



2020
Annual Report

SIIF: Japan Social Innovation and Investment Foundation

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Practical Knowledge of the "New Economy" Needed Now More Than Ever

I am pleased to present our Annual Report 2020 to our stakeholders.

Fiscal year 2020 was an unprecedented year in which the emergence of a new coronavirus forced all social activities to be scaled down or suspended. Not only in Japan, but all over the world, a variety of problems became apparent in all aspects of society, including politics, economics, education, and culture. At the same time that various problems became apparent, it was also the year that various attempts to overcome these issues began. Some of them have already achieved a certain level of success, and it can be said that there is a bright hope for the future.

Looking back at the history of mankind, there is no shortage of cases where disasters have led to social changes. Major crises have always led to innovative changes, and it is thanks to these changes that humanity has been able to overcome its difficulties. In other words, now that we are facing the unprecedented situation of the Corona disaster, I think we can say that we are at a historical turning point.

The mission of the Foundation for the Promotion of Social Change (SIIF) has been to "create a system for the circulation of social and economic resources that goes beyond the framework of self-help, public assistance, and mutual aid, with the aim of creating a society in which the resolution of social issues and the creation of diverse values can occur autonomously and sustainably.

Japan, the world's fastest aging society, is facing major structural problems such as the exhaustion of medical and nursing care systems, child poverty, economic decline in rural areas and the disappearance of communities. Now that it has become clear that the government redistribution model built during the period of high economic growth and premised on economic growth cannot cope with these issues, we need to redefine the boundaries between the public and private sectors and build a new social system. One of the major keys to social systems will be the creation and reconstruction of mechanisms that visualize, value, and circulate not only economic capital, but also capital from nature, society, culture, and sensitivity.

Looking back on fiscal 2020, we were able to achieve many results in the areas of impact investment and support for social entrepreneurs using dormant

deposits. In the field of impact investing, as a pioneer in Japan, we made two new investments in Hataraku Fund, published an impact report, held a study session on impact investing jointly with the Financial Services Agency as the secretariat of the GSG Domestic Advisory Committee, and prepared guidelines for implementing impact investing. As for support for social entrepreneurs, for the second year in a row, we were selected as a fund-distributing organization for the Dormant Deposit Utilization Project, and provided subsidies and management support to entrepreneurs engaged in social businesses. We have also provided capital investment and subsidies to entrepreneurs who have graduated from the Nippon Foundation Social Changemakers Program, management support, and support for planning and implementing new initiatives to solve social issues in each region.

In addition, we have been finding and funding social entrepreneurs who are planning new initiatives to solve social issues in their respective regions, and providing them with our own management support. As government spending continues to grow, the Foundation is actively supporting companies that provide innovative services and platforms that contribute to reducing public costs.

The Foundation will create new model projects in which resources such as funds, human resources, and knowledge are circulated in pursuit of what is good for society, and will make its own investments that will serve as a catalyst for such projects, while spreading the examples to more collaborators. In addition, by creating an environment for the expansion and development of model projects through research and policy proposals, we aim to build an ecosystem of resource circulation in which the resolution of social issues and value creation can occur autonomously and sustainably.

It is my hope that this annual report will help readers attain a better understanding of SIIF, and encourage their continued support going forwards.

Chair of Executive Committee, SIIF
Shuichi OHNO



Capital For Social Innovation

2020 Annual Report

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Solving Social Issues with New Forms of Economies

“Impact” is about signaling our intent for the future

In today’s world we are seeing the end of an era in which economic value was placed above all else, and the emergence of a diversity of benchmarks to measure value, such as society, the environment and culture. We work with organizations such as companies, local governments and NPOs on a variety of projects in order to build an ecosystem for the circulation of social and economic resources that transcends the framework of self-help, public help and mutual help. As we aim to build a society in which the resolution of social problems and the creation of value take place autonomously and sustainably, there are some things we can do only because of our perspective as a foundation.

Vision

To build the foundation for a society in which the resolution of social problems and the creation of value take place autonomously and sustainably

The goal of SIIF is an inclusive society in which the dreams of both individuals and communities are realized. We believe it is a society that individuals and communities must continually seek, choose and create for themselves.

To build an ecosystem for the circulation of social and economic resources

Self-help centered on the market economy. Public help based on a centralized system of redistribution. And mutual help and reciprocal aid, which are a form of interdependence at the individual level. SIIF aims to build a new model for the circulation of resources such as funds, people, and knowledge that transcends these frameworks, and to present diverse benchmarks for measuring the value of social outcomes.

Mission

Three Roles



Providing capital
Provide risk capital and demonstrate a model

We create new mechanisms for the circulation of resources, provide funds to unprecedented projects and initiatives, and undertake model developments.



Creating knowledge
We generate practical wisdom to induce social reform

We extract lessons from the new challenges that we ourselves face, and share them with other practitioners in order to encourage ripples of practical wisdom.



Networking
Connecting practitioners, becoming the cornerstone of the ecosystem

By connecting practitioners who face similar challenges, and providing support for collaboration and mutual learning, we aim to further enrich the ecosystem for resource circulation.


SIIF fulfills three roles that contribute to the building of an ecosystem for the circulation of social and economic resources.

Recipients of Funds Map


SIIF investees (41) classified into six categories and four different types of support

Medical/caregiving


Investments via funds




Development of medical devices using artificial intelligence technology to diagnose infectious disease




Development of medical equipment (ARIS) to provide innovative treatment for acute myocardial infarction



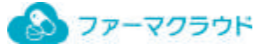
Provision of management systems for medical institutions primarily involved in the career development of medical staff




Development of service aimed at medical social workers, care managers, etc., for optimizing the selection of facilities for senior citizens




Development of proprietary AI for machine learning applications using sparse modeling technology for feature extraction from small amounts of data




Development and sale of specialized drugstore SaaS that improves efficiency of pharmacy operations, controls excess inventory and throwing away of medicines, and enables requests to be accommodated at neighboring pharmacies




Provides "Sketter" skill-sharing service for those without qualifications or experience to provide assistance in caregiving facilities for the time of their choosing




Development and sale of compact ophthalmological diagnostic equipment to encourage the early diagnosis and remote treatment of eye diseases before they become critical




Development of "Rehapan" cloud software that allows anybody to perform functional training operations easily, safely, and effectively.




