**Definition of Key Risks**

In 2013, our risk management operations were transferred from the Corporate Strategy Team to the Legal Affairs Team. The key risks were selected from the compliance perspective and detailed management activities were defined.

**Definition of Key Risks**

Selection of Key Risk Areas from the Compliance Perspective

- The previous 10 risk areas that had been managed by the Risk Subcommittee were re-examined from the compliance perspective in consideration of the expertise of the Legal Affairs Team. This resulted in the elimination of two risk areas (fire, health/safety) whose management operations were performed by other departments or subcommittees. Ultimately, eight key risk areas were re-defined that were subject to detailed risk response measures.

**Constant Risks**

We define constant risks to daily routine management as financial risks (minimization of exposure risks to the financial market), currency risks (caused by global operations) and liquidity risks (monitoring of company-wide cash flows).

**Definition of Detailed Issues by Key Risk Area**

To identify detailed action plans in each of the selected key risk areas, we defined detailed issues by key risk area as follows.

- **Anti-Dumping**: Identify and respond to the status of anti-dumping regulations in major countries.
- **Fair Trade**: Advance company-wide operations in relation to fair trade.
- **Prevention of Sexual Harassment**: Prevent issues of sexual harassment and comply with relevant regulations domestically and internationally.
- **Labor-Management Culture**: Respond to and review major issues that occur on a company level.
- **Protection of Customer Information**: Review the status of Hankook Tire in accordance with personal data privacy regulations and make necessary improvements.
- **Disputes over IP/Trademark Rights**: Review the status of IP rights management at Hankook Tire and respond to issues.
- **Environmental Issues**: Provide guidelines for working-level operations in relation to domestic and overseas environmental regulations.
- **Product Liability and Standard Certification**: Prevent product liability-related incidents and review the status of standard certification.