

# ABeam Consulting Climate Transition Plan

September/2024



# Climate Transition Plan

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# 1. Our Approach to The Climate Transition Plan

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## Our policy for achieving carbon neutrality

In recent years, we have seen extreme weather events occurring more frequently in various parts of the world, and these climatic extremes are having a major impact on our daily lives and corporate activities. “The Paris Agreement”, the United Nations Framework Convention on Climate Change adopted in 2015, calls for keeping the rise of the average global temperature well below 2°C compared to pre-industrial levels and pursuing efforts to limit the rising temperature to 1.5°C so as to address climate change and transition to a decarbonized society.

In order to pass a sustainable, safe and secure global environment on to our future generations, international communities must work together to address climate change and decarbonization, which are considered to be the most important social issues.

We at ABeam Consulting have set our management philosophy that is to continuously enhance our clients' corporate value through transformation, and to be a global consulting firm that makes use of regional and corporate characteristics.

We will also promote sustainable activities through communication and co-creation with stakeholders as a social transformation accelerator that creates new value. We will contribute to addressing climate change and transitioning to a decarbonized society, which are common issues for international communities, by providing consulting services that leverage our diverse and highly specialized capabilities and extensive experience. In addition, we will enhance energy management and promote the introduction of renewable energy to reduce greenhouse gas emissions (hereafter, "GHG emissions") at our offices, and aim to achieve carbon neutrality by FY 2030(as of 31<sup>st</sup> March 2031)\*.

\*The carbon neutrality goals are made for Scope 1 and 2 based on the GHG Protocol. We will rework and improve the accuracy of the data for Scope 3 and will determine reduction targets in the future.

Reference: [Management Philosophy/Our brand | ABeam Consulting \(abeam.com\)](#)  
[Efforts to achieve carbon neutrality | ABeam Consulting \(abeam.com\)](#)

# 1. Our Approach to The Climate Transition Plan

## Our journey to carbon neutrality

First, we will achieve carbon neutrality at our offices in Japan. Then, we will move on to achieve carbon neutrality globally by FY 2030(as of 31<sup>st</sup> March 2031).

Decarbonize across  
the entire group

### Overseas consolidated companies

- Check overseas boundaries
- Refine on Scope 1, 2, 3 data

<Initiatives primarily  
undertaken by the  
headquarters in Japan>  
Energy conservation,  
introduction of renewable  
energy, and support for TCFD

