Corporate Governance Report

Last Update: July 1, 2025

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I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information

1. Basic Views

The Company's mission is to carry out operations based on the following "Murata Philosophy" which is the most important management principles of the Company, and to contribute to the advancement of society and culture through the provision of products and services.

> 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.
> (Established in 1954, revised in 1979)

Based on this management principles, Murata considers corporate governance to be one of the highest priorities in management in order to achieve sustainable growth and increase corporate value over the mid- to long-term, and we work constantly to establish and operate optimal management systems while taking into consideration every stakeholder.
The Company's basic principles on corporate governance are set out in the "Corporate Governance Guidelines," which are posted on the Company's website.
https://corporate.murata.com/en-global/company/corporate_governance

[Reasons for Non-compliance with the Principles of the Japan's Corporate Governance Code]

The Company implements all principles of the Corporate Governance Code (revised June 11, 2021).

[Disclosure Based on the Principles of the Japan's Corporate Governance Code] Update

[Principle 1.4 Cross-Shareholdings]

(1) Policy regarding strategic shareholdings

In the electronics industry, with rapid changes in the market environment and technological innovation, to aim for sustainable improvement in corporate value, it is necessary to have cooperative relationships with various companies in all areas of development, procurement, production, and sales. The Company holds stock in such counterparties with the aim of maintaining and strengthening transactional relationships with counterparties that will contribute to the improvement of the Company's corporate value over the mid- to long-term.

(2) Objectives and rationale for strategic shareholdings

For all strategic shareholding stocks, the Board of Directors comprehensively examines the appropriateness of holding stocks every year from qualitative aspects such as the purpose of holding and transaction status, as well as quantitative aspects such as profitability relative to the cost of capital. For stocks for which the appropriateness of holding cannot be confirmed, the Board of Directors will engage in dialogue with the relevant party and reduce the number of stocks strategically held. If a relevant party indicates its intention to sell, etc. the shares, the Company will not hinder the party from doing so, nor will it take action such as to imply a possible reduction in business transactions.

(3) Standards on exercise of voting rights

Regarding the exercise of voting rights for strategic shareholdings, the Company determines to vote for or against a proposal upon individually investigating whether the contents of each proposal do not fall under violation of laws and regulations, anti-social activities, or events that may be detrimental to shareholder value, or whether the proposal may lead to improvement of corporate

value for the Company and the companies whose stocks are held by the Company from a medium- to long-term viewpoint through maintaining and strengthening business and cooperative relationships.

[Principle 1.7 Related Party Transactions]
Concerning transactions involving conflicts of interests with Members of the Board of Directors, approval is required from the Board of Directors under the Companies Act, and after implementation, reports are made to the Board of Directors. The presence of transactions between the Company and Members of the Board of Directors and relatives of these persons is confirmed with Members of the Board of Directors. Additionally, transactions with related parties are disclosed in line with laws and regulations.

[Supplementary Principle 2-4-1: Ensuring Diversity in the Promotion to Core Human Resources]

With diversity, equity, and inclusion, the Company will continue to create an environment in which diverse human resources can excel, with the aim of creating innovations that will lead to the development of society, through promotion of global job rotation, acquisition and active participation of human resources with diverse experiences, provision of diverse career paths, and promotion of women in the workplace and other actions.

The Company's policies for human resource development and internal environment development to ensure diversity, as well as the status of their implementation, and the company's policies and voluntary and measurable goals for ensuring diversity in the promotion to core human resources are available on the Company's website.
https://corporate.murata.com/en-global/csr/hr/human-resource-management

[Principle 2.6 Roles of Corporate Pension Funds as Asset Owner]
The Murata Corporate Pension Fund handles the management of assets accumulated for the Company's corporate pension.
Decisions related to the asset management are made by the Board of Representatives, following deliberation by the Asset Management Committee. Members of the Asset Management Committee and the Board of Representatives include general managers of the Company's Human Resources, Accounting & Controller, and Finance departments, as well as other personnel with appropriate qualifications. Members also include leaders of the labor union, as representatives of the beneficiaries.
Furthermore, to ensure the appropriate monitoring of asset managers, the Company assigns and cultivates personnel having the necessary experience and credentials and takes advice from outside experts.

[Principle 3.1 Full Disclosure]
(i)-a: Management philosophy
The Company has established the basic philosophy of its management as its "Murata's Philosophy," which all executives and employees share and aim to enact. Murata's Philosophy is available on the Company's website.
https://corporate.murata.com/en-global/company/philosophy

(i)-b: Management strategy, management plan
The Company has formulated Vision 2030, its long-term direction for 2030, and is pushing forward with information dissemination. The Company also formulates a three-year medium-term direction, and has posted on its website the medium-term direction for the three-year period from FY2025 to FY2027. This Medium-Term Direction 2027 sets forth management targets consisting of three economic value indicators, which are revenue, operating profit ratio, and ROIC, and social value indicators measured in terms of the three perspectives of environment, diversity and employee satisfaction (ES). Additionally, three basic policies are established to achieve these management targets, in line with which various initiatives will be implemented.

Vision2030(long-term direction):
https://corporate.murata.com/en-global/company/business-strategy/vision2030
Medium-Term Direction 2027:
https://corporate.murata.com/en-global/company/business-strategy/mid-term-policy

(ii): Basic views and policies on corporate governance
As stated in "1. Basic Views" above.

(iii): Policies and procedures in determining remuneration of Members of the Board of Directors
Please see "Director Remuneration" "Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof" in "1. Organizational Composition and Operation" of "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" below.

(iv): Policies and procedures in the appointment and dismissal of senior management, and the nomination of candidates for Members of the Board of Directors
Please see "2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)" of "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" below.

(v): Explanations with respect to the individual appointments and dismissals of candidates for Members of the Board of Directors

Reasons for the appointment of candidates for Members of the Board of Directors and the dismissal of Members of the Board of Directors are disclosed in the Convocation Notice for the Ordinary General Meeting of Shareholders and other disclosures.

The composition of the Board of Directors and main skills, experiences, and knowledge held by each Member of the Board of Directors, as well as their definitions and reasons for selection, will also be published in the Convocation Notice for the Ordinary General Meeting of Shareholders and other disclosures.

Convocation Notice for the Ordinary General Meeting of Shareholders:
https://corporate.murata.com/en-global/ir/info/meetings

[Supplementary Principle 3-1-3: Initiatives on Sustainability]

(1) Initiatives on Sustainability

In keeping with the spirit of Murata's Philosophy, the Company Group's management philosophy, it is committed not only to compliance with laws and regulations, but also to highly transparent governance, respect for human rights, health and safety, social contribution, environmental preservation, etc.

In addition, recent changes in society, as represented by SDGs and the Paris Agreement, require that companies pursue not only economic value, but also integrated value in harmony with people and nature. Seeing this as an opportunity for further strengthening of the management foundation and growth, the Company Group has set key issues as initiatives in the mid-term management plan and is promoting daily activities.

For details, please refer to the Company's website.
https://corporate.murata.com/en-global/csr

(2) Investments in Human Capital

The Company Group, we regard CS and ES as important values, and we seek to realize innovation through continuous emphasis and improvement in the areas. To us, CS means "continuing to create and provide value that is recognized by the customer." And ES means that "every employee achieves satisfaction and continuing growth through the performance of their work duties." We strive to be a company in which these goals can be realized in employees' jobs daily. In addition, we have set employee engagement as a medium- to long-term KPI, and we will continue to foster diverse environments and implement a range of initiatives toward the cultivation of this type of corporate culture.

For details, please refer to the Company's website.
https://corporate.murata.com/en-global/csr/hr/strategy

(3) Investments to Intellectual Capital

In our Company Group, after establishing the Basic Policy of Intellectual Property Activities, employees collaborate beyond the organization framework so as to engage in the intellectual property activities that would benefit the business.

For details of measures regarding Intellectual Property, please refer to the Murata value report and the Company's website.
https://corporate.murata.com/en-global/csr/governance/ip

(4) Responses to climate change

The Company Group has set "Create a decarbonized society" as a materiality and is working to meet the various demands of society, and will contribute to the reduction of greenhouse gases in manufacturing through business operations in line with Science Based Targets (SBT), the recommendations of the Task Force on Climate-related Financial Information Disclosure (TCFD), and the RE100.

For details of responses to climate change and TCFD measures, please refer to the Company's website.
Create a decarbonized society:
https://corporate.murata.com/en-global/csr/environment_murata/climate_change
TCFD measures:
https://corporate.murata.com/en-global/csr/environment_murata/tcfd

[Supplementary Principle 4-1-1: Duties of the Board of Directors and Definition of Range of Entrustment to Management]

The Board of Directors carries out functions including decision-making regarding management policy and execution of important operations as well as supervising the execution of duties by Members of the Board of Directors, and proposals and reports for the Board of Directors are defined within the Regulations of the Board of Directors.

To enable swift and resolute decision-making by the Executive Directors, certain individual decisions on important business execution, such as acquisition and disposal of important assets, or organization or personnel matters, are delegated to the Executive Directors.

[Principle 4-9: Independence Standards and Qualification for Independent Directors]

Please see "Independent Directors" "Matters relating to Independent Director" in "1. Organizational Composition and Operation" of "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" below.

[Supplementary Principle 4-11-1: Overall Balance of Expertise, Experience, and Capabilities of the Board of Directors and View Regarding Diversity and Scale]
Please see "2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)" of "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" below.

[Supplementary Principle 4-11-2: Status of Members of the Board of Directors Concurrently Serving as Officers of Other Listed Companies]
The Company nominates candidate Members of the Board of Directors who are able to dedicate the time and energy required to appropriately carry out the duties and obligations of a Member of the Board of Directors, and they do so in practice.
Significant concurrent positions of Members of the Board of Directors of the Company are stated in the "Convocation Notice for the Ordinary General Meeting of Shareholders."

Convocation Notice for the Ordinary General Meeting of Shareholders:
https://corporate.murata.com/en-global/ir/info/meetings

[Supplementary Principle 4-11-3: Analysis and Evaluation of Effectiveness of the Board of Directors]
The Company endeavors to improve the effectiveness of the Board of Directors by conducting an annual analysis and evaluation of the effectiveness of the Board of Directors. For details of process of the analysis and evaluation, results of the analysis and evaluation, recognition of challenges, and future initiatives, etc. please refer to the Company's website.
*https://corporate.murata.com/en-global/company/corporate_governance/evaluation

[Supplementary Principle 4-14-2: Policy on Training for Members of the Board of Directors]
The Company's Members of the Board of Directors ensure that they acquire, verify and update the knowledge deemed necessary for carrying out their roles and responsibilities.
To acquire and verify knowledge deemed necessary for carrying out their roles and responsibilities, newly appointed Members of the Board of Directors are provided with items such as external training, and information about the Company's business operations, mechanisms, at the time of their appointment.
The Company provides opportunities for training in corporate governance, risk management, compliance and internal controls, etc. to Members of the Board of Directors including Outside Directors.
The Company provides opportunities other than the Board of Directors meeting for the acquisition of knowledge relating to status of the Company's business and management issues, etc. to Outside Members of the Board of Directors.

[Principle 5-1: Policy for Constructive Dialogue with Shareholders]
Please see "2. IR Activities" of "III. Implementation of Measures for Shareholders and Other Stakeholders" below.