Development of ultrasonic imaging equipment for use in the early and painless detection of breast cancer




Supports R&D and development of businesses using epigenome analysis techniques to create technology that improves people's lives



Business development and assistance for businesses built around a platform for supporting patients suffering from serious illnesses, and their families




Provision of infection management solutions for general hospitals



R&D and sale of therapeutic software applications for mobile devices, provision of mobile health-related services

Direct investments



A10 Lab


Operates the "Minchalle" digital peer support app that enables individuals to encourage each other while working to improve their lifestyle habits

SIB


- Kobe City SIB for preventing severe diabetic nephropathy
- Hachioji City SIB for increasing the rate of residents receiving bowel cancer screening
- Hiroshima Prefecture SIB for increasing the rate of residents receiving bowel cancer screening
- Okayama City health points SIB
- Toyonaka City SIB for stopping smoking

Regional revitalization


Subsidies




Develops and provides a platform for establishing and operating autonomous and distributed "villages" to make use of idle assets, such as old houses




Operates "TANOMOSHI Local Business Lab" for nurturing local enterprises in partnership with local financial institutions




Operates the "POCKET MARCHÉ" CtoC platform for directly connecting primary producers to consumers



Constructs and operates wood biomass cogeneration facilities that make use of forestry resources within the area, with the aim of both revitalizing the region and promoting the circulation of resources




Creation of new community economic zones by developing union organizations through the utilization of crypto assets




Forming a gift economy platform to support the independence of young creators

Direct investments




コホレジャパン

Develops and operates the "Keigyo Bank" media platform for enabling the continuation of regional occupations



PLUS SOCIAL Investment

A company that creates mechanisms for social investment to ensure that regions retain their individuality




ADDRESS

Provides multiple-location lifestyle services for a monthly fee by renovating unoccupied buildings, such as empty houses, in all parts of Japan

Disaster countermeasures

Subsidies



Aster

Develops methods for improving manufacturing materials and construction methods, as well as analysis techniques, to improve earthquake resistance for buildings built with brick or stone in countries around the world

Diverse lifestyles

Investments via funds

Fund to support startups by single mothers

Startup support program for web media business for single mothers

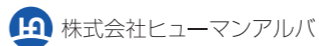


YELL

Operates "YeLL" 1-on-1 service utilizing personnel from outside the company, provides consulting on organizational development and human resources development


Social welfare/support for self-reliance

Investments via funds



株式会社ヒューマンアルパ


Provides four kinds of support needed for social rehabilitation to those with dependencies such as alcohol and gambling



DREALIFE

Operates services to support continued employment, employment transition, and lifestyle (Esports, etc.) based on the Act for the Comprehensive Support of Persons with Disabilities, as well as child development support programs based on the Child Welfare Act


Subsidies



Rennovater

Buys old buildings and rents them to those struggling to secure housing, such as senior people living on their own and single-parent households

Direct investments



HERAL BONY

Operates business to provide production services for artists with disabilities, with the aim of changing the perception of disability and the lives of those with disabilities

Providing a home and assistance to those in need of housing while supporting a business model that generates an economic return

The mission of our foundation is to build an ecosystem for the circulation of social and economic resources, based on which we provide support to companies. We asked Tomoyuki MATSUMOTO, the President & CEO of Renovater Co., Ltd., which buys old houses and apartment buildings and rents them to those struggling to secure housing, about the initiatives underway at the company.



Japan Social Innovation and Investment Foundation
Vice-chair of Executive Committee
Mitsuaki AOYAGI

Renovater Co., Ltd., President and CEO
Tomoyuki MATSUMOTO

The reality of poverty that is not seen in the data

AOYAGI As an Organization Distributing Funds under the dormant deposit account utilization system, SIIF provides support to Renovater Co., Ltd. You not only renovate homes and offer them to those struggling to secure housing, but also provide meticulous support services to tenants. It is not widely known that even when public housing is available, there are many people for whom there is a mismatch in terms of tenancy conditions or what the individual themselves want, and who therefore are unable to secure the housing they desire. Having received support from sources such as the dormant deposit accounts scheme, and after media coverage of the company and its business, has there been a change in the situation?

Tomoyuki MATSUMOTO Those struggling to find housing



are getting in touch with us more regularly, and so we have more contact with those who are in an increasingly serious situation.

AOYAGI There is a general tendency to assume that public institutions will provide a safety net and that therefore this is not a problem, but that is not the case with housing, is it?

MATSUMOTO This is not simply a problem of securing housing for senior citizens and welfare recipients. There are complex interactions between multilayered problems such as domestic violence and disability. At the bottom you have the issue of the house, but there are also differences in education and family environment, mental illnesses such as dependencies, and problems related to physical health. Serious problems become visible that cannot be resolved by economic assistance alone.

AOYAGI Basically, in order to resolve this you have to address the problems of the individual. Have there been cases where cooperation between local governments and private-sector organizations has been successful?

MATSUMOTO Even if you explain to the individual who they should contact, in many cases they are unwilling to do so. In terms of cases where there seems to be a good chance of success, there have been examples where an individual has been introduced to us by a local government that cannot deal with their request for housing, and at the same time a caseworker is

assigned to them.

AOYAGI It would be good if that could be made into a more formal mechanism, wouldn't it. This is the kind of story that just isn't visible in the official data. Using the home as the starting point, it would be nice if the state of affairs on the front line could be visualized and used to improve public services.

MATSUMOTO There are many players seeking to address the unoccupied housing problem, but I feel there are hardly any who are genuinely thinking about low-income individuals. In some cases it has become a means of making money, with those in need of housing becoming the victims. I do want to grow my own company, but at the same time I think that the market for rental housing for low-income individuals needs to be healthy.

Balance between impact and economic growth

AOYAGI Have you found it difficult, as a limited company, to seek a balance between social impact and profits?

MATSUMOTO Yes, the business model is valid, but there is a problem in that if you increase the number of properties you handle too quickly, it becomes difficult to provide adequate care for the tenants.

AOYAGI So it is not only the letting of a house, but also the care of tenants that has a social impact, and it is important to put in place the related structure and human resources. If you allocate too many resources to this structure, does it result in costs rebounding, and make it difficult to generate profits?

MATSUMOTO Compared to procuring funds for developing real estate the costs are not that high, so we can get by with one per case. I hope to be able to engage a university student or somebody else who wants to become an intern.

AOYAGI Considering the expectations of those who invested in your company, I imagine that they will want you to increase the number of properties handled going forward.

MATSUMOTO That is where there is a gap in the desired growth curve. The rate of growth in sales is important, but I want them to see our profit margin rising.

AOYAGI The market principle inevitably creates a tendency for growth itself to become the goal. However, taking a more optimistic interpretation, you could see it as an expression of potential.

MATSUMOTO The balance between our mission as a business and economic growth is important. That is where it becomes difficult to decide. In order to become a player that can influence society, it is preferable to be a limited company. However, once a certain sense of scale has been achieved, it is easier to obtain funds, and to operate, as an NPO. Right now I feel we are in that transition period.

AOYAGI I think you are utilizing the principle of capitalism in a good way, and I think it is desirable that there be an increase in the number of funds providers positioned between the venture capitalists that focus on profit on the one hand, and the banks that focus on collateral on the other hand, but I think it may take somewhat longer for those on the funds provision side to come round to your way of thinking. SIIF is not a shareholder, but we support you with funds from the

dormant deposit account system, and assist you with regional cooperation and with the creation of social impact. What is your view on the activities of SIIF?

MATSUMOTO Determining KPIs and measuring social impact is positive in external terms. And we are grateful for the hands-on support. The various things we try over the two years we are able to receive support are educational.

AOYAGI Because we are a foundation, we are in a unique position. If there is no social impact, it doesn't matter how impressive the business model is, we will not be your partner. As it is a foundation that is involved, we need to be even more careful about acting for the good of the public. I believe it is the obligation of the Foundation to render social impact visible and incorporate it into a network.

Creating networks to share common issues

AOYAGI We are planning a workshop to enable the six companies to which we provide assistance under the dormant deposit accounts utilization project to share the issues that they face. Our aim is to create a network of entrepreneurs.

MATSUMOTO This is something to look forward to. I think it is unusual for companies in which the same venture capital firm has invested to meet with each other.

