

Corporate Governance

To achieve sustainable growth and further enhance the value of the corporation, Showa Shell is taking initiatives to separate management and operations, to improve the transparency and efficiency of management. The Company is also taking active steps to incorporate outside, objective viewpoints into its management, to create an ideal corporate governance structure.



Directors

Chairman, Representative Director

Haruyuki Niimi

President, Representative Director

John S. Mills

Vice Presidents, Directors

Masayoshi Satake

Roy D. Waight

Managing Directors

Shigeya Katou

Yasuo Murayama

Directors

H. K. Lim

Yoshihiko Miyauchi

Mohammad S. Alshammari

Full-Time Auditor

Hisao Nozaki

Auditors

Takako Mohri

Akio Kioi

Executive Officers

Senior Managing Executive Officer

Jun Yui

Managing Executive Officers

Kanji Yamamoto

Jin Satou

Yukimichi Ikemura

Hideo Degoshi

Executive Officers

Shigeaki Kameda

Tadamitsu Fukuchi

Kazuo Murakami

Yoshitaka Takesawa

Tomoyuki Egami

Jun Arai

Atsuhiko Hirano

(From left, front row):
Yoshihiko Miyauchi,
Haruyuki Niimi, John S.
Mills, Akio Kioi

(From left, back row):
Yasuo Murayama, Takako
Mohri, Roy D. Waight,
H. K. Lim, Mohammad S.
Alshammari, Masayoshi
Satake, Hisao Nozaki,
Shigeya Katou

(As of March 30, 2005)

Corporate Governance in Action

Showa Shell's Board of Directors comprises nine directors, including three outside directors. In addition to decision-making regarding crucial aspects of management strategy, the Board oversees Showa Shell's operations. Operating decisions are made at management operations meetings attended by the Company's executive officers. To achieve separation of management and operations, management operations meetings are held without the Chairman/Representative Director, who serves as the Board meeting chair, and the outside directors. The President/Representative Director of Showa Shell serves as the chair for management operations meetings.

The three-person Committee of Auditors consists of two outside auditors and one internal auditor. The Committee conducts operations and accounting audits to assist the Board of Directors in performing its duties. Internal auditing is carried out by the Auditing Department, which reports directly to the President and Representative Director. The Auditing Department conducts regular internal audits targeting divisional accounting, operations and compliance.

In 2004, Showa Shell established the Corporate Governance Committee as a permanent committee to advise the Board of Directors. The committee is designed to enable the Board of Directors to incorporate the views of outside experts, to enhance the transparency and objectivity of management. The five-person committee comprises the Board meeting chair with two outside directors and two outside experts.

Corporate Governance Structure

(since March 2005)