STEP 2

STEP 1

### Consolidated companies in Japan

- Refine Scope 1, 2, 3 figures for consolidated companies in Japan

Target 1

Carbon neutrality  
achieved in Japan

Target 2

Carbon neutrality  
achieved globally

~ FY 2023

FY 2024

FY 2025

FY 2030

Time

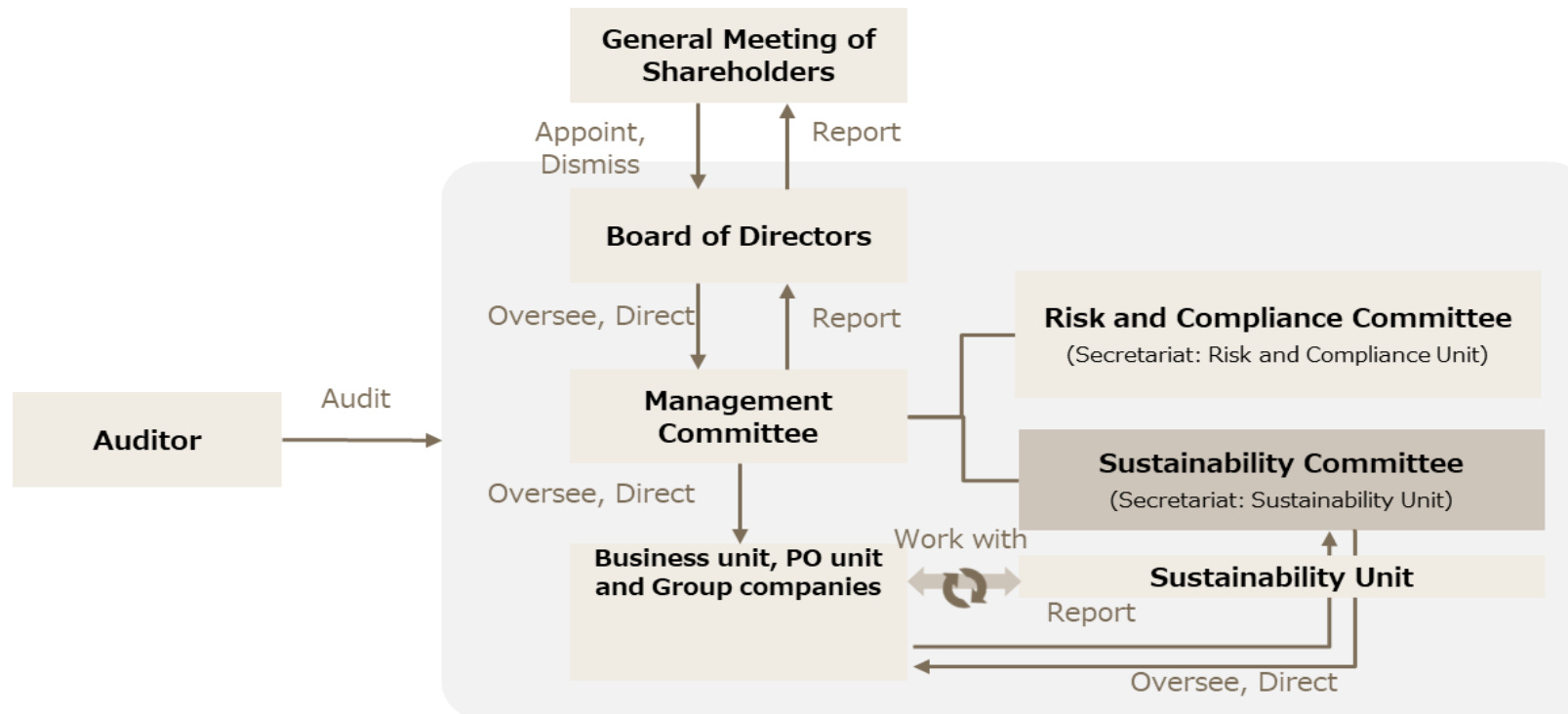


## 2. Governance framework

## 2. Governance Framework

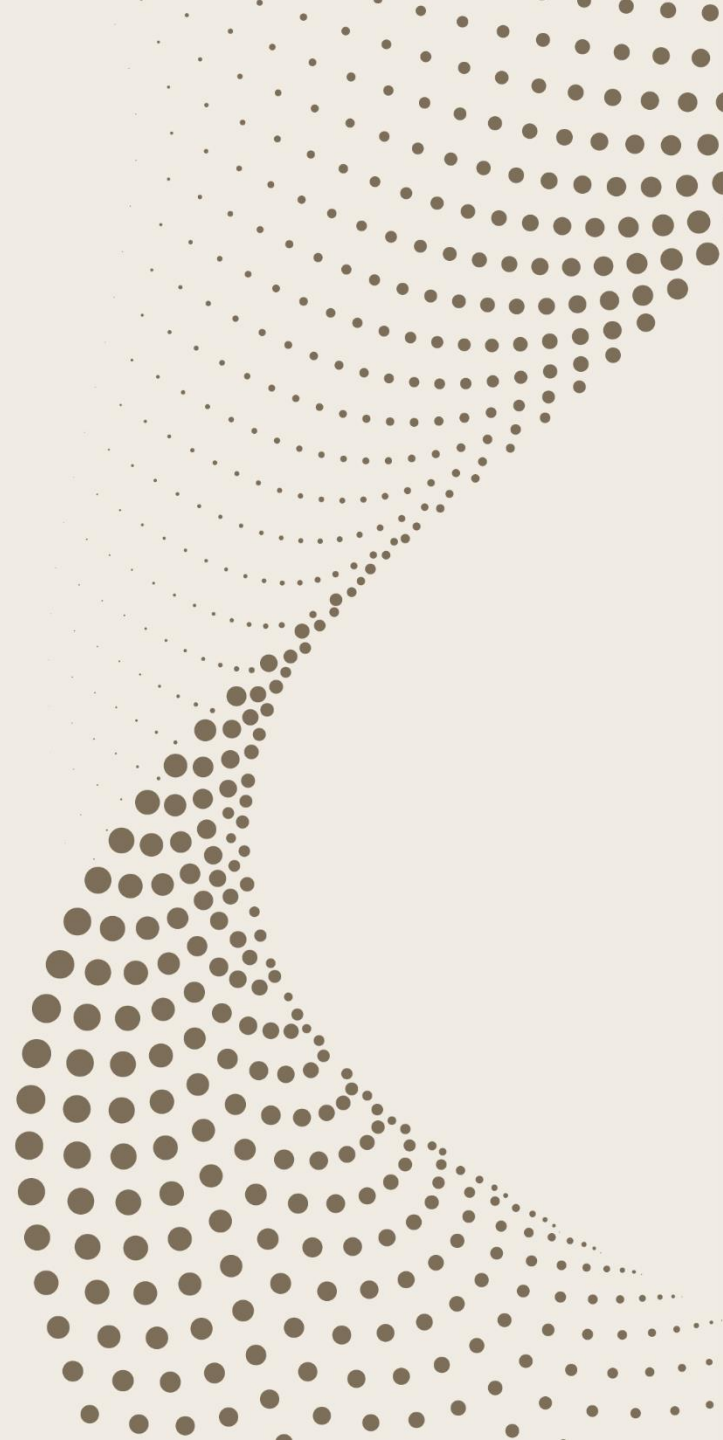
### Framework/Reporting

ABeam Consulting has established a sustainability committee, chaired by the president and CEO, to discuss how to address climate change, which is considered an important management issue. Important matters discussed at the sustainability committee are reported to the executive committee. The board of directors receives reports on important matters discussed and approved by the sustainability committee/executive committee, and reviews and oversees the policies, actions and status of KPIs related to sustainability issues, including climate change and decarbonization.



