

Compliance

For a corporation to survive and develop, it must operate in compliance with laws and regulations, and act ethically.

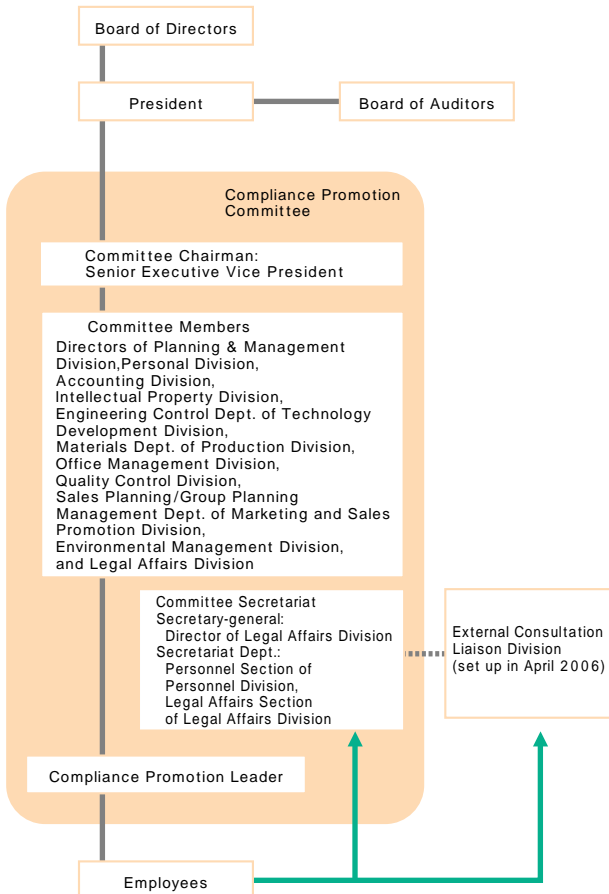
Murata ensures fair business activities by establishing the Compliance Promotion Committee and by introducing a reporting system.

Compliance Promotion Committee

To promote compliance, it is important that management take the lead in implementing compliance initiatives. The Murata Group established the Compliance Promotion Committee as an advisory body directly reporting to the president. This committee consists of at least 8 corporate officers and senior employees. The committee develops group-wide compliance policies and revises compliance programs.

A Compliance Promotion Leader is selected from each division. Compliance Promotion Leaders take corresponding courses as well as group training and other training programs that are tailored for them. They impart the knowledge they have acquired through these training programs to other members in their divisions, via study meetings and other means.

Compliance Promotion System



Corporate Ethics Policy and Code of Conduct

The Corporate Ethics Policy and Code of Conduct have been established to ensure that both corporate officers and employees implement Murata's corporate philosophy and act on common sense as corporate citizens. These policies and codes are distributed to all employees and used as reference materials in their training and study sessions.

Murata Corporate Ethics Policy
To act in good faith under the spirit of the Company's corporate philosophy.
To comply not only with laws and regulations, but also with social rules, and to conduct corporate activities with the highest ethical standards.
To attach importance to improving the transparency of corporate activities and to actively disclose information.
To give due consideration to the global environments, and to win the trust of society.
To conduct business systematically and rationally, and to display collective strength through teamwork.
To entertain feelings of gratitude as a good corporate citizen, and thereby contribute to realizing a prosperous society.
To establish clear objectives by ourselves, and to work hard together to achieve these objectives, toward self fulfillment.

Reporting System

Murata has established a direct reporting system to facilitate compliance-related problem solving. If employees have a compliance-related question or problem, particularly when it is not appropriate or comfortable to consult their immediate supervisors, they can use this system to directly consult by e-mail or telephone with the Compliance Promotion Committee or the Consultation Liaison Division outside the Company. Anonymous reports may also be accepted.

If receiving a report regarding a behavior that deviates from the codes of conduct, the secretariat will investigate all the facts. It will then respond to the questions from the employees in an appropriate manner, in cooperation with the relevant divisions and external experts (corporate attorneys). If a radical solution at the company-wide level is required, the problem is discussed by the Compliance Promotion Committee to work out a solution and measures to prevent the problem from recurring, with a requirement that the results be reported back to the employee who first consulted on the matter.