



Respect for People

At Showa Shell, employee safety, health, and risk management are the most important management issues and underlie every corporate activity. The pillars of respect for people are built upon a better working environment and personnel system.

Employee Safety, Health, and Risk Management

Preventing Industrial Accidents

Showa Shell's number of losttime injuries (LTI) in fiscal 2005 was approximately 40% lower than in fiscal 2004. Since the beginning of fiscal 2005, it has become mandatory for a detailed report on each LTI to be prepared by the related department and submitted to the Management Executive Meeting, where LTI causes and the appropriate response are then discussed with the department. Then, an LTI follow-up will be held to confirm the effectiveness of the countermeasures taken by the related department to prevent recurrences. Not just Showa Shell but the entire Showa Shell Group is working to prevent industrial accidents through the use of the company's Health, Safety, Security, and Environment management system (HSSE-MS).



Number of Industrial Accidents by Department in Fiscal 2005

	Lost Time Injury (LTI)	Work Related Injuries (not including LTI)
Manufacturing (refineries)	1 (3)	5 (4)
Logistics	4 (3)	0 (0)
Lubricants and Bitumen Division	3 (2)	6 (4)
Retail sales	1 (4)	2 (3)
Sales (other than retail sales)	0 (0)	0 (0)
Others	1 (4)	0 (2)
Total	10 (16)	13 (13)

- Notes:
1. Figures in parentheses are for fiscal 2004.
 2. Figures are for all companies in the group (see pages 2 and 3), including associated firms.

● Introducing Driving Standard to Promote Safety

As one element of its HSSE-MS, Showa Shell introduced driving standards in December 2005. Intended to prevent traffic accidents, these standards came into effect in April 2006.

The operation of motor vehicles is one of the leading causes of fatal accidents. Even if an accident does not result in severe injury, it can cost a company dearly in terms of public trust and time spent dealing with its ramifications. The prevention of traffic accidents is an extremely important issue, bearing as it does on sound corporate management, maintaining and enhancing trust in the firm, and fulfilling its social responsibilities.

The Showa Shell driving standards, which were written to reduce these risks, requires defensive driving by everyone who is employed as a driver within the group, establish minimum requirements for driver education and training, sets forth required driver qualifications, and clarifies specifications and required equipment for company vehicles. To deal with the factors that lead to serious accidents and to work toward having zero traffic accidents, the group is pushing to ingrain these standards in every employee, so as to achieve continuous improvement, while verifying the effects of the use of HSSE internal audits.

● Safety Information Magazine Lorry News

Of the accidents that occur at service stations, mutual oversight by service station staff and lorry drivers can cause errors in delivery, damage to property, contamination of products, and spills.

To improve communication between service station workers and tank lorry drivers, and to spread safety information for unloading operations among truck lorry drivers, Showa Shell publishes the bimonthly magazines Lorry News (for lorry drivers) and Do! (for the service station industry). Lorry News publishes feature articles on safe unloading, introducing the practical unloading procedures of exemplary truck lorry drivers in Japan. The company also requests cooperation in entering service stations and unloading operations in articles of Lorry News.



Safety Measures When Loading Tank Trucks

● Preventing Falls with Safety Harnesses

Showa Shell took heed of reports that workers outside Japan and from the company's competitors were falling to their deaths during truck loading. To prevent this at Showa Shell, the company has established a requirement that safety harnesses be worn while loading trucks at the group's oil refineries and tank yards. Unlike a simple belt, a safety harness evenly distributes the weight and provides multiple support points to offer greater safety to truck drivers.



● Eye Protection

The company has established a requirement that truck drivers wear eye protection during loading to prevent fuel from splashing into their eyes.



Safety harnesses have been introduced at all group oil refineries and tank yards (left); eye protection prevents fuel from splashing into the eyes (right).

Health Management and Mental Health

The Minimum Health Management Standards (MHMS), a set of measures to ensure the health of employees and the public, were established by the Shell Group in 2001. The MHMS is comprised of several categories and stresses the necessity of assessing health risks posed to employees by the Shell Group's business activities. It also ensures that human health is not endangered by any of the Shell Group's products, throughout the product lifecycle, from production to disposal. Showa Shell relies on MHMS to ensure that its operations and products do not have adverse effects on the health of either consumers or

its own employees.

Specifically, all employees must undergo twice-yearly medical checkups (spring and fall), the results of which are used for follow-up purposes. This increases the reliability of health management.

The company also promotes the mental well-being of its employees. Employees undergo a mental health checkup once every two years, and in-person as well as telephone counseling are made available as necessary.

Building a Security System

Security covers a range of functions, from countermeasures against crimes, such as terrorism, blackmail, and unauthorized entry, to response to earthquakes, typhoons, and other natural disasters, and the safeguarding of information.

A Tokai earthquake—a strong earthquake centered under the Tokyo metropolitan area—could occur at any time. Showa Shell Group companies maintain helmets, drinking water, emergency rations, and other emergency supplies in the

workplace, and have introduced a system for confirming the safety of employees. Business locations in the Keihin region have installed satellite telephone equipment, and conduct training in accordance with company regulations.

To increase security at the Showa Shell headquarters building, company ID are required for access and exit control. Other business locations are implementing the same sort of office security.