

# Risk Management

Business operations carry a variety of risks. Murata has established a system of risk prediction and flexible response to preempt or swiftly resolve these risks.

## Risk Management

### Establishing an Organization Responsible for Risk Management

Murata has established a Risk Control SubCommittee within the Internal Control Committee to respond to the various risks of business activity. In addition, we have set up an organization in charge of risk management, which handle risk identification, assessment and countermeasures. Each corporate staff department takes responsibility for managing risks in its everyday business and taking proactive steps for the prevention of escalation of risks to problematic levels.

## Major Risks and Responses

### Information Risks

#### —Protection of Personal Data

We believe that the protection of any information by which an individual can be identified (personal data) is an important corporate responsibility. In March 2005, Murata established its Privacy Policy, and has stipulated the handling of personal data in its Privacy Policy Basic Rules.

Specific strategies we have constructed to protect electronic data include the appointment of data security control officers, implementation of a firewall against external intrusion and data encryption for additional security of portable data. In addition, Murata has issued a “Data Security Guidebook” to foster understanding and promote appropriate actions among employees and is carrying out self-checks and education programs.

### Export Risks

#### —Strict Export Management System

Overseas sales account for approximately 75% of Murata’s consolidated net sales. In addition, our products may be used in a broad range of electronic equipment. Accordingly, export management is of paramount importance for us. In order to make contributions to the maintenance of the international peace and security, and to supply products to our valued customers continuously, Murata has established and implemented a fundamental policy to comply with not only legal requirements but also the intent of laws, regulations and the social requirements behind them. Murata has stipulated the “Export Control Compliance Program” and has strictly implemented transaction screenings before exporting our products, and furthermore, has conducted training for employees and audits on a periodic basis for the purpose of appropriate operations.

### Natural Disaster Risks

#### —Earthquake and Fire Simulation System

To minimize the effect of production line stoppages in the event of natural disasters, we have equipped our buildings and production facilities with anti-seismic and safety equipment and fire-prevention materials, secured backup power sources and taken various other measures. Furthermore, Murata has set up a Disaster Prevention Committee and formed self-protection fire-fighting teams and other units. To ensure appropriate response from employees in eventuality of disasters, we conduct periodic emergency drills that simulate the onset of earthquake or the outbreak of fire.

Fire drill at Murata’s Himi Murata Manufacturing Co., Ltd. These exercises are carried out three times a year at this facility.



#### Web Data

- Intellectual Property Management / Spillage Risk
- Response to the Noto Earthquake / Fire Risk Response

▶ <http://www.murata.com/csr/csr/03.html>

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