

# SECOM Sustainability Accounting Standards Board Disclosure

SECOM SASB Report

For the fiscal year ended March 31, 2024

The information in this report is as of March 31, 2024 or for the fiscal year ended March 31, 2024, unless otherwise stated.



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SECOM CO., LTD. strives to create services and systems that deliver safety and peace of mind, as well as make life more comfortable and convenient, whenever and wherever necessary, for anyone and everyone. Accordingly, the Company is pushing forward with efforts to realize its Social System Industry vision, which describes a framework of distinctive, integrated services and systems.

In line with fulfilling our responsibility to society through our business activities as set forth in the Constitutions of SECOM Group, we are working towards solving various social issues and enhancing corporate sustainability, acknowledging the importance of sustainability for ourselves and for society.

We also strive to disclose environmental, social, and governance (ESG) information, and in addition to our Integrated Report (SECOM Report) and online Sustainability Report, we have prepared this report in accordance with the disclosure standards of the Sustainability Accounting Standards Board (SASB) to communicate our initiatives to the stakeholders.

SECOM will continue to strive to provide stakeholders with easy-to-understand information on sustainability going forward.

# SECOM SASB Index

This is a SASB report on SECOM CO., LTD. (“the Company”), and the contents do not include information on its consolidated subsidiaries, unless otherwise stated. SECOM delivers safety and peace of mind through a variety of services, including on-line commercial and home security systems. SECOM is aiming to realize its Social System Industry vision together with Group companies that encompass security services, fire protection services, medical services, insurance services, geospatial information services, business process outsourcing and information and communications technology (BPO and ICT) services, and other services. Its consolidated revenue for the fiscal year ended March 31, 2024 was ¥1,154.7 billion.

## Professional & Commercial Services Sector Sustainability Indicators

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TOPIC	CODE	ACTIVITY METRIC	DATA
ACTIVITY METRIC	SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	(1) Full-time employees: 13,767 (2) Temporary employees: 1,159 (3) Contract employees: 1,905
	SV-PS-000.B	Employee hours worked, percentage billable	Employee hours worked: 31,940,073 Percentage billable: N/A*

\*Because billing for electronic security services, our principal business, is based on fixed monthly fees, not hourly fees, “percentage billable” is not applicable.

## **Data Security**

### **SV-PS-230a.1**

#### **Description of approach to identifying and addressing data security risks**

##### ■ Policy and system for promoting information security

With the rapid spread of IT, new value is being created in various fields. Yet at the same time, information security risks have risen significantly, as can be seen from the increasing sophistication of cyber attacks. Any leaks of personal or confidential information entrusted to us by a customer for whatever reason, has the potential not only to seriously hinder our ability to provide security services, but also to cause various damage or adversely impact the customer, and result in the forfeiture of our brand image and reputation for reliability. Together with compliance, the SECOM Group views information security as a matter of utmost importance, viewing them as fundamentals of our management. Accordingly, we have created and maintain a robust information security system.

The SECOM Group has established the SECOM Group Information Security Basic Policy based on the confidentiality stipulated in the SECOM Group Code of Employee Conduct (refer to SV-PS-510a.1), in order to guide our efforts to promote stringent information security. When we outsource work, we also require subcontractors to adhere to the spirit of the SECOM Group Information Security Basic Policy, enter into appropriate contracts and provide guidance and supervision to them.

For the promotion and supervision of information security for the SECOM Group as a whole, we have put an executive officer in charge of information security for the Company, who is responsible to the President and Representative Director of the Company. In addition, executive officers in charge of each business area have been made responsible for information security-related matters for their particular business area, as well as for collaborating with the executive officer in charge of information security to report on issues and presenting proposals to the President and Representative Director of the Company when necessary.

##### ■ Reducing information security risks

We have implemented powerful security measures to reduce risks associated with information leaks and cyber attacks. In addition, we have compiled a set of detailed rules that employees must follow in their daily work, which serve as our information security rules. We work to ensure that all employees of the SECOM Group comply fully with them, regardless of employment format. The information security rules include rules governing the use of personal computers and cellular telephones that must be protected for confidentiality reasons, the storage and carrying of information, as well as steps to be taken when an information security-related incident arises or a violation of any information security rule is discovered.

