

Strengthening human capital

“Leveraging diversity in human resources” to sustain and enhance our collective strength

Basic view

As is : At Murata, we highly value “an environment and climate that allows a diverse workforce to flourish” and “the diverse perspectives held by each employee.” We believe that increasing diversity on both fronts allows individuals and organizations to continue to be innovators.

To better utilize our organizational strength, one of Murata’s strong points, we are undertaking various initiatives to strengthen and maintain the diversity of our employees, including improving various systems related to personnel management.

To be : In order to promote 3-layer portfolio management, we must seek fresh solutions that are distinctively Murata from values, and ideas that are not constrained by common sense or our past successes, and the active dialogues that emerge from these. Based on the idea that new discoveries can be found in frank, open discussions that respect and cherish diversity, we have in recent years been making more efforts to promote diversity, such as appointing non-Japanese people to executive positions and promoting women’s active engagement in the workplace.

In addition to these efforts, we plan to further accelerate the promotion of global rotation and focus on fostering a culture that recognizes and respects individual differences. We will convert the active dialogues that emerge from recognizing and respecting diverse personalities and values into organizational strength, and work on further improving the speed and flexibility with which we can adapt to change.

Workplace with diverse human resources

Murata has set a management goal of increasing the percentage of overseas indirect employees with experience of working at other sites to 10% by fiscal 2030. To foster diverse viewpoints and promote trust and collaboration across departments and locations, we actively provide opportunities for our employees to gain work experience at other locations globally.

The Business Engineering & Information System Group supports our global business by promoting the overall optimization of internal systems and infrastructure in response to the rapidly changing business environment and IT trends.

In this business climate, we are actively engaged in the global exchange of IT personnel to promote mutual understanding and collaboration between domestic and overseas sites. At the Business Engineering & Information System Group in the Nagaoka Division (in Kyoto), employees from several regions, including Southeast and other regions of Asia and Europe, are working together.

Murata will, through cross-border personnel exchanges, motivate its employees with diverse experiences, enable them to recognize their professional growth, and encourage them to flourish at work to trigger the innovation, thereby continuing to provide value that will delight our customers.

Voices of employees transferred from overseas

- At first, there was a language barrier, but we began having a lot of communication through work and sometimes private interactions. We now joke around, give each other advice on work, and have a good working relationship.
- By bringing together members with diverse skills and knowledge, our project efficiency and results have been enhanced. As becoming more respectful of different ideas and cultures, I’ve keenly realized that new perspectives create good ideas and results.
- After returning to my home country, I would like to make use of the personal connections and ways of thinking I’ve developed in Japan in my work. During my stay in Japan, I noticed what I am struggling with now may be a challenge that someone else has already overcome and that global collaboration is thus worthwhile.
- Working abroad can be a turning point not only in your work, but also in your life. I would like to see more people take up the challenge.

Voices of teammates of employees transferred from overseas

Through the personnel exchanges, Japanese members can gain a deeper understanding of the situation in home countries of employees transferred from overseas. At the same time, the employees dispatched can recognize the importance of working from a company-wide and global perspective. In the future, we expect that discussions among members with diverse backgrounds will create synergy and generate completely new ideas.



Discussion in the workplace

Improving the ratio of women in managerial positions

We believe that increasing the ratio of female managers is an issue that should be addressed at the management level. Murata held an online seminar for managers in Japan on the topic of “Diverse Management from the Perspective of Promoting the Participation of Women in the Workplace” in November 2022, with the aim of fostering and raising awareness among managers.

In the first half of the event, President Norio Nakajima and Outside Director Yuko Yasuda held a dialog. During the session, they emphasized on increasing the ratio of women in managerial positions as an important management issue and securing diversity as a vital trigger for innovation, then stating their positive views on the outlook going forward.

In the second half session, a panel discussion was held

between Ms. Yasuda and three female managers. The panelists, who have experience both as a person in managerial position and as a female subordinate, discussed questions and concerns raised by other managers, such as “How can I support my female subordinates in their career development?” and “How can I support my subordinates in balancing work and family life?” using specific examples.



