

Top Interview

Message Based on an Interview with the Chairman

By drawing on the experience and expertise we have accumulated over the years, we will cultivate human resources suited to a company that is truly of the highest caliber as we progress forward over the next 50 years.

The
Next
Stage

Atsushi Murai

Chairman and Representative Director
Chief Executive Officer (CEO)



ALSOK's 50th Anniversary

In 1965, Jun Murai founded the Company out of the desire to help the police and fire departments protect the safety of society, creating a security company of a style unique to Japan. In 2015, we celebrated the 50th anniversary of ALSOK's founding.

The industry now known as the security services industry in Japan dates back to before World War II. Although the police were initially the main proponents of this industry, I believe the current industry features an effective segregation of duties, with the police responsible for addressing crimes that have been committed while security companies are tasked with preventing crime. ALSOK was born during the period of the so-called Japanese post-war economic miracle, a time when security services came to be essential for the greater society. The Company played a key role in pioneering this burgeoning industry.

In the years that followed, the rise of globalization and the development of society led to changes in the policies of our customers as well as in public opinion. Over the years, we continued to tailor our business

and expertise to the changing times. Nevertheless, we also remained true to our core management philosophy, which is exemplified by the concepts of *arigato no kokoro*, an ever-present feeling of gratitude; *bushi no seishin*, a strong and noble samurai spirit that emphasizes teamwork and unity above all else; and *yacho seishin*, a "wild bird spirit" that inspires us to persevere and survive under even the most difficult conditions. Based on this core philosophy, we devoted ourselves to the provision of security services of the first rank. Our ability to grow ALSOK into the company it is today was not the result of any one fateful opportunity but was rather the product of our continued steadfast effort to develop our business. The security services industry was almost completely unknown at its inception. However, it has now established a solid position as a social fixture, a fact that fills me with joy. Although we have just now celebrated our 50th anniversary, we must remain aware that society's need for safety and security will always exist and, by virtue of that, ALSOK's mission has only just begun. This conviction will spur us forward into the future.

Strengths Forged over Half a Century

ALSOK boasts impeccable service quality. Our devotion to our duties has led to improvements in the quality of our services, which I believe is our most prominent strength.

While establishing the aforementioned service quality, the ALSOK Group has amassed a nationwide staff of more than 30,000 people and accumulated a wealth of experience and expertise, which all represent core strengths. Another strength is the convenience born out of our ability to dispatch guards to location in Japan—24 hours a day, 365 days a year—via electronic security services, stationed security services, and transportation security services that are available throughout the country. In addition, we are faithfully working to provide services of superior quality, and these efforts have won us the trust of customers, a fact that represents another of our strengths. For example, we strive to develop human resources that live up to the expectations of society and therefore offer employees training and education to foster good corporate ethics and thorough compliance awareness as well as to help them acquire specialized knowledge and skills. This commitment to human resource development is based on the realization that our business entails protecting the lives, well-being, and assets of customers, meaning that the standards we must uphold to properly perform our duties are incredibly rigorous. This situation requires us to cultivate trustworthy employees.

Vision for the Next 50 Years

ALSOK has defined the goal of achieving consolidated net sales of ¥1 trillion within the next 10 years. I realize that improving performance in the current fiercely competitive environment will require that our employees become more relatable as human beings while becoming even more competent at performing their duties. I firmly believe that it is by cultivating human resources suited to a company that is truly of the highest caliber and continuing to instill new employees with this same level of excellence that ALSOK will fuel its development over the next 50 years.

Future political and economic trends are not easy to predict. Nonetheless, I think it is important for ALSOK to expand its operations into peripheral fields that are highly compatible with its mainstay security services operations, leveraging its ability to provide service anywhere in Japan—24 hours a day, 365 days a year—during this process. Our services are evolving to go further than simply protecting facilities, people, and properties in order to support people in living safe, secure, and comfortable lives. I hope that ALSOK will always be a company that remains ever-responsive to changing operating conditions, moving beyond the boundaries of traditional security services and acting as a company essential to society. Demonstrating its position as such a company, ALSOK recently received the first prize in Social Value and Capital Formation M&A Awards. This award, which is sponsored by the Development Bank of Japan and presented to companies that have conducted mergers or acquisitions with the potential to create significant social value and capital, was received in recognition of the acquisition of HCM Corporation, a company that offers long-term care services. Through this acquisition, the Company aims to develop its security services for senior citizens in order to provide security across all areas of their lives. I therefore feel that our receipt of this award is an

acknowledgment of our drive to provide higher levels of safety and security to the community and thus represents the approval of our business policies.

Furthermore, ALSOK views the upcoming 2020 Summer Olympic and Paralympic Games in Tokyo as an opportunity to further its growth. Acting as a Tokyo 2020 Official Partner in the category of "Security Service and Planning," we aim to take advantage of this opportunity to solicit the high quality of Japanese security services and show hospitality to visitors from around the world. Looking 50 years down the line, we hope to develop ALSOK into company that is deemed to be truly of the highest caliber in both Japan and overseas.

Revision of the ALSOK Charter

The ALSOK Charter outlines the spirit of our founder and sets forth a road map for the Company that also guides the activities of all employees. This charter was initially established when we celebrated the 35th anniversary of the Company in 2000. Taking into account the changes in our business scope, market size, and other factors that have occurred since then, we chose to revise the charter in commemoration of the Company's 50th anniversary in order to ensure that it remains viable into the future. At ALSOK, we speak of "principled companies" in the same way one might refer to principled people, endeavoring always to act as a highly principled company. The new ALSOK Charter was made to ensure this ideal could be effectively communicated no matter how our business scope may expand in response to changing social needs.

The ALSOK Charter, by its very nature, is a document that is meant to be adhered to over the long term. For this reason, we refrained from making large revisions and instead focused on amending the charter to reflect the changes that have occurred between the Company's 35th anniversary and today, incorporating the opinions of younger employees along the way. The new ALSOK Charter encourages our employees to become even-more principled individuals while we simultaneously work to make ALSOK into an even-more principled company. It also urges us to offer, to a wide range of customers, products and services that contribute to the development of society in new areas in which we can respond to contemporary needs. By positioning the ALSOK Charter as our shared motivation, we will push forward with the development of our business over the next 50 and then 100 years.

