

Risk Management

CKD considers risk management as an important operational activity to be a company that continues to earn the trust of society, and together with maintaining this management structure, the Company strives to mitigate serious risk and to minimize loss that results from risk.

Mindset

CKD identifies various risks ancillary to business activities so as to ensure business continuity and to raise corporate value, and based upon the proper assessment of such risks, undertakes efficient and effective management activities.

Risk Management Promotion Structure

CKD formulates risk management regulations that define a structure of risk management promotion. In conjunction with this, the Company positions the Risk Management Committee directly under the Board of Directors, which serves to promote risk management. The Risk Management Committee performs the following duties.

- a) Considers methods of risk identification, assessment and response, and makes the decision on how to respond to risk
- b) Assesses the effective results of the risk response method, and based upon this, considers corrective measures
- c) Provides guidance, communicates and makes requests in relation to matters for thorough companywide implementation
- d) Audits and monitors matters decided upon by the Risk Management Committee
- e) Reports to the Board of Directors

Formulation of Business Continuity Plans (BCP)

We make preparations for events such as large-scale earthquakes, fires, typhoons or other enormous disasters, and believe that the safety of human life is of the utmost priority. We therefore formulate BCP that serves to aid in the recovery of the local community and our business partners, and keep our business in operation.

Main Initiatives

- Educate all employees and conduct training for working-level responders
- Implement an array of drills (drills for initial response, business recovery, evacuation, first aid, fire extinguishing, and others)
- Prepare supplies (return-to-home support kits, stored rice and water, electricity generators, etc.)
- Hold BCP formulation seminars for business partners

Mindset on Information Security

Information security refers to securing the safety of computers and information for conditions that enable information to be used properly, and can be categorized into three elements, namely, confidentiality, integrity, and availability. At CKD we strive to heighten the level of information security for technical data, engineering drawing information and other material of a classified nature. We also introduce security measures to efficiently protect information assets, and define related points and operational processes. Moreover, under our information security framework we take measures such as conducting drills, seek to educate all employees, and bring together a range of related information in order to clarify laws and regulations that pertain to information security, various rules and guidelines.