



ANNUAL REPORT 2018



Japan Venture Philanthropy Fund

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As a front runner in social impact investment

Launched in 2013, at a time when the practice of social impact investment had yet to take hold in Japan, through much trial and error, JVPF has opened up new unprecedented domains in the field.

By taking the challenge of leveraging investment models to solve social issues, little by little, JVPF has started to overturn common wisdoms. JVPF will continue to pursue even broader and deeper social impact.

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NEW INVESTMENT RECIPIENT

Introduction of a new investment recipient:
Teachers Initiative



Teachers Initiative

- ✓ Provides an eight-month training program to foster the next-generation of teachers
- ✓ Planned to encourage deep, autonomous and interactive learning through experience, theory and practice, the program allows participants to design their own learning experience.

The Teachers Initiative (hereafter, TI) was established to improve education in Japan by sharing learning experiences with teachers. To this end, TI offers the “21st Century Teachers Program” (detailed below) to school teachers across Japan.



Teachers Initiative, CEO
Kanji Miyaji

The Teachers Initiative was established based on the belief that “it is teachers who can truly build the future of Japan.” What kind of education children receive is of critical importance as it is children who will be responsible for the future. To foster children who will boldly open up new future in an ever-changing uncertain world, we need to provide children-centered education to unleash their full potential based on trust and conviction, rather than controlling and restricting them to follow a routine and conform to a pre-determined standard by stuffing children with knowledge. To this end, we have offered the “21st Century Teachers Program” (detailed below) to school teachers across Japan.

With support from JVPE, our activities have largely developed since last year. We have newly established a secretariat position and launched a joint program with the school boards of Sakai City (Osaka) and Fukuyama City (Hiroshima). In FY 2019, we are planning to run four programs to provide learning to more than 100 teachers. Behind these teachers are several thousands of children waiting to have a future. Always aware of this hope and responsibility, we will continue to fulfill our mission.

Scheduled period of support

3 years
(September 2018 - September 2021)

Amount and method

30 million yen / Grants

Primary use of funds

Recruitment of personnel to develop new businesses
Recruitment of personnel to assume operation management system
Analysis and research of effectiveness verification

Goal of Support



01 Grow the business and establish sustainability

- Develop a municipal implementation model (profitability, effectiveness verification) through collaboration with Sakai City. Thus, the foundation for expanding into other areas will be laid.
- The TI program will be adopted in multiple municipalities, building a proven track record of success in public education institutions.
- Develop an alumni network and a certification system to provide those who have completed the TI program with opportunities for continued learning and involvement in the activities as a TI member. The alumni will assume the role of changing the existing education system from the inside.

02 Build a base for human resources and management

Recruit representatives and full-time personnel to build the foundations for stable supply and training of staff to support the development of an independent autonomous organization for sustainable operation.

03 Greater visibility and advocacy of social impact

Verification and measurement of the outcomes for beneficiaries regarding awareness and behavior patterns; publication of Impact Report.

NEW INVESTMENT RECIPIENT

A program for teachers



Teachers Initiative

The learning process of the “21st Century Teachers Program”

Incorporating the theories and techniques of leadership and organizational development (system thinking, Theory U, instructional design, facilitation, dialogue, etc.) utilized by global companies and cutting-edge companies, this program consists of 8 months of experience and practice on how to create a dynamic learning environment placing the learner at the center.

Developed by a group of leading experts not only in pedagogics but from a variety of fields, the program has been carefully designed to deliver the world’s most sophisticated learning experience to school teachers.

The ideal teacher

- ✓ A teacher who believes in human possibilities and learning
- ✓ A teacher who continues to try and learn without being afraid of making mistakes
- ✓ A teacher who can design a learning environment



Kickoff camp

Two nights and three days in early August

- Revisit the motives of why he/she became a teacher and to share those motives with peers
- Learn what is going on in society now and form an outlook toward 2030
- Look at the present from a future standpoint and identify the challenges facing education and the framework of his/her thinking
- Develop a view for the future of education to be realized through his/her own commitment

Learning design session

Two days in early September

- Learn the theories underlying 21st century learning approaches
- Verbalize one’s learning experience gained at the kickoff camp and link with the theories
- Form groups to design and perform a brief work that will serve as a learning platform incorporating 21st century learning approaches



Implementation/ sharing at school

Development and practice:

December – March

Report at a practice sharing meeting

- Conduct classes at school as a teacher by incorporating 21st-century learning approaches
- Engage in activities to drive school and society innovation
- Review past all activities and share the outcomes to utilize as a benchmark



The lab

September – November

- Form groups (labs) to develop a one-day workshop program and try out that program with other participants
- Gain cutting edge knowledge and insight from lab instructors who are experts not only in pedagogics but in a variety of fields
- Learn and practice how to design a learning environment from scratch



Teachers Initiative, Executive Director
Akiko Ie

I have worked as a producer mainly in the TV media industry for over two decades. I recently had a chance to participate along with school teachers in the 21st Century Teachers Program as the 3rd cohort of participants. Now, by some quirk of fate, I have now assumed the role of Chief of Secretariat of TI. Perhaps being a teacher makes you feel like you are not allowed to fail, as teachers are constantly required to give the correct answer. However, it is from failures that people learn most. TI offers a place where teachers can feel free to try out new things without being afraid of failures. During the eight-month program, participants learn to free their creative potential and unique character. I was deeply inspired to see how each of the participants gradually transformed oneself into a continuous learner. The strong bond I share with my peer participants is a life’s treasure for me. It is our mission to have many more teachers participate in the program and share the same kind of bond with their peers.

VOICE OF PARTICIPANTS

Voices from program graduates

Kota Nakadate



Elementary school teacher (Tokyo)

Q What changes did you experience in yourself?

A Now that I am aware of my mental model, I'm always trying to update and renew myself. I can now question and re-evaluate my own thinking and values, which used to be so self-evident that I was unconscious of them. This new habit is opening up a whole new world in front of me. At the same time, it has brought along new worries. I am now on the path to discovering a true criterion in myself.

Q What do you think the kind of impact does program have on schools and society?

A I was deeply inspired by TI's belief that "it is teachers who can truly build the future of Japan" and its commitment to "support teachers who grows". Unlike those commonplace workshops with only a temporary effect, I'm sure the participants of this program have acquired the skills and persistent attitude to continuously update their "mental model" and "body to take action by involving people around them." The teachers who have become convinced of the benefits of the program will, leveraging their individual strengths, take the initiative in their respective workplaces to together create a strong tidal wave of change in society.

Kaoru Takizawa



Junior-high school teacher (Mie prefecture)

Q What brought you to participate in the program? What was most impressive in the program?

A I used to think that schools were a small community secluded from the wider society. I felt ignorant of the trends of society and hungry to learn what was going on in the world. Participating in this program and having a chance to meet and discuss with people who were actually working at the center of Japanese society, dramatically widened my perspectives. Getting to know what deep and broad knowledge these people have, their prudence, passion and sincerity, I was literally shocked to know that these people were comprising the Japanese society I live in.

Q Have you made any changes in the classroom and children when returning to the field of education?

A My heart was opened up and I came to have a positive image of myself as a teacher. The students started to create an atmosphere of "wanting to learn with each other." They started to help each other with their studies even during breaks between classes. In term-end tests, my class always outperformed other classes by 10 points on average.

Q Have you made any changes in the classroom and children when returning to the field of education?

A It's not the classroom or children, but the mind of the teacher that changes by the program. I think the way the teacher views education undergoes change as well.

1 I now view the challenges that face the children as the challenges that face the teacher. Likewise, problems faced in the classroom are problems for all the teachers of the school.

I try to engage in daily conversation in the staff room as the first step to improving the quality of relationship between teachers. Furthermore, we engaged in repeated dialogue in the process of establishing a school goal in order to ensure that everyone's views are reflected in the goal.

2 I am now aware of my tendency to instruct students as a group rather than individually, so I am consciously focusing on the individual. Peer pressure is salient enough in Japanese society and I don't want to use peer pressure in education. Rather, I want to build a school environment where "everyone can capitalize on its individual strength and also confess their weakness."

Q What does education mean to you?

A Both the starting point and goal of education is to be <happy>. I think the practice of education is "to help people expand the possibilities of oneself and others through rich and diverse engagement with each other and live a confident and happy life underpinned by one's own values, thoughts and belief."

Q What changes did you experience in yourself?

A Although I have always been committed to my job as a teacher, I could not help feeling a sense of stagnation. But by participating in the program, I realized that schools are deeply connected to society. Japan will experience unprecedented change in the coming years. Teachers are charged with the responsibility to foster children who will be at the heart of that social change. My recognition has changed. I now feel that we as school teachers assume a critically important role in the future society in Japan. When your recognition changes, your behavior changes too. I have become far more active in seeking opportunities for "learning" than I used to be.

Q What do you think the kind of impact does program have on schools and society?

A By participating in the program, teachers, particularly public school teachers, can realize that "it is teachers who can truly build the future of Japan" which is the philosophy underlying the program. It helps us foster the recognition that our every-day efforts are directly connected to society and deeply related to the future of Japan. Just that change in recognition alone could have a significant impact on how schools are operated.

