公益財団法人 米日カウンシルジャパン

U.S.-Japan Council (Japan)

2021年度事業報告
2021 Business Report
I. OVERVIEW

As the U.S.-Japan Council (Japan), Koeki Zaidan Hojin Beinichi Kaunshiru Japan” in Japanese (herein “Foundation”) completes its tenth business year of operations, it has achieved many of its key charitable objectives through an active and dynamic set of programs, further developed its people-to-people network in Japan and continued to build a sustainable organizational foundation.

In the second year of the pandemic of COVID-19, the Foundation was able to react in a timely manner to pivot many programs to an online format with innovative approaches to make programs effective and impactful.

Through activities organized and overseen by the Foundation and supported by the implementing assistance of collaborating partners, hundreds of young people in Japan and the United States participated in the TOMODACHI Initiative. Many of these young TOMODACHI participants found their experiences to be transformative and life-changing. Meaningful international contact created multiple unique bonds between participants, and program content sparked new interests and confidence within these young people. In total, the Foundation administered 13 unique TOMODACHI programs in 2021 in the fields of education and leadership development, participated by 390 young people from both Japan and the United States.

As an extension of the TOMODACHI Initiative, the Foundation offers TOMODACHI Alumni Programs for over 9,800 TOMODACHI program participants. In 2021, the Foundation offered 54 distinguished TOMODACHI Alumni Programs, attended by over 1,068 alumni, to give them experiences, exposure and skills to enhance their leadership.

The Foundation has also worked in other areas of U.S.-Japan people-to-people exchange, including engagement with business leaders, legislative leaders, NGO leaders, and others with a shared interest in U.S.-Japan relations. The Foundation's networking and general education programs included the Business Advisory Board, which brought together 190 Japanese and American leaders over the course of four virtual meetings throughout the year to discuss areas of mutual interest in U.S.-Japan relations. Japanese American Storytelling Program, where the Foundation’s members give positive educational messages to Japanese youths, gave 50 presentations for more than 1,500 university students in the 2021 school year.

II. PURPOSE

The purpose of the Foundation is to promote people-to-people ties between Americans and Japanese of all generations as a crucial aspect of the U.S.-Japan relationship, as well as to strengthen educational, cultural, and economic ties and deepen the long-term friendship between the United States and Japan.

The Foundation’s core business is to manage the TOMODACHI Initiative (the “TOMODACHI Initiative” or “TOMODACHI”), a public-private partnership with the U.S. Embassy in Tokyo that nurtures the next generation of Japanese and Americans through three types of programs: educational programs; cultural exchange programs in sports, music and the arts; and leadership programs. The Foundation also manages TOMODACHI Alumni Programs targeting those who have experienced TOMODACHI programs, to provide opportunities to engage and inspire one another, and keep developing their leadership skills.
In 2021, the Foundation managed and administered the selection of the activities described in this report, which were funded through the Foundation. The TOMODACHI Initiative also receives support from the U.S.-Japan Council (U.S.) based in Washington, D.C., for activities funded through the separate tax-exempt U.S. entity.

III. ACTIVITIES

A. CHARITABLE ACTIVITY - TOMODACHI Educational Programs

Educational programs serve to enrich and inspire young Japanese and Americans through exposure to each other's countries. Through a broad set of programs, the TOMODACHI Initiative aims to engage young Japanese and Americans through academic and exchange opportunities and thereby strengthen overall U.S.-Japan relations. Five (5) TOMODACHI Educational Programs were conducted by the Foundation’s support during 2021 including the following.

- TOMODACHI MUFG International Exchange Program
- TOMODACHI Sumitomo Corporation Scholarship Program
- TOMODACHI-UNIQLO Fellowship
- TOMODACHI Internship Program
- TOMODACHI KAKEHASHI Inouye Scholars Program

B. CHARITABLE ACTIVITY – TOMODACHI Leadership Programs

TOMODACHI promotes programs that help the next generation of young leaders gain the skills and expertise necessary to guide them towards success and help them make a positive difference for their communities, for their countries, and for the entire world. This year’s programs included fellowships and leadership programs for high school and college students as well as young professionals. Eight (8) Leadership Programs supported by the Foundation included the below programs.

