Note : This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect, or other forms of damages arising from the translations.

TSE Code: 9719
May 31, 2024
(Start date of electronic provision measures: May 27, 2024)

To Our Shareholders,

Notice of 2024 Annual General Meeting and Meeting Materials

It is our pleasure to announce the Annual General Meeting of Shareholders of SCSK Corporation (hereinafter "We," "SCSK" or the "Company") for the fiscal year ended March 31, 2024, which will be held as set forth below.
In convening the General Meeting of Shareholders, measures for electronic provision have been taken for information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters subject to electronic provision measures), which is posted on the Company's website as "Notice of 2024 Annual General Meeting and Meeting Materials." Please refer to it on the website below.

The Company's website
https://www.scsk.jp/ir_en/information/gms.html

In addition to the Company's website above, matters subject to electronic provision measures will also be posted on the Tokyo Stock Exchange (TSE) website. Please access the TSE website (Listed Company Search) below, search by the issue name (SCSK) or the securities code (9719), then select "Basic information," and "Documents for public inspection/PR information" to view.

TSE's website (Listed Company Search)
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

It is possible to exercise your voting rights in writing or electronically, without physically attending the meeting. Should you choose to exercise your voting rights in this manner, please refer to pages 5 and 6 for details on these voting methods. Please take the time to examine the Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:30 p.m. on Wednesday, June 19, 2024.

With highest regards,

Takaaki Touma
Representative Director, President
SCSK Corporation
3-2-20 Toyosu, Koto-ku, Tokyo, Japan

1. Date and time Thursday, June 20, 2024, at 10:00 a.m.

2. Venue SCSK Meeting Room, 14F, Toyosu Front
3-2-20 Toyosu, Koto-ku, Tokyo, Japan

3. Purpose of the Meeting

Matters to be reported:

Report No. 1 Business Report, Consolidated Financial Statements, and Audit Reports by the Independent Auditor and the Audit and Supervisory Committee regarding the Consolidated Financial Statements for the fiscal year ended March 31, 2024 (April 1, 2023, to March 31, 2024)

Report No. 2 Non-consolidated Financial Statements for the fiscal year ended March 31, 2024 (April 1, 2023, to March 31, 2024)

Matters to be resolved:

Proposition No. 1 Partial Amendment of Articles of Incorporation

Proposition No. 2 Appointment of Seven (7) Directors (excluding Directors that are Audit and Supervisory Committee Members)

Proposition No. 3 Appointment of One (1) Director that is an Audit and Supervisory Committee Member

Notes:

1. If you attend the Meeting in person, please submit the enclosed voting form to the receptionist.
2. Of the matters subject to electronic provision measures, in accordance with laws and regulations and our Articles of Incorporation, the following matters are not included in the documents delivered to shareholders who requested delivery of such documents. The Audit and Supervisory Committee and the Accounting Auditor have audited the documents subject to audit, including the following matters.
   - Important matters regarding new stock acquisition rights, etc. of the Company in the business report
   - Information regarding decisions on systems for ensuring appropriate business procedures in the business report
   - Overview of implementation of systems for ensuring appropriate business procedures in the business report
   - Consolidated statements of change in net assets and notes to the consolidated financial statements
   - Non-consolidated statements of change in net assets and notes to the non-consolidated financial statements
3. If any of the matters subject to electronic provision measures require amendment, we will post an announcement to that effect, as well as the matters before and after amendment, on our website and TSE's website.

Live Stream of Annual General Meeting of Shareholders
The General Meeting of Shareholders will be made available for viewing via live streaming. The live stream will be in a one-way viewing format. Accordingly, please exercise your voting rights via the internet or other methods prior to the meeting and submit any questions if you have in advance.

Date
The live stream will be commenced at 9:30 a.m. on Thursday, June 20, 2024, 30 minutes prior to the scheduled start of the General Meeting of Shareholders at 10:00 a.m., and will end with the conclusion of the meeting.

How to Participate
1. Access the following live stream viewing website (available in Japanese only) via computer or smartphone
https://9719.ksoukai.jp

2. Login by inputting your ID and password
ID: Shareholder number (nine-digit number shown on voting form)
Password: Postal code (seven-digit postal code of registered address)

Note to Shareholders Physically Attending General Meeting of Shareholders
Video of the proceedings of the General Meeting of Shareholders will be recorded from a position nearby the Company representatives in order to help prevent shareholders from being shown in videos against their will. Please be aware that you may be shown on the stream under unavoidable circumstances.

Note to Shareholders Watching Live Stream
1. We ask that only shareholders registered in the shareholder registry on March 31, 2024, view the live stream of the General Meeting of Shareholders.
2. Shareholders viewing the live stream of the General Meeting of Shareholders will not be deemed to be in attendance of the meeting as stipulated in the Companies Act of Japan. Accordingly, such shareholders will be unable to exercise voting rights, propose motions, or ask questions on the day of the meeting. When exercising voting rights, please take the time to examine the Guide to Exercise of Voting Rights on pages 5 and 6 and exercise your voting rights in writing or electronically (via the internet etc.) no later than 5:30 p.m. on Wednesday, June 19, 2024.
3. We ask that shareholders refrain from sharing ID and password of the live stream viewing website with others and from recording or distributing videos or audio of live stream of the General Meeting of Shareholders.
4. It is possible that disruptions or halts to videos or audio of the General Meeting of Shareholders may occur as a result of system failures, connection issues, or other factors.
5. The Company assumes no responsibility for damages to shareholders as a result of system failures, connection issues, or other factors.
6. All reasonable precautions will be taken with regard to the live stream of the General Meeting of Shareholders. However, it is possible that shareholders may be unable to view the live stream or that the live stream may be halted due to system failures, connection issues, or other factors.
7. Should the live stream of the General Meeting of Shareholders be halted, notification will be provided on the live stream viewing website.
8. All equipment, internet connection, communications, and other costs incurred in the viewing of the live stream of the General Meeting of Shareholders are to be paid by the shareholder.
9. The live stream of the General Meeting of Shareholders will be conducted in Japanese only.

Contact for Inquiries Regarding Live Stream Viewing
Any questions regarding the viewing of the live stream of the General Meeting of Shareholders should be directed toward V-cube, Inc. (Tel: 03-6833-6209) over the period from 9:00 a.m. on Thursday, June 20, 2024, until the conclusion of the meeting.

Advance Submission of Questions for General Meeting of Shareholders
It is possible to submit questions to be answered at the General Meeting of Shareholders in advance of the meeting. However, we ask that questions be limited to those that coincide with the purpose of the meeting. We plan to offer responses to those questions deemed to be of high interest to shareholders on the day of the General Meeting of Shareholders, but we do not promise to provide responses to all questions. Questions for which responses are not provided will be referenced for future engagement activities. No responses will be offered to questions on an individual basis.

Questions should be submitted over the period beginning at 10:00 a.m. on Friday, May 31, 2024 and ending on 5:30 p.m. on Thursday, June 13, 2024.

Process for Submitting Questions
1. Login to the live stream viewing website (available in Japanese only) by following the instructions on Live Stream of Annual General Meeting of Shareholders
2. Click on the “事前質問を行う” button
3. Fill in the question, click the “次へ” button to confirm the question and click the “申し込む” button

Guide to Exercise of Voting Rights
Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by any of the following methods.

If you will attend the meeting:
・Attend the meeting
Date and time of the meeting: Thursday, June 20, 2024, 10:00 a.m.
Please bring the enclosed voting form with you and present it at the reception desk.

If you are unable to attend the meeting:
・Exercise of voting rights in writing
Deadline for voting: The voting form must be received by no later than 5:30 p.m. on Wednesday, June 19, 2024.
Please indicate your vote for or against each proposition on the enclosed voting form and return the form to the Company's Administrator of Shareholder Registry by the deadline.
When neither approval nor disapproval of a proposition is indicated on your voting form, it shall be deemed as a vote for approval.

・Exercise through "smart voting"
Deadline for voting: Your vote must be exercised by no later than 5:30 p.m. on Wednesday, June 19, 2024.
Please scan the "voting rights exercise website login QR code for smartphones" at the lower right of the enclosed voting form with a smartphone or tablet.
For details, please refer to the next page.

・Exercise of voting rights via the internet
Deadline for voting: Your vote must be exercised by no later than 5:30 p.m. on Wednesday, June 19, 2024.
Please access https://www.web54.net, the website for exercise of voting rights via a personal computer, smartphone, cell phone, etc. and enter the code and password for exercise of voting rights printed on the enclosed voting form.
Follow the instructions on the screen and register your vote for or against each proposition.
For details, please refer to the next page.

Handling of your votes when you exercise your voting rights in duplicate:
1. If you exercise your voting rights both in writing and via the internet, etc. (including "smart voting"), the voting via the internet, etc. (including "smart voting") shall be deemed valid.
2. If you exercise your voting rights multiple times via the internet, etc. (including "smart voting"), the last vote shall be deemed valid.

If you have any question concerning the exercise of voting rights, please contact:

Administrator of Shareholder Registry: Stock Transfer Agency Business Planning Dept.,
Sumitomo Mitsui Trust Bank, Limited,

For exercise of voting rights	For other inquiries
0120-652-031 (toll-free)	0120-782-031 (toll-free)
(9:00-21:00)	(9:00-17:00 on weekdays)

For institutional investors:
The electronic voting platform operated by ICJ, Inc. is available to institutional investors who have applied for the use of the platform in advance.

Exercise through "Smart Voting":

1. Please read the "QR code® to login the website for the exercise of voting rights for smartphone" at the lower right of the enclosed voting form with a smartphone or tablet terminal.
2. Open the website for the exercise of voting rights.
   Click the displayed URL to open the website for the exercise of voting rights.
   There are two methods for the exercise of voting rights.

3.1 Indicate your vote for all of the Company's propositions.
   If no problem appears on the confirmation screen, you can complete your votes by clicking "Exercise your voting rights as shown here."

3.2 Indicate your vote individually for or against each proposition.
   Please follow the instructions on the screen to indicate your vote for or against each proposition.

4. If no problem appears on the confirmation screen, you can complete your votes by clicking "Exercise your voting rights as shown here."

   If you wish to change you vote after exercising your voting rights, you will be required to read the QR code® again and re-enter the "code for the exercise for voting rights" and the "password" printed on the enclosed voting form.
   (You may also directly access https://www.web54.net, the website for the exercise of voting rights, from a personal computer.)

Exercise of voting rights via the Internet:

1. Please access https://www.web54.net, the website for the exercise of voting rights
2. Login the website.
   Enter the "code for the exercise of voting rights" printed on the enclosed voting form.
3. Enter your password.
   Enter the "password" printed on the enclosed voting form.

   Please follow the instructions on the screen to vote for or against each proposition.

* Shareholders are requested to bear the fees for connection and telecommunication costs for accessing the website for the exercise of voting rights.

* You may not be able to use the website for the exercise of voting rights, depending on the environment for using the Internet, the service subscribed to and the device used.

Reference Documents for the General Meeting of Shareholders

Propositions to be Voted Upon and References Relating Thereto

Proposition No. 1: Partial Amendment of Articles of Incorporation

1. Reason for Proposition

The Company created the new post of Chairman and Director as Executive Director in order to further strengthen corporate governance. Therefore, the Company proposes a partial amendment to Articles 22 of the Company's Articles of Incorporation to clarify the role of Chairman and Director.

2. Details of Amendment

If this proposition is approved, the Company's Articles of Incorporation shall be amended as follows.

(Amended text is underlined)

Current Text	Proposed Text
Articles 1–21 (Omitted)	Articles 1–21 (Unchanged)
Article 22: Representative Director(s) The Board of Directors shall elect Representative Director(s) of the Company from among Directors (excluding those who concurrently serve as Audit and Supervisory Committee members) by a resolution of the Board.	Article 22: Representative Director(s) and Executive Director(s) 1. The Board of Directors shall elect Representative Director(s) of the Company from among Directors (excluding those who concurrently serve as Audit and Supervisory Committee members) by a resolution of the Board. 2. The Board of Directors may appoint Chairman and Director from among Directors (excluding those who concurrently serve as Audit and Supervisory Committee members) by a resolution of the Board.
Articles 23–37 and Supplementary Provisions (Omitted)	Articles 23–37 and Supplementary Provisions (Unchanged)

Proposition No. 2: Appointment of Seven (7) Directors (Excluding Directors that are Audit and Supervisory Committee Members)

At the close of this General Meeting of Shareholders, the terms of all six (6) current Directors (excluding Directors that are Audit and Supervisory Committee Members, "Directors" shall exclude Directors that are Audit and Supervisory Committee Members for the remainder of this proposition) shall expire. In order to further strengthen our corporate governance, we are reducing the number of Executive Directors while increasing the number of Independent Directors, and hereby request that seven (7) Directors be appointed. If this proposition and proposition No. 3 are approved, the majority of the Company Directors will be Independent Directors.

The candidates for positions as Directors are as follows.

Candidate No.	Name	Position at the Company	Attendance at Board of Directors meetings
1	Hideki Yamano < Reappointment>	Chairman and Director	100% (12/12)
2	Takaaki Touma < Reappointment>	Representative Director President Chief Health Officer	100% (12/12)
3	Tsutomu Ozaki <Reappointment>	Director Senior Managing Executive Officer Chief Information Security Officer General Manager, General Affairs & Legal & Risk Management General Manager, Global	100% (10/10)
4	Shinichi Kato <New appointment>	—	—
5	Tetsuya Kubo <Reappointment> <Outside Director> <Independent Director>	Outside Director	100% (12/12)
6	Sadayo Hirata <New appointment> <Outside Director> <Independent Director>	Outside Director (Audit and Supervisory Committee Member)	100% (12/12)
7	Shoei Yamana <New appointment> <Outside Director> <Independent Director>	—	—

Note: The Company has entered into an indemnification contract with Mr. Hideki Yamano, Mr. Takaaki Touma, Mr. Tsutomu Ozaki, and Mr. Tetsuya Kubo, under which the Company indemnifies the costs defined in Item (i) and damages defined in Item (ii) of Article 430-2, Paragraph 1 of the Companies Act, within the limits stipulated by the Act. If each candidate is appointed as Director, such contract is to be continued. Additionally, if Mr. Shinichi Kato, Ms. Sadayo Hirata and Mr. Shoei Yamana are appointed as Directors, the Company will enter into the same contract with each candidate. Please refer to "4-6 Matters Regarding Indemnification Contract" of the Company's business report for more information on these contracts.

Note: Director and officer liability insurance contracts have been concluded with insurance firms offering coverage for damages or payments for which the applicable officers may become liable as a result of performing their duties. If appointed, all of the abovementioned Director candidates shall be applicable under these contracts. These contracts are scheduled to be renewed under the same terms. Please refer to "4-7 Matters Regarding Director and Officer Liability Insurance Contracts" of the Company's business report for more information on these contracts.

<table>
<tr><td>Candidate No. 1</td><td>Date of birth</td><td>Number of Company shares owned</td><td>Special interests with the Company</td></tr>
<tr><td rowspan="3">Hideki Yamano
<Reappointment></td><td>Feb. 23, 1960</td><td>21,353 shares</td><td>None</td></tr>
<tr><td>Attendance rate of Board of Directors meetings (attendance/no. of meetings held)</td><td colspan="2">No. of years in office as Director (until the end of the General Meeting of Shareholders)</td></tr>
<tr><td>100% (12 out of 12 meetings)</td><td colspan="2">2 years</td></tr>
<tr><td colspan="4">Career summary, positions, responsibilities, and significant concurrent positions</td></tr>
<tr><td colspan="4">Apr. 1983 Joined Sumitomo Corporation
Apr. 2014 Corporate Officer of Sumitomo Corporation
General Manager, Environment & Infrastructure Project Business Division
Apr. 2016 Executive Officer of Sumitomo Corporation
General Manager, Corporate Planning & Coordination Department
Apr. 2018 Managing Executive Officer of Sumitomo Corporation
Chief Strategy Officer and Chief Information Officer
Jun. 2018 Representative Director of Sumitomo Corporation
Managing Executive Officer, Chief Strategy Officer and Chief Information Officer
Apr. 2020 Representative Director of Sumitomo Corporation
Senior Managing Executive Officer, Chief Strategy Officer and Chief Information Officer
Apr. 2022 Director of Sumitomo Corporation
Senior Managing Executive Officer
Assistant to General Manager, Media & Digital Business Unit
Concurrent position as Adviser of SCSK
Jun. 2022 Representative Director of SCSK
Chairman and Chief Executive Officer
Chief Health Officer
Apr. 2023 Representative Director of SCSK
Chairman
Chief Health Officer
Apr. 2024 Chairman and Director of SCSK (present)</td></tr>
<tr><td colspan="4">Reason for appointment</td></tr>
<tr><td colspan="4">Mr. Hideki Yamano possesses robust management experience in Japan and overseas and wide-ranging knowledge of environmental/society/human rights. He was appointed to Chairman of the Company in June 2022 and established medium- and long-term strategy and bears responsibility for all areas of management. We believe that the experience and knowledge accumulated throughout his career make him suited to direct the execution of the Company’s business, and we have thus selected him to be a Director candidate.</td></tr>
<tr><td colspan="4">Other</td></tr>
<tr><td colspan="4">SCSK has entered into a liability limitation agreement with Mr. Hideki Yamano to limit the amount of his liabilities to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If this proposed resolution is approved, this agreement will be renewed.</td></tr>
</table>

