

GRI Content Index

The Cosmo Oil Group has prepared this report using the *GRI Sustainability Reporting Guidelines 2006*. Cosmo Oil self-declares that this report achieves a GRI Application Level B+ to clearly indicate to its readers the extent to which elements of the GRI Guidelines framework were applied in preparing this report.

KPMG AZSA Sustainability Co., Ltd. provides assurance on the self-declared application level as well as the performance indicators disclosed in this report.

•GRI Guidelines are a set of guidelines developed by the Global Reporting Initiative, an international non-profit organization working in close collaboration with the United Nations Environment Programme. It provides a framework for reporting on an organization's economic, environmental and social performance.



This report is aligned with the *GRI Sustainability Reporting Guidelines 2006* at an application level of B+.

| Report Application Level | C | C+ | B | B+ | A | A+ | |
|--------------------------|---|---|---------------------------|---|---------------------------|---------------------------------|---|
| Standard Disclosures | G3 Profile Disclosures | Report on: 1.1 2.1 – 2.10 3.1 – 3.8, 3.10 – 3.12 4.1 – 4.4, 4.14 – 4.15 | Report Externally Assured | Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 – 4.13, 4.16 – 4.17 | Report Externally Assured | Same as requirement for Level B | |
| | G3 Management Approach Disclosures | Not Required | | Management Approach Disclosures for each Indicator Category | | | Management Approach disclosed for each Indicator Category |
| | G3 Performance Indicators & Sector Supplement Performance Indicators | Report on a minimum of 10 Performance Indicators, including at least one from each of: social, economic, and environment. | | Report on a minimum of 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility. | | | Respond on each core G3 and Sector Supplement indicator with due regard to the materiality principle by either: a) reporting on the indicator or b) explaining the reason for its omission. |
| | | | | | | Report Externally Assured | |

GRI Sustainability Reporting Guidelines 2006

| Item | Indicator | Location |
|----------------------------------|---|--|
| 1. Strategy and Analysis | | |
| 1.1 | Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy. | P7 – 8 |
| 1.2 | Description of key impacts, risks, and opportunities. | P19 – 20, P39 – 40 P6 ► web (Annual Report) |
| 2. Organizational Profile | | |
| 2.1 | Name of the organization. | P3 |
| 2.2 | Primary brands, products, and/or services. | P5 – 6 |
| 2.3 | Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures. | P5 – 6 |
| 2.4 | Location of organization's headquarters. | P3 |
| 2.5 | Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report. | P4 |
| 2.6 | Nature of ownership and legal form. | P3 – 4 P6 ► web (Annual Report) |
| 2.7 | Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries). | P6 ► web (Annual Report) |
| 2.8 | Scale of the reporting organization, including: Number of employees; Net sales (for private sector organizations) or net revenues (for public sector organizations); Total capitalization broken down in terms of debt and equity (for private sector organizations); and Quantity of products or services provided. | P3 – 4, P25 P3 ► web (Annual Report) |
| 2.9 | Significant changes during the reporting period regarding size, structure, or ownership including: The location of, or changes in operations, including facility openings, closings, and expansions; and Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations). | N.A. |
| 2.10 | Awards received in the reporting period. | P35 |
| 3. Report Parameters | | |
| Report Profile | | |
| 3.1 | Reporting period (e.g., fiscal/calendar year) for information provided. | P2 |

| Item | Indicator | Location |
|---|---|--|
| 3.2 | Date of most recent previous report (if any). | P2 |
| 3.3 | Reporting cycle (annual, biennial, etc.) | P2 |
| 3.4 | Contact point for questions regarding the report or its contents. | P2 |
| Report Scope and Boundary | | |
| 3.5 | Process for defining report content, including: Determining materiality; Prioritizing topics within the report; and Identifying stakeholders the organization expects to use the report. | P2 |
| 3.6 | Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). | P2 |
| 3.7 | State any specific limitations on the scope or boundary of the report. | P2, P13 – 14, P23 – 34 |
| 3.8 | Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations. | P2 |
| 3.9 | Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. | P29 – 30, P31 P34 ► web (Environmental Accounting) |
| 3.10 | Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/ periods, nature of business, measurement methods). | P31, P33 |
| 3.11 | Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report. | P2 |
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| 3.12 | Table identifying the location of the Standard Disclosures in the report. | P45 – 46 |
| Assurance | | |
| 3.13 | Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s). | P44 |
| 4. Governance, Commitments, and Engagement | | |
| Governance | | |
| 4.1 | Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. | P39 ► P39 web (Corporate Governance/ CSR in the Annual Report) |