Information system controls and audits are the responsibility of the department in charge of information security and are conducted independently, fairly, and thoroughly, in accordance with policies formulated based on SECOM standards and Japan's Information Security Management System (ISMS) standards under the guidance of the executive officer in charge of information security.

We conduct regular assessments of vulnerability to external cyber attacks. Furthermore, the department

in charge of information security monitors information systems around the clock to ensure we are prepared to respond to risks, including those related to large-scale disasters and cyber attacks, and implements the necessary response in times of emergency. We have also enhanced the cyber attack monitoring system with the introduction of AI (Artificial Intelligence). Amid a global rise in cyber attacks, efforts are being made to ensure stable operations by reinforcing facilities at data centers, enhancing security of network devices, and further strengthening operations including monitoring and responses. Going forward, we will continue to promote, operate, and manage information security more rigorously.

In order to enhance security of the information management systems, the following companies in the SECOM Group have obtained ISO/IEC27001\*<sup>1</sup> and JIP-ISMS517-1.0\*<sup>2</sup> certifications.

\*1 ISO/IEC27001: International standard related to ISMS (information security management system)

\*2 JIP-ISMS517-1.0: Third-party certification for cloud security applicable to the provision and use of cloud services, serving as a complement to ISO/IEC27001 certification

#### Companies obtaining ISO/IEC27001 (information security) certification

Certified entities	Certificate number	Certification date
Pasco Corp.	IS672142	December 16, 2002
Secom Trust Systems Co., Ltd.	I373	March 20, 2003
TMJ Group	JUSE-IR-239	March 15, 2004
Secom Sanin Co., Ltd.	IS630414	August 6, 2004
Asahi Security Co., Ltd.	01438-2005-AIS-KOB-ISMS-AC	September 28, 2005
At Tokyo Corp.	I121	April 6, 2006
GIS Hokkaido Co., Ltd.	JSAI067	February 22, 2007
SECOM CO., LTD.	I380	December 1, 2016
Secom Medical System Co., Ltd.	JQA-IM1612	April 12, 2019
Secom plc (United Kingdom)	SNR47761555/98/I	February 5, 2019
Secom Aktif Elektronik Güvenlik Çözümleri A.S. (Turkey)	B0852	August 24, 2020
PT. Secom Indonesia (Indonesia)	50629/B/0002/UK/En	October 3, 2023

\*As of the end of March 2024. The scope of certification and certified offices differ between companies.

#### Companies obtaining JIP-ISMS517-1.0 (cloud security) certification

Certified entities	Certificate number	Certification date
Pasco Corp.	CLOUD675160	November 20, 2017
Secom Trust Systems Co., Ltd.	U010	March 7, 2019

\*As of the end of March 2024. The scope of certification and certified offices differ between companies.

## **SV-PS-230a.2**

### **Description of policies and practices relating to collection, usage, and retention of customer information**

The SECOM Group Code of Employee Conduct (refer to SV-PS-510a.1) states that all information obtained in the course of business is confidential and must not be leaked, a stipulation with which all executives and employees must strictly comply. Furthermore, we obtain, use, and provide personal information in an appropriate manner, taking into account the nature and scale of our business. We do not handle personal information beyond the scope necessary to achieve the purposes of use, and we take measures to this end.

With respect to the handling of personal information held by SECOM, we comply with laws and regulations as well as guidelines prescribed by the Japanese government and other norms relating to the handling of personal information. We have established and comply with our Privacy Policy, as well as the SECOM Group Information Security Basic Policy and information security rules as internal regulations, and are working to protect personal information. We strive to prevent leakage, loss, and damage of the personal information we handle, through employee training and efforts to promote awareness as well as by ensuring stringent management, in addition to taking safety control measures such as implementing necessary and appropriate security steps. If improvements are required, we promptly make corrections and take preventive action. For example, all employees are required to participate in e-learning programs and tests annually to confirm understanding of and adherence to basic procedures and rules. The internal audit departments conduct periodic inspections of the handling of personal information, data management, organization and access control at each site. In addition, we have established a contact point for queries regarding the handling of personal information and for complaints and consultations regarding our system for managing and protecting personal information, facilitating swift and appropriate responses.

