Murata value report 2026

Surrounding You with Possibilities



Supporting Innovation from Within

muRata

INNOVATOR IN ELECTRONICS

Introduction

Publishing the Murata Value Report

Amid rapid technological innovation, including AI, and shifts in the market environment, we publish this integrated report to provide a comprehensive view, from both financial and non-financial perspectives, of how the Murata Manufacturing Group (hereinafter "Murata") perceives these changes and how it seeks to achieve medium- to long-term growth and sustainably enhance corporate value. Through our value creation story, management strategies, business activities, and sustainability initiatives, we seek to promote constructive dialogue with shareholders, investors, and other stakeholders and deepen their understanding of and trust in Murata.

Key points regarding Murata Value Report 2026

We focused on the following three points in compiling this year's report.

- How Murata sustains growth through agility in an era of rapid change
- How Murata's electronic components and technologies support the development of an AI-driven world
- How Murata anticipates future demand and steadily captures new business opportunities

How to read the Murata Value Report

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Navigate to the indicated page.

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Open the referenced website.

Open the referenced website.

Click on a title in the navigation bar on the right-hand side of the PDF to jump to the indicated page.

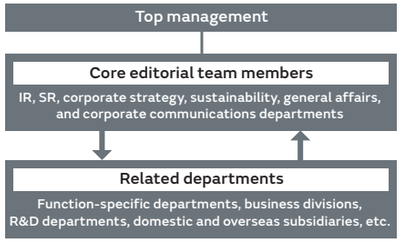
Cover design

The skyscrapers reflected on the water are composed of more than 1,000 Murata electronic components, illustrating how extensively the Group's solutions are used in our everyday lives. Take a closer look at the many electronic components that we rarely see in daily life.

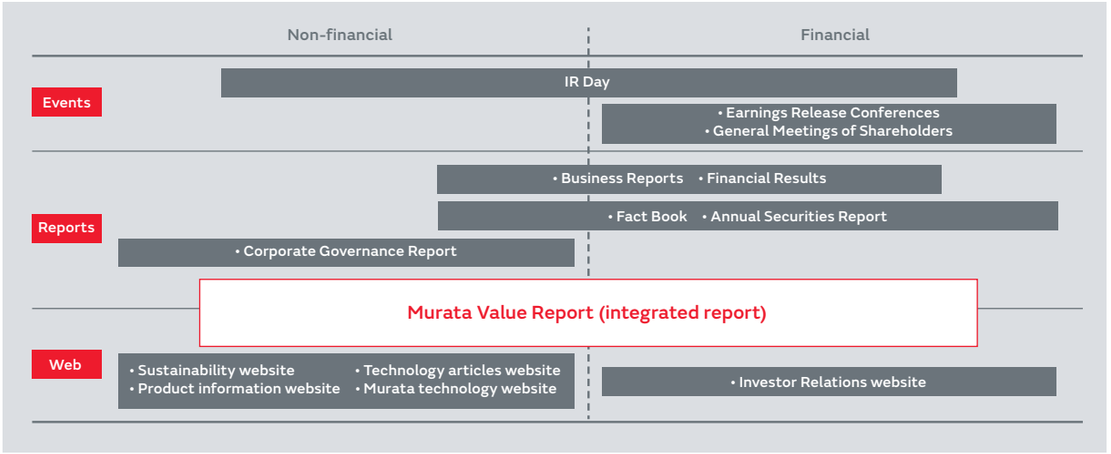


Editorial framework and internal use of the report

Senior management, including the president, is actively involved in preparing this report, which is compiled under the supervision of Masanori Minamide, the director responsible for investor relations.
Published in Japanese, English, and Chinese, the report is shared with all employees to deepen their understanding of Murata's overall business and management direction. It is also used in employee training and a variety of other settings as a tool to build a shared understanding of Murata's vision for an autonomous and decentralized organization.



Overview of Disclosure Channels



Period of this report: Between April 1, 2025 to March 31, 2026
* Some activities taking place on or before March 31, 2025 or on or after April 1, 2026, are covered in the report.

Reporting scope: Murata Manufacturing Group (referred to as "Murata" or "the Group"), consisting of Murata Manufacturing Co., Ltd. (referred to as "Murata Manufacturing") and 83 subsidiaries inside and outside of Japan

Forward-Looking Statements

In addition to information on past and current performance, this report contains future forecasts, predictions, plans, and other forward-looking statements. These statements are based on assumptions or judgments made using information available at the time of publication and hence are subject to uncertainties. Accordingly, actual results of future operating activities and future events may differ materially from the forecasts, predictions, plans, and other forward-looking statements made in this report.

Editorial policy

Recognizing the importance of stakeholder dialogue, Murata has published the Murata Value Report since 2018 to clearly communicate how the company creates and enhances corporate value over the medium to long term. The report outlines the Group's growth strategies for realizing its vision for the future, along with the sustainability initiatives it continues to advance. This edition summarizes key points to present Murata's activities in a clear and concise manner.
Detailed financial data and reports on sustainability activities that are beyond the scope of this report, as well as environmental data from each business site, are posted on the Murata website. Please refer to the chart above for where to obtain additional information. We will continue active information disclosure to help our stakeholders better understand Murata. This report was compiled with reference to the IFRS Foundation's International Integrated Reporting Framework, the Japan Ministry of Economy, Trade and Industry's Guidance for Collaborative Value Creation 2.0, and the Japan Cabinet Office's Intellectual Property and Intangible Assets Governance Guidelines.

* In this report, "Murata" refers to the Murata Manufacturing Group as a whole, while "Murata Manufacturing" or "the Company" refers to Murata Manufacturing Co., Ltd.

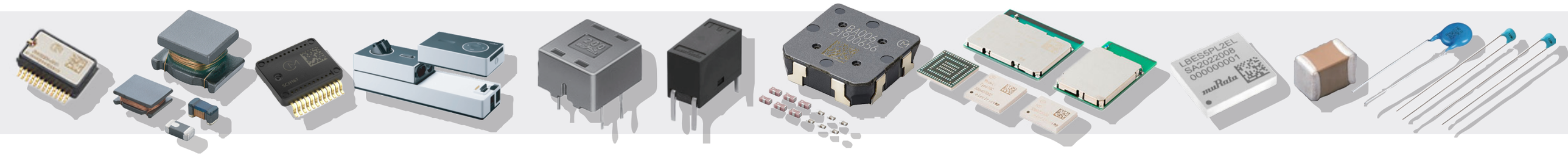
Environment Social Governance
Guidance for Collaborative Value Creation

Intellectual Property and Intangible Assets Governance Guidelines

Website

Corporate website

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- Sustainability
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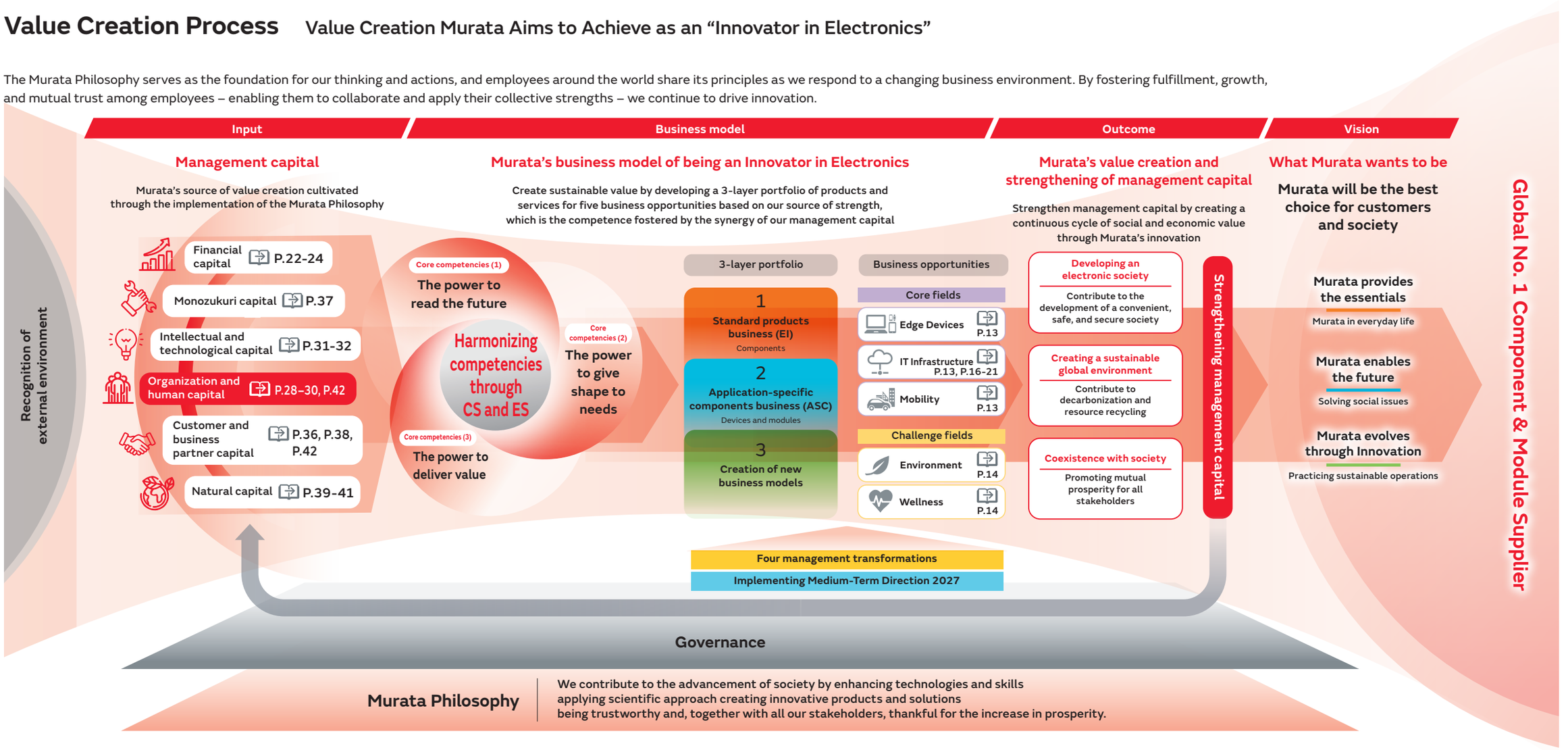
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CHAPTER 1 | Murata's Origins and Legacy

Value Creation Process　Value Creation Murata Aims to Achieve as an "Innovator in Electronics"

The Murata Philosophy serves as the foundation for our thinking and actions, and employees around the world share its principles as we respond to a changing business environment. By fostering fulfillment, growth, and mutual trust among employees – enabling them to collaborate and apply their collective strengths – we continue to drive innovation.



The Murata Philosophy

The Murata Philosophy serves as the foundation for the thinking and actions of Murata employees worldwide. Its enduring principles remain constant even as society and markets change, strengthening Murata's competitiveness and guiding our evolution. In an era of AI-driven transformation, this philosophy helps us understand fundamental shifts in society and industry, create distinctive value, and generate new growth. Closely aligned with our approach to sustainability, it will continue to shape Murata's long-term progress and value creation.

Brand Story Our Approach to Sustainability



Murata Philosophy

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.

The Role of the Murata Philosophy

In the challenging business environment of Japan's postwar reconstruction, founder Akira Murata recognized the importance of clearly defining the Company's purpose and establishing guiding principles that would unite employees around a shared vision and aspirations.
"A company should not simply pursue profit. It should contribute to society through its unique technologies and, through that contribution, grow and prosper together with its partners."
Established in 1954, the Murata Philosophy defined this conviction.
Centered on the mission of "contributing to the advancement of society by creating innovative products and solutions," the Murata Philosophy defines the enduring values that guide the Company: advancing technologies and capabilities, practicing scientific management, building trust, pursuing mutual prosperity, and maintaining a spirit of gratitude. Passed down through generations, it continues to serve as a compass that unites employees around a shared purpose and direction.
Today, 82 years after our founding, the Murata Philosophy remains at the core of our business activities. As society and the business environment continue to evolve, each employee is encouraged to reflect on its meaning and apply its principles in daily decisions and actions. In this way, the philosophy has become embedded throughout the organization as a set of "living values" that continue to shape how Murata operates and grows.
These unchanging values are the source of Murata's enduring strength, enabling us to embrace change and continually create new value.

Values Embodied in the Murata Philosophy

Murata's mission is to "contribute to the advancement of society by creating innovative products and solutions." We fulfill this purpose by delivering distinctive value through our products and solutions, supported by the continuous advancement of our technologies and capabilities and the practice of scientific management.
The Murata Philosophy also emphasizes the importance of building trust and pursuing mutual prosperity. Our commitment to prospering together with all stakeholders, including customers, business partners, and employees, forms the foundation of Murata's value creation.
It also reflects a deep respect for people and the value of work. These principles form the foundation of Murata's approach to human capital management and contribute to sustainable value creation.

Putting the Murata Philosophy into Practice (CS/ES)

In putting the Murata Philosophy into practice, we place CS (creating and delivering value) and ES (fulfillment and growth) at the core of our management approach. CS reflects our commitment to continuously creating distinctive value through Murata's technologies and products and delivering that value to society.
Every employee plays a role in creating value, and we are committed to fostering an environment where individuals can experience both fulfillment and growth. The ongoing pursuit of CS and ES has helped shape Murata's distinctive culture and strengthen the organization as a whole.
Even today, as AI and other technological innovations accelerate, these two driving forces enable us to embrace change as an opportunity to achieve the next stage of growth.
Guided by the Murata Philosophy, we will continue to address social challenges, create sustainable value, and enhance corporate value over the long term.

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Murata's Core Competencies and Non-financial Capital

Across the value chain, Murata leverages the capabilities built through its management capital and the practice of the Murata Philosophy to anticipate the evolving needs of customers and society, develop new products and services, and maintain a stable supply. The value generated through these activities is reinvested in strengthening and transforming our non-financial capital, creating a virtuous cycle that supports sustainable growth over the long term.

Defining non-financial capital

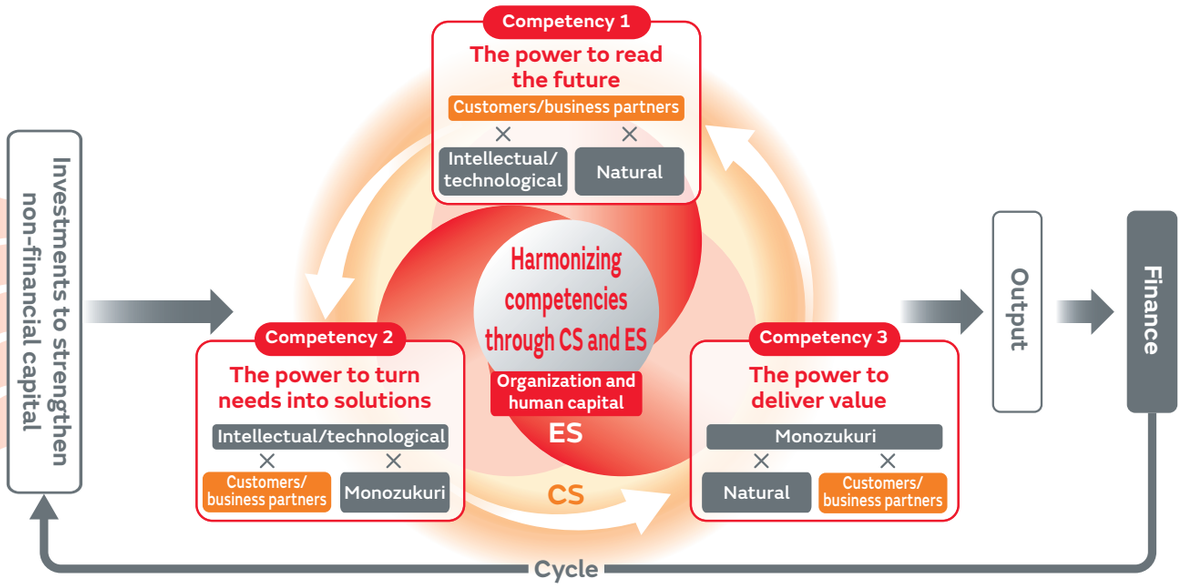
Organization and human capital P.28–30, P.42
- Employees who share the Murata Philosophy and sincerely practice it
- An organizational culture that utilizes diverse individuals and helps their collaboration
- Employee engagement that is born when employees are motivated and feel they are growing
- Networks and teamwork among sites around the globe
- Business management philosophy and ever-evolving management systems centered on the Murata Philosophy

Monozukuri capital P.37
- Production technology and management systems that are highly integrated, from raw materials to final products
- Strong improvement and quality mindset rooted in manufacturing sites
- Quality control technology and quality management systems that extend back to the origin

Intellectual and technological capital P.31–32
- The unique platform technology, core technology, and intellectual property that Murata has built to create social value and competitive advantage as an Innovator in Electronics

Customer and business partner capital P.36, P.38, P.42
- Accumulation of trust and credibility through comprehensive provision of value
- Strong partnerships with society and local communities
- Customer and sales networks built by providing product groups that meet customer needs
- Substantial information generated from offering a wide range of products with high market share
- Global partner network in the supply chain

Natural capital P.39–41
- Limited resources used in creating Murata's products and services Fossil fuels Mineral resources with high risk of depletion
- An environment that provides the foundation of life and comfort Ecosystems including air, water, flora, and fauna



Competency 1 Anticipating the future

Because many of our products hold a high market share globally, we have extensive opportunities to engage with customers across a wide range of industries. This interaction enables us to stay ahead of the curve and anticipate evolving customer needs. Even in a rapidly changing business environment, we continue to provide value by strengthening cross-functional collaboration, developing our Market, Needs, Product, and Technology Roadmaps, and delivering optimal solutions as a unified company.

Competency 2 / 3 The power to give shape to needs / The power to deliver value

Murata has built a vertically integrated production system ranging from raw materials to finished products, continuously investing in the development of technologies in areas such as materials, processes, production, product design, analysis, and evaluation. The elemental technologies that we have developed and acquired independently serve as platforms that we deploy in a variety of products and processes. Within the engineering chain management (ECM) axis, we closely align the functions of material development, product development, production technology, and manufacturing. As we do so, we use these platform technologies to optimize development across the entire Group. We continuously create new products, thereby giving shape to customer needs. In addition, processes, equipment, and new products created in the ECM axis are mass-produced in the supply chain management (SCM) process system. Combining these with our customer information and production information in our production management system enables us to deliver value to customers in a speedy and timely manner.

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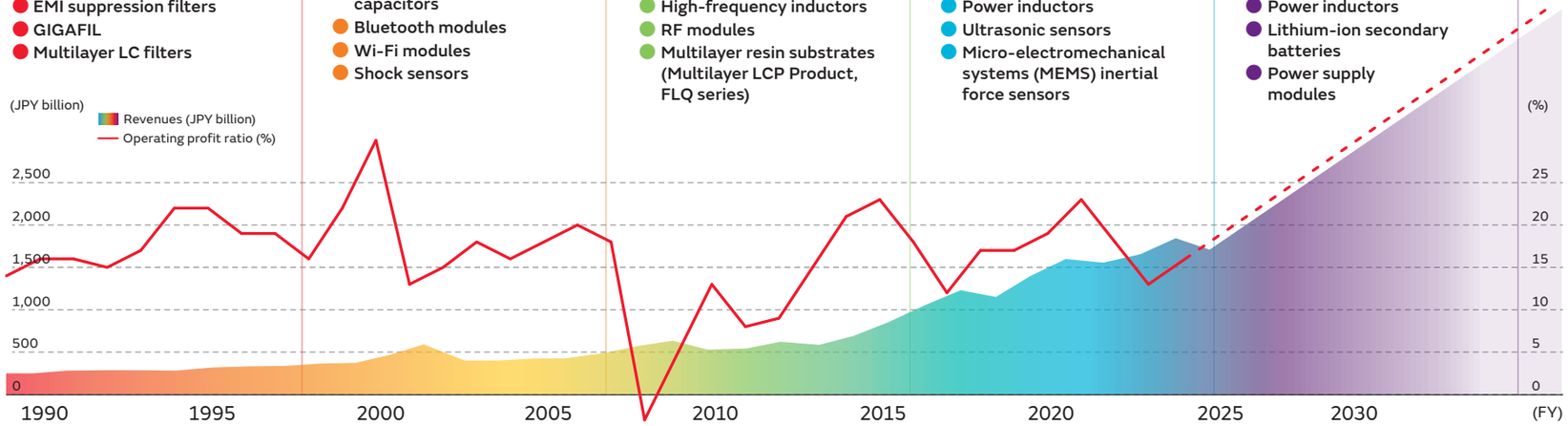
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Murata's Technologies and History

Murata has created new value by anticipating shifts in society and markets and advancing the technologies each era demands. From mobile devices and vehicle electrification to the data centers powering AI, Murata has evolved its technologies and expanded its business alongside changing applications. Going forward, we will continue to drive sustainable growth through innovation that helps address societal challenges.

	1990s	2000s	2010s	2020s	2025 Onward
Changes in Society and Industrial Structure	**Miniaturization and Enhanced Functionality of Mobile Phones**	**Growth of Notebook PCs and Faster Wireless Communications**	**Expansion of Smartphone Adoption**	**Increasing Vehicle Electronics and Electrification**	**Expansion of AI Data Center Investment**
					
	Mobile phones became widespread, enabling not only voice calls but also email and Internet access.	PCs and mobile devices became continuously connected to the Internet and equipped with multiple wireless communication functions, including Wi-Fi and Bluetooth®.	Smartphone adoption accelerated as devices became increasingly multifunctional, incorporating advanced cameras, apps, and other capabilities.	The adoption of electronics and electrification in vehicles intensified, enabling greater functionality, safety, and comfort.	As AI adoption grew, so did data center investment, driving demand for greater computing performance and faster processing of massive data volumes.
Technologies and Needs Required	• Miniaturization and thinner designs • Noise suppression • High-frequency support • Dual-band support	• Wireless communication support • High-speed communication support • Higher-capacity HDDs • Lower power consumption	• Greater functionality and miniaturization • Higher-speed, higher-capacity communications • High-frequency support • Multi-band support	• Higher capacity • High reliability • High-voltage and high-temperature support • High-precision sensing	• Compact size and high capacity • High-voltage and high-temperature support • Safety and high reliability • High-efficiency power supply
Products Provided by Murata	● Multilayer ceramic capacitors ● EMI suppression filters ● GIGAFIL ● Multilayer LC filters	● Multilayer ceramic capacitors ● Bluetooth modules ● Wi-Fi modules ● Shock sensors	● Multilayer ceramic capacitors ● High-frequency inductors ● RF modules ● Multilayer resin substrates (Multilayer LCP Product, FLQ series)	● Multilayer ceramic capacitors ● Power inductors ● Ultrasonic sensors ● Micro-electromechanical systems (MEMS) inertial force sensors	● Multilayer ceramic capacitors ● Power inductors ● Lithium-ion secondary batteries ● Power supply modules

Murata's Operating Performance



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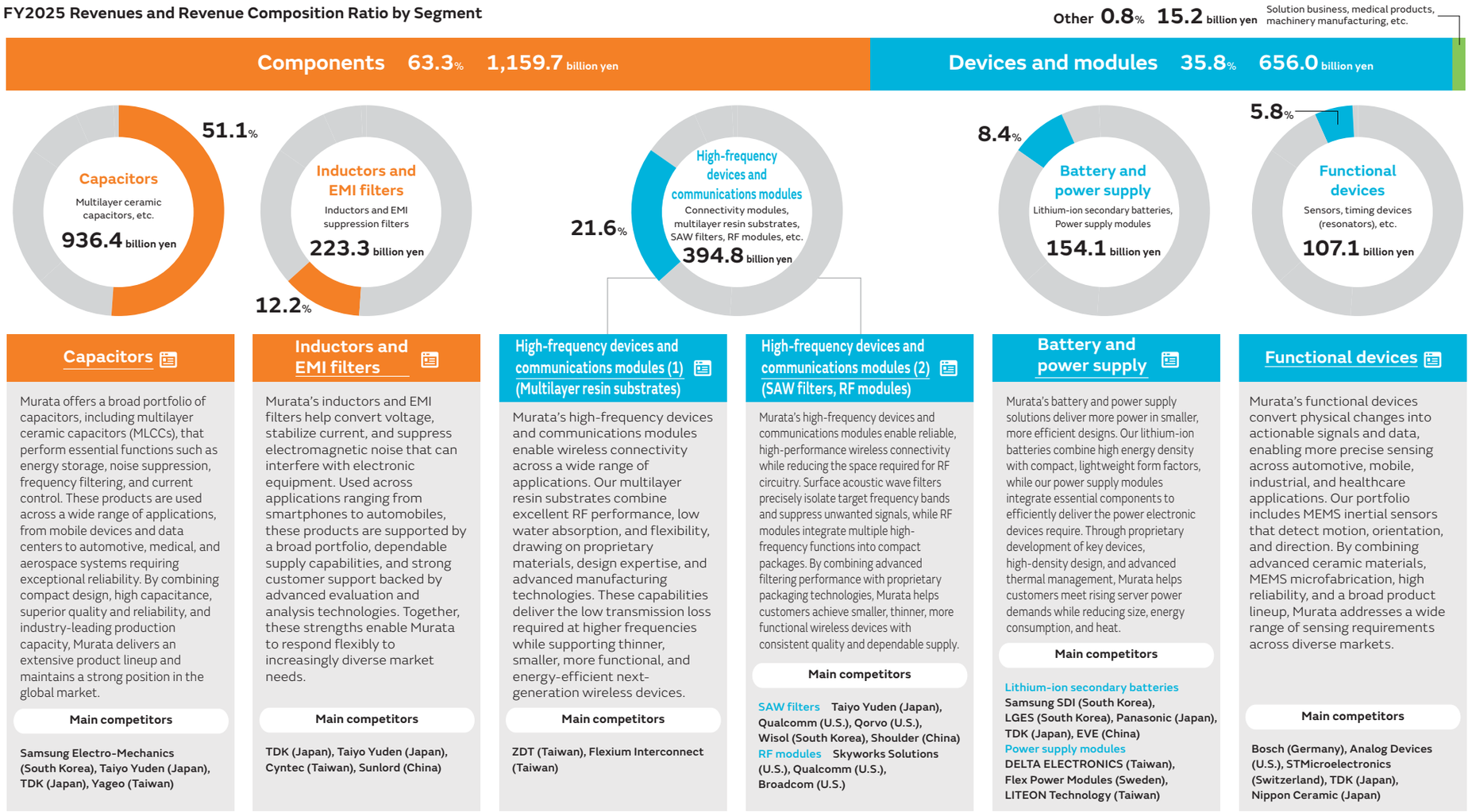
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Murata's Businesses

Advances in AI, digitalization, and decarbonization are reshaping the value expected of electronic components. Building on its core strength in components, Murata has expanded into devices, modules, and solutions, integrating diverse technologies to enable customer innovation and address societal challenges. By anticipating evolving market needs, we will continue to create new value and drive sustainable growth.

FY2025 Revenues and Revenue Composition Ratio by Segment



Capacitors

Murata offers a broad portfolio of capacitors, including multilayer ceramic capacitors (MLCCs), that perform essential functions such as energy storage, noise suppression, frequency filtering, and current control. These products are used across a wide range of applications, from mobile devices and data centers to automotive, medical, and aerospace systems requiring exceptional reliability. By combining compact design, high capacitance, superior quality and reliability, and industry-leading production capacity, Murata delivers an extensive product lineup and maintains a strong position in the global market.

Main competitors

Samsung Electro-Mechanics (South Korea), Taiyo Yuden (Japan), TDK (Japan), Yageo (Taiwan)

Inductors and EMI filters

Murata's inductors and EMI filters help convert voltage, stabilize current, and suppress electromagnetic noise that can interfere with electronic equipment. Used across applications ranging from smartphones to automobiles, these products are supported by a broad portfolio, dependable supply capabilities, and strong customer support backed by advanced evaluation and analysis technologies. Together, these strengths enable Murata to respond flexibly to increasingly diverse market needs.

