Security Services

(In billions of yen)

- 564.4 (2020), 558.1 (2021), **566.7** (2022) — Net sales and operating revenue
- 106.9 (2020), 101.1 (2021), **113.4** (2022) — Operating income
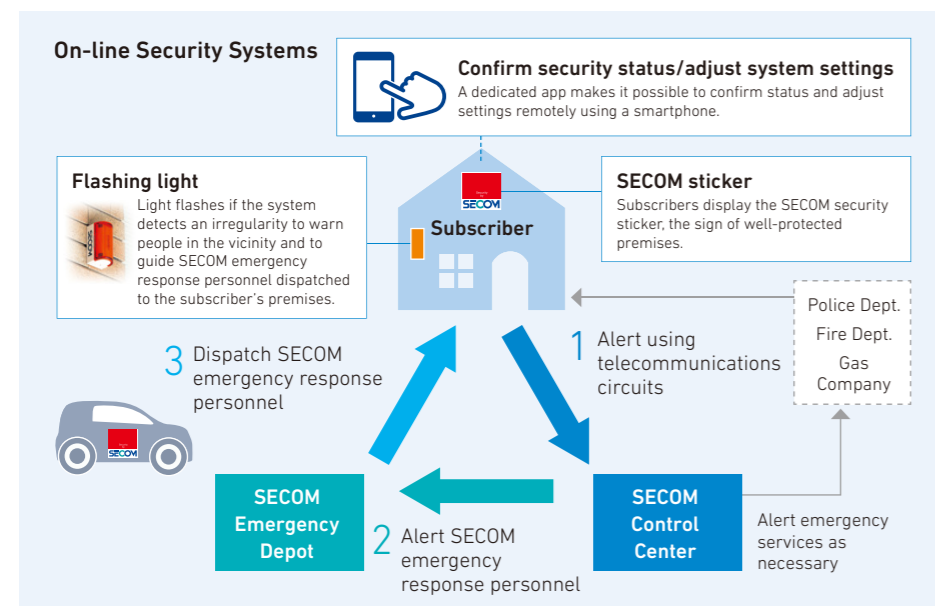
Business summary

A distinguishing feature of our security services business is that it primarily consists of recurring revenue–based services, that is, services based on long-term contracts. The initial contract period for mainstay on-line security systems, for example, is five years, after which the contract is renewed automatically every year. Our provision of on-line security systems includes the installation of sensors and other monitoring equipment and around-the-clock monitoring by staff at a SECOM control center via telecommunications circuits. In the event an intruder, fire or other irregularity is detected, control center staff dispatch emergency response personnel from the nearest SECOM emergency depot and, if necessary, notify the police and/or fire department. The fact that we take full responsibility for all aspects of our on-line security systems, from R&D through to equipment manufacturing, security planning,

installation, around-the-clock monitoring, emergency response services and equipment maintenance, guarantees exceptional quality and reliability. Because we maintain ownership of security equipment and extend it to subscribers on a rental basis, we take full responsibility for maintenance.

Our half-century of providing community-focused services underpins our ability to promptly ascertain customers' wishes and offer the optimum solutions to their needs for safety and peace of mind. At present, contracts for our on-line commercial and home security
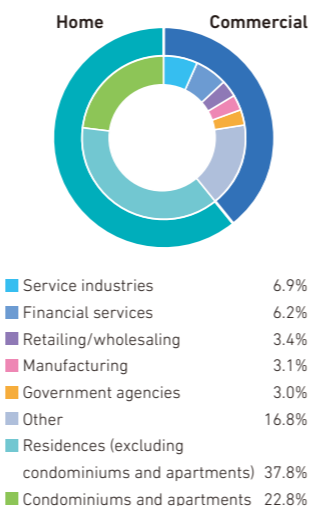

SECOM Control Center

On-line Security Systems

Confirm security status/adjust system settings
A dedicated app makes it possible to confirm status and adjust settings remotely using a smartphone.

Flashing light
Light flashes if the system detects an irregularity to warn people in the vicinity and to guide SECOM emergency response personnel dispatched to the subscriber's premises.

SECOM sticker
Subscribers display the SECOM security sticker, the sign of well-protected premises.

Subscriber

Police Dept.
Fire Dept.
Gas Company

1 Alert using telecommunications circuits

3 Dispatch SECOM emergency response personnel

SECOM Emergency Depot

2 Alert SECOM emergency response personnel

SECOM Control Center

Alert emergency services as necessary

Contracts for On-line Security Systems in Japan

(As of March 31, 2022)

Home | Commercial

Service industries	6.9%
Financial services	6.2%
Retailing/wholesaling	3.4%
Manufacturing	3.1%
Government agencies	3.0%
Other	16.8%
Residences (excluding condominiums and apartments)	37.8%
Condominiums and apartments	22.8%

systems in Japan number more than 2.48 million, and we continue to enjoy the leading share of the domestic market. We continue to leverage our accumulated experience and expertise to ensure the stable delivery of high-grade on-line security systems by reinforcing the three components of our operating foundation, namely, technological prowess, human resources, and operational and control structure.

Technological prowess

The SECOM Intelligent Systems Laboratory conducts research into new and core technologies, while the SECOM Development Center capitalizes on these technologies to develop highly reliable security systems. In addition to keeping abreast of social imperatives and trends in criminal activity, our R&D team guarantees that the invaluable opinions and needs of subscribers communicated to our sales staff, emergency response personnel and other employees in the course of their work are reflected in swift and precise adjustments that further bolster the quality of our on-line security systems.

Given the remarkable pace of technological evolution in recent years, we are actively promoting open innovation to facilitate the prompt application of the latest technologies to services. Through collaboration with partners ranging from major companies to start-ups, we continue to think outside the box to realize new services that recognize diverse values.

Human resources

Training for new recruits, as well as for emergency response personnel, sales staff, administrative staff and other employees, is provided at four training centers in Japan. This ensures that employees fully understand our corporate philosophy and observe a code of conduct befitting security professionals, as well as equips them with advanced knowledge and technical skills. We recognize that our employees are our most valuable management resource and are essential to building a robust organization that buttresses our ability to extend high-grade services.

Operational and control structure

We have established an incomparable operational and control structure for offering on-line security systems through a nationwide network. Our industry-leading network of approximately 2,700 emergency depots, the unerring decision making and precise instructions of our highly experienced control center staff, and the prompt actions of our emergency response personnel ensure our ability to provide swift, appropriate services.

