



ANNUAL REPORT 2019



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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Chance for Children



The Challenge to be Addressed

Educational disparities among Japanese children occur after the school day ends

In Japan, disparities in access to education due to income inequality occur after the end of the school day. The more economically disadvantaged a child is, the fewer opportunities the child will have to take part in out-of-school learning such as tutors, cram schools, music lessons, sports clubs, and other experience-based activities. To break the links of multi-generational poverty, therefore, disparities in after-school education need to be eliminated.

CFC's Solution

Provision of Study Coupons

* coupons stand for vouchers in Japanese

Chance for Children (CFC) provides children who are economically disadvantaged for a variety of reasons, including natural disasters or household circumstances, with study coupons (vouchers worth 150,000 to 300,000 yen) that they can use to attend cram schools, take lessons or to take part in other experience-based activities. The coupons are funded through donations.

Overview of JVPF's Support for CFC

Funding amount & method

45 million yen
(in the form of a grant)

Planned duration

July 2019–June 2022

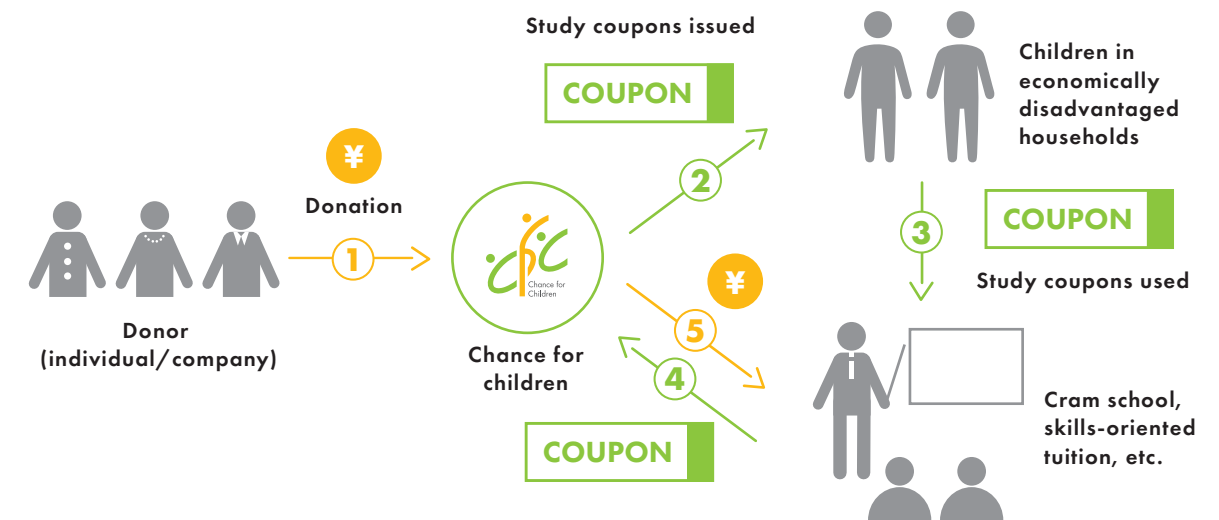
Primary use

Subsidizing IT system development costs & personnel costs

Details of support

- (1) Building a firm foundation for expanding the scheme by converting coupons into electronic form
- (2) Improving and reinforcing the local government partnership model
- (3) Bolstering CFC's independent fundraising

The Study coupon System



point 1

Coupons are valid only for education

Unlike cash payments, use of study coupons can be limited to educational activities only. Thus, distribution of coupons prevents funds being used for any purpose other than education, ensuring that educational opportunities are provided. Moreover, setting expiry dates means that coupons are not saved up, but are instead used for educational expenses.

point 2

Children can choose the cram school or skills tuition they want to attend

Children can choose from a wide range of educational activities to select a cram school or skills-oriented tuition in their preferred geographical area. CFC currently has partnerships with 1,157 education providers (as of March 31, 2020).

Educational studies

Cultural activities

Sport

Experiences

Skills-oriented tuition

point 3

Support from University-Student Volunteers

CFC has adopted what it calls the “Brothers and Sisters System,” whereby university-student volunteers make contact once a month by phone or face-to-face to answer children's questions about their studies and about moving on to the next stage of education. By offering advice on how to use the coupons in this way, CFC helps children to use them effectively.

Chance for Children Feedback from Study coupon Users

To CFC Supporters:

I'm a third-year high school student living in Osaka Prefecture, and I started using the coupons this school year. I use them to go to cram school. Although I wanted to go on to university, I'd given up on the idea due to the situation at home. But when I was told I could use the coupons, I talked with my mother, and she said she would support my plans for university. Thanks to the fact that these coupons have enabled me to go to cram school, I now have an environment where I can focus on my work every day, and if there's something I don't understand, I can ask about it straight away. I am truly grateful to my mother, as well as the person at the city government offices who told me about these coupons, my cram school teachers, and above all, those who provide these coupons to children—everybody who works at and supports Chance for Children. I'm going to do my very best to get into my first-choice university.

And there was feedback from parents too...

We don't have much income as a household and I'm always worrying about money, which is very stressful. But my daughter was absolutely determined to go to high school, so the coupons were a huge help, given our situation. My daughter has now discovered her aspirations in life, which I'm so pleased about—she wants to work in child daycare or as a chef. It's thanks to all of you.

I first heard about the coupon system when the school sent some information about it. I'm a single mother, but as much as possible I wanted my son to be able to take whatever study support or lessons he wanted to take. So I'm extremely grateful to be able to use the study coupons.

I don't earn much, so I was worried about whether I would be able to send my daughter to cram school. And I think she had given up on the idea as well. When I read the letter saying that her use of study coupons had been approved, I was so relieved I cried. Thank you so much. My daughter was really pleased about it too. We'll do all we can to prepare her for the exams.

After experiencing domestic violence from my father and escaping with my mother and sister, I feel safe where I'm living now...When we were with my father he wouldn't let me go to school and I didn't understand some of what I was studying. But thanks to CFC and its supporters, I'm now enjoying being able to work out the answers to questions and read and write kanji characters I couldn't manage before. It's allowed me to believe that, despite having no money, even I deserve to be able to study.

To CFC Supporters:

So far I've used these coupons to attend cram school and dance classes. I'd already been learning dance since I was in elementary school. At that time I didn't understand anything about money or that sort of thing, so I didn't worry about it at all. But at junior high school I started to understand our situation at home, and for a while I worried about whether I should give up dance for my family's sake. That was when I heard about Chance for Children, applied to them, and passed their screening. I'm glad that I can use the coupons for dance classes, which I love. At the moment I'm taking some time off dance and going to cram school instead, as I'm revising for exams and I also have an injury. I'm not that good at studying, but I'm going to do my best to pass the exam for the school I want. It fills me with gratitude to think that, even for me, someone brought up by a single mother on welfare benefits, there's a place where I can study and supporters such as yourselves who are on my side. Thank you so much.

Going to cram school enabled me not only to learn, but also to expand my horizons by making friends at other schools, talking with them, and sharing information. When I learned that I was to receive the coupons, I didn't just feel happy; I felt that I mustn't waste this chance... I'm sure there will be plenty of challenges once I get to high school, but I'm going to give each one everything I've got.

I lived in a single-mother household with two siblings, so it was a huge help to be able to use these study coupons. I improved academically as a result, and was accepted by a high school ranked even higher than my original first-choice school.

The cram school I was going to was expensive, and I would worry about whether our family could afford to be paying that much. But thanks to the study coupons, once I reached the third year I could concentrate on my studies without having to worry about that any more. During meetings with the university-student volunteer, I was able to ask the student for advice about things I couldn't discuss with my parents, my friends, or my teachers.

The Brothers and Sisters System

University-student volunteers phone or meet children once a month to offer advice about study coupons or answer questions about moving on to the next stage of education, or about their studies in general.

Chikako Matsumoto

Fourth-year student (as of 2013), Department of Human Health and Nutrition, Shokei Gakuin University



"I've learned a lot from the children"

I was attracted to the idea of getting involved with CFC by the motto, "Give All Children Opportunities and Aspirations." As a volunteer under the Brothers and Sisters System, at first I found it awkward to build a relationship when you can't see each other. But as I made more and more phone calls to children, little by little the conversations started to flow and I came to enjoy talking with them. It gave me strength to see them moving single-mindedly toward their goals, realizing that I ought to be showing the same drive. One of the children I supported was aiming to go on to art college because her future ambition was to work in design. She used her study coupons to go to art classes and entrance exam preparatory school, putting everything into her studies, so when I heard that she had got into the college she was aiming for, I was overjoyed. I feel sincerely grateful to have contributed to that moment when a child achieved her goal.

