

Enhancing Human Rights/Personnel Policies

Respect for Human Rights

Consolidated Medium-Term Human Rights/Personnel Plans for Fiscal 2010–2012 and Fiscal 2013–2017

The Cosmo Oil Group is striving to create workplaces that respect human rights and the diversity of personnel. Introduced in fiscal 2010, the Third Consolidated Medium-Term Human Rights/Personnel Plan is divided into shared Group themes on which Cosmo Oil and its main Group companies (18 companies) work, and individual themes in which initiatives differ according to the number of employed workers at each company. Shared Group themes include

respect for human rights, respect for diversity and equal opportunity, promoting physical and mental healthcare, and supporting a balance between work and home life.

In the next Consolidated Medium-Term Human Rights/Personnel Plan (Fiscal 2013–2017), the Cosmo Oil Group has added efforts to eliminate power and sexual harassment and is continuing to work on unfinished themes from the third medium-term plan.

Fiscal 2012 Initiatives and Results under the Third Consolidated Medium-Term Human Rights/Personnel Plan Degree of achievement: Achieved (A), Partially achieved (B), Not achieved (C)

Theme		Fiscal 2012 Goals	Fiscal 2012 Results	Achievement of Goal	
Shared Group Themes	Respect human rights	Prevent harassment, eliminate discrimination	Achieve participation rate of 80% or more in human rights training for Cosmo Oil employees	Achieved participation rate of 87%	A
	Respect diversity/equal opportunity	Maintain fairness in hiring	Maintain and improve employment rate of people with disabilities (higher than the legally mandated rate of 1.8%) for 3 target companies	Achieved goals at Cosmo Oil (2.20%); goals not achieved at Cosmo Oil Sales (1.52%) and Cosmo Engineering (1.75%)	B
	Promote physical and mental healthcare	Prohibit excessive overwork and implement specified health exams	Gradually decrease the number of employees with long working hours (over 350 excessive working hours per year), aiming to decrease total working hours	478 employees worked excessive hours (up by 32 persons from fiscal 2011)	C
	Support balance between work and home life	Promote childcare and family healthcare leave and support leisure activities	Average paid time-off utilization rate of employees • Cosmo Oil: 80% or more • Group companies: Improve current record	Achieved goal at Cosmo Oil (83.3%); rates improved at 9 of 18 target Group companies in Japan	B
Individual Themes	Comply with Act on Advancement of Measures to Support Raising Next-Generation Children	Establish an action plan required for general business owners and notify the authorities	Plan establishment or notification completed at 5 target companies ¹	A	

1. Cosmo Oil Co., Ltd., Cosmo Oil Sales Corp., Cosmo Engineering Co., Ltd., Cosmo Trade & Service Co., Ltd., and Cosmo Petro Service Co., Ltd.

Global Human Resources Development

There are 94 Cosmo Oil Group employees stationed in eight countries outside Japan, engaging in resource development, crude oil and petroleum product transactions, and project operations in the petrochemical and ALA businesses. With the aim of becoming a comprehensive global energy company, the Group has an urgent need to develop human resources that can respond to a variety of challenges both in and outside Japan. Building on the strengths of the current international employees, it is necessary to develop more global human resources with a diverse range of experience and skills. Therefore, the Group will transfer about 30% of young and mid-career employees to international offices to increase the number of personnel that can operate effectively outside Japan.

Number of Employees Stationed Outside Japan by Country: Fiscal 2012

As of March 31, 2013

Country	No. of Employees
UAE	61
Bahrain	1
Qatar	15
China	2
USA	3
UK	1
Singapore	3
South Korea	8

Note: The number of employees includes those dispatched from Cosmo Oil and full-time employees of Cosmo Engineering Co., Ltd., Cosmo Trade & Service Co., Ltd., and Cosmo Research Institute.

Number of Employees Stationed Outside Japan: Fiscal 2008–2012

Fiscal Year	No. of Employees
2008	77
2009	84
2010	91
2011	89
2012	94

Respecting Diversity and Providing Equal Opportunity

The Cosmo Oil Group set the goal of maintaining and improving its employment rate of people with disabilities under the theme of sustaining fair employment practices. In fiscal 2012 the Group achieved Japan's legally mandated rate of 1.8% or more, with an actual result of 2.2%. A revision to the relevant law enforced in fiscal 2013 requiring a higher rate of 2.0%. Accordingly, the Group is striving to ensure that it maintains and improves the employment rate of people with disabilities through measures that aim to create workplace environments where diverse human resources can demonstrate their different abilities to the fullest extent.

