

June 1, 2021

To Our Shareholders,

NOTICE OF CONVOCAION OF GENERAL MEETING OF SHAREHOLDERS

It is our pleasure to announce the General Meeting of Shareholders of SCSK Corporation (hereinafter “We,” “SCSK” or the “Company”) for the fiscal year ended March 31, 2021, which will be held as set forth below.

We ask that shareholders exercise their voting rights in writing or electronically prior to the meeting if possible and refrain from attending the meeting regardless of their health status unless absolutely necessary. These precautions have been deemed necessary to prevent the spread of COVID-19.

If you choose to exercise your voting rights in writing or electronically, please refer to pages 65 and 66 for details on these voting methods. Please take the time to examine the Reference Documents for the General Meeting of Shareholders on the following pages and exercise your voting rights no later than 5:30 p.m. on Tuesday June 22, 2021.

With highest regards,

Toru Tanihara
President and Chief Operating Officer
SCSK Corporation
3-2-20 Toyosu, Koto-ku, Tokyo, Japan

- 1. Date and time** Wednesday June 23, 2021, 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, 2021 (April 1, 2020, to March 31, 2021)
- Report No. 2 Non-consolidated Financial Statements for the fiscal year ended March 31, 2021 (April 1, 2020, to March 31, 2021)
- Matters to be resolved:**
- Proposition No. 1 Partial amendment of Articles of Incorporation
- Proposition No. 2 Appointment of eight (8) Directors (excluding Directors that are Audit and Supervisory Committee Members)
- Proposition No. 3 Appointment of three (3) Directors that are Audit and Supervisory Committee Members

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(Notes)

1. If you attend the Meeting in person, please submit the enclosed voting form to the receptionist.
2. Of the items that are required to be submitted with this Notice of Convocation, in accordance with laws and regulations and Article 17 of our Articles of Incorporation, the following items are posted on our website ([https://www.scsk.jp/index\\_en.html](https://www.scsk.jp/index_en.html)) and do not appear in this Notice of Convocation.
  - 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. The Audit and Supervisory Committee and the Independent Auditor audit information posted on the Company's website and other applicable items.
4. If any of the items included in the following reference documents for the Meeting, the business report, consolidated financial statements, or non-consolidated financial statements require amendment up to and including the day before the Meeting, the amended items will be posted on our website ([https://www.scsk.jp/index\\_en.html](https://www.scsk.jp/index_en.html)).

#### **Precautionary Measures to Prevent the Spread of COVID-19**

We may implement precautionary measures at the site of the General Meeting of Shareholders to prevent the spread of COVID-19. We ask for your understanding and cooperation with this regard. In addition, we request that all attendees wear surgical masks or other facial coverings and that individuals in poor health refrain from attending.

Notification of any future changes pertaining to the holding of the General Meeting of Shareholders will be provided via SCSK's corporate website ([https://www.scsk.jp/index\\_en.html](https://www.scsk.jp/index_en.html)).

## 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

Effective April 1, 2021, executive officers, who were previously assigned execution duties pertaining to all areas of business, will be divided into two categories: executive officers with business execution responsibilities related to Group operations as a whole and corporate officers with operational execution responsibilities associated with specific business areas. This change was implemented to clarify the division of roles and responsibilities between officers. The proposed partial amendment to the Company's Articles of Incorporation is meant to reflect this change in officer classification.

##### 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                                                                                                                                                                                                                                                                                                                                                                                          | Amended Text                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Articles 1–19 (Omitted)                                                                                                                                                                                                                                                                                                                                                                               | Articles 1–19 (Unchanged)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Section 4: Directors, Board of Directors, <u>and</u> Executive Officers                                                                                                                                                                                                                                                                                                                               | Section 4: Directors, Board of Directors, Executive Officers, <u>and Corporate Officers</u>                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Articles 20–29 (Omitted)                                                                                                                                                                                                                                                                                                                                                                              | Articles 20–29 (Unchanged)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Article 30: Executive Officers and Executive Officers with Titles                                                                                                                                                                                                                                                                                                                                     | Article 30: Executive Officers, <u>Executive Officers with Titles, and Corporate Officers</u>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 1. The Board of Directors shall be endowed with the authority to appoint executive officers and to assign authority for specific areas of the Company's operation to these executive officers. Moreover, regulations pertaining to executive officers shall be established by the Board of Directors defining standards related to the appointment, qualifications, and duties of executive officers. | 1. The Board of Directors shall be endowed with the authority to appoint executive officers <u>and corporate officers</u> and to assign authority for specific areas of the Company's operation to these executive officers <u>and corporate officers</u> . Moreover, regulations pertaining to executive officers <u>and corporate officers</u> shall be established by the Board of Directors defining standards related to the appointment, qualifications, and duties of executive officers <u>and corporate officers</u> . |
| 2. The Board of Directors shall be endowed with the authority to appoint <u>the president, executive vice presidents, senior managing executive officers, managing executive officers,</u> and other executive officers with titles.                                                                                                                                                                  | 2. The Board of Directors shall be endowed with the authority to appoint <u>the president, executive vice presidents, senior managing executive officers, managing executive officers,</u> and other executive officers with titles.                                                                                                                                                                                                                                                                                            |
| Articles 31–37 and Appendixes (Omitted)                                                                                                                                                                                                                                                                                                                                                               | Articles 31–37 and Appendixes (Unchanged)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

(Note) Paragraph 2 of Article 30 has been included to indicate changes to Japanese titles that do not result in changes to the English text of the Articles of Incorporation.

## Proposition No. 2: Appointment of eight (8) Directors (excluding Directors that are Audit and Supervisory Committee Members)

At the close of this Ordinary General Meeting of Shareholders, the terms of all seven (7) 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. We hereby request that eight (8) Directors be appointed. The increase in the number of Directors is meant to allow for the appointment of an additional Outside Director for the purpose of ensuring management transparency and enhancing corporate governance.

The candidates for positions as Directors are as follows.

| Candidate No. | Name                                                                              | Position at the Company                                                                                                                                        | Attendance at Board of Directors meetings |
|---------------|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| 1             | Masao Tabuchi<br><Reappointment>                                                  | Representative Director<br>Chairman and Chief Executive Officer<br>Chief Health Officer                                                                        | 100%<br>(20/20)                           |
| 2             | Toru Tanihara<br><Reappointment>                                                  | Representative Director<br>President and Chief Operating Officer<br>Chief Information Security Officer                                                         | 100%<br>(20/20)                           |
| 3             | Koji Tamefusa<br><New appointment>                                                | Executive Vice President<br>General Manager, Planning, Legal & Risk Management                                                                                 | —                                         |
| 4             | Tetsuya Fukunaga<br><Reappointment>                                               | Director<br>Senior Managing Executive Officer<br>General Manager, Finance & Accounting<br>General Manager, Finance & Business Investment<br>Promotion Division | 100%<br>(20/20)                           |
| 5             | Kei Kato<br><Reappointment>                                                       | Director<br>Senior Managing Executive Officer<br>Senior General Manager, Global Digital Solution & Innovation Business Group                                   | 100%<br>(20/20)                           |
| 6             | Bin Haga<br><Reappointment>                                                       | Director                                                                                                                                                       | 89%<br>(16/18)                            |
| 7             | Kiyoto Matsuda<br><Reappointment><br><Outside Director><br><Independent Director> | Outside Director                                                                                                                                               | 100%<br>(20/20)                           |
| 8             | Tetsuya Kubo<br><New appointment><br><Outside Director><br><Independent Director> | —                                                                                                                                                              | —                                         |

(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 the page 50 of the Company’s business report for more information on these contracts.

| Candidate No. 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Date of birth                                                                                                                                               | Number of Company shares owned                                                            | Special interests with the Company                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Masao Tabuchi<br><Reappointment>                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Jul. 14, 1957                                                                                                                                               | 1,800 shares                                                                              | None                                                                                                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 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) |                                                                                                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 100% (20 out of 20 meetings)                                                                                                                                | 3 years                                                                                   |                                                                                                                                                    |
| Resume, current position and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                             |                                                                                           |                                                                                                                                                    |
| Apr. 1980                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Joined Sumitomo Corporation                                                                                                                                 | Apr. 2017                                                                                 | Representative Director of Sumitomo Corporation                                                                                                    |
| Apr. 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Corporate Officer of Sumitomo Corporation                                                                                                                   |                                                                                           | Senior Managing Executive Officer, Chief Strategy Officer and Chief Information Officer                                                            |
| Apr. 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Corporate Officer of Sumitomo Corporation General Manager, Automotive Division, No.1                                                                        | Apr. 2018                                                                                 | Representative Director of Sumitomo Corporation                                                                                                    |
| Apr. 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Executive Officer of Sumitomo Corporation General Manager, Automotive Division, No.1                                                                        |                                                                                           | Assistant to President and CEO                                                                                                                     |
| Apr. 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Executive Officer of Sumitomo Corporation General Manager, Ship, Aerospace & Transportation Systems Division                                                | Jun. 2018                                                                                 | Representative Director of SCSK Chairman and Chief Executive Officer                                                                               |
| Apr. 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Managing Executive Officer of Sumitomo Corporation Chief Strategy Officer, Managing Executive Officer Responsible for Chubu Region                          | Apr. 2019                                                                                 | Representative Director of SCSK Chairman and Chief Executive Officer                                                                               |
| Jun. 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Representative Director of Sumitomo Corporation Managing Executive Officer, Chief Strategy Officer, Managing Executive Officer Responsible for Chubu Region | Apr. 2021                                                                                 | <b>Representative Director of SCSK (present)</b><br><b>Chairman and Chief Executive Officer (present)</b><br><b>Chief Health Officer (present)</b> |
| Apr. 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Representative Director of Sumitomo Corporation Managing Executive Officer Chief Strategy Officer                                                           |                                                                                           |                                                                                                                                                    |
| Reason for appointment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                             |                                                                                           |                                                                                                                                                    |
| Mr. Masao Tabuchi became Representative Director and Chairman and Chief Executive Officer of the Company in June 2018 and currently holds the position of Chairman and Chief Executive Officer, positions in which he was responsible for drafting medium- to long-term strategies and overseeing management. We believe that the experience and knowledge accumulated throughout his career will be viable to the management of the Company, and we have thus selected him to be a Director candidate. |                                                                                                                                                             |                                                                                           |                                                                                                                                                    |

| Candidate No. 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Date of birth                                                                    | Number of Company shares owned                                                            | Special interests with the Company                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| Toru Tanihara<br><Reappointment>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Dec. 24, 1959                                                                    | 3,380 shares                                                                              | None                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 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) |                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 100% (20 out of 20 meetings)                                                     | 9 years, 9 months                                                                         |                                                           |
| Resume, current position and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                  |                                                                                           |                                                           |
| Apr. 1982                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Joined COMPUTER SERVICE CORPORATION                                              | Apr. 2016                                                                                 | Representative Director & President of SCSK               |
| Jun. 2003                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Executive Officer of CSK CORPORATION                                             | Apr. 2017                                                                                 | Representative Director of SCSK                           |
| Oct. 2005                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Executive Officer of CSK SYSTEMS CORPORATION                                     |                                                                                           | President                                                 |
| Jun. 2007                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Representative President of CSK-IT MANAGEMENT CORPORATION                        | Jun. 2018                                                                                 | Representative Director of SCSK                           |
| Mar. 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Executive Officer of CSK HOLDINGS CORPORATION                                    |                                                                                           | President and Chief Operating Officer                     |
| Oct. 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Senior Managing Executive Officer of CSK CORPORATION                             | Apr. 2021                                                                                 | <b>Representative Director of SCSK</b>                    |
| Oct. 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Director of SCSK<br>Senior Managing Executive Officer                            |                                                                                           | (present)<br><b>President and Chief Operating Officer</b> |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                  |                                                                                           | (present)<br><b>Chief Information Security Officer</b>    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                  |                                                                                           | (present)                                                 |
| Reason for appointment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                  |                                                                                           |                                                           |
| <p>Mr. Toru Tanihara assumed the position of President in April 2016 and later became President and Chief Operating Officer, a position in which he was responsible for overseeing operations. In this capacity, he is currently playing a leading role in advancing business strategies and in formulating our Medium-Term Management Plan, which was commenced in April 2020. We have selected Mr. Toru Tanihara as a Director candidate based on the belief that he will be able to utilize his accumulated experience and knowledge as a manager of the Company.</p> |                                                                                  |                                                                                           |                                                           |

| Candidate No. 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Date of birth                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Number of Company shares owned                                                            | Special interests with the Company |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------------------------------|
| <b>Koji Tamefusa</b><br><New appointment>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Dec. 25, 1958                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 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) |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | —                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | —                                                                                         |                                    |
| <b>Resume, current position and responsibilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                           |                                    |
| Apr. 1983    Joined Sumitomo Corporation<br>Apr. 2012    Corporate Officer of Sumitomo Corporation<br>General Manager, New Industry<br>Development & Cross-function Business Unit<br>Apr. 2013    Corporate Officer of Sumitomo Corporation<br>Assistant General Manager for Europe,<br>Middle East, Africa & CIS<br>General Manager, European Corporate<br>Management Unit, Sumitomo Corporation<br>Europe Group<br>Apr. 2016    Corporate Officer of Sumitomo Corporation<br>General Manager, Risk Management<br>Department No. 5<br>Apr. 2017    Executive Officer of Sumitomo Corporation<br>Assistant to CFO<br>May 2017    Executive Officer of Sumitomo Corporation<br>Assistant to General Manager, Media,<br>Network, Lifestyle Related Goods & Services<br>Business Unit<br>Concurrent position as Advisor of SCSK<br>Jun. 2017    Concurrent position as Director and Senior<br>Managing Executive Officer of SCSK | Apr. 2018    Executive Officer of Sumitomo Corporation<br>Assistant General Manager, Media & ICT<br>Business Unit<br>Concurrent position as Director and Senior<br>Managing Executive Officer of SCSK<br>Oct. 2018    Executive Officer of Sumitomo Corporation<br>Assistant to General Manager, Media &<br>Digital Business Unit<br>Concurrent position as Director and Senior<br>Managing Executive Officer of SCSK<br>Apr. 2019    Managing Executive Officer of Sumitomo<br>Corporation<br>Assistant CFO, Risk Management<br>Concurrent position as Director of SCSK<br>Jul. 2019    Managing Executive Officer of Sumitomo<br>Corporation<br>Assistant CFO, Risk Management<br>Apr. 2021 <b>Senior Managing Executive Officer of<br/>                             Sumitomo Corporation (present)</b><br><b>Assistant to General Manager, Media &amp;<br/>                             Digital Business Unit (present)</b><br><b>Concurrent position as Executive Vice<br/>                             President of SCSK (present)</b><br><b>Concurrent position as General<br/>                             Manager, Planning, Legal &amp; Risk<br/>                             Management (present)</b> |                                                                                           |                                    |
| <b>Reason for appointment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                           |                                    |
| Mr. Koji Tamefusa has specialized and wide-ranging knowledge related to finances, accounting, and risk management as well as robust management experience gained in part during his time as a Director and Senior Managing Executive Officer of the Company. We believe that the experience and knowledge accumulated through his work qualifies him to supervise the execution of operations of the Company, and we have thus selected him to be a Director candidate.                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                           |                                    |
| <b>Other</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                           |                                    |
| Mr. Koji Tamefusa 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                           |                                    |