Operating highlights
Commercial security services

We work actively to deliver an extensive lineup of commercial security services, centered on on-line security systems. In recent years, such systems must not only offer monitoring for irregularities to guarantee security and prevent fires, but also support the business activities of subscribers around the clock. In addition to boosting contract volume, we continue to focus on quality, that is, on enhancing customer satisfaction by providing a variety of high-value-added services that respond swiftly and flexibly to the needs of subscribers.

The increasingly convenient System Security AZ

System Security AZ is an all-in-one on-line security system that helps manage risks by preventing crime and fires, as well as improves work efficiency by facilitating the management of employee attendance, among others. This system enables users to confirm security status and adjust system settings remotely from a smartphone using a dedicated app, earning high marks for convenience and ease of operation. AZ can also be integrated with the SECOM Cloud Video Surveillance service, enabling users to manage images captured using the system's IP cameras in the cloud and confirm high-resolution live images and images recorded when the system is armed or disarmed, or when the sensor detects an irregularity, from a smartphone.

A prompt function to prevent users from forgetting to set the system, and a notification function to confirm security status at the time the system is set were recently added to AZ, thereby reinforcing the effectiveness of protection. Facility control is also now possible thanks to AZ's dedicated smartphone app, allowing users to, for example, remotely operate electric locks, automatic doors and light fixtures connected to the system. We will also continue to improve the safety and convenience of AZ and take advantage of its expandability to develop and extend value-added services that benefit the operations of subscribers.

System Security AZ

Sensor featuring advanced sensing technologies

The launch of System Security AZ-Air for small and medium-sized commercial facilities and offices

In July 2022, SECOM launched System Security AZ-Air, a security system optimized for small and medium-sized commercial facilities and offices. This system features a downsized controller that can be connected wirelessly to a wide range of sensors, simplifying installation in offices with complex wiring, as well as in shops and restaurants where aesthetics are an important consideration. Looking ahead, we will actively propose this new system, which like System Security AZ, AZ-Air enables users to check security status and operate the system from a smartphone, thereby ensuring excellent safety and functionality.

The mechanization of static guard services: Responding to a declining labor force

With Japan's working-age population shrinking, securing a sufficient labor force is an urgent challenge for the security services industry. In the area of static guard services, it is also important to reduce the physical demands on individual guards and improve

Receptionist duties performed by the AI-powered Virtual *Keibi* System

work environments. Amid concern that the ramifications of this situation, notably difficulties in securing human resources and spiraling labor costs, will drive up prices for static guard services, we are working to create new services that leverage cutting-edge technologies.

In January 2022, we commenced sales of the AI-powered Virtual *Keibi* System. This system features a life-sized virtual character that appears on a large stationary mirror display and performs security, receptionist and other duties, while human guards as usual focus on emergency responses and other duties that require their expertise and experience. Using the Virtual *Keibi* System to fulfill certain static guard service responsibilities thus helps reinforce security while at the same time increasing staffing efficiency and reducing costs.

Security robot cocobo, also launched in January 2022, makes use of AI and 5G technologies to autonomously patrol commercial facilities in place of security guards. Using AI technology, cocobo analyzes video captured by its on-board camera in real time, automatically notifying the facility's

disaster prevention center if it detects unattended items along its route. The robot also makes use of a diverse range of data in the cloud—including Virtual *Keibi* System and surveillance camera images and data on

cocobo a security robot

elevator and electric door lock status, as well as on the facility itself and its location—and liaises with human guards, ensuring highly effective security. Cocobo has already been introduced at airports and large-scale urban complexes, working together with human guards to enhance service productivity and help lower security costs for customers.

Participation in the creation of an infrastructure for drones for multiple purposes

Drones are expected to find use in fields requiring level 4 operation, that is, beyond-line-of-sight flight over urban and other populated areas. As an operator of private sector–use security drones, in October 2021 we participated in a successful urban-area level 4 demonstration test in Hyogo Prefecture of drones for four different purposes: pharmaceuticals transport, security patrol, smokestack inspection and aerial sports photography. In the years ahead, we will continue to promote the realization of an effective control infrastructure for fully autonomous drone flight.
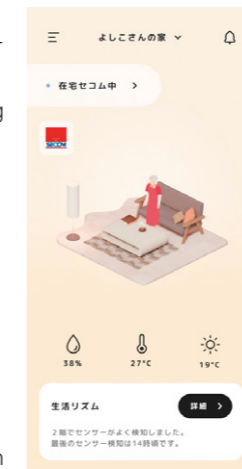
Home security services

In addition to a compact desktop home controller, SECOM Home Security NEO can be armed and disarmed remotely from a smartphone, includes an automatic notification feature that allows a subscriber to receive alerts on his or her smartphone when the system is accessed by someone leaving or entering the home, and can be linked with devices on the IoT to facilitate a variety of services. Such features continue to reinforce the popularity of this system, subscriptions for which have risen steadily since its launch in 2017.

SECOM Home Security NEO

Cloud-based smartphone app underpins the popularity of SECOM Monitoring Service for Seniors

With needs for services to protect seniors escalating in Japan's super-aged society, in June 2021 we started providing SECOM Monitoring Service for Seniors as an optional SECOM Home Security service that benefits both seniors and their families. This service stores and analyzes information from SECOM Home Security sensors installed in the entryways, windows and rooms of seniors' homes in the cloud, making it possible for family members to access this information using a dedicated smartphone app to confirm any variations in daily

SECOM Monitoring Service for Seniors smartphone app

rhythms and activity levels (i.e., how many times the sensor detects movement). Family members living apart can thus keep an eye on their parents in an unobtrusive manner. If they are concerned about their parents' wellbeing, they can also use the app to request the dispatch of SECOM emergency response personnel for an in-person check.

For parents requiring closer observation, we are currently developing sensors that detect changes in posture due to, for example, falls and track breathing during sleep in real time. We are conducting verification tests of these sensors at a SECOM-operated nursing home, where they are being used to help monitor residents by extending and analyzing crucial information that facilitates prompt response and appropriate care, and look forward to achieving commercialization in the near future.

New app for Apple Watch and iPhone

With the aim of improving the user experiences of SECOM Home Security subscribers, in February 2022 we began offering SECOM Cantabile, an app for Apple Watch and iPhone. SECOM Cantabile alerts subscribers to arm or disarm their home security system when they are a certain distance away, which they can do simply by tapping the app on their

Setting SECOM Cantabile

Apple Watch. The new app also stores Apple Watch health data, such as calories expended, steps taken, sleep time and blood oxygen level, to create a "health report" that the subscriber can use in everyday health management. We will continue working to expand services that link SECOM Home Security with Apple Watch.

