

Global environmental concerns are common issues for all of humanity. For this reason, the Company is working to reduce the environmental impact of its operations and has set concrete goals to this effect.

### Energy Use and Environmental Impact Reduction

#### Concerted Group Effort to Reduce Energy Use

An April 2010 revision to the Act on the Rational Use of Energy classifies the Company as a special company that uses energy exceeding a specified volume, which is calculated by converting the use of electricity, gas, kerosene, and other energy sources into kiloliters of crude oil. Consequently, we are required to reduce energy usage by 1% or more per year versus the level of the fiscal year ended March 31, 2010.

Mindful that we have many offices, facilities, and vehicles for business use throughout Japan, we established the Medium- to Long-Term Environmental Management Plan in the fiscal year ended March 31, 2010. Based on this plan, the Company is making a concerted effort to reduce electricity usage and vehicle fuel consumption volumes.

In addition, we analyze the usage patterns of every bank ATM we manage throughout Japan in order to determine the optimal routes for checking these ATMs. Through this process, we are able to replenish and collect cash more efficiently without impeding customer convenience, which remains our top priority. These efforts consequently allow us to limit the number of unnecessary ATM checks, effectively reducing fuel consumption and CO<sub>2</sub> emissions associated with the travel involved in these checks.

In the fiscal year ended March 31, 2015, we worked to cultivate a mind-set focused on electricity conservation among employees while converting vehicle standby positions in the Electronic Security Services segment to facility standby positions and actively introducing fuel-efficient vehicles and motorcycles into our fleet. At the same time, with the aim of reducing vehicle traveling distance, we developed more-efficient routes for use by sales staff on sales visits and lowered the number of technicians placed on night duty.

As a result, we achieved a massive 7.9% reduction in electricity usage in comparison with the fiscal year ended March 31, 2010, the year in which we established reduction goals. This decrease was accomplished despite the increase in the number of offices and the record-breaking summer heat.

In addition, vehicle fuel consumption volumes showed a substantial reduction, decreasing 6.2% year on year, to 9,029.6 kiloliters. While vehicle traveling distance rose due to the expanded range of business activities in the Transportation Security Services segment, the impacts of this longer traveling distance were outweighed by the benefits of introducing into our fleet hybrid-electric vehicles, motorcycles, and pedal electric cycles. Going forward, we will continue working toward converting our entire fleet to eco-friendly vehicles in the pursuit of further reductions in fuel consumption.

### Reduction of Security Vehicle Energy Use

#### Introduction of Fuel-Efficient and Eco-Friendly Vehicles

Vehicles are a major part of the ALSOK Group's operations. However, we are actively introducing hybrid-electric vehicles, electric vehicles, motorcycles, pedal electric cycles, and other fuel-efficient vehicles with the aim of converting our entire fleet to eco-friendly vehicles. In addition, we are pursuing further fuel savings by promoting idling stops and eco-friendly driving techniques.

As of March 31, 2015, nearly all of the vehicles in ALSOK's fleet qualified as low-emissions vehicles based on the certification standards established by the Ministry of Land, Infrastructure, Transport and Tourism. Specifically, the fleet comprised 373 hybrid-electric vehicles, and we have also introduced into this fleet 643 motorcycles, 5 electric motorcycles, 191 pedal electric cycles, and 429 bicycles with the aim of cutting fuel consumption while securing a sufficient level of mobility. In addition, we have begun introducing liquid petroleum gas powered vehicles and motorcycles\* at certain branches in order to further reduce our environmental footprint.

\* Liquid petroleum gas powered engines emit 12% to 15% less CO<sub>2</sub> than gasoline engines and approximately 6% less CO<sub>2</sub> than diesel engines with the same emission class and fuel-supply method. Accordingly, liquid petroleum gas is seen as the cleanest of all fossil fuels.



