SUSTAINABILITY REPORT 2021



Company Profile

ABeam Consulting Ltd.

Founded: April 1, 1981

Number of Employees: 6,485 (As of April 1, 2021,

ABeam Consulting Ltd. and consolidated subsidiaries)

Capital: ¥6.2 billion

President and

Chief Executive Officer: Tatsuya Kamoi

Business Areas: Management Consulting

 $(Management\ consultation,\ strategy\ planning,\ M\&A,\ alliance)$

Business Process Consulting (Business reform, organizational reformation, outsourcing)

IT Consulting

(IT strategy, planning, system development, package introductions, maintenance)

Outsourcing

Consolidated Net Sales: ¥90.6 billion (March 31, 2021)

¥93.2 billion (March 31, 2020) ¥85.8 billion (March 31, 2019)

Sustainability Website

ABeam Consulting's sustainability website https://www.abeam.com/jp/en/sustainability

Please visit our sustainability website for more information about our sustainability activities and for detailed information related to this report.



For details, please see our website.

ABeam Consulting Ltd.

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SUSTAINABILITY REPORT 2021





NTRODUCTION



Editorial Policy

ABeam Consulting has renewed the content of its CSR Report, which it had published up to fiscal year 2020. In doing so, we aim to report on our approach to sustainability and our sustainable business activities to all stakeholders. From fiscal year 2021, we have decided to newly issue a Sustainability Report. For detailed information on management and our business activities, please see the company's website. < ABeam Consulting website > www.abeam.com

Cautionary Note on Forward-Looking Statements This report contains statements about the company's management plans, forecasts, strategies and related matters that are not based on historical facts. These statements constitute forward-looking statements regarding future business activities and are based on certain assumptions deemed to be reasonable by the company as of the issue date of this report.

Therefore, please be aware that the forward-looking statements contained in this report may differ from actual results due to changes in a variety of factors, such as future economic conditions and trends in demand for services.

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Our Business

ABeam Consulting provides highly specialized solutions and optimal services to our clients based on extensive experience and a strong track record. As a result, clients can solve their issues and enhance their corporate value, including by developing business globally. ABeam Consulting has adopted the following three tenets as its management philosophy.

Our Mission

We lead our clients to new success through transformation contributing continual increased corporate value.

Our Vision

Without constricting ourselves into an unvarying set of values, we serve as a Real Partner to our clients, a global consulting firm from Asia that fully applies distinctive regional and corporate characteristics.

Our Core Values

As a Real Partner with the same vision of future and the same value for successes, we have always supported to make our clients' transformation a reality through our sincere and passionate consulting.

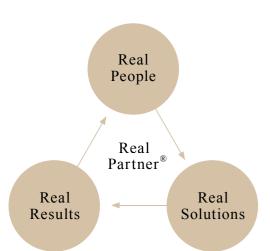
Real Partner®

It is the corporate attitude of ABeam Consulting that forms the cornerstone of our Management Philosophy. As a Real Partner transforming our clients' request into reality, we hold this philosophy to show that we are strongly committed to project success and client' transformation.

Real People

Everything begins with people

"Real People" means that everything begins with people, who are at the point of departure for consulting projects. Consulting work requires people. Consultant is a person with the skill to be able to make proposals that have high added value for our clients, and who also has a sincere attitude and respect to others.



Real Solutions

Actual solutions that resolve issues

"Real Solutions" are achievable solutions that resolve issues. Consultant is required to complete their tasks even in difficult situations. In order to achieve Real Solutions, a consultant should be able to clarify goals, be proactive, respond guickly, have creativity to lead projects to solutions, and challenge themselves.

Real Results

Solid outcomes leading to the next stage

"Real Results" are solid outcomes that lead the client to the next stage. Our mission at ABeam Consulting is to enable clients to get a true sense of success. We believe that the most important thing is the driving force to undertake a project with our client, grow together with the client, and move on to the next stage.

Build Beyond As One. We strive to be a creative partner.

The meanings of each word of the slogan are as below. They express the purpose and provided value that are uniquely distinctive to ABeam Consulting.

- Build: Transforming plans to reality
- Beyond: Creating new value for the future without existing common sense and expectations
- As One: Powerful team leadership in co-creation with clients and partners

Materiality

As a consulting firm, ABeam Consulting strives to solve social issues based on a co-creation approach with various stakeholders. With the power of consulting, we will help to achieve various Sustainable Development Goals (SDGs), both globally and locally.



SDGs Initiatives

To actively promote SDGs initiatives, ABeam Consulting has identified three SDGs as our materialities. The three SDGs are Goal 17, "Partnerships for the goals," Goal 8, "Decent work and economic growth," and Goal 9, "Industry, innovation and infrastructure." Goal 17 has been established as a main materiality, as it represents our contribution through co-creation with stakeholders. We also see Goal 8 and Goal 9 from the perspective of our contribution. We can contribute to Goal 8 by promoting the ABeam Business Athlete® initiative and to Goal 9 through the promotion of digital innovation.







Industry & Services

Consultants who specialize in various industries and service lines form one team to provide optimal services.





Industry-Specific Solutions that Bring Together Best Practices

ABeam Consulting provides consulting services spanning all industries

Looking at industries, ABeam Consulting accurately deals with various industries' issues and market needs, by leveraging the experience and track record it has amassed over many years as a partner in the corporate transformation process. We provide industry-specific solutions optimal for a wide array of customers in sectors such as trading companies, finance, insurance, food & beverage, consumer goods, healthcare & life sciences, industrial machinery & heavy industry, electronics and energy.

Turning to service lines, ABeam Consulting has experienced specialists across all service lines, from corporate strategy to business transformation, IT integration, and operation and maintenance. These specialists provide practical and seamless consulting to solve clients' issues. We supply a diverse spectrum of services that fit the current circumstances of customers and help to enhance their corporate value. These services include ABeam Cloud®, a business platform that enables business systems to be implemented in a short space of time using sector and service templates.

In projects, consultants specializing in both industry and service lines form a team, providing services on a one-stop basis.

Global & Region

For customers in every region, ABeam Consulting provides services that are well adapted to local circumstances, business practices, legal systems and cultural climate.



A Global Consulting Firm Originating in Japan and Asia

ABeam Consulting stands out for its rapid and highly flexible decisionmaking processes unique to a consulting firm originating in Japan. With numerous offices in various countries in Asia, North and South America, and the EU, ABeam Consulting supports customers with hybrid teams of local consultants overseas and Japanese consultants.

