

2024 Supplier Performance Review

In 2024, MSI Group conducted audits covering 142 key suppliers. This milestone demonstrates our progress in supply chain sustainability management and lays the foundation for broader audit coverage and continuous improvement.

Risk level	High	Medium	Low	Total number of suppliers
Risk Assessment	6	30	106	142
Audits	3	5	28	36

Supplier performance

The following information summarize the assessment results and subsequent improvements of low performing supplier factories .

A.Labor	Number of Nonconformities	% of Total Nonconformities	Number of CAP	% of CAP
Young Workers	0	0%	0	0%
Wages And Benefits	4	40%	4	100%
Management System	3	30%	3	100%
Working Hours	3	30%	3	100%
Prohibition Of Forced Labor	0	0%	0	0%
Non-Discrimination / Non-Harassment / Humane Treatment	0	0%	0	0%
Freedom Of Association And Collective Bargaining	0	0%	0	0%

B.Health and Safety	Number of Nonconformities	% of Total Nonconformities	Number of CAP	% of CAP
Industrial Hygiene	0	0%	0	0%
Management System	1	13%	1	100%
Emergency Preparedness	6	75%	6	100%
Occupational Health And Safety	0	0%	0	0%
Occupational Injury And Illness	1	13%	1	100%
Food, Sanitation And Housing	0	0%	0	0%
Machine Safeguarding	0	0%	0	0%
Physically Demanding Work	0	0%	0	0%

C.Environment	Number of Nonconformities	% of Total Nonconformities	Number of CAP	% of CAP
Management System	0	0%	0	0%
Air Emissions	0	0%	0	0%
Environmental Permits And Reporting	0	0%	0	0%
Energy Consumption And Greenhouse Gas Emissions	0	0%	0	0%
Hazardous Substances	0	0%	0	0%
Water Management	0	0%	0	0%
Solid Waste	0	0%	0	0%

D.Ethics	Number of Nonconformities	% of Total Nonconformities	Number of CAP	% of CAP
Management System	0	0%	0	0%
Privacy	0	0%	0	0%
Intellectual Property	0	0%	0	0%
Business Integrity And No Improper Advantage	0	0%	0	0%
Protection Of Identity And Non-Retaliation	0	0%	0	0%
Disclosure Of Information	0	0%	0	0%
Fair Business, Advertising And Competition	0	0%	0	0%

E. Supply Chain Management	Number of Nonconformities	% of Total Nonconformities	Number of CAP	% of CAP
Supplier Responsibility	0	0%	0	0%
Company Commitment	0	0%	0	0%
Supply Chain Management	0	0%	0	0%
Materials Restrictions	0	0%	0	0%
Responsible Sourcing Of Minerals	0	0%	0	0%

To ensure transparency in supply chain management and improve effectiveness, MSI has established a Corrective Action Plan (CAP) process for high-risk deficiencies identified during audits. Suppliers must submit improvement plans and provide supporting documents; MSI confirms the implementation results through document review or on-site inspection. If the improvement is insufficient, it will require re-correction, and for projects requiring long-term improvement, it will be continuously tracked until completion. This process ensures that corrective measures are effectively implemented and promotes the continuous improvement of the supply chain, meeting international sustainable certification requirements.