Teachers Initiative

Haruna Yumioka



Ministry of Education, Culture, Sports, Science and Technology

Q What brought you to participate in the program?

A I decided to participate in the program because I was in sympathy with the "people"-centered approach based on the idea that "teachers need to change first in order to change education."

Q What changes did you experience in yourself?

A When we did our final presentation, our lab was severely criticized by Professor Yonekura who was the representative of TI then... The criticism was leveled at the point that our workshop program was designed to follow a "pre-established harmony". In the initial stage of the design process, we were able to think in a freewheeling manner and use our imagination, but as we approached the final stage, we started feeling the pressure that we needed to make our workshop "look the way it is supposed to." So, we put a kind of constrained scenario into a frame of limited imagination. It was at this moment that I realized we were not able to trust the possibilities of the participants, the possibility that they may come up with something we could not even imagine. As a result, we ended up constraining the participants' freedom. Letting students think on their own by leaving plenty of room to do so may bring outcomes that surpass our imagination. This cannot be achieved by one-sided teaching and maneuvering students to a certain direction, no matter whether they are adults or children. I used to live a predictable life, with everything planned and in control. But now I feel that I can work on something to a certain extent, then let go of it and see what happens. I found that when I let go of things, I may encounter unexpected discoveries and exciting learnings from other people. I can now trust others more than before. In the same way, if teachers could trust the children's possibility and let go of their hands once in a while, I think classrooms will become a more creative place. I think that kind of experience is what is necessary to foster abilities required in the age of Society 5.0.

Q What was most impressive in the program?

A The program gave us a "free" hand. No one told us what we "should" or "must" do. There was no "correct" answer. The excitement, bewilderment and anxiety I felt when my lab members and I were groping our way to design a workshop program were something I had never experienced before.

Kuniaki Yagi



Elementary school principal (Shizuoka prefecture)

Q What was most impressive in the program?

A In general, the program did not teach us specific "methods or means," but together we learned the nature of "being" a teacher. It was a program designed to induce learning based on various theories and techniques. I was struck by the depth of the program. To confess, it also made me realize that I was so ignorant about the various techniques for designing a learning experience, that I felt very embarrassed of myself.

Q Would you encourage your colleagues to participate in this program? If yes, why?

A I myself work as a principal of an elementary school. I'd like to strongly recommend participation in this TI program to those who are in a management position, because...

- 1 Managers tend to lose mental flexibility, but TI offers a chance to regain flexibility and broaden one's perspective.
- 2 Managers tend to be constrained by precedents and hesitate to try new things, but TI will give you courage to take a step forward.
- 3 Managers tend to worry alone without consulting others and get stuck in a blind alley. TI offers a chance to encounter new ideas far from your own.
- 4 Managers are lonely loaded with responsibility and having to be aware of how you appear in the eyes of others. TI offers a safe place where everyone can show his true self with peace of mind.

I would like to tell them, "if you go to TI, you can immerse yourself in a free environment without hierarchy or constraints, where the only thing that counts is how you want to engage in education."

Q Have you made any changes in the classroom and children when returning to the field of education?

A It changed my views of the school staff. I stopped thinking "this person is or isn't capable of doing that", but instead, I am consciously trying to build an environment where everyone can make the best of themselves. Lively education cannot be realized by a single hero or charisma, but we can invigorate school education by creating a place where all the teachers can actively do their best and utilize 120% of their power. Education in the future cannot be built by the efforts of educational community including schools and teachers alone. We, teachers need to reach out to the wider community and involve other players. Here in Shizuoka, we have started a movement toward co-creation to "build the future of Shizuoka" through collaboration with private-sector players, government officers and teachers.

Q What do you think the kind of impact does program have on schools and society?

A It is now the time for creation. Japanese children are said to have low self-affirmation and little willingness to learn. I want children to enjoy their lives with full of hopes and aspirations towards the future. If children are hopeful, I believe that will lead to a bright future. To this end, it is important that the grownups they engage with in daily life, particularly the teachers are living fulfilling lives and enjoying learning themselves. Participating in the TI program frees you from old constraints. Something will touch your soul and you will find vigor or courage swelling inside of you. It might take the form of a goal you want to achieve or an innovation inside of you, but whatever you call it, it means you are starting to develop again. As the number of TI graduates increase, innovation will occur in various places. I am convinced that TI graduates will drive the creation of new schools, new society and a new age.

ABOUT JVPF



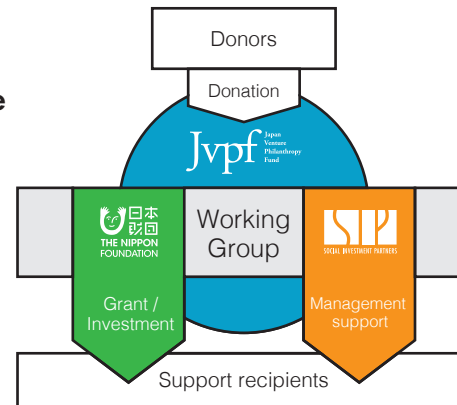
Japan Venture Philanthropy Fund (JVPF) is Japan's first full-scale venture philanthropy fund, established to increase the social impact of social purpose organizations by encouraging their growth through financial and managerial support. Our mission is to bring about a paradigm shift in charity activities.

Features of fund

1. Flexible choice of funding method provided, not only grants but also investment and loans, matching support recipients' needs.
2. Instead of supporting an individual project, JVPF provides simultaneous funding and management support for the growth of the entire organization.
3. Mid-term support with a 3-year outlook, instead of a single year, emphasizes the organization's tangible results.

Project Implementation Scheme

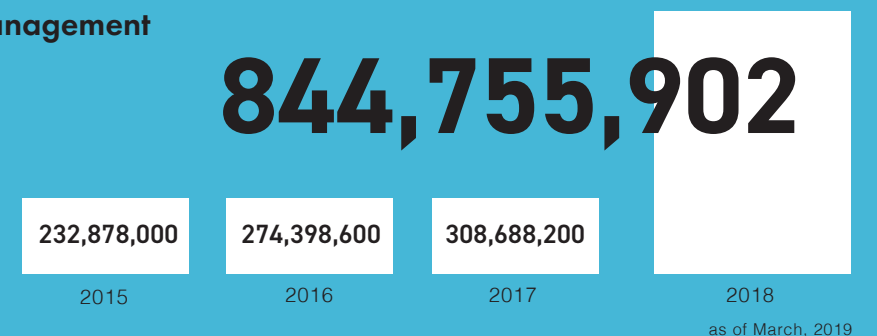
JVPF is operated jointly by SIP and The Nippon Foundation, through a special fund established by The Nippon Foundation. Management support for grant recipients is carried out by pro bono partners from 3 companies in addition to the JVPF executive office.



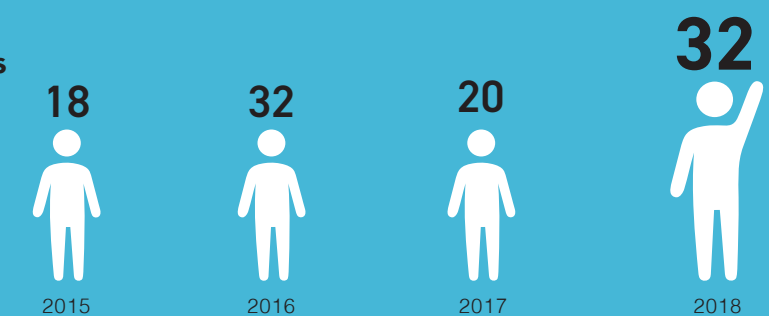
Philanthropy
+ Business
= Social
Innovation

JVPF DATA

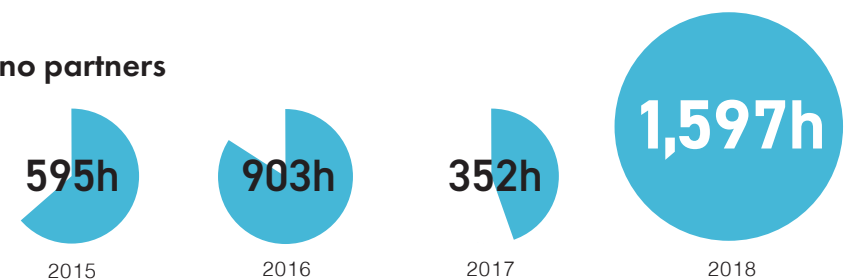
Asset under management



Number of pro bono partners supporting JVPF



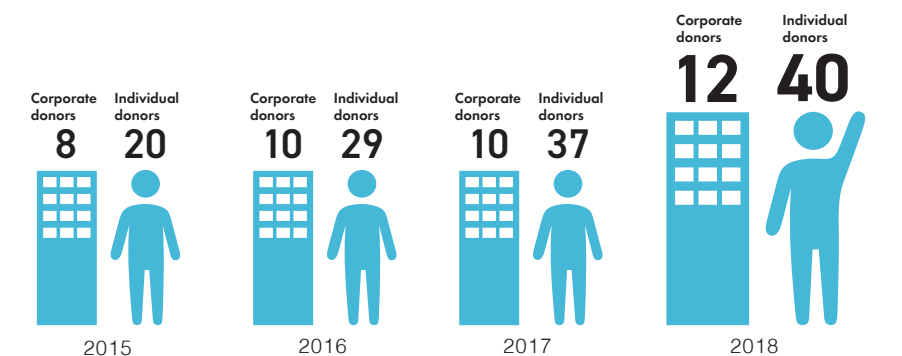
Time dedicated to JVPF by pro bono partners