<table>
<tr><td colspan="2">Candidate No. 2</td><td>Date of birth</td><td>Number of Company shares owned</td><td>Special interests with the Company</td></tr>
<tr><td colspan="2" rowspan="3">Takaaki Touma
<Reappointment></td><td>Feb. 17, 1965</td><td>24,153 shares</td><td>None</td></tr>
<tr><td>Attendance rate of Board of Directors meetings (attendance/no. of meetings held)</td><td colspan="2">No. of years in office as Director (until the end of the General Meeting of Shareholders)</td></tr>
<tr><td>100% (12 out of 12 meetings)</td><td colspan="2">2 years</td></tr>
<tr><td colspan="5">Career summary, positions, responsibilities, and significant concurrent positions</td></tr>
<tr><td colspan="5">Apr. 1987 Joined Sumisho COMPUTER SERVICE CORPORATION
Apr. 2013 Executive Officer of SCSK
Apr. 2016 Senior Executive Officer of SCSK
Apr. 2018 Managing Executive Officer of SCSK, General Manager, Manufacturing & Telecommunication Systems Business Group
Apr. 2020 Managing Executive Officer of SCSK, General Manager, Human Resources & General Affairs Group and Human Resources Development Group
Apr. 2021 Managing Executive Officer of SCSK
Apr. 2022 President and Chief Operating Officer of SCSK
Jun. 2022 Representative Director of SCSK President and Chief Operating Officer
Apr. 2023 Representative Director of SCSK President
Apr. 2024 Representative Director of SCSK (present)
President (present)
Chief Health Officer (present)</td></tr>
<tr><td colspan="5">Reason for appointment</td></tr>
<tr><td colspan="5">Mr. Takaaki Touma possesses a breadth of management experience and wide-ranging knowledge of technology. He was appointed to President of the Company in April 2022 and established a medium- and long-term strategy, bearing responsibility for all areas of management. We believe that the experience and knowledge accumulated throughout his career make him suited to the management of the Company, and we have thus selected him to be a Director candidate.</td></tr>
</table>

<table>
<tr><td>Candidate No. 3</td><td>Date of birth</td><td>Number of Company shares owned</td><td>Special interests with the Company</td></tr>
<tr><td rowspan="3">Tsutomu Ozaki
<Reappointment></td><td>Jul. 29, 1963</td><td>3,693 shares</td><td>None</td></tr>
<tr><td>Attendance rate of Board of Directors meetings (attendance/no. of meetings held)</td><td colspan="2">No. of years in office as Director (until the end of the General Meeting of Shareholders)</td></tr>
<tr><td>100% (10 out of 10 meetings)</td><td colspan="2">1 year</td></tr>
<tr><td colspan="4">Career summary, positions, responsibilities, and significant concurrent positions</td></tr>
<tr><td colspan="4">Apr. 1987 Joined Sumitomo Corporation
Apr. 2016 Corporate Officer of Sumitomo Corporation
Assistant General Manager for Middle East
Apr. 2017 Corporate Officer of Sumitomo Corporation
Assistant General Manager for Middle East
Managing Director of Sumitomo Corporation Middle East FZE
Apr. 2018 Corporate Officer of Sumitomo Corporation
Assistant General Manager for Middle East
COO of Sumitomo Corporation Middle East Group
Managing Director of Sumitomo Corporation Middle East FZE
Apr. 2019 Corporate Officer of Sumitomo Corporation
Assistant General Manager for Europe, Middle East, Africa & CIS
General Manager, European Corporate Management Unit, Sumitomo Corporation Europe Group
Apr. 2020 Executive Officer of Sumitomo Corporation
Assistant General Manager for Europe, Middle East, Africa & CIS
General Manager, European Corporate Management Unit, Sumitomo Corporation Europe Group
Apr. 2021 Executive Officer of Sumitomo Corporation
General Manager, Planning & Coordination Dept., Media & Digital Business Unit
Apr. 2023 Managing Executive Officer of Sumitomo Corporation
Assistant to General Manager, Media & Digital Business Unit
Concurrent position as Senior Managing Executive Officer of SCSK
Concurrent position as Chief Information Security Officer
Concurrent position as General Manager, Legal & Risk Management
Jun. 2023 Director of SCSK
Senior Managing Executive Officer
Chief Information Security Officer
General Manager, Legal & Risk Management
Apr. 2024 Director of SCSK (present)
Senior Managing Executive Officer (present)
Chief Information Security Officer (present)
General Manager, General Affairs & Legal & Risk Management (present)
General Manager, Global (present)</td></tr>
<tr><td colspan="4">Reason for appointment</td></tr>
<tr><td colspan="4">Mr. Tsutomu Ozaki possesses robust experience in global businesses at Sumitomo Corporation along with wide-ranging knowledge pertaining to legal and risk Management. We believe that the experience and knowledge accumulated throughout his career make him suited to the management of the Company, and we have thus selected him to be a Director candidate.</td></tr>
</table>

Candidate No. 4	Date of birth	Number of Company shares owned	Special interests with the Company
Shinichi Kato <New appointment>	Apr. 23, 1963	0 shares	Yes
	Attendance rate of Board of Directors meetings (attendance/no. of meetings held)	No. of years in office as Director (until the end of the General Meeting of Shareholders)	
	—	—	

Career summary, positions, responsibilities, and significant concurrent positions

Apr. 1987	Joined Sumitomo Corporation
Apr. 2016	Corporate Officer of Sumitomo Corporation Assistant General Manager for the Americas General Manager, Transportation & Construction Systems Group, Sumitomo Corporation of Americas Group
Apr. 2017	Corporate Officer of Sumitomo Corporation Assistant General Manager for the Americas General Manager, Automotive & Aerospace Business Group, Sumitomo Corporation of Americas Group
Oct. 2017	Corporate Officer of Sumitomo Corporation Assistant General Manager for the Americas General Manager, Automotive & Aerospace Business Group, Sumitomo Corporation of Americas Group Assistant General Manager for South America, Sumitomo Corporation of Americas
Apr. 2018	Executive Officer of Sumitomo Corporation General Manager, Automobility Business Div.
Apr. 2021	Executive Officer of Sumitomo Corporation General Manager, Mobility Business 2 Div.
May 2021	Executive Officer of Sumitomo Corporation Assistant General Manager for the Americas Sumitomo Corporation of Americas CAO of TBC Corporation
Apr. 2022	Managing Executive Officer of Sumitomo Corporation Assistant General Manager for the Americas Sumitomo Corporation of Americas CAO of TBC Corporation
May 2023	Managing Executive Officer of Sumitomo Corporation Assistant General Manager for the Americas Sumitomo Corporation of Americas President & CEO of TBC Corporation
Apr. 2024	Senior Managing Executive Officer of Sumitomo Corporation Assistant to President Sumitomo Corporation of Americas President & CEO of TBC Corporation
May. 2024	**Senior Managing Executive Officer of Sumitomo Corporation**(present) **CEO of Media & Digital Group**(present)

Reason for appointment

Mr. Shinichi Kato possesses robust experience and wide-ranging knowledge pertaining to global businesses and marketing at Sumitomo Corporation. We believe that the experience and knowledge accumulated throughout his career make him suited to supervise the operation execution of the Company, and we have thus selected him to be a Director candidate.

Other

1. Mr. Shinichi Kato is an executive of Sumitomo Corporation. A business relationship between the Company and Sumitomo Corporation exists primarily in the areas of software development, data processing services, and hardware and software sales.
2. If this proposed resolution is approved, SCSK intends to enter into a liability limitation agreement with Mr. Shinichi Kato to limit the amount of his liabilities to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.

<table>
<tr><td>Candidate No. 5</td><td>Date of birth</td><td>Number of Company shares owned</td><td>Special interests with the Company</td></tr>
<tr><td rowspan="3">Tetsuya Kubo
<Reappointment>
<Outside Director>
<Independent Director></td><td>Sep. 24, 1953</td><td>0 shares</td><td>None</td></tr>
<tr><td>Attendance rate of Board of Directors meetings (attendance/no. of meetings held)</td><td colspan="2">No. of years in office as Director (from the end of the General Meeting of Shareholders)</td></tr>
<tr><td>100% (12 out of 12 meetings)</td><td colspan="2">3 years</td></tr>
<tr><td colspan="4">Career summary, positions, responsibilities, and significant concurrent positions</td></tr>
<tr><td colspan="4">Apr. 1976 Joined The Sumitomo Bank, Ltd.
Jun. 2003 Executive Officer of Sumitomo Mitsui Banking Corporation
General Manager, Hong Kong Branch
Jul. 2006 Managing Executive Officer of Sumitomo Mitsui Banking Corporation
Apr. 2008 Concurrent position as Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc.
Apr. 2009 Director and Senior Managing Executive Officer of Sumitomo Mitsui Banking Corporation
Concurrent position as Senior Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc.
Apr. 2011 Director and Deputy President of Sumitomo Mitsui Banking Corporation (resigned in March 2013)
Concurrent position as Deputy President and Executive Officer of Sumitomo Mitsui Financial Group, Inc.
Concurrent position as Director of SMBC Nikko Securities Inc.
Jun. 2011 Concurrent position as Director of Sumitomo Mitsui Financial Group, Inc. (resigned in March 2013)
Apr. 2013 Representative Director, President & CEO of SMBC Nikko Securities Inc.
Apr. 2016 Representative Director, Chairman of SMBC Nikko Securities Inc.
Jun. 2016 Director of Sumitomo Mitsui Financial Group, Inc. (resigned in June 2020)
Concurrent position as Representative Director, Chairman of SMBC Nikko Securities Inc. (resigned in March 2020)
Apr. 2020 Advisor of SMBC Nikko Securities Inc.
Jan. 2021 Director, Chairman of GCM Investments Japan K.K. (present)
Jun. 2021 Outside Director of SCSK (present)</td></tr>
<tr><td colspan="4">Reason for appointment and expected roles</td></tr>
<tr><td colspan="4">Mr. Tetsuya Kubo possesses robust management experience gained over years of serving in important positions at major financial institutions as well as wide-ranging knowledge pertaining to global businesses. We believe that the experience and knowledge accumulated throughout his career qualifies him to help enhance the functions that supervise the execution of the Company’s operations and to offer advice on all areas of management, and we have thus selected him to be an Outside Director candidate.</td></tr>
<tr><td colspan="4">Other matters concerning candidate for Outside Director</td></tr>
<tr><td colspan="4">1. SCSK has designated Mr. Tetsuya Kubo as an independent director that is unlikely to have any conflict of interest with respect to general shareholders and notified the Tokyo Stock Exchange with this regard as it is obligated to do so.
2. SCSK has entered into a liability limitation agreement with Mr. Tetsuya Kubo to limit the amount of his liabilities to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If this proposed resolution is approved, this agreement will be renewed.
3. Mr. Tetsuya Kubo was a director at SMBC Nikko Securities Inc. until March 2020. In October 2022, this company was imposed a business suspension order and a business improvement order by the Financial Services Agency due to violation of law such as engaging in illegal stabilization transactions with regard to securities transactions conducted over a period that included the time during which Mr. Tetsuya Kubo was serving as a director of this company. In February 2023, this company was also convicted of violations of the Financial Instruments and Exchange Act (illegal stabilization transactions) with regard to the securities transactions above.
4. Mr. Tetsuya Kubo was an executive of Sumitomo Mitsui Banking Corporation, a major lender to the Company, up until March 2013. More than five years have passed since he resigned from Sumitomo Mitsui Banking Corporation and he has not been involved in the management of this company after resigning. Accordingly, the Company has judged that this past relationship does not have an impact on the independence of Mr. Tetsuya Kubo. In addition, Mr. Tetsuya Kubo was a director of Sumitomo Mitsui Financial Group, Inc., parent company of Sumitomo Mitsui Banking Corporation, until June 2020. However, no business relationships exist between Sumitomo Mitsui Financial Group and the Company. Furthermore, Mr. Tetsuya Kubo was an executive of SMBC Nikko Securities Inc., until March 2020, but he has not been involved in the management of this company after resigning. Moreover, the amount of transactions between SMBC Nikko Securities and the Company equate to less than 1% of the consolidated operating revenue of SMBC Nikko Securities and the consolidated net sales of the Company. Accordingly, we have judged that Mr. Tetsuya Kubo is sufficiently independent from the Company.</td></tr>
</table>

<table>
<tr><td>Candidate No. 6</td><td>Date of birth</td><td>Number of Company shares owned</td><td>Special interests with the Company</td></tr>
<tr><td rowspan="3">Sadayo Hirata
<New appointment>
<Outside Director>
<Independent Director></td><td>Aug. 4, 1963</td><td>200 shares</td><td>None</td></tr>
<tr><td>Attendance rate of Board of Directors meetings (attendance/no. of meetings held)</td><td colspan="2">No. of years in office as Director (from the end of the General Meeting of Shareholders)</td></tr>
<tr><td>100% (12 out of 12 meetings)</td><td colspan="2">2 years</td></tr>
<tr><td colspan="4">Career summary, positions, responsibilities, and significant concurrent positions</td></tr>
<tr><td colspan="4">Apr. 1987 Joined Fujitsu Limited
Apr. 2011 Guest Associate Professor at Housei Business School of Innovation Management
Apr. 2013 Associate Professor at Graduate School of Engineering and Science at Shibaura Institute of Technology (present)
Oct. 2017 Member of Science Council of Japan (present)
Apr. 2020 Specially Appointed Associate Professor at Graduate School of Engineering Department of Management Science and Technology, Tohoku University (present)
Apr. 2021 Committee Member, High-Performance Computing Infrastructure Planning Committee of Ministry of Education, Culture, Sports, Science and Technology
Jun. 2022 Outside Director (Audit and Supervisory Committee Member) of SCSK (present)
Jan. 2023 Expert member, Information and Communications Council of Ministry of Internal Affairs and Communications (present)
Apr. 2023 Chief of Research Group for Women's Empowerment at IT Industry, Japan Institute for Women's Empowerment & Diversity Management (present)</td></tr>
<tr><td colspan="4">Reason for appointment and expected roles</td></tr>
<tr><td colspan="4">Ms. Sadayo Hirata possesses robust experience as an engineer as well as academic knowledge pertaining to IT and technology management. We believe that the experience and knowledge accumulated throughout his career qualifies him to help enhance the functions that supervise the execution of the Company's operations and to offer advice on all areas of management, and we have thus selected him to be an Outside Director candidate.</td></tr>
<tr><td colspan="4">Other matters concerning candidate for Outside Director</td></tr>
<tr><td colspan="4">1. SCSK has designated Ms. Sadayo Hirata as an independent director that is unlikely to have any conflict of interest with respect to general shareholders and notified the Tokyo Stock Exchange with this regard as it is obligated to do so.
2. If this proposed resolution is approved, SCSK intends to enter into a liability limitation agreement with Ms. Sadayo Hirata to limit the amount of his liabilities to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.
3. Ms. Sadayo Hirata will retire from her position as Director that is an Audit and Supervisory Committee Member at the close of this General Meeting of Shareholders. If the proposition is approved, she will be appointed as a Director that is not an Audit and Supervisory Committee Member.</td></tr>
</table>

Candidate No. 7	Date of birth	Number of Company shares owned	Special interests with the Company
Shoei Yamana <New appointment> <Outside Director> <Independent Director>	Nov. 18, 1954	0 shares	None
	Attendance rate of Board of Directors meetings (attendance/no. of meetings held)	No. of years in office as Director (from the end of the General Meeting of Shareholders)	
	—	—	

Career summary, positions, responsibilities, and significant concurrent positions

Apr. 1977	Joined Minolta Camera Co., Ltd.
Jan. 2001	CEO of Minolta QMS Inc.
Jul. 2002	Executive Officer and General Manager of Management Planning Division of Minolta Co., Ltd.
	Deputy General Manager of Image Information Products General Headquarters, Image Information Products Company
Aug. 2003	Senior Executive Officer of Konica Minolta Holdings, Inc. (currently, Konica Minolta, Inc.)
Oct. 2003	Senior Executive Officer of Konica Minolta Holdings, Inc.
	Managing Director of Konica Minolta Business Technologies, Inc.
Jun. 2006	Director and Senior Executive Officer (in charge of management strategy and IR) of Konica Minolta Holdings, Inc.
Apr. 2011	Director and Senior Executive Officer of Konica Minolta Holdings, Inc., and Representative Director and President of Konica Minolta Business Technologies, Inc.
Apr. 2013	Director and Senior Managing Executive Officer of Konica Minolta, Inc.
Apr. 2014	Director, President and CEO, and Representative Executive Officer of Konica Minolta, Inc.
Apr. 2022	Director, Executive Chairman and Executive Officer of Konica Minolta, Inc. (resigned in June 2023)
Jun. 2022	**Outside Director of TDK Corporation** (present)
Jun. 2023	**Outside Director of Zensho Holdings Co., Ltd.** (present)

Reason for appointment and expected roles

Mr. Shoei Yamana possesses robust management experience gained over years of serving in important positions at major precision equipment companies and wide-ranging knowledge for environmental, social, and human rights issues. We believe that the experience and knowledge accumulated throughout his career qualifies him to help enhance the functions that supervise the execution of the Company's operations and to offer advice on all areas of management, and we have thus selected him to be an Outside Director candidate.

