

ABeam Consulting Ltd.

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Company Profile

ABeam Consulting Ltd.

Founded: April 1, 1981

Number of Employees: 4,351 (As of April 1, 2016, consolidated)

Capital: ¥6.2 billion

President and Chief Executive Officer: Toshinori Iwasawa

Business Areas: Management Consulting / Business Process Consulting /
IT Consulting / Outsourcing

Consolidated Net Sales: ¥67.35 billion (Fiscal year ended March 31, 2016)

Overseas Locations: 22 offices in 11 countries and regions
(As of February 1, 2016, including subsidiaries)



ABeam Consulting's CSR website

<http://www.abeam.com/about/csr.html>

Please visit our website for more details about our CSR activities.

Other publications

■ For more details about us

ABeam Consulting Company Profile

http://jp.abeam.com/about/pdf/ABeamConsultingCompanyProfile_en.pdf

This booklet provides information about our management philosophy and business practices. It also introduces our high-quality solutions, touching on our industry, service line and global and regional operations.

■ For more about our latest insights and services

ABeam Public Relations Report

http://www.abeam.com/about/PublicRelationsReport2015_EN.1.1.pdf

Focusing on the latest developments in business practices, this annual volume presents the management insights of our top consultants. We invite you to use them to improve your business operations.

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Our CSR Policy, which articulates our mission and vision,* guides our diverse CSR activities in five fields. We focus on CSR activities that make the most the key features of the consulting business, our main business.

*Please refer to page 8 for information on our vision.

Mission We bring new success to our client through our consulting service and contribute to the establishment of a sustainable society.

Message from the President

We will work together to carry out social reforms.

Our mission is to engage in the kind of corporate reform that resolves customers' management issues and contributes to the creation of new value and business growth. We aim to translate our CSR activities into reform of society overall and resolution of issues faced by local communities and the environment. We utilize the experience and skills developed in our main operations and carry out CSR activities based on international objectives such as SDGs.*

One of our greatest focuses is an initiative related to community revitalization. We have participated in many projects carried out by local governments to better manage their cities and develop smart cities. We hope to contribute to urban development utilizing the unique assets of each region.

We are also actively supporting a wide range of initiatives globally, such as the NGO WaterAid, and Team ABeam, the Rio Olympics sailing team.

All of these activities share our ultimate objective, which is to create an environment in which we empower the beneficiaries to resolve their issues themselves. By improving the foundation and process, without

cementing the relationship of benefactor and beneficiary, we create an environment in which issues can be resolved on an ongoing basis. This is the CSR activity that we should aspire to as a consulting firm.

We hope to capitalize on our strengths even more, going forward, to help resolve issues, including building lifeline infrastructure systems using IoT.

Seeing how our employees participate in internal CSR study sessions and engage in pro-bono activities independently, I sense that they have become even more aware of CSR. At the company-wide kickoff meeting held in April 2016, I delivered a message to all employees on the subject of CSR. I hope that, as we speed up our global expansion, they will always be aware of the CSR perspective and help to resolve social issues around the world.

We will continue to bring together our employees to pursue CSR activities as a Real Partner to the local community and the environment.

*SDGs (Sustainable Development Goals) are 17 goals and 169 targets in the 2030 Agenda for Sustainable Development adopted at the 2015 UN Sustainable Development Summit.



Toshinori Iwasawa
President and CEO

Bringing Safe Water and Sanitary Environments to People around the World

—Support for the activities of WaterAid—

Social issues (background for support activities)

Many people all over the world live without access to safe water and sanitary environments

Hundreds of millions of people in countries and regions all over the world, particularly in developing countries, have to live without access to safe water and sanitary environments. WaterAid's vision is "a world where everyone, everywhere has safe water, sanitation and hygiene by 2030." It implements a wide range of activities, including providing support in collaboration with local partners and advocating for change with governments.

People without access to safe water

650 million

People without access to adequate sanitation

2.3 billion

*Figures are from WaterAid Japan's fiscal 2014 annual report.



©WaterAid/ Tom Greenwood



About WaterAid
WaterAid is an NGO that has worked to improve the world's water and sanitation environment for over 30 years. WaterAid has engaged in projects to provide safe water and sanitation facilities and support sanitary practices in 31 countries. It improves the lives of several million people every year.

©WaterAid/ Anna Kari

The NGO WaterAid works to provide safe water and sanitary environments. We have supported WaterAid Japan since it was preparing to launch in 2013. We continue to provide support, such as donating money for activities and participating in pro-bono activities.*¹

*1 Pro-bono activities: Offering one's own skills and expertise free of charge to meet a social need

"We are really excited to see what we can do with ABeam Consulting in the future."

ABeam Consulting has supported us enthusiastically since WaterAid Japan was first established, and I'm so grateful to everyone there. If we hadn't met them, we probably couldn't have continued our activities like we have. Now three years in, our structure is finally falling into place, but we still have many areas for improvement, such as putting together operating manuals, improving employee capacity and running the Speaker's Club. We hope that ABeam Consulting will use its consulting skills and help us with these issues. We look forward to continuing support for our efforts to provide safe water and sanitary environments to people living in developing countries.



Kaoru Takahashi
Representative
WaterAid Japan

Future Outlook

"We want to offer more activities that people can easily join."



Aya Kanai
Social Contribution Team
CSR Unit

We have been involved with WaterAid activities in many different ways, such as planning employee donations, supporting the Speaker's Club and holding internal events. Visiting the beneficiaries of this aid left the deepest impression on me. One of the local residents told me that he wanted me to know how much our support had impacted their lives, and that really made me realize that our aid had actually changed someone's life. I hope to strengthen our initiatives to better use our main business competencies, familiarize even more employees with these activities and plan activities in which anyone can participate easily.

