

CSR Initiatives

The modern business environment is changing at an ever-accelerating pace, and the expectations and demands of the Company stakeholders have increased and grown more complex.

The Showa Shell Group is grappling with various environmental issues, while simultaneously planning activities that will contribute to society. Through the planning and provision of support for corporate social responsibility initiatives, the Company endeavors to hasten the realization of a society that gives priority to sustainable environmental protection.

Management Philosophy and Basic Policies

Showa Shell recognizes that the sustainable growth of the Company not only depends upon economic factors such as earnings and dividends, but also requires a management approach that shows due care for the environment and community. By maintaining an open line of communication with stakeholders including shareholders, consumers, customers, business partners, employees and the community, Showa Shell is committed to affirming its responsibilities as a corporation and reflecting the input of stakeholders in management decisions, as well as to boosting its corporate value.

The Company also recognizes that no company can raise its enterprise value without possessing a sound earnings structure.

Showa Shell's approach to achieving sustainable growth is outlined in its Management Philosophy and Corporate Goals, while its business activities are guided by the Code of Conduct in existence since 1997. (For more information, see p. 32).



CSR Report

In fiscal 2004, Showa Shell established a cross-divisional Corporate Social Responsibility (CSR) Working Group whose aim is to further raise the recognition of the Company's CSR initiatives among stakeholders. Showa Shell also published its *CSR Report 2005*, which incorporates two additional elements, "Society" and "Economy," into *Moderate*, the Company's environmental report published since 1993. For more information on our CSR initiatives, please read the *CSR Report 2005*, on our website.

<http://www.showa-shell.co.jp/society/csr/index.html>.



Environment Photo Contest

From 2005, we launched the "Environment Photo Contest." We requested the submission of photos showing local scenery that make a visual appeal for raising consciousness with regard to environmental preservation, as well as heighten awareness of environmental issues. Our hope is that this event will serve as a first step toward the creation of a nationwide grassroots movement aimed at the resolution environmental issues, realized through the planning and initiative of individuals. The first such photo contest was divided into two categories (elementary, junior and senior high school division, and the senior citizens' division), with a total of 46 winners. The awards ceremony was held on October 30, 2005 on the 18th floor of our head office. We hope that this contest will provide young people—who will be responsible for creating the world of the future—with opportunities to observe the natural environment in which they live, and will hopefully lead to environmental preservation activities in the future.