AOYAGI The Dormant Deposits Utilization Act that was enacted in 2018 had a supplementary resolution attached to the effect that the Act be reviewed five years later. The Japan Network for Public Interest Activities (JANPIA) will assess whether the principle of the Act has been realized, and whether the system and the method of assessment have brought about results. Such reviews are important, and in addition to the discussions, I think we must revise the system to make it more effective.



Renovater Co., Ltd.

Founded in 2018, this company purchases and renovates older buildings, such as unoccupied houses, and provides high-quality housing at low rent to those struggling to secure housing due to the hurdles they face in renting property, such as the destitute, senior people living on their own, and foreigners. Renovater Co., Ltd. seeks to use private-sector funds to resolve a social problem, namely the difficulty of entering into a rental contract experienced by those struggling to secure a place to live in the general rental housing market. Furthermore, the company provides not only properties but also meticulous tenant support services, with the aim of building a mechanism that creates a turn for the better in the lives of tenants.



Visualizing the social value of the project to increase the number of supporters Preparing to achieve an impact-oriented IPO

CureApp, Inc. is developing a business around the research, development and sale of therapeutic software applications for mobile devices, as well as the provision of mobile health-related services. We talked to President and CEO Kohta SATAKE about the company's initiatives.



CureApp, Inc.
CEO
Kohta SATAKE

KUDO CureApp provides the first treatment app that is eligible for insurance in Japan, and I would like to start by asking what the catalyst was for the founding of the company.

Kohta SATAKE After working as a doctor specializing in respiratory medicine for five years, I spent some time studying abroad at Johns Hopkins University, where my academic advisor showed me a dissertation on the use of apps for treatment. When I found that an app for treating diabetes had been found to be as effective as drugs in clinical trials, I got goosebumps. That was the catalyst that led to me founding the company. I understood that there was a future in using software for treatment rather than pharmaceuticals and medical devices, and felt strongly that I wanted to spread this approach in Japan.

KUDO I think you first encountered SIIF when Toyonaka City issued their "Toyonaka Giving Up Smoking Project" Social Impact Bond (SIB^{*1}).

SATAKE I heard that the giving up smoking SIB was Japan's first such initiative, and my initial impression was that it was an interesting idea. It turned out to be very difficult, but I felt it was something that should be done. Naturally CureApp had accumulated evidence, but until then the effectiveness of treatment apps had been evaluated in clinical research at universities and in hospitals. The Toyonaka City SIB was the first case of social implementation in which a service was provided to specific individuals, and the results were evaluated.

SAWAI After that, CureApp's initiatives caught our attention, and we invested through Hataraku FUND, in which the SIIF is a general partner. At the stage your company is at, I think you probably had many inquiries from investors. Why did you choose Hataraku FUND

as one of those?

SATAKE We felt that there was a high degree of affinity between the company mission and impact investing. By working with Hataraku FUND, I sense that as a company we have gained a deeper awareness of the issue of social impact.

Making impact measurement a metric for the company

KUDO When you received funds from Hataraku FUND, you also took on a new challenge in the form of adopting impact measurement and management (IMM^{*2}). How have you found that?

SATAKE I believe that the process of discussing within the company the social impacts that we are generating is in itself a valuable activity. Ever since the company was founded, our mission has been to use software to enable all people to receive high-quality treatment without worry. What does it look like if we try to quantify this "all people" and this "high-quality treatment"? We factorized this and created a logic model. After discussions at our management meetings, we made the decision to pursue social impact metrics as a company in the same way that we follow those for revenue and profit.

SAWAI I found the logic model that you created simple, easy to understand, and well thought-out. I was impressed by the clear and logical way that you have, as a company, set out the course of action that you intend to follow.

KUDO The main reason that we made broadening the use of IMM in Japan is that we believe it is an effective technique for continuously confronting the question of whether the activities in which we are engaged provide real benefits to society. It is by repeatedly testing the hypothesis that our day-to-day activities are aligned



Member of Executive
Committee, SIIF
Nanako KUDO

with our mission that we change our business for the better. The tool we use to achieve this is IMM. In that sense, the fact that your company has adopted impact measurement and incorporated it into your management is close to the realization of an ideal for us.

We want to engage actively with our supporters

KUDO Another course of action implied by IMM is external communications. I think this can be a tool to facilitate understanding of the company by investors and stakeholders, and to encourage them to become fans of the company.

SATAKE Right now, just as we prepare to list the company, we are exploring ways to use this IMM mechanism as a way of appealing to external investors, including impact investors. Naturally, for the stock market the key issues are revenue, profit and market capitalization, but we see IMM as transcending these, and offering a new way to express our values.

SAWAI A large part of the mission of Hataraku FUND is to set an example by facilitating the listing of companies that implement IMM, and that continue to generate social impacts after their listing. We hope that CureApp will be one of the companies that achieves this. As a company, when you think about conveying to society as a whole the importance of social impacts, specifically what kind of stakeholders do you have in mind?

SATAKE I get asked similar questions by securities companies. Will it be shareholders, or customers - which stakeholder will you focus on as you go about your business? Moreover, because our company is a startup associated with the field of medicine, we have a variety of relationships with patients, physicians, health insurance associations, the Ministry of Health, Labour and Welfare, medical associations, and academic institutions. So, for what it's worth, my conclusion is that rather than orienting ourselves towards one specific set of stakeholders, we will engage with all those who sympathize with our mission, regardless of their standpoint. We aim to actively engage with those who show an understanding of our mission.

KUDO I feel that IMM could be a useful tool to increase the number of those who sympathize with your mission and wish to travel with you aboard this ship called CureApp. Do you yourself feel that you would like impact investors to continue to invest in the company after it has been listed?

SATAKE Of course, I do very much feel that. I look at this as being something like an ecosystem, in which an increase in the number of companies producing impact reports will lead to an increase in the number of impact investors, and this in turn will lead to an increase in the number of companies that are aware of social impacts. I think our company can play a role in creating this kind of virtuous cycle.

Surprised by SIIF's ability to execute and enthusiasm

KUDO I myself have been promoting impact investing since around 2013, and I feel that the discussion has entered a new phase. Over the past one or two years,



SIIF
Impact Officer
Noriko SAWAI

the shift towards becoming part of the mainstream has accelerated all at once, and suddenly we're living in an era when investee companies like yourself, which are closely associated with impact investing, are preparing to be listed. It is actually quite an emotional moment. I feel that SIIF has also come to a point where its role needs to evolve further. Is there anything specific that you yourself would like to see from SIIF?

SATAKE There are many non-profit organizations in the world today, but SIIF differs from all of them. Having worked with the SIIF team, we have been surprised by their ability to execute their mission, and by the enthusiasm with which they push forward with their plans. During the Toyonaka City SIB, the CureApp employees involved in the project were deeply impressed by the level of commitment shown by the SIIF team. Going forward I aim to strongly promote their efforts as they work on the social implementation of new mechanisms.

*1 SIB: A mechanism whereby funds sourced from private investors and donors are used by private businesses to implement public services outsourced by administrative agencies and other organizations, with profits returned to providers of funds in accordance with the outcomes achieved.

*2 IMM: An approach involving understanding and measuring the social impacts of projects and activities in both qualitative and quantitative terms, and utilizing this for continuous social impact management that increases social impact activities.

