Environmental Statement

2006

MOTOR OIL (HELLAS)
CORINTH REFINERIES S.A.

EMAS

VOLUNTARY
ENVIRONMENTAL STATEMENT
ACCORDING TO
EUROPEAN REGULATION 761/2001
EMAS (Eco-Management and Audit Scheme)

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JULY 2007

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Message of the Administration

Since 1972, the foundation year of MOTOR OIL, the Administration of the Company has had one vision:

MOTOR OIL should possess a leading role in the oil refining industry and in the trading of oil and fuel products in Greece, as well as, in the wider area of the eastern Mediterranean.

This vision is being pursued with a sense of social responsibility defined by the respect to the people and their fundemental needs and by our pursuit to be a fully active and socially responsible Company, and to ground our growth in the framework that is determined by terms of sustainability. We have explicitly set as our Company's policy the respect to the environment taking into account all stakeholders.

Within the context of our Company's Management, the Environmental Management System, which is certified by ISO 14001:2004, from Bureau Veritas Certification Hellas SA, holds a very important position. In our environmental policy we have been explicitly committed to publish all the results of our activities and our progress, trying to achieve perfection.

Implementing these commitments, we have been publishing, since 2002, an annual Environmental and Social Report within the framework of the worldwide initiative concerning the Corporate Social Responsibility.

Since this year, we are being committed to voluntarily publish the annual Environmental Statement according to the European Regulation 761/2001 for the EMAS (Eco Management and Audit System).

You have in your hands the year 2006 edition.

The included data have been verified by the independent certification body, Bureau Veritas Certification Hellas S.A.

We are fully aware that our business decisions can not be based on purely economic and financial criteria, on the contrary, other aspects such as, the impact of our activities on the environment and the society should been taken seriously into account.

Our constant effort is to contribute to the economic growth, and at the same time to improve the quality of life of our personnel and that of their families, as well as, the quality of life of the local community and the society at large.

M.J. Stiakakis
Manufacturing General Manager

Presentation of the Company

General information

MOTOR OIL HELLAS (MOH) is a leading Company in the oil industry supplying the market a wide range of high quality and reliable energy products. The Company has been evolved to one of the main pillars of the national economy, while, at the same time playing a key role in the wider area of South Eastern Europe.

The refinery of the Company is situated at Ag. Theodoroi, in Corinth, about 70 km from the centre of Athens. Along with its auxiliary premises and its distribution of fuels premises, the Company constitutes the biggest private industrial complex in Greece; additionally it is considered as one of the most flexible refineries across Europe.

It can process crude oil of different types, producing a wide spectrum of oil products, that fulfil the strictest international standards, thus serving the big Oil Companies both in Greece and abroad.

Statistical Codification of Economic Activity	232
NACE Code	DE.23.20 – Manufacture of refined petroleum products
Premises	Agioi Theodoroi, Corinth
Installed Power	Main power of the electric motors 56,88 MW
	Back up power of electric motors 40,92 MW
Postal Address	71st km of Old National road Athens – Corinth, position «Soussaki»
Contact Person for EMAS Integrated Management System	Mr. C.B. Korkas
Telephone number	+30 27410-48602
Fax number:	+30 27410-48255
e-mail address:	korkasco@moh.gr
Responsible for Health, Safety and Environment	Mr. G.Palaiokrassas
e-mail address:	palaiogi@moh.gr

At the same time it is the only Refinery in Greece that possesses a unit for lubricant production. Apart from the basic units, (atmospheric distillation, catalytic reforming and hydrotreatment) the refinery is endowed with conversion units (thermal, catalytic, and hydrocracking).

The major shareholder of MOTOR OIL (HELLAS) is the Vardinoyiannis Group. In 2001, the Company effected a share capital increase by the means of an Initial Public Offer (IPO) in the process of its listing in the Athens Stock Exchange (currently Athens Exchange).

This table presents the Company's shareholder structure as it stood at the beginning of 2006.

SHAREHOLDERS	%
Petroventure Holdings Limited	51.0%
Petroshares Limited	10.5%
Free Float	38.5%
Total	100.0%

Historical Evolution of the Company

MOTOR OIL (HELLAS) was founded in 1972, accomplishing during its years of operation quite crucial steps to the improvement, the expansion and the upgrading of its refinery. These steps are concisely presented in the following chronological table.

1970-1972	Establishment and the beginning of refinery operations. The premise posseses a crude oil distillation unit, a base lube oil complex, a jetty with loading facilities and truck loading terminal.
1975	Expansion in fuels production by the construction of a new Atmospheric Distillation Unit.
1978	Construction of a Catalytic Reforming Unit (further processing of naphtha for gasoline production).
1980	Installation of a Catalytic Cracking Unit (processing of fuel oil into high added value products).
1984	The Construction of a Power Plant that uses fuel gas as a raw material. Right to sale the electric energy in the national grid.
1993	ISO 9002 Certification concerning the whole activities of the Company.
1996	Purchase of 50% of the Company's shares by Aramco Overseas Company B.V, a 100% subsidiary Company of Saudi Arabian Oil Company (Saudi Aramco).
2000	Completion of investment projects aiming to the products' manufacture according to the standards of European Union for the year 2000. At the same year the Company acquires ISO 14001 certification for its Environmental Management System.
2001	Installation of the new gas turbine at the Power Plant. Upgrading of lubricants' vacuum unit. Share capital increases through public offer of shares and listing on the Athens Stock Exchange.
2002	Aquisition of 100% of AVIN OIL, a domestic oil marketing company.
2003	Quality Certification for all of the Company's activities according to ISO 9001:2000.
2004	Re-certification of the Environmental Management System according to ISO 14001 valid for three more years (until 2007).
2005	Completion of the Hydrocracker Unit that offers the opportunity to manufacture «clean fuels» according to the European Union's specifications of 2005 and 2009 (Auto Oil II). Acquisition by Motor Oil Holding S.A. of the aggregate stake of Aramco Overseas Company B.V. in the Company.

Activities – Products

The refinery of MOTOR OIL processes several types of crude oil, manufacturing a wide range of oil products that fulfil the most strict international specifications, serving in this way the big oil companies both in Greece and Abroad.

The products that are manufactured in the Refinery include the following:

FUELS
● Liquified Petroleum Gas (LPG)
● Naphtha
● Gasoline
● Jet fuels
● Diesel Oil
● Fuel Oil
LUBRICANTS
● Base lubricants
● Automotive lubricants
● Gear Oils
● Industrial lubricants
● Marine lubricants
OTHER PRODUCTS
● Asphalt
● Paraffin

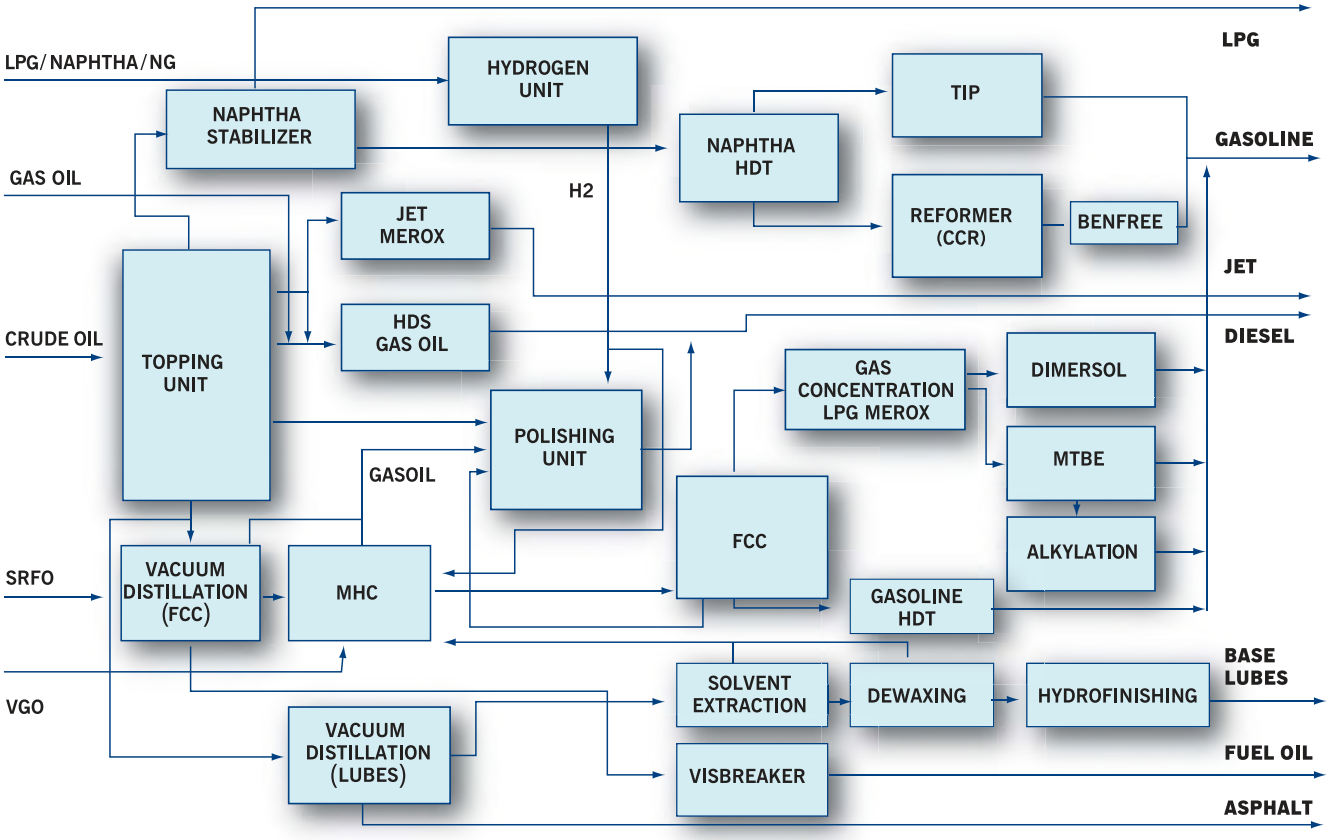
The maximum annual capacity of the main production units is the following:

