SECOM Today

Commercial Security Services

Leveraging advanced technologies and new ideas, we are working to provide services and systems that respond to our customers' diverse security needs.

■ Competitive advantages of SECOM's security services

Our security services business centers on the provision of on-line security systems, which includes installation of sensors and other equipment and around-the-clock monitoring by a SECOM control center via telecommunications circuits. In the event an intruder, a 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. Our integrated framework for providing on-line security systems, whereby we take responsibility for everything from R&D to production, marketing, security planning, equipment installation, around-the-clock monitoring, emergency response services and

maintenance, ensures the exceptional quality and reliability of our services.

Our ability to provide such distinctive services derives from the three core components of our operating foundation, namely, our technological prowess, human resources, and operational and control structure. To reinforce technological prowess, the SECOM Intelligent Systems Laboratory conducts research in the area of core technologies, while the SECOM Development Center leverages these core technologies to realize new security systems. This unique R&D configuration allows the swift and accurate development of systems that respond to the requirements of customers. Having our own in-house R&D capability also facilitates smooth cooperation with the diverse companies of the SECOM Group to develop new systems, as well as
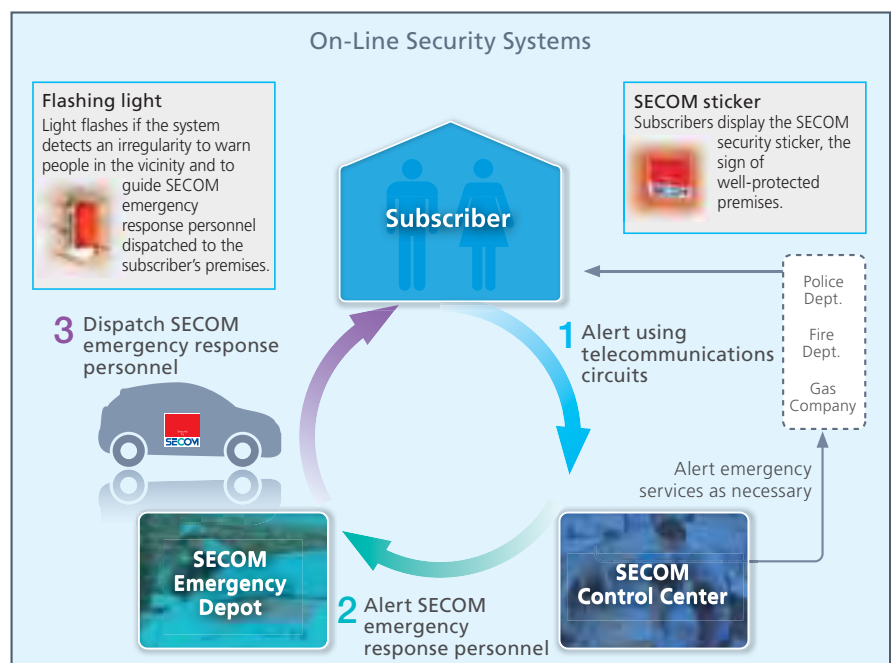
enables us to provide technical support for collaborative initiatives with partners in industry, government and academia, among others, helping to accelerate the development and commercialization of new services and systems.

To foster human resources, we provide training for emergency response personnel, sales staff, administrative staff and other employees at four training centers across Japan. This enables us to equip employees with the advanced knowledge and technical skills they need and ensures that they fully understand our corporate philosophy and observe a code of conduct befitting security professionals.

Our operational and control structure centers on the know-how and wealth of experience we have built up since our establishment. This is reflected in our swift emergency response services,

SECOM emergency response personnel

On-Line Security Systems

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

3 Dispatch SECOM emergency response personnel

1 Alert using telecommunications circuits

Police Dept.

Fire Dept.

Gas Company

Alert emergency services as necessary

SECOM Emergency Depot

2 Alert SECOM emergency response personnel

SECOM Control Center

made possible by the prompt decision making of our control center staff, the quick actions of our trained emergency response personnel, and our nationwide network of approximately 2,800 emergency depots, the largest in Japan.

Our rental format, which minimizes initial costs for commercial security services subscribers, is another strength. This format means that we take responsibility for the maintenance and upkeep of security equipment, guaranteeing both the quality and stability of our services.

■ Sales of on-line security systems for commercial subscribers continue to expand

We are committed to providing on-line security systems that are optimized to accommodate a wide range of site sizes and subscriber purposes and which help
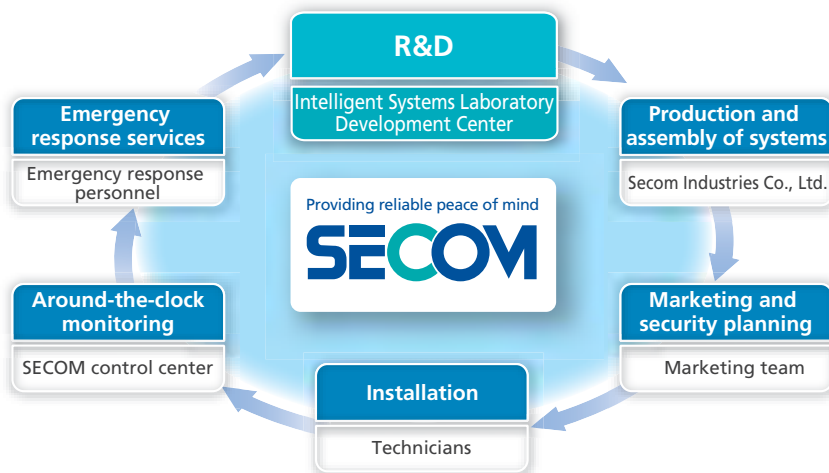
address needs engendered by evolving social imperatives. As a consequence, sales of our on-line security systems for commercial subscribers continue to expand favorably.

