

5 We value communications with society

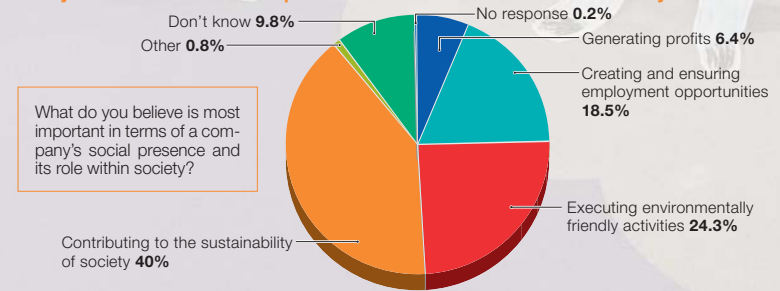


The role of a corporation is to contribute to society. The Cosmo Oil Group takes a variety of steps to be a valuable part of society.

Statistical Glance at Society

According to Japan's Cabinet Office, "Contributing to the sustainability of society" and "engaging in environmentally friendly activities" represent approximately 60% of the company functions that society values. This suggests that the concept of corporate social responsibility (CSR) is now widely recognized and that expectations concerning companies' contributions to society and the environment are high.

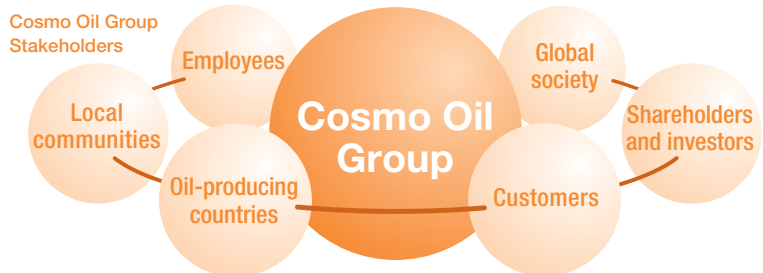
Survey of Attitudes toward Corporate Social Presence and Role in Society



Note: The 4,164 respondents include men and women from 15 to 80 years of age throughout Japan. Source: FY2007 National Survey on Lifestyle Preferences (Cabinet Office)

Cosmo Oil Emphasizes Communication to Maintain the Trust of Society

Social and environmental activities to help create a safe and prosperous society as well as securing these qualities for future generations are essential aspects of Cosmo Oil's greater mission as a responsible corporate citizen. Communication and working well with the communities in which it operates is therefore an important step to accomplishing its mission. As such, Cosmo Oil works to earn trust by disclosing accurate information in a timely and appropriate manner to help communities gain an understanding of the Group.



Customers

The Cosmo Oil Group works to deliver services that its customers value by listening to their suggestions for enhancing the level of services it offers and by ensuring safety.

Local communities

As a member of the local communities in which it operates, the Cosmo Oil Group participates in grassroots activities such as cleanup campaigns and local events.

Shareholders and investors

The Cosmo Oil Group is committed to disclosing information to shareholders and investors in a timely manner, and to issuing its regular C's Mail shareholder report, annual report and other publications.

Employees

The Cosmo Oil Group bases all of its corporate activities on respect for human rights, and strives to create comfortable workplaces in which employees are free to express themselves.

Oil-producing countries

In its relations with oil-producing countries, the Cosmo Oil Group does not limit its activities to the purchase and sale of crude oil, but also strives to utilize its human resources and expertise to disseminate technology that preserves the environment and ensures safety.

Global society

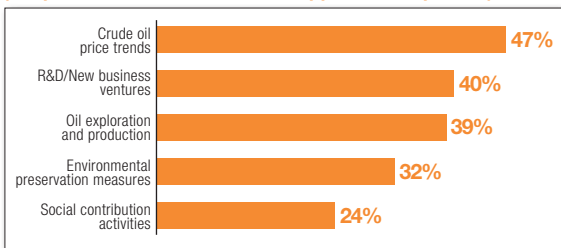
The Cosmo Oil Group is focused on participating in international cooperation activities, including those aimed at curbing global warming, that contribute to sustainable growth for the entire international community.

Detailed information: CSR Accounting
(Economic value added generated and its distribution to stakeholders)
<http://www.cosmo-oil.co.jp/eng/csr/accounting/stakeholders.html>

Shareholder Survey

As one of its investor relations activities aimed at fostering interactive communication with shareholders, Cosmo Oil conducts an annual survey of shareholders through its regular *C's Mail* shareholder report. Shareholder perspectives gathered through the survey are featured in the pages of *C's Mail*, and survey results are passed on to management as feedback, which is then reflected in the Group's management policy. Approximately 7,300 persons responded to the fiscal 2009 survey, with results that indicated shareholders were most interested in crude oil price trends and the oil exploration and production business.

