



Engagement with Society

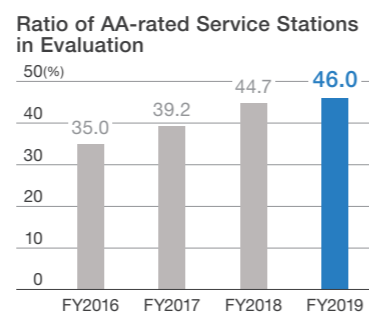
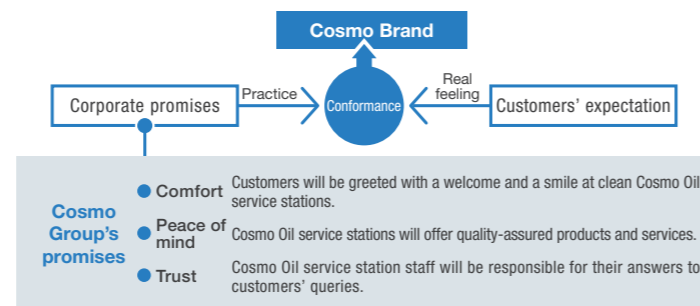
The Cosmo Energy Group plays a supportive role for energy infrastructure, which is indispensable in a community. At the same time, the Group is promoting initiatives to support customers' lives and contribute to environmental and social issues. We are pleased to introduce our initiatives to help solve social issues through our engagement with customers and our operations.

Engagement with Customers

In 1997, we began to send out the message "Filling Up Your Hearts, Too." More than 20 years have passed since then, but our hope remains the same. Let us present the Group companies' initiatives to fill the hearts of our customers through the everyday supply of energy.

Enhancing customer satisfaction (diagnosis of fulfillment of three promises)

Cosmo service stations strive to fill the hearts of customers based on the three brand promises to deliver comfort, peace of mind, and trust to customers. Three times a year (twice in FY2020), a mystery examiner from an outside investigatory agency explores services at service stations and provides an evaluation from the customer's viewpoint. The stations are encouraged to re-acknowledge the customer's viewpoint and provide more satisfying services. Diagnosis of the three promises is a dual-axis evaluation: operation items and impression items (highest rating of "A" for either). The ratio of Service Stations (SS) with an "AA" rating increased by 1.3 percentage points to 46.0% in FY2019 compared to the previous year. We will aim to raise the ratio of AA-rated SS to fill the hearts of more customers.



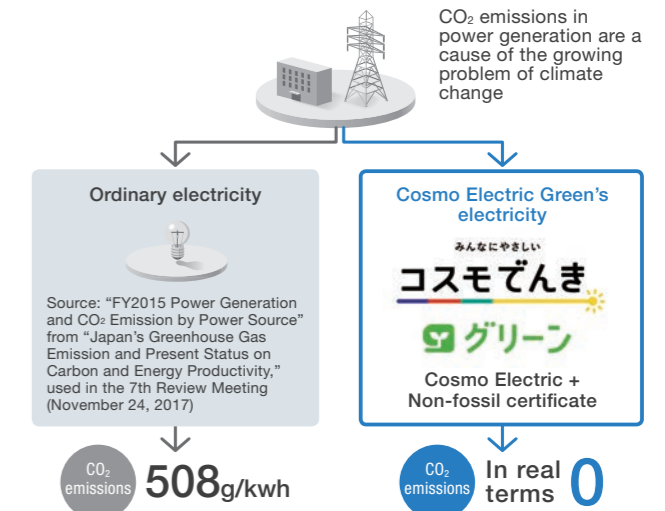
Solving Social Issues Through Business Operations

Cosmo Denki (Electricity) Green

In FY2019, we launched a residential-use electricity service called Cosmo Denki (Electricity), with the aim of entering and expanding business in the residential market and the local energy market – one of our growth strategies. Four plans are available to meet customers' diverse needs. One of the products is Cosmo Denki Green, which provides eco-friendly electricity (electricity fueled by wind power and other renewable energy, with environmental value endorsed by a non-fossil certificate) at favorable rates. By joining Cosmo Denki Green, customers can participate in the Cosmo Oil Eco Card Fund's eco-friendly projects such as environmental preservation and education. By combining the Cosmo Energy Group's accumulated insights and sales power with sales bases using Cosmo Oil's service stations across the country, we will continue striving for Cosmo Denki to gain recognition and be used by more customers. We also started purchasing electricity generated by the Sakata Port Wind Farm of Cosmo Eco Power, a subsidiary of Cosmo Energy Holdings, which is used as the source of electricity for Cosmo Denki Green and provided to customers. Through alliances among group companies and the provision of clean energy that integrates power generation to retailing, we intend to create more value.

