



# **Sustainable Management Support Service**

Building strategies and systems that enable Japanese companies to survive and thrive

Amid dizzying changes in the socioeconomic environment, previously unimaginable events are taking place in rapid succession.

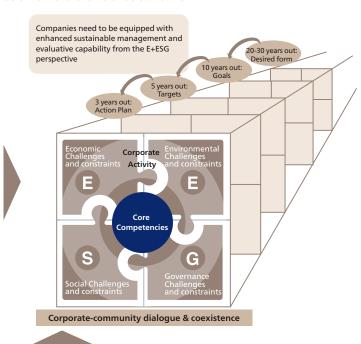
As this happens, new guidelines are being formulated in rapid succession, aimed at benefitting the entire world 20 or 30 years down the road. New rules are thus being put in place with which companies must comply. Those that respond promptly to these changes can see in the formulation of these new rules the seeds of innovation and stronger competitiveness. In doing so, they are discovering new business opportunities and enriching their risk management. While responding to numerous diverse variables, ABeam Consulting provides uniform services ranging from strategy formulation to implementation, seeking out sources of corporate value to strengthen competitiveness.

### What is sustainable management?

In order to survive and thrive amid drastic socioeconomic change, a company must continuously generate value through innovation. Sustainable management is the concept that makes this achievement possible. It means enabling a company to pursue its own core competency, continually taking a long-term view and understanding of the firm's significance while boosting competitiveness, increasing corporate value and providing greater value.

This view is definitely nothing new to Japanese industry. In recent years, however, the UNGC, Paris Accord, SDGs and GRI\*1 have been among numerous guidelines that have come out demanding corporate social responsibility. These have been added to the criteria by which institutional investors evaluate corporate value and select investments. Japanese companies face the urgent need to practice sustainable management to achieve the transparency that enables stakeholders the world over to understand them.

# Key points of sustainable management Seeking out core competencies Because these are times of unclear outlook, it is crucial to clarify the significance of the company's existence and the source of the value it provides. Exactly how is value produced and delivered? It is necessary to formulate corporate activities with that clarified narrative at their core. **Future-retrospective strategy formulation** Depict the company's desired form 20 or 30 years from now, and calculate retrospectively to formulate actions to take today. It is crucial that stakeholders be able to confirm what kind of value this will provide over the long term. Continual dialogue & ideas for coexistence Conceptual shift from merely meeting the demands of stakeholders and guideline compliance to coexisting with each community. Continual dialogue, and reflecting opinions within the company are essential to achieving coexistence.

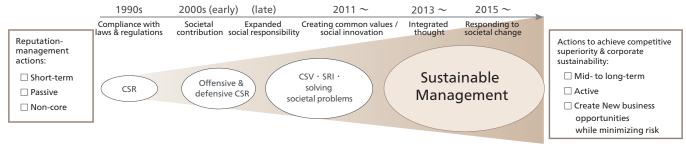


#### External environment / changes in investors

- Expanding into the E+ESG field with criteria for corporate responsibility/value assessment.
- Successive new guidelines include the UNGC, Paris Accord, SDGs, GRI and other areas of corporate responsibility affecting ESG.
- ESG (GPIF signed on to PRI\*2) are increasingly being added to ESG evaluation standards for institutional investment selection decisions.
- ESG criteria are consulted in selecting corporate affiliates for the Olympics and global mega-events.
- \*1 Guidelines related to corporate social responsibility include the United Nations Global Compact (UNGC), Sustainable Development Goals (SDGs) and Global Reporting Initiative (GRI),
- \*2 Government Pension Investment Fund (GPIF) and Principles for Responsible Investment (PRI): by signing onto PRI, GPIF, among the world's major capital funds, emphasizes the importance of ESG investment. Its dissemination in Japan is accelerating.

## Distinguishing sustainable management from CSR

Since the 1990s, the domains of CSR and sustainability have undergone major changes. There are generally major differences between CSR and sustainable management in terms of scope of relevant activities, corporate responsibilities and modes of action.



# Impression that sustainable management has been achieved

Many Japanese companies have achieved long-term sustainability in their business operations by continually giving due consideration to employees, local regions, society and associates. It is also a fact, however, that they have responded passively to the requirements of stakeholders and global initiatives. The result is that a number of unresolved issues remain with Japanese firms despite their belief that they have achieved sustainable management.



#### Sustainable management support lineup

The sustainable management support offered by ABeam Consulting fully realizes the management infrastructure and performance cultivated by Japanese companies up to now, while building on a foundation that integrates the concept of sustainability with business management.

Rather than merely consulting case studies of advanced companies and promoting compliance with global guidelines, we support progress through decision-making that takes an economically rational approach to determining what actions will succeed in sustainably providing value in the manner that characterizes Japanese corporations.

ABeam Consulting addresses a broad scope of areas ranging from strategy to systems infrastructure, providing support using state-of-the-art information technology. The following three distinctive characteristics set us apart:

- 1. Effective operational systems construction through implementation support
- 2. Proposals of the most appropriate measures in response to corporate circumstances, issues and goals
- 3. Achieving dynamic change that makes the most of organizational, personnel and operational transformation