| Candidate No. 4                                                                                                                                                                                                                                                                                                                                                                                              | Date of birth                                                                                 | Number of Company shares owned                                                            | Special interests with the Company                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tetsuya Fukunaga<br><Reappointment>                                                                                                                                                                                                                                                                                                                                                                          | Feb. 1, 1960                                                                                  | 10,260 shares                                                                             | None                                                                                                                                                                                                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                              | 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) |                                                                                                                                                                                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                              | 100% (20 out of 20 meetings)                                                                  | 16 years                                                                                  |                                                                                                                                                                                                                                                 |
| Resume, current position and responsibilities                                                                                                                                                                                                                                                                                                                                                                |                                                                                               |                                                                                           |                                                                                                                                                                                                                                                 |
| Apr. 1983                                                                                                                                                                                                                                                                                                                                                                                                    | Joined The Long-Term Credit Bank of Japan, Ltd.                                               | Apr. 2014                                                                                 | Director of SCSK,<br>Senior Managing Executive Officer                                                                                                                                                                                          |
| Oct. 1999                                                                                                                                                                                                                                                                                                                                                                                                    | Vice President, Corporate & Investment Banking Group, Chase Manhattan Bank                    | Apr. 2017                                                                                 | Director of SCSK, Executive Officer<br>Chief Financial Officer                                                                                                                                                                                  |
| Jun. 2000                                                                                                                                                                                                                                                                                                                                                                                                    | CFO, Lycos Japan Inc.                                                                         | Jun. 2017                                                                                 | Director of SCSK<br>Senior Managing Executive Officer                                                                                                                                                                                           |
| Dec. 2002                                                                                                                                                                                                                                                                                                                                                                                                    | Adviser to Sumisho Electronics Co., Ltd.                                                      | Apr. 2019                                                                                 | Director of SCSK<br>Senior Managing Executive Officer<br>Corporate Coordination Officer                                                                                                                                                         |
| Feb. 2003                                                                                                                                                                                                                                                                                                                                                                                                    | Director of Sumisho Electronics Co., Ltd.,<br>Managing Executive Officer                      | Apr. 2020                                                                                 | Director of SCSK<br>Senior Managing Executive Officer                                                                                                                                                                                           |
| Apr. 2005                                                                                                                                                                                                                                                                                                                                                                                                    | Executive Officer of SCSK<br>Concurrent position as Director of Sumisho Electronics Co., Ltd. | Apr. 2021                                                                                 | <b>Director of SCSK (present)</b><br><b>Senior Managing Executive Officer (present)</b><br><b>General Manager, Finance &amp; Accounting (present)</b><br><b>General Manager, Finance &amp; Business Investment Promotion Division (present)</b> |
| Jun. 2005                                                                                                                                                                                                                                                                                                                                                                                                    | Director of SCSK, Executive Officer                                                           |                                                                                           |                                                                                                                                                                                                                                                 |
| Apr. 2008                                                                                                                                                                                                                                                                                                                                                                                                    | Director of SCSK, Managing Executive Officer                                                  |                                                                                           |                                                                                                                                                                                                                                                 |
| Jun. 2008                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Concurrent position as Outside Director of ARGO GRAPHICS Inc. (present)</b>                |                                                                                           |                                                                                                                                                                                                                                                 |
| Reason for appointment                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                               |                                                                                           |                                                                                                                                                                                                                                                 |
| Mr. Tetsuya Fukunaga has been in charge of our corporate divisions, including IR, finance, and risk management divisions, for many years and has a wealth of experience and extensive knowledge. We believe that the experience and knowledge accumulated throughout his career qualifies him to supervise the operation execution of the Company, and we have thus selected him to be a Director candidate. |                                                                                               |                                                                                           |                                                                                                                                                                                                                                                 |

| Candidate No. 5                                                                                                                                                                                                                                                                                                                               | Date of birth                                                                                                                                                                                               | Number of Company shares owned                                                           | Special interests with the Company                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Kei Kato</b><br>< Reappointment >                                                                                                                                                                                                                                                                                                          | Dec. 13, 1958                                                                                                                                                                                               | 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) |                                                                                                                                                                                             |
|                                                                                                                                                                                                                                                                                                                                               | 100% (20 out of 20 meetings)                                                                                                                                                                                | 2 year                                                                                   |                                                                                                                                                                                             |
| Resume, current position and responsibilities                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                             |                                                                                          |                                                                                                                                                                                             |
| Apr. 1982                                                                                                                                                                                                                                                                                                                                     | Joined Sumitomo Corporation                                                                                                                                                                                 | Apr. 2019                                                                                | Concurrent position as Senior Managing Executive Officer of SCSK                                                                                                                            |
| Apr. 2008                                                                                                                                                                                                                                                                                                                                     | General Manager, Lease Business Department, Financial Service Division, Sumitomo Corporation                                                                                                                | Jun. 2019                                                                                | Concurrent position as Director and Senior Managing Executive Officer of SCSK                                                                                                               |
| Apr. 2012                                                                                                                                                                                                                                                                                                                                     | Assistant General Manager, Financial Service Division, Sumitomo Corporation                                                                                                                                 | Aug. 2020                                                                                | Director of SCSK<br>Senior Managing Executive Officer                                                                                                                                       |
| Nov. 2012                                                                                                                                                                                                                                                                                                                                     | Assistant to General Manager for the Americas, Sumitomo Corporation                                                                                                                                         | Apr. 2021                                                                                | <b>Director of SCSK (present)</b><br><b>Senior Managing Executive Officer (present)</b><br><b>Senior General Manager, Global Digital Solution &amp; Innovation Business Group (present)</b> |
| May 2015                                                                                                                                                                                                                                                                                                                                      | General Manager, Business Development Group in Sumitomo Corporation of Americas Group, Sumitomo Corporation of Americas                                                                                     |                                                                                          |                                                                                                                                                                                             |
| Apr. 2018                                                                                                                                                                                                                                                                                                                                     | Assistant General Manager for the Americas<br>Corporate Officer of Sumitomo Corporation<br>Assistant to General Manager, ICT Business Division<br>Concurrent position as Managing Executive Officer of SCSK |                                                                                          |                                                                                                                                                                                             |
| Oct. 2018                                                                                                                                                                                                                                                                                                                                     | Corporate Officer of Sumitomo Corporation<br>Assistant to General Manager, Digital Business Division                                                                                                        |                                                                                          |                                                                                                                                                                                             |
| Reason for appointment                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                             |                                                                                          |                                                                                                                                                                                             |
| Mr. Kei Kato has a rich background along with a wealth of specialized and wide-ranging knowledge pertaining to global businesses. We believe that the experience and knowledge accumulated throughout his career qualifies him to supervise the operation execution of the Company, and we have thus selected him to be a Director candidate. |                                                                                                                                                                                                             |                                                                                          |                                                                                                                                                                                             |

| Candidate No. 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Date of birth                                                                                                                                                                                                                    | Number of Company shares owned                                                           | Special interests with the Company                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bin Haga</b><br><Reappointment>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Feb. 28, 1964                                                                                                                                                                                                                    | 0 shares                                                                                 | Yes                                                                                                                                                                                                                                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 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) |                                                                                                                                                                                                                                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 89% (16 out of 18 meetings)                                                                                                                                                                                                      | 1 year                                                                                   |                                                                                                                                                                                                                                                                                 |
| <b>Resume, current position and responsibilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                  |                                                                                          |                                                                                                                                                                                                                                                                                 |
| Apr. 1986<br>Oct. 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Joined Sumitomo Corporation<br>General Manager, Ship & Marine Project Department No. 2; Ship, Aerospace & Transportation Systems Division; Transportation & Construction Systems Business Unit; Sumitomo Corporation             | Apr. 2017<br>Apr. 2018                                                                   | Executive Officer of Sumitomo Corporation Chairman and Managing Director, Sumitomo Corporation Europe Limited<br>Executive Officer of Sumitomo Corporation General Manager, Corporate Planning & Coordination Department                                                        |
| Apr. 2014<br>Apr. 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | General Manager, Transportation Systems Unit in Sumitomo Corporation Europe Group, Sumitomo Corporation Europe Limited<br>Corporate Officer of Sumitomo Corporation Chief Operating Officer, Sumitomo Corporation Europe Limited | Apr. 2020<br>Jun. 2020                                                                   | <b>Managing Executive Officer of Sumitomo Corporation</b> (present)<br><b>Assistant General Manager, Media &amp; Digital Business Unit</b> (present)<br><b>General Manager, Digital Business Division</b> (present)<br><b>Concurrent position as Director of SCSK</b> (present) |
| Apr. 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Corporate Officer of Sumitomo Corporation Chairman and Managing Director, Sumitomo Corporation Europe Limited                                                                                                                    |                                                                                          |                                                                                                                                                                                                                                                                                 |
| <b>Reason for appointment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                  |                                                                                          |                                                                                                                                                                                                                                                                                 |
| Mr. Bin Haga has a breadth of experience as a corporate manager and a wealth of wide-ranging and specialized knowledge regarding global operations. We believe that the experience and knowledge accumulated throughout his career qualifies him to supervise the operation execution of the Company, and we have thus selected him to be a Director candidate.                                                                                                                                                                              |                                                                                                                                                                                                                                  |                                                                                          |                                                                                                                                                                                                                                                                                 |
| <b>Other</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                  |                                                                                          |                                                                                                                                                                                                                                                                                 |
| <p>1. Mr. Bin Haga 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.</p> <p>2. SCSK has entered into a liability limitation agreement with Mr. Bin Haga 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.</p> |                                                                                                                                                                                                                                  |                                                                                          |                                                                                                                                                                                                                                                                                 |

| Candidate No. 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Date of birth                                                                                                                                                                                                                                                                                                                                    | Number of Company shares owned                                                           | Special interests with the Company |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------|
| <p style="text-align: center;"><b>Kiyoto Matsuda</b><br/>           &lt;Reappointment&gt;<br/>           &lt;Outside Director&gt;<br/>           &lt;Independent Director&gt;</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Sep. 6, 1952                                                                                                                                                                                                                                                                                                                                     | 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) |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 100% (20 out of 20 meetings)                                                                                                                                                                                                                                                                                                                     | 4 years                                                                                  |                                    |
| <b>Resume, current position and responsibilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                  |                                                                                          |                                    |
| Apr. 1975    Joined The Industrial Bank of Japan, Ltd.<br>Apr. 2002    Executive Officer of Mizuho Corporate Bank, Ltd.<br>Apr. 2004    Managing Executive Officer of Mizuho Corporate Bank, Ltd. (resigned in March 2007)<br>Apr. 2007    Deputy President of Mizuho Securities Co., Ltd. (resigned in March 2008)<br>Apr. 2008    Partner of Unison Capital, Inc. (resigned in March 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Mar. 2010    Outside Director of SANYO SHOKAI LTD. (resigned in May 2020)<br>Dec. 2012 <b>Chairman of the Board of TOPAZ CAPITAL, INC.</b> (present)<br>Jun. 2017 <b>Outside Director of SCSK</b> (present)<br>Mar. 2018 <b>Outside Director of Hotto Link Inc.</b> (present)<br>Jun. 2019 <b>Outside Director of SURUGA bank Ltd.</b> (present) |                                                                                          |                                    |
| <b>Reason for appointment and expected roles</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                  |                                                                                          |                                    |
| <p>Mr. Kiyoto Matsuda has a breadth of experience and a wealth of knowledge gained during the course of his long history as a manager coupled with a robust background as an outside director at listed companies. We believe that the management perspective cultivated through his work 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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                  |                                                                                          |                                    |
| <b>Other matters concerning candidate Outside Director</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                  |                                                                                          |                                    |
| <ol style="list-style-type: none"> <li>SCSK has designated Mr. Kiyoto Matsuda as an independent director that is unlikely to have any conflict of interest with respect to general shareholders and notified the Tokyo Stock Exchange, as it is obliged to do by the Exchange.</li> <li>SCSK has entered into a liability limitation agreement with Mr. Kiyoto Matsuda 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.</li> <li>Mr. Kiyoto Matsuda was an executive of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.), a major lender to the Company, up until March 2007. More than five years have passed since he resigned from Mizuho Bank and he has not been involved in the management of this company after resigning. The Company has thus judged that this history does not impact the independence of Mr. Kiyoto Matsuda in the present. In addition, Mr. Kiyoto Matsuda was previously an executive of Mizuho Securities Co., Ltd. However, more than five years have passed since he resigned from Mizuho Securities and he has not been involved in the management of this company after resigning. Moreover, the amount of transactions between Mizuho Securities and the Company equate to less than 1% of the consolidated operating revenues of Mizuho Securities and the consolidated net sales of the Company. Accordingly, we have judged that Mr. Kiyoto Matsuda is sufficiently independent from the Company. Furthermore, Mr. Kiyoto Matsuda previously held a position as an executive at Unison Capital, Inc., and is currently an executive at TOPAZ CAPITAL, INC., but the Company does not have any business relationship with either of these companies.</li> <li>The Company became aware of unauthorized collection and use of customer information perpetrated by a former employee of the Company while Mr. Kiyoto Matsuda was serving as an Outside Director. Mr. Kiyoto Matsuda has continued to advise the Board of Directors on how to enhance compliance with information security rules and other regulations throughout the duration of his term as an Outside Director. Following the discovery of these acts of misconduct, Mr. Kiyoto Matsuda offered advice on measures for preventing reoccurrence and for otherwise addressing this issue, monitored the implementation of these measures, and requested reports as deemed necessary.</li> </ol> |                                                                                                                                                                                                                                                                                                                                                  |                                                                                          |                                    |