Reference: [Governance](#) | [About Us](#) | [ABeam Consulting \(abeam.com\)](#)

### 3. Transition Strategy

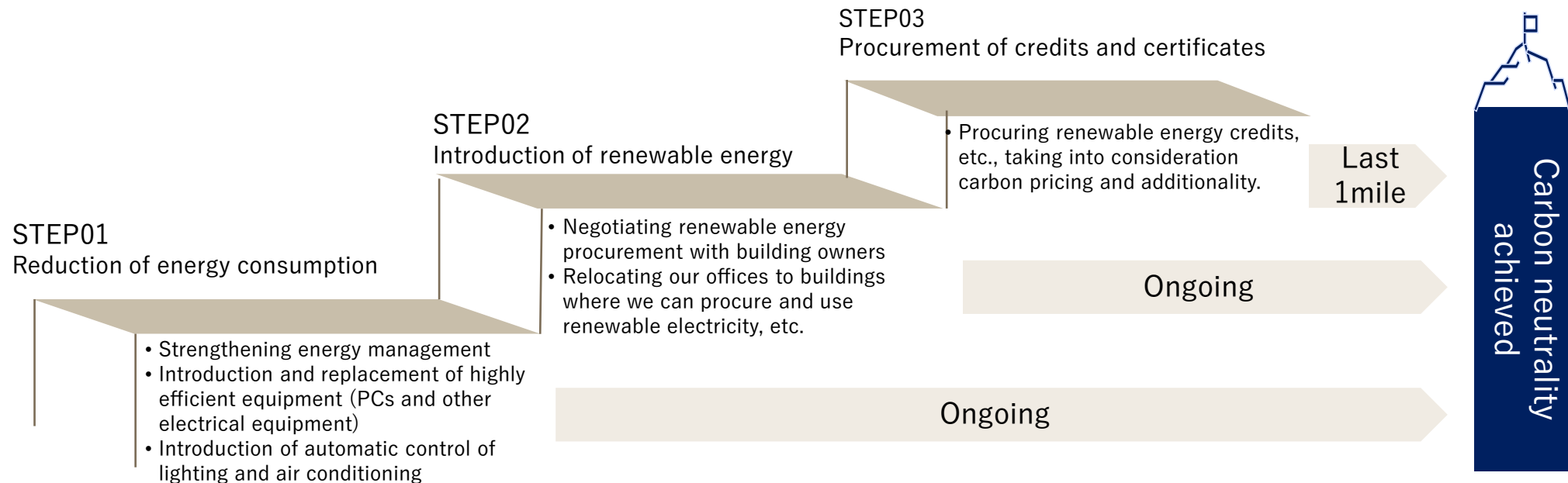


### 3. Transition Strategy

#### Transition plan to achieve carbon neutrality

ABeam Consulting has set a goal of achieving carbon neutrality by FY 2030(as of 31<sup>st</sup> March 2031). We will achieve carbon neutrality at our offices in Japan by FY 2025, and at all offices of the ABeam group, including our global offices, by FY 2030(as of 31<sup>st</sup> March 2031).

We will implement various energy-saving measures to reduce energy consumption, particularly electricity consumption, while switching to/introduce renewable energy. For GHG emissions left unreduced despite our efforts to cut energy use and/or utilize renewable energy, we will achieve carbon neutrality across the entire group by purchasing credits, etc. In addition, we will continue to provide employee education and awareness-raising activities related to these measures.