SECOM AX is a remote imaging on-line security system that employs sophisticated image recognition technology, enabling image sensors installed at the subscriber's premises to detect the presence of an intruder, even in darkness, and transmit an alert, together with images, to a SECOM control center. This enables control center staff to swiftly assess the situation and issue prompt and accurate instructions to emergency response personnel. Control center staff can also broadcast a warning to intruders using on-premises speakers to discourage the commission of crimes. This speedy response—facilitated by

specialized image sensors developed in-house—continues to earn solid support from subscribers, as a result of which sales continue to expand steadily.

We are also seeing firm growth in the popularity of systems that not only provide excellent security but also assist subscribers' efforts to reduce costs and lower energy consumption. SECOM LX combines monitoring for intruders and fires with access control functions. Because the system uses existing IC cards, such as employee ID cards, and because recorded entry and exit data can be used for other purposes, SECOM LX reduces the amount of work involved in managing employee attendance and calculating payroll, thereby helping to improve the efficiency of personnel management. SECOM FX, designed for unattended facilities and small offices,

Framework for Providing SECOM On-Line Security Systems

R&D
Intelligent Systems Laboratory Development Center

Emergency response services
Emergency response personnel

Production and assembly of systems
Secom Industries Co., Ltd.

Providing reliable peace of mind
SECOM

Around-the-clock monitoring
SECOM control center

Marketing and security planning
Marketing team

Installation
Technicians

SECOM control center

integrates monitoring for intruders and fires with facility control functions that can be set to, for example, turn lights, air conditioners, signage illumination and security cameras on and off at the subscriber's discretion, thereby helping to reduce consumption of energy and electricity. Looking ahead, we will continue working to develop and provide on-line security systems that respond to the diverse needs of subscribers.

■ Tight security over broad areas with 3-Dimensional Security for large-scale events

Between now and 2020, Japan will play host to a wide range of major sporting events and international conferences. In light of heightened terrorism and other risks, there is a rising need for effective security plans and rigorous

security for such events. To support organizers' efforts to ensure the safety and security of large-scale events, we have commenced the full-scale provision of 3-Dimensional Security, which seeks to provide security over wide areas from both the ground and the air.

3-Dimensional Security begins with SECOM 3D Security Planning, which makes use of high-precision digital relief maps to determine the positioning of fixed security cameras, and of simulations using overhead images captured by a SECOM Airship or SECOM Aerostat dirigible. This facilitates a firm grasp of potential risks and the formulation of an optimal security plan. SECOM 3D Security Planning is a proprietary system integrating building information modeling (BIM) technologies developed by the SECOM Intelligent Systems Laboratory

and geospatial information technologies developed by SECOM Group company Pasco Corporation. This system was used to provide security for the G7 Ise-Shima Summit, held in May 2016, where its effectiveness was amply demonstrated.

With 3-Dimensional Security, images captured by security cameras on the ground, wearable cameras borne by security guards, and SECOM Airship and SECOM Aerostat dirigibles, facilitate the swift and accurate assessment of event status in real time. It also enables the event's security headquarters to collect and integrate such data from multiple cameras, as well as to use image recognition and other AI technologies to analyze suspicious circumstances and crowding, generating information that is then communicated to security guards on-site to ensure safety and security.

Secom's 3-Dimensional Security
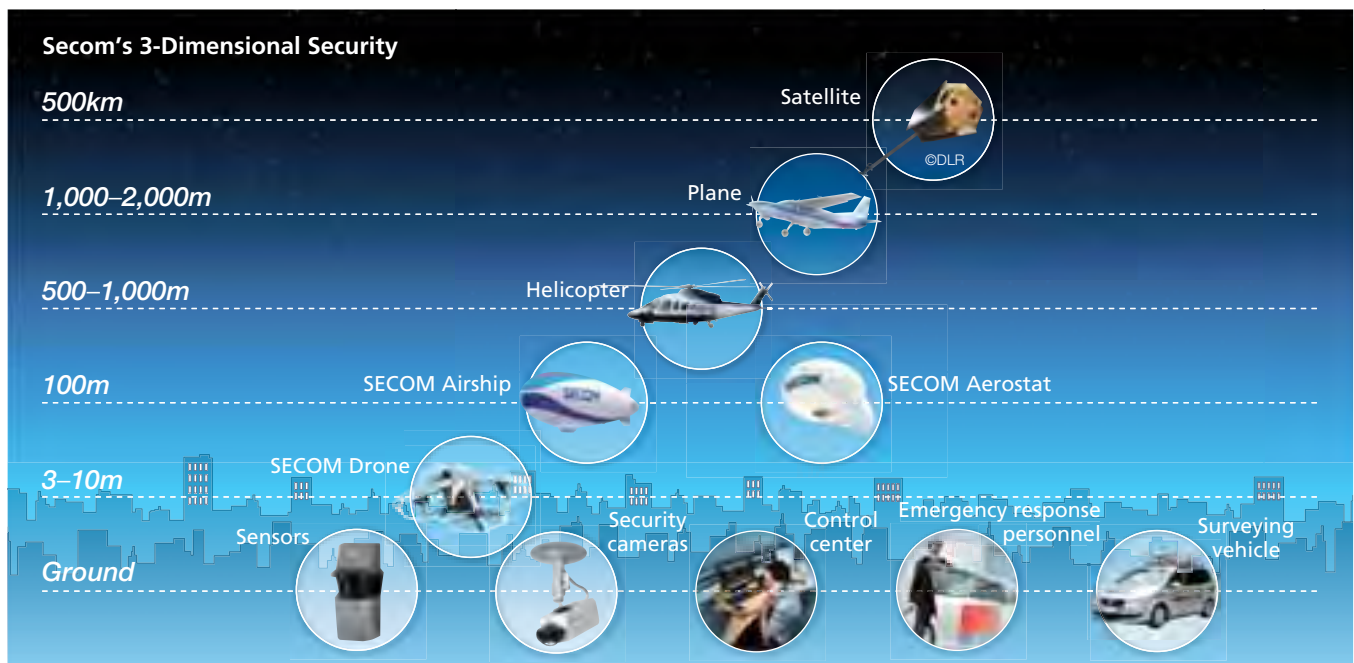
Looking ahead, we will continue to provide uniquely SECOM 3-Dimensional Security services to facilitate the successful staging of major events.