Results of Shareholder Interest Survey (Respondents asked to check all applicable responses)



Recipient of Nikkei Annual Report Award

The Cosmo Oil Group issues an annual report to inform shareholders and investors of the Group's fiscal year performance. The Cosmo Oil fiscal 2009 annual report was honored with the Nikkei Annual Report Award 2009, presented by Nikkei Inc. in December 2009. Out of 79 participating companies, Cosmo Oil was one of 12 to receive an award.



Selected for SRI Indexes

Socially responsible investing that not only takes into account a company's fiscal position, but also its environmental and social activities, is gaining attention among shareholders and investors as an investment decision strategy. Cosmo Oil has been included on the FTSE4Good Global Index, an SRI index¹, since March 2003, and the Morningstar Socially Responsible Investment Index since July 2003.



1. SRI Index: An index of selected companies that fulfill their social responsibilities in terms of social justice, ethics, environmental considerations and responsibility toward consumers, employees and local communities.

Related information: Investor relations
<http://www.cosmo-oil.co.jp/eng/ir/>

Promoting International Technology Exchanges

The Cosmo Oil International Cooperation Center utilizes the public business training programs offered by the Japan Cooperation Center, Petroleum (JCCP) to maintain and develop good relationships with oil-producing and developing nations through technology exchanges. These efforts have earned the center high praise from the countries with which it conducts the exchanges.



Article in *Takreer News* from a training visit to the Abu Dhabi Oil Refining Company (TAKREER)

International Technical Cooperation Activities in Fiscal 2009

Country	Description of technical support
UAE	Oil refining technology, oil products analysis, production management, personnel management and corporate social responsibility (CSR)
Qatar	Oil refining technology and production management
Oman	Surveys on improving operation methods at refineries
Iran	Quality management and oil products analysis
China	Environmental management and energy conservation
Indonesia	Oil refining technology, production management, environmental management, energy conservation and facility maintenance
Vietnam	Quality management, environmental management, facility maintenance, personnel management and CSR
Thailand	Facility management

Establishing the Cosmo Forest Urban Greenbelt

● Cosmo Forest Initiative at Chiba and Sakai Refineries

In April 2008, the Chiba Refinery leased an area of public woodlands in Ichihara City and began maintenance of the forest, which it named the Cosmo Forest.



With help from the Chiba Nature School, an NPO, the Chiba Refinery invites local elementary school children to experience and learn about forests and the environment.

In October 2009, the Tsurumai prefectural forests, which include the Cosmo Forest, received certification from Chiba Prefecture under its CO₂ absorption program in support of creating and maintaining beautiful forests.¹

In June 2010, the Sakai Refinery conducted its first activities to protect the public woodlands in Higashiyoshino Village, Nara Prefecture, with which Sakai City has a friendship agreement.

1. This program was established by Chiba Prefecture in August 2009. The 1.8 hectares of prefectural forests in Tsurumai, the site of the Cosmo Forest, were certified as absorbing 16.8 tonnes of CO₂ between August 2008 and March 2011.

● Cosmo Matsuyama Oil's Cosmo Forest Initiative

Cosmo Matsuyama Oil Co., Ltd. came to an agreement to lease an area of public woodlands with Ehime Prefecture in fiscal 2007 to maintain as a Cosmo Forest. Since planting 40



cherry tree saplings and 45 Japanese maple tree saplings on the land, the company conducts regular maintenance of the forest. In June and October 2009, the current and retired employees got together to cut underbrush.

1 Live up to customer expectations concerning reliability and satisfaction

2 We aspire to become a safe, accident-free company

3 We value people

4 We take care of the global environment

5 We value communications with society

6 We strive to maintain our position as an honest company

5 We value communications with society

Eco Card Fund Activities

Detailed information: The Cosmo Oil Eco Card Fund <http://www.cosmo-oil.co.jp/eng/envi/eco/>



- Qin Ling Mountains Forest and Ecosystem Recovery Project
- Silk Road Afforestation Project
- Inner Mongolia Afforestation Project

- Community Forest Map Development in the Northern Mountainous Region of Thailand (Thailand)
- Sustainable Farming Support Project (The Philippines)

- Tropical Rainforest Conservation Project (Papua New Guinea)

- Tropical Rainforest Conservation Project (Solomon Islands)

- Seed Planting School (Hokkaido)
- Noguchi Ken Environmental School (Mt. Fuji, Shirakami Mountains)
- Environmental Education Support Project at Schools (Iwate Pref., Mie Pref., Nara Pref., Osaka Pref., Okayama Pref., Kagawa Pref., Kagoshima Pref., Okinawa Pref.)
- Satoyama Preservation School (Nagano Pref.)
- Eco Cabin School (Iwate Pref.)

- South Pacific Countries Support Project (Kiribati)
- South Pacific Countries Support Project (Tuvalu)

The Cosmo Oil Eco Card Fund provides support for projects that address approaches to global warming and preserving biodiversity. In doing so, the Fund focuses its efforts on the two major themes of “restoration and preservation of the environment in Japan and overseas” and “education of the next generation.”