TOP Tatsuya Kamoi MESSAGE

Make Every Effort to Realize a Sustainable Future through Co-Creation of Value as a Social Transformation Accelerator

President and Chief Executive Officer Tatsuya Kamoi

Advancing to the Next Stage of Growth through Bold Self-Transformation

In 2021, ABeam Consulting marked the 40th anniversary of its founding. Since our founding, we have achieved substantial growth as a global consulting firm originating in Japan and Asia. Currently, ABeam Consulting has 27 offices worldwide and more than 6,500 employees.

We believe that we must advance to a new growth stage that lies beyond a mere extension of the past 40 years, even while harnessing the strengths we have developed over those years.

In recent times, the business environment has changed drastically. Many companies and organizations have taken ambitious steps to transform themselves in anticipation of the future. Just as they have

done so, the COVID-19 pandemic has spurred their efforts further, and full-fledged structural transformation is now likely to accelerate even further.

I often say that "Change before you have to." Amid an unclear outlook for the future, our clients have been working to boldly transform themselves. Likewise, we should also have the courage to drive self-transformation. In addition, we aim to become the first choice in Asia. Looking at the market environment going forward, Asia is the region where substantial growth can be expected, and we are determined to support that growth as a company originating in Japan and Asia.





Co-Creating Value Hand in Hand with Stakeholders

We attach great importance to the phrase Real Partner®. As our clients seek to realize their ambitions to transform themselves, Real Partner® encapsulates our commitment to remain a good partner in their transformation process by further leveraging

And I strongly believe that this Real Partner® approach has become the starting point, or the DNA, so to speak, of the actions of every member of the company. Our staff takes strong ownership of every project that has been initiated and has the determination to see projects through to the end with clients. Moreover, we have the ability to successfully complete projects while rising above various difficulties. This principle lies at the very foundation of the Real Partner® approach, and it is a strength that serves as the starting point for the company. We need to

continue to further enhance these strengths.

Looking ahead, the issues and themes we should address are likely to become increasingly larger in scale and more difficult. In this process, we believe that there will be heightened needs not only for transformation programs at each individual company, but also for expansive social transformation where many stakeholders work together, hand in hand, to co-create value. The company has so far honed its frontline execution capabilities while advancing projects with various companies and organizations. Going forward, we will need to further expand our ecosystem for working together with companies and groups that possess capabilities that ABeam Consulting does not have. Initiatives that further enlarge and enhance our own capabilities will be a crucial part of these efforts.

Become a Social Transformation Accelerator in 10 Years

ABeam Consulting has drawn up Vision 2030, which describes who we want to be in 10 years. We have also formulated Strategy 2025, an execution plan developed by back-casting from where we want to be in the future, in addition to reviewing where we stand now. In 10 years, we aspire to become a Social Transformation Accelerator that drives major social transformation faster. Each employee will achieve further personal growth as we build an organization where members with a diverse spectrum of capabilities can succeed, while bolstering our ecosystem of people with various capabilities outside the company. By doing so, we will go beyond merely extending our past into the future as we build up our vision for the company 10 years from now.

The characteristics of projects are also likely to change. Until now, consulting firms have tended to supply execution capacity to deal with issues that needed to be resolved after they had already been identified and narrowed down to a certain extent.

Going forward. I believe that consulting firms will need to think through matters even more carefully. starting from first principles. They will need to consider, for example, what sorts of transformations should be implemented in the first place, and why those steps need to be taken now. I believe that it will be necessary for consulting firms to advance projects all the way through the stage of co-creating value with clients and other partners.

From October 2021, ABeam Consulting has rolled out a new brand slogan, "Build Beyond As One." "Build" embodies our wish not only to propose concepts but also to ensure that we guide projects to the final realization of results, while "Beyond" embodies our aim to achieve future growth that surpasses conventional values and expectations. Finally, "As One" means that all the efforts of all stakeholders will be guided by common values and a shared direction. This slogan encapsulates our determination to make these goals a reality.

Seeing the SDGs Approach as Our Own Priority

We are working to build an environment where every employee can demonstrate their abilities vibrantly and engage in their work with a high level of motivation. Inspired by the idea of employees working like "athletes" in the business field. ABeam Consulting has continuously implemented a workstyle transformation initiative called "ABeam Business Athlete®" over the past several years.

Based on the SDGs approach, ABeam Consulting determined its materialities in 2020. As I noted earlier, we have determined Goal 17, "Partnerships for the goals," as a main materiality, as this goal is closely related to ABeam Consulting's co-creation of value with clients. We have also added two more SDGs as our materialities-Goal 8, "Decent work and economic growth," which represents the essence of the

ABeam Business Athlete® initiative, and Goal 9, "Industry, innovation and infrastructure," because the company's foundation is to promote transformation using digital technology. In these ways, we have repositioned our activities to realize both the sustainability of companies and society.

Moreover, in fiscal year 2021, under the "Social Transformation Accelerator" vision, we launched the Sustainability Unit as a new organization to promote measures aimed at solving social issues. We have integrated the pre-existing CSR Unit and the Social Contribution Initiatives program, which helps to create a sustainable society by encouraging our employees to see social issues as their own priorities. Efforts are under way to accelerate ABeam Consulting's sustainability management further.

Simultaneously Advancing Sustainability and Business Activities

ABeam Consulting is advancing sustainability activities in two directions. With the first direction, we ourselves take the lead in advancing activities to create a sustainable society. With the second direction, we work closely with clients through consulting projects to develop the sustainability activities they are vigorously promoting, with the aim of realizing a sustainable society.

Green energy transformation (GEX) is a case in point. Here, ABeam Consulting itself pushes ahead with zero emission activities aimed at carbon neutrality, along with expanding activities to transform the overall social structure in collaboration with a variety of companies and organizations. In addition, we are widely rolling out a framework called Digital ESG, which focuses on non-financial capital and clearly identifies its correlations with improvements in corporate value through analytics. Digital ESG has been

adopted by many companies. The Digital ESG framework is more than just a business activity undertaken by ABeam Consulting alone. It is a typical example of how we are striving to create a sustainable society together with our clients.

