Corporate Social Responsibility Model

CSR Process

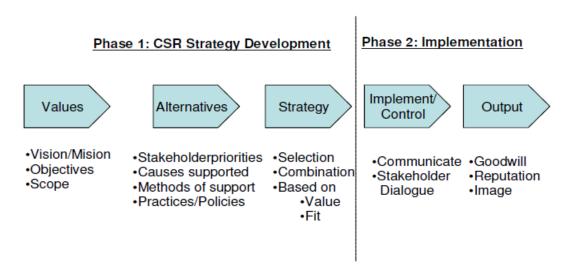
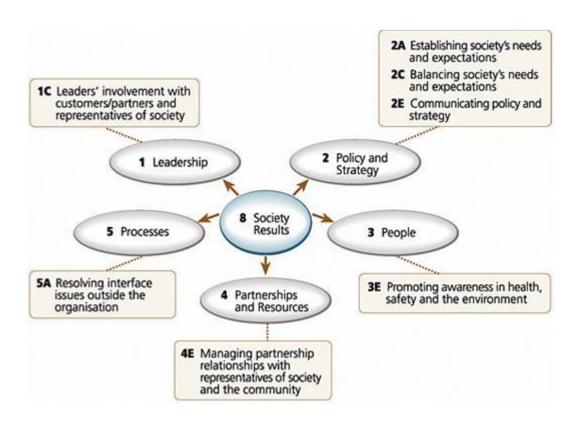
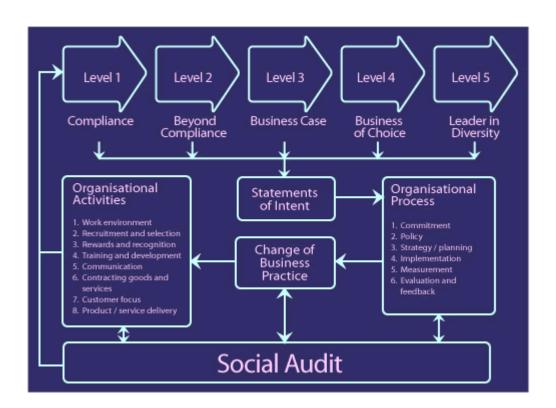


Diagram 3: Phases and Steps within the CSR Process



Figure 1 — The seven core subjects at a glance





CSR Charter

In line with its management philosophy, Murata aims to continue to be a company that is trusted by society, by committing to compliance with laws and regulations, as well as to highly transparent governance, respect for human rights, health and safety, social contribution and environmental preservation, on the basis of high corporate ethics. To these ends, Murata stipulated the CSR Charter, as the norms to be observed by all those working at the Company.

CSR Charter

Corporate governance

We will fulfill accountability and enhance management transparency, so as to remain open to our communities and society, and continue to be a reliable and respectable company.

- We will promote dialog with customers, employees, stockholders/investors, business partners, communities and other stakeholders.
- We will work to improve management transparency, improve audit effectiveness, and reinforce the internal control system.

Human rights and labor

We will respect the human rights and dignity of individuals.

- We will prohibit forced labor, and will not use child labor in any processes.
- We will guarantee our employees lawful working hours, holidays/leaves and wages, and eliminate all forms of discrimination, so as not to tolerate inhumane treatment.
- In accordance with the law of each country, we will respect workers' rights to join labor unions, and promote free communication with these unions.

Health and safety

We will improve product and service quality and boost employee morale by securing a safe and comfortable working environment and managing employees' health.

- We will ensure workplace health and safety and maintain appropriate workplace conditions. Should
 an occupational accident/disease or an emergency occur, we will take appropriate steps by identifying
 the situation and devising emergency countermeasures.
- For manufacturing equipment and facilities and other machinery used, we will take safety measures to prevent accidents and health problems.
- We will identify all types of physically demanding work always surveying the conditions and controlling such work.
- We will maintain hygiene in welfare facilities (dormitories, canteens, etc.) so that these facilities are kept safe and clean./li>

Environmental preservation

We aim to realize a society where people can live a healthy life with peace of mind, by reducing negative impact of our corporate activities on society, environment and natural resources

- We will obtain any and all required environmental permits and licenses from administrative bodies in accordance with laws and regulations, and fulfill management and reporting (disclosure) requirements.
- We will control chemical substances designated by laws and regulations, and minimize environmental
 impact of wastewater, sludge, exhaust and other pollutants through application of our voluntary
 standards in addition to compliance with relevant laws and regulations. We will reduce greenhouse
 gas emissions and waste by appropriately monitoring and managing them, and setting up voluntary
 targets.
- We will establish and implement the management system to promote environmental activities based on the Plan-Do-Check-Act (PDCA) cycle.

Fair trade and ethics

We aim to maintain the highest standards of ethics, so as to be a company that fulfills its social responsibility and wins social trust.

- In all business relationships, we will prohibit corruption, blackmail and embezzlement, and will not offer or accept bribes or other improper advantages.
- We will prohibit abuse of dominant bargaining positions, rejecting all behaviors that impede fair, transparent and free competition.
- We will actively provide and disclose information to our stakeholders.
- We will respect the intellectual property rights of others and will not infringe upon these rights.
- We will conduct education and raise awareness to prevent improper conduct. As for reporting of
 improper conduct, we will establish a system to protect the confidentiality of informants, and quickly
 deal with improper conduct.
- We will voluntarily work to contribute to the development of the international community and local communities.
- We will never transact with, provide assistance to, or sympathize with antisocial forces that adversely
 affect public order and sound corporate activities, and will never engage in any other acts that benefit
 such forces.