| Candidate No. 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Date of birth                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Number of Company shares owned                                                           | Special interests with the Company |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------|
| <p style="text-align: center;"><b>Tetsuya Kubo</b><br/>           &lt;New appointment&gt;<br/>           &lt;Outside Director&gt;<br/>           &lt;Independent Director&gt;</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Sep. 24, 1953                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 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) |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | —                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | —                                                                                        |                                    |
| <b>Resume, current position and responsibilities</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                          |                                    |
| <p>Apr. 1976    Joined The Sumitomo Bank, Ltd.<br/>           Jun. 2003    Executive Officer of Sumitomo Mitsui Banking Corporation<br/>                             General Manager, Hong Kong Branch<br/>           Jul. 2006    Managing Executive Officer of Sumitomo Mitsui Banking Corporation<br/>           Apr. 2008    Concurrent position as Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc.<br/>           Apr. 2009    Director and Senior Managing Executive Officer of Sumitomo Mitsui Banking Corporation<br/>                             Concurrent position as Senior Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc.<br/>           Apr. 2011    Director and Deputy President of Sumitomo Mitsui Banking Corporation (resigned in March 2013)<br/>                             Concurrent position as Deputy President and Executive Officer of Sumitomo Mitsui Financial Group, Inc.<br/>                             Concurrent position as Director of SMBC Nikko Securities Inc.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <p>Jun. 2011    Concurrent position as Director of Sumitomo Mitsui Financial Group, Inc. (resigned in March 2013)<br/>           Apr. 2013    Representative Director, President &amp; CEO of SMBC Nikko Securities Inc.<br/>           Apr. 2016    Representative Director, Chairman of SMBC Nikko Securities Inc.<br/>           Jun. 2016    Director of Sumitomo Mitsui Financial Group, Inc. (resigned in June 2020)<br/>                             Concurrent position as Representative Director, Chairman of SMBC Nikko Securities Inc. (resigned in March 2020)<br/>           Apr. 2020    Advisor of SMBC Nikko Securities Inc.<br/>           Jan. 2021    <b>Director, Chairman of GCM Investments Japan K.K.</b> (present)</p> |                                                                                          |                                    |
| <b>Reason for appointment and expected roles</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                          |                                    |
| <p>Mr. Tetsuya Kubo has a breadth of experience and a wealth of knowledge pertaining to international operations. We believe that the management perspective cultivated through his work 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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                          |                                    |
| <b>Other matters concerning candidate Outside Director</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                          |                                    |
| <p>1. If this proposed resolution is approved, SCSK intends to designate Mr. Tetsuya Kubo 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</p> <p>2. If this proposed resolution is approved, SCSK intends to enter 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.</p> <p>3. 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.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                          |                                    |

### **Proposition No. 3: Appointment of three (3) Directors that are Audit and Supervisory Committee Members**

At the close of this Ordinary General Meeting of Shareholders, the terms of three (3) of the four (4) Directors that also serve as Audit and Supervisory Committee Members, namely Mr. Yasunori Anzai, Mr. Kimitoshi Yabuki, and Mr. Masaichi Nakamura, shall expire. Accordingly, we hereby request that three (3) Directors that also serve as Audit and Supervisory Committee Members be appointed.

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

The candidates for the position as Directors that are Audit and Supervisory Committee Members are as follows.

| Candidate No. | Name                                                                                        | Position at the Company                              | Attendance at Board of Directors meetings | Attendance at Audit and Supervisory Committee meetings |
|---------------|---------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------|--------------------------------------------------------|
| 1             | <b>Yasunori Anzai</b><br><Reappointment>                                                    | Director<br>(Audit and Supervisory Committee Member) | 100%<br>(20/20)                           | 100%<br>(16/16)                                        |
| 2             | <b>Kimitoshi Yabuki</b><br><Reappointment><br><Outside Director><br><Independent Director>  | Director<br>(Audit and Supervisory Committee Member) | 100%<br>(20/20)                           | 94%<br>(15/16)                                         |
| 3             | <b>Masaichi Nakamura</b><br><Reappointment><br><Outside Director><br><Independent Director> | Director<br>(Audit and Supervisory Committee Member) | 85%<br>(17/20)                            | 100%<br>(16/16)                                        |

(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 the page 50 of the Company's business report for more information on these contracts.

| Candidate No. 1                                                                                                                                                                                                                                                                                                                                                                                                     | Date of birth                                                                                                                                                                                                                                                                                                                | Number of Company shares owned                                                                   | Special interests with the Company                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yasunori Anzai<br><Reappointment>                                                                                                                                                                                                                                                                                                                                                                                   | Jan. 11, 1959                                                                                                                                                                                                                                                                                                                | 0 shares                                                                                         | None                                                                                                                                                                                                                                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                     | Attendance rate of Board of Directors meetings<br>(attendance/no. of meetings held)                                                                                                                                                                                                                                          | Attendance rate of Audit and Supervisory Committee meetings<br>(attendance/no. of meetings held) | No. of years in office as Outside Director (from the end of the General Meeting of Shareholders)                                                                                                                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                     | 100%<br>(20 out of 20 meetings)                                                                                                                                                                                                                                                                                              | 100%<br>(16 out of 16 meetings)                                                                  | 4 years                                                                                                                                                                                                                                    |
| Resume, current position and responsibilities                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                                                                                            |
| Apr. 1981<br>Jun. 2012<br>Jun. 2017                                                                                                                                                                                                                                                                                                                                                                                 | Joined Sumitomo Corporation<br>General Manager, Corporate Auditors' Administration Department, Sumitomo Corporation<br>Assistant General Manager, Media, Network, Lifestyle Related Goods & Services Business Unit, Sumitomo Corporation<br>Concurrent position as Director (Audit and Supervisory Committee Member) of SCSK | Apr. 2018<br>Oct. 2018<br>Aug.2020                                                               | Assistant General Manager, Media & ICT Business Unit, Sumitomo Corporation<br>Assistant General Manager, Media & Digital Business Unit, Sumitomo Corporation<br><b>Director (Audit and Supervisory Committee Member) of SCSK (present)</b> |
| Reason for appointment                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                                                                                            |
| Mr. Yasunori Anzai has accumulated significant experience and knowledge through his career to date. We believe that the experience and knowledge accumulated through his work qualifies him to audit the execution of duties by Directors from an objective standpoint, and we have thus selected him to be a candidate for the position of Director that also serves as an Audit and Supervisory Committee Member. |                                                                                                                                                                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                                                                                            |
| Other                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                                                                                            |
| SCSK has entered into a liability limitation agreement with Mr. Yasunori Anzai 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.                                                                                                                                   |                                                                                                                                                                                                                                                                                                                              |                                                                                                  |                                                                                                                                                                                                                                            |

| Candidate No. 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Date of birth                                                                                                                                                                                                                                                                                                   | Number of Company shares owned                                                                | Special interests with the Company                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Kimitoshi Yabuki</b><br><Reappointment><br><Outside Director><br><Independent Director>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Aug. 22, 1956                                                                                                                                                                                                                                                                                                   | 0 shares                                                                                      | None                                                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Attendance rate of Board of Directors meetings (attendance/no. of meetings held)                                                                                                                                                                                                                                | Attendance rate of Audit and Supervisory Committee meetings (attendance/no. of meetings held) | No. of years in office as Outside Director (from the end of the General Meeting of Shareholders) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 100%<br>(20 out of 20 meetings)                                                                                                                                                                                                                                                                                 | 94%<br>(15 out of 16 meetings)                                                                | 4 years                                                                                          |
| Resume, current position and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                 |                                                                                               |                                                                                                  |
| Apr. 1987    Joined Nagashima & Ohno<br>May 1996 <b>Partner of Yabuki Law Offices</b> (present)<br>Jun. 2008    Outside Director of Eisai Co., Ltd.<br>Apr. 2010    Professor at Graduate School of International Corporate Strategy, Hitotsubashi University                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Jun. 2013    Outside Audit & Supervisory Board Member of Ricoh Company, Ltd.<br>Jul. 2015    Outside Director of Sumitomo Life Insurance Company<br>Jun. 2017 <b>Outside Director (Audit and Supervisory Committee Member) of SCSK</b> (present)<br>Apr. 2021 <b>President, Tokyo Bar Association</b> (present) |                                                                                               |                                                                                                  |
| Reason for appointment and expected roles                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                 |                                                                                               |                                                                                                  |
| <p>Mr. Kimitoshi Yabuki has specialized knowledge and experience as an attorney. We believe that the legal perspective cultivated through his work qualifies him to help audit the execution of duties by Directors from an objective standpoint and to offer advice for enhancing the Company's corporate governance systems, and we have thus selected him to be a candidate for the position of Outside Director that also serves as an Audit and Supervisory Committee Member.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                 |                                                                                               |                                                                                                  |
| Other matters concerning candidate Outside Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                 |                                                                                               |                                                                                                  |
| <ol style="list-style-type: none"> <li>SCSK has designated Mr. Kimitoshi Yabuki as an independent director that is unlikely to have any conflict of interest with respect to general shareholders and notified the Tokyo Stock Exchange, as we are obliged to do by the Exchange.</li> <li>SCSK has entered into a liability limitation agreement with Mr. Kimitoshi Yabuki 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.</li> <li>The Company became aware of unauthorized collection and use of customer information perpetrated by a former employee of the Company while Mr. Kimitoshi Yabuki was serving as an Outside Director. Mr. Kimitoshi Yabuki has continued to advise the Board of Directors on how to enhance compliance with information security rules and other regulations throughout the duration of his term as an Outside Director. Following the discovery of these acts of misconduct, Mr. Kimitoshi Yabuki offered advice on measures for preventing reoccurrence and for otherwise addressing this issue, monitored the implementation of these measures, and requested reports as deemed necessary.</li> </ol> |                                                                                                                                                                                                                                                                                                                 |                                                                                               |                                                                                                  |

| Candidate No. 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Date of birth                                                                                                                                                                 | Number of Company shares owned                                                                | Special interests with the Company                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Masaichi Nakamura<br><Reappointment><br><Outside Director><br><Independent Director>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Jan. 9, 1957                                                                                                                                                                  | 0 shares                                                                                      | None                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Attendance rate of Board of Directors meetings (attendance/no. of meetings held)                                                                                              | Attendance rate of Audit and Supervisory Committee meetings (attendance/no. of meetings held) | No. of years in office as Outside Director (from the end of the General Meeting of Shareholders)                                                                                                                                                                                                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 85%<br>(17 out of 20 meetings)                                                                                                                                                | 100%<br>(16 out of 16 meetings)                                                               | 4 years                                                                                                                                                                                                                                                                                                                                 |
| Resume, current position and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                               |                                                                                               |                                                                                                                                                                                                                                                                                                                                         |
| Oct. 1983<br>May 1999<br>Aug. 2008<br>Jul. 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Joined Tetsuzo Ota & Co<br>Employee of Showa Ota & Co<br>Executive Director of Ernst & Young ShinNihon LLC<br>Representative and Vice Director of Ernst & Young ShinNihon LLC | Sep. 2016<br>Jun. 2017<br>Jun. 2019                                                           | <b>Representative of Masaichi Nakamura CPA Office</b> (present)<br><b>Outside Director (Audit and Supervisory Committee Member) of SCSK</b> (present)<br><b>External Corporate Auditor of Sumitomo Heavy Industries, Ltd.</b> (present)<br><b>Outside Director (Audit/Supervisory Committee Member) of Terumo Corporation</b> (present) |
| Reason for appointment and expected roles                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                               |                                                                                               |                                                                                                                                                                                                                                                                                                                                         |
| Mr. Masaichi Nakamura has specialized knowledge and experience as a certified public accountant. We believe that the financial and accounting perspective cultivated through his work qualifies to help audit the execution of duties by Directors from an objective standpoint and to offer advice for enhancing the Company's corporate governance systems, and we have thus selected him to be a candidate for the position of Outside Director that also serves as an Audit and Supervisory Committee Member.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                               |                                                                                               |                                                                                                                                                                                                                                                                                                                                         |
| Other matters concerning candidate Outside Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                               |                                                                                               |                                                                                                                                                                                                                                                                                                                                         |
| <ol style="list-style-type: none"> <li>1. SCSK has designated Mr. Masaichi Nakamura as an independent director that is unlikely to have any conflict of interest with respect to general shareholders and notified the Tokyo Stock Exchange, as we are obliged to do by the Exchange.</li> <li>2. SCSK has entered into a liability limitation agreement with Mr. Masaichi Nakamura 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.</li> <li>3. Sumitomo Heavy Industries, Ltd., and its subsidiaries were found to have been engaged in inappropriate inspections since September 2018 during Mr. Masaichi Nakamura's term as an external corporate auditor. Mr. Masaichi Nakamura was unaware of this issue prior to its discovery, but he consistently advised the board of directors of Sumitomo Heavy Industries from a compliance standpoint throughout his term. Following the discovery of this issue, Mr. Masaichi Nakamura proceeded to fulfill his role in preventing reoccurrence by helping formulate reoccurrence prevention measures, monitoring their progress, and prompting the board of directors to pursue increased discipline and corporate ethics awareness throughout all areas of operation.</li> <li>4. The Company became aware of unauthorized collection and use of customer information perpetrated by a former employee of the Company while Mr. Masaichi Nakamura was serving as an Outside Director. Mr. Masaichi Nakamura has continued to advise the Board of Directors on how to enhance compliance with information security rules and other regulations throughout the duration of his term as an Outside Director. Following the discovery of these acts of misconduct, Mr. Masaichi Nakamura offered advice on measures for preventing reoccurrence and for otherwise addressing this issue, monitored the implementation of these measures, and requested reports as deemed necessary.</li> </ol> |                                                                                                                                                                               |                                                                                               |                                                                                                                                                                                                                                                                                                                                         |

### **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.

# Business Report for FY2020 (April 1, 2020 to March 31, 2021)

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

### (1) Operating Performance and Segment Information

In the fiscal year ended March 31, 2021, the Japanese economy continued to recover as corporate business sentiment showed improvements. This recovery was seen regardless of the persistently challenging operating environment stemming from the global COVID-19 pandemic.

The Japanese economy is anticipated to continue to recover as the effects of various policies and improvements in overseas economies take place in tandem with measures for preventing the spread of COVID-19. However, there is a need for careful monitoring of the trends surrounding the pandemic in Japan and overseas while making bold yet prudent decisions going forward.

In this economic climate, the IT services market was affected by disparity between the investment trends of customers due to the impacts of the COVID-19 pandemic. Regardless, customers continued to exhibit appetites for IT investment for purposes such as exploring the new normal and for redeveloping systems in preparation for digital transformations.

