Dear Friends,

The United States and Japan have an enduring partnership, which is strengthened by shared values, mutual understanding, and personal ties between the people of our two great nations. The TOMODACHI Initiative is a unique partnership that plays a vital role in reinforcing these ties between young people, helping to ensure a strong relationship for our countries in the future.

In 2014, TOMODACHI expanded programming throughout Japan and the United States to inspire young people on both sides of the Pacific and to bring fresh, diverse voices to the bilateral relationship. This year alone, more than 1,300 young people participated in TOMODACHI programs, and over half of those participants came from the tsunami-devastated Tohoku region.

In addition to welcoming many new participants, TOMODACHI also launched an exciting series of activities, workshops, events, and training sessions designed to foster continued alumni engagement and professional development.

Important themes for TOMODACHI programs this year and in the near future include promoting women’s empowerment and leadership, fostering civic engagement, and encouraging the study of science and technology. Our programs are designed to help participants develop as cross-cultural leaders who are intellectually curious, self-confident, and dedicated to working together to help solve global challenges.

TOMODACHI’s strong corporate and institutional partnerships have enabled us to bring new energy and programs to the U.S.-Japan relationship, and we are extremely grateful for the support of many of the top corporations in the United States and Japan. Through this generous support, the TOMODACHI Initiative and our partners have been able to provide inspirational programming with deep impact, helping to contribute to the important goal announced by President Obama and Prime Minister Abe of doubling two-way student exchange by 2020.

We thank all those who share our commitment to young people and to the bright future of the “TOMODACHI Generation.”

Sincerely,

Caroline B. Kennedy
U.S. Ambassador to Japan

Irene Hirano Inouye
President, U.S.-Japan Council
**A Path-Breaking Public-Private Partnership**

**2014 AT A GLANCE**

**7,315** event and program participants in 2014

- **65% female**
- **39% high school**

**Participant Growth**

**50 programs and 25 locations in Japan and the United States in 2014**

- **79% from Japan**
- **60% from Tohoku**
- **62% leadership**

**Origin**

- **Gender**
- **Age**

**Program**

- **Origin**

- **65% female**
- **39% high school**

**Program Growth**

**over 23,000** event and program participants from inception through December 2014
Strategic Partners who support the TOMODACHI Initiative impact the lives of participants through customized programs that provide unique opportunities across a wide range of themes, from entrepreneurship and science to culture and the arts. These programs also include important skills-building opportunities as well as sessions designed to build leadership capacity and develop a stronger sense of civic engagement. In 2014, over 500 participants—from high school students to young professionals—took part in 14 Strategic Partner programs. After completing their programs, these diverse members of the “TOMODACHI Generation” remain engaged and inspired through their participation in TOMODACHI alumni events and programming.

2014 Strategic Partner Programs

**TOMODACHI Aflac Program**
This program provides up-and-coming Japanese cancer specialists with the foundation for broader understanding of research and treatment protocols for childhood cancer in the United States. In 2014, Dr. Junjiro Ohshima from Hokkaido University Hospital studied at the Aflac Cancer and Blood Disorders Center of Children’s Healthcare of Atlanta, Georgia for 6 months to observe and share best practices.

**TOMODACHI Coca-Cola Educational Homestay Program**
In the third year of this program, 60 high school students from the Tohoku region were selected to visit Atlanta, Georgia, home of The Coca-Cola Company, before dividing up into four groups to participate in homestays in various states. The students were exposed to various aspects of American life and culture through their homestay experience, attended English language workshops, visited universities, and participated in volunteer activities.

**TOMODACHI Goldman Sachs Roadshow**
In 2014, 15 Young American cast members, talented performing arts students, conducted singing, dancing, and pantomiming workshops for 3,000 students in 49 elementary and junior high schools throughout the disaster-affected areas of Iwate, Miyagi, and Fukushima prefectures. These workshops opened the students’ hearts, helped them gain confidence, and motivated them to learn about different cultures.