Other matters concerning candidate for Outside Director

1. If this proposed resolution is approved, SCSK intends to designate Mr. Shoei Yamana as an independent director that is unlikely to have any conflict of interest with respect to general shareholders and intends to notify the Tokyo Stock Exchange with this regard as it is obligated to do so.
2. If this proposed resolution is approved, SCSK intends to enter into a liability limitation agreement with Mr. Shoei Yamana to limit the amount of his liabilities to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.
3. Mr. Shoei Yamana was an executive of Konica Minolta, Inc., until June 2023, but he has not been involved in the Business execution of this company after resigning, and the amount of transactions between Konica Minolta, Inc. and the Company equate to less than 1% of the consolidated net sales of Konica Minolta, Inc. and the consolidated net sales of the Company. Accordingly, we have judged that Mr. Shoei Yamana is sufficiently independent from the Company.

Proposition No. 3: Appointment of One (1) Director that is Audit and Supervisory Committee Member

At the close of this General Meeting of Shareholders, the terms of three (3) Directors that are Audit and Supervisory Committee Members Ms. Kazuko Shiraishi, Mr. Yasuo Miki and Ms. Sadayo Hirata of the present six (6) Directors that are Audit and Supervisory Committee Members shall expire. Accordingly, we hereby request that one (1) Director that is Audit and Supervisory Committee Member be appointed and the number of Directors that are Audit and Supervisory Committee Members decrease by two (2). However, in consideration of the Company's current auditing system including cooperation with Internal Auditing Dept. and other Dept., we judged that we can sufficiently ensure the audit effectiveness as well as contribute to enhancing mobility. If the proposition is approved, the number of Directors that are Audit and Supervisory Committee Members will be four (4).

Advance consent has been received from the Audit and Supervisory Committee with regard to this proposition.

The candidate for the position as Director that is Audit and Supervisory Committee Member is as follows.

<table>
<tr><td>Candidate</td><td>Date of birth</td><td>Number of Company shares owned</td><td>Special interests with the Company</td></tr>
<tr><td rowspan="3">Yasuo Miki
<Reappointment>
<Outside Director>
<Independent Director></td><td>Mar. 1, 1955</td><td>100 shares</td><td>None</td></tr>
<tr><td>Attendance rate of Board of Directors meetings (attendance/no. of meetings held)</td><td>Attendance rate of Audit and Supervisory Committee meetings (attendance/no. of meetings held)</td><td>No. of years in office as Outside Director (from the end of the General Meeting of Shareholders)</td></tr>
<tr><td>100% (12 out of 12 meetings)</td><td>100% (14 out of 14 meetings)</td><td>2 years</td></tr>
<tr><td colspan="4">Career summary, positions, responsibilities, and significant concurrent positions</td></tr>
<tr><td colspan="4">Apr. 1977 Joined NEC Corporation
Apr. 2004 General Manager, Process and CPG Solutions Business Department of NEC Corporation
Oct. 2005 President of VMware K.K.
Mar. 2015 Chairman of VMware K.K. (resigned in May 2020)
Oct. 2018 Concurrent position as Chief Technology Innovation Officer of The Tokyo Organising Committee of the Olympic and Paralympic Games (resigned in September 2021)
Jun. 2022 Outside Director (Audit and Supervisory Committee Member) of SCSK (present)
Jun. 2024 External Director of AIRPORT FACILITIES CO., LTD. (tentative)</td></tr>
<tr><td colspan="4">Reason for appointment and expected roles</td></tr>
<tr><td colspan="4">Mr. Yasuo Miki possesses robust management experience and wide-ranging knowledge of technology obtained through his career at IT companies. We believe that the experience and knowledge accumulated throughout his career qualifies him to help enhance the functions that supervise the execution of the Company's operations and to offer advice on all areas of management, and we have thus selected him to be a candidate for the position of Outside Director that is an Audit and Supervisory Committee Member.</td></tr>
<tr><td colspan="4">Other matters concerning candidate for Outside Director</td></tr>
<tr><td colspan="4">1. SCSK has designated Mr. Yasuo Miki as an independent director that is unlikely to have any conflict of interest with respect to general shareholders and notified the Tokyo Stock Exchange with this regard as it is obligated to do so.
2. SCSK has entered into a liability limitation agreement with Mr. Yasuo Miki to limit the amount of his liabilities to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If this proposed resolution is approved, this agreement will be renewed.
3. The Company has entered into an indemnification contract with Mr. Yasuo Miki, under which the Company indemnifies the costs defined in Item (i) and damages defined in Item (ii) of Article 430-2, Paragraph 1 of the Companies Act, within the limits stipulated by the Act. If he is appointed as Director, such contract is to be continued. Please refer to "4-6 Matters Regarding Indemnification Contract" of the Company's business report for more information on these contracts.
4. Director and officer liability insurance contracts have been concluded with insurance firms offering coverage for damages or payments for which the applicable officers may become liable as a result of performing their duties. If appointed, the abovementioned Director candidate shall be applicable under these contracts. These contracts are scheduled to be renewed under the same terms. Please refer to "4-7 Matters Regarding Director and Officer Liability Insurance Contracts" of the Company's business report for more information on these contracts.</td></tr>
</table>

Input from the Audit and Supervisory Committee on Nomination and Remuneration of Directors that are Not Audit and Supervisory Committee Members

Based on reports from relevant officers regarding Director nomination proposals and policies, the Audit and Supervisory Committee discussed matters concerning the nomination of Directors that are not Audit and Supervisory Committee Members. Through such discussions, the Audit and Supervisory Committee reached the conclusion that the Director candidates named in this proposal were sufficiently qualified based on factors including the composition of the Board of Directors and the specialized knowledge, experience, and past performance of candidates.

In addition, discussions regarding the remuneration of Directors that are not Audit and Supervisory Committee Members were held based on reports from relevant officers on remuneration systems and amounts. These discussions led the Audit and Supervisory Committee to conclude that the amounts of remuneration paid to Directors that are not Audit and Supervisory Committee Members were appropriate because these amounts were based on Directors' roles and duties, at a level that considered the Company's performance, and calculated through impartial methods.

Reference 1: Skills Required of the Board of Directors

The Company decides the size of its Board of Directors and its membership based on consideration of the diversity and balance of the skills of members. To assist in this process, the following list has been prepared of the skills deemed necessary in order to ensure that the Board of Directors is equipped with the knowledge, experience, and capacities required to advance the SCSK Group's growth strategies.

Skill	Display Name	Reason for Selection
Corporate management experience	Corporate management	Corporate management experience is necessary for assessing the opportunities and risks in the Company's diverse businesses and for guiding investments to help ensure ongoing growth. SCSK is promoting sustainability management as a growth strategy, meaning that it must position the resolution of various social issues as an earnings opportunity and actively contribute to the resolution of these issues. Corporate management experience is imperative for making appropriate management resource investment and other management decisions for this purpose.
Financial and accounting expertise and experience	Finance / accounting	Financial and accounting expertise and experience are crucial for accessing business growth potential and profitability in pursuit of high capital efficiency and for practicing timely and appropriate disclosure and highly transparent corporate governance.
Technological expertise, foresight, and experience	Technology	Technological expertise, foresight, and experience are needed for making appropriate management decisions pertaining to the introduction technologies in various fields for use in resolving corporate and social issues.

Skill	Display Name	Reason for Selection
Organization and human resource management expertise and experience	Organization / human resources	Organization and human resource management expertise and experience are required to ensure that the Company can offer opportunities and organizations in which professionals with diverse skills and backgrounds can share a common set of values and grow and succeed while exercising their individuality and expertise.
Expertise and experience pertaining to market and economic environments and trends	Marketing	Expertise and experience pertaining to market and economic environments and trends are necessary to identify the issues that may emerge from social or economic changes and to guide the appropriate development and provision of solutions for addressing these issues.
Expertise and experience pertaining to environmental, social, and human rights issues	Environmental / social / human rights	Expertise and experience pertaining to environmental, social, and human rights issues are imperative to accurately assessing social issues related to global warming, human rights, regional disparities, and other factors and to identifying the areas in which SCSK can contribute to the resolution of such issues. These skills are also vital to enabling SCSK to develop sound value chains and fulfill other social responsibilities.

Skill	Display Name	Reason for Selection
Legal and risk management expertise and experience	Legal / risk management	Legal and risk management expertise and experience are required to ensure strict compliance and highly effective oversight of management as well as to the development and implementation of appropriate management systems for risks and other matters.
Global business expertise and experience	Global	Global business expertise and experience are vital to the Company's efforts to capitalize on the growth opportunities presented by global digitization trends.

Reference 2: Director Skills (Skill Matrix)

Should Propositions 2 and 3 be approved as proposed, the membership and skills of the Board of Directors will be as follows.

Name	Position within the Company	Corporate management	Finance / accounting	Technology	Organization / human resources	Marketing	Environmental / social / human rights	Legal / risk management	Global
Hideki Yamano	Chairman and Director	●			●	●	●		●
Takaaki Touma	Representative Director President	●		●	●	●			
Tsutomu Ozaki	Director Senior Managing Executive Officer							●	●
Shinichi Kato	Director					●			●
Tetsuya Kubo	Outside Director	●	●						●
Sadayo Hirata	Outside Director			●	●				
Shoei Yamana	Outside Director	●			●	●	●		●
Hiromichi Jitsuno	Director (Audit and Supervisory Committee Member)							●	
Yasuo Miki	Outside Director (Audit and Supervisory Committee Member)	●		●					
Hidetaka Matsuishi	Outside Director (Audit and Supervisory Committee Member)	●	●		●	●			
Yumiko Waseda	Outside Director (Audit and Supervisory Committee Member)						●	●	

Business Report for the Fiscal Year Ended March 31, 2024

1-1. Matters Regarding the Current Status of the SCSK Group

(1) Operating Performance and Segment Information

In the fiscal year ended March 31, 2024, the domestic economy felt the impacts of the rising commodity prices that stemmed from increases in energy and raw material prices as well as the foreign exchange trends that were shaped by interest rate fluctuations. Nevertheless, a modest recovery trend continued in the domestic economy as economic activity in Japan picked up.

The Japanese economy is anticipated to see the continuation of this modest recovery trend due in part to the benefits of government measures implemented amid improvements in the job market and in wages. However, caution is required with regard to the risk of downturns in the Japanese economy following downturns overseas given the concern pertaining to the impacts of the global monetary tightening trend and the future of the Chinese economy. We also must be wary of the potential impacts of rising commodity prices, conditions in the Middle East, and fluctuations in financial and capital markets.

In this economic environment, the IT services market continues to enjoy an upward trend in IT investment by customers seen across a wide range of industries driven by a strong appetite for IT investment for growing businesses and bolstering competitiveness. Meanwhile, ongoing growth in demand for IT investment is expected, even amid concern for economic downturns overseas. Specific targets of demand will include transitioning from existing systems to cloud systems to accommodate the increasingly digital society.

Demand for IT investment pertaining to digitalization continues to increase among customers in the manufacturing industry. Outlets for this investment demand include strategic investments for redeveloping core systems and strengthening operating foundations. In the financial industry, demand was strong for investment for the purposes of bolstering overseas operations and developing fraud and money laundering detection and prevention systems. As for the distribution industry, IT investment demand was up for core system development and business enhancement applications.

In addition, consistent demand is being seen for cloud IT services along with continuous investment demand for redeveloping core systems to address the ends of software service periods. This demand is being driven by a robust appetite for improvements in operational efficiency and productivity. This situation is expected to generate ongoing demand for systems redevelopment and strategic IT investment.

In the fiscal year ended March 31, 2024, net sales increased 7.7% year on year, to ¥480,307 million, as result of higher sales of systems development services stemming from ongoing growth in IT investment demand as well as strong performance in the system maintenance and operation / services segment.

Operating profit rose 11.0% year on year, to ¥57,004 million, due to sales growth and improved profitability. These factors offset the rise in personnel expenses that followed the increase in base salaries, higher recruitment expenses, and the rise in expenses associated with sales activities. Profit attributable to owners of the parent, meanwhile, increased 8.5% year on year, to ¥40,461 million.

Consolidated business results for the fiscal year ended March 31, 2024

(Millions of yen)

	Previous fiscal year (April 1, 2022 – March 31, 2023)		Fiscal year under review (April 1, 2023 – March 31, 2024)		Comparison with previous fiscal year	
	Net Sales	Segment Profit	Net Sales	Segment Profit	Net Sales	Segment Profit
Industrial IT Business	143,128	18,834	162,424	21,989	19,296	3,155
Financial IT Business	59,995	6,905	64,170	7,517	4,175	611
IT Business Solutions	66,535	6,992	73,832	5,842	7,296	−1,150
IT Platform Solutions	88,453	12,900	87,742	12,571	−710	−329
IT Management Service	61,471	7,353	65,190	9,942	3,719	2,589
Other	26,313	1,366	26,652	1,815	339	449
Adjustments	14	−2,991	294	−2,674	280	316
Total	445,912	51,361	480,307	57,004	34,395	5,642

Notes:
1. A partial revision to the Company's segments was instituted in the fiscal year ended March 31, 2024. Accordingly, the sales and segment profit figures for the fiscal year ended March 31, 2023, displayed above have been restated to reflect the revised segments.
2. Segment sales figures represent sales to external customers.
3. Adjustments to segment profit represent general corporate expenses that have not been allocated to the reported segments.

Overview of business results by segment

○Industrial IT Business

Sales ¥162,424 million
Percentage of total: 33.8%

Net sales increased 13.5% year on year, to ¥162,424 million, and segment profit grew 16.8%, to ¥21,989 million. This growth was driven by higher core systems redevelopment sales to the distribution industry along with increases in investment demand among a wide range of industries, particularly with regard to development projects for the communications industry as well as for automobile, electric machinery, and other manufacturing industries.

○Financial IT Business

Sales ¥64,170 million
Percentage of total: 13.4%

Net sales were up 7.0% year on year, to ¥64,170 million, following rises in anti-money laundering service sales to the banking, credit/leasing companies as well as increases in systems development orders for securities companies. Segment profit similarly rose 8.9%, to ¥7,517 million, due to the benefits of the higher sales coupled with the absence of the loss-making projects recorded in the previous fiscal year.

○IT Business Solutions

Sales ¥73,832 million
Percentage of total: 15.4%

Net sales were up 11.0% year on year, to ¥73,832 million. This outcome was a result of the segment's ability to cater to core systems development demand primarily from manufacturing and distribution industry customers, the strong growth of ProActive products, and the benefits of newly acquired business process outsourcing (BPO) companies. Segment profit, meanwhile, declined 16.4%, to ¥5,842 million, due to the impacts of ongoing enhancement of staff reskilling measures, which are being implemented in line with the strategies of the Medium-Term Management Plan, as well as a reduction in BPO orders from the public sector.

○IT Platform Solutions

Sales ¥87,742 million
Percentage of total: 18.3%

Net sales were down 0.8% year on year, to ¥87,742 million, and segment profit declined 2.6%, to ¥12,571 million, due to a reduction in sales of network equipment to specific communications industry customers. The overall decline in performance was lessened by the benefits of strong sales of network security products together with increases in sales of hardware to manufacturing industry customers and academic research institutions.

○IT Management Service

Sales ¥65,190 million
Percentage of total: 13.6%

Net sales were up 6.1% year on year, to ¥65,190 million, as a result of consistent demand associated with transitioning to cloud systems and redeveloping existing systems to use cloud infrastructure and higher management service revenue from financial industry and other customers. Segment profit rose 35.2%, to ¥9,942 million, following the dissipation of the impacts of the higher electricity bills that affected performance in the six-month period ended September 30, 2022, due to an inability to transfer these impacts to customers. Another factor behind the higher profit was an increase in inter-segment sales following rises in platform development projects for customers of the Industrial IT Business and Financial IT Business segments.

○Others

Sales ¥26,652 million Percentage of total: 5.5%	Net sales were up 1.3% year on year, to ¥26,652 million, and segment profit rose 32.9%, to ¥1,815 million.

Sales in the Company's service-based sales segments, namely Systems Development, System Maintenance and Operation / Services, and Packaged Software / Hardware Sales, were as follows.

(Millions of yen unless otherwise stated)

	Previous fiscal year (April 1, 2022 – March 31, 2023)		Fiscal year under review (April 1, 2023 – March 31, 2024)		Comparison with previous fiscal year	
	Amount	Share (%)	Amount	Share (%)	Amount	Change (%)
Systems Development	180,433	40.5	202,799	42.2	22,366	12.4
System Maintenance and Operation/Services	175,638	39.4	188,340	39.2	12,702	7.2
Packaged Software/Hardware Sales	89,841	20.1	89,168	18.6	-672	-0.7
Total	445,912	100.0	480,307	100.0	34,395	7.7

In Systems Development, net sales increased 12.4% year on year, to ¥202,799 million. This increase was seen as a result of rises in core systems development orders from distribution industry customers and in systems development orders from manufacturing and financial industry customers.

In System Maintenance and Operation / Services, net sales increased 7.2% year on year, to ¥188,340 million, following growth in sales of management services and verification services.

In Packaged Software / Hardware Sales, net sales decreased 0.7% year on year, to ¥89,168 million, due to a reduction in network equipment sales to certain communications industry customers.

1-2 Procurement of Funds

(1) Fund Procurements

In the fiscal year ended March 31, 2024, a total of ¥11,500 million in bank borrowings were refinanced and ¥10,000 million worth of debenture bonds was issued (with an issuance date of July 26, 2023).

(2) Capital Investment

Capital investment by the SCSK Group totaled ¥14,757 million in the fiscal year ended March 31, 2024.

(3) Acquisition and Disposal of Stocks and Other Equity Holdings, Share Warrants, etc., in Other Companies

SCSK ServiceWare Corporation, a consolidated subsidiary of the Company, has acquired all shares of Inet Support Inc., a company operating outsourcing business of call centers, on April 12, 2023, and made it a wholly-owned subsidiary.