Number of beneficiaries



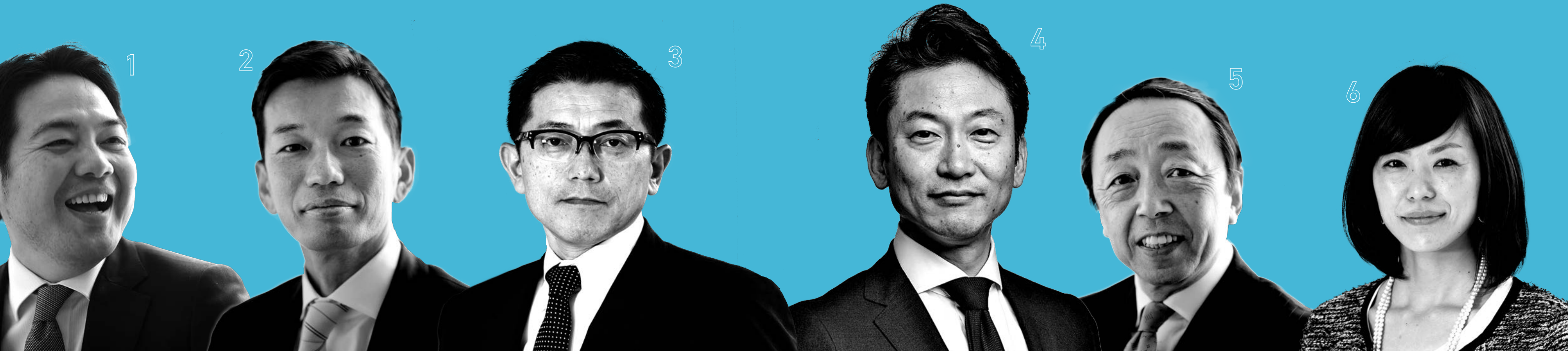
Number of donors



* Breakdown
 * As Mama's "Child-Raising Share" members FY2018: 59,057 (October, 2018)
 * Total of Hattatsu-Wanpaku-Kai's children in the direct management rehabilitation program, number of children in rehabilitation consulting, number of children in juvenile rehabilitation support childcare facilities FY2018: 1,344 (Directly managed 214, Consulted 1,052, Cumulative number of visited 78)
 * Number of students taught by Teach for Japan Fellows FY2018: 964
 * aeru's client of "traditional brand for children of ages 0 and above": Total customer 4700 people (as of September 2018)

MEMBERS

JVPF Selection Committee, Working Group



1 Daisuke Takatsuki

JVPF Board Member /
Co-CEO, SIP (Principal, CVC Asia Pacific Japan K.K.)

Managing Director, joined CVC in 2016. Daisuke is a member of CVC Operations team in Asia and is based in Tokyo. Prior to joining CVC, he spent over fourteen years at The Carlyle Group as a Director, leading Management and Leveraged Buy-Out transactions. Prior to that, he worked for the Overseas Economic Cooperation Fund. A board member of NPO Florence and Hattatsu Wanpaku Kai, and founding partner of Social Venture Partners Tokyo. Holds an LL.B from the University of Tokyo and an MBA from Stanford University, and is a Scott M. Johnson Fellow.

3 Akira Maeda

JVPF Board Member / Vice President,
The Nippon Foundation

After graduating from Department of Maritime Technology, Toyama National College of Maritime Technology in 1977, began working for Maritime Disaster Prevention Center. Joined Japan Shipbuilding Industry Foundation (predecessor of The Nippon Foundation) in 1991. Served as Manager of Maritime Ship, Director of Management Department and Executive Director, before taking the current role as Vice President from 2017.

2 Tomoya Shiraishi

JVPF Board Member / Member of JVPF Working Group /
Co-CEO, SIP (CEO/CIO, Phronesis Partners)

Has been engaged in private equity investment since the 1980s. With a basic strategy of "a growth investment approach," which taps a company's potential and aims for sustainable growth, he has a wealth of investment achievements in Japan, the U.S. and Asia. After serving as the CIO of JAFECO's buyout investment division, he was the head of the Japanese office of Permira, a European investment firm, until 2009. Since the Great East Japan Earthquake, he has been providing financial and management support for regional businesses in the disaster zone. Since 2014, he has served as the CEO/CIO of Phronesis Partners, an investment and consultation firm for small and medium-sized businesses. A member of the GSG National Advisory Board.

4 Mitsuaki Aoyagi

JVPF Board Member / Member of
JVPF Working Group / CEO, SIIF

Joined the Nippon Foundation and involved in many support projects for NPOs. After the Great East Japan Earthquake, engaged in the disaster reconstruction support team as Chief Manager at the Foundation. Afterwards, involved in research and pilot model projects to spread impact investment in Japan. Current position since 2017.

5 Hiroshi Nonomiya

JVPF Board Member /
Member of JVPF Working Group / Managing Director,
SIP (Representative Director, Crosspoint Advisors, Inc)

Joined Mitsubishi Corporation in 1974. After receiving an MBA from INSEAD in 1981, became president of MCF Financial Services in London in 1990. Joined private equity fund Ripplewood Holdings in New York in 1996. Became representative director of RHJ International Japan in 2005, leaving in 2012 for current position.

6 Nanako Kudo

Member of JVPF Working Group, Secretariat / Executive Director, SIIF

One of the founders of Japan Venture Philanthropy Fund, Japan's first venture philanthropy fund. Led various social impact investment initiatives, such as Japan's first Social Impact Bond pilot project. Engaged in GSG National Advisory Board as secretariat. Current position since 2017.

GRANT RECIPIENT

“Teach For JAPAN”

Teach For JAPAN



Period of support

5 years

The initial supporting period is January, 2015 - December, 2017 and it was extended for 2 years in November, 2017

Amount and method of support

30 million yen / Grants

Primary use of funds

Hiring of headquarters staff, strengthening of branding and PR for the acquisition of fellows and for fundraising, visualization of successes, survey and research expenses for the creation of white papers, and strengthening the organizational base.

Goal of support

1. Increase the number and enhance the quality of fellows dispatched

Increase fellows' engagement, work to increase the number as well as enhance the quality of fellows. This will result in better outcomes for children as well. Strengthen recruiting, training, strategic placement, and support. Strengthen engagement with former fellows. Planning for fundraising and recruitment of superior fellows.

2. Visualize and publicize successes

Arrange case studies of both successes and failures in schools, and use visualization to analyze “elements of superior fellows” and highlight organization's strengths, leading to program improvement, fundraising, and advocacy

3. Strengthen government advocacy

Promote use of and establishment of system for special certification Have an effect on central and local government educational policies and programs



Voices from grant recipients

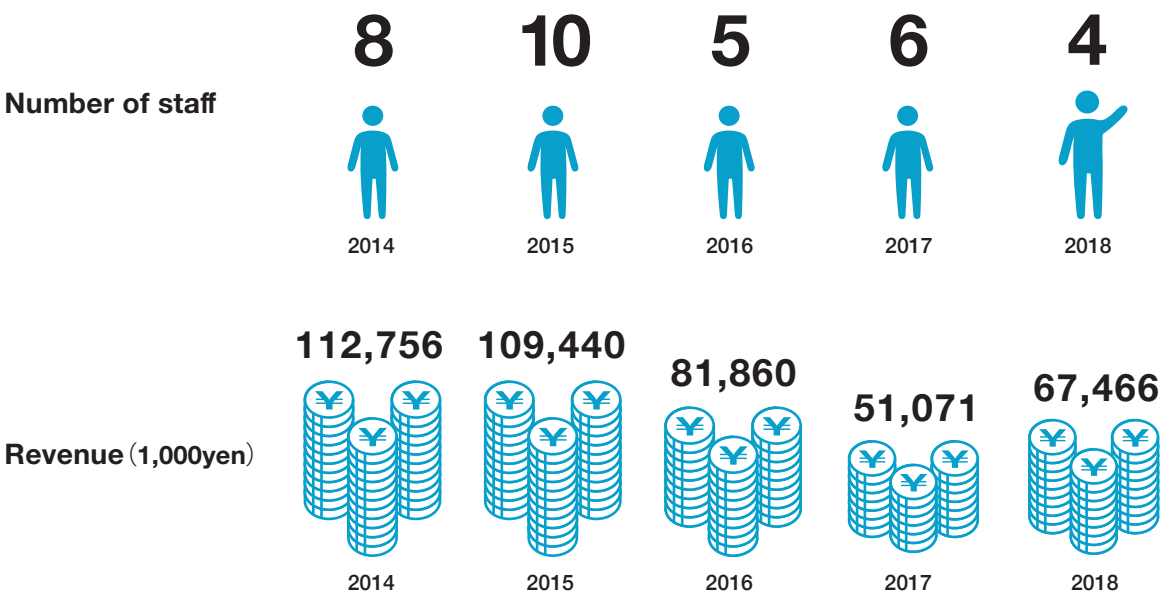
Takeaki Nakahara
CEO

Thanks to collaboration with JVPE, we are able to develop our management strategy toward achieving our Vision with a mid-to-long term perspective. By receiving a third-party feedback on how our activities can lead to social impact and what improvements could be made to better align our activities to our original purpose, we can continue to reflect on ourselves and grow. Besides the grant, we truly appreciate the wide range of support offered to us that would otherwise be difficult to access, such as expert consultation on challenges we are facing and proposals that may lead to collective impact projects, and these supports are helping us enhance the significance of our activities.