In the manufacturing industry, IT investment demand rose among customers, as indicated by the consistent appetite for strategic business investment and emerging demand for next-generation system development and system upgrades seen amid business recovery trends.

In the distribution industry, conditions were firm supported by core system redevelopment and other IT investment demand. In the financial industry, there were increases in managed service demand and in IT development demand for the purpose of reinforcing and growing overseas operations in a manner that contributes to future business enhancement and expansion.

In addition, demand has been consistent for cloud-based IT services as well as for core system redevelopment projects for addressing software approaching the end of service periods. The backdrop for this demand was characterized by a strong appetite for investment for heightening operational efficiency and productivity and by shortages of in-house IT engineers at customer companies. Meanwhile, the digitization trend is accelerating in response to the new normal emerging amid the COVID-19 pandemic, as seen in moves to accommodate remote work and other non-face-to-face and contact-free workstyles.

Against this backdrop, strategic IT investment, particularly investment for enhancing customer contacts points and redeveloping systems in preparation for digital transformations, is expected to continue.

Net sales in the fiscal year ended March 31, 2021, increased 3.0% year on year, to ¥396,853 million, as higher systems development, maintenance, and operation service sales offset the decline in systems sales.

Gross profit was up as a result of higher net sales and reductions in unprofitable projects. Selling, general and administrative (SG&A) expenses were relatively unchanged year on year as the increase in personnel expenses associated with the introduction of new human resource systems and an influx of new employees was counteracted by the absence of the one-time expenses recorded in the previous fiscal year. As a result of

the above, operating profit was up 14.6% year on year, to ¥45,878 million.

Profit attributable to owners of parent increased 16.2% year on year, to ¥33,435 million, as a result of the rise in operating profit as well as a decrease in income taxes associated with tax exemptions for wage increases.

### Consolidated business results for the period to March 31, 2021

(Millions of yen)

| Business Results by segment | FY2019<br>(52nd Period) |                | FY2020<br>(53rd Period) |                | Year-on-year change |                |
|-----------------------------|-------------------------|----------------|-------------------------|----------------|---------------------|----------------|
|                             | Sales                   | Segment Profit | Sales                   | Segment Profit | Sales               | Segment Profit |
| Industrial IT Business      | 130,320                 | 14,522         | 131,772                 | 16,132         | 1,452               | 1,610          |
| Financial IT Business       | 52,918                  | 5,554          | 52,768                  | 6,243          | -150                | 688            |
| IT Business Solutions       | 52,121                  | 4,869          | 54,783                  | 5,583          | 2,661               | 714            |
| IT Platform Solutions       | 90,397                  | 10,186         | 82,931                  | 11,298         | -7,465              | 1,111          |
| IT Management Service       | 54,250                  | 7,079          | 58,242                  | 7,321          | 3,992               | 242            |
| Other                       | 5,404                   | -70            | 16,362                  | 1,285          | 10,958              | 1,355          |
| Adjustments                 | -117                    | -2,094         | -7                      | -1,987         | 109                 | 107            |
| <b>Total</b>                | <b>385,295</b>          | <b>40,048</b>  | <b>396,853</b>          | <b>45,878</b>  | <b>11,557</b>       | <b>5,829</b>   |

- (Notes) 1. Effective April 1, 2020, the Company adopted International Financial Reporting Standards (IFRS). Figures for the fiscal year ended March 31, 2020, have been restated to reflect this change.
2. Effective April 1, 2020, the Manufacturing & Telecommunication Systems Business, Distribution & Media Systems Business, Global System Solutions & Innovation Business, and Mobility Systems segments were consolidated to form the new Industrial IT Business segment. Also on this date, the Financial Systems Business segment was renamed the Financial IT Business segment, and the Business Solutions segment was renamed the IT Business Solutions segment. In addition, following the absorption of JIEC Co., Ltd., on April 1, 2020, the businesses of this company that were previously included in the former Financial Systems Business segment were reallocated among the Industrial IT Business, Financial IT Business, IT Business Solutions, and IT Management Service segments. Segment information for the fiscal year ended March 31, 2020, has been restated to reflect this change.
3. Segment sales figures represent sales to external customers.
4. 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 ¥131,772 million  
Percentage of total:  
33.2%

Net sales were up 1.1% year on year, to ¥131,772 million, as a rise in systems development sales to automotive, food product, and other manufacturers as well as to communications industry customers offset the decline in sales of verification services and the contraction of development projects for the transportation, real estate, and utilities industries. Segment profit increased 11.1%, to ¥16,132 million, due to the higher sales and the benefits of reductions in unprofitable projects achieved in the previous fiscal year.

### ○Financial IT Business

Sales ¥52,768 million  
Percentage of total:  
13.3%

Net sales were relatively unchanged year on year, at ¥52,768 million, because projects for securities industry customers declined after peaking, a factor that counteracted the increase in systems development projects for banking industry customers. Segment profit, meanwhile, increased 12.4%, to ¥6,243 million, as profit was buoyed by the benefits of reductions in unprofitable projects achieved in the previous fiscal year.

### ○IT Business Solutions

Sales ¥54,783 million  
Percentage of total:  
13.8%

Net sales were up 5.1% year on year, to ¥54,783 million, and segment profit rose 14.7%, to ¥5,583 million, due to the strong performance of business process outsourcing (BPO) operations.

### ○IT Platform Solutions

Sales ¥82,931 million  
Percentage of total:  
20.9%

Net sales decreased 8.3% year on year, to ¥82,931 million, as a result of delays in the development of next-generation network equipment for communications industry customers and lower sales of hardware to manufacturing industry customers. Segment profit increased 10.9%, to ¥11,298 million, following growth in demand for relatively high-margin network and security products.

### ○IT Management Service

Sales ¥58,242 million  
Percentage of total:  
14.7%

Net sales were up 7.4% year on year, to ¥58,242 million, and segment profit grew 3.4%, to ¥7,321 million, as a result of the strong performance of managed services for the manufacturing and financial industries.

### ○Others

Sales ¥16,362 million  
Percentage of total:  
4.1%

Due to the impacts of newly consolidated subsidiaries, net sales rose 202.8% year on year, to ¥16,362 million, while segment profit of ¥1,285 million was recorded, compared with segment loss of ¥70 million in the previous fiscal year.

Net sales in the sales segments of Systems Development, System Maintenance and Operation/Services, and Packaged Software/Hardware Sales are described below.

| Sales by service type                     | FY2019<br>(52nd Period)     |                         | FY2020<br>(53rd Period)     |                         | Year-on-year change         |            |
|-------------------------------------------|-----------------------------|-------------------------|-----------------------------|-------------------------|-----------------------------|------------|
|                                           | Amount<br>(millions of yen) | Percentage of total (%) | Amount<br>(millions of yen) | Percentage of total (%) | Amount<br>(millions of yen) | Change (%) |
| Systems Development                       | 156,190                     | 40.5                    | 163,090                     | 41.1                    | 6,900                       | 4.4        |
| System Maintenance and Operation/Services | 143,410                     | 37.2                    | 152,518                     | 38.4                    | 9,107                       | 6.4        |
| Packaged Software/Hardware Sales          | 85,694                      | 22.2                    | 81,243                      | 20.5                    | -4,450                      | -5.2       |
| Total                                     | 385,295                     | 100.0                   | 396,853                     | 100.0                   | 11,557                      | 3.0        |

In Systems Development, net sales increased 4.4% year on year, to ¥163,090 million. Factors behind this increase included contributions from IT investment aimed at enhancing customer contact points, strategic business investment, and core system redevelopment projects. These factors were seen amid continuously brisk IT investment demand from the manufacturing, distribution, financial, and communications industries.

In System Maintenance and Operation / Services, net sales increased 6.4% year on year, to ¥152,518 million. This increase was achieved on the back of increased sales of managed services as well as consistently strong performance in BPO businesses fueled by rising contact center demand, factors that offset the decline in sales of verification services.

In Packaged Software / Hardware Sales, net sales decreased 5.2% year on year, to ¥81,243 million. Performance was adversely impacted by reductions in sales of servers, storage, and other hardware to automotive industry customers as well as by delays in the development of next-generation network equipment for communications industry customers. These detractors counteracted the benefits of the growth in demand for network and security products stimulated by the COVID-19 pandemic as well as higher sales of network equipment to communications industry customers.

## (2) Other Information

In March 2021, a former SCSK employee was arrested by the Metropolitan Police Department due to allegations of computer fraud. The specific allegations involved the unauthorized collection and use of customer information. SCSK offers its sincere apologies to victims of these acts of fraud as well as to customers and other stakeholders for the troubles caused by these acts.

SCSK has continued to foster compliance awareness among all officers and employees while implementing various information security measures. Regardless, we were unable to prevent this issue, and we fully recognize the seriousness of this inability.

Reflecting upon this incident, we will continue to strengthen information security as needed while implementing measures to prevent reoccurrence as part of our concerted effort to regain the trust of our stakeholders.

## 1-2 Procurement of Funds

### (1) Fund Procurements

In FY2020, we refinanced a total of ¥15,000 million in bank borrowings.

### (2) Capital Investment

Capital investment by the SCSK Group totaled ¥38,972 million in FY2020.

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

1. Diamond Head Co., Ltd., became an equity method affiliate following investment in May 29, 2020.

2. CSK-VC Sustainability Fund and Whiz Partners anonymous partnership were excluded from the scope of consolidation following the completion of their liquidation on December 24, 2020.

## 1-3 Assets, Profits and Losses

### (1) SCSK Group Assets, Profits and Losses

(IFRS)

| Category                                          |               | FY2019<br>(52nd Period) | FY2020<br>(53rd Period) |
|---------------------------------------------------|---------------|-------------------------|-------------------------|
| Net sales                                         | (million yen) | 385,295                 | 396,853                 |
| Operating profit                                  | (million yen) | 40,048                  | 45,878                  |
| Profit before tax                                 | (million yen) | 40,578                  | 46,557                  |
| Profit attributable to owners of parent           | (million yen) | 28,765                  | 33,435                  |
| Basic earnings per share                          | (yen)         | 276.38                  | 321.26                  |
| Total assets                                      | (million yen) | 362,241                 | 380,399                 |
| Total equity attributable to owners of parent     | (million yen) | 200,047                 | 226,874                 |
| Equity attributable to owners of parent per share | (yen)         | 1,922.55                | 2,180.31                |

(Note) Effective April 1, 2020, the Company adopted International Financial Reporting Standards (IFRS).

Figures for the fiscal year ended March 31, 2020, have been restated to reflect this change.

(J-GAAP)

| Category                                |               | FY2017<br>(50th Period) | FY2018<br>(51th Period) | FY2019<br>(52nd Period) | FY2020<br>(53rd Period) |
|-----------------------------------------|---------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Net sales                               | (million yen) | 336,654                 | 358,654                 | 387,003                 | 396,381                 |
| Ordinary profit                         | (million yen) | 36,291                  | 38,650                  | 43,014                  | 43,741                  |
| Profit attributable to owners of parent | (million yen) | 32,488                  | 27,892                  | 31,201                  | 30,812                  |
| Net profit per share                    | (yen)         | 312.95                  | 268.64                  | 300.50                  | 296.75                  |
| Total assets                            | (million yen) | 303,914                 | 314,844                 | 342,485                 | 346,444                 |
| Net assets                              | (million yen) | 196,600                 | 194,468                 | 208,072                 | 232,359                 |
| Net assets per share                    | (yen)         | 1,822.54                | 1,862.78                | 2,000.16                | 2,233.15                |

(Note) 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) SCSK Assets, Profits and Losses

| Category                      | FY2017<br>(50th Period) | FY2018<br>(51th Period) | FY2019<br>(52nd Period) | FY2020<br>(53rd Period) |
|-------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Net sales (million yen)       | 263,069                 | 284,145                 | 304,637                 | 316,888                 |
| Ordinary profit (million yen) | 29,043                  | 31,933                  | 34,859                  | 36,396                  |
| Profit (million yen)          | 31,960                  | 24,728                  | 25,025                  | 31,641                  |
| Net profit per share (yen)    | 307.21                  | 237.66                  | 240.50                  | 304.09                  |
| Total assets (million yen)    | 293,694                 | 318,397                 | 346,486                 | 351,734                 |
| Net assets (million yen)      | 175,118                 | 189,484                 | 201,581                 | 220,336                 |
| Net assets per share (yen)    | 1,682.63                | 1,820.67                | 1,937.00                | 2,117.25                |

(Note) 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).

## 1-4 Issues to be Addressed

### (1) Operating Environment and Tasks to Be Addressed

In the domestic IT services market, qualitative changes are being seen in corporate IT strategies and investment trends as cloud services become more common and the digitization and digital transformation trends accelerate. These changes are creating an even more intimate relationship between business and IT. Meanwhile, the effective utilization of digital technologies is becoming an important factor to achieving a new normal in which economic activities can continue while at the same time preventing the spread of COVID-19.

It can also be expected that competition to recruit IT personnel will intensify, with customers being involved in this competition, as the type of human resources desired for providing IT services changes from problem solving-oriented personnel to value creation-oriented personnel. In addition, customers are projected to increasingly seek in-house options for their IT service needs in response to the expanded provision of integrated and shared cross-industry services to be seen in conjunction with the acceleration of digital transformations at customers.

Achieving sustainable growth amid these operating environment changes will require companies to address the fundamental changes to society from a longer-term perspective. Accordingly, the SCSK Group has defined material issues to share the areas it should prioritize when addressing social issues during the course of practicing sustainability management based on its corporate philosophy of “Create Our Future of Dreams.” Together with these material issues, Grand Design, the Group’s vision for 2030, and the Medium-Term Management Plan, the first-step roadmap for achieving this vision, were announced in April 2020.



<Material Issues>

Based on the SCSK Group’s business, unique strengths, and role in society, the following seven material issues have been defined.

