

# Thank you Newsletter 2018

## Activity Report

16th fiscal year: April 1, 2017 - March 31, 2018

We would like to express our gratitude to all Eco Cardholders for your support over the last year. Your donations are reflected in ecological activities both at home and abroad, and the results are steadily bearing fruit. We aim to further expand the scope of these activities, and look forward to your continued support in the future.

# The Eco Card Fund Promise



While the Cosmo Energy Group's oil helps create comfortable lifestyles, it's also a fact that it impacts the environment. Accordingly, we have been addressing environmental concerns as early as the 1990's. We have never turned away from these problems but have addressed them fully because we recognize that we have a responsibility to make every effort to protect the environment.

Part of this commitment is our Eco Card Fund, which we are operating with your help as part of our "Living on the earth forever" project. While implementing measures to slow climate change and protect ecosystems, we are supporting organizations that are working steadily to solve fundamental problems such as poverty.

We have received far more support than predicted prior to launching the Fund and thanks to that support, have been able to achieve a range of results both in Japan and abroad. We will continue to work single-mindedly toward our goals while listening to the voices of all stakeholders.

## How the Eco Card Fund Works

But what does this mean?



- I want a convenient and comfortable life. **But** my use of oil products increases CO<sub>2</sub>.
- For this reason, I want to support environmental conservation activities through the Eco Card Fund.
- This helps protect and nurture healthy forests and so reduces CO<sub>2</sub>.
- "Living on the earth forever" with an Eco Card.



Donations from Eco Cardholders



Donations from the Cosmo Energy Group

Supporting projects involved in environmental conservation



Let's look at details.

### How the Eco Card works

- If you have an Eco Card ▶ ¥500 is automatically donated to the Eco Card Fund annually
- If you spend ¥300,000 or more per year over 10 years ▶ ¥1,500 will be automatically donated to the Eco Card Fund annually

- When it comes to refueling or a car wash ▶ 0.1% of the amount spent is donated to the Eco Card Fund  
\*Refueling is at cardholder prices
- For every Eco battery purchased ▶ a donation of ¥50 to the Eco Card Fund is made
- For every liter of ECO Oil purchased ▶ a donation of ¥1 to the Eco Card Fund is made

# Project Report for FY 2017

Great results were achieved and thanks received from project partners in Japan and abroad.

FY 2017 Results

## Solomon Islands Tropical rainforest conservation



**Centered on fast-expanding vocational training schools, we developed experimental products like chocolate.**

In the Solomon Islands, economic disparity between urban and rural areas is a problem. The Eco Card Fund supports the management of vocational training schools in rural areas to eliminate this gap. One initiative is agroforestry, which produces agricultural products while developing forests in the training school grounds. Last year, we also developed an experimental product, chocolate, as well as extending multi-use workshop space and establishing a beekeeping area.

Support funding  
¥7,070,000

Greening project  
**8,000** m<sup>2</sup>

We are still midway through this challenge, but I hope you will continue your support.



Mr. Dixon Naro

Partner: APSD (NPO)

## Papua New Guinea Tropical Rainforest Conservation



**Activities to raise awareness of the need to protect valuable rainforests finally showing results.**

We use video and other materials to make people aware of the negative impact of deforestation on traditional lives in rural areas. As a result, the awareness of the local people has changed significantly, and in three villages, including Arabam, taro production, which does not rely on slash-and-burn farming, seems to have a bright future. And last year we also supported cacao and other crop cultivation for 272 families. The goal is to get to a point where stationary organic farming can be carried out by local people by themselves.

Support funding  
¥7,762,505

Cacao seedling assistance  
**54,400** seedlings



Thank you for your support! We support the conservation work!

Mr. Michikatsu Ehara  
Mr. Daniel Ribuan  
Mr. Ian Ruben

Partner: OISCA (NPO)

## Republic of Kiribati South Pacific Countries Support Project



**Mangrove planting protects against tsunamis and storm surges while nurturing ecosystems too.**

Located in the Pacific Ocean, Kiribati is an island nation consisting of 33 atolls. But while Kiribati may seem idyllic, it is faced with uncertainties stemming from rising sea levels and king tides triggered by major tidal fluctuation due to global warming. In order to protect people's lives from these threats, last year we planted mangrove trees. We toiled under the harsh Kiribati sun with the support of Kiribati's Ministry of Environment staff, local Environmental Club members and Japan Overseas Cooperation Volunteers.