Dialog between President Norio Nakajima and Outside Director Yuko Yasuda

Voices of participants

- The discussion between President Nakajima and Ms. Yasuda made sense to me as a process of creating new value. In addition, the essential message of how to connect diversity to innovation was also conveyed.
- I think that focusing on the event on women’s participation deepened our awareness of diversity management. In order to make the most of diversity, I think it is necessary not only to recognize individuality, but also to build an environment and structure, both in tangible and intangible formats. Moreover, we need to penetrate the objectives and goals that will be brought by such initiatives.

Men’s participation in childcare and changes in workplaces

The ratio of men taking childcare leave at Murata Manufacturing alone in fiscal 2022 was 32% (average amount of leave taken: approximately 40 days). At Murata, the ratio of taking childcare leave for female employees has continued to be high. Compared to this, the rate of male employees taking childcare leave is still low, but it is improving year by year. Male employees who have experienced childcare leave are now playing an increasingly active role.

Murata has been expanding its support system for balancing work with life to create a positive synergy between employees’

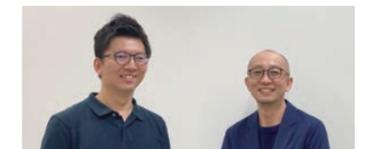
lives and work. We believe that men’s participation in childcare can not only enhance individual personal lives, but also can change our values on work styles in the workplace as a whole. We expect that all employees who wish to participate in childcare will be able to do so, and that the perspectives gained through childcare experience will be applied to their work, creating a positive synergy between their professional and personal lives.

Voice of a male employee (manager) who took childcare leave

After taking childcare leave, I started working in the alliance team. Although I had often participated in housework and childcare, the childcare leave gave me a chance to feel that housework and childcare cannot be described only in terms of tasks and efficiency. I noticed that, as childcare does not always go as planned, it is important to respond to changes in your child at the time. Since realizing this, I have become less concerned with precise planning. Also at work, while I streamline tasks and make general plans, I am ready to respond to unexpected events whenever they occur. Due to the nature of our business, we are sometimes suddenly busy, so we work with our partners to make adjustments. Sometimes, I go home in the evening, do some household chores, and then work from home for an hour or two.

Voice of the supervisor (senior manager) working with him

Working with him, I am reminded that you can devise a variety of ideas if you have the will to do so. Since our work involves a large number of external partners, not everything can be handled solely at our own discretion. I see in him a strong will to communicate well with his partners and to contribute to his family and workplace with a high level of responsibility and leadership. I think his work-life balance enriches his own personality and at the same time contributes to the autonomous work of his team members.



Corporate Strategy Dept.
(Left) Hiroshi Asega, (Right) Ryuhei Nakai,
Manager Senior Manager

“Employee engagement” that is born when employees can enjoy rewarding experience and professional growth

Basic view

As is : At Murata, we believe that engagement is something that is generated when individual employees feel a satisfaction and growth in their work. Using the results of the global survey of all employees as an indicator, we are working to improve engagement while carefully assessing the needs and challenges of each department. For example, we regularly conduct pulse surveys to gauge the awareness and effectiveness of the various initiatives based on the results of the global survey, and use AI to analyze employee comments in the free response section and identify and visualize the challenges faced by each organization. The results of the pulse surveys are reviewed by executives, and also used to facilitate discussions in workshops for all department managers. We also believe that a good understanding of the Murata Philosophy and our management policies leads to satisfaction and growth, and therefore actively promote dialogue between executives and employees. Providing a safe workplace and promoting health and productivity management are also essential in improving engagement. Murata has defined what it wants to be in 2030, and one of those aims is that “each employee can work while feeling that they are healthy in a safe workplace,” a goal that we are working toward in earnest.