**TOMODACHI Honda Cultural Exchange Program**
Marking the first year of this program, 20 high school students from Miyagi prefecture visited the Los Angeles area in California and experienced a two-week cultural exchange program during which they learned about American traditions and culture through music. Highlights of the program included participating in the Rose Bowl Parade on New Year’s Day and visiting the Japanese-American National Museum and American Honda Motor Co., Inc.

**TOMODACHI NGO Leadership Program supported by J.P. Morgan**
This program connects Japanese NGO leaders with key resources in the United States in order to enhance their capacity to respond to future disasters in Japan and abroad. In 2014, the program had 4 main components: NGO Leadership Delegation to Washington, D.C. (June), Advocacy Workshop (July), Leadership Workshop (September) and Humanitarian Response Workshop (October).

**TOMODACHI Major League Baseball (MLB) Partnership**
In April, Major League Baseball (MLB) partnered with Lawson Convenience Stores to host a Charity Marathon with proceeds donated to the TOMODACHI Initiative. Nearly 1,500 people participated in this charity marathon, including former MLB players Hideo Nomo and So Taguchi, who also spoke to the participants.
Empowering People and Communities

2014 Strategic Partner Programs (cont’d)

TOMODACHI MetLife Women’s Leadership Program
In its second year, this mentorship program expanded to four cities in Japan—Tokyo, Osaka, Fukuoka and Naha—with a total of 82 participants. The female mentors and mentees attended five workshops throughout the year which focused on personal development, leadership training, networking skills, and financial literacy.

TOMODACHI-Mitsui & Co. Leadership Program
This program inspires and motivates the next generation of young American and Japanese leaders from business and government sectors to be active in U.S.-Japan relations. This year, the program was guided by the theme, “Entrepreneurship, Innovation, and Industrial Development,” and ten Americans and ten Japanese professionals representing the public and private sectors traveled to each other’s countries for one week to broaden their perspectives and to create valuable people-to-people connections.

TOMODACHI MUFG International Exchange Program
In the third year of this reciprocal exchange program, 26 middle and high school students from the Tohoku region visited Los Angeles, California for a two-week exchange. The students were exposed to American culture and values through academic programs, homestays, sightseeing activities, and community service projects.

TOMODACHI SoftBank Summer Leadership Program
One hundred Japanese high school students from the Tohoku region participated in an intensive three-week program at the University of California, Berkeley, focusing on global leadership development and community service. The students learned using the Y-PLAN (“Youth-Plan, Learn, Act, Now!”) curriculum, and gained a further understanding of American society and culture through homestays, volunteer activities, and exchanges with U.S. high school students.

TOMODACHI Sumitomo Corporation Scholarship Program
In 2014, this university-level scholarship program was launched to enable high-achieving university students with financial need to study abroad for one year. In fall 2014, three Japanese students were selected and began attending universities in the United States. The goal of the program is to help support the education and development of globally-minded young leaders who will serve as active bridges between Japan and the United States.

“I want to have a world-wide perspective and become someone who can contribute something to many people around the world”.
Saki Iwanuma, TOMODACHI MUFG International Exchange Program Participant

TOMODACHI Suntory Music Scholarship Fund
This program provides opportunities for young Japanese musicians to study at three prestigious music schools in the United States: The Juilliard School, Berklee College of Music, and San Francisco Conservatory of Music. In 2014, three students were selected to receive music scholarships. The program aims to foster young Japanese music leaders who are committed to and engaged in strengthening U.S.-Japan relations through the study of music.

TOMODACHI Toshiba Science & Technology Leadership Academy
This program brought together 16 high school students from the United States and Japan to work collaboratively to identify problems and find creative solutions in order to create a disaster-resilient smart community. Joined by Bill Nye, “The Science Guy,” American and Japanese students nurtured their Science, Technology, Engineering and Math (STEM) literacy and engaged in dynamic discussions and activities to explore how we might use science and technology to help solve some of the world’s most complex problems.