[Status of Dialogue with Shareholders and Investors]
Our basic policies for investor relations activities are threefold: "Timely, appropriate and fair disclosure of information," "Building long-term relationships of trust through constructive dialogue with shareholders and investors," and "Working together with shareholders and investors to increase corporate value."
For details of structure for dialogue, IR activities, dialogue results and dialogue themes and feedback within the company, please refer to the Company's website.
https://corporate.murata.com/en-global/ir/dialog

[Action to Implement Management that is Conscious of Cost of Capital and Stock Price]

Status	**Disclosed (Update)**
Last Update	**May 21, 2025**

Explanation
In The Companies, capital cost consciousness has been ingrained from early on. The Companies have established an internal interest rate system, records interest expenses using interest rates set at the same level as capital costs in the management accounting, and operates businesses with a consciousness of capturing profitability that exceeds capital costs. The Companies' Weighted Average Cost of Capital (WACC) in FY 2024 was 7.4% (estimate by the Company).

ROIC (pre-tax basis) in FY2024, the final year of the Medium-term Direction 2024, was 13.0%, falling below the target of 20% or higher. This largely reflected declines in the operating profit ratio and the capital turnover ratio due to a significant slowdown in demand for components in consumer markets, such as smartphones and personal computers, from the level expected when the targets

in Medium-term Direction 2024 were set, as well as an increase in fixed costs resulting from reinforcement of management capital.

* 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 receivable－trade payables)

For achieving management that is conscious of cost of capital, the Company has, in Medium-term Direction 2027, changed the management indicator that measures economic value from ROIC (pre-tax basis) to ROIC (post-tax basis). Continuing from the previous Medium-term Direction, the Company implements 3-layer portfolio management and aims for both capital efficiency and profitability through appropriate allocation of management resources.

* 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 receivable－trade payables)

Specific measures for the further improvement of capital cost and ROIC (post-tax basis) are as follows. The Companies aim to increase corporate value by proceeding with these measures, and enhance market valuation.

ROIC	- Promotion of initiatives for the expansion of market share for each product lineup - Implementation of measures to enhance productivity, such as promotion of rationalization at manufacturing sites - Thorough evaluation of economic efficiency of investments for new capital investments
Capital cost	- Proactive IR activities (disclosure of information and dialogue) - Establishment of stable management structure by strengthening corporate governance - Promotion of initiatives related to sustainability

2. Capital Structure

Foreign Shareholding Ratio	More than 30%

[Status of Major Shareholders]

Shareholder name	Number of shares held	Ownership ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	314,164,300	16.87
Custody Bank of Japan, Ltd. (Trust Account)	131,703,800	7.07
STATE STREET BANK AND TRUST COMPANY 505001	53,842,097	2.89
Nippon Life Insurance Company	49,687,713	2.67
The Bank of Kyoto, Ltd.	47,340,207	2.54
Meiji Yasuda Life Insurance Company	47,168,100	2.53
STATE STREET BANK WEST CLIENT – TREATY 505234	35,495,218	1.91
GOVERNMENT OF NORWAY	27,375,110	1.47
STATE STREET BANK AND TRUST COMPANY 505103	26,291,598	1.41
BNYM AS AGT ／ CLTS NON TREATY JASDEC	24,029,702	1.29

Controlling Shareholder (except for Parent Company)	—
Parent Company	None

Supplementary Explanation

1. Although the Company holds 100,640 thousand shares of treasury stock, this stock does not have voting rights, and is excluded from the above Status of Major Shareholders.

2. Of the above number of shares held, the number of shares in trust operations are not stated as the Company cannot identify the details.

3.Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange, Prime Market
Fiscal Year-End	March
Type of Business	Electric Appliances
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year:	More than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 50 to less than 100

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have Material Impact on Corporate Governance

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II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management

1. Organizational Composition and Operation

Organization Form	Company with an Audit and Supervisory Committee

[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board of Directors	Independent Outside Director
Number of Directors	12
Appointment of Outside Directors	Appointed
Number of Outside Directors	6
Number of Independent Directors Designated from among Outside Directors	6

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company										
		a	b	c	d	e	f	g	h	i	j	k
Yuko Yasuda	From another company											
Takashi Nishijima	From another company								△			
Hiroyuki Ina	From another company								△			
Takatoshi Yamamoto	From another company								△			
Naoko Munakata	Other											
Seiichi Enomoto	Certified public accountant											

*** Categories for "Relationship with the Company"**
*** "○" when the director presently falls or has recently fallen under the category;**
"△" when the director fell under the category in the past;
*** "●" when a close relative of the director presently falls or has recently fallen under the category;**
"▲" when a close relative of the director fell under the category in the past

a. Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary
b. Executive or non-executive Director of the parent of the Company
c. Executive of a fellow subsidiary of the Company
d. Party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the Company or an executive thereof
f. Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)
h. Executive of a client or supplier of the Company (which does not correspond to any of d., e., or f.) (the director himself/herself only)
i. Executive of a corporation to which outside officers are mutually appointed (the director himself/herself only)
j. Executive of a corporation that receives a donation from the Company (the director himself/herself only)
k. Other

Outside Directors' Relationship with the Company (2) Update

Name	Audit and Supervisory Committee Member	Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Yuko Yasuda		○	No applicable items	Yuko Yasuda has engaged in the introduction, assessment and development of CEOs, and evaluation of the effectiveness of boards of directors for many years as Japan Director at a company that searches for corporate executive candidates. She has extensive experience with and insight into fields concerning executive personnel assessment, development and corporate governance. As Outside Director and Audit and Supervisory Committee Member of the Company since 2018 and as Outside Director of the Company since 2020, she has contributed to strengthening the functions of the Board of Directors from an independent perspective. She is appointed as an Outside Director because the Company expects that she will continue to strengthen the decision-making and oversight functions of the Board of Directors by leveraging her experience and insight in managing the affairs of the Company.
Takashi Nishijima		○	Yokogawa Electric Corporation, of which Takashi Nishijima served as Chairman until June 2023, and its consolidated subsidiaries have business relations with the Company Group including sales and purchases of products. However, sales involving the relations account for only less than 1% of the consolidated sales of Yokogawa group in each fiscal year and less than 1% of the consolidated sales of the Company Group in each fiscal year, indicating that there is no materiality that would affect his independence as Outside Director.	Takashi Nishijima has extensive experience and knowledge as a corporate executive and a board chairman in a company group expanding business related to industrial automation globally. As Outside Director of the Company since 2022 and as the Chairman of the board of the Company since 2024, he has contributed to strengthening the functions of the Board of Directors from an independent perspective. He is appointed as an Outside Director because the Company expects that he will continue to strengthen the decision-making and oversight functions of the Board of Directors by leveraging his experience and insight in managing the affairs of the Company.
Hiroyuki Ina		○	Denso Corporation, of which Hiroyuki Ina served as Senior Executive Officer until December 2021, and its consolidated subsidiaries have business relations with the Company Group including sales and purchases of products. However, sales involving the relations account for only less than 1% of the consolidated sales of Denso group in each fiscal year and less than 2% of the consolidated sales of the Company Group in each fiscal year, indicating that there is no materiality that would affect his independence as Outside Director.	Having engaged in the management of the electronic system and device business for many years at a company expanding its business related to automotive technologies, systems and products globally, Hiroyuki Ina possesses extensive experience and knowledge. He is appointed as an Outside Director because the Company expects that he will continue to strengthen the decision-making function and supervisory function of the Board of Directors.
Takatoshi Yamamoto	○	○	CASIO COMPUTER CO., LTD, of which Takatoshi Yamamoto served as Executive Managing Director until June 2011, and its consolidated subsidiaries have business relations with the Company Group including sales and purchases of products. However, sales involving the relations account for only less than 1% of the consolidated sales of CASIO group in each fiscal year and less than 1% of the consolidated sales of the Company Group in each fiscal year, indicating that there is no materiality that would affect his independence as Outside Director.	Takatoshi Yamamoto has extensive experience of corporate analysis of companies in Japan and overseas as a securities analyst, particularly in regard to the electronics industry, and has specialized insight in finance and accounting, in addition to a wealth of experience related to global corporate management. Leveraging his experience and insight in managing the affairs of the Company as an Outside Director since 2019 and as an Outside Director and Audit and Supervisory Committee Member of the Company since 2020, he has contributed to strengthening the functions of the Board of Directors from an independent perspective. He is appointed as an Outside Director who is an Audit and Supervisory Committee Member because the Company expects that he will continue to strengthen the decision-making functions and audit, supervisory and oversight functions of the Board of Directors.

Naoko Munakata	○	○	No applicable items	Naoko Munakata has extensive experience in and insight into the national administrative fields of economics, international trade and intellectual property, among others. As an Outside Director and Audit and Supervisory Committee Member of the Company since 2020, she has contributed to strengthening the functions of the Board of Directors by leveraging her experience and insight in managing the affairs of the Company from an independent perspective. Furthermore, while never having been involved in corporate management in any way other than serving as an outside officer, she possesses sufficient experience in organizational management in central bureaucracy. She is appointed as an Outside Director who is an Audit and Supervisory Committee Member because the Company expects that she will continue to strengthen decision-making functions and audit and supervisory functions of the Board of Directors.
Seiichi Enomoto	○	○	No applicable items	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. He is appointed as an Outside Director who is an Audit and Supervisory Committee Member because the Company expects that he will continue to strengthen the decision-making function and audit and supervisory function of the Board of Directors.

[Audit and Supervisory Committee]

Committee's Composition and Chairperson's Attributes

	Total Committee Members	Full-time Members	Inside Directors	Outside Directors	Chairperson
Audit and Supervisory Committee	4	1	1	3	Inside director

Appointment of Directors and/or Employees to Support Duties of the Audit and Supervisory Committee	Appointed

Matters Related to the Independence of Such Directors and/or Employees from Executive Directors

To ensure the effectiveness of the audits of the Audit and Supervisory Committee, the Company has established the Office of Audit and Supervisory Committee to assist the Audit and Supervisory Committee in its duties and has stationed an appropriate number of employees. The employees shall not receive supervision or orders from the Executive Directors, and for human resources matters regarding these employees, the Executive Directors shall consult with the Audit and Supervisory Committee and obtain the consent. Moreover, the Executive Directors have established a system for reporting to the Audit and Supervisory Committee and persons who make reports shall not receive any detrimental treatment for having done so.

Cooperation among Audit and Supervisory Committee, Independent Auditor and Internal Audit Department

Please see "2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)" of "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" below.

[Voluntary Committees]

Voluntary Establishment of Committee(s) Equivalent to Nomination Committee or Remuneration Committee	Established

Voluntary Establishment of Committee(s), Committee's Name, Composition, and Chairperson's Attributes

	Committee's Name	Total Committee Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Committee Equivalent to Nomination Committee	Nomination Advisory Committee	4	0	1	3	0	0	Outside director
Committee Equivalent to Remuneration Committee	Remuneration Advisory Committee	4	0	1	3	0	0	Outside director

Supplementary Explanation

With the intent of improving the independence, objectivity, and accountability of the functions of the Board of Directors regarding the nomination and remuneration of Members of the Board of Directors, the Company has established a Nomination Advisory Committee and Remuneration Advisory Committee as advisory organs of the Board of Directors. For details regarding the composition, duties and other key issues of the Nomination Advisory Committee and Remuneration Advisory Committee, please see "2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)" of "II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management" below.

