# Statement on the UK Modern Slavery Act

This Statement is issued pursuant to Article 54 of the United Kingdom Modern Slavery Act, which was enacted in 2015. Murata Manufacturing Co., Ltd. is cognizant that slave labor and human trafficking are serious global problems and that it must never permit human trafficking in the form of compulsory labor or child labor within the Company or its supply chain. This Statement sets forth the measures that Murata Manufacturing takes to prevent committing or supporting any violations of human rights in its business and supply chain.

#### 1. About Murata Manufacturing

Murata Manufacturing is a general electronic component manufacturer that develops, produces, and sells electronic components based on ceramics. Murata creates innovative products on a foundation of original and accumulated materials development, process development, product design, production technology, and software that supports, analyzes, and evaluates these processes and contributes to the development of an electronics society.

Murata engages in direct and indirect sales in the United Kingdom through our subsidiaries. The subsidiaries with a presence in the United Kingdom are indicated below.

Murata Electronics Europe B.V., NCL Holdings Limited, Murata Power Solutions (Milton Keynes) Limited, Celab Power Management Limited, Murata Power Solutions (Celab) Limited, Peregrine Semiconductor UK Ltd

For detailed information about Murata and its business, access the following company website. https://www.murata.com/en-global/about/company/muratalocations

#### 2. Policy on the Prevention of Slave Labor and Human Trafficking

# ■ Corporate Philosophy

Murata's corporate philosophy, created by founder Akira Murata in 1954, is as follows:

We contribute to the advancement of society by

Enhancing technologies and skills

Applying scientific approach

Creating innovative products and solutions

Being trustworthy and,

together with all our stakeholders,

thankful for the increase in prosperity.

This corporate philosophy is shared by all employees, and by putting this philosophy into practice, we endeavor to address global issues.

## Corporate Philosophy:

https://www.murata.com/en-global/about/company/philosophy

## ■Murata Manufacturing CSR Charter

In line with its Corporate Philosophy, Murata adopted the CSR Charter as a statement of norms that all persons who work for the Company are to observe with the aim of remaining a company that is trusted by society by committing to observe laws and regulations as well as highly transparent governance, respect for human rights, health and safety, social contribution, and environmental preservation based on a high level of corporate ethics. The Charter expressly provides that we will respect the human rights of each individual, act with dignity, not engage in discrimination or human rights violations for any reason, and treat employees in accordance with the laws of each country.

#### Murata Manufacturing CSR Charter:

https://www.murata.com/en-global/about/csr/charter

#### ■Murata Manufacturing Human Rights and Labor Policies

Murata adopted the CSR Charter as a statement of norms that all persons who work for the Company are to observe. Among those norms, we believe that human rights are a universal issue that is crucial for business and that respect for human rights is one of our social responsibilities as we undertake sustainable corporate activities. We established basic policies on human rights and labor and take measures to respect and protect human rights with respect for humanity as our guiding principle. We expect all companies and individuals involved in our supply chain to support the intent of these policies and to act appropriately to fulfill their social responsibilities.

#### Murata Manufacturing Human Rights and Labor Policies:

https://www.murata.com/about/csr/people/employees.aspx#employees01

#### ■ Murata Manufacturing Purchasing Policies and CSR Procurement Guideline

We established Transaction Guidance for Suppliers as a guideline that sets forth the conditions for conducting transactions in the Murata supply chain. The Transaction Guidance indicates that we will fulfill our social responsibilities by complying with laws and regulations and undertaking comprehensive CSR procurement globally that includes consideration for the environment and human rights and expressly states that slave labor and labor through human trafficking may never be

used. In addition to the Transaction Guidance, we request that suppliers comply with the RBA (EICC) Code of Conduct and the JEITA Supply Chain CSR Deployment Guidebook in accordance with an Agreement to the Policies and Code Concerning CSR Procurement.

Murata Manufacturing Purchasing Policies:

https://www.murata.com/en-global/about/csr/people/suppliers

Our Expectations of Suppliers:

https://www.murata.com/en-global/about/procurement/expectations

## 3. Measures for the Prevention of Slave Labor and Human Trafficking

■ Due Diligence Processes

Measures Addressing Suppliers:

Slave labor and human trafficking could occur not only within the Murata Manufacturing Group, but also in its supply chain. We work with suppliers to prevent the occurrence of slave labor and human trafficking and conduct periodic surveys of suppliers to prevent human rights risks. For example, we distribute the Checklist for CSR Compliance to suppliers to confirm the status of compliance, including respect for human rights and labor practices, and request improvements based on the response results. Details of our measures are described on the following website.

Responsibility and actions regarding suppliers:

https://www.murata.com/en-global/about/csr/people/suppliers

Measures Addressing Recruitment Agencies:

In addition to measures taken within the Company and suppliers, the cooperation of recruitment agencies that refer and dispatch human resources is also essential for the elimination of slave labor and human trafficking. To this end, we request that recruitment agencies comply with our CSR standards, the RBA (EICC) Code of Conduct, and the JEITA Supply Chain CSR Deployment Guidebook in the same manner as suppliers. We also request that recruitment agencies set their recruitment fees to be paid by workers at zero as a general rule, and we conduct periodic surveys that cover slave labor and measure human trafficking risks.

# ■ Consultation Hotline Established

We established reporting and consultation hotlines at all business sites that can be used by Murata Manufacturing Group employees and dispatched workers and established the Murata Group Non-Compliance Hotline, an external hotline that is operated by a third party, to create an environment

where employees and others can anonymously and easily make reports and consult. With regard to supply-chain hotlines, we have a hotline that can be answered only by the general manager of the purchasing department, and suppliers can also access the third-party Murata Group Non-Compliance Hotline, creating an environment where suppliers too can anonymously and easily make reports and consult. When investigating reports, the privacy of consulting and reporting individuals is protected and measures are taken to prevent any disadvantageous treatment.

#### ■ Employee Education

Murata has translated its Corporate Ethics Policy and Code of Conduct based on the CSR Charter into local languages, distributed them to all domestic and overseas sites, and requires all personnel to understand their content and comply with them in all aspects of their work. In addition, October of each year is designated as Compliance Month and employee education is conducted on the Corporate Ethics Policy and Code of Conduct as well as how to use the hotlines. We periodically conduct education on laws and regulations as well as CSR for employees involved in materials transactions in procurement operations to maintain and raise awareness regarding legal compliance and we strive to raise awareness regarding the elimination of the risk of human trafficking and compulsory labor throughout the supply chain, including suppliers.

#### 4. Future Measures

We will continue to practice the Murata corporate philosophy as a statement of our management principles so that we can contribute to the advancement of society while we work in collaboration with our supply chain to eliminate global human rights problems, including slave labor, human trafficking, child labor, and compulsory labor.

December 2017

Tsuneo Murata

Chairman of the Board and President

Murata Manufacturing Co., Ltd.