1-3 Assets, Profits and Losses

(1) SCSK Group Assets, Profits and Losses

IFRS

Category		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	(million yen)	396,853	414,150	445,912	480,307
Operating profit	(million yen)	45,878	47,555	51,361	57,004
Profit before tax	(million yen)	46,557	48,315	53,336	57,459
Profit attributable to owners of parent	(million yen)	33,435	33,470	37,301	40,461
Basic earnings per share	(yen)	107.09	107.20	119.44	129.51
Total assets	(million yen)	380,399	407,609	435,469	471,400
Total equity attributable to owners of parent	(million yen)	226,874	246,921	271,909	302,254
Equity attributable to owners of parent per share	(yen)	726.77	790.86	870.56	967.36

Note:

Effective October 1, 2021, a three-for-one stock split of the Company's common shares of stock was conducted. Per share information has been calculated assuming the aforementioned stock split was conducted with an effective date of April 1, 2020.

(2) SCSK Assets, Profits and Losses

Category		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	(million yen)	316,888	332,153	355,610	381,911
Ordinary profit	(million yen)	36,396	41,388	44,530	49,158
Profit	(million yen)	31,641	29,195	29,953	34,782
Net profit per share	(yen)	101.36	93.53	95.92	111.34
Total assets	(million yen)	351,734	373,358	382,354	402,099
Net assets	(million yen)	220,336	234,636	249,703	266,730
Net assets per share	(yen)	705.75	751.57	799.51	853.71

Notes:
1. The value of net profit per share for each fiscal year is calculated using the average number of shares from the respective fiscal year. The value of net assets per share is calculated using the number of shares issued as of the end of the respective fiscal year (excluding treasury stock).
2. Effective October 1, 2021, a three-for-one stock split of the Company's common shares of stock was conducted. Per share information has been calculated assuming the aforementioned stock split was conducted with an effective date of April 1, 2020.

1-4 Issues to be Addressed

(1) Operating Environment and Tasks to Be Addressed

The domestic IT services market is witnessing a qualitative change in the IT strategies and investments of companies that is resulting in a more intimate relationship between business and IT. Examples of this change include the rapid advancement of generative AI, blockchain, cloud computing, and mobile technologies. This change is also manifesting in forms such as the rising importance of data utilization as data analysis technologies evolve as well as increases in data leakage, cyberattacks, and other security risks.

Against this backdrop, IT services companies will need to constantly embrace new technologies, continuously improve the quality of their products and services, and create innovative new products and services. The industry finds itself in a time of uncertainty as the operating environment changes at an increasingly rapid pace, making it difficult to project future trends. Achieving ongoing growth in these uncertain times will require companies to undergo self-transformation by reorganizing their business areas and redeveloping their business models.

In light of this changing environment, the Company has defined material issues to share the areas it should prioritize during the course of practicing sustainability management based on its corporate philosophy of "Create Our Future of Dreams." In line with these material issues, we established Grand Design 2030, our vision for 2030. In addition, we announced Medium-Term Management Plan (FY2023-FY2025), the second phase roadmap for achieving this vision, in April 2023.

<Material Issues>

The following seven material issues have been defined based on the SCSK Group's businesses, strengths, and role in society.

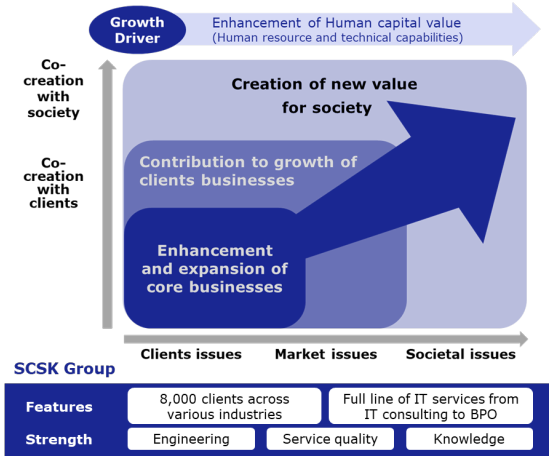
・Achieving sustainable business growth with society	・Foundation supporting sustainable growth
・Innovating for a Brighter Society	・Global Environmental Contributions
・Building Trust for a Safe and Secure Society	・Diverse Team of Professionals
・Creating an Inclusive Society	・Sustainable Value Chain
	・Transparent Governance

<Grand Design 2030>

Grand Design 2030 defines the goal of SCSK as to become a Co-Creative IT Company in 2030 by creating businesses that contribute to the resolution of social issues together with customers and partners.

In order to accomplish this goal, we will realize dramatic improvements in comprehensive corporate value, which we define as corporate value that encompasses economic value as well as non-financial factors such as social value and human capital value, in order to heighten our essential corporate strength. We have also put forth the target of net sales of ¥1 trillion in order to grow SCSK into a first-class company that leads the resolution of social issues based on the creation of value that is not bound by tradition or past standards. Medium-Term Management Plan (FY2023-FY2025) details the concrete steps we are taking toward these ends.





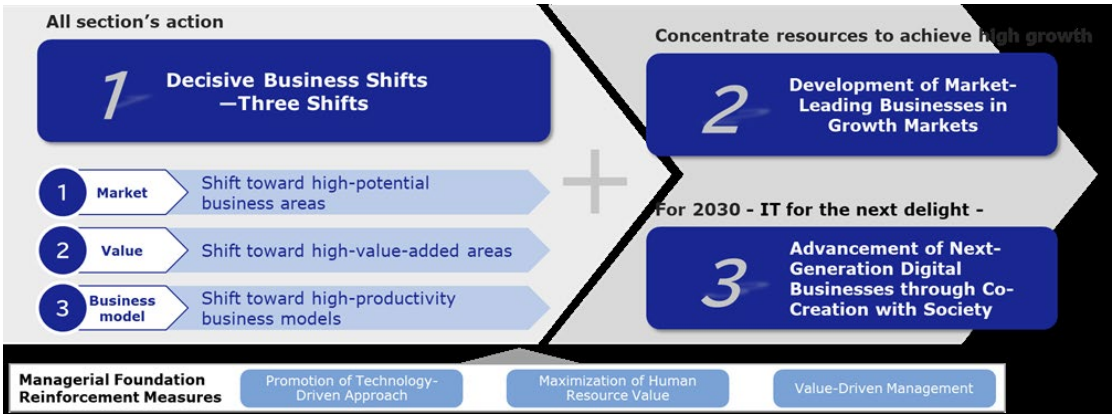
<Medium-Term Management Plan>

Medium-Term Management Plan (FY2023-FY2025) is positioned as the second phase of the plan toward the realization of Grand Design 2030. In addition to reorganizing our business areas and redeveloping our business models and actively engaging with areas that provide Group-generated new value, we will shift to a more highly profitable, productive business model. We will also strive to maximize each employee's market value by fostering a work environment in which employees can fully demonstrate their abilities and by selecting and building business fields and business models. Specific efforts to promote these initiatives are summarized in our Group core strategies.

Group Core Strategy

Pursue dramatic improvements in comprehensive corporate value through:

- Reorganization of business areas and redevelopment of business models to continue providing new value to customers and society
- Maximization of the market value of all employees based on the recognition that the growth of employees drives the growth of the SCSK Group



Core Strategy 1: Decisive Business Shifts -Three Shifts

(1) Shift toward high-potential business areas

(2) Shift toward high-value-added areas

(3) Shift toward high-productivity business models

Core Strategy 2: Development of Market-Leading Businesses in Growth Markets

Core Strategy 3: Advancement of Next-Generation Digital Businesses through Co-Creation with Society

Managerial Foundation Reinforcement Measures

(1) Promotion of Technology-Driven Approach

(2) Maximization of Human Resource Value

(3) Advocation of Value-Driven Management

Growth investment

Aggressive investment of ¥100 billion over three years

KPI

Financial Targets

Aiming at high profit growth by reorganizing of business areas and redeveloping of business models for sustainable growth

＜FY2025＞

- Operating profit ¥65,000 million
- Operating profit margin 12.5%
- ROE 14%

Shareholder returns

＜FY2025＞

- Dividend payout ratio 50%

(2) Progress of the Medium-Term Management Plan

We have positioned Medium-Term Management Plan (FY2023-FY2025) as the second phase toward becoming a Co-Creative IT Company in 2030. Under this plan, we will promote the following three core strategies and three managerial foundation reinforcement measures in order to contribute to the profitability and performance of the core strategies implemented in the first phase (the fiscal years ended March 31, 2021–2023).

Core Strategy 1: Decisive Business Shifts -Three Shifts

- Business areas will be reorganized and business models will be redeveloped to adapt to operating environment changes and achieve sustainable growth.
- Improvements of profitability will be pursued as we seek to generate growth potential and funds to fuel investments oriented toward future sustainable growth.

【Initiatives Based on Core Strategy 1】

i. Shift Toward High-Potential Business Areas

SCSK will identify high-potential business areas on an individual-organization basis in order to shift staff toward areas with high growth potential on a Companywide basis (manufacturing, mobility, security, etc.) and reskill individuals accordingly based on a selection and concentration approach. We are also implementing our Digital Skill Standards training program in order to

heighten our capacity to operate in high-potential business areas on a Companywide level.

ii. Shift Toward High-Value-Added Areas

SCSK is shifting toward upstream systems development areas while recruiting and cultivating the sophisticated engineers needed for upstream processes. Meanwhile, steady progress is being made in promoting the adoption of transaction and offering prices that match the value we provide.

iii. Shift Toward High-Productivity Business Models

Assessing the applicability of generative AI has been defined as a Companywide priority. With the goal of improving development productivity through the use of generative AI technologies, we are evaluating the potential for these technologies to be used in processes ranging from condition definition to system operation, sales support, planning, and analysis.

Core Strategy 2: Development of Market-Leading Businesses in Growth Markets

- The SCSK Group will pursue high growth while contributing to market growth by exercising its strengths in growing markets and technology areas related to cloud and digital technologies.
- Resources will be reallocated in a manner that is not within resources of current organization, advanced technologies will be utilized in an organization-wide manner, and the Company will constantly seek out new target businesses.

Core Strategy 3: Advancement of Next-Generation Digital Businesses through Co-Creation with Society

- By leveraging on our core business insight, we will lead the creation of completely new, next-generation digital business and of new value for society.
- New business possibilities will constantly be explored in areas based on the SCSK Group's material issues.

【Initiatives Based on Core Strategies 2 and 3】

・In the financial area, dedicated anti-money laundering company SCSK RegTech Edge Corporation was the first company to receive approval to engage in foreign exchange transaction analysis businesses under the Act to Partially Amend the Payment Services Act and Other Related Acts to Establish a Stable and Efficient Payment Services System instituted in Japan in June 2022. Inheriting SCSK Corporation's operations in this area, SCSK RegTech Edge is tasked with the accumulation of insight and the provision of sophisticated services through a dedicated organization in order to respond to the increasingly sinister methods of criminal organizations based on the financial crime prevention insight and experience the Company has amassed over the years. Our BankSavior series of financial crime prevention solutions will be a core pillar of this undertaking.

・In the security area, we established SCSK Security Corporation as a dedicated cybersecurity company. Having since commenced operations, this security specialist company is helping customers resolve their cybersecurity issues through the provision of both products and services.

Managerial Foundation Reinforcement Measures

“Promotion of Technology-Driven Approach”

The SCSK Group will create new value and cultivate businesses by acquiring advanced technologies and expand the number of advanced engineers to implement in society. At the same time, we will further promote development of intellectual property accumulated over many years of business know-how and copyrighted works, enhance intellectual property value by promoting the use of intellectual property to resolve customer issues at all customer fronts, and strengthen the promotion of open innovation, such as collaboration with venture companies through fund investments and other means.

“Maximization of Human Resource Value”

The SCSK Group Medium-Term Management Plan (FY2023–FY2025) defines the policy of “Maximization of the market value of all employees based on the recognition that the growth of employees drives the growth of the SCSK Group.” In implementing this policy, we aim to facilitate contributions from diverse employees by promoting diversity and inclusion as well as well-being and health and productivity management. We will also seek to lay the appropriate foundations through the improvement of our human resource portfolio based on business strategy and compensation and remuneration systems.

“Advocation of Value-Driven Management”

The SCSK Group is promoting Value-Driven Management based on the fact that fostering mutual understanding between employees and the Company (including leaders, senior management as such) can drive the creation of new value to degrees that could not be realized by a single individual or company.

【Initiatives Based on Managerial Foundation Reinforcement Measures】

・SCSK established an AI center of excellence along with SCSK AI Integration Lab as dedicated strategic AI organizations in order to accelerate efforts to apply AI to its business and to support customers in adopting AI. These organizations will actively contribute to the digital transformation of customers and society by utilizing the technologies accumulated through the course of providing value to customers as well as AI and other advanced technologies the SCSK Group will acquire or cultivate from a forward-looking perspective.

・SCSK is engaged in the ongoing improvement and acquisition of human capital. The Company has also defined a human resource portfolio that is linked to its business strategies, based on which it is cultivating advanced digital technology engineers and professionals with sophisticated digital skills and providing such individuals with opportunities to exercise their skills. Furthermore, we have developed our proprietary SCSK Well-Being Score system to gauge the important indicator of employee well-being. This system will be used to track well-being-related metrics and drive an improvement cycle with the goal of making SCSK an even more comfortable company to work for.

1-5 Major Businesses (as of March 31, 2024)

The SCSK Group offers services in the areas of IT consulting, systems development, verification service, IT infrastructure construction, IT management, IT hardware and software sales, and business process outsourcing through collaboration among the Industrial IT Business, Financial IT Business, IT Business Solutions, IT Platform Solutions, IT Management Service, and Other segments.

1-6 Major Branches (as of March 31, 2024)

(1) Major SCSK Offices

1. Toyosu Head Office	Koto-ku, Tokyo
2. Branch offices	Minato-ku, Tokyo; Tama-shi, Tokyo; Osaka-shi, Osaka; Toyonaka-shi, Osaka; Nagoya-shi, Aichi Prefecture; Hiroshima-shi, Hiroshima Prefecture; Fukuoka-shi, Fukuoka Prefecture, Urasoe-shi, Okinawa Prefecture
3. Data centers	Chiyoda-ku, Tokyo; Bunkyo-ku, Tokyo; Koto-ku, Tokyo; Edogawa-ku, Tokyo; Inzai-shi, Chiba Prefecture; Toyonaka-shi, Osaka; Sanda-shi, Hyogo Prefecture

(2) Main Offices of Important Subsidiaries, etc.

The main offices of important subsidiaries are those listed in (4) Status of Important Subsidiaries in Section 1-7, Information Regarding Status of Parent Company and Important Subsidiaries.

(3) Employees

1. SCSK Group Employees

No. of employees	Year-on-year change
16,296	Increase of 968

Segment	No. of employees
Industrial IT Business	5,160
Financial IT Business	1,647
IT Business Solutions	3,774
IT Platform Solutions	825
IT Management Service	1,935
Others	2,955
Total	16,296

Note: “Others” means the number of people working in management and other departments.

2. SCSK Employees

No. of employees	Year-on-year change	Average age	Average length of employment
8,611	Increase of 141	43 years, 6 months	18 years, 0 months

1-7 Information Regarding Status of Parent Company and Important Subsidiaries (as of March 31, 2024)

(1) Status of Parent Company

Our parent company is Sumitomo Corporation. At the end of the fiscal year under review, Sumitomo Corporation held 158,091,000 of the Company's shares (capital contribution ratio of 50.54%).

Transactions with the parent company mostly involve software development, data processing services, and sales of hardware, software, and other products.

(2) Matters Regarding Transactions with the Parent Company

1. Provisions for Preventing Transactions that Go Against the Interests of the Company

In principle, transactions with the parent company are to utilize appropriate conditions based on the conditions of standard transactions with arm's length parties. For IT solutions provision, the Company submits price estimates based on market prices and cost ratios, and price negotiations take place with regard to every project.

2. Judgment by Board of Directors and Reasons for Judgment that Transactions Do Not Go Against the Interests of the Company

Based on internal regulations, decisions regarding major transactions with the parent company are to be made at meetings of the Board of Directors, which are attended by the Company's six (6) Outside Directors. Prior to decisions, the Board of Directors is to consult with and receive reports regarding the transaction in question from Conflict of Interest Advisory Subcommittee of the Governance Committee which is membered by Outside Directors that are designated as Independent Directors and external experts that are independent from the Company. Through this process, it has been decided that such transactions do not go against the interests of the Company.

In addition, the Company makes reports on applicable transactions periodically to Conflict of Interest Advisory Subcommittee of the Governance Committee. This committee monitors these transactions to ensure that they do not go against the interests of the Company.

3. Differences in Opinions between Board of Directors and Outside Directors

Not applicable

(3) Contracts Concluded with Parent Company with Regard to Important Financial and Business Policies

The Company has concluded contracts with the parent company with regard to important financial and business policies that provide for the following.

Parent company Sumitomo Corporation respects the autonomous management of group companies while contributing to important decision-making by the boards of directors of group companies based on the relationships of trust established through active dialogue as a stakeholder. Moreover, the parent company acts in accordance with a group management policy of pursuing the creation of new value through strong coordination with group companies. To address the risks of conflicts of interests between the parent company and general shareholders of the Company, the Company implements effective corporate governance systems that utilize Outside Directors who are independent from both the parent company and the management of the Company to ensure the independence of decision-making.