TOMODACHI-UNIQLO Fellowship
This program offers a world-class educational experience to Japan’s next generation of business and fashion leaders. In 2014, four students received scholarships to pursue graduate studies at three top-notch U.S. educational institutions: Stanford Graduate School of Business; Fashion Institute of Technology (FIT); and Parsons The New School for Design.
Instilling Hope in Tohoku Youth

The TOMODACHI Fund for Exchanges was established in April 2012 with generous support from Mitsubishi Corporation, Toyota Motor Corporation, and Hitachi, Ltd. to provide young Japanese students from Tohoku with opportunities to participate in ground-up, innovative educational and cultural exchange programs in the United States. By the end of 2014, 28 innovative, grassroots programs were implemented under this Fund, creating lasting impact and inspiring many young people in Tohoku. These programs have empowered a variety of partner organizations such as the Japan-America Societies across the United States, nurtured sister city relationships, and generated new institutional partnerships. The programs have touched the lives of countless young people who had been looking for a way to give themselves and their communities hope.

TOMODACHI has given me new meaning to being cultured, unequivocally hopeful, and has opened many new proverbial doors for myself and my colleagues.

Alex Chau, Dallas, Texas, TOMODACHI Dallas-Sendai Young Ambassadors Program 2013-2014

“TOMODACHI has given me new meaning to being cultured, unequivocally hopeful, and has opened many new proverbial doors for myself and my colleagues.”

Alex Chau, Dallas, Texas, TOMODACHI Dallas-Sendai Young Ambassadors Program 2013-2014
Contributions from donors at the Sponsor and Supporter levels support a diverse range of TOMODACHI programs, including educational exchanges, leadership development programs, and cultural programs centered around the arts, music, and sports. In 2014, TOMODACHI collaborated with implementing organizations in the United States and Japan to run 24 programs for over 600 emerging leaders aged 14-35. Participants from across Japan—Tohoku to Okinawa—engaged with American counterparts from various locations throughout the United States.

“Smaller, grassroot level ties can be just as important as political connections.”

Chelsie Takasaki from the University of Hawaii at Manoa, 2014 TOMODACHI Inouye Scholars Program
Meeting U.S.-Japan Council members and other TOMODACHI alumni piqued my interest in further engaging in the U.S.-Japan bilateral relationship. I hope to contribute in strengthening ties between the two countries...”

- Ayaka Ogita, TOMODACHI Sumitomo Scholarship Program 2014

2014 Achievements

» Provided opportunities to over 1,400 alumni
» Provided over 400 alumni with skills building, short-term exchange, and networking opportunities
» Organized 16 formal and informal TOMODACHI alumni gatherings in Sendai, Ofunato, Morioka, Iwaki, Osaka, Tokyo, and Honolulu, HI
» Alumni participated in 15 high-level American and Japanese delegations and events
» Secured additional small grants for alumni activities from existing donors
» Alumni invited to U.S. State Department programs
» Select group of high school alumni returned to the United States for language training and skills development

2014 Opportunities

In 2014, TOMODACHI provided the following high-level engagement and leadership opportunities to TOMODACHI alumni thanks to the generous support of The Prudential Foundation.

American Chamber of Commerce Japan/U.S.-Japan Council Women in Business Summit
Three alumni attended the Summit, received training on networking and entrepreneurship, and heard inspirational stories from across professional fields. Headlined by Prime Minister Shinzo Abe, U.S. Ambassador Caroline Kennedy and U.S.-Japan Council President Irene Hirano Inouye, the Summit exposed alumni to a wide range of sector leaders.

Roundtable with Catherine Russell, U.S. Ambassador-at-Large for Global Women’s Issues
Ambassador Russell invited ten alumni to share their experiences and challenges during her brief visit to Japan. This exclusive, private meeting preceded the MetLife Women’s Symposium - part of the World Assembly of Women in Tokyo (WAW! Tokyo).

Promoting Women’s Leadership and Diversity in Science and Energy Symposium
Ten alumni attended a symposium organized by the United States Department of Energy Japan Office. U.S. Ambassador Caroline Kennedy spoke at the opening of the symposium which was attended by 230 corporate, government and institutional guests. Prior to the symposium, alumni were invited to a private roundtable with the panelists.