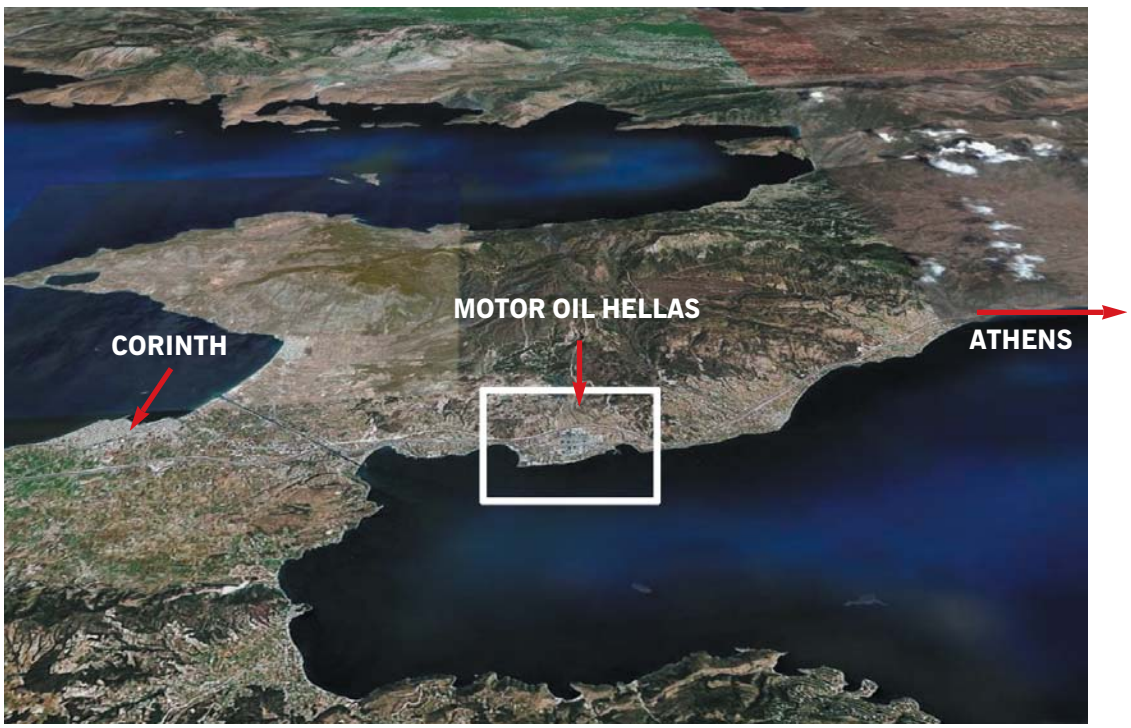
Atmospheric Distillation unit	4,958,160 MT
Hydrocracker	1,314,000 MT
Vacuum distillation unit (FCC)	823,440 MT
Heavy H/C desulphurization unit	1,314,000 MT
Naphtha desulphurization unit	832,200 MT
Naphtha catalytic reforming unit	569,400 MT
BENFREE unit	445,000 MT
Vacuum distillation unit (Lubes)	2,741,880 MT
Catalytic cracking unit	1,533,600 MT
Mild hydrocracker unit	2,014,800 MT
Sulphur recovering unit / Clauss	
Clauss gases process unit	

The capacity of storage and distribution premises appear hereunder:

9 tanks for crude oil storage	1,080,000 m^3
89 tanks for intermediate and final products storage	1,083,900 m^3
7 tanks for Liquefied Petroleum Gas (LPG)	14,500 m^3
Docks for tankers' loading and unloading	
Pipe network for distributing raw materials and products	
Truck Loading Terminals	

The manufacturing procedure is depicted in the following diagram.


LPG/NAPHTHA/NG
NAPHTHA STABILIZER
HYDROGEN UNIT
NAPHTHA HDT
TIP
LPG
GASOLINE
GAS OIL
H2
JET MEROX
REFORMER (CCR)
BENFREE
JET
CRUDE OIL
TOPPING UNIT
HDS GAS OIL
DIESEL
GAS CONCENTRATION LPG MEROX
DIMERSOL
POLISHING UNIT
MTBE
GASOIL
FCC
ALKYLATION
SRFO
VACUUM DISTILLATION (FCC)
MHC
GASOLINE HDT
BASE LUBES
VGO
SOLVENT EXTRACTION
DEWAXING
HYDROFINISHING
VACUUM DISTILLATION (LUBES)
VISBREAKER
FUEL OIL
ASPHALT


MOTOR OIL HELLAS
CORINTH
ATHENS

Health, Safety and Environmental Policy (HSE Policy)

Within the framework of general policy concerning the quality, as it is described in the Integrated Management System, MOTOR OIL (Hellas), Corinth Refineries S.A is committed to produce and distribute products of refined crude oil setting as a final goal the satisfaction of its customers, while taking into consideration the interests of the Stakeholders.

In order to achieve these goals, MOTOR OIL (Hellas) is committed:

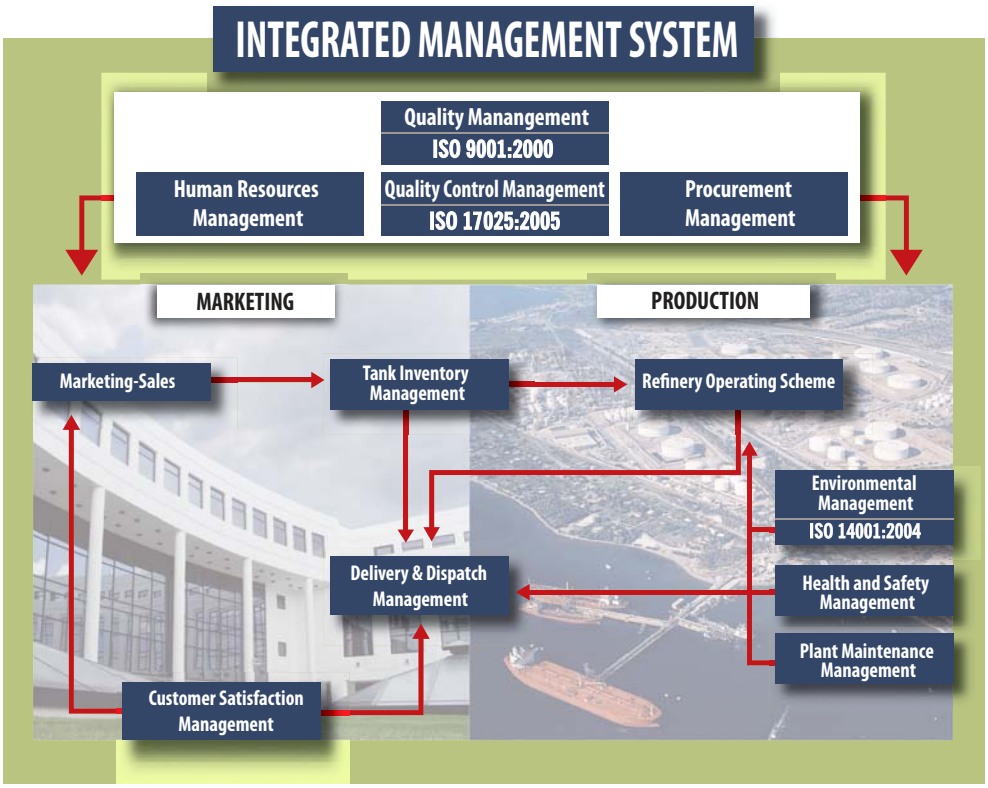
- ***to set*** objectives and realistic targets in order to accomplish a continuous improvement of the implemented health, safety and environmental management systems concerning the Health, the Safety and the Environment.
- ***to meet*** or ***exceed*** the demands of legal and other requirements.
- ***to manufacture*** environmental friendly products using raw materials, energy and technology efficiently.
- ***to report*** the results of its activities as an approach to Corporate Social Responcibility.
- ***to maintain*** and ***test*** emergency preparedness and response systems.
- ***to integrate*** Health, Safety and Environmental considerations into all business decisions, plans and operations in the framework of the Integrated Management System.
- ***to provide*** consultation, information and training for employees, contractors and other staff working on its behalf and ensuring their commitment and awareness.
- ***to improve*** the quality and the treatment of waste, discharges and emissions.
- ***to cooperate*** with all stakeholders so as to develop balanced Health, Safety and Environmental programs.

At MOTOR OIL (Hellas), Corinth Refineries S.A, whatever we conceive, schedule or do, we do it safely, environmental friendly and in a cost-effective manner.

