

### 1. Monitoring of environmental aspects

- (1) On-site audits and evaluations of suppliers' chemical substance management systems are carried out using CMS check sheets.
- (2) To check the EMS management system, the status of establishment of ISO 14001 or equivalent management systems. The evaluation is carried out by checking.

### 2. Monitoring of social aspects

- (1)-1 Use CSR self-assessment to evaluate suppliers' CSR management systems.
- (2)-1 Collecting basic information on factory environmental regulations in China and conducting risk assessments by surveying suppliers.
- (2)-2 Information on regulations when major meetings are held (e.g. suspension of factory operations, prohibition of undesignated trucks from driving in the city, etc.) is collected and procurement risks are assessed. Collecting and conducting procurement risk assessments when there are major meetings.
- (3) Audits are conducted using transaction data to assess whether business processes do not violate the Subcontracting Act.
- (4) The level of understanding of purchasing department staff on purchasing ethics is assessed by tests.
- (5) RMI\* forms are used to assess suppliers' use of conflict minerals.

### 3. Monitoring of economic aspects

- (1) analyzing suppliers' financial statements and conducting onsite interviews with suppliers to Assessing the short-, medium- and long-term risk of collapse/business closure assessment.
- (2) The procurement impact of contingencies such as earthquakes, floods and volcanic eruptions is assessed using information on the location of suppliers' production plants.  
In Thailand, typhoon conditions and rainfall in various regions are monitored, as well as the associated water storage and discharge timings of four dams.  
The monitoring of typhoon conditions and rainfall in different regions, and the associated water storage and discharge timings of four dams, is conducted.

### Corrective action plans for suppliers

#### 1. Environmental corrective action plan.

(1) Any deficiencies in the results of CMS audits are noted and corrective action is taken. In addition, CMS auditor training sessions are held held to improve the CMS capacity of suppliers.

#### 2. Corrective action plan for social aspects.

(1) It provides feedback on self-assessment responses and supports suppliers to improve.

They also conduct on-site audits and provide advice on improvements.

(2) Purchasing department staff who do not receive a perfect score on the purchasing ethics comprehension test are given refresher training and retests to ensure that they fully understand.

(3) When regulations are imposed at major meetings, the company takes measures such as "stocking up at suppliers", "renting external warehouses to secure safe stock", "securing designated trucks", "ensuring the safety of stock", and "ensuring the safety of stock".

"Secure designated trucks", etc.

(4) Ensuring the non-use of conflict-free minerals through the Supplier Code of Conduct and improving the accuracy of surveys by sharing RMI information.

#### 3. Economic corrective action plans

(1) Financial assistance such as change of payment site, temporary increase of orders, checks and advice on financial management and

process improvements through site visits by the price improvement team.

(2) Suppliers whose plants are located in the disaster area are checked and measures are taken to support recovery.

(3) Suppliers are supported to respond flexibly to fluctuations by establishing safety stocking and priority control parts.