Our support activities

Multi-faceted support such as donations and pro-bono work

Since fiscal 2013, ABeam Consulting has made corporate donations to WaterAid on an ongoing basis. The company has donated a total of 4.51 million yen thus far. These funds have been used for water and sanitation projects in developing countries. In addition, our employees have participated in the Osaka marathon as WaterAid charity runners since 2014, raising an additional 1.35 million yen in donations. As one of the company's pro-bono activities utilizing its consulting skills, employees also participated in a Speaker's Club.*² Through initiatives like these, we support WaterAid's activities on many fronts.



Picture of a Speaker's Club class

*² Speaker's Club: A WaterAid initiative aimed at raising the general public's interest in water and sanitation environments in developing countries by holding classes at schools and events.

Voice of a Speaker's Club member



Ayumu Kohiyama
Planning Team
CSR Unit

"I would like to use the knowledge and skills I've gained in my profession to expand the scope of our support."

I have given classes three times so far as a member of the Speaker's Club. I also participate regularly in gatherings of club members—it's sort of like a social club for grownups and I really enjoy it. I would like to continue taking part in the Speaker's Club, and also to provide other kinds of support that WaterAid needs, such as help with developing activity plans, translation and presentation skills, while utilizing the knowledge and skills I've built up in my profession.

Voice of participant in Osaka marathon



Shun Goto
Volunteer member
Environmental Management Team
CSR Unit

"The marathon sparked my interest in WaterAid activities."

I ran in the Osaka marathon in 2015 as a charity runner, which sparked my interest in WaterAid's activities and our company's initiatives to support them. I plan to continue donating through the Osaka marathon next year and in the future, and I'd also like to get involved in other ways as well.

Activity results

We have helped provide safe water and sanitary environments to 1,685 people.

Our donations have been used for water and sanitation projects in Nepal, East Timor and Ethiopia, leading to improvements in the living environments of many people.

Outcome of our aid around the world

Safe water was provided and sanitation habits were improved in three countries.



We confirmed the outcome of these activities with visits to the beneficiaries.

ABeam Consulting visits the beneficiaries to confirm and examine the results of the activities, as well as to share about WaterAid's initiatives within the company using pictures and videos of the beneficiaries. As of this point, we have visited Nepal and East Timor and deepened relationships with the staff of local community groups and the residents who received the aid.



©WaterAid/ Tom Greenwood



Our employees are warmly welcomed by local residents

Using Consulting Skills to Support Community Development

Regional revitalization is an urgent issue for society that has even become a key policy for the Japanese government. Even before public interest in such issues began to grow, we have supported the efforts of local government bodies to create communities and introduce smart community*1 initiatives, and have contributed to the creation of autonomous and sustainable communities. Below, we introduce the views of employees who have been engaged in these projects and use their consulting skills to contribute to the revitalization of communities.

*1 Smart community: An initiative to control energy consumption and create communities that function as the foundation of a sustainable society.

Support for community development using consulting skills (FY2013-2015 results)
32 projects
 *Points on the map of Japan indicate projects with local government bodies.



Feasibility study on introduction of renewable energy

1 Matsuyama City

“We aim to play a leading role in local governments’ community development efforts.”

Matsuyama City in Ehime Prefecture was selected as an environmental model city by the national government,*2 and the city established an action plan to create a low-carbon community in March 2014. We carried out a feasibility study on the introduction of renewable energy based on this plan. I was mainly in charge of this project, which considered the site and scale of solar power generation systems and estimated the potential for CO₂ reduction and the investment effect. As part of this, we carried out a site survey of the Kutsuna Islands in Matsuyama, a potential site for the system, and exchanged views with island residents.

This study emphasized the effect that solar power generation could have in revitalizing the community. The study report examined the ways in which solar power systems could be used to revitalize the island, such as by using generated power for tourist facilities and showcasing the system for environmental education and demonstration tours. At present, we are using this report as a basis to look at specific measures with local government staff. We hope to play a role in utilizing the knowledge gained in this project to promote Environmental Model City Matsuyama and community development in other cities.

*2 Environmental model cities: Cities that set ambitious goals and take up the challenge of pioneering initiatives to become sustainable low-carbon communities.



Isao Shishikura
 Manager
 Public Business Unit



View of Kutsuna Islands, where a local survey was carried out [provided by Matsuyama]

Voice of a Stakeholder

This study provided an accurate report on the validity of this project and the cost effectiveness of commercialization. ABeam employees, without exception, worked with pride and sincerity. They were polite and thorough in their work on this study, and provided an immense service to us.



Shouzou Izumi
 Matsuyama City Hall
 Environmental Model City
 Promotion Division

2 Iwata City

Establishment of population vision

“We hope to continue seeking a bright future for Iwata City.”



Ayumi Tanaka
 Consultant
 Public Business Unit

We helped devise a “population vision” and comprehensive strategy for Iwata City in Shizuoka Prefecture. This population vision estimates the future population based on projections of the birth rate and the number of people moving in and out of Iwata, and sets a long-term population target. The survey of residents’ views that we carried out as part of this showed that there were more three-generation households than expected, making for an environment conducive to raising children. However, the report also confirmed issues such as the high outflow of women, as well as the reasons that residents move to other cities, and this was reported to the city.