Reference: [Our efforts to achieve carbon neutrality | ABeam Consulting \(abeam.com\)](#)

### 3. Transition Strategy

#### Transition plan to achieve carbon neutrality

Since FY 2024, we have been working to rebuild the framework for promoting carbon neutrality and refine the data at our domestic and overseas group companies. Additionally, we will begin considering the introduction of renewable energy and the procurement of carbon credits at our overseas offices. We will determine whether to procure carbon credits from the perspective of carbon pricing.

	Major actions taken so far	Actions from FY 2024 onward
Scope of Report	<ul style="list-style-type: none"><li>■ Focus on Scope 1 and 2 for ABeam Japan only</li></ul>	<ul style="list-style-type: none"><li>■ Start the Scope 1 and 2 transition plans for domestic and overseas consolidated offices</li><li>■ Examine the setting of reduction targets for Scope 3 for ABeam Japan</li><li>■ Focus on ABeam Japan's Scope 3 transition plan as well</li></ul>
Improved data accuracy	<ul style="list-style-type: none"><li>■ Improved and rebuilt the data collection system, and progress was made in improving the data accuracy, such as confirming the use of renewable energy at the Nagoya office.</li></ul>	<ul style="list-style-type: none"><li>■ In order to promote decarbonization across the entire group, we are developing systems to understand and collect data on the actual usage of petrol and electricity, the use of renewable energy, etc., at domestic and overseas consolidated companies, and establishing a framework to promote these actions.</li></ul>
Carbon Pricing	<ul style="list-style-type: none"><li>■ For carbon neutrality (CN), we have established a procurement route for J-credits and non-fossil fuel certificates.</li><li>■ Procurement of renewable energy through multiple carbon credit channels after comparing and examining various types and prices.</li></ul>	<ul style="list-style-type: none"><li>■ In preparation for an increase in the price of non-fossil fuel certificates, we will continue to consider finding a variety of procurement channels.</li><li>■ Introduce renewable energy and examine the purchase of certificates and conduct cost surveys for scope 1 reduction and CN at overseas offices.</li></ul>

### 3. Transition Strategy

#### Supply chain, external collaboration

As part of our collaborative efforts to reduce GHG emissions with our suppliers, we are working to collect primary data from major suppliers when calculating "Scope 3: Category 1 GHG emissions from purchased products and services". If our suppliers are taking advanced action on climate change, we can reduce our scope 3 emissions. On the other hand, if our supplier is having problems calculating or reducing their GHG emissions, we can assist them in collecting energy data, calculating GHG emissions, and implementing reduction measures.

In addition, we actively participate in and support the following sustainability initiatives, and work to solve climate change and decarbonization issues in Japan and overseas through co-creation with our stakeholders.

#### [Main initiatives we participate in/support]

United Nations Global Compact (UNGC)

CDP (Climate Change)

TCFD Consortium

Green × Digital Consortium

Japan Climate Initiative (JCI)

GX League

Decokatsu

Keidanren "Challenge Zero"