[Independent Directors]

Number of Independent Directors	6

Matters relating to Independent Directors

In addition to requirements for outside directors stipulated by the Companies Act and independence standards stipulated by the Tokyo Stock Exchange, six Independent Outside Directors have been appointed based on the Company's Independence Criteria (Criteria for Independence of Outside Directors), and they have been submitted to the Tokyo Stock Exchange as Independent Directors.

The Criteria for Independence of Outside Directors of the Company are as follows.

The person does not fall under any of the following categories.

(1) In the past 10 years, the person was an executive of the Company or a company that was a subsidiary within the past three years.

(2) The person is currently a major shareholder or was an executive of the major shareholder in the past three years.

(*) Major shareholder refers to one who holds 10% or more of the total number of the voting rights of the Company.

(3) In the past three years, the person was an executive of a company, etc. that was a material client or supplier within the past three years with the Company Group.

(*) Material client or supplier refers to one with which the Company has transactions of 2% or more of consolidated revenue of the Company or of the client or supplier.

(*) The Company group refers to the Company and its current subsidiaries. The same shall apply hereinafter.

(4) In the past three years, the person was an executive of an organization (e.g., public interest incorporated foundation, public interest incorporated association, and nonprofit organization) that has received within the past three years a donation or grant of over 10.00 million yen per annum from the Company Group.

(5) In the past three years, the person was an executive of a company or a subsidiary of that company that within the past three years employed a Member of the Board of Directors, Statutory Auditor (regardless of full-time or part-time) or Executive Officer of the Company group.

(6) The person was a material consultant, etc. of the Company group within the past three years.

(*) Material consultant refers to an expert, such as consultant, lawyer and certified public accountant, who earns over 10.00 million yen per annum other than director remuneration from the Company group in the case of an individual or earns money or property that exceed 2% of the total revenue of the organization other than director remuneration from the Company group in the case that the person belongs to an organization.

(7) The person was an executive of the Independent Auditor of the Company in the past three years.

(8) The person is a relative of the following persons.

[1] The person falls under (1) above and is a director or an employee in the position corresponding to General Manager or higher.

[2] The person falls under (3) above and is a director or an employee in the position corresponding to General Manager or higher.

[3] The person falls under (6) above.

(*) "Relative" refers to the spouse or a relative within the second degree of kinship, etc.

(9) The person has stayed in office as Outside Director of the Company for over 10 years in total.

(10) The person carries the risk of creating a constant substantial conflict of interest between the Company's general shareholders as a whole for reasons other than those considered in (1) to (9) above.

[Incentives]

Implementation of Measures to Provide Incentives to Directors	Performance-linked remuneration

Supplementary Explanation

Please see "iv) Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof" of "(7) Director Remuneration" below.

Recipients of Share Options	–

Supplementary Explanation:

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[Officer Remuneration] Update

Disclosure (of individual officers' remuneration)	Selected officers

Supplementary Explanation

The total amount of remuneration, etc. paid to Members of Board of Directors in FY 2024 was 592 million yen. The breakdown is as follows.

Officer type	Total amount of remuneration, etc. (Millions of yen)	Total amount by type of remuneration, etc. (Millions of yen)			Number of eligible Officers
		Monthly remuneration	Bonus	Share-based remuneration	
Members of the Board of Directors (excluding Audit and Supervisory Committee Members)	504	267	138	99	9
Members of the Board of Directors who are Audit and Supervisory Committee Members	87	87	-	-	5

(Notes) 1. The above figures include one Member of the Board of Directors (who is not an Audit and Supervisory Committee Member) and one Outside Director (who is an Audit and Supervisory Committee Member) who retired at the conclusion of the 88th Ordinary General Meeting of Shareholders held on June 27, 2024.

2. Out of the total shown above, total remuneration, etc., provided to seven Outside Directors, is 102 million yen

(only monthly remuneration).

3. The amount of remuneration, etc. for Members of the Board of Directors (excluding Audit and Supervisory Committee Members) does not include employee salaries provided to Members of the Board of Directors concurrently serving as employees.
4. By resolution at the 80th Ordinary General Meeting of Shareholders held on June 29, 2016, the amount of remuneration (excluding share-based remuneration) is 700 million yen or less for Members of the Board of Directors (excluding Audit and Supervisory Committee Members). However, this does not include employee salaries and bonuses provided to Members of the Board of Directors concurrently serving as Vice Presidents. At the conclusion of the said General Meeting of Shareholders, the number of Members of the Board of Directors (excluding Audit and Supervisory Committee Members) was eight (of which, one was Outside Director).
5. By resolution at the 80th Ordinary General Meeting of Shareholders held on June 29, 2016, the amount of remuneration is 100 million yen or less for Members of the Board of Directors who are Audit and Supervisory Committee Members. At the conclusion of the said General Meeting of Shareholders, the number of Members of the Board of Directors who are Audit and Supervisory Committee Members was four (of which, three were Outside Directors).
6. By resolution at the 81st Ordinary General Meeting of Shareholders held on June 29, 2017, the maximum amount of remuneration for the restricted share remuneration is 300 million yen or less per year, and the maximum number of shares is 60,000 shares per year. Shares are not granted to Members of the Board of Directors who are Audit and Supervisory Committee Members or Outside Directors. At the conclusion of the said General Meeting of Shareholders, the number of Members of the Board of Directors (excluding Audit and Supervisory Committee Members and Outside Directors) was seven. In addition, at the 85th Ordinary General Meeting of Shareholders held on June 29, 2021, the restricted period under the restricted share remuneration plan was approved to change from “a period of minimum three years and maximum five years that starts from the payment date of common shares of the Company allotted under the agreement on allotment of shares with transfer restrictions entered into between the Company and each Eligible Director (hereinafter referred to as “Allotted Shares”) determined in advance by the Board of Directors of the Company” to “the period from the payment date of Allotted Shares to the date on which any of the Eligible Directors retires from both positions of Member of the Board of Directors and Vice President of the Company.” At the conclusion of the said General Meeting of Shareholders, the number of Members of the Board of Directors (excluding Audit and Supervisory Committee Members and Outside Directors) was six.

For persons receiving remuneration, etc., in a total amount exceeding 100 million yen, individual remuneration is disclosed in the Business Report (Attached Documents of the Convocation Notice for the Ordinary General Meeting of Shareholders (https://corporate.murata.com/ja-jp/ir/info/meetings))
and the Company’s Annual Securities Report (https://corporate.murata.com/ja-jp/ir/library/financial).

Policy for Determining Remuneration Amounts or Calculation Methods Thereof in FY 2024 is as follows.

・Basic policy for director remuneration system

The Company makes decisions at the Board of Directors about the decision policy on individual remuneration, etc. regarding the amount of remuneration, etc., of Directors of the Company and determination of its calculation methods, based on reports from the Remuneration Advisory Committee, which was established to enhance objectivity and transparency and to improve corporate governance.

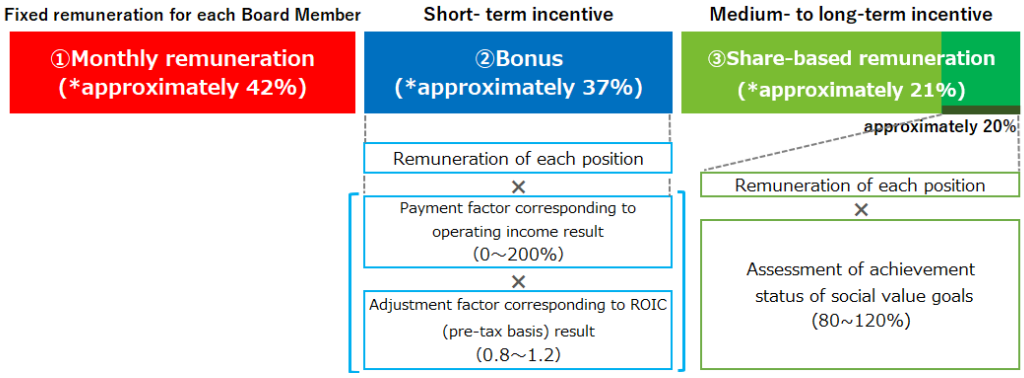
For details regarding the composition, duties and other key issues of the Remuneration Advisory Committee, please see “2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)” of “II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management” below.

Regarding the remuneration for Member of the Board of Directors and Vice Presidents of the Company, the Company makes it a basic policy to provide a system and level of remuneration that is considered suitable for executive-level managers of a globally competitive electronic equipment and component manufacturer in order to ensure recruitment of human talent considered to be excellent based on a comparison with same-industry competitors, to raise the morale and motivation to improve financial results and to contribute to the maximization of corporate value.

・Details of remuneration for Members of the Board of Directors who are not Audit and Supervisory Committee Members

＜Remuneration for Members of the Board of Directors (excluding Outside Directors)＞

Remuneration is comprised of (i) monthly remuneration, (ii) bonus, and (iii) share-based remuneration (non-monetary remuneration). The level and weighting of each is determined based on compensation benchmarks with companies of similar industry or size, using the Executive Compensation Database managed by the external compensation consulting company (WTW). The weighting of each type of remuneration for the President and Representative Director is roughly shown in the diagram below. The weightings for other inside directors who are not Audit and Supervisory Committee Members are determined according to their responsibilities and positions. Higher-ranking positions have a higher proportion of bonuses and share-based remuneration. The following weightings are based on the standard amounts for bonuses and share-based remuneration. The actual weightings for each type of compensation may differ from those shown below.



*In the case of the President and Representative Director

(i) Monthly remuneration:

- The monthly remuneration is a fixed remuneration of an amount individually decided for each Member of the Board of Directors based on a fixed amount for service as Member of the Board of Directors, and an amount that is decided based on consideration of the level of importance of each Member of the Board of Directors' business execution allocation and responsibility.
- Monthly remuneration is paid on a monthly basis.

(ii) Bonus:

- Bonus is cash remuneration that is provided as an incentive to create economic value in each fiscal year.
- The amount is calculated by multiplying a reference amount for each position by a factor (variable within a range of 0% to 200%) according to the level of achievement of the targets for the performance evaluation indicators.
- The performance evaluation indicators are consolidated operating profit and ROIC (pre-tax basis), which are indicators related to the Group-wide management targets for economic value outlined in the Mid-term Direction 2024. The Company selected these indicators in order to provide an incentive to increase revenue, which are accompanied by profit margins that the Company emphasizes, and efficiently generate profits from invested capital.
- In principle, is paid in June after the end of the fiscal year.

(iii) Share-based remuneration:

- Restricted shares are granted as non-monetary remuneration in order to increase the willingness to contribute to the continuous enhancement of share values and corporate value spanning the long term between the Company's Members of the Board of Directors and shareholders.
- The value granted is determined based on the base amount for each position.
- Because a portion of the share-based remuneration (approximately 20% of the total share-based remuneration) is based on an evaluation of initiatives related to the creation of medium- to long-term social value and ESG, every fiscal year the Remuneration Advisory Committee evaluates the progress of the initiatives for achieving the Group-wide management targets related to social value (Environment, Diversity, ES) in the Mid-term Direction 2024 and adjusts the amount of such portion within a range of ±20% of the reference amount set for each position.
- Share-based remuneration is, in principle, granted in July.
- Restrictions of the allotted restricted shares will be lifted when Eligible Members of the Board of Directors' term of both positions as Member of the Board of Directors and Vice President expires, or retires due to the compulsory retirement age or resigns.