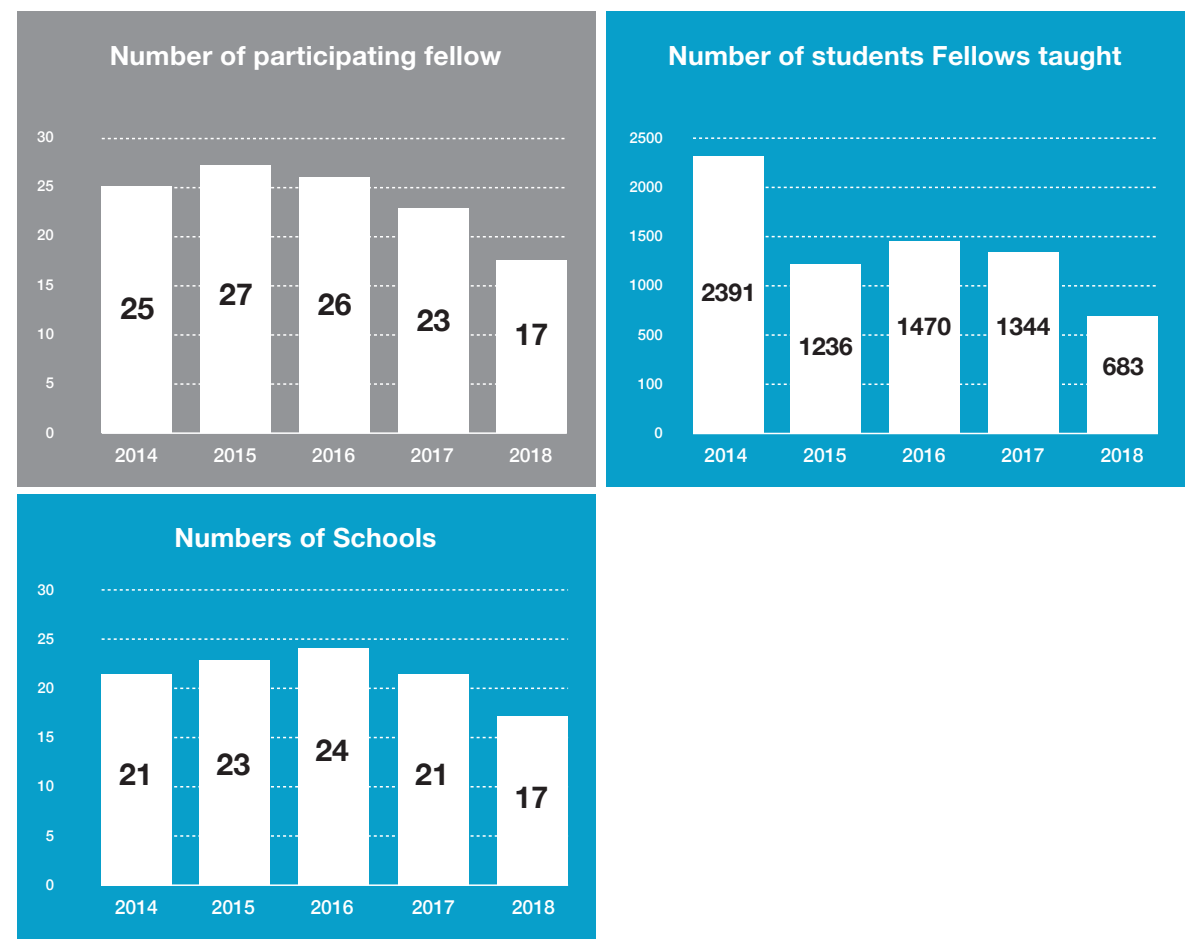
Teach For Japan's main activities are “dispatching quality fellows on-site to reform schools” and “reforming the educational system by lobbying the government to act.” Superior teachers with a diverse range of experience (fellows) are introduced to local governments with the goals of helping children in difficult situations in the public schools improve their academic and social skills and raising the level of teacher quality and school operations. We believe that teachers are the ones who could exert a profound impact on children and their lives ahead and that school classrooms are where we can provide support to larger numbers of children. Our aim is to have an impact on various social issues from classrooms through teaching practices. We have also embarked on a pilot project to introduce the collective impact model where various stakeholders collaborate in a specific district. By supporting Teach For Japan, JVPE aims to resolve the social issue of children who, for a variety of reasons, are deprived of educational opportunities.

KPI OF SOCIAL IMPACT

Establish organization and business base



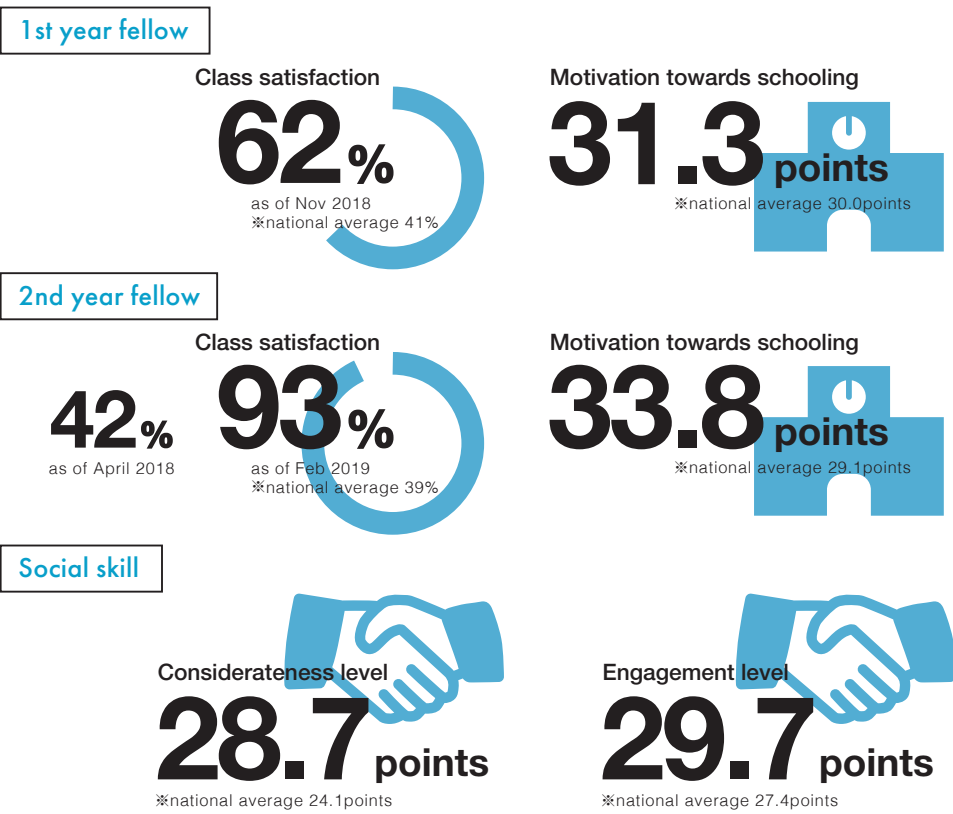
Expansion and intensification of beneficiaries