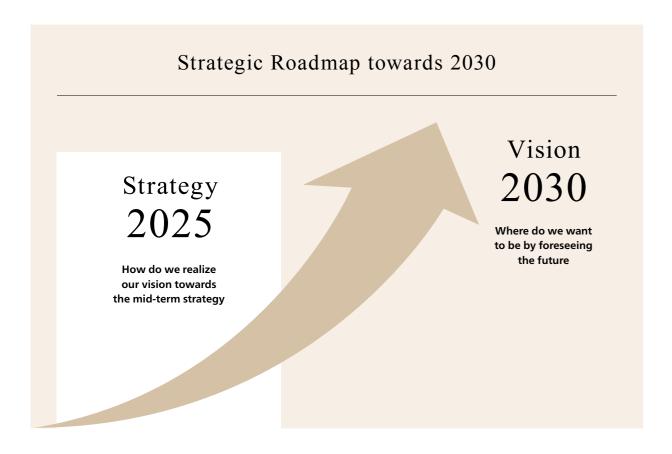
We will fulfill our social responsibility to create a sustainable future and grow as a business and as a company that is trusted by the markets. I believe these dual priorities should be pursued in unison they are two sides of the same coin. To push ahead with our role as a Social Transformation Accelerator that drives transformation faster, every one of us should strive to grow, with the aim of reaching an even higher stage. I look forward to seeing every individual's efforts culminate in the successful realization of ABeam Consulting's vision for where we want to be in 2030.

Tatsuya Kamoi



Our Vision & Strategy

ABeam Consulting has formulated Vision 2030 and compiled a mid-term strategy for realizing this vision. We aim to accelerate social transformation by creating new value.



Overview of the Growth Strategy for 2030

Considering what the world might look like in 2030, we foresee that digital technology will evolve even more than it has up to now, weaving its way even deeper into the fabric of daily life. Many tasks previously carried out by people are expected to be replaced with digital technology. Naturally, amid those drastic changes, human values and the things that people empathize with will gradually change. Sustainability and diversity initiatives are already under way. It is easy to foresee that those initiatives will become major movements that sweep across society.

On the other hand, the world will see the co-existence of a "unitary" globality focused on the dual world powers of the U.S. and China, and "pluralistic" values such as those found in the regions of Southeast Asia and Africa. The digital aspects of life will become increasingly unified, whereas the mental aspects of life will become more and more diverse. It is also generally believed that the center of gravity of the global economy will shift to Asia.

Addressing these signs of change in society means fulfilling "what the future demands," so to speak. ABeam Consulting has repositioned its efforts around the three perspectives of business, people, and regions. First, in business, our focus will shift to creating "why" driven new value and improving existing value. From the perspective of people, we will attract people through empathy and cocreate social values in an ecosystem that transcends the framework of companies. Finally, for regions, we will establish new standards for a diversified global society.

Having repositioned our efforts along these lines, we drew up Vision 2030 to articulate where we want to be in 2030. We formulated Strategy 2025 to set forth a business portfolio, people strategy, global growth strategy and management model that will serve as a strategic roadmap towards 2030.

About Vision 2030

Vision 2030 articulates where we want to be in 2030. In business, we will not only strive to solve immediate issues facing clients right now, as we have done with conventional "issue resolution" consulting services. We also aim to be a Social Transformation Accelerator that joins forces with clients to co-create unprecedented value, thereby accelerating social changes.

The next area is people. Here, we will combine and improve our edge as a group of knowledge workers and our comprehensive capabilities through an ecosystem including partners outside the company. People are the source of sustainable growth. Only with a corporate culture that values people can a company continue to grow. We want ABeam Consulting to be an organization that attracts people with diverse talent, including internal personnel and external partners, and that sends out professional human capital into the world.

Finally, we turn to regions. ABeam Consulting is a consulting firm originating in Asia and headquartered in Japan. That is why we seek to become the first choice in Asia, where the global economy's center of gravity will shift in the future, based on our Asian identity. We will seek to realize social transformation in the Asian economic region.

Where we want to be

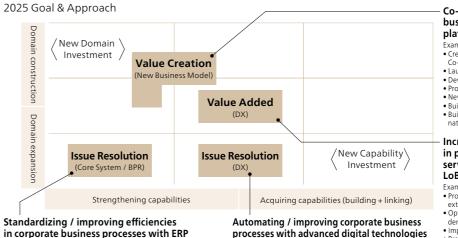
Social Transformation Accelerator



About Strategy 2025

Strategy 2025 is a mid-term strategy formulated to simultaneously lay the groundwork for transformation and drive the evolution of our current business strengths, both of which will help to realize Vision 2030. Previously, most consulting services have sought to solve issues through conventional technologies and techniques. To become a Social Transformation Accelerator, we must change our business portfolio with an eye on 2030. We must take conventional solving of

issues one step further and shift it to solving issues through digital transformation (DX). We must improve the value we provide by acquiring evolving technologies, thereby paving the way for a business model that creates new value. To do so, we will increase DX human capital, acquire the discernment we will need when supplying advanced technologies, and raise our profile in Asia by adopting a global strategy centered on the Asia region.



in corporate business processes with ERP Enterprise Core | Classic

- Development of core systems and deployment of ERP
- Standardizing business processes / improving efficiencies with BPR
- Examples:

 Automating business processes by combining RPA / OCR, etc. Improve the accuracy of business processes through AI and Consulting on formulating management plans and reorganizing business

Co-creating / co-operating new business values, services and platforms with our clients

- Create new businesses through the Co-Creation Hub
 Launch new businesses with clients
- Develop joint businesses
 Promote new mobility service projects
 Newly enter the energy value chain
- Build new businesses
 Build a social media analysis platform for
- Increasing our clients' value

in providing products / services to their customers LoB | Digital Edge

- extended reality (XR) Optimize product proposals through Al-based
- demand prediction prove production quality through IoT data
- Predictive maintenance
- · Monitor conditions through satellite imagery analysis

Enterprise Core | Digital Edge

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ABeam Consulting's Value Creation Story towards Realizing a Sustainable Future Society

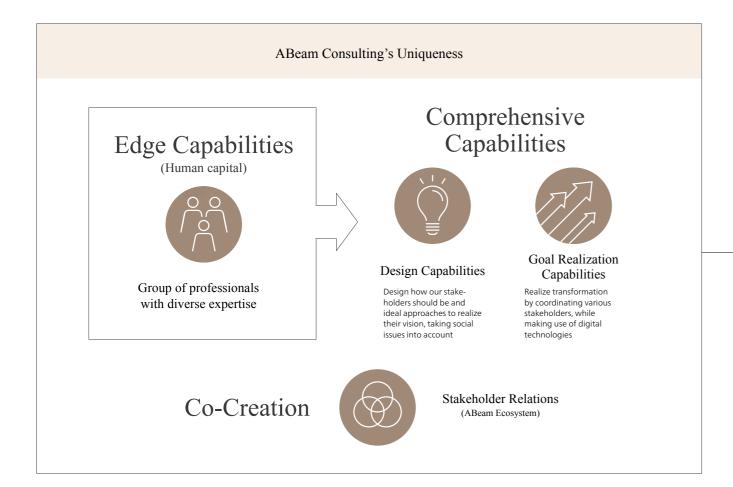
ABeam Consulting promotes corporate activities to directly solve social issues.