Yuji Matsumura

Fourth-year student (as of 2014), Department of Law, School of Law, Tohoku University



I'm currently supporting a boy in his second year at high school. Having experienced the Tohoku earthquake and tsunami, his ambition is to be a doctor. There's less than a year left now for me to meet with him, but whatever happens, I just want to carry on encouraging his ambition by trying to be a listener who pays attention to what he says.

Hikaru Hasegawa

Fourth-year student (as of 2018), Bachelor in Education, Tohoku Gakuin University



I experienced the Tohoku earthquake and tsunami when I was at junior high school, and the help we received from all over Japan made me want to do something to help others, so I started volunteering for CFC. It makes me happy when the children say that they've found something they want to do next, or their worries have lifted. I meet and talk with them because I want to think things through alongside them to ensure that they have plenty of opportunities.

Feedback from "Brothers and Sisters"



From left: Yusuke Imai of Chance for Children, Azusa Owa of Bain & Company, and Sakae Suzuki of Social Investment Partners

Feature Discussion

Giving all children opportunities to aspire and to learn

In fiscal year 2019 (ended March 31, 2020), JVPF selected Chance for Children (CFC) as a new grant recipient. Recently, we held a round-table discussion involving Yusuke Imai, Representative Director of CFC; Azusa Owa, Principal of pro bono partner, Bain & Company; and Sakae Suzuki, Representative Director and CEO of Social Investment Partners, and asked them about current initiatives and the support their organizations are providing.

Aiming to reach more children

Suzuki: We started supporting CFC in August 2019, but if we go back beyond that, I met Imai-san around the end of 2018, and we started talking about the possibility in around January (2019). Imai-san, I'd like to ask you about the thinking behind your acceptance of support from JVPF, and why you wanted to partner with us.

Imai: It was the Tohoku earthquake and tsunami in March 2011 that prompted us to set up an incorporated charitable organization, and over the nine years or so since then we've encouraged economically disadvantaged children to study by extending our study coupon scheme, particularly in the Tohoku region. In doing so, the biggest challenge has been our inability to provide coupons to all the chil-

dren who want support, due to a lack of donations. To date, a cumulative total of more than 6,000 applicants have been turned down for the scheme, and in 2019 we were able to provide coupons to only around one in eight applicants.

Suzuki: What was it that you needed in order to be able to provide coupons to the children who wanted them?

Imai: I thought that we needed to do more than simply collect donations through CFC; we needed to extend the study coupon scheme by having national and local governments adopt it as policy. When I first started talking with you, we were starting to see some early signs of success with the city of Osaka, and Shibuya ward in Tokyo, which were taking the lead in adopting the scheme as policy. But it was all we could do to manage day-to-day operations and maintain our regular fundraising, so we weren't able to do enough to

promote the policy-based approach, and it hadn't really caught on. When JVPF said they could help us in getting the scheme adopted as governmental policy, I felt that it was precisely the type of support we needed at that time.

Suzuki: We spent several months talking with you before reaching the decision to support CFC; how did you feel about that process?

Imai: As I discussed CFC's medium-term operating plan with you and your colleagues, many things became apparent to me for the first time. In particular, the discussions highlighted a variety of issues with regard to CFC's role when collaborating with local governments. For example, there were problems in terms of human resource development and organizational structure, and we had not yet clearly identified what added value the study coupon scheme was providing. So, this process of discussion revealed the key areas where

we needed to focus our efforts when promoting adoption of the study coupon scheme as government policy.

Suzuki: And what types of support did JVPF provide as a result of those discussions?

Imai: One type of support it provided was devising a strategy and organizational structure for rolling the scheme out to local governments. We also received help in this regard from employees involved in pro bono work at Bain & Company. The second type of support was reinforcement of our fundraising capacity. At the time, our fundraising relied heavily on the Board, but the aim was to change to a structure that enabled us to perform well as a team. Third was improvement of our fundamental organizational and operational setup to enable us to achieve results through collaboration with local governments on large-scale initiatives. The standout achievement in this regard was conversion of the coupons into electronic form. These are the three main cornerstones of our operations with which JVPF is providing support.

Pro bono support for collaboration with local governments

Suzuki: We actually provided the grant to CFC at the end of August 2019, but before that we had been talking to representatives of Bain & Company about whether they could join us in supporting CFC, and they had readily accepted. Owa-san, what did you and your colleagues at Bain & Company think about supporting CFC?

Owa: We were already in contact with CFC through charity auctions that we organize. We saw that it was tackling the critical social issues of child poverty and educational disparities using an extremely logical tool: study coupons. When I was talking with Imai-san and the other members of his team, I was impressed by the sincerity of their desire to tackle the social issues and CFC's exceptional organizational culture. That was what convinced me that I wanted to work with them on this project.

Suzuki: You put a team together at Bain & Company to work with us on this project; what was the make-up of the team?

Owa: As is the case for other projects, our team comprised a partner, a manager, and



Chance for Children

several consultants, all of whom worked on the project for around three months. One team member's working hours were devoted 100 percent to dealing exclusively with this project. Indeed, considering the scope of the project, I think a team of this type was essential. Within Bain & Company there's a high level of interest in pro bono activities, and lots of people expressed their desire to get involved in this project too.

Suzuki: Following discussion at the start of the project, it was decided that Bain & Company would assist with identifying how to develop partnerships with local governments. What did you find out in this regard as the project progressed?

Owa: Interviews with those involved on both sides revealed that there was some mismatch between the CFC initiatives that local governments considered worthwhile, and the initiatives that CFC themselves considered to offer the most value. If CFC is to go on developing its partnerships with local governments, I believe it will be essential to gain a more accurate picture of local government needs and communicate more effectively with local government representatives.

Suzuki: Were there aspects of this project with CFC that were different from, or similar to, regular consulting work?

Owa: There were no major differences compared with regular consulting work in terms of the approach to problem-solving. The scope of the project was in line with our capabilities as a strategic consulting firm, and despite their many commitments, both CFC and SIP made enough time for discussions and other input we needed, so we were able to manage the project effectively. But with pro bono work in general, the requirement is to ensure sustainable profitability while maximizing social impact, so the issues to be addressed tend to be complex.

Suzuki: No doubt everyone at CFC will continue to learn a great deal from projects such as this, as they go on to actually explain and promote CFC's activities to local government representatives. Imai-san, what are you aiming for in terms of CFC's development two to three years from now?

Imai: Our aim is to achieve results through our initiatives in collaboration with local governments. In specific terms — given that the Tokyo metropolitan government has already approved adoption of a study coupon policy — I would like to start in 2020 by making sure that local governments such as Tokyo that are introducing study coupon policies provide plenty of good examples to follow. In particular, we won't be simply handing the coupons out to children, but will operate in such a way that every single

child can access the learning environment (i.e., the cram school or skills-oriented tuition)

best suited to them personally. We will achieve this by ensuring interaction between the university-student volunteers we refer to as "Brothers and Sisters" or the coordinators (i.e., CFC employees) on

the one hand, and the children, parents, or guardians, on the other. Over the next three years we want to collaborate with local governments to establish an effective way of operating, and roll that out to local governments all over Japan. And in future we aim to have the scheme adopted as policy at the national level.

Collection of donations gives rise to new projects

Suzuki: How do you regard the collection of donations, an independent CFC initiative?

Imai: The initiatives CFC undertakes independently in the Tohoku and Kansai regions aren't simply about contributing to children's development by providing coupons. They also play a sort-of research-and-development role aimed at making the study coupon scheme more effective by repeatedly trying the system out and checking how it works. By contrast, initiatives in collaboration with local governments involve lots of people and the decision-making process is complex, so the agility necessary to launch new projects is lacking. That being the case, our strategy is to feed novel insights acquired independently into our collaborations with local governments, extending methods that have proved effective in supporting children throughout all our operations. Nonetheless, achieving continuous and reliable fundraising through our own independent initiatives is a challenge that will last many years; so the support we are receiving from JVPF also includes support to bolster our fundraising.

Suzuki: I'm sure we'd all like to see the scheme expanded to provide coupons to even more children. You mentioned research and development — what kind of research and development do you have in mind?

Imai: There's increasing evidence that giving children study coupons is effective in terms of improving their learning ability: two academic research papers have already been published on the topic. The data's limited, so more investigation is needed, but what I'd particularly like to shed light



Feature Discussion

Giving all children opportunities to aspire and to learn



on now are the mechanisms by which positive change comes about in children's learning ability, and in other aspects of their lives. In other words, what do we need to do to support them as effectively as possible?