CureApp, Inc.

Founded in 2014, CureApp's mission is to reimagine "treatment" through the use of software, with the aim of generating new treatments through technology that resolve social problems related to healthcare. The software applications for mobile devices developed and provided by CureApp seek to achieve therapeutic effects through new approaches, such as modifying behavior, for those suffering from conditions such as dependencies, and other lifestyle illnesses, to which existing methods of treatment have not been fully effective. In August 2020, its app for the treatment of nicotine dependency became the first such in Japan to receive regulatory approval, becoming eligible for insurance in December 2020.

Providing capital Creating knowledge

A program for supporting startups that take on the challenge of social problems

“Nippon Foundation Social Change Makers”

Support for program alumni projects



(From left) Yoshitaka TABUCHI; Yuya KATO (SIIF), Yuko KOSHIBA (SIIF), Takaya MATSUDA, President and CEO, Heralbony, Fumito MATSUDA, COO, Heralbony, Haruki SASAKI, COO, Heralbony

A total of more than ¥70 million in funds has been provided to three companies from among those selected for the “Nippon Foundation Social Change Makers” startup support program, which was launched in 2019 by Nippon Foundation and ImpacTech Japan. In addition to funds supplied at the time of founding, primarily in the form of equity investments, continuous, pacesetter support has been provided from the three perspectives of (1) building and visualizing an impact strategy, (2) achieving financial sustainability, and (3) building a team to support the growth of the business and the expansion of social value.

SIIF Comment




We act as pacesetters, working alongside social entrepreneurs right from the seed stage

There are still only a limited number of players in Japan who support social entrepreneurs from the seed stage. In this project we focused on that issue, and worked with Nippon Foundation and ImpacTech Japan to create a support mechanism. The impact-oriented businesses that have been developed from scratch by the companies receiving support are gradually getting underway, and beginning to move from the stage of verifying hypotheses to the growth phase. Leveraging the opportunity presented by being ones that work most closely with social entrepreneurs right from the seed stage, we continue to support the efforts of each company to create an impact and to grow their businesses. In addition, we hope to share with more social entrepreneurs the lessons and know-how that management and ourselves have accumulated through trial and error.



Impact Officer
Yuya KATO

Recipient of funds

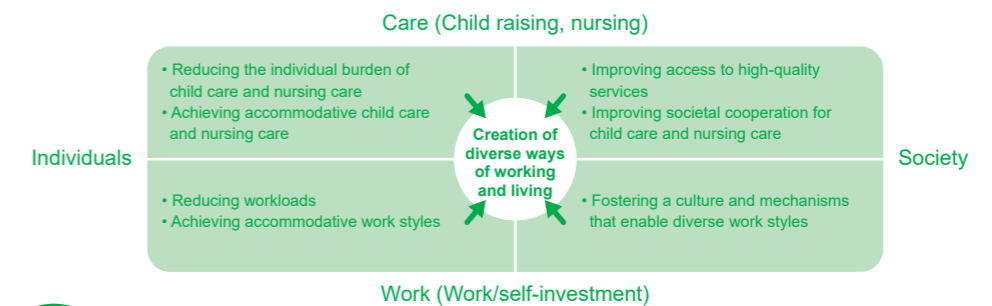
Company	Social impact generated
 <p>Aster Co., Ltd. Develops methods for improving manufacturing materials and construction methods, as well as analysis techniques, to improve earthquake resistance for buildings built with brick or stone in countries around the world</p>	<p>Because approximately 60% of the world's population is housed in masonry structures built from stone or brick that have little resistance to earthquakes, Aster is planning to use an inexpensive resin material to coat roofs and external walls in order to significantly reduce casualties from damage to housing caused by natural disasters such as earthquakes and typhoons.</p>
 <p>A10 Lab Inc. Operates the “Minchalle” digital peer support app that enables individuals to encourage each other while working to improve their lifestyle habits</p>	<p>By making it more enjoyable to continue with medical treatment and improve dietary and exercise habits in daily life, thus enhancing quality of life (QOL) for users, warding off illness and preventing illnesses from becoming severe, A10 Lab seeks to reduce medical costs and resolve resource shortages of medical treatment providers across society as a whole.</p>
 <p>Heralbony Co., Ltd. Operates business to provide production services for artists with disabilities, with the aim of changing the perception of disability and the lives of those with disabilities</p>	<p>By providing production services for works of art used on station buildings, office walls, and food packaging, etc., planning and marketing own-brand products such as apparel, miscellaneous goods, and furniture, and by licensing art, Heralbony aims to put the spotlight on individual artists with disabilities, and to sweep away deep-rooted social prejudices towards people with disabilities.</p>

Providing capital Creating knowledge

Hataraku FUND aims to create diverse ways of working and living, and expand mechanisms to support people who work

“Hataraku FUND” was established in a joint effort between Japanese banking groups and SIIF, as one of the few examples in Japan of an impact investing fund that is open to external investors. With a focus on pressing social problems such as the declining birthrate and the aging population, this is a fund to invest in companies that create the environment required to enable working people to continue to work through a variety of life events. Having designated the creation of diverse ways of working and living as targeted long-term social changes (impacts), the fund invests in the work domain in areas such as care, including child raising and nursing, and in the nurturing of next-generation human resources, in order to build more substantial mechanisms for supporting working people in society.

Theory of Change (ToC) for this fund: conceptual drawing



SIIF Comment



Creating an impact investing fund in which external investors can participate

We wanted to create a full-fledged impact investing fund of a kind that is still unusual in Japan in that it not only combines both financial returns and social returns, but it also permits participation by institutional investors. Hataraku FUND that grew from these ideas completed its funding in December 2020, having received a total of ¥3.65 billion from a total of 12 companies, including financial institutions, corporations, and universities. With the phase of setting up the impact investing fund now complete, we have entered the stage of building a track record, in which, as impact investors, we determine how much we can contribute to the continued generation of social impacts by investee companies. With interest in impact investing increasing rapidly, we are entering an era where the “quality” of such investments will come under scrutiny. The thought does create some tension.



General Manager,
Projects
Fumi SUGENO

New Investees in Fiscal 2020

Company	Social impact generated
 <p>Yell Co., Ltd. Operates “YeLL” 1-on-1 service utilizing personnel from outside the company, provides consulting on organizational development and human resources development</p>	<p>Provides a 1-on-1 service for individual organizations, using external personnel to help resolve the problem of low engagement by workers at Japanese companies. By improving independent career formation by workers and the psychological security of the organization, the company supports the self-actualization of the individual and the transformation of the company into a highly autonomous organization.</p>
 <p>CureApp, Inc. R&D and sale of therapeutic software applications for mobile devices, provision of mobile health-related services</p>	<p>Through the use of mobile-device therapeutic software applications, which are aimed at dependencies and lifestyle diseases, CureApp seeks to achieve sustainable treatment that contributes to the resolution of a variety of medical problems by bringing about an environment in which “all people (without disparities between regions), can receive high-quality treatment (to maximize treatment effectiveness) at any point (without being restricted by time or place) without worry (in a way that is financially sustainable).”</p>

2020 CASE STUDY ③

Providing capital Creating knowledge

Supporting social businesses that revitalize regions Dormant deposit accounts utilization project



In fiscal 2020, SIIF was designated an "Organization Distributing Funds" under the Dormant Deposits Utilization Act for the second consecutive year. In fiscal 2019 SIIF began implementing a project to support the growth of social businesses for revitalizing regions and the formation of an ecosystem that allows sustainable generation of impacts, to which end it selected six executing organizations. In fiscal 2020 SIIF conducted activities on the theme of "Solving Regional Issues through Collective Impact." In order to solve the problem of diminishing vitality in regional society caused by the progressive decline in birth rates and the aging population, we support the social businesses that form the core of local communities by reinvigorating a variety of resources not utilized in the regions, and seek to build mechanisms that take a collective approach to resolving social issues.

