

# The SECOM Group's Vision for 2030

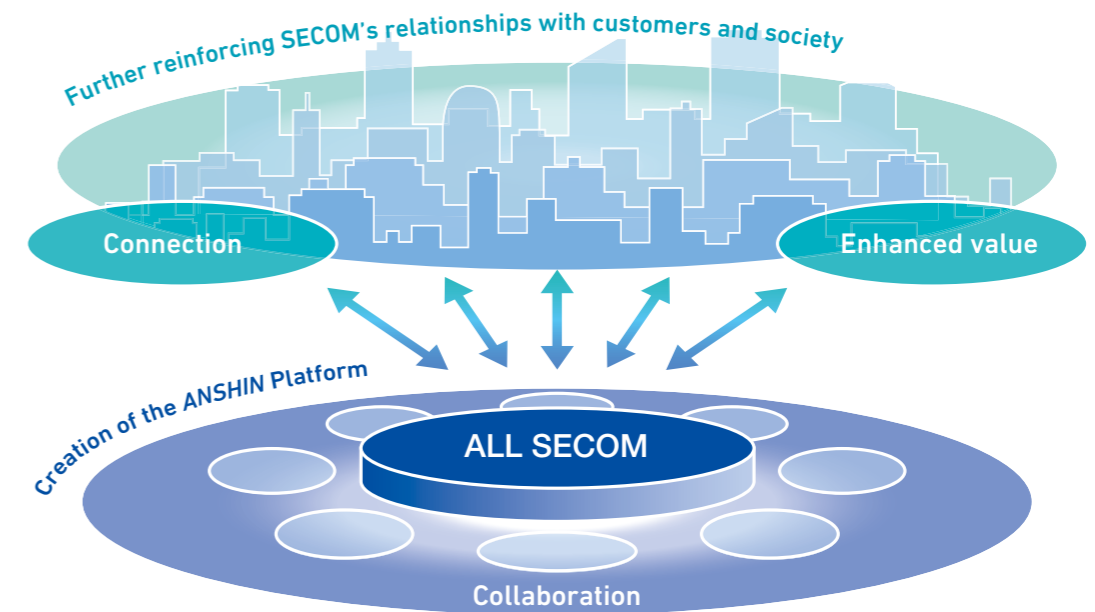
Operating in an environment characterized by significant upheaval, dramatic change, and rising uncertainty, we are proceeding with initiatives aimed at realizing the SECOM Group's Vision for 2030 and the SECOM Group Road Map 2022

## Conceptual framework of the ANSHIN Platform

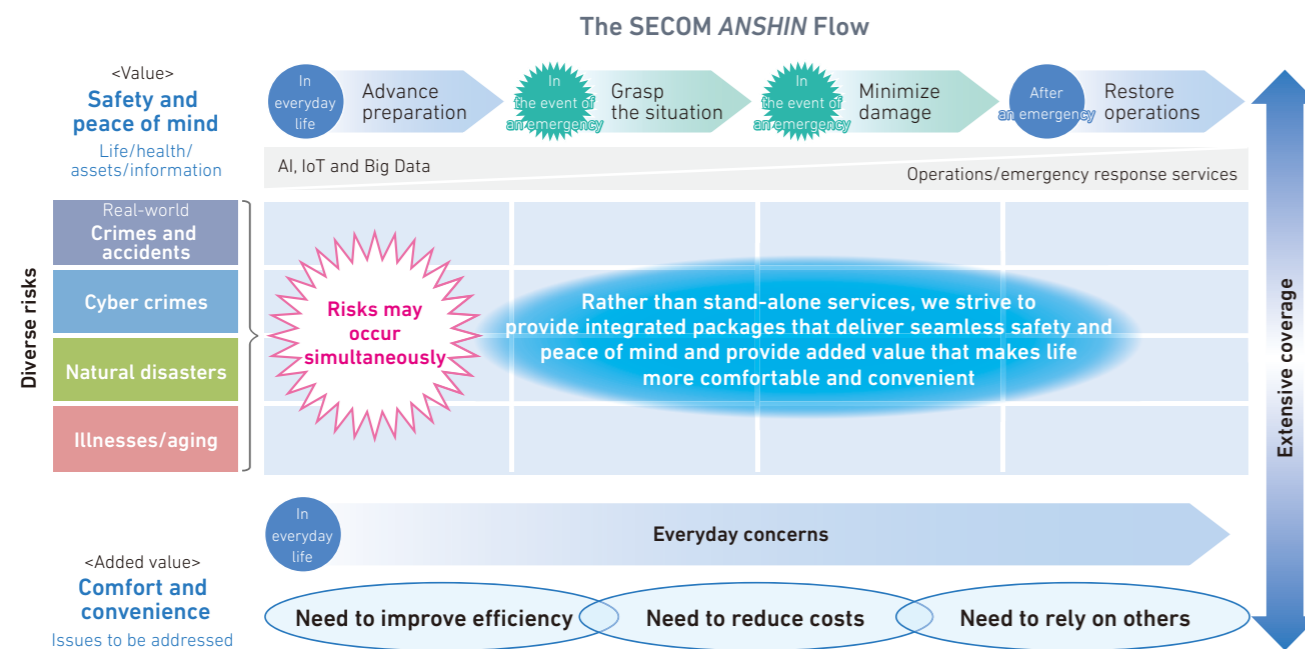
Guided by the SECOM Group's Vision for 2030, formulated in May 2017, we are working to create the ANSHIN Platform, a service infrastructure through which we strive to provide services that deliver seamless peace of mind for anyone and everyone whenever and wherever necessary.