In the process of devising the comprehensive strategy, the Comprehensive Plan Committee, made up of academics and representatives from various groups, met several times. We put together minutes and considered ways to use this feedback in the comprehensive strategy.

Having this opportunity to hear the views of people in a wide range of positions, from the presidents of local universities and branch managers of financial institutions to managers and representatives of education committees and labor unions, was a really refreshing and stimulating experience.

Until now, all cities looked pretty much the same to me, but I learned to see the differences in each city and recognize the uniqueness and appeal of Iwata City. I hope to remain involved so that I can see how Iwata City implements its comprehensive strategy going forward.

Voice of a Stakeholder

ABeam Consulting has had a strong relationship with Iwata even before this project, so we have built a trusting relationship. We were so pleased to have their help in devising our population vision and comprehensive strategy, and grateful that they were able to show us examples of successes and give us effective advice within a limited time period. They maintained close communication and responded flexibly to our requests. I could really tell that ABeam is committed to helping us proactively build a community in Iwata. I hope that we can collaborate together on future community development efforts in Iwata.



Toshihiro Suzuki
 Secretariat and Policy Unit
 Planning Division, Iwata City

3 Zamami Village

Feasibility studies on attracting corporate customers

“This village of beautiful coral reefs has become a second hometown for me.”

Zamami Village is one of about 20 islands located to the west of the main island of Okinawa. I was in charge of formulating a comprehensive strategy for Zamami and conducting survey and verification tests on ways of attracting corporate customers to expand the population of visitors. This process took about six months. In our efforts to bring in corporate customers, we focused on the incredible clarity of the ocean, known as “Kerama blue,” and the fabulous diving. We tried out a human resource training plan in the diving sector. We invited young staff members at the town hall and managers of diving shops in the villages to workshops, examined the plan’s effectiveness, and tested it with a model program involving a two-night, three-day stay. We also held discussions on a future approach to attract corporate customers and measures to translate this into an increase in the permanent population.

During my work leading this project, I came to understand that everyone at the town hall feels that the population decline in Zamami is an urgent issue for which they feel a sense of responsibility. That sincerity gave me a strong sense that I must address their concerns. I really fell for beautiful Zamami over the many trips I made there, and now it is like a second hometown to me.

Due to this project, we planted coral as part of our CSR activities. I hope that this kind of CSR activity will help with Zamami’s development going forward.

Voice of a Stakeholder

ABeam Consulting used its extensive networks to collect and analyze information, and was able to objectively identify Zamami’s market value and its strengths and weaknesses. We are grateful that they listened to residents’ needs and responded with such flexibility.



Satoshi Miyazoto
 Mayor of Zamami Village



Yasuhiro Igarashi
 Manager
 Public Business Unit



Testing out human resource development plan through diving

Helping to Increase the Spread of External Power Output, Leading to New Regional Revitalization

Our initiatives to revitalize communities are not limited to participation in local government projects. We formed a partnership with Honda Motor Co., Ltd., to spread the use of external power output used with the fuel cell vehicles and electric vehicles that Honda has developed. Staff members from the two companies talk about the significance and outlook for these activities, which can lead to new regional revitalization proposals, such as using street events.



Power Exporter 9000, a portable external power output device

This device can be easily connected to next-generation eco cars (such as FCV and EV) equipped with external power output functions to supply a maximum of 9kVA in power. Users can receive clean power from their vehicle and supply it to their household electronic devices.

Our initiatives supported



Marunouchi Christmas Illumination

A promotional event was carried out on December 24–25, 2015 in which external power supplied by FCVs and EVs was used to power street illumination, food carts and audio systems.

HONDA

The Power of Dreams

Thanks to ABeam's cooperation, we were able to carry out a promotion targeting the general public. Holding events both during regular events (Christmas lights) and for emergencies (joint practice in handling stranded commuters) was a big step in helping to spread the use of external power output.

We want to familiarize the world with the value of acquiring power from vehicles. We have high hopes for ABeam's initiatives, utilizing its consulting skills to identify users and examine ways of attracting users.

We believe that the three values of "eco," "resilience" and "comfortable and convenient daily use" are the three points of appeal that can be used to popularize external power output among the general public. We are confident that with ABeam's help, we will be able to use these three points to succinctly convey to society the benefits of external power output.

1 Toshiro Matsushima
Business Development Supervisory Unit
Honda Motor Co., Ltd.

2 Hiroyuki Eguchi
Development Division 3,
Power Products R&D Center
Honda Motor Co., Ltd.

3 Rie Hoppo
Business Development Supervisory Unit
Honda Motor Co., Ltd.



I believe that activities aimed at increasing the use of external power output in society will lead to new ways of using urban areas and streets and new approaches to regional revitalization. We will use our consulting skills and networks with industry, government and academia to support Honda's efforts.

Honda's external power output devices have the potential to change people's lifestyles. We hope to present their appeal to the public in a way that is easy to understand, popularize these external power output devices and help to realize the future energy society that Honda aspires to.

4 Noriyoshi Enei
Public Business Unit

5 Makoto Nakao
Public Business Unit



We invite you to read the conversation between the managers about these activities, available on our CSR website.
<http://jp.abeam.com/csr/>

CSR at ABeam Consulting

We have identified five focus areas for our CSR activities, and we take action based on our CSR Policy, established in 2013. All employees work as one on our initiatives, aiming to contribute to the global growth of our clients and build stronger local communities and a healthier global environment.