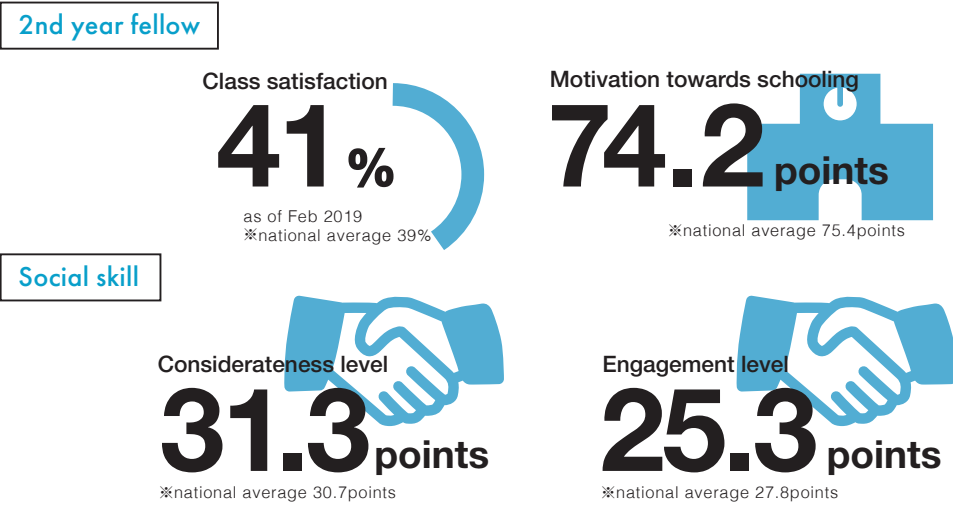
Teach For JAPAN

Positive effect to schools

QU test by two fellows who were assigned to an elementary school in Toda-City in Saitama prefecture (Conducted questionnaire about class satisfaction, motivation towards schooling, social skills) Results



QU test by two fellows who were assigned to Tagawa county junior-high school in Fukuoka prefecture (Conducted questionnaire about class satisfaction, motivation towards schooling, social skills) Results



INVESTMENT RECIPIENT

“AsMama”



Period of support

4 years

The initial supporting period is September, 2015 - August, 2018 and it was extended for 1 year in July, 2018

Amount and method of support

30million yen

Investment through convertible bonds. Underwriting of 15.0 million yen in convertible bonds in September, 2015 and another of 15.0 million yen in April, 2017.

Primary use of funds

Personnel, sales management and system development expenses

Goal of support

1. Construction of management systems and operational systems for project expansion

Hire a COO and division managers, and construct an operational system and reporting line for the organization

2. Construction of a business platform for project expansion

Expansion of community networking project and establishment of new community creation project

3. Visualization and communication of social impact

Increase in number of registered persons and supported people



Voices from grant recipients

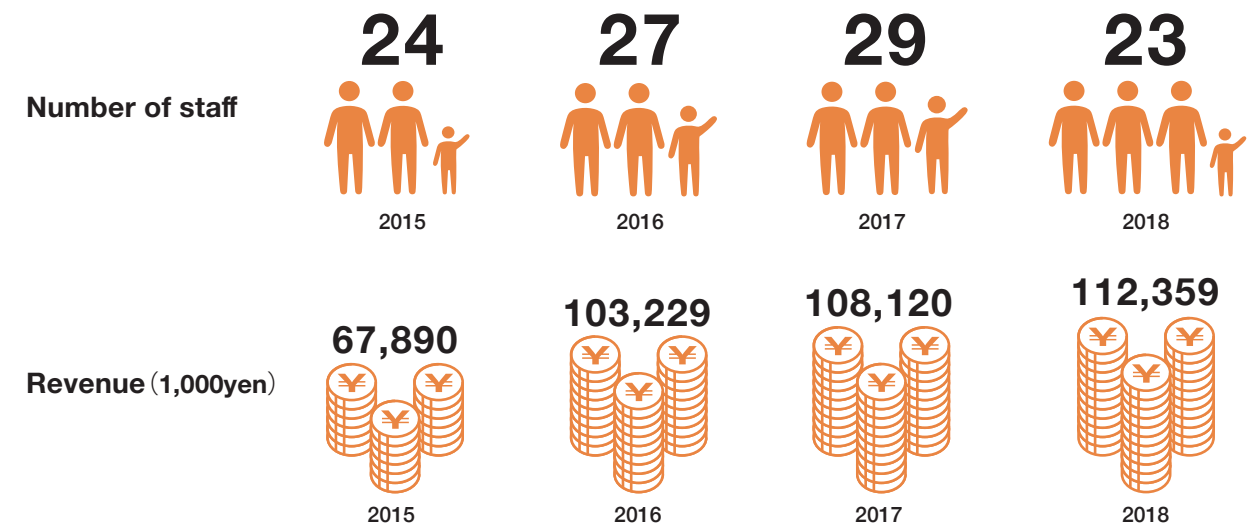
Keiko Koda
CEO

Along with financial support, JVPF brought to us the habit of holding monthly meetings to regularly review our activities and adjust our plans accordingly. Reviewing regularly is something we all know is important but often fail to continue, particularly when we’re extremely busy. After three years of regular meetings, however, I can recall many cases in which the regular review and re-planning saved us from critical failure in such core aspects of corporate management as financing and human resource recruitment. I look back and say to myself, “phew, we were able to avoid falling off the cliff because we stopped and reviewed at that point!” or “we could take measures beforehand.” Expert support provided by JVPF was also very reassuring. When we’re about to step into a new challenge, something we have never done before, just the thought of having management and financial professionals there to help us could be so encouraging.

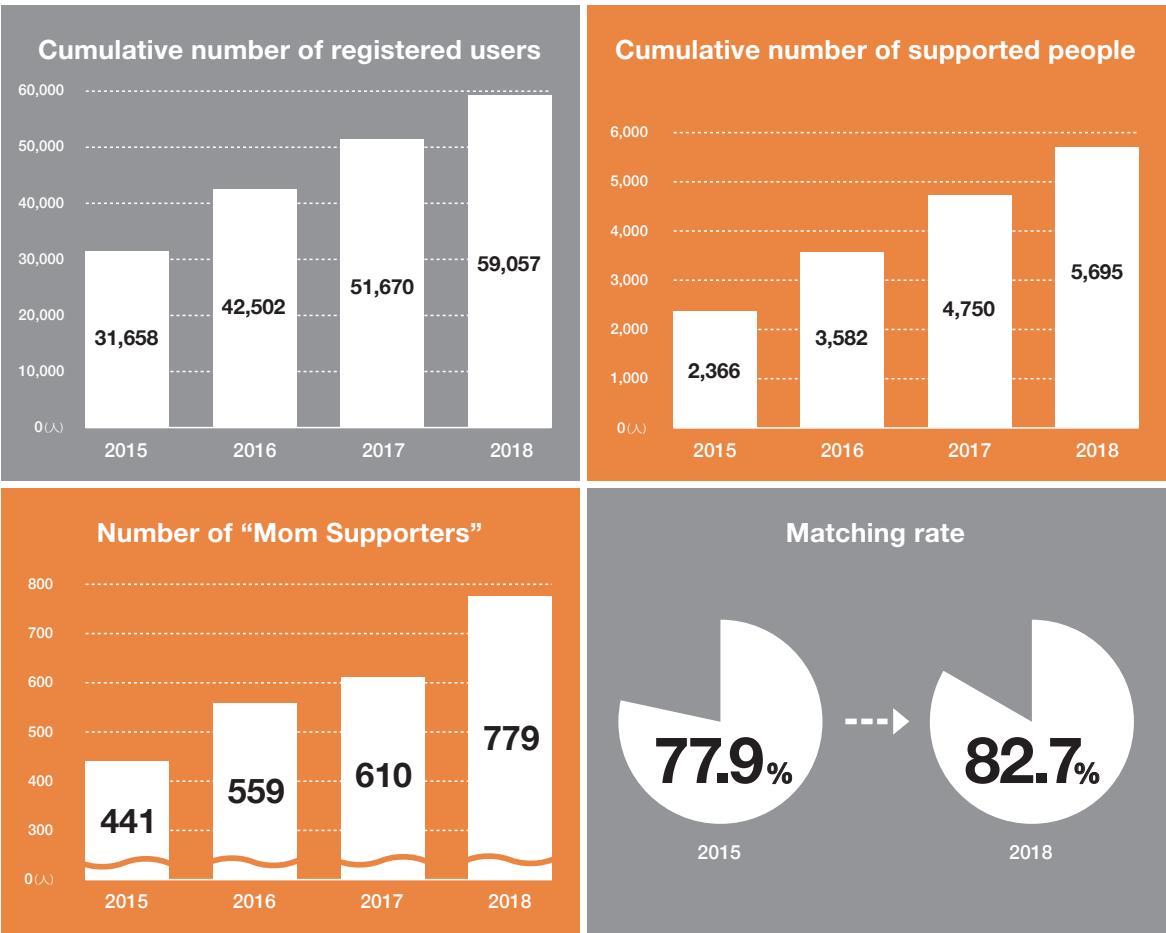
AsMama was founded in 2009 to facilitate mutual reliance among neighbors and friends of “sharing the child-care.” By offering a place for local networking and introducing a software application, AsMama has built a mechanism for sharing child-care chores like babysitting and picking up kids from nursery schools for 500 yen. Now it holds more than 2,000 “local networking events” a year to spread the concept of “child-care sharing” and there are 779 AsMama-certified “Mom Supporters” across Japan offering child-care support in their local communities (as of end of October, 2018). These Mom Supporters, who share AsMama’s mission/vision and have completed a training program in childcare and communication, help build the local community through exchange events and public relation activities. By supporting AsMama’s further business expansion, JVPF aims to find solutions for social problems such as social isolation of women during childcare, loss of potential employment opportunities, and weakening of ties in local communities.