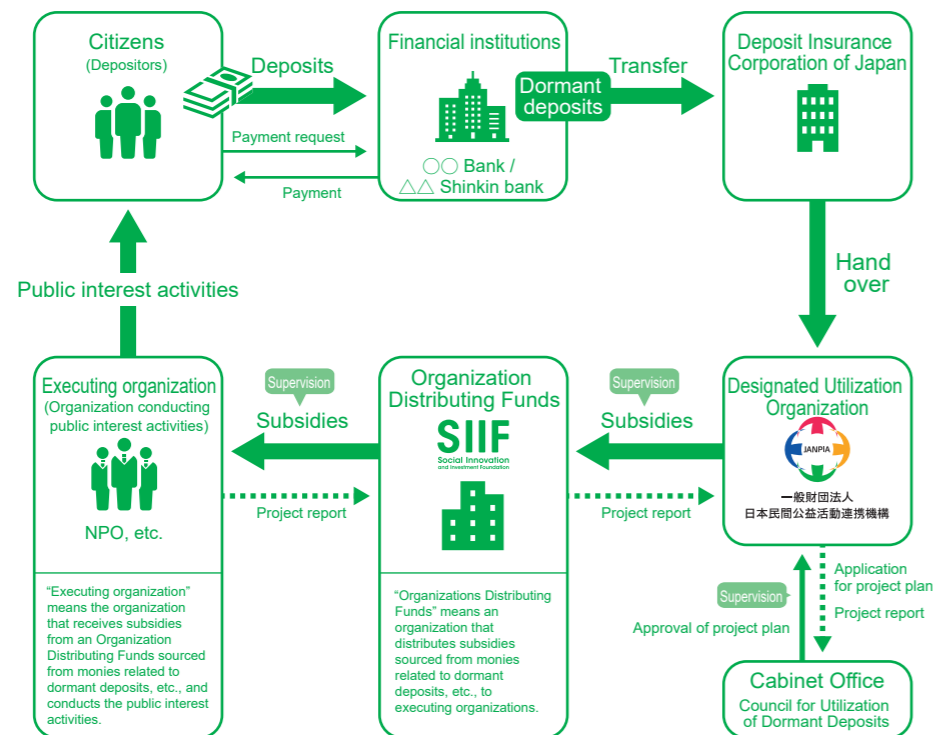


sonraku Inc. website. Operates a heat supply business utilizing energy from wood biomass, supporting the energy aspect of regional self-reliance



Press event held on November 19, 2020 at Satoyama Marugoto Hotel, with Misogigawa Co., Ltd., Kono Shinkin Bank, and SIIF.

Organizational chart



In order for social businesses that utilize regional resources to survive and grow, it is necessary to form flows of funds and personnel that are aimed at generating positive results (impacts) for the region. To achieve this, we not only provide assistance in the form of funds, but we also focus on acting as pacesetters for the management of the organizations responsible for these activities, and work to establish functions and mechanisms to visualize and assess regional revitalization.

Executing organization

Company	Social impact generated
<p>Share Village Co., Ltd. Develops and provides a platform for establishing and operating autonomous and distributed "villages" to make use of idle assets, such as old houses</p>	Share Village supports the operation of "villages" across Japan that are involved in the conservation of local woodlands, construction of shared housing, restoration of hot springs, and utilization of idle facilities (particularly in the town of Gojome in Minami Akita, Akita Prefecture), with the aim of establishing and extending a series of decentralized autonomous communities.
<p>sonraku Inc. Constructs and operates wood biomass cogeneration facilities that make use of forestry resources within the area, with the aim of both revitalizing the region and promoting the circulation of resources</p>	sonraku deploys decentralized autonomous energy facilities to effectively generate power and heat (small-scale wood biomass cogeneration equipment) using only local forestry resources (thinnings and other idle resources) with the aim of not only kickstarting a virtuous cycle for forestry resources, but also supplying stable electric power and heat energy to communities for their day-to-day needs.
<p>Rennovater Co., Ltd. Buys old buildings and rents them to those struggling to secure housing, such as senior people living on their own and single-parent households</p>	Rennovater buys empty houses to use for rental with the goal of eliminating the problems faced by those struggling to find housing, as well as working with local NPOs to provide meticulous services to tenants, so as to build a mechanism that creates a turn for the better in the lives of tenants.
<p>Misogigawa Co., Ltd. Operates "TANOMOSHI Local Business Lab" for nurturing local enterprises in partnership with local financial institutions</p>	Through the operation of "TANOMOSHI Local Business Lab," Misogigawa seeks to nurture local enterprises in the Noto peninsula, as well as working with local financial institutions to strengthen intermediary support functions in the region. Through these initiatives it aims to generate social impacts in the form of revitalizing the regional economy, maintaining and preserving lifestyles and communities in forested and coastal areas, and expanding so-called "related populations" of people who reside elsewhere but have a stake in the region.
<p>Pocket Marche, Inc. Operates the "POCKET MARCHÉ" CtoC platform for directly connecting primary producers to consumers</p>	Pocket Marche leverages the systems and the know-how it has accumulated by operating the "POCKET MARCHÉ" CtoC platform for connecting primary producers to consumers, using online purchases from primary producers as the opportunity to initiate a process of strengthening relations between production sites in the regions and urban consumers to create so-called "related populations," and clarifying the metrics used to assess them.
<p>Ridilover Inc. Established and operates the fan club for the Echigo-Tsumari region, known as the home of an extensive triennial art festival for more than 20 years</p>	Ridilover seeks to create and expand related populations by utilizing regional resources such as the Echigo-Tsumari Art Triennial, which has been held in the Echigo-Tsumari region of Niigata Prefecture for more than 20 years, as well as the rural landscape and the culture of country living. Through the multiple ongoing cash points enabled by these relationships, Ridilover aims to build a regional ecosystem that balances diverse regional lifestyles with economic autonomy and stability.

SIIF Comment

We support the growth of businesses that can generate sustainable impacts

For the dormant deposit accounts project, our focus has been on creating mechanisms to make idle regional assets visible, enable social businesses to sustainably generate social impacts, and collectively solve the important problems faced by communities. For this purpose we provide social impact evaluation and pacesetter assistance. It is important that social impacts are sustainably generated even after the active period of the dormant deposit account project has ended. Rather than simply providing grants and leaving it at that, we aim to use grants as fertilizer to nurture businesses, to help them achieve sustainable growth, and to cultivate businesses and mechanisms that in the future will no longer rely on dormant deposits.



Impact Officer
Yuka OGASAWARA

Providing capital

Networking

Research and development of new mechanisms for resource circulation “Hallucigenia Lab.”