Vision

- 1 We prevent injustice to occur during our performance and strive for sound and fair management of the company.
- 2 We provide high quality service to our clients by conducting business based on outstanding consulting knowledge and skills.
- 3 We, as well corporate citizens, by cooperating with various partners, work positively to establish solutions to fight against social issues such as poverty and education without being caught by any fixed conception.
- 4 We continuously improve environmental management through business and contribute to reduce global environmental load through the service we provide and other activities we work on.
- 5 We not only provide comfortable working environment, but also strongly support eager employees who aim for self-realization and self-propagating which could be attained through social activities.

CSR Activity Fields

Solid Business Foundation

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Collaborating with Our Clients

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Working with Local Communities

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Responsibility for the Global Environment

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Working with Employees

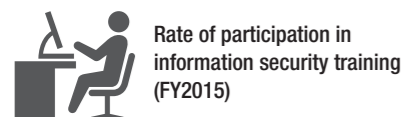
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Building the Foundation for Longevity as a Company Trusted by Society

ABeam Consulting is building a foundation to prevent improprieties in operations and ensure that management is sound and equitable. As well as establishing a compliance management system, we strengthen information security, build awareness, and educate employees. We also strive to augment corporate governance, strengthen trusting relationships with stakeholders, and improve the social nature and transparency of corporate management.

Highlights: Our initiatives seen through figures



Rate of participation in information security training (FY2015)

100%

ABeam Consulting provides employees with information security training via e-learning courses in Japan once a year, and the participation rate is 100%. The class participation rate for this training at offices outside Japan was also 100%.

“Employee awareness of information security heightens every year.”

Since we handle clients’ confidential information in our consulting services, every employee must always be aware of information security. ABeam Consulting provides annual training through e-learning courses to ensure this awareness, and I realize that employee awareness is improving every year. In addition to reinforcing our information security on an ongoing basis, we aim to comply with laws and regulations from a global perspective.



Yukio Yasuda
Credit Risk Management Unit and Risk Compliance Unit Legal Group

Compliance

Establishment of the ABeam Code of Conduct

The ABeam Consulting Group now has 22 offices outside Japan, in 11 countries and regions (as of February 1, 2016, including subsidiaries), and its diverse workforce is made up of people with a wide range of ethnicities, nationalities, and religions. In addition, our clients are not only in Japan, but also include global Japanese companies expanding their businesses around the world and foreign companies with bases overseas. In this kind of business environment, as a consulting business, we believe that it is important to respect the values and diversity of all stakeholders and ensure thorough compliance management rooted in a global perspective.

In October 2005, we established the ABeam Code of Conduct to help achieve our vision of consistently serving as a real partner to our clients as a global consulting firm with roots in Asia, while always complying with laws and regulations.

Information Security

Rigorous Management of Important Information

We have established compliance items and management system regulations for the handling of important information, such as clients’ and the company’s confidential information and personal information. Moreover, similar guidelines have been established for group companies outside Japan, giving us an information security foundation at the global level.

We have established regulations laying out integrated technology standards serving as technical measures for information security. Meanwhile, we have adopted secure print systems that use confirmation of the security cards carried by all employees and encryption management for files containing confidential information, and monitor the installation status of software on company PCs.

All comings and goings to and from our offices are managed using security cards, and security cameras are set up in each area. Measures are taken to prevent improper acts and information leaks.



Management of employee entrances and exits using security card

These guidelines aim to firmly establish the sense in each individual employee that always fulfilling our corporate social responsibilities raises the group’s corporate value. We also endeavor to educate employees about and reinforce compliance, based on the decisions made by the Board of Directors regarding the basic policy on establishing an internal control system.

By distributing a pamphlet with these guidelines (Japanese and English versions) to all employees of ABeam Consulting and its group companies in and outside Japan, we seek to ensure that the guidelines—the foundation of our compliance management—are understood and put into practice.

Moreover, we sought to ensure viable compliance with ethics and laws internally by establishing Operating Rules for Internal Reporting System so that anyone involved in the company’s operations can report improper, illegal and unethical acts that they identify or become aware of.

Education and Awareness-Building Activities for Employees

We use an e-learning platform to provide information security education to all employees in Japan once a year. All employees in Japan have completed this course. Since we earned the PrivacyMark in April 2010, we have incorporated education on the importance of handling personal information in this course, and have worked to raise awareness about personal information management.

In addition, all new graduate hires and mid-career hires are given training on information security in a class immediately after they join the company. This is an opportunity to deepen understanding about the importance of information security as well as compliance matters and points requiring special attention.

We provide information security education via e-learning to group employees outside of Japan.

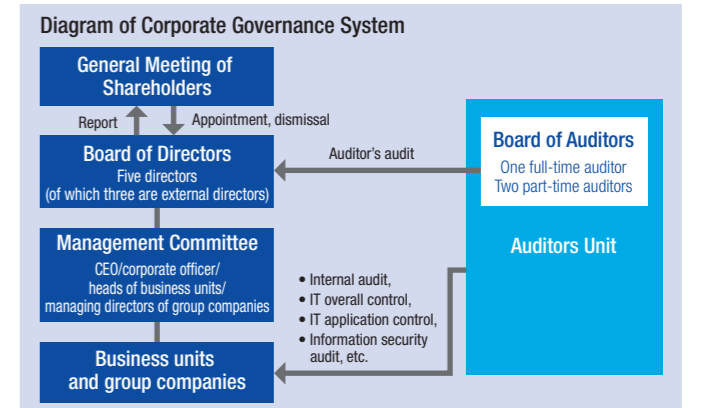
We will continue to provide education that promotes each individual employee’s understanding of information security and raises awareness.