I.N. Kosmadakis
Dep. Managing Director

The Environmental Management System

Making a continuous and systematic effort, Motor Oil (Hellas) has developed and implemented an Integrated Management System that focuses both on quality and the environment, according to the ISO 9001:2000 and ISO 14001:2004 standards, as well as, the European Regulation 761/2001 (EMAS). This System concerns the manufacturing and distribution of fuels, lubricants, waxes and oils. The Management System involves a series of mutually interacting processes as it is depicted in the following Diagram. These processes include the production, the critical as well as the supporting processes.



The Environmental Management is included in the Company's supporting processes. The Environmental Management System aims to the accomplishment of continuous environmental conditions improvement, compliance with the current Greek and European environmental legislation and the continuous effort to minimize the effects on the Environment from the various operations.

The structure of the System follows the steps of the dynamic, cyclical process as depicted in the following diagram.

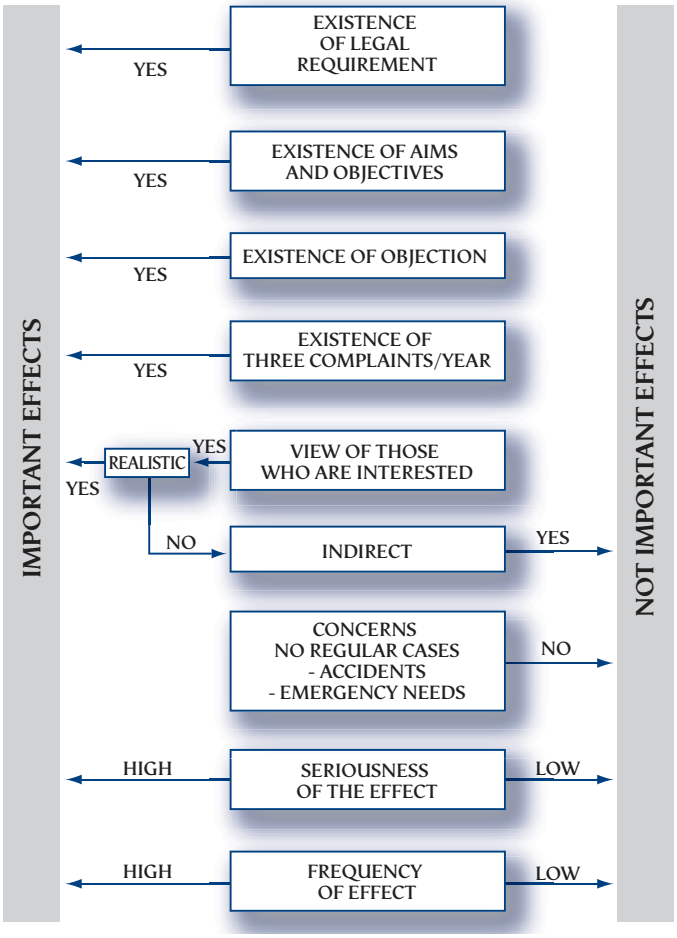
The Environmental Management System of MOTOR OIL includes the following levels of documentation:

- **A Manual of the Integrated Management System,** which constitutes a guide for the implementation, the maintenance and the improvement of the Environmental Management System.
- **Procedures – Environmental Management Guidelines,** which describe the sequence of actions, the assignment of authorities and the forms.
- **Files – Forms and Documents**

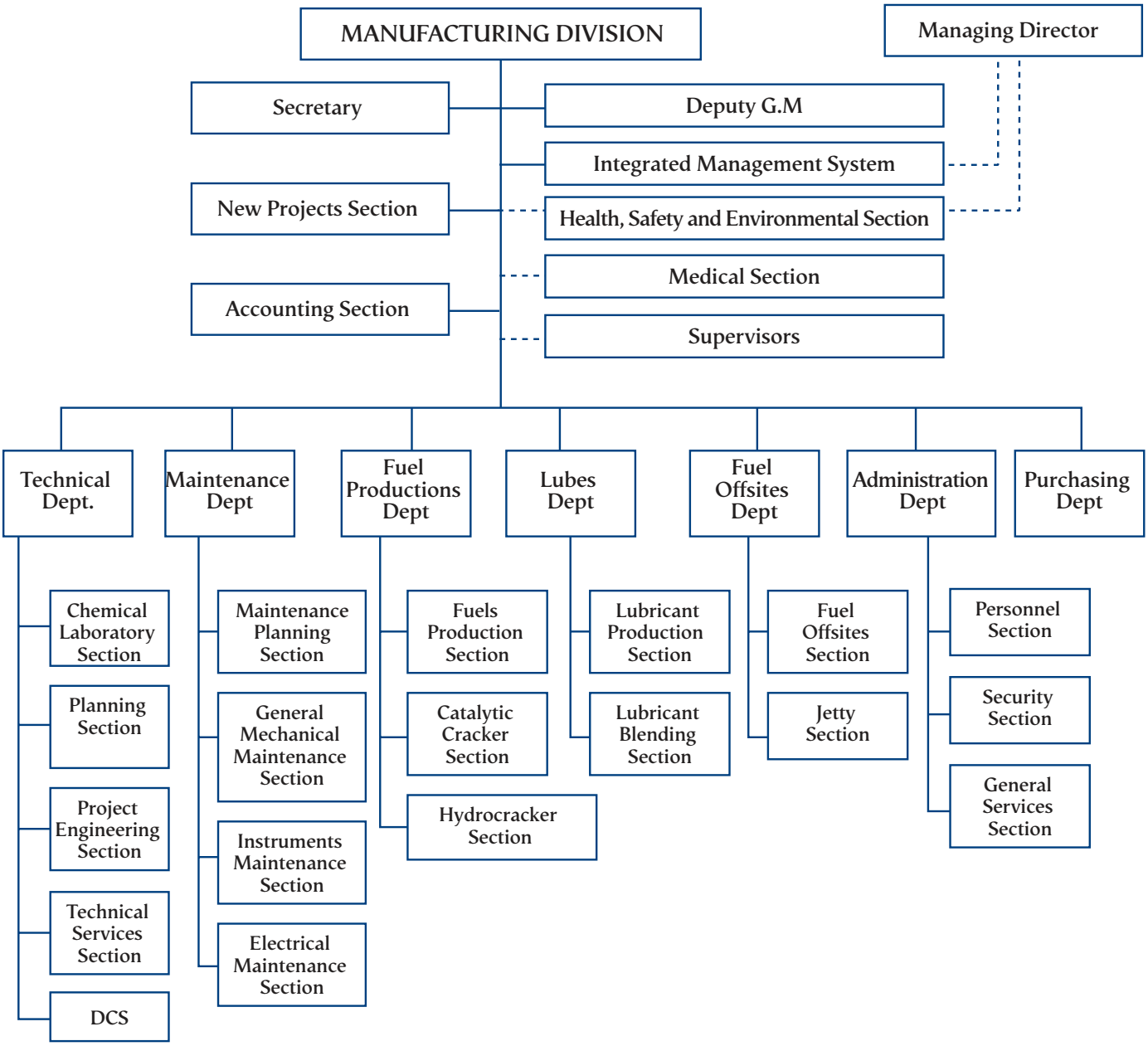
One of the main planning and implementing points concerning the environmental management system is the identification of environmental aspects and the evaluation of the environmental effects.

The evaluation of environmental effects is executed according to a series of criteria. The evaluation methodology of environmental effects is being shown on the following diagram from which the most important environmental consequences come up.

ENVIRONMENTAL SIDE EFFECTS



ORGANISATIONAL CHART OF MOTOR OIL's REFINERY



Environmental Programs, Objectives and Improvements

During the years 2000-2006 the Company has implemented numerous programs aiming at the minimization of the environmental impacts of its activities. The target of such programs and their time of completion is shown in the following table:

	2000	2001	2002	2003	2004	2005	2006
AIR							
Minimization of local leakages of volatile organic compounds by implementing a program that detects leakages, control and repair (LDAR) During 2006, this program expanded into the new truck loading terminal, whereas, in 2007 in the new Hydrocracker unit. Since 2001, the Company makes some measurements based on this specific program .		●					●
Reduction of volatile organic compounds emissions from oil separator units by setting shelters. In 2005, the setting of floating covers was completed in API III, whereas, in 2006 when the biological unit was upgraded, the shelters API I and API II were replaced.		●				●	
Minimization of H_2S, SO_2 emissions and other air pollutants:							
- Installation of three new measuring stations The installation of three new regional stations was completed in November 2002. In 2004 the data processing software of the analysers was upgraded. In 2004, a new device monitoring Particulate Matter (PM_{10}) was supplied, replacement of NO and NO_X analytic devices, while in 2005 the devices monitoring the sulfur dioxide were replaced.			●				
- The installation of a new sulfur degasification unit (96.7% reduction of H_2S emissions into solid sulfur)				●			
- Optimization of the performance control of the unit, that recovers sulfur by using a permanent device monitoring H_2S/SO_2 at the output of units and installation of a new Clauss unit.				●			
- Installing a monitoring device of H_2S, SO_2 and O_2 in the Incinerator's chimney aiming to the emissions effective control.				●			
- Implementation of tail gas treatment.				●			
- Operation of H_2S monitoring devices in the entrance of Clauss units and connection to the Distributed Control System (DCS).				●			
- Installation of devices which monitor continuously the pollutants (H_2S, SO_2)							
- Installation of measuring devices for main parameters in order to control the performance of the units (temperature, pressure, flow)				● ●			
- Installation of a device that marks the valve position that leads the sour gases to the flare.				●			
Monitoring emissions of methylomercaptane in the wider area.				●			