The Company and the following Group companies have been granted certification under Japan's PrivacyMark by the Japan Information Processing and Development Center (JIPDEC). The PrivacyMark is granted to businesses that handle personal information appropriately under a personal information protection management system that complies with JIS Q 15001\*.

\*JIS Q 15001 refers to the requirements for personal information protection management systems.

## Companies obtaining the PrivacyMark certification in the SECOM Group

Certified entities	Certificate number	Certification date
Pasco Corp.	10840089	November 15, 2005
Secom Medical System Co., Ltd.	14700024	January 10, 2006
Secom Sanin Co., Ltd.	17000020	March 10, 2006
GIS Kanto Co., Ltd.	10840026	-
Senon Ltd.	10860733	June 6, 2006
Secom Trust Systems Co., Ltd.	10821728	September 20, 2006
Secom Jastic Sanin Co., Ltd.	17000065	January 23, 2007
Secom Tech Sanin Co., Ltd.	17000023	January 23, 2007
TMJ, Inc.	10861262	March 13, 2007
Higashi-Nihon Sogo Keikaku Co., Ltd.	10840331	-
At Tokyo Corp.	21000056	November 12, 2007
Secom Kochi Co., Ltd.	17000364	November 10, 2009
SECOMCO., LTD.	17000663	December 20, 2010
Secom Joshinetsu Co., Ltd.	17000722	March 7, 2011
Secom Jastic Joshinetsu Co., Ltd.	17000826	July 3, 2011
Secom Yamanashi Co., Ltd.	17001027	February 6, 2012
Secom Tosec Co., Ltd.	10862517	November 14, 2016
Secom Mie Co., Ltd.	17003249	March 20, 2018
Secom Miyazaki Co., Ltd.	17003250	March 20, 2018
Nittan Co., Ltd.	17003383	September 4, 2018
Secom Jastic Co., Ltd.	17004558	February 7, 2023
Secom Hokuriku Co., Ltd.	17004716	September 20, 2023
Secom Ryukyu Co., Ltd.	17004843	April 16, 2024

### SV-PS-230a.3

#### **(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected**

In the fiscal year ended March 31, 2024, there were no incidents concerning breaches of customer privacy, leakage, theft, or loss of customer data. Also, there were no administrative directives, or complaints by external parties.

**Workforce Diversity & Engagement**

**SV-PS-330a.1**

**Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees**

■ Diversity policies and initiatives

Recognizing the importance of welcoming a broad spectrum of individuals with wide-ranging ideas for the creation of new value, we actively promote diversity in our labor force, including by advancing career opportunities for female employees, led by the Human Resources Department under the executive officer in charge of human resources. We have formulated the following targets aimed at achieving “Employee self-realization and diversity,” which is one of the material sustainability issues.

KPIs	Targets	Target years
Female managers as a percentage of total management team	30%	2030
Gender pay gap	85%	2030
Percentage of male employees taking childcare leave	50%	2025

[Initiatives up until now]

- April 2013: Announced the Declaration for Women’s Active Participation in the Workplace to raise awareness among all employees, regardless of gender
- June 2013: Launched the Council on Promoting Women’s Participation in the Workplace, a dedicated section for considering and promoting systems and measures necessary for active participation of women
- March 2016: Formulated the Action Plan for Fostering Career Opportunities for Female Employees with the main goals of creating positive working environments conducive to active participation by female employees and increasing the number of female managers
- October 2017: Established the Declaration of Promoting Diversity and Inclusions (see below), and assigned diversity and inclusion staff to the Human Resources Department. Promotes the creation of positive working environments that respect each and every diverse employee to maximize the capabilities of all employees regardless of gender, nationality, age, physical ability, sexual orientation or gender identity.
- April 2021: Formulated the new Action Plan for Fostering Career Opportunities for Female Employees (next page)

**Declaration of Promoting Diversity and Inclusions**

- Guided by a disciplined corporate culture rooted in SECOM’s Philosophy, we respect differences and prioritize diversity in our human resources.
- We aim to be an organization in which all employees can work with drive, vitality, confidence and pride.
- We consistently pursue the creation of innovative value by supporting employee growth and enhancing synergies among the various strengths of individual employees.