Corporate Governance

Board of Directors, Board of Auditors and Auditors Unit

The Board of Directors, which is made up of five directors, meets once a month to make important decisions on management issues and monitor business performance. The Management Committee considers and discusses important issues related to business execution.

In addition, the Board of Auditors, made up of three auditors, was established as an organization to oversee the Board of Directors’ execution of their responsibilities. They examine the appropriateness and soundness of operations carried out. In addition, the Auditors Unit, which supervises business units and group companies, confirms and examines the effectiveness of internal controls, the safety and effectiveness of the company’s systems, and the status of information security administration.





Consulting Services that Bring Our Clients Success and Contribute to Society

As a global consulting firm, ABeam Consulting offers high-quality consulting services to support its clients' sustainable growth and stand by their side. We support a wide range of clients, from Japanese companies and local governments to companies around Asia. We will continue to help our clients achieve new successes and create a sustainable society.

Highlights: Our initiatives seen through figures



Rate of intention to continue with ABeam Consulting as shown in customer satisfaction survey (FY2015)

86%

An evaluation of clients' intentions to continue with ABeam Consulting in a customer satisfaction survey showed that 86% of respondents believe that the company is "suitable as a partner with whom we can build a medium- and long-term relationship."

"We use feedback from clients to improve our services."

We carry out a customer satisfaction survey in the form of a questionnaire every year. This survey is a valuable opportunity to improve the quality of our services and make new proposals. In particular, the survey's findings on clients' intentions to continue with ABeam Consulting are important in our efforts to become a "Real Partner." Moreover, client views captured in this survey are reflected in the ABeam Principles of Action, which articulates the mindset required to become ideal professional consultants, and the entire company works together to provide higher quality services to its clients.



Midori Saito
CS Committee Secretariat
QRM Unit

Initiatives in Asia

Expanding Japan's Transportation Technology to Asia

Building infrastructure is an essential part of the economic growth of a developing country. ABeam Consulting is involved in activities aimed at encouraging the use of Japan's impressive infrastructure technology in advancing developing countries.

In fiscal 2015, we participated in projects intended to expand the use of Japan's transportation technology in Asia.

One such initiative was participation in the ITS Seminar sponsored by the Japan International Cooperation Agency (JICA) and held in Pakistan. Contactless IC card technology, widely used in Japan's public transportation sector, was introduced to local organizations in the transportation sector.

In addition, in Vietnam we participated in a study team for the Preparatory Survey for the ITS Integration Project in the Northern Area of Vietnam. We surveyed and examined the localization of ETC systems for a highway network in the area around Hanoi.



Our employee, who participated in the ITS Seminar

Initiatives with Local Governments

Promoting Power Generation from Biomass Using Bamboo in Yamaguchi

In Yamaguchi Prefecture, more and more abandoned bamboo groves are overgrown and encroaching on surrounding forests, and preventive measures have become a key issue. We are participating in projects for Yamaguchi Prefecture that develop and run trial systems to collect and transport unused bamboo and turn this resource into fuel.

In fiscal 2015, Japan's first system utilizing bamboo resources was tested locally at 24 sites.

Practical utilization of the systems would result in the development of a bamboo supply infrastructure and the efficient use of bamboo as a sustainable energy source found locally. Moreover, this project helps to revitalize regions, create employment and reduce global warming.



Verification test (collection and transport)

Systems that performed verification tests (FY2015)

Break down bamboo into chips onsite	A system to break down cut down bamboo into chips on site and supply the chip fuel directly to power generation facilities
Collect for in-factory chip production	A system in which is bamboo is cut down and logged, transported to a chip factory to be broken down into chips, and then supplied to power generation facilities as bamboo chip fuel
Local collection at eradication project sites funded by prefectural taxes	A system in which bamboo that has been piled after cutting down to restore natural forests is transported to chip factories, broken down into chips at this factory, and then supplied to power generation facilities as chip fuel
"Morning market" local collection	A system in which owners bring bamboo to the nearest collection point, the bamboo is weighed and purchased at the collection point and then transported to the chip factory. After it is broken down into chips, it is supplied to power generation facilities as chip fuel

Initiatives with Financial Institutions

Supporting for Client Activities Aimed at Preventing Terrorism and Crime

Global financial institutions take a wide range of measures to detect and report suspicious customers and transactions in line with international AML/CFT regulations*1 in order to prevent anti-social forces such as criminal organizations and terrorists from acquiring and transferring funds.

To support these clients' efforts to ensure social safety, ABeam Consulting put together a team of experts, including members possessing the Certified Anti-Money Laundering Specialist Certification, an international certification for those who have become experts in money laundering countermeasures. This enables us to provide highly specialized services that meet global standards to clients worldwide.

We will continue to offer our financial institution clients around the world consulting services to bring greater sophistication to their AML operations and systems, helping them to review and adopt countermeasures tailored to social and regulatory conditions.

*1 AML/CFT regulations: These regulations lay out the framework for Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT). Money laundering refers to the misuse of financial services and the concealment of the true origins of money that was obtained through illegitimate transactions and crime.

Initiatives with Educational Organizations

Giving Lectures at Rikkyo University through Education Projects

Since Japanese companies are becoming more global, the demand for business leaders who can lead projects to success on the global stage is rising. Because of this background, there is a greater demand to raise international competitiveness and foster a global-minded workforce, even in the university setting.

Since 2015, ABeam Consulting has participated in the education curriculum BLP*2 offered by Rikkyo University, where it gives lectures as an affiliated company. Lectures on SCM*3 follow a practical format, using actual examples of problems resolved in corporate activity, ways to arrive at results as a team, material preparation, and presentation methods.

