Material Theme 2 : Labor Practice Cultivating Human Resources and Building a Comfortable Workplace Environment

The Company strives to help employees realize their full potential. To this end, it is enhancing training systems, actively supporting career development, promoting diversity, and otherwise building a comfortable workplace environment and cultivating the human resources who underpin its corporate activities.



Data on ALSOK's Human Resources



Percentage of Administrative Positions Filled bv Women (Non-consolidated, as of March 31, 2015) 3.2% to this end.

The medium-term management plan has set forth the goal of having 5% of administrative positions filled by women, and initiatives are being advanced

774

2,993

Number of Female ALSOK Group Employees (Number of effective employees including part-time workers, as of March 31, 2015)

6,733

Security Services 3,778 General Property Management and Fire Protection Services 1,109 Long-Term Care Services / 1,846 Other Services

Number of Female ALSOK Group Employees with Children (Number of effective employees including part-time workers, as of March 31, 2015)

1,958

Data on Initiatives for Promoting the **Utilization of Human Resources**

Number of Employee Satisfaction Meetings Held (Non-consolidated, fiscal year ended March 31, 2015)

25

Employee Satisfaction Meetings provide opportunities for frank exchanges of opinions betweer executives and other employees

Number of Employees Undergoing Training at Tokyo and Osaka Training Centers (Fiscal vear ended March 31, 2015)

5,422

Percentage of Employees Returning to Work after Childcare Leave (Non-consolidated total for male and female employees, as of March 31, 2015)

96.6%

Number of Good Service Thanks Cards Distributed

(Non-consolidated, fiscal year ended March 31, 2015) 46,278

The Good Service Thanks Card system was designed to reward employees that have realized the high level of services the Company targets This system contributes to the creation of a workplace environment that always emphasizes employee satisfaction.

CLOSE UP

Training for Human Resources Supporting ALSOK Number of training programs conducted at training centers



At ALSOK, we view employees as the most important resource underpinning our business activities. Reflecting this basic approach, we develop human resources who will help us realize our management philosophy, which calls on us to "devote our best efforts to protecting the safety and security of our customers and of society as a whole," In addition to legal education pursuant to the Security Services Act, we conduct a wide variety of employee training programs to enhance our security services and foster employees with appropriate business skills. For example, from the new employee level onward, we conduct training by division, including sales, electronic security services, stationed security services, transportation security services, and R&D. Also, we conduct training for specific employee ranks and for managers.

Various Training Programs for Improving Service Quality

The security services business entails protecting the lives and properties of customers, and it is therefore absolutely essential that we perform our duties in a disciplined manner to earn the trust of customers. Accordingly, ALSOK positions human resource development among its top priorities and is conducting various training programs, including training for new employees as well as rankbased training for veteran employees.

Over the past decade, we have sought to get back to basics, instituting training programs that emphasize thinking patterns and actions based on ALSOK's management philosophy. Upon entering the Company, new employees undergo training aimed at making them realize the gravity of their position as contributing members of society and endowing them with the sense of responsibility required in the security services business. Watching these fledgling employees proceed onto more specialized training as they mature and continue to develop is what motivates me in my work. Later, veteran employees can take part in rank-based training, where they once again learn about corporate ethics, giving them an opportunity to practice introspection and become more complete human beings. The ALSOK Group also trains mid-career hires, some of whom are more than 60 years old. I often hear such employees express that the way they viewed life changed after they had completed their training.

I will continue to devote my efforts to human resource development into the future, striving to help improve the quality of the services ALSOK provides.



HOME ALSOK Group (II) ALSOK Shibuya Bran

Personal Growth through Rigorous Employee Training

When I was in university, I sat in on an explanation of ALSOK at a job fair. While I had originally believed that security services companies were largely male dominated, this preconception disappeared after hearing the explanation, and I became captivated with ALSOK's extensive employee training programs, which inspired me to join the Company.

I still remember the new employee training I participated in upon joining ALSOK, specifically how we were rigorously trained on the fundamentals necessary for security guards and how I learned the just-minded nature this position required.

After completing new employee training, I moved on to sales training. During this training, I was designated as the head student, becoming the representative for the other trainees, a position that sometimes weighed heavily on my shoulders. Looking back on the experience, however, I realize that this position strengthened my sense of autonomy. Thanks to that and the strict yet passionate guidance of the experienced employee instructors, I can confidently explain the appeal of ALSOK's extensive training programs in my own words, even during daily sales activities

I plan to participate in even-more specialized training in the future, and I will take advantage of the expertise gained through such trainings to further my personal development and move forward on my chosen career path at ALSOK.