	2000	2001	2002	2003	2004	2005	2006
Monitoring the gas emissions from the stacks by measuring sulfur dioxide, nitrogen oxide, dust, temperature, flow discharge - at the local stacks of furnaces (manufacture of sampling points) - in central chimneys of fuels and lubricants (devices for permanent monitoring)						●	
Checking the sulfur's quantity in fuel gas, by installing a laboratory device that measures the aggregate sulfur.				●			
Reducing the levels of the odor in the wider area, by lowering the temperature of fuel oil, before being stored.					●		
WATER							
Upgrading and modernization of the unit which processes sanitary waste water having a capacity of 12.5m^3/h			●				
Improving and modernization of the unit which processes and controls industrial waste water. ■ project for upgrading the unit that processes industrial waste water. ■ operation of a device that continuously measures the pH and the temperature during its input and output. ■ making laboratory controls of microbiological load				●			
■ Upgrading and modernize the processing stages of WWTP.							●
Project for monitoring and preventing the pollution of the subsoil and ground water due to possible leakage of hydrocarbons.			●				
Preventing possible pollution of the sea, by purchasing and upgrading the existing anti-pollutant equipment (land tanks, oil skimmers, hydraulic cranes, pollution fighting vessel).			●				
Construction of a closed circuit that transfers the liquid wastes ready to be proceeded from the cracker unit in order to minimize the atmospheric pollution in the working area.			●				
Construction of a tank with secondary seals, for processing the slops of the refinery.					●		
Installing a system monitoring any leakages coming from discharge cooling waters				●			
Installing a system that monitors the effluent of alkaline waste water (pH, sulfate compounds, sulfur compounds and mercaptides)					●		
SOIL							
Optimization of paper management through an electronic data processing, electronic filing and minimization of using paper materials.			●				
Make a research for the optimization of methods for biodegradation of sludge by characterizing the bacterial population by biodegradable capabilities, cultivation, enrichment / oxygenation (pilot program)						●	
NATURAL RESOURCES							
An 8 MWh increase of electricity self-production to achieve liquid fuel saving and reduction – prevention of environmental side-effects resulting from a potential discontinuation due to PPC grid problems, by installing a new turbine.		●					
A 7% reduction in the consumption of treated water in relation to 2000		●					

Environmental Aspects and Effects

All the environmental side effects related to the operation of the refinery have been evaluated according to their severity and among them the following are characterized as important:

- Gas emissions occurring from local combustion points and manufacturing procedures implemented in the refinery
- Industrial and Sanitary waste water
- Solid waste, hazardous or not
- Energy and water consumption
- Noise pollution

All the above environmental side-effects are being monitored and recorded on a regular basis, measures are taken continuously to encounter the problem, so that the Company will act accordingly in order to improve its environmental performance. A similar evaluation is made for the effects in the phase of new constructions. At the same time the Company has evaluated the indirect environmental side-effects resulting from the third parties interaction, products and services over which the Company does not have the administrative control.

The key environmental aspects associated with gas emissions, the liquid and solid waste, as well as, the indirect environmental side-effects are depicted as follows:

AIR QUALITY

The gas emissions due to the Refinery's operation, as well as their sources are shown on the following diagram.

• Furnaces • Boilers and Burners	**CO_2, NO_x, SO_2, Suspended Solids** Gas emissions from local combustion
• Stripping gas units • Sulfur recovering unit (Catalytic transformation of H_2S into sulfur and then combustion of flue gases)	**SO_2, H_2S** H_2S gas emissions are very few because of their complete transformation into sulfur
• Fuels storage • API Oil Separators • Loading and unloading of raw materials and products • Leakages coming from the distribution network	**VOC's Emissions** The emissions of volatile organic compounds are coming from the storage tanks for fuels, from the operation of API Oil Separators, as well as from the leakages that may occur during the transportation of fuels within the refinery

The refinery takes a series of measures and implements programs aiming to reduce gas emissions in the atmosphere. These measures include:

- The treatment of acid gases and liquid gases blocks the hydrogen sulfur before their storage or their use as a fuel for selfconsumption.
- The installation of units for sulfur recovering aiming to convert the hydrogen sulfide in the atmosphere into solid sulfur element which is friendly to the environment
- The reduction and control of gas hydrocarbon emissions by taking several measures such as the installation of closed circuits during gas processing, the defusing of gases from safety valves to the flares, the setting of secondary seals in floating roof tanks, the setting of floating covers in oil separators and the installation of a system that recovers vapour in the truck loading station (VRU).
- Performance control of burners and boilers.
- Measurements and recording of gas emissions.

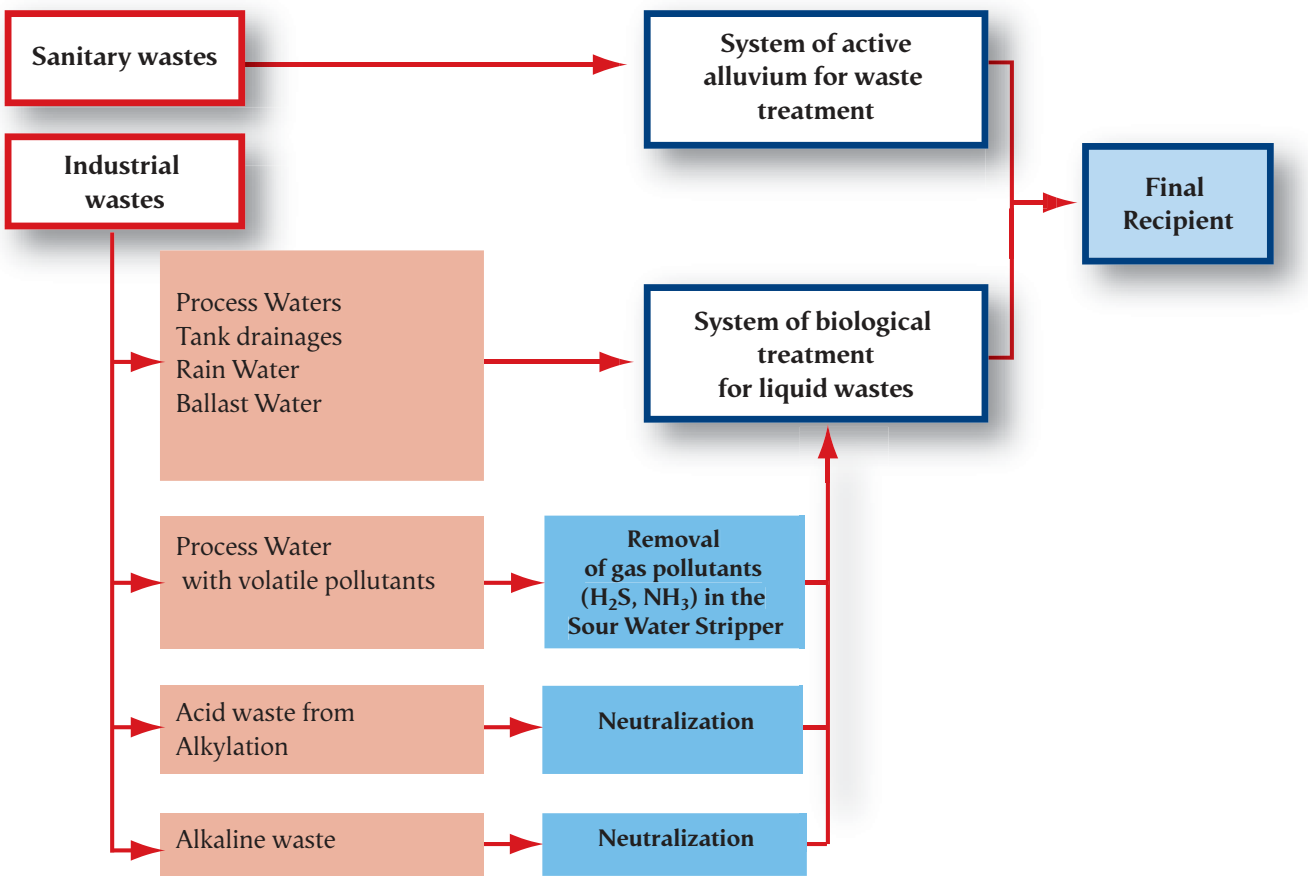
LIQUID WASTE

The liquid waste produced in the refinery is distinguished in two categories:

- Industrial waste
- Sanitary waste

The industrial liquid waste, which includes water coming from manufacturing units, from the tank draining, the rain water and the ballast of vessels is led either directly, or after some pre-treatment process, into the system of biological treatment for liquid industrial waste (secondary procedure), where a reduction of their waste load is made, before its final disposal, keeping always the specifications of the product imposed by the state.

The sanitary waste coming from catering and hygiene areas of the personnel are been processed into a system of active sludge (tertiary procedure). The qualitative characteristics of the processed waste flow are within the limits that are defined by the legislation.