Suzuki: What mechanisms do you think might be involved?

Imai: I think we need to investigate the effects of regular meetings with the university-student volunteers, and the support they provide. Or, another key factor could be the support provided to parents and guardians by coordinators (i.e., CFC employees), and their efforts to improve the children's study environments. But in addition to the academic approach, we also need to experiment as a means to develop effective ways of doing things. For example, we need to establish the types of education providers (cram schools and skills-oriented tuition) we should have as coupon-scheme partners, and also to determine how we should link each individual child to the education provider best suited to them personally.

Support for the second phase of growth

Suzuki: I was very impressed to hear that you're involved with the publication of academic papers and investigation of the scheme's benefits. I think it's fantastic that you're using the resulting insights to focus on making what you're already doing even more effective. At JVPE, we constantly think

about the sorts of organizations we should support, and what we want to focus on in particular is the second phase of growth. I think that we can probably best offer support when an organization already has its business up and running to some extent, is operating stably, and is making a positive impact on society, but is lacking sufficient funds. That being the case, supporting everybody at CFC has been a great opportunity and a learning experience for JVPE too. It's allowed us to consider how to grow an enterprise through provision of funding, and to thoroughly think through the amount of funding required, starting from the stage of drawing up an operating plan. We considered what other support was necessary, defining what our pro bono partners would help us with to create a plan of action, and I think things are turning out very well. What are the benefits of JVPE's support from CFC's perspective?

Imai: The number of people involved with CFC has increased with the addition of Bain & Company and the other pro bono partners. I sense tremendous enthusiasm on the part of every single person involved, and motivation among our team members has risen as a result. The employees who actually worked with Bain & Company said that knowing there are people rooting for us to that extent made them want to try harder. Both I myself and CFC's employees

are touched that Bain & Company are genuinely engaging with what we do. What's more, this past year we reached a crucial phase with new developments such as Tokyo metropolitan government's move toward adopting the coupon scheme as policy. We were eventually successful in making this happen as a result of proactively informing policymakers about the added value provided by the scheme, which we had identified with assistance from Bain & Company. Our achievement of this progress was also thanks to the support of JVPE. And the timing was good, too.

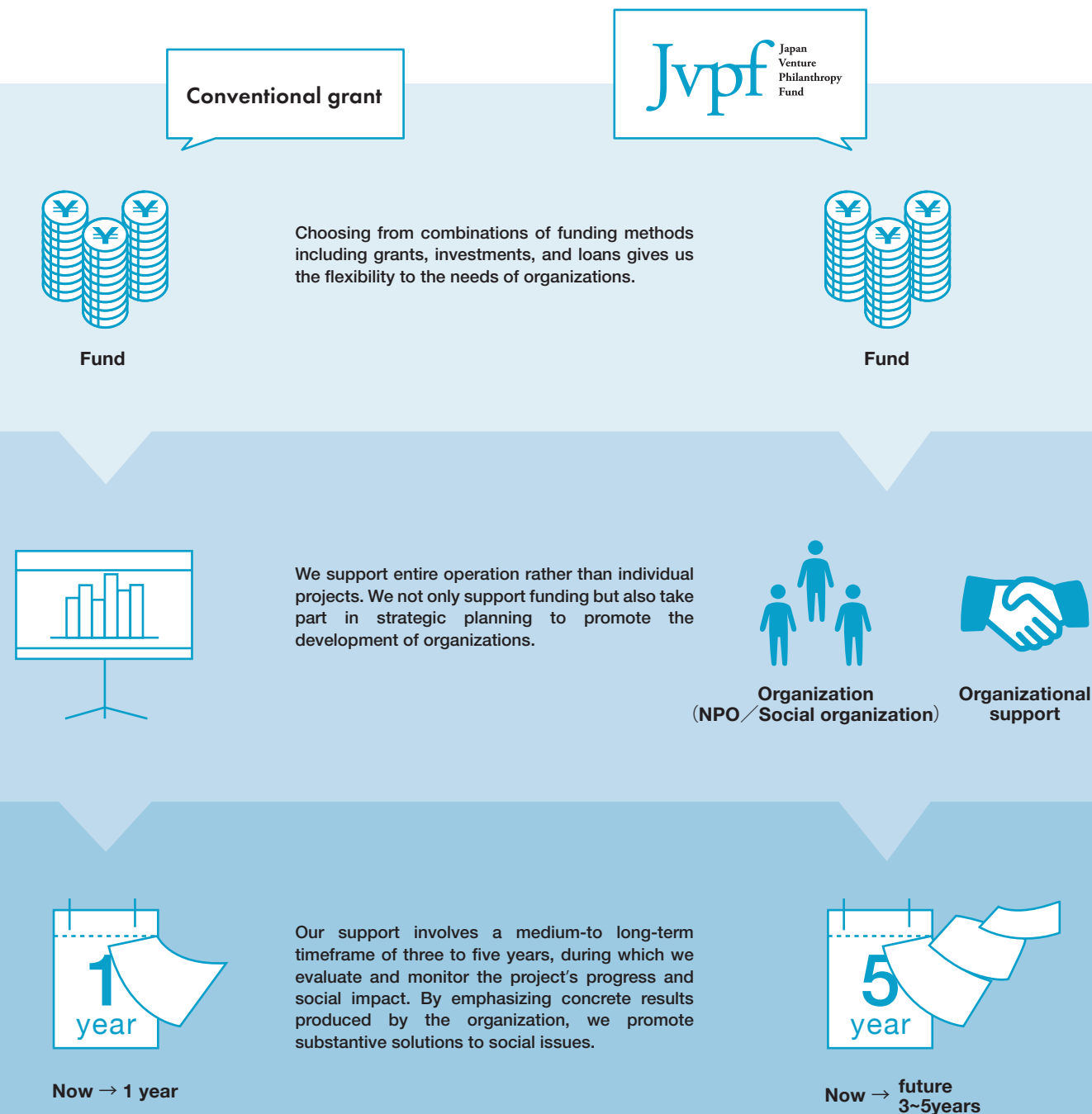
Suzuki: It's because the employees at CFC are sincere in the way they deal with the children, and work to the very best of their ability, that we managed to move things forward. It's a great pleasure and inspiration to be able to support the efforts of people such as yourselves.

Owa: I entirely agree. We at Bain & Company also learned a lot and felt inspired by working with the people at CFC. I sincerely hope that CFC will continue to flourish as an organization tackling important social issues.

Imai: The support we're receiving is truly invaluable. But we're still a very long way from where we want to be. I'd like us to persevere until we've succeeded in creating a society where inequalities in household income no longer cause educational disparities for children. Lots of problems still remain, so I intend to continue making a sincere effort to address them.

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. From short-term support to long-term investment, from monetary support to networking support, from supporting a project to strengthening an organization – our mission is to bring about a paradigm shift in charity activities.



The Organizations We Support

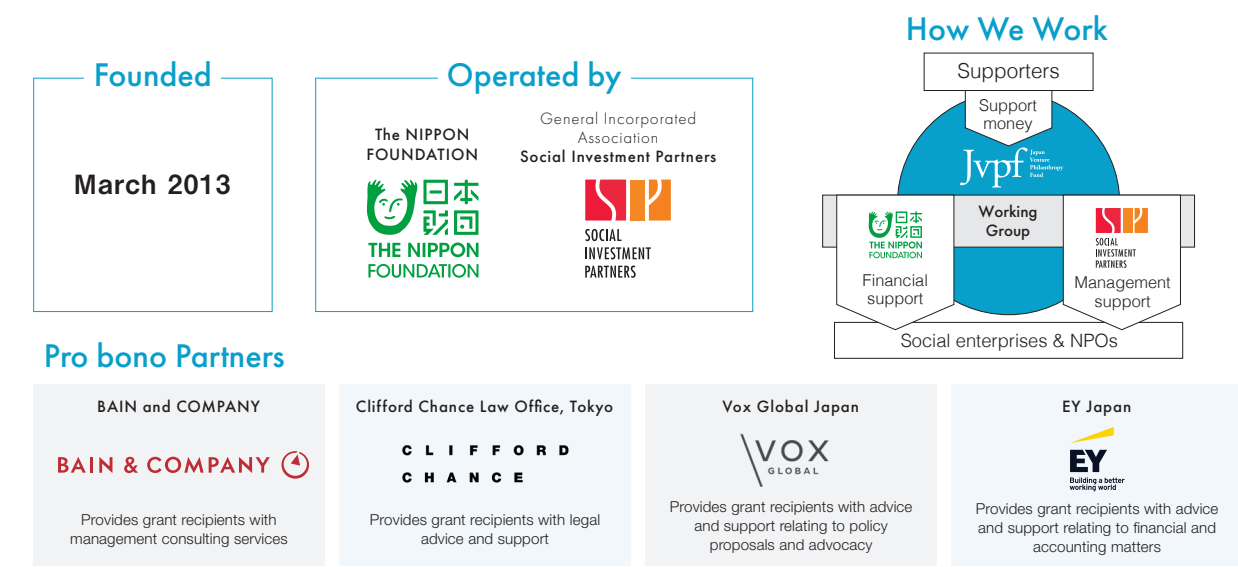
JVPF supports organizations that have the potential to achieve social responsibility by seeking to solve social issues, innovation in devising solutions to increasingly complex issues, and profitability to ensure operational sustainability.