Why Cosmo Denki Green is eco-friendly

CO₂ is a cause of global warming. Cosmo Denki Green is eco-friendly with virtually zero CO₂ emissions and energy that is beneficial to the earth.



* A non-fossil fuel energy certificate confirms the fuel energy value of electricity generated by non-fossil fuel energy. Electricity retail operators are allowed to indicate the electricity contract menu for which a certificate on the origin of renewable energy was purchased and expensed as "a menu that effectively purchased XX% of renewable energy, according to the non-fossil fuel energy certificate." They can also reflect this renewable energy in CO₂ emission coefficients.

Carlife Square App

In order to enhance engagement with customers, the Carlife Square app has established an extensive customer database and has become connected with customers. This has enabled it to respond one-on-one to customers, such as distributing discount coupons based on their preference at their desired time and the provision of car life information. Content for customers, available in the Carlife Square app, includes leasing, compulsory car inspection, maintenance products, and other car life-related information, in addition to functions related to fuel oil. In particular, the Commitment Compulsory Car Inspection

offers inspection services at the estimated amount presented in the app (excluding some parts), resolving negative elements or customers' concerns over difficulty in understanding how much the inspection will cost and which parts require repair. We will not only adhere to the existing functions and content but develop new products, contents, and schemes in the Carlife Square app to resolve or alleviate customers' concerns even to a small extent.



Initiatives at Cosmo Oil service stations

Petroleum refilling service for customers with disabilities

Some Cosmo Oil service stations help with petrol refilling for customers with disabilities. We plan to ensure that more service stations extend petrol refilling services.

Lease of vehicles for persons with disabilities and for nursing care

Cosmo My Car Lease provides lease of vehicles for persons with disabilities and in nursing care to ensure a better car ownership experience.



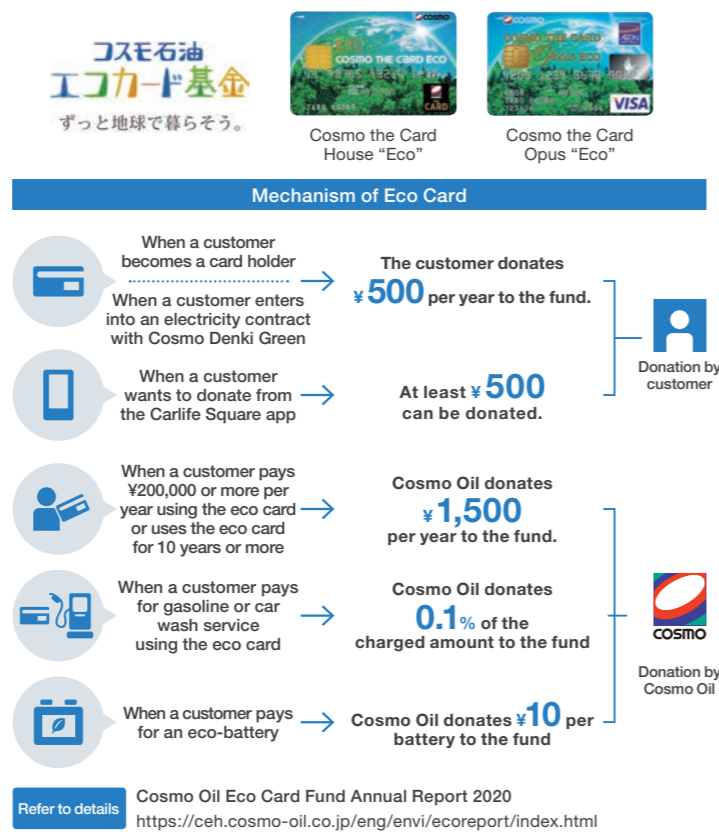
S Engagement with Society

Engagement with Customers and Local Communities

Based on "Harmony and Symbiosis between Companies and Society," one of the principles of the Management Vision, the Cosmo Energy Group seeks to proactively communicate with customers and local communities.

