

Murata Machinery, Ltd.

SUSTAINABILITY REPORT 2025



Contents

01 Contents/Editorial Policy

About Muratec

- [02](#) Our Vision and Goals
- [03](#) Muratec in Numbers
- [04](#) President's Message/Interview

Providing Value to Society through our Business

- [07](#) Business Areas
- [08](#) Next Three-year Plan
- [09](#) Textile Machinery Division
- [10](#) Logistics & Automation Division / Clean FA Division
- [11](#) Machine Tools Division / Communication Equipment Division

Special Report

- [12](#) Employee Roundtable
The Challenge of Innovation Starting from the Manufacturing Site

Strengthening Management Foundations

Environment

- [14](#) Approaches to Environmental Issues

Society

- [16](#) Human Capital and Human Rights
- [20](#) Health and Safety
- [22](#) Community Connections

Governance

- [23](#) Compliance
- [24](#) Risk Management
- [24](#) BCP
- [25](#) Supply Chain Management
- [26](#) Information Security

ESG Data

- [27](#) ESG Data
- [28](#) Company Information

How to view this report

Navigate to each section from the Top Menu

- [Home](#) Go to Contents
- [Return](#) Return to last viewed page
- [Previous](#) Previous page
- [Next](#) Next page

Editorial Policy

The Sustainability Report 2025 presents Muratec's commitment to social responsibility, and details our key initiatives and results. It serves as a communication tool for sharing our sustainability efforts with stakeholders and covers all corporate divisions. In preparing this report, we focused on clarity and readability, with concrete descriptions of our initiatives. Each section highlights not only the results, but also the background and processes behind them.

Scope of reporting

We develop, manufacture, and sell textile machinery, logistics and factory automation systems, cleanroom transport systems, machine tools, communication equipment. This report covers our sustainability initiatives across all these businesses.

Publication date

September 2025 on our corporate website (Next issue scheduled for September 2026)

Reporting Boundaries

Our reporting covers our major businesses and production sites in Japan listed below. It also includes some activities of our affiliated companies.

[Murata Machinery, Ltd.] Head Office, Inuyama Plant, Ise Factory, and Kaga Factory
[Muratec Mechatronics Co., Ltd.] Shiga Plant and Oita Factory

External reporting standards

GRI Standards

Reporting period

This report covers our activities in fiscal 2024 (from April 1, 2024 to March 31, 2025) and includes ongoing initiatives from before the reporting period, as well as recent activities conducted prior to publication.

Publishing department (contact for inquiries)

Muratec Machinery, Ltd.
Corporate Sustainability Office
TEL:075-672-8283

About the Cover



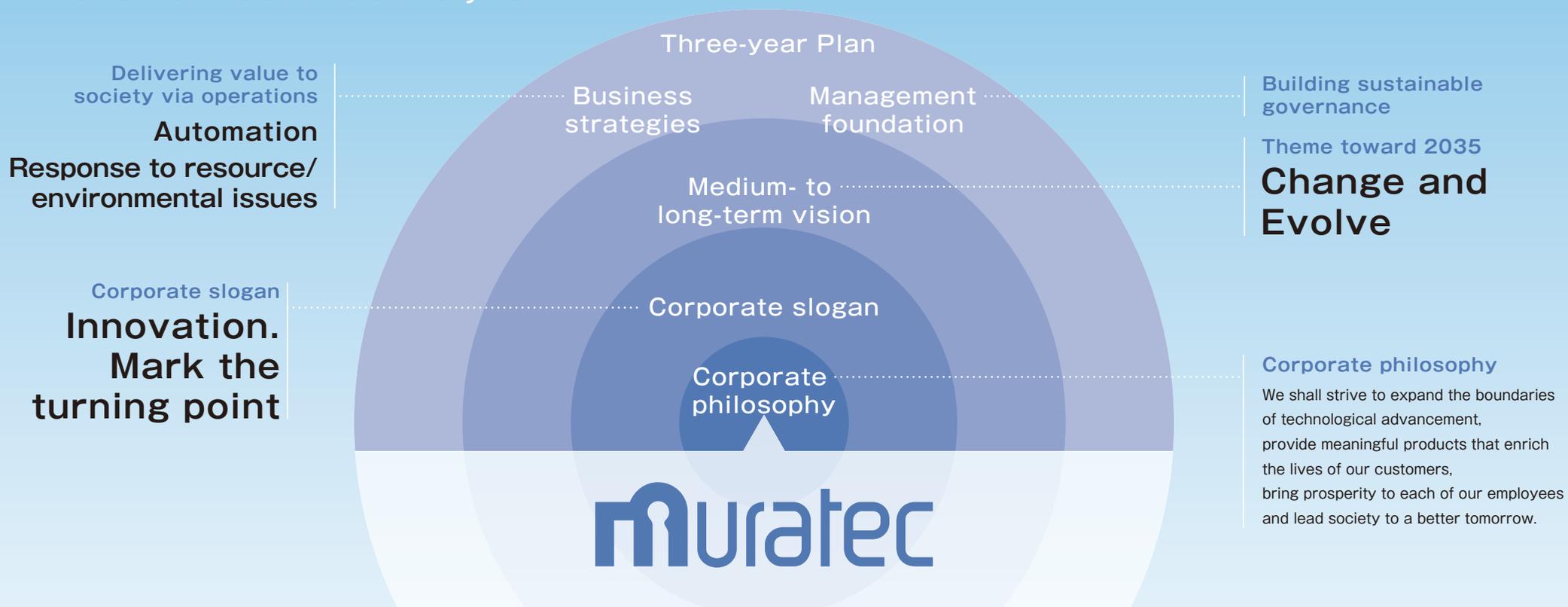
The cover illustration was designed by gama da gama, a female artist based in Kyoto.

Sprouts emerged from the seeds brought by the blue bird. They grew tall and eventually bloomed into a vibrant array of flowers. The bird, having grown and evolved, took flight once again on its next journey. This illustration reflects our hope to continue embracing new challenges, while cultivating diverse talents and possibilities that bloom into future success.

We strive to be the "Innovation. Mark the turning point" that drives society and our era in a better direction. This is Muratec's wish, and our declaration to you.

Our sincere devotion to tackling customer issues through automation and labor-saving technologies is a consistent characteristic across all our diverse business enterprises.

Through the new vision and potential seen from that height, we constantly create innovative frameworks and systems that change the worksite, the quality of work, and industry standards in our quest to realize a prosperous society.



Delivering value to society via operations
Automation
Response to resource/environmental issues

Building sustainable governance

Theme toward 2035
Change and Evolve

Corporate slogan
Innovation. Mark the turning point

Corporate philosophy
We shall strive to expand the boundaries of technological advancement, provide meaningful products that enrich the lives of our customers, bring prosperity to each of our employees and lead society to a better tomorrow.

The Muratec brand was established in 1991 as a "product brand" to represent a sign of trust in the Murata Machinery Group's products and services and a "corporate brand" to visually communicate Murata Machinery Group's corporate philosophy and social responsibility.

The distinctive Muratec brand logo features a person and machinery interacting and interconnecting inside the letter "m." This format represents creating new technology, providing products that delight our customers, and engaging in innovation to create a prosperous society.

Muratec in Numbers

For over 90 years, Muratec has expanded its global presence with the single aim to create products that everywhere enhance people's lives.

Established

1935

July 1935



Number of Employees [Group]

8,659

[Non-consolidated] 4,133
As of March 2025



Japan and overseas total
(Overseas: 34 companies, Japan: 13 companies)

Network 47 companies in 24 countries and regions



Net Sales [Consolidated]

5,260

(JPY 100 million)

[Non-consolidated]

3,923 (JPY 100 million)
March FY2025

Operating Profit [Consolidated]

931

(JPY 100 million)

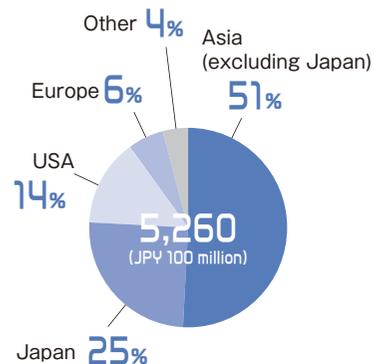
[Non-consolidated]

774 (JPY 100 million)
March FY2025



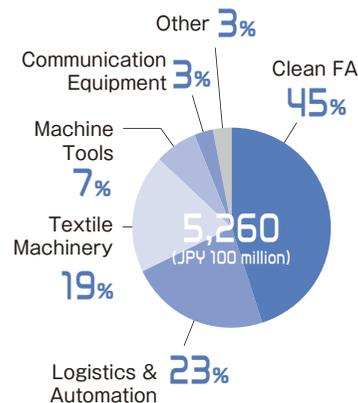
Net Sales by Region [Consolidated]

March FY2025



Net Sales by Business Segment [Consolidated]

March FY2025



Average length of employment

15.5 years

March FY2025 [non-consolidated]

Male 16.1 years Female 13.0 years

Retention rate of new graduates after 3 years of employment

88.2%

March FY2025 [non-consolidated]

Male 90.6% Female 80.0%

Top Message

Moving toward the 100th anniversary under the theme of the “Change and Evolve”

President & CEO Murata Machinery, Ltd. **Daisuke Murata**



Our Purpose

We manufacture machines that help our customers create value in various industries that support society. We have pursued human-friendly technologies that “enables machines to do what machines can do, to make it easier for people to do what only humans can do.” We believe that Muratec’s purpose is to work together with customers to ensure the prosperity of the society in which we live. We fulfill this responsibility through our sincere efforts to address challenges faced every day at worksites and through our unwavering dedication to the development of brand-new technologies.

Business Performance and Environment

While tariffs and conflicts have increased uncertainty around the globe and have prompted a conservative stance on capital investment, the need for semiconductor plant construction and expansion, and the automation of distribution systems has remained robust. Sales of labor- and power-saving equipment as well as textile machinery for small-lot production have also been strong. In addition, the historical depreciation of JPY is advantageous for our company, which produces a range of products domestically for overseas markets. Thanks to these factors, we

were able to reach record highs in both sales and profit last year.

In the machine tool and information equipment businesses, which are undergoing reorganization, we are working on development with an emphasis on new products based on automation. In addition to launching the sale of hybrid laser machines that take advantage of the company’s strengths in both machine tools and sheet metal machines, Silex Technology, Inc., a wholly owned Muratec subsidiary, will enter the field of intelligent edge AI modules with wireless capabilities. We expect edge AI to expand the possibilities of the information equipment business, which advances the shift to factory security and production management systems.

The demand for durable equipment and machinery is extremely sensitive to changes in the business environment. Further complicating this, the exchange rate of JPY, which is not the key currency, also fluctuates greatly due to speculative factors. Generative AI and other changes brought about by new technologies will join these. Looking at Japan, the deflationary economy that has lasted for 30 years has finally come to an end, and interest rates will rise every year along with increases in prices and wages. “Responding to change” is an important theme not only for us, but for businesses around the globe.

Top Message Moving toward the 100th anniversary under the theme of the “Change and Evolve”

10-year Theme, Change and Evolve, toward 2035

Founded in 1935, this year marks Muratec’s 90th anniversary. As we celebrated our 80th anniversary 10 years ago, we established Vision 2025 - Link to the Future, aiming to develop an ideal company, one capable of keeping pace with competition in the market and the advancement of information technology as we provide solutions to emerging issues by using vertical connections among society, consumers, our departments and divisions, and suppliers along with horizontal connections among diverse divisions.

Entering the 10th year of Vision 2025, we developed Vision 2035 - Change and Evolve. It is essential for companies to keep pace with changes in the market environment to survive. However, simply responding to conditions, or changes in laws and regulations guarantees neither quantitative nor qualitative growth. Real evolution is achieved as the result of planned change along a firm axis.

Muratec has long pursued technological development focused on automation to meet the needs of customers and society. With the declining birthrate and aging society seen in many countries, automation will continue to be an important axis. Leveraging both automation and new manufacturing styles as an approach to resource and environmental challenges, we strive to evolve for all of our stakeholders, including Muratec and its employees.