In April 2020, we began the “Hallucigenia Lab.” accelerator program for research and development of new mechanisms for the circulation of resources such as manpower, goods and capital. This program is open to organizations that have ideas for businesses that could become new ecosystems with a role in the circulation of resources. These organizations are provided with funding and six months of business support. Each of the recipients work on the development of new businesses involved in the building of new resource circulation mechanisms. In addition to providing support to each organization for the development of new business prototypes, SIIF identifies the success factors within that process, records explicit knowledge related to the business growth process, and provides know-how to the business operators, with the aim of inducing them to build new mechanisms for resource circulation.



Artists interacting with local residents through their creations using a venue that makes use of an empty house (Ishinomaki City, Miyagi Prefecture) Source: makigumi LLC

Companies participating in Hallucigenia Lab.

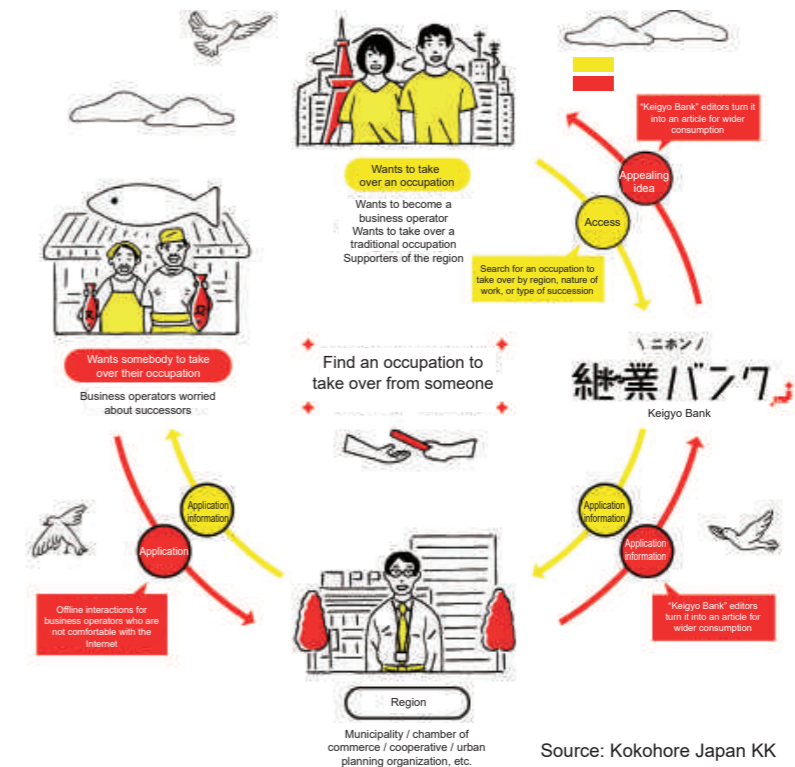
Company	Social impact generated
 <p>Kokohore Japan KK Develops and operates the “Keigyo Bank” media platform for enabling the continuation of regional occupations</p>	<p>Kokohore Japan builds new business models to enable the continuation of regional work that would have difficulty surviving in a society in which economic rationality is given priority. “Keigyo Bank” arrangements have been established in five locations around Japan, including Mikasa City in Hokkaido, Nanao City in Ishikawa Prefecture, and Mimasaka City in Okayama Prefecture. In multiple regions, small-scale business operators have used “Nihon Keigyo Bank” to search for heirs to take over the business, and have subsequently succeeded in finding successors.</p>
 <p>K.K. Next Commons Lab Creation of new community economic zones by developing union organizations through the utilization of crypto assets</p>	<p>Next Commons Lab implements a mutual-aid type of social security in the form of a cooperative based on a vision of a world in which helping each other, supporting each other, and investing in the future are all connected. As part of that process, it seeks to form new kinds of self-government to supplement and eventually replace the role played by our existing system of administration.</p>
 <p>Unnan Community High School Consortium Builds relationships that transcend generations between local junior and senior high school students and adults, by means of a helper app</p>	<p>UCHC seeks to build organic social capital that transcends generations in order to increase happiness among local residents. Rather than achieving happiness through transactions based primarily on exchanges of existing economic value, such as money, it aims to create a society in which happiness is based on relationships derived from contributions and connections to others.</p>
 <p>Makigumi LLC Forming a gift economy platform to support the independence of young creators</p>	<p>Makigumi gathers resources from donors with excess assets, and offers an environment that provides housing and support for self-reliance in young people who aspire to a creative lifestyle. The result of creating appealing living places in which people gather is the generation of assets with investment value, which in turn drives local economies.</p>

Organizations participating in the first phase of Hallucigenia Lab. Investment in Kokohore Japan KK



(From left) Noriko TADATE (SIIF), Kanafumi FURUICHI (SIIF), Katsutoshi ASAI (CEO, Kokohore Japan KK), Toshihito KOBAYASHI (individual investor); photo taken at the NEXs Tokyo start-up support facility sponsored by the Tokyo Metropolitan government, at which Kokohore Japan KK is currently registering for membership (source: Kokohore Japan KK)

By providing its “Nihon Keigyo Bank” service for an annual fee to match businesses with successors, and by having entered into partnership agreements with local governments in five regions, Kokohore Japan has achieved the problem-solution fit required by Hallucigenia Lab. In addition, as an example of the “new circulation of resources model” that SIIF hopes will emerge, Kokohore Japan’s “Nihon Keigyo Bank” business model has led to the unearthing in the regions of ongoing occupations that had not previously been visible, made their value known to the outside world, and succeeded in appropriately matching up the direct beneficiaries, which are the successor and the ongoing occupation. SIIF has made the decision to continue to provide support in order to conduct further verification of this project.



Source: Kokohore Japan KK

SIIF Comment

We support entrepreneurs who seek to generate a new type of resource circulation in the regions

In order to propose new approaches to human interaction and economics that transcend the existing capitalist economy, Hallucigenia Lab. provides assistance to players in regional ecosystems while working to develop novel projects that generate new types of resource circulation, such as “manpower,” “goods,” and “capital.” We provided four organizations with subsidies in 2020, and based on the outcomes of that business development we subsequently made a further direct investment in one of those organizations, namely Kokohore Japan KK. Going forward we will continue to support Kokohore Japan’s management as a shareholder, while working with it to create ecosystems around the theme of the continuation of regional occupations.



Impact Officer
Kanafumi FURUICHI

Creating knowledge

Social impact measurement/management

Measurements designed to grasp the qualitative & quantitative social impact generated by projects and activities, and social impact management for the continuation of activities that utilize these measurements to enhance social impacts. By engaging directly in investment and support activities, SIIF accumulates practical wisdom related to social impact measurement and management, and develops knowledge based on what it learns.

Practice

SIIF itself practices social impact measurement and management through the fund it operates, in addition to which it supports its introduction and implementation at recipients of SIIF funds and assistance. We provide support for a range of tasks, including the use of logic models to visualize social impact, the selection of metrics used for devising social outcomes, building internal structures to improve outcomes, and creating reports to represent social impacts.