Support funding  
¥3,405,434

Mangrove planting  
**11,079** saplings

A green line of mangroves is spreading along the coastline!



Ms. Nozomi Ohshiro  
Ms. Eriko Tamashiro  
Ms. Mio Kezuka  
Ms. Norimi Kimura

Partner: International Society for Mangrove Ecosystems (NPO)

## Tuvalu South Pacific Countries Support Project



**Successful planting surpasses target by 250%. Local-level environmental consciousness is growing.**

In Tuvalu, too, rising sea levels triggered by global warming are causing coastal erosion. Last year we also carried out activities to stop erosion and promote sand accumulation by planting mangrove seedlings. In spite of a cyclone hitting Tuvalu after the plantings, the seedlings refused to give up and continued to grow. The next issue is to transfer technology to local Tuvaluans to extend this natural breakwater further.

Support funding  
¥2,643,625

Mangrove planting  
**10,596** saplings

We have planted a total of 20,000 trees! Thank you, everyone, for your support.



People of Tuvalu

Partner: Tuvalu Overview (NPO)

## Nepal Ken Noguchi: Growing in the Himalayas



**Tree planting in the village of Sama at 3,500 meters continues despite heavy snows that linger until spring.**

Sama Village, located at the foot of the world-renowned Himalayas, is in a state of desolation because of excessive deforestation. So the afforestation project that kicked off in FY 2016 started with raising seedlings. We protected these by covering them with blue sheeting and scraped away the snow to ensure they survived the brutal winter cold. Then, on May 16, 2018, project leader Ken Noguchi and the local people worked together to finally plant out 3,000 trees.

Support funding  
¥3,147,500

Seedlings cultivated  
**15,000** seedlings

Activities in the remote regions of the Himalayas are steadily going forward!



Mr. Tsuon Gulmin Lama  
Mr. An Talke Sherpa

Partner: Peak Aid (NPO)

## Philippines Growing forests resilient to abnormal weather



**Creating a forest that can withstand even massive typhoons. Size surpasses target in area.**

In the Philippines, where powerful typhoons frequently make landfall, we are working to create forests able to withstand abnormal weather. What's being planted is largely native species adapted to strong winds and dry conditions, as well as fruit trees that will help sustain life. We are also educating the local people to help establish 75 hectares of forest in five years. Last fiscal year, we held environmental conservation seminars at three schools. We are aiming to construct a system that can maintain and manage forests even after the Eco Card Fund support ends.

Support funding  
¥5,099,475

Natives and fruit trees planted  
**7,050** trees

Come and take a look at this forest where various species grow.



Mr. Mario Lopez and a group of tree planters

Partner: OISCA (NPO)

## Hokkaido Seed Planting School: Returning former golf course to forest land



**Sakhalin spruce, Mongolian oak and walnuts too. Saplings raised from seeds thrive in this northern land.**

From the forests of our own Hokkaido, we were able to collect seeds and seedlings that had only just germinated, grow them into saplings, and deliver them to the Furano Seed Planting School and the Ashibetsu Greening Committee. Through these activities, we help create forests that match their vegetative environments. Thanks to your support, we returned part of a former golf course to forest. In the future, we aim to create a system that can be sustained by the people of the region and take new steps forward. Thank you for your support.

Support funding  
¥3,480,642

Seedlings supplied  
**3,700** seedlings

Saplings planted in a former golf course are growing rapidly.



Mr. Masahiro Ito  
Ms. Mariko Ito

Partner: Furano Seed Planting School (LLP)

## Miyagi The Sea is Longing for the Forest: Planting trees to protect the sea



**Dissemination of information through Tree Planting Festivals and social media has widened the scope of activities.**

This is an initiative to convey the importance of environmental conservation by realizing the links between forests, communities and ocean. Last year, we held an annual Tree Planting Festival as well as actively disseminating information. By frequently updating our website and Facebook pages and producing videos, we substantially increased opportunities for this initiative to be taken up in TV programs, magazines and other media. From now on, we will continue awareness-boosting activities, both in the realm of real world experience and web-based information.

Support funding  
¥3,736,809

Trees planted  
**1,600** trees

Thanks to your support, the forest, the sea and people have become healthier!



