

Service Station Management to Win the Support of Green Consumers

Cosmo Oil's approximately 5,500 service stations around the country are visited by a great number of customers every day, making them truly the "face" of the Cosmo Oil Group. With environmental issues coming increasingly to the forefront, a new way of service station management is required which will ensure the fulfillment of obligations as a member of the local community as well as attach importance to environmental protection. Cosmo Oil has been conducting a variety of activities such as the introduction of environment-friendly uniforms and solar power panels, the implementation of anti-pollution and waste reduction measures, and the development of "Cosmo the Card Eco"*1 for encouraging environmental protection activities in cooperation with customers. We strive to create service stations that win the support of customers.

Creating Service Stations in Harmony with the Environment

Cosmo Oil developed a complete set of environment-friendly uniforms (except for sneakers) made from over 50 percent recycled PET plastics. The uniform, a first for the oil industry, was certified as an Eco Mark product in December 2001 and has been introduced to our service stations since May 2002.

In addition, to reduce CO₂ emissions, we are conducting a joint research project with NEDO (New Energy and Industrial Technology Development Organization) and installed solar panels, as a part of this project, in ten of our service stations in November 2001. These ten service stations are expected to save a total of approximately 170 thousand kWh of energy consumption annually and reduce CO₂ emissions by approximately 63 tons.



Environment-friendly uniform certified as an Eco Mark product

Anti-pollution and Waste Reduction Activities

At our service stations, a variety of measures have been taken for many years to prevent environmental impacts in the surrounding neighborhoods, taking into account the fact that there are stations that are located in urban areas.

To prevent water pollution, oil/water separation units have been installed in all of our service stations. There is always the possibility that wastewater from car washing or cleaning will contain some oil, so all water is collected into the oil separation tank and treated to separate the oil.



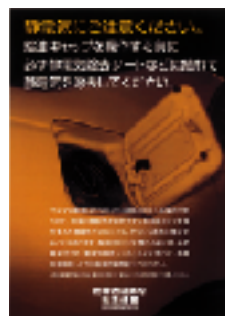
Oil-water separation unit, where oil is removed from water and water pollution prevented

For the prevention of air pollution, we continue to expand the use of hydrocarbon vapor collection units in wholesale gasoline sales activities.

For the reduction of waste, the need to separate garbage has been well established; cloth, bottles, and cans are carefully separated according to local rules. Used tires and other materials are recycled. Suitable treatment methods have been found for plastic chemical containers to meet the Containers and Packaging Recycling Law. The "manifest system"*2 is being applied to strictly confirm the condition of waste materials up to the final treatment stage.

Activities to Ensure Safety

To raise awareness of accident prevention, safety measures and environmental concerns, we prepared the "Service Station Facilities Operation Manual" which features measures to meet regulatory requirements, safety and maintenance of facilities, disaster and crime prevention, emergency response, approach to environmental issues and communication with the local community. The manual has been distributed to all of our service stations. We send our supervisors to service stations to provide guidance to the staff in accordance with the manual.



Poster prepared by the Fire Defense Agency and Petroleum Association of Japan

Regarding fire prevention at our self-service stations, we have installed electrostatic discharge systems and displayed posters to advise customers of precautions to prevent fire.

*1 See page 37.

*2 Manifest system

From 1998, all industrial waste generators are required to keep records of waste until final disposal.

The industrial wastes that are generated from service stations include lubricating oil, metal trash, discarded plastics, tires and rubber waste, glass, acids, and spent alkali.