As a consulting firm, we also undertake a wide range of measures to solve the social issues faced

by our stakeholders. Through these efforts, we are contributing to the realization of a sustainable society.

ABeam Consulting, as a global consulting firm originating in Japan and Asia,

will create the ABeam Ecosystem and contribute to social transformation.



Develop Proprietary Businesses by Harnessing Our Edge (Human Capital Capabilities) and the ABeam Ecosystem

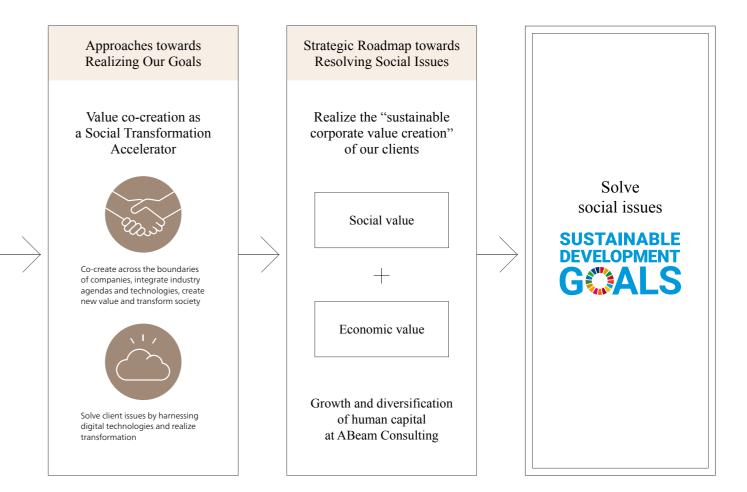
Human capital is the most important management resource sustaining ABeam Consulting's businesses.

Each employee has diverse expertise and capabilities. As a professional group with a varied mix of strengths, ABeam Consulting will demonstrate the comprehensive capabilities needed to support a variety of business models in a wide range of industries and countries and regions.

ABeam Consulting utilizes goal realization capabilities to realize transformation by using digital technologies acclaimed through our business and coordinating various

stakeholders to design how our stakeholders should be and ideal approaches towards realization, taking social issues into account.

We will create the ABeam Ecosystem based on our relations not only with clients but also a wide variety of other stakeholders, such as business partners and NGOs. Through this process of value co-creation with stakeholders, ABeam Consulting will spur social transformation aimed at the resolution of social issues.



Solve Social Issues through Co-Creation with Clients and Partners

In response to the coming new era, ABeam Consulting will provide two approaches. The first is the issue resolution approach of "Solve client issues by harnessing digital technologies and realize transformation." The second is the value creation and enhancement approach of "Co-create across the boundaries of companies, integrate industry agendas and technologies, create new value and transform society."

As a Social Transformation Accelerator, ABeam Consulting will support the realization of clients' sustainable corporate value creation, with our stakeholders that comprise the

ABeam Ecosystem. This is a measure to synchronize the economic value and social value created by clients, and ABeam Consulting believes that this realization can lead to an even greater impact on the resolution of social issues.

The realization of clients' sustainable corporate value creation can also pave the way for enhancing the value of our human capital, the driving force of the company, and for diversifying them. We believe that our ideal role as a Social Transformation Accelerator, which also enables social issues to be solved, will evolve through this value co-creation spiral.

Promotion of Sustainability Management

As a Social Transformation Accelerator that promotes new value creation together with clients, ABeam Consulting will promote sustainability management in close coordination with communities, companies and institutions.

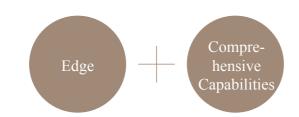
Enhancing Human Capital and Corporate Value

ABeam Consulting will realize social transformation through business activities. By doing so, we will become a group of diverse professionals who have multifaceted and professional capabilities – evolving into a company that sends out much human capital into the world and an appealing company that attracts much human capital.

ABeam Consulting's Capabilities

ABeam Consulting's greatest strength is that it possesses multifaceted and professional capabilities. The company will secure and nurture highly specialized, professional human capital and demonstrate its comprehensive capabilities in supporting a variety of business models in a wide range of industries and countries and regions.

ABeam Consulting's outstanding capabilities are also recognized in customer satisfaction surveys, in which approximately 90% of respondents state that they are "Satisfied."



People Strategy - Aim to Be a Group that Achieves Customer Issue Resolution + Increased Value and Innovation

People are the driving force of ABeam Consulting's business activities, and the value created by the company is generated by people. ABeam Consulting aims to be a company that realizes social transformation by demonstrating "comprehensive capabilities with edges."

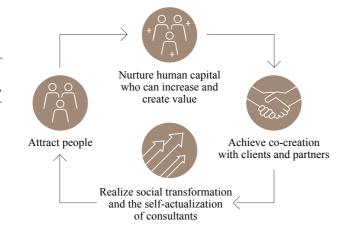
"Comprehensive capabilities with edges" means nurturing consultants as human capital with both advanced consulting skills and high specialization by honing their abilities so that they can demonstrate their value even in the era of digital technology. It also means demonstrating comprehensive capabilities by utilizing teams that combine this professional human capital and the ABeam Ecosystem, thereby realizing social transformation.

For this reason, ABeam Consulting will secure and nurture human capital who possess more than traditional issue resolution skills. Human capital will also have the ability to envision the future of society and propose the direction that companies should pursue as management issues, the ability to realize those priorities through co-creation, and the execution capacity needed to transform conventional businesses.