To be : Even before the term “engagement” became widely used, we prioritized improvements in that same area, from the perspective of achieving “satisfaction and growth.” As Murata continues to expand in size and the value systems of our employees diversify, so do the factors that contribute to employees’ sense of satisfaction and growth. Therefore, although a good understanding of Murata’s management philosophy and the values that we cherish will remain important in the future, it is also essential for employees to interpret them in their own way to adapt to the major changes of the time, and each individual must autonomously consider what should be put into practice and continue to update this over time. We believe that spreading this idea will lead to true satisfaction and growth and continuous growth. Lastly, we will also focus on continuous self-reform utilizing the results of the global survey, based on the keyword, “changing together,” bringing about collective change at all levels within the company.

Factory visits by top management—Communication with the front-line manufacturing workers

One of Murata’s most important concepts is hands-on approach. As a manufacturing company, we have passed down this spirit of valuing manufacturing sites from our founding to the present day. In order to listen directly to the voices of people in manufacturing, top management frequently visits manufacturing sites in Japan and overseas. Chairman Tsuneo Murata and President Norio Nakajima alone make more than 20 factory visits per year. Over the past 16 years, more than 330 visits were made in total. When direct overseas visits were not possible due to the COVID-19 pandemic, they used online to communicate with people at manufacturing sites.

Through those visits, top management receives explanations of products, production lines, various improvement initiatives, and other topics directly from employees who work in the process on a daily basis. At the same time, this initiative provides a valuable opportunity of dialogue with employees when touring the processes together. Top management places great importance on listening to such real voices from sites. For employees, regular visits of top management provide an opportunity to reconfirm the significance of their work, realizing that top management is interested in and concerned about all initiatives at the site. The Chairman Murata and the President Nakajima themselves send information on factory visits through internal communication tools, introducing the technologies used and products manufactured at the factories as well as sharing their impressions and expectations for the sites. In this way, they encourage the employees working for other than manufacturing sites to grasp what is like on the factory floor.



Factory visits to Murata Electronics Singapore (Pte.) Ltd (upper) and Komatsu Murata Manufacturing in Ishikawa Prefecture (lower)

Safe and secure workplaces created autonomously by employees

■ Enhancement of risk assessment

Murata has introduced since in 2022 new risk assessments that cover more types of risks including unknown risks. The new risk assessment method has the following two features:

- ① Risks are identified based on 23 risk sources from various perspectives, including ergonomics.
- ② The same criteria can be used no matter who perform risk assessment.

■ Improvement of risk sensitivity

Murata is working to mutually raise safety awareness and build a culture where employees can trust and rely on each other. As an initiative, we conduct an experience-based danger prevention training. This training is focused on enhancing employees’ sensitivity to risks and enabling them to autonomously create a safe and secure work environment. Through the training, we aim to create a safety culture by providing employees with a safe way to actually experience danger and enhancing their safety awareness. We are

Taking advantage of these features, we designed a system to enable employees to take actions to create a safe and secure work environment with autonomy and without variation. Furthermore, to make this system sustainable, we are building a training system to assign instructors to each site.

expanding the experience-based danger prevention training primarily at domestic and overseas production sites.



Experience-based danger prevention training at Murata Safety (MS) Center, Fukui Murata Manufacturing

Murata believes that, through these initiatives, employees can autonomously create a safe and secure workplace, and as a result they will feel more comfortable and rewarded in their workplaces, thereby pursuing their professional growth.

Health management to maximize employees’ motivation and professional growth

■ Improvement of sleep for shift workers

Shift workers are the backbone of manufacturing at Murata. We are working on improving sleep disruption caused by shift work to help them better enjoy rewarding experiences and professional growth. We invited Mr. Kazuhiro Yagita, a professor at the Kyoto Prefectural University of Medicine and an expert on circadian rhythms and internal body clocks, as an advisor on measures to improve the sleep quality, since September 2021. We are working on sleep improvement efforts utilizing the body clock theory.