＜Remuneration for Outside Directors＞

Remuneration for Outside Directors (excluding Audit and Supervisory Committee Members), who are in a position independent from business execution, consists of monthly remuneration only in consideration of their role. The level of the remuneration is determined by referring to the results, etc. of benchmarking against companies in a similar industry or scale.

- **Individual remuneration for Members of the Board of Directors who are Audit and Supervisory Committee Members**

Remuneration for Members of the Board of Directors who are Audit and Supervisory Committee Members (including Outside Directors) consists of monthly remuneration only in consideration of their role. Individual remuneration is determined through discussion among Members of the Board of Directors who are Audit and Supervisory Committee Members, in accordance with the provisions of Article 361, Paragraph 3 of the Companies Act.

- **Guidelines for the holding of shares**

From the perspective of strengthening the sharing of value with shareholders, the Company has recommended shareholdings as follows for Executive Directors. At the end of the FY 2023, the President and Representative Director holds shares equivalent of 270% of his fixed remuneration.

President and Representative Director: His or her target shall be to hold shares equivalent to 2.0 times fixed remuneration, within five years of being appointed to the relevant position

Other Executive Directors:	Their target shall be to hold shares equivalent to 1.5 times fixed remuneration, within five years of being appointed to the relevant position

・Repayment of remuneration, etc. (malus and clawback provision)

In order to ensure soundness of the remuneration system for Members of the Board of Directors, the Company has established a provision (a so-called malus and clawback provision) whereby, based on the decision of the Board of Directors following deliberations by the Remuneration Advisory Committee, the right to receive a bonus before it is paid and share-based remuneration before the transfer restrictions are lifted are fully or partially forfeited under certain circumstances, such as misconduct or retrospective adjustments to financial statements due to fraudulent accounting. This provision applies to bonuses to be paid and share-based remuneration to be allotted after the 86th Ordinary General Meeting of Shareholders held in June 2022 and will remain in effect for all periods thereafter.

Policy for Determining Remuneration Amounts or Calculation Methods Thereof Update	Established

Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof

The Company has engaged in discussions at the Remuneration Advisory Committee regarding the remuneration system for officers in seeking to facilitate dramatic growth toward Vision 2030 and sustained value creation looking beyond that horizon, enlisting practices of the Murata Philosophy, which serves as the Company's management philosophy. At its meeting held on April 30, 2025, the Board of Directors consequently resolved to revise the remuneration system for officers (hereinafter referred to as the "Revision"), applicable to Inside Directors who are not Audit and Supervisory Committee Members of the Company (hereinafter referred to as the "Eligible Directors"). The introduction of the performance-linked share-based remuneration (performamce share unit) plan included in Revision was approved at the 89th Ordinary General Meeting of Shareholders held on June 27, 2025. The revised remuneration program is as follows.

・Basic policy for director remuneration system

In order to create a remuneration system that supports the embodiment of "Innovator in Electronics" through the practice of the Company's philosophy, which aims for creating shared value with stakeholders to contribute to sustainable corporate value enhancement, the following basic policy for the director remuneration system shall be established.

- The director remuneration system should share the values of its stakeholders, including shareholders, employees, customers, society, and communities, etc.
- Short term incentive remuneration should maintain and deepen a corporate culture in which the Company's officers and employees work together autonomously, cooperate and collaborate toward sustainable company development through the creation of innovation
- Medium- to long-term incentive remuneration should increase Director's morale and motivation toward the creation of medium- to long-term economic value and social value
- The remuneration system should have a structure in which a highly independent Remuneration Advisory Committee proactively verifies the appropriateness of the director remuneration system structure and remuneration amounts from the perspective of medium to long-term value creation

・Details of remuneration for Members of the Board of Directors who are not Audit and Supervisory Committee Members

<Remuneration for Members of the Board of Directors (excluding Outside Directors) (Executive Directors)> Remuneration consists of fixed remuneration and variable remuneration. Variable remuneration consists of bonuses, performance-linked share-based remuneration (PSUs), and restricted stock remuneration (RSs). The remuneration level and composition ratio is based on the "Executive Compensation Database" operated by the external remuneration consulting company, WTW (Willis Towers Watson) and will be determined by performing benchmarks on corporations similar to the Company's type of industry and scale and verifying the validity. Furthermore, the composition ratio of remuneration elements of remuneration of the President and Representative Director is largely as shown in Figure 3. The composition ratio of remuneration elements for other inside Members of the Board of Directors who are not Audit and Supervisory Committee Members of the Company is set so that remuneration is higher for upper-ranking positions according to the responsibilities for each position.

Table 1: Overview of Executive Directors' Remuneration System and Variable Remuneration Mechanism

<table>
<tr><th colspan="3">Remuneration types</th><th>Overview and reasons for selection of performance-linked remuneration indicators</th></tr>
<tr><td>Fixed</td><td colspan="2">Basic remuneration</td><td>・Determined according to representative rights and position
・Paid monthly</td></tr>
<tr><td rowspan="3">Variable</td><td rowspan="2">Short-term</td><td>Bonuses</td><td>・Cash remuneration intended to serve as an incentive for creating economic value during each fiscal year
・The performance evaluation indicator is consolidated operating profit, which is the same calculation indicator as for employee bonuses and contributes to the growth of sales and revenue with the appropriate profit margins that the Company emphasizes.
・The payment amount is calculated by multiplying the performance value of the performance evaluation indicator by a predetermined position-specific multiplier as described below. However, the range of the payment amount is 0% to 200% of the base amount determined for each position.
Bonus payment amount = Consolidated operating profit x Position-specific multiplier
・In principle, bonuses are paid in June after the end of the fiscal year.</td></tr>
<tr><td rowspan="2">Medium-term</td><td>Performance-linked share-based remuneration (PSU)</td><td>・Share-based remuneration intended to serve as an incentive for medium-term corporate value enhancement over three consecutive fiscal years
・The performance evaluation indicators are Average ROIC (after-tax basis), Relative TSR and Sustainability Indicators. The reasons for their selection are as shown in Table 2.
・In each year of service, standard share units (1 unit = 1 share of the Company's stock) equivalent to a predetermined base amount by position are granted, and three years after these are granted, the number of confirmed stock units to be delivered is determined by multiplying by a payment rate (varying from 0% to 200%) according to the achievement status of performance evaluation indicator targets. 50% of the confirmed stock units will be delivered as shares, and the remainder will be paid in cash for the purpose of covering tax expenses.
However, for Sustainability Indicators, we have set an individual evaluation period of one year (the first year of the performance evaluation period). The reason is stated in the note on Table 2.</td></tr>
<tr><td></td><td>Number of shares delivered = Standard share units x Payment rate x 50%</td></tr>
</table>

			Cash payment amount = (Standard share units x Payment rate – Number of shares delivered) x Share price at time of delivery ・In principle, standard share units are granted in July.
	Long-term	Restricted share remuneration (RS)	・Share-based remuneration intended to enhance long-term value sharing between Member of the Board of Directors and shareholders and to increase motivation to contribute to the sustainable enhancement of corporate value ・The transfer restriction on the granted RS will be lifted when Member of the Board of Directors and Vice President retire from both positions due to expiration of term or mandatory retirement, etc. ・The grant value of RS is determined according to the base amount for each position. ・In principle, RS is granted in July.

(Notes) 1. PSU is an abbreviation for Performance Share Unit. 2. RS is an abbreviation for Restricted Stock.

Table 2: Reasons for Selection of PSU Performance Evaluation Indicators, Evaluation Weights, and Payment Rates

Performance evaluation indicators	Reasons for selection	Evaluation weight	Range of payment rate	Each evaluation period
Average ROIC (after-tax basis)	Generation of economic value with an emphasis on capital efficiency.	50%	0%-200%	3 years
Relative TSR	Sustainable enhancement of corporate value	30%	0%-200%	3 years
Sustainability Indicators	Generation of social value	20%	0%-200%	1 year

(Note) For Sustainability Indicator s, the Company has set an individual evaluation period of one year (the first year of the performance evaluation period) from the perspective of evaluating measures for each fiscal year the social value targets set forth in the Company's Mid-term Direction 2027. Therefore, although it will be evaluated on a single fiscal year, the Company's shares will be delivered after end of the three consecutive fiscal years, which is the performance evaluation period

Table 3: Remuneration Composition Ratio for President and Representative Director

	Fixed remuneration	Variable remuneration		
		<---------->		
Remuneration composition ratio	Basic remuneration Approx. 28%	[Short-term] Bonuses Approx. 25%	[Medium-term] Performance-linked share-based remuneration (PSU) Approx. 33%	[Long-term] Restricted share remuneration (RS) Approx. 14%
Payment format	Cash		Shares + Cash	Shares

(Notes) 1. This remuneration composition ratio is based on the standard amount for bonuses and share-based remuneration. 2. 50% of the performance-linked share-based remuneration will be paid in cash for the purpose of covering tax expenses.

<Remuneration for Outside Directors>
Remuneration for Outside Directors (excluding Audit and Supervisory Committee Members) independent of the Company's business execution consists only of basic remuneration, in light of their role. The level is determined with reference to benchmark results and other information from companies of similar industry or size. However, each Outside Director will be paid additional allowances, such as a Chairman's allowance or a Committee Member's allowance, depending on their responsibilities, such as being the Chairman of the board or a member of a voluntary committee.

・ **Individual remuneration for Members of the Board of Directors who are Audit and Supervisory Committee Members (including Outside Directors who are Audit and Supervisory Committee Members)**
Remuneration for Members of the Board of Directors (including Outside Directors) who are Audit and Supervisory Committee Members consists only of basic remuneration, in light of their role. Individual remuneration is determined according to discussions between Members of the Board of Directors who are Audit and Supervisory Committee Members, pursuant to the provisions of Article 361, Paragraph (3) of the Companies Act. 35

・**Guidelines for the holding of shares**
From the perspective of strengthening the sharing of value with shareholders, the Company has recommended shareholdings as follows for Executive Directors.

President and Representative Director: His or her target shall be to hold shares equivalent to 3.0 times fixed remuneration, within five years of being appointed to the relevant position, and must continue to hold, at minimum, shares at or above the required level after reaching the standard.

Other Executive Directors: Their target shall be to hold shares equivalent to 1.5 times fixed remuneration, within five years of being appointed to the relevant position, and must continue to hold, at minimum, shares at or above the required level after reaching the standard.

・**Repayment of remuneration, etc. (malus and clawback clause)**
In order to ensure the soundness of the directors' remuneration system, the Company has established the malus and clawback clause, which stipulates that, based on the decision of the Board of Directors following deliberations by the Remuneration Advisory Committee, all or part of variable remuneration will be forfeited or repaid regardless of whether it has been paid or delivered under certain circumstances, such as misconduct or retrospective adjustments to financial statements due to fraudulent accounting. Remuneration types to which this provision applies were the right to receive a bonus before it was paid and the share-based remuneration before the lifting of transfer restrictions after the 86th Ordinary General Meeting of Shareholders held in June 2022. However, after the 89th Ordinary General Meeting of Shareholders held in June 2025, they will be variable remuneration paid or delivered from fiscal 2025 onward, and the target period will be the fiscal year in which the relevant event occurred and the three preceding fiscal years.

[Supporting System for Outside Directors]
Activities of Outside Directors are assisted by the General Administration Department, and the Outside Directors who are Audit and

Supervisory Committee Members are assisted with their duties by dedicated staff.