SOLID WASTE

The solid waste which are produced in the refinery are distinguished in urban waste resulting from human activities and are consisted of household solid waste, (such as, papers and metals, food left overs etc.) and in industrial solid waste which are created during the different stages of the manufacturing procedure (such as scrap materials, spent catalysts, etc.).
In order to ensure their safe environmental management and to prevent or reduce the negative consequences to the environment as well as any risk to human health and safety, the Company implements a thoroughly organized procedure during the entire stages of waste selection, transportation and temporary storage or processing, until the final disposal. The final disposal is performed by licensed companies, depending on the nature of the materials while the ultimate goal is to reduce waste or their re-usage.

Type of waste	EKA Code	Method of Management
Scrap materials	170407	Recycling
Wood packaging	150103	Recycling
Plastic packaging	150102	
Package made by paper or cardboard	150101	
Tyres at the end of their cycle of life	160103	Recycling (Eco Elastica)
Batteries	160601	Recycling (SY.DE.SYS.)
Electrical and electronic equipment	200136	Recycling (AHHE)
Used mineral oils	130208	Recycling (ELTEPE)
Spent catalysts	160803/160802	Recovery
Used active carbon	190904	Used as an alternative fuel or as a raw material
Saturated or spent resins	190905	
FCC spent catalysts	160804	Re-export to the suppliers
Sludge resulting from the cleaning of tanks	050103	Treatment in the sludge processing unit and biodegradation by using the method of land farming
Waste coming from the produced paraffin	160305	
Alumina	050199	Used as an alternative fuel or as a raw material

INDIRECT ENVIRONMENTAL ASPECTS

The indirect environmental side-effects are mainly related to the atmospheric pollution caused by Clarks and other vehicles, the H/C gas emissions during loading and unloading of the products into the ships, the noise coming from tank truck traffic and vessel stopover in anchorages, the liquid waste in AVIN station, as well as, the side effects in case of an accident during the transfer of products to and from the refinery either from suppliers or from customers.
Within the framework of the Integrated Management System, the Company evaluates its environmental performance and trains its suppliers, contractors and subrcontractors on several environmental issues and continuously gives information to its customers regarding the usage and distribution of the products. At the same time, it looks for new mild environmental ways for transportation and attends to the effective organization of its raw materials and products transportation.

ENVIRONMENTAL OCCURRENCES

Having set as main priorities the prevention of consequences that may result from the operation of the units, and the minimization of hazards during the operations, the Company aims to the elimination of environmental accidents.

For that purpose the Company has compiled Emergency Plans that are fully complient with the local and national plans for fighting pollution through which it provides necessary directions for the right decision making and actions, whereas, at the same time, the Company trains systematically its labour force in order to ensure the right reaction.
The effectiveness of the above activities is verified by the zero environmental accidents during 2006.

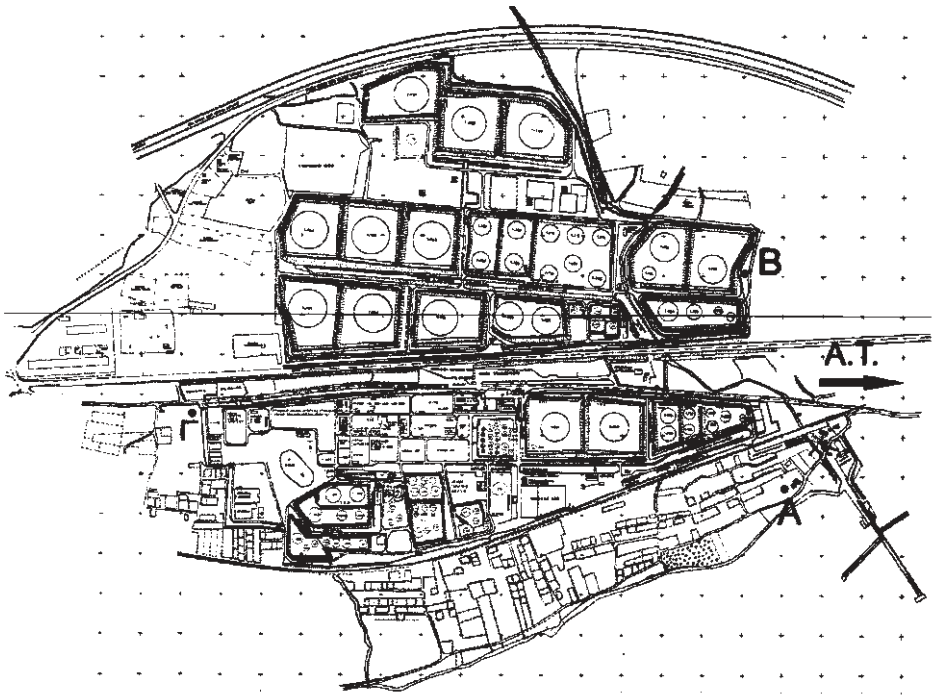
Environmental Performance

AIR QUALITY MANAGEMENT

Having as a goal the protection of air quality, the Company fully and constantly monitors the gas emissions both in Refinery units and in the wider area through continuous measurements that are executed not only on some local sources of emissions (chimneys, flares) but also on diffused emissions.

The industrial premises of MOTOR OIL utilize a modern equipment concerning the monitoring of air quality and the spot emissions coming from different sources during the manufacturing process. The Monitoring System of the Air Quality is consisted of a mobile unit (A) that has the capability to measure and mark the pollutants like hydrogen sulphide (H_2S) sulphur dioxide (SO_2), suspended solids (PM_{10}), nitrogen oxide (NO_x), methane (CH_4), hydrocarbons, excluding methane, as well as, meteorological parameters and three permanent stations for measuring hydrogen sulphide (H_2S) and sulphur dioxide (SO_2). Two out of three stable stations are found within the refinery premises (B, C) while the other one within the Police Station of Agioi Theodoroi (see on the map). In addition, measurements for the oxygen are executed in all combustion spots, continuous measurements of sulfur dioxide (SO_2), PM_{10}, nitrogen oxide (NO_x) in the Major Compustion Plants with a capacity more than 50MW (central chimneys), as well as, continuous measurements in individual emission sources.

Map depicting the key locations of stations which monitor the air quality



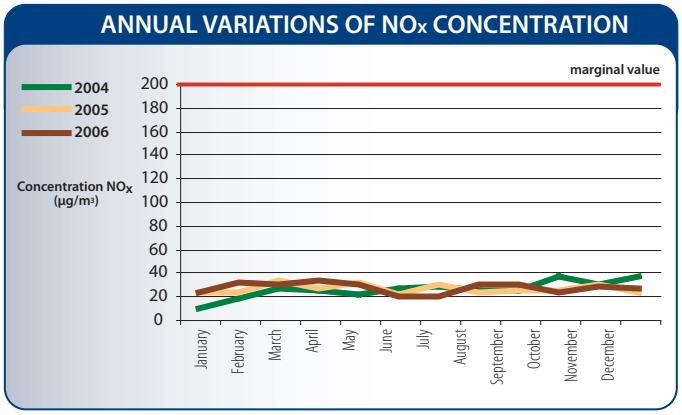
Air Quality: NO_x, SO_2, PM_{10}

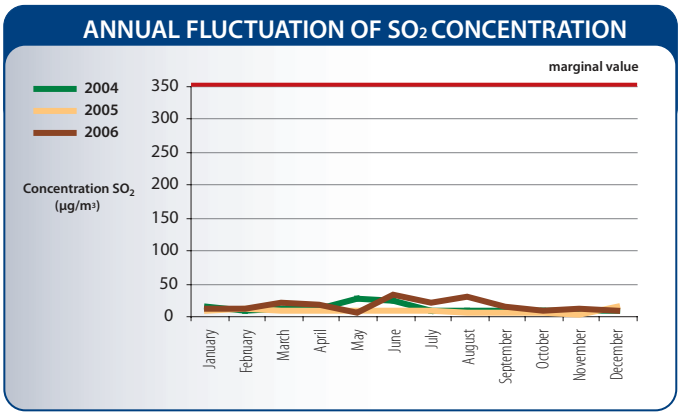
The results of the monitoring program show that the atmospheric conditions in the Refinery area are quite satisfactory.

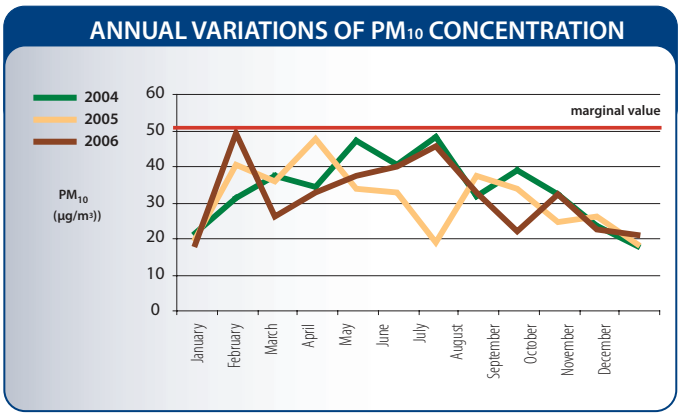
Specifically, the recorded data during the years 2004, 2005 and 2006 show that not only there are not any excesses of the allowed hourly limits stated by the legislation (NO_x: 200 μg/m³, SO_2: 350μg/m³) or any excesses of the allowed daily limits (PM_{10}: 50 μg/m³), but also the observed values are much lower than that of the marginal ones.

