

The Cosmo Oil Group aims for harmony and coexistence with the Earth, people and society. We are working toward sustainable development and a future without limits.

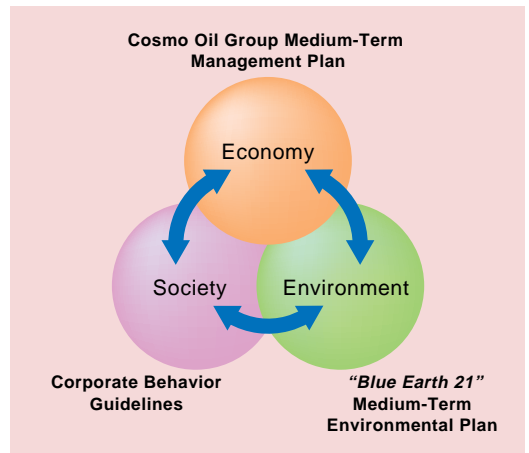
Our view of sustainable development

Oil-based energy has been driving the economic prosperity enjoyed in the much of the world today. But this prosperity has also created a gap between developed and developing countries, and major impacts on the global environment. The Cosmo Oil Group, as a group of energy-related companies, recognizes its responsibility to play a role in creating a sound and prosperous society for future generations—in other words, to help society achieve sustainable development.

The vision of the Cosmo Oil Group is sustainable development, and it is based on the key words of “harmony and coexistence” and “creation of future value.” To fulfill our mission and responsibility of providing a stable supply of energy for society, we need to operate in a way that is in harmony with the Earth and society and be able to sustain this over the long term. We believe that by creating value for our customers in this way, we will raise the value of our company.

Our vision is consistent with the concept of the “triple bottom line”—the economic, environmental, and social dimensions of a business. Based on our management vision, we have developed three interlinking components to provide the roadmap for the Group—the Cosmo Oil Group Medium-Term Management Plan, which presents our business goals on the economic dimension; the “Blue Earth 21” Medium-Term Environmental Plan, which presents policies and targets on the

environmental dimension; and the Corporate Ethics Regulations (including Corporate Behavior Guidelines) which covers the social dimension. With these foundations, the Cosmo Oil Group aims to be sustainable as a company valued by all stakeholders in society.



Enhancing the value of the Cosmo Oil Group

The Cosmo Oil Group has formulated a new management plan based on its corporate management vision. Cosmo Oil Co. itself undertook a program of rationalization and value creation starting in fiscal 1996, and then implemented the management plan “Value Creation 21” in fiscal 2001 and 2002, improving profits by 43 billion yen in two years. We established a new three-year “Medium-Term Management Plan” that begins in fiscal 2003, with the aim of enhancing corporate value by utilizing the management resources of the entire Cosmo

Cosmo Oil Management Vision

We aim to realize sustainable development and unlimited future possibilities, in co-existence and harmony with the Earth, its people, and all society.

— **Harmony and coexistence** —

with the global environment
 between society and energy between society and the corporation

— **Creation of future value** —

by putting the customer first
 by encouraging diversity in ideas from each individual from organizational wisdom and knowhow (excerpt)