KPI OF SOCIAL IMPACT

Establish organization and business base



Expansion and intensification of beneficiaries



GRANT RECIPIENT

“Certified NPO Hattatsu-Wanpaku-Kai”



Period of support

3 years
March, 2016 – March, 2019

Amount and method of support

30 million yen / Grants

Primary use of funds

Personnel and system expenses

Goal of support

1. Construction of operating and management systems for business expansion

Building a management system for expansion of business, developing provisions related to human resources for management assistance, etc.

2. Construction of a business foundation for expanding operations

Gathering and standardizing treatment know-how, establishing and expanding consulting and childcare facility support businesses

3. Visualizing and transmitting social impact

Building and cataloging effective measurement methods, increasing the number of children treated



Voices from grant recipients

Makiko Chiashi
Executive Director

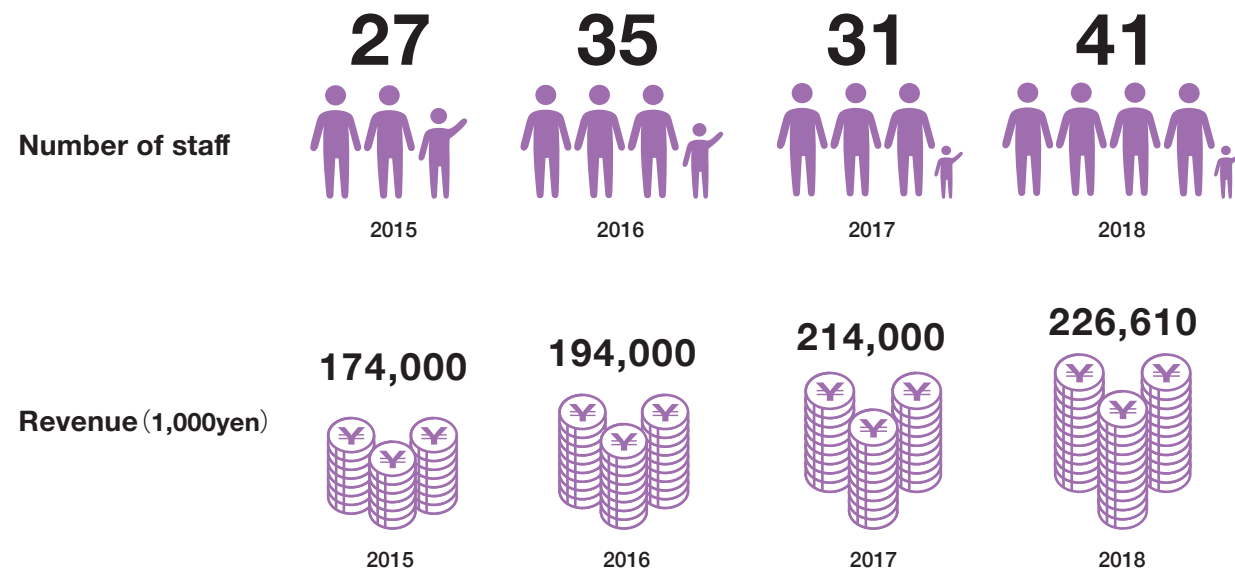
Through support from JVPF, we were able to learn the importance of always trying to “solve the problem.” While it may sound obvious, it’s not easy to consistently put to practice. Hattatsu-Wanpaku-Kai was started from the Chairman’s strong passion and a handful of people who were inspired by that passion. By the time JVPF started providing support, Hattatsu-Wanpaku-Kai had become too big an organization to run on the founders’ passion as the only energy source to drive the organization. With JVPF’s support, we were able to slow down from “running” at top speed to “walking” steadily and examine which path we should pursue from a number of opportunities. As we progressed, JVPF would together examine each challenge that came along the path and called on other professional supporters necessary to pursue that path. They would not desert us until we reached the goal, that is, until the problem was solved. That was how we reached this point today, and we can already see which path to pursue next. We cannot thank you enough.

Certified NPO Hattatsu-Wanpaku-Kai runs the “Mind and Language School Kokko,” a juvenile developmental disabilities support project for children from ages one and a half up to just prior to entering elementary school who have developmental disabilities or who are suspected to. Their made-to-order, one-on-one habilitation uses a variety of methods and is tailored to each individual’s developmental stage and circumstances. They develop the child’s strengths, foster interactive life skills, and also support the child’s family through consultation. By supporting certified NPO Hattatsu-Wanpaku-Kai’s further business expansion, JVPF aims to achieve a society where children with developmental disabilities can show their true potential.