**Achieving Sustainable Business Growth with Society**

- Innovating for a Brighter Society
- Building Trust for a Safe and Secure Society
- Creating an Inclusive Society

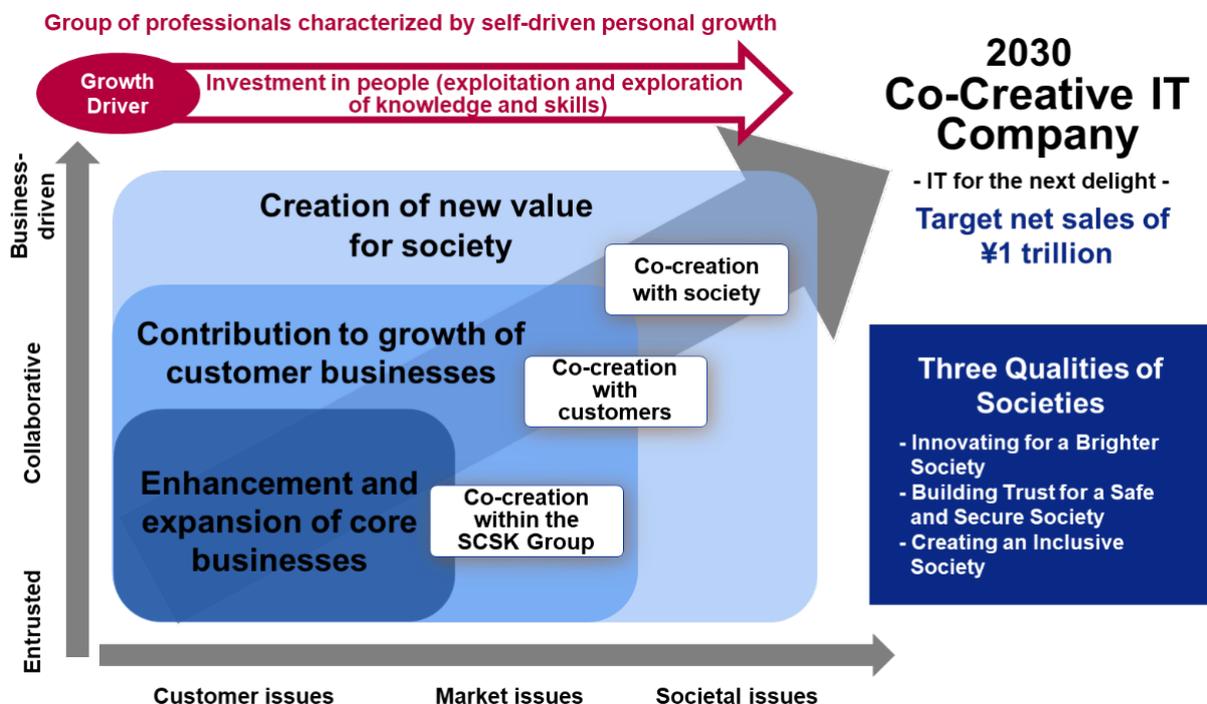
**Foundation Supporting Sustainable Growth**

- Global Environmental Contributions
- Diverse Team of Professionals
- Sustainable Value Chain
- Transparent Governance

<Grand Design 2030>

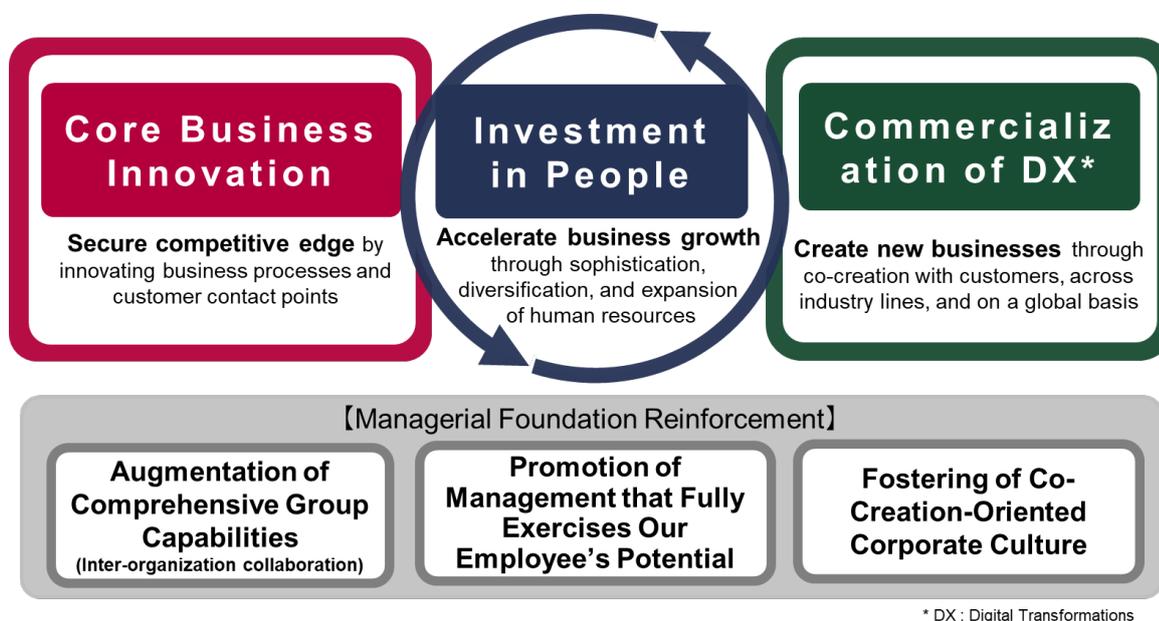
Positioning the corporate philosophy and material issues as the SCSK Group’s purpose, the Group will pursue its vision of becoming a co-creative IT company in 2030 with the goal of achieving sustainable development together with society.

This undertaking will see the Group expanding the creation of value for customers and society through its core IT services businesses and advancing self-driven social value creation initiatives as it seeks to grow together with customers and society. Through these efforts, we aim to achieve net sales of ¥1 trillion in the fiscal year ending March 31, 2031.



## (2) Medium-Term Management Plan Progress

As the first step toward accomplishing its vision of becoming a co-creative IT company in 2030, the SCSK Group will advance the following three core strategies and managerial foundation reinforcement measures over the three-year period beginning with the fiscal year ending March 31, 2021, and thereby expand its business on a global scale.



### Core Strategies

1. Core business innovation—Secure competitive edge by innovating business processes and customer contact points in core businesses
2. Commercialization of digital transformations—Create new businesses through co-creation with customers, across industry lines, and on a global basis
3. Investment in people—Accelerate business growth through enhancement, diversification, and expansion of human resources

### Managerial Foundation Reinforcement Measures

1. Augmentation of comprehensive Group capabilities
2. Promotion of management that fully exercises our employees' potential
3. Fostering of co-creation-oriented corporate culture

### Investment

Continue proactive investment to fuel future growth (three-year total investments of approx. ¥100.0 billion)

### Management Targets

The SCSK Group will pursue the following management targets with the goal of improving corporate value through ongoing business growth and the ambitious pursuit of new pinnacles of growth.

Net sales: ¥500.0 billion or more

Operating profit margin: 10.0%–12.0%

Return on equity: 15.0% or more

Note: Return on invested capital is to be maintained at the level of 10.0%–12.0% over the period of the medium-term management plan.

#### <Core Strategies>

##### (i) Core Business Innovation

In addition to continuing to enhance and expand its core businesses, the SCSK Group will need to offer strong support to customers in resolving various issues as an IT service provider if it is to achieve ongoing growth moving forward. These issues include legacy system issues, such as the so-called “2025 Digital Cliff,” which refers to the issues that will occur when many of the engineers that developed companies’ current legacy systems retire. Other issues include the inability to coordinate and utilize data through individual system optimization as well as IT engineer shortages. To this end, the SCSK Group will pursue innovation in its core businesses from the following two perspectives in order to enhance business processes and customer contact points and thereby secure a competitive edge that allows the Group to address customer needs.

##### 1. *Monozukuri* Innovations

The SCSK Group will advance initiatives to achieve massive increases in service productivity, quality, and flexibility and thereby heighten responsiveness to business changes, diversify services models, and optimize systems of engagement and systems of record. SCSK’s newly developed S-Cred+ (Smart Co-work on Relationship, Engineering and Design Plus) *Monozukuri* innovation platform, which was released in April 2020, will be central to these initiatives.

##### 2. Subdivision Innovations\*

Subdivisions are a major characteristic and strength of the SCSK Group with its focus on frontline operations. The Group aims to transform subdivisions from full-time support organizations to value-co-creating organizations that support customer business and IT strategies. To this end, the Group will enhance customer contact points by positioning service managers, who will be responsible for gaining a deeper understanding of customer strategies and needs, and highly skilled engineers, who will swiftly deliver the ideal services needed to respond to business changes, on customer premises on a full-time basis.

Subdivisions will coordinate with SCSK bases to further the Group’s evolution toward the next stage of co-creation with customers.

\* Subdivisions are bases positioned on customer premises on a full-time basis.

##### (ii) Commercialization of Digital Transformations

Recent progress in digital technologies has stimulated a rise in aggressive IT investment for capitalizing on the progress in digital technologies to boost competitiveness or to undertake business model transformations. This trend has also triggered a rise in cross-industry, inter-company co-creation that goes beyond conventional frameworks to create new businesses and services. Viewing these market changes as opportunities for further growth, the SCSK Group will act as the driver behind its business as it seeks to develop operations that co-

create new value for society while leveraging the strengths of its core business.

The SCSK Group's approach toward the commercialization of digital transformations will be focused on co-creation with customers, cross industry co-creation targeting specific industries, and global co-creation with Sumitomo Corporation. For this approach, the Group has identified the four priority fields of mobility, financial service platforms, healthcare, and customer experiences, and efforts are being made to develop value-generating businesses by addressing social issues in these fields. Moreover, the Global Digital Solution and Innovation Business Group was established in April 2021 to accelerate these initiatives by focusing on and specializing in the creation of new businesses. Dedicated organizations have also been established in relation to the healthcare and customer experience fields.

#### Initiative Examples

##### <Mobility>

SCSK boasts a robust track record of developing automotive software systems for Japanese automobile manufacturers and suppliers. Leveraging this track record, we were among the first to begin model-based development, a development approach that contributes to improved quality and efficiency, and we have continued to steadily grow our business since. In addition, in October 2015, we commenced sales of QINeS BSW, a proprietarily developed, domestically produced basic software for automotive applications that features a real-time operating system and is compliant with the AUTOSAR, a standardized architecture for automotive software. We also began providing system development support services at this time. The automotive software system development and verification expertise and experience accumulated through this process is being combined with services in the connected car and telematics business to develop digital transformation operations in the mobility as a service field.

##### <Financial Service Platforms>

SCSK is developing a Japanese turnkey asset management program (TAMP) business aimed at building and operating business support platforms that are equally applicable to any financial institution. These platforms will be provided to independent financial advisors, which are projected to increase in number over the medium to long term in response to rising demand for specialized wealth management advisory services that support the portfolio building and management efforts of general consumers. The platforms will also be supplied to the financial and service intermediary market, which is expected to see participation from life insurance companies, insurance agents, and regional banks. The first step in this business will be to begin offering systems solutions, tentatively in the first half of 2021, for financial product dealers and service intermediaries. Provided through partnership with leading U.S. TAMP business operators, these solutions will be tailored to Japanese market by revising existing tools.

##### <Healthcare>

SCSK launched the Pharmacy-Scope pharmaceutical distribution and prescription information supply service for pharmaceutical companies in January 2021. This service delivers up-to-date, real-time information on the status of pharmaceutical shipments, prescriptions, and inventories at pharmacies. Certain major pharmaceutical companies began utilizing this system in September 2020, before its official launch.

### <Customer Experience>

In December 2020, SCSK began offering altcircle, a service specially designed to enhance customer contact points in the manner required in the era of digital transformations. Through altcircle, we offer one-stop service for consulting, systems, operation support, and outsourcing related to customer contact points, including such venues as customer attraction, customer service, and sales activities. By swiftly delivering services finely tuned to create the ultimate customer experience, SCSK will help clients shift to digital technologies and expand customer-oriented businesses.

### (iii) Investment in People

The SCSK Group's greatest asset and the driver behind its growth is its people. The Group will therefore be proactively investing in people, with a particular focus on enhancing, diversifying, and expanding human resources, in order to accelerate business growth. SCSK's human resource systems were revised effective July 1, 2020, with the aim of transitioning to skill- and role-based compensation levels and of acquiring highly talented individuals with specialized skills. The SCSK Group is also working to bolster its domestic staff by actively expanding recruitment outside of major urban centers. A major aim of these efforts will be to invigorate rural economies by creating employment opportunities, encouraging employees to relocate to rural regions, and fostering IT staff.

### <Managerial Foundation Reinforcement Measures>

The SCSK Group will advance the following three managerial foundation reinforcement measures to facilitate the advancement of the aforementioned three core strategies.

#### 1. Augmentation of Comprehensive Group Capabilities

The SCSK Group will combine its diverse resources and insight in order to create substantial value and thereby exercise its comprehensive Group capabilities, which other companies cannot mimic.

#### 2. Promotion of Management that Fully Exercises Our Employees' Potential

Through this measure, the SCSK Group aims to create an inclusive society as described in its material issues. At the same time, we will work to increase work motivation and engagement alongside the health and productivity management and workplace comfort improvement initiatives we have been implementing thus far.

#### 3. Fostering of Co-Creation-Oriented Corporate Culture

The SCSK Group aspires to foster a culture of autonomously linking and merging individual strengths in order to evolve into a conglomerate that can co-create value.

### Initiative Examples

On March 25, SCSK announced that the Board of Directors had resolved to undertake Group reorganizations

with the goal of exploring new markets. As part of these reorganizations, wholly owned subsidiary Minori Solutions Co., Ltd., will absorb WinTechnology Corporation and CSI SOLUTIONS Corporation. In addition, Minori Solutions' operations in Kyushu will be spun off and transferred to SCSK KYUSHU CORPORATION. The SCSK Group's target customer base is medium-sized companies with room to grow. Going forward, these companies are expected to exhibit increased demand for IT investment aimed at commencing full-fledged IT utilization for digitization, workstyle reform, and crisis management purposes and at transforming business models to accommodate trends during and after the global COVID-19 pandemic. The various assets, resources, and insight accumulated in this market will be utilized to roll out initiatives for expanding related businesses and to contribute to the healthy development of this market, which is imperative to the ongoing growth of the Japanese economy.

Furthermore, organizational reforms were instituted effective April 1, 2021, for the purpose of achieving the management speed required in a digital society and facilitating more dynamic strategies, swifter decision-making, and inter-organizational co-creation. Through these reforms, business groups that are responsible for core SCSK Group businesses will be deemed "CORE Business Groups," while business groups developing next-generation core businesses will be defined as "Next-CORE Business Groups." These organizations will be mobilized to accelerate the implementation of SCSK's medium-term management plan.

