

## SS (Service Station)

### ■ Service station environmental risk management

We implement environmental risk management using EM Points assessment.

#### ➤ Introducing the Environmental Management Points system

We have carried out environmental risk management at our service stations since April 2003, when we introduced EM Points (Environmental Management Points), as one of the evaluation indices in the NAVI2003 sales promotion program, to assess the service stations' level of leak management, inspections at facilities and industrial waste management. We assessed the level of each service station's commitment to environmental management using EM Points at approximately 5,000 locations (including authorized dealers) in each half of FY 2003. According to the results of the assessments, both the recovery rate and the scored points improved in the second half of the year compared to the first half. We continue to provide appropriate guidance to our employees in order to further improve our management.



Check sheet for service station EM Point

#### ➤ Implementation of educational activities

Based on the results obtained through the tools for service stations' environmental management, we held 8 environmental forums and 8 risk management seminars. We also made educational videos and distributed them to our employees. We have also added the Environmental Management Manual to the current SS Facilities Safety Inspections Records. In addition, we use the SS Soil-Environmental Safety Book prepared by the Petroleum Association of Japan with the aim of detecting leaks of petroleum at an early stage to prevent soil contamination.



SS Facilities Safety Inspections Records

#### ➤ Conducting inspections of company-owned underground tanks

In addition to legally required inspections, we have been conducting voluntary inspections of underground tanks since FY 2002. To date we have already inspected most

of the company-owned service stations (approximately 900) and taken appropriate measures such as repair of facilities if necessary.

### ■ Eco-friendly service station

We promote the environmental responsiveness of service station, creating state-of-the-art eco-friendly service stations.

#### ➤ Installation of solar panels

In FY 2003, we newly installed solar panels (photo voltaic systems) at four service stations, resulting in a total of 25 SS that utilize solar energy.



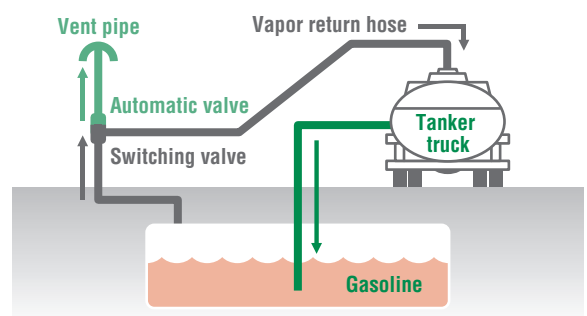
Solar panels at service station



#### ➤ Introduction of hydrocarbon vapor recovery system

We install hydrocarbon vapor recovery system at our service station in order to control diffusion of hydrocarbon vapor\*3. About 50% of the company-owned service stations have already installed the system.

##### ■ Mechanism of vapor recovery system



\*3 Hydrocarbon vapor: Hydrocarbon vapor is a type of hydrocarbon steam generated by gasoline, benzene or toluene. In most cases it diffuses from oil terminals, loading zones for oil tankers or distribution bases for chemical products. It is recognized as one of the causes of photochemical smog and malodor.