Other security services

Two new fully automatic AEDs introduced in Japan

We began offering the SECOM AED Package Service in 2004, becoming the first in Japan to extend automated external defibrillators (AEDs) on a rental basis. Deployment of our AEDs has risen rapidly in the years since. As of March 31, 2022, the number of lives saved using our AEDs had reached an estimated 3,000. In December 2021, we introduced AED 360P, a fully automatic unit that analyzes the patient's heart rhythm and automatically delivers an electric shock if necessary, rather than requiring the rescuer to push the shock button. In February 2022, we launched AED 3250, a fully automatic AED that can be managed online, meaning that unit malfunctions, electrode pad expiration dates, battery levels and other aspects of operational status, are monitored online and data transmitted automatically to a server. We will continue working to expand our lineup of AEDs with the aim of broadening installation and increasing lives saved by ensuring these lifesaving kits are available to anyone and everyone whenever and wherever they are needed.

Fully automatic AED 360P

COCO-SECOM: Linking with a new smartphone app enhances convenience

Since its release in 2001, COCO-SECOM—Japan's first full-scale location information system—has been used for a broad range of purposes, including to confirm the whereabouts of employees working outside the office and the location of valuables, prevent vehicle theft, find missing children and seniors, and to send alerts in the event of an emergency. In March 2021, we revamped COCO-SECOM's dedicated portable transmitters and linked the system to a newly developed smartphone app. The app notifies a designated smartphone when an individual carrying a transmitter leaves home, or enters or exits a specific area, or when a vehicle fitted with an onboard transmitter moves unexpectedly, greatly enhancing convenience. Looking ahead, we will continue to capitalize on responsiveness cultivated over more than two decades of providing COCO-SECOM to ensure reliable safety and peace of mind by helping customers address challenges ranging from resolving issues affecting their businesses to keeping watch over individuals.

Overseas security services

Services provided in 13 countries and territories

We made our overseas debut in 1978, when we established a presence in Taiwan. Today, our overseas security services business encompasses operations in 13 countries and territories, through which we extend diverse services and products, notably on-line security systems with emergency response services, customized to reflect local market needs.

Publicly listed Taiwan Secom, the largest security services company in the Taiwanese market, offers a broad lineup of security services and products, ranging from home security to safety management systems for large-scale facilities. The company is working actively to incorporate new technologies, including introducing security that uses wearable cameras and developing smartphone apps, with the aim of improving services.

Our operations in the ROK are spearheaded by S1, which is also publicly listed and the leading company in the local security services market, and include the provision of a wide variety of security services and building solutions, centered on on-line security systems. S1 continues to garner praise from customers for its swift emergency response services, which it extends through approximately 740 emergency depots, underscoring growth in subscriber numbers.

We have created an extensive security services network in the People's Republic of China (PRC) encompassing bases in 24 coastal and inland cities, through which we are working to further expand sales. We have also set up a manufacturing facility in Shanghai that produces security equipment tailored to local market needs.

In Southeast Asia, SECOM Group companies in Thailand, Malaysia, Singapore, Indonesia, Vietnam and Myanmar focus on offering on-line security systems, local acceptance of which continues to grow.

We also offer a diverse array of security services in Turkey, including safety management systems, for customers ranging from small and medium-sized companies to large-scale facilities. In 2021, we opened an R&D facility in the country that is developing systems that make broad use of IT.

Having set forth a policy of being the leading provider of premium security services tailored to advanced needs in Australia, we provide high-grade services, including large-scale systems integration, to customers across the spectrum, from prominent financial institutions and large commercial facilities to government agencies. In New Zealand, we extend security services, as well as maintenance and inspection services. Our high-performance surveillance camera systems enjoy particularly solid support from customers ranging from major supermarkets to financial institutions.

Subsidiary Secom plc delivers high-grade on-line security systems and other security services across the United Kingdom. The company has built a robust reputation, earning the trust of government agencies, as well as leading financial institutions and major corporations.
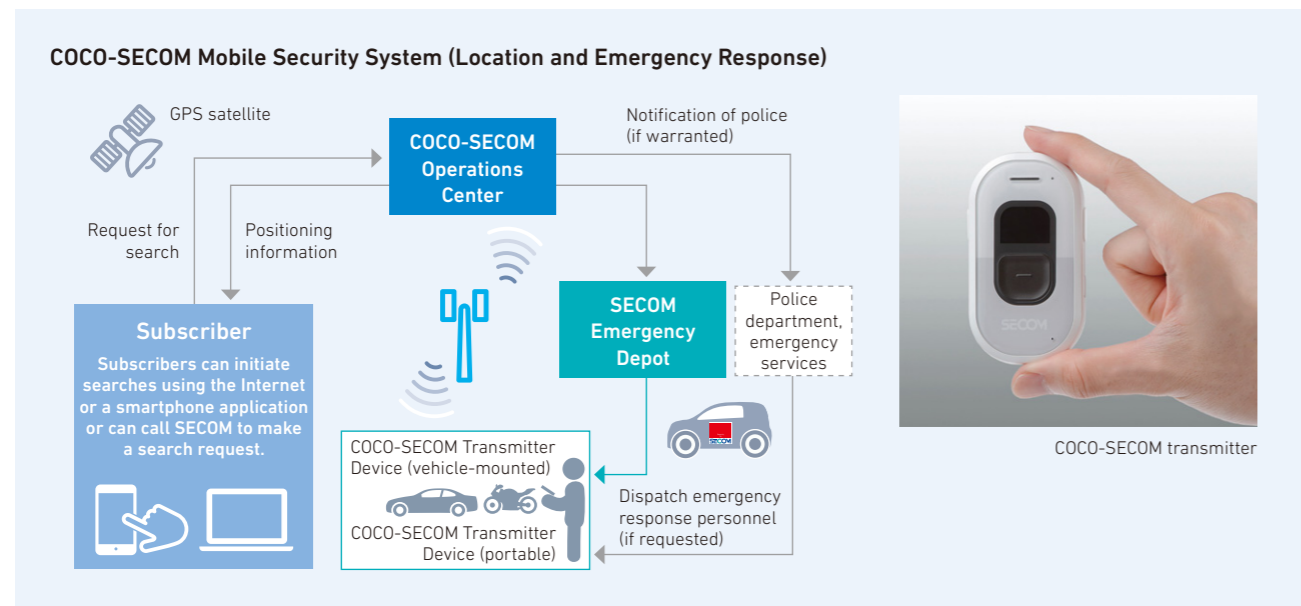
Efforts to expand operations in growing markets

With Japan's population expected to continue shrinking, we recognize that strengthening our operations in promising overseas markets is essential to ensuring sustainable growth going forward. We are working to accelerate the proliferation of on-line security systems—particularly in Asia, which is home to rapidly growing wealthy and middle classes—by creating services that better reflect regional characteristics, as well as local market needs and sensibilities. We are also enhancing service quality by actively hiring and enhancing training for local staff, as well as stepping up marketing to raise awareness of the SECOM brand. Through these and other efforts, we will strive to increase the percentage of consolidated net sales and operating revenue accounted for by overseas security services to more than 10%.

