## **Supplier Quality Assurance**

We have "Basic Transaction Agreement" and "Quality Assurance Agreement" with suppliers to ensure that products, materials, raw materials, sub-materials, etc. meet our quality requirements.

We create "the Supplier Quality Manual" to develop a quality management system, monitor and evaluate quality targets, and provide guidance and training based on the results. (Suppliers evaluation by audit includes the suppliers from the second tier onward)

At the beginning of each fiscal year, we share our company's quality policy, deepen understanding of quality requirements, and strive to ensure compliance with quality standards.

## **■** Practical example

- Our quality policy, targets, and measures set by Musashi Seimitsu Industry are shared with suppliers.
  (The quality conference is held once a year.)
- · Periodic review to improve understanding of the requirements in the quality manual (once a year)
- ·Monthly performance management of each supplier against quality targets and share the feedback of results annually.
- ·Key suppliers are selected based on the previous year's quality performance, and implement the improvement activities and special audits (once a year)