Cosmo Oil Eco Card Fund

Since 2002 the Cosmo Energy Group has been issuing the Eco Card as a membership card for ¥500 per year, with an additional feature to contribute to environmental activities. There are 65,000 card holders. Those who have a high level of environmental consciousness and the Cosmo Energy Group donate to the Cosmo Oil Eco Card Fund, which supports projects to counter climate change issues. In FY2019, the fund supported 17 projects, and was involved in forest preservation and other activities. The roots of climate change are often poverty, education, economic growth, and other social issues in emerging countries. One major characteristic of these projects is that they work on solving these root issues. Since FY2019, we have arranged a system to obtain donations from customers who signed up for the Cosmo Denki Green plan and through the Carlife Square app. We will thus expand the fund and continue to resolve social issues.



Cosmo Waku Waku Camp

As a company engaged in a motorized society, the Cosmo Energy Group's social contribution program, the Cosmo Waku Waku Camp, is a three-day nature camp in the summer for elementary school students who have lost one or both parents in traffic accidents and are registered in the supporters' club of the National Agency for Automotive Safety and Victims' Aid. Thirty-four children and 18 volunteers participated in the 27th camp in FY2019 since its launch in 1993. The camp provides excellent opportunities for children to interact and to appreciate the natural environment. Our volunteers are also inspired to develop new values and encourage diversity.



Cosmo Group Companies' Communication with Local Communities

Cosmo Eco Power

Some wind power farms of Cosmo Eco Power hold facility tours and workshops for people in the local community to enable them to better understand wind power generation. Plant visitors are wide-ranging – from local elementary, junior high, high schools and university students to employees of local companies and those chosen from public applications. They receive explanations regarding windmills, such as their function and construction flow, and visit an observation deck for scenic views. They look at, listen to, and feel wind power generation. We are pleased that the visitors better understand and feel more familiar with wind power generation, as demonstrated in feedback, such as: "After I received the explanation, I now understand wind power generation, which is impossible just from looking at the windmills far away," and "I was impressed with the technological aspects of the entire business, including the construction and transportation of a windmill." Cosmo Eco Power also supports an initiative in the Minato Area of Aizu-Wakamatsu City, aimed at maintaining the community and arranging transportation for the elderly. Specifically, with

regard to the on-demand bus run by a local group for free, we financially aided the purchase of an electric vehicle and allow a fast charging facility to be available for free. A new vehicle began running in June 2020 and a ceremony was held in July, attended by the Mayor. This initiative received the 10th Environmentally Sustainable Transport Traffic Environment Award Grand Prize (Minister of the Environment Award) in 2019.



Maruzen Petrochemical

By clarifying its attitude as a good corporate citizen underpinned by the desire to create a rich society, based on its corporate mission, Maruzen Petrochemical is continually engaged in various initiatives to contribute to the development of local communities. In FY2019, jointly with Denka Co., Ltd. and Hitachi Chemical Co., Ltd. (changed corporate name to Showa Denko Materials Co., Ltd. in October 2020), Maruzen's Chiba Plant invited about 150 students of Goi Elementary School for a plant visit. Maruzen also co-sponsored, jointly with Cosmo Oil Chiba Refinery, the 86th and 87th youth baseball tournaments (twice a year, spring and fall), the 13th junior high

school baseball tournament, and the 44th junior high school soft tennis tournament, as the Hien Cup for teams in Ichihara City, Chiba Prefecture. In 2019, Chiba Prefecture was seriously damaged by a typhoon and other natural disasters. In November 2019, Maruzen Petrochemical and Cosmo Oil jointly made donations to Ichihara City to support typhoon damage recovery. In FY2020, due to the COVID-19 outbreak, many annual sport events and plant visits were canceled. However, we will continue to engage with and contribute to local communities while maintaining safe and stable operation.