## Action Plan for Fostering Career Opportunities for Female Employees

Date of formulation: April 1, 2021

As a corporation that provides society with safety and peace of mind, SECOM has formulated the following action plan to create working environments where female employees can work with drive and vitality, and are free from anxiety.

### 1. Period

April 1, 2021–March 31, 2026

### 2. Issues at SECOM

- Low ratio of female employees in management positions (especially section managers or higher)
- Lower average length of service of female employees than that of male employees

### 3. Objectives

- Increase the number of female employees at manager level\*<sup>1</sup> to at least 200 and at supervisor level\*<sup>2</sup> to at least 400.

\*1 Manager level: corporate headquarters, assistant manager or higher / regional headquarters and regional office, manager or higher

\*2 Supervisor level: regional headquarters and regional office, supervisor

- Expand the scope of jobs available to women and increase the number of female employees by more than 500 from 2,396 in 2016 (the year the previous management plan was formulated).
- To prevent harassment, provide online training for all employees once annually and training for newly appointed regional office general managers at least once.
- Extend the average length of service of female employees by more than one year from 12.2 years in the fiscal year ended March 31, 2020.
- Increase the percentage of annual paid vacation days taken by employees by more than 10% from 53.2% in the fiscal year ended March 31, 2020.

### 4. Contents of initiatives

#### ■ Initiative 1: Active development of female leaders

In 2016, we partially revised our job qualification system based on seniority and transitioned to a system where appointments to official posts could be made more flexibly, resulting in a steady increase in female managers. Going forward, we will continue to promote and strengthen this direction in our initiatives and foster female leaders by increasing the number of female managers.

#### ■ Initiative 2: Expanding the scope of jobs available to female employees

We have been expanding the scope of jobs available to female employees to the sales of electronic security services and security products to business customers, as well as security service operations including control center work that operates security responses.

We expect an increase in the number of female employees as well as an increase in managers with broad perspectives by having experienced a wide range of jobs.

#### ■ Initiative 3: Creating positive working environments for female employees

##### (1) Initiatives to prevent harassment

Annual e-learning programs for all employees and training for newly appointed regional office general managers will be provided at least once. A dedicated consultation desk for various types of harassment has been established.

##### (2) Initiatives to promote work-life balance

###### 1) Shorter working hours for childcare:

Applied to employees who have children who have not yet entered the second grade of elementary school (at fiscal year-end) (Exceeds legal requirement, which is children under the age of three).

###### 2) Life Support Program:

Supports flexible work styles specific to the situation of the individual such as childcare (after the application of the shorter working hours system has ended) and nursing care.

In addition to the initiatives set forth in the Action Plan for Fostering Career Opportunities for Female Employees, we are a member of the nonprofit organization Japan Women’s Innovative Network (J-Win) to actively foster female leaders. We dispatch two female employees every year to participate in J-Win programs, which are aimed at cultivating skills and helping female employees build networks.

Furthermore, we have the following systems for childbirth, childcare and nursing care to provide support for employees that corresponds with their circumstances.

