



Toward Sustainable Development

Striving to be the Company You Trust and the Company You Choose

In 2004, Showa Shell took a more truly structural approach to its CSR activities. We established a CSR Working Team, a structure that cuts across division boundaries, and have overhauled the “Environmental Report Moderate”, first published in 1993, to create the Corporate Social Responsibility (CSR) Report 2004. We have become more active in our approach, by introducing CSR-related rules and plans to group subsidiaries (Code of Conduct, the Basic Policy on HSSE, the Basic Policy on Diversity and Inclusiveness, the Basic Policy for Work/Life Balance, the Basic Policy on Purchasing, etc.), re-evaluating company-wide projects in regard to competition laws, establishing a Corporate Governance Committee, and bolstering the activities of the Showa Shell Sekiyu Foundation for Promotion of Environmental Research, which just celebrated its tenth year of activities.

2004 was also a year in which we witnessed a number of natural disasters, starting with the Niigata Chuetsu Earthquake in October. Fortunately, our Group did not suffer any significant damage or harm. However, we did once again realize the threat of natural calamities and the importance of safety measures. At the same time, we also came to further appreciate the importance of working together with the local population and the spirit of teamwork that the Japanese people are known for.

Showa Shell, born of a merger in 1985, has now reached its 20th year with the support of many. We have declared 2005 to be the year for a “New Foundation.” Building upon our achievements of the last 20 years, we are challenging ourselves to take on more reform initiatives in order to ensure the sustainable development of all our group companies.

In this vein, we have created a new corporate message. This will show everyone—both in and outside of the company—the direction our company is going. We feel this message expresses our desire to be a company that stakeholders will trust and choose over the long term, as a

result of our daily activities. We also want to move forward with our stakeholders into the future.

The coming into force of the Kyoto Protocol has raised awareness of environmental protection globally. I am personally engaged in efforts to achieve greenhouse gas reduction targets in my role as a representative of the petroleum industry and business world; I serve as co-chairman of Nippon Keidanren’s Committee on Environment and Safety and a member of the Ministry of Environment’s Central Environmental Committee.

The “Environmental Photo Contest” sponsored by Showa Shell was launched this year as part of our efforts. This is one small effort in a popular movement to solve environmental issues. It is intended to broaden awareness of environmental issues by evoking visual images of familiar scenes. We especially encourage participation by the next generation of those responsible, the children.

The above-noted projects are some of Showa Shell’s efforts to take a more active CSR approach. To this end, we are placing highest priority on and inculcating the importance of safe operations and legal compliance in all our company’s business activities. We also feel that two-way communication with our stakeholders is more important than ever. I would also like to invite you to

respond to the CSR Report 2005 by sharing your opinions and suggestions for improvement with us.



Haruyuki Niimi
Chairman, Representative Director