



Employees

Murata places great emphasis on employee satisfaction.

Based on a policy of respect for human rights and fair treatment of employees, we have created a workplace environment in which our employees can display their abilities in a safe and healthy environment.

Respect for Human Rights

Creating a Workplace Environment and Personnel System Free from Discrimination

Universal and individual human rights are valued and respected at Murata. While respecting the personality and individuality of every employee, we do not allow any violation of human rights by any employee. On that

basis, Murata has established a working environment and personnel system free from discriminatory treatment based on race, beliefs, gender, religion, nationality, disease, or other reasons. Moreover, to raise employee

awareness of these issues, our graded training programs include human rights education content. Throughout the Murata Group's offices and plants, both in Japan and overseas, child and forced labor are strictly prohibited.

Personnel System and Human Resource Development

Under Our System of Emphasis on Ability and Performance, Employees Set their Business Targets

Under a working ethos of valuing independence and enabling employees to use their own initiative and abilities, we have incorporated a business target management system for our human resources, based on the principles of abilities and performance. Under this system, employees set their business targets and plans according to Company policy, in consultation with their line managers. They then carry out midterm

self-evaluations about progress and results. Their line managers evaluate these results and processes properly and reflect training and remunerations for each employee. The results and basis of employee evaluations, issues arising in the course of duties, and future directions are discussed three times a year at feedback meetings between employees and their line managers. We show the competence and

behaviors that we expect from our employees, the basis for the Company's evaluation process, and through which it aims to improve ways of working and motivate employees to develop themselves. We have also reformed our evaluation system so that it enables employees who have changed their mindsets and behaviors and have contributed to business growth to be positively evaluated.

Self-selected Career Paths according to Aptitude

Murata provides employees with opportunities in their work that enable them to maximize their potential by using their personal skills. For younger employees, we offer a career development program featuring deployment in diverse roles at various locations, enabling them to plan their careers in

line with their personal skills. For those opting out of managerial channels, we have established a system to facilitate progression as highly specialized professionals, and a system for in-house staff recruitment in which employees select their own career track.

Supporting Skills Advancement at Every Career Step

Murata aims to foster people who are self-starters, who value customer satisfaction, who display individuality and a pioneering spirit, and who are skilled at cooperating with fellow employees. Accordingly, we are building training systems that offer employees specialized training, from entry level to management, in order to provide powerful, effective support to employees in developing their capabilities. In fiscal 2008 we examined the human resource development policy, which was approved as part of our in-house rules. Currently, the policy is being disseminated mainly among managers in major

operating locations. As for our level-based training programs, we made a review on the entire framework, focusing on the reinforcement of management competence. With the aim of strengthening our manufacturing education, we revised the contents of a half-a-year factory workshop for new recruits. For fiscal 2009, we are planning to train eligible employees to become in-house instructors so as to build up personnel education expertise in the Company, while continuing to disseminate our human resource development policy across the Company.

Message

Opening the "Door to the Future"

Since I joined Murata, I have engaged in R&D, product commercialization and its discontinuance, spending the first half of my career life working as a chief engineer in development of a product. Hoping to contribute to the Company by making another success in the second half of my career life, I submitted a research theme to the "Door to the Future" project. The theme was adopted and currently I'm carrying on a singlehanded battle, putting it into practice. I had to begin with creating a system in a quite different field, but now I'm vigorously pursuing research thanks to help from many supporters inside and outside the Company. Passion is the primary source of energy for research. I believe that the "Door to the Future" is a wonderful project that enables us to embody our passion for research.



Masamichi Andoh

Functional Materials Research Unit
Material Development
Management Dept.
Research & Development Center
Murata Manufacturing Co., Ltd.



- **Career Development**
(Job Rotation, Highly Specialized Professional System and In-house Staff Recruitment System)
- **Human Resource Development Strategy**
(Managerial Education Programs, Cultivating World-class Engineers and Global Personnel Rotation)



Equal Opportunities and Workplace Diversity

An Open Attitude toward Diversity, in an Organization of Diversity

To creatively develop businesses in a changing global market, it is important to build an organizational culture in which the ability and individuality of staff of different backgrounds can be fully utilized. At Murata, we offer our people equal opportunities,

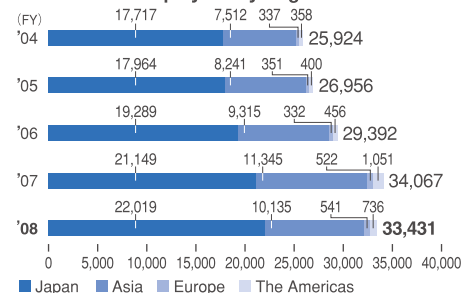
in hiring and after they take up their positions. Regardless of gender, race, or physical ability, employees enjoy an environment free from discrimination in treatment or training.