Main competitors

TDK (Japan), Taiyo Yuden (Japan), Cyntec (Taiwan), Sunlord (China)

High-frequency devices and communications modules (1) (Multilayer resin substrates)

Murata's high-frequency devices and communications modules enable wireless connectivity across a wide range of applications. Our multilayer resin substrates combine excellent RF performance, low water absorption, and flexibility, drawing on proprietary materials, design expertise, and advanced manufacturing technologies. These capabilities deliver the low transmission loss required at higher frequencies while supporting thinner, smaller, more functional, and energy-efficient next-generation wireless devices.

Main competitors

ZDT (Taiwan), Flexium Interconnect (Taiwan)

High-frequency devices and communications modules (2) (SAW filters, RF modules)

Murata's high-frequency devices and communications modules enable reliable, high-performance wireless connectivity while reducing the space required for RF circuitry. Surface acoustic wave filters precisely isolate target frequency bands and suppress unwanted signals, while RF modules integrate multiple high-frequency functions into compact packages. By combining advanced filtering performance with proprietary packaging technologies, Murata helps customers achieve smaller, thinner, more functional wireless devices with consistent quality and dependable supply.

Main competitors

SAW filters **Taiyo Yuden (Japan), Qualcomm (U.S.), Qorvo (U.S.), Wisol (South Korea), Shoulder (China)**
RF modules **Skyworks Solutions (U.S.), Qualcomm (U.S.), Broadcom (U.S.)**

Battery and power supply

Murata's battery and power supply solutions deliver more power in smaller, more efficient designs. Our lithium-ion batteries combine high energy density with compact, lightweight form factors, while our power supply modules integrate essential components to efficiently deliver the power electronic devices require. Through proprietary development of key devices, high-density design, and advanced thermal management, Murata helps customers meet rising server power demands while reducing size, energy consumption, and heat.

Main competitors

Lithium-ion secondary batteries
Samsung SDI (South Korea), LGES (South Korea), Panasonic (Japan), TDK (Japan), EVE (China)
Power supply modules
DELTA ELECTRONICS (Taiwan), Flex Power Modules (Sweden), LITEON Technology (Taiwan)

Functional devices

Murata's functional devices convert physical changes into actionable signals and data, enabling more precise sensing across automotive, mobile, industrial, and healthcare applications. Our portfolio includes MEMS inertial sensors that detect motion, orientation, and direction. By combining advanced ceramic materials, MEMS microfabrication, high reliability, and a broad product lineup, Murata addresses a wide range of sensing requirements across diverse markets.

Main competitors

Bosch (Germany), Analog Devices (U.S.), STMicroelectronics (Switzerland), TDK (Japan), Nippon Ceramic (Japan)

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CHAPTER 2 | Creating New Value in the Age of AI



Message from the CEO

Entering a New Era of AI-Driven Transformation in Electronics

— Supporting Growth in a New Industrial Landscape as the Global No. 1 Component & Module Supplier —

Norio Nakajima President and CEO

Key Messages

A New Industrial Revolution Driven by AI
Building the Infrastructure to Support the Industrial Revolution
Murata's Value Creation in the Age of AI Transformation
Management Foundations Supporting Sustainable Growth
Column: What Is a "Good Company"?

A New Industrial Revolution Driven by AI

The world is once again at a major turning point. Since joining the company in 1985, I have witnessed more than four decades of transformation in the electronics industry. In the 1980s, advances in miniaturization reshaped products such as video cameras. In 2000, the expansion of the Internet and rapid progress in mobile phones created entirely new markets. By 2015, advances in wireless communications and the spread of IoT connected smartphones, PCs, and a broad range of equipment, ushering in an era of ubiquitous connectivity. Roughly every 15 years, a major technological shift has transformed society and industrial structures. I refer to these recurring shifts as the “waves of electronics.”

Murata has grown by responding to successive waves of technological innovation and supplying the electronic components that enable them. Anticipating the next major wave, we have been preparing through Vision 2030. However, that transformation is arriving faster than expected, with AI at its center. I view AI not simply as another technological advance, but as a new industrial revolution. Previous waves were driven largely by specific applications, such as cameras, mobile phones, and automobiles. AI, by contrast, is expected to permeate virtually every industry and become an integral part of social infrastructure. Its impact will extend beyond rising demand to transform manufacturing, management, customer businesses, and society itself. As AI evolves, society will require faster, more secure, and more energy-efficient processing of ever-growing volumes of information. Meeting these needs will depend not only on semiconductors, but also on the electronic components that enable communications, power delivery, sensing, and high-frequency performance. For electronic component manufacturers, this represents an unprecedented opportunity for growth and value creation.

By leveraging our strengths in materials and production technologies, together with our broad portfolio of electronic components, we will continue to provide the key devices that enable customers to realize new value.

Wave of “Innovator in Electronics”



Building the Infrastructure to Support the Industrial Revolution

Investment in AI data centers – the infrastructure supporting AI transformation – is accelerating worldwide, with demand growing faster than initially anticipated and expected to remain strong over the long term. However, supporting this growth requires far more than semiconductors and electronic components. It also depends on significant power and resource capacity, as well as the people and expertise needed to build and operate these facilities. Addressing these requirements will require collaboration across industries to advance both sustainable economic growth and solutions to resolve social challenges.

The growth of AI data centers is only the beginning. As AI infrastructure expands, adoption will accelerate across a wide range of applications, including edge devices, automobiles, drones, and industrial equipment. AI will also enable digital twins that more closely connect the physical and digital worlds, reshaping how people interact with devices and systems. Over time, this evolution is expected to create new markets and opportunities for value creation in emerging fields such as humanoid robotics and space.

As AI adoption expands, Murata’s role will become increasingly important. Demand for advanced capacitors is already rising sharply, driven in part by the rapid growth of AI data centers. In a market environment defined by significant change, the ability to make timely, forward-looking investment decisions is an important source of competitiveness. We are therefore investing not only to address current demand,

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but also to prepare for future market growth. In FY2026, in addition to previously planned capacity expansion, we decided to make ¥80 billion in additional capital expenditure for our capacitor business. Although demand is growing faster than anticipated, we will continue to respond swiftly, strengthen our supply capabilities, and support both our customers and the continued growth of the market.

Murata's Value Creation in the Age of AI Transformation

As AI becomes embedded in social infrastructure, its applications will expand well beyond data centers to edge devices, automobiles, humanoids, and industrial equipment. As these applications evolve, the performance requirements and roles of electronic components will also become increasingly sophisticated.

These shifts create new challenges for our customers while opening opportunities for Murata to deliver greater value. In AI data centers, demand is increasing for power modules that efficiently supply servers and backup batteries that help protect critical data. At the edge, real-time exchange of vast amounts of data will require advanced high-frequency devices and connectivity modules that support next-generation communications. Autonomous driving and humanoid applications will also depend increasingly on sensing and wireless technologies that enable systems to understand their surroundings and communicate reliably. At the same time, emerging technologies such as optical communications and optoelectronic conversion are creating new opportunities to reduce power consumption in AI data centers. As these needs evolve, we will continue to provide the key devices that enable our customers' innovation. Achieving this will require not only the evolution of our products, but also the transformation of Murata itself through the effective use of AI.

I believe that in the age of AI transformation, a company's competitiveness will be determined not by "whether it has AI," but by "what it trains AI on and how it uses that learning to strengthen competitiveness." We have built a vertically integrated business model that encompasses everything from material development to production processes and equipment, manufacturing, and sales. The vast information and expertise in materials, production, quality, and sales that we have accumulated through this process are valuable management resources unique to Murata and difficult for other companies to replicate. Using AI to make the most of these resources and quickly identify changes in customers, markets, technology, and manufacturing will drive future growth. To achieve this, it is important to leverage AI not simply as a means of improving efficiency, but as a tool for unlocking the full potential of people. I have long viewed AI as "a tool for reclaiming time." Beyond making operations more efficient, it supports human decision-making and allows people to devote more time to creative work. I believe that using this time to deepen our strengths in materials technology and core technologies is what will give us a competitive advantage.

At the same time, the source of our competitive advantage remains unchanged, even in the age of AI transformation. To continue delivering the key devices our customers will need, we must further differentiate ourselves in upstream areas such as materials and production technologies. By applying the time and insights gained through AI to strengthen these distinctive capabilities and other core technologies, we will continue to create new value for our customers and markets.

Management Foundations Supporting Sustainable Growth

A robust management foundation is essential to turning growth opportunities into tangible value. As global supply chains become increasingly complex, responding effectively to geopolitical risk and energy



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and resource constraints has become a critical management priority.

Since becoming President, I have made supply chain diversification a key management issue. Especially in times of profound change, we must build a resilient supply network that is not overly dependent on any single region or site, helping ensure stable supply to our customers. At the same time, while AI creates significant new value, it also places greater demands on energy and resources. Murata is addressing this challenge on two fronts: by providing products that help customers reduce power consumption and by lowering the environmental impact of our own operations. Alongside accelerating our RE100 and carbon neutrality initiatives, we are expanding our portfolio of environmentally beneficial products and advancing resource recycling. These efforts are both part of our responsibility to support a sustainable society and an important source of long-term competitiveness.

This AI-driven change is not a temporary surge in demand, but a historic shift that is transforming the very structure of society. That is why we must embrace change as an opportunity for growth rather than fear it and continue to evolve as a company. Through our unique technologies and manufacturing, we will create new value together with our customers. As the Global No. 1 Component & Module Supplier supporting society in the age of AI transformation, we will continue to contribute to the realization of a sustainable society.

Even as the world undergoes profound change, our business is built on the support of many stakeholders, including employees, suppliers, customers, local communities, shareholders, and investors. I believe that remaining a company trusted by all these stakeholders forms the foundation for long-term growth.

Column: What Is a “Good Company”?

Q. This year, you encouraged employees to consider what makes Murata a “good company,” how they can contribute to shaping it, and how to translate those ideas into action. What prompted you to pose this question?

A. I wanted every employee to think for themselves about what it means for Murata to be a “good company” and how they can contribute to making that vision a reality. I do not believe a good company is something management can define on its own – it is something the Company and its employees build together. Rather than me answering that for everyone, I want each person to reflect on what a good company means to them and translate that thinking into action. That is why I intentionally used the phrase “good company” in this year’s Annual Policy – to create a starting point for that reflection and dialogue.

We are at a major turning point as Murata moves into its next stage of growth. In this environment, both organizations and individuals must think independently, take initiative, and act with purpose. As AI takes on a greater role in society, distinctly human qualities such as passion, curiosity, imagination, and inspiration will become even more important sources of value. I want each employee to choose their own direction, embrace the freedom to create, and turn their ideas into action. These individual efforts will strengthen Murata’s distinctive autonomous and decentralized management approach and help sustain our growth through periods of rapid change.



To support this, I believe one of management’s most important responsibilities is to create an environment where employees can focus on their roles and act with confidence. A key foundation is “radical transparency.” Especially in times of rapid change, management must openly share its thinking, priorities, and challenges so that the organization can move forward with a common understanding. By consistently fostering this openness, we can strengthen trust across Murata and support sustainable growth.

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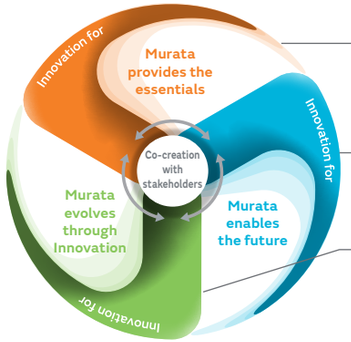
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Vision 2030 (Long-Term Vision)

Looking toward 2030, Murata is preparing for significant changes in the business environment by expanding its focus from customer-driven innovation to value creation that also addresses broader societal challenges. Vision 2030 defines how Murata will leverage its strengths as an Innovator in Electronics to contribute to a more sustainable society while supporting long-term business growth. Through innovation that contributes to a more prosperous society, Murata aims to remain the preferred choice of customers and society – advancing our vision to be the Global No. 1 Component & Module Supplier.

Innovator in Electronics

Murata will innovate to create a virtuous cycle of social and economic value and contribute to the enrichment of society.



Murata in everyday life

Murata's electronic components are used as an essential part of the social infrastructure for enriching people's basic needs. Murata will continue to respond to society's needs with constant innovation and promote the evolution of components. Murata's components are broadly and deeply rooted in society and support people's everyday lives.

Solving social issues

Electronics are also widely used as tools for solving social issues. Murata will not just provide components but will utilize electronics as a breakthrough to pursue sustainability of the Earth and society. Murata's innovations will accelerate the realization of an unrestricted, more convenient future.

Practicing sustainable operations

Murata will innovate to reduce the impact of our business operations on society and the environment. We are committed to realizing our business processes that are in harmony with society.

Global No. 1 Component & Module Supplier

Murata will be the best choice for customers and society

Murata's Business Opportunities

Core fields

Edge Devices

Smartphones, PCs, wearables, and other mobile devices that connect to the cloud (virtual)

IT Infrastructure

Data centers, servers, base stations, and critical network equipment

Mobility

Urban Infrastructure and services to support cars, motorcycles, drones, electrification, and autonomous driving

Challenge fields

Environment

Hardware, software, and systems that comprise increasingly electrified devices, resource recycling, renewable energy, and energy conservation

Wellness

Hardware, software, and systems linked to medical devices, implantable devices, and wellness

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Murata's Business Opportunities: Three Core Fields Supporting the Evolution of Society

Murata supports social transformation through the power of electronics. Under Medium-Term Direction 2027, we have identified IT infrastructure, edge devices, and mobility as core growth fields. By creating social value in these areas and capturing expanding demand, we aim to drive sustainable growth.

IT Infrastructure

Applications

Data centers, servers, base stations, and critical network equipment




Key Business Opportunities

- As cloud AI adoption expands, demand for IT infrastructure – particularly AI data centers – is expected to grow
- As server components such as GPUs, ASICs, and memory become more advanced, demand for higher-performance peripheral components will continue to grow
- Business opportunities will expand across a broad range of products, including capacitors, inductors, batteries, power supplies, and functional devices

Market needs Due to increasing power consumption (TDP) associated with larger-scale AI processing and constraints on substrate space, there is greater need for space-saving through the use of compact, high-capacity components

Layer 1 | Capacitors

Needs
- Deliver compact size, high capacity, high-temperature and high-voltage performance, and exceptional reliability

Market needs Improve power supply efficiency to meet the rising power demands of xPUs while reducing overall power consumption

Layer 2 | Power Supply Modules

Needs
- Achieve high efficiency, high power density, advanced thermal management, and integrated power supply solutions

Edge Devices

Applications

Playing a Central Role in the AI Transformation Era as Connectivity Expands





Key Business Opportunities

- Wearable devices expand market opportunities as smartphone growth drives demand for 5G and 6G components
- IoT expansion is expected to drive steady medium- to long-term growth
- AI-driven digitalization and increasingly diverse interfaces
- Expansion of next-generation interface technologies across a broader range of applications

Market needs Higher processing power, expanded functionality, and continued miniaturization are driving greater power consumption

Layer 1 | Capacitors

Needs
- Lightweight and compact, small yet high capacity, high reliability, stable supply

Market needs Higher frequency performance and reliability requirements for next-generation communication standards, including 5G-Advanced

Layer 2 | Acoustic Wave Filters (XBAR)

Needs
- Ensure high-frequency performance with broad bandwidth, low transmission loss, high attenuation, and sharp filter characteristics

Mobility

Applications

Advances in Autonomous Driving and the Adoption of AI in Vehicles




Key Business Opportunities

- Growth in AD/ADAS and xEVs will increase demand for automotive components
- SDV and OTA adoption will increase demand for high-quality, high-performance components designed from the outset to support future functionality
- As autonomous driving advances, greater use of in-vehicle AI is expected to create new demand for components similar to those used in edge devices

Market needs Demand for inductors used in in-vehicle networks, signal circuits, and power circuits is expected to grow as ADAS and IVI systems become more advanced and widely adopted

Layer 1 | Capacitors

Needs
- Deliver compact size, high performance, exceptional reliability, low loss, high-current capability, and stable supply

Market needs As autonomous driving advances to Level 2+ and beyond, greater accuracy and reliability in vehicle positioning will become increasingly critical

Layer 2 | Functional Devices

Needs
- Achieve high precision, reliability, and redundancy

Across these three core fields, we will address societal challenges while driving economic growth and capturing new demand opportunities as they emerge.

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Murata's Business Opportunities: Challenge Fields Creating New Value

Murata has designated Environment and Wellness as challenge fields for creating both social and economic value. By demonstrating solutions within our operations and local communities, and by co-creating with partners and governments, we aim to accelerate innovation that supports a more sustainable, healthy, and prosperous society while creating long-term value.

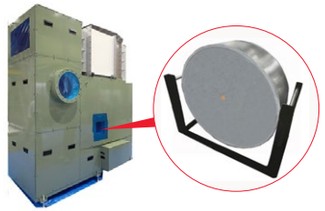
Environment

Hardware, software, and systems that enable electrification, resource circularity, renewable energy, and greater energy efficiency

While electronics contribute to a more prosperous society, their production and use also create energy and resource challenges. Drawing on the energy efficiency, renewable energy, and resource circulation technologies developed across our manufacturing operations, Murata is expanding into Clean Tech & Green Tech to help reduce environmental impact across society. "efinnos," which enables more efficient use of renewable energy, is one example of this approach in action. We are also working with partner companies to advance practical solutions for reducing GHG emissions, promoting resource recycling, and improving water resource circulation.
By combining our manufacturing expertise with our strengths in electronic component technologies, Murata will expand solutions that reduce environmental impact and accelerate progress toward our vision of "Electronics in Harmony with Nature."





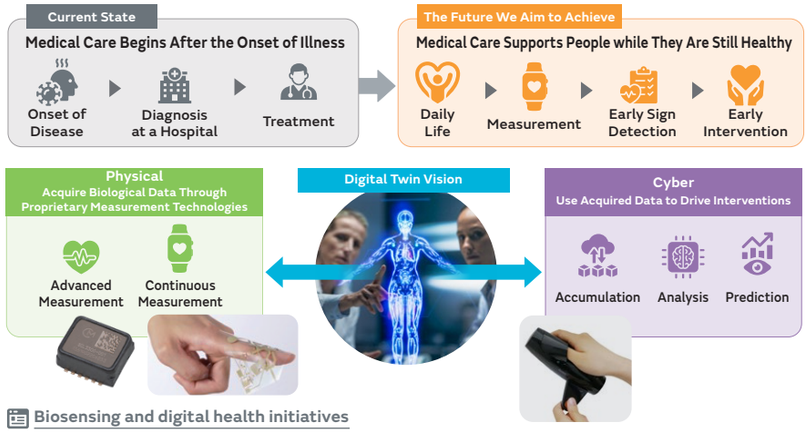


Initiatives in the Clean Tech & Green Tech Field

Wellness

Hardware, software, and systems supporting medical devices, implantable devices, and wellness applications

Rising healthcare costs, aging populations, and workforce shortages are increasing the need to shift toward preventive and preemptive care that detects early signs of health changes in everyday life and helps prevent the onset or progression of disease.
Murata has long contributed to society through passive and functional components built on its strengths in materials, design, and manufacturing. In wellness, we are combining these capabilities with technologies that connect the physical and digital worlds to detect changes in health, identify early signs of risk, and encourage healthier behaviors.
We are developing advanced sensing technologies that combine flexible, stretchable wiring with bioelectric measurement, as well as ultra-sensitive inertial sensors that monitor pulse and respiratory rates. We are also using heart rate variability to identify signs of fatigue and stress, translating physiological data into actionable insights that support better health and well-being.
Going forward, we will integrate sensing, connectivity, packaging, and data analytics to help extend healthy life expectancy and support a more sustainable healthcare and wellness ecosystem.



Biosensing and digital health initiatives

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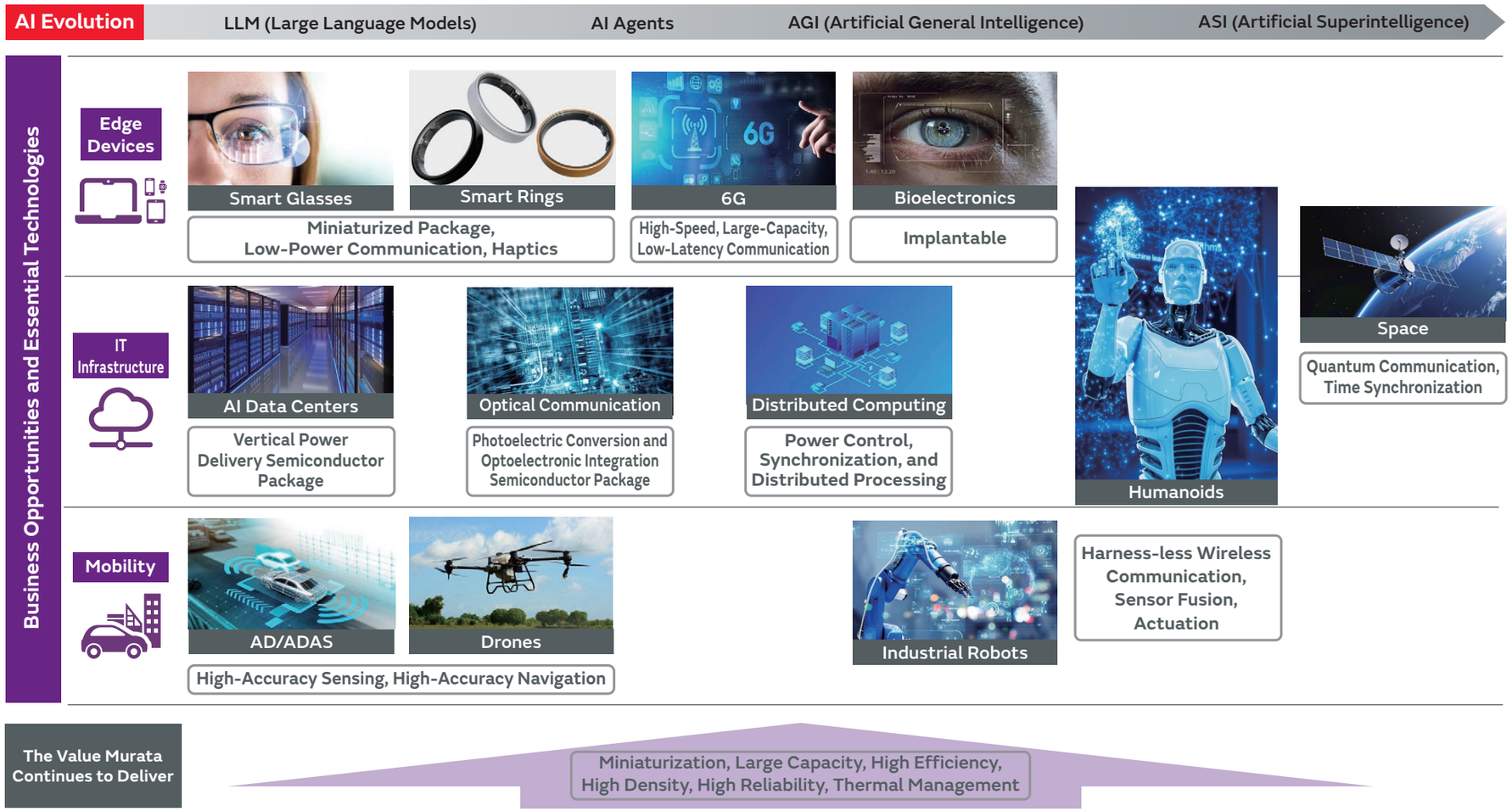
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Business Opportunities from Core Fields Driven by AI Evolution

As AI advances, new markets are expected to emerge in succession—from today's AI data centers to next-generation communications infrastructure, broader adoption of edge devices, and advances in mobility and robotics. Murata will support this evolution by applying its strengths in miniaturization, high efficiency, high density, and high reliability to create new value across an expanding range of applications.



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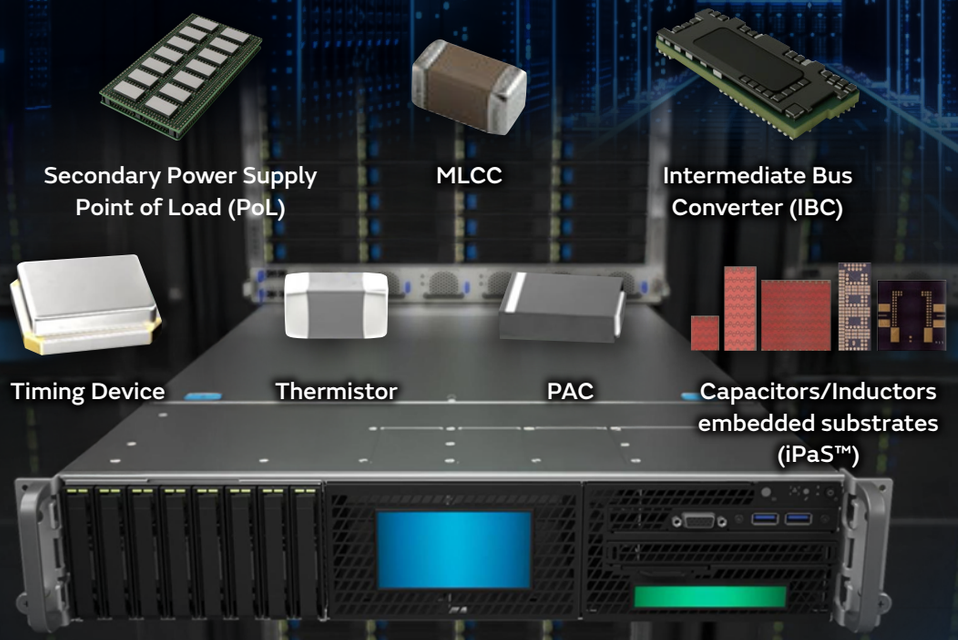
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Feature

Responding to AI Data Center Demand

As generative AI adoption accelerates, the technology is becoming an increasingly important foundation for society and industry. At the data centers supporting this transformation, rapid advances in computing performance are driving higher power consumption and greater demands for reliability. This feature highlights Murata's role in enabling higher performance, energy efficiency, and stable operation across next-generation AI data center infrastructure.



AI Evolution

LLM (Large Language Models)
Enable understanding and generation of natural language

AI Agents
Autonomously perform and assist with specific tasks

AGI (Artificial General Intelligence)
Demonstrates intelligence equal to or greater than that of humans across diverse fields

ASI (Artificial Superintelligence)
Surpasses human capabilities to solve all challenges across society and science

Advances in Computing Power enable more sophisticated AI and a broader range of applications

Current Changes

Increasing Computing Power
AI data centers are delivering significantly greater computing performance, enabling faster processing of increasingly large volumes of data

Increasing Power Consumption
Advances in computing performance are driving a rapid increase in AI data center power consumption, making greater power efficiency an increasingly important challenge

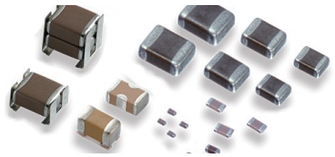
Expansion of AI Data Center Investment
Investment in AI data centers is accelerating rapidly, led by hyperscalers, with both the scale and scope of investment expanding significantly

Demand for electronic components that support the enhanced performance and stable operation of AI data centers is expanding significantly

Murata's Role

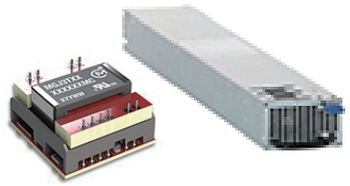
Core Components

Capacitors and Inductors



Key Devices

Batteries and Power Supplies



Enabling higher performance and data center reliability through core components and key devices

Murata's Capacitors: Foundational to AI Data Centers

As AI data centers increase their computing capacity, the use of AI accelerators and instantaneous power demands are rising rapidly. In this environment, capacitors play an increasingly critical role in stabilizing power delivery and ensuring reliable system performance.

Through its proprietary technological capabilities and global supply system, Murata supports the evolution of AI data centers and contributes to the advancement of society.

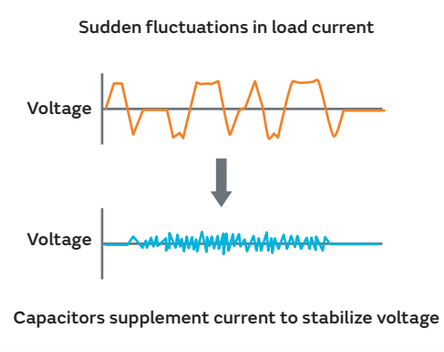
Why Capacitors Are Essential

01 Responding to Current Fluctuations (Power Delivery Function)

In AI processing, high-speed switching and bursts of memory access can cause sudden fluctuations in current demand. Capacitors help stabilize power delivery by temporarily storing electric charge and supplying current precisely when needed, reducing voltage fluctuations and supporting reliable AI system performance.

