

Respect for human rights and diversity

Background of setting the material issues

As stated in the Murata Philosophy, "We contribute to the advancement of society by creating innovative products and solutions," Murata has grown together with our customers through innovation. Innovation is the result of diverse individuals helping each other to improve. It is essential for the development of culture to respect human rights of all stakeholders involved, including those in the supply chain. Based on that belief, Murata has set this key issue.

Our goal

We aim for sustainable growth leveraging diverse human resources globally, understanding and respecting the concept of human rights.

Respect human rights

Human Rights and Labor Policies

To be an innovator by leveraging diverse human resources, it is essential to respect the human rights of individuals. Murata has set its "Human Rights and Labor Policies" based on that belief.

The policies reflect human rights awareness embedded in the Murata Philosophy and the company's history, while specifying our commitment to respect, protect, and not violate the basic human rights of each employee. With a Member of the Board of Directors and Executive Vice President serving as a person in charge, we held discussions with management on how recent business expansion has been affecting human resources, organizations and local communities, conducted analysis on the expectations from stakeholders, and reflected the results in the policies.

Human rights due diligence

Based on the risk assessment of human rights due diligence, human rights are reported and discussed at the Board of Directors and Management Committee meetings. At this point in time, we have not identified any serious problems that require immediate action. However, we anticipate that various new issues will arise as global conditions and business developments evolve, and we will continue to work to improve our Management System on Human Rights and Labor through its firm establishment and operation. Regarding human rights risks in the supply chain, we are also strengthening the process to identify and remedy forced labor (including child labor, foreign workers, working hour issues, etc.), gender disparity, various forms of harassment, impacts on local communities, and the impact of products on society at our business partners and suppliers.

Human rights education

We believe it is important to foster awareness among each and every employee, and we are strengthening our education system. For example, in Japan, we provided an education program for new employees on the theme of "business and human rights," and for other employees, training on how Murata's global business relates to human rights through discussions and learning by mapping business activities and human rights. Through these education programs, every employee is encouraged to take responsibility for his or her own work.

We are also strengthening our networks in Japan and overseas by holding consultation and study sessions for human rights personnel at each of our sites.

For more information on our approach to human rights and labor policies, please see here.
https://corporate.murata.com/en-global/csr/people/human_rights

Respect for diversity

Culture of leveraging diverse individual strengths while collaboratively working together

Murata believes that a culture focused on trusting relationships and cooperation that transcends national and organizational boundaries is necessary for diverse individuals to help each other to improve and create innovation. We will promote initiatives to foster such a culture.

In fiscal 2021, young members of the global team took the lead in creating systems to allow employees to experience the connection as employees of Murata, including virtual spaces for the Murata Philosophy study room and cross-border dialogues among employees. Although the change in communication style to online initially caused some confusion among employees, we believe that discussions throughout the project will help form a sense of solidarity that Murata is one team.



Discussion in a virtual space

Promotion of diverse human resources and improvement of systems

As one of the priority themes for promoting diversity, we are focusing on the promotion of women in the workplace. We are promoting initiatives related to the promotion of women's advancement in a manner appropriate to the country and situation in

which each company in the Group is located. Murata Manufacturing Co., Ltd. has set the following two targets on a non-consolidated basis.

- (1) Proportion of women in technical fields in new graduate for career-track hiring: 10% or more
- (2) Proportion of women in managerial positions: 10% by the end of fiscal 2030

Regarding (1), we have achieved the target since fiscal 2017 through ongoing efforts such as seminars for women in technical fields. Regarding (2), in order to achieve the target, we have set a stepwise target for the proportion of women in managerial positions at 4% in fiscal 2024 and 7% in fiscal 2027. We are working to raise awareness and engage in dialogue within the company. As of the end of April 2022, the proportion of women in managerial positions has increased to 3.0%, and we are making steady progress toward achieving this target.

We also consider it important to provide support for balancing work with childcare, nursing care, and medical treatment. As for nursing care, the requirement of years of service to obtain reduced work week and reduced working hours has been abolished, and the period during which it can be obtained has been expanded to the expiration of the grounds for its use. As for childcare, as a result of continuous support for taking childcare leave, the percentage of male employees taking childcare leave increased to 18.2% in fiscal 2021. In addition, the ratio of female taking childcare leave continues to be 100%.

Furthermore, we are promoting initiatives for diverse values such as SOGI*. From fiscal 2022, we are revising the system to apply the same benefit system for same-sex marriages, common-law marriage, and foster parents as for legal marriages and biological children, in principle, to create an environment that facilitates work for those who do not or cannot choose legal marriages.

Through these various efforts, we will continue to strive to create a workplace where all employees can play an active role regardless of gender or environment.

* SOGI: Sexual Orientation & Gender Identity

TOPICS Initiatives embodying diversity

Since fiscal 2021, we have launched two projects, the Murata Philosophy Penetration Project and the IT-based Business Reform Project, both led by young global members. The process of discussing initiatives to solve these common global issues among members with different cultural backgrounds provided an opportunity to create new solutions. In addition, by working together while taking advantage of diverse individual strengths, we were able to broaden the perspectives of the project promotion members.

Feedback from project promotion members

"How can we make the teaching of the Murata Philosophy more appealing?"

It was challenging to get new Murata members interested in the Murata Philosophy. At that time, I heard from the IT-based Business Reform Project team that they were considering education programs using a virtual space, and I thought, "That's it!" This is where the collaboration between the two teams began. It was never easy for members from different countries to create a single thing. However, by sharing the same beliefs and

discussing the same goals, we were able to create the Murata Philosophy study room on a virtual space. In addition to a variety of materials and videos, the room also includes a dialogue zone where participants can discuss and deepen their understanding with each other.

We also thought it necessary to deepen our own understanding of the Murata Philosophy, and so we held discussions with top management. In doing so, we were able to hear about experiences that allowed us to realize and embody the Murata Philosophy. Particularly impressive was the phrase, "a company philosophy is not

something you consciously act on." I was very impressed by the fact that it means that if the company philosophy is correctly understood and is instilled in oneself, one can naturally put it into practice without being conscious of it.

Through these efforts, we feel that we have been able to achieve a new style of instilling the Murata Philosophy.



From left, Reirei Jan (Taiwan), Sharon Lim (Malaysia), Nattaphong Namphon (Thailand)