, in addition to diversifying suppliers and confirming the status of BCP measures taken by suppliers, to ensure stable procurement.

Efforts made in fiscal 2020

We conduct counter-disaster and business continuity drills on a regular basis in order to confirm that planned initial responses are effective, continuously enhance them, improve crisis-response capability and grasp what needs to be improved in our BCP.

In fiscal 2020, a BCP drill in the form of a workshop was conducted for members of the Crisis Response Team, under the scenario that the headquarters is affected by the disaster, and based on the result, the headquarters BCP and basic rules of BCM were revised.



BCP training

Efforts to be made

We need to promote the development of a BCM system that responds to possible risks at a global level, prevent risks that could disrupt the company's business continuity, and minimize losses in the event that these risks materialize.

Murata has been taking measures to ensure autonomous BCM activities to evaluate the effectiveness of BCP through regular drills, etc., are implemented at each business site and plant in and outside of Japan. We are also working to establish a group-wide BCM system to ensure continuous supply of products to the market.

In addition, Murata considers it as important to be prepared for a Nankai trough earthquake, which is expected to cause extensive and enormous damage, and has been working to develop preventive measures in order to fulfill its responsibility as a component manufacturer.