Hybrid-electric vehicle belonging to ALSOK Tokushima branch

### 3R Initiatives

ALSOK is advancing Companywide initiatives based on the "3Rs," or reduce, reuse, and recycle. We cooperate with garbage separation and ink cartridge collection programs, and we also reuse and recycle various types of equipment. Articles to be disposed of at branches in the Tokyo metropolitan area are accumulated at our repair center in Shin Yokohama, which categorizes items, repairs and ships those to be reused, and properly disposes of or recycles the remaining items. In the year under review, the average ratio of waste recycled at all branches was approximately 34%. In addition, the rechargeable nickel-cadmium batteries used in our various power supply equipment are recycled to make further contributions to the preservation of the environment. The range of batteries to be recycled was recently expanded, and we recycled approximately 17,000 batteries in the year under review as a result.



In April 2015, ALSOK planted approximately 2,000 modified disease-resistant Japanese black pine (*Pinus thunbergii*) saplings in Sammu City, Chiba Prefecture. These afforestation activities were conducted as part of our social contribution initiatives commemorating ALSOK's 50th anniversary. President Aoyama and 102 employees took part in this event, which was attended by Sammu City's Mayor Senshu Shiina.

### Environmental Preservation and Contribution to the Safety and Security of Impacted Regions

Following the Great East Japan Earthquake, the Hasunuma area of Sammu City was heavily impacted by the ensuing tsunami, which almost completely destroyed a stretch of approximately eight kilometers along the coastline. Hasunuma was the southernmost area to be impacted by the tsunami that resulted from the earthquake, and it is sometimes viewed as an invisible victim. As part of our social contribution initiatives commemorating ALSOK's 50th anniversary, we conducted afforestation activities along the Hasunuma coastline with the aim of helping preserve the environment and reviving a forest that had previously played a part in limiting disaster damages.

In this undertaking, we received guidance on tree-planting techniques from Laboratory of Earth Conscious Life, a specified non-profit organization that conducts afforestation activities centered on Nagano Prefecture and Chiba Prefecture. Over the course of the project, more than 100 employees took part in planting approximately 2,000 modified disease-resistant Japanese black pine (*Pinus thunbergii*) saplings, the species of which was selected by Chiba Prefecture. In July 2015, we weeded the area, a task that is essential in ensuring the healthy growth of the saplings, which were deemed to be properly taking root.

In addition to helping preserve the environment, this initiative will contribute to the safety and security of the Hasunuma area, which was heavily impacted by the Great East Japan Earthquake, by reviving a forest that will play a part in limiting disaster damages. As such, these afforestation activities can truly be said to be social contribution activities characteristic of ALSOK. We intend to continue such activities in the future.

#### Timeline of Afforestation Activities

|               |   |
|---------------|---|
| February 2015 | Placed stakes to signify planting locations to prepare for actual planting                      |
| April 2015    | Conducted tree planting (social contribution initiative commemorating ALSOK's 50th anniversary) |
| July 2015     | Weeded area around planted saplings   |



### Incredibly Meaningful Activities Advanced by Utilizing the Strengths of Companies and NPOs

**Hidenobu Takegaki**  
 Mobile Forces Member and Representative Director  
 Laboratory of Earth Conscious Life  
 Specified Non-Profit Organization

Laboratory of Earth Conscious Life hopes to create a society in which people are not only aware of the importance of trees and forests but also feel closely connected to them. In this society, all people will be able to interact closely with those living in mountain villages, ensuring that everyone lives in harmony with one another.

We have chosen to undertake afforestation activities in Sammu City in light of the heavy tsunami-related damages suffered by Chiba Prefecture as well as the particularly heavy blow dealt to the disaster-prevention forest in this city. With each coming year, we are expanding the range of our forest revival activities while soliciting contributions from municipal governments, companies, and individuals.

Forests are important sources of water and air that are indispensable to all of our lives. Companies and NPOs have very different places in society. I therefore feel that activities for preserving and reviving forests advanced by utilizing the differing strengths of companies and NPOs are incredibly meaningful.

The trees planted with ALSOK will take more than 50 years to reach their full size. I hope I am able to see these trees when ALSOK celebrates its 100th anniversary, as they will have no doubt grown large and come to be effective in their disaster-prevention role.