Education & Employment Support for Young People	We tackle educational issues that will affect Japan's future, such as inequalities in access to education resulting from increasing economic disparities, and poverty and reduced self-esteem among children. In addition, we support problem-solving that addresses difficulties young people face in living their lives and finding work, as indicated by the rising youth unemployment rate, and the increasing number of social recluses and NEETs (those not in education, employment, or training).
Childcare & Women's Workforce Participation	We address the declining birthrate, which is Japanese society's greatest challenge, by supporting enterprises that seek to create a society where it is easy to give birth and raise children. We also implement initiatives to support women's participation in the workforce.
Local Revitalization & Community Building	We support enterprises that aim to create and strengthen communities, which are key to solving social issues of all kinds. The enterprises we seek out and cultivate are not only those that revitalize existing communities, but also those that generate new communal ties and social capital.

The Support We Offer

Provision of funding	We provide funding of tens of millions of yen per enterprise, combining grants, loans, and investments in the most effective ways.
Devising operating strategies	We define the business domain according to the social issues to be addressed, identify the business resources that are lacking, and work with grant recipients to devise a medium- to long-term operating plan.
Devising financial strategies	We help grant recipients to develop mechanisms and methods that ensure sustainable procurement of funds to enable them to conduct their operations.
Involvement in management	We collaborate closely with grant recipients by, for example, participating in their management as board members. We monitor their operational execution as we support them over a number of years.
Other support	We also strengthen organizations' capabilities in terms of marketing, PR strategy, human resources, operational management framework, coaching of the senior management team, coordination with associated business operators, and the framework for reporting to stakeholders.

Overview of Fund



JVPF DATA

Asset under management

890,014,130*

232,878,000

2015

274,398,600

2016

308,688,200

2017

844,755,902

2018

2019

as of March, 2020
* Including redemption money from AsMama

Number of pro bono partners supporting JVPF

18



2015

32



2016

20



2017

32



2018

45



2019

Time dedicated to JVPF by pro bono partners

595h

2015

903h

2016

352h

2017

1,597h

2018

1,463h

2019

Number of beneficiaries

139,081人

2015

178,139人

2016

190,059人

2017

66,065人

2018

91,696*

2019

Number of donors

Corporate donors Individual donors

8



2015

20



10



2016

29



10



2017

37



12



2018

40



14



2019

45



* Breakdown
・AsMama's "Child-Raising Share" members: 69,946 (2019.10)
・Number of students taught by Teach for Japan Fellows: 510 (2019.12)
・Number of annual customers (only merchandise): 3810 people (2019.9)
・Number of students taught by teachers who participated in TI program: 17,430 (2020.3)

MEMBERS

JVPF Board Member



Daisuke Takatsuki Member of JVPF Working Group / SIP Representative Director (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.

Akira Maeda 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.



Tomoya Shiraishi Board, 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.

Mitsuaki Aoyagi Vice-chair of Executive Committee, Social Innovation and Investment Foundation (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.



Sakae Suzuki JVPF Working Group member / SIP Representative Director & CEO

Sakae made a career shift in January 2019 to dedicate 50% of his time to support NPOs and social enterprises, and another 50% to support corporations as a management consultant. Since July 2019 he assumed the role of Representative Director and CEO of SIP full time. Prior to making this shift, he led growth and value creation efforts at KKR investments as the Managing Director of KKR Capstone in Japan from 2013 to 2018. His career also includes experiences serving manufacturing clients as a Partner of McKinsey & Company, supporting pharmaceutical and healthcare businesses at ZS Associates, providing innovative transaction IT infrastructure for the air cargo industry at Global Freight Exchange, and also leading the on-line sales department at Gateway Japan. He holds a PhD in chemistry from the California Institute of Technology, and a BA from Reed College.



Teachers Initiative

GRANT RECIPIENT

GRANT RECIPIENT

Teachers Initiative



Inspired by the idea that it is teachers who can truly build the future of Japan, Teachers Initiative (TI) was established to improve education in Japan by sharing learning experiences with teachers. TI offers teachers throughout Japan a program that explores 21st-century forms of learning, called the 21st Century Teachers Program. The Japanese government's new curriculum guidelines for schools in 2020 emphasize "inquiry-based learning," calling for the creation of "curriculums closely connected to society." Moreover, university entrance exams are also changing substantially, moving from the conventional memorization-oriented tests to tests that require the ability to think for oneself and express one's ideas. What these developments have in common is the transition from passive education based on receipt of knowledge to creative, independent learning. In the coming era, the task of enabling independent learning will present a challenge to every teacher, while at the same time

offering an unparalleled opportunity to fundamentally transform the very nature of learning. Incorporating the theories and techniques of leadership and organizational development (system thinking, Theory U, instructional design, facilitation, dialogue, etc.) utilized by global and cutting-edge companies, the 21st Century Teachers Program consists of eight months of experience and practice addressing the issue of 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 a world-class learning experience to school teachers.

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

1 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.

2 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.

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.

Remarks by
SIP Board Member

Sakae Suzuki, Representative Director & CEO

I was involved with Teachers Initiative (TI) from the due diligence stage. TI was founded on a belief that, if teachers change, classrooms and pupils will change, and eventually society will change. It offers a program designed to enable teachers to master through personal experience educational methods aimed at cultivating in children the capacity to learn for themselves and create their own future. However, I found it difficult to understand exactly what this involved, so I participated in the entire program as a member of the third cohort of teachers. At the kick-off camp there was no classroom-based learning, but we experienced learning through hands-on practice and review, and through interaction. After that, we were taught some theories and techniques, then learned through a repeated process of working with other participants to devise, review, and reimplement curriculums. The program enables teachers themselves to experience inquiry-based, interactive learning and take that back to their schools and classrooms. When comparisons were made before and after teachers participated in the 21st Century Teachers Program, the teachers' pupils demonstrated significant increases in their desire to learn and to seek out new possibilities. When pupils offered the same educational curriculum in the same school were surveyed, substantial changes in attitudes toward learning were observed in the pupils whose teachers had participated in the 21st Century Teachers Program. I want to help more teachers attend the program so that the quality of education changes for more pupils.



Teachers Initiative

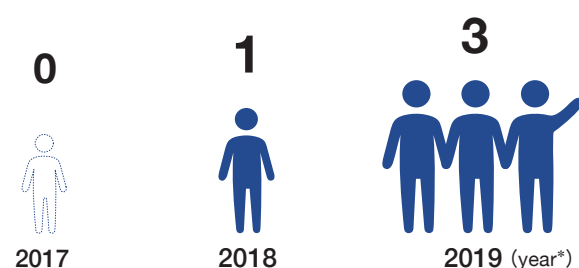
Social Impact KPI

Social Impact KPI

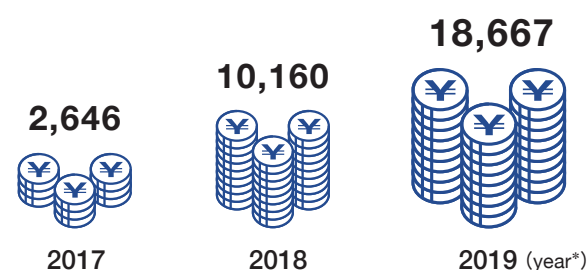
Teachers Initiative

Organization/Business infrastructure

Number of staff



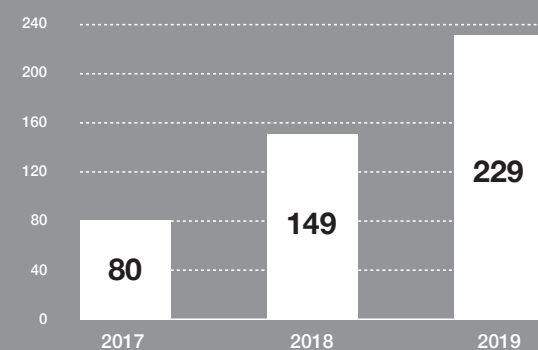
Revenue (1000yen)