■ Demonstration tests for new SECOM Drone patrolling and monitoring services

The SECOM Drone is an autonomous small flying robot that launches and flies toward an unauthorized vehicle or individual and captures images, which it transmits to a SECOM control center, hastening efforts to track down and capture trespassers.

In April 2017, we began conducting demonstration tests for a new patrolling and monitoring service using the SECOM Drone at the Mine Rehabilitation Program Center in the city of Mine, Yamaguchi Prefecture, a private finance initiative (PFI) correctional facility. With the new service, the drone is either programmed to launch at a specified time or launched remotely by the customer and flies a predetermined route. Images captured by the onboard camera are transmitted to the customer's monitor room, allowing confirmation in real time. Images are captured from above, which eliminates blind spots, helping to realize more effective security for rooftops and other high places. Drones also facilitate monitoring over wide areas, thereby reducing the burden on patrolling security guards. Going forward, we will focus efforts to market SECOM Drone patrolling and monitoring services to large-scale facilities where patrols are conducted by security guards.

■ Launch of the SECOM *Anshin* Guesthouse Owner Package

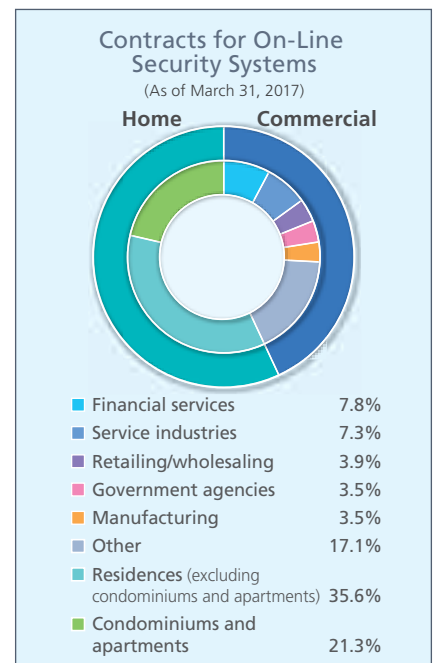In recent years, a sharp increase in the number of foreign visitors to Japan has led to fears of a shortage of accommodations in certain areas. This has led to the emergence of the *minpaku* guesthouse business, which offers short-term paid accommodations in private rooms, apartments and houses, and to an increase in the needs of *minpaku* operators for security systems, as well as for fire protection solutions, including the installation of automatic fire alarms. In response to such needs, we developed the SECOM *Anshin* Guesthouse Owner Package, a comprehensive set of essential support services for *minpaku* operators that includes security and fire protection systems, non-life insurance and renovation services. We will continue to leverage our unique capabilities to expand the services offered as part of this package with the aim of providing support for guesthouse owners and management companies to facilitate the smooth start of *minpaku* services.

Monitoring images from SECOM Drone units

SECOM Drone patrolling and monitoring service

Contracts for On-Line Security Systems
(As of March 31, 2017)

Home   **Commercial**

■ Financial services	7.8%
■ Service industries	7.3%
■ Retailing/wholesaling	3.9%
■ Government agencies	3.5%
■ Manufacturing	3.5%
■ Other	17.1%
■ Residences (excluding condominiums and apartments)	35.6%
■ Condominiums and apartments	21.3%

Home Security Services

We continue promoting a variety of efforts to enhance customer satisfaction, including releasing new systems and services under the SECOM Home Security label.

■ **Commencement of sales of the new SECOM Home Security NEO**

Since launching Japan's first-ever home security system in 1981, we have worked to develop and introduce services that respond to customers' needs and address evolving social imperatives and provide safety and peace of mind.

One of the most highly rated services currently offered under the SECOM Home Security label is SECOM Home Security G-Custom, which combines home security with a variety of features designed to enhance everyday comfort and convenience. In July 2017, we launched SECOM Home Security NEO, which features a compact desktop controller. Customers can also use the SECOM Home Security App to arm and disarm their home security systems from their smartphones. The app also enables customers to visually display a chronological history of system access by family members coming and going on their smartphones, thereby enhancing adaptability and convenience. In addition to standard home security services, that is, monitoring for intruders and fires and emergency alerts, and optional services such as medical emergency calls and monitoring for gas leaks, SECOM Home Security NEO can be linked with devices on the IoT, further enhancing safety, peace of mind, comfort and convenience. Concurrently, we introduced SECOM My Doctor Watch, a wristband-style emergency medical alert and health management service.