The local people

Partner: The Sea is Longing for the Forest (NPO)

## Miyagi A ten-year coastal forest regeneration plan



**Black pines raised from seedlings reach 3 meters. Coastal forests are growing stronger every day.**

The coastal forest lost as a result of the Great East Japan Earthquake is mostly regenerating. In particular, the survival rate two months after our planting is 99.8%, a record high. One reason is the high quality of the seedling cultivation; the awarding of a Minister of Agriculture, Forestry and Fisheries Prize for the seedlings was reported in the media. The project is attracting a high level of attention, as indicated by an inspection visit by the Vice Minister for Reconstruction. We will advance initiatives to increase the number of younger participants in the future.

Support funding  
¥4,000,000

Black pine seedlings cultivated  
**4,800** seedlings

Thanks to your support, the black pines are growing steadily.



The local people

Partner: OISCA (NPO)

**Chiba**  
Returning the coastal forest of Kujukuri Beach to its pre-disaster state



**A high level of participation by Chiba residents. Afforestation activities firmly rooted in the region.**

Along the Kujukuri Beach, the sand-break forest off the coast of Hasunuma-Tonoshita was particularly badly damaged by the tsunami that followed the Great East Japan Great Earthquake. The afforestation activity here began with the removal of the trees left flattened by the tsunami. Taking advice from disaster-prevention forest experts and arborists, we marked out planting positions, planted trees and set up bamboo fences to protect the young trees from the strong salt winds. The participation of the local people played a central role.

Support funding  
¥2,997,000

Black pines planted  
**1,650** trees

With everyone's support, we will restore the forest damaged by the tsunami!



Mr. Hidenobu Takegaki

Partner: Laboratory of Earth-Conscious Life (NPO)

**Yamanashi**  
Working with horses to preserve the Tsuru satoyama (village forest)



**Cutting makes the forest healthy. Thinnings used as firewood.**

Forests that are not properly tended cannot demonstrate their true CO<sub>2</sub> absorption capacity. In the satoyama (village forest) here in Tsuru, growing healthy trees able to absorb plenty of CO<sub>2</sub> means thinning the forest to let in sufficient quantities of light. The thinnings were carried off the mountain using horses and utilized as firewood. Thanks to the support received, we successfully reached our goal and completed the project. Thank you for your support.

Support funding  
¥1,166,780

Thinning maintenance  
**160,000** m<sup>2</sup>



We removed the forest debris with horses and turned it into firewood. Thank you!



Mr. Kazuaki Iwata

Partner: Tsuru Environment Forum (NPO)

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



**Forest thinned and undergrowth cut by volunteers. Planted trees growing strongly.**

We are carrying out two initiatives aimed at regenerating the beautiful Mt. Fuji forests. Work to grow broadleaves in Fujinomiya City, which began in 2012, ran into unforeseen weather, though undergrowth cutting and ivy removal were completed as scheduled. As part of the second initiative — the Nishiusuzuka Agreement Forest cultivation activities that began in 2016 — we also thinned Nikko firs. These activities were supported by Eco Cardholders.

Support funding  
¥4,135,622

Tree cultivation  
**6,000** m<sup>2</sup>

We will carry on our work in the future with the help of all our supporters!



Mr. Hideaki Ooi Mr. Hiroataka Fukazawa

Partner: The Mt. Fuji Club (NPO)

**Nagano and Miyagi**  
The C.W. Nicol Afan Woodland Afan: Forest growing in Higashi Matsushima



**Devastated woods, woods neglected after earthquake. Restored and regenerated by human hands.**

In the Afan Woodland, thinning mainly the Quercus serrata forest promoted the growth of the trees and the understory vegetation. Thinnings weighing 15 tons were removed and used as chips for smoking foods and as mushroom cultivation logs. And in the Higashi Matsushima forests we held four workshops. We carried out forest maintenance with a total of more than 100 people. Through regular activities at two locations, we are cultivating the forest while also fostering ecological awareness.

Support funding  
¥3,120,182

Forest conservation activities  
**130,000** m<sup>2</sup>

We've succeeded in restoring the forest to health. We're also thinking about the utilization of the trees we've grown!



Mr. Atsushi Ishii Mr. Wataru Ohsawa Ms. Aya Midorikawa

Partner: C.W. Nicol Afan Woodland Trust

**Tokushima**  
Satoyama preservation by local residents in Kamiyama



**Using light equipment for thinning to maintain the satoyama (village forest) while interacting with locals.**

This project started from clearing out fallen trees and debris in what was neglected forest to make a square where people could gather. And thinning was carried out to revive the satoyama (village forest). Because the ground was sloping, we could not use heavy machinery, but overcame the problem by using light equipment instead. Someone came up with the idea of using the thinnings to make Finnish saunas.