The average hourly values per month of pollutants that have been measured by the mobile station of the Air Quality Monitoring Network are plotted in the diagrams.

It should be noted that the Refinery is only one among many sources that produce air pollutants in the wider area of the premises. Some other sources that produce air pollutants include the traffic on the Athens – Corinth national road, the existence of several nearby industrial units, as well as, the railway network.





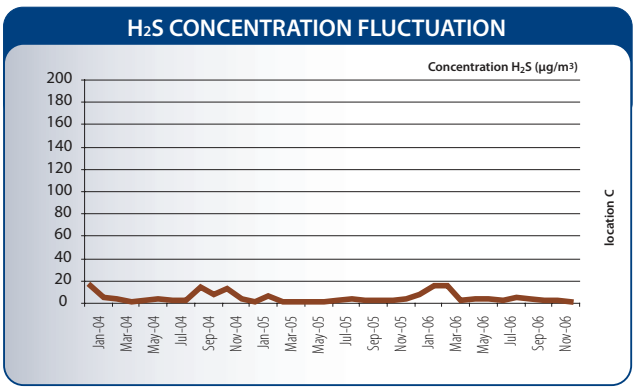


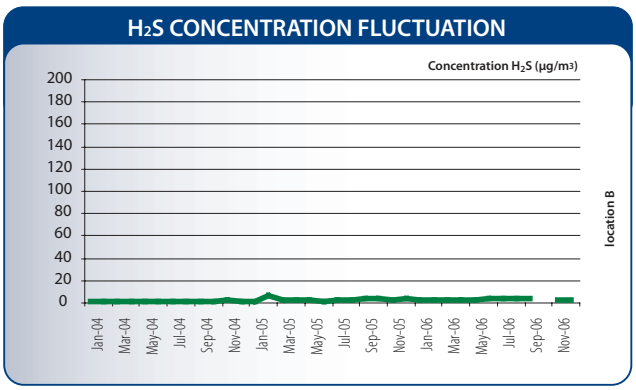
Air Quality: H_2S

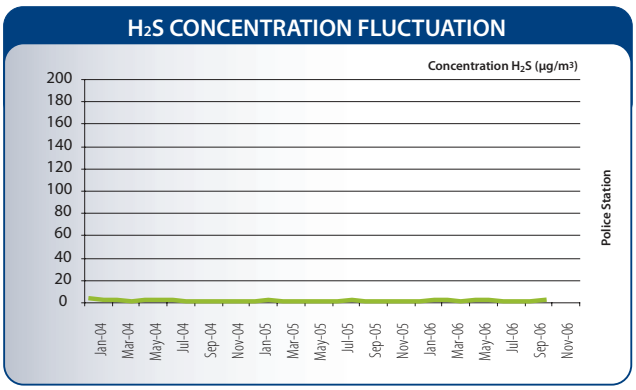
The refinery has achieved the minimization of hydrogen sulfide emissions by upgrading the units of processing acid gas, as well as, the sulfur recovery units.

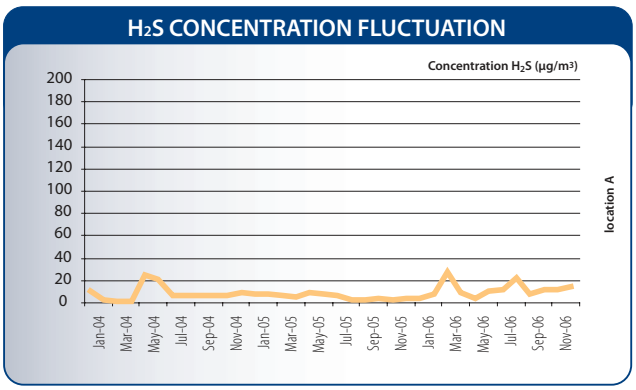
The H_2S concentration is monitored on a daily basis in all of the four stations of the Air Quality Atmosphere Network.

Taken the output analysis, it is observed that the concentration of H_2S in the measurement station that is located at Agioi Theodoroi, outside the Refinery, consequently, in the wider area, is remarkably low.



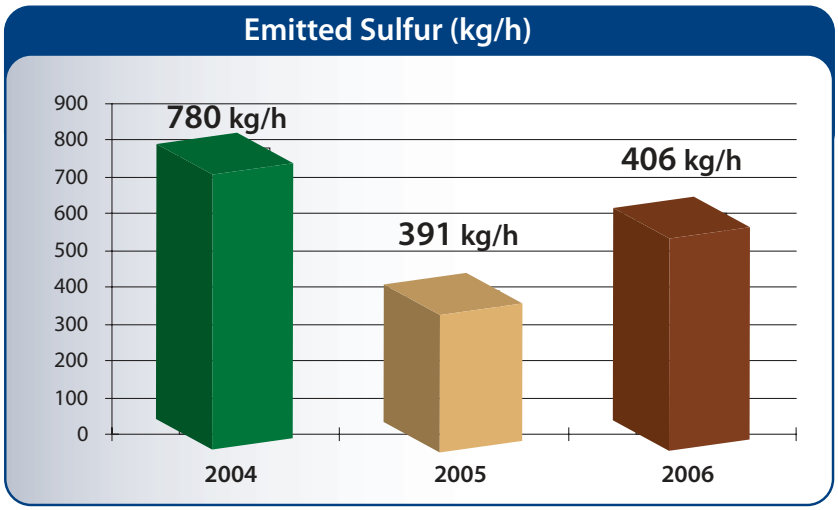






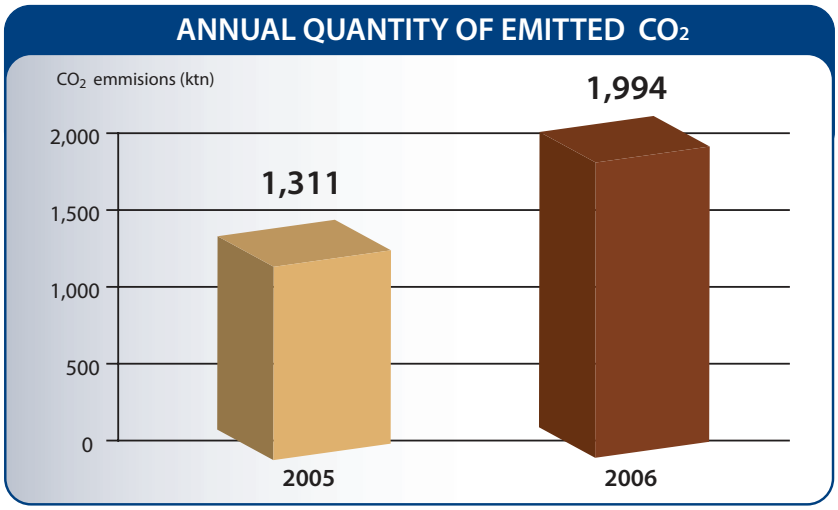
Sulfur Emissions

In 2005, sulfur emissions were very low, mainly due to the refinery's S/D for the commissioning of the new Hydrocracker Unit. In 2006 the emissions had been remarkably reduced in relation to 2004, despite the expansion of the process units.



Carbon Dioxide Emissions

The total carbon dioxide emissions for 2006 had been 1,994,441 metric tones. The increase in the quantity of the emitted CO_2 is attributed to the complexity increase of installation activities.



It should be noted that Refinery's carbon dioxide emissions are not expected to exceed the emission rights that have been set by the Company for the 2005-2007.

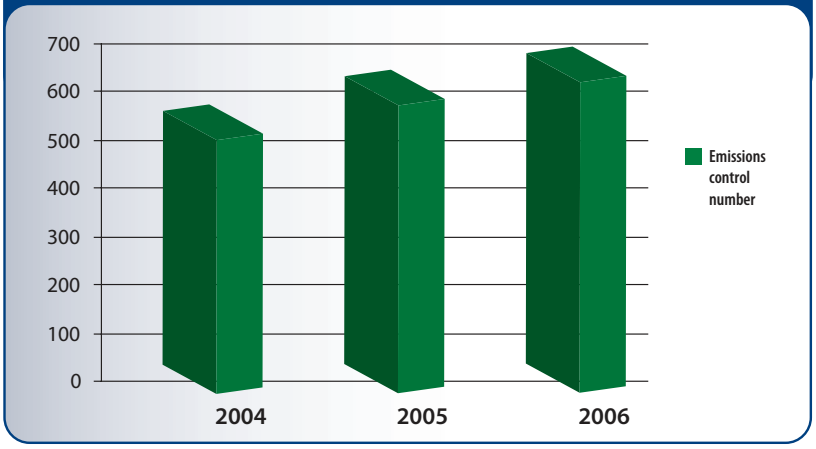
Emissions of Volatile Organic Compounds (VOC's)

Having set as a goal the reduction and control of Volatile Organic Compounds, the Company has implemented amongst other a series of programs that include the reduction of diffused emissions coming from different sources (oil separators, unit equipment) and the installation of secondary seals in the floating roof tanks.

Diffused emissions of Volatile Organic Compounds, is a characteristic of the chemical and oil industry that not only do they consist a source of pollution but also a cause of forgone profits and loss of products for the industry. Thus, the goal of reducing such emissions is dual. The anti-pollutant measures that are being taken in order to reduce the emissions coming from the storage and distribution units of gases and fuels are to improve the units (tanks, pumps, etc) as well as to make controls on a regular basis, to maintain effectively the units, something that is very crucial in emissions control. In order to reduce the emissions arising from the loading of Road Tankers, a vapour recovery unit, has been installed, in accordance to current legislation which is internationally accepted as the most effective measure to minimize such emissions.

