[Suppliers]

We promote fair and sincere purchasing

Murata’s legal compliance in purchasing is a matter of course. We request legal compliance and consideration of society and environment to suppliers for our mutual prosperity.

Murata and its supplier will aim at the same direction together.

Treasuring the trusting relationships with suppliers who walk right alongside us as a part of the supply chain.

Most people tend to think that the main mission of buyers is cost reduction. That is not the case with Murata. Of course we must be conscious of costs, but more importantly we must judge if the price is fair. Murata makes numerous requests to our suppliers. These requests include environmental consideration through green procurement, actions involving human rights and labor safety and hygiene, situational CSR procurement, continuous quality improvement, etc. in addition to legal compliance. The concept of supply chain is for us to cooperate with the suppliers who agree to act on these challenges, to supply good merchandise to the market as well. If we were to require efforts from suppliers, we as buyers must work just as hard as them. We have to be especially careful with the subcontract law, since lack of knowledge can result in illegal actions. We are trying to deepen our understanding of the law through regular study sessions. We then try to disseminate the related information and educate requesting departments. Since procurement tasks are managed by Murata's own “procurement system,” in such a way that as long as we follow proper procedure according to the system legal violation may be prevented. However, we need to pay close attention to irregular cases. Our job sounds very dry, and there are tasks that must be handled dry. However, forming a good relationship with suppliers is a very important part of our job. We will continue to aim at the same direction together with our suppliers.

[CSR management]

Continuity of businesses as a social responsibility

When accidents and disasters happen, our top priority is saving lives. Next most important thing is "business continuity."

Murata never ceases to act at all times. That is the reason why everybody trusts us.

Conducting plant-wide training activities to identify potential risks

Needless to say, securing safety of people and corporate assets at the time of disasters is important. However, from the viewpoint of contributing to the society by steadily supplying products, a mechanism to provide business continuity by recovering the plant function as soon as possible is essential. In FY2006, we drafted a business continuity plan (BCP) taking an earthquake, the most damaging disaster into consideration. We have been trying out various patterns of evacuation drills based on this plan. Through the drills, we have confirmed that there are some locations in production lines difficult to hear the emergency announcement due to machine noise. We have also found that there is delay in message transmission for employees with hearing problems since they have to be communicated secondarily by their supervisors who listen to the announcement. In FY2010, we have started installing a system to turn on emergency lights in response to early earthquake warnings and fire alarms so that we can visually transmit disaster information.

Meme

Internal Control System

Murata Manufacturing has established a number of committees such as the "Internal Control Committee" to maintain and improve internal control system to ensure appropriate control of businesses worldwide. We are especially focusing on preparing system for prevention of illegal actions and appropriate measures when such actions are discovered, risk management, and timely and appropriate information disclosure. Similarly, a framework for businesses ensuring proper and efficient management and proper procedures is being established, and are given as guidelines to our subsidiaries as necessary.

Reporting and Consultation Channels

Murata makes available services to accept claims and consultation by email and phone with regard to questions and problems pertaining to legal compliance. All services from in-house service by the Compliance Promotion Committee Secretariat, the "Corporate Ethics Helpline" by Didi Service Co., Ltd. can be utilized anonymously providing privacy and inhered of people reporting claims or seeking consultation. These services are available to Murata employees (including full-time employees, temporary workers, career contractors and employees in Japan on assignment), Murata retirees, as well as dispatched workers, subcontractor employees, customers and suppliers working in Murata, and their family members.