

## Business continuity management (BCM)

### Background of setting the material issues

Companies are expected to prioritize human life and safety while quickly resuming product supply and to fulfill social obligations, even if an emergency arises with a significant impact on business. To become the top components manufacturer in the world, Murata has set this as a material issue with the understanding that promoting global business continuity management is a key issue.

### Our goal

We aim to build BCM organizations in domestic and overseas business sites and plants, in order to prepare for disaster.

### Basic BCM policy

1. Ensure the safety of employees and others, and then work toward preventing secondary disasters.
2. Do everything possible to resume production and keep supplying products to markets.
3. Support regional recovery as member of the local community.
4. Thoroughly implement required advance measures after taking costs and benefits into consideration, in order to minimize asset loss during a disaster and to resume production more quickly.
5. Revise the Business Continuity Plan (BCP) regularly and as the business environment changes, in order to continuously improve business continuity organizations.
6. Establish business continuity organizations with all employees working together under the proactive leadership of management.

### Business continuity plan (BCP)

A major natural disaster has the potential to bring business to a stop for extended periods. Consequently, Murata has devised a business continuity plan (BCP) to ensure that we can fulfill our duty to provide customers with a stable supply of products. We are conducting initiatives to minimize damage and continue business, such as ensuring earthquake resistance and safety for buildings and production facilities, constructing backup frameworks for our communications and information systems, and maintaining supply from inventory.

Within material procurement, the production locations of material suppliers are stored in a database

so that procurement activities are not delayed when a disaster or other risk occurs. We are also formulating an initial response system and an initial response flow for expected risks to implement a rapid initial response. Furthermore, with regard to important materials we are promoting measures such as implementing a multi-vendor system, confirming the BCP implementation status of our vendors, and ensuring sufficient inventory to cover the expected recovery period, if risks materialize, as measures to ensure stable procurement.

### Status of efforts made in fiscal 2021

We conduct periodic business continuity drills to confirm effectiveness and continually improve initial response measures, improve crisis response capabilities, and find points to be improved regarding BCP. During fiscal 2021, we developed and strengthened BCPs that cover the required items (possible scope of damage, action plans required for business continuity, and advance measures) at domestic business sites and plants, and worked on establishing a BCP to prevent risks that would impair business continuity, and to minimize loss if risks should materialize.



BCP training

### Future initiatives

We must promote the establishment of BCM organizations to handle risks that could occur at the global level, prevent risks that could impair Murata's business continuity, and minimize loss if risks should materialize.

Toward that end, Murata implement measures such as verifying the effectiveness of our BCP through regular drills and other activities at domestic and overseas business sites and plants and, when required, revise the BCP, in order to ensure that autonomous BCM activities are put into practice, and to build BCM organizations in order to continuously supply products markets throughout the entire Group.

An earthquake in the Nankai Trough would be especially massive and damaging, and we realize that we must prepare for this. We continue to promote measures in order to fulfill our obligations as a components manufacturer to continue to supply products.