In the process of working to realize social transformation, our consultants will see human capital enhance their respective skills, build up experience, expand their horizons by gaining exposure to diverse values and develop their network with other people. In anticipation of changes in the relationship between companies and employees in the near future, we will envision the future of society and companies and will aggressively nurture human capital that can lead the transformation process. As a result, ABeam Consulting's human capital and other personnel who have built their

careers at the company will serve as the driving force behind social transformation. That is where we see ourselves as a company in the future.

Companies that enable employees to achieve growth and self-actualization through social transformation will attract talented human capital who find such achievements to be appealing. ABeam Consulting will link its success as a company and the individual success of our human capital in this way and establish relationships that foster one another's growth. In the process, a people-centered positive cycle will be formed. ABeam Consulting will enhance its corporate value through such a cycle, with the aim of becoming an appealing company for its human resources and society.



ABeam Consulting's Workstyle Innovation – ABeam Business Athlete® –

Workstyle Innovation **ABeam** Business Athlete®

Smart Work

To work in more flexible, intellige and lively ways, as an o

Diversity & Inclusion

Every single employee with all their and inspire one another, continue to grow, and take on challenges while

Well-Being













ABeam Consulting's consultants are outstanding professionals who can be treated as athletes of the business world. Through "ABeam Business Athlete®," a workstyle innovation initiative, ABeam Consulting seeks to enable diverse employees to gain autonomy, keep themselves in top condition physically and mentally, and

enhance their productivity and creativity, as they demonstrate their abilities as a team by putting the strength of each and every individual to maximum use. We also aim to provide consulting services with high added value and contribute to sustainable societal growth by flexibly addressing changes in society.

Smart Work

We aim to create a conducive workplace with more autonomy, flexibility and intelligence where each and every employee can work in a lively manner as a professional.

Diversity & Inclusion

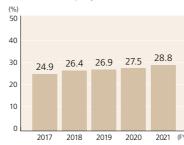
We aim to create a conducive workplace where every single employee with diverse personalities should respect and inspire one another, continue to grow and take on challenges while being themselves.

Well-Being

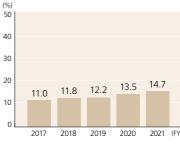
We aim to create a conducive workplace where every employee keeps themselves in top condition physically and mentally, while adapting to change and improving performance.

| Major Non-Financial Indicators | * Calculated based on employee data as of June 1 every year

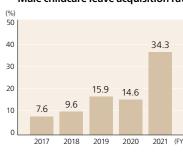
Female employee ratio



Female manager ratio



Male childcare leave acquisition rate



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Interview

The values and expectations of customers can shift easily in this era of drastic change, and it has become difficult to remain a promising consultant from whom much is expected in the eyes of clients. Under these conditions, what kind of measures should we take as individuals and as an organization? These questions were put to a key person involved in human capital development at ABeam Consulting.

What Is Needed to Remain an Essential Consultant in This Era

I serve as an instructor for training seminars for employees and people outside the company, and the leader of the human capital management team, among other roles, in addition to leading the operation and design of new employee training seminars for fiscal year 2022. I'm also responsible for the operation of the learning platform.

For consultants, it is important to have a set of competencies that can be described as "3+1." "3+1" refers to the 3 skills of "Base," "Edge," and "Link," plus the 1 quality of "Mind." In addition to Base and Edge skills, it is important to have Link skills to provide value as a consultant. Link skills are needed to connect with people and information and create countless organic networks. That is why as a company, we are focusing on building forums and mechanisms for strengthening learning in these areas and making them a habitual part of our activities.

Numerous benefits have emerged from this learning. I often hear consultants say that they were able to deliver results when they applied the knowledge supplied by team members to their own work, regardless of when those team members may have joined the company.

Moreover, we have started to provide human capital value enhancement services, which contribute to the growth of our clients' human capital by leveraging knowledge within ABeam Consulting. These services are solutions for analyzing the human capital needed by a client, and then nurturing human capital who can



Yohei Fukuda

Senior Manager, Digital Technology Business Unit / ITMS Sector

serve as the core personnel of the client's company.

If we can share ABeam Consulting's knowledge, and all stakeholders can grow through relationships based on co-creation activities, we believe that Japan will eventually return to a growth path as a country. This belief lies behind our activities.

Social Contribution Activities

ABeam Consulting conducts social contribution activities to contribute to the betterment of communities and the global environment and to build a sustainable society.

Specifically, we are pushing ahead with various social contribution activities, such as pro bono activities (support for non-profit organizations (NPOs) and non-governmental organizations (NGOs)) and regional revitalization measures. These activities are undertaken to promote the solution of social issues and to nurture human capital who can solve social issues.

Going forward, ABeam Consulting will continue working to solve regional community issues while harnessing the consulting skills developed by its many consultants through business activities. Through these efforts, we will help to shape the future of Japan and overseas regions centered on Asia.



Contribution to the International Community and Regional Communities

Aiming to Shape the Future of Overseas Regions Centered on Asia

ABeam Consulting contributes to the solution of problems faced by the international community including Asia, and its development, through pro bono activities for international NPOs and NGOs. These activities include support for Room to Read Japan (RTR Japan), an international NGO that is trying to change the lives of children in low-income countries by aiding literacy and providing gender equal educational opportunities, and support for Kamonohashi Project, a certified NPO that is working to create a world without human trafficking.

Helping to Solve Regional Social Issues

ABeam Consulting carries out various activities to solve regional social issues. Notably, the company supports human capital development at small and medium-sized enterprises in regional areas, and conducts support activities for Montedio Yamagata, a professional soccer team. We also assist with the activities of Zamami Village, Okinawa Prefecture, to increase what is known as its "related population," or the number of people who are neither residents or visitors, but are involved with the village in some way. We also hold internal seminars on supporting regional communities through the hometown tax donation program, among other activities.



Environmental Measures

We are contributing to a sustainable global environment by continuously working to reduce our environmental impact through corporate activities. These include environmental preservation activities and carbon neutrality measures carried out by employees.

Towards Achieving Carbon Neutrality

We have set a goal of realizing carbon neutrality by 2030. This goal will be achieved by reducing greenhouse gas emissions* from business activities at all sites worldwide to zero.

We are continually improving energy-saving operations as part of our efforts to achieve even more sophisticated energy management at our offices. We are taking steps such as automatically turning off lights at night and setting thermal control for each area, while monitoring the amount of energy used at our Japanese offices.