The Cosmo Oil Eco Card Fund System



Donations by all cardholders of Cosmo The Card Opus Eco and Cosmo The Card House Eco
Cardholders make an initial ¥500 donation at the start of their membership. Every year thereafter they again donate ¥500 in the month that they initially joined.



Donations by the Cosmo Oil Group

Operation of the “Living with Our Planet” projects that support efforts to contribute to the global environment



Qin Ling Mountains Forest and Ecosystem Recovery Project

The Qin Ling Mountains are a treasure trove of rare wildlife where critically endangered species such as giant pandas and golden snub-nosed monkeys can be found.

Cosmo Oil aims to restore the biodiversity of the forests through the afforestation of abandoned commercial logging roads that impede the movement of animals, and the observation of local animals and plant life. In fiscal 2009, the Company planted 11,000 pine tree seedlings along 14 km of road and continued its research into the behavior and habitat of the golden snub-nosed monkey. In fiscal 2010, the Company will plant 9,500 more trees and continue its research and lectures.



Environmental Education Support Project at Schools

Cosmo Oil brings nature oriented non-profit organizations from across Japan together with

schools looking for expertise and opportunities to provide environmental education programs to its students. The Company has also developed an environmental education program based on the educational website *EE kids*. The Company provided support for environmental programs in 14 schools around Japan in fiscal 2009, and plans to support such programs at nine elementary and junior high schools in fiscal 2010.

Cosmo Earth Conscious Act

Cosmo Oil operates Earth Conscious Act initiatives together with 38 Japan FM Network member radio stations including TOKYO FM under the theme of Earth Conscious: Hearts to Love & Feel the Earth. The initiative includes the Clean Campaign, which provides participants with the opportunity to enjoy nature while cleaning up mountains, rivers, oceans, lakes and parks throughout Japan. These campaigns have taken place at 358 locations over the past nine years, and have involved a total of more than 140,000 participants.

Detailed information: Cosmo Earth Conscious Act <http://www.tfm.co.jp/earth/concept/english.html>



- Other Activities in Fiscal 2009**
- Earth Day Concert
 - Radio show *Living with Our Planet*
 - Ken Noguchi lectures

Activities That Focus on Children, Environment, and Society

Detailed information: Social contribution activities
http://www.cosmo-oil.co.jp/company/publish/sc_report/pdf/phil_report2010.pdf

Basic social contribution activity concepts

- To educate children who will be part of the future society
- To preserve the global environment, the foundations of a sustainable society
- To form a peaceful, considerate, and cultural society

Basic social contribution activity policies

- Activities unique to the Cosmo Oil Group
- Full personnel participation
- Lasting presence regardless of our business status



Cosmo Waku Waku Camp

Cosmo Waku Waku Camp is a two-night, three-day nature camp for elementary school children orphaned by traffic accidents. Operated primarily by employee volunteers, the camp is Cosmo Oil's first social contribution activity and has been operated every year since 1993. Employee volunteers train on-site beforehand, and are at the camp to run the program and to make sure that the children are safe and healthy.

Art Program for Daddies and Kids

With the aim of supporting father participation in childrearing, this program brings fathers and their children together to simultaneously create artwork and foster communication. The program featured artist Maya Maxx from 2005 to 2007, and from 2008, Noppo-san, a Japanese actor and author popular among many age groups. With Cosmo Oil's support, the program is executed at various Cosmo Oil locations in Japan by employee volunteers together with local art museum and other venue staff.



Christmas Card Project

Cosmo Oil Group employees and their friends and families write encouraging messages to children whose long hospital stays prohibit them from returning home for Christmas. This project was launched in 2003, and in 2009, its seventh year, delivered a total of 1,515 cards to 16 hospitals throughout Japan. The medical staff at these hospitals reports that the project is eagerly anticipated each year.

Voice



Kayoko Watanabe
 Finance Department,
 Cosmo Oil Co., Ltd.

The Joy of Social Contribution

I took the opportunity to participate in the Cosmo Waku Waku Camp because I was impressed with how excited my colleagues were in preparing for and putting together this project. Also, it was Cosmo's volunteer leave program and its working environment that encourages us to participate in these types of activities that helped give me the courage to join the camp this year. Volunteering at the camp brought back my sense of childhood wonder and fun, and living with the children and other volunteers was new and refreshing. Through this program, one of our company's social contribution activities, I have come to understand the significance of participating for the benefit of the community. I am especially happy that I was able to participate in a program with such a long history at Cosmo Oil.

Other Activities

- 2002 – present
 Natural Art Workshop for Children
- 2004 – present
 Cosmo EkaKids
- 2007 – present
 Jazz Charity Concert

1 Live up to customer expectations concerning reliability and satisfaction

2 We aspire to become a safe, accident-free company

3 We value people

4 We take care of the global environment

5 We value communications with society

6 We strive to maintain our position as an honest company