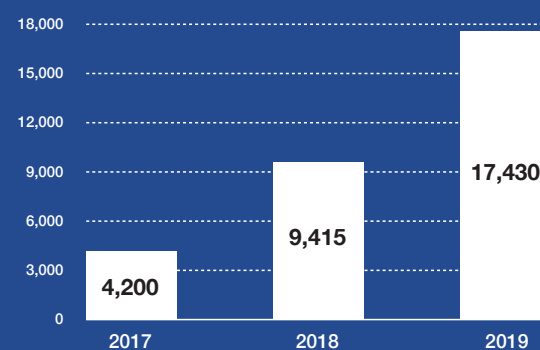
* Accounting year April-March

Expansion and depth of beneficiaries

Total number of participants



Number of students who is impacted from TI participants (estimate)

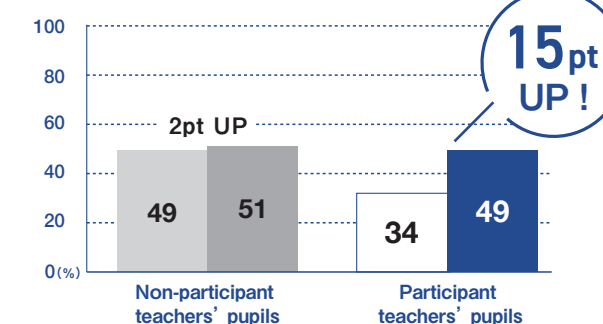


Changes Observed in Pupils of 21st Century Teachers Program Participants

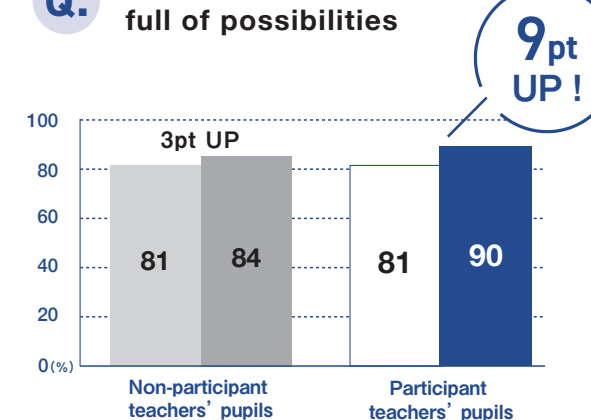
Below are the results of a survey¹ of second-year pupils at two public junior high schools in the same city, who were taught an inquiry-based educational curriculum entitled Social Change,² developed and provided by Educa & Quest, Inc. The curriculum was taught by two teachers who had participated in the 21st Century Teachers Program (one in each school) and ten teachers who had not participated.

1. The pupils took the curriculum for a total of 12 periods over two semesters, responding to the survey once before they took the curriculum and once afterwards.
2. An inquiry-based curriculum that requires pupils to identify social problems themselves and work on finding solutions to the problems.

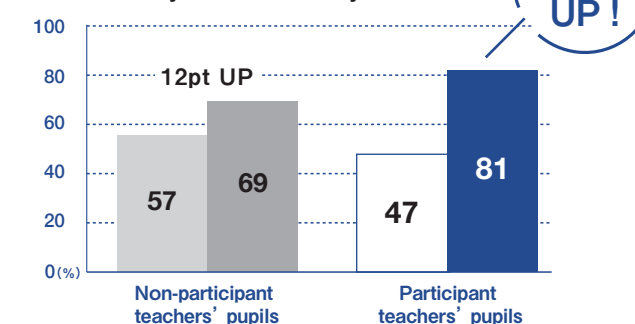
Q. I have self-confidence



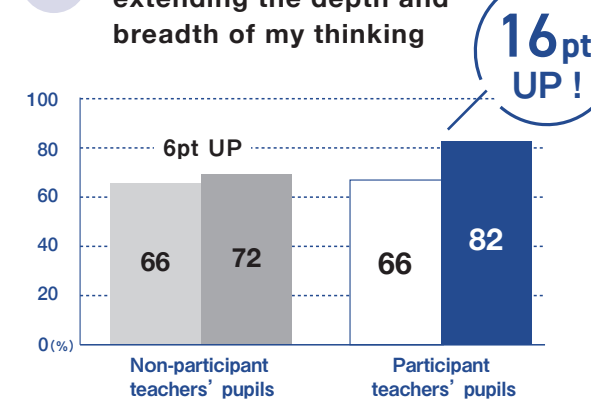
Q. The world is full of possibilities



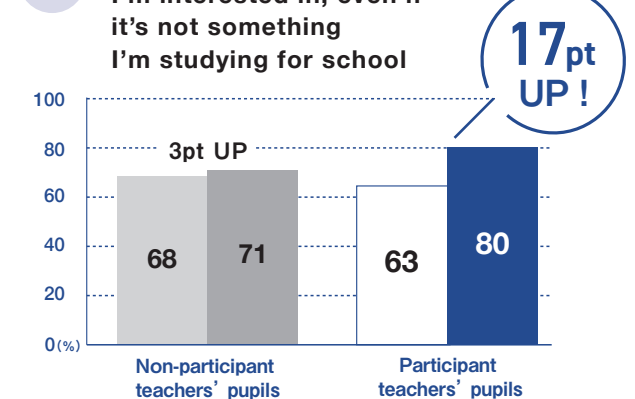
Q. When presenting my thoughts, I think I'm able to use the best combination of reference materials, text, and verbal explanation to convey them effectively



Q. I think I'm capable of extending the depth and breadth of my thinking



Q. I look up topics I'm interested in, even if it's not something I'm studying for school



Teach For JAPAN

GRANT RECIPIENT



Teach For Japan (TFJ)'s main activities are dispatching highly competent teachers to instigate reform in schools and reforming the educational system by lobbying local governments to act. Outstanding teachers with a diverse range of experience ("fellows") are introduced to local governments to achieve two goals: (i) helping children in difficult situations in public schools improve their academic and social skills and (ii) raising the level of teacher competence and improving the operation of schools. TFJ believes that it is teachers who are most capable of exerting a profound impact on children's lives, and that school classrooms are where it can provide support to larger numbers of children. TFJ's aim

is to use teachers to make an impact on various social issues from their classrooms. During fiscal year 2019, TFJ implemented an array of measures under a new management structure headed by CEO Takeaki Nakahara. These measures included revising the criteria for selection of fellows and the content of their training, setting up an alumni network, improving communication within and outside the organization, and reinforcing fundraising. JVPF's support ended in December 2019, but we will continue to cheer on Teach For Japan, an organization that aims to solve the social issue of children who, for a variety of reasons, are deprived of educational opportunities.

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.