Reemployment Program for Retirees

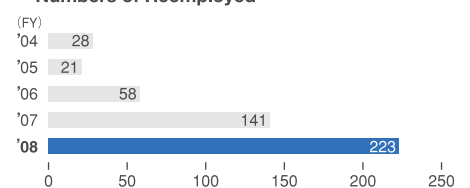
In April 2003, Murata introduced a system under which retired employees can rejoin the workforce. This system complies with recent legislation progressively pushing back the age at which initial state pension payments can be drawn, and it helps us better harness and hand down the know-how and skills of veteran employees. Under this reemployment program,

employees who have reached 60 may, if certain requirements are met, continue working at the Company for a maximum of four more years. In April 2006, this measure was extended to subsidiaries in Japan. As of March 31, 2008, 78 employees at Murata and another 145 at subsidiaries and affiliates of the Group had rejoined the workforce under the arrangement.

Number of Employees by Region



Numbers of Reemployed



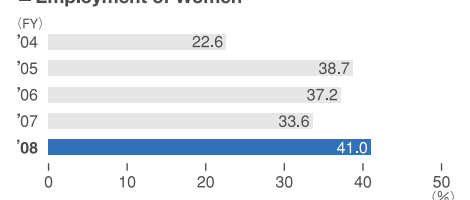
Expansion of Opportunities for Women

At Murata, we seek out highly talented staff members who can function on a global stage, regardless of gender. We have actively recruited women and opened up more management positions for them under an initiative in recent years to increase female representation at the top. In fiscal 2008 hiring, approximately half of general administrative positions were filled by women.



Murata supports wider roles for women

Employment of Women



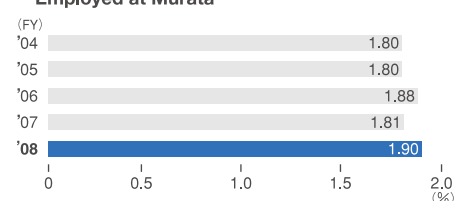
Employment of disabled persons

Based on a philosophy of treating all members of society equally, Murata is committed to expanding employment opportunities and improving the workplace environment for the physically challenged.

In addition to taking on physically challenged new graduates, Murata has long had a proactive policy of accepting mid-career

hires. We have cleared the legal minimum for the percentage of disabled persons employed in the total workforce in each of the last five years. In fiscal 2008, the ratio was 1.90%.

Proportion of Disabled Persons Employed at Murata



Employees



Equal Opportunities and Workplace Diversity

Localized Hiring and Employment at Overseas Units

We believe we play a role in the development of the electronics industries in, and contribute to, the economic growth of each of the 18 countries worldwide in which our offices and subsidiaries are located. Localized hiring and employment are part of that commitment. In fiscal 2007, in line with our expansion of overseas businesses, we have increased hiring of personnel in the China and wider Asia region. To encourage better deployment of local talent, we compiled a three-year localization

plan for overseas bases in 2007. We are systematically committed to localization, and have set numerical targets for management-level hires from the local talent pool in each overseas location. For all regular employees hired locally by overseas facilities, from young employees to senior management, we provide management training to ensure a shared commitment to Murata's principles and to foster the knowledge and skills needed for their realization.



Managers hired at overseas bases are sent to Japan for management training.

Foreign Employees at Murata Business Locations in Japan

Head office	9	Tokyo	3
Yasu	3	Kanagawa	1

Creating a Relaxing Working Environment

Support for Striking a Balance between Work and Family Life

Murata has a range of support mechanisms for highly-motivated employees who want to develop their career while striking a balance between work and family obligations such as maternity and care of children and elders. In response to the enactment of Japan's Law for Measures to Support the Development of the Next Generation*, we formulated an action plan from April 2005 that includes improving maternity leave and short-time employment arrangements, introducing special leave for infertility treatment and providing support to encourage paternity leave. A considerable number of employees have used these support systems. Consequently, we have been recognized as a business that meets the basic requirements of the Law for Measures to Support the Development of the Next Generation, and were awarded the Second Kyoto Prefecture Award for Support for Child-rearing. In fiscal 2008, we launched a new three-year action

plan. We also held a "Children's Visiting Day" on which employees' children are invited to the workplace of their parents. Looking ahead, to promote the use of child-raising support and other systems to help employees strike an appropriate work-life balance, we will establish guidelines and further improve such systems.



A boy visiting his parent's workplace

Introduction of Discretionary Work Plan for Technical Specialists

Murata operates a "discretionary plan" for technical specialists engaged in research and development of particularly promising products. Under this plan, creativity is encouraged by entrusting the individual technical specialists with decision-making regarding approaches and allocation of time to projects. This enables appraisal based not on the number of hours put in, but on results.

At the moment, this discretionary system covers 43 employees throughout the Group. Applicants for eligibility state their case to the Personnel & Industrial Relations Dept., which makes the final decision on whether they qualify, based on the perceived necessity of vesting in the applicant decision-making powers concerning the execution and duration of the work.

Memo

*About the Law for Measures to Support the Development of the Next Generation

A law was formulated in July 2003 and enacted in April 2005 to promote healthy bearing and raising of children to support future societies. It obligates companies to have action plans to create environments and working conditions that enable employees to keep a balance between work and family life.