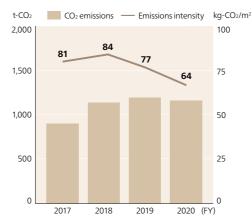
The use of renewable energy is another priority. In April 2021 we completed the switch of electric power used at our

headquarters (Marunouchi Eiraku Building) to electric power derived from renewable energy. Going forward, we will continue to expand the scope of such sites.

In Scope 3 emissions, we drastically reduced emissions from category 6 (business travel) and category 7 (employee commuting) by expanding remote work during the COVID-19 pandemic. Going forward, we will strive to refine the calculation of category 1 (purchased goods and services) emissions and reduce them by collaborating with our business partners.

* Covers Scope 1 and Scope 2 emissions based on the GHG Protocol

CO₂ emissions (Scope 1 and Scope 2) and emissions intensity at domestic sites



Greenhouse gas emissions of the entire value chain

		2019		2020 (FY
Scope 1	Direct emissions	0	Þ	0
Scope 2	Indirect emissions associated with the use of electricity and heat	1,194	١	1,182
Scope 3	Other indirect emissions (categories are listed below)	13,788	Þ	8,396
Category 1	Purchased goods and services	4,470	Þ	4,635
Category 2	Capital goods	2,268	Þ	2,349
Category 3	Fuel and energy related activities not included in Scopes 1 and 2	80	Þ	132
Category 4	Upstream transportation and distribution	144	Þ	81
Category 5	Waste generated in operations	12	Þ	7
Category 6	Business travel	5,764	Þ	948
Category 7	Employee commuting	1,050	•	244
Categories 8	-15	0	Þ	0

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Sustainability-Related Business Activities

ABeam Consulting supports our clients through a variety of consulting services as we strive to realize their "sustainable corporate value."

1. Sustainability Transformation as Envisioned by ABeam Consulting

In modern society, where a wide variety of social issues exist in disorder, capitalism is shifting from traditional shareholder capitalism to stakeholder capitalism. Companies need to enhance their corporate value over the medium and long terms while they meet the expectations of all relevant stakeholders, including employees, customers, suppliers and local communities. Sustainability Transformation (SX) has been proposed as a transition to a management system that

focuses on a company's sustainability. ABeam Consulting defines SX as "the process of maximizing both economic and social impact of companies and solving social issues by transforming every aspect of companies, from business models to management bases founded on social issues and the perspectives of all stakeholders."

2. ABeam Consulting's Approach and Value towards SX

Approach from Two Perspectives

In order to realize SX, "Backcasting" approach is commonly used, in which company's transformation themes are identified based on social issues. In addition to "Backcasting" approach, ABeam Consulting also adopts "Forecasting" approach in which company's transformation is scientifically identified based on the facts of correlation between

non-financial information and corporate value currently held by companies. While increasing corporate value drastically and steadily through these two approaches, we determine the direction of corporate transformation to solve social issues.

Three Values

In ABeam Consulting, each industry, service line and sustainability professional team works together as One Team and we help our clients to realize SX by exerting our three values of "co-creation capabilities," "execution capabilities" and "comprehensive capabilities."



Co-Creation Capabilities

Realize essential solutions to social issues by organically connecting the key person in the social sector who knows the actual state of social issues to problem-solvers in the business sector.



Execution Capabilities

Realize end-to-end support ranging from building a sustainability transformation story to addressing various social themes, implementing digital platforms, and visualizing non-financial information and social impact with data.

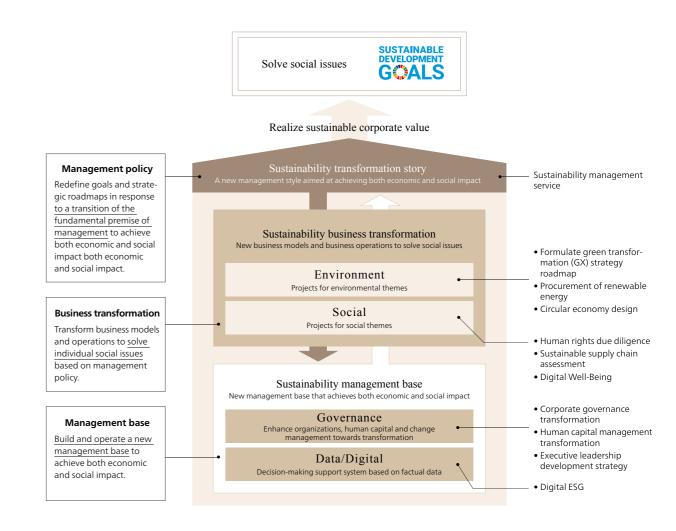


Comprehensive Capabilities

Realize comprehensive support from identifying social issues that each client should deal with by collaborating as One Team among each industry, service line and sustainability professional team.

Overview of ABeam Consulting's SX Service

In response to a transition of the fundamental premise of management to achieve both economic and social impact, ABeam Consulting will provide end-to-end services from building transformation stories, formulating business policies to deal with individual social themes and implementing management base.



Collaboration with the Social Sector to Obtain Co-Creation Capabilities

There are various business entities that seek to solve social issues, such as non-profit institutions represented by NPOs and NGOs, the public sector and private companies.

Among these organizations, NPOs and NGOs are key players who are well versed in the actual state of social issues, but they often struggle with shortages of people, assets, and funding. Under these conditions, companies that have specialized knowledge, know-how and skills can accelerate solving social issues targeted

by NPOs and NGOs by supplying not only funds but also human capital.

Against this backdrop, ABeam Consulting conducts pro bono activities, with the aim of contributing to solving social issues by using the consulting skills cultivated in its core business. We will accelerate the solution of social issues by engaging in co-creation processes through our support for the social sector.

ABeam Consulting SUSTAINABILITY REPORT 2021

Development of Sustainability-Related Business

| Well-Being Initiatives |

CASE STUDY Visualize the Benefits of Well-Being Initiatives, Analyze the Relationship between Those Initiatives and Business Performance, and Improve Productivity







Airi Kitabayashi Senior Manager, Sustainability Transformation Initiative

Implement Well-Being Initiatives as a Solution

ABeam Consulting is implementing Well-Being initiatives to improve the physical and mental condition of employees as part of its ABeam Business Athlete® initiative. Well-Being corresponds to the "Social," or "S" part, of ESG. We believe that implementing these initiatives at our own company will help to improve the productivity, business performance and corporate value of our clients too. Based on this belief, we provide these initiatives to clients as a solution.