SECOM Home Security NEO

SECOM Home Security App

Launch of the SECOM My Doctor Watch wristband-style emergency medical alert and health management service

Offered as an option to SECOM Home Security subscribers, SECOM My Doctor Watch is an emergency medical alert and health management service centered on a wearable wristband tracker. An advanced option in the SECOM My Doctor series of emergency medical alert services, SECOM My Doctor Watch sends an alert if it detects no movement from the wearer, whether he or she is inside or outside the home, notifying SECOM that assistance is required. The tracker also detects the impact of situations such as the wearer losing consciousness and falling and automatically alerts this to SECOM.

In a super-aged society like Japan, the safety concerns of seniors-only households are rising, as is awareness of the need to promote better health for seniors. SECOM My Doctor Watch also incorporates features that assist with everyday health management, including a pedometer, sleep tracking and a calorie expenditure counter, and extends advice for lifestyle improvements by smartphone.

As a service combining advanced medical alert and health management functions, the SECOM My Doctor Watch will allow us to provide enduring peace of mind tailored to individual needs. Looking ahead, we will continue working to provide new services and products with the aim of delivering safety, peace of mind, comfort and convenience.

SECOM My Doctor Watch

SECOM My Doctor Watch emergency medical alert and health management service

■ Introducing the SECOM Parent Care *Anshin* Package

For several years, we have offered the SECOM Overseas Transfer Support Package, which helps address the concerns of individuals on overseas assignments by providing support for elderly parents or other family members remaining in Japan. Recognizing the need in Japan for a similar service to be provided as a component of employee welfare, in the period under review we released the SECOM Parent Care *Anshin* Package. This new package helps ensure peace of mind for families with elderly parents living alone in different parts of the country by combining a number of services that are usually offered independently, including SECOM Home Security, remote monitoring for seniors and various lifestyle support services, into a single easy-to-use set. Companies subscribe to the SECOM Parent Care *Anshin* Package and allow subscribers' employees to choose the services that best meet their particular needs. Going forward, we will continue working to provide services that respond to a variety of key social imperatives.

SECOM Parent Care *Anshin* Package

Other Security Services

In addition to broadening the scope of the COCO-SECOM mobile security system, we are promoting market acceptance of the SECOM AED Package Service.

■ COCO-SECOM: Responding to the needs of increasingly diverse customers

The COCO-SECOM mobile security system uses signals from GPS satellites and cellular phone base stations to pinpoint the location of dedicated portable transmitters carried by individuals or attached to objects. If a customer wants to know where the transmitter is, he or she can trace it via a dedicated COCO-SECOM website or contact the COCO-SECOM Operations Center and ask an operator to search for it. If the operations center receives a search request, the operator will dispatch emergency response personnel and, if necessary, notify the police and/or fire department. The transmitter is also equipped with an alert button, which, if pressed, will instantly notify the COCO-SECOM Operations Center of an emergency.

Designed as a portable security system for individuals, COCO-SECOM is deployed as a way to deter child abductions and track dementia patients who wander. It can also manage taxi and bus fleets, prevent the theft of construction equipment and ATMs, and manage employee safety.

■ COCO-SECOM services for children's smartphones

To date, COCO-SECOM for locating children has used portable transmitters and cellular phones. In the period under review we began providing a version of the system that can be used with *miraie f* smartphones, which are designed specially for children. This enables subscribers with children who want to switch from cellular phones to smartphones to continue using COCO-SECOM. We expect this to help further encourage the popularity of the system.

■ Growing market acceptance of the SECOM AED Package Service
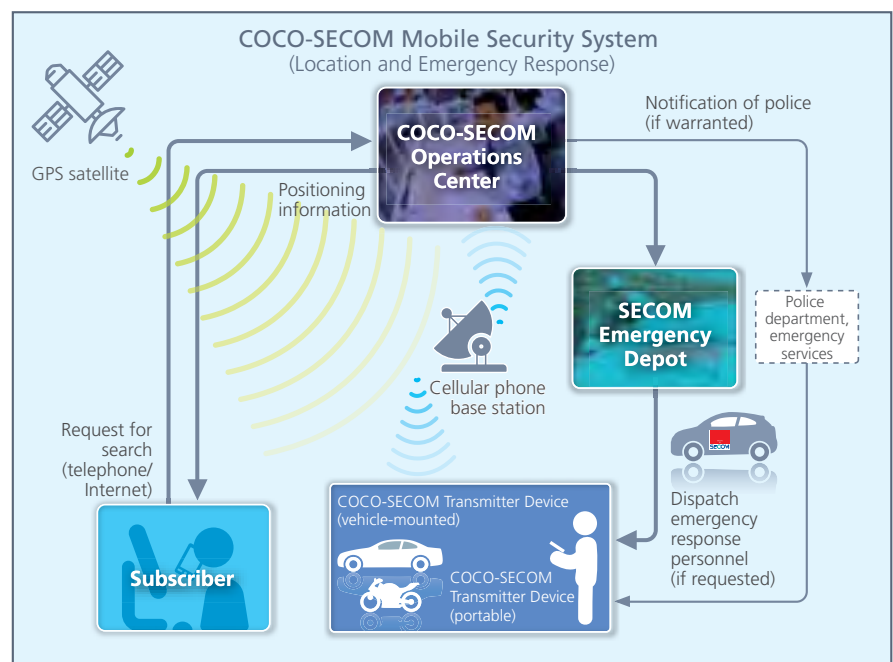
An automated external defibrillator (AED) is a portable device for treating sudden ventricular fibrillation by administering an electric shock to the heart with the aim of restoring a normal rhythm. With the SECOM AED Package Service, our full-service AED rental package, we replace batteries and other expendables when necessary and replace AED units in the event of a malfunction or theft, thereby ensuring that units are always in operating order. We also offer the SECOM AED On-line Management Service, an around-the-clock service that monitors the operational status of AEDs, and the SECOM AED Skill Up Service, a workshop that provides training in the proper use of AEDs.