Assistance funding  
¥996,681

Satoyama maintenance  
**2,000** m<sup>2</sup>

The forest has become brighter, and we've started using the thinnings!



Ms. Ikuko Saito Mr. Valery Theret Mr. Kosuke Yoshizawa

Partner: The Social Foresters

# Fiscal 2018 New project started!!

We will use your support in new projects to reduce CO<sub>2</sub>.



**Thailand**  
Growing the forest with the Asian honey bee

In northwestern Thailand, the tropical seasonal forests have begun to decline. The Eco Card Fund supports the new challenge of restoring those forests to their original state using the power of nature as much as possible. At the heart of this is "afforestation without planting," using the Asian honey bee. Bee pollination helps in the formation of seeds, which eventually germinate and grow into trees. In other words, bees have the same effect, indirectly, as afforestation. Furthermore, because raising bees leads to the formation of an apiculture industry and this contributes to the economic advancement of the local people, we plan to distribute beehives to those who want them. In the near future, there may come a day when that honey reaches your table.

**Utilizing the pollination of the Asian honey bee. Nature's power used to grow a forest.**



Partner: GONGOVA (NPO)



**Tokyo**  
Making Hachioji's satoyama into a bright forest

Even in a forest that seems full of natural abundance at first sight, its biodiversity may actually be damaged. The forest in Tokyo's Hachioji is a case in point. In this forest, which has been neglected, the evergreen trees are overgrown, with each leaf thick and large, and even during the day the forest is dark. Deciduous plants find it difficult to grow and it is an inauspicious environment for animals and insects. So with the help of local volunteers, we will cut down trees as necessary to create a bright forest that lets in the sunlight. Furthermore, the thinnings we obtain will be chipped on the spot and the chips spread over walking paths. This should create an environment where people will want to stroll in their neighborhood satoyama (village forest).

**Creating a forest where residents can enjoy a stroll. Activities balance the needs of environment and landscape.**



Partner: Laboratory of Earth-Conscious Life (NPO)



**Hyogo**  
Yasuga Irodori Forest, where people and animals live in harmony

Several decades ago, Japan had satoyama (village forests), which formed a boundary between where people lived and the natural world. However, as people move away from the mountains and the satoyama become neglected, those boundaries are gradually being lost. Therefore, we are working to create a forest where people and wild animals can live in harmony. First of all, we will reverse the deterioration in the mountain areas by thinning trees and cutting grass. Next, so that wild animals will not damage the satoyama forest and invade people's living areas, we will install protective fencing. Furthermore, in order to create a bright environment where people will be easily able to walk in their satoyama forest, we will hold tree planting festivals to plant low shrubs. After three years, we will open the Yasuga Irodori Forest where wild flowers will bloom in profusion. Our aim is to make the satoyama forest more appealing to the local people.

**Making Okuharima Forest brighter and more appealing. A natural satoyama (village forest) where people will come to stroll.**



Partner: Okuharima Yume Club (NPO)