To improve the effective of the Board of Directors, we are undertaking the following actions.

・Pre-meeting explanations*
・Board of Outside Directors Meetings
・On-site visits
・providing information about the Company's business operations, mechanisms
・Announcing important internal events and sharing the details

*Initiatives to brief Outside Directors prior to Board of Directors meetings on key agenda items, especially those with significant information gaps between Inside and Outside Directors, as well as other relevant matters

[Status of Persons Who Have Retired as Representative Director and President]

Names and other information regarding Former Representative Director and President as Senior Corporate Advisor (*Sodanyaku*), Corporate Advisor (*Komon*), or similar position

Name	Position/ Title	Description of tasks	Working format and conditions (full/part time; with/without remuneration, etc.)	Date of retirement from President or similar position	Term of Office
Tsuneo Murata	Executive Corporate Advisor	Appointment to Directors in industrial or public organizations approved by the Company, and philosophy education	Part-time, with remuneration	2020/06/26	Renewed annually

Number of Former Representative Director and President as Senior Corporate Advisor (*Sodanyaku*), Corporate Advisor (*Komon*), or similar position	1

Other items

Tsuneo Murata, who is Executive Corporate Advisor, is not involved in management decision-making. 2020/06/26 is the date he retired from President.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)・ Update

The Company has long made efforts to strengthen its corporate governance. Initiatives include efforts to strengthen executive and supervisory functions and increase the transparency of management by establishing a Vice President system (in 2000), appointing Outside Officers (first Outside Statutory Auditors appointed in 1971 and Outside Directors in 2001), and establishing a Remuneration Advisory Committee (2004) and a Nomination Advisory Committee (2015). For its organizational design, the Company adopted "Company with an Audit and Supervisory Committee" structure in 2016 to reinforce the Board of Directors function and the supervisory function.

In a Company with an Audit and Supervisory Committee, we believe that while decisions on important matters for execution are made by the Board of Directors, delegation of decisions on specific execution matters to Executive Directors allows the Board of Directors to focus more on discussion relating to company-wide management policies and business strategies, and on supervision of business execution, and also enables swifter management judgment and a more flexible business execution.
In addition, Member of the Board of Directors who are Audit and Supervisory Committee Members hold voting rights on agendas at the Board of Directors and rights to express their opinions as the Audit and Supervisory Committee concerning appointment and remuneration of Member of the Board of Directors at General Meetings of Shareholders. We believe that this ensures strong supervisory functions by Executive Directors.

For an organization chart of the summary of structure of corporate governance system, please see "Reference material" of "V. Other" below.

【Board of Directors】
The Board of Directors decides on the basic management direction and important matters for execution, and also delegates decisions on specific execution matters to Executive Directors, in order to strengthen monitoring functions and realize swifter management judgments and a more flexible business execution.
The Company's basic policy is to form the Board of Directors with a necessary and sufficient number of members for the sake of substantial and active discussions at its meetings and secure a balance and diversity of knowledge, experience, and capabilities of the Board of Directors, as a whole. Further, for the purpose of ensuring management transparency and enhancing the supervisory function of the Board of Directors, the composition (%) of the Board of Directors is set as follows:
— Ratio of Outside Directors: 50% or more
— Ratio goal for female Members of the Board: 30% or more by 2030

・Criteria for selection of candidates for Members of the Board of Directors
The Company appoints as senior management people who have the knowledge, experience, and qualities to contribute to business execution, taking into consideration the business content, scale, and management environment, etc., of the Company. Also, personnel with knowledge, experience, and qualities that can contribute to enabling the Board of Directors to function (determination of basic management principles and important business execution, as well as supervision of execution of duties of Members of the Board of Directors) are selected as candidates for Members of the Board of Directors based on the policy for composition of the Board of Directors prescribed in the preceding paragraph.

<Criteria for selection of Outside Directors>
In addition to the above, the Company makes sure to satisfy the independence standards set by the Tokyo Stock Exchange as well as by the Company. The Company also considers that by its criteria for selection, adequate time can be secured for the execution of duties as a member of the Board, and that attendance at the meetings of the Board of Directors can be expected to be over 75%.

<Criteria for selection of Members of the Board of Directors who are Audit and Supervisory Committee Members>
In addition to the above, the Company selects personnel with a wealth of knowledge and experience regarding management administration and business operations who have qualities that can contribute to improvement in the soundness and transparency of management and audit the business execution of Members of the Board of Directors from a fair and objective standpoint. A majority of the candidates for Members of the Board of Directors who are Audit and Supervisory Committee Members nominated by the Company are Outside Directors.

・Nomination procedures of candidates for Members of the Board of Directors
With the intent of improving the independence, objectivity, and accountability of the functions of the Board of Directors regarding the nomination of Members of the Board of Directors, including President and Representative Director (CEO), the Company established a Nomination Advisory Committee as an advisory organ of the Board of Directors.
The committee considers the following agenda items, and reports its findings to the Board of Directors.
— Criteria for selection of candidates for Members of the Board of Director
— Criteria for Independence of Outside Directors
— Nomination of candidates for Members of the Board of Directors
— Nomination of candidates for Representative Directors and executive Members of the Board of Directors

In addition to the above, the Committee considers and supervises succession plans for the President and Representative Director (CEO) as well as supervises the selection of Vice Presidents.

President and Representative Director reports on the succession plan for CEO to the Committee once a year. Independent Outside Directors, who are the Nomination Committee Members, appropriately exercise their supervisory functions by being involved in the process of succession plan through verification and recommendation. This enhances the objectivity of proposal of a candidate for CEO by execution and ensures the independence and objectivity of the selection of CEO by the Board of Directors.

To deliberate on the nomination of candidate Members of the Board of Directors, the skill matrix is employed. The Company regularly reviews the skill items that indicate the particular fields in which Members of the Board of Directors should demonstrate their roles, and the knowledge, experience and viewpoints that become preconditions for the above in light of the Company's strategy and situations.

・Composition and status of attendance of the Board of Directors

The Board of Directors is made up of the following twelve Members below as of now and six of them are Independent Outside Directors. The Board is chaired by Takashi Nishijima who is an Independent Outside Director.

Name	Position in the Company	Status of attendance in FY2024 (13 meetings in all)
Takashi Nishijima ◎	Outside Director	13/13(100%)
Norio Nakajima	President and Representative Director	13/13(100%)
Hiroshi Iwatsubo	Executive Deputy President and Representative Director	13/13(100%)
Masanori Minamide	Executive Deputy President and Representative Director	13/13(100%)
Hiroshi Izumitani	Director	10/10(100%)
Takaki Murata	Director	10/10(100%)
Yuko Yasuda	Outside Director	13/13(100%)
Hiroyuki Ina	Outside Director	10/10(100%)
Yoshiro Ozawa	Director (Audit and Supervisory Committee Member) (Standing)	13/13(100%)
Takatoshi Yamamoto	Outside Director (Audit and Supervisory Committee Member)	13/13(100%)
Naoko Munakata	Outside Director (Audit and Supervisory Committee Member)	13/13(100%)
Seiichi Enomoto	Outside Director (Audit and Supervisory Committee Member)	10/10(100%)

(Notes) 1.◎ after the name means the person is the chairperson.
2. Effective June 27, 2024, Hiroshi Izumitani, Takaki Murata, and Hiroyuki Ina were newly appointed as members of the Board of Directors, and Seiichi Enomoto as member of the Board of Directors and of the Audit and Supervisory Committee. Accordingly, the number of Board of Directors meetings that they were required to attend varies.
3. For both Tsuneo Murata, who retired from the positions as member of the Board of Directors effective June 27, 2024, and Hyo Kambayashi, who retired from the positions as member of the Board of Directors, the Audit and Supervisory Committee also effective June 27, 2024, the attendance rate in FY2024 was 100% with attendance at three out of a total of three meetings.
4. Tsuneo Murata chaired all the 3 meetings of the Board of Directors that he attended.
5. Takashi Nishijima chaired all the 10 meetings of the Board of Directors that he attended, since June 27, 2024.
6. In FY 2024, in addition to the number of meetings of the Board of Directors in the table above, one resolution is deemed to have been made by the Board of Directors by written resolution based on the provisions of Article 370 of the Companies Act and Article 25 the Articles of Incorporation of the Company.

・Activities of the Board of Directors in FY2024

Main contents of discussion	Period
Deliberation and formulation of the Medium-Term Direction	July and September
Business portfolio and status of M&As	June, December, and February
Financial strategy and IR activities（Status of Dialogue with Shareholders and Investors etc.）	April and December
Strategies and initiatives for sustainability	April, May, September, and November
Strategies and initiatives for human capital	March
Strategies and initiatives for intellectual property	November
Promoting Digital Transformation	December and February
Structure and status of group-wide risk extraction and evaluation	June and February
Nominating candidates for Directors (including reports of advisory committees and activity reports)	April and February
Remuneration system for officers (including reports of advisory committees and activity reports)	May and July
Corporate governance and internal control	April, May, June, and December
The role and effectiveness of the Board of Directors	February and March

(Note) For some of the subjects, meetings are also set up outside of the Board meetings (off-site meetings) for discussion by all the Directors.

・Policies and procedures in the determining remuneration for Directors

For details regarding policies and procedures in the determining remuneration for Directors Composition, please see “Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof” of “Director Remuneration” above.

・Analysis and Evaluation of Effectiveness of the Board of Directors

The Company endeavors to improve the effectiveness of the Board of Directors by conducting an annual analysis and evaluation of the effectiveness of the Board of Directors as a whole. Please refer to “I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information [Disclosure Based on the Principles of the Japan’s Corporate Governance Code] Supplementary Principle 4-11-3: Analysis and Evaluation of Effectiveness of the Board of Directors” above for a summary of the procedures and results.

・Summary of liability limitation agreements

The Company has entered into liability limitation agreement with Members of the Board of Directors (excluding those who are the executive officers) to restrict liabilities for damages as stipulated by Article 423, Paragraph 1 of the Companies Act based on the provisions of Article 427, Paragraph 1 of the Companies Act. The liability limit under these agreements is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

【Voluntary Committees on nomination and remuneration of Members of the Board of Directors】

With the intent of improving the independence, objectivity, and accountability of the functions of the Board of Directors regarding the nomination and remuneration of Members of the Board of Directors, the Company has established a Nomination Advisory Committee and Remuneration Advisory Committee as advisory organs of the Board of Directors.

・Nomination Advisory Committee

The Nomination Advisory Committee considers criteria for selection of candidates for Members of the Board of Directors, independence standards for Independent Outside Directors, nomination of Members of the Board of Directors, nomination of Representative Directors and executive Members of the Board of Directors, and succession plans for the President and Representative Director, and reports its findings to the Board of Directors.

The committee also considers the skill matrix of the Board of Directors and other key issues from the perspective of human resources so that the Board of Directors can continue to perform its functions, and supervises the appointment of Vice Presidents.

The members of the committees are selected by the Board of Directors from among its Members and Independent Outside Directors comprise the majority of the committee members in order to ensure the independence of the committees. Furthermore, the chairperson is an Outside Director.

<Composition and status of attendance of the Nomination Advisory Committee>

The committee is made up of the following four Members as of now and three of them are Independent Outside Directors. The committee is chaired by Takashi Nishijima who is an Independent Outside Director.