New Styles of Manufacturing

While advances in technology have produced great benefits for society – advances in medicine that have reduced infant mortality and have extended healthy life expectancy, and advances in manufacturing that have resulted in an improved standard of living through the greater availability of food, clothing and housing, all providing ever-increasing comfort and convenience, these benefits have come at a cost - the depletion of resources, environmental damage represented by climate change.

The industrial revolution began with the introduction of textile machinery, and textile machinery is also where Muratec got its start. The equipment and devices that we have since developed and manufactured have been linked to a wide range of industries, including clothing manufacture, metal processing, logistics, and semiconductors as well as the information contained in them and the communication used to connect them.

Being so closely linked to such a wide range of industries, Muratec has a great responsibility to help provide solutions to the environmental challenges that industry contributes to by developing new styles of manufacturing capable of enabling

industrial activities that support the affluence of a global population that now exceeds 8 billion people while reducing the load on resources and the environment that current manufacturing technologies exert. Expecting such new styles of manufacturing to be realized in future, we are committed to working with our customers to develop technologies leveraging Muratec’s unique businesses and diverse products.

Change Together

The Group-wide theme of the three-year plan that ended in the first fiscal year was "Connecting to Form a Shape and Forming Connections." Examples of "shape" include a completely new transport concept in semiconductor production, products such as non-stop winders (textile machinery) that achieve energy conservation and deliver high quality, and new information systems such as ERP, which are scheduled to be introduced in-house this year.

In the first three years of the 10-year plan for "change and evolve," "Let's change together" is the Group-wide theme. It takes tremendous courage and enthusiasm to pursue new technologies and products with the aim of developing new styles of manufacturing that require methods that differ from those we are used to. Because it is difficult to change alone, it is important that we work together to achieve the change required to evolve throughout the Group.

Diversity

In order for diverse members to "change together," it is necessary not only to accept one another, but also to fully cooperate with one another. With the aim of improving organizational capabilities, we will work to implement specific measures through DEI activities that add Equity to Diversity and Inclusion.

To realize a sustainable society, it is important to redefine what true affluence is as well as the new styles of manufacturing that support this affluence. Now that we are approaching a milestone, I believe that there has never been a more important way of thinking about DEI as a society, as a company, and as individuals as we strive to discover new value.

President & CEO
Murata Machinery, Ltd.



Top Interview Asking Murata's President about his future vision of new styles of manufacturing

Q Why did you choose "Change and Evolve" as the 2035 theme?

Over the past few years, the pace of change around us has accelerated significantly. The impact on corporate activities is immeasurable, including geopolitical risks, the resurgence of East-West conflict, the rapid advancement of AI and other technologies, and resource and environmental issues driven by climate change.

The manufacturing industry can actively contribute to providing solutions to resource and environmental issues. In the textile industry, against the backdrop of clothing disposal, a shift from mass production and mass consumption to local production for local consumption is being sought. There is the potential for new contributions from our automation technology. However, to tackle these challenges in all industries, we need to think about our goals and change the way we do things. The greater our past success, the more difficult this is.

The important thing is to find the joy of change that produces evolution and join forces with it. That's why we've set "change and evolve" as our 10-year vision. We believe that qualitative growth in the process of addressing the challenges facing society will bring even greater happiness to our stakeholders.

Q What is important in the implementation of the new three-year plan "Let's change together"?

Everyone is afraid of change, and change is often painful in the short term. This phrase contains the idea of not being afraid to work on change while moving forward together. Based on painful past experience, including the difficult decision to ask employees to consider early retirement to reduce costs in 2001, it is also a confirmation of the basic stance of leaving no one behind and confidence in the belief that we change together.

We are working to change the way we do business by renovating our core systems. In addition, in the next 10 years, there will be a review and restructuring of the roles of businesses and organizations in response to market conditions and technological advances. All of these are inevitable changes needed to create new value by leveraging the strengths of each employee.

The important thing in driving change is understanding that change is not always easy. While faithfully protecting the essence, that which must not be changed, we will boldly change what needs to be changed according to the trends of the times. I believe that balance is essential for sustainable development.

Q What role should each business unit and employee play in the next 10 years to realize the vision?

The year 2035 marks our 100th anniversary. What we have consistently pursued through the diversity of our business is the development of machines that address the challenges we face as a society. We have continued to work tirelessly on alleviating poverty and increasing material abundance. As a result, however, it is undeniable that this pursuit has also resulted in resource and environmental issues. It has become even more important to work together with our customers to create technologies and products that address these new issues, technologies capable of reducing environmental impact, promoting resource recycling, and realizing energy conservation. High productivity, dependable quality, and low cost (input resources) will continue to be important parts of "new styles of manufacturing," but they alone cannot provide solutions to all issues. In order to continue achieving truly qualitative growth that cannot be measured by mere sales and volume, it is important for us to share a new perspective.

There will be a strong demand to tackle new challenges not only by leveraging our previous successful experiences and cross-sectoral collaborations, but by surpassing them to achieve difficult goals. I believe that the corporate culture we have cultivated thus far will be of great help in this.

Q What is the "ideal state" that Muratec wants to achieve?

The Muratec Group wants to be the world's top machine manufacturer. This is not just about aiming to be the best in terms of scale and sales. It means the ability to create new value by connecting technologies and knowledge from very different fields, and demonstrating one-of-a-kind creativity.

Our raison d'être has always been and will continue to be creating technologies that can overcome various challenges as we face them.

I believe that each employee can enjoy this challenge and evolve together without fear of change, and I am very confident that it is completely feasible to do so.

Business Areas

Today, global challenges such as climate change, labor shortages, and resource constraints are growing increasingly severe. Together with our partner companies, Muratec is working to address these issues through diverse business activities. By leveraging our technology and creativity to seize the "Turning points for innovation," we will contribute to a sustainable future while enhancing both our economic and social values.

Textile Machinery

We specialize in automatic winders and VORTEX spinning machines that advance automation in spinning and enhance fabric value. Our automatic winders hold the industry's leading market share, while the VORTEX spinning machines employ a unique spinning method to produce yarns with diverse functionalities. As the textile industry continues to play a vital role in daily life, we remain committed to innovation and to strengthening our manufacturing and support capabilities.



VORTEX spinning machines

Logistics & Factory Automation Systems

We deliver customized distribution solutions tailored to each customer's strategy and on-site needs by combining automated storage and retrieval systems, AGVs and sorting systems. Our systems help address labor shortages, promote efficiency and support BCP. By improving logistics performance and fostering sustainable supply chains, we aim to create logistics systems that are more people-friendly and socially integrated.



Automated storage and retrieval system

Clean FA

We provide transport systems for semiconductor manufacturing plants, supporting the stable production that underpins the digital society. Centered on OHT systems, our advanced control technologies, including group control systems, enable uninterrupted, year-round plant operation. We have recently pursued plant-wide visualization and optimization based on "Full Fab Automation." As a key contributor to a sustainable information society, we continue to enhance our technologies for greater efficiency and reliability.



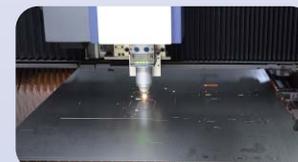
Semiconductor fab. OHT

Machine Tools

We specialize in two areas, each requiring distinct machining technologies. Our turning machines support automated production to help address labor shortages and can be customized to meet diverse customer needs. While our sheet metal processing machines excel in process integration via hybrid laser technology and automated machining solutions that streamline workflows, enabling us to respond effectively to customers' manufacturing challenges.



Twin spindle CNC chucker + CNC turning center



Advanced hybrid laser

Communication Equipment

We deliver a wide range of ICT solutions, from digital multifunction peripherals and security systems for offices to production management systems for factories. Our technologies enable smart factories by improving operational efficiency, promoting paperless workflows and strengthening information security. By supporting society's DX and evolving work styles, we contribute to a more sustainable business environment in both offices and factories.



Network storage with built-in UTM



Molding plant production control system

New Three-year Plan

Launching the new three-year plan

President & CEO Daisuke Murata

[Change and Evolve]

Celebrating its 90th anniversary, Muratec has set its vision for the next 10 years as "Change and Evolve"; and as a first step, it has launched a New Three-Year Plan under the theme of "Let's change together." In an uncertain business environment, we hope to make meaningful changes that will lead to evolution.

What we will not change is the *raison d'être* of achieving the happiness of each and every employee and realizing a prosperous society, goals included in the corporate philosophy. The means of achieving customer satisfaction, which is the cornerstone of these goals, through the creation of new technologies, will also remain unchanged.

Technology is not limited to products. Starting with proposals to customers, and continuing from design and manufacturing, to installation and maintenance, a large amount of know-how worthy of being called technology is included. We will maintain a corporate culture that enjoys renewing such technologies daily as something that must not change in the future while maintaining our forward momentum in the midst of expanding corporate scale and social changes.

What We Should Change

Technology that meets the needs of our customers will change with the times, and there are several things that need to change now in order to prepare for the work required by tomorrow's society and understand how to proceed with it.

During the 90 years since our founding, we have basically grown in an era of expansion. Even after the end of Japan's period of high economic growth, which was driven by manufacturing, it has benefited from growing industries and regions. Today as well, our performance is supported by expanding industries such as semiconductors and logistics, and countries such as China, ASEAN member countries, and India, which are experiencing growth. The orientation towards "multiplication" as

the essence of life is common to all living things. In itself, it is by no means deniable. However, the ecosystem is also a collection of life that naturally adjusts when it has increased beyond its capacity to sustain itself. Our headquarters are located in a country where the birthrate is declining and the population is aging rapidly. Sooner or later, our international customers will be facing the same challenges. Industries that have grown on the premise of mass production and mass consumption will also have to adjust due to various constraints. Isn't it time for us to change in preparation for an era of decrease?

In an era of decrease, automation and resource technologies required for optimal production will be important. This must be supported by a system that aggregates and utilizes data distributed among individuals, such as ERP and PLM, to promote operational efficiency and business improvement. Well-planned and open human resources system is also required.

Preparations for an era of decrease naturally differ according to the generation; and although there are differences depending on the business, we will take a positive view of change and work with it throughout the Muratec Group.

What Evolution Means

When this era of decrease arrives, we hope to continue growing strongly within it. In order to deliver value faster, smarter, and with higher quality in any environment, the qualitative growth of each employee is essential. On top of this, in order to change, it is necessary to take on the challenge of new technologies and services that will make turning points in innovation. The experience of participating in such challenges from various standpoints should be the food that nourishes each person's growth.

"Because I change, you change; and if you change, I want to change." Let's change together.

Divisional Strategies

for Achieving Our 2035 Vision

Textile Machinery Division

"Weaving the Future—Beyond Innovation."

Our vision moving to 2035 is to create groundbreaking innovations that deliver reliability and inspiration to society through advanced, value-creating technologies. We also aim to foster a harmonious organization that respects the diverse values and work styles of all employees. Through products that promote automation, labor savings and remote operation, we work to realize smart factories and help build a future where people, technology and the global environment coexist in harmony.



Logistics & Automation Division

To achieve our vision for 2035 to be the "Division for Designing Society," over the next three years we will accelerate the development of new technologies and solutions for key global industries as semiconductors and logistics, while expanding into new markets. We will also transform our internal business processes to keep pace with rapid market changes, emphasizing automation and data integration using digital transformation (DX) and artificial intelligence (AI). These initiatives will move us beyond individual-driven operations toward a more creative, innovative workplace, supported by continuous human resource development.



Clean FA Division

"To contribute to the advancement of the semiconductor industry, we strive to stay one step ahead—continually embracing new challenges and working with our customers, employees, and society to shape the future." In pursuit of our 2035 vision, we will further advance the automation of semiconductor manufacturing processes while exploring new fields. To remain a key player in the industry, we will actively invest in people, facilities, and innovation, fostering both employee fulfillment and a more prosperous society.



Machine Tools Division

We believe it is vital to understand not only the metal processing using our products but also our customers' entire business processes, from material procurement and assembly to installation, maintenance and disposal. With this comprehensive understanding, we provide automation-focused solutions that effectively address customer challenges. Through these innovations, we will contribute to a society and be a trusted, high-value partner for our customers.