Employment of People with Disabilities (data reported to Japan's Ministry of Health, Labour and Welfare)¹

	June 2009	June 2010	June 2011	June 2012	June 2013
Total number of employees with disabilities	44	46	45	46	41
(Number with severe disabilities)	22	25	23	23	21
Employment rate of people with disabilities ²	2.0%	2.1%	2.1%	2.3%	2.1%
Shortfall in the mandatory number of employees with disabilities	0	0	0	0	0

1. For Cosmo Oil Co., Ltd., as of June 1 in each year

2. Legally mandated employment rate: 1.8% (rounded to the second decimal place)

Work-Life Balance

Balancing Work and Home Life

The Third Consolidated Medium-Term Human Rights/Personnel Plan identifies child/family care leave and leisure activities as important elements for employees to balance work and home life, and it focuses on enhancing various systems to provide better support. The Cosmo Oil Group is committed to creating positive and dynamic work environments for all employees and respects the values and life perspectives of each employee. The Group is implementing initiatives to enable employees to achieve a work-life balance with the flexibility to tailor their desired lifestyles.

The fifth action plan required for general business owners for fiscal 2013–2014¹ was submitted to Japan's Ministry of Health, Labour and Welfare, as part of Cosmo Oil's measures to support the raising of the next generation of children.

1. Action plan required for general business owners: These plans outline timeframes, objectives, and duration of implementation for measures to support and enhance working conditions for workers who are raising children.

Comment from Childcare Leave Recipients

Yuko Tomite

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I'm currently on childcare leave until the end of the fiscal year, when my son will reach the age of three. Although I was apprehensive about going on long-term leave, the understanding and support of my boss and senior colleagues enabled me to take advantage of the program. I am very grateful for this time and opportunity to provide full-time care for my son. After returning to work, I would like to give back as much as possible through my performance at the job. I also want to tell others about the benefits of this program, so that those expecting a child can take childcare leave without any worries.

Physical and Mental Healthcare

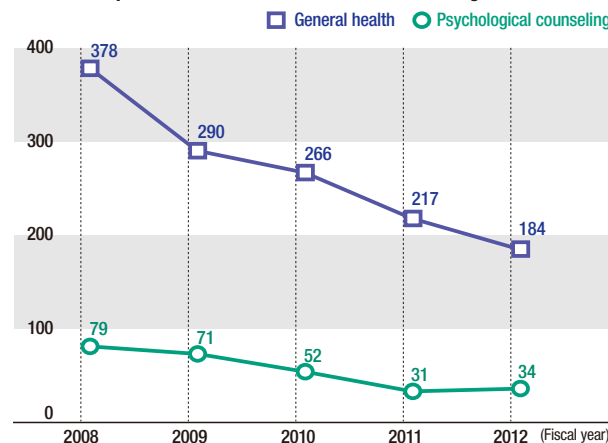
The Cosmo Oil Group has been working with the Cosmo Oil Health Insurance Society to fully implement the special check-ups. The Cosmo Oil Health Insurance Society operates a Group Health and Counseling Online Hotline that is staffed by specialists in psychiatry and psychosomatic medicine, which employees and their families can access to receive immediate counseling on a variety of subjects.

Set up to handle a wide variety of inquiries, the hotline can be used by employees to discuss everyday worries such as health concerns, medication, and emotional issues.

General health: Medicines, gastrointestinal illness, child fever, influenza, other

Psychological counseling: Anxiety, parental and family issues, spousal relations, other

Number of Inquiries Submitted to the Health and Counseling Online Hotline



Reducing Long Working Hours

The Cosmo Oil Group has set the theme of prohibiting excessive work and implementing specified health exams in order to maintain employee health, and is making efforts to decrease excessive working hours gradually by setting limits on the number of overtime hours on a monthly and yearly basis.

However, in fiscal 2012 the number of employees working long hours on a yearly basis increased by 32 from the previous year to 478. The number of employees working long hours decreased year on year at refineries, but it still accounts for two-thirds of the total number of employees with long working hours. The main cause for overtime work in the Head Office departments is new business projects. Under the upcoming Consolidated Medium-Term Human Rights/Personnel Plan (Fiscal 2013–2017), the goal is to reduce total annual work hours, and guidance will continue to be provided in individual cases.

Number of Workers Exceeding Fixed Hours for Overtime Work in Fiscal 2012