As one of these initiatives, ABeam Consulting and SMN Corporation conducted a proof-of-concept demonstration with two goals: (1) "Quantification and visualization of individual Well-Being (health condition and performance) and organizational Well-Being (team and corporate business performance) in Well-Being initiatives;" and (2) "Visualization of the relationship between individual and organizational Well-Being."

Airi Kitabayashi explains, "SMN has adopted Well-Being with a focus on employee well-being as its vision and has been implementing various well-being initiatives. However, SMN had not tried to visualize the effects of these initiatives, such as whether they contribute to actual performance." With this project, SMN embraced ABeam Consulting's Digital Well-Being Solution, and this paved the way for activities to demonstrate the effects of its well-being initiatives.

The proof-of-concept demonstration made use of both data obtained by SMN internally, and data newly acquired through this project. Data on corporate business performance, employees' individual sales, and other items, as well as employee questionnaires on their well-being were also added to the demonstration. Analysis and visualization of the data were carried out using ABeam Consulting's template, which was adjusted to reflect how SMN perceives issues.

Grasping the Relationship between Employee Well-Being and Corporate Business Performance

"Data security was crucial in the demonstration because it involved the use of employees' personal information. Laws and regulations also needed to be considered, so we faced an uphill struggle when we needed SMN to prepare the data," says Kitabayashi. As a result of collecting the data and analyzing it at ABeam Consulting, we obtained a wide range of insights. For example, we found that at SMN, mental health condition, motivation, and respect for individuals in the workplace all have a large impact on the organization's business performance. Moreover, we found that tendencies for employees to have low well-being and to leave the company were aligned. The demonstration showed the



importance of focusing on well-being and providing adequate care, particularly in preventing employees from leaving the company.

Kitabayashi continues, "Although the tendencies vary from company to company, the demonstration results revealed the significance of grasping relationships between employee condition, well-being and corporate business performance, and taking action in those areas as an organization. We obtained solid results that show that the core value proposition of this solution lies in identifying such relationships and actions."

Awareness of the importance of Well-Being has been increasing day after day regardless of company or industry. We would like to take the opportunity of this demonstration to focus on realizing Well-Being as a total solution, with a view to contributing to the well-being of workers.



Partner's Voice

Hirofumi Matsumoto

Section Manager, Corporate Culture & Relations Section

This demonstration allowed us to visualize and analyze correlations between organizational information (financial accounting, management accounting, personnel-related data, etc.) and individual condition, subjective well-being and related factors. I got a real sense that this process will contribute tremendously to new approaches to formulating management strategies for the management team and personnel departments, and to maximizing individual performance for employees. I believe that the introduction of the Digital Well-Being Solution has the potential to become a new management approach (Well-Being management) around the world.

| Contribution to International Cooperation Projects |

CASE STUDY 2

Providing Backup Support for JICA Projects, Leveraging ABeam's Company-Wide Knowledge and Experience in Digital Technology and IT









Atsushi Koyama Manager, Digital Technology Business Unit, DXI Sector

Providing DX-Related Ideas and Technologies to International Cooperation Projects

From January 2021, ABeam Consulting has been providing technical advisory services on digital transformation (DX) to the Japan International Cooperation Agency (JICA).

As a result of the evolution of information and communications technology, the use of digital technology and data has become an essential part of economic activity and social life. Amid these trends, there is a growing expectation from evolving countries that JICA will support the use of digital technologies. To meet these needs, JICA has been encouraging the use of digital technologies in various projects in development cooperation work. ABeam Consulting was selected to support JICA's projects as a digital and IT expert.



Photo by Akio Iizuka / JICA

For example, ABeam Consulting studied the feasibility of using digital technologies in JICA projects, supported planning and proposals for the launch of projects, developed simple demonstration systems, and advised on system operation. Atsushi Koyama from the Digital Technology Business Unit explains the content of these services more specifically as follows.

"When JICA proposes a development cooperation project to a partner country, ABeam Consulting's overseas office members carry out local interviews, case studies, identification of issues, and formulation of use cases, leveraging the company's global network and abundant experience with projects using digital technologies. Through these activities, we support the launch of projects and facilitate dialogue with the partner country's government. In addition, to give the government of the partner country a clearer picture of how issues will be solved, we

have quickly developed demonstration systems, such as smartphone apps."

Expansive Thematic Fields and Backup Support by ABeam Consulting as a Whole

Koyama describes the creative steps and challenges of projects as follows.

"Since the impacts of digital technology-related support are difficult to visualize, we need to propose solutions to issues based on a thorough understanding of the problems, which partner countries are facing, and the differences in laws, systems, customs, and culture. Additionally, JICA's thematic fields cover a wide range of fields, from agriculture to education, health, transportation, water resources and more, so we also have to keep up with a lot of information. Therefore, we leveraged not only our own studies, but also ABeam Consulting's knowledge as a whole, such as the knowledge from overseas offices and expertise from various fields to provide JICA with backup support."

As a result of these efforts, we received significantly more consultations from JICA than we had expected, and we were able to contribute to the launch of several projects. Moreover, apart from supporting the launch of projects, another major task was to support DX training through workshops and other activities. "Although it is difficult to get results from these workshops in a short period of time, we have gained a lot of interest at this stage. I believe that we have laid the groundwork for promoting DX even further," Koyama says. Going forward, ABeam Consulting will continue to make every effort to support JICA's projects.



Partner's Voice

Japan International Cooperation Agency **Takuro Asanuma**

Office for STI & DX

As digital technology has rapidly spread in developing countries, the need for JICA's support has also been increasing. We would like to combine JICA's experience in development cooperation projects and ABeam Consulting's technical capabilities and experts in various fields to solve problems in the developing world using digital technology.

ABeam Consulting SUSTAINABILITY REPORT 2021

| Sports and Social Contribution |

Developing a Partner Menu Focused on the SDGs Together with CHIBAJETS FUNABASHI



Kazuto Sawai Manager, Consumer Business Unit. Sports & Entertainment



Comprehensively Covering All of the SDGs and Fitting the Needs of Many Companies

In April 2021, ABeam Consulting signed an official supplier agreement with CHIBAJETS FUNABASHI, a professional basketball team. As part of the agreement, we have developed a partner menu focused on SDGs activities, in addition to crafting a marketing strategy aimed at partners.