02 Ensuring Voltage Stability as AI Semiconductors Shift to Lower Voltages and Higher Currents

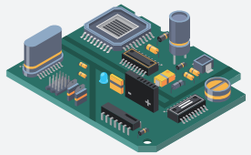
AI semiconductors increasingly operate at low voltages and high currents, so even slight fluctuations can reduce performance or cause malfunctions. This creates a need for greater voltage stability. Capacitors respond rapidly to sudden changes in current demand by supplying or absorbing current as needed, helping suppress voltage fluctuations and electrical noise to ensure stable AI semiconductor operation.



Capacitors supplement current to stabilize voltage

03 High-Density Mounting and Greater Design Flexibility

Using multiple compact capacitors enables high-density mounting while maximizing limited board space. Combining capacitors with different capacitance and frequency characteristics also provides greater design flexibility, including effective noise suppression across a wide frequency range.



Enabling High-Density Mounting

04 Meeting AI Data Centers' High Reliability Requirements

AI data centers require high reliability to support long periods of continuous operation. Murata's capacitors offer excellent service-life and temperature characteristics, helping to maintain stable performance even in AI servers designed for high-temperature environments and long-term operation.



High-Temperature Resistance



Long-Term Reliability

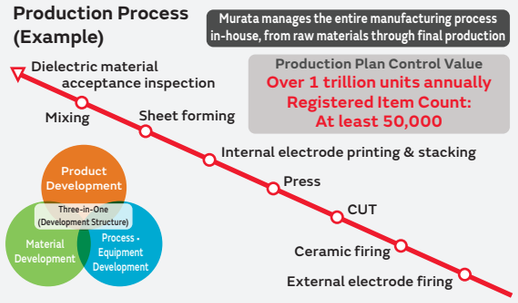
Murata's Strengths

01 Global Production Network and Investment Strategy

With production sites around the world, we have established a flexible manufacturing network that enables us to respond to shifts in demand across regions. This strengthens our resilience to demand fluctuations and supports stable supply as part of our business continuity planning (BCP). We are also investing ahead of demand in land and facilities with long lead times. This includes new production buildings at Izumo Murata Manufacturing Co., Ltd. and in the Philippines, helping secure the capacity needed to respond quickly to future market growth.

02 Manufacturing Enabled by an Integrated Production System

Murata's "three-in-one" approach integrates product development, materials development, and process and equipment development, with manufacturing, inspection, and shipment managed in-house. Across each stage of production, we closely coordinate factors such as material properties, manufacturing conditions, and equipment specifications, continuously refining the processes and equipment that support annual production of more than one trillion units. This integrated production system enables us to protect critical technologies as proprietary know-how while continuously accumulating expertise. It also strengthens our competitive advantage by supporting the stable supply of high-quality, highly reliable products.



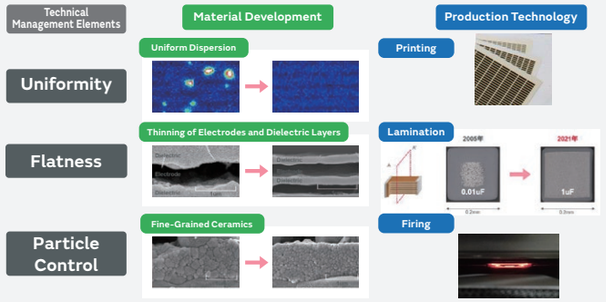
03 Smaller, Thinner, and More Precise Components

By combining advanced materials technology with in-house production expertise, we protect core technologies while delivering highly reliable, competitive products that meet evolving market needs.

Technological Capabilities for Compact Size, High Capacity, and High Reliability

<Material Development>

Fine particle technology for ceramics and internal electrodes. Processing technology for high-density, homogeneous particle distribution



<Production Technology>

Proprietary core technologies, along with equipment design, automation, and industrial engineering (IE) technologies for high-quality, low-cost mass production

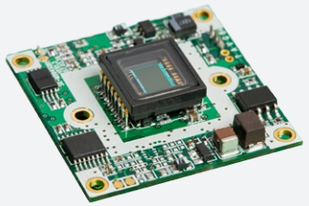
Capacitor Business Strategy for AI Data Centers

As AI data centers expand in both scale and performance, demand is increasing not only for greater volumes of capacitors, but also for higher-value products offering smaller size, greater capacity, heat resistance, and reliability. Murata will continue advancing cutting-edge and high-end capacitor technologies while strengthening global supply capacity to meet demand and support sustainable growth in the business.

Capacitor Business Opportunities in AI Data Centers

01 AI Accelerator Adoption Drives Higher Capacitor Demand

As AI data center performance improves, the number of AI accelerators is increasing. Their high instantaneous power demands are also driving an increase in the number of capacitors required.



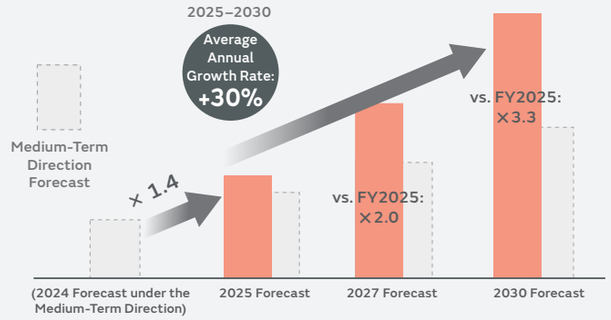
■ Increase in the Number of Installed Capacitors

Average Number of Capacitors Installed per AI Server (Baseboard)

AI Server Baseboard	**15,000–25,000 units**

02 New Construction and Expansion of AI Data Centers Drive Capacitor Demand

We expect unit demand for Murata's capacitors for AI data centers to grow at an average annual rate of 30% from 2025 to 2030 (based on our forecast as of December 2025).



Growing Demand for Capacitors in AI Data Centers



Demand for capacitors for AI data centers is expected to continue growing. Demand is also increasing for high-value-added products offering compact size, high capacity, high heat resistance, and high reliability.

An improved product mix, driven by more high-value-added products, raises ASP[1] for capacitors overall

Year-on-year change: +5–10%[2]

Growing AI data center demand is driving higher capacitor revenue from AI data center-related applications

Year-on-year change: +85–90%[2]

1. Average Selling Price 2. Murata's forecast as of April 2026, when this feature was prepared

Capacitor Business Strategy

Strengthening Our Cutting-Edge Products and High-End Model Offerings

- We will expand the development of high-capacity, high-voltage products that can be used in high-temperature environments for AI data centers.
- We will further promote compact, high-capacity products through thinner films made possible by combining fine-particle technology with processing techniques that enable thinner films, higher density, and more uniform material distribution.



Strengthening Supply Capacity

- We are strengthening supply capabilities through industry-leading production capacity and a resilient global supply chain.
- In addition to increasing production capacity by approximately 10% annually on a production-load basis, we plan to invest ¥80 billion to add a further 10–15% over the next two years, focused on cutting-edge and high-end products. In total, we aim to expand current capacity by 30–35% over two years to meet evolving capacitor demand.

Additional Investment:
80 billion yen
Capacity Expansion over Two Years (Production-Load Basis):
30–35%

Murata's Contribution to AI Data Center Demand | Power Delivery and Power Supply Technology

As AI evolves and processors become more powerful, optimizing power delivery in data centers is critical.
With a broad portfolio spanning the rack level to AI processors, Murata is uniquely positioned across the power delivery chain. As power requirements increase, the importance of our technologies and components in enabling efficient, reliable power delivery will continue to grow.

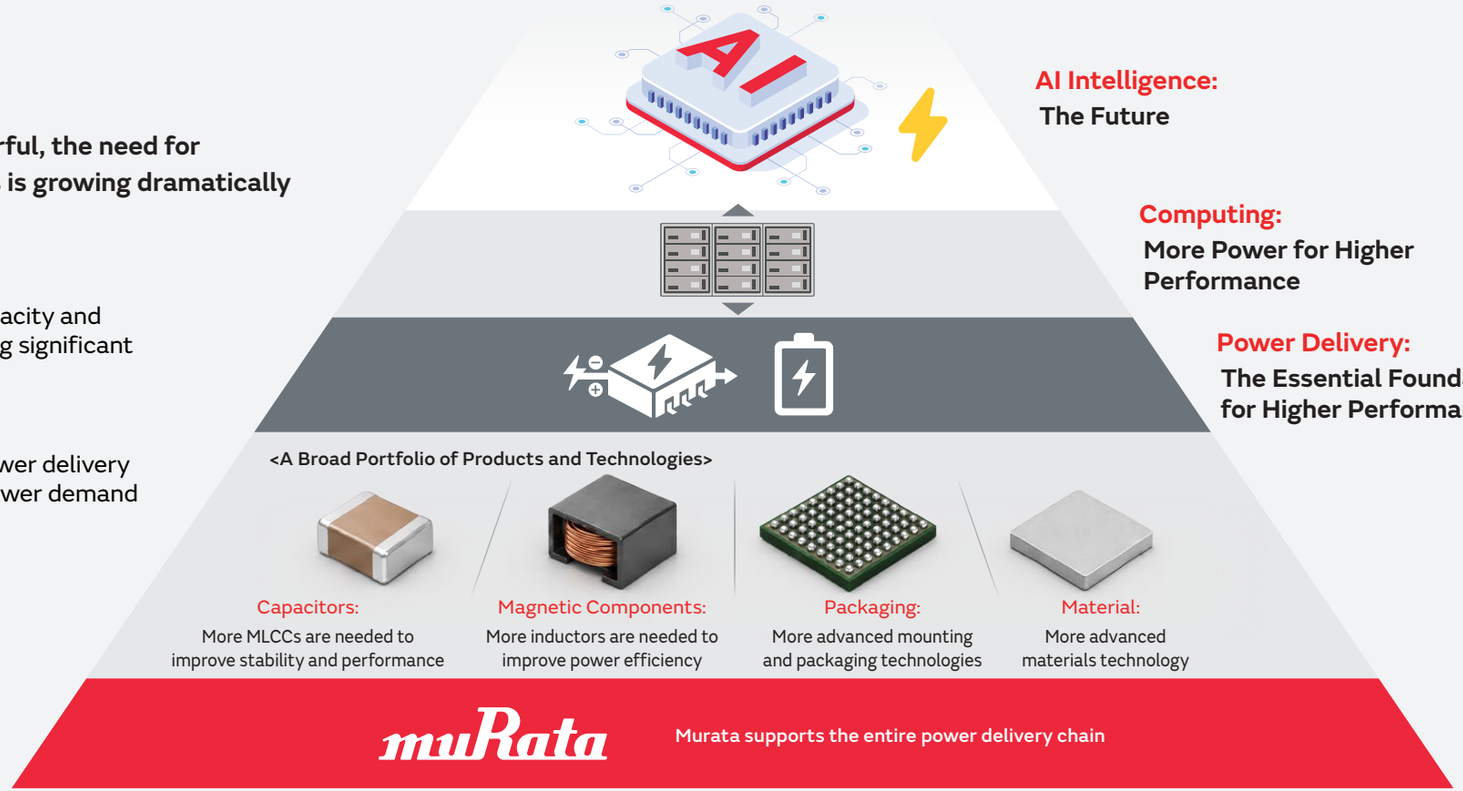
As processors become more powerful, the need for advanced power delivery solutions is growing dramatically

AI Performance:
Greater computational capacity and faster processing are driving significant gains in AI performance

Power Demand:
Highly efficient, reliable power delivery is becoming essential as power demand grows significantly

Murata's Products:
Growth outpacing gains in computing performance

Building the Foundation:
To support the future of AI



As AI evolves, every layer requires more advanced technologies, more components, and further innovation

<Power Delivery Chain>



From the rack to the processor, Murata's power supply technology supports power delivery for AI

Murata's Contribution to AI Data Center Demand | Power Delivery and Power Supply Technology



Powering AI Infrastructure from Rack to Processor

Vice President, Director, Power Module Division, Energy Business Unit,
and President and CEO, Murata Power Solutions, Inc.

Stephen Pimpis

Innovation in Power Supply Technology Supporting Next-Generation Computing

— Advanced Architectures Create Power Module Growth Opportunities

As processors become more powerful, power delivery is becoming a critical challenge for AI data centers. Murata is uniquely positioned across the full power delivery chain, from rack-level conversion to power delivery near the processors.

While increasingly powerful processors attract attention, a less visible but critical challenge emerges behind the scenes: ensuring efficient, stable power delivery for next-generation computing.

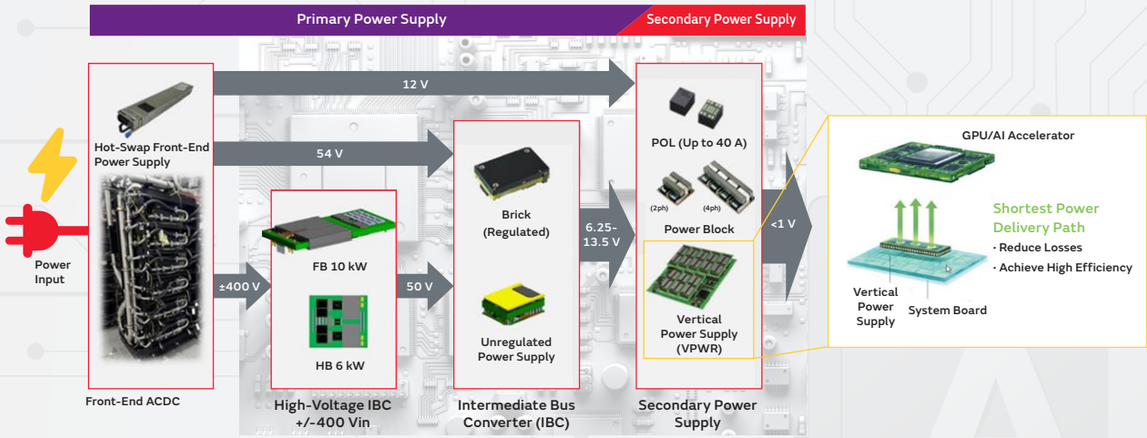
As AI models grow larger and more capable, their power requirements continue to increase. AI data centers are shifting from conventional server configurations to high-density systems, requiring greater power capacity, higher efficiency, and superior reliability. These advances are creating new growth opportunities for Murata's power solutions business.

The Growing Importance of Power Supply Technology as Performance Advances

In an AI data center, power from an external source first enters the rack. It then passes through conversion, distribution, and control stages before reaching processors that operate at low voltages below 1 V. The more powerful processors become, the more complex this power delivery process becomes.

Conventional servers have primarily used 12 V power supply architectures. A transition to 54 V systems and high-voltage intermediate bus architectures is now underway to improve power conversion efficiency and reduce power loss. At the same time, secondary power supply systems that precisely regulate voltage near the processor are becoming increasingly critical to performance and efficiency.

Murata offers a broad range of products and technologies supporting the entire power delivery chain, from rack-level front-end power conversion and intermediate bus converters (IBCs) to secondary power conversion modules and advanced Point of Load (POL) power supply solutions. This broad portfolio helps customers improve system performance and power efficiency across the entire power delivery chain, from the rack to the processor.



Enabling Next-Generation Power Supply Architectures Through Vertical Power Delivery

One of the most important technological innovations in server design is the transition to Vertical Power Delivery (VPD).

In conventional power supply architectures, power conversion circuits were located away from the processor. As processor power consumption increases, however, challenges such as voltage drop, power loss, and responsiveness to load changes are becoming more apparent.

VPD is an architecture that shortens the power delivery path by placing the power conversion stage directly beneath or close to the processor package. This improves power conversion efficiency and reduces losses while enabling more stable delivery for increasingly demanding workloads.

As VPD adoption expands, the amount of power conversion hardware required per processor is expected to increase significantly. For example, the number of Smart Power Stage (SPS) devices—power management ICs that supply power to processors—is projected to rise from around 25 per module today to more than 250 in the future.

This roughly tenfold increase points not only to growing power needs but also to expanding demand for advanced power modules, capacitors, magnetic components, materials, and packaging technologies. As the overall power delivery system becomes more complex, highly efficient and reliable power conversion technology, advanced mounting and materials technologies, and system-level optimization become increasingly important.

Murata's Contribution to AI Data Center Demand | Power Delivery and Power Supply Technology

Advances in Power Delivery Create New Opportunities

The growth of high-density computing is generating demand not only for power modules but also for a broad range of electronic components and materials. High-performance power modules require a diverse range of underlying technologies, including capacitors, magnetic components, packaging technologies, substrates, and advanced materials. These solutions play a critical role in ensuring the efficiency, stability, and reliability of power conversion systems.

Decoupling capacitors are becoming particularly important. Processors handle workloads with substantial load variations, causing large, instantaneous changes in current demand. High-performance decoupling capacitors are essential for responding to these rapid current fluctuations, stabilizing voltage, and maintaining processor performance.

As computing density increases, the number of decoupling capacitors installed in VPD modules is expected to rise significantly. This creates a direct growth opportunity for Murata's capacitor business—an area of particular strength—and also increases the value delivered per power module. Similarly, rising power density and increasingly limited mounting space are driving demand for low-profile, high-performance magnetic components. Opportunities to leverage Murata's broad product portfolio and technology base are expanding across the entire power delivery chain.

Advanced Materials and Mounting Technologies Enable Higher Density

As vertical power delivery architectures become increasingly widespread, the technical challenges extend beyond improving electrical characteristics.

Future power modules are expected to have a greater number and density of ball grid array (BGA) connection points, with even narrower spacing between them. As modules become more complex, maintaining flatness, ensuring heat dissipation and reliability, and improving manufacturing yields become more challenging.

Addressing these challenges requires advanced materials, high-precision manufacturing processes, and sophisticated mounting and packaging technologies. Murata is equipped with a competitive edge to meet the demanding requirements of next-generation power modules, drawing on its strengths in ceramics technology, advanced materials technology, electronic component mounting and packaging technology, substrate technology, and manufacturing technologies that enable high-quality mass production.

We also expect technologies for embedding components in substrates to play a greater role. Embedding passive components such as capacitors within substrates enables improved electrical characteristics and greater integration while accommodating a growing number of components. With strengths in both component and materials technologies, Murata has an opportunity to enhance the added value of power modules.

The Evolution of AI Computing and Murata's Business Opportunities

The growth of next-generation computing infrastructure is often discussed in terms of improvements in processor and server performance. Equally important are advances in the supporting technologies required to enable the next generation of computing performance.

More powerful processors require more sophisticated power delivery networks, more capacitors and magnetic components, more advanced packaging, and further innovation in materials. As a result, the value Murata delivers will expand across the entire power delivery chain.

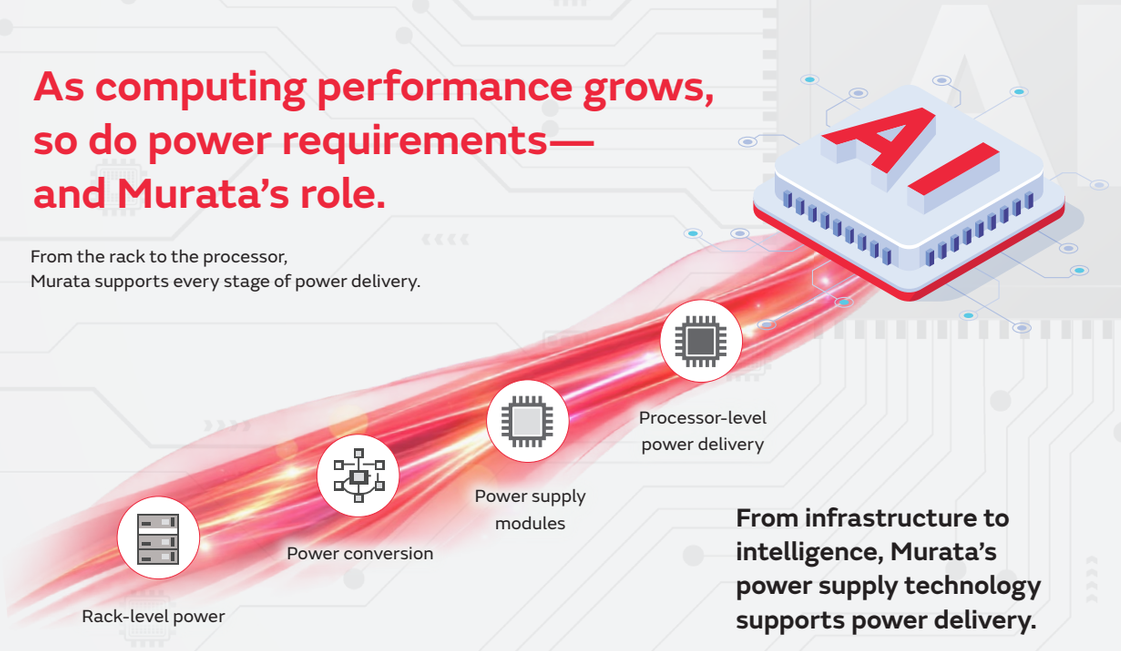
Murata has a broad portfolio of products and technologies spanning the entire power delivery chain, from rack-level power supply systems and power delivery near processors to advanced passive components, materials, and mounting technologies. Leveraging these strengths, Murata is uniquely positioned to support the ongoing evolution of computing infrastructure.

Looking ahead, the market will evolve from a focus on training to large-scale inference, and from cloud-centric computing to the intelligent edge. This shift will accelerate demand for highly efficient, reliable, and integrated power solutions.

Although power supply technology may be less visible, it is a critical foundation for next-generation computing. Through its expertise in power delivery, Murata will continue to support the advancement of AI and the computing infrastructure that enables it.

As computing performance grows, so do power requirements—and Murata's role.

From the rack to the processor,
Murata supports every stage of power delivery.



From infrastructure to intelligence, Murata's power supply technology supports power delivery.

CHAPTER 3 | Management Foundations and Capital Strategy Achieving Growth



Message from the CFO

Masanori Minamide
Executive Deputy President

Key Messages

Progress of Medium-Term Direction 2027
Optimizing Management Resource Allocation to Drive the Next Phase of Growth
Organizational Capital as the Source of Competitiveness
Dialogue Supporting Sustainable Value Creation

Building a Management Foundation to Navigate Major Changes in the Business Environment

— Managing Our Resources to Realize Vision 2030 —

Progress of Medium-Term Direction 2027

In FY2025, the first year of our Medium-Term Direction, revenue rose 5.0% year on year to 1,830.9 billion yen, while operating profit increased 0.8% to 281.8 billion yen. At the start of the year, we had anticipated declines in both revenue and profit amid growing uncertainty over tariff policies. Revenue subsequently grew significantly as economic conditions stabilized, driven in particular by growth in the AI data center market. Operating profit remained essentially flat year on year, despite the positive effects of higher production output and cost reductions, mainly because we recorded a 43.8 billion yen impairment loss on goodwill in the SAW filters business. Revenue from AI data center-related applications rose sharply, increasing 73.9% from FY2024.

In our projected financial results announced in July 2026, we expect unit volumes in consumer markets such as smartphones and PCs to decline year on year due to supply constraints for memory semiconductors. Uncertainty is also increasing regarding materials procurement associated with the Strait of Hormuz. Meanwhile, we expect continued strong growth in the data center market. Revenue, operating profit, and ROIC are all expected to exceed the management targets set under Medium-Term Direction 2027.

Rapid growth in AI data center-related demand is also driving major changes in our business environment. In FY2026, we decided to invest approximately 80 billion yen in expanding production, mainly in response to a substantial increase in demand for cutting-edge capacitors. In addition to our regular annual expansion of production capacity by approximately 10% on a production-load basis, this additional investment is expected to deliver a further capacity increase in the range of 10–15%. We have been making ongoing capital expenditures in buildings and equipment to meet anticipated capacitor demand by 2030. This additional investment was made possible by that long-term preparation and our ability to respond flexibly to market changes.

In terms of shareholder returns, we will continue to provide stable dividends using a DOE of 5% as a benchmark and have decided on our largest-ever repurchase of own shares, totaling 150 billion yen. We also established a strategic investment budget of

220 billion yen under Medium-Term Direction 2027 to invest in future growth areas.

As a steward of our management resources, I see an important part of my role as continuously expanding this capital cycle: investing appropriately as market conditions change, returning the benefits to shareholders, and preparing for the next phase of growth.

Optimizing Management Resource Allocation to Drive the Next Phase of Growth

AI-related markets are creating significant growth opportunities for our capacitors and power supply businesses. To secure these opportunities, we need to allocate numerous types of management resources—including talent, development, and production capacity—appropriately to priority areas. Market conditions are constantly changing, as are the business and technology areas that we need to prioritize and strengthen. It is crucial to allocate management resources flexibly in response to growth opportunities rather than maintain fixed organizational structures.



We have a long history of actively redeploying human resources and organizations across businesses. Take our power supply business, for which we now expect significant growth. When this business was struggling with profitability, its engineers were transferred to the high-frequency devices and communications modules business, which was a growth area at the time. After gaining experience there, they returned to the power supply business and applied the knowledge and experience acquired, leading to new business expansion. These initiatives are more than personnel assignments. They are also investments in bringing together knowledge acquired across different businesses and technology areas to create new value.

Each business is advancing initiatives for future growth. Years of structural reforms enabled the battery business to achieve profitability in FY2025. The power supply business is seeing significant growth opportunities driven by expanding demand for AI data centers. In the high-frequency devices and communications modules business, we are also working with customers from the design stage to increase adoption of our products for next-generation communications standards.

Supporting the growth of these businesses requires careful consideration of where to allocate our management resources. For more than 50 years, we have incorporated the concept of the cost of capital into our management systems, including management accounting and investment appraisal. This framework is well suited to our vertically integrated business model, which requires substantial capital. It also supports the effective allocation of management resources by encouraging each business to operate with greater awareness of the cost of capital.

When allocating management resources, we believe it is important to look beyond current profitability and consider future growth potential. While ROIC is an important management indicator, its purpose is not simply to improve capital efficiency, but to support sustainable value creation through disciplined allocation and reinvestment of resources. From this perspective, investing in businesses and technologies positioned to capture future growth opportunities remains a key priority.

Beyond current AI data center demand, we are also looking ahead to new growth markets emerging from the broader adoption of AI. We expect opportunities to expand into areas such as advanced edge devices, next-generation mobility, and humanoids, where technologies including communications, sensing, and energy management will become increasingly important. By providing the devices critical to these markets, we aim to deepen customer engagement, identify technological shifts early, and capture the next wave of growth.

Capturing future growth opportunities will require not only our own technologies, but also collaboration with external partners. In emerging markets and technology areas, we will expand opportunities by combining Murata's strengths with knowledge and capabilities gained through co-creation. Under Medium-Term Direction 2027, we have established a

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Message from the CFO

strategic investment allocation of ¥220 billion. Our priority is not investment for its own sake, but securing the technologies, capabilities, and business foundations needed for our future portfolio. With significant growth potential still remaining in our existing businesses, we are evaluating M&A and other options from a long-term perspective, focusing on what will be essential for growth from 2030 onward rather than pursuing short-term scale expansion.

Organizational Capital as the Source of Competitive Advantage

As we allocate management resources and evolve our business portfolio, I believe organizational capital is one of Murata's most important sources of strength. We view capital not only in terms of individual talent, but also in the capabilities of the organization as a whole. For us organizational capital encompasses our management philosophy, business model, talent development, management systems, and a culture that enables collaboration and the effective reallocation of resources across businesses. These create collective strength beyond the capabilities of any one individual and provide a critical foundation for sustainable growth.

The greater the change in the business environment, the more important it becomes to make decisions quickly and allocate management resources flexibly. This requires a culture in which knowledge, results, and best practices are shared across businesses and functions, enabling decisions that optimize value for Murata as a whole. At the core of this is a culture of "collective support," where employees help one another grow across organizational boundaries and openly share their experience and expertise. By turning individual experiences and challenges into organizational learning, we strengthen our ability to adapt, enhance competitiveness, and create new growth opportunities.