Japan Circular Economy Partnership



United Nations  
Global Compact

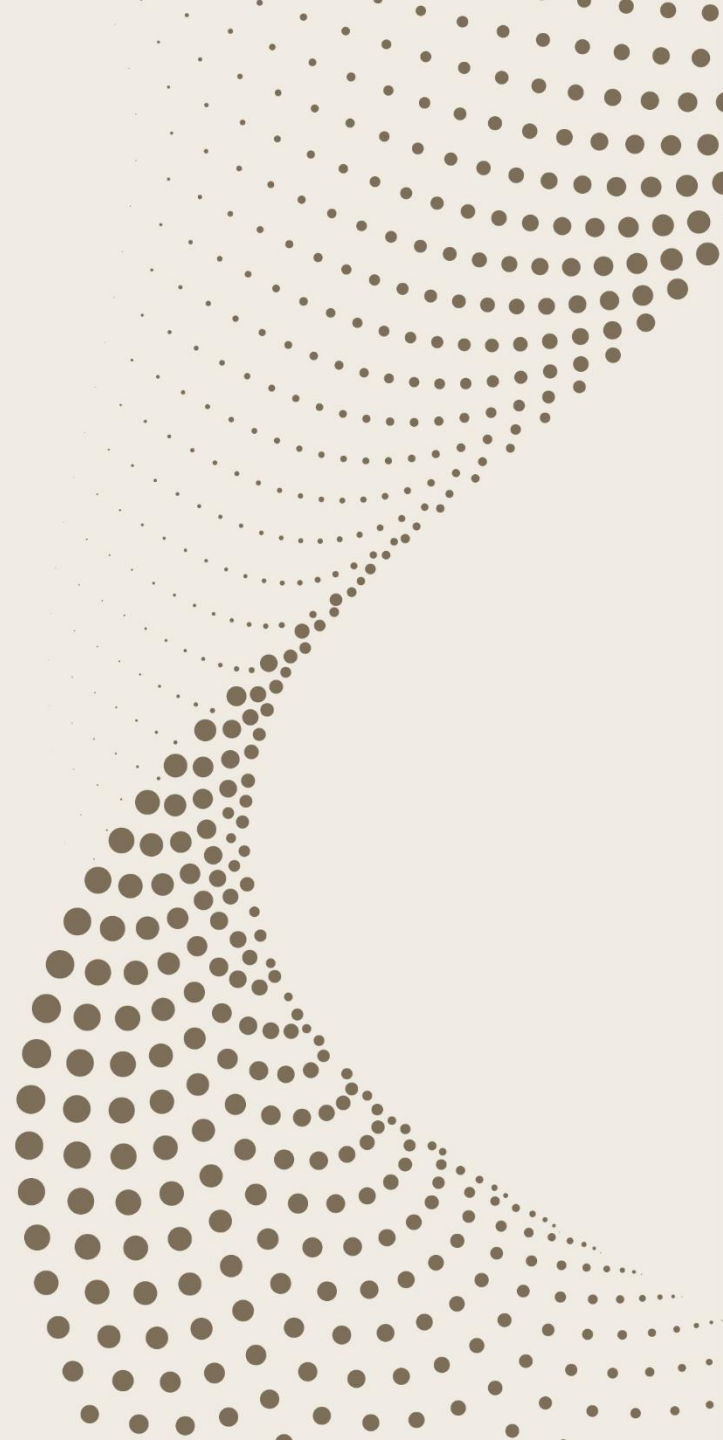


Green x Digital  
Consortium

JAPAN  
CLIMATE  
INITIATIVE



## 4. Risk Management



## 4. Risk Management

### Risks/Opportunities

We have established a risk and compliance committee as a company-wide risk control body. The sustainability unit and the risk and compliance unit have established a risk management framework and are working together on the issues of climate change. In our climate change scenario analysis, we have selected two scenarios, a 2°C or lower (1.5°C/2°C) scenario in which the impacts of climate change become apparent during the transition phase, and a 4°C scenario in which the impacts of physical change becomes apparent, and we have assessed the financial impact we expect to see in FY 2030 (as of 31<sup>st</sup> March 2031) based on data such as the WEO\*2 published by the IEA\*1. We believe that the risk of increased costs associated with our consulting business will not be significant, but we will continue to assess the financial impact in detail.

\*1. IEA (International Energy Agency) \*2. WEO (World Energy Outlook)

Scenarios	Major Category	Minor Category	Risks and Opportunities	Impact	Level of Impact
2 °C and Below Scenario	Transition Risk	Policies and Regulations	Tax burden increases due to the introduction of carbon pricing (carbon tax)	Increase in costs	Small
		Market	Rising energy-related prices have led to an increase in utility costs and procurement and purchase costs for business travel and accommodation.	Increase in costs	Small
			As companies shift to decarbonization, they are selling or downsizing their businesses, which is reducing opportunities for consulting firms to provide consulting services.	Decline in sales	Large
		Reputation	Insufficient disclosure of decarbonization efforts and climate-related information damage brand value, reducing opportunities to provide consulting services	Decline in sales	Large
	Opportunity	Changes in Products/Services	Our consulting service capabilities improve through strengthening of decarbonization and climate change-related responses	Increase in sales	Large
		Market	Opportunities for consulting firms to provide consulting services increase as companies shift to decarbonization and develop strategies for ESG investment and introduce new systems.	Increase in sales	Large
		Resource Efficiency/Resilience	Strengthening energy-saving efforts in the office reduces the utility costs	Reduction in cost	Small
4 °C scenario	Physical risks	Persistent risks	Heat stress reduces labor productivity	Increase in costs	Small
		Temporary risks	Employee utilization rate decline due to power outages caused by large typhoons, etc.	Increase in costs	Small
	Opportunity	Market	Consultation needs are increasing for the formulation of BCPs*5, etc. to support companies adapting to natural disasters.	Increase in sales	Medium

Reference: [Information disclosure in line with TCFD recommendations](#) | [ABeam Consulting \(abeam.com\)](#)

## 4. Risk Management

### Scenario analysis

Of the 2 °C or lower scenario in which society as a whole actively works to address climate change and decarbonization, and the 4 °C scenario in which strict measures to address climate change and decarbonization are not taken, we will describe what actions we will take for the issues assessed as having a large impact on us.

