



Materialization of the Management Vision

経営理念の実現

Materializing management vision...that is the mission of the Cosmo Oil Group.

To Materialize the Management Vision

In order to materialize the Management Vision, the Cosmo Oil Group itself must earn profits. Our business activities must also be firmly grounded on social rules and corporate ethics. At the same time, it is important that our energy business can sufficiently meet the various needs of our stakeholders while promoting environmental conservation.

The Cosmo Oil Group believes that all of these objectives comprise our CSR.

Strengthening Profit Base and Promoting Social Responsibility

Consolidated Medium-term Management Plan (Fiscal 2005-2007)

The Cosmo Oil Group started a new Medium-term Management Plan in Fiscal 2005.

The business environment in which the Cosmo Oil Group operates undergoes a period of profound changes in the domestic demand structure such as declining oil demand and a large shift to gasoline, diesel fuel and light distillates as a source of energy. Also, environmental measures have become increasingly stringent with the Kyoto Protocol coming into effect. Looking beyond the domestic market, we can observe an expansion in the overseas energy markets such as Asia and the Pacific Rim, and major struc-

tural changes are taking place such as the tightening of oil supply and demand. Under such circumstances, a new Medium-term Management Plan was made up according to the 2 pillars of concepts: “strengthening management base to weather future structural changes”, and “switching to growth strategy”.

One of the basic policies embedded in the Medium-term Management Plan is “strengthening CSR (Corporate Social Responsibility)”. As a specific measure for realizing this policy, we also formulated the Consolidated Medium-term CSR Management Plan, a three year plan that started in Fiscal 2005.

Basic Policy of the Consolidated Medium-term Management Plan

- Strengthening management base to weather future structural changes
 - 1) Securing stable profit base
 - 2) Strengthening our financial position
 - 3) Strengthening our CSR
 - **“Consolidated Medium-term CSR Management Plan”**
- Switching to growth strategies
 - 1) Upgrading our oil refineries
 - 2) Expanding our oil resource development operations

Consolidated Medium-term CSR Management Plan (Fiscal 2005-2007)

Social Responsibility: 3 Pillars

The Cosmo Oil Group defines the 3 pillars of social responsibility as follows:

- To strive for “harmony and symbiosis” with society by promoting corporate management with integrity and business activities.
- To generate “future value” by nurturing corporate culture in which individuals can exercise their full capacity.
- To contribute to “development of a sustainable society” from the perspective of environmental conservation, as an energy provider.

The key words for these 3 pillars are “Compliance”, “People”, and “Environment”.

— The Medium-term Plan: 5 Priorities —

Towards the fulfillment of social responsibility as a corporate group, we formulated the Consolidated Medium-term CSR Management Plan that started in Fiscal 2005. Since this plan is the first Medium-term plan for implementing CSR management for the entire group, we have listed the following 5 priorities in our quest to strengthen the business base for implementing corporate management with integrity, and coexist in harmony with the society of which the Cosmo Oil Group is a member.

- 1) Thorough awareness of CSR
- 2) Strengthening of risk management and the internal audit function
- 3) Greater sophistication of environmental activities
- 4) Implementation of thorough safety management
- 5) Improving human rights/personnel measures

Reference

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