As management challenges become increasingly global, our organization must also evolve accordingly. We have established frameworks that allow for regional leaders and staff to share challenges, exchange perspectives, and make decisions from a company-wide perspective rather than optimizing for individual regions alone. Human resource development is essential to making this model work. We are strengthening global capabilities not only through overseas assignments, but also by expanding participation in cross-border projects and exchanges among overseas sites, helping employees build the experience and relationships needed to collaborate effectively across regions.

As we strive to become the Global No. 1 Component & Module Supplier, we view organizational evolution and individual growth as inseparable—and AI as an important catalyst for both. As the business environment becomes more complex, conventional approaches alone are no longer sufficient to address emerging management and business challenges. Our vertically integrated business model has created a rich data foundation spanning materials development, manufacturing processes, and customer interactions. By connecting DCM, ECM, and SCM, we are using this data to drive corporate transformation. We have also tasked the Corporate Management DX Unit, established last year, with transforming our corporate functions. For other departments, we have set a goal of transforming 30% of operations through AI. The objective goes beyond efficiency. By redirecting the time created through AI toward higher-value work and new value creation, we aim to foster a virtuous cycle in which individual growth and organizational evolution reinforce one another.

Dialogue Supporting Sustainable Value Creation

The greater the changes in the business environment, the greater the need for management flexibility and speed. At the same time, it is important to focus on enhancing corporate value over the medium to long term, rather than being reactive to short-term fluctuations.

In my dialogue with investors and shareholders, I make a point of sharing not only our current performance, but also our long-term value creation story, working back from Vision 2030. Especially amid significant changes in the business environment, I believe it is important to clearly explain our assumptions about the future and the actions we are taking to prepare for it. At the same time, we incorporate the perspectives gained through this dialogue into management discussions and decision-making.

We will continue working toward sustainable value creation by strengthening the organizational capabilities and management foundation needed to adapt to change.

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Progress of Medium-Term Direction 2027

Vision 2030 defines Murata's ambition to become the Global No. 1 Component & Module Supplier—the preferred choice of customers and society. Medium-Term Direction 2027 serves as the three-year roadmap toward that vision, built around three priorities: capturing AI-driven growth in electronics, advancing sustainable operations, and strengthening the people and organizations that underpin our management capital.
Progress under Medium-Term Direction 2027 remains on track. In particular, strong AI data center demand within IT infrastructure is expected to drive performance above our original economic value targets.

Economic value

	FY2024 results	FY2025 results	FY2026 forecast	FY2027 targets	FY2030 targets
Revenue	1,743.4 billion yen	1,830.9 billion yen	2,110.0 billion yen	2.0 trillion yen or more	2.5 trillion yen or more
Operating profit ratio	16.0%	15.4%	20.4%	18% or higher	20% or higher
ROIC (post-tax basis) [1]	10.0%	9.7%	13.9%	12% or higher	15% or higher

Environmental and social value

		FY2024 results	FY2025 results	FY2030 targets	Long-term target
Amount of GHG[2] emissions (vs. FY2019)	Scope 1,2	35% reduction	41% reduction	46% reduction	CN[3] (FY2040)
	Scope 3	24% reduction	14% reduction	27.5% reduction	CN[3] (FY2050)
Renewable energy implementation rate		39.2%	45.9%	75%	100% (FY2035)
Rate of use of sustainable resources[4]		Approx. 15%	Approx. 15%	25%	100% (FY2050)
Resource recycling rate[5]		40.3%	39.0%	50%	100% (FY2050)

Diversity / ES

	FY2024 results	FY2025 results	FY2030 targets
Number of people with global experience[6]	1,113 (3-year cumulative total)	528 (FY2025)	3,000 (6-year cumulative total)
Ratio of women in managerial positions[7]	4%	4.4%	10%
Favorable employee engagement response rate	67%	68%	76% or higher

1. Beginning with the current Medium-Term Direction, Murata reports ROIC on an after-tax rather than pre-tax basis. ROIC (post-tax basis) = post-tax operating income ÷ average invested capital at the beginning and end of the fiscal year (property, plant, and equipment + right-of-use assets + goodwill + intangible assets + inventories + trade receivables − trade payables)
2. Greenhouse gas
3. Carbon neutral
4. Share of recycled materials by weight, primarily across 24 resources at high risk of depletion
5. Ratio by weight of Murata's discharges (waste + recoverable material) that are processed into circulating resources
6. Cumulative number of employees worldwide who have gained international experience through relocation, training, or remote assignments outside their home country since 2025
7. Murata Manufacturing Co., Ltd. on a non-consolidated basis

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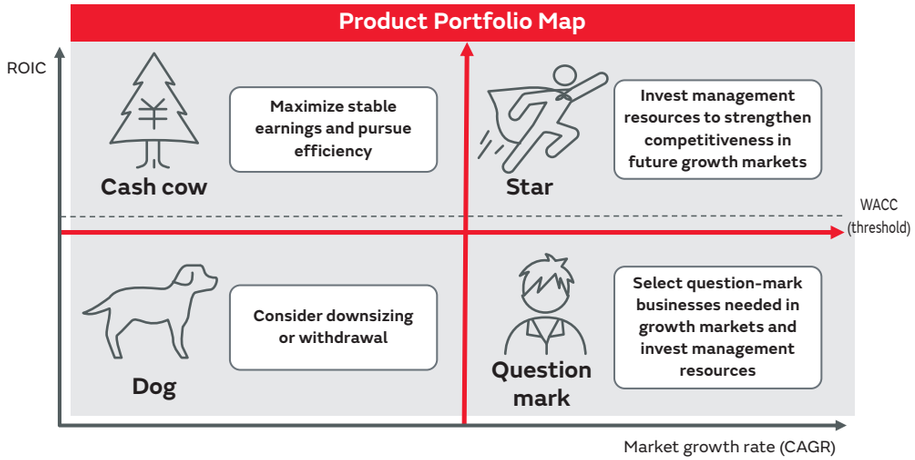
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Portfolio Management

As AI reshapes Murata's market environment, sustaining growth requires continued investment in the technologies and devices that will be essential to future markets. To guide portfolio decisions, Murata combines quantitative measures such as ROIC and market growth with qualitative assessments of competitive strength, market attractiveness, and future technology positioning. Businesses under review are not evaluated on current profitability alone. Where future competitiveness can be strengthened, we invest management resources to improve earnings, expand growth opportunities, and advance structural reforms. Where a sustainable competitive advantage is unlikely, we consider measures including downsizing or withdrawal. This disciplined approach enables Murata to concentrate resources in businesses with stronger growth and profitability potential and reinforce its position in future growth markets.

Murata's Business Viability Assessment System

Murata's business viability assessment system supports continuous portfolio optimization with a focus on improving capital efficiency and ROIC. It evaluates each business using quantitative measures such as ROIC and market growth, together with qualitative assessments of competitive strength and market attractiveness, to determine its strategic position within the portfolio.



Business Viability Assessment Points

Quantitative assessment
Evaluate using ROIC and market growth as indicators; classify businesses with ROIC below WACC, which is set as the vertical-axis threshold, as "question marks"

Qualitative assessment
Classify product lines identified as "question marks" into growth/restructuring businesses and downsizing/withdrawal businesses based on competitive advantage and market attractiveness

Business monitoring
Monitor progress through regular reviews and apply defined criteria to determine whether businesses advance beyond "question mark" status or exit the portfolio

Status of Portfolio Management Initiatives

Target business	Main initiatives	Results / progress
Battery business	• Reduce exposure to mobile-device applications and shift resources toward areas where Murata's product strengths can deliver greater value • Implement structural reforms to improve profitability	• Achieve and sustain profitability • Capture demand from data centers
	• Transfer the micro primary battery business to Maxell, Ltd., where it can be better positioned for future growth	• Optimize the business portfolio • Reallocate management resources to lithium-ion secondary batteries
Connectivity module business	• Scale back smartphone applications • Shift to growth markets such as IoT and mobility	• Optimize the business portfolio • Reallocate management resources to growth markets
Power supply module business	• Concentrate management capital on developing products for data centers	• Capture demand from data centers

Direction for Future Growth Markets and Reallocation of Management Resources

As AI reshapes the market environment, Murata is refining its business portfolio to capture opportunities in future growth markets.
By concentrating on businesses critical to growth markets and reallocating resources to areas with stronger growth and profitability potential, Murata is strengthening its competitiveness in future markets.

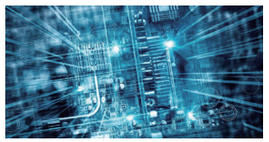
Future growth markets

AI Data Centers



Vertical Power Delivery, Semiconductor Package

Optical Communication



Photoelectric Conversion and Optoelectronic Integration Semiconductor Package

Humanoids



Harness-free Wireless Communication, Sensor Fusion, Actuation

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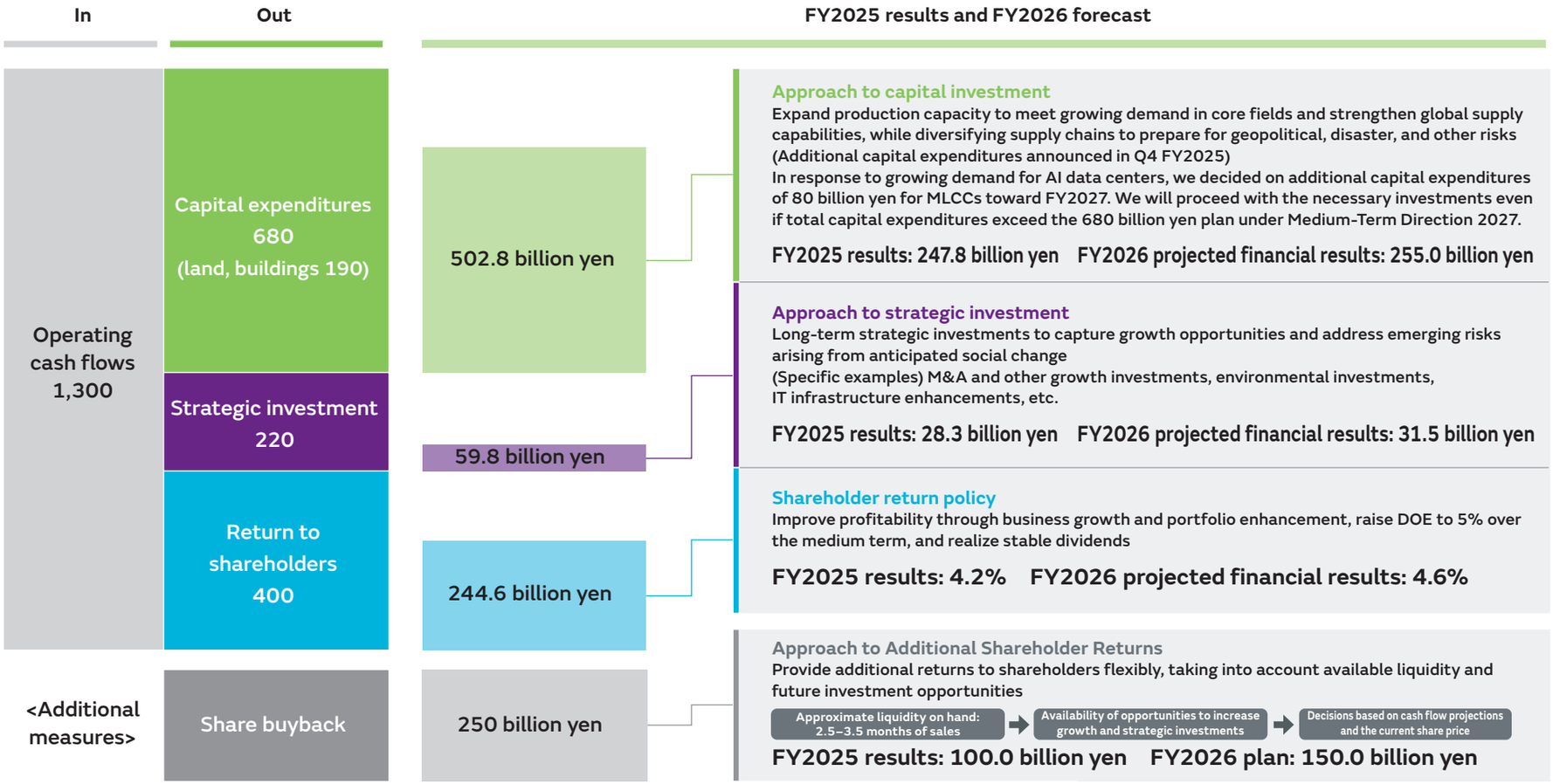
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Capital Allocation Policy

We are expanding production capacity and strengthening our global supply network to prepare for future growth, while advancing strategic investments with a long-term perspective. By converting these investments into business growth, a stronger portfolio, and higher profitability – and returning the resulting value to shareholders – we aim to create a virtuous cycle of growth and returns and achieve sustained value creation with our stakeholders.

Medium-Term Direction 2027 plan (JPY billion)



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Materiality

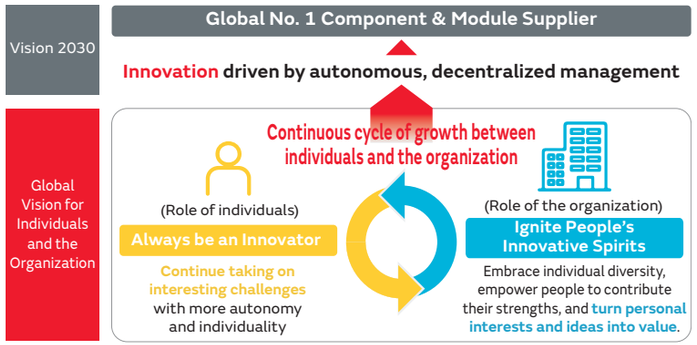
Murata's Non-financial Capital

Murata has advanced its mission of "contributing to the advancement of society" by strengthening management capital and organizational capabilities, underpinned by CS and ES, to create sustainable value. Going forward, we will further invest in our people and organization to strengthen resilience, adaptability, and our ability to create value amid continued change.

Human Capital Unique to Murata

Murata's organizational and human capital is rooted in the Murata Philosophy and strengthened through the practice of "CS and ES," a core management value. Embedded in employees' everyday actions, these principles shape the distinctive capabilities and culture that define Murata. We view organizational and human capital as the connective foundation across all forms of management capital, enabling us to harness our collective strengths and maximize value creation.
"Strengthening People and Organizations" is a core policy of Medium-Term Direction 2027. To guide this effort, Murata has established a Global Vision for Individuals and the Organization and defined Global Core Themes that clarify our human resources strategy. Alongside initiatives to ensure safe, secure workplaces, and promote employee health and well-being, we will advance targeted measures to strengthen our people and organization and accelerate progress toward Vision 2030.

Organization and human capital Human Resources Strategy toward Vision 2030



Realizing the Global Vision for Individuals and the Organization

1 | Dynamic resource allocation

KPI
- Number of people with global experience: 1,500 (3-year cumulative total)
- Ratio of women in managerial positions: 7%*1

*1 Murata Manufacturing FY2027 targets

2 | Developing leaders who can change the future

KPI
- Corporate executive candidate preparation rate*2: 300% or higher

*2 Ratio of the pool of successor candidates to executive management positions

3 | Achieving a virtuous cycle between individuals and the organization

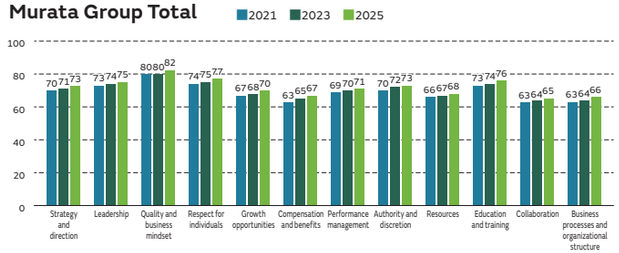
KPI
- Positive response rate*3: 70% or higher

*3 Survey question: Ideas and resources are shared across organizational boundaries

Engagement

To track organizational transformation and inform future actions, Murata conducts an annual global employee survey across all sites. In FY2025, the response rate remained high at 96%, while the favorable employee engagement response rate increased by one percentage point to 68%. "Strategy and Direction," identified as an area for improvement in the prior year, rose two points to 73%, supported by stronger communication from executives and dialogue led by department heads. "Sharing Ideas and Resources Across Organizational Boundaries," a KPI for the "Virtuous Cycle Between Individuals and the Organization," increased one point to 59%, although further progress is needed. Going forward, we will use these insights to strengthen alignment with our direction, deepen cross-functional and cross-site collaboration, and build an organization where diverse talent is connected, and change is translated into value creation.

Initiatives for the Growth of People and the Organization



Secure and Safe Workplaces and Employee Health and Well-being

Safe, secure workplaces and employee well-being are fundamental to putting Murata's core values of CS and ES into practice. They enable employees to perform at their best, both physically and mentally, while strengthening the virtuous cycle between individuals and the organization. We will continue to advance workplace safety, health, and well-being as a foundation for stronger organizational and human capital.

Key themes	FY2025 results	FY2030 targets
Serious occupational accidents	1	0
Industrial incident rate per 1,000 employees (4 or more days of lost work)	0.38	Less than 0.39
Self-rated health	77%	80%

Secure and Safe Workplaces and Health and Productivity Management

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Murata's Non-financial Capital

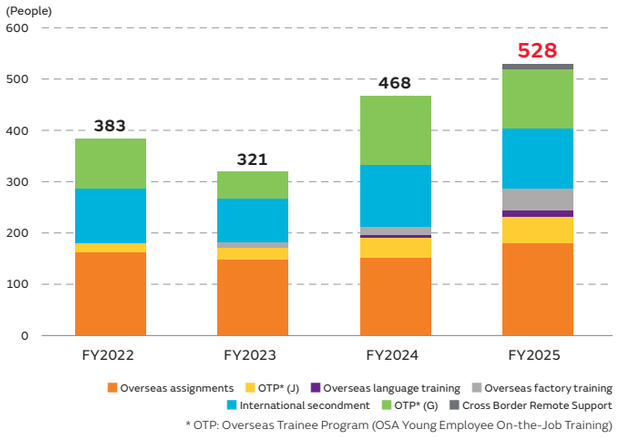
Developing Talent to Drive Global Value Creation and Cross-Organizational Collaboration

As a global company, Murata is strengthening the systems used to identify and develop future leaders across regions. We define the capabilities required of global leaders and take a medium- to long-term approach to succession planning, extending beyond individual organizational levels. To build leaders who can drive business across regions, solve frontline challenges, and translate expertise into value, we are expanding international assignments, cross-site talent exchanges, and collaboration across functions and geographies. By enabling diverse talent to learn from one another and work across organizational boundaries, we strengthen organizational capabilities and accelerate innovation.

Developing Talent through Early Global Experience

Murata is expanding opportunities for early-career employees to gain experience at overseas manufacturing sites and in cross-cultural environments, building a broader pipeline of globally capable talent. These assignments deepen understanding of regional challenges and diverse perspectives while strengthening employees' ability to connect knowledge and expertise across sites.
Murata is expanding hands-on global development opportunities for employees. Since FY2023, new employees have been able to complete part of their approximately five-month practical factory training at overseas manufacturing sites; in FY2025, 42 employees participated. We also offer one-year overseas assignments for employees aged 35 or younger across our global operations, with participation from outside Japan continuing to grow. These programs strengthen individual skills and expertise while accelerating knowledge sharing among sites in Japan and overseas, helping build stronger organizational capabilities globally.

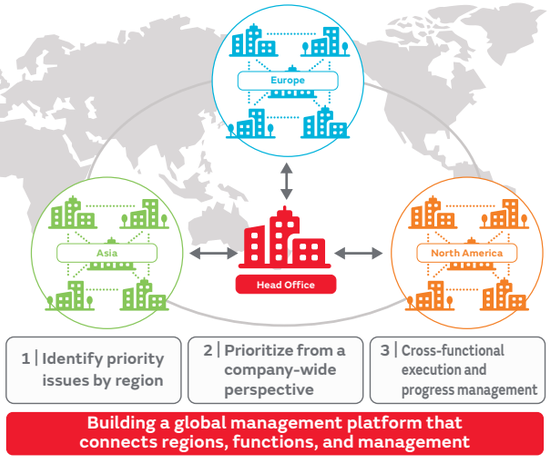
Global Rotation Results



* OTP: Overseas Trainee Program (OSA Young Employee On-the-Job Training)

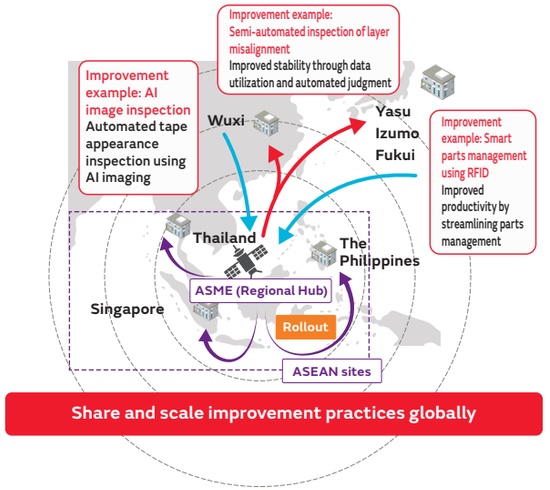
Building a Global Management Platform

To capture growth opportunities emerging across global markets, Murata is advancing the Regional Administration Center (RAC), a virtual regional headquarters model. In FY2025, we established a structure that connects legal entities and administrative functions within each region, enabling regional teams to identify priority issues and drive solutions with greater autonomy.
RAC also strengthens alignment between regions and corporate management by sharing priorities, progress, and best practices across geographies. By combining regional responsiveness with company-wide coordination, RAC supports faster decision-making, stronger cross-organizational execution, and sustainable growth in corporate value.



Global Network Connecting Knowledge and Expertise Across Regions

In ASEAN, ASME (ASEAN Monozukuri Engineering) provides a regional framework for locally led problem solving, built on years of talent development and cross-site collaboration. Improvement practices developed by local teams are now being shared beyond ASEAN with other regions, including Japan and China, helping spread knowledge and strengthen manufacturing capabilities across Murata.
Through these initiatives, overseas sites are evolving from recipients of knowledge into sources of innovation and improvement. By enabling expertise and best practices to circulate across regions, Murata is strengthening capabilities and competitiveness across the Group.



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Organization and Human Resources Supporting Murata's Growth — Strengthening Organizational Capabilities through DX

Murata's Non-financial Capital

As AI-driven transformation accelerates, sustainable value creation depends not only on technology, but on how effectively organizations and people adapt and put it to work. Murata is advancing data- and AI-enabled management while developing the DX capabilities of its workforce. By building a stronger foundation for collaboration between people and AI, we aim to enhance competitiveness and create greater corporate value.

Transforming the Organization Through Human–AI Collaboration

Murata has positioned the DX initiatives outlined in Vision 2030 and Medium-Term Direction 2027 as a key management transformation closely tied to strengthening organizational and human capital. Guided by two priorities – "DX Talent Development and Organizational Growth" and "Digital Learning Platform Development" – we are expanding programs such as MDX Dojo*, integrated online learning, and AI readiness training. Building on the foundation established under Medium-Term Direction 2024, these efforts continue to broaden and deepen DX capabilities across the organization.
At the organizational level, DX initiatives are creating opportunities to redesign business processes, integrate AI into operations, and advance organizational transformation. At the individual level, we are expanding opportunities for employees to apply what they learn and turn new capabilities into measurable results in their daily work.
AI readiness training has provided employees with a structured foundation in generative AI, including core concepts, risk awareness, and practical business applications. The goal is to move beyond simply using AI to enable employees to rethink and redesign how work gets done with AI embedded in the process. As a result of these efforts, 77% of employees now have experience using generative AI.
Moreover, in our DX adoption survey, more than 50% of respondents reported tangible results, demonstrating that meaningful behavioral change is taking hold across both individuals and the organization.
Going forward, we will further leverage AI to streamline routine and repetitive work, allowing employees to focus more on higher-value activities such as analysis, planning, and proposal development. Through these efforts, we aim to transform 30% of indirect operations and strengthen the foundation for sustainable corporate value creation by enabling both people and the organization to grow together.

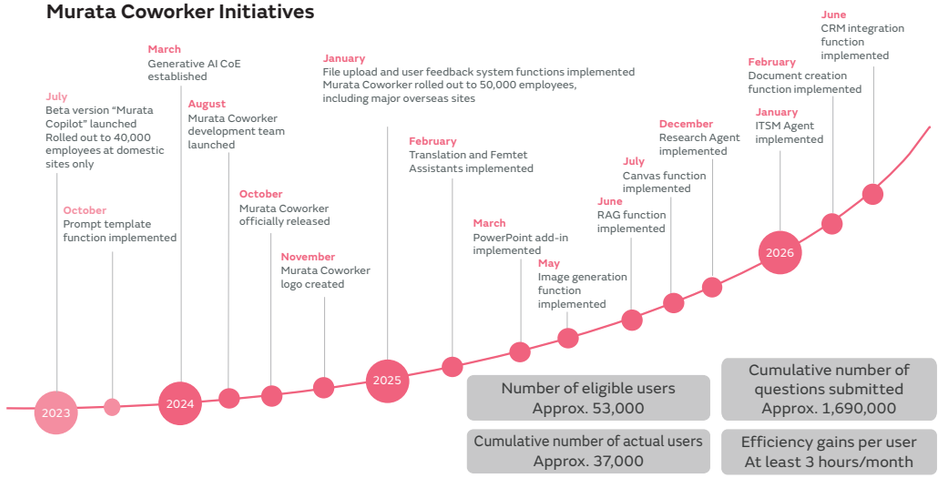


* Murata DX Dojo. A hands-on learning environment where employees can build practical digital skills tailored to their individual proficiency levels and apply them to improve operational efficiency.

Unlocking New Value from Organizational Knowledge with Murata Coworker

Murata is leveraging data and AI to strengthen organizational capabilities and improve productivity across the Group. Central to this effort is Murata Coworker, our proprietary generative AI platform. In addition to conversational AI, the platform combines RAG capabilities that draw on internal knowledge with multimodal functionality, enabling employees to access and apply information more effectively. By turning organizational knowledge into a more accessible and actionable asset, Murata Coworker supports faster decision-making, greater operational efficiency, and sustainable value creation.
Murata Coworker is designed to accelerate a shift from a "Need to Know" culture to a "Need to Share" model of knowledge management. For Murata, whose vertically integrated business model depends on expertise across multiple functions and technologies, the ability to connect and leverage internal data and knowledge across organizational boundaries is an important source of competitiveness. By making information easier to access and apply, Murata Coworker helps convert individual expertise into shared organizational knowledge, enabling faster decision-making, greater collaboration, and new value creation.
Because the platform is developed in-house, Murata can maintain appropriate access controls, information governance, and usage standards, enabling secure and reliable adoption of AI across the organization.
Since its launch in October 2024, Murata Coworker has been used by approximately 37,000 employees on a cumulative basis and has delivered productivity gains of at least three hours per user per month. By using AI to support routine tasks, information gathering, and analysis, employees can devote more time to higher-value work that requires creativity, judgment, and specialized expertise. Looking ahead, Murata aims to embed generative AI more deeply into everyday operations across Japan and overseas, creating a scalable foundation for human–AI collaboration, greater productivity, and sustained value creation.

Murata Coworker Initiatives



* As of June 2026

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Intellectual Property and Technology Driving Murata's Growth

Murata's Non-financial Capital

By applying a strategic IP PDCA cycle and leveraging our vertically integrated technology framework, Murata is building a powerful intellectual property portfolio aligned with business portfolio management to support future growth. At the same time, we are combining external technologies and expertise with our core capabilities to explore new technological frontiers and create opportunities in emerging business domains.

Intellectual and Technological Capital Unique to Murata

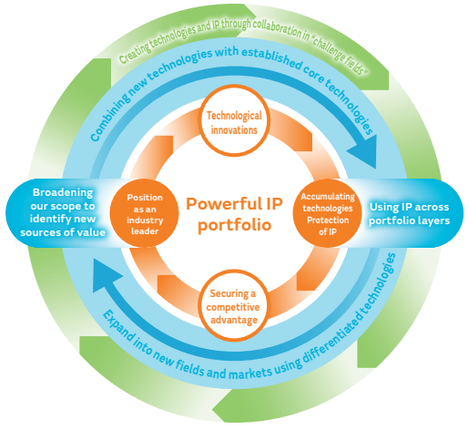
Guided by the Murata Philosophy of "contributing to the advancement of society by creating innovative products and solutions," Murata has built and continuously advanced a broad base of core technologies and intellectual assets rooted in deep materials expertise. Their value is amplified through collaboration across disciplines and organizational boundaries, enabling technologies to be applied in new and differentiated ways. Through open innovation, we also integrate external technologies and expertise with our own capabilities to explore emerging technology and business opportunities. This combination of talent, technology, and intellectual assets forms a critical foundation for Murata's long-term competitiveness and sustainable growth.