Communication Equipment Division

We are accelerating our shift from office-focused digital multifunction peripherals (MFPs) to solutions designed for both office and factory use, with particular emphasis on growing our information security and factory solutions businesses. In response to rising demand for automation and labor-saving systems, we support customers' DX initiatives and develop technologies that address challenges on-site. Through proactive efforts for the innovation by every member, we aim to become a trusted partner for our customers, contributing to a more prosperous society.



Realizing Our Aspirations for 2035 — Our 100th Anniversary

Divisional Strategies: Textile Machinery Division

Review of Our Three-year Plan (2023–2025)

During the previous Three-year Plan, production volume declined due to the replacement of automatic winders with new models. Nevertheless, strong sales of VORTEX spinning machines helped overall performance meet expectations.

In product development, we launched the new automatic winder, "Alcone" in 2024, while steadily advancing the development of core technologies for the next generation.

To strengthen our global capabilities, the IoT-based integrated management system, "Muratec Smart Support," has been implemented in several countries. In India, we introduced a new service model that remotely monitors machine operations and provides maintenance guidance.

As part of exploring new opportunities, we are continuing R&D for commercialization of CNT (carbon nanotube) yarn.



Tetsuji Masai
General Manager,
Textile Machinery Division

Policy and Overview of Our Next Three-Year Plan

The apparel market is undergoing significant change, requiring efforts to reduce environmental impact and promote recycling technologies. While long-term global demand is expected to remain stable, the next three years are a critical period for adaptation. To meet these challenges, we have established five strategic policies:

1. Creation of innovative technologies: Increase value through next-generation models in existing businesses and advance core technologies. Develop fundamental technologies for new businesses and promote joint development with external partners.
2. Strengthening technical services and spare parts sales: Enhance after-sales service to boost customer satisfaction and trust.
3. Developing new markets: Expand into new markets for VORTEX spinning machines and enhance value through collaboration using other materials.
4. Enhancement of overseas locations and global capabilities: Improve operational processes and promote digital technologies utilization.
5. Digital Innovation and modular production: Build a seamless system connecting upstream/downstream operations and establish a Digital Innovation Office.

TOPICS Enhancing Customer Satisfaction: CS Project

We provide after-sales service to around 4,400 customers worldwide, supporting products for up to 20 years after delivery. In addition to maintenance, we offer rapid parts supply, equipment upgrades, customer training, and a management system using operational data (MSS; Muratec Smart Support), which has earned strong customer trust. From fiscal 2025, we aim to further enhance the value of these services by expanding MSS-based maintenance support globally, and by building a system to deliver sustainable, long-term and stable customer support.



Customer seminar

Divisional Strategies: Logistics & Automation Division

Review of Our Three-year Plan (2023–2025)



Takenori Yanai
General Manager,
Logistics & Automation Division

In the previous Three-year Plan, we expanded markets and increased sales by meeting diverse sector demands and investing in automation to address labor shortages. Toward our 2035 vision for the "Division for Designing Society," we used this three-year period to lay the foundation, focusing on delivering value beyond customer expectations, and establishing material handling as social infrastructure. Our initiatives included responding to large-scale projects, securing major orders, building collaborative frameworks, advancing digital transformation (DX), and improving product and operational quality to boost efficiency and productivity. Also, lessons gained from experience in North American and Asian markets guided efforts to strengthen our global organizational structure.

Building on this, we are developing human resources (HR) for the future, including fostering creative development engineers and DX professionals. We will continue to evolve in response to societal needs, contributing to infrastructure development and a more prosperous society.

Policy and Overview of Our Next Three-Year Plan

Under the new slogan, "Without fear of change, we will establish foundations for a new future and shape possibilities," we are accelerating efforts for our 2035 vision of becoming the "Division for Designing Society." Over the next three years, we will advance technologies and solutions for global core industries such as semiconductors and distribution, while expanding into new markets. We will contribute to a more prosperous future by supporting essential societal infrastructure.

We will continue radically transforming internal business processes to respond to rapidly changing markets, with a focus on automation and data integration through DX and artificial intelligence (AI). This shift will move operations from person-dependent, relay-style workflows to simultaneous, integrated operations, fostering a more creative work environment and supporting

TOPICS Supporting Diverse Work Styles and Empowering Technical Talent

In addition to our main development site at Inuyama Plant, we operate smaller regional "Technical Centers" to promote flexible, location-independent work styles. The first center opened at Kyoto Head Office in 2023, followed by centers in Fukuoka and Nagoya, with a new center planned for Yokohama in fiscal 2025. These centers expand recruitment opportunities for technical engineers without requiring them to relocate, enhancing and accelerating our development capabilities.

We will continue to expand such initiatives as needed.



Kyoto Technical Center

Divisional Strategies: Clean FA Division

Review of Our Three-year Plan (2023–2025)



Sampei Murata
General Manager,
Clean FA Division

Over the past three years, we have achieved steady growth driven by rising semiconductor demand. By capturing investment and AI-related opportunities in Japan, the U.S., China, and Taiwan, we exceeded our initial sales targets. Through efforts to strengthen safety and quality culture and enhance on-site capabilities, we improved QCDS (quality, cost, delivery, and safety) performance and reinforced our production system to ensure a stable supply responsive to market fluctuations.

Our business has expanded from upstream to mid- and downstream processes, increasing the value we deliver. We advanced digitalization in design and manufacturing and strengthened data integration across divisions, improving productivity and shortening lead times. Organizationally, we focused on culture transformation and HR development, fostering a collaborative, diverse, and globally minded workplace that supports work-life balance. We also advanced energy-saving technologies and environmental initiatives to build a strong foundation for sustainable growth.

Policy and Overview of Our Next Three-Year Plan

In our next Three-year Plan, we identified five key strategic priorities: "Establishing a safety and quality culture," "Developing new technologies and markets," "Innovation through DX," "Building a sustainable organizational structure," and "Addressing environmental and social issues."

We will foster a workplace culture prioritizing safety and health, while enhancing QCD (quality, cost, delivery) through a strong commitment to quality. Technologically, we will expand products and solutions supporting semiconductor manufacturing automation to boost competitiveness. We will advance DX initiatives, using digital technologies and AI to drive operational innovation and accelerate development. In HR development, we will cultivate a diverse, rewarding workplace that motivates continuous learning. We will contribute to a sustainable society through energy-efficient designs and environmental initiatives across the product lifecycle.

TOPICS Establishing Training Centers in Japan and Germany

We established new training centers in Yokkaichi, Japan, and Dresden, Germany, to meet growing demand for advanced installation and maintenance services amid semiconductor market growth. Practical training for installation managers and service engineers using actual equipment expedites expertise. This initiative is a key investment to address labor shortages in Japan and abroad, ensuring our capabilities meet global demand.



Yokkaichi Training Center

Divisional Strategies: Machine Tools Division

Review of Our Three-year Plan (2023–2025)

In our turning machine business, serving mainly auto parts manufacturers, we responded to shifts in capital investment driven by the move to electric vehicles (EVs). Demand, especially from Japanese manufacturers, however, stagnated due to strategic uncertainty, and EVs' reduced component needs lowered equipment demand. Attempts to expand beyond auto parts were limited by product suitability, but identifying new markets and marketing efforts have clarified future challenges.

In the sheet metal processing machine business, we responded to increasing global demand for laser processing and labor-saving automated equipment. Key initiatives included positioning hybrid laser machines, automating press brakes, and strengthening IoT capabilities. Consolidating processes with hybrid laser machines has been well received. Automation of press brakes using robotic systems continues, and IoT-enabled cloud connectivity allows real-time machine monitoring and faster issue resolution.

Policy and Overview of Our Next Three-Year Plan

In the turning machine business, we will expand automation solutions for medium-variety, medium-volume production across industries beyond auto parts. In sheet metal processing, we aim to develop innovative automation by extending machining and transport capabilities and enhancing data integration. Globally, we will strengthen customer engagement and build systems that quickly incorporate market information to support overseas expansion and unified business growth.

To support these efforts, we will revise internal operation processes to enable flexible, rapid responses to market changes and foster an open, psychologically safe workplace where employees can proactively discuss business challenges, including solutions for customer-site issues.

TOPICS Hybrid Laser Machine "LS3015MC"

A model incorporating a new concept, the LS3015MC, has joined our laser combination machine lineup in the sheet metal processing business, our key focus area. Beyond the traditional "laser and press" combination, it integrates "laser and cutting" (drilling, tapping, counterboring) within a single processing area, handling plates up to 16 mm thick and achieving unprecedented process integration. Revealed at MF-TOKYO 2025 in July, the LS3015MC addresses on-site challenges, labor shortages, product management, and cost reduction, by consolidating multiple processes and enabling extended operation with a single machine.



Hybrid laser machine "LS3015MC"

Yosuke Murata
General Manager,
Machine Tools Division



Divisional Strategies: Communication Equipment Division

Review of Our Three-year Plan (2023–2025)

We viewed the previous Three-year Plan period as a turning point, shifting focus from digital multi-function peripherals (MFP) to information security and factory solutions. This included organizational restructuring, developing new security and factory solution products, and enhancing integration between office- and factory-use product businesses.

In the security business, we expanded our offerings with products supporting Japan's Electronic Books Maintenance Act (effective January 2024), enhanced ransomware protection, and cloud-based solutions. In factory solutions, we launched the IoT-integrated MES, Information Organizer, alongside our existing production management systems.

On the organizational side, we engaged in activities to enhance internal communication to create a climate conducive to cultivating new businesses.

Policy and Overview of Our Next Three-Year Plan

We are at a turning point, with a shift in business focus to accelerating our expansion of information security and factory solutions businesses.

In the information security business, we aim to increase sales by expanding our product lineup for small & medium-sized enterprises, and developing new opportunities in the factory security market.

In factory solutions, while focusing on the molding industry, we will expand into metal processing and other sectors to target large-scale business opportunities.

We will build an organization that adapts to major business changes, and develop human resources to strengthen our solution-based capabilities.

Masahiko Omachi
General Manager,
Communication Equipment Division



TOPICS IoT-integrated MES "Information Organizer"

We developed Information Organizer, a cloud-based manufacturing execution system (MES) that connects people, materials, and equipment via IoT for optimal factory management. It collects production records, equipment data, and motion of personnel from IoT-enabled devices, aggregates the data in the cloud, and visualizes it to support progress tracking and efficient personnel allocation.

Built from a wide range of components tested at Muratec Group's factories, our Information Organizer lets users select only the functions they need and addresses site-specific challenges beyond generic packages, bolstering DX at manufacturing sites. For sustainability, it promotes energy efficiency, resource optimization, paperless operations, and enhanced safety and security, contributing to a sustainable manufacturing environment.



Information Organizer operation monitor

Special Report

Employee Roundtable

The Challenge of Innovation Starting from the Field

In 2025, Muratec Group launched the employee awards program "Innovation. Mark the Turning Point" (see page 19). In this roundtable discussion, four Special Award recipients shared their challenges, offering insights into the future direction of Muratec's innovation vision.

[Participants and their awarded initiatives]



"Advances in semiconductor transport systems through mathematical optimization and promotion of industry-academia collaboration"
 Research & Development Headquarters, Technology Development Center **Kenji Kumagai**
 Mr. Kumagai researches semiconductor manufacturing and in-factory transport efficiency via mathematical optimization. Focusing on next-generation devices requiring precise transport timing, he developed optimal scheduling solutions, working with national institutes and private firms. He recognized the importance of information sharing and issue identification, and established the "Green Transition of Fabrication" study group within JSAP* to promote innovation in productivity and environmental sustainability.



"Initiatives for anomaly detection (predictive maintenance) in textile machinery"
 Textile Machinery Division, Control System & Development Section **Satoshi Kawabata**
 Mr. Kawabata developed a predictive maintenance system that ensures stable factory operation by using Big Data analysis to detect early signs of machine abnormalities. Utilizing existing position and vibration sensors, the system identifies parameter deviations from normal operating patterns, enabling early detection of malfunction risks. Especially effective in noisy spinning plants where labor is short, it enables efficient maintenance with minimal personnel.



