Independent Assurance Report



Independent Assurance Report

To the President of Cosmo Oil Co., Ltd.

We were engaged by Cosmo Oil Co., Ltd. (the "Company") to undertake a limited assurance engagement of the environmental and social performance indicators marked with (the "Indicators") for the period from April 1, 2014 to March 31, 2015 included in its Corporate Report 2015 (the "Report") for the fiscal year ended March 31, 2015.

The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the "Company's reporting criteria"), as described in the Report, which are derived, among others, from the Sustainability Reporting Guidelines version 4 of the Global Reporting Initiative and Environmental Reporting Guidelines of Japan's Ministry of the Environment.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information', 'ISAE 3410, Assurance Engagements on Greenhouse Gas Statements', issued by the International Auditing and Assurance Standards Board, and the 'Practical Guidelines for the Assurance of Sustainability Information' of the Japanese Association of Assurance Organizations for Sustainability Information. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:

- . Interviewing with the Company's responsible personnel to obtain an understanding of its policy for the preparation of the Report and reviewing the Company's reporting criteria
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical reviews of the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and also recalculating the Indicators
- Visiting to Cosmo Matsuyama Oil Co., Ltd. selected on the basis of a risk analysis.
- Evaluating the overall statement in which the Indicators are expressed.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Report

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and

KPMG AZISA Sintamablety Co., Ltd.

KPMG AZSA Sustainability Co., Ltd. Tokyo, Japan

Comment Following Independent Assurance Engagement

September 4, 2015

Starting in October 2015, the Cosmo Oil Group will shift to a holding company structure focusing on three business companies engaged in resource exploration, supply, and marketing. In anticipation of this change, the feature articles in this report introduce the Group's operations in the core areas of resource exploration, supply, marketing, and renewable energy to give a clear and comprehensible picture of the entire Group. In the area of renewable energy, the report describes the amount of energy that was generated through wind and solar power generation and the associated savings in CO₂ emissions, quantitatively indicating just how much these renewable energy projects are positively impacting society.

The corporate report is currently organized along the priority items outlined in the CSR Initiative Policy (Fiscal 2013-2017), which is based on the Fifth Consolidated Medium-Term Management Plan. This is easy to understand, but the report would be even more accessible if it went a step further in elaborating on why it is important for the Cosmo Oil Group to respond to these priority items. At some point before putting together the next CSR Initiative Policy, it would be

advisable for the Group to reexamine its material issues.

Shinichiro Akasaka

KPMG AZSA Sustainability Co., Ltd.