Intellectual property

Guiding reinforcement and change

- Strengthen R&D intelligence functions
- Strengthen digital utilization
- Optimize R&D and intellectual property investment by strengthening alignment among R&D priorities, IP portfolio development, and portfolio management
- Create an environment that fosters developer innovativeness

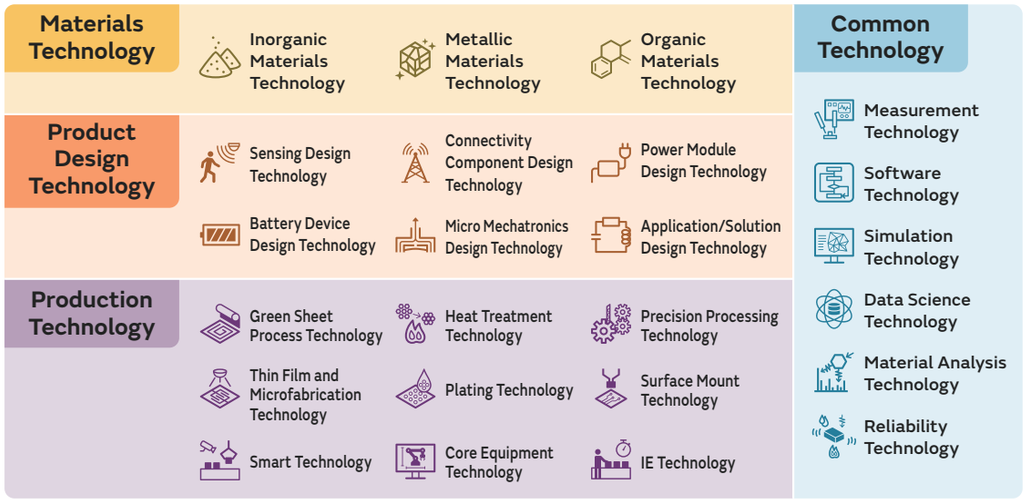
Illustration of how capital is used in Murata's 3-layer portfolio management



Murata's Technology Framework

Leveraging the strengths of its vertically integrated model – from materials development through finished products – Murata has built a technology framework centered on materials, product design, and production technologies. These capabilities are reinforced by shared technologies that connect each market, enabling greater integration, faster innovation, and differentiated value creation.
A defining strength of this framework is the seamless integration of elemental technologies, product design, production processes, and quality and reliability assurance. This end-to-end approach enables Murata to deliver a broad range of differentiated offerings, from individual components and modules to integrated solutions.
We leverage this expertise across organizational boundaries and scale it through technology platform initiatives, accelerating both the application of existing technologies and the integration of capabilities across disciplines.
By mapping the origins of our technologies and their potential applications, we can more effectively apply accumulated knowledge to future development. This strengthens both the speed and precision of technology selection and enables closer alignment with evolving customer and market needs.
At the same time, we protect critical know-how while leveraging accumulated technologies and expertise across business and product domains to capture medium- and long-term growth opportunities. The distinctive capabilities developed through these efforts are an important source of Murata's competitive advantage.

Murata's Technology



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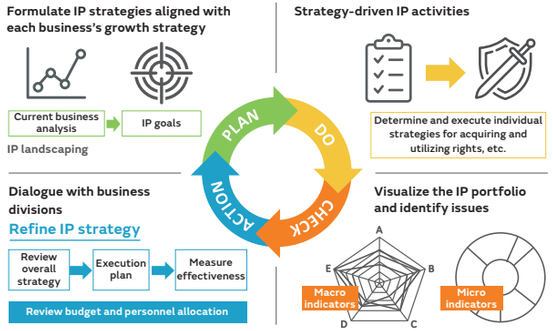
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Implementing the IP Strategy PDCA Cycle

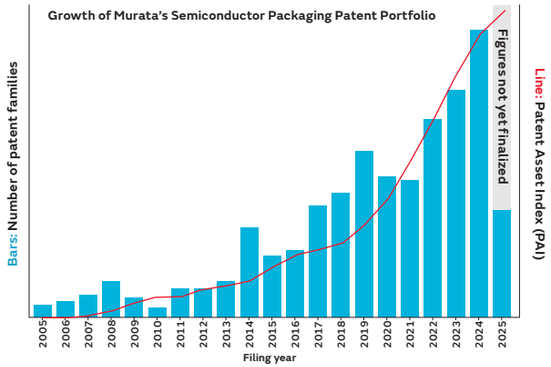
Murata regards intellectual property as a strategic asset and applies a company-wide PDCA cycle to strengthen the effectiveness of its IP strategy. Through IP landscaping, we assess both internal capabilities and the external competitive environment for each business, then develop IP strategies aligned with growth priorities and areas of differentiated strength. These strategies guide patent filings, rights acquisition, and the active use of intellectual property to support business growth and competitive advantage.
Murata evaluates its IP portfolio using both macro- and micro-level indicators to identify strengths, gaps, and areas for improvement across the company and within individual businesses. At the macro level, we use external data, including patent citation metrics, to benchmark the quality, scale, and balance of our portfolio against industry peers. At the micro level, we apply internal assessments of individual patents to evaluate their current and future utilization potential. These analyses include proprietary Murata metrics not available through external commercial tools, providing deeper insight into the strategic value of our IP portfolio.
Based on these assessments, Murata continually reviews investment priorities and patent filing strategies to ensure that IP activities remain closely aligned with business strategy. By incorporating competitive dynamics and technology trends in each business, we work to strengthen the quality and strategic relevance of our IP portfolio while maximizing its value. Through the continuous operation of our IP strategy PDCA cycle, we refine resource allocation, sharpen strategic priorities, and build a stronger IP portfolio that supports sustainable growth.



Investment in Intellectual Capital for Future Growth Markets

Murata invests early in intellectual capital in high-growth markets where its foundational technologies can create differentiated value. AI data centers are one such area. Anticipating rising demand, Murata began developing components and devices for semiconductor packaging applications ahead of broader market expansion, while systematically capturing the resulting expertise as intellectual property. This early investment strengthens our technology base and positions us to capture future growth opportunities.
Murata anticipates long-term market and technology trends to evolve its components and devices in line with emerging customer needs. At the same time, we accelerate IP activities in step with market growth and align them closely with our business and new growth strategies. Through this forward-looking approach, we are building an IP portfolio designed to strengthen competitiveness and capture opportunities in future growth markets.
In recent years, we have also applied our IP strategy PDCA cycle selectively to new business areas. By assessing both the external environment and our internal capabilities, we develop targeted IP strategies that strengthen our portfolio, reinforce technological differentiation, and support competitive advantage in future growth markets.

Example of Intellectual Capital Investment in Future Growth Markets

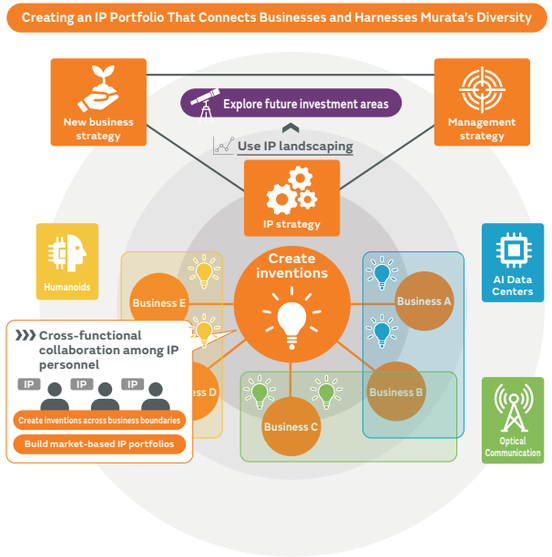


Prepared by Murata Manufacturing using LexisNexis PatentSight®.
PAI (Patent Asset Index) is an academically developed, objective metric used to assess the value and innovative strength of patent portfolios. The PAI values for 2005 and 2006 are zero because patent rights expire 20 years after the filing date.

Accelerating IP Creation through Strategic Intellectual Property Activities

To support the development of new businesses and build strong IP portfolios around future growth opportunities, Murata is advancing strategic initiatives that accelerate the creation of intellectual property.
For example, we use IP landscaping to assess market trends and competitor activity, helping sharpen the hypotheses that inform management and new business strategies.
In these priority areas, Murata is strengthening efforts to connect technologies and intellectual property across business boundaries to accelerate IP creation. Beyond building portfolios for individual businesses and products, we leverage our broad technology base as a comprehensive electronic components manufacturer to generate inventions that span multiple markets. This approach enables us to build IP portfolios aligned with emerging business opportunities and future growth. In the current fiscal year, Murata has introduced incentives to encourage invention creation in priority areas. Through these initiatives, we are building a more strategically actionable IP portfolio designed to capture opportunities in emerging foundational domains and support the sustainable enhancement of corporate value.

Intellectual property



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Message from the Director of Corporate Technology & Business Development Unit



Takaki Murata

Board Member,
Executive Vice President,
Director of Corporate
Technology & Business
Development Unit

Future and Emerging Technologies: Turning Technology into Business and Driving the Next Phase of Growth

— Value Creation Led by the Corporate Technology & Business Development Unit —

Key Messages

- Combining Technologies Is the Essence of Technological Innovation
- Technological Diversity Supporting Murata's Competitiveness
- Turning Technology into Business Value Creation Only Humans Can Achieve
- Connecting Technology to the Future

Combining Technologies Is the Essence of Technological Innovation

AI is bringing profound changes to society and industrial structures. Its impact has the potential to transform the very foundations of each. However, a look at the technologies behind these changes offers a different picture. As an engineer, I see today's transformation not as the sudden arrival of entirely new technologies, but as the convergence and recombination of existing technologies in new and powerful ways.

For example, the computing technologies foundational to AI are built on decades of advances in semiconductors and information processing. As performance continues to improve, new architectures and packaging technologies are emerging, while power and thermal management are becoming increasingly critical challenges. Against this backdrop, the search is intensifying for breakthroughs that can advance AI while addressing broader social issues. Any technology has the potential to become a catalyst for future transformation. By combining Murata's diverse technologies in new ways, I believe we can create distinctive value and strengthen our long-term competitiveness.

Technological Diversity Supporting Murata's Competitiveness

Our strength lies not in any particular product, but in the diverse technologies we have accumulated. Since our founding, we have valued the principle of "creating innovative products and solutions," building our competitiveness not only through design but also by working upstream to materials and production processes. As a result, we created a diverse range of technologies needed for product development in-house, including "materials technology," "product design technology," "production technology," and "common technologies."

We have expanded into new business fields by

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building on and combining the technologies we have accumulated. For example, centered on ceramics technology and supported by capabilities such as powder processing, sheet forming, and lamination, we extended our expertise from dielectric materials into areas such as piezoelectric and magnetic materials, creating new products and markets. This approach goes well beyond ceramics. Our expansion into RF modules is one example. As RF design has become more complex and demand for modularization has grown, we combined RF filter technology with design and evaluation capabilities to create new value. This broad technological approach – and our ability to integrate multiple technologies – is one of our greatest strengths and a key source of customer value.

As the electronics market continues to expand, opportunities in areas such as medical devices and environmental applications are increasingly emerging from technologies we have already developed. Because it is difficult to predict which technologies will shape future businesses, we believe it is essential to maintain a broad technology base and combine these capabilities in new ways to create future value.

Turning Technology into Business

However, accumulating technologies alone does not create new businesses or value. In the nearly two years since moving from business division leadership to my role as Director of the Corporate Technology & Business Development Unit, I have become increasingly convinced that we must do more to translate Murata's strong technology base into new businesses and market opportunities.

In R&D, the freedom to explore a diverse range of technologies is important. At the same time, our management resources are limited, and we cannot fully develop every technology to the same extent. We therefore need to anticipate future market changes and identify the technologies to prioritize for development and business application. To this end, we are developing short-, medium-, and long-term roadmaps that connect our business and technology strategies. We consider the seeds of new technologies and market needs together to create future business opportunities more reliably. We have a broad technology portfolio spanning materials, devices, and modules. The key is not only to refine each technology individually, but also to combine them in response to market needs and apply them to new businesses. This is the key role of the Corporate Technology & Business Development Unit.

Robotics is one future market where we can put this approach into practice. Robotics requires a diverse range of technologies: communications, sensing, power supply, and control. Many of these are extensions of technologies developed for existing markets but optimizing them for new applications requires further technological innovation and new solution creation. The key is to optimize these technologies for future market needs and translate them into new business opportunities.

We are also applying our technologies to new businesses in the environmental field, one of Murata's designated challenge areas. A key focus is building sustainable businesses around technologies that both reduce environmental impact and create economic value. Under our Clean Tech & Green Tech approach, we are advancing the commercialization of technologies that reduce CO_2 emissions and improve energy efficiency. Solutions developed through our own manufacturing operations – including energy-saving technologies and the reuse of organic solvents and waste heat – have demonstrated both environmental and economic benefits. We are now extending these capabilities to external customers. Our power optimization solution, "efinnos," is already being deployed commercially. Going forward, we will continue to validate technologies within our own operations and then expand them externally, creating



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new environmental businesses that support sustainable growth.

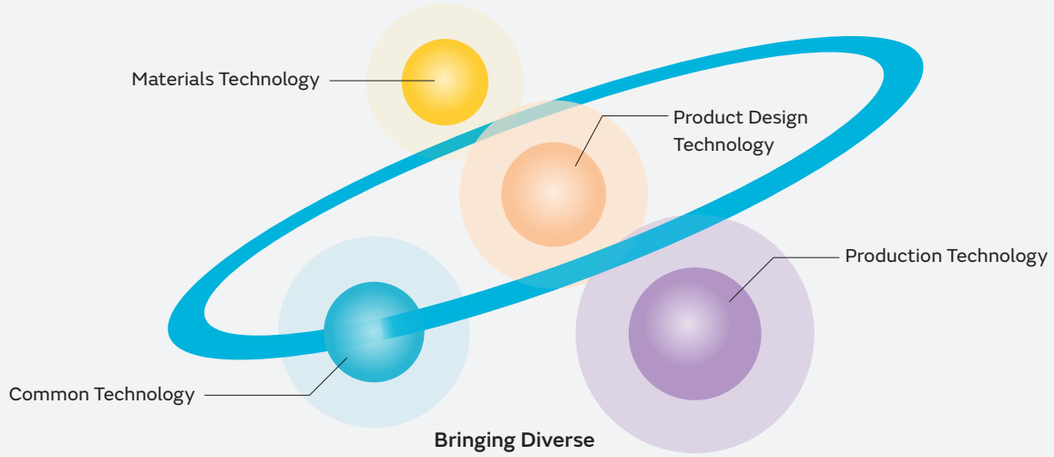
We cannot always provide all the technologies and solutions needed to expand into these new business fields on our own. Alongside further developing our own technologies, we therefore see co-creation and M&A as important options. The Corporate Technology & Business Development Unit oversees scouting activities through WONDERSTONE Ventures. These activities, together with KUMIHIMO and activities at the soon to be established Moriyama Innovation Center, connect technologies and expertise from inside and outside Murata to create new business opportunities. We also use M&A to fill gaps in our technologies and expertise and strengthen our future competitiveness. Building on the technologies we have developed in-house, we will use co-creation and M&A to strengthen the technological capital that supports future value creation.

Value Creation Only Humans Can Achieve

Our R&D activities are not focused solely on our current businesses. We value the freedom to pursue long-term opportunities with a 10- to 20-year horizon, recognizing that sustained investment in emerging technologies can create new businesses through combinations and applications that may not be apparent today.

Diverse experience is also essential for the human resources who drive this value creation. Experience across different technologies and businesses, in addition to specialized expertise, broadens perspectives and gives rise to new combinations and ideas. Just as technological diversity strengthens our competitiveness, our people's experience is an important source of strength. That is why I want our engineers to deepen their expertise while growing through a broad range of experiences.

At the same time, markets and technologies are changing faster than ever. To turn long-term R&D into business opportunities at the right time, we must also accelerate development. AI is increasingly supporting R&D through analysis, data organization, evaluation optimization, and other activities. However, at the core of this remains human judgment: identifying which technologies to combine, where to apply them, and how to create new value. Even as simulation and analysis become more advanced, turning concepts developed in the virtual world into reliable mass production still depends on deep manufacturing expertise. That is why we must actively use AI while focusing human effort on more creative work that drives innovation.



Bringing Diverse Technologies Together

Connecting Technology to the Future

Creating technology is, of course, important. However, our mission is to turn that technology into businesses that create social value and drive sustainable corporate growth. We will continue to connect technology and business, short- and long-term perspectives, and internal and external expertise, supporting Murata's next phase of growth through the creation of new value.

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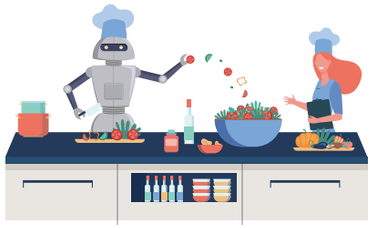
Creating the Future of Electronics through Co-Creation

Murata's Non-financial Capital

As AI and digital technologies continue to advance, their integration and real-world applications are accelerating across the electronics industry. Leveraging capabilities that span components, modules, and solutions, Murata creates new value by combining diverse technologies and expertise. A key enabler is our partner capital – the trusted relationships we have built with customers, suppliers, research institutions, and local communities. By aligning objectives and perspectives with partners around the world, we aim to accelerate collaboration and contribute to the continued advancement of the electronics industry.

Contributing to the Development of a Japan-made Humanoid Robot

In 2025, Murata Manufacturing joined Waseda University, tmsuk company limited, and SRE Holdings Corporation to establish KyoHA (Kyoto Humanoid Association), an organization dedicated to developing a humanoid robot entirely in Japan.
KyoHA brings together expertise from industry and academia – including advanced research, robotics development, AI and digital technologies, and electronic components and devices – to advance the development of Japan-made humanoid robots and establish a domestic supply chain. Through collaboration among companies and research institutions, the initiative aims to strengthen Japan's monozukuri capabilities, enhance industrial competitiveness, and help create a new robotics ecosystem.
Murata Manufacturing will leverage its sensing and electronic component technologies to support the development of a society where people and robots can work and live together. Through partner collaboration, we aim to generate new value, advance next-generation industries, and contribute to solving societal challenges.



Circular Infrastructure "P-FACTS" Promoted by PIECLEX

PIECLEX Co., Ltd., a wholly owned subsidiary of Murata Manufacturing, is advancing innovation through its proprietary "electric fiber" technology, PIECLEX, under the corporate vision, "Changing the World with Electric Fibers." As part of these efforts, PIECLEX is collaborating with companies, government bodies, and other organizations to advance the adoption of P-FACTS (PIECLEX Fabrics Composting Technology Solution), a circular system that spans the collection of apparel and textile products through composting and their reuse in forestry and agriculture. By working with a broad range of stakeholders – including partner companies, municipalities, social welfare facilities, and educational institutions – PIECLEX aims to expand the use of P-FACTS-certified products and help build a more sustainable fashion ecosystem that benefits both people and the environment.

PIECLEX



Creating the Future of Electronics: KUMIHIMO Connects Ideas to Create New Value

KUMIHIMO Tech Camp with Murata (KUMIHIMO) is a collaboration that brings together startups and universities to develop new ideas and pursue commercialization by leveraging Murata's technologies, expertise, and resources. In Japan, FY2025 marked the program's fourth year, with 255 cumulative applications and co-creation activities underway with 20 companies. The initiative is also expanding globally, with two programs held in Bulgaria and its first event in Singapore planned for FY2026.
The emphasis on collaboration reflects a common challenge in hardware development: even companies and organizations with solid ideas can face significant barriers to commercialization due to the time, cost, and technical complexity of prototyping, evaluation, and mass production. Through KUMIHIMO, Murata applies the hardware expertise and networks it has built over many years to work alongside selected companies, address technical challenges, and develop successful examples[*1] that advance toward real-world implementation.
We will continue accelerating innovation through collaboration with diverse startups and universities and creating new value that helps solve social issues.

KUMIHIMO *1 Example

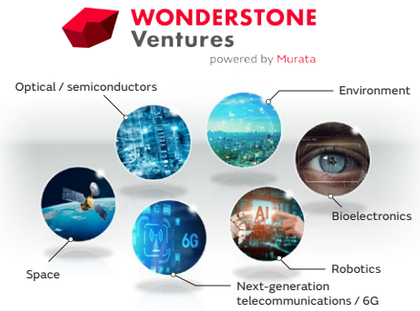


FY2025 KUMIHIMO Tech Camp with Murata Award Ceremony

WONDERSTONE Ventures: Partnering with Startups to Advance Innovative Technologies

Through investments in innovative startups worldwide, WONDERSTONE Ventures is expanding Murata's network of entrepreneurs and researchers while strengthening its ability to identify emerging technologies and shifts in the market. To date, it has invested in more than ten companies, providing early exposure to growth opportunities beyond Murata's existing businesses. Insights gained through ongoing engagement with portfolio companies also help inform the exploration of new business opportunities and future R&D priorities. These investments are already generating tangible strategic outcomes. Murata has signed an MOU with portfolio company Xona Space Systems, Inc. to advance positioning and timing synchronization technologies using low Earth orbit satellites and explore new business opportunities. Investments in Aliro Technologies, Inc. and Lightsynq Technologies Inc. also provide access to emerging developments in quantum technologies, with insights to inform Murata's internal R&D activities. Through these partnerships, we aim to accelerate innovation and support the creation of next-generation businesses.

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Monozukuri Supporting Murata

Murata's Non-financial Capital

Murata leverages smart technologies and DX to transform business processes across the SCM and ECM value chains and improve capital efficiency. By standardizing and scaling best practices through cross-functional monozukuri organizations and strengthening production engineering capabilities globally, we aim to enhance cost competitiveness and reinforce stable supply across our global operations.

Monozukuri Capital Unique to Murata

Murata combines site-level ownership, continuous improvement, and cross-functional collaboration to deliver customer value. Key strengths include vertical integration from materials to finished products, in-house production technologies, protection of core know-how, and cost reduction through advanced visualization and management. Guided by the Murata Philosophy, we apply the PDCA cycle with a focus on upstream management, prevention, and continuous improvement.

Guiding reinforcement and change

- Develop digital solutions and IT infrastructure
- Optimize products and production lines across the entire SCM and ECM to reduce defects and costs
- Accelerate new product creation through technology development and early collaboration
- Promote standardization and horizontal rollout
- Strengthen Murata's monozukuri capabilities through innovation that values the environment and people

Domestic production ratio

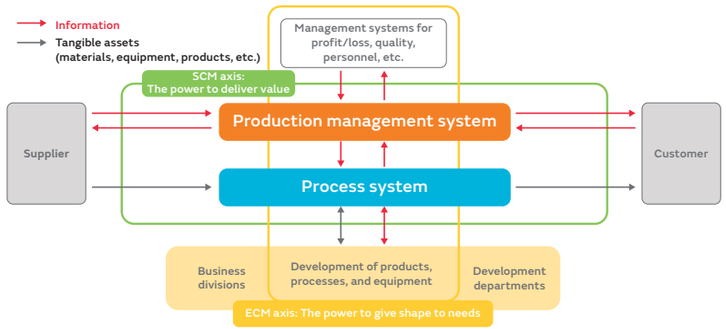
* As of March 31, 2026

Approx. 66%

Number of internal facilitators trained to support on-site improvement

* As of March 31, 2026

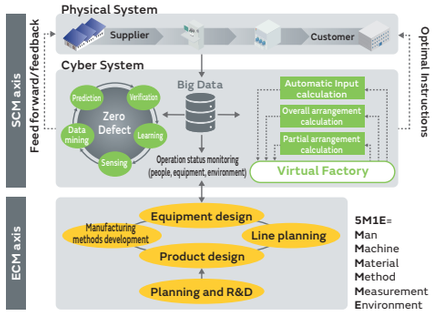
2,143 (including 423 overseas)



Reducing Costs and Improving Capital Efficiency through DX and Smart Technologies

Manufacturing sites are increasingly leveraging digital tools, AI, and cyber-physical systems (CPS) to monitor production, prevent defects and losses in real time, and address root causes. By advancing digital transformation across the SCM and ECM axes, Murata aims to accelerate development, improve productivity and quality, and move toward waste-free manufacturing. We are also pursuing mass customization through streamlined production flows and flexible automation, enabling efficient high-mix, variable-volume production while improving capital efficiency.

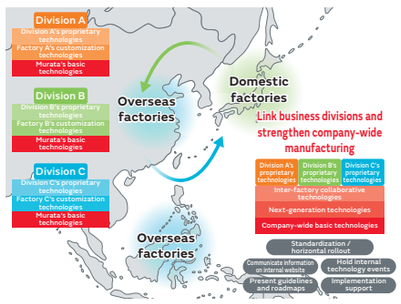
Initiative illustration



Strengthening Cost Competitiveness and Supply Capacity through Overseas Production Expansion and Faster Deployment

To address workforce constraints in Japan and strengthen global competitiveness, Murata is building a cross-functional manufacturing structure that enables factories to advance improvement activities suited to local conditions. By developing on-site improvement facilitators and production engineers, we aim to strengthen the self-sustaining capabilities of overseas factories, improve productivity and quality, and enhance global cost competitiveness. At the same time, we will identify best practices across Murata, standardize them, and accelerate their global deployment. By integrating production technology and industrial engineering expertise across manufacturing and production engineering functions, we will scale proven practices more efficiently and continuously strengthen monozukuri capabilities worldwide.

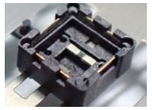
Initiative illustration

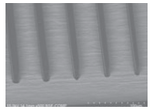


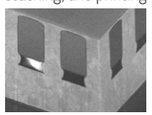
Production technology domains

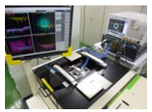

Laminating, stacking, and printing

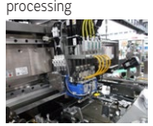

Sintering


Precision mechanical processing


Nano and thin film fabrication


Packaging


Measurement and testing


Equipment design and automation


Smart Technology*

* Technologies that address manufacturing challenges and improve productivity and quality through robotics, AI, and other advanced solutions

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Procurement as a Foundation for Sustainable Value Creation

Murata's Non-financial Capital

Amid increasing uncertainty in procurement, we support sustainable value creation by strengthening supply chain resilience through trusted supplier relationships and fulfilling our responsibilities across the entire supply chain.

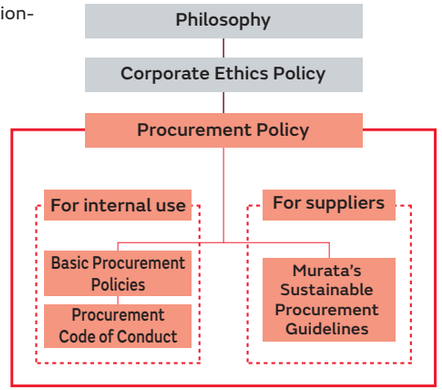
Procurement unique to Murata

Murata's Procurement Policy reflects the principles we consider essential to responsible sourcing, including ethical and legal compliance, quality, lead time, environmental stewardship, respect for human rights, and other social responsibilities. We regard our suppliers as important business partners and build relationships based on mutual trust and open dialogue. Together, we work to address human rights and labor practices, health and safety, environmental impact, ethics, supply chain resilience, and responsible mineral sourcing. Through these efforts, we aim to strengthen the sustainability of our supply chain and contribute to long-term corporate value creation.