At our China Innovation Center and the ASEAN Innovation Center, located in Shanghai and Bangkok, respectively, we are striving to devise systems that respond to market needs by incorporating advanced technologies, as well as to foster highly skilled engineers. We are also advancing the development of a highly convenient security system that employs smartphones, as well as a platform for the digitization of security services that is scheduled to be launched in the PRC and in Southeast Asia.

In Thailand, we recently introduced a highly scalable cloud-based on-line security system for small and medium-sized commercial customers, as well as for homes. We also simultaneously released television, web and outdoor advertisements, all of which have been met with a highly positive response. Looking ahead, we plan to deploy business management know-how accumulated in Thailand in other countries and territories.
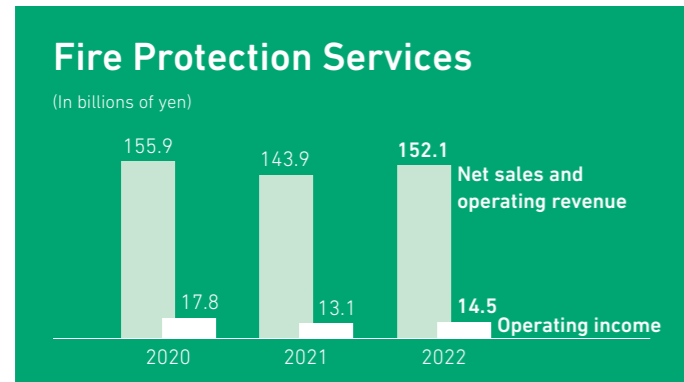
To expedite the expansion of our overseas operations, we have established a new business development team that is tasked with taking the initiative in exploring business alliances and M&A proposals. By further popularizing our distinctively SECOM security services in the countries and territories in which we operate, and by capitalizing on opportunities in new geographic and business areas, we will also seek to establish *ANSHIN* as a universally recognized term synonymous with peace of mind.

COCO-SECOM Mobile Security System (Location and Emergency Response)

GPS satellite

COCO-SECOM Operations Center

Notification of police (if warranted)

Request for search

Positioning information

Subscriber
Subscribers can initiate searches using the Internet or a smartphone application or can call SECOM to make a search request.

SECOM Emergency Depot

Police department, emergency services

COCO-SECOM Transmitter Device (vehicle-mounted)

Dispatch emergency response personnel (if requested)

COCO-SECOM Transmitter Device (portable)

COCO-SECOM transmitter

Security guard
(PT. Secom Indonesia)

Control center
(Secom (Malaysia) Sdn. Bhd.)

Fire Protection Services

(In billions of yen)

Net sales and operating revenue

	2020	2021	2022
Net sales and operating revenue	155.9	143.9	152.1
Operating income	17.8	13.1	14.5

Operating highlights

This segment centers on the operations of Nohmi Bosai and Nittan, which offer comprehensive, high-grade fire protection systems encompassing the provision of automatic fire alarms and fire extinguishing systems, as well as equipment inspection and maintenance services. The two companies, leaders in Japan's fire protection services market, boast competitive advantages derived from a wealth of experience and know-how, and have established an integrated service configuration encompassing everything from R&D to system planning, manufacturing, installation and maintenance, allowing them to extend services tailored to customer needs for a wide range of applications, including office buildings, production facilities, tunnels, cultural properties, ships and homes.

In the area of automatic fire alarms, Nohmi Bosai and Nittan strive to secure orders for new buildings and are responding to replacement demand in the renovations market by drawing on their solid track record and the trust of customers. In fire extinguishing systems, the companies' efforts focus on responding to customer needs by drawing on far-reaching know-how, technical prowess and installation capabilities to offer an ambitious lineup of systems tailored to the unique risks and circumstances faced by subscribers.

Test of fire extinguishing system (Nohmi Bosai)

Efforts to expand operations by developing and extending new services

Nohmi Bosai is working to achieve sustainable growth not only by strengthening its core businesses, notably the delivery of fire protection systems, and inspection and maintenance services, that comply with Japan's Fire Services Act, but also by broadening the scope of its operations as a provider of integrated fire protection solutions that address a diverse range of disasters.

Drawing on lessons learned from a spate of unforeseen fires and other disasters, companies have taken steps in recent years to strengthen the effectiveness of their BCPs. In May 2022, Nohmi Bosai reinforced the various functions of its TASKis ("task information system") cloud-based disaster response support software, which assists in the provision of emergency responses in the event of a fire, earthquake or other disaster. The system is now also able to receive signals when disaster situations, including earthquakes, floods and the failure of key equipment at production facilities, are detected. This allows the integrated observation of monitoring equipment installed in multiple site buildings, as well as the sending of simultaneous notifications to the preregistered smartphones of pertinent individuals if an irregularity is detected, thereby reducing the burden on fire prevention and safety officers.

Going forward, Nohmi Bosai will continue to develop new services that facilitate optimal fire prevention solutions, as well as to enter new areas with the goal of addressing the challenges faced by customers in all facets of fire detection and prevention.

Launch of rentals of Immersive Fire Experience VR: Panic in the Office

To enhance the benefits of fire drills, it is important to ensure that participants correctly understand the danger and frightening nature of fires. In response to the needs of companies looking to conduct more effective fire drills, in September 2021 Nohmi Bosai launched Immersive Fire Experience VR: Panic in the Office. This virtual reality training program uses flames and smoke to convey peril and fear, as well as realistic movement and sound to communicate the confusion that can be experienced by people caught up in a fire. In addition to instilling a firm grasp of how hazardous a fire can be and the importance of acting without hesitation when a fire alarm sounds, this program seeks to increase people's motivation to hone their fire prevention know-how and skills, as well as to encourage their active participation in drills.

