

## Taking a close look at CSR at Murata

CSR at Murata emphasizes being socially responsible in the company's business activities. It embodies a strong determination to maintain stable employment and address social issues. This report, however, contains many abstract explanations. Internationally, solutions are needed for specific problems, such as the Sustainable Development Goals (SDGs) adopted by the United Nations. When we see the ways in which the socially responsible execution of Murata's business activities are connected to specific social issues, and how those topics are placed at the center of CSR activities, it becomes clear how Murata is working hard to be a world leader in corporate social responsibility.

"Diversity and inclusion" is another topic of this report. Promoting greater diversity is an important thing to do at every level of society, and is something that Murata is actively pursuing; it is an area in which I would like to see Murata make good progress. A concrete action plan is necessary for proper implementation. Gender, age, and nationality are not the only focuses for diversity. So it is good to see that Murata aims to implement measures that diversify working styles themselves. This will in turn strengthen the company's resilience and make life better for its employees. Yet it is important to establish a number of indicators to provide specific objectives to meet.

Murata can also be commended for the measures it has taken in its supply chain. It has become clear in the last several years that CSR and environmental measures cannot be managed properly without implementing them throughout the entire supply chain. Year by year there has been increasing pressure from buyers in this regard. Murata's main relationships are with suppliers close to the raw materials, so it has the ability to do much more for the social good in terms of careful supply chain coordination than a manufacturer that only works from assembly to the finished product.

In the world of CSR, there is a growing trend toward producing "integrated reports". An integrated report covers more than financial capital. It includes the value that is produced from other forms of capital—manufactured, intellectual, human, social and relationship, and natural. I believe this report style is a good match with Murata's CSR spirit, and look forward to seeing such reports issued in the future. At such time, an important focus will be the indicators selected to measure the creation of value to society. In financial matters there are Key Performance Indicators (KPIs), so it will be critical to establish non-financial KPIs, to manage objectives, and to communicate Murata's progress as the company moves forward.



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