"Discovering potential applications of CG animation"
 Machine Tools Division, Technical Administration Group **Toshihiko Matozaki**
 Mr. Matozaki developed a 3D CG animation method to picture the features and operations of complex machine tools, replacing traditional verbal and drawing-based methods. This approach improves customer understanding, speeding decision-making. Using CAD data, it visualizes internal motion and machining processes from multiple angles, and is now widely used across divisions for sales support, service manuals, and technical reviews.



"Establishment of 'Sales Engineers' team framework"
 Communication Equipment Division, Development Group 3 **Yu Sakai**
 Mr. Sakai created a framework for "Sales Engineers (SE)" combining technical expertise and customer insight to expand our Manufacturing Execution System (MES), Information Organizer. Previously, Sales and Development handled proposals separately; SEs now manage both, reducing workload and enabling more detailed, tailored solutions. By working directly with customers, SEs identify issues and propose optimal systems, driving digital transformation (DX) in manufacturing.

*JSAP: the Japan Society of Applied Physics

Transforming Adversity into Innovation

— Could you tell us about the awarded initiatives and the context surrounding them?

Kumagai: Conventional transport systems, which simply move items, risk falling into price competition. The development of our new system began with the idea that transport itself could contribute to the creation of next-generation semiconductor devices. Because producing these new devices involves strict inter-process transport time constraints, we anticipated that an advanced transport system could provide an entirely new value.

Kawabata: We developed a maintenance system that uses operational data from our cloud-based Muratec Smart Support (MSS) platform for textile machinery to detect potential machine anomalies. With fewer experienced workers on manufacturing floors, some irregularities can go unnoticed. This new system helps identify such issues early, supporting more stable operations.

Matozaki: Although we use 3D CAD to design machine tools, we lacked an effective way to convey their structure and operation. Drawing on my sales experience, I developed a tool that simplifies CAD data and uses CG to intuitively visualize internal machine structures and movements, making it easier to explain details to customers and new employees.

Sakai: I organized the "Sales Engineer (SE)" role. Before creating this role, system engineers participated in customer proposals from the start, limiting their focus on development. SEs now bridge Engineering and Sales, allowing system engineers to concentrate on development while enabling more effective, tailored solutions for customers.

— What kinds of challenges did you face during development, and how did you workthrough them?

Kumagai: Initially, we had little firsthand information about semiconductor devices, so we established the "Green Transition of Fabrication" study group within JSAP to gather information and connect with experts. Developing the new transport system also required creating a new type of computer for the intensive computations of mathematical optimization. Building the right connections became a key driver in achieving the system's development.

Kawabata: Our original goal was to use AI to precisely diagnose abnormalities in machine components, but the MSS data lacked the sensor information necessary for the anomaly detection. So we refocused on the customers' needs, realizing that simply detecting rising vibrations could be valuable. By shifting from pinpointing causes to identifying potential risks, and returning to basics from the customer perspective, we achieved success.



Special Report Employee Roundtable

The Challenge of Innovation Starting from the Field

Matozaki: With no precedent for converting 3D CAD into CG, we first learned how to operate the software. To demonstrate its effectiveness, we created a 3D CG animation in about three days to show stakeholders. Adoption took time, but once implemented, feedback such as "it reduced explanation time" and "improved understanding of machine operation" provided a strong sense of accomplishment.



CG animation illustrating turning processes and transport system in motion

Sakai: Transferred to the technical department in 2024 after roles in sales and product planning at Muratec Frontier, Ltd., I initially felt uncertain in the technical field. However, understanding customer operations is fundamental across fields, which helped me adapt. I then planned a training program for Sales Engineers so young, inexperienced personnel would face fewer challenges than I did.

Those who Create Changes Shape the Future of the Company

— Have you noticed any changes in yourself or your team since receiving the award?

Kumagai: Receiving the prize, I celebrated with the development team. It was also rewarding to receive congratulations from colleagues I seldom interact with. Collaborating with national research institutes, universities, and private companies makes me proud to represent Murata Machinery.

Kawabata: When the General Manager called me in, I thought I was in trouble (laughs). I was surprised and delighted to learn I had won a prize. Recognition within the company seems to have grown, as colleagues and supervisors are more receptive to my opinions.



Matozaki: At 62, I never expected an award. I was pleased to see the initiative, which I alone started two years ago, grow into a team effort. Messages from former colleagues and supervisors made me feel rewarded by my ongoing efforts.

Sakai: Winning the prize marked a new responsibility. During my first year in a new field, colleagues treated me warmly as a learner, but the award brought this chapter to a close (laugh). Now I feel a clear sense of forthcoming responsibilities awaiting me.

— What insights did this award give you into Muratec's "Culture of Innovation"?

Kumagai: The award reflects the company's commitment to valuing new challenges. The company is imbued with a positive encouraging atmosphere, and we are also blessed with wonderfully supportive colleagues.

Kawabata: The award serves as a great guide for younger employees on how innovation is practiced at Muratec. Personally, it recognizes our consistent, sincere responses to customer needs. Innovation, then, is persevering until completion rather than simply trying something new.

Matozaki: Innovation and receiving awards are not just for younger employees. Taking on new challenges at over 60, I find it motivating that the company recognizes efforts regardless of age or job title.

Sakai: I could take on a challenge in a new field thanks to a supportive environment. I owe my winning the prize to my coworkers who warmly welcomed me. The award also created opportunities to connect with colleagues in other divisions.

— To close, could you share a message for employees and readers who are about to embark on new challenges

Kumagai: By seeing how your work contributes to the company and society, you find deeper meaning and engagement. Understanding your role from a broader perspective naturally shows the next steps.

Kawabata: Engineers must ensure their work aligns with what customers truly need, to give direction to their focus. Meaningful technology always comes from addressing those genuine needs.

Matozaki: At Muratec, failure is not blamed. We can choose not to take the risk of failure of course, but I value taking on new challenges to gain unique insights and perspectives.

Sakai: Delivering creative solutions to customers defines Muratec's spirit of innovation. New challenges always involve uncertainty, but facing such obstacles leads to personal growth and accomplishment. I know Muratec actively encourages taking on such challenges.



Approaches to Environmental Issues

We recognize that global environmental challenges pose significant risks to our ability to deliver value through our products and services. Increasing natural disasters caused by climate change threaten business continuity, while stricter environmental regulations may raise compliance costs. At the same time, prioritizing the development of environmentally sustainable products is vital for strengthening corporate value.

Environmental Management Structure

Each domestic site operates an environmental management system overseen by the Director of Environmental Management (ESG Director), guiding our medium- to long-term efforts to address environmental challenges. In fiscal 2024, we began reviewing ISO 14001 activities, themed, "Integrating environmental management into core business," linking objectives to primary operations to reduce environmental impact through daily activities. We are also revising environmental aspect assessments to improve effectiveness. By streamlining these assessments and reducing workload, we aim to focus resources on tasks that truly require attention.

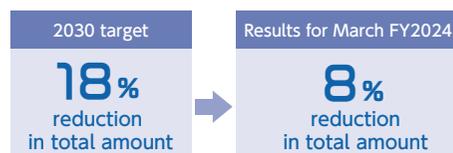
ISO14001 certified locations

Major locations of Head Office, Kisshoin Office, Inuyama Plant, Ise Factory, Muratec Mechatronics Co., Ltd. (Shiga Plant and Oita Factory), Murata Tool, Ltd (Gifu Factory), Muratec C.C.S, Ltd.

Reducing Environmental Impact in Business Activities

We are actively reducing CO₂ emissions, water use, waste, and volatile organic compound (VOC) emissions across our operations, using fiscal 2018 as the baseline for our reduction targets to be achieved by fiscal 2030.

CO₂ reduction target and progress



(Comparison with the results for March FY2018)

Energy Creation and Conservation Initiatives

Since fiscal 2024, we have strengthened energy creation and conservation efforts, including installing solar panels and improving energy efficiency through air-conditioning upgrades, controls, and production equipment upgrading. In autumn 2024, we introduced an air-conditioning control system at the Ise Factory to cut electricity use and plan to expand it to other sites. We are also advancing LED lighting conversion across all locations, with the Oita Factory having completed the transition.

Water Usage

Water at our facilities is mainly used for domestic purposes, with some consumed in painting-related cleaning processes. Having already met our 2030 target, we are now reassessing our next goals.

Waste Emissions

Total water emissions in fiscal 2024 slightly decreased from fiscal 2023. We will continue efforts to reduce them further.

VOC Emissions

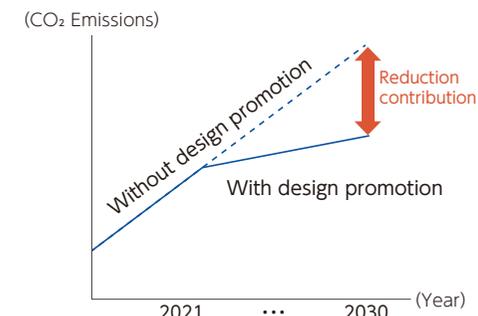
VOC emissions are declining thanks to plant reviews, a switch to VOC-free solvents, and reduced in-house painting for some products. We are also reviewing chemical substance targets to ensure appropriate management and accurate disclosure.

Development of Products and Services for Decarbonization

Alongside reducing CO₂ emissions from our operations, we are also calculating and addressing supply chain emissions (Scope 3). Emissions from the use of products sold by our Textile Machinery, Machine Tools, L&A, Clean FA, and Communication Equipment divisions account for about 90% of our total CO₂ emissions. To address this, we have defined and visualized our "contribution to reduction," achieved through improved product efficiency and productivity, and are actively working to enhance this measure.

In fiscal 2024, in response to the EU Carbon Border Adjustment Mechanism (CBAM) and customer requests, we have decided to calculate the carbon footprint of our products. Initial calculations are underway in the Clean FA Division, with plans to expand this to other divisions in the future.

Image of CO₂ reduction contribution



TOPICS Introduction of Solar Power Generation Facilities

As part of our energy creation and conservation initiatives, we are installing solar power and battery storage systems at our major sites in Japan.

In fiscal 2024, we installed new solar power equipment at the Oita Factory, which began operation in March 2025, and is expected to reduce CO₂ emissions by 328 tons annually. We also use storage batteries as a BCP measure, enabling three days of in-house power supply to plants, factories, and offices during a disaster-related outage. Furthermore, we plan to install solar power generation equipment at the Ise Factory in fiscal 2025.



Solar power generation equipment at Oita Factory

Approaches to Environmental Issues

TOPICS VORTEX 870 EX: Energy Saving through Static Pressure Control of the Blower Motor

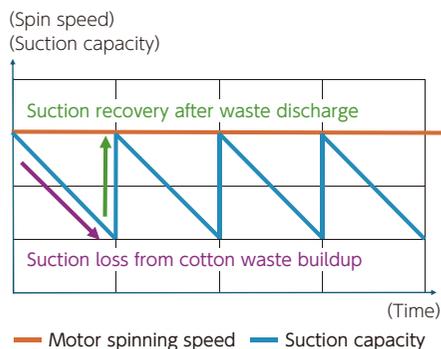
Our Textile Machinery Division's VORTEX spinning machine features exceptionally high spin speeds, integrating roving, spinning, and winding into one unit. Using this unique spinning method, it produces distinctive functional yarns. The latest model, VORTEX 870 EX, achieves higher speeds than its predecessor and supports a broader range of spinnable materials.



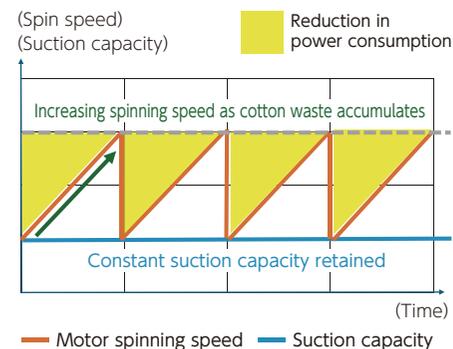
VORTEX 870 EX

The VORTEX 870 EX includes a blower box that collects fine fibers (cotton waste) not woven into yarn during spinning. The blower motor draws in and accumulates waste, which is automatically discharged once it reaches a set level. As the motor consumes a large share of total power, we optimized its static pressure control. In conventional models, to maintain yarn quality, the motor ran at high speed to retain sufficient extraction capability to mitigate the suction loss due to waste accumulation. The VORTEX 870 EX maintains the minimum required suction capacity regardless of waste volume, thanks to improved blower motor pressure control. This optimization reduced power consumption in the mechanical drive system by about 5% compared to conventional models.