Immersive Fire Experience: VR: Panic in the Office (Nohmi Bosai)

Consistently robust sales of B Catch Now

Nittan continues to receive brisk orders for the B Catch Now indoor location information system, which was launched in April 2020. This system uses signals from sensor beacons installed inside a fire detector to pinpoint the location of people even indoors where Global Positioning System (GPS) signals cannot reach. In the event of a fire, a push notification is sent simultaneously to registered users' smartphones, thereby assisting initial responses, including efforts to extinguish flames and evacuate people. On an everyday basis, the system can be used to locate people working in non-territorial offices and check the use of conference spaces. In medical and long-term care facilities, sensor beacons are attached to equipment and fixtures to prevent misplacement, optimizing management and deployment. Customers can also use the system to collect and analyze workplace flow lines and working time, helping to optimize personnel management and the placement of people and equipment. Anticipating demand for use in locating seniors and other vulnerable individuals, Nittan will strive to provide card-based, tag-based and other systems that do not require smartphones.
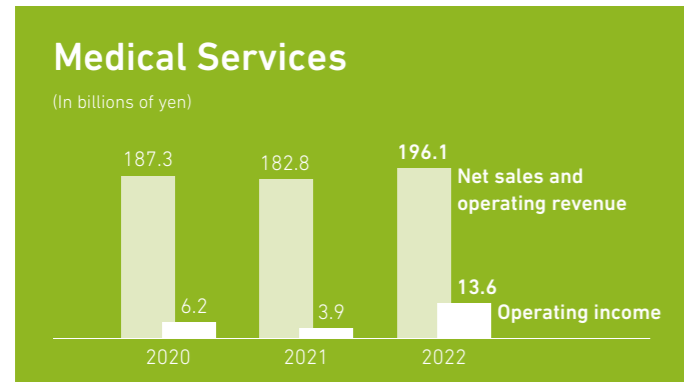
Firm orders for fire protection systems for renewable energy–related facilities in Vietnam

Nittan has established bases in the United Kingdom, Sweden and Vietnam, and continues to actively expand its overseas presence. The company's fire alarm systems, in particular, have garnered praise outside Japan for ease of use and reliability, a reputation that, combined with the skill of Nittan's installers, continues to bolster adoption.

In Vietnam, investment in the construction of renewable energy–related facilities is expanding amid an urgent need to address climate change. Nittan has received a series of orders for fire alarm systems for wind and solar power generation facilities that comply with standards established by UL LLC for such facilities in North America. Nittan will continue to actively promote sales efforts that respond to the needs of customers in this robust market.

B Catch Now display of location information (left) and movement data (right) (Nittan)

Wind power facility with Nittan fire alarm system in Vietnam's Ninh Thuận province (Nittan)

Medical Services

(In billions of yen)

Year	2020	2021	2022
Net sales and operating revenue	187.3	182.8	196.1
Operating income	6.2	3.9	13.6

Operating highlights

In the belief that providing services that protect health and life is the ultimate expression of our commitment to delivering safety and peace of mind, we have created a medical services business that focuses on customers who feel anxious about their health. This business encompasses four categories: medical care, personal care, healthcare and preventative care, and ICT-based medical services. We also continue to leverage ICT to create seamless, integrated community-based healthcare models encompassing support for affiliated medical institutions and the extension of a variety of services, home nursing, pharmaceutical dispensing, personal care, and health and preventative care.

Medical care services

Our medical care services business began in 1991 with the launch of home nursing services and pharmaceutical dispensing services, both of which are available to patients in the comfort of their own homes. Today, we assist in the provision of home medical care by dispatching visiting nurses from a nationwide network of 32 visiting nurse stations to offer expert medical treatment and nursing care in the patient's home under the direction of his or her physician. We have also begun to dispatch physical therapists to extend home-based rehabilitation services. Our pharmaceuticals dispensing services include filling prescriptions at SECOM Pharmacy, as well as delivering medications, medical supplies, such as infusion pumps, and infusion lines and syringes for home parenteral nutrition (HPN), administered via central venous catheter, and medical hygiene products needed by patients at home.

Our support for affiliated medical institutions centers on 20 partner hospitals and clinics in Japan extending high-level acute care, convalescent rehabilitation and long-term care. In addition, we sell and rent medical equipment and strive to help reduce costs and improve the efficiency of affiliated medical institutions through joint purchasing and management of pharmaceuticals. We also leverage our broad know-how in home medical care to assist with the opening and operation of community clinics. We also operate

Sakra World Hospital in Bengaluru, India, a general hospital with approximately 300 beds boasting a sophisticated medical care system and a highly skilled staff offering highly attentive, advanced care, which continues to see stable growth.

Personal care services

This category includes the operation of residences for seniors that bring together our expertise in security services and our know-how in the provision of medical and personal care. We also extend a variety of other services, including visiting personal care and adult day care.

Health and preventative care services

Maintaining and improving health, and enhancing quality of life, are crucial in protecting against illness and the need for personal care. Accordingly, we offer tailored health management services through, among others, telephone-based health consultations and the operation of membership-based club SECOM Health Care Club KENKO.
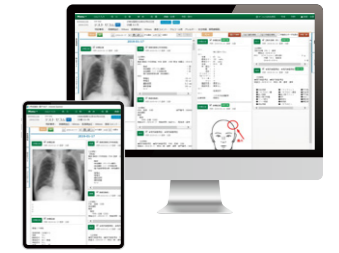
ICT-based medical services