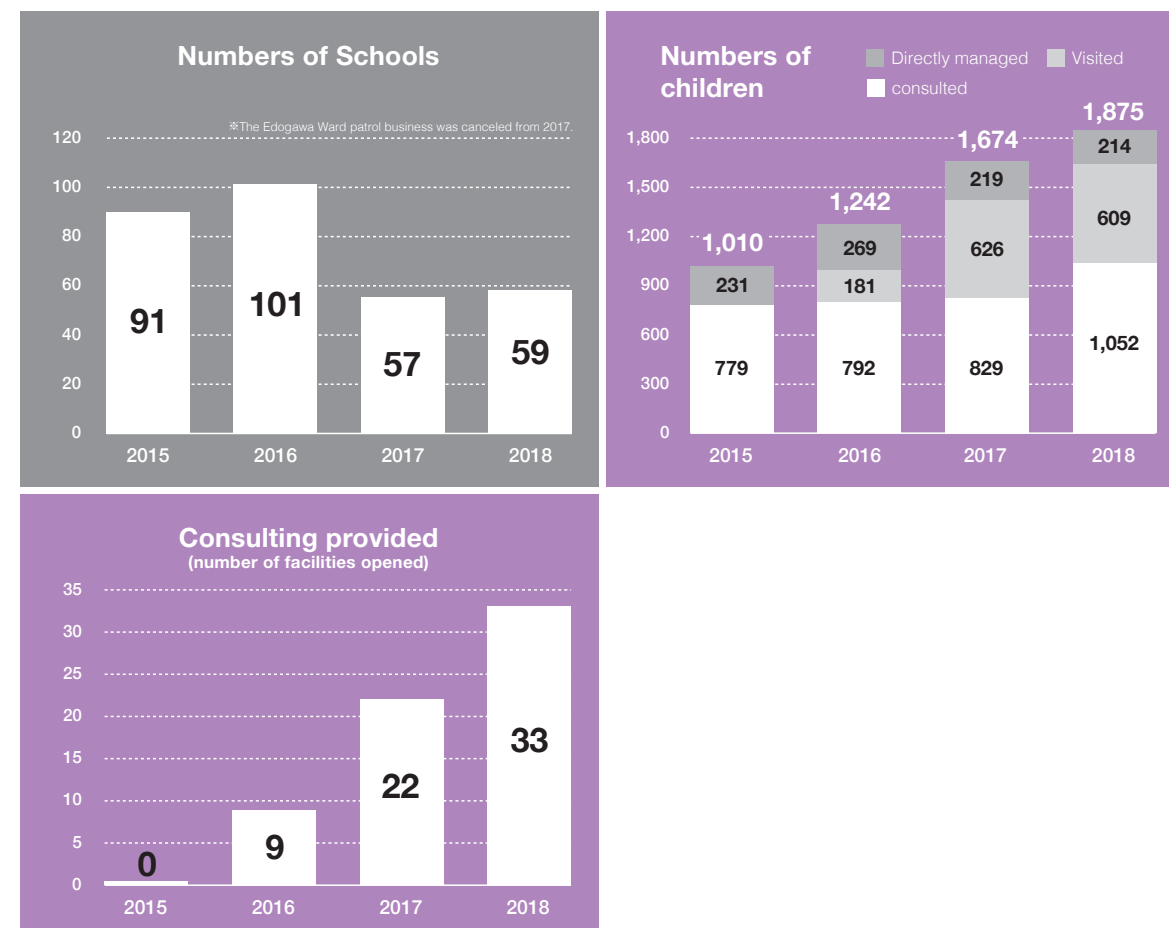
KPI OF SOCIAL IMPACT



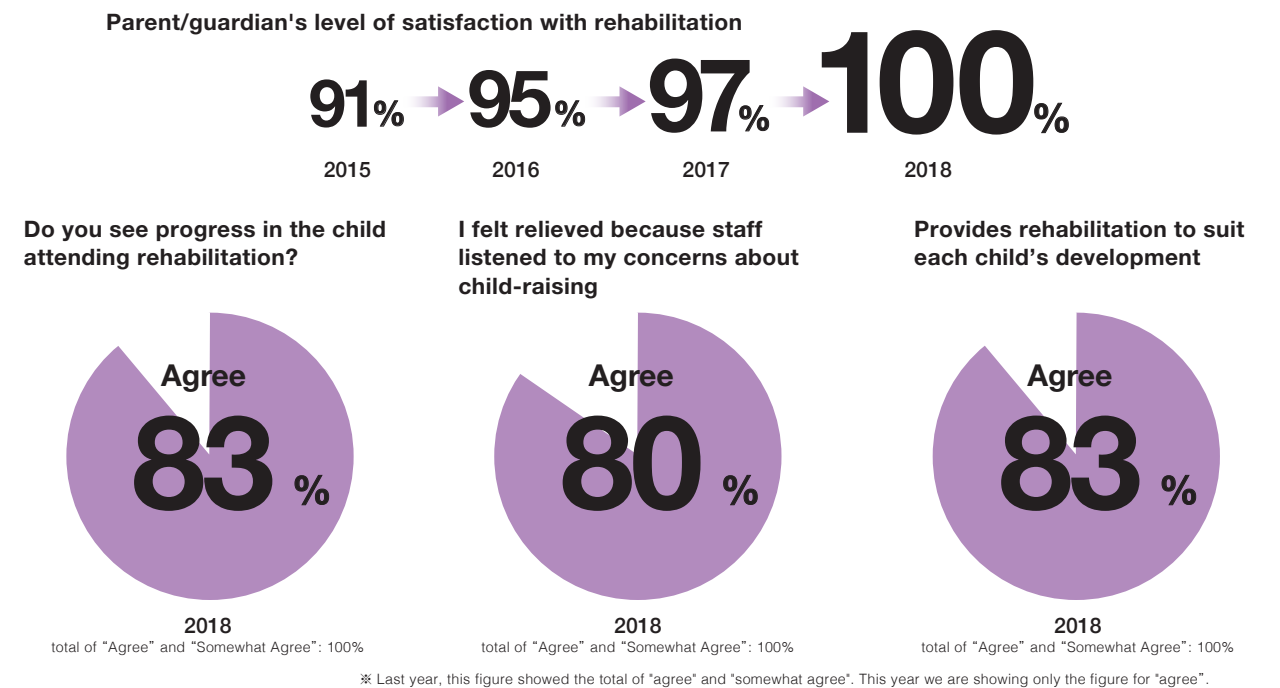
Establish organization and business base



Expansion and intensification of beneficiaries



Results of parent/guardian survey



Interview to parents

What was the most impressive or happy thing you experienced with Kokko?

I used to take a wait-and-see type of approach when doing new things. But now I am more willing to challenge and enjoy various new things.

When we were participating in Oyakokko (parent-child group activity), I noticed that the more we participate, the more my son gets used to interacting with other children and more appropriate his reactions become.

I learned to understand the characteristics of my child's behavior, which led to less scolding. I can now better emphasize with my child's feeling and she smiles a lot more often than she used to.

The staff carefully observes each child in order to tailor their approach to the child. This seems to be helping my son grow his strengths and overcome his weaknesses. They also carefully listen and respond to the parents' concerns. I'm so glad I found this place Kokko.

I was delighted to see my child raise her hand and talk in front of a group of people.

INVESTMENT RECIPIENT

“aeru”
aeru

Period of support

3 years
October, 2017 – October, 2020

Amount and method of support

30 million yen / Stock investment

Primary use of funds

Recruitment of personnel to develop new businesses and personnel to establish management systems; staff training; publicity expenses; customer analysis to expand “aeru, a traditional brand for children of ages 0 and above”

Goal of support

1. Grow the business and establish sustainability

Enhance and grow the “aeru, a traditional brand for children of ages 0 and above” business through marketing strategies and customer analysis.

2. Build a base for human resources and management

Recruit personnel to work on the development of new businesses and companies and build the foundations for business growth.

Recruit management personnel and build organizational foundations

3. Greater visibility and advocacy of social impact

Verification and measurement of the outcomes for beneficiaries regarding awareness and behavior patterns; publication of Impact Report.



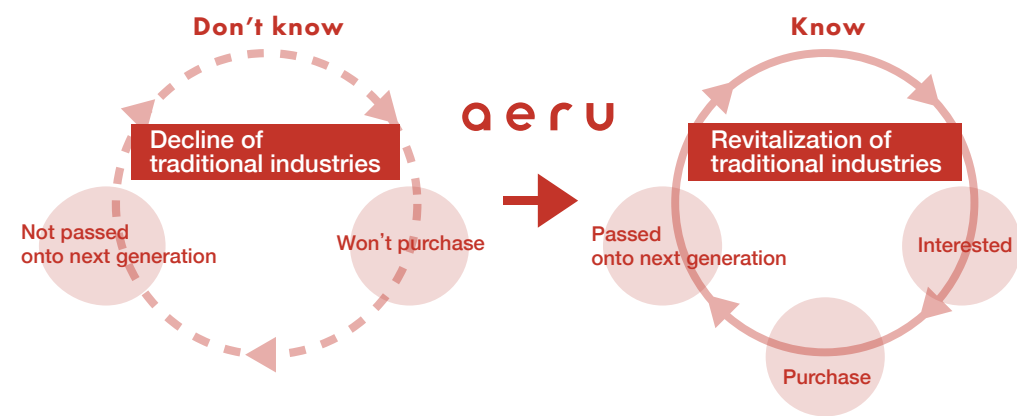
Voices from grant recipients

Rika Yajima
President and CEO

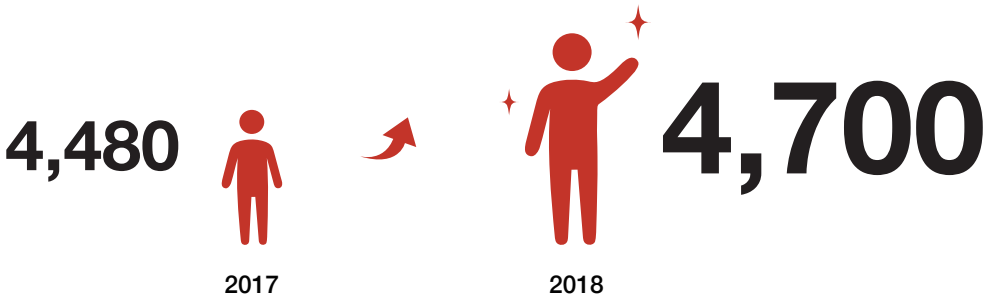
At aeru, we position the company “aeru” as the child, the owner as the mother, and the employees as the elder brothers and sisters of baby aeru. The JVPF representatives, too, are like members of a big family, perhaps like uncles and aunts of baby aeru. We meet every month to see how aeru is growing and discuss what helped aeru grow and what aspects need to be changed. This meeting offers valuable opportunities to ensure the child’s health. JVPF also brings new encounters by introducing new people to us, so that we can expand our network to “connect Japanese tradition,” which we are very grateful of. As a matter of fact, we have entered into a new business partnership, thanks to JVPF’s mediation. All of JVPF’s representatives are professional but sincere and encouraging. Thank you very much.

Based on its philosophy of “to connect Japanese tradition to the next generation,” aeru works with craftsmen from all over Japan to offer products and services harnessing traditional Japanese craftsmanship. As its main business line “aeru, a traditional brand for children of ages 0 and above,” aeru conceives, develops and sells products for babies and children. It hopes to familiarize people with Japanese tradition from a young age to realize a society in which the wisdom of our ancestors will live on in our contemporary lifestyle. In addition to selling its products online and at its two directly owned retail shops, it operates seven businesses in total including “aeru room,” which creates hotel rooms highlighting local lifestyles by incorporating traditional craftsmanship of the region, and “aeru oatsurae.”

KPI OF SOCIAL IMPACT

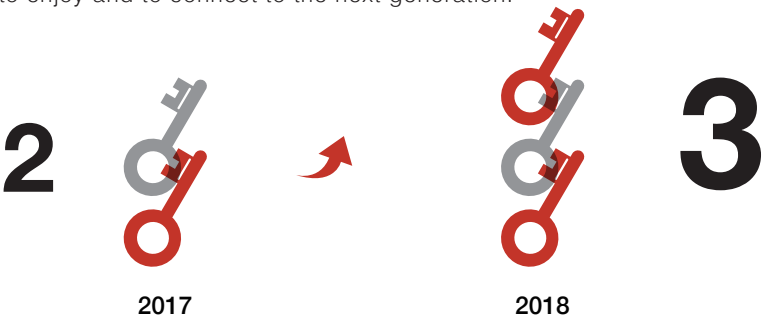


Customers of aeru, a traditional brand for children of ages 0 and above



Number of Rooms **aeru**
room

To collect nice things that had been cherished in the local community and present them in a hotel room for visitors to enjoy and to connect to the next generation.



Number of corporations **aeru**
re-branding

To identify the essence and true appeal of a company or brand, to brush it up and hand it to the next generation.



