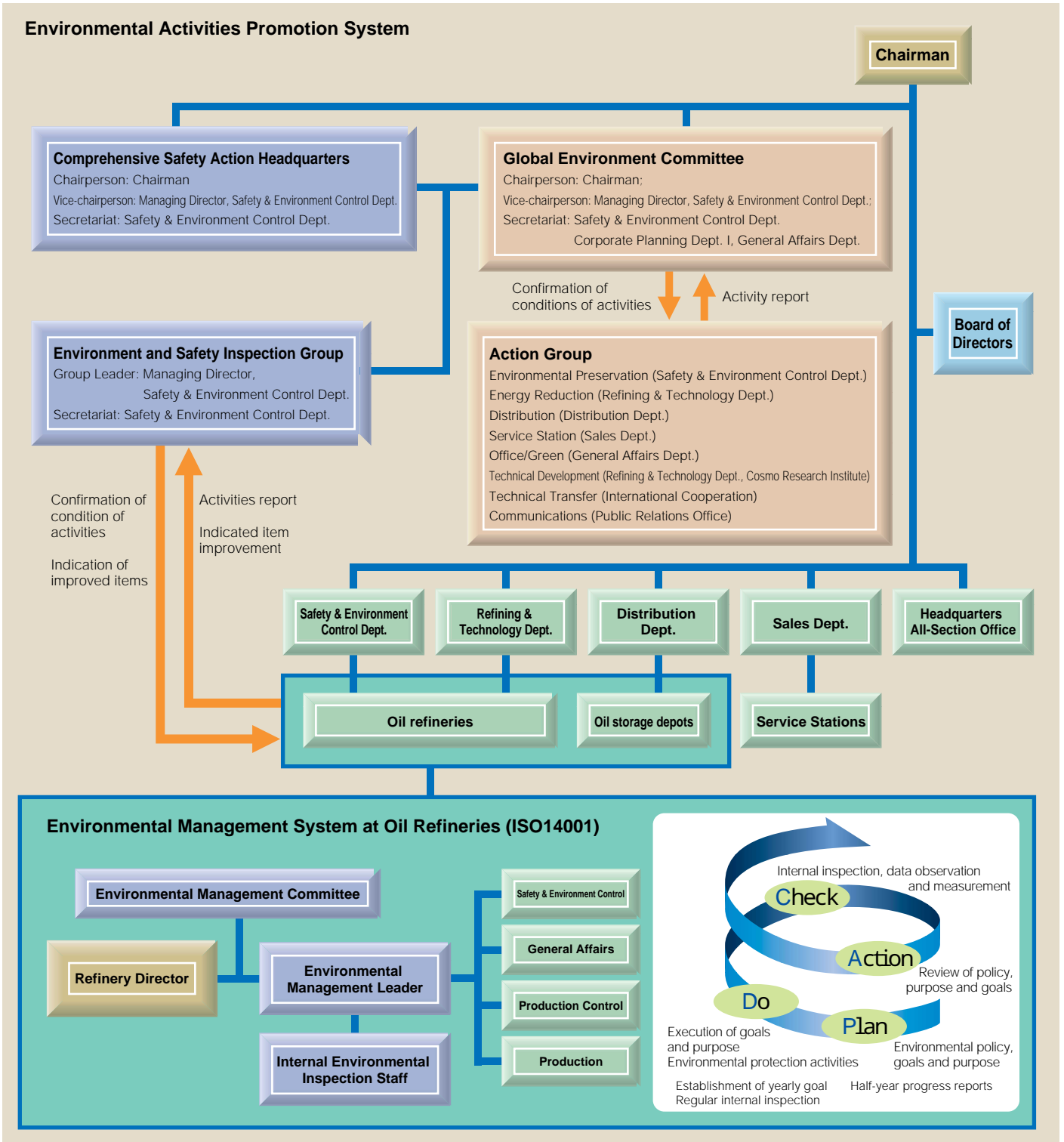


Environmental Activities Promotion System

To achieve the environmental action plan, the company-wide Global Environment Committee, and the Comprehensive Safety Action Headquarters, both chaired by the Chairman, were established. These groups are to decide on basic policies and an action plan, to collect reporting from the various business areas, to

carry out inspections and other activities, to sum up actual conditions and provide support. At each oil refinery, the ongoing improvement of activities is being made by establishing an environmental management system based on ISO14001 and the implementation of the PDCA (Plan-Do-Check-Action) cycle.



Oil Refinery Environmental Management System

ISO14001 certification*, the international standard for environmental management systems, has been obtained at all four of our refineries. According to ISO14001, the head of each oil refinery establishes an environmental policy, sets goals, works to save energy and reduce waste materials, establishes education and training courses and conducts other activities focused on the continuous improvement of environmental protection.

Apart from regularly-scheduled inspections by the examination and registration authorities, internal inspections are carried out regularly according to the inspection standards set by each oil refinery to confirm progress toward system goals, and to check conditions. In 2000, certification was renewed at all of the oil refineries.

ISO14001 Certification Acquisition at Cosmo Oil Refineries

Refinery name	Location	Certifying organization	Certification Date
Chiba Oil Refinery	Chiba Prefecture	JQA	March 13, 1998
Yokkaichi Oil Refinery	Mie Prefecture	JQA	March 20, 1998
Sakai Oil Refinery	Osaka Prefecture	JQA	March 20, 1998
Sakaide Oil Refinery	Kagawa Prefecture	JQA	June 18, 1997

Oil Refinery Personnel Obtaining Environmental Qualification

Air Pollution Control Manager	81
Water Pollution Control Manager	82
Noise Pollution Control Manager	18
Vibration Pollution Control Manager	6
Hazardous Materials Officer (Class A, Class B)	1,776
High-Pressure Gas Production Safety Manager (Class A, Class B)	953
Qualified Person for Energy Manager (heat)	87
Qualified Person for Energy Manager (electricity)	15
Personnel in charge of industrial waste subject to special control	13
Technical manager for industrial waste treatment facility	8
Environmental Measurement Staff	5

As of March, 2001

Education and Development

To effectively promote environmental activities, top management must of course express its intentions both internally and publicly, and promote a change of awareness for all employees.

The following outlines some of the education and development activities held during 2000:

Environmental study meetings: outside instructors were invited five times during the year
 Environmental education for oil refinery employees and employees of related companies: based on the environmental manual and held annually.

Cosmo Research Institute environmental research announcement: meetings announcing four themes, including "The Greening of the Tax System and Energy Conservation Law" and "About Eco Funds," were held.

The video "Cosmo Environmental Revolution" was produced and distributed to 50 subsidiaries and related companies.

Activities for the Future

From the year 2001, a review of the organization and environmental activities promotion system is planned to increase integration of environmental protection activities into corporate management.

The beginning of these activities came with creation of the Environment Affairs Office in the Corporate Planning Dept. in July of 2001. In close coordination with the Public Relations Office and Safety & Environment Control Dept, it will actively and effectively promote the release of information, the development of environmental management at all levels of the company, and promote various activities related to the environment.

*ISO 14001

The international standard for environmental management, established by the International Organization for Standardization (ISO). It establishes important points in reducing environmental impact in business activities, products and services.

Activities from Year 2001 (plan design)