We received high praise for the leadership experience we offered in actual business settings as a consulting firm, and continued it under an affiliated company in fiscal 2016 as well. Going forward, ABeam Consulting will share its consulting skills and business experience acquired on the international stage with the younger generation and help raise the next generation of business leaders.



Lectures at Rikkyo University

*2 Business Leadership Program (BLP): The core curriculum of the Department of Business, which encourages students to take an active role in the global community.

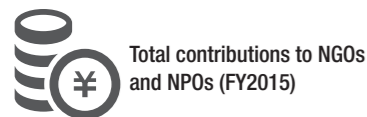
*3 Supply chain management (SCM): The management of information in the manufacturing and distribution industry that covers all steps from the procurement of raw materials and parts to production, distribution and sales; this method is intended to raise corporate revenue.



As a “Real Partner,” Building a Shared Future by Supporting Asia’s Local Communities

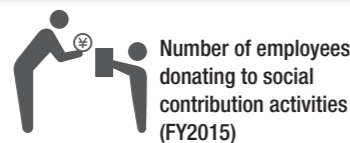
ABeam Consulting pursues sustainable business activities as a member of each local community where it operates and provides social contribution activities that go beyond national borders. We address social issues such as poverty and natural disasters in a variety of ways by collaborating with NGOs and other partners. We are committed to doing our part in building a brighter future for communities in Japan and across Asia.

Highlights: Our initiatives seen through figures



7.21 million yen

We give US\$50,000 in corporate donations every year to Room to Read. The company gave a total of 2.21 million yen, including corporate donations and employee donations, to WaterAid.



318 people

We use a framework that allows employees to donate the cafeteria points allotted to them as part of their benefits. The points are converted to money and donated to NGOs and NPOs to support their activities.



Countries carrying out social contribution activities (FY2015)

5 countries

In addition to activities in Japan, we actively pursue projects outside Japan such as support for Room to Read (Cambodia), support for WaterAid (Nepal and Ethiopia) and projects at overseas offices (Malaysia).



Room to Read

Supporting Education of Children in Asia

Room to Read (RTR) is a global NGO that provides children in developing countries with educational opportunities. The local staff members, which are well acquainted with local needs, cooperate with local governments and communities and the results are evaluated with a clear benchmark. Impressed with this approach, we became RTR’s first Japanese sponsor in 2008 and enthusiastically support its activities. There are three main activities.

(1) Corporate donations

ABeam Consulting has been providing corporate donations since 2008. Thus far, over 30 libraries and reading rooms have been built in five countries in Asia. In addition, we donate to a Girls’ Education Program for girls who face many barriers to education. Since 2013, we have visited the recipients to directly confirm the ways in which our donations have been used and their effect, and to build ongoing relationships with the beneficiaries. Interacting with local children is a valuable opportunity to see the effect of our donations.



A trip to Hanoi in 2015

Sports and Culture Support

Initiatives through Sailing, such as Support for an Olympics-Class Team

The company’s name “ABeam” comes from the nautical term “abeam” that means “at a right angle to the centerline of a vessel.” This image of a wind that blows against a vessel expresses our vision as a company that always stands in the client’s shoes and uses all of its strength to bring their business to a successful outcome. Given this background, we support sailing competitions and contribute to sports promotion and the passing on of traditional culture.

A perfect example of this is our support Team ABeam, a sailing team made up of young athletes working to earn a spot to participate in the Olympics. Team ABeam first participated in the Beijing Olympic Games in 2008, followed by the London Olympics and, soon, the Rio de Janeiro Olympics.

In order to support high school sailing competitions, we donated 40 racing boats to the high school athletic federation for the use of high school sailors. This helps to expand the reach of sailing in Japan.

In addition, we co-sponsored the SABANI Sailing Race, a race by traditional sailboats held in Zamami, Okinawa. In addition, our employees participate in the race, which helps to pass on traditional culture.



Team ABeam

(2) Pro-bono activities*

ABeam Consulting offers support through a wide range of pro-bono activities that utilize its consulting skills. Specifically, we compiled support records explaining what attracted us to partner with Room to Read and what we have done so far to support the NGO, and provided it as a model with a standardized format. This can be used as an example of support to show other companies and is helpful when RTR is recruiting sponsor companies.

(3) Educational activities for employees

With the objective of further strengthening our relationship with RTR, we provide training for its employees. In April 2016, an employee of RTR’s India office and a graduate of RTR’s Girls’ Education Program visited ABeam Consulting and gave a lecture on education conditions in India and RTR’s initiatives.

RTR’s support activities are becoming more active every year. Going forward, we will implement more global support involving its overseas offices as well.

*Pro-bono activities: Offering one’s own skills and expertise free of charge to meet a social need



Seminar by RTR India office employee

Initiatives Outside Japan

Local Support Activities by Overseas Offices

Our overseas offices carry out CSR activities tailored to the needs of their particular country and region.

The office in Thailand made donations to recovery efforts after that country experienced massive flooding. Employees participate in charity marathons as well, in another way to provide proactive support.

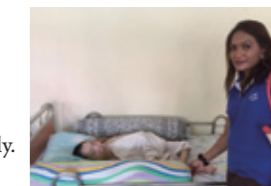
The Malaysia office extends ongoing support by providing supplies to local homes for the elderly and orphanages. Employees collect these supplies, visit the facilities and hand them over to the beneficiaries themselves.