Conventional method



With static pressure control



TOPICS Uni-SHUTTLE HP-E: Energy Savings through Downsizing and Weight Reduction

The Uni-SHUTTLE, developed by the Logistics & Automation Division, is a shuttle-type automated storage and retrieval system integrating storage, transport, and sortation in one platform. It addresses logistics challenges such as multi-variety, low-volume, high-frequency production, and supports diverse customer needs including individual and same-day delivery. The latest Uni-SHUTTLE HP-E series offers higher load/unload performance and greater space efficiency than previous models, while its low-voltage design improves operational safety. The Uni-SHUTTLE HP-E series consist of three main components: buffer conveyors that serve as pathway for loading and unloading items, vertical lifters that raise and lower the transported items, and shuttles that carry items to designated buffer conveyors or storage locations. While the previous model was capable of high-speed processing, there were issues with product cost. We also further developed the system for downsizing of the shuttle and reducing power consumption, in response to customer needs. Specifically, we redesigned the motor control system so one driver now controls two motors, compared with one per motor in the previous model. This allows shuttle downsizing and use of regenerative motor power. Switching the shuttle cover material from metal to resin reduced weight. We then optimized operation by preventing simultaneous loading/unloading, so reducing power consumption and allowing more compact power transmission equipment. As a result of weight reduction and control improvements, CO₂ emissions per shuttle are about 65% less compared to the previous model, also contributing to resource conservation.



Shuttle-type automated warehouse system

TOPICS Eliminating Wooden Crate Waste in Shipments from Murata Machinery Shanghai to Kaga Factories

Previously, shipments from Murata Machinery Shanghai to Kaga Factory used 80 to 100 wooden crates monthly, and many of those were discarded after each one-way use. To address this issue, we replaced one-way wooden crates with reusable metal containers that are returned to Murata Machinery Shanghai. All shipments from Shanghai now use these returnable containers, reducing costs for crate purchase at the Murata Machinery Shanghai, and the costs for crate unpacking and disposal at the Kaga Factory, thereby easing employee workload.



Shift from wooden crates to returnable containers

Human Capital and Human Rights

Recognizing human resources as our most important asset, Muratec Group provides opportunities and environments for a diverse workforce to reach its full potential. With this in mind, we implement and continually improve measures for human resource development, work-life balance, and DEI (Diversity, Equity, and Inclusion) to create a workplace where every employee can thrive.

Talented people that independently create turning points for innovation

Our corporate slogan, "Innovation. Mark the turning point," reflects our commitment to our philosophy of "Creation of New Technologies." We have defined the competencies needed for each employee to drive innovation and translated them into specific behavioral guidelines for every job grade.

Attributes that drive innovation turning points



Three-year Policy

We pursue initiatives based on four key pillars: Realizing business strategies, Prosperity for our employees, Fostering an innovation-driven organizational culture, and Developing a foundation that supports corporate governance.

Key Themes	Strategic Directions
1 Realizing business strategies	Promoting optimal personnel allocation by enhancing internal mobility, and improving employee retention
2 Prosperity for employees	Improvement of work-life balance Strengthening employee engagement through promotion of DEI (Diversity, Equity and Inclusion) and increased psychological safety
3 Fostering an innovation-driven organizational culture	Building systems that support and encourage employees to take on new challenges
4 Developing a foundation that contributes to corporate governance	Promotion of transparent information disclosure Development of management talent

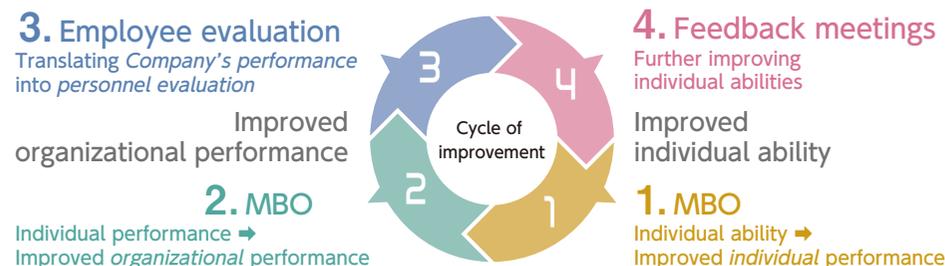
Human Resource Development

Personnel system that links individual growth to organizational growth

Through our system of Management by Objectives (MBO), employees set challenging objectives based on required competencies and behavioral guidelines to improve skills and performance. Linking individual goals to organizational objectives strengthens overall performance. Face-to-face meetings provide feedback on evaluations and identify areas for improvement. We refer to this system as the "Cycle of Improvement."

Overview of human resource development

— Cycle of Improvement for constant generation of high profits —



Training Programs that Encourage Personal Growth

We offer rank-based training, career autonomy development, and next-generation leadership programs aligned with employees' roles and tenure as expected. Managers receive 360-degree feedback to drive behavioral change and enhance managerial performance. We also provide training for evolving needs, including self-paced programs, online English courses, and data literacy training to support digital transformation.

TOPICS Abolition of Job Classification System (General vs. Career Track)

Since April 2025, Muratec Group has eliminated the distinction between general and career-track positions. By moving beyond fixed perceptions tied to job titles, we aim to create an environment where all employees can fully leverage their knowledge, experience, skills, and motivation, fostering a workplace culture in which everyone can thrive regardless of role, gender, or other attributes.

Human Capital and Human Rights

Initiatives to Support Career Autonomy

Upholding "prosperity for our employees," we view support for career autonomy as an important priority. We define "career" broadly, encompassing one's entire life journey, not just professional development. To help employees lead fulfilling lives, it is essential they envision their own career paths and take proactive steps to achieve them. We support this by offering learning opportunities and encouraging employees to embrace new challenges as they build careers unique to them.

Career Autonomy Support Initiatives and Systems

● Age-based Career Autonomy Development Training

We provide career autonomy training at key age milestones (28, 38, and 45), helping employees reflect on their experiences and create concrete action plans for the future.

● Life Design Support for Older Employees

For older employees, we offer seminars on life design and financial planning basics, and those on corporate pensions, to help them shape a fulfilling future.

● Career Discussions

Employees meet face-to-face with their supervisors annually to discuss career visions and growth plans.

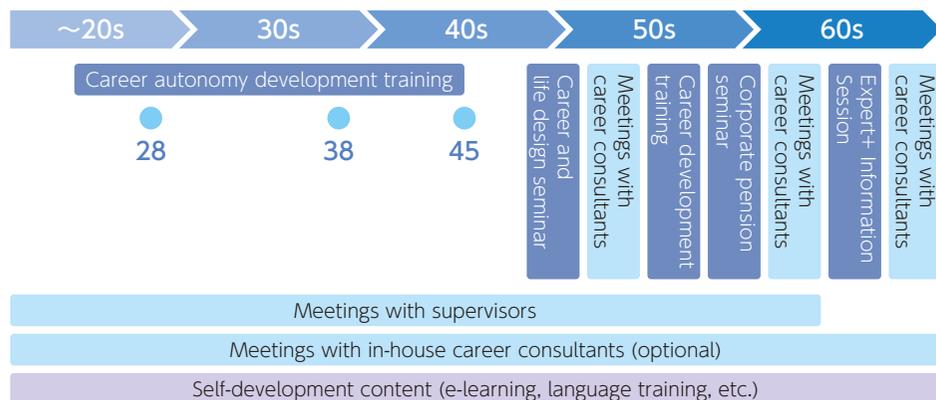
● Career Consultant Meetings and Retirement Support

We offer employees access to in-house career consultants, seminars, and information sessions to support those nearing retirement.

● Career Discovery System

In fiscal 2025, we will introduce the "Career Discovery System," which visualizes departmental tasks. This enables employees to explore diverse roles, request transfers to areas of interest, and discover new career opportunities while taking on challenges.

■ Career autonomy support



*Expert+: Continued employment system for employees aged 65 and over
 *The training at age 55 and career meetings at ages 55 and 57 do not apply to all employees

Work-life Balance

We are creating an environment that allows employees to balance life events and family needs while staying motivated and maintaining their performance.

Flexible Work Arrangements

● Telework System

We introduced a telework system to boost productivity, support work-life balance, and ensure business continuity during emergencies.

● Flextime and Hourly Paid Leave Systems

We provide flexible work systems for all employees who need them, not just for childcare or caregiving, supporting a variety of needs.

Support for Balancing Work and Family Life

We offer programs that help employees balance work and family life across different stages, and we continue to foster a supportive work environment.

● Support for Childcare and Caregiving

Employees caring for children or family members can reduce their working hours. Individual meetings with supervisors before and after childcare or family care leave ensure they receive proper support at the workplace.

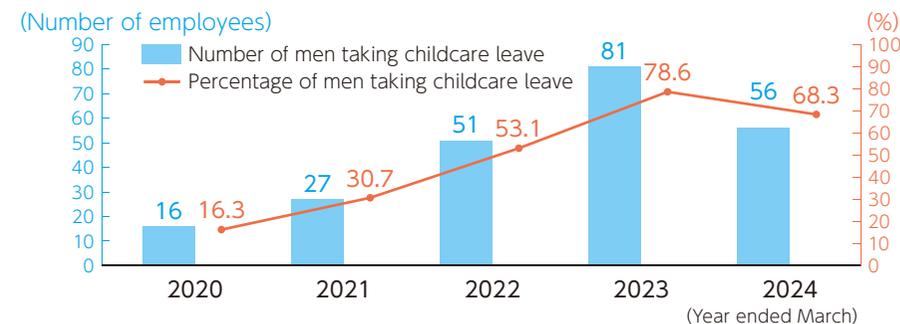
● Support for Employees Balancing Work with Medical Treatment

Eligible employees may use preserved paid leave and reduced working hours under specified conditions.

● Promotion of Paternity Leave

We encourage male employees to actively participate in childcare. We use one-on-one meetings with supervisors before a spouse's birth to clarify their intentions for paternity leave and confirm available childcare support.

■ Number and percentage of men taking childcare leave



Human Capital and Human Rights

DEI Initiatives

Objective of DEI promotion

Muratec Group aims to harness diversity to drive unique innovations and provide a growth environment for highly talented employees in a changing society. From fiscal 2025, we are promoting initiatives under the DEI framework, expanding beyond D&I to include equity, offering support and opportunities tailored to individual needs.

We implement initiatives to help employees of all genders (including sexual orientation and gender identity), ages, nationalities, races, and abilities understand and embrace differences, transforming mutual understanding into a source of growth.

Workplace that leverages diversity to drive unique innovations
Workplace where highly talented employees can continue to grow in a changing society



Internal poster to promote DEI understanding



Received Gold Award in the "PRIDE Index 2024"



Empowering Women in the Workplace

The length of service of female employees has remained stable, supported by reduced working hours and flextime. More women continue working after childbirth, becoming role models and fostering greater understanding and changing perceptions among colleagues.

Since its launch in fiscal 2015, over 100 female employees have participated in the Women's Leadership Program (WLP). The program helps participants envision leadership roles, develop the necessary leadership skills and mindsets, and expand networks across departments. Since the WLP began, the number of female assistant managers and above has quadrupled, providing career role models for future generations.

Initiatives for LGBTQ+, older employees, and foreign employees

Supporting LGBTQ+ and SOGI (Sexual Orientation and Gender Identity)

We provide accurate information on LGBTQ+ and SOGI (sexual orientation and gender identity) and apply the same internal systems and family benefits to employees with same-sex partners as those with spouses.

Helping Older Employees Thrive

The Career Design Center, established in 2006, supports older employees in their careers and facilitates knowledge transfer to younger generations. We hold seminars and meetings for employees in their 50s to address their career concerns and needs.