Name	Position in the Company	Status of attendance in FY2024 (9 meetings in all)
Takashi Nishijima◎	Outside Director	8/9(89%)
Masanori Minamide	Executive Deputy President and Representative Director	9/9(100%)
Yuko Yasuda	Outside Director	9/9(100%)
Takatoshi Yamamoto	Outside Director (Audit and Supervisory Committee Member)	9/9(100%)

(Notes) 1.◎ after the name means the person is the chairperson.
2. For Tsuneo Murata, who retired from the positions as member of the Board of Directors and the Nomination Advisory Committee effective June 27, 2024, the attendance rate in FY2024 was 100% with attendance at two out of a total of two meetings.
3. Tsuneo Murata chaired all the 2 meetings of the Nomination Advisory Committee that he attended.
4. Takashi Nishijima chaired all the 7 meetings of the Nomination Advisory committee that he attended , since June 27, 2024.
5. The Nomination Advisory Committee and the Remuneration Advisory Committee held a joint meeting four times in FY 2024. Of the number of attendance presented above, attendance at the said joint meeting was one for Tsuneo Murata, and four for Masanori Minamide, Yuko Yasuda, Takatoshi Yamamoto and Takashi Nishijima.

<Activities of the Nomination Advisory Committee in FY2024>

Main contents of discussion	Period
Determination of activity plans for the Committee for the 89th term	September
Consideration of skill matrix and skills	September
Board succession	April, September, December, and February
Succession plans for the President and Representative Director	December
Determination of 360-degree evaluation of the President and Representative Director, and evaluation of the President and Representative Director for FY2024 (jointly with the Remuneration Advisory Committee)	June, December, January, and February
Report on the nomination of Members of the Board of Directors, and Representative Directors and executive Members of the Board of Directors	February

(Notes) 1. The 89th term refers to the period starting from the 88th Ordinary General Meeting of Shareholders held on June 27, 2024 until the 89th Ordinary General Meeting of Shareholders held on June 27, 2025.
2. In June, December, January, and February, a joint meeting for the Nomination Advisory Committee and the Remuneration Advisory Committee was held in addition to the meeting of the Nomination Advisory Committee.

・Remuneration Advisory Committee

The Remuneration Advisory Committee deliberates on the remuneration system and levels for Members of the Board of Directors and reports its findings to the Board of Directors, and is entrusted from the Board of Directors to decide on the amounts of individual remuneration.

The members of the committees are selected by the Board of Directors from among its Members and Independent Outside Directors comprise the majority of the committee members in order to ensure the independence of the committees. Furthermore, the chairperson is an Outside Director.

For details regarding policies and procedures in the determining remuneration for Members of the Board of Directors Composition,

please see “Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof” of “Director Remuneration” above.

<Composition and status of attendance of the Remuneration Advisory Committee>

The committee is made up of following four Members as of now and three of them are Independent Outside Directors. The committee is chaired by Yuko Yasuda who is an Independent Outside Director.

Name	Position in the Company	Status of attendance in FY2024 (14 meetings in all)
Yuko Yasuda ◎	Outside Director	14/14(100%)
Masanori Minamide	Executive Deputy President and Representative Director	14/14(100%)
Takashi Nishijima	Outside Director	14/14(100%)
Naoko Munakata	Outside Director (Audit and Supervisory Committee Member)	9/9(100%)

(Notes) 1. ◎ after the name means the person is the chairperson.
2. Effective June 27, 2024, Naoko Munakata was newly appointed as members of the Remuneration Advisory Committee, the number of Remuneration Advisory Committee meetings that they were required to attend varies.
3. For both Tsuneo Murata, who retired from the positions as member of the Board of Directors and the Remuneration Advisory Committee effective June 27, 2024, and Hyo Kambayashi, who retired from the positions as member of the Board of Directors, the Audit and Supervisory Committee, and the Remuneration Advisory Committee also effective June 27, 2024, the attendance rate in FY2024 was 100% with attendance at five out of a total of five meetings.
4. The Nomination Advisory Committee and the Remuneration Advisory Committee held a joint meeting four times in FY 2024. Of the number of attendance presented above, attendance at the said joint meeting was one for both Tsuneo Murata and Hyo Kambayashi, three for Naoko Munakata, and four for Masanori Minamide, Yuko Yasuda, and Takashi Nishijima.

<Activities of the Remuneration Advisory Committee in FY2024>

Main contents of discussion	Period
Determination of individual bonus amounts for Directors for the 88th term	May
Reporting of decision policy of Director remuneration for the 89th term	April
Consideration and reporting of the reference amount of officer remuneration for the 89th term	April, May, and June
Consideration and reporting of bonus targets for the 89th term	April and May
Assessment of progress in achieving social value goals, and consideration and reporting of share-based remuneration targets for the 89th term	May and June
Consideration and determination of the individual reference amount for Directors, etc. for the 89th term	June and July
Determination of activity plans for the Committee for the 89th term	July
Verification of the latest trends surrounding Director remuneration	July and October
Determination of 360-degree evaluation of the President and Representative Director, and evaluation of the President and Representative Director for FY2024 (jointly with the Nomination Advisory Committee)	June, December, January, and February
Consideration of revision of Director remuneration taking into account issues and trends	April, July, October, September, January, February, and March

(Notes) 1. The 88th term refers to the period starting from the 87th Ordinary General Meeting of Shareholders held on June 29, 2023 until the 88th Ordinary General Meeting of Shareholders held on June 27, 2024.
2. The 89th term refers to the period starting from the 88th Ordinary General Meeting of Shareholders held on June 27, 2024 until the 89th Ordinary General Meeting of Shareholders held on June 27, 2025.
3. In June, December, January, and February, a joint meeting for the Nomination Advisory Committee and the Remuneration Advisory Committee was held in addition to the meeting of the Remuneration Advisory Committee.

【Auditing system】

・Audit and Supervisory Committee

Based on the audit policies and planning to be formulated every fiscal year, the Audit and Supervisory Committee examines the Companies' operations as well as the status of property, in cooperation with corporate internal control-related departments. In addition, the Committee regularly holds meetings with the Internal Audit Department (Office of Internal Audit) to ensure a close cooperation between them by mutually reporting the audit planning and the status of implementation, etc. With examining the status of execution of duties by directors and executive officers, etc., and the status of development and operation of the internal control system, the Committee conducts audits concerning the legality and appropriateness of execution of duties by Members of the Board of Directors as well as the reasonableness of Independent Auditors' audit approach and their results; and prepares Audit Reports. The Committee also discusses key audit matters with auditors, and receives reporting on their auditing status, and then requests their explanation as necessary.

The Audit and Supervisory Committee assigned one of its members respectively to the voluntarily established Nomination Advisory Committee and the Remuneration Advisory Committee for the matters of the nomination, etc. of candidates for the Company's Members of the Board of Directors (excluding Members of the Board of Directors who are Audit and Supervisory Committee Members) and their remuneration, etc. In addition, after receiving reports from the respective secretariats, the Audit and Supervisory Committee confirms the details of that deliberation.

The Audit and Supervisory Committee verifies that the nomination of candidates for Members of the Board of Directors is based on an evaluation of each candidate's status of business execution and business performance for the current fiscal year, the candidate's comments in meetings of the Board of Directors, and the candidate's career history, etc. up until present, and that remuneration for Members of the Board of Directors is based on such matters as the remuneration standards and system, as well as the specific calculation method for the amount of remuneration, before forming its opinions and expressing them at General Meeting of Shareholders.

The Committee also holds meetings with Representative Directors on a regular basis, receives explanations of management policies, growth strategies, etc. and actively exchanges opinions.

Full-time committee members are present at material meetings of the Management Committee, the Internal Control Committee, the CSR Management Committee, and the Risk Management Committee and inspect material approved documents. They also audit the status of execution of operations by methods such as visiting and interviewing Members of the Board of Directors, Vice Presidents, and key employees of the Company and its subsidiaries, and report the results to the Audit and Supervisory Committee. We strive to enhance the Companies' audit activities by these methods.

To ensure the effectiveness of audits by the Audit and Supervisory Committee, the Company has established the Office of Audit and Supervisory Committee to assist the Committee in its duties and has stationed a considerable number of employees. The employees do not receive supervision or orders from the Executive Directors, and the Executive Directors must consult on matters concerning human affairs of the employees with the Committee and obtain its consent. Moreover, we have a system for reporting to the Committee, and do not detrimentally treat persons who make reports on the grounds of the reports.

・Composition and status of attendance of the Audit and Supervisory Committee

The committee is made up of following four Members as of filing date and three of them are Independent Outside Directors. The committee is chaired by Yoshiro Ozawa and he is a standing member of the Committee. Yoshiro Ozawa has experience in finance and accounting operations at the Company; Takatoshi Yamamoto has many years of experience as a security analyst; and Seiichi Enomoto is qualified as a certified public accountant. Each of them has an appreciable extent of knowledge on finance and accounting.

Name	Position in the Company	Status of attendance in FY2024 (10 meetings in all)
Yoshiro Ozawa ◎	Director Chairman of the Audit and Supervisory Committee (standing)	10/10(100%)
Takatoshi Yamamoto	Outside Director (Audit and Supervisory Committee Member)	10/10(100%)
Naoko Munakata	Outside Director (Audit and Supervisory Committee Member)	10/10(100%)
Seiichi Enomoto	Outside Director (Audit and Supervisory Committee Member)	7/7(100%)

(Notes) 1.◎ after the name means the person is the chairperson.

2. Effective June 27, 2024, Seiichi Enomoto was newly appointed as members of the Board of Directors and of the Audit and Supervisory Committee, the number of Audit and Supervisory Committee meetings that they were required to attend varies.

3. For Hyo Kambayashi, who retired from the positions as member of the Board of Directors, the Audit and Supervisory Committee effective June 27, 2024, the attendance rate in FY2024 was 100% with attendance at three out of a total of three meetings.

・Status of internal audits

The Companies' internal audits are conducted by the Office of Internal Audit (15 members), which was established as an independent organization. The Office of Internal Audit establishes risk-based audit policies and plans after discussions with the Audit and Supervisory Committee and Independent Auditors, and on the basis of these, evaluates and monitors whether the Companies' operations are appropriately and efficiently conducted under laws and regulations, internal regulations of the Company, and other rules with the cooperation of the departments involved in the Company's internal control. The Office also reports the results of these activities to Representative Directors, the Board of Directors, and the Audit and Supervisory Committee.

・Status of accounting audits

For accounting audits in FY 2024, the Company has entered into an audit agreement with Deloitte Touche Tohmatsu LLC. The audits are conducted by Certified Public Accountants Seiji Kawazu, Yuya Minobe and Kohei Nishida, who are designated limited liability partners and executive partners, with assistance from 22 certified public accountants, ten associate members of the Japanese Institute of Certified Public Accountants, and 50 others. The Company receives legal audits pursuant to the Financial Instruments and Exchange Act and the Companies Act, and continually identifies issues related to accounting treatment and audits.

The rotation of executive partners has been appropriately implemented, and they are not involved in audit work for more than seven consecutive fiscal terms in principle. In addition, the head of executive partners is not involved in audit work for more than five consecutive fiscal terms.

The Audit and Supervisory Committee collects information on the audit firm's independence, quality management status, appropriateness of work performance systems, and audit implementation status in the current fiscal year from the Accounting & Controller and Finance departments, the Internal Audit Department, and the audit firm to evaluate whether the corporation can appropriately perform its duties in the following fiscal year.