COCO-SECOM mobile security system

SECOM AED Skill Up Service, a workshop to train people in the proper use of AEDs

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

GPS satellite

COCO-SECOM Operations Center

Positioning information

Notification of police (if warranted)

Police department, emergency services

SECOM Emergency Depot

Cellular phone base station

Request for search (telephone/Internet)

Subscriber

COCO-SECOM Transmitter Device (vehicle-mounted)

COCO-SECOM Transmitter Device (portable)

Dispatch emergency response personnel (if requested)

Overseas Security Services

We continue to promote the steady expansion of our overseas operations. Recent efforts have included reinforcing our service framework in the United Kingdom and laying a foundation for the cultivation of new markets in the PRC.

■ High-grade security services offered in 12 countries and territories overseas

We made our overseas debut in 1978, when we established a presence in Taiwan. Today, our overseas security services business encompasses operations in 12 countries and territories. A distinguishing feature of our overseas security services is that we offer SECOM-style on-line security systems, which include emergency response services, customized to reflect local needs and sensibilities. The services we provide overseas, which are of the same high quality as those provided in Japan, continue to earn praise from overseas customers, as a result of which market acceptance is increasing steadily.

■ Reinforcing our service framework in the United Kingdom

Our U.K. subsidiary Secom plc recently acquired Scan Alarms, a security services company in Northern Ireland, the operations of which encompass the sale, installation and maintenance of on-line security systems. With this acquisition, Secom plc has completed the establishment of an extensive configuration that enables it to provide services directly to customers across the United Kingdom, enhancing its ability to supply high-grade services, as well as to further broaden the scope of its operations.

■ Augmenting operations in the PRC through alliance with a leading electric appliance manufacturer

We currently provide commercial security services to subscribers in the PRC through a network of bases in 25 key coastal and inland cities. With the demand for security services growing in all of these locations, the popularity of security systems is expanding, particularly for commercial subscribers and large-scale complexes.

With the aim of cultivating demand for home security services, we have entered into a strategic business alliance with a leading local electric appliance manufacturer. The agreement brings together our expertise in the provision of high-grade security services and our partner's extensive capabilities in marketing of products for high-end condominiums and detached houses. We will collaborate in such areas as product development and the formulation of sales plans. This agreement thus positions us to promote market acceptance of home security services in the PRC.

■ Expanding services while responding to needs in key overseas markets

Taiwan Secom Co., Ltd., a publicly listed company, offers a wide array of security services, centered on on-line security systems, to subscribers in Taiwan. In line with our goal of supporting security and peace of mind, the company provides wireless alarm systems for residential and small-scale commercial applications and has collaborated with the National Center for Research on Earthquake Engineering to develop and begin offering an earthquake alert system.

In the Republic of Korea (ROK), S1 Corporation, which is also publicly listed, provides on-line security systems and an extensive selection of other services that respond to diverse needs, making life more convenient and comfortable and providing safety and peace of mind. S1 continues to reinforce its building solutions business through high-value-added services that effectively address market needs, including the provision of fire protection systems that make use of advanced video analysis.

In Thailand, the efforts of Thai Secom Security Co., Ltd., to provide high-grade on-line security services have

Control center (Secom plc, United Kingdom)

Emergency response personnel (S1 Corporation)

Emergency response personnel (Thai Secom Security Co., Ltd.)

bolstered awareness of "SECOM-style" services, underpinning steady growth in contracts for the provision of on-line security systems not only to corporations, but also to national government agencies, among others. The company also continues to supply a variety of merchandise to health-care facilities.

Secom (Malaysia) Sdn. Bhd. provides security systems—comprising on-line security systems and static guard services—that respond to the needs of customers across Malaysia. Underscoring the high marks accorded to the company's proposal-based services, which are tailored to the needs of prospective customers, a major financial institution recently installed SECOM on-line security systems.

In Singapore, Secom (Singapore) Pte. Ltd. boasts a diverse menu of services. These include the provision of on-line security systems and fire protection systems, as well as the leasing of safety deposit boxes.

PT. Secom Indonesia provides on-line security systems, focusing on the cities of Jakarta and Surabaya. Secom Indonesia also offers highly rated consulting services designed to help customers prevent insider crimes.

In Vietnam, Secom Vietnam Security Service JSC is working to augment its operations by providing "SECOM-style" on-line security systems that respond to the advanced needs of Japanese and other companies in the country.

Joint venture Myanmar Secom Co., Ltd., Myanmar's only provider of on-line security systems, serves subscribers in the city of Yangon. The company continues to expand its operations in this promising market, which is benefitting from economic growth, by providing SECOM-style on-line security systems to offshore (including Japanese) and local financial institutions.

Secom Australia Pty. Ltd.'s security services to major financial institutions and government agencies continue to earn positive reviews across the board. The company is working to expand its

provision of security services centered on on-line security systems not only to corporate subscribers, but also to Australian defense facilities and government-affiliated service facilities.

In New Zealand, Secom Guardall NZ Ltd. continues to provide monitoring using on-line security systems and maintenance services to multiple major global financial institutions and multinational companies.

We recognize that the desire for safety and peace of mind, as well as for comfort and convenience, is something shared by people the world over. Accordingly, we will continue to encourage acceptance of our services and systems in the countries and territories where we have operations, as well as to cultivate promising new overseas markets.

