

# CSR activities: Targets and results

Murata commits itself to continual improvement in priority theme areas through the implementation of a broad range of measures.

Results for fiscal 2016 environmental targets and social targets; medium-term targets for fiscal 2016 to fiscal 2018, and targets for fiscal 2017

## Environmental Targets

○: Achieved △: Nearly achieved ×: Not achieved

Item	Targets for FY2016	Results for FY2016	Achievement	FY2016 to FY2018 medium-term targets	Targets for FY2017
1. Environmental considerations in our products	Formulate and do trial computations for a calculation rule (draft) on the amount of contribution to CO <sub>2</sub> emission reduction	A calculation rule (draft) on the amount of contribution to CO <sub>2</sub> emission reduction was formulated and trial computations conducted, which will lead to verification of how much products help to reduce emissions	○	Establish evaluation methods for the amount of contribution to CO <sub>2</sub> emission reduction at the usage stage of our products	Verification of the calculation rule (draft) on the amount of contribution to CO <sub>2</sub> emission reduction
2. Global warming countermeasures	Set and implement FY2016 plan for medium-term targets	A plan for CO <sub>2</sub> emission reduction to achieve medium-term targets was created and executed, achieving a 3.5% CO <sub>2</sub> emission reduction year over year	○	Reduce total greenhouse gas emissions in FY2018 to 1.2 million ton CO <sub>2</sub> or less	1% or more CO <sub>2</sub> emission reduction year over year
3. Saving resources and recycling —Waste	Improve waste emissions per unit of real production in FY2016 by 1% (compared to FY2011 to FY2015 average)	Waste emissions per unit of real production in FY2016 worsened by 6.4% (compared to FY2011 to FY2015 average); measures were taken, including the recovery of valuable materials from waste, but with expanding business, production volume increased rapidly in products with high waste emissions per unit	×	Improve average waste emissions per unit of real production in FY2016 to FY2018 by 3% (compared to FY2011 to FY2015 average)	Improve waste emissions per unit of real production in FY2017 by 1% (compared to FY2011 to FY2015 average)
4. Saving resources and recycling —Water	<ul style="list-style-type: none"> <li>Improve average water usage per unit of real production in FY2016 by 1% (compared to FY2011 to FY2015 average)</li> <li>Investigate water risk assessment methods</li> <li>Strengthen rainwater discharge management toward reducing the risk of pollution</li> </ul>	<ul style="list-style-type: none"> <li>Average water usage per unit of real production in FY2016 improved by 3.8% (compared to FY2011 to FY2015 average)</li> <li>Water risk assessment methods were investigated and two global-standard methods were selected for use; efforts will proceed based on assessment results that are in line with the water risks in each country or region</li> <li>Measures started being implemented to ascertain the risk of pollution related to rainwater discharge at new factories</li> </ul>	○	<ul style="list-style-type: none"> <li>Improve average water usage per unit of real production in FY2016 to FY2018 by 3% (compared to FY2011 to FY2015 average)</li> <li>Develop measures to establish assessment methods for and reduce water risks</li> </ul>	<ul style="list-style-type: none"> <li>Improve average water usage per unit of real production in FY2017 by 1% (compared to FY2011 to FY2015 average)</li> <li>Strengthen rainwater discharge management toward reducing the risk of pollution</li> </ul>