The Committee determined that Deloitte Touche Tohmatsu LLC, the present Independent Auditor, can appropriately perform its duties both in FY 2024 and FY 2025, and it is appropriate to reappoint the corporation as the Independent Auditor.

(Policy on determining dismissal or non-reappointment of the Independent Auditor)

The Audit and Supervisory Committee shall dismiss the Independent Auditor by the unanimous consent of all the Audit and Supervisory Committee Members if the Independent Auditor falls under any of the items in Article 340, Paragraph 1 of the Companies Act, and if the Audit and Supervisory Committee deems the dismissal to be appropriate. Further, if the Independent Auditor is judged to be unable to properly perform its duties based on predetermined evaluation items, the Audit and Supervisory Committee shall decide on the contents of the proposal regarding dismissal or non-reappointment of the Independent Auditor to be submitted to the General Meeting of Shareholders.

The total amount of audit fees payable to Deloitte Touche Tohmatsu LLC by the Company is determined by taking into account the maintenance of independence of the audit firm, the characteristics of operations, and the number of days of audits.

The Audit and Supervisory Committee agrees on the amount of audit fees for FY 2024 after receiving an explanation on audit quotations from the Independent Auditor, the Accounting & Controller and Finance departments, and the Internal Audit Department and conducting necessary verification of the content of the Independent Auditor's audit plans, the performance status of its accounting audit duties and whether the calculation bases of the audit quotations is appropriate.

【Execution Structure】

・Management Committee
The Management Committee is a body that deliberates management policies and planning, important business execution matters, and other subjects to assist the Board of Directors and Executive Directors in their decision-making. Also, the Committee receives material information affecting management of the Company as well as reports that include status of business execution, and gives necessary instructions. The Committee is chaired by Norio Nakajima who is President and Representative Director.

・Vice Presidents
Vice Presidents shall execute their assigned duties under the direction of Executive Directors. Vice Presidents shall execute faithfully and with integrity the duties assigned to them as Vice Presidents and strive for enhancement of the Company's corporate value not only through their assigned duties but also from a company-wide perspective.

・CSR Management Committee
The CSR Management Committee has been established to continuously and systematically promote CSR management, including initiatives related to sustainability, and further entrench CSR within the company and serves as a main office to handle issues outside the company. The CSR Management Committee regularly reports to the Board of Directors regarding the status of its activities. The Committee is chaired by Norio Nakajima who is President and Representative Director.

・Risk Management Committee
The Risk Management Committee discusses company-wide risks that may affect Murata's business activities and corresponding countermeasures. It regularly reports to the Board of Directors and the Management Committee regarding the status of its activities. The Committee is chaired by Norio Nakajima who is President and Representative Director.

・Internal Control Committee
The Internal Control Committee is responsible for the maintenance and continual improvement of the system to secure the appropriateness of the company's operation (the internal control system) and evaluates and examines the status of the maintenance and operation of the system. The Internal Control Committee regularly reports to the Board of Directors regarding the status of its activities. The Committee is chaired by Masanori Minamide who is a Executive Deputy President and Representative Director of the Company.
For details of a basic policy regarding the maintenance of a system to secure the appropriateness of company operations (internal control system), please see "1. Basic Views on Internal Control System and Progress of System Development" of "IV. Matters Related to Internal Control System"

3. Reasons for Adoption of Current Corporate Governance System

Please see "2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)" above.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Energize General Meeting of Shareholders and Smooth Exercise of Voting Rights

	Supplementary Explanation
Early Notification of General Meeting of Shareholders	In principle, Japanese and English versions are posted on the Company's website and so forth at least approximately four weeks prior to the date of the General Meeting of Shareholders. In addition, as a rule, the paper copy version is dispatched at least approximately three weeks prior to the date of the General Meeting of Shareholders.
Allowing Electronic or Magnetic Exercise of Voting Rights	Voting rights may be exercised by accessing the Internet from a personal computer, smartphone, or other device.
Participation in Electronic Voting Platform and Other Efforts to Enhance the Voting Environment for Institutional Investors	The Company participates in the electronic voting platform (ICJ) for institutional investors. Both Japanese and English versions of the Convocation Notice are posted on ICJ.
Providing Convocation Notice in English (Translated Fully or Partially)	An English Convocation Notice is prepared, and alongside the Japanese Convocation Notice, is posted on the Tokyo Stock Exchange, ICJ, and the Company's website.

2. IR Activities Update

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	・The Company's basic policy is to disclose information to stakeholders, including shareholders and investors, in a timely and appropriate manner. ・The Company observes relevant laws and regulations, such as the Financial Instruments and Exchange Act, fair disclosure rules, and the timely disclosure rules of the Tokyo Stock Exchange and Singapore Exchange, on which the Company's shares are listed. The Company also strives to disclose information that it judges to be effective for understanding the Company, even if it does not correspond to the relevant laws and regulations or the timely disclose rules. ・A disclosure policy has been established, stipulating policies and methods, etc., for information disclosure. The disclosure policy is posted on the Company's website. https://corporate.murata.com/en-global/ir/management_policy/disclosure ・The Company ensures in managing information of unreleased important facts based upon its internal regulations defined with the purpose of preventing insider trading.	
Regular Investor Briefings for Individual Investors	・Corporate information meetings are held for individual investors. Also, the Company sees general meetings of shareholders as an IR occasion to deepen individual investors' understanding of the Company. ・Materials and videos of information meetings for analysts and institutional investors are disclosed on the Company's website as a means of providing information to individual investors.	
Regular Investor Briefings for Analysts and Institutional Investors	・As an opportunity for dialogue with institutional investors, a corporate information meeting is held by top management and officers in charge of IR once a year, and an earnings release conference is held every quarter. At the corporate information meeting for FY 2024, the Company disclosed the economic and social value targets of the Medium-Term Direction 2027 and presented the associated strategies. In FY 2023, a briefing dedicated to the Company's ESG initiatives was also held. ・Regarding dialogue with institutional investors, the Company strives to facilitate participation by Directors within a reasonable scope. ・The department responsible for IR coordinates between the management strategy division and each business division, as well as the division responsible for public relations, the sustainability promotion division, the general administration division, etc. and carries out information collection and information dissemination as required to promote constructive dialogue with shareholders and investors.	Provided
Regular Investor Briefings for Overseas Investors	・We conduct annual visits to overseas institutional investors (overseas roadshows) with representative directors and other executives as speakers, and hold occasional individual meetings with institutional investors in North America, Europe, and Asia.	Provided

Posting of IR Materials on Website	・Materials for corporate information meetings, earnings release conferences, and other information are posted on the Company's website to provide wide public disclosure. https://corporate.murata.com/en-global/ir
Establishment of Department and/or Manager in Charge of IR	・Department responsible for IR: Strategic Finance Department Investor Relations Section ・Officer in charge of IR: Masanori Minamide, an Executive Deputy President and Representative Director of the Company. ・Contact office representative: Kaori Kitasumi, General Manager, Strategic Finance Department
Other	・Feedback and opinions received from shareholders and investors through IR activities are reported to the Board of Directors appropriately as necessary.

3. Measures to Ensure Due Respect for Stakeholders Update

	Supplementary Explanations
Provisions to Ensure Due Respect for Stakeholders in Internal Rules, etc.	The Company stipulates their views about relationship with stakeholders in "Corporate Governance Guidelines."
Implementation of Environmental Activities, CSR Activities, etc.	Murata has established its "Sustainability Philosophy" to express the thoughts it has cherished since its foundation, on realization of a sustainable society and improvement of corporate value. We will continue to aim for sustainable growth together with society by incorporating into our management strategy resolutions to social issues in ways that only Murata can contribute and conduct business in harmony with the stakeholders. Please also refer to the following parts of "[Supplementary Principle 3-1-3: Initiatives on Sustainability]" mentioned above. (1) Initiatives on Sustainability (4) Responses to climate change (Described in "1. Basic Views [Disclosure Based on the Principles of the Japan's Corporate Governance Code]" of "I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information.")
Formulation of Policies for Information Provision to Stakeholders	The Company has established a disclosure policy and stipulated information disclosure policies, methods, etc.
Other	For information about policies for human resource development and internal environment development to ensure diversity, the status of their implementation, and initiatives to boost the promotion of women, foreign nationals and mid-career hires to managerial positions, as well as the current conditions, please see "[Supplementary Principle 2-4-1: Ensuring Diversity in the Promotion to Core Human Resources]" above. ("1. Basic Views [Disclosure Based on the Principles of the Japan's Corporate Governance Code]," "I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information")

IV. Matters Related to Internal Control System

1. Basic Views on Internal Control System and Progress of System Development

The Company's Board of Directors has defined a basic policy regarding the maintenance of a system to secure the appropriateness of company operations (internal control system), as shown below. Based on this, the Company works to appropriately maintain and operate the internal control system.

(1) System to secure compatibility between execution of duties of Members of the Board of Directors and employees with laws and regulations and the Articles of Incorporation

1) The Company shall appoint a number of Outside Directors to strengthen operational execution decisions of the Board of Directors and monitoring functions of business execution by Members of the Board of Directors.
2) The Company shall establish an organizational committee to evaluate the maintenance and operational conditions of the internal control system, and work to maintain and continuously improve the internal control system.
3) In order to fulfill corporate social responsibilities (CSR), the Company shall establish an organizational committee which manages activities regarding CSR areas such as compliance, and environment, etc., and promote CSR management of the Company and its subsidiaries (the "Company Group") continuously and systematically.
4) The Company shall establish an organization responsible for promotion of CSR activities. This organization will work in tandem with organizational committees related to CSR, and act as a central group to spread CSR within the Company and handle issues with the outside of the Company.
5) In order for Members of the Board of Directors, Vice Presidents, and employees to adhere to laws and regulations and conduct business activities based on high ethical standards, the Company shall define and work to spread Corporate Ethics Policy and Code of Conduct and regulations regarding compliance.
6) In order to ensure early detection and prevention of non-compliant actions, the Company shall establish a reporting hotline within and outside of the Company, and ensure that measures are in place such that there is no detriment to reporters.
7) The Company shall clearly define within its Corporate Ethics Policy and Code of Conduct to firmly refuse correspondence and contact with anti-social activities and organizations and to not resolve unreasonable requests received from anti-social forces via the use of cash, etc., and will appropriately deal with such events based on the policy and the code.
8) The Company shall establish an independent internal auditing department to evaluate and monitor the effectiveness of the internal control system.

(2) System to store and manage information regarding the execution of duties by Members of the Board of Directors

1) Minutes and group approval documents of the Board of Directors and other important documents concerning the execution of duties by Members of the Board of Directors shall be stored based upon internal regulations of the Company, and shall be suitably made available for viewing by Members of the Board of Directors.
2) Basic items regarding storing and managing documents shall be defined within the internal regulations of the Company, and documents contained in the above item shall be appropriately stored and managed.
3) A meeting structure shall be established to deliberate the necessity and content of timely disclosure of company information, and company information shall be disclosed in a timely and appropriate manner.

(3) Regulations and other systems regarding management of risks of loss

1) Regulations shall be defined regarding risk management, and the division that supervises each business function shall conduct risk management.
2) Organizational committee regarding risk management shall be established and deliberations regarding the Company Group's risk management structure and operational status and examination of measures for group-wide risk projects of the Group shall be conducted at the organizational committee regarding risk management.
3) Twice a year, the departments in charge of each risk will extract and evaluate the risks that the Group is currently facing or are expected to face in the near future and formulate countermeasures. The Risk Management Committee will review these matters and direct additional measures as necessary.