■ Countries and territories in which the SECOM Group provides security services

Control center (Myanmar Secom Co., Ltd.)

Fire Protection Services

We continue to offer high-grade, highly reliable fire protection systems that respond to the needs of customers in Japan and overseas.

■ A framework for providing integrated high-grade fire protection systems

Our fire protection services business is spearheaded by subsidiaries Nohmi Bosai and Nittan, two leading players in Japan's fire protection industry. The two companies have created a framework for providing integrated services, from R&D, planning and design through to production, installation and maintenance. The two companies boast an extensive portfolio of high-grade automatic fire alarms and fire extinguishing systems that has earned them high marks both in Japan and overseas.

■ Focusing on the expansion of orders in the renovations market

The deterioration of older buildings is stimulating demand for the replacement of outdated automatic fire alarm systems and other equipment. Nohmi Bosai is drawing on its wealth of experience and the solid trust of customers to expand orders in this market by actively promoting proposal-oriented sales efforts. The installation of new compact

fire alarm panels with automatic testing and other functions conserves space, increases ease of use for customers and enhances safety and peace of mind.

■ The new PROTECVIEW SCANNER

Nohmi Bosai recently expanded its PROTECVIEW line of highly sensitive smoke detection systems by launching PROTECVIEW SCANNER, a portable smoke detection sensor. Designed for use in areas where PROTECVIEW smoke detectors have been installed, the new sensor can detect smoke particles before a fire breaks out and identify the point of origin. In a data center, for example, this makes it possible to discover irregularities without having to disconnect servers. Looking ahead, Nohmi Bosai will respond to the need for portable sensors of a wide range of customers including operators of server rooms, clean rooms, facilities with power distribution panels, and warehouses.

■ New facility established in Vietnam to serve Southeast Asian markets

In light of the expansion of its operations in Southeast Asia, Nittan completed a new facility in Vietnam that combines production and sales functions and has production lines for fire alarm systems

that comply with Underwriters Laboratories Inc. (UL) standards for sale in Southeast Asian markets. This facility will enable the low-cost production of highly reliable products, contributing to further quality improvements and cost savings that will bolster brand value and profitability.

■ Reinforcing sales of fire protection systems for equipment in special environments

A key focus for Nittan is sales of fire detection equipment for special environments whether or not required by law. Such equipment for special environments, which includes units for use in plants, research laboratories and other facilities, facilitates the prompt detection of fires even in hostile environments in which the adherence of dust particles, water vapor and impurities occurs. Nittan manufactures built-in systems for large-scale computers, control devices, production equipment for plants and other applications that promptly detect smoke and immediately cut power supply, thereby minimizing damage. Nittan will continue to propose comprehensive solutions, while at the same time actively promoting market acceptance of fire protection systems for special environments, for which orders remain robust.

PROTECVIEW SCANNER (Nohmi Bosai)

New production facility in Vietnam (Nittan)

DRD-W fire detection system for special environments (Nittan)

Medical Services

Our high-grade medical services range from the provision of home medical services to the operation of residences for seniors.

■ A diverse menu of home medical, personal care, healthcare and other services provided through a broad network

Believing that protecting the health and lives of people is a natural extension of our commitment to providing safety and peace of mind, we launched our medical services business with the introduction of home medical services. Today, our operations in this area have expanded to also include operation of residences for seniors, electronic medical report services, personal care services and support for associated hospitals.

Our mainstay home medical services business centers on our home nursing services, which are provided through a network of 34 visiting nurse stations. Our highly skilled nurses visit homes to provide expert services under the direction of patients' physicians. Our pharmaceutical dispensing and home delivery service involves the filling of prescriptions, the delivery of medications, medical supplies and hygienic supplies to patients at home, and advice to patients.

Our highly rated SECOMFORT series of residences for seniors, established in response to needs engendered by Japan's superaged society, brings together our expertise in security, medical service and personal care. These residences are designed with the concept of "comfortable aging," that is, providing living environments that enable people to age with grace and serenity. We also operate the Alive Care Home series of small-scale nursing homes, which provide access to extensive healthcare services, day service centers and home personal care services.

To help hospitals increase operating efficiency and provide better-quality care, we offer Hospi-net, a remote image diagnosis support service, whereby magnetic resonance imaging (MRI), computerized tomography (CT) and other images are transmitted from hospitals to our Hospi-net Center, where they are examined by diagnostic experts who provide consultation services. We also provide the cloud-based SECOM Ubiquitous Electronic Medical Report (EMR) system, which is linked to a SECOM data center, ensuring the safety and security of medical records and facilitating the sharing of data among members of the patient's care team, thereby contributing to effective community medical care.

■ Alive Musashino Gotenyama

In Japan, a new comprehensive community-based healthcare framework has been put forward with the aim of ensuring that seniors remain connected with the local community. We recently opened Alive Musashino Gotenyama, an Alive series facility developed in line with this framework. The facility incorporates numerous features that contribute to the local community, including an area dedicated to interaction with neighbors.