Implementation of social impact measurement and the publication of impact reports at an investee of the Healthcare New Frontier Fund

The Healthcare New Frontier Fund is a venture capital fund that was established with the aim of extending healthy lives (an initiative being promoted by Kanagawa Prefecture) and resolving social problems by creating new industries in the fields of preventative measures to be taken before people actually become ill, and of cutting-edge medical treatment. As well as investing in this fund, SIIF implements social impact measurement for all the startups in which the fund has invested, and publishes annual reports summarizing the outcomes. In 2020 we implemented social impact measurements for two new investee companies and 14 existing investee companies, for a total of 16 firms.



Practice of social impact measurement in fiscal 2020

- Assisted in the creation of impact report for ADDRESS Co., Ltd.
- Built social impact measurement techniques for single mother support project
- Assisted in the design of social impact measurements for a social impact bond project scheduled to be issued by the Ministry of Justice
- Support for the dormant deposit accounts utilization project, Hataraku FUND, Nippon Foundation Social Change Makers program alumni projects, and social impact measurement support for the investee companies of Hallucigenia Lab.

Forming and disseminating knowledge

We create knowledge based on what we learn from the practice of social impact measurement and management, and share it with other impact investors and entrepreneurs. We also borrow ideas from cutting-edge global case studies and make further use of these in our own practice.

“Impact Investing Roundtable” held by GSG-NAB Japan and the FSA



An “Impact Investing Roundtable” aimed at those involved in financial markets and governmental affairs was held jointly by the Financial Services Agency of Japan and the Japan National Advisory Board of the Global Steering Group for Impact Investment (GSG-NAB Japan), which is an organization that promotes impact investing in Japan. As the secretariat of the GSG-NAB Japan, SIIF is responsible for the planning and operation of the roundtable. Social impact measurement and management was a topic of great interest for the investors participating in the roundtable. In addition to sharing state-of-the-art case studies from both Japan and overseas, we discussed issues related to the practice of social impact measurement and management, and discussed the measures required to address them.

GSG IMM Working Group creates the first “Impact Measurement and Management Guidelines” in Japan

The IMM Working Group of GSG-NAB Japan has been working to refine discussions aimed at forming agreement on impact measurement and management among Japan’s impact investors. In fiscal 2020, we created Impact Measurement and Management Rules (Guidelines) to be shared among Japan’s impact investors; a practical guidebook for impact measurement and management that describes cutting-edge case studies from the field; discussion papers aimed at overseas readers that include information on the current state of impact investing and impact measurement and management in Japan, the needs of practitioners, and the issues that they face.



Becoming a hub for exchanging practical wisdom between Japan and overseas Global partnerships

SIIF cooperates with organizations that are involved in the global promotion of impact investing and social impact measurement/management, and in addition to communicating the latest trends in Japan, it works to disseminate leading cases and knowledge from overseas within Japan.



GSG
The Global Steering Group for Impact Investment

The GSG is a global network, with 33 nations plus the EU as members, which aims at promoting impact investing in partnership with financial institutions, governments, international organizations, businesses, and other entities around the world. Since it was first established, SIIF has participated in Japan's Global Steering Group for Impact Investment in its role as secretariat, and SIIF Vice-chair of Executive Committee AOYAGI is a member of GSG-NAB Japan.



GIIN
The Global Impact Investing Network

An organization dedicated to increasing the scale and effectiveness of impact investing established in 2009 by a group of investors. The GIIN builds critical infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry. SIIF participates in working groups as a member of the GIIN, and extends invitations to the GIIN to attend other conferences and government-sponsored study meetings in Japan.




IMP
Impact Management Project

IMP is an international initiative that, since 2016, has been providing a forum for building global consensus on measuring, managing and reporting impacts on people and the environment. It convenes a community of over 2,000 practitioners to share best practices related to impact management, delve into technical issues and identify areas where further consensus is required. IMP also facilitates standard-setting organizations that, through their specific and complementary expertise, are coordinating efforts to provide comprehensive standards for impact measurement, management and reporting. The IMP is a time-bound global public interest project, funded by a diverse group of donors from Europe, the US and Asia. SIIF works with the IMP as a strategic partner to popularize impact management in Japan.



AVPN
Asian Venture Philanthropy Network

Founded in 2011, AVPN is a non-profit organization that promotes the development of social investment and venture philanthropy in Asia through a membership network of over 600 foundations, corporations, intermediary organizations, investors and HNWI's. We support the formation of collaborative projects among member organizations in various sectors, introduce organizations to each other, provide opportunities for knowledge sharing and fellowships, manage projects, and conduct research and studies.



RPA
Rockefeller Philanthropy Advisors

Rockefeller Philanthropy Advisors is a nonprofit organization that currently advises on and manages more than \$400 million in annual giving by individuals, families, corporations and foundations. Continuing the Rockefeller family's legacy of thoughtful, effective philanthropy, RPA remains at the forefront of philanthropic growth and innovation, with a diverse team of experienced grantmakers with significant depth of knowledge across the spectrum of issue areas. Founded in 2002, RPA has grown into one of the world's largest philanthropic service organizations and has facilitated more than \$3 billion in grantmaking to more than 70 countries.



Results of Activities in Fiscal 2020

Participation in Impact Frontiers, operated by IMP and the Bridges Impact Foundation

Impact Frontiers is a comprehensive framework for understanding impact as well as financial risk and return, being collaboratively developed by investors worldwide. Impact Officer Yuya KATO, who is responsible for Hataraku FUND, participates on behalf of SIIF. Over the next two years, we will use the model impact investing projects in which we have been involved as a basis for a comprehensive understanding of the economics and the impact of our investment portfolio as a whole and for individual investments, thus contributing to the development of practical techniques that can be used for setting targets, making investment decisions, monitoring, and reporting.



Participation as an advisor in GSG headquarters-sponsored working group

Impact officer Michiru TODA is participating on behalf of SIIF in one of the working groups sponsored by the GSG headquarters, "Mainstreaming Outcome-Based Finance." This working group is working to organize and simplify categories of outcome-based finance, with the objective of promoting its popularization in the public sector. In February 2021, the results of these activities were summarized in guidelines under the title "Tying funding to results." As part of these activities, we gave a talk on this theme at the GSG Global Impact Summit 2020, held on September 2020. This same talk, given at the GSG Global Impact Summit 2020, led to SIIF's General Manager of Projects, Fumi SUGENO, participating in the GSG headquarters-sponsored "Narrative Working Group." To enable discussions in a common language around such subjects as "impact," "impact investing," and "how it differs from an ESG investing," this working group will develop and disseminate definitions, examples of usage, and communication tools such as vocabulary maps.



Numerous SIIF team members involved in development interviews for GIIN Impact Performance initiative

"IRIS+" is an impact measurement tool for investors that is widely used by global impact investors. IRIS+ consists of impact metrics organized by theme, and Hataraku FUND team members and SIIF's Michiru TODA participated in the development process for priorities in the "Quality Jobs" theme. The finalized set of priorities, which impact investors such as SIIF team members provided input, is available for installation within the IRIS+ framework.

Participation in the IWA closed consultation series

Impact Officer Yuko KOSHIBA participated in the Impact Weighted Accounts Initiative (IWA) on behalf of SIIF in Japan, as a practitioner in impact investing and ecosystem builder. This project, led by GSG and Harvard University, seeks to create a system for converting the social and environmental impacts generated by a company into monetary values that can be incorporated into the financial statements.