- Maternity leave: Available for the six weeks prior to and eight weeks after giving birth. Moreover, as a system unique to SECOM, employees who wish to start their maternity leave earlier can take an additional two weeks prior to giving birth.
- Childcare leave: Can be taken up until the day before the child’s third birthday. Both female and male employees can take the leave in up to three batches, exceeding the legal requirement.
- Change in working hours/exemption (shorter working hours) for childcare: Available within certain restrictions on request to employees who are pregnant or have children who have not yet entered the fifth grade of elementary school (exceeds legal requirement, which is children under the age of three). From the fiscal year ended March 31, 2024, the applicable scope of this system have been expanded.
- Nursing care leave or change in working hours/exemption (shorter working hours) for nursing care: Full leave or adjusted working hours for up to six months (maximum of 186 days) for employees providing nursing care to a family member and wish to return to work full-time after conclusion of nursing care provision
- SECOM Life Support Program: Allows employees to temporarily change work style and/or location to which they are assigned to provide childcare or nursing care or to accompany a spouse who has been transferred overseas and provides support for long-term career advancement
- Job Return Program: Enables employees who have been with the Company for more than one year but left employment at the Company for unavoidable reasons such as childbirth, childcare, or nursing care, as well as employees who left to pursue further studies, study overseas, change jobs, or advance their careers in other ways, to apply to return to work

Through the above initiatives, in the fiscal year ended March 31, 2024, we achieved our target of increasing the number of female employees at supervisor level to at least 400, as per our Action Plan for Fostering Career Opportunities for Female Employees. We are also steadily approaching our target for the number of female employees at manager level. We have appointed female employees to management positions in the home security services business’ sales departments and in site administrative departments, and to the position of manager at security services offices in April 2023. This has brought the total number of female managers at our security services offices to seven.

Percentage of labor force by gender at the Company as of March 31, 2024 is as follows:

	Male	Female
<b>Executive management</b>	88.3%	11.7%
<b>Other</b>	80.1%	19.9%
<b>Total</b>	82.8%	17.2%

## SV-PS-330a.2

### (1) Voluntary and (2) involuntary turnover rate for employees

The turnover rate for employees at the Company during the fiscal year ended March 31, 2024 is as follows:

Year ended March 31, 2024	
Voluntary turnover	6.2%
Involuntary turnover	0.0%
Total	6.2%

## SV-PS-330a.3

### Employee engagement as a percentage

#### ■ Employee satisfaction survey

We seek to achieve sustainable growth as a strong, flexible organization that is impervious to the impact of changes in society and the competitive environment. We are thus working to create a virtuous circle, recognizing the importance of enabling employees who share SECOM's Philosophy to demonstrate their potential in a high dimension, which helps improve the services we provide, thereby enhancing customer satisfaction and earning the trust of society, which in turn increases employees' job satisfaction.

In order to realize this virtuous circle, the project team for increasing employee satisfaction, which was launched in 2016, cooperates with other departments to foster a vibrant and healthy corporate culture and to improve employee satisfaction through dialogue.

In addition, since 2016, the Company has conducted an employee satisfaction survey, which is an anonymous survey with multiple-choice questions in six categories. The results of the survey are disclosed to the employees on the intranet and are utilized for the implementation of improvement measures.

Results of employee satisfaction survey (SECOM CO., LTD.)

	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024
Employee response rate	85.5%	77.9%	82.1%	78.5%	74.2%

Categories for the employee satisfaction survey
Whether the employee finds his/her work fulfilling
Whether there is any problem which interferes with performing one's work
Whether the employee is able to work with a positive attitude
Whether the employee receives positive feedback from work partners
Whether there is any problem regarding the amount of work
Whether there is any problem with the salary or welfare benefits at the Company

#### ■ Dialogue with employees through the SECOM Employee Union Federation

Reflecting our policy that the growth of our employees is inextricably linked to our prosperity, the SECOM Employee Union Federation was founded in 1964, two years after the founding of the Company, by employees seeking to ensure sound growth of the SECOM Group. We signed a union membership qualification agreement with the SECOM Employee Union Federation, and became a union shop, meaning that in principle employees automatically become union members when they are hired. As a consequence, our union membership rate for eligible employees is 100%, excluding section managers or higher who are not eligible.