- Building the TOMODACHI Generation: Morgan Stanley Ambassadors Program: Alumni Bootcamp
- TOMODACHI J&J Disaster Nursing Training Program
- TOMODACHI Lawson Career Mentoring Program
- TOMODACHI FamilyMart SDGs Leadership Program in Tohoku
- TOMODACHI MetLife Women's Leadership Program
- TOMODACHI-STEM Women's Leadership and Research Program
- 10th TOMODACHI-Keio SFC Entrepreneurship Seminar
- TOMODACHI Story Jam for Youth with Disabilities

C. CHARITABLE ACTIVITY - TOMODACHI Alumni Programs

The TOMODACHI Alumni Program builds upon the initial TOMODACHI experience to inspire and empower the young people of Japan and America, giving them the experiences, skills, and confidence
to achieve their dreams and contribute to a better world. The Foundation offers the alumni community with a range of opportunities to engage and inspire one another to build strong, enduring relationships. In 2021, a majority of the Alumni programs were conducted online using a web-based meeting tool. Thanks to the online format, Alumni “regional” events were attended by alumni and stakeholders all across the nation.

With 2021 TOMODACHI Programs complete, over 9,800 members are TOMODACHI Alumni. They range in age from 14 to 40 and come from across Japan and the United States. In 2021, 1,068 TOMODACHI alumni participated in 54 programs and opportunities including the following, of which 45 programs were organized and led by alumni themselves.

Global Leadership Academy
Next Generation Summit 2021
RISE Leadership Program
- Orientation & Awards Ceremony in March
- Welcome Event in June
- July Training
- Theme Event in December
TOMO-KIN Gatherings (monthly)
Alumni Highlights (monthly interview)
Events with U.S. Consulates and Embassy of Japan
- Remembering March 11, 2011: Looking Back & Looking Forward with U.S. Embassy in Tokyo
- “Unshakable Friendship: Remembrance of 3.11” Event at Embassy of Japan in Washington DC
- TOMODACHI Initiative 10th Year Commemorative Event at the Consul General’s Residence in New York

D. CHARITABLE ACTIVITY – Networking/General Education

In addition to TOMODACHI activities, the Foundation engages in networking activities and related general education activities to build ties between Americans and Japanese in key areas of the relationship. Many of these programs were conducted in virtual format in 2021.

1. Bilateral Boardroom
The Foundation held two on-line conferences “Bilateral Boardroom” as following:

1) U.S.-Japan Leadership in Addressing the Climate Crisis
In August, a virtual Bilateral Boardroom event featured a fireside chat moderated by President and CEO Suzanne Basalla between Special Presidential Envoy for Climate Mr. John Kerry, and Mr. KOIZUMI Shinjiro, former Minister of the Environment and Minister in charge of Climate Change. The two leaders touched on a variety of issues such as the importance of the U.S.-Japan relationship in the context of climate change and the role of U.S.-China climate cooperation.

2) Purpose-Driven Leadership in U.S.-Japan Relations
In November, the Bilateral Boardroom featured a discussion focused on ESG leadership featuring Mr. Larry Fink (Chairman and CEO of BlackRock, Inc.) and Mr. Toshiaki Higashihara (Representative Executive Officer, Executive Chairman & CEO and Director, Hitachi, Ltd.). This was followed by a discussion about the possibilities of ESG-centered leadership on the grassroots level spearheaded by different leaders focused on ESG-centered leadership in different sectors.

