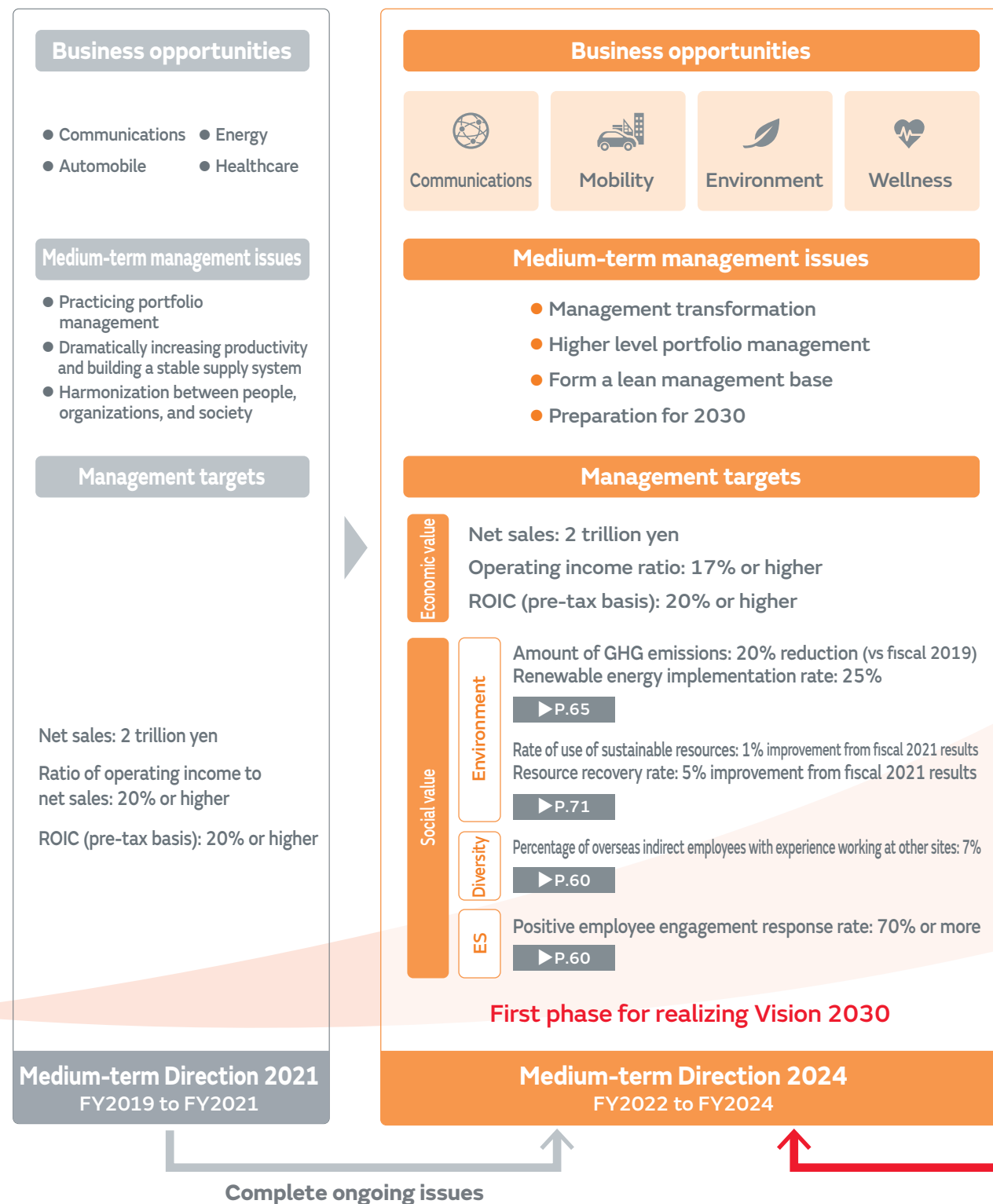# Murata's management strategy

Toward getting where Murata wants to be in Vision 2030 (long-term direction)

In order to respond to a drastic change in the environment and to continuously increase the corporate value, in 2021, Murata established Vision 2030 as the long-term direction that gives detailed guidance as to the necessary preparations. And the first phase to get where Murata wants to be in Vision 2030 is set forth in "Medium-term Direction 2024" (FY2022 to FY2024). In Medium-term Direction 2024, we set social value as our new goal. In addition to economic value targets, by setting targets for our efforts to contribute to solving social issues, we will create a continuous cycle of social and economic value and contribute to the enrichment of society.