Helping Foreign Employees Thrive

We continuously foster a supportive work environment for foreign employees through various initiatives, including orientation sessions upon joining, information on available support programs, and periodic surveys on their working conditions.

TOPICS Supporting People with Disabilities

Aiming to create a workplace where people with disabilities can thrive, we established a section within the general affairs department at the Inuyama Plant where they can take the lead and excel. In April 2024, we also launched the "Assist Team" in the general affairs department at Head Office, whose members continuously study the information and practices needed to effectively support and collaborate with employees with disabilities. We have also established Muratec Farm Hirakata, an agricultural workplace operated mainly by employees with disabilities. Fresh vegetables harvested there are used in the cafeterias at our Kyoto Head Office and Kisshoin Office. We will continue promoting initiatives that foster a workplace where everyone, with or without disabilities, can thrive by utilizing their abilities.

Human Capital and Human Rights

Human Rights

The Muratec Group recognizes compliance with international human rights standards as essential to global business operations. Guided by this belief, we established a human rights policy to minimize potential negative human rights impacts arising directly or indirectly from our business activities.

Human Rights Policy

We have pledged our commitment to human rights in the [Muratec Group Human Rights Policy](#), which is available on our corporate website.

Human Rights Education

We introduced an e-learning course for newly hired employees to promote understanding of our commitment to business and human rights, as well as the Group's human rights policy. Offered in seven languages: Japanese, English, Simplified Chinese, Traditional Chinese, Indonesian, Vietnamese, and Portuguese, the course was completed by 541 employees in fiscal 2024. We will continue offering similar programs and engage with business partners to encourage their support and adoption of our human rights initiatives.

Identification of Human Rights Issues

We identified key human rights issues at Muratec Group based on performance and situation assessments, and will implement measures in priority order, starting with the most critical. The following are the seven highest-priority human rights issues within our company.

Top Priority Issues	Priority Issues
<ul style="list-style-type: none"> ● Ensuring Responsible Procurement Practices (Strict Management of Business Partners) ● Personal Information Management ● Prohibition of Harassment ● Occupational Health and Safety 	<ul style="list-style-type: none"> ● Prohibition of Discrimination ● Working Hours (Right to have Breaks and Days Off) ● Wages (Right to an Adequate Standard of Living)

*Regarding forced labor, child labor, and the rights to freedom of association and collective bargaining, the investigation found no occurrences or negative impacts on human rights.

Human Rights Due Diligence

Recognizing our responsibility to assess and address the human rights impact of our business activities, we have started implementing human rights due diligence initiatives. These initiatives aim to ensure sustainable business operations by identifying potential human rights risks and implementing preventive and corrective measures. We survey selected business partners on their business and human rights initiatives and hold individual discussions to promote understanding and improvement by sharing their efforts and introducing our own case studies.

TOPICS Employee Awards Program "Innovation. Mark the Turning Point"

The Muratec Group established an employee awards program entitled, "Innovation. Mark the Turning Point." We held an in-house awards ceremony in April 2025. Our corporate slogan, "Innovation. Mark the Turning Point," expresses our commitment to create technologies, products, services, and values that drive major changes in society and industry. This award honors employees whose actions create innovative turning points for the future and fosters a corporate culture that encourages and supports such challenges. We selected 50 employees across the Group who demonstrated initiative and independence in noteworthy challenges, regardless of their job position or department, even if still in progress. Among them, 4 received Special Awards for efforts creating new technologies, products, services, and value with potential to significantly enhance the company's future value. As part of our human resource development, we have incorporated "actions conscious of turning points for innovation" into employee codes of conduct and job-level expectations, encouraging daily practice. We will continue to cultivate innovative human resources and remain an indispensable company through our innovative proposals for automation solutions.



The awards system as opportunity to encourage employees

The award system aims not only to recognize actions that create "turning points for innovation" but also to encourage all employees to take on new challenges by sharing specific examples. We hope the award-winning examples inspire other employees to apply them daily, and proactively create "turning points for innovation."



Operating Officer / Human Resources
Masahiko Hattori

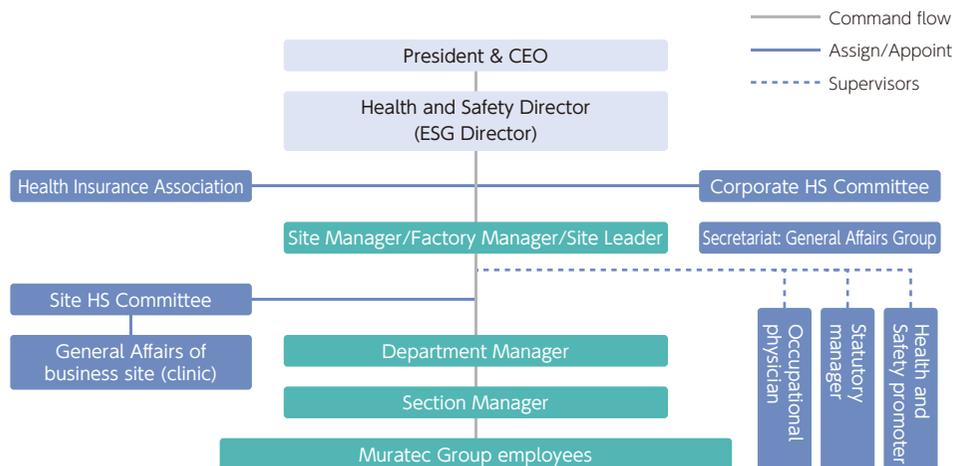
Health and Safety

The Muratec Group prioritizes employee health and safety, guided by its health and safety philosophy and policy to create a safe, comfortable environment and promote mental and physical well-being. Based on the policy, an occupational health and safety management system is organized and led by the President & CEO. Each site's HS committee implements local actions, while the corporate HS (health and safety) committee drives group-wide initiatives and continuous improvement.

Health and Safety

Promotion System

We have a health and safety promotion system under the Health and Safety Director (ESG Director), comprising site HS committees, health and safety promoters, statutory managers, and occupational physicians. Site HS committees meet monthly, and the corporate HS committee meets quarterly to share improvement activities across divisions.



Site HS committee: monthly
Corporate HS committee: quarterly

Prevention of Workplace Accidents

The Inuyama Health and Safety Site*1 at the Inuyama Plant holds ISO 45001 certification for occupational health and safety management, with continuous improvement activities ongoing. Risk and compliance assessments are also applied to sites outside the certification scope. In fiscal 2024, to reduce workplace accidents across the entire Muratec Group, we prioritized strengthening collaboration between business sites. When an accident occurs, a report outlining recurrence prevention measures is circulated across the company. For health and safety information sharing, quarterly meetings are held at the Inuyama Plant, Head Office, and Ise Factory. From fiscal 2025, this initiative will expand to other sites, including Kaga Factory and Muratec Mechatronics Co., Ltd. (Shiga Plant and Oita Factory), to disseminate information in the wider context.

*1 Inuyama Plant (including affiliated companies), Ise Factory, Toyohashi Office, and Murata Tool Gifu Factory

Education and Training

We continue to work on improving employee safety awareness to prevent workplace and traffic accidents. Activities include identifying and addressing hazards from near-miss cases, alongside education and awareness campaigns.

In fiscal 2024, we held a risk assessment lecture at Inuyama Plant with an invited health and safety consultant to learn how to accurately identify potential hazards.

We conducted lifesaving training, including CPR and AED, for in-house fire-fighting team members, to ensure a timely emergency response. With a fire department instructor, participants learned the importance of basic life support, and received training for proper handling of real emergencies.



AED training (Inuyama Plant)

TOPICS Health and Safety Patrol Presented by HS Consultant

In addition to internal HS patrols by committee members and health supervisors, we conduct patrols guided by an external professional HS consultant to identify new sources of hazards. In fiscal 2024, the Inuyama Plant, Head Office, and Ise Factory participated. The consultant, certified in Occupational Health and Safety, provided legal insights and guidance, which produced new improvement ideas.

Health and Safety

Employee Health Management Initiatives

Health and Productivity Management

The Muratec Group values the mental and physical health of all employees as essential to there being "prosperity for our employees" and a "society to a better tomorrow" as in our philosophy. We work to improve the workplace environment and support employees to perform more actively, enhancing business performance.

As poor health can reduce productivity and motivation, we prioritize diet, exercise, sleep, smoking, and mental health, and work on their continuous improvement.

Priority Initiatives

To address management issues stated in the "Strategy Map in Health & Productivity Management," we established key performance indicators (KPIs) for employee health and management, aiming to improve all KPIs by fiscal 2027.

Our health and productivity management efforts were recognized with the "Health & Productivity Management Outstanding Organization 2025 (Large Enterprise Category)" certification, honoring excellence in health management. We were also selected as one of the "White 500," ranking among the top 500 organizations in the Ministry of Economy, Trade and Industry's survey.



■Muratec Group employee health management priority areas



Initiatives to Improve Health Literacy

We hold health seminars semi-annually to improve employees' health literacy. In fiscal 2024, lectures covered "blood pressure" and "pollen allergies, snoring, and dizziness," with an invited instructor.

From fiscal 2024, we updated our health e-learning for all employees, adding management-specific programs. These provide managers with perspectives on social context, health and productivity management, and alignment with management challenges.

We introduced "Calomama Plus," an app for tracking daily calorie intake and supporting mental health, and "ascure," an online smoking cessation program, to promote employee wellbeing. We continue to advance health and productivity management with personalized support and initiatives.



Scenes from Health Seminars

TOPICS Health Check Events Held at Each Site

To promote employee health, we hold unique health check events. In fiscal 2024 at Inuyama Plant, we offered "Vege-check" for vegetable intake, "Blood Age and Stress Measurement," and "AGEs Measurement" for aging-related substances. An exhibition booth also explained the calories needed to reduce 1 kg of body fat, prompting employees to review their lifestyle.

At the Kisshoin Office and Osaka Branch, we held measurement workshops for "Bone Density" and "Vege-check." Employees received their results along with printed advice to support healthier daily routines.

Muratec will continuously safeguard employee health, and promote health and productivity management through cultivation of health literacy and awareness, by providing precise and timely information.



Activity at a health check event

Community Connections

The Muratec Group connects with local communities. By communicating with local students and children, as well as educational support activities, we continuously promote the appeal of the manufacturing industry and its social value. By nurturing the next generation through these initiatives, we aim to contribute to the sustainability of society as a whole.

Cooperating in Manufacturing Experience Classes for Elementary School Students

Since 2010, we have participated in the "Palace of Kyoto Manufacturing" workshops for elementary school students, organized by Kyoto City. This initiative aims to spark students' interest in advanced technologies and science, inspiring them to pursue their future dreams and careers.

In fiscal 2024, we completely renewed our exhibition booth, adding more hands-on activities to engage and impress students. At the booth, they can assemble and operate mechanical devices to experience how machines work, helping them understand that "automation" plays an important role in our daily lives.



Participated in Career Education Program of Kyoto Kogakuin High School

Since fiscal 2020, we have been supporting the career education program held by Kyoto Kogakuin High School. It is a career education program for the students in which they visit universities and companies and attend workshops or sessions to envision their future in research or other vocations. This year we provided a discussion meeting entitled "Talk Dream, Talk Future" with young employees and students, along with tours to our showrooms and prototype production factories.



Hosting Workplace Experience Programs for Local Junior-high School/High School Students

(Inuyama Plant)

We host workplace experience programs for local junior-high and high school students, including part-processing, screw-tightening, and safety education, to help them understand manufacturing, daily operations, and the purpose of work.

(Ise Factory)

We host a workplace visit & training session as part of career education at a local commercial high school. Younger employees led factory tours and meetings, so that students could gain a relatable experience of work.

(Kaga Factory)

As part of the next-generation human resource development project in Ishikawa Prefecture, we regularly host 10 days of company training for local high school students. This year, on the first day, a joint study session in Kaga City had lectures from employees of all participating companies, including morale training emphasizing our commitment to manufacturing. From the second day, students experienced assembly work on VORTEX spinning machines and the "Alcone" automatic winder, learning our high-quality manufacturing process and expected employee attitudes. Training also included classroom lessons and small-group exercises.