2. Business Advisory Board
The Business Advisory Board (BAB), founded in 2014, continued to create further ties with the business sector and the U.S.-Japan Council, continued with additional activities in 2021. The BAB is led by successful executive leaders who have worked in the United States and Japan, and it held four virtual meetings in 2021 and a total 190 members and guests participated. The BAB meetings offered speaker sessions to discuss international, cultural, and/or business topics, and networking opportunities for the members.

3. Japanese American Storytelling Program
After a pilot phase in 2020, the Foundation launched the Japanese American Storytelling Program (“JASP”) in full in 2021. It is a program for U.S.-Japan Council leaders (members) to convey positive educational messages to the youth at universities in Japan. Reflecting the diversity of our presentation themes, JASP Speakers range from next generation young leaders to senior executives, and Nikkei Sansei and Yonsei, Shin Issei, Shin Nisei, Bi-Racial/Multi-Ethnic Nikkei, from both the private and non-profit sectors, based in Tokyo, Okinawa, Hawai’i, and the Mainland United States. Overarching themes include tolerance and empathy for immigrants, overcoming discrimination and prejudice, strength of diversity in society, and building bridges between the US and Japan. These themes are communicated through personal family history narratives. In 2021, the Foundation gave 50 presentations to more than 1,500 students at 37 different universities in Japan.

IV. GOVERNANCE
The Foundation’s Board of Councilors and Board of Directors continues to operate in compliance with the Foundation’s Articles of Incorporation.

A. BOARD MEMBERS

BOARD OF DIRECTORS (as of Dec. 31, 2021)

Board Officers:
Royanne Doi, Chair & Representative Director
Corporate Governance Specialist

Suzanne Basalla, Representative Director
President & CEO, U.S.-Japan Council

Ryuichi Katayama, Internal Auditor

Board Members:
Stan Koyanagi
Member of the Board of Directors, Managing Executive Officer and Global General Counsel, ORIX Corporation

**Gary Moriwaki**
Partner, Windels Marx Lane & Mittendorf, LLP

**Takashi Ohde**
Advisor, Gakushuin Women's College Institute of International Studies

**Jenifer Rogers**
General Counsel Asia, Asurion Japan Holdings G.K.

**Henry Takata**
Representative Director, SynTech Japan Co., Ltd.

**Miyuki Tani**
Executive Director, Morgan Stanley Capital K.K.

**BOARD OF COUNCILORS (as of December 31, 2021)**

**Board Officer:**
**Kathy Matsui,** Chair
General Partner, MPower Partners

**Board Members:**
**Daniel Fujii**
President & CEO, Trust Capital Co., Ltd.

**William Ireton**
Head of Production (Japan), Sony Pictures International Productions

**Merle Aiko Okawara**
Chairman, DELSOLE Corporation

**B. BOARD MEETINGS**

The Foundation held below four Board of Directors meetings and one Board of Councilors meeting in 2021 with respective agenda below.

March 3, 2021 - Board of Directors meeting (quorum met)
- Approval of 2020 Audited Business Report and Business Report-related Filing Documents (with the Cabinet Office)
Business Report 2021

- Approval of Audited Balance Sheets and the Profit and Loss Statements (“Financial Statements”), the Annexed Detailed Statements thereof, the Inventory of Property, etc., and Regulatory Submission of said documents for the ninth fiscal year
- Approval of New Regulation Documents (Code of Ethics, Accounting Rules and Rules of Handing of Seals)
- Performance Report by Representative Director(s) and Executive Director(s)
- TOMODACHI Initiative Update
- Proposal suggesting the general meeting of the councilors take place by the form of written consent with the following reporting and resolution items.