4th U.S. Embassy-Keio SFC-TOMODACHI Entrepreneurship Seminar
Alumni from the previous year helped organize the 4th Seminar. Representatives from the U.S. Embassy, entrepreneurs, and investors trained, mentored, and judged all the teams on their business plans.

The TOMODACHI Initiative seeks to create a growing cadre of young Americans and Japanese from diverse backgrounds who are invested in U.S.-Japan relations. Once participants take part in a TOMODACHI program for the first time, we hope that this experience will act as a catalyst for them to pursue additional personal and professional opportunities in their host countries. The TOMODACHI Alumni Leadership Program, sponsored by The Prudential Foundation, 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. TOMODACHI offers the alumni community a range of opportunities to engage and inspire one another to become cross-cultural leaders while building strong, enduring relationships.
The Next Generation Of Leadership

2014 Opportunities (con’t)

President Barack Obama’s visit to Japan’s National Museum of Emerging Science and Innovation
Six TOMODACHI alumni and several U.S. Department of State International Exchange Alumni studying in the fields of science spoke with President Obama.

TOMODACHI Reception at the Residence of U.S. Ambassador Caroline Kennedy
Ten alumni from different programs represented the TOMODACHI Generation at the U.S. Ambassador’s Residence, where the Ambassador acknowledged TOMODACHI donors and U.S.-Japan Council President Irene Hirano Inouye announced new Strategic Partners. Prior to the event, the Ambassador privately welcomed the alumni and invited them to share their experiences and vision for the future with her. At the event, alumni speakers inspired the audience and showcased some of the best examples of TOMODACHI alumni working together.

U.S.-Japan Council Annual Conference, Honolulu, HI
Alumni attended the conference and presented their experiences as speakers in the fully-booked TOMODACHI panel. The Japanese alumni enriched the cross-cultural dialogue while deepening their understanding of the Japanese-American experience in the United States.

U.S. Embassy Deputy Chief of Mission, Tohoku Tour
Three alumni and two TOMODACHI summer exchange candidates discussed their ideas and future aspirations with the former Deputy Chief of Mission Kurt Tong and his wife during his final Tohoku tour before leaving office.

TOMODACHI Inouye Scholar Panelists
TOMODACHI alumni were invited to share their exchange and leadership experiences alongside U.S. Embassy staff and professional experts to teams of TOMODACHI Inouye Scholars visiting Japan.

McKinsey & Company TOMODACHI Impact: Discussion & Reception
Five alumni from across programs represented the TOMODACHI Generation to executives of TOMODACHI Strategic Partner companies.

Global Organization for Leadership and Diversity (GOLD) Annual Conference
Three alumni were awarded scholarships from GOLD to attend the Annual Conference in Tokyo.

TOMODACHI works with many partners in order to make these life-changing experiences possible for young people. In 2014, the following partners implemented programs based on TOMODACHI grants:

Looking To The Future

Strengthening the Foundation of TOMODACHI

The TOMODACHI Initiative would like to give special thanks to Takeda Pharmaceutical Company Limited for contributions devoted specifically to strengthening TOMODACHI’s operational and administrative capabilities. To be effective, an organization must have dedicated staff and the resources to accomplish its mission. The generous donation by Takeda Pharmaceutical Company Limited provides the ability to develop life-changing programs that nurture the TOMODACHI Generation and build a strong, enduring U.S.-Japan relationship.

Developing Cross-Cultural Leaders

In the spring of 2014, McKinsey & Co. conducted a pro-bono impact assessment and strategic review of the TOMODACHI Initiative, as a unique public-private partnership between U.S.-Japan Council and the U.S. Embassy Tokyo. The study highlighted the stages of development for the TOMODACHI Generation, and described cross-cultural leadership as a broad continuum with four distinct phases: exposure, inspiration, learning, and leadership development. By exposing students to personal, intercultural, academic, and professional development opportunities, the TOMODACHI Initiative promotes leaders of the next generation who can inspire others with strong entrepreneurial skills and a public service mindset.