Industrial health training of university nursing faculties

From fiscal 2016, the Head Office has been hosting field sessions for nursing faculties from a local university. As part of their public health nursing curriculum, students gain hands-on experience in industrial health at real workplaces. The four-day program includes visits to multiple workplaces, with orientations designed to help students understand the diversity of job types, working environments, and the health challenges. Students also attend HS committee meetings to observe how the departments collaborate to create safe and healthy workplaces. We held Q&A sessions to explain our health management and public health nursing practices, helping students connect their academic studies with practical applications.



Compliance

The Muratec Group believes it is essential not only to comply with all laws and regulations but also to uphold ethical standards, follow our own code of conduct and internal rules, and maintain open communication with stakeholders to meet their expectations. To remain a company trusted by society, our efforts are group-wide to consolidate regulatory compliance.

Compliance Promotion

The Muratec Group has established a committee to ensure the effective implementation of internal controls, comprising the heads and leaders of each division and Group company department. (As of April 2025, the committee had 225 members.) The committee members are responsible for raising compliance awareness and promoting its implementation. They also serve as approachable consultants for employees.

Compliance promotion structure



Whistleblowing System

We have set up internal and external whistleblower hotlines for early detection and prevention of compliance violations. The corporate ethics hotline 119 serves as an internal contact point, and the Compliance Reporting Desk covers external reporting. Both ensure confidentiality, anonymity, and prohibit retaliation and disadvantageous treatment of whistleblowers, enabling employees and stakeholders to safely report issues and request corrective action. We have also established a Harassment Consultation Desk to specifically address harassment-related issues. Through this system, we actively seek feedback from both employees and a wide range of internal and external stakeholders, and strive to promptly implement corrective and improvement measures within the company.



In fiscal 2024, we received a total of 50 reports and consultation requests at the three contact points, and we appropriately addressed them. We conduct biannual management reviews with ESG Directors to share consultation and reporting details, responses, and corrective measures. Follow-up checks are performed after a set period to verify the effectiveness of these responses. In fiscal 2024, the verification results showed no cases requiring further immediate action. In fiscal 2024, through compliance promotion activities as well as reporting and consultation system operations, we had no violation of compliance that caused serious impact to the company's business.

Compliance Education

We provide ongoing compliance training to instill awareness of compliance and risk management in all employees. This includes e-learning twice a year, monthly streaming of compliance textbooks, legal risk seminars, and sessions on cartels, subcontracting, and product liability laws, to give employees a broader understanding of the underlying processes of company ethics, laws and regulations as well as what happens when they are violated. Preventive training will continue to forestall noncompliance.



Compliance sessions

TOPICS Establishment of Anti-Bribery Policy

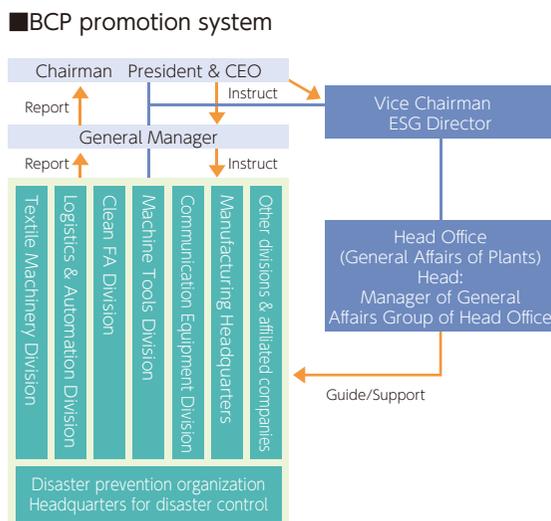
Under the "Muratec Code of Conduct," the Muratec Group conducts fair business in compliance with laws and social norms, aiming to meet society's expectations. Requirements and requests from national laws and stakeholders grow more complex with the times. To meet these demands in a higher level, the Muratec Group established a Basic Policy on Prevention of Bribery in fiscal 2024. For dissemination, the President communicates the policy's background, purpose, and details to employees. We also provide training to ensure understanding across the company.

Risk Management

Business Continuity Planning (BCP)

Business Continuity Policy

At Muratec Group, we advance business continuity planning (BCP) to protect lives and maintain operations during emergencies. Through risk analysis to identify threats to our business, we develop manuals and plans, establish a crisis management system, and continuously improve our approach via training, aiming to make the BCP highly effective.



Enhancing Education and Training

We conduct regular BCP training, disaster and evacuation drills, and departmental tabletop exercises to practice recovery responses. In fiscal 2024, 78 departments participated, including, for the first time overseas, three sites in Taiwan, where all the departments participated in preparing the recovery policy assuming an earthquake. We also carry out annual exercises with collaborating divisions. Challenges identified after each session are incorporated into future strategies to strengthen BCP.



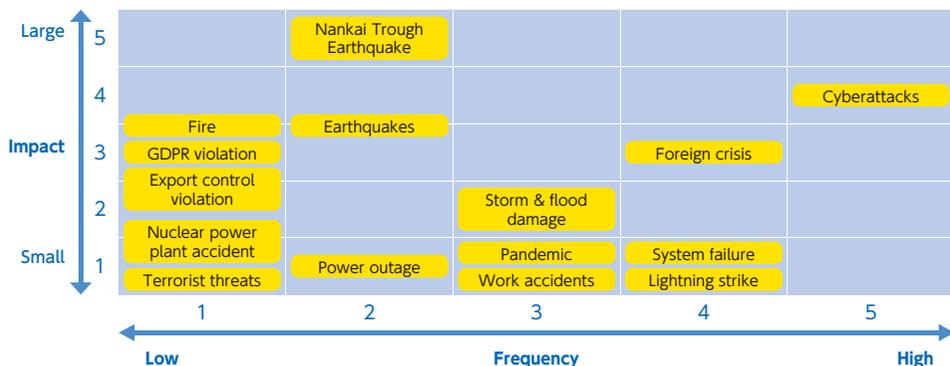
Exercise at Taipei office

BCP that Assumes Diverse Risks

In addition to natural disasters, we are strengthening countermeasures against cyberattacks, a significant threat, given their potential severity and frequency. We established response workflows and conducted tabletop exercises that simulate emergency situations to test their effectiveness. To address the growing diversity of risks, we will continue developing BCP with potential threats identified, prioritizing responses, and enhancing risk management strategies.

Risk Assessment through Business Risk Analysis

In establishing BCP, we assess potential and disaster risks for each business unit, using a dual-axis matrix of impact and frequency to identify threats based on simulated maximum damage and financial impact. Assessments are reviewed annually and reflected in action plans according to priority.



TOPICS Drone utilization during Disaster Drill

In November 2024, a disaster drill at Inuyama Plant (2,929 participants) introduced airborne drones to inspect building damage. Simulating a large-scale earthquake and fire, the drone was launched to check the situation, and the result was shared with employees. We continue refining drone use through repeated drills so that we can fully utilize the drones in actual emergency situations.



Risk Management

Supply Chain Management

We strive for mutual prosperity with our suppliers, the key business partners, through fair, equitable transactions and trust. We also work to minimize supply chain risks in order to reliably deliver value to society.

Compliance with Responsible Business Alliance (RBA)*1 Code of Conduct

Our company supports and complies with the RBA (Responsible Business Alliance) Code of Conduct, alongside national laws and social norms. The RBA Code sets standards for safe workplaces, respectful treatment of workers, environmental responsibility, and ethical business practices.

To ensure the RBA Code of Conduct is implemented across our supply chain, we emphasize the importance of understanding and cooperation from all companies involved. With this in mind, we conduct activities with suppliers and on-site partners to foster recognition of the principles and encourage necessary actions.

*1 The Responsible Business Alliance (RBA) is a non-profit organization that supports the rights and well-being of workers and communities worldwide affected by global supply chains. It has established a common code of conduct covering labor, environment, health and safety, and ethics, aiming to manage supply chain risks and enhance industry sustainability.

Inuyama Plant Acquired Platinum Rating in VAP Audit

In May 2025, our primary manufacturing facility, the Inuyama Plant, underwent a third-party audit known as the "VAP Audit," based on the RBA Code of Conduct, and obtained the highest rating of "Platinum". We will work on maintaining this rating through continuous improvement activities.

Deployment of "Murata Machinery Code of Conduct for Business Partners"

We created the ["Murata Machinery Code of Conduct for Business Partners,"](#) outlining supplier requirements, including elements of the RBA Code of Conduct. We distribute this code to primary first-tier suppliers and on-site partners at the Inuyama Plant, seeking their cooperation in working together with Murata Machinery to ensure compliance. To deepen understanding, we visit suppliers or hold online meetings to explain the purpose of RBA code compliance and required initiatives.

Compliance Survey on the Code of Conduct for Business Partners

We conduct an annual survey with our primary first-tier suppliers and on-site partners at the Inuyama Plant to assess implementation of the "Murata Machinery Code of Conduct for Business Partners." In fiscal 2024, we received responses from 195 companies.

The survey covers six specific areas in the following table. For suppliers with improvement needs, we used on-site audits and online meetings to identify current challenges and provide suggestions for improvement. On-site partners at the Inuyama Plant, which are subject to the VAP audit, have been assessed for compliance only in the priority areas in the RBA code of conduct. From fiscal 2023, they were assessed for compliance in the five areas of the extended scope of Code of Conduct for Business Partners.

■ Score rate of at least 70%

Section	Primary Suppliers	On-site Partner Companies at Inuyama Plant
Labor	91%	88%
Health and Safety	77%	78%
Environment	68%	31%
Ethics	70%	77%
BCP	47%	—

*Questions, contents and marks are annually reviewed, and evaluated using a score rating customized for that year.

Implementation of Supplier Audits and Proposals for Improvement

Following fiscal 2023, In fiscal 2024, we conducted on-site audits for 30 suppliers, selected based on survey results and other criteria to support improvement efforts. We interviewed them for problems and discussed together to share the initiatives we introduced. The 12 suppliers audited in fiscal 2023 were also included in this interview and on-site patrol to verify progress detect any new issues. Follow-up actions include instructions and education on the protective equipment, chemical substance control, fire equipment and evacuation management, and danger/warning labels in local languages. We also shared good practices to enhance compliance with the RBA code of conduct and Murata Machinery Code of Conduct for Business Partners.

In fiscal 2024, we started an on-site audits and interviews, including with on-site partner companies at the Inuyama Plant, and provided feedback for improvement.



Patrol at site

TOPICS Health and Safety Handbook

To raise supplier safety awareness and ensure safer workplaces, we provided our suppliers with a Health and Safety Handbook. Based on the Health and Safety Handbook utilized by the Muratec Group, it covers basic safety concepts, common hazards, and emergency responses. Suppliers use this handbook in morning meetings, new employee training, and on-site patrols, fostering improved safety consciousness.

Risk Management

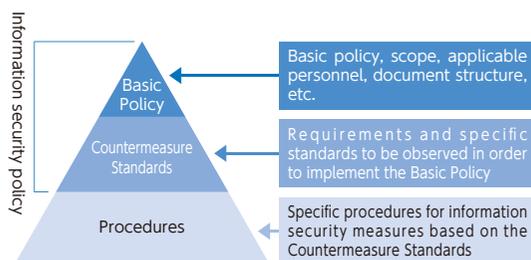
Information Security

Basic overview of Information security policy

The Muratec Group believes that protecting key information assets, which includes trade secrets, personal and customer information, and information systems, is essential for business continuity, risk reduction, and maintaining stakeholder trust. We are implementing group-wide information security measures to prevent breaches and minimize potential damage.

