Initiatives for Realizing Ongoing Improvement in Corporate Value



LABOUR 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 that underpin its corporate activities.

Characteristics of ALSOK's Human Resource Development Systems

Basic Approach to Human Resource Development

The ALSOK Group views employees as the most important resource underpinning its business activities. Reflecting this basic approach, we conduct various training programs that embody our management philosophy, which calls on us to "devote ourselves to protecting the safety and security of our customers and of society as a whole." Through these programs, we further understanding of the fundamental spirit described in our management philosophy, management policies, and code of conduct. We have thus established a training system to ensure that we put this spirit into practice in all aspects of our business operations. Since a television program featured the training we conduct for new employees, we have received numerous requests from schools and companies to perform training on their behalf. Catering to this demand, we have been holding ALSOK JUKU (ALSOK Workshops) training sessions since 2011 to help individuals outside of the ALSOK Group improve their basic skills as members of society.

Proactive Career Development Programs

To invigorate its organization and facilitate human resource development, ALSOK actively conducts personnel exchanges with entities outside of the Group by, for example, engaging in public-private personnel exchanges with central government agencies.

In addition, ALSOK has instituted a multifaceted internal open application system. Through this system, we seek to discover and develop human resources capable of working in and forming the core of not only our mainstay security services operations but also operations in various other fields, such as long-term care services. Furthermore, we recruit security solutions staff for providing security services to Japanese embassies and consulates overseas through open application and are otherwise working to cultivate employees that can function globally.

Going forward, we will continue to support the career development of employees to facilitate the growth of human resources throughout the entire Group.

Aggregate Number of Security Solutions Staff Dispatched to Japanese Embassies and Consulates Overseas

(As of March 31, 2016)

Approx. **700**

Promotion of Diversity

Support for Contributions of Female Employees

ALSOK has developed a complete lineup of support systems for its female employees 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 that have resigned for childbirth or parenting reasons. Out of recognition for these systems, the Company was certified by the Tokyo Labour Bureau of the Ministry of Health, Labour and Welfare as a company having supportive child-raising systems



identifying companies

with supportive child-

raising systems

Employment of Differently Abled Individuals and Non-Japanese Staff

In 2010, the ALSOK GROUP established ALSOK Business Support Co., Ltd., a specially certified subsidiary under the Act on Employment Promotion of Persons with Disabilities designed to support differently abled individuals in achieving independence and participating in society. We have since been promoting the employment of differently abled individuals. Employees at ALSOK Business Support undertake a wide range of duties, including creating business cards and envelopes for use by other ALSOK Group employees, managing contracts, sending out materials and seasonal magazines for customers, printing pamphlets, and creating novelty items. As of March 31, 2016, the ratio of differently abled employees at the Company was compliant with the legally mandated level.

The Group is also actively hiring non-Japanese people. We staff overseas subsidiaries with local hires and train future management candidates in Japan. In addition, we implement various training programs for non-Japanese employees, including programs for facilitating understanding and entrenching our fundamental spirit that entail distributing translated versions of ALSOK's management philosophy.

Number of Female ALSOK Group Employees (Number of effective employees including part-time workers, as of March 31, 2016)

7,164

Occupational Health and Safety

Management of Employee Health

Helping employees maintain sound physical and mental health and ensuring occupational health and safety is vital to a security services company. Accordingly, ALSOK has established occupational health and safety committees at all offices and formulated targets for preventing occupational accidents. We are also developing and instituting occupational health and safety education programs. Through these efforts, we seek to ensure healthy employees and safe workplaces. In addition, ALSOK is a partner to the Ministry of Health, Labour and Welfare's Action Plan for Companies Promoting Cancer Prevention program. We thus take steps to combat the risk of losing precious human resources to cancer, including incorporating more extensive tests

into regular health examinations and enabling screenings for multiple cancer types to be conducted simultaneously. We also hold the Hustle Weight Loss Game limited-period event each year to support employees in managing their health by providing them with an enjoyable way to address lifestyle diseases.



Regular health examination conducted at ALSOK's Healthcare Management Office

ALSOK Support Line

To promote good mental health, the Company has developed its Mental Health Maintenance Plan in accordance with the guidelines of the Ministry of Health, Labour and Welfare. We also respond to employee concerns flexibly through a help desk—the ALSOK Support Line—and have prepared a manual to help supervisors deal with employees suffering from poor mental health. In 2012, we expanded the scope of availability of the ALSOK Support Line to Group companies, and are constantly working to further enhance this system. Consultations through the ALSOK Support Line may be conducted face-to-face, over the telephone, through email, or via other means, making this support line a consultation venue that is easy to use for employees and their families.

Communication with Employees

Forums for Exchanges with Employees

ALSOK periodically provides opportunities for employees and senior managers to exchange opinions. In the fiscal year ended March 31, 2016, a discussion was held between female managers and President Aoyama, during which opinions were shared regarding means of supporting the contributions of female employees. Several ideas put forth were incorporated into diversity promotion efforts



Discussion between President Aoyama and employees

Moreover, Employee Satisfaction Meetings are convened to provide further opportunities for frank exchanges of opinions between executives and other employees. A total of 118 such meetings took place during the year under review. Suggestions and input received from employees are incorporated into Company measures, with some described in the internal newsletter to further invigorate the organization.

Employee Surveys—Gathering Employee Feedback

ALSOK has been conducting annual employee surveys since 1999 as a measure for better understanding the values of frontline employees and how they view their work so that this information can be incorporated into measures for building a more vibrant company. These surveys investigate matters that primarily include employee thoughts regarding management, work, and workplaces, as well as employee awareness of the Company's various internal systems. We use the findings of these surveys when formulating new measures, and survey results are relayed to employees through the internal newsletter.

In the year under review, responses were received from 81% of surveyed employees.

Ratio of Full-Time and Part-Time Employees Over 40 Undergoing Cancer Screenings

(Fiscal year ended March 31, 2016)

99%

${\bf Number\ of\ Employee\ Satisfaction\ Meetings\ Held}$

(Fiscal year ended March 31, 2016)

118

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