

Soil Preservation

<http://www.cosmo-oil.co.jp/eng/sustainable/07/env/soil.html>

We are promoting soil preservation by preventing soil contamination and by responding quickly to minimize the environmental impacts of any oil leaks.

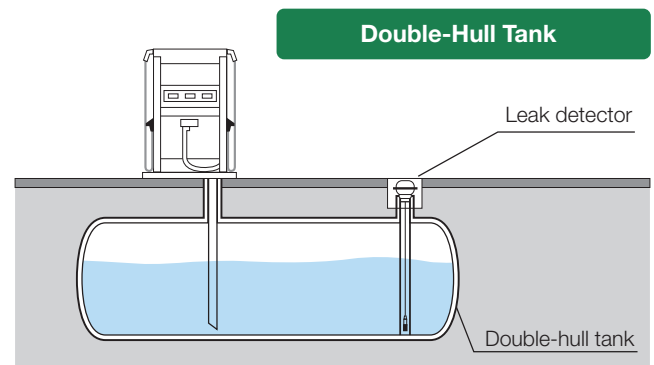
► Policy

“Soil preservation” is one of the crucial themes of the Consolidated Medium-Term Environmental Plan. In August 2004, we set up a specialist department that has been efficiently and systematically promoting initiatives for soil preservation. To reduce the risk of contaminating soil, particularly at service stations, we take preventive measures and strive to minimize the environmental impact in the event of an oil leakage. In fiscal 2002, we carried out interviews about the operating status of service stations affiliated with the Cosmo Oil Group. Based on these interviews, we began systematically surveying the soil environment at service stations owned by Cosmo Oil, placing priority on service stations with a higher risk profile, including those possessing older facilities such as single-shell tanks. We also provided instructions and guidance to our dealers when necessary. In fiscal 2006, we surveyed soil at approximately 160 service stations and plan to continue to implement surveys at around 100 to 140 service stations annually, with completion of all currently company-owned service stations scheduled by around 2010. In fiscal 2006, approximately ¥1.0 billion was expended for these soil preservation measures at our service stations and other sites.

► Early Detection of Soil Contamination at Services Stations and Preventive Measures

Reinforcing Facilities

At our new service stations, we are proceeding with the installation of equipment and facilities that have an extremely low risk of a leak, including double-hull tanks that prevent oil leakage and plastic pipes that do not corrode. Meanwhile, at our older service stations, we are working to upgrade facilities and equipment by replacing and reinforcing pipe materials and using electrical anti-corrosion treatment. We have also built a communication contact structure that prevents failures or delays in making necessary contact. For example, this structure ensures that engineering staff immediately contact the department in charge if an irregularity is discovered during inspections. In the future, we plan to install high-performance oil-surface meters as needed at our new and remodeled service stations in tandem with working to further strengthen early discovery and preventive measures.

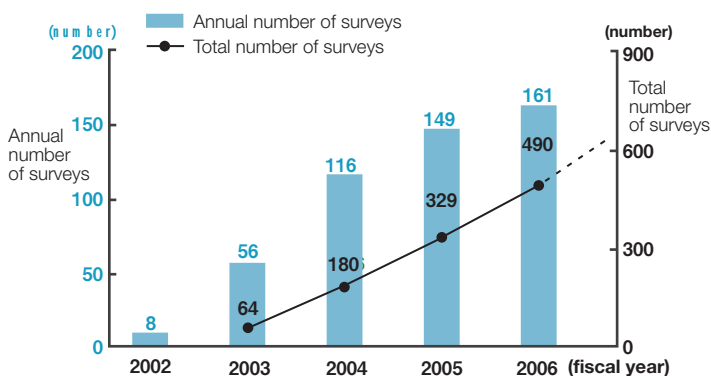


Educational Activities

We carry out Environmental Management Point (EM Point) surveys at all service stations twice per year. By doing so, we can objectively evaluate inspections undertaken at service stations, while service stations can reaffirm their awareness of daily environmental management and raise their awareness of preserving the soil environment.

WEB Detailed data EM Point <http://www.cosmo-oil.co.jp/eng/sustainable/07/env/management.html>

Number of Soil Surveys at Our Service Stations



Data for previous years has been restated along with a change in the method for calculating the number of surveys implemented.

C O L U M N

Measures Taken after a Service Station is Closed

When a service station owned by Cosmo Oil is closed or when there is a change of ownership or management, we always carry out a soil survey at the site. If any contamination is detected, we properly carry out soil improvement through measures that include treating contaminated soil and recycling it for use in cement or bioremediation.