## Social Targets

○: Achieved △: Nearly achieved ×: Not achieved

Item	Targets for FY2016	Results for FY2016	Achievement	FY2016 to FY2018 medium-term targets	Targets for FY2017
1. Internal control systems	Continue to achieve "zero" serious problems, in compliance with laws and regulations, the Articles of Incorporation, internal regulations, etc., and by promoting the development of internal control	Zero serious problems achieved through compliance with laws and regulations, the Articles of Incorporation, internal regulations, etc., and by promoting the development of internal control	○	Realize sustainable growth by improving the transparency of management and the effectiveness of auditing, in an aim at increasing Murata's corporate value	Continue to achieve "zero" serious problems, in compliance with laws and regulations, the Articles of Incorporation, internal regulations, etc., and by promoting the development of internal control
	Conduct efficient audits in response to globalization, and promote the expansion of internal control for new bases and M&A companies	Internal control development support and follow-up audits were conducted and the development of internal control promoted at four bases among the new domestic and international bases and M&A companies	○		Conduct efficient audits in response to globalization, and promote the expansion of internal control for new bases and M&A companies
	<ul style="list-style-type: none"> <li>Permeate compliance awareness</li> <li>Continue to regularly communicate information on compliance promotion activities (monthly)</li> <li>Conduct compliance verification tests and surveys</li> </ul>	<ul style="list-style-type: none"> <li>An email magazine on compliance awareness was published monthly (12 issues/year)</li> <li>October was made Compliance Month at Murata and affiliated companies, and compliance verification tests and surveys were implemented.</li> </ul>	○	<ul style="list-style-type: none"> <li>Disseminate information over the intranet, such as on the latest trends in regard to compliance and various laws and regulations, and continue to conduct comprehension tests and surveys, in an aim at raising employee awareness</li> </ul>	<ul style="list-style-type: none"> <li>Permeate compliance awareness</li> <li>Disseminate information on compliance promotion activities (monthly)</li> <li>Conduct compliance verification tests and surveys</li> </ul>
2. Promoting compliance	Implement compliance education	<ul style="list-style-type: none"> <li>October was made Compliance Month at Murata and at the workplaces of domestic affiliates, and group discussions were held using difficult-to-assess compliance cases, including ethical dilemmas</li> </ul>	○	<ul style="list-style-type: none"> <li>Implement compliance education</li> <li>Plan and continue implementing education and enlightenment activities that aim at broadly raising the general level of knowledge and awareness in regard to compliance</li> </ul>	<ul style="list-style-type: none"> <li>Implement compliance education</li> <li>Hold group discussions using timely case methods, etc.</li> </ul>
	Strengthen the foundation of global compliance	<ul style="list-style-type: none"> <li>At Murata and domestic affiliates, control processes for preventing cartels were introduced, eLearning on cartels and bribery was conducted, and the ongoing system for implementing the "Basic Policy for Prevention of Cartels and Bribery" was rebuilt in accordance with the situation of each country and region</li> </ul>	△	<ul style="list-style-type: none"> <li>Strengthen the foundation of global compliance</li> <li>Continue to supervise and guide the operation of ongoing system for implementing the "Basic Policy for Prevention of Cartels and Bribery" in overseas subsidiaries through cooperation with overseas headquarters</li> <li>Develop the PDCA cycle for more effective and highly transparent compliance promotion activities by including a process to verify and approve the annual plan and the results of global compliance education, monitoring, etc., which is reported by the Secretariat at the Compliance Promotion Committee that is held twice a year</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen the foundation of global compliance</li> <li>Continue to rebuild and appropriately operate the ongoing system for implementing the "Basic Policy for Prevention of Cartels and Bribery" in accordance with the situation of each country and region</li> <li>Maintain and implement a PDCA framework related to promoting compliance</li> </ul>
3. Strengthening risk management	Continually carry out from the investigation of risks on a global level to the implementation and evaluation of related measures, identify the important risks that Murata faces, focus on verifying whether or not those measures are effective, and conduct reviews so that those measures are strengthened further	Company-wide risks continued to be investigated through to the implementation and evaluation of related measures; the measures to strengthen were identified, and measures for the current fiscal year and the future were systematically implemented	○	Ensure that the PDCA for risk management at the corporate level functions effectively, and permeate the concept of risk management as a part of day-to-day operations	Continually study the risks that obstruct Murata's business continuity and plans for preventive measures and loss mitigation measures in the event that risks materialize at the corporate level; strengthen efforts such as the conducting of drills as part of those countermeasures
4. Society and community	Enhance the content of science and environmental education for children, and expand the opportunities for them to gain an interest in science and the environment	<ul style="list-style-type: none"> <li>Science and environmental education for children is being carried out on an ongoing basis domestically, and the number of instances is steadily being increased overseas</li> </ul>	○	Realize the philosophy of our Founder, "Wanting the presence of Murata to be the pride of that area ... for Murata to be a company that is a source of joy" at a global level	Science and environmental education for children that has been carried out for a long time and participation in woodland preservation activities and events in the neighborhood community have been expanded in content, and activities expanded on a global level
	Continue to participate in forest preservation activities and events in the neighborhood community, and foster a corporate culture in which employees can proactively participate in social and local contribution activities	<ul style="list-style-type: none"> <li>Regarding participation in woodland preservation activities and events in the neighborhood community, activities have expanded overseas and become established on a global level</li> </ul>	○		