March 19, 2021 - Board of Councilors (unanimous written consent)
- Approval of 2020 Audited Business Report and Annexed Statements thereof for the 9th fiscal year (from January 1, 2020 through December 31, 2020) (the “9th Fiscal Year”)
- Approval of Balanced Sheets and the Profit and Loss Statements (“Financial Statements”), the Annexed Detailed Statements thereof, the Inventory of Property, etc. and the Regulatory Submission for the 9th Fiscal Year
- Election of Directors
- Report on the Business Plan, the Income and Expenditure Budget and the Forecast of Loan and Capital Investment for the 10th fiscal year (from January 1, 2021 through December 31, 2021) (the “10th Fiscal Year”)
- Report on Performance Report by Representative Director(s) and Executive Director(s)

June 9, 2021 - Board of Directors meeting (quorum met)
- Approval of Election of the 2022 External Auditor
- Approval of Rules of Secretariat
- Quarterly Financial Report
- TOMODACHI Initiative Updates
- Interim Executive Performance Report

September 8, 2021 - Board of Directors meeting (quorum met)
- Performance Report by Representative Director(s) and Executive Director(s)
- TOMODACHI Initiative Updates
- Interim Financial Report

December 10, 2021 – Board of Directors meeting (quorum met)
- Approval of 2022 Business Plan
- Approval of 2022 Budget Plan
- Approval of 2022 Forecast of Loan and Capital Investment
- Approval of the Date and Location of the General Meeting of Councilors’ Committee in 2022
- Approval of Revision of the Rules of the Secretariat
- The Year-End Executive Performance Report
- Interim Financial Reports as of Sept. 30, 2021
- TOMODACHI Initiative Updates
C. ORGANIZATIONAL UPDATE

Staff headquartered in the Tokyo Office as of December 31, 2021

Junko Tsuda – Executive Director, U.S.-Japan Council (Japan)
Aya Hashimoto – Director of Programs, TOMODACHI Initiative
Kaoru Utada – Director, Programs and Partnerships
Hiromi Kato – Administrative & Office Manager, TOMODACHI Initiative
Yukari Shishido – Alumni Coordinator, TOMODACHI Initiative
Kana Takagi – Program Assistant, TOMODACHI Initiative
Miki Takahashi – Administrative Coordinator, U.S.-Japan Council (Japan)
Nana Watanobe – Program Coordinator, TOMODACHI Initiative

D. ACCOUNTING

<table>
<thead>
<tr>
<th>U.S.-Japan Council</th>
<th>TOMODACHI</th>
<th>GENERAL</th>
<th>ADMINISTRATIVE</th>
<th>TOTAL</th>
<th>2020</th>
<th>Budget</th>
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<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 TOMO Contributions</td>
<td>55,519,391</td>
<td>11,058,844</td>
<td>–</td>
<td>66,578,235</td>
<td>73,804,370</td>
<td>¥ 76,536,000</td>
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<tr>
<td>2 Admin Fee</td>
<td>(34,527,295)</td>
<td>31,527,295</td>
<td>–</td>
<td>3,000,000</td>
<td>–</td>
<td>29,072,010</td>
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<tr>
<td>3 Total TOMO Funds</td>
<td>20,992,086</td>
<td>48,584,329</td>
<td>–</td>
<td>69,576,325</td>
<td>73,804,370</td>
<td>¥ 105,608,010</td>
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<tr>
<td>4 Direct Public Support</td>
<td>–</td>
<td>122,957,963</td>
<td>15,000,000</td>
<td>137,957,963</td>
<td>133,842,937</td>
<td>73,059,750</td>
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<tr>
<td>5 Interest Income</td>
<td>–</td>
<td>9,898</td>
<td>–</td>
<td>9,898</td>
<td>48,420</td>
<td></td>
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<tr>
<td>6 Total Income</td>
<td>20,992,086</td>
<td>171,452,100</td>
<td>15,000,000</td>
<td>207,444,186</td>
<td>207,685,727</td>
<td>178,861,760</td>
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<tr>
<td>Expense</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Salaries &amp; Benefits</td>
<td>–</td>
<td>43,507,403</td>
<td>–</td>
<td>43,507,403</td>
<td>63,344,152</td>
<td>60,721,819</td>
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<tr>
<td>8 Labor Allocation</td>
<td>11,108,255</td>
<td>(11,108,255)</td>
<td>–</td>
<td>–</td>
<td>–</td>
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<td>9 Unbillable Labor</td>
<td>(575,073)</td>
<td>575,073</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
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<tr>
<td>10 Total Salaries &amp; Benefits</td>
<td>10,533,182</td>
<td>32,974,221</td>
<td>–</td>
<td>43,507,403</td>
<td>63,344,152</td>
<td>60,721,819</td>
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<tr>
<td>11 Administrative Expenses</td>
<td>28,701</td>
<td>1,005,737</td>
<td>5,078,519</td>
<td>6,107,957</td>
<td>16,122,825</td>
<td>16,370,031</td>
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<tr>
<td>12 Contracted Services – US</td>
<td>86,697</td>
<td>16,442,005</td>
<td>–</td>
<td>16,528,702</td>
<td>58,554,007</td>
<td>58,989,590</td>
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<tr>
<td>13 Program Expenses</td>
<td>64,276,241</td>
<td>1,030,410</td>
<td>–</td>
<td>65,306,651</td>
<td>84,013,980</td>
<td>163,230,650</td>
</tr>
<tr>
<td>14 FX transactions</td>
<td>–</td>
<td>(9,749,160)</td>
<td>(9,749,160)</td>
<td>–</td>
<td>3,672,870</td>
<td></td>
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<tr>
<td>15 Total Expense</td>
<td>74,824,821</td>
<td>51,452,374</td>
<td>4,675,641</td>
<td>121,701,654</td>
<td>225,707,639</td>
<td>299,312,090</td>
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<tr>
<td>16 Net Ordinary Income</td>
<td>53,332,735</td>
<td>119,898,726</td>
<td>18,675,641</td>
<td>85,807,202</td>
<td>18,012,112</td>
<td>120,650,330</td>
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</table>

