

Message from the Director of HR

Things that Will Always Be Important, and Things that Will Be Changed

Fostering a Culture that Recognizes and Respects Individual Differences and Becoming a Company Where the Business and People Grow Together

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The Murata Philosophy “SHAZE” is the foundation of our human capital approach

I am Takanori Toi, director of the ESG and HR Group, corporate unit. I oversee HR, general affairs, PR, facilities, and sustainability.

Regarding our people, the first thing I would like to mention is the Murata Philosophy, or SHAZE. At Murata, we have a deeply rooted corporate culture that respects this philosophy and as it is the basis for employees' thoughts and actions, it

creates a strong value chain. Our human capital is nurtured according to this. This will remain unchanged, but we must continue to consider connecting diverse individual employee strengths to the organization's while simultaneously adapting to changes in the environment. To that end, I would like to introduce Murata's approach to human capital management.

The organizational capabilities that support Murata's growth

A key factor in Murata's growth is our “organizational capabilities.” No matter how talented the employee, some things cannot be achieved alone. Yet, the act of employees trusting and collaborating to get the job done is what Murata considers to be “organizational capabilities.” To demonstrate this, employees need to have an open environment where they can leverage their talents and act with a growth mindset when taking on challenges or goals.

At Murata, we leverage global job rotation, and the diverse work experiences gained across many workplaces foster mutual understanding and trust among employees. Rotation is also the basis for personnel training and allows for a culture

wherein the entire company nurtures employees. This promotes collaboration, prevents the formation of barriers between departments, and leads to increased organizational capabilities.

One of the things that has influenced the creation of organizational capabilities is employees' exposure to management. For example, we have many opportunities for employees to come into direct contact with leaders, which helps deepen their understanding. For example, when Chairman Murata and President Nakajima visited domestic and overseas locations, they regularly held training sessions to talk to employees about their experiences implementing the Murata Philosophy. Cultivated in this way, organizational capabilities

are effective not only when working toward organizational goals but also in building relationships that allow employees to

collaborate across organizational and geographical boundaries effectively.

Making a difference through three actions

In order to further strengthen Murata's human capital, we have planned three actions in 2022.

The Source of Value Creation

At Murata, employees around the world respond to the changing business environment, thinking and acting based on the Murata Philosophy as the shared guiding principles. They feel rewarded and continue to grow through their work. They trust and cooperate with each other to demonstrate collective strength, leading to the creation of new innovation.

A company is its people, and it's people who are at the core of value creation.

Sympathy for Murata Philosophy, and Putting it into Practice

to respond to a changing business environment

Acquiring and developing human resources

that is born when employees are motivated and feel they are growing

Employee engagement

to sustain and enhance our collective strength

Leverage diversity in human resource

**As the Global No. 1 Component & Module Supplier,
we aim to achieve sustained growth through proactive value creation ("Innovator in Electronics")**

Social value targets

	Fiscal 2024 targets	Fiscal 2030 targets
Percentage of overseas indirect employees with experience working at other sites	7%	10%
Positive employee engagement response rate	70% or higher	76% or higher*

* Above average level of global high-performing companies

For more information on our approach to "Murata's human resources", please see here.



To realize Vision 2030, we must continue to utilize the strengths of the human capital that we have thus far cultivated and implement strengthening measures and reforms so that we can respond to changes in the environment. The changes that impact us the most are those in the market, customers, and the diversification of business models. Another significant one is the diversification of the values and lifestyles of Murata employees.

Based on the above, the most important thing for Murata is to continue creating new value by creating an environment that recognizes and respects individual differences and allows every employee to flourish while leveraging their individual talents. The job rotation already mentioned remains an essential method for increasing organizational capabilities. Still, in the future, we will need to add a new system to support the activities of a diverse workforce and foster a culture that recognizes and respects individual differences. Maintaining our existing strengths and creating a flexible environment that can adjust to the changing times will lead to improved

engagement and enable us to acquire new employees who can help us create value to realize Vision 2030.

Another of Murata's strengths is the strong togetherness we have cultivated, equipping employees with a common set of values and knowledge. At the same time, due to the recruitment of experienced people and M&A, we are acquiring more talent with more diverse values than ever before. Because of this, I believe that we must be diligent in explicitly stating what was previously unspoken and engaging in dialogue to understand each other's differences, leading to more innovation.

As Murata continues to grow, we seek more people with diverse experiences and values. Aiming to realize the “continuous cycle of social and economic value” set out as how Murata wants to be in Vision 2030, I will continue to promote human capital management that allows our business and people to grow together and solve new challenges. Thank you for your continued support.