Okayama Murata Manufacturing (Okayama Prefecture) began arranging light environments to help shift workers make it easier to adjust their internal body clocks to their shifts. We conducted a trial at a site and verified results, and then

confirmed a certain extent of effectiveness. The next step is to take feedback from workers at the site into consideration, and begin renovating all lighting equipment. We will continue to verify the effectiveness of the initiative and make improvements as we go forward.

We believe that the implementation of such effective measures will lead to underlying employee satisfaction.



High-illumination phototherapy equipment at the manufacturing site

■ Enhancement of stress management

Murata works on enhancement of stress management from a viewpoint of how employees can overcome significant changes in working practices due to the popularization of remote work. While we have employed online tools to streamline work and realize diverse working practices, some employees are still struggling to adjust themselves to a new environment and build trusting relationships with their co-workers. We thus conducted self-care and stress management training for employees most affected by this change: new graduate employees, mid-career employees, and transferees from Japan and overseas sites. Through this training, participants can learn how to recognize

and cope with stress on their own and how to interact with others. We believe that, if participants can learn how to cope with stress caused by their new environment, they will be able to stabilize their minds and bodies and step forward to build new trusting relationships and demonstrate their abilities. Through these efforts, we will continue to support a variety of employees to enjoy rewarding experiences and professional growth.

For more information on activities for a secure and safe workplace and health management, please see here.

[Web https://corporate.murata.com/en-global/csr/people/safe_secure](https://corporate.murata.com/en-global/csr/people/safe_secure)

“Acquiring and developing human resources” to respond to an ever-changing business environment

Basic view

As is : “Nurturing together collectively”; this concept is one that we value highly in human capital development. For example, developing future executive candidates is a program that embodies this idea, as it involves not just their managers, but executives as well. In addition, rotation, which is the foundation for development at Murata, not only develops careers through diverse experiences, but also fosters a culture in which employees understand each other’s work and support one another when necessary. This approach to human capital development creates a good balance between individual strength and collaboration, thus leading to organizational capabilities.

To be : While the company has rapidly expanded in size and employees have become more diversified, it has become more difficult to create constructive collaboration, due to the fragmentation of work duties.

Furthermore, the expansion of the electronics industry has made customers’ issues more complex, requiring solutions that go beyond simply providing components, and are instead directly linked to solving the issue at hand. Therefore, in order quickly adapt to these changes, we will further strengthen our multi-faceted approach to acquiring and developing employees, such as acquiring specialist personnel for new and emerging areas of expertise, reskilling current employees, and developing leaders who can lead the organization toward a difficult-to-predict future, so that we will be prepared for a rapidly changing future.

Next-generation leader development program

Murata has long been vigorously engaged in developing the next generation leaders. We have started a new program, “Make2030,” in fiscal 2022 for those who are expected to become future leaders, in addition to the existing programs, the Middle Leadership Program for management level employees and the Global Leadership Program for next generation leaders for global positions. This program provides good

opportunities for participant to get experiences earlier in strengthening hypothesis-based thinking to increase sensitivity to environmental changes and in acting while independently considering the future of the company. One of the features of this program is that participants work in teams with members from different organizations and backgrounds. This provides them with an opportunity to appreciate differences and broaden their perspectives through honest discussions while trying hard to understand each other’s differences in interests and values.

In addition to promoting horizontal collaboration, the program strengthens vertical relationships because top management and many managers come together to support the growth of participants as instructors, mentors, and dialogue partners.



Round-table discussion with executives

Enhancement of recruitment of women in technical fields

As a company with strength in technology, Murata places great emphasis on producing female leaders in technical positions. To be committed to this, we have set a target of 10% or more women in technical fields for new graduate in career-track hiring, and we continue to achieve this goal. Murata holds various seminars for women in technical fields to foster a positive image of working in technical fields. These seminars explain our efforts to promote women’s participation and support systems for balancing work and family life as well as introduce the work and working styles of our female engineers.



Members of the round-table discussion of female engineers

For more information on the round-table discussion of female engineers, please see here.

