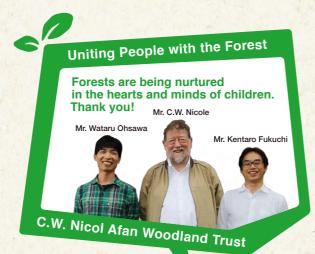


OISCA (NPO)





Our heartfelt thanks for your long-term support.

2050 (NPO



COSMO Oil Eco Card Fund

Qin Ling Mountains Forests and Ecosystem **Recovery Project**

We are just a normal member of the big family of nature.



College of Life Sciences, Northwest University

South Pacific Countries **Support Project**

We are growing mangrove forests in Tuvalu for the future of the Earth. We are truly grateful for your loyal, long-term support.

Prime Minister of Tuvalu Enele Sopoaga



Tropical Rainforest Conservation Project

Students at the vocational training school have been able to learn a variety of subjects. Thank you very much to all the cardholders.



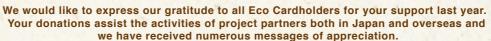


APSD (NPO)

Thank You Newsletter 2016

Activity Report

14th fiscal year: April 1, 2015 - March 31, 2016



Each of your individual ¥500 contributions combine to make a considerable sum. We look forward to your continued support of the Eco Card Fund.

Red Pine Forests and Acorn Forests - Satoyama Regeneration

With your help, the forests are gradually regrowing.



Mr. Hidenobu Takegaki

Laboratory of Earth Conscious Life (NPO

Seed Planting School

The seeds of hope are thriving on gratitude and trust. They are helping to reduce CO₂.

Mr. Hideo Yokoich

Furano Seed Planting School (LLP)

Great East Japan Earthquake Recovery Support The sea is longing for the Forest

Our heartfelt thanks to all the Eco Card cardholders who have given us this valuable opportunity.



Living with Flying Squirrels Satoyama Regeneration

We are always so grateful! We will continue to protect the forest home of the flying squirrels.



Tsuru Environment Forum (NPO)

Noguchi Ken Growing Forests in the Himalayas

Thanks to all your support we are able to revive the Himalayan forests.

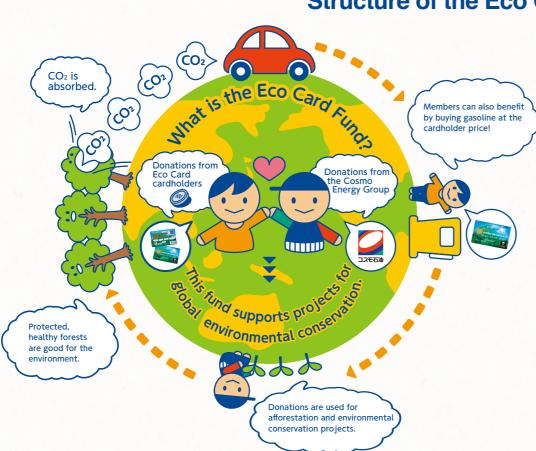


PEAK AID (NPO)

South Pacific Countries Support Project

The mangroves that we planted with your support are growing well.

Structure of the Eco Card Fund



Driving a car is convenient but it produces CO2 But then, I can't just stop driving either





you can participate in eco-friendly projects that reduce CO₂. Cosmo Oil will undertake projects like afforestation on your behalf.

Wow! So that leads to reducing the CO2 that I produce!







And you can also save on your gasoline expenses!

I'll become an Eco Card member and live an eco-friendly life!



Note: The Cosmo Oil Eco Card Fund assists NGO and NPO engaged in projects such as afforestation.

Project Report for FY 2015 Your support is appreciated in Japan and around the world!

200

students

Satoyama maintenance

project:

event

Planting sea buckthorr

90,000

seedlings







Solomon Islands and Papua New Guinea **Tropical Rainforest Conservation Project**

Fostering a new style of agriculture to protect valuable tropical rainforests

Valuable tropical virgin forests extend throughout the South Pacific Region. Island nations such as Papua New Guinea and the Solomon Islands have about 60% of their land mass covered in tropical rainforests. From 1970 however. virgin forests which had barely ever been touched by human hands, were rapidly lost due to practices such as commercial logging and excessive slash and burn agriculture due to population increases. The Eco Card Fund is promoting sustainable practices to protect virgin forests by spreading fixed type organic farming instead of excessive slash and burn agriculture. In 2016, in recognition of these many years of activities, Cosmo Energy's President Mr. Morikawa represented Eco Card cardholders in receiving an award from the Solomon Islands government. Scenes of the award ceremony are depicted in the enclosed special edition. We have also arranged for a gift of a product related to the Solomon Islands to express our appreciation.