## Social Targets

○: Achieved △: Nearly achieved ×: Not achieved

Item	Targets for FY2016	Results for FY2016	Achievement	FY2016 to FY2018 medium-term targets	Targets for FY2017
5. Suppliers	Redefine the CSR compliance criteria for suppliers that reflect the latest CSR issues, and continue promoting efforts to manage and improve the status of that compliance	A check sheet has been created to confirm status of suppliers' compliance, and the answers were collected with the cooperation of targeted suppliers	○	Complete confirmation of the status of CSR compliance by major suppliers	Confirmation of the status of compliance with designated supplier CSR procurement criteria is proceeding, and efforts to manage and improve the status of that compliance are proceeding in cooperation with suppliers
	Continue promoting the expansion and timely updating of the part and material production site database that can be referenced in times of disaster or accidents	The updating and expansion of the production site database is being continuously promoted and a system was rolled out for querying targeted suppliers in times of disaster or accidents	○	Introduce and implement stable purchasing with lower risk by further expanding the targets of procurement risk management to matters other than disasters and accidents	The expansion and timely updating of the part and material production site database that can be referenced in times of disaster or accidents is continuing to be carried out along with effective utilization efforts such as systematizing the confirmation of damages in times of disaster or accidents
6. Employees	<ul style="list-style-type: none"> <li>1. Start promoting "diversity &amp; inclusion" at Murata</li> <li>2. Be actively involved so that career formation and growth is possible</li> <li>3. Be involved toward promoting the active participation of women</li> <li>4. Support active roles for senior-level employees</li> </ul>	<ul style="list-style-type: none"> <li>1. Promotion of "Diversity &amp; Inclusion"</li> <li>Awareness-raising activities implemented such as disseminating messages from President</li> <li>Lectures by outside lecturers held</li> <li>Committee (M-DIP) established in July 2016 by soliciting members; started studying the ideal form of development of Murata and spreading that ideal among divisions</li> <li>2. Efforts taken to promote career formation and personal growth, along with career training (11 times) and career seminars (14 times) for general employees</li> <li>Career seminars held (15 times) for managerial employees</li> <li>Overseas spouse accompaniment and leave system introduced</li> <li>3. Measures promoting the active participation of women</li> <li>Target conditions expanded for the mid-career return of employees who needed to quit</li> <li>Relaxation of system of working on a reduced schedule for childcare to encourage the early return from parental leave</li> <li>4. Supporting active roles for senior-level employees</li> <li>Hold 13 career management training sessions and conduct career interviews</li> </ul>	○	<ul style="list-style-type: none"> <li>Introduce measures toward the awareness of career autonomy for each job</li> <li>Implement efforts toward realizing diversity in ways of working</li> <li>Implement efforts toward promoting the participation of men in childcare</li> <li>Aim at the proportion of women in management trainee positions for new graduates being 10% with technical jobs and 40% with clerical jobs, and implement measures to that end</li> <li>Review the opportunities for taking a screening examination for promotion while on parental leave, etc., and look into reviewing evaluations</li> <li>Hold 9 career management training sessions and conduct career interviews</li> </ul>	<ul style="list-style-type: none"> <li>1. Continue with activities to spread "Diversity &amp; Inclusion" at Murata</li> <li>Hold awareness activities (disseminating messages from President, holding in-house lectures, etc.)</li> <li>Continue with committee to promote Diversity &amp; Inclusion and carry out activities to spread that ideal</li> <li>2. Be actively involved so that career formation and growth is possible</li> <li>Promote a reform in consciousness toward autonomous career design and ways of working; implement awareness activities for management and career training, promote early awareness of career autonomy, and continue to conduct career training</li> <li>3. Measures to promote the active participation of women</li> <li>Review the opportunities for taking a screening examination for promotion while on parental leave, etc., and look into reviewing evaluations</li> <li>4. Support active roles for senior-level employees</li> <li>Hold 9 career management training sessions and conduct career interviews</li> </ul>