Procurement Policy

Balancing continuity and change

- Strengthen our response to social issues, including environmental and human rights issues
- Enhance our ability to respond to uncertainties, including natural disasters, geopolitical risks, and cyber incidents
- Build supply chain sustainability through closer collaboration with suppliers
- Strengthen sustainability and competitiveness across the entire supply chain



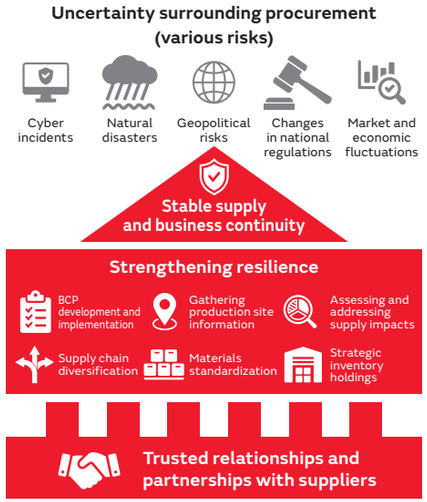
Advancing Murata's Approach to Procurement

Strengthening resilience

As the electronics market expands, the supply chains supporting Murata's products are becoming increasingly global and complex. At the same time, procurement uncertainty is rising due to natural disasters, geopolitical risks, cyber incidents, and evolving regulations. Against this backdrop, strengthening resilience across the entire supply chain has become a key priority.

Working across the supply chain, we monitor production sites, assess potential supply impacts, and consider countermeasures such as alternative sourcing and inventory adjustments. We also strengthen resilience before disruptions occur by standardizing materials, diversifying sourcing, and maintaining strategic inventories. In addition, we encourage suppliers to establish business continuity plans to reinforce continuity across the entire supply chain.

These efforts are built on long-standing relationships of trust with our suppliers. By deepening collaboration, we will continue to strengthen supply chain resilience, reduce the risk of disruption, and support the consistent delivery of value.



Sustainable Procurement

Murata views responsible practices in human rights and labor, health and safety, the environment, and ethics across the supply chain as essential to sustainable growth. To support this, we have established the Murata Group Sustainable Procurement Guidelines in accordance with international standards and the Responsible Business Alliance (RBA) Code of Conduct and require suppliers to implement them as well. We assess compliance through self-assessments and CSR audits, using the findings to identify risks and drive continuous improvement. Through ongoing dialogue and collaboration with our suppliers, we will continue to strengthen responsible procurement across the supply chain.

Sustainable Procurement

Responsible mineral procurement

We recognize that it is our responsibility to help prevent human rights violations, conflict-related risks, labor abuse, and other social issues within the supply chain. Because responsible mineral procurement requires coordinated action across the value chain, we work closely with suppliers and industry associations to strengthen transparency, identify risks, and promote responsible sourcing practices. We conduct ongoing surveys based on the OECD Due Diligence Guidance[1] and surveyed 230 major suppliers in FY2025. The results confirmed that 92% of the smelters used were RMAP-certified and that our major products, including multilayer ceramic capacitors, were not linked to Annex II risks[2]. We also participate in industry initiatives such as the JEITA Responsible Minerals Trade Working Group to address shared challenges and promote education and awareness. Going forward, we will continue working with suppliers and industry partners to strengthen responsible mineral procurement across the supply chain.

1. International guidelines that require companies to ensure responsible sourcing of conflict materials
2. Risks related to financing armed groups and human rights violations

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Electronics in Harmony with Nature

Murata's Non-financial Capital

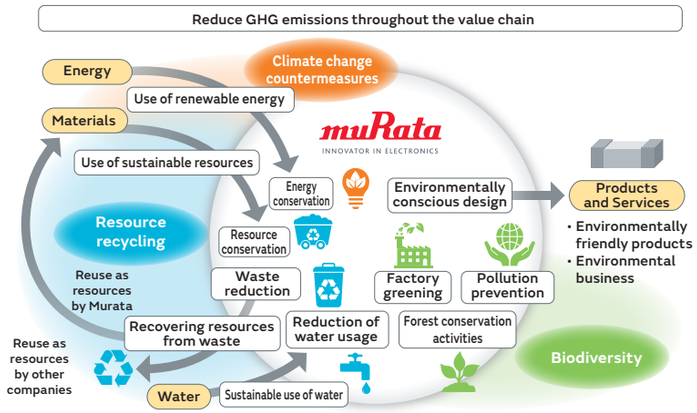
Murata views coexistence with the natural environment as fundamental to sustainable business. We are working to preserve and enhance natural capital while advancing decarbonization, resource circulation, and more sustainable operations across the Group.

Murata's commitment to electronics in harmony with nature

Murata recognizes that business and society depend on natural resources and ecosystem services, including energy, water, and mineral resources. We therefore view coexistence with nature as fundamental to sustainable growth. As an "Innovator in Electronics," we are advancing initiatives worldwide that contribute to environmental preservation and positive social impact.
As AI-driven demand expands and geopolitical uncertainty increases, securing energy and resources is becoming increasingly critical. In response, Murata has established "Practicing Sustainable Operations" as a core policy under Medium-Term Direction 2027, advancing initiatives toward its vision of "Electronics in Harmony with Nature."

Electronics in Harmony with Nature

Environmental initiatives



Turning Climate Action and Resource Circularity into Competitive Strength

Murata places the continuous creation of social and economic value at the core of its management approach. We have identified decarbonization and resource circularity as material priorities, alongside the preservation and enhancement of natural capital. Through co-creation with stakeholders, we aim to drive innovation and extend positive environmental impact beyond our own operations to society as a whole.
Preserving and enhancing natural capital also creates growth opportunities that leverage Murata's vertically integrated capabilities, from materials development through process and product design. By developing environmentally focused technologies and advancing monozukuri, we aim to strengthen product competitiveness and expand co-creation with customers and partners. At the same time, climate action and resource circularity are critical to securing resources and energy, maintaining reliable supply, and meeting evolving environmental requirements.
We view climate action and resource circularity not only as social responsibilities, but as drivers of competitiveness and long-term value creation. By identifying priority issues and advancing practical initiatives, we aim to strengthen resilience and enhance corporate value.

Three Perspectives on Murata's Environmental Contribution

Priority themes	Reducing the environmental impact of business operations	Reducing environmental impact through product design	Addressing environmental challenges through products and services
Climate change countermeasures	● Promote energy conservation ● Introduce renewable energy	● Reduce manufacturing energy loss through miniaturization, higher efficiency, and longer product life ● Reduce energy loss during product use through higher efficiency	● Provide products and solutions that contribute to energy conservation and renewable energy
Resource recycling	● Reduce waste ● Promote closed-loop recycling	● Reduce resource use through miniaturization and higher efficiency ● Extend resource use through long-life design	● Provide products and solutions that contribute to resource recycling

Value creation

Value creation outcomes

Social value

Enhancing environmental and social value

- Create a decarbonized society
- Create a recycling-oriented society
- Preserve and enhance the natural environment
- Reduce environmental impact

Economic value

Strengthening Murata's competitiveness

- Improve business continuity by ensuring stable access to resources and energy
- Strengthen supply reliability and build customer trust
- Enhance product and technological capabilities to meet evolving environmental requirements
- Higher-value products through miniaturization and improved efficiency
- Strengthen value creation through stakeholder co-creation
- Strengthen market competitiveness through environmentally responsible products

Create a continuous cycle of social and economic value by turning environmental initiatives into competitive advantage and sustainable growth

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Create a Decarbonized Society

Materiality

Murata's Non-financial Capital

Approach, Goals, Initiatives, and Results

Murata has long advanced environmental initiatives alongside its business activities, setting ambitious climate goals and earning leading ESG ratings from CDP and other organizations. As extreme weather events increase and the global climate landscape continues to evolve, we recognize the need to accelerate our efforts. In 2024, we moved forward our RE100 target and established a goal of achieving carbon neutrality across our entire supply chain by 2050.

[Initiatives]

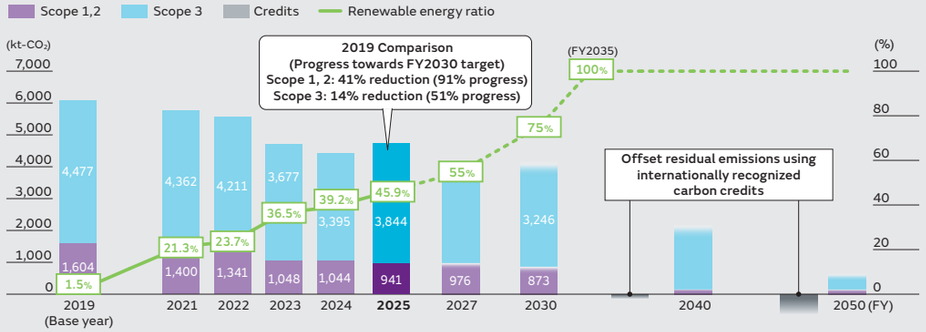
- **Scope 1 and 2 reductions: Drive energy efficiency through greater visibility into energy consumption and secure long-term renewable energy supply through power providers, including C-PPAs.*1**
- **Scope 3 reductions: Engage suppliers through policy briefings, improve data accuracy by replacing estimates with primary data, and advance modal shifts**

*1 C-PPA (Corporate Power Purchase Agreement): A long-term agreement through which a company purchases renewable electricity or the associated environmental attributes

TCFD Measures Create a decarbonized society

Targets

Trend of total GHG emissions and renewable energy rate, and medium- to long-term targets



Advancing Decarbonization in Murata's Own Operations

In addition to advancing energy efficiency, Murata is expanding renewable energy procurement with a focus on additionality and a diversified sourcing approach. For off-site procurement, we use renewable energy programs offered by power companies as well as P-PPAs and V-PPAs to secure renewable energy and environmental attributes on a stable, long-term basis. Building on existing solar V-PPAs with Mitsubishi Corporation and RENOVA, Inc., Murata entered into its first wind power V-PPA with Cosmo Eco Power Co., Ltd. in 2026. The agreement is expected to reduce CO_2 emissions by approximately 13,700 tons annually. Through these efforts, renewable energy has been introduced at 29 sites, including six operating on 100% renewable energy, bringing Murata's renewable energy implementation rate to 45.9% in FY2025. We will continue to support the transition to a decarbonized society by expanding on-site power generation and diversifying our renewable energy procurement portfolio.



Wind power facilities under the V-PPA: Exterior view of Oita Wind Farm

Decarbonization through Co-creation with Stakeholders

Scope 3 emissions account for approximately 80% of Murata's total GHG emissions. To address this, we have established targets aligned with SBT criteria and are advancing reduction initiatives across the value chain. Murata's proprietary Integrated Renewable Energy Control Solution, "efinnos," supports the efficient and stable use of renewable energy by optimizing electricity supply and demand. The solution has received external recognition, including the JCLP Decarbonization Management Award. We have also launched joint transportation using EV trucks with ROHM Co., Ltd. and NIPPON EXPRESS CO., LTD. – a first for the electronic components industry. Operating along an approximately 210 km daily route, one of the longest of its kind in Japan, the initiative improves load efficiency and transportation optimization while reducing both GHG emissions and costs. Going forward, we will deepen collaboration across the value chain by expanding modal shifts and introducing low-profile, lightweight pallets at overseas sites.



Photo from the JCLP Decarbonization Management Award ceremony



Launch ceremony for joint EV truck transportation

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Create a Recycling-oriented Society

Materiality

Murata's Non-financial Capital

Approach, Goals, Initiatives, and Results

In 1994, Murata committed to developing products and production methods that conserve resources and energy, reduce environmental impact, and promote harmony with the environment. Since then, we have steadily advanced resource conservation and recycling initiatives, including achieving zero landfill emissions.[1] Today, rising global demand is increasing the risk of resource depletion and geopolitical disruption, making stable resource procurement an increasingly important management priority for business continuity and sustainable growth. At the same time, greater attention is being placed on the climate impact of waste incineration and the broader social impacts associated with resource extraction.
To support sustainable business growth in harmony with the environment, Murata is accelerating the transition to a circular economy. We are increasing the use of sustainable and recycled materials while converting manufacturing waste into reusable resources. Through these efforts, we aim to create a continuous cycle of social and economic value, preserve and enhance natural capital, and contribute to a more circular society.

1 This includes eliminating not only waste sent directly to landfill, but also residues and other waste requiring landfill disposal after intermediate treatment. Waste that must be landfilled for proper disposal is excluded.

[Initiatives]

- Reduce resource use through product miniaturization
- Promote the use of sustainable resources by reducing virgin-material use of "resources at high risk of depletion" and "resources whose use stakeholders require us to prohibit or restrict"
- Shift to treatment methods that avoid landfill and incineration, including thermal recycling

Create a Recycling-oriented Society

Results and Targets

	FY2025 results	FY2027 targets	FY2030 targets	FY2050 targets
Rate of use of sustainable resources[2]	Approx. 15%[3]	16%	25%	100%
Resource recycling rate[4]	39.0%	41%	50%	100%

2. Increase the proportion of recycled materials by weight, focusing on 24 resources with a high risk of depletion
3. The sustainable resource use rate is an estimate based on publicly available recycling data.
4. Ratio by weight of Murata's waste and valuable materials that are recovered and returned to circulation as resources

Promoting Resource Recycling through Co-creation with Stakeholders

By strengthening our technological capabilities and collaborating with stakeholders, Murata is advancing resource recycling initiatives that create both social and economic value. These efforts help reduce environmental impact while supporting stable customer supply and improving our ability to respond to evolving environmental requirements.

Industry collaboration to increase chemical recycling of industrial PET films

Murata is participating in Japan's first initiative to recycle industrial PET*5 film, used as a secondary material in electronic component manufacturing, into BHET*6, a raw material for PET. Through collaboration with JEPLAN, INC., recovered PET film is converted into recycled BHET with quality equivalent to petroleum-derived material, enabling its use across a wide range of PET applications. The recycled BHET has already been commercialized in PET beverage bottle production. The initiative brings together companies across industries, including beverage and cosmetics manufacturers, to expand the use of sustainable materials and advance resource circularity.

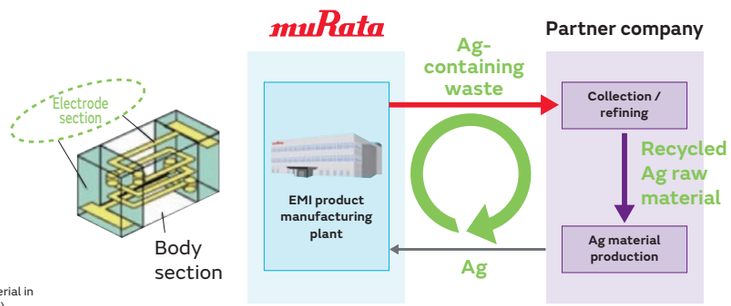
5. Polyethylene terephthalate
6. Bis-2-hydroxyethyl terephthalate

Implementing circular use of silver through closed-loop recycling

Murata established a closed-loop recycling system for silver, a key material used in our EMI products—the first initiative of its kind in the electronics industry.*7 Working with partner companies, we recover silver waste generated during EMI manufacturing and recycle it into raw material for reuse in the same applications. Going forward, we aim to expand the system and advance more circular manufacturing practices that help conserve finite resources.

7. The first closed-loop recycling system established for silver — a key material in electronic components (as of January 2025, based on research by Murata)

Illustration of Closed-loop Recycling of Silver



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Respect for Human Rights

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We place respect for human rights at the core of our business activities and work to uphold these rights across the value chain through human rights due diligence. By identifying risks, taking corrective action, and engaging in dialogue with employees, suppliers, and local communities, we aim to strengthen responsible business practices and contribute to a sustainable society.

Basic Approach

At Murata, we recognize everyone connected to our business as a rights holder and view respect for human rights as a fundamental responsibility. Adhering to international standards, including the UN Guiding Principles on Business and Human Rights, we work to uphold human rights across the value chain. Under our Human Rights Policy, we identify and address risks through human rights due diligence, remediation mechanisms, and ongoing education and training.

Murata's Human Rights Policy

Managing Human Rights Risks in the Value Chain

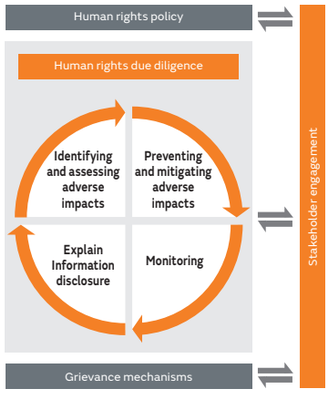
As part of our human rights due diligence, we have identified the key rights holders across our value chain and the human rights risks they may face. We view respect for human rights not only as a matter of risk management, but also as an important foundation for stable supply, product quality, and a sustainable workforce. Based on this understanding, we identified priority issues in FY2024.

Human rights due diligence

	Raw material procurement (mining and refining)	Procurement (including parts manufacturing and purchasing logistics)	Manufacturing	Shipping	Incorporation into customer products	Use by end customers
Main rights holders	• Miners • Local communities	• Supplier and processing contractor employees • Local communities	• Murata employees • Temporary, contracted, and outsourced employees • Local communities	• Logistics contractor employees	• Customer employees	• Consumers • End users • Individuals impacted by product use
Identified key human rights risks	• Child labor and forced labor	• Long working hours, excessive labor, and adverse effects on physical and mental health due to inadequate occupational safety and health • Discrimination and harassment in the workplace • Unfair treatment of foreign and migrant workers • Adverse impacts on local communities due to environmental pollution and noise			• Unauthorized use of manufactured components for weaponry • Negative impact on end users resulting from product defects • Issues arising from AI and other technologies	

Priority Human Rights Issues Identified through Due Diligence

Murata engages in ongoing dialogue with stakeholders on priority human rights issues identified through due diligence. Insights from these discussions inform our efforts to prevent and mitigate risks, take corrective action, and provide appropriate support.



Priority issues	Healthy labor environments, and employee safety and security	Responsible supply chains (human rights)	Respecting human rights in society and local communities
Examples of stakeholder engagement outcomes	**Identifying and addressing employee human rights risks** We engage in direct dialogue with rights holders working at Murata, including dispatched and foreign workers, to assess potential risks related to recruitment practices, fair wages, and health and safety. Our human resources departments also monitor working hours and consecutive workdays to identify potential risks early and help safeguard employees' physical and mental well-being. These efforts identified cases in which recruitment agents had charged inappropriate fees, which were subsequently refunded. We conduct follow-up audits of agents and interviews with employees to help prevent recurrence. Approach to workforce human rights	**Working with suppliers to address human rights risks** To understand human rights risks across our supply chain, we conducted CSR (on-site) audits of at least 120 suppliers since FY2022. Through site inspections and interviews, we identify issues related to areas such as working hours and health and safety, and work with suppliers to implement corrective actions and continuous improvements. To promote responsible mineral procurement, we have conducted RMAP-aligned surveys since 2015. When risks are identified, we work with suppliers to take corrective action, including transitioning to RMAP-certified smelters and refiners. In our FY2025 responsible minerals survey of 230 major suppliers, 92% of identified smelters were RMAP-certified. Sustainable Procurement	**Supporting education and daily life in response to local needs** Through dialogue and collaboration with local governments, boards of education, community organizations, other companies, and foreign workers, we identified a need to better support the education and school life of children from international backgrounds, while also improving access to administrative and daily living information for foreign residents. In response to these needs, we support the placement of specialists in schools to provide Japanese-language instruction and support for students who are not attending school, as well as interpretation for tax and medical matters and access to practical information such as traffic rules. These efforts help create an environment where people from diverse backgrounds can live and work with confidence while strengthening inclusion and coexistence within local communities.  Support for Japanese-language education Building stronger connections with society and local communities

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Executives

Board Members



1 Norio Nakajima
President and Representative Director
Number of shares held: 96,185

Norio Nakajima has been involved in technology development and business management at the Company and its group companies for many years, accumulating a wealth of experience and a solid record of achievement.



2 Hiroshi Iwatsubo
Executive Deputy President and Representative Director
Number of shares held: 71,710

Hiroshi Iwatsubo has been involved in technology development, business management, planning, and sales for many years at the Company and its group companies, accumulating a wealth of experience and a solid record of achievement.



3 Masanori Minamide
Executive Deputy President and Representative Director / Nomination Advisory Committee Member / Remuneration Advisory Committee Member
Number of shares held: 39,305

Masanori Minamide has been involved in accounting, financial and planning duties at the Company and its group companies for many years and corporate management as a chief officer at a local headquarters company in Southeast Asia, accumulating a wealth of experience and a solid record of achievement.



4 Hiroshi Izumitani
Board Member
Number of shares held: 8,610

Hiroshi Izumitani has been involved in sales, business management, and corporate management as the chief officer of the regional headquarters in Southeast Asia for many years at the Company and its group companies, accumulating a wealth of experience and a solid record of achievement.



5 Takaki Murata
Board Member
Number of shares held: 3,041,975

Takaki Murata has been involved in technology development, accounting, planning, and business management at the Company and its group companies for many years and corporate management as a chief officer at business companies in the United States, accumulating a wealth of experience and a solid record of achievement.



6 Yuko Yasuda
Board Member (Outside Director) / Nomination Advisory Committee Member / Remuneration Advisory Committee Member (Chairperson)
Number of shares held: 0

Yuko Yasuda has engaged for many years in introducing, assessing, and developing CEOs and other executives, as well as evaluating the effectiveness of boards of directors, as the Japan representative of executive search firms. She has extensive experience and insight in executive talent assessment and development and corporate governance.



7 Takashi Nishijima
Board Member (Outside Director) / Chairman of the Board / Nomination Advisory Committee Member (Chairperson) / Remuneration Advisory Committee Member
Number of shares held: 0

Takashi Nishijima brings extensive executive leadership and governance experience, including serving as chairman of the board of a company with a globally expanding industrial automation business.



8 Hiroyuki Ina
Board Member (Outside Director)
Number of shares held: 0

Hiroyuki Ina brings extensive experience and expertise in managing electronic systems and device businesses at a global company serving the automotive technology, systems, and products sectors.



9 Kaori Kitasumi
Board Member / Audit and Supervisory Committee Member (Full-time)
Number of shares held: 0

Kaori Kitasumi has been involved in finance, capital, and IR affairs for many years at the Company and its group companies and has extensive experience and insight in these fields.



10 Seiichi Enomoto
Board Member (Outside Director) / Audit and Supervisory Committee Member (Chairperson) / Nomination Advisory Committee Member
Number of shares held: 0

Seiichi Enomoto has engaged in affairs concerning financial auditing, internal control advising, risk management, and strengthening governance for many years as a certified public accountant and possesses extensive experience and insight in the fields of corporate accounting, auditing, and internal controls.



11 Mayo Mita
Board Member (Outside Director) / Audit and Supervisory Committee Member
Number of shares held: 0

In addition to her many years of experience as a securities analyst, Mayo Mita has also been engaged in investment banking and possesses expert knowledge in financial/capital strategy, IR strategy and M&A transactions, and extensive experience in analyzing domestic and international companies.



12 Asako Yamagami
Board Member (Outside Director) / Audit and Supervisory Committee Member / Remuneration Advisory Committee Member
Number of shares held: 0

Asako Yamagami has extensive experience and insight as an attorney in corporate law, international legal affairs, governance, and compliance.

* The numbers of shares held are as of March 31, 2026.

Biographies and Reasons for Appointment

Vice Presidents

26, of whom two concurrently serve as Board Members

Senior Executive Vice President

Nagato Omori

Executive Vice Presidents

Ken Tonegawa
Eiichi Morimoto
Hiroshi Izumitani
Takaki Murata
Takanori Toi

Senior Vice Presidents

Yoshitaka Tanino
Toshiyuki Sato
Fumiyuki Suchi

Vice Presidents

Masamichi Ando
Shigeki Fukunaga
Koichi Kawakita
Makoto Kawashima
Atsuyoshi Maeda
Toshifumi Oida
Stephen Pimpis
Katsuki Yamada
Koichi Teramura
Yuichiro Hayata
Munenori Hikita
Hideaki Morito
Koji Murayama
Hitoshi Hasegawa
Masahiro Terai
Satoshi Ubuyu
Hiroyuki Niwa

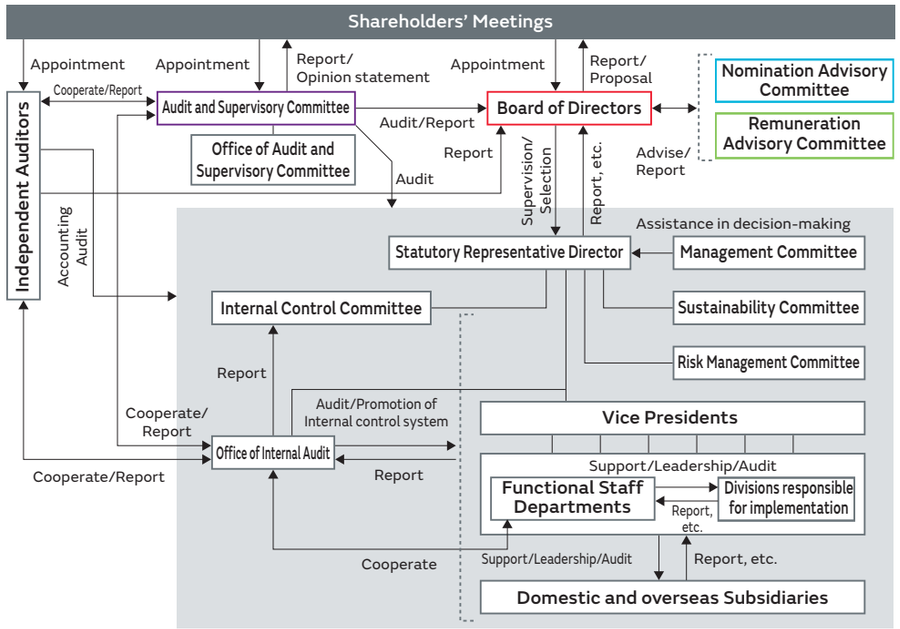
Corporate Governance System, Composition of the Board of Directors

At Murata, strong corporate governance is a key management priority for achieving sustainable growth and enhancing corporate value over the medium to long term. We continuously work to strengthen our management systems and ensure they operate effectively, while taking the interests of all stakeholders into account.

Corporate Governance

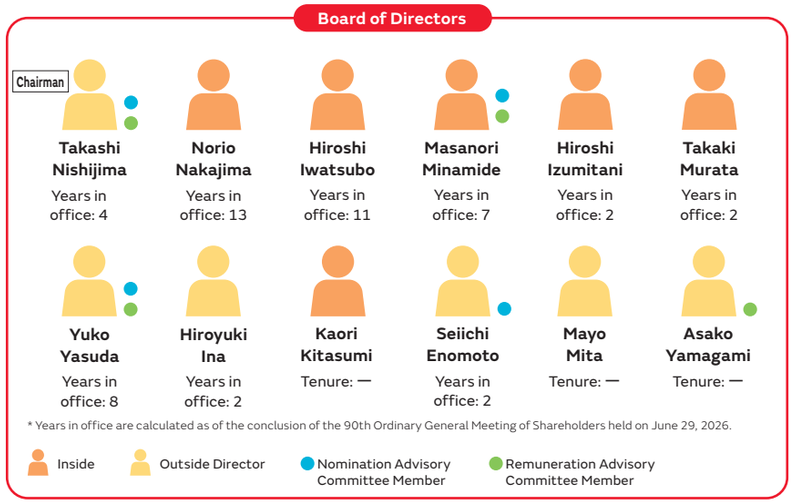
Corporate governance system

Murata Manufacturing Co., Ltd. adopted a Company with an Audit and Supervisory Committee structure as its corporate governance framework.
Under the Company with an Audit and Supervisory Committee structure, the Board of Directors retains responsibility for key management decisions while delegating certain execution matters to Executive Directors. This enables the Board to focus more closely on company-wide management policies, business strategy, and oversight of execution, while supporting faster decision-making and more agile business operations.
In addition, Directors serving on the Audit and Supervisory Committee have voting rights on matters considered by the Board of Directors and may express the Committee's opinions at General Meetings of Shareholders regarding the appointment and remuneration of Directors. These authorities help strengthen oversight of executive management.