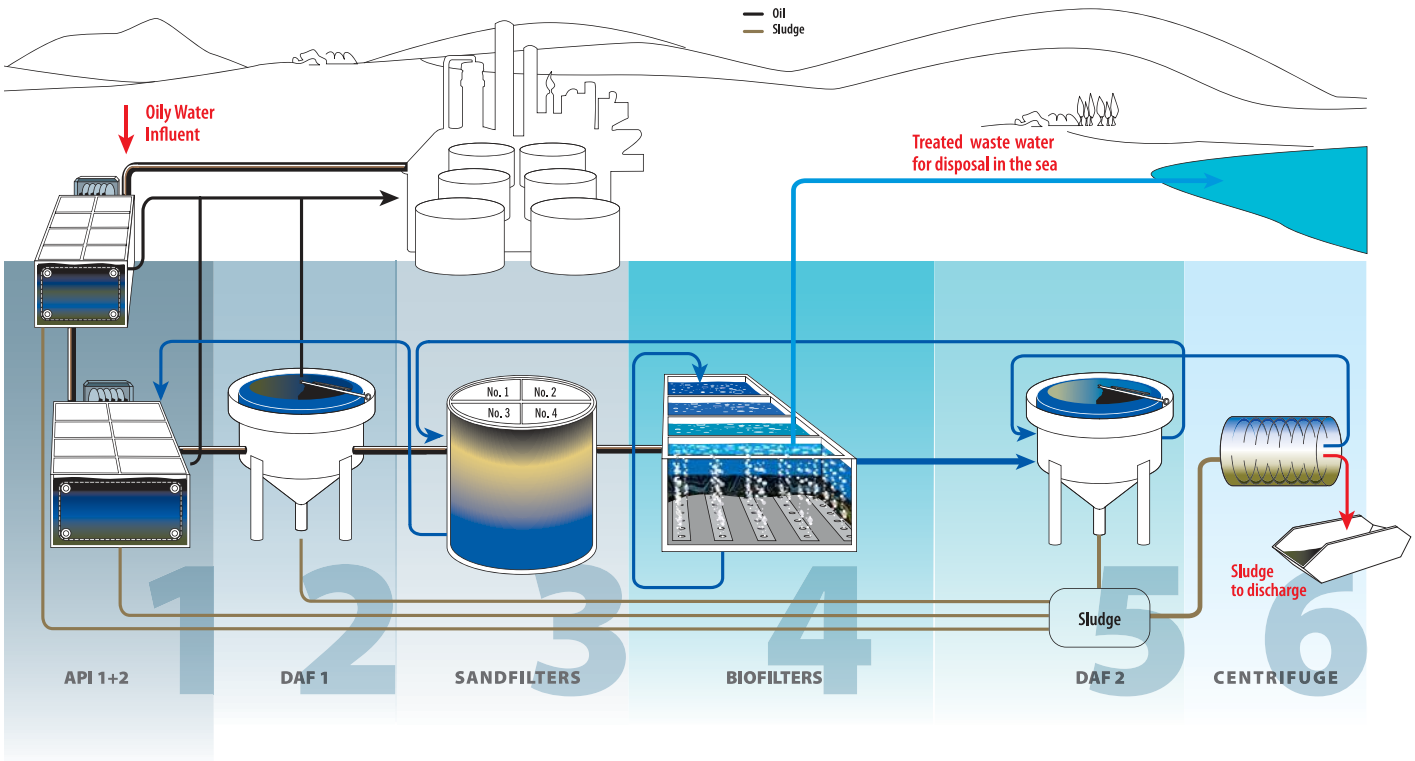
Specifically, in order to check the equipment, the program of Leak Detection And Repair, (LDAR) has been applied, where the leakages are observed and recorded during the periodical control that is made by the departmental operators. The inspections are carried out by a portable device and the leakages are fixed the soonest possible. As it is depicted on the diagram, the number of controls is continuously increased in order to reduce the emissions of organic compounds.

AVERAGE VOLATILE ORGANIC COMPOUNDS CONTROLS IN EQUIPMENT AND THE LEVEL OF LEAKAGES.



WASTE WATER

The liquid industrial waste that is produced by the Refinery's production units after their pre-treatment, are entered in a process unit of liquid industrial wastes, which consists of a sequent of steps, that are depicted on the diagram, that follows (API Oil Separators, Dissolved Air Floatation (DAF) units, sand filters, biofilters, sludge treatment). At the same time, the sanitary wastes are been processed in a separate process unit.



The aim of processing liquid industrial and urban wastes systems is the full treatment of waste so that the leakage is being complied with the requirements of current legislation. Waste effluents are measured on a daily basis, whereas, simultaneously a lot of programs that aim to face efficiently any case of emerging situation causing by a malfuction of a unit, the automatization of units and the optimization performance, are implemented. The quality characteristics of the effluents are shown on the next tables where one can conclude that in most cases the given values are much lower than those the current legislation defines

Concentration of pollutants at the outlet of processing wastes

Parameter	Average values of 2006		Threshold Limits
	Industrial Waste Water Efluent	Sanitary Waste Water Efluent	
pH	8.2	8	6-9
Temperature (°C)	31		<35
Oil content (mg/l)	7		<10
BOD_5 (mg/l)	34	23.9	<40
COD	(mg/l)	108.0	<150
NH_3 (mg/l)	13		<15
Phenols (mg/l)	0.28		<0.5
Sulfides (mg/l)	0.9		<2
Suspended solids (mg|l)	16	29.7	<40
CL_2 (mg/l)		0.6	

The rate and quality of the effluent are shown on the table below.

Parameter	2004	2005	2006
Discharge (m^3/day)	6,936	7,565	8,976
BOD_5 (kg/day)	261	266	305
Suspended solid materials (kg/day)	62.4	75	143
Fat and oils (kg/day)	0	0	0
Phenols (kg/day)	2.45	3.1	2.51

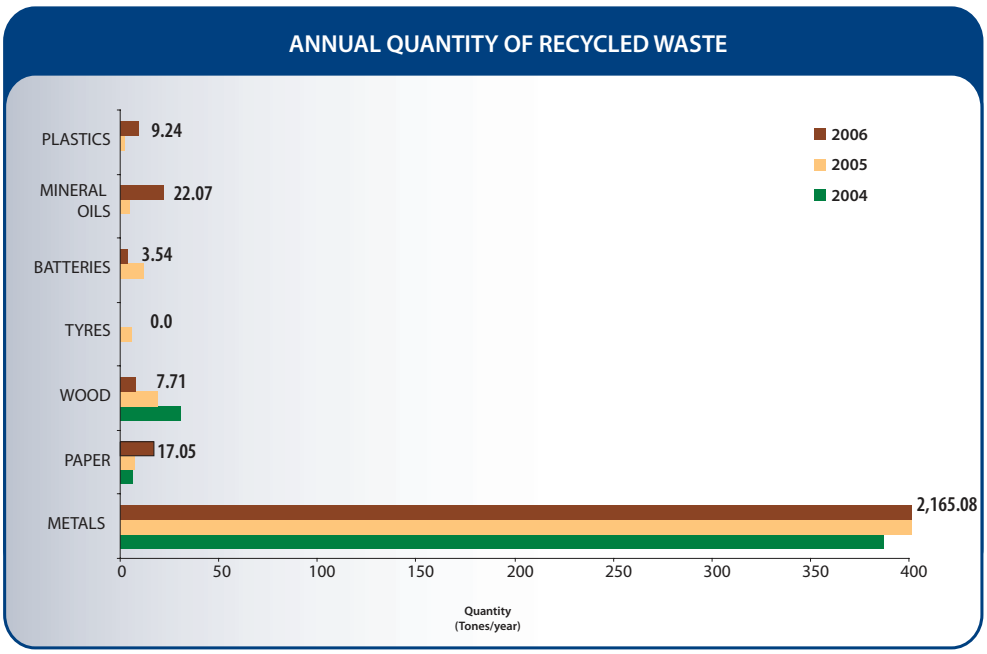
It should be mentioned that the noted 14% increase of BOD_5 between 2005 and 2006 was normal and anticipated since the discharge presented an increase of 20% during the same period.

SOLID WASTE

Solid waste produced during the operation of the refinery is gathered and processed according to the following methods:

- Recycling (outside the refinery's premises)
- Recovery (outside the refinery's premises)
- Processing inside the refinery's premises
- Re-usage
- Final disposal outside the refinery's premises

The refinery has set as a goal the increase of recycling and the re-usage of the produced waste. The quantities of solid waste that are recycled annually are shown in the following diagram.