We place a priority on dialogue between labor and management. With the aim of boosting employee morale, building a vibrant and healthy organizational culture imbued with the SECOM spirit and maximizing organizational energy, the management representatives, including the President and Representative Director, meet monthly with directors of the SECOM Employee Union Federation to exchange views. The SECOM Employee Union Federation comprises 59 branches set up in most SECOM Group companies and prefectures, where discussions are held to address issues such as improving workplace environments and operating procedures and ensuring occupational health and safety. The Federation also exchanges views with management through meetings with employees on organizational culture and the SECOM Employee Central Council.

- Meetings with employees on organizational culture: This meeting is held every month, in principle, in regions throughout Japan. Company executives and directors of the SECOM Employee Union Federation, who are employee representatives, engage in frank and unrestrained discussion aimed at improving daily work and the workplace environment in each region. This contributes to the creation of a sound organizational culture.
- SECOM Employee Central Council: Council meetings are held every month, in principle, and are always attended by the President and Representative Director, executive officers and managers in charge of human resources and operations as well as members of the Central Council from the SECOM Employee Union Federation. Opinions are exchanged on nationwide issues which cannot be resolved at meetings with employees on organizational culture held in each region.

## **Professional Integrity**

### **SV-PS-510a.1**

#### **Description of approach to ensuring professional integrity**

##### **■Basic philosophy on compliance at the SECOM Group**

We provide security services, the objective of which is to protect the lives and assets of our customers from legal violations or malfeasance by third parties. As such, we recognize that it is essential that we conduct our duties in good faith and in a manner deserving of the trust of our customers and society. A key feature of the security services business is that the employees who provide services are in a position of regulating others. Because they are in this position of regulating others, employees must also conduct themselves in a disciplined manner, discharging their duties in good faith and in compliance with the letter and the spirit of the law, to earn the trust of customers, which is critical to the security services business. Accordingly, our basic policy has always been to promote systematic measures to ensure all employees' unqualified compliance with the letter and spirit of the law.

##### **■SECOM Group Code of Employee Conduct**

The appropriate attitude and behavioral criteria as a SECOM employee, including The SECOM's (Ten) Principles and The Constitutions of SECOM's Business and Operation, were formulated in accordance with the basic philosophy defined at the time of SECOM's founding. The content of the criteria is universal and appropriate for any era from the perspective of compliance.

Subsequently, with the expansion of our business and the implementation of new laws, in the need of clear understanding among all positions and all employees within the Group, we changed the title of the above in December 2006 to establish the SECOM Group Code of Employee Conduct. The attitude as SECOM Group employees and ways of thinking with regards to compliance, as the base of our business, are indicated in the SECOM Group Code of Employee Conduct. It is included in the pocket-sized guide, together with the appropriate attitude and rules as a SECOM employee.

The SECOM Group Code of Employee Conduct clearly defines specific behavioral criteria and corporate ethics which must be followed by executives and employees during relationships with stakeholders such as the community, customers, or suppliers. We have also defined a code of conduct related to cutting off relationships with anti-social forces, prohibiting corruption and bribery, and complying with related laws. For example, our code of conduct includes: "employees must not engage in personal transactions or money lending with customers or business partners," "employees must not accept personal gifts from customers or business partners," "employees must constantly maintain healthy and transparent relationships with government agencies or political organizations, and must never engage in any behavior which may generate misunderstanding in regards to bribery," and "employees must maintain moderation and dignity when providing gifts to customers, and must keep gifts within the appropriate scope to prevent any unnecessary understandings."

In the training for all new employees, training on the SECOM Group Code of Employee Conduct as well as SECOM's Philosophy is conducted to ensure that each and every employee has a clear understanding

of the code of conduct. Subsequently, a variety of training programs and internal newsletters, among other means, are used to ensure that SECOM's Philosophy and the code of conduct are thoroughly filtered through and rooted. Specifically, for staff such as emergency response personnel and static guards who take up the field of security, events such as daily roll calls are used for ethical education. We also provide guidance to employees so they comply with operational rules at work, and instruct managers on early detection of signs of inappropriate acts. Whether or not employees comply with the SECOM Group Code of Employee Conduct and perform their duties appropriately is included in the criteria for assessments made by superiors every six months. In order to be promoted to higher positions in the annual qualification examination, employees are required to pass an examination whose contents include our corporate philosophy and the rules of the code of conduct. As such, we are making efforts in compliance by promoting strict adherence to the SECOM Group Code of Employee Conduct.