Management system

We will establish a system that ensures compliance with this CSR Charter, and continuously improve the system.

- We will abide by relevant laws and regulations as well as customer requirements, in conformity with the CSR Charter.
- We will design a system to clarify and mitigate risks that may occur in implementing this Charter, and continuously improve the system.

RYDER Case Study

Environmental Responsibilities

Environmental compliance

- Ryder respects all applicable environmental laws, regulations and international agreements as a minimum, and implements programs and procedures to ensure full compliance.
- **New product designs:** All new products are designed and specified to comply with environmental directives. Independent proof of compliance is available, including component vendor self-declarations of conformity for each component type.
- Outsourced products: Vendors supplying products to Ryder EMS must comply with ROHS
 requirements, and are responsible for ensuring that their component suppliers also provide
 proof of conformity.
- **Component suppliers:** Component suppliers must also be able to demonstrate compliance with the latest environmental regulations, including RoHS, WEEE and PFOS.

Environmental Protection

- Ryder EMS is an ISO14001 certified enterprise. Not only this, but we are also committed to
 conducting our business in a manner that delivers continuous improvement in environmental
 performance and protects the quality of communities where we operate. Ryder EMS and our
 employees resolve to constantly improve our operations to reduce environmental impact
 wherever techno-economically feasible, while achieving economic growth. This, we will
 achieve by:
- Reusing and recycling wherever possible in all areas of operation, to conserve resources and minimize waste;
- Restricting use of hazardous materials and reducing harmful emissions;
- Responsibly managing energy use;
- Creating products that are safe in their intended use, conserve energy and materials, and minimize pollution throughout the product life cycle from design through purchase, manufacture, and use through to end-of-life management;
- Proactively carrying out environmental protection initiatives, which we will communicate to our employees and stakeholders.

Energy Efficiency

Energy Conservation

- For optimum electricity consumption, high frequency ballasts and power supplies are used in all operations.
- To maximize efficiency of air-conditioning, buildings have been designed with heat insulating walls and low ceilings, and curtains are fitted.

Exhaust Emission and Noise Pollution Control

- Environmental filters are used in air-conditioners to meet exhaust emission regulations.
- Sound-insulating walls are installed around the power generator room to reduce noise pollution.

Water Resource Management

- Hot water to employee dormitories is supplied by recycling the heat from air compressors and by a solar water- heating system.
- A multi-step biological filtration process is implemented to make waste water safe for recycling into industrial use, and make it safe for release into the environment.

• Chemical Substances Reduction

- Manual soldering processes have been optimized to reduce emission of hazardous chemical substances.
- A multi-level filtration process is used on the shop floor to minimize the release of hazardous chemical substances.

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Social Responsibilities

Ryder's Sichuan Earthquake Relief

- China suffered a devastating earthquake on the 12th of May 2008. It struck in Wenchuan
 County of Sichuan Province, killing nearly 70,000 people, and leaving a further 400,000
 injured. Some 35 million homes were damaged or destroyed, making millions homeless.
- Ryder responded immediately. The management committee coordinated a company-wide collection, and the company made a donation on the 16th of May 2008. In all, we collected a total of 1,662 pieces of clothing and about HK\$150,000.(Click here for more)
- The clothes were donated to the Committee of local Resident's Committee, where they were consolidated and sent on to the disaster area in Sichuan. The money was donated to the Earthquake Relief Fund of the International Red Cross.
- In the meantime, a small donation was also given directly to 69 company employees with family
 members in Sichuan who had been struck by the disaster. These employees' names were
 published on our notice board so that they can keep in contact with our HR department for
 ongoing support.

Ryder's Company Awards

- Ryder's proudest award is the Chinese Government's Top 200 Enterprise Award, which
 recognizes outstanding integrity and ethics in industry. Ryder has been honored with the title
 of Top 200 Enterprise since 2006, previous to which it received the government's Trusted
 Enterprise Award nine years running, from 1997.
- There are only 195 enterprises awarded the honor in the whole of China, so we feel that the award is a significant attainment.
- To win the award, a company must show meticulously-kept, traceable customs records of three
 years or more, and have annual export revenues of greater than US\$ 50 million.
- Winning the award has important practical benefits. The Top 200 Enterprises get a series of
 privileges from Chinese customs including fast-track import and export procedures with a
 delayed payment facility, and online customs declaration, which enable us to maximize
 logistic efficiency to the customer's benefit. The chance of shipments being held by customs
 for random inspections is close to zero.
- In addition to the Top 200 Enterprise award, Ryder is the proud recipient of a number of other titles, including:
- • Top 100 Export Enterprise, awarded by the Shenzhen Government in 2006;
- Council Member, Shenzhen Quality Association in 2006;
- Good-faith Enterprise, awarded by the Shenzhen Labor Bureau in 2007;
- Industrial Accident Prevention Vanguard Enterprise, awarded by the Shenzhen Safe Production Administration in 2008.

Industrial Safety Record

- Ryder is proud to proclaim that there have been NO major industrial injuries in our factories
 over the last 17 years, thanks to our special attention to safety precautions. This is a rare
 achievement in the context of the EMS industry of Guangdong Province.
- With ten SMT production lines, over 40 plastic injection machines and 50 assembly lines, as well as other production facilities, Ryder considers industrial safety a top concern.
- Ever since 1992, when our first factory was founded in Shenzhen, safety-consciousness has been well institutionalized. Potential dangers are thoroughly assessed and precautions mapped out in detail before any facility is set up. In addition, the training and care provided by our in-house clinic further serve to protect employees from injury in the workplace.

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