Anchored in the relationship of trust that we have cultivated with society, the ANSHIN Platform seeks to provide peace of mind to people in their everyday lives, as well as to society as a whole through collaboration with partners in industry, government and academia who share our mission to help achieve a society free from concerns and who have diverse technologies and expertise.

For both companies and individuals, the occurrence of an unanticipated crime or disaster can interrupt daily rhythms. For companies, productivity can fall sharply. Moreover, the greater the damage is, the longer it takes to recover. Society faces significant risks associated with crimes, accidents, cyber crimes, natural disasters, illnesses and aging. In addition to recognizing the importance of routine advance preparation, we provide comprehensive services designed to address potential risks by helping customers accurately grasp conditions, minimize impact and achieve restoration. These four approaches, which comprise what we call the SECOM ANSHIN Flow, enable us to provide seamless peace of mind.



## The ANSHIN Platform Service Infrastructure



## Strategies for creating the ANSHIN Platform

To create the ANSHIN Platform, we are currently promoting initiatives in line with four core strategies. The "ALL SECOM" strategy focuses on rallying SECOM Group strengths to maximize synergies. Through our "Collaboration" strategy we are endeavoring to promote open innovation and create new value by integrating the business ideas and technologies of various partners who share our mission. Our "Connection" strategy emphasizes leveraging Big Data analysis, which makes use of advanced information technologies, to respond to latent needs and strengthen our relationships with customers, while our "Enhanced value" strategy revolves around addressing everyday concerns by adding greater value to services that make life more comfortable and convenient.

## Targeting sustainable growth: Devising the SECOM Group Road Map 2022

In May 2018, we introduced the SECOM Group Road Map 2022, devised using backcasting,\* to clarify the challenges we must address to achieve the SECOM Group's Vision for 2030. In the road map, we have positioned responses to technological advances and a declining labor force—both of which become threats for both companies and society in general—as priority issues. We believe that evolving needs for solutions to these issues will lead to major business opportunities that will allow us to contribute to the improvement of social productivity.

\*Backcasting is a planning method that starts with envisioning a desirable future and working backward from there to identify steps necessary to attain that future.

### The challenge of service innovation

Our fundamental commitment is to offer services that anticipate what is needed to ensure sustainability for society, rather than simply providing services that will sell in any market. This is why people and technology will always be given top priority. Looking ahead, we will continue working tirelessly to enhance our ability to make effective use of these intangible assets, as well as to promote service innovation that helps create new value.

Technological advances have brought an increase in the variety of connected devices. This is driving a variety of profound changes, including the expanded use of drones and robots, the increasing prevalence of unattended retail facilities and cashless transactions, and the rising popularity of smart homes. Such changes are expected to push up demand related to the need for security in a connected society, which involves the fusion of physical and cyber security.