These services center on the deployment of unique networked services for medical institutions. Against a shortage of diagnostic radiographers in Japan, the Hospi-net remote image diagnosis support service is helping improve the quality of medical care. We also offer services that make use of our secure information network to assist in the extension of high-grade medical services, including cloud-based medical report services SECOM Ubiquitous Electronic Medical Record (EMR) and SECOM OWEL, and SECOM LINKus, which makes 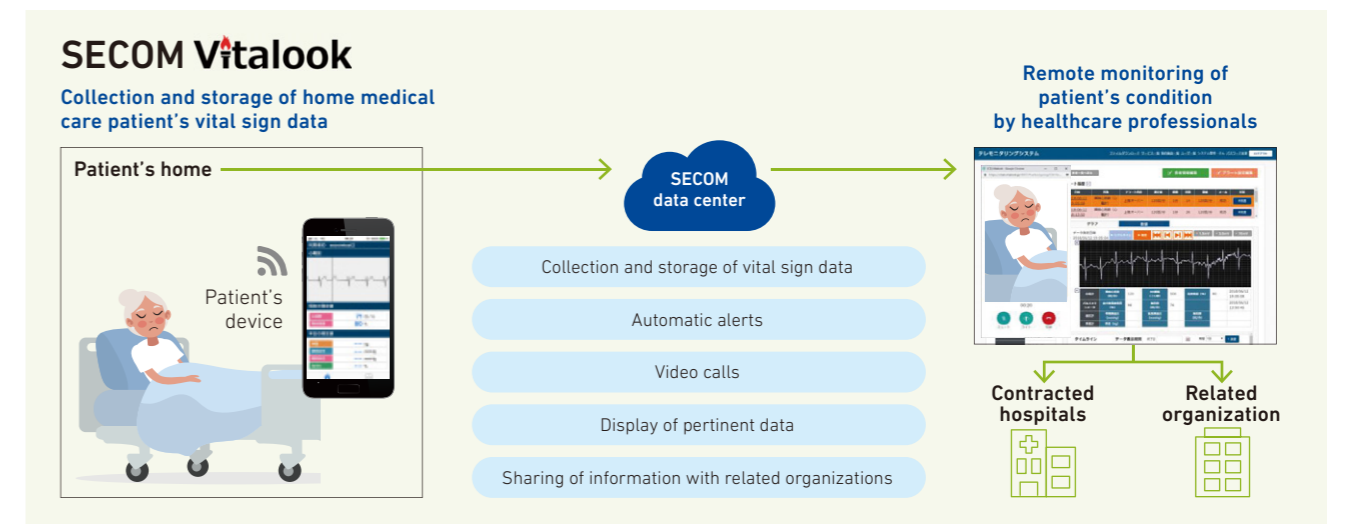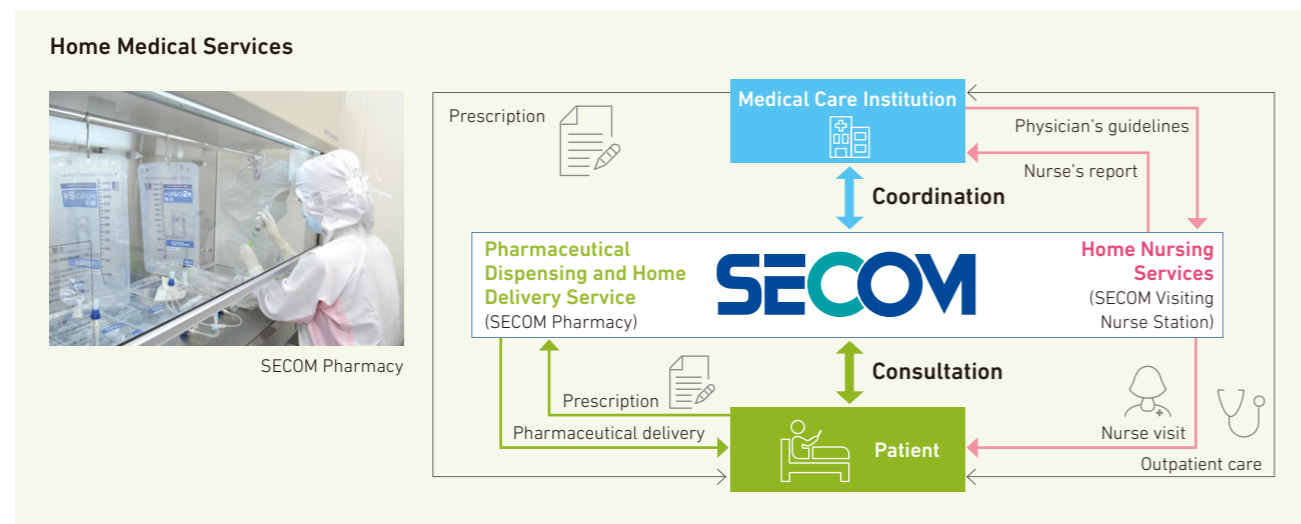it possible for information entered into electric medical records to be stored at a SECOM data center and shared among healthcare professionals.
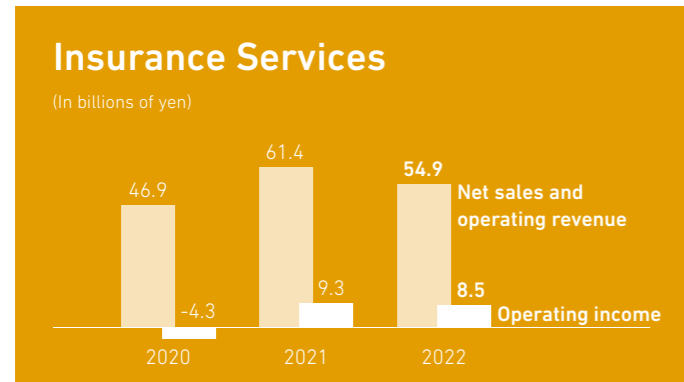
Capitalizing on our accumulated expertise in home medical care and in the provision of support to affiliated medical institutions, as well as our extensive, distinctive management resources, we offer the SECOM Vitalook remote medical support platform. SECOM Vitalook collects and stores home medical care patients' vital sign data (e.g., pulse, blood pressure, body temperature and electrocardiogram results) at a SECOM data center, enabling physicians and nurses at contracted medical institutions to review such data in real time and issue appropriate instructions remotely. The urgent need to address COVID-19 and the acceleration of DX are giving rise to new medical needs. In response, we are accelerating development aimed at facilitating the effective deployment of SECOM Vitalook in hospitals.

We are also working to support sound hospital management by offering SECOM SMASH, a hospital management information analysis system that helps make related processes more visible. Looking ahead, we will continue to capitalize on ICT-based medical services that support medical care and personal care in a super-aged society with a view to increasing the provision of such services, crucial to safety and peace of mind, in markets around the world.