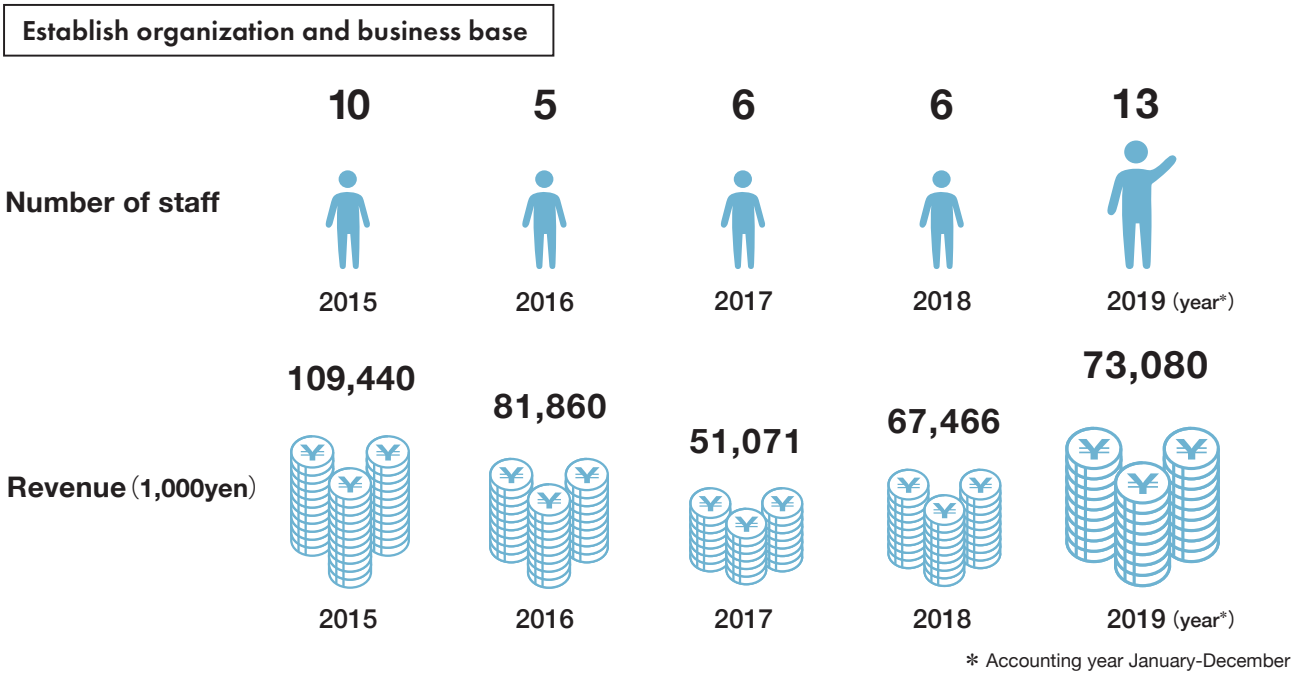
Remarks by
SIP Board Member

Tomoya Shiraishi, Board Member

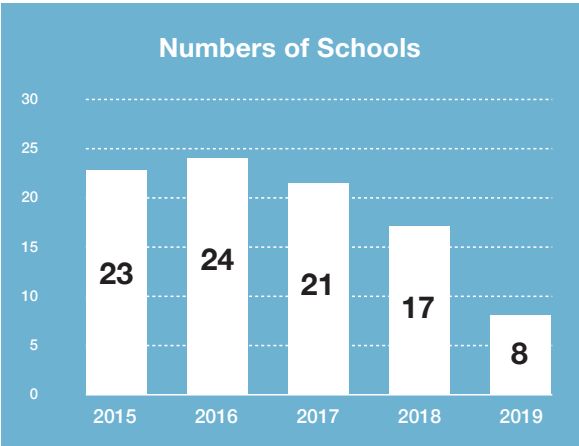
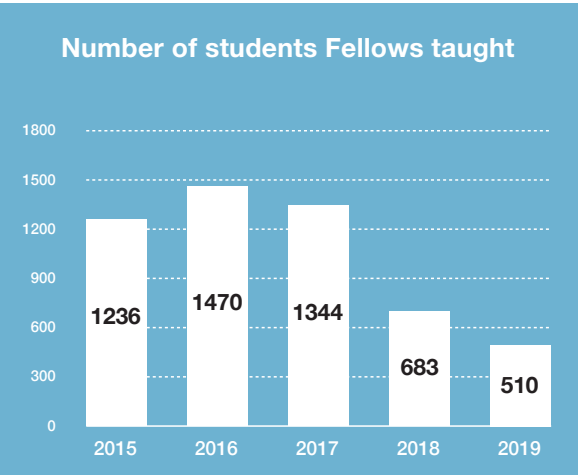
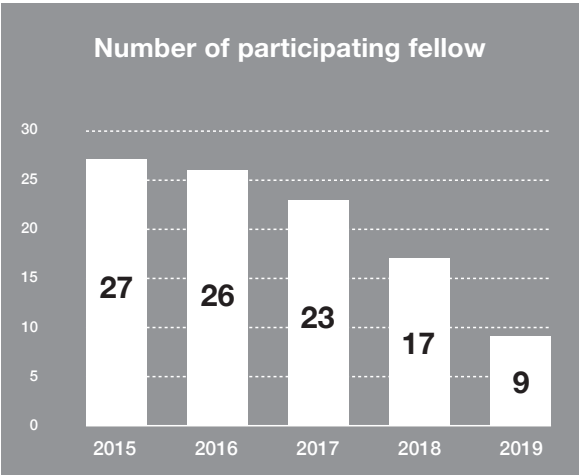
At the end of 2019, we completed five years of supporting Teach For Japan (TFJ). When we first started supporting the organization, it was at the stage where it had finally started assigning fellows (teachers selected and trained by TFJ who are assigned to schools for two years). Led by founder Yusuke Matsuda, TFJ was responsible for operations in Japan as the Teach For All network's 23rd country. Subsequently, there was a period when its achievements were limited due to frequent changes in leadership and issues related to organizational management. But, even under these adverse circumstances, I believe that TFJ's employees and fellows retained their vision of bringing about a world in which all children can receive an excellent education, and continued to do their best. In 2018, the current representative director, Takeaki Nakahara, assumed office as advisor, and subsequently, as CEO, he overhauled the organization and restructured its operations. As a result, TFJ managed to assign the most fellows ever in fiscal year 2019. Now, with Nakahara-san and a large number of former fellows involved in TFJ's activities, the organization is well on the way to establishing a setup that will enable it to continue assigning outstanding personnel to schools. I would like to express my sincere best wishes to TFJ as they continue this work in future.

Teach For JAPAN

KPI OF SOCIAL IMPACT



Expansion and intensification of beneficiaries



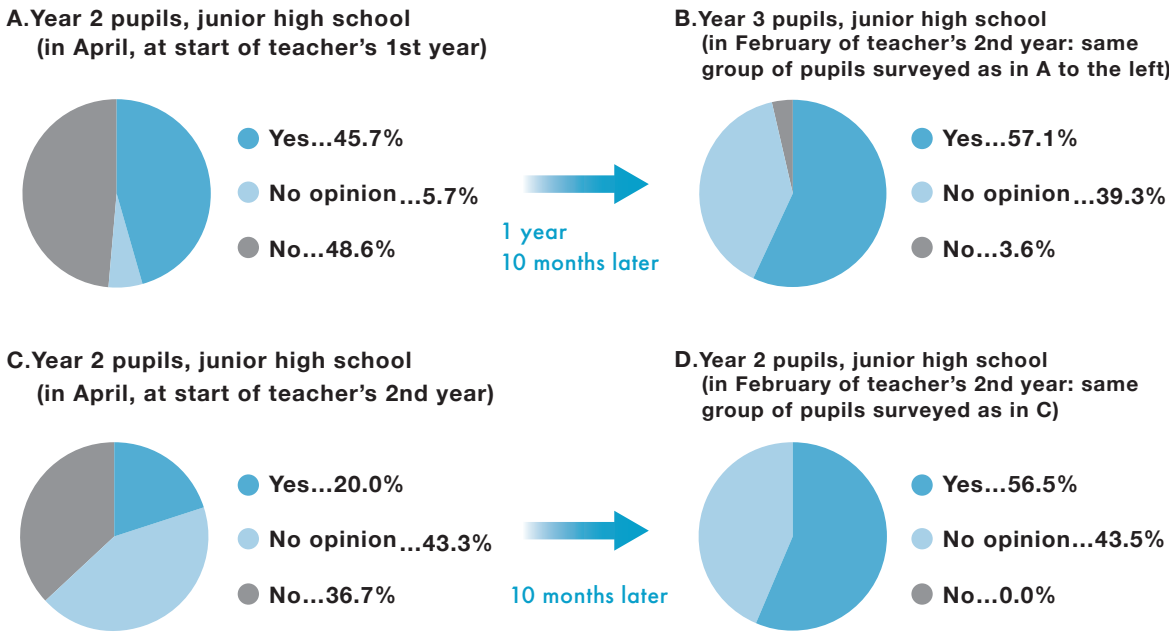
43 fellows were transferred in 2020

Positive Effect on Schools and Pupils

Survey of Pupils by a Science Teacher
Shinya Morioka, fellow in the sixth TFJ cohort: Assigned to Fukuoka Prefecture

Q. Do you like science?

A. Changes in pupils' responses to survey



Note: TFJ fellow Shinya Morioka taught pupils in Year 2 of junior high school for two years. B above shows the results of a survey conducted on the same group of pupils surveyed in A above, 1 year and 10 months later. C & D show the results of surveys conducted on the Year 2 junior high school pupils he was in charge of during his 2nd year, once at the start of the year in April, and once during the 3rd semester, in February.

Looking Back on My Two Years Shinya Morioka, Fellow in the Sixth TFJ Cohort

When I heard children saying that science is boring because it's all about memorizing things, I was convinced that what we needed was "playful science." By that I mean science that links learning with enjoyment to convey within a school setting that the fun of science is a huge part of our daily lives. First, I made an effort to improve the learning environment in the science lab, planning experiments to be conducted alone or in pairs so that all the pupils would have hands-on experience. Then I had them undertake every experiment in the textbook. As a result, the children gradually started to engage with their learning in a more independent way. At the beginning of my assignment, around half the pupils didn't like science, but that number reduced to less than one-tenth. And, what's more, this approach also led to improved academic performance: results for science started off lowest among the five subjects they were studying, but ended up being highest. When I finished my two-year assignment and heard the children saying that science is what makes the world, it inspired me to continue creating experiences that make children want to study independently.





