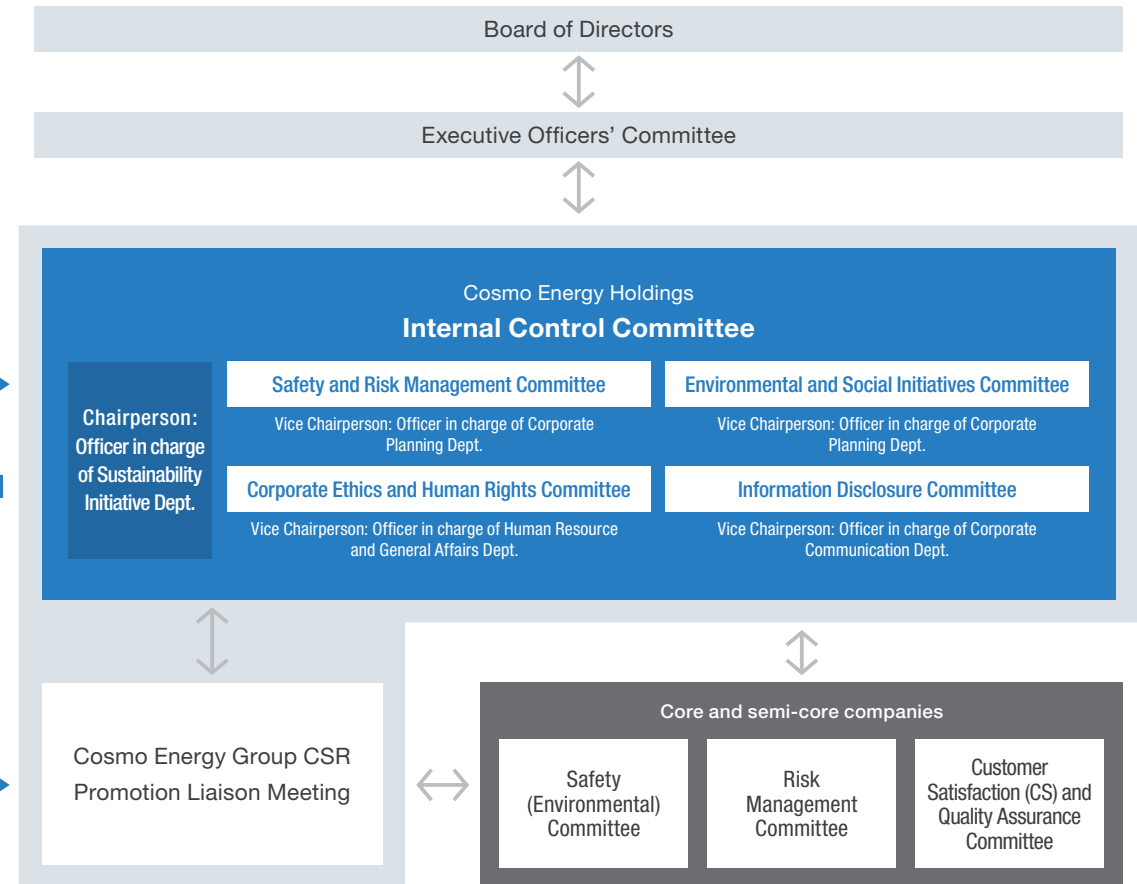
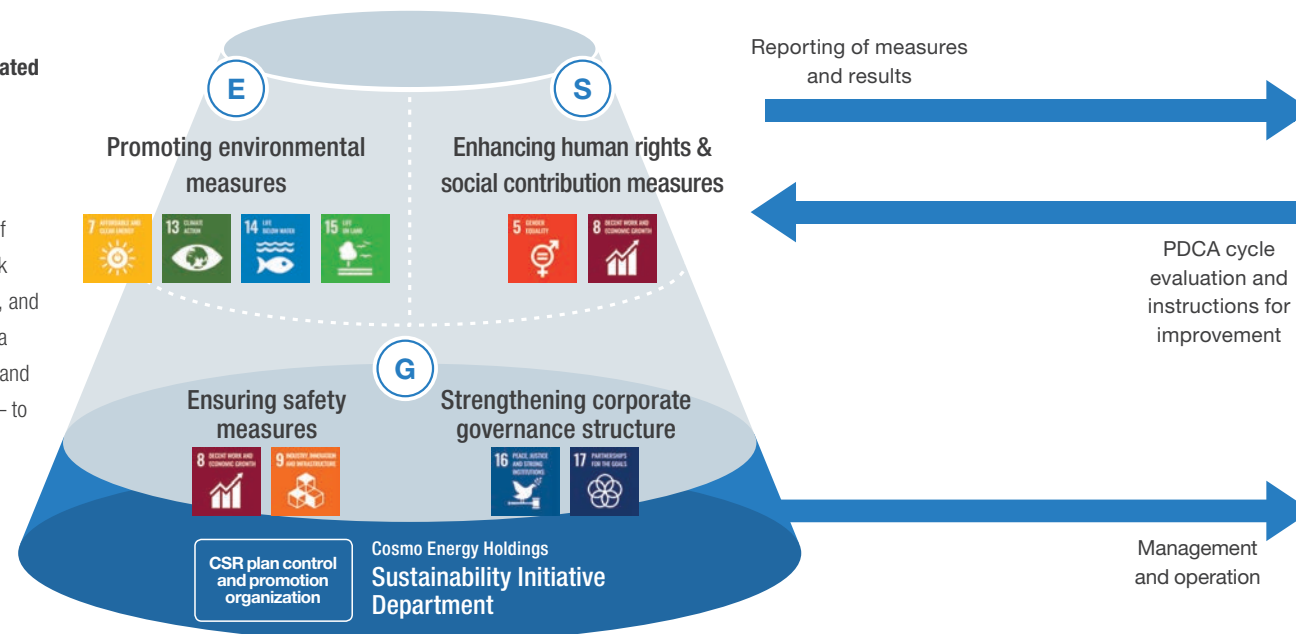