Partner: OISCA (NPO)

▼Solomon Islands

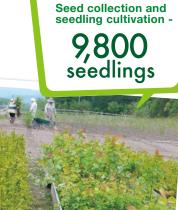
Seed Planting School

Seeds planted in hearts and the soil in Hokkaido

This project started with returning a former golf course to forest land. Seeds and seedlings (trees which have just germinated) of trees such as pines (Picea glehnii) and oak (Quercus crispula) were gathered from within the forest and saplings were nurtured over several years. We have donated those saplings to an organization which undertakes afforestation in Hokkaido. In fiscal 2015, a total of 313 volunteers participated in nurturing 9800 trees. This project is still not completed but the former golf course is gradually being returned to forest. In autumn we will be holding an eco-tour to go and see these results







Partner: Furano Seed Planting School (LLP)

Republic of Kiribati, and Tuvalu **South Pacific Countries Support Project**

Planting mangroves on small islands in the South Pacific Ocean Islands in the South Pacific that are very close to sea level and have a small land mass are the first to be affected by climatic variations such as global warming. The Eco Card Fund has been welcomed by two NPOs as project partners for support activities in the Republic of Kiribati and Tuvalu and we are planting mangrove trees in cooperation with locals. The aim is to use mangroves, which form a natural breakwater, to curb the speed of coastal erosion caused by





Miyagi

Great East Japan Earthquake Recovery Support The sea is longing for the Forest

The day that happy children's voices returned to the sea near Tohoku

Even now, five years after the earthquake, children in Tohoku are still alienated from the sea. This is a program to have those children feel the wonder of the sea with their whole body. This is a sea fishing experience where the children find their own bait and cook fish they have caught themselves. They were able to observe oysters and scallops from an aquaculture raft. The bright shining eyes of the children left a deep impression.



Partner: The sea is longing for the forest (NPO)

Nagano Red Pine Forest **Satoyama Regeneration**

Collecting satoyama fallen leaves. Will this lead to harvesting Matsutake mushrooms?

The forest near the city of Ina in Nagano Prefecture was suffering from neglect and degradation. This was a project to restore it to an environment where Matsutake mushrooms were likely to grow. In fiscal 2015, then we carried out Satoyama maintenance together with Eco Card cardholders. Taking advice from locals, we used very large rakes to gather up fallen leaves. No doubt the results will be manifested in the harvesting of Matsutake mushrooms in the near future.



Partner: Laboratory of Earth Conscious Life (NPO)

Acorn Forest Satoyama regeneration

Acorn trees and animals are thriving in Satoyama damaged by fire

A satoyama of scenic beauty with views of the Asama Mountain Range to the north and Tateshina and Yatsugatake to the south, was destroyed by fire in 2010. The project started in 2011 to restore the vast forest which extended over some four hectares, has finally been completed. Today we have planted 12,000 oaks (Quercus serrata and Quewrcus acutissima). Right now there are some trees which have grown as tall as 3 meters. The area has been regenerated as an "Acorn Forest" with an extremely high level of bio-diversity, including confirmation of as many as 43 species of butterflies alone, including rare species.



Work to maintain

Yamanashi

Living with Flying Squirrels -Satoyama Regeneration

We have created a forest that coexists with wild animals

This is a satoyama regeneration project in Tsuru, located to the north east of Mount Fuji. We are planting broadleaf trees which bear berries that provide food for flying squirrels. The forest has also been reconditioned through the continuous implementation of tree thinning. In fiscal 2015 we also installed fencing to protect young trees from feeding damage by deer and rabbits. Five years ago this forest was a dark place with dense tree growth that was impenetrable, but it is now a beautiful well-maintained, light-filled forest.



Uniting People with the Forest

Children growing midst the natural environment

This is a program which offers a nature experience to children who have very little opportunity to interact with nature. Part of this program included a project where children from a special needs school were able to participate. The children observed living creatures and climbed trees in the Afan Woodland located in Kurohime in Nagano Prefecture. By utilizing their senses of touch, smell and taste, the children grew so confident they were hardly recognizable as the same children by the end of the



Total participants:

55

Silk Road Afforestation Project

Tree planting to curb desertification and yellow dust storms. Handing over to the locals.