Business opportunities

- Communications
- Energy
- Automobile
- Healthcare

Medium-term management issues

- Practicing portfolio management
- Dramatically increasing productivity and building a stable supply system
- Harmonization between people, organizations, and society

Management targets

Net sales: 2 trillion yen

Ratio of operating income to net sales: 20% or higher

ROIC (pre-tax basis): 20% or higher

Medium-term Direction 2021
FY2019 to FY2021

Business opportunities

| Communications | Mobility | Environment | Wellness |

Medium-term management issues

- Management transformation
- Higher level portfolio management
- Form a lean management base
- Preparation for 2030

Management targets

Economic value

Net sales: 2 trillion yen

Operating income ratio: 17% or higher

ROIC (pre-tax basis): 20% or higher

Social value

Environment

Amount of GHG emissions: 20% reduction (vs fiscal 2019)
Renewable energy implementation rate: 25%
▶ P.65

Rate of use of sustainable resources: 1% improvement from fiscal 2021 results
Resource recovery rate: 5% improvement from fiscal 2021 results
▶ P.71

Diversity

Percentage of overseas indirect employees with experience working at other sites: 7%
▶ P.60

ES

Positive employee engagement response rate: 70% or more
▶ P.60

First phase for realizing Vision 2030

Medium-term Direction 2024
FY2022 to FY2024

Complete ongoing issues

Steadily progress preparation through backcasting

Innovator in Electronics

Murata will innovate to create a continuous cycle of social and economic value and contribute to the enrichment of society.

Murata in everyday life

Murata's electronic components are used as an essential part of the social infrastructure for enriching people's basic needs. Murata will continue to respond to society's needs with constant innovation and promote the evolution of components. Murata's components are broadly and deeply rooted in society and support people's everyday lives.
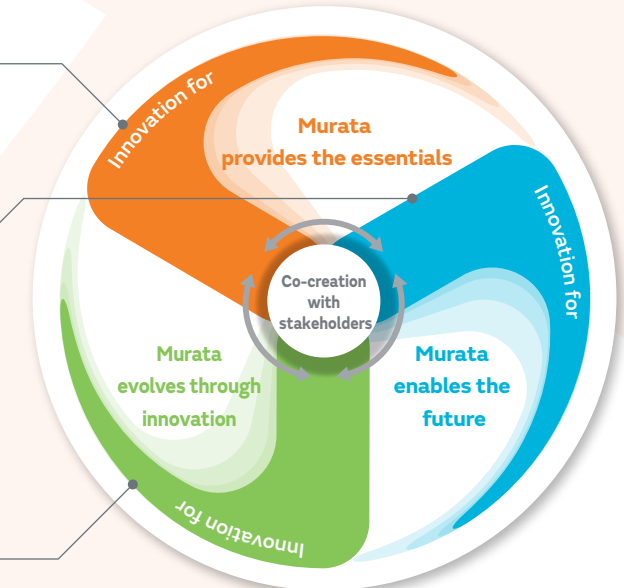
Solving social issues

Electronics are also widely used as tools for solving social issues.
Murata will not just provide components but will utilize electronics as a breakthrough to pursue sustainability of the Earth and society. Murata's innovations will accelerate the realization of an unrestricted, more convenient future.

Practicing sustainable operations

Murata will innovate to reduce the impact of our business operations on society and the environment. We are committed to realizing our business processes that are in harmony with society.

- Innovation for: Murata provides the essentials
- Innovation for: Murata enables the future
- Innovation for: Murata evolves through innovation
- Co-creation with stakeholders

Global No. 1 Component & Module Supplier

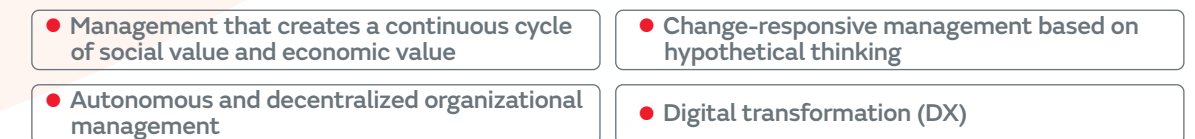Murata will be the best choice for customers and society

Growth strategies

Deepen core businesses and promote evolution of business models

| 1 Standard-products business | 2 Application-specific components business | 3 Creation of new business models | × | Communications, Mobility, Environment, Wellness |

Execute four management transformations

- Management that creates a continuous cycle of social value and economic value
- Change-responsive management based on hypothetical thinking
- Autonomous and decentralized organizational management
- Digital transformation (DX)

Environmental changes from medium- to long-term perspective

- Expansion of the usage of electronics
- Advancement of digitalization
- Changing population structure and balance of power
- Transition to a sustainable society
- Increasing geopolitical risks
- Response to post-pandemic society

Vision2030