

Policy/Action Plan and Results

The 21st century is the Century of the Environment. Cosmo Oil's activities are deeply tied to environmental protection, and are expanding to include accelerated corporate reform and the implementation of a new two-year program called Value Creation 21, which has the creation of an environmentally advanced enterprise as its core function.

Decreasing the environmental impact resulting from our business activities, responding to the needs of the green consumer, and working to preserve the global environment are the demands of society today. Society's support is a necessary condition for the company to in turn be able to continue to contribute to building a lasting society.

Basic Policy on Safety and the Environment

At present, more than 50 percent of the energy used in Japan is supplied by petroleum products such as gasoline. The source material, crude oil, is almost entirely imported from the Middle East and other areas.

Cosmo Oil, as a member of the petroleum industry which refines and sells petroleum, has worked hard to make safety integral to providing a stable supply of energy. As a member of the energy industry, we know our mission for both regional and global environmental protection. To further clarify the policies already in place, the Earth Environment Committee* created the Basic Policy on Safety and the Environment in February, 2001—an intra-office, commonly understood and publicly-declared commitment to society.

*See pages 13 and 14

Basic Policy on Safety and the Environment

Basic Recognition

Cosmo Oil is a major energy supply corporation providing Japan with energy through petroleum refining and sales; it recognizes the importance of providing a safe and stable product supply while protecting the regional and global environment.

Basic Safety Policy

Cosmo Oil sees safety and the development and maintenance of stable operations as extremely important missions; that, as its business involves combustibles, high-pressure gases and other potentially dangerous materials, it must work for the sake of the community, its employees and those engaged in its business activities, and to secure the safety of those inhabiting nearby areas.

Basic Environmental Policy

Cosmo Oil sees responding to environmental problems as one of its most important activities; the company aims to minimize the environmental impact which occurs through its business activities; it aims to apply to the best of its abilities the technological skills it has developed over the years to further contribute to society through the development of environmental technology.

Action Plan and Results for 2000

While Cosmo Oil moves along with the action goals of the entire petroleum industry, its in-house Action Group* has established an action plan outlining specific, concrete actions related to environmental problems, establishing goals and realizing the conditions for execution. Up to

2000, action plans were established according to industry goals; from 2001, the company will also take on an individual policy in which environmental activities are tightly interwoven, with the goal of contributing to a vibrant, sustainable society.

*Please refer to page 13 for more on the formation of the Action Group.

Action Plan		Results	Related page
Theme	Goal	Year 2000 Results	
Thorough environmental protection	Reduce the final disposal of industrial wastes discharged by oil refineries to 67 percent of 1990 levels by 2010.	Successful reduction in 2000 to 72.6% of 1990 figures.	Page 16
	To not simply meet regional discharge standards for the discharge of environmental impact materials such as SOx, NOx and CO ₂ , but to strive for a higher level of reduction.	Discharge of materials with environmental impact reduced dramatically, to well below regulation figures.	Pages 15, 16, and 41 to 45
Promotion of energy savings	To control the discharge of CO ₂ , a cause of global warming, energy conservation will be promoted, with a goal of reducing crude oil energy consumption units used by 2010 to 10 percent below 1990 levels.	Reduction in 2000 to levels 6.7% below those of 1990. Energy reductions in a number of areas are moving steadily towards meeting targets.	Page 15
	To reduce the amount of fuel used for the land and domestic ocean transport of petroleum by 2010 to nine percent below 1990 levels.	By reduction of the number of vehicles used, and the continued move toward larger, more efficient vessels, 2000 figures for land vehicles were 13% below 1990 levels, while ocean transport fuel use was 11% below 1990.	Page 28
Promotion of reduction of materials used and increased recycling Increased awareness at affiliated Service Stations of proper waste treatment	Full understanding and management of the manifest system for the control of usage.	A brochure reflecting changes in the law was created and distributed in April, 1999, and special informational activities were conducted at special agencies and Service Stations.	Page 29
	To realize complete understanding of the need to reuse resources through the recycling of containers.	Efforts are being made for the best possible handling of waste materials, based on the Container and Packaging Recycling Law implemented in April of 2000.	Page 29
	Creation of a database of environmental problems regarding Service Stations, aimed at being shared throughout the company.	Environmental information has been incorporated into the intra-office database, with inquiries and responses made public throughout the company.	Page 37
Promotion of green activities in offices	Promote energy reduction and recycling through the implementation of a paperless office.	Paperless operations are being promoted through the increased use of office automation, and where suitable, the purchase and use of green office supplies.	Page 30
Research and development Technical development in primary petroleum business	Promote research and development into high-performance desulfurization catalyst.	A high-performance catalyst with the potential for the production of diesel fuel with sulfur levels of 50ppm has been created and is undergoing performance evaluation at the Sakai refinery.	Page 18
	Promote new-energy technical development.	A pilot-test unit of a high-performance, high-efficiency catalyst for the production of liquid fuel from natural gas has been developed.	Pages 8 and 9
Technical development for reduction of industrial environmental impact.	Promote wastewater-related technical development.	A new concept has been developed to reduce excess sludge occurring during the process wastewater treatment at oil refineries. The process will undergo performance evaluation at our refineries.	Page 9
	Promote soil remediation technology.	A new method for the evaluation of oil content in the soil has been developed.	Page 9
	Promote hydrocarbon vapor recovery technology	An adsorbent for the recovery of hydrocarbons and organic solvents has been developed.	Page 27
Society and public relations activities	Transmit information about Cosmo Oil's environmental activities, both internally and to the public.	The Cosmo Environmental Report was published and placed on the company website; environmental events such as Cosmo Earth Conscious Act have been held.	Pages 35 and 36
Emergency countermeasures	Take countermeasures to ensure minimal environmental impact in emergencies.	Maintenance of emergency facilities has been carried out; accident prevention training and education is being made on a regular basis; preparations have been made for the rapid deployment of appropriate measures in emergencies.	Page 33