(4) System to secure efficient execution of duties by Members of the Board of Directors

1) The Company shall formulate medium and long term policies and based on such long and medium term policies formulate yearly policies, budgets, and action plans, and manage the progress and confirm status of the achievement.
2) The Company shall implement a Vice President system, and by separating decision making for management policies and important business execution with daily business execution, strengthen monitoring functions and business execution functions.
3) To conduct appropriate decision making, approval regarding matters that are defined in the internal regulations of the Company shall be conducted via group approval procedures, through deliberation by concerned Members of the Board of Directors, Vice Presidents, etc.
4) As a body to supplement decision making by the Board of Directors and Representative Directors, the Company shall establish the Management Committee.
5) Various information regarding the status of business execution shall be provided to concerned Members of the Board of Directors, Vice Presidents, and employees periodically or as required, and a system to share information shall be established.

(5) System to secure appropriate business in the Company Group, composed of the Company and its subsidiaries

1) The Company Group shall share corporate policy that acts as a fundamental management policy, in addition to strictly enforcing and sharing Corporate Ethics Policy and Code of Conduct established to materialize the corporate policy, and regulations regarding compliance.
2) The Company Group shall establish regulations and procedures regarding common decision making. Based on these, deliberations will be made with subsidiaries regarding the business operations of subsidiaries, in addition to sharing various information regarding business operations of the Company Group. Projects that meet the agenda criteria will be discussed and deliberated by Management Committee Board of Directors.
3) Divisions that supervise the various business functions of the Company shall define frameworks, processing procedures, and judgment standards for duties to ensure that duties within the Company Group are performed appropriately and efficiently, in addition to providing appropriate direction to subsidiaries as required.
4) The Internal Audit Department shall evaluate and monitor whether or not duties within the Company Group are conducted appropriately and efficiently, adhering to laws and regulations and the internal regulations, etc. of the Company.
5) Members of the Board of Directors, Vice Presidents, and employees of subsidiaries shall report to the Company matters defined in items 2) through 4) above, and other items regarding the execution of duties.
6) The Company shall direct each subsidiary to establish and operate internal control systems that are appropriate for the content and scale of each business.

(6) Matters regarding Members of the Board of Directors and employees who assist the duties of the Audit and Supervisory Committee, matters regarding the independence of these employees from Members of the Board of Directors who are executive officers, and matters regarding securing the ability to execute orders given to these employees

1) The Company shall establish a division to assist the duties of Audit and Supervisory Committee, and station an appropriate number of dedicated employees to assist the duties of Audit and Supervisory Committee.
2) These employees shall not receive supervision or orders from Members of the Board of Directors who are executive officers. Additionally, for matters regarding human resources of these employees, Members of the Board of Directors who are executive officers must consult with and obtain permission from the Audit and Supervisory Committee.

(7) System for reporting to the Audit and Supervisory Committee and system to ensure that parties that report to the Audit and Supervisory Committee do not receive detrimental treatment as a result of reporting

1) Members of the Board of Directors who are executive officers, Vice Presidents, and employees shall submit to the Audit and Supervisory Committee minutes and materials from Management Committee, etc., group approval documents of the Company Group, and periodic reports of business reports, etc., and also report on facts that may conflict with the Corporate Ethics Policy and Code of Conduct, status of risks and risk management, status and content of reports to the internal reporting hotline, and audit results of external public institutions.
2) In the event that facts are discovered regarding the business execution of the Company Group that conflict with laws and regulations, the Articles of Incorporation, Corporate Ethics Policy and Code of Conduct, or other internal regulations of the Company, or may cause significant harm to the Company Group, Members of the Board of Directors who are executive officers, Vice Presidents, and employees shall immediately report to the Audit and Supervisory Committee.
3) In the event that facts are discovered regarding the business execution of the Company Group that conflict with laws and regulations, the Articles of Incorporation, Corporate Ethics Policy and Code of Conduct, or other internal regulations of the Company, or may cause significant harm to the Company Group, officers, statutory auditors, and employees of subsidiaries or parties that received such reports from the Members of the Board of Directors, Vice Presidents, and employees of subsidiaries shall report to the Audit and Supervisory Committee.
4) Apart from the previous items, if requested by the Audit and Supervisory Committee, Members of the Board of Directors who are executive officers, Vice Presidents, and employees shall submit requested documents, etc., or report as required.
5) Regarding the previous items, the Company shall not give detrimental treatment to reporters as a result of reporting.

(8) Other systems to secure the effectiveness of audits by the Audit and Supervisory Committee

1) Members of the Board of Directors who are executive officers shall maintain an environment that allows for Audit and Supervisory Committee Members designated by the Audit and Supervisory Committee to attend important meetings.
2) Members of the Board of Directors who are executive officers and employees shall conform to the “Audit Plan” as formulated on a yearly basis by the Audit and Supervisory Committee, and cooperate to allow for effective audits.
3) Members of the Board of Directors who are executive officers and employees shall cooperate with and fulfill the requests of the Audit and Supervisory Committee in the event that evaluation hearings are required with attorneys-at-law or the Independent Auditor.
4) Fees, etc., incurred as a result of the execution of duties by Audit and Supervisory Committee Members shall be borne by the Company.
5) Members of the Board of Directors who are executive officers and employees shall cooperate with and fulfill the requests of the Audit and Supervisory Committee during the course of cooperation between the Audit and Supervisory Committee and the Independent Auditor.
6) The Internal Audit Department shall work to cooperate with the Audit and Supervisory Committee as requested.
7) Representative Directors, etc., shall work to exchange information with the Audit and Supervisory Committee.

2. Basic Views on Eliminating Anti-Social Forces and Progress of Related Efforts

The Company has made a commitment within its “Corporate Ethics Policy and Code of Conduct” to “firmly refuse correspondence and contact with anti-social activities and organizations and to not resolve unreasonable requests received from anti-social forces via the use of cash, etc.” In the “Supply Chain CSR Procurement Guideline,” the Company also requires its suppliers “not to deal with companies that have relationships with anti-social forces,” and has stated a clear position of upholding its social responsibility in the supply chain, not only of the Company, but also of its suppliers.

Furthermore, with a view to preventing the involvement of anti-social forces with management activities, as well as damage by such forces, the Company has made the General Administration Department the internal department for dealing with such matters and established a response structure for the entire organization.

V. Other

1.Adoption of Anti-Takeover Measures

1.Adoption of Anti-Takeover Measures	Not adopted

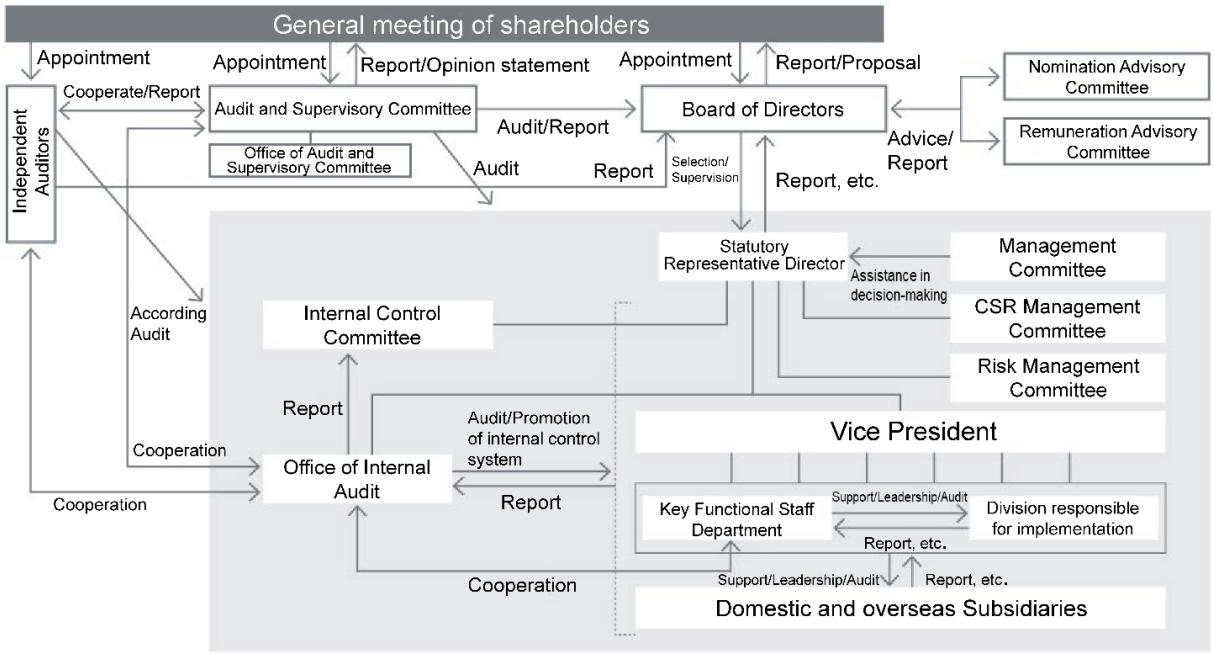
Supplementary Explanation

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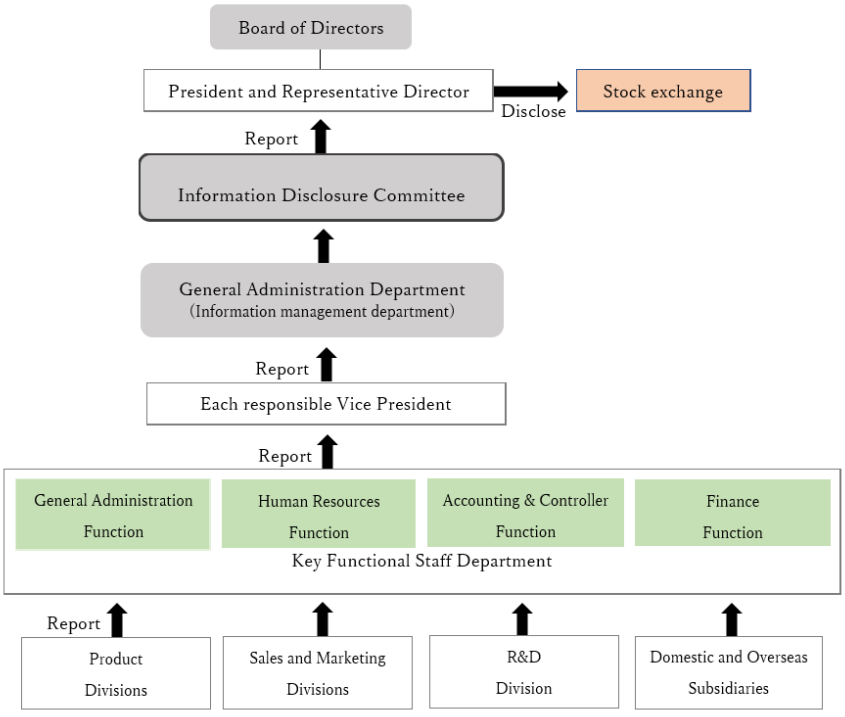
2. Other Matters Concerning Corporate Governance System: There are no applicable items.

[Reference material: Organization chart]

Summary of structure of corporate governance system



Summary of structure for timely disclosure



Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.