# The Consolidated Medium-Term CSR Management Plan (FY2018-FY2022)

To achieve sustainable growth as declared in the Group's Management Vision, the Cosmo Energy Group has developed the Consolidated Medium-Term CSR Management Plan (FY2018–FY2022; the CSR plan) in line with the Sixth Consolidated Medium-Term Management Plan. The CSR plan has identified materiality from the perspective of ESG (environmental measures; human rights and social contribution measures; safety and governance) and set KPIs as specific targets. We strive to achieve these targets through our business activities, thereby contributing to the realization of SDGs by our entire group.

## Direction and Materiality of the Consolidated Medium-Term CSR Management Plan

In promoting group-wide comprehensive, efficient and sustainable management, we have established four committees in charge of ESG promotion initiatives to handle safety, risk management, human rights, the environment, and other issues. Each of these committees runs a PDCA cycle – from planning for a single year and the long term to doing, checking, and acting – to achieve continual improvement.



	Materiality	Target	Progress and future plan
<b>E Promoting environmental measures</b>	Reduction of greenhouse gas emissions	CO <sub>2</sub> emission reduction of 1.2 million tons from FY2013 by FY2022	■ Implemented energy-saving investment in refineries and investment in wind power generation business and reduced CO <sub>2</sub> emissions by 0.59 million tons from FY2013 (from 7.462 million tons in FY2013 to 6.875 million tons in FY2019)
	Reduction of environmental pollutants	Planned abolition of use of mercury lamps PCB waste disposal management	■ Shift of lighting equipment in refineries and plants from mercury lamps to environmentally friendly LED lamps is exceeding the plan (164%) ■ Continual implementation of PCB waste disposal by the legal deadline
	Actions to recycle resources	Reduction in industrial waste	■ Continual promotion of industrial waste recycling
<b>S Enhancing human rights &amp; social contribution measures</b>	Occupational safety & health management	Promotion of employees' health Reduction in long working hours	■ Cosmo Energy Holdings and its three core operating companies: Ratio of paid holidays taken: 87.7% in FY2019 ■ Cosmo Energy Holdings was recognized as a 2020 Certified Health and Productivity Management Organization by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi.
	Diversity	Empowerment of diverse personnel (30% in the ratio of women hired; adherence to the employment quota for people with disabilities)	■ Ratio of women hired – 26% in FY2019; ratio of people with disabilities in the workforce – 2.22% as of June 2020 ■ Selected for the first time as a Nadeshiko Brand company by METI and the Tokyo Stock Exchange (TSE) for its proactive efforts to support women to play active roles in the workplace.
	Human resources development	Maximization of employees' capabilities training expenses of ¥50,000 per employee	■ Training expenses: ¥50,000 per employee ■ Ratio of employees who sign up for a correspondence course for personal development: 8.7%
	Customer satisfaction	Improved evaluation on the three promises (50% service stations to be AA-rated)	■ AA-rated service stations in evaluation on the three promises: 46.0% in FY2019 (vs. 44.7% in FY2018) ■ Number of complaints received in the Customer Center: 253 (achieved the target of 290 by FY2022)
		Reduction in the number of complaints	■ Cosmo Oil Eco Card holders: Increase of about 1,000 year on year (65,000 at FY2019-end; 64,000 at FY2018-end) ■ Launch of a new service to provide donations from the CarLife Square application and by joining the Cosmo Denki (Electricity) plan

\* Cosmo Energy Exploration & Production Co., Ltd., Cosmo Oil Co., Ltd., and Cosmo Oil Marketing Co., Ltd.

	Materiality	Target	Progress and future plan
<b>G Ensuring safety measures</b>	Safe operations and stable supply	Zero serious labor-related accidents at all group companies	■ One serious labor-related accident in FY2019 (vs. one in FY2018) and 122 work-related accidents in FY2019 (vs. 151 in FY2018) ■ Start of study on PDCA for reduction in crisis occurrence and rebuilding of a reporting method during a crisis
	Quality assurance	Zero occurrence of a serious product (quality) accident caused by group companies	■ Zero serious product (quality) accidents in FY2019 (vs. 1 in FY2018)
	Risk management	Strengthened selection and implementation of measures for priority risks in each group company	■ Thorough risk management and solid response to measures for priority risks by each group company ■ Establishment of a team for crisis measures in response to the COVID-19 pandemic (from January 2020)
<b>G Strengthening corporate governance structure</b>	Compliance	Enhancement of fraud prevention initiative (Zero serious compliance violations)	■ Two serious compliance violations in FY2019 (zero in FY2018) ■ Conducting of FY2019 survey on the current status of CSR ■ Holding of a training course on corporate ethics and human rights, and a course on power harassment, lectured by an outside lawyer; continual operation of a whistleblower system
	CSR-based procurement	Development of a CSR procurement policy	■ Established the Cosmo Energy Group CSR Procurement Policy in October 2019 ■ Established the Cosmo Oil CSR Purchasing Guidelines in November 2019
	Information disclosure	Handling of ESG evaluations by investors, shareholders, and consumers	■ Release of non-financial information in the COSMO REPORT and on the company's sustainability website ■ Continually selected in the FTSE4Good Index Series, FTSE Blossom Japan Index, and the SOMPO Sustainability Index ■ Selected as a constituent of the MSCI Japan Empowering Women (WIN) Select Index for the first time