AsMama is a social enterprise that operates a system for sharing childcare, whereby friends and neighbors babysit and take children to and from nursery school for each other. Founded in 2009, it employs real-world local networking events as well as a software application to offer a system for sharing childcare at a cost of only 500 yen. It is now working to hold around 2,000 local networking events a year and to spread the concept of childcare sharing. As of the end of October, 2019, there were 906 AsMama-certified “Mom Supporters” across Japan who offer help with child-care in

their local communities. These Mom Supporters, who share AsMama’s mission and vision, and have completed a training program in childcare and communication, help with local community-building by organizing networking events and public relations activities. By supporting AsMama’s continued business expansion, JVPF aimed to seek solutions to social problems such as women’s social isolation when raising children, their loss of potential employment opportunities, and the weakening of ties in local communities.

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

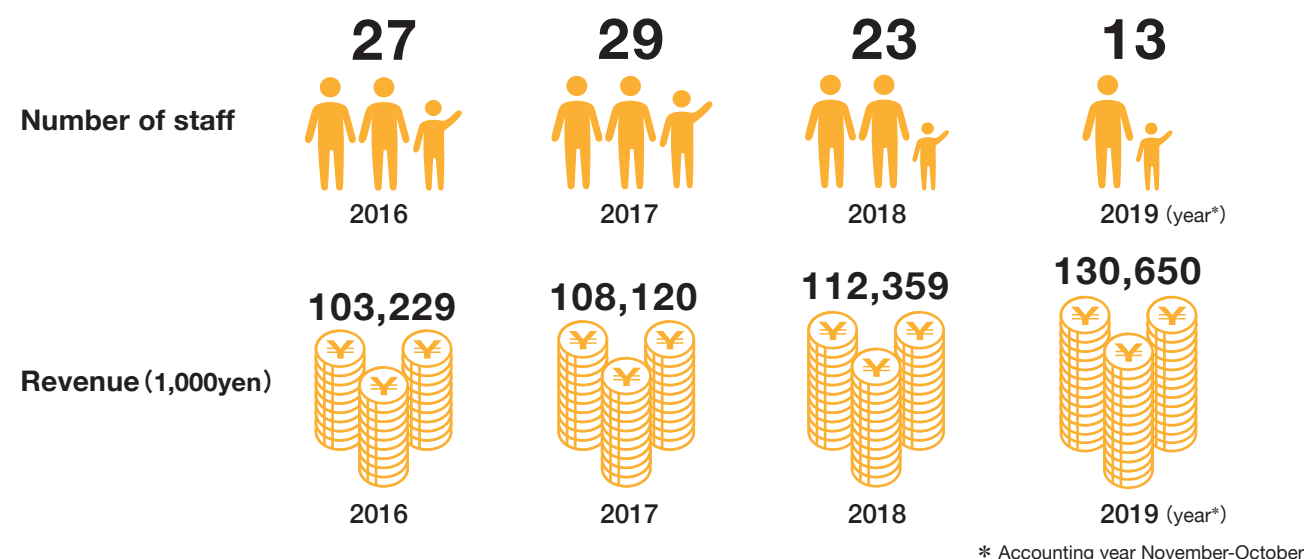
**Remarks by
SIP Board Member**

Hiroshi Nonomiya, Managing Director

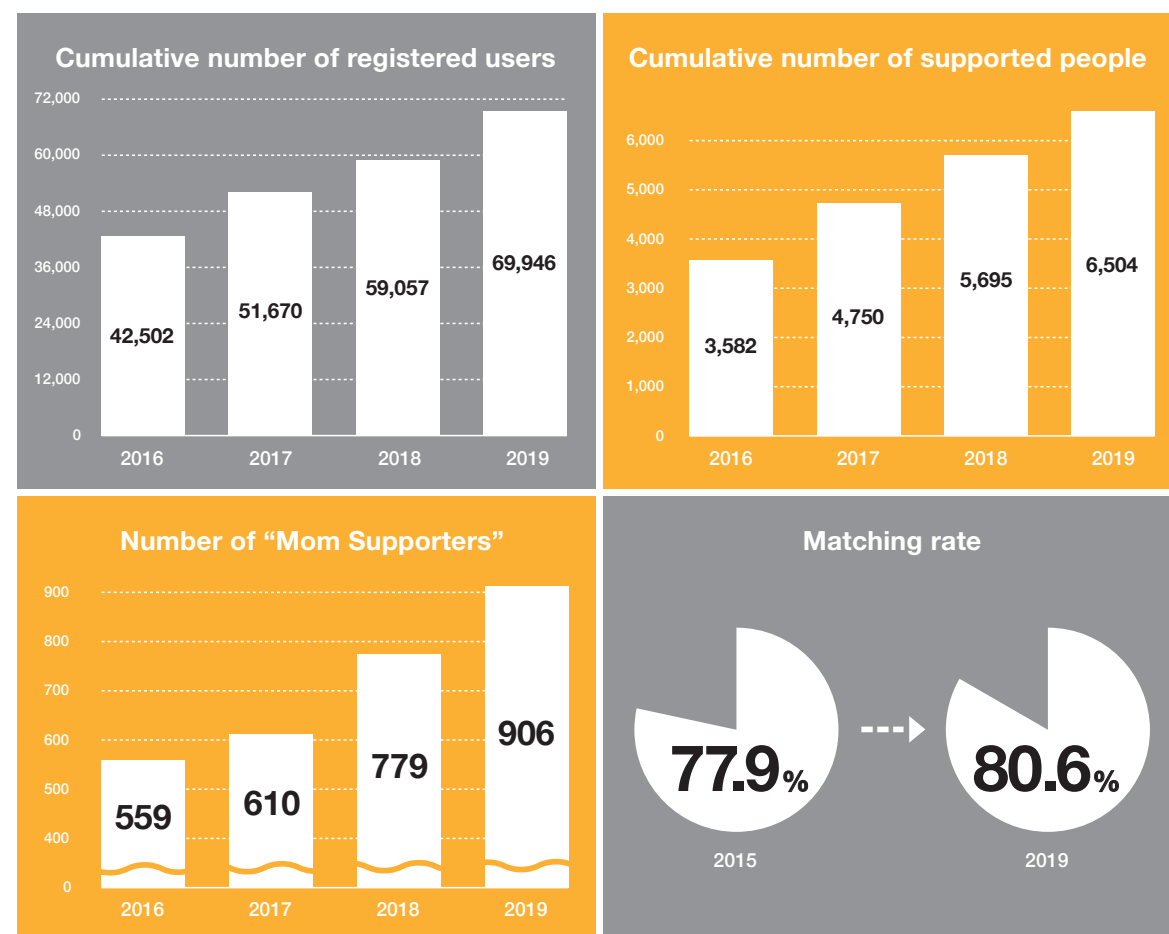
When Keiko Koda breezed in to appear before us in 2015, having won awards in Japan and overseas, one could sense a slight vulnerability amidst the bravado. She explained what had spurred her to launch a social enterprise, saying “If women can’t find childcare, they give up work and become unable to have a second child for financial reasons. And when women retreat into the home, that leads to men working long hours, and increases problems such as domestic violence and abuse. I noticed that the vicious cycle of societal issues had its origins in parenting. But at the same time I realized that the internet alone is clearly not a viable option when it comes to finding childcare for our children.” But despite Koda-san’s passion, AsMama’s operations at that time faced a huge hurdle. It was an issue inherent in the business model developed since the enterprise’s founding. Her original partner had pulled out due to illness, and there was a period during which she struggled as she attempted to overhaul the business model. However, she persevered with the strict but caring coaching provided by Tomoya Shiraishi, my esteemed colleague in SIP, who was its representative director at the time, and her enthusiasm for creating a form of social infrastructure that would make parenting easier never wavered. By the time the enterprise was firmly headed in a new direction, the prospect of funding itself was in sight, and AsMama offered to repay the full value of the convertible bonds underwritten by JVPF, I felt that Koda-san’s vulnerability had changed to a charismatic self-confidence, and she had developed a new broad-mindedness.

When JVPF started offering its support, Koda-san said to Shuichi Ohno, executive director of the Nippon Foundation at that time, that she saw AsMama as her “baby,” and that it was the second most important thing in the world after her own daughter. In other words, AsMama was her second baby, so she was absolutely determined not to unintentionally invest capital in a way that would distort this baby’s development. Now, the second baby has grown, and she has sent it out into the world hoping that it will continue to grow, wondering whether one day it might no longer need her. Koda-san has delivered returns to JVPF in two ways: the social return of creating an infrastructure of individuals who contribute to a society in which people help each other, and the financial return of enabling us to recover our investment. She now represents a role model for social entrepreneurs.