Message

To Grow as a Mother and Person

I took a one year of childcare leave. Although raising a child is tougher than I expected, I had a precious time feeling refreshed and fulfilled, since I learned a lot of valuable lessons that were different from those obtained in the workplace.

I was happy to be able to return to work after having dedicated myself to childcare for one year. I wish to grow as a mother and a person, valuing what I learn from meeting with many people while raising my child and pursuing my career.



Tomoko Hirohata
Product Engineering Sec.,
Sensor Products Div.,
Murata Manufacturing Co., Ltd.



Number of Employees Taking Family-care and Childcare Leave

	FY2007	FY2008
Family-care leave	10	11
Maternity (pregnancy and childcare)	210	224
Childcare [(%) = those actually taking such leave compared with eligible total]	201 (96%)	220 (98%)



- Labor Relations
- Leave System
- Welcome Back System
Utilizing the Expertise of Seniors
- Measures to Prevent
Sexual Harassment



Creating Workplaces Where Employees Feel Satisfied and Fulfilled

Making Use of the Management's Awareness

For a company to grow, it is necessary to achieve certain standards of employee and customer satisfaction (ES* and CS). In order for Murata to continue growing, it is essential that employees think and act by themselves and are well motivated to work. In fiscal 2005, Murata launched its biennial employment satisfaction surveys aimed at measuring variables such as organizational vitality and employee motivation. In fiscal 2008, we placed focus on making qualitative and quantitative improvements in communication between

management and regular employees. Aiming to create an organization that encourages cooperation and mutual support, and an organization that promotes consideration for others, we held programs to raise management's awareness designed for department directors and higher level officers. In future, we will conduct these programs at respective workplaces, and increase opportunities for employees of all departments to discuss their ambitions with superiors, and create workplaces where people really feel motivated and realize their growth.

Memo

*About ES

ES refers to employee satisfaction, which is a complementary benefit to CS, or customer satisfaction. At Murata, we define employee satisfaction as employee motivation and personal development. We aim to be a company in which employees can really feel such development through their work while at the same time enjoy strong morale.

Intellectual Property Rights of Employees

Intellectual Property Rights of Employees

Murata materially makes reward and compensation to employees who have invented new technologies. Payments are made to the inventor under certain conditions, such as when applications for patents are

made or patents are registered or applied for in-house, or if patent is licensed to others and used the patent. In evaluating new technologies, a review is undertaken by an invention remuneration review committee. To

ensure fairness of the system, employees may lodge a complaint if they disagree with a committee decision. In fiscal 2008, payments were made to a total of 4,570 employees under the program.

Occupational Health and Safety

Creating Workplaces Free from Injury

Introduction of the Occupational Health and Safety Management System

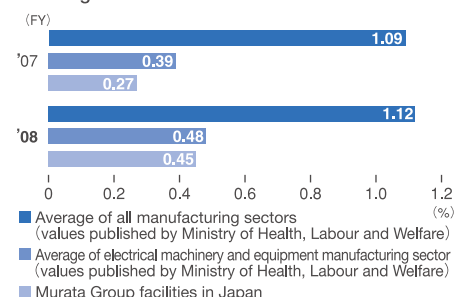
Murata has carried out equipment risk assessments and chemical substance management, to create safe workplaces where work-related disease and disaster risks are low. As a result, the rate of time lost due to work-related injuries was reduced. Of these injuries, 70% occurred while employees were walking and transporting certain objects.

Given such situations, we judged that, to reduce the number of work-related accidents, we need to improve the level of our health and safety activities, by continuing the ongoing measures and also by introducing the occupational health and safety management system, in which all employees are involved. We will therefore work to rebuild the scheme for our health and safety activities, aiming to introduce the occupational health and safety management system in fiscal 2010.

Occupational Accident Frequency Rate

In fiscal 2008, the rate of time lost due to work-related injuries (a figure which shows the accident frequency rate) was 0.45% at Murata Group facilities. The figure was higher than the previous fiscal year level. This was due to employees suffering a sprain, bruise, or fracture while they were walking or transporting certain objects.

■ Change in the Rate of Time Lost



Emergency Life Saving

Recently, it has become common to see automated external defibrillators (AEDs) installed around us. We have also installed AEDs in Murata Group facilities, and regularly hold workshops on AED handling, in an effort to cope with medical emergencies of employees and customers visiting our sites. In January 2009, we saved the life of a customer who visited Murata's affiliate located in Sabae City, Fukui Prefecture. During his visit, the customer suddenly fell ill and suffered

cardiopulmonary arrest. The employees of the affiliate used an AED to give resuscitative treatment to the patient, who was then transported to a hospital by ambulance. It was a valuable experience in saving precious human life.



We received a letter of appreciation and memento from the Fire Headquarters of the Sabae Nyu Fire Department, for our contribution to lifesaving using an AED.