

## Message from the CRO

**We aim for sustainable growth and development through initiatives to control risk and the challenge to turn risk into opportunity.**

### Risks Surrounding Toyota Gosei

There are a diverse range of risks that could shake the foundations of management, and they are making the situation unclear and uncertain. They include the strategic business risks of the automotive industry in the midst of a period of major change, as well as natural disasters, infectious diseases, trade restrictions and sanctions, human rights violations, and information security.

In order to continue sustainable growth and development as a company, it has become important to understand and accurately address these risks.

### Controlling Risks

The Internal Controls Committee, chaired by the president, has been established to implement specific measures through three subcommittees: the Risk Management Subcommittee for selecting and mitigating important risks, the Compliance Subcommittee for ensuring thorough compliance with corporate ethics and laws, and the Internal Audit Subcommittee to implement internal auditing in a systematic manner.

In particular, as a response to key risks, we have been focusing on the following measures; preparations for a Nankai Trough earthquake since we are located in the Tokai region in Japan, prompt sharing of information and strengthening of cooperation at the global level to continue production operations under such circumstances as the COVID-19 pandemic and the impact of the conflict in Ukraine, visualization and systematic improvement of cybersecurity measures, and so on.



**Hiromasa Zaitzu**

Corporate Officer  
CRO

### Future Initiatives

In June 2023, we created the new role of CRO. We have been implementing preventative measures to mitigate risks and prompt and appropriate responses to incidents when they occur. Going forward, as CRO, I will work to raise the overall level and respond more flexibly by providing horizontal coordination to relevant departments within the company and to affiliates in Japan and overseas. We will address issues related to the organizational structure in a cross-organizational manner from the standpoint of the CRO, such as different departments being responsible for different types of risks and the difficulty of identifying the responsible department due to the involvement of multiple departments depending on the type of risk. In addition, several issues have emerged, which require responses in cooperation with entities in each region on a global basis such as the revision of laws and regulations on trade controls in various countries. We will work to develop internal response systems and specific measures to deal with such complex and multifaceted risks. Although there are an increasing number of risks for which it is difficult to know the correct response, we will prepare for them by assessing the current situation and developing response scenarios based on a variety of situations. We are committed to risk management with the belief that enhancing our ability to respond to contingencies will be a proactive approach to turning risks into opportunities for the Company.