

Risk Management

To avert business continuity crises and prepare for unforeseen circumstances, the Sanyo Chemical Group has established internal regulations to cope with each possible risk. We conduct risk management by raising the risk awareness of employees by providing training and holding drills.

■ Risk management system

For significant risks that may affect management strategies and achievement of business objectives, the Internal Audit Office works to reduce the risks, evaluating the situation and making improvements.

To address risks surrounding the company and the Group, internal regulations such as the Operational Responsibilities Regulations, the Basic Regulations for Product Liability (PL), and the Information System Security Regulations have been formulated, and the departments in charge manage the risks.

To ensure the reliability of financial reporting, we promote the establishment, operation, evaluation, and improvement of the internal control system related to financial reporting, and the Internal Control Committee guides and supervises these activities.

The Internal Audit Office audits the risk management status of each business execution department.

■ Business continuity plan (BCP)

The Group draws up and operates BCPs that prepare for response in the event of a massive earthquake or a pandemic. The BCP Secretariat takes the initiative in conducting a review every year to make the BCP further effective. We also continuously hold practical drills in each region.

■ Information management

Recognizing the importance of confidential information, we have the Security Management Regulations in place to prevent information leakage, ensure proper use, and prevent unauthorized acquisition, use, and disclosure of confidential information of third parties. We ensure security by establishing the Information System Security Regulations and the Personal Computer and Network Management Regulations, introducing a firewall and other network security systems, managing licenses for the use of information systems, and limiting access to the Internet. To raise the security awareness of employees and prevent information security accidents, we offer information security education every year.

■ Personal information protection

We have established the Privacy Policy, which stipulates the purpose and method of use of personal information, the management thereof, and a consultation desk. Based on this policy, we have established the Personal Information Protection Management Regulations and the Specific Personal Information Handling Regulations to ensure appropriate protection of personal information, including Individual Numbers under the Individual Number system. In the case of any contradiction or conflict between these regulations, the latter shall take precedence. An IT system is also in operation to ensure security.

We also comply with the Social Media Policy, which was established regarding the operation of official social media accounts and the use of social media by respective employees.

WEB	PRIVACY POLICY	>
WEB	SOCIAL MEDIA POLICY	>

■ Overseas crisis management activities

The Sanyo Chemical Group has established and implemented the Basic Regulations for Overseas Crisis Management, which set forth basic points for reducing risks that may cause harm to the lives, bodies, and property of the Group employees outside Japan, and for responding to an overseas crisis if such an event should occur. The regulations specify the crisis management organizations and the chain of command that will function in the case of emergency and define the responsibilities and authority of the Overseas Crisis Management Secretariat and the response headquarters, so that appropriate responses can be made accordingly. The Overseas Crisis Management Secretariat is established within the Personnel Division to constantly gather and analyze information and issue overseas travel warnings as necessary. When a BCP is implemented, the overseas crisis management organizations will work in coordination with the Business Continuity Task Force.