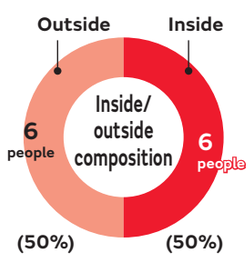


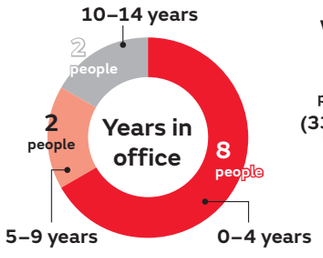
Corporate governance structure

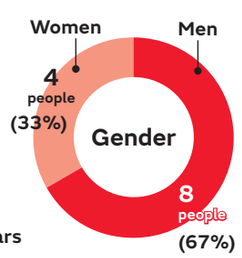
Composition of the Board of Directors



The Company's policy is to maintain a Board of Directors of an appropriate size to support meaningful and active discussion, while ensuring a balanced and diverse mix of knowledge, experience, and capabilities. To enhance management transparency and strengthen the Board's supervisory function, Murata has established the following composition targets: Outside Directors: 50% or more and Female Directors: 30% or more.







Board of Directors

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Role of the Board of Directors

Guided by the Murata Philosophy and its fiduciary responsibility to shareholders and accountability to stakeholders, the Board of Directors sets fundamental management policies, makes decisions on important business matters, and oversees management with the goal of achieving sustainable growth and enhancing corporate value over the medium to long term.

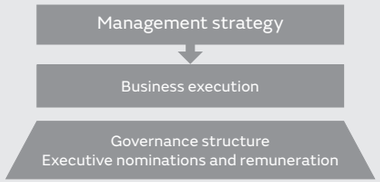
Board of Directors

Decision-making function

- In accordance with applicable laws and regulations, the Articles of Incorporation, and Board of Directors Regulations, the Board determines fundamental management policies, decides on important matters of business execution, and appoints or dismisses Representative Directors.
- Delegate specific business execution decisions to Executive Directors to support faster decision-making and more agile operations.

Supervisory function

- A key role of the Board of Directors is to oversee management strategy – from its development through execution and progress. The principal areas of oversight are outlined below.
  - Management strategy anchored in value creation
  - Business execution aligned with management strategy
  - Governance structure and executive nomination and remuneration processes that support the establishment of fundamental management policies and the execution of key business priorities



Role of Board Members

Independent Outside Directors

Challenge
Encourage

- Draw on personal experience and expertise to challenge and advise management, offering fresh perspectives that support sustainable growth and enhance medium- to long-term corporate value.
- Encourage management to take calculated risks in advancing core management policies aligned with the value creation story.
- Strengthen the governance structure to enable swift, decisive, and appropriate decision-making.
- Prompt management to objectively evaluate the strengths and limitations of Murata's values and ways of working.

Evaluate

- Evaluate management objectively and clearly articulate their views on appointments, reappointments, and remuneration decisions made by the Board of Directors.

Checks and self-discipline

- Oversee conflicts of interest between the Company and management, etc.
- Ensure the perspectives of stakeholders, including shareholders and investors, are appropriately reflected in Board deliberations
- Continually assess whether they are fulfilling the responsibilities expected of Outside Directors and maintain a high standard of self-discipline.

Executive Directors (Inside)

Challenge

- At Board meetings, provide company-wide perspectives informed by their experience and expertise to support sustainable growth and enhance medium- to long-term corporate value.

Explain

- Provide the information necessary for informed Board decision-making and ensure accountability.

Connect

- Execute their responsibilities in accordance with Board-approved management policies centered on the value creation story and key business priorities.
- Translate Board discussions into meaningful management transformation.

Checks and self-discipline

- Regardless of position, maintain mutual oversight to ensure Inside Directors are properly fulfilling their responsibilities.
- Continually assess whether they are fulfilling the responsibilities expected of Inside Directors and maintain a high standard of self-discipline.

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Activities of the Board of Directors

In FY2025, the Board of Directors addressed the following key topics. In addition to formal meetings, all Directors participated in off-site discussions on the Board's role and other governance matters.

Major theme	Sub theme	Examples of topics	Percentage of deliberation time
Business and management	Management policies	Progress of Medium-Term Direction 2027	45.4%
	Business strategies	Portfolio management, status of M&A activities	
	Business reports	Reports from each business division, reports on business execution	
	Financial results	Financial results and disclosures, status of engagement with shareholders, etc.	
Management base	R&D, quality, and SCM	Technology development, quality assurance, procurement, sales	21.3%
	HR, IP, and IT	Intellectual property, human capital	
ESG	Environmental and social issues	Sustainability	33.3%
	Governance	Risk management, internal control, board effectiveness, reports on the activities of the Audit and Supervisory Committee, Nomination Advisory Committee and Remuneration Advisory Committee	
	Executives	Reports from Nomination Advisory Committee and Remuneration Advisory Committee	

Board of Directors Secretariat

The Board of Directors Secretariat manages Board operations and works closely with the Chairman, Outside Directors, management, and internal departments to support substantive and active Board discussions.

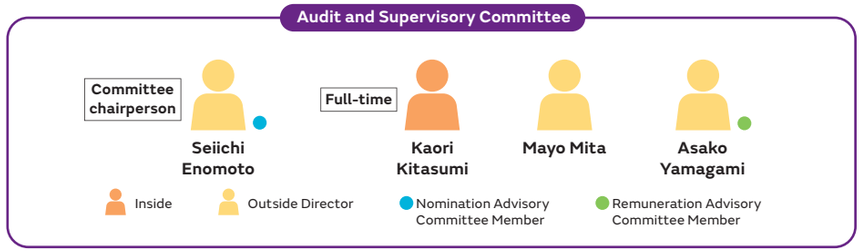
Setting agenda items and discussion points
- Support for preparing the annual deliberation plan
- Setting discussion points based on issues identified by Outside Directors

Providing information to Outside Directors
- Pre-meeting explanations on important agenda items
- On-site visits
- Announcing important internal events
- Providing information on Murata's businesses and mechanisms

Promoting communication among Outside Directors
- Board of Outside Directors meetings

Board of Directors

Activities of the Audit and Supervisory Committee



Each fiscal year, the Audit and Supervisory Committee conducts audits in accordance with established audit policies and plans, reviewing the Company's operations, assets, and internal control systems in coordination with relevant internal departments. The Committee also meets regularly with the Office of Internal Audit to share audit plans, implementation status, and key findings. Through these activities, the Committee evaluates the performance of Directors and Executive Officers, the effectiveness of internal controls, and the legality and appropriateness of Directors' execution of duties. It also assesses the reasonableness of the Independent Auditors' audit approach and results and prepares audit reports accordingly. In addition, the Committee discusses key audit matters with the Independent Auditors, receives updates on audit progress, and requests further explanations as necessary.

Appointment, remuneration, etc. of Board Members

The Audit and Supervisory Committee appoints one of its members to each of the voluntarily established Nomination Advisory Committee and Remuneration Advisory Committee to participate in deliberations concerning the nomination and remuneration of Directors who are not Audit and Supervisory Committee Members. The Audit and Supervisory Committee also receives reports from the respective secretariats and reviews the details of these deliberations. The Audit and Supervisory Committee verifies that Director nominations are based on a comprehensive assessment of each candidate's business performance, execution of responsibilities, contributions to Board discussions, and professional experience. It also confirms that Director remuneration is determined in accordance with established remuneration policies, standards, and calculation methods. Based on these reviews, the Committee forms its opinions and presents them at the General Meeting of Shareholders.

Audit and Supervisory Committee

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Board of Directors Effectiveness Evaluation

Purpose of the analysis and evaluation

To strengthen Board effectiveness and support sustainable corporate value creation, the Company conducts an annual evaluation of the Board of Directors and discloses an overview of the process, results, and related initiatives to stakeholders.

Process of the analysis and evaluation

① **Questionnaire survey for all Directors (January)**
- Multiple-choice and open-ended questions

② **Interviews with all Directors (February–March)**
- Conducted periodically using a third party

Topics:
- Oversight (the role of the Board of Directors, management issues, and corporate culture)
- Director performance
- Board operations, Chairman of the Board, composition, audit, nomination, and remuneration

③ **Deliberations by the Board of Directors (March)**
- Review of the questionnaire and interview results
- Discussion of priority issues to be addressed by the Board of Directors

④ **Deliberations by the Board of Directors (April)**
- Determination of the evaluation results and disclosure content

Results of the analysis and evaluation

The Board of Directors concluded that it is functioning effectively, with active and substantive discussions that contribute to enhancing corporate value. To further strengthen Board effectiveness, the following initiatives were implemented in fiscal 2025.

Challenges identified in the fiscal 2024 Board Effectiveness Evaluation	Fiscal 2025 efforts to address those challenges
• Continuous discussions among both Directors and management on the Board's optimal role in supporting sustainable growth and enhancing medium- to long-term corporate value.	• Deepened discussions among directors regarding the ideal approach to Board oversight. • Clearly and precisely articulated the roles of the Board of Directors and directors.
• Strengthen agenda setting and issue identification to enhance oversight quality, while improving coordination among the Chairman, Board Secretariat, and presenting divisions and deepening executive-level discussion of key issues.	• Set agendas and key discussion points based on company-wide strategies and management issues. • Provided advance identification of key discussion points by Outside Directors. • Shared information on initiatives to enhance the effectiveness of the Management Committee and to invigorate strategic discussions on the executive side.
• Promote constructive debate informed by a broader range of perspectives from both inside and outside the Company	• Facilitation by the Chairman of the Board to encourage active participation and comments from each Director • Off-site discussions among all Directors regarding value creation.
• Provide opportunities for Outside Directors to gain deeper insight into management's perspectives, priorities, and initiatives	• Expanded executive reporting on business execution • Established opportunities for Outside Directors and Executive Directors to engage in discussions outside of standing Board of Directors meetings.

Analysis and evaluation of effectiveness of the Board of Directors

Progress in Enhancing Board Effectiveness

Since introducing Board effectiveness evaluations in fiscal 2015, the Company has continuously advanced initiatives to strengthen Board effectiveness.



Future initiatives

To further enhance the effectiveness of the Board of Directors, the Company will continue refining initiatives that have proven effective to date, while also advancing the following measures to address remaining areas for improvement.

- Continuous discussions among Directors and management on the optimal approach to Board oversight and the role of Outside Directors in enhancing medium- to long-term corporate value.
- Greater focus on agenda setting, key discussion points, and allocation of discussion time to strengthen oversight, supported by closer coordination among the Chairman, Board Secretariat, and management.
- Promote constructive debate informed by diverse internal and external perspectives, while making strategic use of off-site discussions.
- Expand opportunities for Outside Directors to deepen their understanding of management's perspectives and initiatives on company-wide strategy and key management issues.

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Nomination of Candidates for Members of the Board of Directors

To strengthen the independence, objectivity, and accountability of the Board's nomination process, the Company has established the Nomination Advisory Committee as an advisory body to the Board of Directors. The Committee deliberates on Director selection criteria, independence standards for Independent Outside Directors, nominations for Directors, Representative Directors, and executive Directors, as well as succession planning for the President and Representative Director (CEO) and reports its findings to the Board. The Committee also reviews the Board skills matrix and other key human capital considerations to help ensure the Board continues to fulfill its responsibilities effectively and oversees the appointment of Vice Presidents.
Committee members are appointed by the Board of Directors from among its members. To ensure independence, Independent Outside Directors constitute a majority of the Committee and an Independent Outside Director serves as Chair. The Board skills matrix is shown below. The identified skill areas are reviewed periodically to further strengthen the effectiveness of the Board of Directors.

Name	Position in the Company	Skills generally required for management oversight				Skills the Company prioritizes		Qualifications, experience, etc.
		Corporate management	Finance	Organization and human capital	Governance, Risk management, and Compliance	Technology and innovation	Global business strategy	
Norio Nakajima	President and Representative Director	○		○		○	○	
Hiroshi Iwatsubo	Executive Deputy President and Representative Director	○				○	○	
Masanori Minamide	Executive Deputy President and Representative Director / Nomination Advisory Committee Member / Remuneration Advisory Committee Member	○	○	○	○		○	
Hiroshi Izumitani	Board Member	○				○	○	
Takaki Murata	Board Member	○				○	○	
Yuko Yasuda	Board Member (Outside Director) / Nomination Advisory Committee Member / Remuneration Advisory Committee Member (Chairperson)	○		○	○			Governance and management talent consultant
Takashi Nishijima	Board Member (Outside Director) / Chairman of the Board / Nomination Advisory Committee Member (Chairperson) / Remuneration Advisory Committee Member	○	○		○	○	○	Manufacturing CEO
Hiroyuki Ina	Board Member (Outside Director)	○				○		Mobility business
Kaori Kitasumi	Board Member (Audit and Supervisory Committee Member, Full-time)		○		○			
Seiichi Enomoto	Board Member (Outside Director) / Audit and Supervisory Committee Member (Chairperson) / Nomination Advisory Committee Member		○		○			Certified public accountant
Mayo Mita	Board Member (Outside Director) / Audit and Supervisory Committee Member		○		○			Securities analyst
Asako Yamagami	Board Member (Outside Director) / Audit and Supervisory Committee Member / Remuneration Advisory Committee Member				○		○	Lawyer

Nomination of Board of Directors candidates Skill Matrix

* For the skills of "Sustainability and Diversity Management" and "IT and Digital Transformation (DX)," please refer to the Company's website.

CEO Succession Plan

Under the oversight of the Nomination Advisory Committee, the Company takes a systematic approach to CEO succession planning. Recognizing the need for continuous transformation to advance Murata's medium- to long-term strategy amid a rapidly changing external environment, the Company has defined the capabilities and attributes required of its CEO.
Based on these talent requirements, we assess successor readiness using evaluations by third-party organizations and systematically develop potential CEO candidates.
The Company has also established a contingency plan that defines response measures based on the expected duration of any CEO incapacity and successor readiness, enabling a swift transition of leadership in the event of an unforeseen disruption.

Director Remuneration

The Board of Directors determines policies, amounts, and calculation methods for individual Director remuneration based on recommendations from the Remuneration Advisory Committee, which was established to enhance objectivity, transparency, and corporate governance. In 2025, the Company revised its Director remuneration system to support significant growth toward Vision 2030 and sustainable value creation beyond it.

Changes to the director remuneration system

- Increase the proportion of share-based compensation (medium- to long-term remuneration) by introducing performance-linked share-based remuneration (PSU)
- Change the performance indicators and calculation method for bonuses
- Add triggers for repayment of remuneration

Remuneration for Board Members

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Round-table Discussion with Outside Directors

Deepening Transformation: Rethinking the “Murata Way”

Takashi Nishijima
Board Member (Outside Director) / Chairman of the Board / Nomination Advisory Committee Member (Chairperson) / Remuneration Advisory Committee Member

Yuko Yasuda
Board Member (Outside Director) / Nomination Advisory Committee Member / Remuneration Advisory Committee Member (Chairperson)



Exploring the growth scenario

Nishijima We’ve been able to respond quickly to stronger-than-expected AI demand by drawing on Murata’s strengths across the organization. Our management team has also stayed closely connected with business partners, which helped us recognize the sharp increase in AI data center inquiries early and quickly.

Yasuda I feel like the “15-year cycle of major innovation in the electronics industry” that President Nakajima has talked about for years is now becoming a reality. Even when our performance wasn’t growing as we had hoped, he remained confident, saying, “We know where technology is headed.” Seeing that vision play out has given me an even greater appreciation for the strength and conviction of our management team.

Nishijima At the same time, this has made us even more dependent on Layer 1 within our three-layer portfolio. If we want to drive growth in Layer 2 areas such as edge devices and humanoids as AI continues to advance, we’ll need to take bolder risks and manage with greater agility so we can adjust course quickly when needed.

Yasuda More than ever, we need to stay connected to what’s happening in society and the market, share that information broadly, and bring it into our decision-making in a flexible way. I also hope we can find ways to navigate the geopolitical constraints we face.

Nishijima To capture opportunities in a more uncertain world, we need to think through multiple possible futures and keep adjusting our strategy as conditions change. As a Board, we’ll continue to evaluate the scenarios management is developing and how well prepared the company is to turn them into reality.

Yasuda Managing our resources effectively will be key to executing our strategy. There is still room to leverage the strategic investment quota established under Medium-Term Direction 2027. I also believe that we should remain open to bold investments – including M&A – to bring in the technologies and talent we need from outside the Company.

Nishijima To keep our business portfolio transformation moving forward, including making the best use of our existing resources, I want the Board to continue tracking progress closely and challenging management on whether we’re taking the right risks at the right time.

Examining corporate culture

Nishijima Corporate culture is also one of the areas that the Board of Directors should oversee. I’m often struck by how deeply Murata’s values are embedded across the Company. The Murata Philosophy shapes how people think and act, and that shared sense of purpose and unity is one of our greatest strengths. At the same time, we also need to ask whether some of those deeply held values could, without us realizing it, be limiting our ability to grow and change.

Yasuda There are two sides to having strongly shared values. Humility, for example, is an important part of Murata’s culture, but there are also times when we need to be bolder and more proactive. As an Outside Director, I want to bring perspectives that may

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Round-table Discussion with Outside Directors



be easier to see from outside the Company and use them to help management take a fresh, objective look at our corporate culture.

Nishijima As the Company grows, its culture will naturally evolve. In conversations I've had with managers and other leaders, I've sometimes sensed a degree of caution or uncertainty around embracing change. We need to be mindful of that and make sure we preserve the energy, agility, and dynamism that have always been part of Murata's strength.

Yasuda I get the sense that while Murata has very active discussions around technology, we may be less comfortable with broader, more abstract conversations. Some companies use liberal arts education to encourage diverse ways of thinking and broaden perspective. Especially as we move through this period of AI-driven transformation, I think there could be real value in making more space for the humanities and social sciences as well.

Nishijima Ultimately, unless the management team itself recognizes the need for change and embodies that change, the Company cannot evolve. Outside Directors can help introduce new perspectives, but management also needs to challenge and push one another. Bringing in leaders with a wider range of backgrounds – including different nationalities and experience outside Murata – can be an effective way to bring in fresh thinking and accelerate transformation.

Yasuda This fiscal year, Murata appointed its first female Director from within its own ranks. We're seeing a strong pipeline of talented women coming up through the organization, and I think there's an opportunity to give them even more challenging assignments and experiences. Looking ahead, one of Murata's key HR priorities will be renewing the next generation of management while continuing to strengthen diversity at the same time.

Examining leadership

Yasuda Leaders in the AI era need to be able to see what's ahead, translate that vision in a way that resonates across the organization, bring others along, and continue learning and adapting. These qualities closely align with the CEO attributes identified by the Nomination Advisory Committee. In a time of rapid change, that last capability – the willingness and ability to keep learning and evolving – is essential.

Nishijima To keep evolving, we first need to be able to look at ourselves objectively and recognize where there is room to improve. The joint meeting for the Nomination Advisory Committee and the Remuneration Advisory Committee has established a process for evaluating the CEO and providing feedback, and I hope that becomes a meaningful opportunity to gain new perspectives, identify the next steps to take, and continue personal growth.

Yasuda As part of the annual CEO evaluation, the CEO receives candid, constructive feedback from direct reports. That openness – the ability to exchange views regardless of position or hierarchy – is one of Murata's strengths. We take a similarly transparent approach to Director remuneration, conducting external benchmarking each year and discussing what the right structure should look like for Murata in light of broader market trends. I believe this creates a process that is both objective and transparent.

Nishijima The management team's remuneration needs to reflect the responsibility leaders carry for Murata's sustainable growth and long-term corporate value. Just as importantly, the structure needs to evolve as the business environment changes so that it remains appropriate, transparent, and understandable to stakeholders.

Yasuda Through discussions at the Board of Directors and each advisory committee, we need to keep asking ourselves whether we are truly committed to continued change. I believe that consistently challenging ourselves in this way will help Murata continue to evolve and grow sustainably.



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Strengthening Governance that Enhances Corporate Value

— The Audit and Supervisory Committee's vision for advancing governance under its new structure —



Seiichi Enomoto
Outside Director, Audit and Supervisory Committee Member (Committee Chairperson), Nomination Advisory Committee Member

Kaori Kitasumi
Board Member, Audit and Supervisory Committee Member (Full-time)

What is the Committee's role in enhancing corporate value under the new structure?

Enomoto I believe having an Outside Director chair the Audit and Supervisory Committee will further strengthen its independence and objectivity. The Committee's role extends beyond verifying legal compliance to assessing the appropriateness of business execution. Under this new structure, we will continue to enhance management transparency and governance effectiveness through rigorous oversight, contributing to sustained corporate value creation.
To achieve this, we need an audit framework that draws on the unique strengths of internal and outside members. The full-time internal Audit and Supervisory Committee Member maintains close visibility into business execution through participation in the Management Committee, Risk Management Committee, and other key meetings, and shares relevant insights with the Committee. Outside Audit and Supervisory Committee Members contribute independent perspectives grounded in their respective expertise, enabling more balanced and multidimensional discussion. By strengthening the exchange of information and views between the members, we aim to continuously enhance the quality and effectiveness of the Committee's audits.
Kitasumi In my previous roles, I worked in key corporate functions and engaged with the Audit and Supervisory Committee from the executive side. Now, as a member of the Committee, I am able to assess business execution from a more independent and objective perspective. Drawing on my understanding of management and operations, I intend to raise issues candidly and contribute constructive recommendations for improvement.
As a full-time internal Audit and Supervisory Committee Member, I see it as essential to maintain close visibility into developments across operations and management and share relevant information promptly with the Committee. By combining this insight with the expertise and objective perspectives of outside members, I hope to deepen discussion of underlying issues and translate those discussions into constructive recommendations to management.

How does the Committee contribute to risk management beyond its traditional oversight role?

Enomoto I view business risk as uncertainty that affects the implementation of strategy. Risk is an inevitable part of a company's efforts to achieve its objectives and implement its strategy. What matters is identifying the factors that could impede execution and continually assessing whether they are being managed appropriately. In this sense, risk management is not only about preventing downside – it is also a framework for enabling successful strategy execution.
The Audit and Supervisory Committee will conduct risk-based audits focused on significant risks and provide recommendations as needed. I believe it is important to recognize that auditing is not limited to a defensive role; it also supports strategy implementation.
Kitasumi At Murata, business decisions are generally made with a strong awareness of identified risks. However, an important part of management is taking calculated risks, rather than avoiding them altogether. Without some risk, we cannot generate new growth or returns. We need a shared understanding across the

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organization of how much we are prepared to accept. As our businesses and organization expand globally, I believe it is important to articulate and share the context and reasoning behind our decisions.

Enomoto Articulating and sharing that reasoning is also important for improving the effectiveness of company-wide risk management. Rather than simply reacting after problems arise, we need to anticipate potential changes and risks and prepare proactively as an organization.

I believe we can further advance governance by building on our strength in adapting swiftly to change, while improving our ability to anticipate future changes and act proactively. At the same time, we will maintain an independent and objective perspective while contributing to risk management that supports the effective execution of management strategy.

How can we advance three-way auditing and global governance?

Enomoto The Independent Auditors, Internal Audit Department, and Audit and Supervisory Committee each examine the Company from different perspectives and areas of expertise. By bringing these viewpoints together and sharing information on key risks, we can further enhance the overall effectiveness of three-way auditing.

What matters is sharing not only audit findings, but also the rationale and processes behind them – including which risks were prioritized and why. This enables us to move beyond individual audits and assess risk from a company-wide perspective. For key risks, we also intend to clarify risk ownership and verify the effectiveness of the entire management cycle, from risk identification and countermeasure development through implementation and ongoing monitoring.

Kitasumi From the perspective of three-way auditing, I also see the change in Independent Auditors as an opportunity to bring fresh perspectives and insights. Rather than limiting our interaction to the reporting of audit results, we want to engage in candid, constructive dialogue on audit approaches and processes, using that exchange to strengthen overall audit effectiveness and drive improvements.

Enomoto For global governance, too, it is important to conduct audits from a company-wide perspective. With the majority of our revenue generated overseas, our headquarters' corporate functions must coordinate globally, maintain visibility into regional conditions, and provide appropriate support and oversight.

Management approaches and standards may vary depending on the scale and nature of each region or site. What is important is that operations remain aligned with headquarters' policies while being appropriately adapted to local conditions and clearly understood across the organization.

The autonomy of regions and businesses that Murata has long valued is not at odds with global oversight by headquarters.

We also recognize the importance of using audits to assess whether headquarters and regional organizations are fulfilling their respective roles and working together effectively to support global governance.

Kitasumi Murata is also strengthening corporate functions in each region. Through auditing, I hope to support efforts to enhance regional management functions in coordination with headquarters and strengthen governance across our global operations. By combining my experience within Murata with the independent perspectives of outside Audit and Supervisory Committee Members and the Independent Auditors, I hope to identify emerging issues and further enhance governance.

What is the Committee's vision for auditing as we approach 2030?

Kitasumi Under the new structure, the Audit and Supervisory Committee brings together members from inside and outside the Company with diverse expertise and experience. I expect this broader range of perspectives to deepen discussion and strengthen the Committee's effectiveness.

What matters is that each member contributes their expertise, exchanges views candidly, and turns those discussions into constructive recommendations to management. Through ongoing discussions of this kind, I hope to further strengthen the Audit and Supervisory Committee's ability to make recommendations.

Enomoto This change in structure marks an important turning point for the Audit and Supervisory Committee. In this era of rapid change, I believe the Committee must continue to evolve as well. Members and the secretariat will work together to strengthen the audit framework and ensure that risks and management issues identified through audits are reflected in Board discussions. Through these efforts, we aim to further enhance governance and support Murata's sustainable growth toward 2030 and beyond.



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Risk Management

Approach

To sustainably enhance enterprise value across the Group, Murata has established a risk management framework to identify and manage internal and external risks associated with its business activities. Twice a year, the Company systematically classifies and evaluates key risks, prioritizes those with the potential for significant business impact, and implements preventive measures to mitigate potential losses.

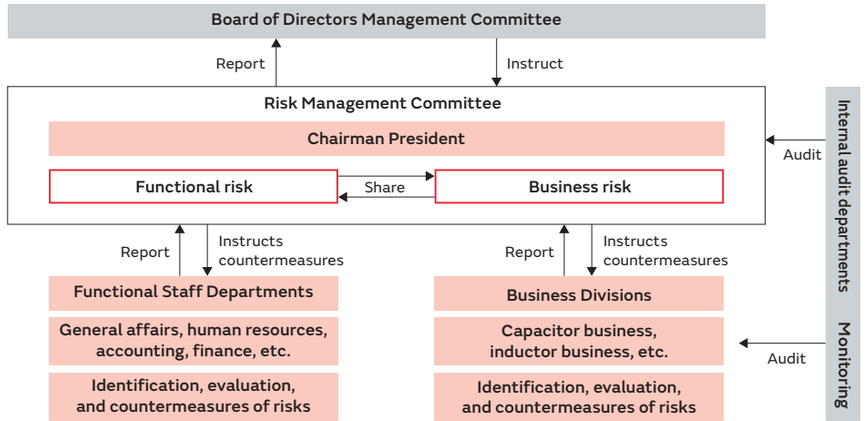
Risk Management: Basic Approach

Understanding Risks

Twice a year, the Key Functional Staff Department and the responsible Business Divisions identify current and emerging risks facing the Murata Group. To strengthen risk identification and response, the Key Functional Staff Department determines which risks should be managed on a company-wide basis and which require coordination with the relevant Business Divisions. Identified risks are then assessed based on likelihood and potential impact, mapped by level of significance, and managed comprehensively across the Group.

Understanding risks

Company-wide risk management system



Promotion Framework

We established the Risk Management Committee to develop and oversee measures addressing company-wide risks. Chaired by the President, the Committee comprises Board Members and Vice Presidents, with the Director responsible for risk management serving as Vice Chair and the Risk Management Office acting as secretariat. In 2025, Murata further strengthened its risk management framework by establishing the Risk Management Office as an independent function with a dedicated organizational structure. The Company also created the Information Security Subcommittee and Business Continuity Management (BCM) Subcommittee to address specific areas of risk.

Risk Management Promotion Framework

Business and other risks

Residual risks remaining after mitigation measures are assessed based on likelihood and potential impact and classified as High, Medium, or Low.