Meanwhile, the independence of decision-making is a top priority. At the same time, the Company recognizes the need to manage risks through the construction and operation of internal controls for the entire group by the parent company and to improve corporate value. Accordingly, the parent company is consulted with and reported to prior to decisions regarding execution of important operations, compliance issues, or other projects with the potential to seriously affect the Company's corporate value.

(4) Status of Important Subsidiaries

Company name	Location	Equity	Capital contribution ratio (%)	Main business
SCSK ServiceWare Corporation	Koto-ku, Tokyo	¥100 million	100.00	Contact center services and BPO services
VeriServe Corporation	Chiyoda-ku, Tokyo	¥792 million	100.00	Product verification services and security verification services, etc.
SCSK Minori Solutions Corporation	Koto-ku, Tokyo	¥480 million	100.00	Software development, system operation, hardware sales, etc.
SCSK KYUSHU CORPORATION	Fukuoka-shi, Fukuoka Pref.	¥200 million	100.00	Software development and data processing
SCSK HOKKAIDO CORPORATION	Sapporo-shi, Hokkaido	¥100 million	100.00	Software development and data processing
SCSK PRESCENDO CORPORATION	Koto-ku, Tokyo	¥100 million	100.00	EC fulfillment services
SCSK USA Inc.	New York State, USA	US$11,850,000	100.00	Software development and data processing
SCSK Europe Ltd.	London, UK	Stg£1,400,000	100.00	Software development and data processing
SCSK Shanghai Limited	Shanghai, China	US$500,000	100.00	Software development and data processing
SCSK Asia Pacific Pte. Ltd.	Singapore	¥200 million	100.00	Software development and data processing
PT SCSK Global Indonesia	Jakarta, Indonesia	Rp60,000 million	100.00	Software development and data processing
SCSK Myanmar Ltd.	Yangon, Myanmar	US$3,800,000	100.00	Software development and data processing
Skeed Co., Ltd.	Meguro-ku, Tokyo	¥100 million	100.00	Software and solutions planning, development, sales, etc. using autonomous and dispersed network technologies as a core competency
Allied Engineering Corporation	Koto-ku, Tokyo	¥242 million	100.00	Consulting and packaged software development and sales
SCSK SYSTEM MANAGEMENT CORPORATION	Koto-ku, Tokyo	¥100 million	100.00	Systems operation services
VA Linux Systems Japan K.K.	Koto-ku, Tokyo	¥194 million	100.00	Software development (Open-source software consulting)
SDC Corporation	Koto-ku, Tokyo	¥96 million	50.10	Network building and operation services
SCSK NEC Data Center Management, Ltd.	Koto-ku, Tokyo	¥100 million	62.50	Data center services and network services
SCSK Automotive H&S Corporation	Koto-ku, Tokyo	¥100 million	100.00	Mobility related software
Gran Manibus Co., Ltd.	Chiyoda-ku, Tokyo	¥90 million	94.29	Consulting and cutting-edge solutions services
SCSK Nearshore Systems Corporation	Koto-ku, Tokyo	¥100 million	100.00	Software development and maintenance services
SCSK RegTech Edge Corporation	Koto-ku, Tokyo	¥100 million	100.00	Anti-money laundering support

SCSK Security Corporation	Koto-ku, Tokyo	¥50 million	100.00	Security service development, sales and security products sales

Notes:
1. We have a total of 30 consolidated subsidiaries, including the important subsidiaries listed above.
2. Effective June 15, 2023, SCSK RegTech Edge Corporation was established as a consolidated subsidiary, and as of January 1, 2024, the Company's foreign exchange transaction analysis businesses, related services, and contingent businesses were inherited through company split (simple absorption-type company split).
3. Effective August 1, 2023, SCSK Security Corporation was established as a consolidated subsidiary, and as of April 1, 2024, the Company's security service development and sales related to cyber security, and security product sales businesses were inherited through company split (simple absorption-type company split).

1-8 Principal Lenders and Loans Payable (as of March 31, 2024)

Name of lender	Loans payable (in millions of yen)
NEC Corporation*	4,800
Sumitomo Mitsui Trust Bank, Limited	4,500
Sumitomo Mitsui Banking Corporation	4,500
Mizuho Bank, Ltd.	2,500
Total	16,300

* Both companies provided financing proportionate to their respective stakeholdings (62.5 to 37.5) to SCSK NEC Data Center Management, Ltd., a joint venture established on April 1, 2022 by the Company with NEC Corporation. Because SCSK NEC Data Center Management, Ltd. is a consolidated subsidiary of the Company, this financing, including amounts borrowed by SCSK NEC Data Center Management, Ltd. from NEC Corporation, is stated as loans payable, consolidated basis.

1-9 Policy Regarding the Exercise of the Rights of the Board of Directors Pursuant to the Articles of Incorporation (in Accordance with Article 459, Paragraph 1 of the Companies Act) to Distribute Surpluses as Dividends, etc.

In determining dividends, the Company aims to increase returns to shareholders in response to stronger consolidated results. In that process, the Company gives comprehensive consideration to its financial position, earnings trends, dividend payout ratio as well as reserves for future business investment.

The Company pays dividends twice a year from its surplus: an interim dividend and a year-end dividend. The decision-making authority regarding dividends lies with the Board of Directors. For the fiscal year ended March 31, 2024, the Company will issue year-end dividend of ¥32.00 per share. Combined with the previously issued interim dividend of ¥28.00 per share, this year-end dividend will make for a total dividend of ¥60.00 per share. For the fiscal year ending March 31, 2025, we intend to issue an annual dividend of ¥68.00 per share.

The Company regards the acquisition of treasury shares as one means of returning profits to shareholders, and will consider any such acquisitions taking into account share price trends and above issues, and shareholder returns via dividend payments.

2. Particulars Regarding the Shares of the Company

2-1 Total Number of Shares Authorized

600,000,000 shares

2-2 Total Number of Shares Issued

312,783,158 shares
(including 359,375 shares of treasury stock)

2-3 Number of Shareholders on the Last Day of the Fiscal Year

26,638 people

2-4 Top 10 Shareholders

Name of shareholder	Shares owned	Shareholding ratio
	Shares	%
Sumitomo Corporation	158,091,477	50.60
The Master Trust Bank of Japan, Ltd. (trust account)	22,924,800	7.34
Custody Bank of Japan, Ltd. (trust account)	14,957,400	4.79
SCSK Group Employee Stock Ownership Association	6,781,064	2.17
STATE STREET BANK WEST CLIENT – TREATY 505234	4,440,476	1.42
SSBTC CLIENT OMNIBUS ACCOUNT	4,108,202	1.31
ARGO GRAPHICS Inc.	3,046,500	0.98
STATE STREET BANK AND TRUST COMPANY 505001	2,408,660	0.77
JAPAN POST INSURANCE Co., Ltd.	2,146,200	0.69
GOVERNMENT OF NORWAY	2,030,122	0.65

Note: The shareholding ratio is calculated by dividing the number of shares held by the number of shares outstanding which is derived by deducting treasury stock (359,375 shares) from the total number of issued shares.

2-5 Status of Shares Allocated to the Company's Officers as a Consideration for the Execution of the Duties in the Fiscal Year

Classification	Shares	Number of Subject to be Allocated
	Shares	Number
Directors (excluding Outside Directors, part-time Directors, and Directors that are Audit and Supervisory Committee Members)	28,238	4

Note: For the details of stock-based compensation, please refer to "4-2 Directors Remuneration" of the Company's business report.

3. Important Matters regarding New Stock Acquisition Rights, etc. of the Company

Matters regarding stock acquisition rights by company officers, etc., as of March 31, 2024

• Overview of stock acquisition rights (share-based remuneration)

Date of issuance	Number of new stock acquisition rights	Type and number of shares subject to the new stock acquisition rights	Number of new shares per stock acquisition right	Issuing price	Amount to be paid for the exercise of each new acquisition right	Exercise period
July 27, 2007 (2nd)	6 rights	1,800 ordinary shares	300 shares	No consideration	¥1	From July 28, 2007, to July 26, 2027
July 29, 2008 (4th)	13 rights	3,900 ordinary shares	300 shares	No consideration	¥1	From July 30, 2008, to July 28, 2028
July 30, 2009 (6th)	13 rights	3,900 ordinary shares	300 shares	No consideration	¥1	From July 31, 2009, to July 29, 2029
July 30, 2010 (8th)	21 rights	6,300 ordinary shares	300 shares	No consideration	¥1	From July 31, 2010, to July 29, 2030

Notes:
1. The amount to be paid for the exercise of each new stock acquisition right shall be the product of the exercise price per share and the number of shares conveyed by each right.
2. Effective October 1, 2021, a three-for-one stock split of the Company's common shares of stock was conducted. As a result, the numbers of shares subject to the new stock acquisition rights have been adjusted.

• Numbers of Company officers and holdings of stock acquisition rights (share-based remuneration) by Company officers (by classification)

Issued Date	Directors (excluding Audit and Supervisory Committee Members, and Outside Directors)		Outside Directors (excluding Audit and Supervisory Committee Members)		Directors (Audit and Supervisory Committee Members)		Executive Officers (excluding Directors)	
	No. of holders	No. of rights	No. of holders	No. of rights	No. of holders	No. of rights	No. of holders	No. of rights
July 27, 2007 (2nd)	1 person	6 rights	0 people	0 rights	0 people	0 rights	0 people	0 rights
July 29, 2008 (4th)	1 person	13 rights	0 people	0 rights	0 people	0 rights	0 people	0 rights
July 30, 2009 (6th)	1 person	13 rights	0 people	0 rights	0 people	0 rights	0 people	0 rights
July 30, 2010 (8th)	1 person	21 rights	0 people	0 rights	0 people	0 rights	0 people	0 rights

4. Particulars Regarding the Company's Officers

4-1 Directors

Name	Position in the Company	Significant concurrently held posts
Hideki Yamano	*1 Director	
Takaaki Touma	*1 Director	
Tetsuya Fukunaga	Director	Outside Director of ARGO GRAPHICS Inc.; Chairman of Japan Information Technology Services Industry Association
Tsutomu Ozaki	Director	
Masaki Nakajima	Director	Senior Managing Executive Officer of Sumitomo Corporation
Tetsuya Kubo	*2 Director	Director, Chairman of the Board of GCM Investments Japan K.K.
Hiromichi Jitsuno	Director (Audit and Supervisory Committee Member) (full-time)	
Kazuko Shiraishi	*2 Director (Audit and Supervisory Committee Member)	External Director of MODEC, Inc.
Yasuo Miki	*2 Director (Audit and Supervisory Committee Member)	
Sadayo Hirata	*2 Director (Audit and Supervisory Committee Member)	
Hidetaka Matsuishi	*2 Director (Audit and Supervisory Committee Member)	Outside Director of JDC CORPORATION
Yumiko Waseda	*2 Director (Audit and Supervisory Committee Member)	Outside Audit & Supervisory Board Member of IHI Corporation; Outside Audit & Supervisory Board Member of CHUGAI PHARMACEUTICAL CO., LTD.

Notes:
1. *1 = Representative Director
2. *2 = Outside Director, as defined by laws and regulations
3. Directors Mr. Tetsuya Kubo and Directors (Audit and Supervisory Committee Members) Ms. Kazuko Shiraishi, Mr. Yasuo Miki, Ms. Sadayo Hirata, Mr. Hidetaka Matsuishi and Ms. Yumiko Waseda are Independent Directors that are unlikely to have any conflict of interest with respect to general shareholders, an assurance we are obliged to provide by the Tokyo Stock Exchange.
4. Mr. Hiromichi Jitsuno was appointed as a full-time Audit and Supervisory Committee Member to allow him to perform an array of duties to ensure the effectiveness of the audit. These duties include attending important meetings; reviewing reports on operational execution matters from Directors (excluding Directors that are Audit and Supervisory Committee Members) and employees; examining important resolution documents; collecting information through meetings held with the auditors of subsidiaries; and sharing information with the Audit and Supervisory Committee.
5. Director Mr. Tsutomu Ozaki resigned from his position as an executive of Sumitomo Corporation on June 23, 2023.
6. Director (Audit and Supervisory Committee Member) Mr. Hiromichi Jitsuno resigned from his position as an executive of Sumitomo Corporation on June 23, 2023.
7. Other than those listed above, there are no relationships between the Company and entities at which Outside Directors hold significant posts that require disclosure.
8. Officers holding significant concurrent posts not listed above: not applicable

Changes during the fiscal year under review

1. New appointment — Appointed June 22, 2023

Tsutomu Ozaki (Director)
Masaki Nakajima (Director) (part time)
Hiromichi Jitsuno (Director (Audit and Supervisory Committee Member))
Hidetaka Matsuishi (Director (Audit and Supervisory Committee Member)) (part time)
Yumiko Waseda (Director (Audit and Supervisory Committee Member)) (part time)

2. Retirement — Retired June 22, 2023

Koji Tamefusa (Director) (part time)
Shunichi Aramaki (Director) (part time)
Yasunori Anzai (Director (Audit and Supervisory Committee Member))
Kimitoshi Yabuki (Director (Audit and Supervisory Committee Member)) (part time)
Masaichi Nakamura (Director (Audit and Supervisory Committee Member)) (part time)

Executive Officers and Corporate Officers of the Company

The positions and/or areas of responsibility of numerous executive officers and corporate officers have been revised effective April 1, 2024. Shown below are posts/assignments as of March 31, 2024 (before the revision) and April 1, 2024 (current status).

Current position in company	Name	Areas of responsibility and significant posts concurrently held	
(as of April 1, 2024)		As of March 31, 2024	As of April 1, 2024 (current)
President[*1]	Takaaki Touma		Chief Health Officer
Senior Managing Executive Officer[*1]	Tsutomu Ozaki	Chief Information Security Officer; General Manager, Legal & Risk Management	Chief Information Security Officer; General Manager, General Affairs & Legal & Risk Management; General Manager, Global
Senior Managing Executive Officer	Tetsuya Ueda	General Manager, Global Digital Solution & Innovation Business Group	General Manager, Business Design Group
Senior Managing Executive Officer	Atsushi Watanabe	Representative Director and President of SCSK ServiceWare Corporation	Representative Director and President of SCSK ServiceWare Corporation
Senior Managing Executive Officer	Yasushi Shimizu	General Manager, Human Resources & General Affairs	General Manager, Human Resources
Managing Executive Officer	Yoshiyuki Shinbori	Chief Executive Officer of VeriServe Corporation	Chief Executive Officer of VeriServe Corporation
Managing Executive Officer	Yasuhiko Oka	General Manager, Finance, Accounting & IR; General Manager, Finance, Accounting & IR Div.	General Manager, Accounting, Finance & IR
Managing Executive Officer	Tadashi Miyagawa	General Manager, Industrial Business Group	General Manager, Industrial Business Group
Managing Executive Officer	Koji Watanabe	General Manager, Mobility Business Group	General Manager, Mobility Business Group; General Manager, Chubu Branch
Managing Executive Officer	Ken Takano	General Manager, Solution Business Group	General Manager, Solution Business Group; General Manager, ProActive Business Solutions

Current position in company (as of April 1, 2024)	Name	Areas of responsibility and significant posts concurrently held	
		As of March 31, 2024	As of April 1, 2024 (current)
Managing Executive Officer	Masaki Komine	General Manager, Products & Services Business Group; Representative Director and President, SCSK Security Corporation	General Manager, Products & Services Business Group; Representative Director and President, SCSK Security Corporation
Managing Executive Officer	Takaya Yamamoto	General Manager, Financial Business Group	General Manager, Financial Business Group
Managing Executive Officer	Kenji Toda	Representative Director and Executive Vice President of SCSK Minori Solutions Corporation	Representative Director and President of SCSK Minori Solutions Corporation
Managing Executive Officer	Shunichiro Fukushima	General Manager, Planning & Sustainability Promotion & Corporate Communications	General Manager, Planning & Sustainability Promotion & Corporate Communications; General Manager, Technology Strategy
Senior Executive Officer	Yukihiko Saito	Deputy General Manager, Industrial Business Group; General Manager, ERP Business Div.	Deputy General Manager, Industrial Business Group; Assistant General Manager, ProActive Business Solutions
Senior Executive Officer	Eri Kawanabe	Assistant General Manager, Human Resources & General Affairs (D&I·Well-Being Promotion)	Assistant General Manager, Human Resources (DEIB & Well-Being Promotion)
Senior Executive Officer	Masayuki Kikuchi	Assistant General Manager, Solution Business Group (Special Appointment)	General Manager, ProActive Business Solutions Div.
Senior Executive Officer	Takaaki Ishida	General Manager, Corporate Information Systems Div.	General Manager, Core Business Innovation Group
Senior Executive Officer	Shoji Shiuchi	General Manager, Nishinihon Industrial Systems Business Div., Industrial Business Group; Deputy General Manager, ERP Business Div.; General Manager, Nishinihon Branch	Assistant General Manager, Industrial Business Group; General Manager, Industrial Solutions Business Div. I; General Manager, Nishinihon Branch
Senior Executive Officer	Yoshinari Kobayashi	General Manager, Human Resources & General Affairs Div.; Representative Director and President of Tokyo Green Systems Corporation	Assistant General Manager, Human Resources; General Manager, Human Resources Div.; Representative Director and President of Tokyo Green Systems Corporation
Senior Executive Officer	Jun Kawamura	General Manager, IT Management Services Div., Solution Business Group	General Manager, IT Management Services Div., Solution Business Group; Deputy General Manager, Mobility Business Group
Senior Corporate Officer	Takayuki Okuhara	General Manager, GX Business Division, Global Digital Solution & Innovation Business Group	General Manager, GX Business Div., Business Design Group
Senior Corporate Officer	Kan Takahashi	General Manager, Financial Systems Business Div. IV, Financial Business Group	General Manager, Financial Systems Business Div. III, Financial Business Group
Senior Corporate Officer	Masahiro Otani	General Manager, ProActive Business Solutions Div., Solution Business Group	Assistant General Manager, Core Business Innovation Group (SE Plus); General Manager, Corporate Information Systems Div.; Assistant General Manager, ProActive Business Solutions Div.
Senior Corporate Officer	Masaaki Mori	General Manager, Media Business Div., Industrial Business Group	General Manager, Industrial Systems Business Div. IV, Industrial Business Group
Senior Corporate Officer	Kenji Ichiba	General Manager, Network Security Div., Products & Services Business Group	General Manager, Network Security Div., Products & Services Business Group

