



We Contribute to Society by Supplying Unique Products

Today, electronic devices play an indispensable role in society. The various electronic devices around us are always required to "be more compact, multifunctional, and sophisticated." The same holds true for electronic components incorporated in electronic devices. Our mission is to develop and provide various technologies that meet such needs, so as to bring greater convenience and amenity to people's lives. For example, we work to develop technologies that enable nano-level control of ceramic particles that are used as raw materials of electric components; module technologies to integrate several functions into an extremely small package; and communication technologies for exchanging large volumes of data at high speeds. We believe that another important mission for us is to devise and implement better measures for reducing any environmental impact on the part of our products and business activities, so as to realize harmonious coexistence with the global environment.

In advancing toward these ends, during fiscal 2005 we achieved several tangible outcomes. Concerning products, Murata was quick to complete measures so as to comply with the RoHS Directives, which went into effect in Europe in July 2006. The Company also voluntarily established stricter standards for chemical substances and their uses that are not covered by the RoHS Directives, and is advancing autonomous initiatives to meet the standards. As for business operations, now that Murata's Head Office has obtained ISO 14001 certification, we have established a group-wide management system based on the Plan-Do-Check-Action concept. We are also planning to convert our ISO certification into multi-site certification, to enable the efficient achievement of more fruitful results. Furthermore, through aggressive capital investments to introduce large-scale cogeneration systems in two domestic plants, and to implement other measures, we have achieved effective CO₂ emissions reduction.

Yasutaka Murata

President
Statutory Representative Director
Murata Manufacturing Co., Ltd.

We Prosper Together with All Those Involved in Our Business

We cannot conduct our business activities without considering our relationships and communication with our stakeholders. This is consistent with the idea reflected in the Murata Philosophy, which states "to Allow Our Company, Our Employees, Customers and Other Partners, and Our Communities to Grow and Prosper." In other words, we need to ensure not only that our Company, but also all our stakeholders, will grow and prosper together.

We are continually talking with electronic equipment manufacturers - who are our customers - about what functions will be necessary in the future, and what electronics components are necessary for realizing these functions. Through such discussions, we come to share the same themes as our customers from the early stage of development, and actively carry out technological exchanges. Meanwhile, Murata considers the shift from "green procurement" to "CSR procurement," which is beginning to be required nowadays, as a challenge to be addressed by the entire electronics industry. To accommodate this trend group-wide, we should always determine for ourselves whether or not our procurement-related initiatives are being appropriately carried out.

Improving employee satisfaction is our priority management task for the future. The improvement in employee satisfaction that Murata intends is closely related to the improvement in customer satisfaction. By responding to customer expectations, employees can also enhance their motivation, aspiration and enthusiasm, and thereby expand their own capabilities. Employee growth also enables the creation and provision of new values, leading to greater customer satisfaction. It then raises expectations for Murata, and further motivates employees to grow. To initiate such a virtuous cycle, we will vigorously work on human resource development, by implementing education and training programs tailored to various types of employees.

Murata has conducted business in various countries and regions, and is aware of the importance of communicating with residents in local communities, so as to obtain their understanding regarding our business activities. As part of such efforts, beginning in fiscal 2005 at Murata's Head Office we began to organize environmental education programs for elementary and junior high school children. The entire Murata Group will continue to actively provide similar learning opportunities for children, who will play a leading role in the future.

Long-term Business Development is Possible Only for Trustworthy Enterprises

Introduced above are only a few examples of the Murata Group's activities to fulfill its social responsibilities. I am pleased that such activities are steadily achieving fruitful results. However, it is also true that many issues remain to be addressed. Enterprises today must meet social requirements that are steadily becoming greater and more complex. It is never easy to develop our business while meeting such expanding requirements. However, it is my belief that only enterprises that reliably fulfill their social responsibilities can win social recognition, and can continue and develop their business into the future.

I hope that many people read this CSR Report and understand the Murata Group's concepts and initiatives, and that those readers will give us their candid views.

Only enterprises that reliably fulfill their social responsibilities can win social recognition, and can continue and develop their business into the future.