The Loess Plateau extends upstream of the Yellow River. This is an afforestation project in an area which crosses the Silk Road and over a period of 13 years we have achieved a track record of planting 860,000 trees over an area of 400 hectares. This long-term project has increased the environmental awareness of the local residents and as they now have in place a system for continuing the planting activities, the Eco Card Fund ended its support as of fiscal 2015.



Qin Ling Mountains Forest and Ecosystem Recovery Project

Afforestation project to protect rare animals ends on a positive note

The Qin Ling Mountains located in central China are the vital habitat for the giant panda and the golden monkey, species which are in danger of extinction. The tree planting was conducted along disused roads which were blocking animal movements and from fiscal 2005 a total of 100,000 saplings was planted over 120 hectares. As the animal population is also recovering, it was decided to end this support project as of fiscal 2015.



6,000

seedlings

This year we concluded three projects. Thank you for your support

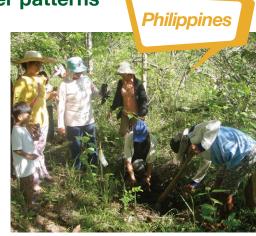
*Fiscal 2016 New projects started **

The Eco Card Fund has selected new support projects with the aim of reducing CO₂. Your donations will continue to be of help

The creation of forests with resilience against abnormal weather patterns

Partner: OISCA (NPO)

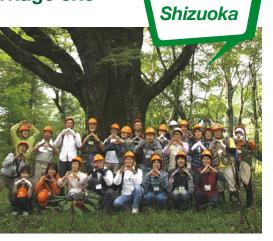
Luzon is the largest island in the Philippines. Excessive logging of central mountain forests has reduced the proportion of forested land by approximately 60%. The treeless mountains are no longer able to stop the effects of massive typhoons which have increased in recent years, and this is one of the reasons for the typhoons causing such extensive damage. This is why the Eco Card Fund commenced its support of forest creation including afforestation.



Protecting and regenerating the forests of the Mount Fuji world heritage site

Partner: Mt Fuji Club (NPO)

While Mount Fuji was registered as a world heritage site in 2013, it does face a variety of environmental problems. One of those problems is damage from fallen trees resulting from a typhoon which struck in 1996. We are working to regenerate the forests of Mount Fuji, joining forces with locals, while protecting the area's distinctive



A ten-year coastal forest regeneration plan

Partner: OISCA (NPO)

The tsunami that occurred as a result of the Great East Japan Earthquake caused catastrophic damage to coastal disaster-prevention forests in Tohoku. Disaster prevention forests are essential to protect people's lives again strong winds, wind-blown sand and tidal damage. To regenerate these forests we commenced a project to plant about 550,000 black pines over a ten-year period. The aim, in addition to recovering the beautiful coastal scenery, is to make this a symbol of recovery.





Restoring the coastal forest of Kujukuri Beach to its pre-earthquake condition

Partner: Laboratory of Earth Conscious Life (NPO)

The Kujukuri coastline extends a total of 66 km. Were you aware that its disaster-prevention forest was damaged by the tsunami that accompanied the Great East Japan Earthquake? In fact there are numerous areas where trees that were casualties of the tsunami have been left abandoned. Under this project we will start by removing the dead trees. We will then start planting trees such as black pines to protect the living environment from strong winds and sand blown in from the Pacific Ocean.





MESSAGE FROM THE CHAIRPERSON Seeking a fundamental solution for environmental problems



CHAIRPERSON COSMO OIL ECO CARD FUND Hiroshi Kiriyama

Thanks to all our members, the Eco Card Fund is now celebrating 15 years since it was established. Right from its inception, fund members and the Cosmo Oil Group have been actively involved in global warming issues which are of common concern to both groups. One of our projects, based in the Solomon Islands, has been highly acclaimed by the local government which has conferred an award on our former chairman, President Morikawa. I have also personally visited the site where this activity is being conducted and it has become a memorable location, so I was even more gratified to hear the news. I would like to reiterate my thanks to all members who continue to support this Fund.