Current position in company	Name	Areas of responsibility and significant posts concurrently held	
(as of April 1, 2024)		As of March 31, 2024	As of April 1, 2024 (current)
Senior Corporate Officer	Shu Wei	Managing Director of SCSK Asia Pacific Pte. Ltd.; Chairman of SCSK Shanghai Limited	Managing Director of SCSK Asia Pacific Pte. Ltd.; Chairman of SCSK Shanghai Limited
Senior Corporate Officer	Ikuo Uchiyama	General Manager, Resource Strategic Management Div., Core Business Innovation Group	General Manager, Resource Strategic Management Div., Core Business Innovation Group
Senior Corporate Officer	Yousuke Tsutaya	Director and Managing Executive Officer of SCSK ServiceWare Corporation	Director and Managing Executive Officer of SCSK ServiceWare Corporation
Senior Corporate Officer	Tomoyuki Naruke	General Manager, Cloud Service Div., Solution Business Group	General Manager, Cloud Service Div., Solution Business Group
Senior Corporate Officer	Masayuki Tanabe	General Manager, Mobility Systems Div. II, Mobility Business Group; General Manager, Chubu Branch	Representative Director and President of SCSK SYSTEM MANAGEMENT CORPORATION
Senior Corporate Officer	Hideya Nakashima	Assistant General Manager, Global Digital Solution & Innovation Business Group (Special Appointment), General Manager, Okinawa Branch	Representative Director and Chairman of the Board of SCSK Nearshore Systems Corporation; General Manager, Okinawa Branch.
Senior Corporate Officer	Yoshihiro Jinbo	General Manager, Industrial Sales Div., Industrial Business Group	General Manager, Industrial Sales Div., Industrial Business Group
Senior Corporate Officer	Toshiyuki Takahashi	President & CEO of SCSK USA Inc.	President & CEO of SCSK USA Inc.
Senior Corporate Officer	Mitsuru Osawa	General Manager, Planning Div.	General Manager, Planning Div.
Senior Corporate Officer	Hideho Masuda	General Manager, Financial Systems Business Div. I, Financial Business Group; Representative Director and President of SCSK RegTech Edge Corporation	General Manager, Financial Systems Business Div. I, Financial Business Group; Representative Director and President of SCSK RegTech Edge Corporation
Senior Corporate Officer	Atsushi Sugiyama	General Manager, Human Resources Development Div.	Managing Officer, Internal Auditing
Senior Corporate Officer	Kenji Inoue	General Manager, Legal & Risk Management Div.	General Manager, General Affairs & Legal Div.
Senior Corporate Officer	Hiroshi Ogasawara	General Manager, netX Data Center Business Div., Solution Business Group; Representative Director and President of SCSK NEC Data Center Management, Ltd.	General Manager, netX Data Center Business Div., Solution Business Group; Representative Director and President of SCSK NEC Data Center Management, Ltd.
Senior Corporate Officer	Satoshi Kitao	General Manager, CX Business Division, Global Digital Solution & Innovation Business Group; Representative Director and President of SCSK PRESCENDO CORPORATION	General Manager, CX Business Div., Business Design Group; Representative Director and President of SCSK PRESCENDO CORPORATION
Senior Corporate Officer	Seiya Otsuka	General Manager, Chubu Kansai Products & Services Business Div.; General Manager, Kyushu Products & Services Business Div., Products & Services Business Group	General Manager, Chubu Kansai Products & Services Business Div.; General Manager, Kyushu Products & Services Business Div., Products & Services Business Group
Senior Corporate Officer	Tamio Ishibashi	General Manager, Financial Systems Business Div. V, Financial Business Group	General Manager, Financial Systems Business Div. IV, Financial Business Group
Senior Corporate Officer	Emi Shimizu	General Manager, Sustainability Promotion & Corporate Communications Div.	General Manager, Sustainability Promotion & Corporate Communications Div.

Current position in company	Name	Areas of responsibility and significant posts concurrently held	
(as of April 1, 2024)		As of March 31, 2024	As of April 1, 2024 (current)
Senior Corporate Officer	Hideki Kouguchi	General Manager, Digital Engineering Solutions Div., Products & Services Business Group; Representative Director, President and Chief Executive Officer of Allied Engineering Corporation	General Manager, Digital Engineering Solutions Div., Products & Services Business Group; Representative Director, President and Chief Executive Officer of Allied Engineering Corporation
Senior Corporate Officer	Naoto Furuya	General Manager, Financial Business Promotion Div., Financial Business Group	General Manager, Talent Strategy Div.
Senior Corporate Officer	Tomotaka Honma	General Manager, Healthcare Business Division, Global Digital Solution & Innovation Business Group	General Manager, Healthcare Business Div., Business Design Group
Senior Corporate Officer	Masayoshi Hasegawa	Director and Senior Managing Executive Officer of SCSK ServiceWare Corporation	Director and Senior Managing Executive Officer of SCSK ServiceWare Corporation
Senior Corporate Officer	Yoko Otani	Deputy General Manager, Healthcare Business Division, Global Digital Solution & Innovation Business Group	Assistant General Manager, Planning Div. (Business Process Modernization Business Promotion)
Senior Corporate Officer *2	Mitsuhiro Matsuda	—	General Manager, Industrial Solutions Business Div. II, Industrial Business Group
Senior Corporate Officer *2	Takayuki Yamauchi	—	General Manager, Financial Systems Business Div. II, Financial Business Group
Senior Corporate Officer *2	Takashi Shimotori	—	General Manager, Global Business Strategy Div.
Senior Corporate Officer *2	Katsushi Fukui	—	General Manager, Technology Strategy Div.

Notes:
1. *1 = Serves jointly as Executive Officer and Director
2. *2 = Newly seated as Senior Corporate Officer on April 1, 2024

3. Listed below are Executive Officers and Corporate Officers who retired as of March 31, 2024.

Position at retirement	Name	Areas of responsibility at retirement
Chairman	Hideki Yamano	Chief Health Officer
Executive Vice President	Tetsuya Fukunaga	General Manager, Business Investment Promotion
Managing Executive Officer	Mineo Yokoyama	General Manager, Core Business Innovation Group; General Manager, Internal IT System; General Manager, SE Plus Management Div., Core Business Innovation Group; Representative Director and Chairman of the Board of SCSK Nearshore Systems Corporation
Senior Corporate Officer	Yoshinori Kawashima	Managing Officer, Internal Auditing
Senior Corporate Officer	Toshihiko Mitsuishi	Assistant General Manager, Mobility Business Group (MX Business)
Senior Corporate Officer	Junichi Horie	Assistant General Manager, Financial Business Group (Special Appointment)
Senior Corporate Officer	Tadashi Takakura	Deputy General Manager, Financial Systems Business Div. IV, Financial Business Group
Senior Corporate Officer	Akiyoshi Yamada	General Manager, Solution Business Promotion Div., Solution Business Group

4-2 Director Remuneration

(1) Total Remuneration, etc., Paid to Directors

Category	Total remuneration	Total remuneration by type			No. of recipients
		Fixed remuneration (monetary compensation)	Short-term performance-linked remuneration (monetary compensation)	Medium- to long-term performance-linked remuneration (stock-based compensation)	
Directors (excluding Audit and Supervisory Committee Members) (of whom Outside Directors)	¥328 million (¥14 million)	¥173 million (¥14 million)	¥92 million (0)	¥62 million (0)	8 (1)
Directors (Audit and Supervisory Committee Members) (of which Outside Directors)	¥82 million (¥61 million)	¥81 million (¥61 million)	0 (0)	0 (0)	8 (7)
Total		¥410 million			16

Notes:

1. Short-term performance-linked remuneration (monetary compensation) is categorized as performance-linked remuneration, etc., and medium- to long-term performance-linked remuneration (stock-based compensation) is categorized as non-monetary remuneration, etc. Medium- to long-term performance-linked remuneration (stock-based compensation) indicates a restricted stock compensation system which was introduced following the resolution at the Annual General Meeting of Shareholders held on June 23, 2022.
2. The upper limit on Director remuneration as determined upon resolution at the Annual General Meeting of Shareholders held on June 28, 2016, is, on a single business year basis, ¥960 million for Directors (excluding Audit and Supervisory Committee Members and Outside Directors), ¥40 million for Outside Directors (excluding Audit and Supervisory Committee Members), and ¥150 million for Directors (Audit and Supervisory Committee Members). At the conclusion of the Annual General Meeting of Shareholders held on June 28, 2016, the number of Directors (excluding Audit and Supervisory Committee Members) was 15, including one Outside Director, and the number of Directors that are Audit and Supervisory Committee Members was four.
   In addition, upon resolution at the Annual General Meeting of Shareholders held on June 23, 2022, it was determined that the upper limit for the issuance of restricted stock compensation to Directors (excluding Outside Directors, part-time Directors, and Directors that are Audit and Supervisory Committee Members) shall be set at ¥150 million a year within the above upper limits, and accordingly the number of common shares of the Company's stock issued or disposed of through this system shall not exceed 100,000 shares per year. At the conclusion of the Annual General Meeting of Shareholders held on June 23, 2022, the number of Directors (excluding Outside Directors, part-time Directors, and Directors that are Audit and Supervisory Committee Members) was four.

3. No Outside Directors received officer remuneration, etc., from the parent company, etc., or from a subsidiary, etc., of the parent company, etc.

(2) Policies for Determining Director Remuneration Amounts

1. Method of Deciding Policies for Determining Director Remuneration Amounts

The Company's current policies, processes, and standards for determining director remuneration amounts as well as the related amounts were decided via resolution by the Board of Directors at a meeting held on July 28, 2023. This decision was made following consultation with the Nomination and Remuneration Advisory Subcommittee of the Governance Committee, which is membered by a majority of Outside Directors that are designated as Independent Directors.

2. Overview of Policies for Determining Amounts of Remuneration Paid to Individual Directors

(i) Policies for Determining Composition and Ratios of Remuneration, etc.

Remuneration for Directors is comprised of fixed remuneration (monetary compensation), short-term performance-linked remuneration (monetary compensation), and medium- to long-term performance-linked remuneration (stock-based compensation). Only fixed remuneration (monetary compensation) is paid to Outside Directors, part-time Directors, and Directors that are Audit and Supervisory Committee Members out of consideration for their role of supervising and auditing management from an objective standpoint.

The ratios of fixed remuneration (monetary compensation), short-term performance-linked remuneration (monetary compensation), and medium- to long-term performance-linked remuneration (stock-based compensation) for each rank of executive officer for Directors that serve concurrently as executive officers are detailed in the table below.

Breakdown of Officer Remuneration Amounts for the Fiscal Year Ended March 31, 2024

Executive officer rank	Fixed remuneration (monetary compensation)	Short-term performance-linked remuneration (monetary compensation)	Medium- to long-term performance-linked remuneration (stock-based compensation)	Total
Chairman	50%	25%	25%	100%
President	50%	25%	25%	
Executive Vice President	55%	25%	20%	
Senior Managing Executive Officer	57%	24%	19%	

Reference

At a meeting of the Board of Directors held on March 28, 2024, the following change to the Company's policies for determining Director remuneration amounts were approved in response to the change of management systems and Representative Director on April 1, 2024.

Of remuneration for Directors, Chairman and Director's remuneration will be comprised of fixed remuneration (monetary compensation) and medium- to long-term performance-linked remuneration (stock-based compensation), and Executive Directors' remuneration will be comprised of fixed remuneration (monetary compensation), short-term performance-linked remuneration (monetary compensation) and medium- to long-term performance-linked remuneration (stock-based compensation). Each proposed ratio is detailed in the table below.

Breakdown of Officer Remuneration Amounts for the Fiscal Year Ending March 31, 2025

Executive officer rank	Fixed remuneration (monetary compensation)	Short-term performance-linked remuneration (monetary compensation)	Medium- to long-term performance-linked remuneration (stock-based compensation)	Total
Chairman and Director	57%	—	43%	100%
Representative Director and	50%	20%	30%	

President				
Senior Managing Executive Officer	57%	24%	19%	

(ii) Policies for Determining Fixed Remuneration (Monetary Compensation)

Fixed remuneration (monetary compensation) for Directors (excluding Outside Directors, part-time Directors, and Directors that are Audit and Supervisory Committee Members) is paid as a fixed amount per month based on remuneration amounts per officer rank determined by the Board of Directors following consultation with the Nomination and Remuneration Advisory Subcommittee of the Governance Committee.

As for Outside Directors who are Members of Conflict of Interest Advisory Subcommittee and Nomination and Remuneration Advisory Subcommittee of the Governance Committee, amounts separately determined by the Board of Directors are converted to fixed remuneration (monetary compensation) and paid.

(iii) Policies for Determining Performance-Linked Remuneration, etc.

Performance-linked remuneration, etc. are paid as short-term performance-linked remuneration (monetary compensation). Amount of short-term performance-linked remuneration (monetary compensation) is decided based on remuneration amounts per officer rank determined by the Board of Directors following consultation with Nomination and Remuneration Advisory Subcommittee of the Governance Committee, and is to be paid after the end of the fiscal year. The amount of short-term performance-linked remuneration (monetary compensation) is decided based on the executive officer remuneration system and is variable as it is calculated by adjusting the standard amount set for each director rank based on the Company's business performance and individual evaluations for the particular year. The weight of the Company's business performance and individual performance are 60% and 40%, respectively. With regard to Chairman and President, the weight of the Company's business performance is 100%.

Company's business performance = Standard amount × Growth rate × Payout rate based on profitability

Individual evaluation = Standard amount × Payout rate proportional to individual evaluation based on executive officer remuneration system

Placing greater value on sustainable growth of achievement and profit, the Company's business performance is calculated based on the Company's consolidated basis growth rate (Compound Annual Growth Rate (CAGR)) setting the start point as of the fiscal year ended March 31, 2023 and target achievement rate against this fiscal year plan, reflecting net sales and operating profit (net sales : operating profit = 30% : 70%) respectively, and the amount of short-term performance-linked remuneration (monetary compensation) is variable in the range from -75% to +80%.

Individual performance is determined based on individual evaluations which include engagement for environmental/social/governance in order to enhance effectiveness of core strategies/managerial foundation reinforcement measures of the medium-term management plan, and the amount of short-term performance-linked remuneration (monetary compensation) is variable in the range from -100% to +50%.

Please refer to "1-3 Assets, Profits and Losses" for information on net sales and operating profit in the fiscal year ended March 31, 2024, as well as other recent fiscal years.

(iv) Policies for Determining Non-monetary Remuneration, etc.

Non-monetary remuneration, etc. are paid as medium- to long-term performance-linked remuneration (stock-based compensation). This system is meant to provide incentive for pursuing the ongoing improvements in corporate value described in Grand Design 2030 as well as to facilitate greater sharing of value with shareholders, and common shares of the Company's stock are allocated as restricted stock compensation every year after the Annual General Meeting of Shareholders. In principle, the transfer restriction period is set to start on the allocation date and end on the day the relevant Director resigns from their position as a Director of the Company, in order to realize sharing of value with shareholder over a medium- to long-term period. The level of this payment is decided based on the amounts per officer rank determined by the Board of Directors following consultation with the Nomination and Remuneration Advisory Subcommittee of the Governance Committee.

3. Matters Pertaining to Delegation of Authority for Determining Amounts of Remuneration, etc.

Specific amounts of remuneration paid to individual Directors (excluding Outside Directors, part-time Directors, and Directors that are Audit and Supervisory Committee Members) are determined following discussion among Representative Director, Chairman Hideki Yamano, Representative Director and President Takaaki Touma based on the authority for determining individual evaluations delegated to these individuals by the Board of Directors. During periods in which there is only one Representative Director, these decisions will be made solely by said individual.

Authority is delegated as such for the purpose of facilitating broad-perspective individual evaluations from the standpoint of the individuals responsible for overseeing operational execution.

The company's business performance is to account for 60% while individual evaluations account for 40% as a provision to limit the authority delegated to the Representative Directors. As for Chairman and President, the company's business performance is to account for 100%.

(3) Reasons for Decision by the Board of Directors that Amounts of Remuneration Paid to Individual Directors pertaining to this Fiscal Year are Compliant to Those Policies

Based on objective market research data from specialist external agencies and on results of verified comparison of remuneration levels mainly of the same-sector companies of similar scale, as well as on the business environment and the Company's management strategy, the policies, processes, and standards for determining director remuneration amounts have been consulted with Nomination and Remuneration Advisory Subcommittee of the Governance Committee, which is membered by a majority of Outside Directors that are designated as Independent Directors. Evaluation criteria and processes to determine individual evaluations delegated to the Representative Director are also reported to and resolved at a meeting of the Board of Directors. The Audit and Supervisory Committee has judged that the methods for determining remuneration are impartial and that the levels of remuneration are appropriately based on the roles and duties of the given officers with due consideration paid the Company's performance. Changes to these standards shall be conducted through a similar process.