| Item | Indicator | Location |
|--|---|--|
| 4.2 | Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement). | P39 P39 ►web (Corporate Governance/ CSR in the Annual Report) |
| 4.3 | For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members. | P39 ►web (Corporate Governance/ CSR in the Annual Report) |
| 4.4 | Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. | P39 ►web (Corporate Governance/ CSR in the Annual Report) |
| 4.5 | Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance). | P39 P39 ►web (Corporate Governance/ CSR in the Annual Report) |
| 4.6 | Processes in place for the highest governance body to ensure conflicts of interest are avoided. | P39 P39 ►web (Corporate Governance/ CSR in the Annual Report) |
| 4.7 | Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics. | P39 ►web (Corporate Governance/ CSR in the Annual Report) |
| 4.8 | Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation. | P17 – 18, P19 – 20, P39 – 40 |
| 4.9 | Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles. | P39 ►web (Corporate Governance/ CSR in the Annual Report) |
| 4.10 | Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance. | P39 |
| Commitments To External Initiatives | | |
| 4.11 | Explanation of whether and how the precautionary approach or principle is addressed by the organization. | P27 – 34 P25 ►web (The United Nations Global Compact Initiatives) |
| 4.12 | Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses. | P25 P25 ►web (The United Nations Global Compact Initiatives) |
| 4.13 | Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: Has positions in governance bodies; Participates in projects or committees; Provides substantive funding beyond routine membership dues; or Views membership as strategic. | P6 ►web (Industrial associations and advocacy organizations with membership) |
| Stakeholder Engagement | | |
| 4.14 | List of stakeholder groups engaged by the organization. | P35 |
| 4.15 | Basis for identification and selection of stakeholders with whom to engage. | P35 |
| 4.16 | Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. | P2, P21 – 22, P25 – 26, P35 – 36 |
| 4.17 | Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. | P12, P21 – 22, P25 – 26, P35 – 36, P41 – 42 |
| 5. Management Approach and Performance Indicators | | |
| Economic | | |
| | Disclosure on Management Approach | P19 – 20 |
| Economic Performance Indicators | | |
| Aspect: Economic Performance | | |
| EC1 CORE | Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments. | P3 P35 ►web (CSR Accounting) |
| Environmental | | |
| | Disclosure on Management Approach | P27 – 28 |
| Environmental Performance Indicators | | |
| Aspect: Materials | | |
| EN1 CORE | Materials used by weight or volume. | P29 – 30 |
| Aspect: Energy | | |
| EN3 CORE | Direct energy consumption by primary energy source. | P29 – 30 |
| EN4 CORE | Indirect energy consumption by primary source. | P29 – 30 |
| EN6 ADD | Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. | P31 – 32 |
| EN7 ADD | Initiatives to reduce indirect energy consumption and reductions achieved. | P31 – 32 |

| Item | Indicator | Location |
|---|--|---|
| Aspect: Water | | |
| EN8 CORE | Total water withdrawal by source. | P29 – 30 |
| Aspect: Emissions, Effluents, and Waste | | |
| EN16 CORE | Total direct and indirect greenhouse gas emissions by weight. | P29 – 30, P31 – 32 |
| EN17 CORE | Other relevant indirect greenhouse gas emissions by weight. | P29 – 30 |
| EN18 ADD | Initiatives to reduce greenhouse gas emissions and reductions achieved. | P31 – 32 |
| EN20 CORE | NO, SO, and other significant air emissions by type and weight. | P29 – 30 |
| EN21 CORE | Total water discharge by quality and destination. | P29 – 30 |
| EN22 CORE | Total weight of waste by type and disposal method. | P29 – 30, P33 |
| Aspect: Products and Services | | |
| EN26 CORE | Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation. | P29 – 30, P31 – 32, P33 – 34 P34 ►web (Environmental Accounting) |
| Aspect: Transport | | |
| EN29 ADD | Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce. | P29 – 30, P31 – 32 |
| Aspect: Overall | | |
| EN30 ADD | Total environmental protection expenditures and investments by type. | P34 ►web (Environmental Accounting) |
| Labor Practices and Decent Work | | |
| | Disclosure on Management Approach | P25 |
| Labor Practices and Decent Work Performance Indicators | | |
| Aspect: Labor/Management Relations | | |
| LA4 ADD | Percentage of employees covered by collective bargaining agreements. | P25 |
| Aspect: Occupational Health and Safety | | |
| LA8 CORE | Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases. | P26 |
| LA9 ADD | Health and safety topics covered in formal agreements with trade unions. | P25 ►web (Consolidated Medium-Term Human Rights/ Personnel Plan) |
| Aspect: Training and Education | | |
| LA10 CORE | Average hours of training per year per employee by employee category. | P25 ►web (Consolidated Medium-Term Human Rights/ Personnel Plan) |
| LA11 ADD | Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. | P25 – 26 P25 ►web (Consolidated Medium-Term Human Rights/ Personnel Plan) |
| Human Rights | | |
| | Disclosure on Management Approach | P25 – 26 |
| Human Rights Performance Indicators | | |
| Aspect: Investment and Procurement Practices | | |
| HR3 ADD | Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. | P25 ►web (Consolidated Medium-Term Human Rights/ Personnel Plan) |
| Aspect: Freedom of Association and Collective Bargaining | | |
| HR5 ADD | Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights. | P25 ►web (The United Nations Global Compact Initiatives) |
| Aspect: Child Labor | | |
| HR6 ADD | Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor. | P25 ►web (The United Nations Global Compact Initiatives) |
| Aspect: Forced and Compulsory Labor | | |
| HR7 CORE | Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor. | P25 ►web (The United Nations Global Compact Initiatives) |
| Society | | |
| | Disclosure on Management Approach | P39 – 40 |
| Society Performance Indicators | | |
| Aspect: Corruption | | |
| SO2 CORE | Percentage and total number of business units analyzed for risks related to corruption. | P39 |
| Product Responsibility | | |
| | Disclosure on Management Approach | P21 – 22, P40 |
| Product Responsibility Performance Indicators | | |
| Aspect: Product and Service Labeling | | |
| PR5 ADD | Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. | P9 – 12, P21 – 22 |