In addition, a global newsletter describing CSR activities in Japan is sent to overseas offices to share our approach to CSR.

We will continue to pursue CSR activities globally.



Supplies brought to social welfare facility in Malaysia



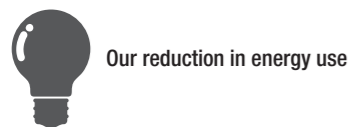
Visit to orphanage in Malaysia



Activities Leading to a Reduction of Environmental Impact Pursued as a Partner of the Environment

ABeam Consulting's "Real Partner" concept does not just apply to our clients and the community. We see ourselves as a partner of the environment as well, and pursue initiatives that help reduce environmental impact both inside and outside the company, such as activities to improve environmental management on an ongoing basis and environmental conservation activities.

Highlights: Our initiatives seen through figures



Our reduction in energy use

1,494 MWh

We have reduced energy consumption every year on an ongoing basis by pursuing energy conservation. Energy consumption totaled 720 MWh in fiscal 2015, down by about 1,500 MWh since fiscal 2008 (a two-thirds reduction). Converted into CO₂ emissions, this amounts to an approximately 367 t-CO₂*¹ reduction.



Total purchase of renewable energy certificates

89,000 kWh

We have used renewable energy certificates every year since 2009, purchasing a total of 89,000 kWh since then. Converted into CO₂ emissions, this amounts to an approximately 44.95 t-CO₂*¹ reduction.



Total number of participants in environmental conservation activities

1,132 people

We carry out the Mitohama Beach Clean-up Activity and Mt. Fuji Environmental Conservation Activity every year. A total of 1,132 employees and family members have participated in this program thus far.

*¹ Conversion value released by the Ministry of the Environment based on the Act on the Promotion of Global Warming Countermeasures is used.

Environmental Management in Business Activities

Reducing the Environmental Impact of Our Offices

We strive to reduce environmental impact by establishing and continually revising environmental management systems. Our Public Business Unit has acquired ISO 14001 certification.

(1) Energy conservation

We focus on energy savings through continual operation improvements using One2Five® Energy, an energy management diagnostics tool we also offer as a service.

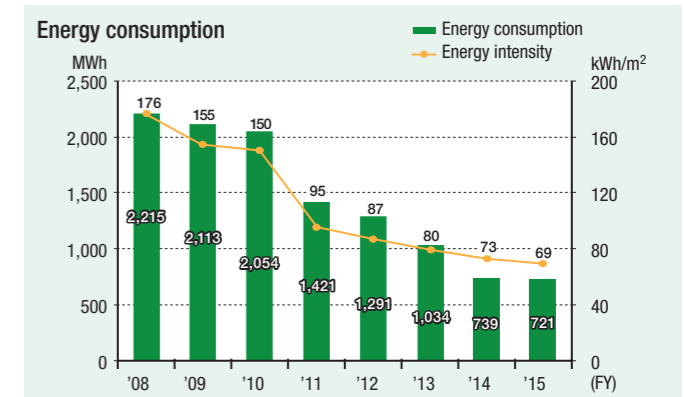
(2) Reductions in paper use

We have worked to reduce paper consumption since fiscal 2011, for example by encouraging double-sided printing. We have equipped all of our meeting rooms with projectors and monitors and recommend that conferences and meetings be paperless.

(3) Recycling

We have set up "Recycling Stations" on each floor of our office buildings for waste sorting and waste reduction. Plastic bottle cap collection boxes

have also been installed. We have collected about 1.22 million caps so far as a member of the "Ecocap Movement," helping to provide vaccines for 1,526 children.



Utilizing the Renewable Energy Certificate Mechanism

We offset the carbon emissions of the annual kick-off meeting attended by all employees by purchasing renewable energy certificates.*² This helps not only to reduce environmental impact, but also to promote and encourage the use of renewable energy.

We have used renewable energy certificates every year since 2009, and bought renewable energy certificates for 18,000 kWh in biomass power generation in fiscal 2015.

We also use the meeting as an opportunity for raising the environmental awareness of our employees, asking them to use trains, buses and other modes of public transportation to come to the venue, which is outside of our offices.

*² Renewable energy certificates: Tradable, non-tangible energy commodities which serve as proof of environmental attributes of electricity produced from renewable energy sources such as solar power and biomass. Trading of renewable energy certificates is expected to support the popularization and spread of renewable energy.

Mitohama Beach Clean-up Activity

Activities Raising Environmental Awareness by Preserving Beautiful Ocean

In 2006, we began a beach clean-up at Mitohama, since our Yacht Team had used facilities there. Since then, we have continued with this activity every year (with the exception of years in which it was cancelled due to rough weather) with the Kanagawa Coastal Environmental Foundation, a Public-Interest Incorporated Foundation.

This activity is a part of our environmental conservation efforts with the objectives of (1) beautifying the coast by picking up garbage (coastal beautification), (2) preserving the habitats of animals living along the ocean (environmental conservation) and (3) sorting the collected garbage (promoting recycling).

In fiscal 2015, 71 employees and their families participated and collected about 240 kg of garbage.

We have strong ties to the ocean, in part due to our sailing team, Team ABeam. We will continue to carry out these activities to preserve the beauty of the ocean and provide a place that makes employees and their families aware of the environment.



Beach clean-up activity

Environmental Conservation Activities at Mt. Fuji

Clean-up and Invasive Plant Removal at the Foot of Mt. Fuji

With the cooperation of the environmental NPO FUJISAN CLUB, we have held clean-ups and helped to get rid of invasive plants at the foot of Mt. Fuji every year since 2007.