The aforementioned process is used to determine the amounts of remuneration paid to individual Directors (excluding Directors that are Audit and Supervisory Committee Members), and the Board of Directors has judged that this process conforms to the Company's policies for determining officer remuneration.

4-3 Matters Regarding Significant Posts in Other Corporations Concurrently Held by Executive Officers and Outside Directors, etc.

Significant concurrently held posts are shown within Section 4-1, Directors.

4-4 Main Activities of Each Outside Director

Category	Name	Attendance at Board of Directors meetings	Attendance at Audit and Supervisory Committee meetings	Major activities
Director	Tetsuya Kubo	12/12	—	Mr. Tetsuya Kubo helps ensure active and efficient discussions in his capacity as the Chairman of the Board. He also offers advice on all areas of the Company's management from a management perspective grounded on his wide-ranging international business insight and his wealth of experience and insight as a manager at meetings of the Board of Directors and the Governance Committee.
Director (Audit and Supervisory Committee Member)	Kazuko Shiraishi	10/12	14/14	Ms. Kazuko Shiraishi offers advice on all areas of the Company's management and auditing activities from an international perspective grounded on her wealth of experience and insight pertaining to international trends at meetings of the Board of Directors, the Audit and Supervisory Committee, and the Governance Committee.
Director (Audit and Supervisory Committee Member)	Yasuo Miki	12/12	14/14	Mr. Yasuo Miki offers advice on all areas of the Company's management and auditing activities from his specialized all-round technology perspective grounded on his wealth of management experience through his career at the IT company and his wide-ranging experience and insight pertaining to technology at meetings of the Board of Directors, the Audit and Supervisory Committee, and the Governance Committee.
Director (Audit and Supervisory Committee Member)	Sadayo Hirata	12/12	14/14	Ms. Sadayo Hirata offers advice on all areas of the Company's management and auditing activities from organization / human resources management perspective grounded on her wealth of experience as an engineer as well as academic experience and insight pertaining to IT and technology management at meetings of the Board of Directors, the Audit and Supervisory Committee, and the Governance Committee.
Director (Audit and Supervisory Committee Member)	Hidetaka Matsuishi	10/10	11/11	Mr. Hidetaka Matsuishi offers advice on all areas of the Company's management and auditing activities from a management perspective grounded on his wealth of management experience and insight as a manager at meetings of the Board of Directors, the Audit and Supervisory Committee, and the Governance Committee.
Director (Audit and Supervisory Committee Member)	Yumiko Waseda	10/10	10/11	Ms. Yumiko Waseda helps ensure active and efficient discussions in her capacity as the Chairman of Governance Committee. She also offers advice on all areas of the Company's management and auditing activities from a legal perspective grounded on her specialized experience and wide-ranging knowledge of the environment, society, and human rights as an attorney at meetings of the Board of Directors, the Audit and Supervisory Committee, and the Governance Committee.

Notes:

1. The Governance Committee is a voluntarily established advisory body to the Board of Directors membered by a majority of Outside Directors that are designated as Independent Directors and external experts that are independent from the Company. This committee was established to ensure that the shared value of the Company and its shareholders is duly considered in the decisions of Directors and of the Board of Directors and that these decisions are sufficiently impartial and transparent. The Governance Committee is comprised of the Conflict of Interest Advisory Subcommittee, which primarily deliberates on transactions that could involve a conflict of interest and on transactions between SCSK and related parties, and the Nomination and Remuneration Advisory Subcommittee, which primarily deliberates on matters such as criteria and process for selecting Directors, Senior Executive Officers, and Senior Corporate Officers, selection and dismissal of Directors, remuneration for Directors, Senior Executive Officers, and Senior Corporate Officer, etc. All Outside Directors are the members of the Conflict of Interest Advisory Subcommittee and the Nomination and Remuneration Advisory Subcommittee of the Governance Committee.
2. The Governance Committee was separated from the system under which two subcommittees of the Conflict of Interest Advisory Subcommittee and the Nomination and Remuneration Advisory Subcommittee were operated by one chairperson on

April 1, 2024, and each committee is managed by a different chairperson. Ms. Yumiko Waseda served as the chairperson of the Conflict of Interest Advisory Committee, and Mr. Tetsuya Kubo served as the chairperson of the Nomination and Remuneration Advisory Committee.

4-5 Matters Regarding Liability Limitation Agreements

The Company, based on Article 427, Paragraph 1 of the Companies Act, and Article 29, Paragraph 2 of the Articles of Incorporation, has entered into liability limitation agreements with each Director (excluding Executive Directors, etc.) to limit the amount of their liabilities to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.

4-6 Matters Regarding Indemnification Contract

The Company has entered into an indemnification contract provided for in Article 430-2, Paragraph 1 of the Companies Act with Directors Mr. Hideki Yamano, Mr. Takaaki Touma, Mr. Tetsuya Fukunaga, Mr. Tsutomu Ozaki, Mr. Masaki Nakajima and Mr. Tetsuya Kubo, and with Directors that are Audit and Supervisory Committee Members Mr. Hiromichi Jitsuno, Ms. Kazuko Shiraishi, Mr. Yasuo Miki and Ms. Sadayo Hirata, Mr. Hidetaka Matsuishi and Ms. Yumiko Waseda under which the Company shall indemnify the Directors for the expenses specified in Item 1 and the losses specified in Item 2 of the same Paragraph within the limits stipulated by the Act. However, if it is deemed that duties have been performed to seek unlawful gains for the Director himself or herself, or for a third party, or with the aim of causing harm to the Company, any indemnified expenses, etc. shall be returned and other conditions shall be met.

4-7 Matters Regarding Director and Officer Liability Insurance Contracts

Director and officer liability insurance contracts have been concluded with insurance firms. These contracts are applicable to directors, auditors, executive officers, and corporate officers of the Company and its subsidiaries as well as officers dispatched to equity-method affiliates. Under these contracts, applicable directors are covered for any legal fees or damages that they may be required to pay in relation to lawsuits from companies, third parties, or shareholder representatives. However, these contracts do not cover damages related to acts perpetrated by applicable officers with the knowledge that they constitute crimes or legal violations. Fees for maintaining these insurance contracts shall be paid in full by the Company.

5. Matters Regarding the Independent Auditor

5-1 Name

KPMG AZSA LLC

5-2 Remuneration, etc., paid to the Independent Auditor

1. Audit remuneration and other fees paid to the Independent Auditor by the Company concerning the period under review	¥175 million
2. Total amount of cash and other financial benefits payable by the Company and its consolidated subsidiaries to the Independent Auditor (inclusive of (1) above)	¥242 million

Notes:

1. The audit agreement between the Company and the Independent Auditor does not differentiate audit remuneration fees based on the Companies Act from audit remuneration fees based on the Financial Instruments and Exchange Law. The amount on Line (1) above thus includes the audit remuneration and other fees based on the Financial Instruments and Exchange Law.
2. The Company and its consolidated subsidiaries have paid the Independent Auditor for services outside those specified in Article 2, Paragraph 1 of the Certified Public Accountants Act (specifically, for services regarding the preparation of comfort letters, services relating to the provision of advice regarding the preparation of English-language financial statements, and services provided on a referral basis).
3. Through the holding of the necessary hearings and the provision of the necessary reports and documents by the Independent Auditor or by the directorship, accounting, internal control, or other internal company units, the Audit and Supervisory Committee has checked the work performance of the Internal Auditor in the previous period, the contents of the audit plan for the current period, the general suitability of the audit fee estimate, and other such matters; and, having done so, the Audit and Supervisory Committee provides its consent to Independent Auditor fees, etc., in accordance with Article 399, Paragraph 1 and Paragraph 3 of the Companies Act.

5-3 Policy for Determination of Dismissal or Non-reappointment

In the event the Independent Auditor is found to be applicable under any of the situations stipulated in the clauses of Article 340, Paragraph 1 of the Companies Act and the situation is judged to be irremediable, the Audit and Supervisory Committee's policy is to dismiss such Independent Auditor after receiving the consent of all Audit and Supervisory Committee Members.

In addition, in the event there is a significant adverse effect on the execution of the Independent Auditor's duties, due to sanctions or penalties from authoritative bodies imposed as a result of violations of the Companies Act, the Certified Public Accountants Act, or other laws by the Independent Auditor, the Audit and Supervisory Committee's policy is to formulate a proposal recommending that the Independent Auditor in question be dismissed or not be reappointed and to have the Board of Directors submit this proposal to the General Meeting of Shareholders.

Values expressed in units of millions of yen have been rounded off to the nearest unit.

Consolidated Financial Statements

Consolidated Statements of Financial Position

(As of March 31, 2024)

(Millions of yen)

Assets		Liabilities	
Current assets	**272,834**	**Current liabilities**	**105,535**
Cash and cash equivalents	144,360	Trade and other payables	36,232
Trade and other receivables	85,512	Contract liabilities	17,029
Contract assets	14,979	Employee benefits accruals	13,058
Inventories	7,939	Bonds and borrowings	11,875
Other financial assets	5,010	Lease liabilities	9,154
Income taxes receivable	0	Other financial liabilities	25
Other current assets	15,033	Income taxes payable	9,601
		Provisions	734
		Other current liabilities	7,823
Non-current assets	**198,565**	**Non-current liabilities**	**62,954**
Property, plant and equipment	71,665	Bonds and borrowings	19,370
Right-of-use assets	42,250	Lease liabilities	33,570
Goodwill and intangible assets	32,495	Other payables	177
Investments accounted for using equity method	13,662	Employee benefits	2,078
Other receivables	9,121	Provisions	7,332
Other financial assets	9,053	Deferred tax liabilities	425
Deferred tax assets	624	**Total liabilities**	**168,489**
Other non-current assets	19,691	**Equity**	
		Share capital	21,420
		Share premium	162
		Retained earnings	275,551
		Treasury shares	-284
		Other components of equity	5,404
		Total equity attributable to owners of parent	302,254
		Non-controlling interests	**655**
		Total equity	**302,910**
Total assets	**471,400**	**Total liabilities and equity**	**471,400**

Consolidated Statements of Income

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Subject	Amount
Net sales	480,307
Cost of sales	-352,336
Gross profit	**127,971**
Selling, general and administrative expenses	-70,940
Other income	656
Other expenses	-682
Operating profit	**57,004**
Finance income	615
Finance costs	-1,554
Share of profit (loss) of investments accounted for using equity method	1,394
Profit before tax	**57,459**
Income tax expense	-16,874
Profit	**40,584**
Profit attributable to	
Owners of parent	40,461
Non-controlling interests	123
Earnings per share	
Basic earnings per share (yen)	129.51
Diluted earnings per share (yen)	129.51

Values expressed in units of millions of yen have been rounded off to the nearest unit.

Consolidated Statements of Changes in Equity

(From April 1, 2023 to March 31, 2024)

(Millions of Yen)

	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance on Apr. 1, 2023	21,285	122	246,812	-286	3,976	271,909	493	272,403
Profit	–	—	40,461	—	—	40,461	123	40,584
Other comprehensive income	–	—	—	—	6,423	6,423	—	6,423
Comprehensive income	–	—	40,461	—	6,423	46,885	123	47,008
Issuance of new shares	135	135	—	—	—	270	—	270
Dividends of surplus	–	—	-16,867	—	—	-16,867	-51	-16,919
Changes in ownership interest in subsidiaries	–	-91	—	—	—	-91	91	-0
Purchase of treasury shares	–	—	—	-5	—	-5	—	-5
Disposal of treasury shares	–	-6	—	7	—	0	—	0
Transfer to capital surplus from retained earnings	–	3	-3	—	—	—	—	—
Transfer from other components of equity to retained earnings	–	—	5,147	—	-5,147	—	—	—
Transfer to non-financial assets	–	—	—	—	152	152	—	152
Total transactions with owners	135	40	-11,723	2	-4,995	-16,540	39	-16,500
Balance on Mar. 31, 2024	21,420	162	275,551	-284	5,404	302,254	655	302,910

Values expressed in units of millions of yen have been rounded off to the nearest unit.

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(As of March 31, 2024)

(Millions of yen)

Assets		Liabilities	
Current assets	**235,405**	**Current liabilities**	**112,503**
Cash and deposits	22,965	Accounts payable - trade	23,615
Notes	235	Short-term borrowings	11,500
Accounts receivable – trade	64,934	Lease obligations	214
Contract assets	14,336	Accounts payable	6,392
Lease investment assets	78	Expenses payable	1,775
Securities	15,000	Income taxes payable	9,109
Merchandise and finished goods	6,651	Consumption taxes payable	3,802
Raw materials and supplies	175	Contract liabilities	15,574
Advance payments - trade	1,235	Deposits received	35,368
Prepaid expenses	13,747	Provision for bonuses	4,368
Deposits paid	92,024	Provision for bonuses for directors (and other officers)	91
Short-term loans receivable from subsidiaries and associates	875	Provision for loss on construction contracts	627
Other	3,145	Asset retirement obligations	39
		Other	25
Non-current assets	**166,694**		
Property, plant and equipment	**66,138**		
Buildings	43,369	**Non-current liabilities**	**22,865**
Structures	203	Bonds payable	15,000
Vehicles	0	Lease obligations	197
Tools, furniture and fixtures, net	7,035	Provision for retirement benefits for directors (and other officers)	7
Land	13,716	Provision for retirement benefits	821
Leased assets, net	394	Asset retirement obligations	5,656
Construction in progress	1,418	Long-term leasehold and guarantee deposits received	1,112
Intangible assets	**10,124**	Other	70
Software	10,001	**Total liabilities**	**135,369**
Telephone subscription right	118	**Net assets**	
Right of using facilities	0	**Shareholders' equity**	**265,524**
Trademark rights	3	**Share capital**	**21,420**
		Capital surplus	**1,567**
Investments and other assets	**90,432**	Legal capital surplus	1,567
Investment securities	6,586	**Retained earnings**	**242,821**
Shares of subsidiaries and associates	60,073	Legal retained earnings	3,988
Long-term loans receivable from subsidiaries and associates	7,375	Other retained earnings	238,833
Long-term loans receivable from employees	0	Open innovation promotion funds	187
Long-term prepaid expenses	1,719	General reserve	23,310
Leasehold and guarantee deposits	7,134	Retained earnings brought forward	215,335
Deferred tax assets	251		
Membership rights	163	**Treasury shares**	**-284**
Lease investment assets	70	**Valuation and translation adjustments**	**1,192**
Prepaid pension cost	7,096	**Valuation difference on available-for-sale securities**	**1,212**
Other	21	**Deferred gains or losses on hedges**	**-19**
Allowance for doubtful accounts	-59	**Share acquisition rights**	**12**
		Total net assets	**266,730**
Total assets	**402,099**	**Total liabilities and net assets**	**402,099**

Non-consolidated Statement of Income

(From April 1, 2023 to March 31, 2024)

(Millions of yen)

Subject	Amount
Net sales	381,911
Cost of sales	280,431
Gross profit	**101,480**
Selling, general and administrative expenses	55,062
Operating profit	**46,417**
Non-operating income	3,244
Interest income	84
Interest on securities	5
Dividend income	2,656
Other	497
Non-operating expenses	503
Interest expenses	24
Interest on bonds	40
Loss on investments in partnership	47
Bond issuance costs	49
Foreign exchange losses	37
Other	303
Ordinary profit	**49,158**
Extraordinary income	565
Gain on sales of non-current assets	29
Gain on sales of investment securities	530
Gain on sales of memberships	5
Extraordinary losses	1,229
Loss on retirement of non-current assets	0
Loss on sales of non-current assets	19
Impairment loss	924
Loss on valuation of investment securities	187
Compensation expenses	98
Profit before income taxes	**48,494**
Income taxes - current	14,334
Income taxes - deferred	−621
Profit	**34,782**

Values expressed in units of millions of yen have been rounded off to the nearest unit.

Non-consolidated Statements of Changes in Equity

(From April 1, 2023 to March 31, 2024)

(Millions of Yen)

	Shareholders' equity								
		Capital surplus			Retained earnings				
						Other retained earnings			
	Share capital	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Open innovation promotion funds	General reserve	Retained earnings brought forward	Total retained earnings
Balance on Apr. 1, 2023	21,285	1,432	–	1,432	3,988	187	23,310	198,173	225,659
Changes during period									
Issuance of new shares	135	135	–	135	–	–	–	–	–
Dividends of surplus	–	–	–	–	–	–	–	-16,867	-16,867
Profit	–	–	–	–	–	–	–	34,782	34,782
Purchase of treasury shares	–	–	–	–	–	–	–	–	–
Disposal of treasury shares	–	–	-3	-3	–	–	–	–	–
Transfer to capital surplus from retained earnings	–	–	3	3	–	–	–	-3	-3
Decrease by corporate division - split-off type	–	–	–	–	–	–	–	-750	-750
Net changes in items other than shareholders' equity	–	–	–	–	–	–	–	–	–
Total changes during period	135	135	–	135	–	–	–	17,162	17,162
Balance on Mar. 31, 2024	21,420	1,567	–	1,567	3,988	187	23,310	215,335	242,821

(Millions of Yen)

	Shareholders' equity		Valuation and translation adjustments			Share acquisition rights	Total net assets
	Treasury shares	Total share capital	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance on Apr. 1, 2023	-286	248,089	1,647	-50	1,596	16	249,703
Changes during period							
Issuance of new shares	–	270	–	–	–	–	270
Dividends of surplus	–	-16,867	–	–	–	–	-16,867
Profit	–	34,782	–	–	–	–	34,782
Purchase of treasury shares	-5	-5	–	–	–	–	-5
Disposal of treasury shares	7	4	–	–	–	–	4
Transfer to capital surplus from retained earnings	–	–	–	–	–	–	–
Decrease by corporate division - split-off type	–	-750	–	–	–	–	-750
Net changes in items other than shareholders' equity	–	–	-435	31	-403	-3	-407
Total changes during period	2	17,435	-435	31	-403	-3	17,027
Balance on Mar. 31, 2024	-284	265,524	1,212	-19	1,192	12	266,730

Values expressed in units of millions of yen have been rounded off to the nearest unit.