Takumi Mizota Assistant Manager, Tokyo Training Center, Education & Training Departmen

About ALSOK

Characteristics of ALSOK's Human **Resource Development Systems**

Basic Approach to Human Resource Development

At ALSOK, we view employees as the most important resource underpinning our business activities. Reflecting this basic approach, we develop human resources who will help us realize our management philosophy, which calls on us to "devote our best efforts to protecting the safety and security of our customers and of society as a whole."

In all of our training programs, we further understanding of the fundamental spirit that we have adhered to since our foundation, which is described in our management philosophy, management policies, and code of conduct. At the same time, we have established a training system to ensure that we put this spirit into practice in all aspects of our business operations.

Furthermore, training for new employees at Group companies is conducted by the Sohgo Security Alliance Education and Training Union, which has an office in ALSOK's Head Office.

Since a television program featured the training we conduct for new employees, we have received numerous requests from schools and companies to conduct training on their behalf. Catering to this demand, we have been training non-ALSOK employees at ALSOK JUKU (ALSOK Workshops) since September 2011 to improve their basic skills as members of society.

Employee Skill Improvement Program

The Company provides various opportunities for employees to develop their skills outside of group training and on-the-job training. At the same time, we support individuals looking to pursue further education on their own accord, and we have implemented the Employee Skill Improvement Program to help facilitate the enhancement of employee skills.

Specific measures conducted through this program include providing support for holding self-development classes, helping develop an environment conducive to reading, coaching education representatives at branches, and bolstering the amount of educational materials and digital content made available for employees.

We believe that reading is an important means for employees pursuing self-development. Based on this belief, we opened the ALSOK LIBRARY, a Company library that is divided between two locations: the ninth floor of ALSOK's Head Office Building and the Sokei Riverside Building in Koto Ward in Tokyo. On March 31, 2015, the total number of documents contained within this library exceeded 3,300. Employees can request that documents be sent to them via the internal mail

system through a checkout option available through the Company intranet, a measure that provides even employees stationed in offices in remote locations with access to this library.



ALSOK LIBRARY at ALSOK's Head Office

Self-Development Classes

ALSOK encourages employees to hold self-development classes to facilitate their attempts to further improve their skills and develop higher levels of knowledge. These efforts include classes conducted by executive officers and other employees that serve as in-house lecturers on subjects like marketing, accounting, and other areas directly related to business as well as a wide range of other courses, such as those on foreign languages and modern history. In the year under review, 15 classes on these and other subjects were held.

Career Development Programs

Human Resource Development through Personnel Exchanges and the Internal Open Application System

ALSOK aims to utilize capable employees, from young employees to managers, in a wider range of situations in order to develop personnel who can drive profit growth for the entire Group. We believe such efforts will strengthen Group management. To facilitate this type of human resource development, we actively conduct personnel exchanges between Group companies as well as with other companies and central government agencies (the Public-Private Personnel Exchange System). In addition, ALSOK has instituted an internal open application system. Through this system, we discover and develop human resources capable of working in and forming the core of organizations in a wide range of the Company's business areas-from strategic businesses related to new businesses, overseas businesses, and mergers and acquisitions through to sales and frontline operations. As of March 31, 2015, a total of 209 employees had taken advantage of this internal open application system. Going forward, we will continue to support the career development of employees to facilitate the growth of human resources throughout the entire Group.

Qualification Acquisition

In conducting security services operations, specialized gualifications are required for each area of business. For this reason, we strive to increase the percentage of employees that have obtained publicly recognized qualifications. Under the ALSOK Standards, we have established targets for the acquisition of publicly recognized qualifications, and we are providing support to employees in acquiring such qualifications, including compensating them for related expenses, with the aim of meeting these targets.

Furthermore, with the goal of improving the capabilities of our technicians, we have introduced an e-learning program that is available to ALSOK technicians throughout Japan. In addition, we encourage employees to acquire qualifications relating to system installation, fire prevention equipment, electrical work, and information technologies. As of March 31, 2015, a total of 37,541 employees at SOHGO SECURITY SERVICES CO., LTD., had acquired publicly recognized qualifications.