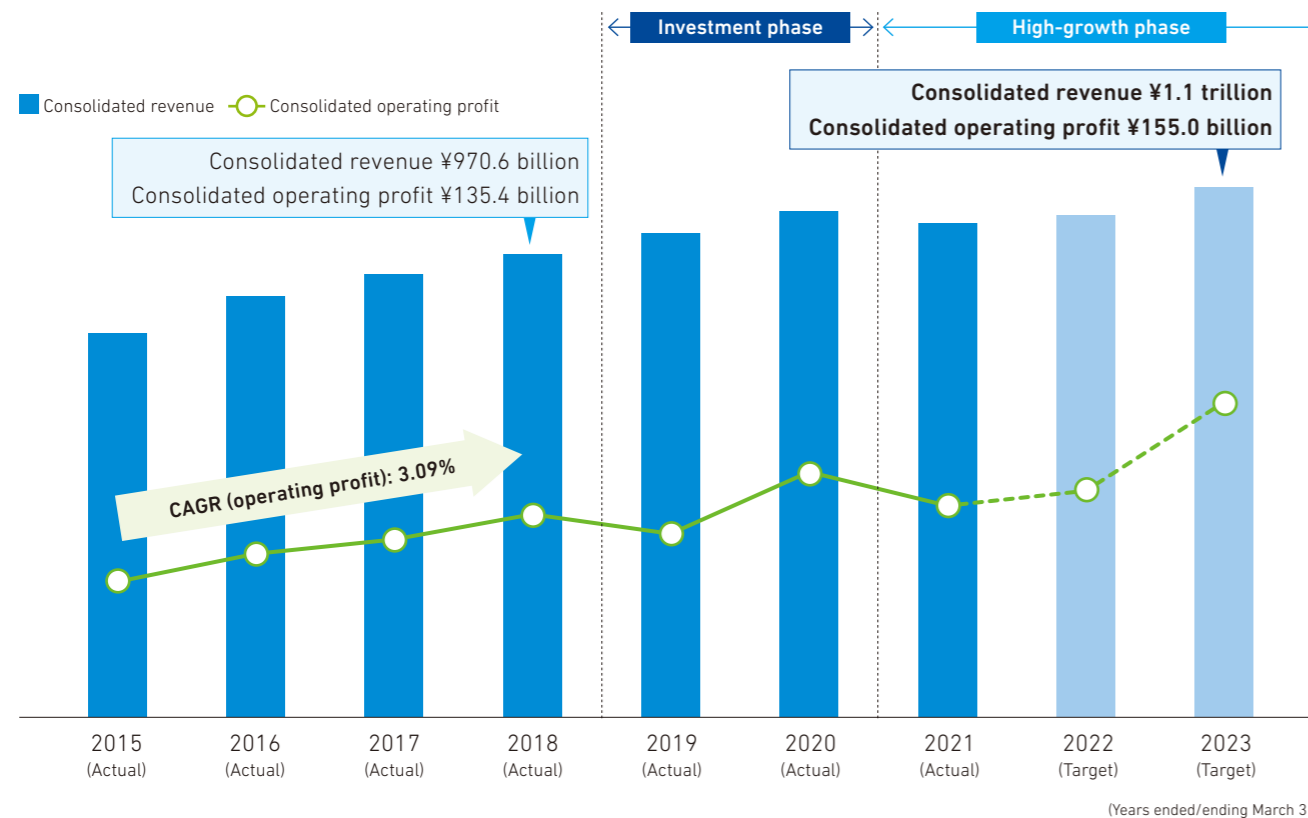
Owing to a declining labor force, companies face growing pressure to outsource noncore functions, which enables them to concentrate on core businesses. With the rising prevalence of families in which both parents work outside the home, we are also seeing an increase in demand related to the care of children and seniors. In response to expanding demand related to the need to rely on others, we will continue working to extend distinctive services that deliver safety and peace of mind and make life more comfortable and convenient.

In addition, we are actively allocating funds to efforts to develop innovative services and products that respond to needs engendered by technological advances and a declining labor force, as well as to replace existing subscribers' security equipment with new models compatible with new technologies.

Our investments to enhance human resources emphasize the reinforcement of critical capabilities. In particular, we are stepping up efforts to attract IT specialists and individuals with global business skills. In addition, we are investing to ensure employees can fulfill their potential, including in the creation of positive working environments and efforts to enhance various training programs, to bolster job satisfaction.

### SECOM Group Road Map 2022

Targets for the fiscal year ending March 31, 2023 (Japanese GAAP) (Provided for reference only)



The spread of COVID-19 has brought fundamental changes, including those related to the advance of digitalization and the use of ICT. We will continue to drive efforts to respond to evolving demand in diverse areas related to the pandemic, as well as to help resolve emerging social issues.

### Investments in growth and DX

Recognizing that responding to demand arising from an increasingly connected society and from the need to rely on others would require us to change ourselves significantly—a process we dubbed “SECOM-Transformation”—we are promoting focused outlays in the areas of systems and human resources.

Investments in systems center on internal DX, the objective of which is to improve service quality and productivity. The business systems of a security services company involves a variety of unique administrative processes. We are reviewing these processes, as well as integrating and reinforcing currently independent, business-specific systems, to heighten efficiency, as well as upgrading our administrative IT systems to facilitate comprehensive services. We expect these measures to expedite the execution of business and the provision of services and significantly improve the efficiency of administrative procedures. We are also investing in areas that help increase the precision and efficiency of our operations, including AI, the IoT and RPA, with the aim of boosting productivity. In

### Achieving the goals of the SECOM Group Road Map 2022

In Japan, we will develop and deploy new services that build on investments to date and work to boost productivity. Overseas we will continue to expand the variety of services we offer, particularly in the ASEAN member states, as well as to actively enter promising new markets. We have also allocated ¥200 billion from equity over five years (April 1, 2018–March 31, 2023) for M&As. During this period, we will seek to invest in key growth businesses, namely, physical security, cyber security, BPO and ICT services, and healthcare, as well as in start-ups with advanced technological capabilities, both in Japan and overseas. In addition, we will take active steps to respond to needs arising from COVID-19. Through these and other decisive efforts, we will strive to continue improving our operating performance, making steady progress toward achieving the targets set forth in the SECOM Group Road Map 2022.