Alive Musashino Gotenyama

Home nursing services

Home Medical Services
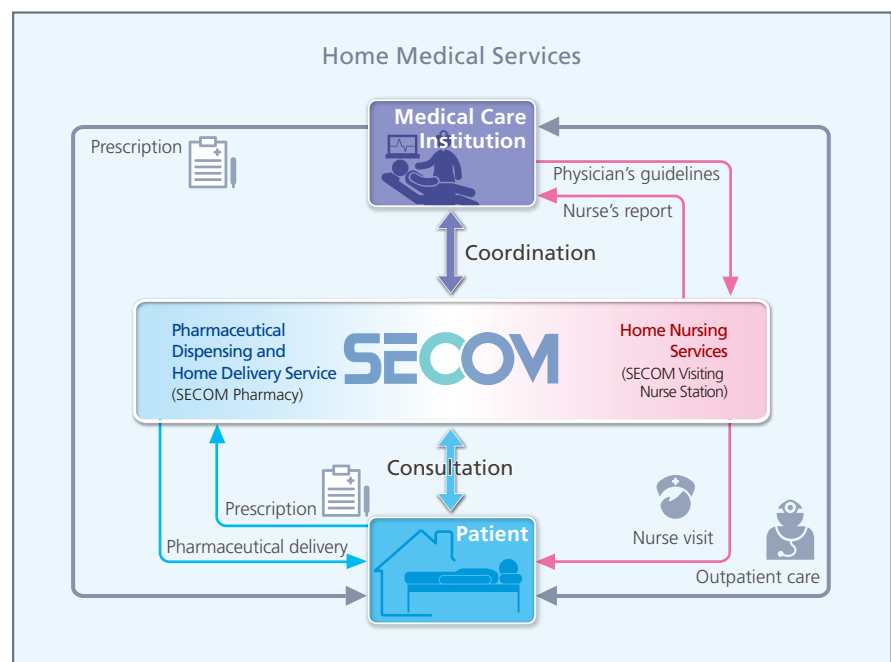
Insurance Services

We continue to leverage the comprehensive capabilities of the SECOM Group to develop and sell distinctive insurance policies.

■ **MEDCOM unrestricted cancer treatment policy: Comprehensive coverage to address diverse needs, underpinning growth in subscriptions**

MEDCOM is an unrestricted cancer treatment policy that provides full coverage for all hospitalization and medical treatment costs, both those covered under Japan's National Health Insurance (NHI) scheme and those for which the patient usually bears the burden. Policies that pay a per diem amount for medical expenses based on the number of days hospitalized are the most common type of cancer treatment insurance available. As a non-life insurance provider, we developed a product that provides coverage similar in nature to unlimited personal injury protection, an extension of automobile insurance, enabling subscribers to focus on treatment without having to worry about the economic implications. MEDCOM coverage also extends to outpatient treatment, an increasingly key component of cancer care, providing up to ¥10 million per five-year period. These and other features are reflected in the popularity

of MEDCOM, to which subscriptions continue to increase.

■ **Extensive coverage attracts support for SECOM *Anshin* My Home**

Our diversification into non-life insurance arose from our conviction that augmenting security services, which are preventative by nature, with insurance, which looks after people in the event of a fire or theft, was a way to further enhance safety and peace of mind. One of our highly rated non-life insurance policies is SECOM *Anshin* My Home, a policy for residential customers that offers a discount on premiums to subscribers who have installed on-line security systems, taking into account the fact that such systems mitigate the risk of theft and fire. This policy also offers discounts on premiums for houses that have exclusively electrical appliances and for houses less than 10 years old, recognizing both as factors that lower the risk of fire. Another reason for the policy's popularity is the fact that it provides a variety of services, such as

organizing the replacement of windows and keys in the event of loss or destruction, as well as coverage for security upgrades, including the purchase of fire extinguishers, further enhancing peace of mind. With the growing popularity of on-line security systems, subscriptions to SECOM *Anshin* My Home are also rising. We will continue striving to further expand sales. We are also seeing expanded sales of the Security Discount Fire Policy, a similar policy for commercial customers that offers a discount on premiums to companies that have installed on-line security systems.

■ **SECOM *Anshin* My Car is backed by support from emergency response personnel**

Another attractive SECOM non-life insurance policy is SECOM *Anshin* My Car, an automotive insurance policy that includes around-the-clock access to on-site support by SECOM emergency response personnel in the event of an accident.

In addition to conventional approaches, we continue working to boost sales of our various non-life insurance policies by marketing them through banks and over the Internet.

A call center operated by
Secom General Insurance Co., Ltd.

Headquarters of
Secom General Insurance

SECOM *Anshin* My Car on-site support

Geographic Information Services

**In line with its vision, "Measuring the world to create the future,"
Pasco is working to offer distinctive geospatial information services in promising
new business domains.**

■ Supporting self-driving systems using the MMS

Subsidiary Pasco Corporation collects geographic data from satellite images, aerial photography, and vehicle/ground and shipborne surveying, which it integrates, processes and analyzes to provide geospatial information services.

Pasco uses the vehicle-mounted Mobile Mapping System (MMS) for the collection of high-precision 3D spatial information data to create highly accurate basic maps for roads managed by local authorities. 3D mapping technologies are also attracting attention for use in the creation of high-precision 3D road maps (dynamic maps) crucial to the realization of a self-driving system. We are working to achieve commercialization of technologies for this purpose through a new joint venture.

■ Responding to the increasing number of projects using the i-Construction program

In April 2016, Japan's Ministry of Land, Infrastructure, Transport and Tourism launched the i-Construction program, an initiative aimed at creating a construction system incorporating ICT, among others. This will involve promoting the use of drones for measuring, with the resulting 3D data used to formulate plans for engineering and execution, as well as the use of ICT equipment to reduce labor requirements for execution and testing. With use of the i-Construction program expected to expand not only for civil engineering, but also for waterway management and the removal of sediment from riverbeds, Pasco is stepping up efforts to expand orders for its 3D mapping technologies to help improve on-site productivity for such projects.