TOMODACHI supports cross-cultural youth leadership development throughout a life cycle of experiences, with a focus on developing leaders.

McKinsey&Company

In the Spotlight

We thank many corporate partners for helping to raise the profile of TOMODACHI and to spread the work about the importance of U.S.-Japan youth exchange.

1. ANA Airlines display the TOMODACHI logo
2. TOMODACHI signage throughout Haneda Airport
3. TOMODACHI donation boxes at Lawson and FamilyMart convenience stores across Japan
4. World Gardening Fair at Hotel Okura Tokyo for TOMODACHI
5. TOMODACHI billboard on Shibuya station platform
6. TOMODACHI Initiative featured in the United In-Flight Magazine
7. American Airlines TOMODACHI teddy bears
8. Chef Nobu Matsuhisa and Eric Ripert hold a charity dinner for TOMODACHI
The U.S.-Japan Council (U.S.) and the U.S.-Japan Council (Japan) work in collaboration with the U.S. Embassy Tokyo to implement the TOMODACHI Initiative as a public-private partnership. Implementation includes program development and oversight, communications and outreach, marketing, fundraising, donor relations and management, and operations.

The U.S.-Japan Council is a non-profit 501(c)(3) tax-exempt organization headquartered in Washington, D.C. with offices in Los Angeles, California and Japan. The Council is dedicated to strengthening people-to-people connections among Japanese and Americans of all generations. The Tokyo-based U.S.-Japan Council (Japan) is a Public Interest Corporation, Koeki Zaidan Hojin.

The two organizations are separate entities, each governed by an independent Board of Directors, which work closely together in the administration of TOMODACHI. Donors in both the United States and Japan can receive tax deductions for their contributions to TOMODACHI to the extent allowable by non-profit laws in each country.

The U.S.-Japan Council (U.S.) and the U.S.-Japan Council (Japan) Board of Directors and Board of Councilors are listed in the U.S.-Japan Council (U.S.) U.S.-Japan Council (Japan) Board of Directors and Board of Councilors are listed in the U.S.-Japan Council (Japan) 2014 Annual Report and on the U.S.-Japan Council website at www.usjapancouncil.org.

The following financial reports include a summary of financial report on the TOMODACHI since inception for U.S.-Japan Council (U.S.) and U.S.-Japan Council (Japan). Copies of the audited financial statements for U.S.-Japan Council (U.S.) are available at www.usjapancouncil.org and for U.S.-Japan Council (Japan) at www.tomodachi.org.

<table>
<thead>
<tr>
<th>TOMODACHI COMMITMENTS AND PLEDGES</th>
<th>Inception</th>
<th>2014</th>
<th>2015-21 (projected)</th>
<th>Total</th>
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<tbody>
<tr>
<td>TOMODACHI CORPORATIONS AND SUPPORTS</td>
<td>USJC (Japan) Programs and Program Support</td>
<td>$2,660,605</td>
<td>$4,825,910</td>
<td>$10,896,340</td>
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<td>TOMODACHI CORPORATIONS AND SUPPORTS</td>
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<th>U.S.-Japan Council (US)</th>
<th>2014</th>
<th>2013</th>
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<td>Current Assets</td>
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<td>Total Assets</td>
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<td>Liabilities</td>
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<td>Other Current Liabilities</td>
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<td>Income and Expense Summary</td>
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<td>Income</td>
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<td>$2,693,857</td>
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<td>Total Expenses</td>
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<td>Total Change in Net Assets</td>
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1. TOMODACHI began in Fall 2011.
2. $4,876,060 of In-kind donations comprise donated services and contributions which have been committed to date bringing the total TOMODACHI contributions to $44,064,170 as of 12/31/14.
3. Administration and Fundraising expenses not yet incurred.
4. The Total Change in Net Assets reflects only contributions received and expenditures made in the specified year. It does not reflect multi-year contributions received in prior year(s) and related expenses incurred in a subsequent year. The negative change in net assets does not reflect a negative cash position nor a negative balance between total contributions and expenses.
Join us and invest in our next generation – the TOMODACHI Generation!