This activity is carried out as part of our environmental conservation efforts with the objectives of (1) promoting environmental education by giving visitors a direct sense of the environmental problems confronting Mt. Fuji, which has been registered as a World Heritage site, and (2) protect species native to the area around Mt. Fuji and preserve species diversity.

A total of 81 new-hires and volunteer employees participated in this activity in fiscal 2015, which has been incorporated in the training schedule for new hires since fiscal 2013.

We dug up 13,000 lance-leaved coreopsis plants (about 70 kg), a plant native to North America, in our efforts to eradicate invasive plant species.



Clean-up activities and invasive plant removal activities



Supporting the Performance and Growth of Each Individual Employee, an Irreplaceable Asset

People are the company's most valuable asset. We aim to develop our organization by promoting individual growth as a company. To achieve this, we create an environment conducive to work performance and strive to train human resources that can perform on a global stage.

*ABeam Consulting was certified as one of the best workplaces in the 2016 "Great Place to Work" rankings.

Highlights: Our initiatives seen through figures



We encourage male employees to take childcare leave, and in fiscal 2015 the rate reached 7.1% (nine employees). This is more than double the 2.03% rate reported in a survey conducted by the Ministry of Health, Labor and Welfare in fiscal 2014.

"Outlook on work changed dramatically after taking childcare leave."

Since few male employees take childcare leave at this point, I felt that if, as a manager, I set an example by using the system, my subordinates would follow in my footsteps. I took a three-month childcare leave from November 2012, which turned out to be an experience that dramatically changed my outlook on work. Previously I put work first, but now I try to get results in a shorter period of time so that I can go home early and prioritize time with my family. I've been busy since I returned to work, but our team is working hard to complete our work in a short period with high performance.



Takehiro Murayama
Financial & Social Infrastructure Business Unit

Human Resource Development

Enhancing Training Systems and Supporting Employee Skill Development

We have an extensive training system to support human resource development. The training content is wide-ranging, and the courses are held almost every day, covering consulting skills, IT skills, industry knowledge, linguistic skills, and other areas.

In addition to group training held internally and externally, employees can also study remotely through e-learning courses.

Moreover, the company supports the skill development of employees with a wide range of programs to promote the company's global growth, with short-term study abroad programs overseas, invitations to MBA school instructors, and open-recruitment global training programs for young employees (a one-year program).

Primary internal training programs

Management	Learn project flow and management methods based on our unique methodology
Problem-solving	Learn how to identify true cause of problems and method of devising high-quality solutions
Communication	Learn communication skills that will lead to understanding, empathy and action
Specialized knowledge	Learn specialized knowledge to provide value to clients
Leadership	Learn about the role of a leader and ways to exercise leadership skills
Career development	Expand perspective, deepen self-understanding and take another look at the individual career development plan
Basic knowledge	Learn the essentials for an ABeam Consulting employee

Healthy Workplace Environment

Supporting Health of Employees with Emphasis on Disease Prevention

Our Sanitation Committee and Health Support Office takes the central role in activities supporting the health of employees, with an emphasis on prevention.

In July 2007, *shiatsu* massage was given free of charge in the relaxation room set up in the headquarters office to help employees manage their health. Several industrial physicians and health specialists were assigned to the Health Support Office, opened in October 2013, and in addition to face-to-face guidance based on laws, the Office provided health advice on disease prevention and educational activities extended through newsletters.

Beginning in April 2015, the Mental and Physical Health Project was launched. Seminars and events are regularly held on topics tailored to employee health, such as less-fattening foods, quitting smoking, sleep and stretching.

We plan to begin stress checks for all employees in July 2016 in an effort to prevent disease in the mental health area as well.



Relaxation room

Promoting the Job Performance of Female Employees

Setting Targets and Promoting Performance of Female Employees

We seek to build an environment in which every employee can perform to his or her maximum abilities, regardless of gender, nationality and whether or not they have children or loved ones in need of nursing care. We believe this is an important management strategy to achieve the global growth we target in our medium-term management plan and also respond to social demands.

As part of our efforts to support female employees, we have set targets to bring the percentage of female employees in our workforce to 30% and to 12% for managers and above.

To this end, we provided ongoing support for the career development of individual employees through a counseling system, which is our unique career support system, and support so that women can continue their careers after returning from childcare leave and bring their careers to the next level.

We assigned a diversity specialist from fiscal 2016. In addition to the support provided thus far to enable employees to balance work with childcare and nursing care, we will create a workplace environment in which women can proactively build up their careers and perform at a high level.



High-performing female employees

Childcare Support

Supporting Balance between Childcare and Work in an Augmented System

We seek to build an environment in which every employee can perform to his or her maximum abilities, regardless of gender, nationality and whether or not they have children or deal with a disability.

We have more aggressive childcare support than ever, and offer maternity leave for women during pregnancy, childcare leave available for both men and women (this can be taken until the April 30 after the child turns one year and six months), child-rearing leave, which can be taken by employees with children who have not yet entered elementary school, and shorter working hours until children reach third grade in elementary school. This system goes well beyond the legal requirements.

In fiscal 2015, 100% of eligible female employees took maternity and childcare leave and 7.1% of eligible male employees took childcare leave. All of the male and female employees who took childcare leave returned to work (of which, 10.2% were female managers).

In July 2007, we were awarded Japan's Kurumin mark in recognition of these efforts to support the next generation, and in November 2014, we introduced a system that allows employees to take long-term leave of absence for fertility treatments.