In 2021, the net income for U.S.-Japan Council (Japan) was a position ¥85.7M (line 16). The reconciles to line 30 in the Audited Financial Statements: Net Asset Gain and Loss Calculation Sheet. The Council raised funding from corporate contributions to support the TOMODACHI Initiative totaling $66.6M (line 1). Of this amount, $37M was for operational support (line 2). This was less than anticipated in the revised budget due to an extended slow-down of TOMODACHI activities.
In addition to TOMODACHI activities, the Council engages in general education and networking activities to continue to build ties between Americans and Japanese in key areas of the relationship, with total funding in the amount of ¥207M in 2021 (line 6). The fundraising effort resulted in contributions significantly above budget, though slightly less than 2020. Note that Total Income on this schedule differs slightly from the amount in the Audit as Interest Income (line 5) is broken out separately in the latter report.

Total expenses incurred in 2021 was ¥121.7M (line 15). The budget to actual variance for Administrative Expenses (line 11) is due to a contribution from fabbit to offset rent expenses. Contract Services (costs incurred by the U.S. in support of Japan operations) – line 12 – is lower than prior year due in part to a change in methodology for cost-sharing and in part to less U.S. staff time on TOMODACHI programs. Program support expenses (line 13) were ¥65M compared to a budget of ¥84M. The positive variance is due to the lower costs of virtual activities compared to in-person events.

Below is the Balance Sheet of the Council as of December 31, 2021. There are differences in classification between these internal statements and the Audited Statements, but the statements reconcile in total.
Total assets are higher than in 2020 (line 1) with the most significant increase in General Unrestricted cash balances. Total liabilities (line 10) are slightly lower than the prior year due primarily to the lower cost of virtual activities. The interfund amount (line 9) reflects the amount owed by one fund to another – In this instance, a transfer of funding is due from the TOMODACHI and Administrative bank accounts to the General Operating account to reimburse for salary costs. The Net Assets (line 13) of the organization are $338.1M, generally split between TOMODACHI and General assets. This line item reconciles to the Audited Statements: Balance Sheet, line 18.