As a consulting service provider, we do not emit large amounts of GHG, and we believe that the financial risks associated with the cost burden associated with the purchase of non-fossil fuel certificates, etc., which are one of our efforts to achieve carbon neutrality, are limited.

2 °C or below Scenario		4 °C scenario
Impact	<ul style="list-style-type: none"><li>➤ As companies shift to decarbonization, there is a possibility that selling their business and/or downsizing may occur, and opportunities to provide consulting services may decrease.</li><li>➤ Delays in our firm's decarbonization efforts and lack of disclosure of climate-related information may damage our brand value and reduce the market share.</li><li>➤ There is a possibility that our brand value will improve, and our market share will also increase due to the promotion of initiatives related to decarbonization of our firm and the promotion of disclosure of our firm's climate-related information.</li><li>➤ As companies shift to decarbonization and develop strategies for ESG investment, etc., opportunities for consulting firms to provide consulting services may increase.</li></ul>	<ul style="list-style-type: none"><li>➤ Due to natural disasters, such as typhoons that are becoming larger and bringing severer damage, it can be difficult for them to continue their business operations because they are unable to use infrastructure such as transportation, water and electricity. As a result, the operating rate of their employees decreases.</li><li>➤ There may be an increase in the need for consultation service in response to natural disasters, such as strengthening BCP and disaster resilience, which may lead to an increase in sales.</li></ul>
Measures/ Policies	<ul style="list-style-type: none"><li>➤ Aim to further increase opportunities to provide consulting services through companies' transition to decarbonization, additional investment in ESG investment-related consulting services, and collaboration with other companies.</li><li>➤ Strengthen our efforts to address climate change by expanding the disclosure of information on our climate-related initiatives and participating in domestic and international initiatives, etc., and enhance our presence in the market and brand value.</li></ul>	<ul style="list-style-type: none"><li>➤ Utilize telecommuting and strengthen our BCP in preparation for natural disasters to ensure business continuity.</li><li>➤ Promote the development of disaster response platforms in collaboration with local governments and other organizations and promote the introduction of those platforms in our firm.</li></ul>

Reference: [Information disclosure in line with TCFD recommendations](#) | [ABeam Consulting \(abeam.com\)](#)



## 5. Indicators and goals

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## Achieving carbon neutrality

Our goal is to achieve Scope1 and 2 carbon neutrality at our offices in Japan by FY 2025, and for the entire group, including our global offices, by FY 2030(as of 31<sup>st</sup> March 2031).

In order to achieve our goals, we are monitoring energy usage and GHG emissions and working to further improve our office energy management. We are working with office building owners to switch to renewable energy. We are also promoting the expansion of our efforts, for example, by considering a criterion related to the possibility of using renewable energy added to the selection criteria for finding new office buildings/relocating our offices. Furthermore, we receive third-party assurance of greenhouse gas emissions (Scope 1, Scope 2 and Scope 3) for our offices in Japan every year so as to ensure the credibility of our environmental information.

Target offices	Times for achieving carbon neutrality
All offices in Japan	By FY 2025
All offices in Japan and overseas	By FY 2030

[Verification report on greenhouse gas emissions, etc.]



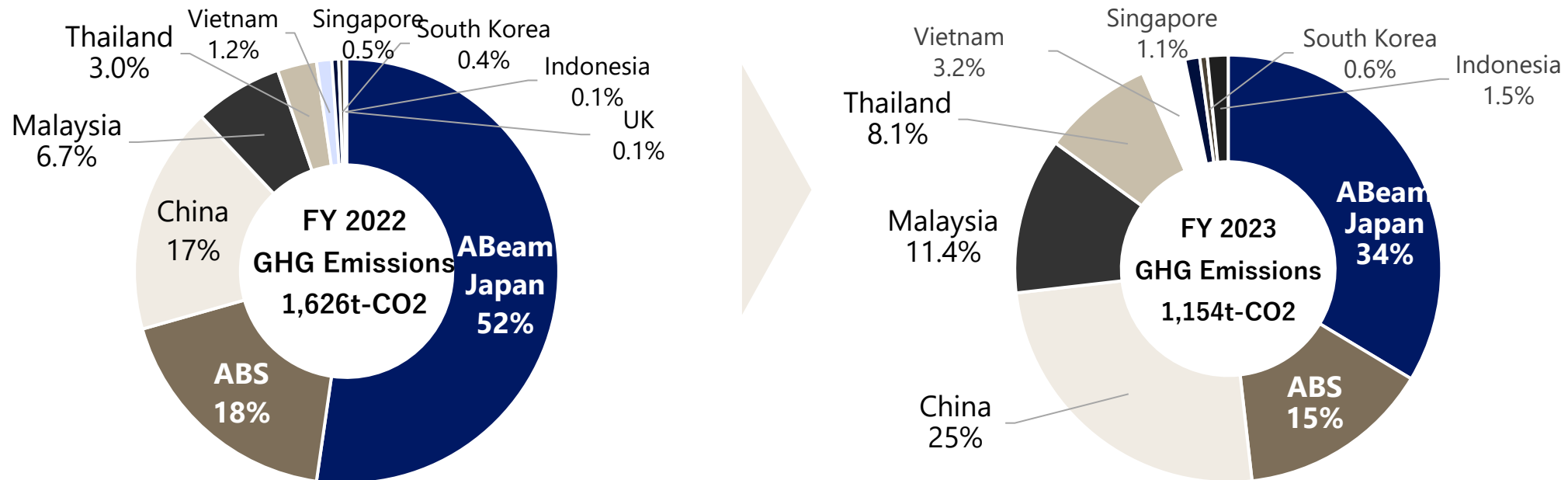
Reference: [Our efforts to achieve carbon neutrality](#) | [About Us](#) | [ABeam Consulting \(abeam.com\)](#)  
[Verification report on greenhouse gas emissions, etc.](#)