### 1-5 Major Businesses (as of March 31, 2021)

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, 2021)

#### (1) Major SCSK Offices

|                       |                                                                                                                                                                                              |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Toyosu Head Office | Koto-ku, Tokyo                                                                                                                                                                               |
| 2. Branch offices     | Minato-ku, Tokyo; Chuo-ku, Tokyo; Tama-shi, Tokyo; Osaka-shi, Osaka; Toyonaka-shi, Osaka; Nagoya-shi, Aichi Prefecture; Hiroshima-shi, Hiroshima Prefecture; Fukuoka-shi, Fukuoka 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    |
|------------------|------------------------|
| 14,550 people    | Increase of 571 people |

| Segment                | No. of employees |
|------------------------|------------------|
| Industrial IT Business | 4,706 people     |
| Financial IT Business  | 1,678 people     |
| IT Business Solutions  | 2,752 people     |
| IT Platform Solutions  | 910 people       |
| IT Management Service  | 2,122 people     |
| Others                 | 2,382 people     |
| Total                  | 14,550 people    |

(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 |
|------------------|------------------------|--------------------|------------------------------|
| 8,357 people     | Increase of 973 people | 43 years, 6 months | 18 years, 4 months           |

(Note) The increase in the number of employees from the fiscal year ended March 31, 2020, is primarily a result of the absorption of JIEC Co., Ltd.

## 1-7 Information Regarding Status of Parent Company and Important Subsidiaries (as of March 31, 2021)

### (1) Status of Parent Company

Our parent company is Sumitomo Corporation. At the end of the fiscal year under review, Sumitomo Corporation held 52,697,000 of the Company's shares (capital contribution ratio of 50.58%). 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 four Outside Directors. Prior to decisions, the Board of Directors is to consult with and receive reports regarding the transaction in question from the Governance Committee, which is membered by a majority of 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 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, in practicing group management, delegates significant authority to the management of Group companies out of respect for their independence. 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.

Ensuring the independence of decision making is a top priority. At the same time, the Company recognizes the need to manage risks based on the Groupwide internal control frameworks implemented by the parent company and to improve corporate value. Accordingly, the parent company is consulted with and reported to

prior to decisions regarding operational execution undertakings of a certain magnitude, compliance-related matters, 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.                                                             |
| Minori Solutions Co., Ltd.         | Shinjuku-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\$2,600,000    | 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 |
| CSI SOLUTIONS Corporation          | Shinjuku-ku, Tokyo         | ¥210 million     | 100.00                         | System integration, sale and maintenance of hardware, etc.                                                                         |
| Allied Engineering Corporation     | Koto-ku, Tokyo             | ¥242 million     | 100.00                         | Consulting and packaged software development and sales                                                                             |
| WinTechnology Corporation          | Shinjuku-ku, Tokyo         | ¥100 million     | 100.00                         | Consulting in Windows platforms, system design and development, and maintenance service, etc.                                      |
| 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,<br>Tokyo    | ¥96 million  | 50.10  | Network building and<br>operation services         |
| Gran Manibus Co., Ltd.                | Chiyoda-ku,<br>Tokyo | ¥90 million  | 94.29  | Consulting and cutting-<br>edge solutions services |
| SCSK Nearshore Systems<br>Corporation | Koto-ku,<br>Tokyo    | ¥100 million | 100.00 | Software development and<br>maintenance services   |

(Notes) 1. We have a total of 24 consolidated subsidiaries, including the important subsidiaries listed above.

2. The Company incorporated JIEC Co., Ltd. through an absorption-type merger with an effective date of April 1, 2020.

#### 1-8 Principal Lenders and Loans Payable (as of March 31, 2021)

| Name of lender                      | Loans payable (in millions of yen) |
|-------------------------------------|------------------------------------|
| Sumitomo Mitsui Trust Bank, Limited | 4,500                              |
| Sumitomo Mitsui Banking Corporation | 4,500                              |
| MUFG Bank, Ltd.                     | 3,500                              |
| Mizuho Bank, Ltd.                   | 2,500                              |
| Total                               | 15,000                             |

#### 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. The Company has chosen to issue a year-end dividend of ¥70 per share, which will make for a full-year dividend of ¥135 per share when including the previously issued interim dividend of ¥65 per share. As for the fiscal year ending March 31, 2022, the Company plans to issue a full-year dividend of ¥140 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

200,000,000 shares

### 2-2 Total Number of Shares Issued

104,056,076 shares  
(excluding 125,727 shares of treasury stock)

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

25,752 people

### 2-4 Top 10 Shareholders

| Name of shareholder                                  | Shares owned | Shareholding ratio |
|------------------------------------------------------|--------------|--------------------|
|                                                      | Shares       | %                  |
| Sumitomo Corporation                                 | 52,697,159   | 50.64              |
| Custody Bank of Japan, Ltd. (trust account)          | 6,241,400    | 6.00               |
| The Master Trust Bank of Japan, Ltd. (trust account) | 4,255,400    | 4.09               |
| SCSK Group Employee Stock Ownership Association      | 2,376,745    | 2.28               |
| SSBTC CLIENT OMNIBUS ACCOUNT                         | 1,381,993    | 1.33               |
| Custody Bank of Japan, Ltd. (trust account 7)        | 1,193,100    | 1.15               |
| STATE STREET CLIENT OMNIBUS ACCOUNT OM02             | 1,090,070    | 1.05               |
| ARGO GRAPHICS Inc.                                   | 1,015,500    | 0.98               |
| STATE STREET BANK AND TRUST COMPANY 505001           | 869,729      | 0.84               |
| STATE STREET BANK WEST CLIENT – TREATY 505234        | 765,192      | 0.74               |

(Note) The amount of treasury stock is excluded from the calculation of the shareholding ratios of the top 10 shareholders listed above. The shareholding ratio is calculated by dividing the number of shares held by shareholder by the number of shares outstanding (shares outstanding = total number of issued shares - treasury stock).

### 3. Particulars Regarding the Company's Officers

#### 3-1 Directors and Corporate Auditors

| Name              | Position in the Company                                       | Significant concurrently held posts                                                                                                                                                            |
|-------------------|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Masao Tabuchi     | *1 Director                                                   |                                                                                                                                                                                                |
| Toru Tanihara     | *1 Director                                                   |                                                                                                                                                                                                |
| Tetsuya Fukunaga  | Director                                                      | Outside Director of ARGO GRAPHICS Inc.                                                                                                                                                         |
| Kei Kato          | Director                                                      |                                                                                                                                                                                                |
| Tatsuro Tamura    | Director                                                      | Executive Officer of Sumitomo Corporation; Assistant to General Manager, Media & Digital Business Unit                                                                                         |
| Bin Haga          | Director                                                      | Managing Executive Officer of Sumitomo Corporation; Assistant General Manager, Media & Digital Business Unit; General Manager, Digital Business Division                                       |
| Kiyoto Matsuda    | *2 Director                                                   | Chairman of the Board of TOPAZ CAPITAL, INC.; Outside Director of Hotto Link Inc.; Outside Director of SURUGA bank Ltd.                                                                        |
| Yasunori Anzai    | Director (Audit and Supervisory Committee Member) (full-time) |                                                                                                                                                                                                |
| Kimitoshi Yabuki  | *2 Director (Audit and Supervisory Committee Member)          | Partner of Yabuki Law Offices                                                                                                                                                                  |
| Masaichi Nakamura | *2 Director (Audit and Supervisory Committee Member)          | Representative of Nakamura Masaichi CPA Office; External Corporate Auditor of Sumitomo Heavy Industries, Ltd.; Independent Director (Audit/Supervisory Committee Member) of Terumo Corporation |
| Kazuko Shiraishi  | *2 Director (Audit and Supervisory Committee Member)          | External Director of MODEC, Inc.                                                                                                                                                               |

(Notes) 1. \*1 = Representative Director

2. \*2 = Outside Director, as defined by laws and regulations

3. Director Mr. Kiyoto Matsuda and Directors (Audit and Supervisory Committee Members) Mr. Kimitoshi Yabuki, Mr. Masaichi Nakamura, and Ms. Kazuko Shiraishi 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. Director (Audit and Supervisory Committee Member) Mr. Masaichi Nakamura has the qualification of being a certified public accountant and possesses a high degree of knowledge related to finance and accounting.

5. Mr. Yasunori Anzai was appointed as a full-time Audit and Supervisory Committee Member to allow him to perform an array of duties. These duties include attending important meetings; reviewing reports on operational execution matters from Directors (excluding Directors that are Audit and Supervisory Committee Members), Executive Officers, and other employees; examining important resolution documents; collecting information through meetings held with the auditors of subsidiaries; and sharing information with the Audit and Supervisory Committee.

6. Mr. Kei Kato and Mr. Yasunori Anzai resigned from their positions as executives of Sumitomo Corporation on July 31, 2020.
7. Mr. Kimitoshi Yabuki assumed the position of president of the Tokyo Bar Association on April 1, 2021.
8. Mr. Kiyoto Matsuda resigned from his position as outside director of SANYO SHOKAI LTD. on May 26, 2020.
9. Other than those listed above, there are no relationships between the Company and entities at which Outside Directors hold significant posts that require disclosure.
10. Officers holding significant concurrent posts not listed above: not applicable

Changes during the fiscal year under review

1. New appointment           Appointed June 23, 2020  
Bin Haga (Director) (part time)
  
2. Retirement                 Retired June 23, 2020  
Kazumasa Watanabe (Director) (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, 2021. Shown below are posts/assignments as of March 31, 2021 (before the revision) and April 1, 2021 (current status).

| Current position in company<br>(as of April 1, 2021) | Name               | Areas of responsibility and significant posts concurrently held                                                                                                                                                                |                                                                                                                                                                                                  |
|------------------------------------------------------|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                    | As of March 31, 2021                                                                                                                                                                                                           | As of April 1, 2021 (current)                                                                                                                                                                    |
| Chairman* <sup>1</sup><br>Chief Executive Officer    | Masao Tabuchi      | Chief Health Officer                                                                                                                                                                                                           | Chief Health Officer                                                                                                                                                                             |
| President* <sup>1</sup><br>Chief Operating Officer   | Toru Tanihara      |                                                                                                                                                                                                                                |                                                                                                                                                                                                  |
| Executive Vice President                             | Masatoshi Endo     | MONOKAKU Officer; General Manager (SE Plus Center, Development Center, MONOKAKU Center); Chairman of the Board of SCSK Nearshore Systems Corporation                                                                           | Senior General Manager, Core Business Innovation Group; General Manager, Core Business Innovation Group; Representative Director and Chairman of the Board of SCSK Nearshore Systems Corporation |
| Executive Vice President                             | Koji Tamefusa      | —                                                                                                                                                                                                                              | General Manager, Planning, Legal & Risk Management                                                                                                                                               |
| Senior Managing Executive Officer                    | Tatsuyasu Kumazaki | General Manager (Accounting & IR Group)                                                                                                                                                                                        | Managing Officer, Internal Auditing                                                                                                                                                              |
| Senior Managing Executive Officer* <sup>1</sup>      | Tetsuya Fukunaga   | General Manager (Finance & Business Investment Promotion Group); Outside Director of ARGO GRAPHICS Inc.                                                                                                                        | General Manager, Finance & Accounting; General Manager, Finance & Business Investment Promotion Division; Outside Director of ARGO GRAPHICS Inc.                                                 |
| Senior Managing Executive Officer* <sup>1</sup>      | Kei Kato           | General Manager, Global System Solutions & Innovation Business Group; Deputy General Manager (DX Strategic Marketing Center, DX & Innovation Business Center, DX Technology Development Center, Research & Development Center) | Senior General Manager, Global Digital Solution & Innovation Business Group                                                                                                                      |

| Current position in company<br>(as of April 1, 2021) | Name               | Areas of responsibility and significant posts concurrently held                                                                                                                  |                                                                                                                                                                                             |
|------------------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                    | As of March 31, 2021                                                                                                                                                             | As of April 1, 2021 (current)                                                                                                                                                               |
| Managing Executive Officer                           | Toshiaki Kudo      | General Manager, Financial Systems Business Group                                                                                                                                | General Manager, Financial Business Group                                                                                                                                                   |
| Managing Executive Officer                           | Tetsuya Ueda       | General Manager, IT Management Group                                                                                                                                             | General Manager, Solution Business Group                                                                                                                                                    |
| Managing Executive Officer                           | Hideki Tazai       | General Manager, Business Solutions Group; Chairman of the Board of SCSK ServiceWare Corporation; Representative Director and CEO of Skeed Co., Ltd.                             | Managing Officer, Research & Development Center; Assistant General Manager, Core Business Innovation Group (Internal IT System Officer); Representative Director and CEO of Skeed Co., Ltd. |
| Managing Executive Officer                           | Atsushi Innami     | General Manager, Distribution & Media Systems Business Group                                                                                                                     | General Manager, Industrial Business Group                                                                                                                                                  |
| Managing Executive Officer                           | Makoto Nakamura    | General Manager, Mobility Systems Group                                                                                                                                          | General Manager, Mobility Business Group                                                                                                                                                    |
| Managing Executive Officer                           | Atsushi Watanabe   | DX Business Promotion Officer; General Manager (DX Strategic Marketing Center, DX & Innovation Business Center, DX Technology Development Center, Research & Development Center) | General Manager, Global Digital Solution & Innovation Business Group                                                                                                                        |
| Managing Executive Officer                           | Takashi Shinjo     | General Manager, IT Platform Solutions Group                                                                                                                                     | General Manager, IT Platform Business Group                                                                                                                                                 |
| Managing Executive Officer                           | Yasushi Shimizu    | President of SCSK ServiceWare Corporation                                                                                                                                        | Representative Director and President of SCSK ServiceWare Corporation                                                                                                                       |
| Managing Executive Officer                           | Takaaki Touma      | General Manager (Human Resources & General Affairs Group, Human Resources Development Group)                                                                                     | General Manager, Human Resources & General Affairs                                                                                                                                          |
| Managing Executive Officer                           | Yasuo Sugahara     | General Manager (Legal & Risk Management Group)                                                                                                                                  | Assistant General Manager, Planning, Legal & Risk Management (Legal & Risk Management)                                                                                                      |
| Managing Executive Officer                           | Hisanao Takei      | Representative Director and Executive Vice President of Minori Solutions Co., Ltd.                                                                                               | Representative Director and Executive Vice President of Minori Solutions Co., Ltd.                                                                                                          |
| Managing Executive Officer                           | Yoshiyuki Shinbori | Chief Executive Officer of VeriServe Corporation                                                                                                                                 | Chief Executive Officer of VeriServe Corporation                                                                                                                                            |
| Managing Executive Officer                           | Shigehiro Seki     | General Manager, Manufacturing & Telecommunication Systems Business Group                                                                                                        | Deputy General Manager, Industrial Business Group                                                                                                                                           |
| Managing Executive Officer                           | Yasuhiko Oka       | Deputy General Manager (Accounting & IR Group); General Manager, Accounting & IR Group                                                                                           | Assistant General Manager, Finance & Accounting (Accounting & IR)                                                                                                                           |