Organizational Summary

Organization name SIIF: Japan Social Innovation and Investment Foundation
Japan Social Innovation and Investment Foundation [SIIF]

Address 6F M-City Akasaka 1-chome Building, 1-11-28 Akasaka, Minato-ku Tokyo 107-0052, Japan

Date established September 2018

History

2013 The Nippon Foundation started to engage in research to promote social impact investment in Japan

2014 A social investing promotion office was set up within The Nippon Foundation, and The Nippon Foundation and its partners represented Japan on the G8 Social Impact Investment Taskforce (GSG; now the Global Steering Group for Impact Investment)
The Nippon Foundation hosted a secretariat managing the strategic and day-to-day activities of the GSG Japan National Advisory Board

2015 Start of SIB pilot projects in Yokosuka, Amagasaki, and Fukuoka Cities

2016 Founding of the Social Impact Measurement Initiative (SIMI; now the Social Impact Management Initiative)

2017 In order to further accelerate the social impact investment market building initiatives, founded Japan Social Impact Investment Foundation (SIIF)
Start of first, full-scale Japanese SIB projects in Kobe and Hachioji

2018 Participated in the Healthcare New Frontier Fund initiated by Kanagawa Prefecture

2019 Set up and managed jointly with Shinsei Corporate Investment and Mizuho Bank the social impact investment fund
Merged with the Institute for the Advancement of Social Innovation and renamed ourselves as the Social Innovation and Investment Foundation

2020 Business alliance concluded with Rockefeller Philanthropy Advisors, one of the largest philanthropic advisors in the U.S.
As an Organization Distributing Funds under the dormant deposit account utilization system, selected six executing organizations in fiscal 2019 for the "Project to support growth of social businesses for revitalizing regions"
Began investing in and supporting three alumni companies of the Nippon Foundation "Social Change Makers" program
The FSA and GSG-NAB Japan (with SIIF acting as secretariat) begin holding joint held "Impact Investing Roundtable" events on alternate months
Hallucigenia Lab. is held with the objective of building new mechanisms for resource circulation
Began investing in and supporting the "ADDRESS" co-living service, which utilizes unoccupied housing to allow members to enjoy residency across multiple locations
Selected as an Organization Distributing Funds for the "Solution of Regional Issues through Collective Impact" program under the dormant deposit account utilization system for fiscal 2020



Chair of Executive Committee Shuichi OHNO

Vice-chair of Executive Committee Mitsuaki AOYAGI

Member of Executive Committee Nanako KUDO
Yoshinobu TAKAISHI

Director Takuya OKAMOTO [President & CEO, Chitose Kensetsu, Inc.]
Osamu KANEDA [Founder & CEO, Yo-ren Limited]
Shunichi NAGATA [Director, Trust Museum, Mitsubishi UFJ Trust and Banking Corporation; former Chairman, Deposit Insurance Corporation of Japan]

Auditor Yumiko IGARASHI [Attorney at Law, Igarashi Law Office]

Councilors Hiroko OTA [Senior Professor, National Graduate Institute for Policy Studies; Vice Chairman, the Japan Productivity Center]
Takeju OGATA [President, The Nippon Foundation]
Yuko KAWAMOTO [Professor, Waseda Graduate School of Business and Finance, Head of the Waseda University Institute of Governance & Sustainability]
Masayasu KITAGAWA [Professor Emeritus, Waseda University; Advisor, Waseda University Research Institute of Manifesto]
Hiroyuki SHIBATA [President & CEO, Shinkin Central Bank]
Ryoki SUGITA [Former Chairman, Nikkei Inc.; Advisor, Japan Center for Economic Research]
Tsuyoshi TAKAGI [Adviser, Japanese Trade Union Confederation (Rengo)]
Yoko TAKAHASHI [President, Japan Philanthropic Association]
Akihiko TANAKA [President, National Graduate Institute for Policy Studies]
Hironori TARUMI [Professor, Faculty of Law, Hokkai-Gakuen University]
Yasutake TANGO [Chairman of the Board, Japan Tobacco, Inc., Former Administrative Vice Minister of the Ministry of Finance]
Yuri NAKAE [Actress, writer]
Masahiro FUTAHASHI [Chairman, Japan Center for Local Autonomy; former Deputy Chief Cabinet Secretary]
Tutomu HORIUCHI [Professor, Center for Social Investment of Tama University; former CFO, Mori Building Co., Ltd.]

Advisor Mariko BANDO [Chancellor, Showa Women's University]

Financial status

Net Assets Variation Statement

I Change in general net assets

1. Change in ordinary revenue/expenses	
(1) Ordinary revenue	
Total ordinary revenue	534,810,894
(2) Ordinary expenses	
Operating expenses	396,495,007
Total administrative expenses	103,181,368
Total ordinary expenses	499,676,375
Current change in ordinary revenue/expenses before adjustment by appraisal gain or loss	35,134,519
Current change in ordinary revenue	35,134,519
2. Change in extraordinary revenue/expenses	
(1) Extraordinary revenue	
Total extraordinary revenue	0
(2) Extraordinary expenses	
Total extraordinary expenses	7,359,478
Change in current extraordinary revenue	△ 7,359,478
Current change in general net assets before taxes	27,775,041
Income taxes	70,000
Current change in general net assets	27,705,041
Opening balance of general net assets	6,277,943
Closing balance of general net assets	33,982,984

II Change in designated net assets

Dormant deposits and other subsidies	155,256,788
Private subsidies received	552,740,000
Total subsidies, etc., received	707,996,788
Appraisal gain or loss on designated assets	657,705
Transfer to general net assets	
Transfer to general net assets	△ 507,669,472
Current change in designated net assets	200,985,021
Opening balance of designated net assets	965,585,768
Closing balance of designated net assets	1,166,570,789

III Closing balance of net assets

1,200,553,773

Balance sheet

I Assets

1. Current assets	
Total current assets	127,247,651
2. Fixed assets	
(1) Endowments	
Total endowments	10,000,000
(2) Designated assets	
Business management equalization fund	30,000,762
Social transformation promotion business fund	264,216,892
Social transformation project assets	143,868,638
Dormant deposit project assets	218,525,246
Funds, etc. surplus	91,333,323
Marketable securities	369,694,857
Fixtures and fittings	1,824,015
Equipment attached to buildings	9,950,576
Rental deposit	27,156,480
Total designated assets	1,156,570,789
Total fixed assets	1,166,570,789
Total assets	1,293,818,440

II Liabilities

Total current liabilities	86,037,667
Total non-current liabilities	7,227,000
Total liabilities	93,264,667

III Net assets

1. Designated net assets	
Dormant deposits and other subsidies	163,525,246
Private subsidies	997,090,166
Contributions	6,218,500
Appraisal gain or loss on marketable securities	△ 263,123
Total designated net assets	1,166,570,789
2. General net assets	
Total net assets	1,200,553,773
Total liabilities and net assets	1,293,818,440

Supported by THE NIPPON FOUNDATION

Organizational summary and officers, etc. valid as of March 31, 2021.

The operations of the Foundation are implemented with the assistance of subsidies from the Nippon Foundation.

April 1, 2020 to March 31, 2021 (Units: yen)

As of March 31, 2021 (Units: yen)