Screen displaying SECOM Ubiquitous EMR

Home Medical Services

SECOM Pharmacy

Medical Care Institution — Prescription — Physician's guidelines — Nurse's report — Coordination

Pharmaceutical Dispensing and Home Delivery Service (SECOM Pharmacy) — SECOM — Home Nursing Services (SECOM Visiting Nurse Station)

Consultation — Prescription — Pharmaceutical delivery — Patient — Nurse visit — Outpatient care

SECOM Vitalook

Collection and storage of home medical care patient's vital sign data

Remote monitoring of patient's condition by healthcare professionals

Patient's home — Patient's device — SECOM data center

- Collection and storage of vital sign data
- Automatic alerts
- Video calls
- Display of pertinent data
- Sharing of information with related organizations

Contracted hospitals — Related organization

Insurance Services

(In billions of yen)

46.9 | 61.4 | 54.9 — Net sales and operating revenue
-4.3 | 9.3 | 8.5 — Operating income
2020 | 2021 | 2022

Operating highlights

Recognizing that our ability to deliver true safety and peace of mind depends on not only providing security services, which are preventative by nature, but also on looking after people should misfortune strike, we offer a diverse array of insurance policies. Secom General Insurance leverages the resources of the SECOM Group to develop and extend a diverse range of distinctive non-life insurance policies. Given the increasing frequency of natural disasters in recent years, Secom General Insurance is working to improve the profitability of its fire insurance policies by ensuring appropriate control of natural disaster–related risks. The company is also reviewing its product portfolio with the aim of, among others, reinforcing sales of MEDCOM, an unrestricted cancer treatment policy, and of automotive insurance.

A unique cancer treatment policy developed from the perspective of the subscriber

MEDCOM is a pioneering indemnity-based cancer treatment policy developed in response to contemporary needs. In addition to unlimited coverage for all inpatient hospital treatment, including that covered under Japan's National Health Insurance (NHI) scheme, as well as advanced medical care and care for which the individual usually bears the financial burden, MEDCOM also covers outpatient treatment up to ¥10 million per five-year period. This allows the subscriber to concentrate on treatment without having to worry about the economic implications thereof, underpinning the steady expansion of subscriptions.

SECOM *Anshin* My Car: Backed by on-site support from emergency response personnel

SECOM *Anshin* My Car is an automotive insurance policy that includes around-the-clock access to on-site support from SECOM emergency response personnel in the event of an
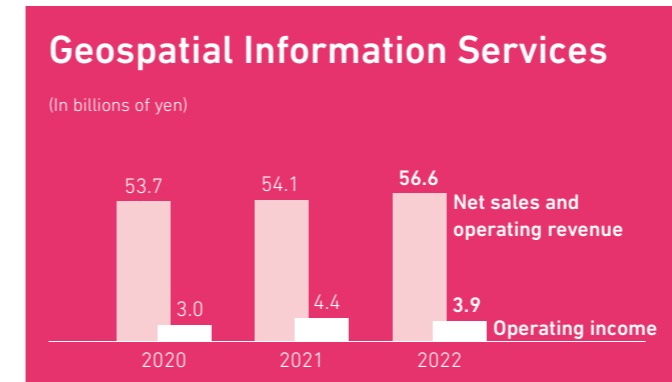
accident if requested. This policy's customer-focused assistance, which also includes emergency response personnel contacting the police and ambulance, confirming the seriousness of the accident and photographing the site, continues to earn high marks from customers.

Fire insurance policies with discounts for subscribers who have installed security systems

Residential fire insurance policy SECOM *Anshin* My Home features a discount on premiums for subscribers who have installed an on-line home security system in recognition of the fact that such systems reduce the risk of theft and fire. The Security Discount Fire Policy for commercial premises, including offices and retail facilities, which offers premium discounts of up to 30% to subscribers who have installed a commercial on-line security system, reflecting the risk-mitigating benefits of such systems, has earned high marks for its enhanced coverage. Active efforts to propose fire insurance when introducing on-line security systems to potential home and commercial security services customers have bolstered appreciation for our unique policies, which capitalize on Group strengths.

Manga pamphlet for MEDCOM

Geospatial Information Services

(In billions of yen)

53.7 | 54.1 | 56.6 — Net sales and operating revenue
3.0 | 4.4 | 3.9 — Operating income
2020 | 2021 | 2022

Operating highlights

Subsidiary Pasco Corporation collects geospatial data from commercial satellites, aircraft, drones and proprietary vehicle- and ship-mounted sensors, among others, which it integrates, processes and analyzes to provide a variety of geospatial information services. Pasco's operations are divided into services for public sector entities in Japan, which account for approximately 80% of segment net sales and operating revenue; services for domestic private sector customers; and support services for developing countries overseas. With the aim of enhancing national resilience and realizing smart cities, Pasco is promoting the establishment of real-time digital representations of physical assets in virtual space using data captured by sensors and advanced digital twin technology.

Drone-based automated public infrastructure patrol monitoring

Accelerating efforts to leverage DX to improve efficiency and reduce labor requirements are crucial to ensuring the maintenance of public infrastructure and preventing its degradation. In recent demonstration tests conducted with SECOM, developer of the SECOM Drone autonomous flying surveillance robot, Pasco confirmed that the drone could be used for inspections and monitoring even in locations that are inaccessible to people. Pasco will continue to conduct demonstration tests using drones with the aim of realizing automated drone-based public infrastructure patrol monitoring services.

The challenge of deploying new geospatial information processing technologies

In recent years, the collection and analysis of a wide range of 3D geospatial information using the latest technologies is increasingly important to addressing social imperatives related to natural disasters, energy issues and urban
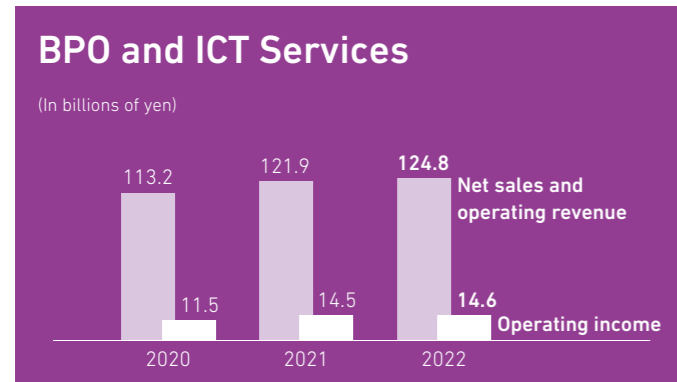
development. In response to river flooding caused by frequent torrential rainstorms, Pasco recently introduced TDOT 3 GREEN (shown above), a drone-mountable green light detection and ranging (LiDAR) system that allows the simultaneous high-precision measurement of 3D topographical data in water and on land, thereby enhancing the efficiency of surveying and leveraging DX in the management of infrastructure.