Structure of Information Security Policy

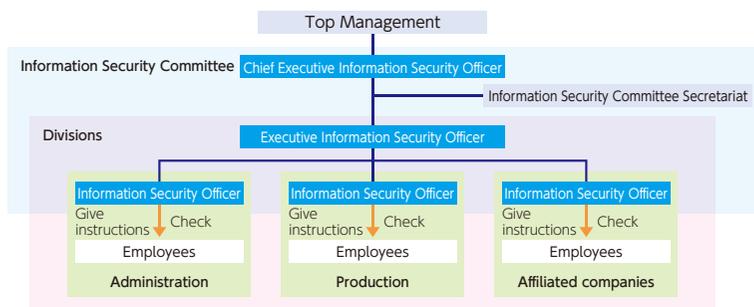
The Muratec Group defines its policies and action guidelines for organizational and employee information security measures in the Basic Policy, and its specific measures in the Countermeasure Standards. Based on international standards (ISO/IEC 27001/27002:2022), these policies and standards apply to our overseas locations, and we use them to strengthen our information security foundation.



Promotion System

The Information Security Committee, led by the CISO, Chief Information Security Officer, sets company-wide security directions, monitors and reports incidents, and discusses recurrence prevention to maintain and improve measures. Each division has a departmental Information Security Officer, under the Executive Information Security Officer, responsible for implementing security measures and handling incidents promptly.

Information security system



Chief Executive Information Security Officer: Director overseeing the information security of Murata Machinery, Ltd., and serving as Chief Information Security Officer for information security management across the Muratec group.
 Executive Information Security Officer: Director who manages information security of the division and common departments.
 Information Security Officer: Officer who manages information security of the department, affiliated company, and global office.

Policy and Priority Areas

In the light of the recent sophisticated cyberattacks and changes in the IT environment, Muratec has set up the policy and priority areas for various actions.

Policy	Priority Areas
Increased security governance and maintenance	System enhancement supported by global cooperation, drill practices, reviewing of BCP measures, increased cyber resilience
Security-response system	Building of organizational system including product security, factory security, and others.
Zero-trust security	Improved authentication and authorization security, enhanced monitoring of the cloud environment, 24/7 monitoring through SOC

Specific Approaches

Supply Chain Risk Survey

Recently, cyberattacks targeting contractors and suppliers with insufficient security controls have rapidly increased, causing serious issues such as production halts or leaks of confidential information. To minimize these risks, we monitor vulnerabilities via supplier surveys, risk investigation of the disclosed IT assets, and a risk assessment service based on comprehensive risk judgment. Beyond fulfilling regulatory and security standards, we continue to strengthen risk management across our supply chains.

Product Security

To deliver safe products to our customers, we ensure cybersecurity throughout the life cycle of our products. As seen in the EU Cyber Resilience Act, the cybersecurity regulations for products using technologies with digital elements are strengthening year by year. We develop our products through process maintenance with security-focused approaches from the product planning and design phases, consider country-specific requirements, and maintain a vulnerability control system for timely responses to any incidents.

Factory Security

With the rise of IoT, automation, and digital transformation, more factory system devices are network-connected, increasing cyberattack risks. In cooperation with an external vendor, Muratec conducts factory network security assessments and establishes security policies to minimize these risks.

Cyber BCP Drills

Based on our risk analysis, we assess cyberattacks as one of the most critical business risks due to their rising frequency and sophistication. We conduct compact drills simulating attacks on the core systems and file servers, to minimize potential damage.

ESG Data

Environment

Environmental Performance Data

(Year ended March)

		2023	2024	2025
CO₂ emissions				
Scope1	tCO ₂	7,524	6,198	5,990
Scope2	tCO ₂	25,648	21,436	21,640
Scope1+Scope2	tCO ₂	33,171	27,634	27,630
Percent change of Scope 1 + Scope 2	%	111	92	92
Percent change of emission intensity Scope 1 + Scope 2	%	73	62	65
Waste emissions				
Total emissions	t	7,127	6,256	6,143
Percent change of emission intensity	%	76	69	71
Water usage				
Total emissions	m ³	207,964	186,678	186,690
Percent change of emission intensity	%	83	75	76
VOC emissions (chemical substances subject to PRTR reporting)				
Total emissions	kg	59,771	48,950	44,548
Percent change of emission intensity	%	120	176	184

*Scope: Head Office, Inuyama Plant, Ise Factory, Kaga Factory, Muratec Mechatronics Co., Ltd. (Shiga and Oita)

*Increase/decrease ratio for each datum is referenced as a percentage against March FY2018 as the base.

*Emission intensity: CO₂ emissions and waste emissions are based on production values (as per unit of total man-hours for the Head Office only), water usage is based on total production costs, and VOC emissions are based on production amounts.

*Scope for the VOC emissions: Inuyama Plant, Kaga Factory, and Muratec Mechatronics Co., Ltd. (Shiga Plant)

*For CO₂ emissions, from March FY2024 onward, emission factors of each electric power company are applied.(Until March FY2023, emission factors based on substitute values from March FY2018 were used as the base.)

Social

Workforce composition

(Year ended March)

	2023	2024	2025
Full-time employees (Total)			
Male	3,034	2,908	2,754
Female	784	762	754
Contract employees (Total)			
Male	235	257	294
Female	24	28	32
Part-timers (Total)			
Male	150	206	200
Female	97	119	99
Average age, Total (Years old)			
Male	41.6	41.6	42.6
Female	37.0	37.2	38.5
Percentage of employees covered by collective bargaining agreements*(%)			
	53.1	52.5	56.1

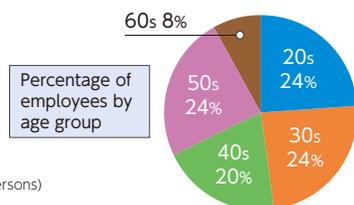
*Method of calculating the percentage of employees covered by collective bargaining agreements:(Number of union members / Total number of employees (as of March 31, 2025))

Employee Retention

(Year ended March)

	2023	2024	2025
Average length of service (Total/year)			
Male	16.0	16.1	16.1
Female	12.7	12.8	13.0
Retention rate after 3 years of employment (%)			
Male	91.8	93.8	90.6
Female	90.5	81.8	80.0
Voluntary turnover rate* (Total/%)			
Male	2.0	2.1	2.8
Female	4.5	2.8	4.2

*Method of calculating voluntary turnover rate: (Total number of employees leaving between April 1, 2024, and March 31, 2025) / (Total number of employees as of March 31, 2025)



Percentage of employees by age group	20s or younger	30s	40s	50s	60s
	917	918	796	885	379

(persons)

*The data of Workforce composition, Employee retention and Employment and wages are calculated for Murata Machinery, Ltd. only.

Employment and wages

(Year ended March)

	2023	2024	2025
Number of new hires			
Total	153	134	105
Male	113	109	68
Female	40	25	37
Number of mid-career hires			
Total	148	103	79
Male	114	79	61
Female	34	24	18
Number of persons with disabilities hired			
Total	96	103	103
Employment rate for persons with disabilities	%	2.36	2.39
Number of female titled employees*1	105	120	118
Number of male titled employees	1,575	1,581	1,445
Proportion of female among all titled employees	%	6.25	7.05
Percentage of female managers	%	3.29	4.11
Number of foreign employees*2	188	252	218
Wage differences between men and women*3			
All employees	62.7	65.1	68.3
Full-time employees	65.4	67.3	69.7
Part-time and fixed-term employees	50.1	53.3	55.9

*1 Titled employees: assistant managers or higher positions *2 Number of non-Japanese employees, including technical interns

*3 Women's wages as a percentage of men's wages

Work-life balance

(Year ended March)

	2023	2024	2025
Yearly average of annual leave days taken			
	11.6	12.0	12.2
Percentage of employees taking annual leave			
	%	63.3	66.0
Number of employees taking annual leave			
	75	116	83
Percentage of employees taking childcare leave*1			
	%		
Male	53.1	78.6	68.3
Female	78.1	134.6	96.4
Employees taking childcare leave			
Total	75	116	83
Male	50	81	56
Female	25	35	27
Employees entitled to take childcare leave			
Total	128	129	110
Male	96	103	82
Female	32	26	28
Percentage of employees returning to work after childcare leave			
	%	100	100
Male	100	100	100
Female	100	100	100
Number of employees working reduced hours for childcare*2			
Total	98	104	110
Male	2	2	3
Female	96	102	107
Number of employees taking family care leave*3			
Total	0	3	4
Male	0	1	4
Female	0	2	0
Number of employees working reduced hours for family nursing care*4			
Total	1	2	3
Male	0	0	0
Female	1	2	3

*1 Calculated using the method based on Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers. Number of employees taking first childcare leave in FY2024 / Number of employees who had a baby in FY2024 x 100 Figures may exceed 100% due to differences in the employee-counts used for the numerator and denominator values.

*2 Number of employees using the relevant reduced work-hour program as of March 31, 2025 *3 Full-time employees only *4 Number of employees who started a leave period in the fiscal year

ESG Data

Social

Number of occupational accidents*1

(Year ended March)

	2021	2022	2023	2024	2025
Lost-time accidents(1 day or more of lost time)	1	2	4	3	5
Non-lost-time accidents(less than 1 day of lost time)	13	14	15	12	10

(Number)

Frequency rate of lost-time injury*2,4



Severity rate of lost-time injury*3,4



*1 Scope: Head Office, Inuyama Plant, Ise Factory, Kaga Factory, and Muratec Mechatronics Co., Ltd. (Shiga and Oita), including temporary employees but excluding employees of contractors

From fiscal year 2025, Murata Tool, Ltd. (Gifu Factory), Kisshoin Office, and Tokyo Branch are added

*2 The number of lost workdays per 1,000 hours worked, a measure for the severity of work-related injuries

*3 The number of lost workdays per 1,000 hours worked, a measure for the severity of work-related injuries

*4 The Japan domestic manufacturing industry average is quoted from the Ministry of Health, Labour and Welfare's Survey on Industrial Accidents.

Employee health

(Year ended March)

Category	Indicator	2023	2024	2025	Goal (up to 2027)
Diet	Percentage of employees with a BMI between 18.5 and 25	64.7	63.2	62.4	At least 20
	Percentage of employees who skip breakfast at least 3 times a week	22.9	22.5	23.8	No more than 15
Exercise	Percentage of employees who exercise at least 2 days a week	22.3	22.8	25.0	At least 25
	Percentage of employees who walk at least 1 hour daily or do an equivalent amount of physical activity	38.3	38.4	44.8	At least 40
Sleep	Percentage of employees who get enough sleep	64.6	63.6	63.2	At least 70
Smoking	Percentage of employees who smoke	20.3	19.5	20.0	No more than 18
Mental health	Percentage of employees who underwent a stress check	93.5	92.8	94.4	100
	Percentage of employees identified as highly stressed in a stress check	12.1	12.0	11.5	No more than 10
Health checkup	Percentage of employees who had regular health checkups	100	100	100	100
	Percentage of employees identified as requiring a follow-up medical examination who submitted a medical report	89.0	90.8	91.6	At least 92

(%)

*Scope: Murata Machinery, Ltd., Muratec Mechatronics Co., Ltd., Muratec Frontier, Ltd., Murata Parts Sales Co., Ltd., Murata System Co., Ltd., Muratec C.C.S. Ltd., Murata Tool, Ltd., Techno Advance Co., Ltd., Murata Engineering Co., Ltd., Murata Kosan Co., Ltd., and Murata Machinery Health Insurance Association.

Governance

Board composition

(Year ended March)

	2023	2024	2025
Number of directors	10	10	10
Outside director	0	0	0
Female director	0	0	0
Number of auditors	1	1	1

(persons)

Cases reported

(Year ended March)

	2023	2024	2025
Compliance Reporting Desk	5	7	15
Internal contact point	9	14	11
Corporate Ethics Hotline 119			
Harassment Consultation Desk	31	25	24

(Number)

Company Information



Company name : Murata Machinery, Ltd.

Location : 136, Takeda-Mukaishiro-cho, Fushimi-ku, Kyoto 612-8418 Japan

President : Daisuke Murata, President & CEO

Established : July 1935

Capital : JPY 900 million

Products : Textile Machinery, Logistics & Factory Automation Systems, Clean FA Systems, Machine Tools, Sheet Metal Machinery, Communication Equipment

Sales : Consolidated: 526,076 million yen / Non-Consolidated:392,382 million yen (Fiscal Year ending March 2025)

Employees : 8,659 (Group) / 4,133 (Non-consolidated) (As of March, 2025)

Major locations

