

COMMUNICATION ON PROGRESS (COP)

Period covered by this Communication on Progress (COP)

From: March 2015

To: March 2016

1. STATEMENT OF CONTINUED SUPPORT BY THE PRESIDENT

1 March 2016

To our stakeholders:

I am pleased to confirm that E-Square Inc. reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Hiroki Motoki
President
E-Square Inc.
Tokyo, Japan

2. DESCRIPTION OF ACTIONS

Human Rights

E-Square supports the United Nations Global Compact Human Rights Principles by:

- Providing written policies in our Rules of Employment which clearly state the importance of respect for individuals and human rights, as well as penalties against discrimination.
- Providing and sharing information about human rights and best practices among employees.
- Supporting our clients in the creation of a deeper understanding of human rights related to corporate business by providing lectures and research data.

Labor

E-Square supports the United Nations Global Compact Labor Principles by:

- Providing written policies in our Rules of Employment and Employee Handbook which clearly state employees' rights and responsibilities, as well as their compensation and benefits.
- Carrying out semiannual face-to-face dialogues between employees and directors.
- Offering flexible work hours and the option to work at home.
- Providing a suggestion box for employee ideas to improve our working environment.

Environment

E-Square supports the United Nations Global Compact Environment Principles by:

- Providing services and trainings to our clients for the improvement of the environment while reducing our own environmental footprint in order to achieve our corporate mission of moving "towards a prosperous society vibrant with life."
- Assessing the carbon footprint of our own business.
- Offsetting our carbon emissions as well as making ongoing efforts to reduce it.
- Raising awareness and promoting relevant actions among our clients through our consultation and training services.
- Providing our carbon offsetting services and program scheme to our clients.

Anti-Corruption

E-Square supports the United Nations Global Compact Anti-Corruption Principles by:

- Providing written policies in our Rules of Employment which clearly prohibit corruption and bribery.
- Requiring the review and approval of all contracts with clients and suppliers by the director in charge.
- Carrying out semiannual face-to-face dialogues between employees and directors.

3. MEASUREMENT OF OUTCOMES

E-Square carries out the measurement of the outcomes of its actions to promote the Ten Principles of the United Nations Global Compact by:

- Holding a semiannual review of the status and results of its actions by directors.
- Reviewing the status of our carbon emissions once a year.
- Arranging the audit of our business operations by an auditor once a year.