In response to issues pertaining to an aging infrastructure and national resilience, Pasco developed and operates the Real Dimension vehicle-mounted 3D road condition surveying system. The system measures 3D coordinate data and road surface properties, helping improve the efficiency and accuracy of efforts to maintain important road infrastructure.

Recent years have also intensified needs related to water area surveying to gather topographical data for sea, river and lake beds, essential to the maintenance of offshore wind power generating facilities, as well as for dams and harbors. To reinforce its water area measurement capabilities, Pasco recently introduced a state-of-the-art multibeam sonar system that facilitates the 3D measurement of underwater topography up to a depth of 450 meters. Going forward, Pasco will continue working to deploy new geospatial information processing technologies in a wide range of areas, from changing cities and topography to ocean floors, with the aim of helping address key social imperatives.

Real Dimension vehicle-mounted 3D road condition surveying system

BPO and ICT Services

(In billions of yen)

	2020	2021	2022
Net sales and operating revenue	113.2	121.9	124.8
Operating income	11.5	14.5	14.6

Operating highlights

This segment encompasses the operations of subsidiaries Secom Trust Systems, which develops and provides ICT services that deliver safety and peace of mind, as well as make life more comfortable and convenient; At Tokyo, which operates data centers that boast tailored business support capabilities, outstanding reliability and connectivity; and TMJ, which extends high-grade contact center, back-office support and other BPO services. All three companies endeavor to respond to the diverse needs of customers.

Large-scale disaster preparedness, information security and cloud-based services

In addition to overseeing the development and operation of IT systems for SECOM Group companies, Secom Trust Systems leverages its ICT expertise, superior security and robust Secure Data Center to offer a variety of large-scale disaster preparedness, information security and cloud-based services.

Large-scale disaster preparedness services include assisting customers in the formulation of BCPs to ensure advance preparations, the implementation of effective immediate response measures and the prompt restart of operations in the aftermath of a major disaster. The SECOM Safety Confirmation Service enables subscribers to swiftly ascertain the safety of employees and their families and damage to sites in the event of a major earthquake or other disaster or the failure of key infrastructure. As of March 31, 2022, this service was used by approximately 8,600 companies employing around 7.9 million individuals, making it the most widely used crisis management service in Japan.

Information security services, which encompass comprehensive, around-the-clock support to protect customers' information from cyber attacks, range from advance diagnostics and preventative measures to monitoring and the implementation of countermeasures in

the event of an incident. Secom Trust Systems also capitalize on its competitive advantages as a certification authority, responsible for the management of cryptographic keys, to guarantee the safe and secure transmission of information using devices on the IoT. With far-reaching changes, notably the declining use of personal seals; the expansion of remote work; and the growing popularity of procedures that don't require face-to-face contact (including electronic signatures, time stamps and electronic seals), trust services* are attracting heightened attention in Japan. Secom Trust Systems is striving to ensure that its platform for the provision of trust services is the choice for government and private sector cloud-based electronic contract services.

Secom Trust Systems also offers a variety of cloud-based services that improve the efficiency and convenience of customers' operations, and help reduce costs, including a document digitization service that digitizes contracts and minutes of meetings in compliance with related legislations, and personnel/salary/labor management services that accommodate various work styles flexibly. In December 2021, SECOM Shift Scheduler, an AI-powered service that automatically generates optimal shift rosters, was linked with third-party attendance management system KING OF TIME, the leader in Japan's market for such systems, further enhancing convenience and efficiency for customers.

Going forward, Secom Trust Systems will continue to respond to DX-related needs and increasingly diverse work styles by creating and extending convenient and secure ICT services.

*Trust services are services used to verify individuals, organizations and data online and prevent the falsification of information and spoofing. In lines with the EU Regulation 910/2014, commonly called eIDAS (for "electronic identification (eID), authentication and trust services (AS)"), Japan's Ministry of Internal Affairs and Communications is spearheading comprehensive studies aimed at securing interoperability with other countries and cross-border compliance.

Data center services

Data center operator At Tokyo capitalizes on its more than two decades of experience and operational know-how to deliver uninterrupted, around-the-clock data center services that have earned a reputation for world-class quality and reliability. In addition to the technological capabilities and in-house configuration necessary to support zero-downtime operations, At Tokyo boasts flexible and expandable external connectivity as a global hub, creating an important IT infrastructure for companies for which system outages would significantly impact society. In response to diversifying market needs related to rapid digitalization across the country, At Tokyo—which had originally focused its efforts to establish data centers on Tokyo—opened its first data center in Fukuoka in November 2021 and its third facility in Osaka in April 2022. The company also plans to open a data center in Hokkaido in the autumn of 2022. A hyperscale urban data center is also scheduled to open in the Tokyo metropolitan area in 2024, bolstering the company's ability to address rising demand for data center services.

At Tokyo's data centers serve as network hubs, bringing together multiple domestic and overseas service providers and telecommunications carriers. Leveraging these capabilities, the company also offers ATBeX ("At Tokyo Business eXchange") a service platform that facilitates flexible, low-latency, cost-effective access to megacloud and on-premises services offered by these enterprises. In summer 2022, At Tokyo will launch ATBeX Fukuoka Access Point in Kyushu, which will increase the ATBeX platform's wide accessibility.

BPO services

Against a backdrop characterized by a declining labor force and the social changes brought by COVID-19, demand for

high-grade BPO services that ensure security and peace of mind continues to increase. BPO services company TMJ is highly rated by financial institutions and a wide range of other companies for its extensive contact center and back-office support services.

For customers with business models involving brick-and-mortar retail facilities that users visit in person, reconsidering customer service staff and improving operational efficiency are key challenges, underscored by efforts to improve operational efficiency by introducing cashless transactions and self-checkouts, as well as the accelerated introduction of unattended facilities. In response, TMJ has begun offering service counter support for unattended facilities that make it possible to conduct facial and ID verification remotely using video images and thus to serve customers online. This enables consolidation of the service counter operations of several facilities, which helps to optimize operating costs and standardize service quality. TMJ also extends support for online customer service and the unattended operation of retail facilities, from crucial business support systems and the preparation of manuals to actual operational assistance.

With the expansion of mobility-related business, as evidenced by the rising popularity of car sharing, among others, TMJ recently opened a specialized mobility as a service (MaaS) and mobility business solutions center in Sapporo. Looking ahead, the company will continue to reinforce its operational know-how to broaden this new facility's role as a dedicated provider of diverse services that supports next-generation mobility-related services.

At Tokyo data center

Online service counter support for unattended facilities (TMJ)