# Year 2000 Highlights

The goal of building a sustainable society is a common theme around the world; helping to create this lasting society also helps us as we work to build a sustainable company. Thus environmental and social performance join financial performance as the standards by which a truly excellent company is judged.

As a member of the petroleum industry,
Cosmo Oil is keenly aware that the production
of petroleum products, and the use of these
products by consumers, results in environmental
impacts such as CO2 emissions. This is why we
are implementing a number of activities to
decrease these environmental impacts.

Here are some of the special activities of fiscal year 2000:

## **Environmental Performance**

Zero Flare Project

This ongoing project in Abu Dhabi began during the year. Gases emerging from oil fields are not burned off, but instead returned to the ground, reducing the amount of CO2 discharged into the global environment. The Sour Gas Reinjection Project, the first step in this endeavor, was completed during 2000.

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Decrease of environmental impact

Oil refineries have the largest environmental impact of any part of our business. In order to decrease CO₂ emissions and prevent global warming, a number of energy-saving and waste-reduction methods are being applied. In 2000, this resulted in a reduction of energy used by 6.7 percent from the figure for 1990. The separation, reuse and reduction of waste materials meant that the amount finally disposed of was a full 73 percent below that of 1990. 

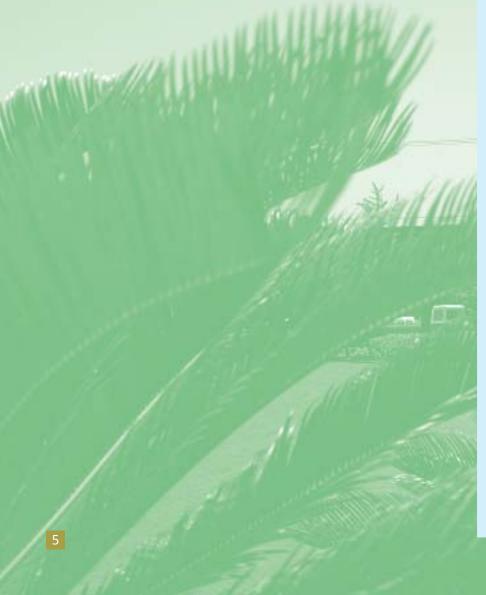
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To deal with the need to reduce emissions of sulfur oxides (SOx) and nitrogen oxides (NOx), we are working to make further reductions by using low-sulfur fuel, improving the denitration of flue gas, and strictly observing all regulations. → page 15

Development of environmental technology

To meet stricter sulfur content regulations
(less than 50ppm by 2005), we are engaged in research into improving the performance of desulfurization catalysts. → page 31

We successfully developed technology which drastically reduces the amount of excess sludge discharged from wastewater treatment facilities. Performance evaluation is scheduled from 2001. → page 31



Promotion of ETC with Cosmo the Card
Customers can join in environmental
protection activities simply by using Cosmo Oil's
Cosmo the Card credit card. By using ETC
Cosmo the Card, customers can take advantage
of ETC's (Electronic Toll Collection) ability to
reduce traffic jams, and thus CO₂ emissions.
Point collection campaigns also allow card users
to convert points collected to actual donations to
nature preservation organizations. → page 29

### **Social Performance**

Establishment of the Cosmo Customer Center
The creation of the Cosmo Customer Center,
a unified customer inquiry reception center,
makes possible swifter communications.

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#### Social contribution

Long-term, ongoing contributions to society must be independent of the changes in corporate performance; our employees' voluntary participation is a critical factor; and our participation illustrates Cosmo Oil's originality. These are the themes for our contributions to the local and global community. These include headquarters-based activities such as Cosmo Waku Waku Camp, an activity for children who have lost parents in traffic accidents, and local charitable activities centered around the oil refineries, such as youth baseball games, soccer schools and other actions. → page 36

#### **Economic Performance**

Distributed power business

To realize the potential of petroleum-fueled fixed fuel cell systems, research and development is being carried out—and actual results being seen—in micro gas turbines and cogeneration systems. → pages 9, 31

Cooperative tanker company efforts
In November of 2000, Cosmo Oil joined with
Nippon Mitsubishi Oil Corp. to create Nippon
Global Tanker Co., Ltd., for joint tanker
operations. This will help to decrease fuel
consumption by more efficient tanker deliveries
and operations. → page 25

# **Integrated Performance**

Basic policies on the environment and safety
To make clearer future policies on the
environment and safety, the company's Global
Environment Committee established the Basic
Policy on Safety and the Environment in
February, 2001. → page 11

Introduction of environmental accounting
Established during 2000, environmental
accounting is scheduled to go into effect and
be enforced from 2001, and will serve as a tool
for environmental management, allowing for
greater precision. → page 19