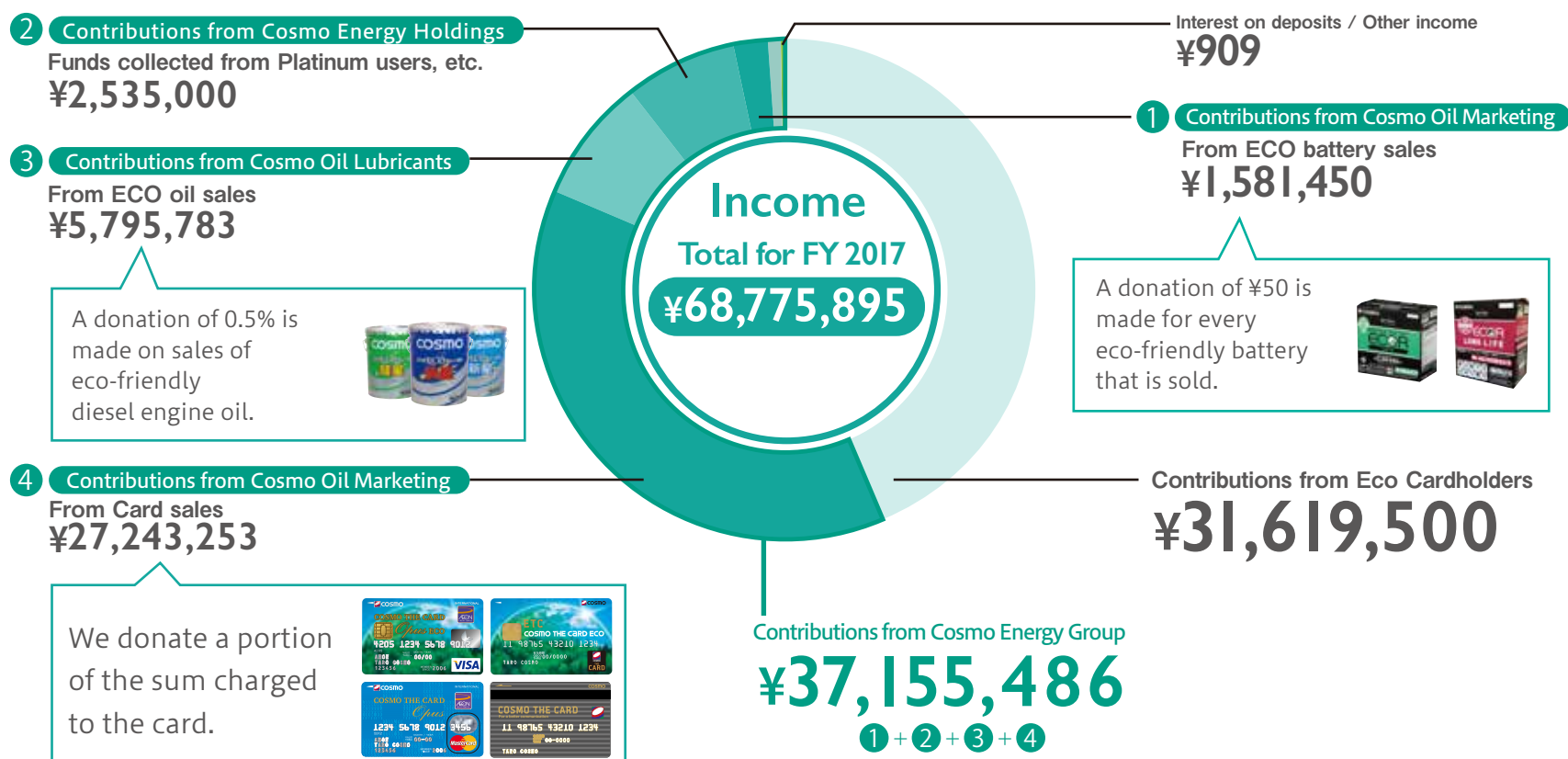
## Message from Management



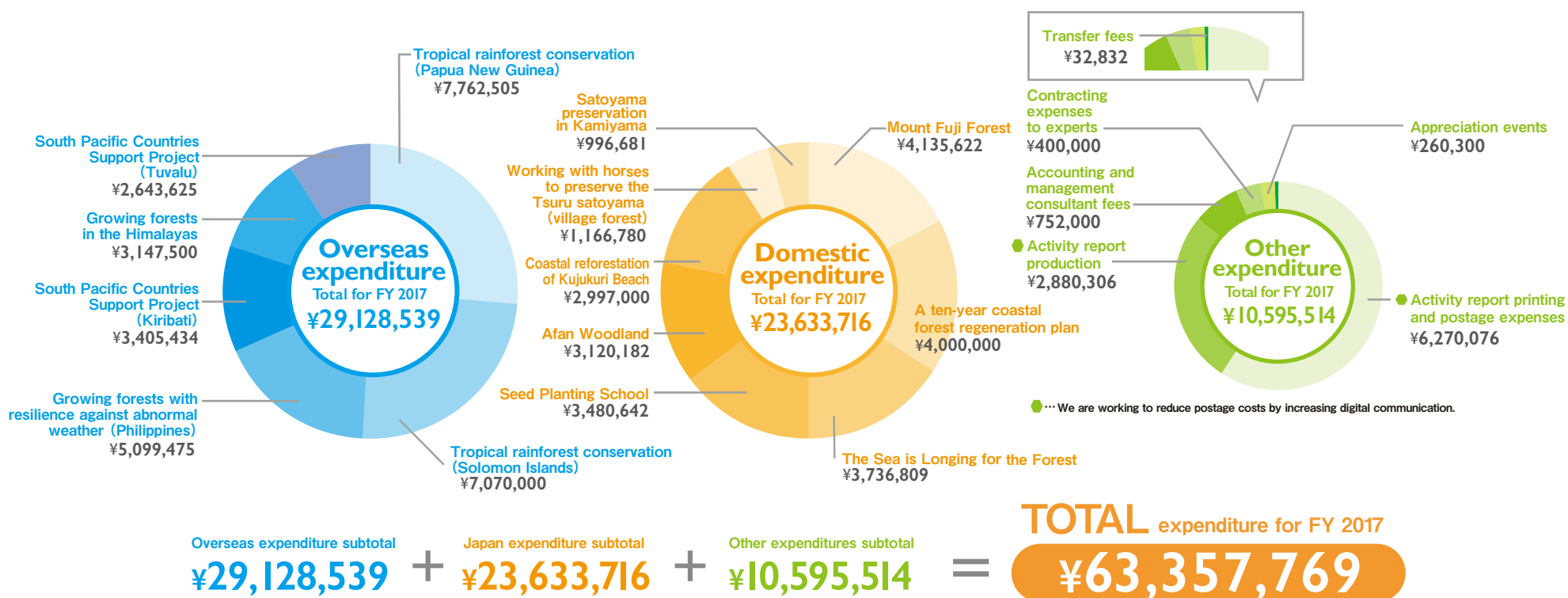
Chairperson  
Cosmo Oil Eco Card Fund  
Takayuki Uematsu