Independent Auditor's Report

May 13, 2024

The Board of Directors
SCSK Corporation

KPMG AZSA LLC
Tokyo Office, Japan

Michitaka Shishido
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Shinya Mikami
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kenji Kasajima
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Audit Opinion

We have audited the consolidated financial statements, comprising the consolidated statements of financial position, the consolidated statements of income, the consolidated statement of change in net assets, and the notes to the consolidated financial statements of SCSK Corporation for the fiscal year from April 1, 2023, to March 31, 2024, in accordance with Article 444, Paragraph 4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above, which were prepared in accordance with accounting standards allowing for the omission of certain disclosure items required by international standards as provided for in Article 120, Paragraph 1 of the Regulation on Corporate Accounting, present fairly, in all material aspects, the financial position and the results of operations of SCSK Corporation and its consolidated subsidiaries for the period for which the consolidated financial statements were prepared.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted to be fair and appropriate in Japan. Our responsibility under auditing standards is described in "Responsibility of Independent Auditor in Audits of Consolidated Financial Statements." Our audit firm is independent from SCSK Corporation and its subsidiaries as required by the professional ethics standards of Japan, and we fulfill other ethical obligations as an Independent Auditor. We believe that the audit evidence we have obtained is appropriate and sufficient to form the basis for our audit opinion.

Other Attached Materials

This notice of convocation is supplemented by the attached business report and supplementary schedules. Management is responsible for the preparation and disclosure of these materials. The Audit and Supervisory Committee is responsible for overseeing the execution of duties by Directors pertaining to the reporting process associated with these materials.

These materials are not subject to evaluation in this the Independent Auditor's Report, and we express no opinion with regard to the content of these materials.

Our responsibility with regard to these materials is to read, in its entirety, the information contained therein

and to determine whether there are any material differences between said information and the information contained within the consolidated financial statements and the understanding we have gained through the process of auditing said consolidated financial statements. We are also expected to be attentive in identifying any other signs of material errors in the applicable information.

Should a sign of a material error be detected, this fact will be reported to the appropriate representatives within SCSK Corporation.

We have found no matters warranting reporting with regard to other materials attached to this notice of convocation.

Responsibility of Management and Audit and Supervisory Committee Regarding Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting standards allowing for the omission of certain disclosure items required by international standards as provided for in Article 120, Paragraph 1 of the Regulation on Corporate Accounting and for the preparation and adoption of such internal controls as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Management is also responsible for evaluating whether it is appropriate to prepare consolidated financial statements based on the assumption of a going concern and for disclosing information on items requiring disclosure in relation to going concerns in accordance with accounting standards allowing for the omission of certain disclosure items required by international standards as provided for in Article 120, Paragraph 1 of the Regulation on Corporate Accounting.

The Audit and Supervisory Committee is responsible for supervising the execution of duties by Directors with regard to the development and implementation of financial reporting processes.

Responsibility of Independent Auditor in Audits of Consolidated Financial Statements

Our responsibility is to express an opinion on the consolidated financial statements in the Independent Auditor's Report based on our audit from our independent perspective as Independent Auditor. In this process, we must obtain reasonable assurance that, overall, the consolidated financial statements are free from material misstatements, whether due to fraud or error. Misstatements may result from fraud or from error. Misstatements will be deemed to be material should they be judged to have the potential to, independently or collectively, influence the decisions of users of the consolidated financial statements.

Through the process of performing audits based on the corporate accounting standards generally accepted to be fair and appropriate in Japan, we make judgments from our professional perspective and perform the following tasks while maintaining a sufficient degree of professional skepticism.

- We identify and evaluate risks that may result in material misstatements, whether from fraud or error; propose and implement auditing procedures that account for material misstatement risks; make decisions regarding the selection and application of auditing procedures; and acquire sufficient and appropriate audit evidence as necessary for formulating opinions.

- Although the purpose of audits of consolidated financial statements is not to express opinions on the effectiveness of internal controls, we examine internal controls regarding audits in order to propose appropriate auditing procedures based on the circumstances at the company being audited when performing risk evaluations.

- We evaluate the appropriateness of the accounting policies and application methods employed by management, the rationality of accounting estimates prepared by management, and the adequacy of related notes.

- We make judgements on whether it is appropriate for management to prepare consolidated financial

statements based on the assumption of a going concern and whether material uncertainty exists regarding events or conditions that cast significant doubt on the assumption of a going concern based on the acquired audit evidence. Should it be determined that material uncertainty exists with regard to the assumption of a going concern, we must draw attention to the notes to the consolidated financial statements in the Independent Auditor's Report. Furthermore, we must express the need to include exemption clauses regarding the consolidated financial statements should it be determined that describing the material uncertainty in the notes to the consolidated financial statements would be inappropriate. Our judgements are made based on the audit evidence available as of the date of the publication of the Independent Auditor's Report. It is possible that the status of the company being audited as a going concern could be undermined by subsequent events or conditions.

- We judge whether the consolidated financial statements and accompanying notes have been prepared in accordance with accounting standards allowing for the omission of certain disclosure items required by international standards as provided for in Article 120, Paragraph 1 of the Regulation on Corporate Accounting. We also evaluate the appropriateness of the display methods, structure, and contents of the consolidated financial statements and accompanying notes and the descriptions of the transactions and accounting events on which the consolidated financial statements are based.

- We acquire sufficient and appropriate audit evidence regarding SCSK Corporation and its consolidated subsidiaries as necessary to express our opinion on the consolidated financial statements. We are responsible for issuing instructions regarding audits of the consolidated financial statements and for overseeing and performing audits. Auditors have responsibility for their individual audit opinions.

We report to the Audit and Supervisory Committee on the planned scope and timing of audits as well as on any material auditing issues, including major internal control insufficiencies, or other matters required by audit standards identified during the audit process.

We issue reports to the Audit and Supervisory Committee to indicate that our firm is complying with the professional ethics standards of Japan regarding independence. Reports are also submitted to provide notice when we are taking countermeasures to prevent factors that could rationally be judged to impact or impede our independence as an Independent Auditor, or when we are applying safeguards to mitigate factors to an acceptable level.

Conflicts of Interest

Our firm and engagement partners have no interests in SCSK Corporation or its consolidated subsidiaries that require disclosure pursuant to the provisions of the Certified Public Accountants Law of Japan.

Independent Auditor's Report

May 13, 2024

The Board of Directors
SCSK Corporation

KPMG AZSA LLC
Tokyo Office, Japan

Michitaka Shishido
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Shinya Mikami
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kenji Kasajima
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Audit Opinion

We have audited the non-consolidated financial statements, comprising the non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in shareholders' equity and the related notes, and the supplementary schedules of SCSK Corporation for the 56th fiscal year from April 1, 2023, to March 31, 2024, in accordance with Article 436, Paragraph 2, Item 1 of the Companies Act.

In our opinion, the non-consolidated financial statements referred to above, which were prepared in accordance with corporate accounting standards generally accepted to be fair and appropriate in Japan, present fairly, in all material aspects, the financial position and the results of operations of SCSK Corporation for the period for which the non-consolidated financial statements were prepared.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted to be fair and appropriate in Japan. Our responsibility under auditing standards is described in "Responsibility of Independent Auditor in Audits of Non-Consolidated Financial Statements." Our audit firm is independent from SCSK Corporation as required by the professional ethics standards of Japan, and we fulfill other ethical obligations as an Independent Auditor. We believe that the audit evidence we have obtained is appropriate and sufficient to form the basis for our audit opinion.

Other Attached Materials

This notice of convocation is supplemented by the attached business report and supplementary schedules. Management is responsible for the preparation and disclosure of these materials. The Audit and Supervisory Committee is responsible for overseeing the execution of duties by Directors pertaining to the reporting process associated with these materials.

These materials are not subject to evaluation in this the Independent Auditor's Report, and we express no opinion with regard to the content of these materials.

Our responsibility with regard to these materials is to read, in its entirety, the information contained therein and to determine whether there are any material differences between said information and the information contained within the non-consolidated financial statements and the understanding we have gained through the process of auditing said consolidated financial statements. We are also expected to be attentive in identifying any other signs of material errors in the applicable information.

Should a sign of a material error be detected, this fact will be reported to the appropriate representatives within SCSK Corporation.

We have found no matters warranting reporting with regard to other materials attached to this notice of convocation.

Responsibility of Management and Audit and Supervisory Committee Regarding Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with corporate accounting standards generally accepted to be fair and appropriate in Japan, and for the preparation and adoption of such internal controls as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Management is also responsible for evaluating whether it is appropriate to prepare non-consolidated financial statements based on the assumption of a going concern and for disclosing information on items requiring disclosure in relation to going concerns based on the corporate accounting standards generally accepted to be fair and appropriate in Japan.

The Audit and Supervisory Committee is responsible for supervising the execution of duties by Directors with regard to the development and implementation of financial reporting processes.

Responsibility of Independent Auditor in Audits of Non-Consolidated Financial Statements

Our responsibility is to express an opinion on the non-consolidated financial statements in the Independent Auditor's Report based on our audit from our independent perspective as Independent Auditor. In this process, we must obtain reasonable assurance that, overall, the non-consolidated financial statements are free from material misstatements, whether due to fraud or error. Misstatements may result from fraud or from error. Misstatements will be deemed to be material should they be judged to have the potential to, independently or collectively, influence the decisions of users of the non-consolidated financial statements.

Through the process of performing audits based on the corporate accounting standards generally accepted to be fair and appropriate in Japan, we make judgments from our professional perspective and perform the following tasks while maintaining a sufficient degree of professional skepticism.

- We identify and evaluate risks that may result in material misstatements, whether from fraud or error; propose and implement auditing procedures that account for material misstatement risks; make decisions regarding the selection and application of auditing procedures; and acquire sufficient and appropriate audit evidence as necessary for formulating opinions.

- Although the purpose of audits of non-consolidated financial statements is not to express opinions on the effectiveness of internal controls, we examine internal controls regarding audits in order to propose appropriate auditing procedures based on the circumstances at the company being audited when performing risk evaluations.

- We evaluate the appropriateness of the accounting policies and application methods employed by management, the rationality of accounting estimates prepared by management, and the adequacy of related notes.

- We make judgements on whether it is appropriate for management to prepare non-consolidated financial statements based on the assumption of a going concern and whether material uncertainty exists regarding events or conditions that cast significant doubt on the assumption of a going concern based on the acquired audit evidence. Should it be determined that material uncertainty exists with regard to the assumption of a going concern, we must draw attention to the notes to the non-consolidated financial statements in the Independent Auditor's Report. Furthermore, we must express the need to include exemption clauses regarding the non-consolidated financial statements should it be determined that describing the material

uncertainty in the notes to the non-consolidated financial statements would be inappropriate. Our judgements are made based on the audit evidence available as of the date of the publication of the Independent Auditor's Report. It is possible that the status of the company being audited as a going concern could be undermined by subsequent events or conditions.

- We judge whether the non-consolidated financial statements and accompanying notes have been prepared in accordance with the corporate accounting standards generally accepted to be fair and appropriate in Japan. We also evaluate the appropriateness of the display methods, structure, and contents of the non-consolidated financial statements and accompanying notes and the descriptions of the transactions and accounting events on which the non-consolidated financial statements are based.

We report to the Audit and Supervisory Committee on the planned scope and timing of audits as well as on any material auditing issues, including major internal control insufficiencies, or other matters required by audit standards identified during the audit process.

We issue reports to the Audit and Supervisory Committee to indicate that our firm is complying with the professional ethics standards of Japan regarding independence. Reports are also submitted to provide notice when we are taking countermeasures to prevent factors that could rationally be judged to impact or impede our independence as an Independent Auditor, or when we are applying safeguards to mitigate factors to an acceptable level.

Conflicts of Interest

Our firm and engagement partners have no interests in SCSK Corporation that require disclosure pursuant to the provisions of the Certified Public Accountants Law of Japan.

Audit Report

The Audit and Supervisory Committee conducted an audit of the execution of duties of Directors during the 56th fiscal year from April 1, 2023, to March 31, 2024. Details regarding the audit methods and results are provided below.

1. Audit Methods and Other Details
The Audit and Supervisory Committee received periodic reports from Directors, employees, or other individuals on resolutions by the Board of Directors related to (b) and (c) of Article 399-13, Paragraph 1 of the Companies Act and on the implementation and operation status of systems based on these resolutions (internal control systems). When necessary, Audit and Supervisory Committee Members requested explanations or voiced opinions regarding these matters. Audits were performed through the following methods.

In regard to internal control systems relating to financial reporting, the Audit and Supervisory Committee received reports on the status of evaluations and audits of these systems from Directors and KPMG AZSA LLC, and explanations were requested as necessary.

① In accordance with the auditing policies formulated by the Audit and Supervisory Committee and the division of duties of Audit and Supervisory Committee Members, the Audit and Supervisory Committee Members coordinate with the Company's internal control divisions as we attend important meetings and receive reports regarding the execution of duties from Directors, employees, and other individuals. When necessary, Audit and Supervisory Committee Members requested explanations regarding those reports. We also inspected documents related to important decisions and examined operations and assets at the Company's head office and major operational establishments. As for subsidiaries, we communicated and exchanged information with the Directors, Corporate Auditors, and other individuals at subsidiaries, receiving business reports from subsidiaries, as necessary.

② In regard to transactions with the parent company indicated in the business report, examinations were made in relation to (a) of Article 118, Item 5 of the Ordinance for Enforcement of the Companies Act as well as decisions and reasons for decisions related to (b) of the above article of the same law, and content deliberated by the Governance Committee and Conflict of Interest Advisory Committee, which consist of Outside Directors, were confirmed. The status of deliberations by the Board of Directors and other bodies was considered in this process.

③ Furthermore, the Audit and Supervisory Committee monitored and verified the activities of the Independent Auditor to ensure that it was maintaining an independent standpoint and implementing appropriate audits. In addition, the Audit and Supervisory Committee received reports from the Independent Auditor regarding the execution of its duties and asked for explanations as necessary. Furthermore, notice was received from the Independent Auditor indicating that a system to ensure the execution of duties is conducted in an appropriate manner (as described in the clauses of the Article 131 of the Rules of Corporate Accounting) has been established in accordance with the Quality Control Standard Regarding Audit (Business Accounting Council). Explanations were received as necessary.

Based on the aforementioned methods, the Audit and Supervisory Committee examined the business report and the supplementary schedules for the fiscal year in question along with the financial statements (the balance sheet, the statement of income, the statements of changes in net assets, and the notes to the non-consolidated financial statements) and the supplementary schedules, the consolidated financial statements(the consolidated statements of financial position, the consolidated statements of income, the consolidated statement of change in net assets, and the notes to the consolidated financial statements).

2. Results of Audit
(1) Results of the audit of the business report, etc.
① The business report and the supplementary schedules thereto fairly present the condition of the Company in accordance with Japanese laws and regulations and the Articles of Incorporation of the Company.
② There has been neither unfair conduct nor any material violation of Japanese laws or regulations or of the Articles of Incorporation in the execution of duties of the Directors.

③ The content of the resolution by the Board of Directors regarding internal control systems is due and proper. Furthermore, nothing has arisen that requires comment with respect to items for business reporting or the Directors' execution of internal control systems.

④ Nothing has arisen that requires comment with regard to provisions for preventing transactions with the parent company indicated in the business report from going against the interests of the Company or with regard to decisions or reasons behind decisions by the Board of Directors on whether or not such transactions go against the interests of the Company.

(2) Results of the audit of the non-consolidated financial statements and supplementary schedules
The Audit and Supervisory Committee considers the methods and results of the audit by the Independent Auditor, KPMG AZSA LLC, to be due and proper.

(3) Results of the audit of the consolidated financial statements
The Audit and Supervisory Committee considers the methods and results of the audit by the Independent Auditor, KPMG AZSA LLC, to be due and proper.

May 14, 2024

The Audit and Supervisory Committee, SCSK Corporation

Hiromichi Jitsuno (Seal)
Audit and Supervisory Committee Member

Kazuko Shiraishi (Seal)
Audit and Supervisory Committee Member

Yasuo Miki (Seal)
Audit and Supervisory Committee Member

Sadayo Hirata (Seal)
Audit and Supervisory Committee Member

Hidetaka Matsuishi (Seal)
Audit and Supervisory Committee Member

Yumiko Waseda (Seal)
Audit and Supervisory Committee Member

Note: Audit and Supervisory Committee Members Kazuko Shiraishi, Yasuo Miki, Sadayo Hirata, Hidetaka Matsuishi, and Yumiko Waseda are Outside Directors as described in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.