#### ■System for promotion of compliance at the SECOM Group

We recognize compliance as not only the observance of laws and regulations, and of SECOM's Articles of Incorporation, but also the foundation of the stringent management of our day-to-day operations. Individual employees are responsible for promoting adherence to the SECOM Group Code of Employee Conduct. Managers are charged with providing guidance regarding the SECOM Group Code of Employee Conduct, including standards governing compliance, and supervising the actions of employees to ensure compliance. Executive officers are responsible for overseeing the departments they supervise, while the President and Representative Director provides control for the Company as a whole.

Once annually, executive officers analyze and evaluate business and malfeasance risks in the business for which they are responsible and report their findings to the President and Representative Director and the members of the Audit & Supervisory Board, as well as review established internal rules and various manuals and make revisions as necessary.

Internal audit departments, i.e., the Internal Audit and Compliance Department and the Group Governance Department inspect each group, department, and subsidiary, and monitor levels of compliance with laws and regulations, and internal regulations to gauge any compliance-related issues and implement improvement measures. The results of their inspections are reported to the President and Representative Director as well as to members of the Audit & Supervisory Board, etc.

#### ■Whistle-blowing system

The SECOM Group Code of Employee Conduct requires SECOM Group employees to report to their superior should they discover any action that violates the code. In the event that no corrective measures are taken after a report has been made, or if circumstances make reporting to a supervisor difficult, SECOM Group employees may report directly to the Internal Audit and Compliance Department via the *Hot Helpline*, the *Hot Helpline's* external help desk staffed by external lawyers, the Human Resources Department and the Internal Audit and Compliance Department via the Harassment Help Desk, or the Group Governance Department via the Group Head Office Helpline.

Whistle-blower's names and the content of whistle-blower reports are kept confidential, and appropriate measures are implemented following the necessary investigations. We ensure thorough protection of whistle-blowers, and whistle-blowers will not be subject to unfair treatment as a result of their whistle-blower report.

#### Whistle-blower reports received

	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024
<b>Number of reports</b>	56	74	92	153	171

Note: Numbers represent the actual number of reports received across the SECOM Group. Since the fiscal year ended March 31, 2022, this has included reports received through the *Hot* Helpline, the Group Head Office Helpline and the Harassment Help Desk.

#### ■ Organizational Culture Committee

The Organizational Culture Committee is a standing committee chaired by the President and Representative Director that meets periodically or as necessary at the direction of the President and Representative Director, and examines important organizational culture-related issues and determines important official commendations and punishments.

The Organizational Culture Committee also deliberates on matters related to compliance with and the administration of the SECOM Group Code of Employee Conduct that have been reported to the President and Representative Director by the Internal Audit and Compliance Department or the executive officer in charge. If necessary, the committee examines proposals for modifying the system for administering compliance or amending the SECOM Group Code of Employee Conduct.

All such proposals must be deliberated by the Organizational Culture Committee, reviewed by the Audit & Supervisory Board members and approved by the Board of Directors.

#### ■ Global compliance training

We strive for compliance-first organizational management at the SECOM Group's overseas companies and are therefore focused on employee education. For employees posted overseas, we provide a range of training programs prior to their posting on key aspects of compliance including observance of laws and regulations, prevention of bribery, and internal controls. In addition to having these employees communicate the importance of compliance in day-to-day operations to local employees, we also provide local employees with opportunities for compliance training, such as through online learning. Moreover, we have translated SECOM's Philosophy and the SECOM Group Code of Employee Conduct into multiple different languages and work to disseminate them throughout the global SECOM Group.

**SV-PS-510a.2**

**Total amount of monetary losses as a result of legal proceedings associated with professional integrity**

There were no such monetary losses at the Company during the fiscal year ended March 31, 2024.