Thanks to all cardholders, the Eco Card Foundation has achieved its 17th anniversary. I would like to take this opportunity to express my sincere thanks to all cardholders who regularly support the fund. In FY 2017, the international community appeared to be expeditiously promoting measures to respond to climate change, and in particular, Europe announced goals for the spread of electric vehicles. While oil has given rise to affluent lifestyles, we unequivocally accept the fact that it places a burden on the environment, and since the Eco Card Foundation was first established, we have addressed climate change issues in tandem with our cardholders. Our commitment to contribute to the environment of the planet is still as unwavering as ever. With an eye on international trends, in the future we will continue to do our utmost to carry out our activities as always and with our feet firmly on the ground while staying attuned to our cardholders. Thank you for your support and cooperation.

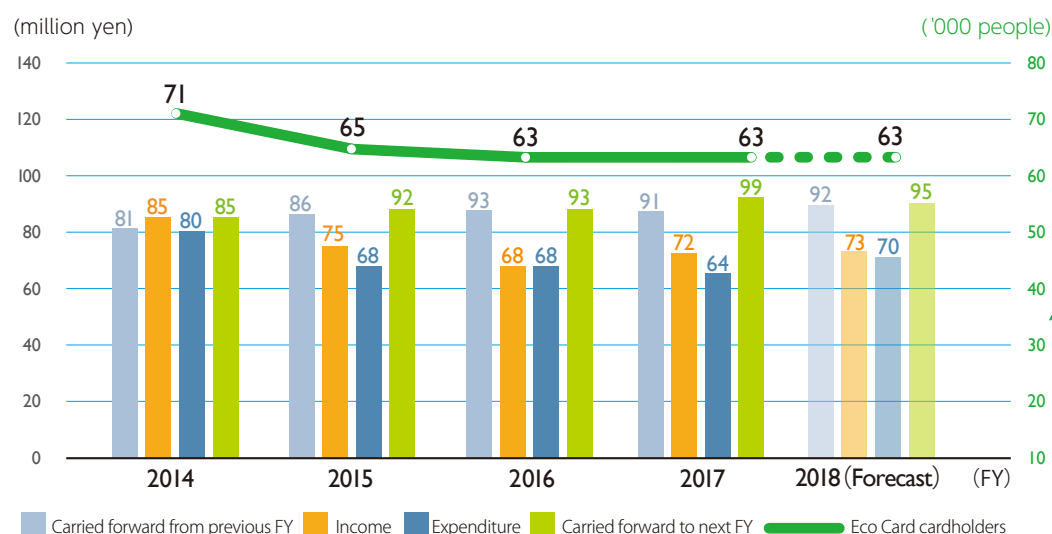
## Report on Income and Expenditure | Income Section



## Report on Income and Expenditure | Expenditure Section



## Funds and cardholders



### Broadening the circles of our eco activity support.

#### Strengthening activity implementation to increase member numbers.

- Commencing broadcasting TV commercials and promoting activities at petrol stations
- Conducting a membership campaign
- Utilizing Facebook and producing email newsletters
- Information activities at petrol stations

#### Aiming to increase cardholder satisfaction.

- Broadening project
- Notifying about events by inserting leaflets into invoices
- Inspecting appreciation events and projects
- Expansion of special cardholder events