

Supplier selection criteria

We fairly and equitably evaluate and select suppliers based on rational criteria such as consideration for quality, delivery date, continuation of supply, business conditions, product technical capabilities, human rights and labor, environmental conservation, safety and health, ethics, BCP, and information security.

1. Observance of laws, ordinances and social norms

Suppliers are requested to observe all applicable laws, ordinances and social norms related to their businesses as well as the RBA (Responsibility Business Alliance) Code of Conduct.

2. Promotion of sound business management

In order to continue doing business and build relationships of cooperation and trust, suppliers are requested to promote sound and fair business management. Moreover, suppliers are requested to disclose the proper information regarding their management policies and business conditions (including their financial condition) to Murata.

3. Emphasis on quality, delivery dates, and stable supply

Murata emphasizes quality and delivery dates in order to provide higher quality products to customers in a timely manner. Therefore, we are required to conduct business with suppliers who can observe the prescribed levels of quality and delivery dates and able to supply materials in a stable manner.

4. Strengthening the ability to respond to demand fluctuations

Within the rapidly occurring demand fluctuations of the electronics industry, we are required to quickly respond to customer demands at all times. Suppliers are requested to build a system that can flexibly respond to these demand fluctuations.

5. Building supply chain BCP

In preparation for the occurrence of disasters and other unforeseen circumstances, we request your cooperation in building a system which shares information with the entire supply chain including suppliers and is able to respond in such a way as to continue the supply.

6. Environmentally-conscious product supply

Murata conducts procurement activities which help reduce the global environmental load.

We actively adopt materials which do not include toxic chemical substances and promote green procurement which helps reduce the environmental load. Suppliers are also requested to supply environmentally conscious products.

7. Strengthening technical capabilities which can contribute to product development

The speed of technical innovation in the electronics industry is extremely rapid, and the possession of cutting-edge technical capabilities is a source of corporate competitiveness. Suppliers are also requested to continuously improve their technical capabilities to promote technical innovation.

8. Establishment and observance of information security

Suppliers are requested to securely store and protect confidential information and personal information which becomes known.

9. Respect for human rights and consideration of the labor environment

In addition to respecting international standards relating to human rights, suppliers are also requested to engage in procurement activities which consider the labor environment.

10. Maintenance of sound business relationships

With the exception of actions which are clearly permitted under the conventions of social and commercial practices as well as the laws and ordinances which are applied in the countries and regions where procurement activities are carried out, suppliers are requested to refrain from accepting offers of entertainment, the receipt of money or goods, or other provisions of convenience. Please consider establishing and operating a point of contact for the purpose of consultation regarding acts which are in violation of compliance, etc. or concerns about such actions.

11. Promotion of responsible mineral procurement

Murata has a stated response policy regarding the procurement of minerals contained within materials which it strives to carry out. Suppliers are also requested to understand Murata's policy and promote activities with respect to "realizing conflict free materials in delivered products" such as formulating a response policy, establishing and putting into practice an internal control system, surveying the supply chain and carrying out

due diligence, and only procuring materials from RMAP conformant smelters.