## 5. Indicators and goals

### GHG emissions (Scope 1, 2)

In FY 2023, we were able to significantly reduce GHG emissions (Scope 1 and 2) through the use of renewable energy and the purchase of non-fossil fuel certificates and achieved a 29.0% reduction compared to FY 2022 across the entire ABeam group.

However, emissions from overseas offices are increasing, and the proportion of emissions from overseas offices to the total has risen from 30% to 51% since FY 2023. We will regularly monitor the reduction of GHG emissions at the carbon neutrality information sharing meetings at overseas offices that started in FY 2024 and encourage reductions at offices with particularly high emissions.



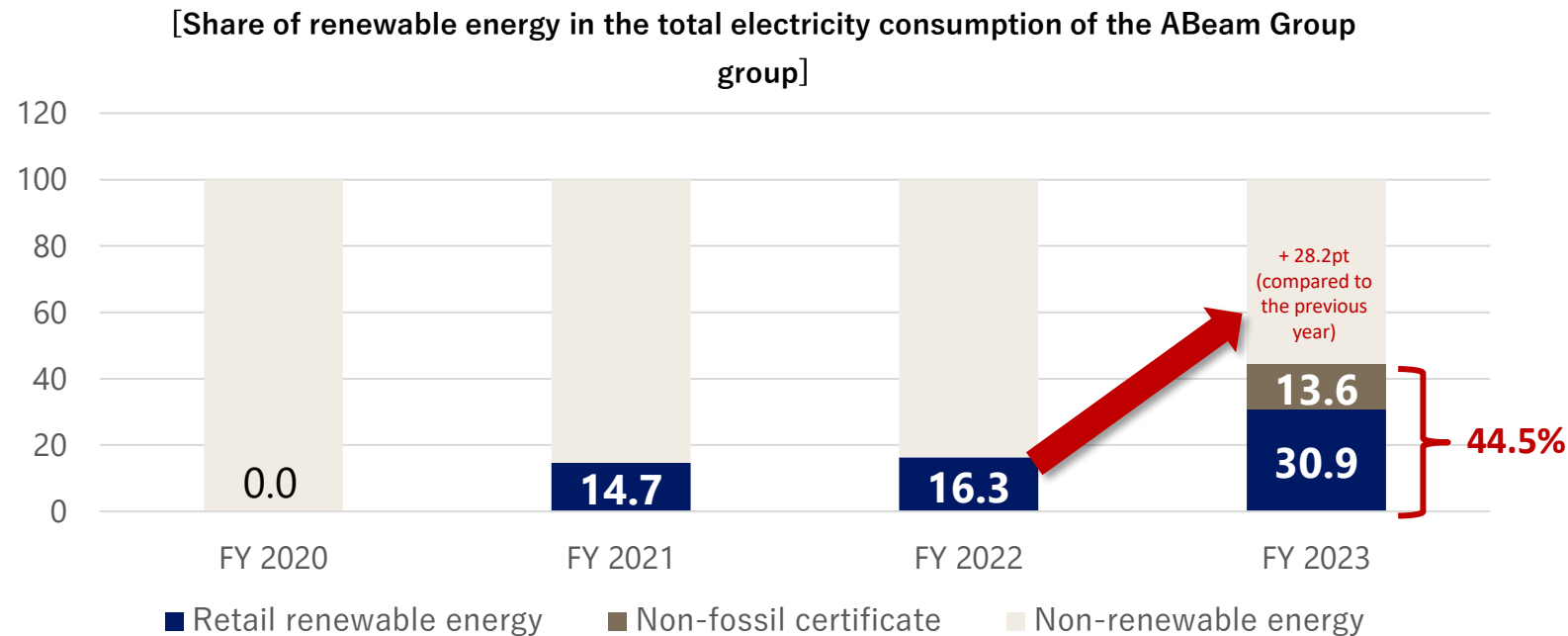
## 5. Indicators and goals

### Renewable energy utilization rate

We have set the utilization rate of renewable energy for the entire ABeam group as a KPI for one of our environmental initiatives.

In FY 2023, the rate increased to 44.5% because we introduced renewable energy at our offices in Japan and obtained non-fossil fuel certificates.

We will continue to raise the utilization rate of renewable energy by selecting buildings with renewable energy in the event of relocating our offices, and obtaining non-fossil fuel certificates/credits for our offices in Japan and overseas.