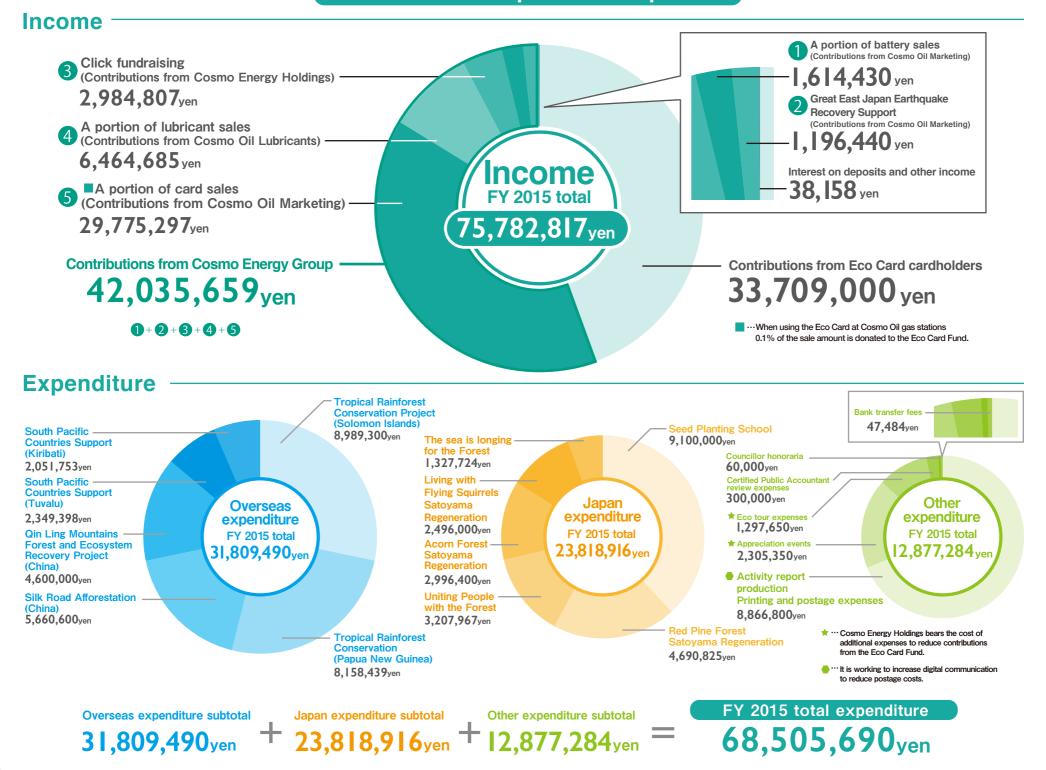
The path to solving environmental problems is never a simple one so I believe that it is important for us to seek fundamental solutions and to engage in projects that are in tune with the location of that activity. The Eco Card Fund is seeking fundamental solutions to environmental problems through local projects such as forest conservation which is in harmony with regional vegetation, and overseas projects which include afforestation in low-lying South Pacific Islands, and education and farming support to reduce slash and burn agriculture and commercial logging.

Under the Solomon Islands project we have offered 14 years of such support to enable the local residents to achieve livelihoods not dependent on slash and burn agriculture or commercial logging.

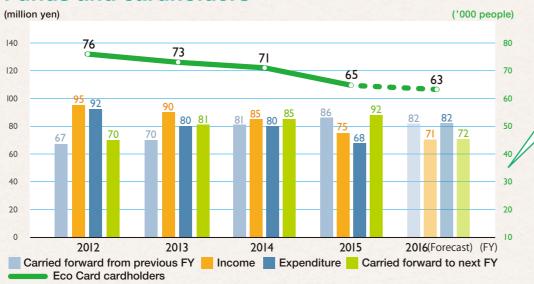
I believe that the combined efforts of our members and this Fund, actively engaging for many years in the pursuit of fundamental solutions to environmental problems, has led to this award from the government of the Solomon Islands.

Cosmo Oil would like to take the opportunity of this award to further deepen our engagement with global environmental problems as a group overall. I look forward to your continued support.

Income and Expenditure Report







We are further expanding the circle of our support for eco-friendly projects

We are engaging in new endeavours with a view to increasing member numbers.

Starting a Facebook page and email magazine

- Broadcasting television commercials
- Conducting a membership campaign
- Updating the website
- We are seeking to enhance
- member satisfaction
- Expanding projects Updating project reports
- Conducting appreciation events
- Reviewing the eco tour programs Commencing a Platinum User Fund

We are using an independent **Certified Public Accountant** to review our Income and **Expenditure Report**

We are making every effort to conduct highly transparent management, and to this end Mr. Toshiya Kato, a Certified Public Accountant who has no vested interest in the fund, reviews the Income and **Expenditure Report of** the Cosmo Oil Eco Card Fund.