	<ul style="list-style-type: none"> <li>1. Construction the mechanism for creating a "Management System on Human Rights and Labor"</li> <li>2. Continue awareness and education to prevent harassment</li> <li>3. Continue human rights education:</li> </ul>	<ul style="list-style-type: none"> <li>Management System on Human Rights and Labor promoted company-wide and meetings held by Human Rights and Labor Committee</li> <li>Training on harassment prevention conducted</li> <li>Human rights education conducted in training by level (new employees)</li> <li>Awareness education on worker rights provided</li> </ul>	○	<ul style="list-style-type: none"> <li>Firmly establish a "Management System on Human Rights and Labor", and effectively implement the PDCA cycle in setting goals, extracting and improving problem through risk assessment, measuring and evaluating performance in committees, conducting management reviews, etc.</li> <li>Introduce company-wide education once a year from FY2016 in regard to harassment, human rights, and labor, in order to increase employee sensitivity to those issues</li> </ul>	<ul style="list-style-type: none"> <li>Firmly establish a Management System on Human Rights and Labor</li> <li>Workshops held for all employees on harassment and worker rights</li> <li>Continue human rights education (by organizational level)</li> <li>Conduct human rights and worker rights audits of cooperating companies, such as staff recruitment agencies and contractors</li> </ul>
	<ul style="list-style-type: none"> <li>Enhance and firmly establish a support system to help employees strike a balance between work and family life ("work-life balance"): Hold 1 visitation day for children of employees</li> </ul>	<ul style="list-style-type: none"> <li>"Murata Kids: Work Investigation Corps", a visitation day for children of employees, was held.</li> <li>Reduced work schedule introduced for caregivers</li> </ul>	○	<ul style="list-style-type: none"> <li>Conduct investigation into and analysis of the conventional "work-life balance" support system, and consider a review of the system toward effective utilization once problems are identified</li> <li>Aim further at fostering awareness of "work-life balance" support among employees and at the workplace</li> <li>Continue to support the wholesome development of children, who will lead the next generation</li> </ul>	<ul style="list-style-type: none"> <li>Enhance and firmly establish a support system to help employees strike a balance between work and family life ("work-life balance"): Hold 1 visitation day for children of employees</li> <li>Continue to promote awareness of issues and develop effective measures</li> </ul>
	<ul style="list-style-type: none"> <li>Promote permeation of and measures for sharing the "Murata Philosophy"</li> <li>Hold workshops on sharing the Philosophy: 20 times</li> <li>Continue employing foreign workers: Hire 5 new university graduate employees</li> <li>Promote increasing the number of foreign employees on loan: 30 in FY2016</li> <li>Provide education on globalization (strengthen ability in English and Chinese): Offer an English and a Chinese improvement course</li> </ul>	<ul style="list-style-type: none"> <li>Workshops held for sharing the Philosophy after M&amp;A</li> <li>Lectures on the Philosophy held for people joining the company not directly from university</li> <li>Seminar to study Philosophy held upon company anniversary</li> <li>Workshops on sharing the Philosophy held: 30 times</li> <li>Increasing the number of foreign employees on loan promoted: 31 in FY2016</li> <li>Education on globalization provided (strengthening ability in English and Chinese)</li> <li>English improvement course held from May to Nov., one set at each level (3 sets total)</li> <li>Chinese improvement course held from May to Nov., one set</li> </ul>	○	<ul style="list-style-type: none"> <li>Ensure that the score on items related to "sharing the Philosophy" in an FY2017 employee survey is better than that of FY2015</li> <li>Continue to hold Philosophy workshops</li> <li>Continue promoting the hiring of foreign employees and the acceptance of foreign employees on loan, and work toward further diversity in management</li> <li>Aim at further strengthening the language skills of employees (English, Chinese), and develop personnel who can play an active role globally</li> </ul>	<ul style="list-style-type: none"> <li>Promote permeation of and measures for sharing the Murata Philosophy</li> <li>Hold Philosophy workshops at every site</li> <li>Incorporate Philosophy education into domestic training program by organizational level</li> <li>Continue employing foreign workers: Hire 5 new university graduate employees</li> <li>Promote increasing the number of foreign employees on loan: 50 in FY2017</li> <li>Provide education on globalization (strengthen ability in English and Chinese): Offer an English and a Chinese improvement course</li> </ul>
<ul style="list-style-type: none"> <li>"Zero" incidence of serious work-related accidents</li> <li>Introduce a method of patrol that can identify unsafe behavior</li> <li>Promote the introduction of hands-on education</li> </ul>	<ul style="list-style-type: none"> <li>Zero incidence of serious work-related accidents</li> <li>Safety patrol introduced for actively engaging workers in conversation to confirm their awareness of unsafe behavior</li> <li>Hands-on safety education introduced</li> </ul>	○	<ul style="list-style-type: none"> <li>"Zero" incidence of serious work-related accidents</li> </ul>	<ul style="list-style-type: none"> <li>"Zero" incidence of serious work-related accidents</li> </ul>	