Business and other risks

Information Security

In recent years, threats to information assets and business operations, including internal misconduct and external cyberattacks, have intensified. At the same time, increasingly stringent global data protection regulations require companies to maintain robust compliance and information security measures.
To address these challenges, Murata has introduced an information security management system based on ISO 27001 and continues to strengthen controls across human, technical, and physical dimensions. Key measures include employee education and awareness, enhanced security for internal systems and production sites, and a robust incident response framework. Murata has also obtained TISAX certification at key sites to meet automotive industry information security requirements and reinforce a management framework aligned with international standards.
In February 2026, Murata identified potential unauthorized third-party access to its IT environment. Subsequent investigation confirmed that certain information relating to business partners, as well as personal information of Murata employees, had been unlawfully accessed.
Murata promptly implemented necessary response measures, and no additional impact has been confirmed. Systems continue to operate normally, with no disruption to production or sales activities.
In response to the incident, Murata is reviewing and strengthening its information security management approach and related systems to prevent recurrence. Going forward, the Company will continue to enhance and continuously improve its information security framework as part of its company-wide risk management efforts.

Information Security

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11-Year Consolidated Financial Summary

	US-GAAP							IFRS			
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Operating results											
Revenues (Millions of yen)	1,210,841	1,135,524	1,371,842	1,575,026	1,534,045	1,630,193	1,812,521	1,686,796	1,640,158	1,743,352	1,830,856
Operating profit (Millions of yen)	275,406	201,215	163,254	266,807	253,247	313,240	424,060	298,231	215,447	279,702	281,835
Operating profit ratio (%)	22.7	17.7	11.8	16.9	16.5	19.2	23.4	17.7	13.1	16.0	15.4
Profit before tax (Millions of yen)	279,173	200,418	167,801	267,316	254,032	316,417	432,702	302,683	239,404	304,404	308,643
Profit attributable to owners of parent company (Millions of yen)	203,776	156,060	146,086	206,930	183,012	237,057	314,124	243,946	180,838	233,818	233,920
Equity attributable to owners of parent company (Millions of yen)	1,229,159	1,354,819	1,456,600	1,603,976	1,694,104	1,920,805	2,263,596	2,359,985	2,556,147	2,580,805	2,718,743
Total assets (Millions of yen)	1,517,784	1,634,999	1,797,013	2,048,893	2,250,230	2,462,261	2,809,171	2,858,303	3,037,895	3,028,194	3,199,099
Net cash provided by operating activities (Millions of yen)	252,451	243,920	225,249	279,842	350,334	373,571	421,458	277,641	489,637	451,905	425,222
Net cash used in investing activities (Millions of yen)	(205,316)	(202,697)	(194,165)	(303,741)	(284,431)	(150,275)	(212,300)	(151,416)	(201,571)	(208,070)	(193,814)
Net cash provided by (used in) financing activities (Millions of yen)	(56,614)	(11,729)	(83,585)	51,546	17,650	(118,189)	(117,505)	(182,271)	(165,321)	(242,733)	(221,812)
Cash and cash equivalents at end of year (Millions of yen)	212,570	239,184	187,910	217,805	302,320	407,699	512,072	469,406	622,007	625,148	653,701
Average exchange rate (Yen/US dollar)	120.14	108.42	110.86	110.91	108.75	106.06	112.38	135.48	144.62	152.57	150.78
Indices											
ROIC (pre-tax basis)* (%)	30.9	21.2	14.4	18.9	16.1	18.5	22.6	14.4	10.0	13.0	—
ROIC (post-tax basis)* (%)	—	—	—	—	—	—	—	—	—	10.0	9.7
Ratio of equity attributable to owners of parent company (%)	81.0	82.9	81.1	78.3	75.3	78.0	80.6	82.6	84.1	85.2	85.0
Earnings per share (Yen)	106.95	81.54	76.21	107.82	95.35	123.50	163.65	128.64	95.72	125.08	127.66
Return on equity (ROE) (%)	17.3	12.1	10.4	13.5	11.1	13.1	15.0	10.6	7.4	9.1	8.8
Equity attributable to owners of parent company per share (Yen)	645.12	707.61	758.94	835.70	882.63	1,000.71	1,179.27	1,249.22	1,353.01	1,385.77	1,493.58
Cash dividends per share (Yen)	23.33	24.33	29.00	31.00	32.33	38.33	43.33	50.00	52.00	57.00	65.00
Capital expenditures (Millions of yen)	172,540	158,579	306,608	291,581	281,599	196,660	152,786	207,985	219,531	180,471	247,778
Depreciation and amortization (Millions of yen)	99,105	113,523	141,625	124,419	140,267	143,074	155,583	169,618	175,873	173,335	178,212
Research and development expenses (Millions of yen)	77,982	81,809	94,181	101,589	102,486	101,727	111,297	124,660	132,502	149,274	158,870

The Company completed a three-for-one common stock split effective April 1, 2019, followed by a second three-for-one split effective October 1, 2023. Per share information has been calculated as if both stock splits had occurred at the beginning of fiscal 2015.
Beginning in fiscal 2023, Murata adopted International Financial Reporting Standards (IFRS), replacing U.S. GAAP. Accordingly, financial information is presented in accordance with IFRS, with fiscal 2022 figures restated for comparability.
* ROIC (pre-tax basis) = Operating profit / Average invested capital at the beginning and end of the period (Property, plant, and equipment + Right-of-use assets + Goodwill + Intangible assets + Inventories + Trade receivables - Trade payables)
* ROIC (post-tax basis) = Operating profit × (1 - Effective tax rate) / Average invested capital at the beginning and end of the period (Property, plant, and equipment + Right-of-use assets + Goodwill + Intangible assets + Inventories + Trade receivables - Trade payables)
From fiscal 2024 onward, ROIC is presented on a post-tax basis.

ESG Data

E Environment

			Unit	FY2019 (Base year)	FY2022	FY2023	FY2024	FY2025	Reporting scope
GHG emissions[1]	GHG Scope 1 + 2 + 3 emissions[2]		t-CO_2e	6,081,000	5,552,000	4,725,000	4,438,000	4,785,000	**Consolidated**
	Scope 1[3]		t-CO_2e	293,000	264,000	195,000	190,000	211,000	Consolidated
	Scope 2[4]		t-CO_2e	1,311,000	1,077,000	853,000	854,000	730,000	Consolidated
	Scope 1,2		t-CO_2e	1,604,000	1,341,000	1,048,000	1,044,000	941,000	Consolidated
	Scope 3		t-CO_2	4,477,000	4,211,000	3,677,000	3,395,000	3,844,000	Consolidated
		Purchased goods and services	t-CO_2	2,481,000	2,514,000	2,148,000	1,986,000	2,193,000	Consolidated
		Capital goods	t-CO_2	825,000	717,000	597,000	491,000	674,000	Consolidated
		Fuel- and energy-related activities not included in Scope 1 or Scope 2	t-CO_2	38,000	243,000	227,000	243,000	247,000	Consolidated
		Upstream transportation and distribution	t-CO_2	347,000	256,000	221,000	232,000	232,000	Consolidated
		Waste generated in operations	t-CO_2	20,000	37,000	32,000	35,000	39,000	Consolidated
		Business travel	t-CO_2	20,000	6,000	13,000	12,000	11,000	Consolidated
		Employee commuting	t-CO_2	35,000	34,000	34,000	34,000	35,000	Consolidated
		Upstream leased assets	t-CO_2	400	700	700	600	600	Consolidated
		Processing of sold products	t-CO_2	148,000	66,000	56,000	60,000	60,000	Consolidated
		Use of sold products	t-CO_2	546,000	314,000	306,000	285,000	338,000	Consolidated
		End-of-life management of sold products	t-CO_2	7,000	7,000	7,000	7,000	7,000	Consolidated
		Investments	t-CO_2	10,000	17,000	35,000	10,000	7,000	Consolidated
	Percentage of GHG emissions by region	Japan	%	66	73	71	76	74	Consolidated
		China	%	21	16	19	14	8	Consolidated
		Rest of Asia	%	12	10	9	8	16	Consolidated
		Other	%	1	1	2	2	2	Consolidated
	Total energy consumption[5]		TWh	7.81	7.39	6.92	7.22	7.37	Consolidated
	Total non-renewable energy consumption (fuel, steam, heat, cooling, electricity)		MWh	3,429,000	3,079,000	2,559,000	2,564,000	2,628,000	Consolidated
	Total electricity consumption		MWh	2,356,000	2,665,000	2,568,000	2,741,000	2,839,000	Consolidated
	Renewable energy ratio		%	1.5	23.7	36.5	39.2	45.9	Consolidated

			Unit	FY2021	FY2022	FY2023	FY2024	FY2025	Reporting scope
Chemical substance management	Volatile organic compounds (VOCs) targeted for reduction toward fiscal 2030 goals								
		Volume of use	t	44,000	39,100	35,600	39,120	45,230	Consolidated
		Volume of discharge	t	1,910	1,690	1,310	1,540	1,530	Consolidated
	20 specified VOCs targeted for discharge reductions since 2000								
		Volume of use	t	32,400	27,700	22,400	27,600	26,100	Consolidated (domestic)[6]
		Volume of discharge	t	1,320	1,000	830	880	820	Consolidated (domestic)[6]
Waste management	Total waste generated		t	102,000	86,000	71,000	84,000	90,000	Consolidated
	Recycled volume (excluding landfills)		t	98,200	84,000	70,000	83,000	89,000	Consolidated
	Recycling rate (excluding landfills)[7]		%	96	97	99	98	99	Consolidated
	Hazardous waste volume[8]		t	33,000	27,000	24,000	29,000	34,000	Consolidated
Water resource management	Water intake volume		1,000 m^3	18,400	17,100	16,800	17,200	17,900	Consolidated
	Wastewater discharge		1,000 m^3	15,300	13,600	13,600	14,400	14,300	Consolidated
	Volume consumed[9]		1,000 m^3	3,000	3,400	3,200	2,800	3,600	Consolidated
	Recycled volume		1,000 m^3	4,900	4,100	4,400	3,400	2,500	Consolidated
	Recycling rate[10]		%	21	19	21	17	12	Consolidated
Environmental violations	Number of violations (10,000 USD or above)		cases	0	0	0	0	0	Consolidated
	Number of off-site spills		cases	3	4	4	2	1	Consolidated
Related to environmental accounting	Environmental and energy investments		million yen	1,800	3,800	5,500	5,900	5,310	Consolidated (domestic)[6]
	Environmental and energy business expenditures		million yen	8,600	9,500	6,400	7,520	9,180	Consolidated (domestic)[6]
	Annual economic benefits from reduced environmental impact		million yen	1,110	3,150	3,860	2,710	2,250	Consolidated
ISO 14001 acquisition	Certification rate (of headquarters and production sites)		%	100	100	100	98	96	Consolidated

1. This data is based on the SBT standards and covers 95% or more of the Murata Group.
2. Amounts less than the specified unit are rounded off; therefore, individual figures may not match the stated total.
3. The scope of sites and gas types included in Scope 1 calculations was gradually expanded from fiscal 2019 to fiscal 2021.
4. Scope 2 CO_2 emissions are calculated on a market basis using the emissions factor associated with each electricity contract.
5. Total energy consumption represents the sum of electricity consumption, converted to primary energy, and fuel consumption; therefore, it may differ from the total of the figures shown in the table.
6. Refers to group companies in Japan.
7. Amounts below the specified unit are rounded, so the reported totals for emissions and recycled volumes may not equal the sum of the individual figures.
8. Waste definitions vary by country. In Japan, this refers to specially controlled industrial waste.
9. Calculated as water intake volume minus wastewater discharge.
10. Calculated by dividing recycled volume by the combined total of recycled water volume and water intake.

CSR-related policy list

- Corporate Ethics Policy and Code of Conduct
- Human Rights Policy
- EHS Disaster Prevention Policy
- Procurement Policy
- Quality Policy
- Disclosure Policy
- Policy for Social and Community Contribution Activities
- Policy for the Prevention of Cartels and Bribery
- Global Tax Policy

For other data, please see:

- ESG data collection
- GRI Standards reference table
- SASB reference table

ESG Data

S Society

			Unit	FY2021	FY2022	FY2023	FY2024	FY2025	Reporting scope
Composition of employees	Number of employees		Persons	77,581	73,164	73,165	72,572	74,302	Consolidated
		Japan	Persons	32,291	33,178	33,908	34,786	35,375	Consolidated
		Overseas	Persons	45,290	39,986	39,257	37,786	38,927	Consolidated
		Ratio of women among all employees	%	47.4	45.2	44.3	43.7	43.8	Consolidated
	Average number of years continuously employed		Years	14.3	14.1	13.9	14.1	14.4	Non-consolidated
	Average age		Age	40.1	40.1	39.9	40.1	40.5	Non-consolidated
	Ratio of employees with disabilities[1]		%	2.37	2.38	2.47	2.52	2.67	Consolidated (domestic)[4]
Composition of management	Number of management staff[2]		Persons	-	1,805	1,828	1,919	2,048	Consolidated
		Ratio of women in managerial positions	%	-	4.5	4.9	5.6	6.2	Consolidated
	Number of management staff[2]		Persons	749	800	831	875	915	Non-consolidated
		Ratio of women in managerial positions	%	2.4	3.5	4.0	4.0	4.4	Non-consolidated
Hires	Number of recent graduate hires[3]		Persons	915	938	1,072	974	960	Consolidated (domestic)[4]
		Ratio of women	%	32.8	34.0	29.4	32.4	33.6	Consolidated (domestic)[4]
	Number of mid-career hires[5]		Persons	517	628	465	490	320	Consolidated (domestic)[4]
		Ratio of women	%	19.9	24.5	34.4	35.1	42.1	Consolidated (domestic)[4]
		Ratio of mid-career hires	%	36.1	40.1	30.3	33.5	27.1	Consolidated (domestic)[4]
Turnover rate	Voluntary turnover rate[6]		%	1.5	1.8	1.8	1.8	1.5	Consolidated (domestic)[4]
Development	General employee education (number of e-learning registrants)		Persons	36,853	37,795	38,833	37,393	37,803	Consolidated (domestic)[4]
	Training results by class		Persons	6,690	10,794	11,547	12,582	10,224	Consolidated (domestic)[4]
	Employee education expenses		million yen	1,363	1,740	1,963	2,042	1,845	Consolidated
	Number of people with global experience		Persons	-	-	-	440	528	Consolidated
Workstyles	Paid leave utilization rate[7]		%	67.1	71.1	76.1	75.9	75.7	Non-consolidated
	Total hours worked		Hours	158.7	156.2	156.6	156.0	155.4	**Non-consolidated**
	Average overtime hours		Hours	17.4	15.6	15.2	15.6	16.1	Non-consolidated
	Childcare leave utilization rate (male)[8]		%	18.0	32.0	50.0	72.0	87.0	Non-consolidated
	Childcare leave utilization rate (female)[9]		%	100.0	106.0	98.0	93.0	102.0	Non-consolidated
Gender Pay Gap	All employees		%	-	62.8	63.8	64.5	65.1	Non-consolidated
		Full-time employees	%	-	62.0	62.9	63.7	64.6	Non-consolidated
		Part-time and fixed-term employees	%	-	64.9	68.9	75.9	74.3	Non-consolidated
Work safety and hygiene	Lost Time Injury Frequency Rate (LTIFR)[10]		-	0.35	0.37	0.37	0.35	0.34	**Consolidated**
	Number of serious incidents[11]		cases	0	0	0	0	1	Consolidated
	Number of industrial accidents resulting in lost workdays		cases	56	58	54	52	50	Consolidated
	Industrial incident rate per 1,000 employees[12]	All employees	-	1.70	1.42	1.28	1.26	1.03	Consolidated
		Full-time employees, temporary employees	-	1.59	1.33	1.21	1.23	0.98	Consolidated
		Contract employees	-	2.85	2.71	2.36	1.80	1.73	Consolidated
	ISO 45001 certification rate (of headquarters and production sites)		%	82	83	90	92	90	Consolidated
	Number of in-house industrial doctors		Persons	16	16	15	19	22	Consolidated (domestic)[4]

1. Calculated based on combined data from Murata Manufacturing and its subsidiary companies.
2. Includes expert managerial positions from fiscal 2020.
3. Recalculated from fiscal 2016; includes global and other hires in the number of recent graduate hires.
4. Refers to group companies in Japan.
5. Recalculated from fiscal 2016 due to revision of the definition.
6. The definitions for turnover rate and voluntary turnover rate were revised in fiscal 2022.
7. The calculation period was revised in fiscal 2022.
8. The number of male employees who took childcare leave, etc. during the period, divided by the number of male employees whose spouse gave birth during the period.
9. The number of female employees who took childcare leave, etc. during the period, divided by the number of female employees who gave birth during the period.
10. The number of injuries and fatalities per one million hours worked, indicating the frequency of workplace accidents. Calculated on a consolidated basis since fiscal 2019.
11. Represents the number of serious occupational accidents resulting in death or permanent impairment.
12. Represents the number of injuries and fatalities per 1,000 workers over a one-year period.

G Governance

		Unit	As of June 29, 2026
Composition of the Board of Directors	Number of members	Persons	12
	Outside Directors	Persons	6
	Outside Directors designated as Independent Directors	Persons	6
	Female Directors	Persons	4
Composition of Audit and Supervisory Committee	Number of members	Persons	4
	Outside Directors	Persons	3
Composition of Nomination Advisory Committee	Committee chairperson	-	Outside Director
	Number of members	Persons	4
	Outside Directors	Persons	3
Composition of Remuneration Advisory Committee	Committee chairperson	-	Outside Director
	Number of members	Persons	4
	Outside Directors	Persons	3

		Unit	FY2025
Number of meetings, etc.	Number of meetings of the Board of Directors[1]	Times	12
	Board of Directors meeting attendance rate	%	99.3
	Board of Directors meeting attendance rate for Outside Directors	%	100.0
	Number of meetings of the Audit and Supervisory Committee	Times	11
	Audit and Supervisory Committee meeting attendance rate	%	97.7
	Number of meetings of the Nomination Advisory Committee[2]	Times	12
	Nomination Advisory Committee meeting attendance rate	%	100.0
	Number of meetings of the Remuneration Advisory Committee[2]	Times	12
	Remuneration Advisory Committee meeting attendance rate	%	100.0

1. In fiscal 2025, in addition to the Board of Directors meetings shown above, one resolution was adopted by written consent and deemed a Board resolution pursuant to Article 370 of the Companies Act and Article 25 of the Company's Articles of Incorporation.
2. In fiscal 2025, the Joint Nomination and Compensation Committee met four times.

Constructive Dialogue with Shareholders and Investors

Murata Manufacturing's IR/SR activities are guided by three core principles: timely, appropriate, and fair disclosure; building long-term trust through constructive dialogue with shareholders and investors; and working together to enhance corporate value. We view IR/SR as an essential part of value creation. By providing transparent information and engaging in ongoing dialogue, we identify key issues and stakeholder perspectives, reflect those insights in management, and strengthen a continuous cycle of disclosure, dialogue, and improvement aimed at enhancing corporate value.

Policy on Constructive Dialogue with Shareholders and Investors

Activities

Structure for dialogue

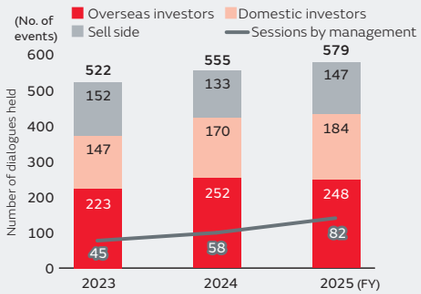
Murata Manufacturing established an IR/SR function within the Strategic Finance Department. IR/SR activities are overseen by the Executive Deputy President and Representative Director responsible for the Corporate Management DX Unit. Depending on the scope of the engagement, dialogue with shareholders and investors is led by Representative Directors, Board Members, Vice Presidents, or the IR/SR team. To support constructive dialogue, the IR/SR team works closely with Corporate Strategy, business divisions, Public Relations, Sustainability, General Affairs, and other relevant functions to gather and communicate necessary information.

Main IR/SR activities

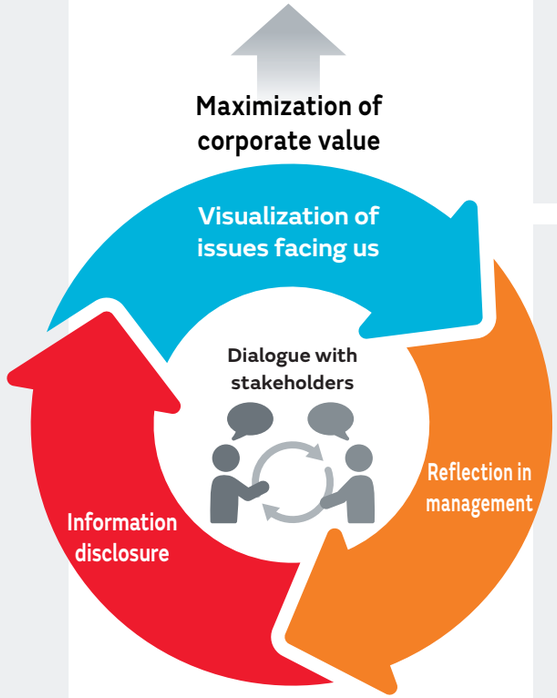
- Earnings Release Conference
- Corporate Information Meeting, ESG Meeting
- Individual meetings with analysts and institutional investors
- Individual dialogue with institutional investors and other voting rights holders
- Management Meeting
- Conferences sponsored by securities firms
- International roadshows
- Facility tours and technical briefings
- General Meeting of Shareholders / Report for Shareholders
- Individual investor meetings
- Information dissemination on our website

Dialogue results (number of events)

FY2025: **579** (Total number of companies: 2,135)



* Figures cover the period from April 1 through March 31 of each fiscal year.
* "Sessions by management" refers to sessions attended by the President or other executives at the Vice President level or above.



Key dialogue themes

Business performance	End-market demand outlook, assumptions, and perspectives underlying earnings forecasts
Management and business strategies	Key assumptions and strategies under Vision 2030 and Medium-Term Direction 2027, including portfolio management, AI data center strategy, M&A, pricing, and CEO succession planning
Financial strategy	Capital allocation and shareholder return policies, optimal shareholder composition, and capital efficiency
ESG/Sustainability	Accelerating progress toward RE100, advancing women's empowerment, and strengthening corporate governance

Internal feedback and reflection on management

Feedback from within the company

- Reports to the Board of Directors (annually) and management meetings (quarterly)
- IR reports and earnings briefing minutes (quarterly)
- Internal IR briefing sessions (quarterly and as needed)

Key management actions informed by stakeholder dialogue

- Integrated ESG topics into our regular information sessions and launched an IR Day to demonstrate how our business creates a virtuous cycle of social and economic value.
- Expanded engagement by management and IR personnel, with more meetings held year over year
- Integrated the SR function into IR to centralize shareholder and investor engagement, strengthen consistency in dialogue, and broaden the scope of outreach.
- Held small meetings with sell-side analysts (increased number of meetings year over year)
- Participated in briefing sessions with individual investors
- Communicated the medium-term direction, including a post-tax ROIC target, to align perspectives internally and externally
- Disclosed key discussion points from meetings of the Board of Directors, the Nomination Advisory Committee, and the Remuneration Advisory Committee
- Published the rationale for the skills selected in the Board of Directors' skill matrix
- Disclosed an overview of the CEO succession plan
- Disclosed the policy on cross-shareholdings

Company and Stock Information * As of March 31, 2026

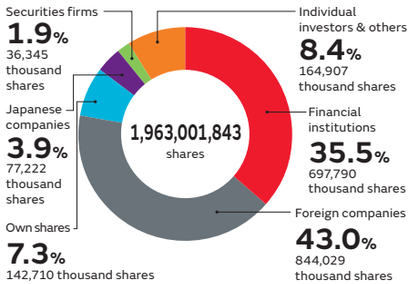
Stock and Company Information

Company overview

Trade name	Murata Manufacturing Co., Ltd.
Date of incorporation	December 23, 1950 (established in October 1944)
Common stock	69,444 million yen
Location	10-1, Higashikotari 1-chome, Nagaokakyo-shi, Kyoto 617-8555, Japan

Subsidiaries in Japan	30 companies
Subsidiaries outside of Japan	53 companies
Stock exchange listing	Tokyo Stock Exchange Prime Market
Number of shares outstanding	1,963,001 thousand shares
Number of shareholders	169,288 persons

Ownership breakdown



Major shareholders

Name	Number of shares (Thousand)	Ownership (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	312,702	17.2
Custody Bank of Japan, Ltd. (Trust account)	121,395	6.7
STATE STREET BANK AND TRUST COMPANY 505001	52,434	2.9
Nippon Life Insurance Company	49,687	2.7
Meiji Yasuda Life Insurance Company	47,168	2.6
The Bank of Kyoto, Ltd.	32,340	1.8
GOVERNMENT OF NORWAY	26,959	1.5
BNYM AS AGT / CLTS NON TREATY JASDEC	24,525	1.3
JP MORGAN CHASE BANK 385781	24,261	1.3
STATE STREET BANK AND TRUST COMPANY 505103	22,208	1.2

Note: Ownership ratios are calculated based on the total number of shares issued, excluding treasury shares.

Main external evaluations

Inclusion in ESG indices

FTSE4Good

FTSE JPX Blossom Japan Index

FTSE JPX Blossom Japan Sector Relative Index

2026 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

2026 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

SX銘柄2026 Sustainability Transformation

STOXX INDICES

Member 2026/2027 Platinum Career Index

S&P/JPX Carbon Efficient Index

MORNINGSTAR GenDi J Japan ex-REIT Gender Diversity Tilt Index TOP CONSTITUENT 2025

2026 Sompo Sustainability Index

External sustainability evaluations

CDP Climate A List 2025

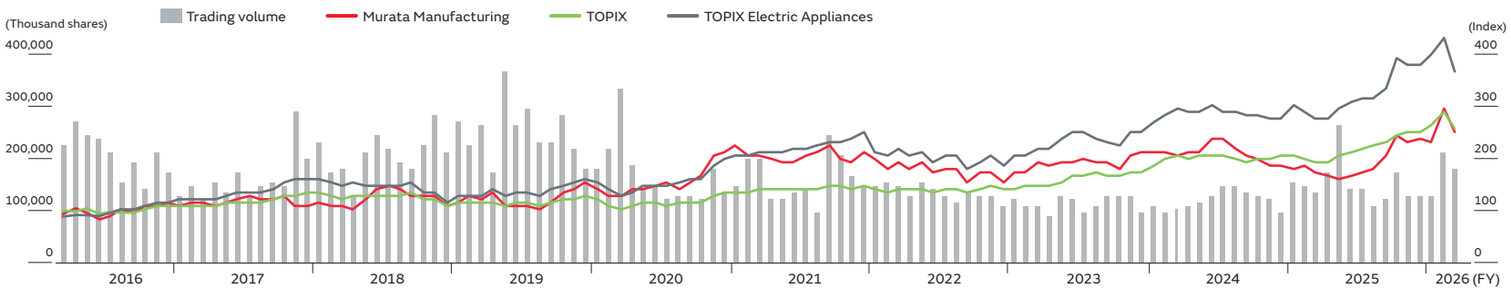
CDP Supplier Engagement Leader 2025

Rated by MORNINGSTAR SUSTAINALYTICS

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

2026 ESG FINANCE AWARDS JAPAN SUSTAINABLE

Trends in total shareholder return and trading volume



* The Company implemented a three-for-one common stock split, effective April 1, 2019, followed by another three-for-one split effective October 1, 2023. Per-share information has been calculated as if both stock splits had occurred at the beginning of fiscal 2015.
* The Total Shareholder Return (TSR) graph shows changes in market value, including cumulative dividends and share price movements, using the end of March 2016 as the baseline with an initial value of 100.

Total Shareholder Return (TSR*)

	Past 1 year	Past 3 years		Past 5 years		Past 10 years	
	TSR	TSR	Annual rate	TSR	Annual rate	TSR	Annual rate
Murata Manufacturing	50.7%	33.7%	10.2%	24.7%	4.5%	154.1%	9.8%
TOPIX (including dividends)	34.6%	87.4%	23.3%	102.2%	15.1%	228.2%	12.6%
TOPIX Electric Appliances	32.8%	75.7%	20.7%	85.1%	13.1%	333.5%	15.8%

* Total Shareholder Return
TSR represents the total return on an equity investment, including both capital gains and dividends. The calculation uses the closing share price at the beginning of each investment period: March 31, 2023, for the three-year period; March 31, 2021, for the five-year period; and March 31, 2016, for the 10-year period.

INNOVATOR IN ELECTRONICS

Murata Manufacturing Co., Ltd.

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https://corporate.murata.com/en-global/

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