■ Providing integrated services that help advance the forestry industry

In Japan, declining populations and the rapid aging of society in rural mountainous areas have resulted in an increasing number of cases in which confusion over property ownership and boundaries in forested areas has hindered efforts by forestry companies to improve productivity. Pasco is providing integrated services encompassing the use of measuring technologies to clarify such matters, cloud-based information sharing and forestry management consulting to companies in the forestry industry, thereby helping to advance the industry.

■ Services designed to enhance productivity in the logistics sector

Japan's logistics industry is currently facing a number of key challenges, including a critical labor shortage and the rising age of drivers. By incorporating information on road networks, positioning of trucks on roadways, and the experience of dispatchers and drivers into a proprietary system, Pasco helps logistics firms enhance productivity by increasing transport efficiency.

Pasco will continue to foster demand for its services by properly identifying and responding to increasingly diverse and sophisticated needs. The company will also take decisive steps to offer distinctive geospatial information services in promising new business domains.

The vehicle-mounted MMS and 3D coordinate data

3D terrain models created using data collected by drones (i-Construction project)

Aerial image used to analyze distribution of harvested timber and tree heights in forested areas

Information and Communication Related Services

Placing a high priority on security, we are working to address the needs for safety and peace of mind in an increasingly networked society.

■ Introducing the SECOM Premium Net Remote Browser

Recent years have brought an increase in the incidence of targeted cyber attacks at companies and government offices involving the insertion of viruses into servers and computers to steal confidential information. To protect information from such threats, we began providing the SECOM Premium Net Remote Browser. This service facilitates web access using a browser isolated in a virtual environment within a SECOM data center facility. Viruses and cyber attacks are thus contained, preventing them from infiltrating customers' computers. We also confirm the safety of files downloaded from the Internet before passing them on to customers to keep suspicious files out.

■ Providing diverse services that increase operating efficiency

SECOM Cloud is a system allowing subscribers to store data at a highly secure SECOM data center facility that is accessed via a network. The SECOM *Anshin* My Number Service is a comprehensive support service that enables companies to collect, manage and, when necessary, use and destroy their employees' My Number (personal social security and tax number system) information. The SECOM *Anshin* Employee Attendance Management Service is an internet-based system that facilitates the efficient management of employee time clock, attendance and other labor-related data. The e-*Kakushin* Schedule service, which can be linked to the SECOM *Anshin* Employee Attendance Management Service, capitalizes on expertise gained through the provision of around-the-clock security services to reduce the time required to prepare shift schedules. The SECOM Electronic Acceptance Service transforms notices of employment into electronic format, facilitating the simultaneous distribution of multiple documents and enabling employees to indicate acceptance from their computer or smartphone. We continue to see growth in the number of companies introducing these services, which promise to help boost operating efficiency.

■ An expanding menu of services for coping with disasters

The frequency of earthquakes and other natural disasters in Japan is encouraging companies to reassess their BCPs. We provide a number of services that assist in these efforts. The SECOM Safety Confirmation Service helps subscribers ascertain the safety of employees and their families in the aftermath of a disaster and assess the situation on the ground. This system has earned solid marks from users and is one of Japan's leading disaster management support systems. We have further enhanced the convenience of this system by facilitating its use via the messaging feature of communications apps. We also offer the Real-Time Disaster Information Service, whereby the SECOM *Anshin* Information Center collects and scrutinizes disaster-related information, enabling it to support subscribers' decision making regarding business continuity. We will continue working to broaden and diversify our menu of services for coping with

A SECOM data center facility

SECOM Safety Confirmation Service

disasters, thereby enhancing our ability to respond effectively to the evolving safety and security needs of customers.

■ Providing security for the IoT

In recent years, we have seen an increase in security breaches involving attackers taking over connected devices and using them as a springboard to access a company's servers and other equipment. We have begun working with a leading semiconductor manufacturer to ensure the reliability of information exchanged among devices on the IoT. Our partner will provide technologies for incorporating confidential information into the semiconductors mounted in devices, while we will contribute technologies that ensure the security of information through the issuance of digital certificates, physical security, stringent operational standards and expertise in key management, among others.

In response to rising demand for improving the security of "things," we will continue to offer services that improve the safety and security of IoT devices to enhance comfort and convenience for users.

Real Estate and Other Services

In this business, we provide high-grade condominiums and lifestyle support services.

■ Sales begin for the Glorio Comfort line of compact secure condominiums

In line with our goal of providing living spaces that deliver safety and peace of mind, we develop and sell condominiums under the Glorio brand. We also provide extensive after-sales services to residents. In response to rising demand for compact condominiums, we recently launched the Glorio Comfort series. We also stepped up efforts to expand sales. Of note, we opened a secure condominium showroom that enables people to experience the safety, security, comfort and convenience, of our Glorio-branded condominiums.

■ Expanding lifestyle support services to meet the growing needs of seniors

We currently offer the SECOM My-home Concierge Service, a region-specific membership-based service designed to support seniors who wish to remain in their own homes. This service is made possible through collaboration with other companies, as well as with local authorities, which allows us to help seniors and their families resolve everyday issues of concern.

Our lifestyle support services also include SECOM Home Service, an optional suite of services available to SECOM Home Security subscribers with a diverse menu that enables us to tailor packages to customer needs. These include the Housework Support Service, which provides help with housecleaning, and the *Anshin* Support Service, whereby we assist subscribers by, for example, patrolling around their homes when they are out.

Glorio Comfort Bunkyo Hon-Komagome (Tokyo)

Glorio Den-en-chofu (Tokyo)

SECOM Home Service