Establish organization and business base

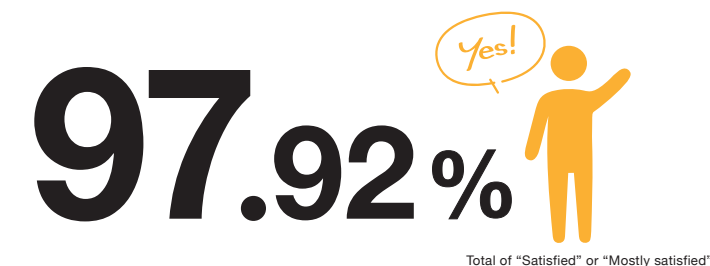


Expansion and intensification of beneficiaries

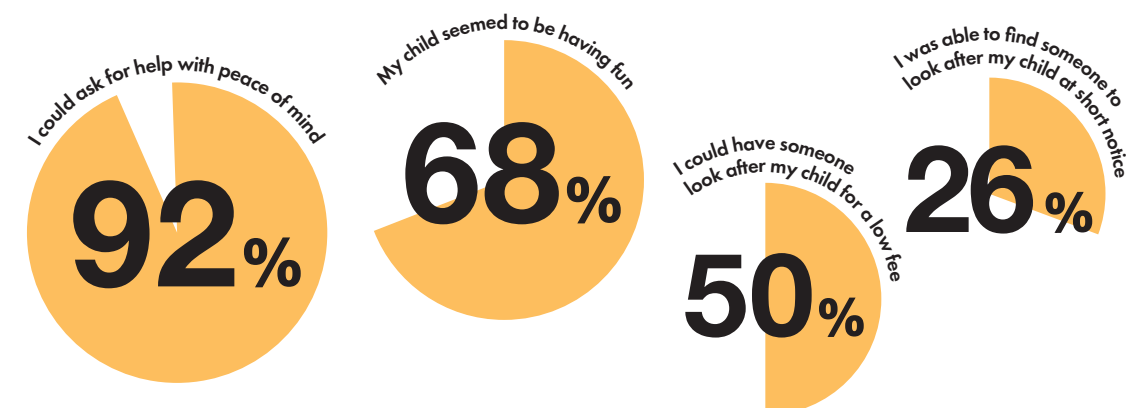


The First-Time User Survey

Q1. Are you glad that you used the Childcare Sharing service ?



If you answered "Satisfied" or "Mostly Satisfied," what aspects were you satisfied with ?



Q2. Do you think you'd like to use Child-Raising Sharing again ?



Q3. Do you want to recommend the service to your acquaintance or your friends?



MESSAGE FROM DONORS

Maki Mitsui

Managing Director, The Carlyle Group



From my day-to-day interactions with international colleagues who are actively engaged in philanthropy as individuals, I was interested in education and tackling poverty. But with my hands full with work, parenting, and caregiving, I chose to entrust my passions to JVPF. JVPF's approach to expanding its social impact by providing not only funding but also management support is similar to the approach I take in the private equity industry. It is my sincere hope that the members of JVPF will take the lead in resolving as many of Japan's social issues as possible.

Keiko Koda

President of AsMama



Once again, I would like to thank everyone who has supported Asmama throughout JVPF's support period. One of the reasons for us donating at the same time as the redemption of the convertible bond was that we were determined, from the beginning, to pay back more than we had borrowed as a for-profit company. After many years of sincere support from Mr. Shiraishi and the rest of the board, we have been able to achieve our goals. Although we can never repay your kindness, we would like to contribute to the development of the social business, even if only in a small way. We wish the JVPF the best of luck in the future.

Contact information updated
kifu@ps.nippon-foundation.or.jp (Fundraising team, Nippon Foundation)
Please contact above for inquiries about donation to JVPF

DONORS LIST

Individual donors 45 people

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

Corporate donors 14 companies

- | | |
|---|----------------------------|
| I-NET CORP | CVC Foundation |
| Ichigo Asset Management, Ltd. | GPSS Holdings Inc. |
| Goldman Sachs Asset Management Co., Ltd | NPT-UK |
| Sony Network Communciation Inc. | Career Incubation Co., Ltd |
| Benesse Holdings, Inc. | AsMama Co.,Ltd |
| RINGBELL Co., Ltd | Others |

Other donors

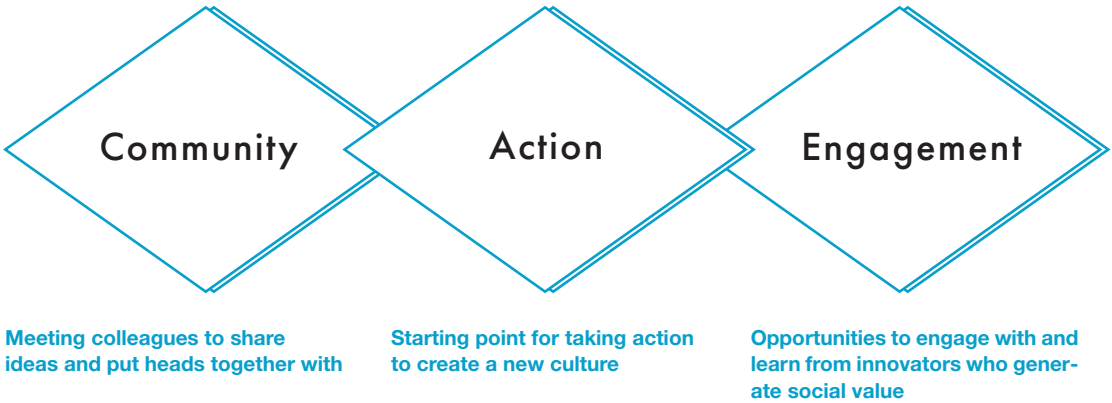
participants of "morich" foundation party

JVPF THE CULTURE



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

Activity



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, we also invite 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**
 $(\text{Total donations} - 2000 \text{ yen}) \times 40\% = \text{Total tax credit}$

 - * 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**
 $(\text{Total donations} - 2000 \text{ yen}) = \text{Total tax deduction}$

 - ※ 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.

Pro-bono collaboration with JVPF

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	Unit : yen						
	2013	2014	2015	2016	2017	2018	2019
Donation	57,538,000	18,076,000	40,825,000	20,760,300	17,144,800	268,033,851	7,629,114
Commitment from Nippon Foundation	57,538,000	18,076,000	40,825,000	20,760,300	17,144,800	268,033,851	7,629,114
Others	0	0	0	0	0	0	30,000,000
Total	115,076,000	36,152,000	81,650,000	41,520,600	34,289,600	536,067,702	45,258,228

Revenue total 2013-2019
Donation=430,007,065yen Commitment by Nippon Foundation =430,007,065yen Other =30,000,000yen (Include redemption by AsMama)

Expenditure	2013	2014	2015	2016	2017	2018	2019
Grant / Investment	20,000,000	7,000,000	25,000,000	0	45,000,000	30,000,000	50,000,000
Operating expenses / other fee	10,000,000	10,000,000	10,862,864	24,457	62,057	81,642	48,640,957
Expenditure total	30,000,000	17,000,000	35,862,864	24,457	45,062,057	30,081,642	98,640,957

2013-2019 expenditure total
Donation spent= 177,000,000 yen Operating expenses and fees = 79,671,977 yen Total expenses = 256,671,977 yen
※ In accordance with the JVPF's "Terms and Conditions for the Acceptance and Use of Donations," up to 25% of the total amount contributed to the fund may be used for operating expenses. Any unused portion of the operating expenses may be reclassified to the fund.

Fund balance	2013	2014	2015	2016	2017	2018	2019
Total	85,076,000	104,228,000	150,015,136	191,511,279	180,738,822	686,724,882	633,342,153

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 & planning2. Provide a variety of business resources to support the implementation of plans3. Establish financial systems and an effective organizational structure4. Provide financial support through the Fund5. Other activities necessary for the achievement of SIP's goals
Representative	Sakae Suzuki, Representative Director & CEO / Daisuke Takatsuki, Representative Director
Personnel organization	8 Board members, 1 Auditor, 9 Advisers, 2 staff members (as of March 31st, 2020)
URL	http://sippartners.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	8 Board of Counselors, 10 Board of Trustees, 3 Auditors, 119 employees (as of March 31, 2020)
URL	http://www.nippon-foundation.or.jp