"Recently, we have seen heightened demands from investors for companies to make SDGs and ESG investments. Meanwhile, companies often find themselves at a loss for what to do to fulfill such demands. Content holders* have always been eager to contribute to society, and because they have legions of fans, they are able to communicate their message effectively. For this reason, we believe that there are many companies that would like to work together with content holders on the SDGs," says Kazuto Sawai of the Consumer Business Unit

CHIBAJETS FUNABASHI had felt that there were some issues with its marketing strategy aimed at partners. Meanwhile, ABeam Consulting had prior knowledge in this area because it had provided hands-on partner marketing support to a content holder. Therefore, it was decided that ABeam Consulting would set out to advance a project to formulate a marketing strategy for CHIBAJETS FUNABASHI. Of the 17 SDGs, goal 17 is "Partnerships for the goals." Considering that many companies have selected and set their materialities from among Goals 1 to 16, ABeam Consulting has focused on Goal 17, and has developed a menu covering all of the remaining 16 goals.

Sawai adds, "CHIBAJETS FUNABASHI has always been strongly aware of the importance of community contribution and is a team that is working to achieve the SDGs. Meanwhile, ABeam Consulting had been researching cases of collaboration between sports and social contribution and had been building up its knowledge in this field. Both parties

have joined forces to develop this partner menu for the SDGs. By doing so, I believe that we were able to develop a partner menu that can attract the interest of companies."

Advancing Social Contribution Activities with Sports as a Hook

In developing the menu, ABeam Consulting first sought to foster a shared understanding with CHIBAJETS FUNABASHI. We started by reviewing the basics of the SDGs and case examples of SDGs activities. We then held workshops, and using ABeam Consulting's proprietary SDGs Partner Menu Framework, we proposed and brushed up a menu that would strengthen SDGs activities.

We have so far developed a varied menu comprising approximately 100 projects, with activities such as supplying household goods to developing countries, promoting the well-being of communities, and supporting study abroad opportunities for children. In addition, actual inquiries have been received from companies that have expressed an interest in working together with CHIBAJETS FUNABASHI on such projects.

"Traditionally, partners have displayed their corporate names on players' uniforms and stadium signs, but they have realized that such exposure alone is not very effective. In contrast, a lot of companies have taken an interest in making use of partner menus that leverage the assets held by content holders. Going forward, we will continue to develop menus from this perspective, as we advance social contribution activities with sports as a hook," says Sawai.

* "Content holder" is a collective term that refers to sports teams and leagues,



Partner's Voice

CHIBAJETS FUNABASHI **Hiroki Sato**

Director and General Manager

CHIBAJETS FUNABASHI has launched an activity called Jets Assist as part of its efforts to promote social contribution activities that help to achieve the SDGs. We aspire to "Assist" with the SDGs that communities, fans, and partners would like to achieve. Therefore, one of our important missions is to consider activities that comprehensively cover all the SDGs. Going forward, we ask for your continued cooperation with our efforts to support the solution of social issues through sports.

| Activities to Address Social Issues |

Working to Solve Social Issues by Jointly Researching the Impact of the COVID-19 Pandemic on NPOs and Social Ventures with ETIC.





Kohei Harada Senior Manager, FMC Sector, Digital Process Business Unit / Sustainability Unit

Clarify the Current State of NPOs in Urgent Need for Change

ABeam Consulting cannot solve various social issues alone. In the process of conducting dialogue and working alongside NPOs and other partners who are working on solutions, we would like to increase our knowledge related to solving issues and pave the way for further social contribution. Based on this belief, we are engaged in pro bono activities.

As part of these efforts, we jointly conducted the Survey on the Evolution and Adaptation of Agents for Solving Social Issues in an Era of Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) with ETIC., an NPO engaged in various initiatives to support social entrepreneurs. Kohei Harada, who was involved in the survey as a member of the Sustainability Unit, discusses this activity and the opportunity as follows.

"The COVID-19 pandemic has forced NPOs and other groups that are involved in the solution of social issues to change how they define themselves and conduct their activities. That said, the coronavirus just happened to provide the catalyst for this change. The changes in the environment are macroscopic in nature, encompassing changes in people's values and the development of technology. Therefore, as part of our efforts to consider the solution of social issues going forward, we initiated this survey to bring into sharp relief the actual state of groups engaged in social issues such as NPOs and social ventures."

From the perspective of a network-oriented intermediary support group that brings together various sectors such as companies, government bodies and NGOs, ETIC. conducts activities to nurture social entrepreneurs. We believed that we could obtain a synoptic view of the whole situation by collaborating with ETIC., and that we could use this viewpoint to identify the specific social issues that ABeam Consulting should tackle. This belief paved the way for this activity.

To Become a Hub for Companies and the Social Sector

In the survey, we conducted interviews with 27 groups that find it difficult to conduct their activities as they did before due to the COVID-19 pandemic. We also considered how the social sector will evolve and compiled these insights into a report.

Harada adds, "The report is structured to cover general content related to social issues too. This is so that the report can be easily understood by not only those in the social sector who are engaged in social issues, but also those who are not yet engaged in these issues, ABeam Consulting's clients, and students."



In the report, we identify the following four key points that will help each group to develop activities towards goals even as their circumstances change. The four key points are "resilience of groups," "technology use," "encourage participation by diverse players," and "awareness and sharing of purpose (why you exist)."

Harada continues, "The best ways to solve social issues are to involve a diverse array of people, and to expand the circle of people who are working to solve social issues as their own personal priority. Based on the survey results, we found that ABeam Consulting's value lies in its ability to get people involved in projects and its ability to implement projects, and that these are pivotal roles from the perspective of society as a whole. We would like to take the opportunity of this survey to serve as a hub, thereby closing the distance between companies and the social sector even further."



Partner's Voice

Certified non-profit organization ETIC. (Entrepreneurial Training for

Koji Yamauchi

Crises such as natural disasters or the COVID-19 pandemic always strike the most vulnerable parts of society. How should we adapt to these situations? With the support of our pro bono partners on this project, we were able to systematically compile into a report what we had only intuitively grasped so far. As the complexity of social issues increases, collaboration is becoming increasingly important. We hope to continue working together with ABeam Consulting and all our other partners to solve social issues.

ABeam Consulting SUSTAINABILITY REPORT 2021 ABeam Consulting SUSTAINABILITY REPORT 2021