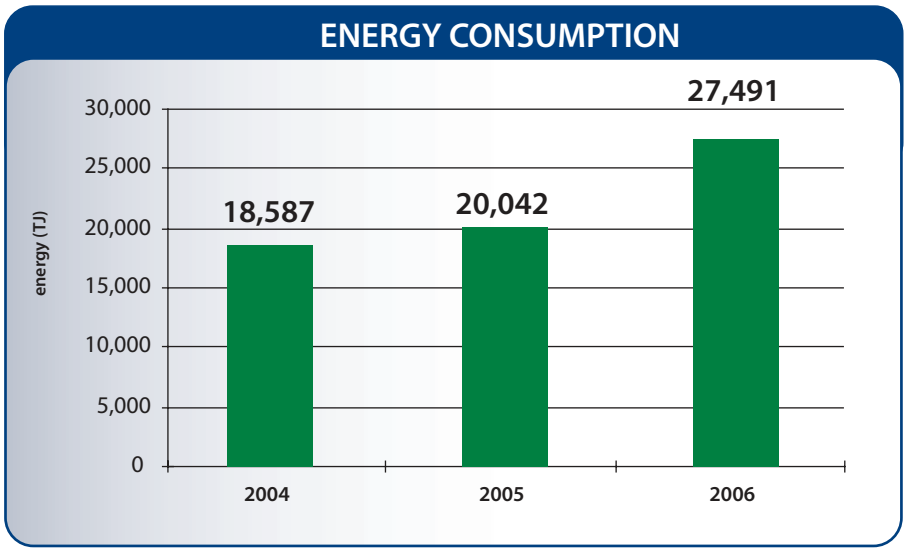


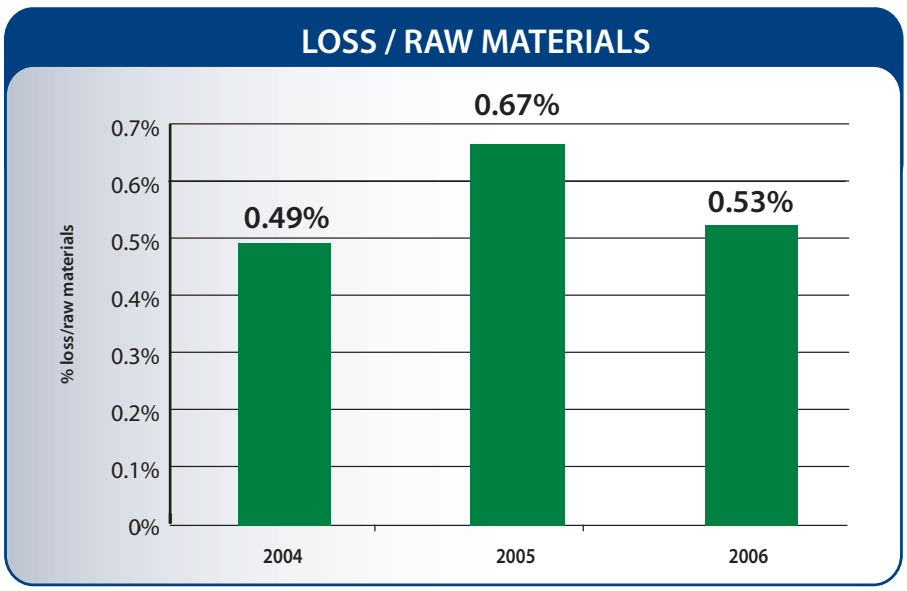
ENERGY CONSUMPTION

The energy consumption includes the consumption of fuels (liquid and gas fuel) during the combustion and the consumption of electric energy required for the mechanical equipment.

The year 2006 fuel consumption of Refinery's operations amounted to 28,000 TJ. The energy's increase that appears during the last three years is due to the installation of new units and to the increase of their complexity.

It must be mentioned that the losses have been decreased during 2006 in comparison to the previous year and they reach a 0, 53% of the aggregate quantity of refinery raw materials.

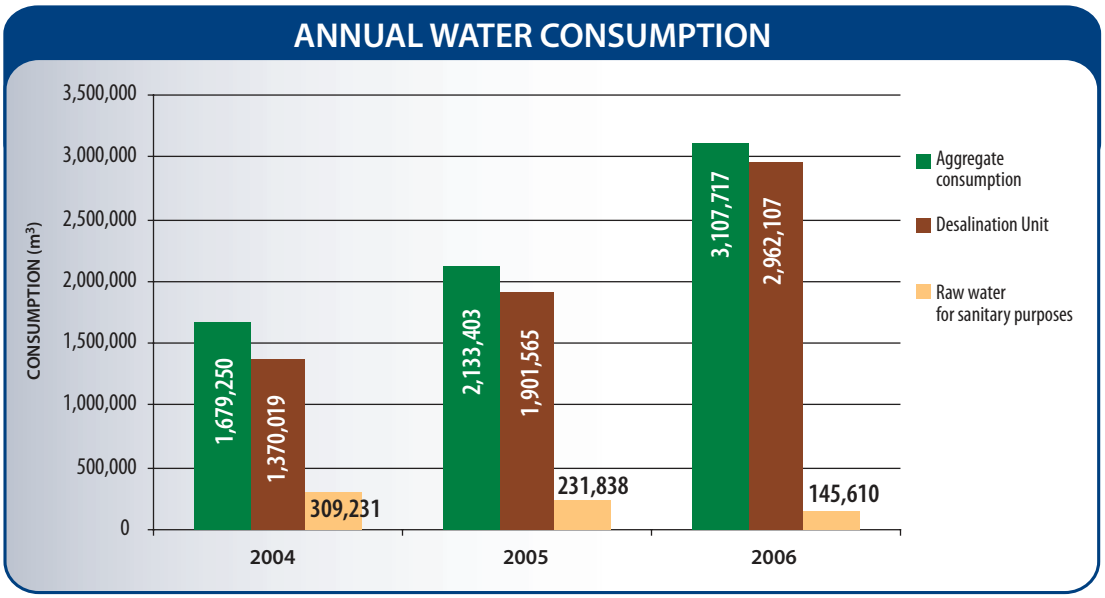




WATER CONSUMPTION

The water used for the Refinery's various operations is obtained from sea water desalination as well as raw water carried by tank vehicles and vessels.

The water quantity that is annually consumed has been increased and that is due to the installation of new units. It should be underlined that the water which is being used in the manufacturing procedure comes only from the processing of sea water, consequently, there is no any negative impact on natural resources of the area. As it is shown on the diagram the percentage of water obtained from desalination is continuously increased while simultaneously the raw water that is carried for sanitary purposes is decreased.



NOISE POLLUTION

Having set as a goal the reduction of the levels of environmental noise within the Refinery premises, the Company has taken all the necessary measures which include the installation of silencers, as well as, the purchasing of low noise level equipment. The levels of noise are monitored on a regular basis by conducting measurements around the Refinery. The measurement positions are presented on the following Map.

Indicative measurements for 2006 are presented on the following table:

Locations	Noise Level 2006 (dBA)	Threshold Limits (dBA)
Perimeter of the refinery	50-65	65
South perimeter of the refinery	52-55	55

NEW OBJECTIVES AND PROGRAMS

MOTOR OIL constantly implements new programs and actions aiming to improve its environmental performance, while, it plans new goals for the future. The goals and the programs that are planned for the next years and their time schedule are presented on the following table.

		2007	2008	2009	2010
AIR					
Improvement of air's quality detection and the gas pollutants monitoring, aiming to the reduction of emissions and the improvement of air quality. Specifically, the programs that will be implemented include:					
Quality of the air:	Upgrading of the air quality station in the port by monitoring additional pollutants.		●		
Emissions from the chimneys	Certification for continuous measurements in the chimneys according to international standards			●	
CO_2 Emissions:	Monitoring of CO_2 emissions by making laboratory measurements for the carbon content in the fuel gas.				
SOIL					
Reduction of the volume of solid waste stored in the Refinery and implementation of new alternative technical methods:					
- Improving and removing the waste sludge					●
- Alternative use of catalysts			●		
Improvement of the soil in the area that sludge is processed				●	

REGISTRATION / NEXT ENVIRONMENTAL STATEMENT

The present Environmental Statement concerns the year 2006 and is valid for three years under the condition of annual updating and verification. The next Environmental Statement will be edited, verified, and issued on July 2008, while, the whole body of the Environmental Declaration will be edited, verified and issued on July 2010. In that statement among the other issues, environmental issues will be described and the output of environmental programs for the years 2007-2009.
Mr. Constantine B. Korkas, Head of the Integrated Management System, is responsible for editing the Environmental Statement.

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Activities code NACE	DF. 23.20
Number of personnel	990
Verifier	Mr. M. Karatzas
Accreditation No	246
Range of Accreditation	NACE 23
Date of the next verification of the Environmental Statement	13/07/08

Corinth, July 13, 2007

Constantine B. Korkas
Head of the Integrated Management System

EMAS

BUREAU VERITAS CERTIFICATION HELLAS S.A.

BUREAU VERITAS
Certification

Certification

Awarded to

MOTOR OIL (HELLAS) CORINTH REFINERIES S.A.
Agioi Theodoroi – P.O. Box 23
201 00 Corinth
GREECE

Bureau Veritas Certification certify that the Management System of the above organisation has been audited and found to be in accordance with the requirements of the management system standards detailed below

Standards

EMAS ER 761/2001

Scope of supply

PRODUCTION & DELIVERY OF FUELS, LUBRICANTS WAXES & OILS.

Original Approval Date: 13 July, 2007.

Subject to the continued satisfactory operation of the organisation's Management System, this certificate is valid until: 6 July, 2010.
To check this certificate validity please call (+ 30 210 4063 000)
Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the organisation

N. TRILIZAS

Date: 13 July, 2007

Certificate Number: 070310

ESYD
No. 246

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