Creation of a Comfortable Workplace Environment

Complete Lineup of Support Systems for Female Employees

ALSOK has developed a complete lineup of support systems for its female employ-

ees to ensure that these employees can work with peace of mind and realize their full potential. Leave can be taken during pregnancy and after childbirth, and we have reemployment systems for employees who have resigned for childbirth or parenting reasons.

Due to these efforts, the Company has been certified by the Tokyo Labour Bureau of the Ministry of Health, Labour and Welfare as a company having supportive child-raising systems. These strong support systems have helped empower female employees in a wide range of fields, including management as well as sales and technical divisions and even actual security services.

Mental Health Care

Helping employees maintain sound mental health is vital to security Employee Satisfaction Meetings during the year under review. services operations. To promote good mental health, the Company has developed its Mental Health Maintenance Plan in accordance with the Employee Surveys—Gathering Employee Feedback guidelines of the Ministry of Health, Labour and Welfare. Also, we ALSOK has been annually conducting employee surveys since 1999. respond to employee concerns flexibly through a help desk-the These surveys investigate matters that include the penetration of CSR ALSOK Support Line-and we have prepared a manual to help managactivities and employee awareness of them. In addition, we use the ers deal with employees suffering from poor mental health. In 2012, we findings of these surveys when formulating new measures, and survey expanded the scope of availability of the ALSOK Support Line to Group results are relayed to employees through an internal newsletter. companies. We are constantly working to further enhance this system.

Major Systems for Creating a Comfortable Workplace Environment

System	Details
Prenatal checkup leave	Special paid leave provided on an application basis based on the stage of pregnancy
Childcare leave	Leave provided over a defined period for employees living with and caring for children un (legal requirements only mandate leave for employees with children under the age of one)
Shortened working hours for childcare	System of shortened working hours for employees raising children that have yet to complete (legal requirements only mandate shortened working hours provided to employees with child
Long-term care leave	Up to 365 days of leave per applicable family member provided to employees looking aft long-term care (legal requirements only mandate leave of 93 days per family member)
Support for returning to work after extended work leave for personal injuries and illness	Program for providing leave to employees requiring long-term absence from work due to includes trial return and other support for returning to work
ALSOK Support Line	Consultation venue based on the established Mental Health Maintenance Plan for emplo various consultation methods
Internal open application system	Trial promotion system for placing employees in overseas, planning, development, new b
Rehiring for retirees, including for positions at Group companies	Rehiring system for employees reaching mandatory retirement age with an option for em companies after early retirement
Disaster relief volunteer support	System for authorizing employee participation in volunteer activities after natural disasters

In-House Davcare Center Catering to Diverse Needs of Working Women

In July 2015, Kita-Kanto Sohgo Security Services Co., Ltd., opened a daycare center known as Kita-Kanto Sohgo Security Services Daycare Center MAMOROOM on the first floor of its head office building. This directly operated daycare center was created with the aim of responding to the diverse needs of working women arising from the increase in the number of employee households in which both parents work. At MAMOROOM, parents may enroll their children in monthly daycare services or have their children watched on a one-off basis. Children may also be left with the center after normal working hours. Available to anyone, not just employees, this small facility offers the children it looks after a personal and warm atmosphere.

Moreover, MAMOROOM has a cooperative agreement with the adjacent clinic, providing an extra degree of safety and security to this daycare center. Should a child fall ill or suffer an injury, an examination at this clinic is only a door away.

Consultations through the ALSOK Support Line may be conducted face-to-face: via the Internet: over the telephone, with immediate telephone access available; through email; or other means, making this support line a consultation venue that is easy to use for employees and their families.

companies with supportive Communication with Employees

Forums for Exchanges with Employees

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Kurumin mark signifying

child-raising systems

ALSOK periodically provides opportunities for employees and senior managers to exchange opinions. Also, we hold discussion forums with the president, which serve as prime opportunities for facilitating communication by allowing employees to communicate directly with the president



Discussion forum with President Aovama

Moreover, to provide further opportunities for frank exchanges of opinions between executives and other employees, we held 125

under the age of three

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after family members requiring

to personal injuries or illnesses that

loyees and their families that provides

business, or supervisory positions mplovees to be transferred to Group



MAMOROOM daycare center operated by Kita-Kanto Sohgo Security Services