### E. DONORS

**2021 TOMODACHI Donors:**

- Amway Japan Foundation *
- Boeing +
- Dow Chemical Japan Limited +
ExxonMobil Japan Gocho Kaisha
FamilyMart Co., Ltd. *
Fast Retailing Co., Ltd. *
Goldman Sachs Japan Co., Ltd. *
Johnson & Johnson K.K.
Kikkoman Corporation
Lawson, Inc. *
MetLife Insurance K.K.
Mitsubishi UFJ Lease & Finance Co., Ltd. *
Mitsubishi UFJ Securities Holdings Co., Ltd. *
Mitsubishi UFJ Nicos Co., Ltd. *
Mitsubishi UFJ Trust and Banking Corporation *
Mitsui & Co., Ltd.
Morgan Stanley Japan Group Co., Ltd. *+
MUFG Bank, Ltd. *
MUFG Union Bank, N.A. *
Northrop Grumman Corporation +
Prudential Foundation +
SoftBank Group Corp. *+
Sumitomo Corporation *
Toyota Motor Corporation
The U.S. Embassy in Tokyo *

*Donations were received in previous years, but funding is still being used to finance ongoing TOMODACHI Programming and operations.

+ Donations were received at the USJC US entity.

**2021 USJC Sponsors** (corporate sponsors, and individual sponsors over 1,000,000 yen of donation)

Adobe KK
Advantage Partners
AIG Japan Holdings KK
Amazon Japan G.K.
Amway Japan G.K.
Aoyama Zaisan Networks. Co. Ltd.
Basalla, Suzanne & John
Delsole Corporation
Doi, Royanne
e-solutions, inc.
EY Japan Co. Ltd.
fabbit
Fujitsu Limited
GCA Corporation
Google Japan
Higa, Ernest M.
Hitachi Transport System, Ltd.
IBM Japan Ltd
Japan Airlines Co., Ltd.
Japan Airport Terminal Co., Ltd.
Japan Industrial Partners, Inc.
Jarman International KK
Johnson & Johnson Family of Companies in Japan
Kawahara, Russell & Yuko
Kikkoman Corporation
KPMG Japan
Lawson, Inc.
Major League Baseball Japan
Matchbox Technologies Inc.
Mitsubishi Heavy Industries, Ltd.
Mitsui Fudosan Co. Ltd.
Morgan Stanley Japan Holdings Co., Ltd.
NEC Corporation
Nippon Paint Holdings Co., Ltd.
Nishimura & Asahi NY LLP
NTT Group
Oracle Corporation Japan
ORIX Corporation
PAG Investment Management Limited
Palo Alto Networks K.K.
PwC Japan Group
Rogers, Jenifer
ROKI GROUP CO., LTD.
Sony Corporation
SOURCENEXT CORPORATION
Suntory Holdings Limited
Tanaka, Hiroko & Masaaki
Tani, Miyuki
Tokio Marine Holdings
Toyo Suisan Kaisha, Ltd.
Toyota Tsusho Corporation
YOMIURI SHIMBUN, THE

2021 Pro-Bono Donors
All Nippon Airways Co., Ltd.
Evolution Japan Co., Ltd.
Hayasaka Tax Accountants’ Office
Imperial Hotel, Ltd.
Japan Airport Terminal, Co.
Japan Association of Charitable Organizations
KPMG Azsa LLC
Orrick, Herrington & Sutcliffe LLP
Tricor K.K.
Note: The corporations, entities and individuals listed above made financial and in-kind contributions to the U.S.-Japan Council (Japan) from January 1, 2021 to December 31, 2021. Prior year contribution information is available in the 2020 U.S.-Japan Council (Japan) Koeki Zaidan Hojin Business Report upon request.

F. CONTACT INFORMATION

U.S.-Japan Council (Japan)
New Otani Garden Court 12F
4-1 Kioi-cho, Chiyoda-ku, Tokyo 102-0094
Tel: 03-4510-3400
URL www.tomodachi.org