DONORS LIST

Individual donors 40 people

- | | |
|-------------------------|---|
| Haruyasu Asakura | Tomoya Shiraishi |
| Tamotsu Adachi | Sakae Suzuki |
| Ken Ito | Daisuke Takatsuki |
| Takayuki Ueki | Doug Miller |
| Hiroyuki Uchida | Yasuaki Tanaka, Executor for the late Minoru Mizuno |
| Shinichiro Okumoto | Yoshitaka Tabuchi |
| The Late Kazunori Ozaki | Hiroshi Nonomiya |
| Junichi Kagaya | Makoto Fukuhara |
| Ryo Kanayama | Maki Fujiwara |
| Tetsuya Kusumoto | Toru Mio |
| Takashi Kobanawa | Maki Mitsui |
| Kazushige Kobayashi | Ryu Muramatsu |
| Misako Sawada | Keisuke Yamazaki |
| Masaru Shibata | |
| Yukie Shimizu | |
| | 12 others |

Corporate donors 12 companies

- | | |
|----------------------------------|--------------------|
| I-NET CORP. | RINGBELL Co.,Ltd |
| Ichigo Asset Management, Ltd. | CVC Foundation |
| Goldman Sachs | GPSS Holdings Inc. |
| Sony Network Communications Inc. | NPT-UK |
| Benesse Holdings, Inc. | Three others |

Other donor

- | | |
|------------------------------------|---|
| JVPF Annual gathering participants | participants of "morich" foundation party |
|------------------------------------|---|

JVPF THE CULTURE

JVPF membership program

JVPF the Culture is a JVPF-sponsored donation membership program for individuals. Will you join us to think about the value of the “money” donations, venture philanthropy, social impact investments, and so on that accelerates global change? This community is for members who, through their donations, take initiative to think and act on social issues.



Activity

Action

Starting point for taking action to create a new culture

Community

Meeting colleagues to share ideas and put heads together with

Engagement

Opportunities to engage with and learn from innovators who generate social value

JVPF the Culture holds study sessions, known as “meet-ups” to bring its members together. In addition to networking events with JVPF beneficiaries and other stakeholders, it is also planning a range of future events, inviting guest speakers to help members think about the relationship between money and society.

DONATION

For those who consider donating

Donations to JVPF will be treated as donations to a fund established by the Nippon Foundation.

Donations are therefore eligible for personal income tax and corporate tax incentives.

Donations from individuals

1 Calculation of tax credit

(Total donations – 2000 yen) × 40% = Total tax credit

* Total amount of donations is limited to 40% of annual income
* Amount of tax credit is limited to 25% of tax due prior to deduction of credit.

2 Calculation of tax deduction

(Total donations – 2000 yen) = Total tax deduction

* Total amount of donations is limited to 40% of annual income

Donations from corporations

Donations to JVPF can be included in expenses separately from other donations. The amount is limited as follows.

Limit =
(amount of capital × 0.375% + income × 6.25%) ÷ 2

* Limit varies depending on the corporation’s capital and income.

To include contributions in expenses, please list the amount of donations on the tax return form, and submit a full description and receipts for the donations, along with a certificate verifying that the Nippon Foundation is a public interest incorporated foundation.

Please contact your local branch office of the National Tax Agency or a tax accountant for further information.

Collaboration with corporations

JVPF’s support to corporations

Please consider the opportunity to fund JVPF as an investment for the future growth of your organization.



Staff members may participate on a full-time or part-time basis for a designated period, and will work with the Working Group in the entire investment process, including project identification and selection, strategic planning, management support, and monitoring.

Benefits of participating in the Working Group

Human resource development



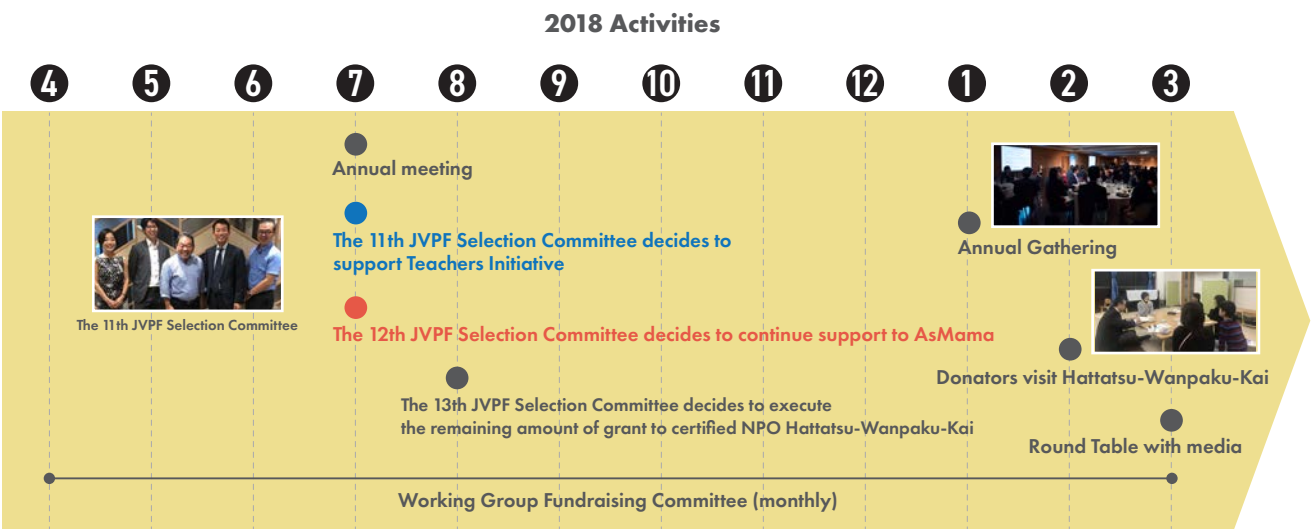
Diverse and innovative opportunities for improving employees’ skills.
A chance to re-establish a corporate philosophy and instill employees with confidence and pride in their own skills and organizations.
Great opportunity for cross-sector and cross-position communication.

Innovation



Enhance creativity, productivity and commitment, and create entrepreneurial minds and innovative thinking.
Incubate new products and services, and update existing products and services.
Pioneer new and / or niche markets, and develop an understanding of those markets’ opportunities and risks.

ACTIVITIES



FINANCIAL POSITION

Revenue

	2013	2014	2015	2016	2017	2018
Donations Reserved	57,538,000	18,076,000	40,825,000	20,760,300	17,144,800	268,033,851
Commitment from the Nippon Foundation	57,538,000	18,076,000	40,825,000	20,760,300	17,144,800	268,033,851
Total	115,076,000	36,152,000	81,650,000	41,520,600	34,289,600	536,067,702

Expenditures

	2013	2014	2015	2016	2017	2018
Outsourcing fees to SIP management support to recipients	10,000,000	10,000,000	10,800,000	0 Financing outside of JVPF	0 Financing outside of JVPF	0
Support to recipients	20,000,000 After School	7,000,000 Teach For Japan First payment	25,000,000 AsMama Inc. certified NPO Hattatsu-Wanpaku-Kai	0 No recipients in FY2016	45,000,000 AsMama Inc. Second payment aeru Teach For Japan Second payment	30,000,000 Teachers Initiative First payment certified NPO Hattatsu-Wanpaku-Kai Second payment
Processing fees	0	0	62,864	24,457	62,057	81,642
Total	30,000,000	17,000,000	35,862,864	24,457	45,062,057	30,081,642

Fund balance

	2013	2014	2015	2016	2017	2018
合計	85,076,000	104,228,000	150,015,136	191,511,279	180,738,822	686,724,882

The method for calculating donation has been changed. Donations are summarized based on the date of receipt and not the date of transaction, starting from FY 2017. Commission payments arising from credit card payment will be included in "Expenditures."

ABOUT SIP/ THE NIPPON FOUNDATION

Organization	Social Investment Partners
Established	November 9, 2012
Corporate form	General incorporated association
Address	8F Aoyama Tower Place, 8-4-14 Akasaka, Minato-ku, Tokyo
Business	<p>SIP is engaged in the following activities, with the aim of providing advice and financial support to diverse social purpose organizations. Through these activities, we strive to help organizations maximize their social impact and maintain business sustainability.</p> <ol style="list-style-type: none"> 1. Support decision making in business strategy & planning 2. Provide a variety of business resources to support the implementation of plans 3. Establish financial systems and an effective organizational structure 4. Provide financial support through the Fund 5. Other activities necessary for the achievement of SIP's goals
Representative	Tomoya Shiraishi, Daisuke Takatsuki, Co-CEO
Personnel organization	8 Board members, 1 Auditor, 8 Advisers, 2 staff members (as of March 31st, 2019)
URL	http://sipartners.org/

Organization	The Nippon Foundation
Established	October 1, 1962
Corporate form	Public interest incorporated foundation
Address	The Nippon Zaidan Building, 1-2-2 Akasaka, Minato-ku Tokyo 107-8404, Japan
Business	<p>The Nippon Foundation promotes activities that enrich people's lives in areas including issues of maritime and ship, social welfare and education, and international contributions through humanitarian aid and human resource development, using a portion of proceeds from motorboat racing and donations from corporations and individuals.</p> <p><Field of Activities></p> <ul style="list-style-type: none"> • enhancing communities • in the cause of life • a future for youth • enriching culture • The future of our ocean • forging global ties • toward human security
Representative	Yohei Sasakawa, Chairman
Personnel organization	10 Board of Counselors, 11 Board of Trustees, 3 Auditors, 119 employees (as of March 31, 2019)
URL	http://www.nippon-foundation.or.jp