

RRA10 : Responsible Supply Chains

We conducted the following ESG risk assessment of our suppliers.

1. Risk assessment (screening)

Target: All copper raw material suppliers

Questionnaire: A 40-question survey covering all 33 items of the Copper Mark was conducted.

Answer format: ① We are currently addressing this issue ② We plan to address it in the future ③ We have no plans to address this issue

Scoring: Answer ①: 5 points, Answer ②: 3 points, Answer ③: 1 point

Evaluation method: An average score of 4.5 or higher is rated S, 4.0 to 4.5 is rated A, 3.5 to 4.0 is rated B, 3.0 to 3.5 is rated C, and below 3.0 is rated D. C and D ratings indicate ESG risk.

Evaluator: Administration Dept.

Evaluation rate: 100% (company-wide)

Companies that have obtained Copper Mark certification receive an S rating.

All domestic suppliers have responded.

Suppliers who did not respond were evaluated based on publicly available information such as their company website and sustainability-related disclosures.

2. Evaluation Results (Summary)

S/A/B rating: 71% of the total

C/D rating: 29% of the total

All C/D evaluations are classified as high risk, and improvement management is implemented based on corrective action plans (CAPs).

3. Response (prevention, mitigation, and improvement) and progress

1) Planned preventive measures

① When hiring a new supplier: Completion of a questionnaire will be mandatory, and an evaluation will be conducted.

② If a significant risk is suspected: We will request additional documents and conduct necessary checks.

2) Planned mitigation and improvement measures

① We will request that companies that respond with "no plans to take action" submit an improvement plan.

② We will request that companies that responded "we plan to take action in the future" provide a specific implementation date.

③ We will continue quarterly monitoring to check progress and follow up.

④ In fiscal year 2026, we will consider organizing the questions into mandatory, recommended, and advanced categories, while also taking into account the burden on suppliers based on their circumstances.

⑤ If the rating improves to B (average score of 3.5 or higher): The item will be removed from the improvement management list, and the situation will continue to be monitored through normal monitoring.

3) Progress Status (as of March 2026)

We communicate corrective action plans to suppliers we deem high-risk and conduct quarterly checks and follow-ups to monitor their progress.

① Review of targets: One supplier has been removed from the improvement management target because there will be no further transactions. One supplier has been added to the high-risk category.

② Overview of progress: CAP is managed as "Completed," "In Progress," and "Not Started (including planning and adjustments)," and the following actions are taken according to the status.

• Completed: Approximately 10%

(Definition) Implementation of the actions agreed upon in CAP + verification of evidence (Our follow-up) Transition to normal monitoring

• Currently implemented: Approximately 20%

(Definition) Ongoing execution in line with agreed milestones (Our follow-up) Quarterly review + additional follow-up as needed

• Not started (including planning and adjustments in progress): Approximately 70%

(Definition) Includes the preparation, planning, and coordination phases. (Our support) Identifying issues, minimizing steps, and supporting consensus building.