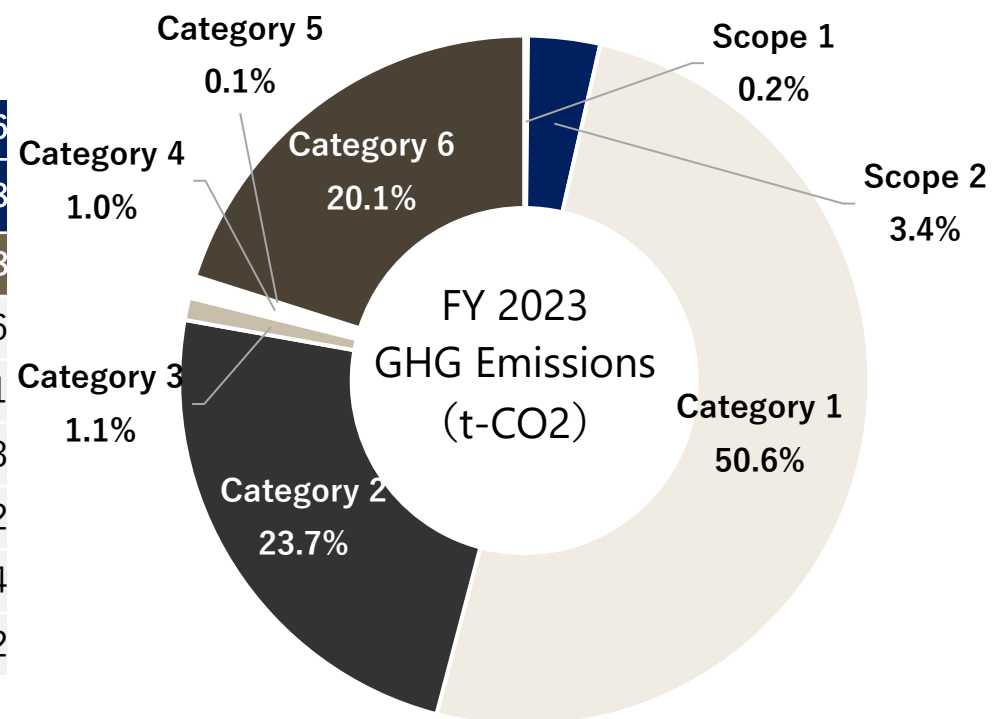


## 5. Indicators and goals

### GHG emissions (Scope 3)

In FY 2022, GHG emissions across the entire value chain was 7.3% for Scope 1+2, and 92.7% for Scope 3. Of the Scope 3 categories, "Category 1: GHG emissions from purchased products and services" was the largest, "Category 6: Employee business trips" was second, and "Category 2: Capital goods" was third. We will work to continuously improve the accuracy and refinement of our data, and we will collaborate with our business partners to reduce emissions in "Scope 3 Category 1: Purchased Products and Services". Also, we are considering setting reduction goals for Scope 3.

FY 2023 GHG emissions across the entire value chain (CO2-t)		
Scope1	Direct emissions	56
Scope2	Indirect emissions from the use of electricity and heat	1,098
Scope3	Other indirect emissions	31,438
	Category 1 Purchased goods and services	16,476
	Category 2 Capital goods	7,731
	Category 3 Energy activities not included in Scope 1 and 2	343
	Category 4 Upstream transportation and distribution	312
	Category 5 Waste generated in operations	24
	Category 6 Business Travel	6,552



Reference: [Our efforts to achieve carbon neutrality](#) | [ABeam Consulting \(abeam.com\)](#)

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