| Current position in company<br>(as of April 1, 2021) | Name                | Areas of responsibility and significant posts concurrently held                                                                                                  |                                                                                                                                        |
|------------------------------------------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                     | As of March 31, 2021                                                                                                                                             | As of April 1, 2021 (current)                                                                                                          |
| Senior Corporate Officer                             | Koichi Naito        | General Manager, Business Promotion Division, Manufacturing & Telecommunication Systems Business Group                                                           | General Manager, Industrial Business Promotion Division, Industrial Business Group                                                     |
| Senior Corporate Officer                             | Yoshinori Kawashima | Representative Director and President of CSI SOLUTIONS Corporation                                                                                               | Representative Director and President of CSI SOLUTIONS Corporation                                                                     |
| Senior Corporate Officer                             | Akihiko Harima      | Director (Audit and Supervisory Committee Member) of Minori Solutions Co., Ltd.                                                                                  | Senior Managing Executive Officer of Minori Solutions Co., Ltd.                                                                        |
| Senior Corporate Officer                             | Takayuki Okuhara    | General Manager, DX & Innovation Business Center                                                                                                                 | Director of Gran Manibus Co., Ltd.                                                                                                     |
| Senior Corporate Officer                             | Tadashi Miyagawa    | General Manager, Telecommunication & Public Sector Systems Business Division, Manufacturing & Telecommunication Systems Business Group                           | General Manager, Telecommunication & Public Sector Systems Business Division, Industrial Business Group                                |
| Senior Corporate Officer                             | Takaya Yamamoto     | General Manager, Financial Systems Business Division I, Financial Systems Business Group                                                                         | General Manager, Global Digital Solution & Innovation Business Promotion Division, Global Digital Solution & Innovation Business Group |
| Senior Corporate Officer                             | Koji Watanabe       | General Manager, Mobility Systems Division I, Mobility Systems Group                                                                                             | General Manager, Mobility Systems Division I, Mobility Business Group; Deputy General Manager, Connected Business Development Center   |
| Senior Corporate Officer                             | Toshihiko Mitsuishi | General Manager, Financial Systems Business Division III, Financial Systems Business Group                                                                       | General Manager, Connected Business Development Center, Mobility Business Group                                                        |
| Senior Corporate Officer                             | Yukihiko Saito      | General Manager, AMO Business Division I, Business Solutions Group                                                                                               | General Manager, AMO Business Division I, Solution Business Group                                                                      |
| Senior Corporate Officer                             | Mineo Yokoyama      | General Manager, Nishinohon Industrial Systems Business Division I, Manufacturing & Telecommunication Systems Business Group; General Manager, Nishinohon Branch | General Manager, AMO Business Division II, Solution Business Group                                                                     |
| Senior Corporate Officer                             | Hiroyuki Komiya     | General Manager, DX Technology Development Center                                                                                                                | Evangelist, Global Digital Solution & Innovation Business Group                                                                        |
| Senior Corporate Officer                             | Kan Takahashi       | General Manager, Financial Systems Business Division II, Financial Systems Business Group                                                                        | General Manager, Financial Systems Business Division II, Financial Business Group                                                      |
| Senior Corporate Officer                             | Akira Yamano        | Managing Executive Officer of VeriServe Corporation                                                                                                              | Managing Executive Officer of VeriServe Corporation                                                                                    |
| Senior Corporate Officer                             | Ken Takano          | General Manager, IT Architecture Service Division, IT Management Group; General Manager, Nishinohon IT Management Business Division                              | General Manager, IT Architecture Service Division, Solution Business Group; General Manager, IT Management Business Promotion Division |
| Senior Corporate Officer                             | Masahiro Otani      | General Manager, ProActive Business Solutions Division, Business Solutions Group                                                                                 | General Manager, ProActive Business Solutions Division, Solutions Business Group                                                       |

| Current position in company<br>(as of April 1, 2021) | Name                 | Areas of responsibility and significant posts concurrently held                                                                                                                                |                                                                                                                                                  |
|------------------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                      | As of March 31, 2021                                                                                                                                                                           | As of April 1, 2021 (current)                                                                                                                    |
| Senior Corporate Officer                             | Tomishige Tamura     | General Manager, Development Center; Representative Director and President of SCSK Nearshore Systems Corporation                                                                               | General Manager, Development Center, Core Business Innovation Group; Representative Director and President of SCSK Nearshore Systems Corporation |
| Senior Corporate Officer                             | Masaaki Mori         | General Manager, Distribution & Media Business Division I, Distribution & Media Systems Business Group                                                                                         | General Manager, Media Business Division, Industrial Business Group                                                                              |
| Senior Corporate Officer                             | Takaaki Ishida       | General Manager, MONOKAKU Center                                                                                                                                                               | General Manager, MONOKAKU Center, Core Business Innovation Group                                                                                 |
| Senior Corporate Officer                             | Eri Kawanabe         | Deputy General Manager, Development Center (Offshore Development)                                                                                                                              | Deputy General Manager, Development Center (Offshore Development), Core Business Innovation Group                                                |
| Senior Corporate Officer                             | Hiroyuki Miyagawa    | General Manager, Chubu & Kansai IT Platform Solutions Division, IT Platform Solutions Group; General Manager, Chubu Branch                                                                     | General Manager, Engineering Solutions Division, IT Platform Business Group                                                                      |
| Senior Corporate Officer                             | Junichi Horie        | General Manager, SE Plus Center                                                                                                                                                                | General Manager, SE Plus Center, Core Business Innovation Group; Deputy General Manager, MONOKAKU Center, Core Business Innovation Group         |
| Senior Corporate Officer                             | Kenji Toda           | General Manager, Manufacturing Systems Business Division, Manufacturing & Telecommunication Systems Business Group                                                                             | General Manager, Manufacturing Systems Business Division, Industrial Business Group                                                              |
| Senior Corporate Officer                             | Shoji Shiuchi        | General Manager, Nishinohon Industrial Systems Business Division II, Manufacturing & Telecommunication Systems Business Group; General Manager, Business Promotion Division, Nishinohon Branch | General Manager, Nishinohon Industrial Systems Business Division, Industrial Business Group; General Manager, Nishinohon Branch                  |
| Senior Corporate Officer                             | Kenji Ichiba         | General Manager, Global Business Development Division, Global System Solutions & Innovation Business Group                                                                                     | General Manager, Platform Business Promotion Division, IT Platform Business Group                                                                |
| Senior Corporate Officer                             | Shu Wei              | Regional Officer, China & Asia; 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                             | Shunichiro Fukushima | General Manager, Corporate Planning, Corporate Communications & Sustainability Group                                                                                                           | Assistant General Manager, Planning, Legal & Risk Management (Planning); General Manager, Planning Division                                      |
| Senior Corporate Officer                             | Tomoo Kawana         | General Manager, Legal & Risk Management Group                                                                                                                                                 | General Manager, Legal & Risk Management Division                                                                                                |
| Senior Corporate Officer                             | Ikuo Uchiyama        | General Manager, Business Promotion Division, Mobility Systems Group                                                                                                                           | General Manager, Mobility Business Promotion Division, Mobility Business Group                                                                   |
| Senior Corporate Officer                             | Shinji Miyanishi     | Deputy General Manager, Financial Systems Business Division IV, Financial Systems Business Group                                                                                               | Deputy General Manager, Financial Systems Business Division IV, Financial Business Group                                                         |

| Current position in company<br>(as of April 1, 2021) | Name                | Areas of responsibility and significant posts concurrently held                                                                   |                                                                                                            |
|------------------------------------------------------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
|                                                      |                     | As of March 31, 2021                                                                                                              | As of April 1, 2021 (current)                                                                              |
| Senior Corporate Officer                             | Toshihiko Kusakabe  | General Manager, Global Business Development Division, Global System Solutions & Innovation Business Group                        | General Manager, Global Business Development Division, Global Digital Solution & Innovation Business Group |
| Senior Corporate Officer                             | Osamu Kubo          | General Manager, Financial Systems Business Division VI, Financial Systems Business Group                                         | General Manager, Financial Systems Business Division III, Financial Business Group                         |
| Senior Corporate Officer                             | Yoshinari Kobayashi | General Manager, Human Resources & General Affairs Group                                                                          | General Manager, Human Resources & General Affairs Division                                                |
| Senior Corporate Officer                             | Yosuke Tsutaya      | General Manager, AMO Business Division II, Business Solutions Group; General Manager, Contact Center Services Business Division   | General Manager, CX Business Division, Global Digital Solution & Innovation Business Group                 |
| Senior Corporate Officer                             | Masaki Komine       | General Manager, IT Products & Services Division, IT Platform Solutions Group; General Manager, Sales Promotion Department        | General Manager, IT Products & Services Division, IT Platform Business Group                               |
| Senior Corporate Officer                             | Tomoyuki Naruke     | Managing Executive Officer of SCSK ServiceWare Corporation                                                                        | Managing Executive Officer of SCSK ServiceWare Corporation                                                 |
| Senior Corporate Officer                             | Masayuki Tanabe     | General Manager, Mobility Systems Division II, Mobility Systems Group; General Manager, Business Promotion Division, Chubu Branch | General Manager, Mobility Systems Division II, Mobility Business Group; General Manager, Chubu Branch      |
| Senior Corporate Officer                             | Hideya Nakashima    | General Manager, SC Business Development Division, Global System Solutions & Innovation Business Group                            | Assistant General Manager, Global Digital Solution & Innovation Business Group (Special Appointment)       |
| Senior Corporate Officer *2                          | Yoshihiro Jinbo     | —                                                                                                                                 | Managing Executive Officer of Minori Solutions Co., Ltd.                                                   |
| Senior Corporate Officer *2                          | Toshiyuki Takahashi | —                                                                                                                                 | President & CEO, SCSK USA Inc.                                                                             |
| Senior Corporate Officer *2                          | Mitsuru Oosawa      | —                                                                                                                                 | General Manager, Industrial Solutions Business Division, Industrial Business Group                         |
| Senior Corporate Officer *2                          | Hideho Masuda       | —                                                                                                                                 | General Manager, Financial Systems Business Division I, Financial Business Group                           |
| Senior Corporate Officer *2                          | Seiji Sato          | —                                                                                                                                 | General Manager, Digital Innovation Division, Global Digital Solution & Innovation Business Group          |

(Notes) 1. \*1 = Serves jointly as Executive Officer and Director

2. \*2 = Newly seated as Senior Corporate Officer on April 1, 2021

3. Listed below are Executive Officers who retired as of March 31, 2021.

| Position at retirement     | Name               | Areas of responsibility at retirement                                                 |
|----------------------------|--------------------|---------------------------------------------------------------------------------------|
| Managing Executive Officer | Tatsuro Tamura     | General Manager (Corporate Planning, Corporate Communications & Sustainability Group) |
| Senior Executive Officer   | Yoshinori Imai     | Deputy Managing Director of SCSK Asia Pacific Pte. Ltd.                               |
| Executive Officer          | Naoki Ike          | General Manager, Engineering Solutions Division, IT Platform Solutions Group          |
| Executive Officer          | Toshiya Uchida     | Seconded to Sumitomo Corporation                                                      |
| Executive Officer          | Hideyuki Miyashita | Representative Director and President of SCSK Kyushu Corporation                      |

## 3-2 Officer Remuneration

### (1) Total Remuneration, etc., Paid to Company Officers

| Category                                                                                           | Total remuneration            | Total remuneration by type    |                                 |                           | No. of recipients      |
|----------------------------------------------------------------------------------------------------|-------------------------------|-------------------------------|---------------------------------|---------------------------|------------------------|
|                                                                                                    |                               | Basic remuneration            | Performance-linked remuneration | Non-monetary remuneration |                        |
| Directors<br>(excluding Audit and Supervisory<br>Committee Members)<br>(of whom Outside Directors) | ¥296 million<br>(¥12 million) | ¥229 million<br>(¥12 million) | ¥67 million<br>(0)              | 0<br>(0)                  | 8 people<br>(1 people) |
| Directors<br>(Audit and Supervisory<br>Committee Members)<br>(of which Outside Directors)          | ¥56 million<br>(¥36 million)  | ¥56 million<br>(¥36 million)  | 0<br>(0)                        | 0<br>(0)                  | 4 people<br>(3 people) |
| Total                                                                                              |                               | ¥352 million                  |                                 |                           | 12 people              |

- (Notes) 1. Basic remuneration for Directors includes officer pensions.
2. The upper limit on Director remuneration as determined upon resolution at the 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 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 who 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.
4. Performance-linked remuneration is paid to Directors (excluding Outside Directors, non-full-time Directors, and Directors who are Audit and Supervisory Committee Members).

### (2) Policies and Methods for Determining Officer Remuneration Amounts

#### 1. Policies for Determining Officer Remuneration Amounts

Remuneration for Directors is comprised of basic remuneration and performance-linked remuneration. Remuneration amounts are set for each rank of executive officer. Basic remuneration is paid as fixed compensation. Performance-linked compensation is determined based on the Company's business performance and operating profit growth rate and adjusted based on the degree to which relevant organizations accomplished their performance targets.

The ratios of basic remuneration and performance-linked remuneration for each rank are detailed in the table below.

| Executive officer rank                | Basic remuneration | Performance-linked remuneration | Total |
|---------------------------------------|--------------------|---------------------------------|-------|
| Chairman and Chief Executive Officer  | 66%                | 34%                             | 100%  |
| President and Chief Operating Officer | 66%                | 34%                             |       |
| Executive Vice President              | 67%                | 33%                             |       |
| Senior Managing Executive Officer     | 73%                | 27%                             |       |
| Managing Executive Officer            | 76%                | 24%                             |       |

Only basic compensation is paid to Outside Directors, non-full-time Directors, and Directors who are Audit and Supervisory Committee Members out of consideration for their role of supervising and auditing management from an objective standpoint.

The policies, procedures, standards, and amounts for remuneration were decided at a meeting of the Board of Directors held on February 25, 2021, after consultation with the Governance Committee, which is membered by a majority of Outside Directors that are designated as Independent Directors.

#### 2. Policies and Indicators for Performance-Linked Remuneration

Emphasizing business performance and ongoing profit growth, amounts of performance-linked

remuneration are made to reflect fund sources and individual evaluations and are decided based on the executive officer remuneration system. The total amount of performance-linked remuneration to be paid is calculated based on operating profit and the operating profit growth rate, and individual compensation amounts are determined based on target achievement rates and individual evaluations for the given fiscal year after deciding the amounts of performance-linked remuneration for each rank. Target achievement rates account for 80% of performance-linked remuneration while individual evaluations account for 20%.

Target achievement rate = Target achievement rate of net sales × 30% + Target achievement rate of operating income × 70%

Individual evaluation = Payment rate based on individual evaluation in accordance with executive officer remuneration system

Net sales, operating profit, and the operating profit growth rate are used as indicators for determining performance-linked remuneration. These indicators were selected to place emphasis on business performance and ongoing profit growth. Please refer to “1-3 Assets, Profits and Losses” for information on net sales and operating profit in the fiscal year ended March 31, 2021, as well as other recent fiscal years.

### 3. Matters Pertaining to Delegation of Authority for Determining Amounts of Remuneration Paid to Individual Directors

Specific amounts of remuneration paid to individual Directors (excluding Outside Directors, non-full-time Directors, and Directors who are Audit and Supervisory Committee Members) are determined following discussion among Chairman and Chief Executive Officer Masao Tabuchi and President and Chief Operating Officer Toru Tanihara based on the authority for determining amounts of performance-linked remuneration and individual evaluations delegated to these individuals by the Board of Directors.

Authority is delegated as such for the purpose of facilitating broad-perspective evaluations and determining appropriate standards for performance-linked remuneration amounts based on the executive officer remuneration system from the standpoint of the individuals responsible for overseeing operational execution.

The policies, procedures, standards, and amounts for remuneration for Directors (excluding Outside Directors, non-full-time Directors, and Directors who are Audit and Supervisory Committee Members) have been decided at a meeting of the Board of Directors after consultation with the Governance Committee, which is membered by a majority of Outside Directors that are designated as Independent 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. With these provisions in place, authority is delegated to the two aforementioned officers to ensure that this authority is appropriately exercised and to thereby guarantee that rights are fairly exercised. Target achievement rates are to account for 80% of performance-linked remuneration while individual evaluations account for 20% as a provision to limit the authority delegated to the two aforementioned officers.

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

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

Significant concurrently held posts are shown within Section 3-1, Directors and Corporate Auditors.

### 3-4 Main Activities of Each Outside Director or Outside Corporate Auditor

| Category                                          | Name              | Attendance at Board of Directors meetings | Attendance at Audit and Supervisory Committee meetings | Major activities                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------|-------------------|-------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Director                                          | Kiyoto Matsuda    | 20/20                                     | —                                                      | Mr. Kiyoto Matsuda 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 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) | Kimitoshi Yabuki  | 20/20                                     | 15/16                                                  | Mr. Kimitoshi Yabuki helps ensure active and efficient discussions in his capacity as the chairman of the Governance Committee. He also offers advice on all areas of the Company's management and auditing activities from a legal perspective grounded on his specialized knowledge and experience as an attorney at meetings of the Board of Directors, the Audit and Supervisory Committee, and the Governance Committee. |
| Director (Audit and Supervisory Committee Member) | Masaichi Nakamura | 17/20                                     | 16/16                                                  | Mr. Masaichi Nakamura offers advice on all areas of the Company's management and auditing activities from a financial and accounting perspective grounded on his specialized knowledge and experience as a certified public accountant at meetings of the Board of Directors, the Audit and Supervisory Committee, and the Governance Committee.                                                                              |
| Director (Audit and Supervisory Committee Member) | Kazuko Shiraishi  | 20/20                                     | 16/16                                                  | 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.                                                                                           |

(Note) 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.

In the fiscal year ended March 31, 2021, it was discovered that a former employee of the Company had been engaged in the unauthorized collection and use of customer information. The above listed Outside Directors have continued to advise the Board of Directors on how to enhance compliance with information security rules and other regulations throughout the duration of their terms. Following the discovery of these acts of misconduct, the Outside Directors offered advice on measures for preventing reoccurrence and for otherwise addressing this issue, monitored the implementation of these measures, and requested reports as deemed necessary.

### 3-5 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.

### 3-6 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.

## 4. Matters Regarding the Independent Auditor

### 4-1 Name

KPMG AZSA LLC

### 4-2 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                                            | ¥188 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) | ¥256 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 has paid the Independent Auditor for services outside those specified in Article 2, Paragraph 1 of the Certified Public Accountants Act (specifically, for services relating to the provision of guidance and advice regarding the transition to International Financial Reporting Standards 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.

4. The financial statements of subsidiary Minor Solutions Co., Ltd., were audited by an independent auditor that is separate from the Independent Auditor of the Company in the fiscal year ended March 31, 2020, and by the Independent Auditor of the Company in the fiscal year ended March 31, 2021.

### 4-3 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, Section 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.

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

Consolidated Statements of Financial Position

(As of March 31, 2021)

(Millions of yen)

Assets		Liabilities	
Current assets	212,524	Current liabilities	97,820
Cash and cash equivalents	108,768	Trade and other payables	29,465
Trade and other receivables	69,855	Contract liabilities	14,589
Contract assets	13,224	Employee benefits accruals	10,985
Inventories	7,710	Bonds and borrowings	25,092
Income taxes receivable	56	Lease liabilities	8,872
Other financial assets	220	Income taxes payable	3,091
Other current assets	12,686	Provisions	429
		Other current liabilities	5,293
Non-current assets	167,875	Non-current liabilities	55,240
Property, plant and equipment	67,345	Bonds and borrowings	19,963
Right-of-use assets	39,353	Lease liabilities	31,714
Goodwill and intangible assets	26,389	Other payables	203
Investments accounted for using equity method	8,805	Employee benefits	7
Other receivables	8,581	Provisions	3,279
Other financial assets	8,835	Other non-current liabilities	70
Deferred tax assets	3,432	Total liabilities	153,060
Other non-current assets	5,131	Net assets	
		Equity	21,152
		Share capital	203,893
		Retained earnings	-285
		Other components of equity	2,114
		Total equity attributable to owners of parent	226,874
		Non-controlling interests	464
		Total equity	227,338
Total assets	380,399	Total liabilities and equity	380,399

Consolidated Statements of Income

(From April 1, 2020 to March 31, 2021)

(Millions of yen)

Subject	Amount
Net sales	396,853
Cost of sales	-293,884
Gross profit	102,969
Selling, general and administrative expenses	-57,168
Other income	205
Other expenses	-128
Operating profit	45,878
Finance income	160
Finance costs	-478
Share of profit (loss) of investments accounted for using equity method	997
Profit before tax	46,557
Income tax expense	-13,011
Profit	33,545
Profit attributable to	
Owners of parent	33,435
Non-controlling interests	110
Earnings per share	
Basic earnings per share (yen)	321.26
Diluted earnings per share (yen)	321.26

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

Non-consolidated Balance Sheet

(As of March 31, 2021)

(Millions of yen)

Assets		Liabilities	
Current assets	186,223	Current liabilities	106,552
Cash and deposits	10,954	Accounts payable - trade	19,872
Notes	366	Short-term borrowings	15,000
Accounts receivable – trade	54,395	Current portion of bonds payable	10,000
Contract assets	12,405	Lease obligations	678
Lease investment assets	302	Accounts payable	4,552
Merchandise and finished goods	7,007	Expenses payable	1,476
Raw materials and supplies	140	Income taxes payable	3,624
Advance payments - trade	1,784	Consumption taxes payable	2,491
		Contract liabilities	14,079
		Deposits received	29,506
Prepaid expenses	11,176	Provision for bonuses	4,907
Deposits paid	84,534	Provision for bonuses for directors (and other officers)	76
Short-term loans receivable from subsidiaries and associates	300	Provision for loss on construction contracts	56
Other	2,862	Asset retirement obligations	222
Allowance for doubtful accounts	-6	Other	5
Non-current assets	165,511	Non-current liabilities	24,845
Property, plant and equipment	76,978	Bonds payable	20,000
Buildings	47,872	Lease obligations	1,172
Structures	275	Provision for retirement benefits for directors (and other officers)	7
Vehicles	0	Provision for retirement benefits	562
Tools, furniture and fixtures, net	7,924	Asset retirement obligations	2,076
Land	14,169	Long-term leasehold and guarantee deposits received	976
Leased assets, net	992	Other	49
Construction in progress	5,743		
Intangible assets	7,872	Total liabilities	131,398
Software	7,750	Net assets	
Leased assets	2	Shareholders' equity	218,655
Telephone subscription rights	118	Share capital	21,152
Right of using facilities	0	Capital surplus	1,299
Trademark rights	0	Legal capital surplus	1,299
		Retained earnings	196,488
		Legal retained earnings	3,988
Investments and other assets	80,660	Other retained earnings	192,500
Investment securities	7,078	General reserve	23,310
Shares of subsidiaries and associates	60,110	Retained earnings brought forward	169,190
Long-term loans receivable from employees	15	Treasury shares	-285
Long-term prepaid expenses	1,496	Valuation and translation adjustments	1,657
Leasehold and guarantee deposits	6,604	Valuation difference on available-for-sale securities	1,560
Deferred tax assets	1,052	Deferred gains or losses on hedges	97
Membership rights	192	Share acquisition rights	23

Lease investment assets	557		
Prepaid pension cost	3,589		
Other	10		
Allowance for doubtful accounts	-46	Total net assets	220,336
Total assets	351,734	Total liabilities and net assets	351,734

Non-consolidated Statement of Income

(From April 1, 2020 to March 31, 2021)

(Millions of yen)

Subject	Amount
Net sales	316,888
Cost of sales	235,774
Gross profit	81,113
Selling, general and administrative expenses	46,773
Operating profit	34,340
Non-operating income	2,233
Interest income	11
Dividend income	1,975
Other	246
Non-operating expenses	177
Interest expenses	43
Interest on bonds	49
Other	84
Ordinary profit	36,396
Extraordinary income	5,354
Gain on sales of non-current assets	0
Gain on sales of investment securities	6
Gain on sales of memberships	0
Gain on extinguishment of tie-in shares	5,347
Extraordinary losses	173
Loss on retirement of non-current assets	27
Loss on sales of non-current assets	0
Loss on valuation of investment securities	3
Loss on sales of membership	0
Compensation expenses	142
Profit before income taxes	41,577
Income taxes - current	4,813
Income taxes - deferred	5,122
Profit	31,641

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

Independent Auditor's Report

May 11, 2021

The Board of Directors
SCSK Corporation

KPMG AZSA LLC
Tokyo Office, Japan

Isao Kamizuka (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Shinya Mikami (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kenji Kasajima (Seal)
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, 2020, to March 31, 2021, in accordance with Article 444, Section 4 of the Companies Act.

In our opinion, the consolidated financial statements referred to above, which were prepared while omitting 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.

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 Article 120, Paragraph 1 of the Regulation on Corporate Accounting, which allows for the omission of certain disclosure items required by international standards, 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 based on Article 120, Paragraph 1 of the Regulation on Corporate

Accounting, which allows for the omission of certain disclosure items required by international standards.

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 Article 120, Paragraph 1 of the Regulation on Corporate Accounting, which allows for the omission of certain disclosure items required by international standards. 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 implementing safeguards to prevent or mitigate factors that could rationally be judged to impact or impede our independence as an Independent Auditor.

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 11, 2021

The Board of Directors
SCSK Corporation

KPMG AZSA LLC
Tokyo Office, Japan

Isao Kamizuka (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Shinya Mikami (Seal)
Designated Limited Liability Partner
Engagement Partner
Certified Public Accountant

Kenji Kasajima (Seal)
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 53rd fiscal year from April 1, 2020, to March 31, 2021, in accordance with Article 436, Section 2, Paragraph 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.

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 implementing safeguards to prevent or mitigate factors that could rationally be judged to impact or impede our independence as an Independent Auditor.

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 53rd fiscal year from April 1, 2020, to March 31, 2021. 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, Paragraph 13, Item 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. 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, October 28, 2005). 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 12, 2021

The Audit and Supervisory Committee, SCSK Corporation

Yasunori Anzai (Seal)
Audit and Supervisory Committee Member

Kimitoshi Yabuki (Seal)
Audit and Supervisory Committee Member

Masaichi Nakamura (Seal)
Audit and Supervisory Committee Member

Kazuko Shiraishi (Seal)
Audit and Supervisory Committee Member

(Note) Audit and Supervisory Committee Members Kimitoshi Yabuki, Masaichi Nakamura, and Kazuko Shiraishi are Outside Directors as described in Article 2, Item 15 and Article 331, Item 6 of the Companies Act.

Guidance for Shareholders on How to Exercise Voting Rights Either in Writing or by Electronic Means (the Internet, etc.)

I. Exercising Voting Rights in Writing

Please indicate your approval or disapproval of each proposal on the enclosed voting form (Japanese only) and return it to reach our Registrar of Shareholders no later than 5:30 p.m. on Tuesday, June 22 2021.

II. Exercising Voting Rights Electronically

1. Exercising voting rights via so-called smart voting (Japanese only)

To exercise your voting rights via so-called smart voting, please scan the voting rights exercise website login QR code on the lower right of the enclosed voting form with a smartphone or tablet, access the URL, and follow the on-screen instructions to exercise your voting rights.

2. Exercising voting rights via the internet (Japanese only)

(1) To exercise your voting rights via the internet, you must use the following voting service website designated by the Company. Please note that you are also able to access and use this voting service website via a mobile phone.

Voting service website: <https://www.web54.net>

Note:

The website can be accessed from mobile phones that are equipped with a barcode reader by scanning the QR code® on the right with the mobile phone. Please see your mobile phone's user manual for further details. (The QR code is the registered trademark of Denso Wave Incorporated.)



- (2) To exercise your voting rights via the internet, please indicate whether you approve or disapprove of each proposal by using the code and password for the exercise of voting rights indicated on the enclosed voting form, and by following the instructions shown on the screen.
- (3) Provider access fees, telecommunications fees and any other fee for usage of the website to exercise your voting rights shall be borne by the shareholders.
- (4) One may be unable to use the voting service website based on their internet connection, enrolled services, or terminal.

3. Electronic Voting Platform (English available)

For management and trust banks or other nominee shareholders (including standing proxies), the Electronic Voting Platform operated by Investor Communications Japan, Inc. (ICJ, Inc.) is available as another online voting method for the meeting, in addition to the method of voting via the internet as described in 1. above, subject to prior application for use to ICJ, Inc.

4. Time limit for exercising voting rights electronically

Although it is acceptable to exercise voting rights electronically until 5:30 p.m. on Tuesday June 22, 2021, please exercise your voting rights as early as possible to assist us with compiling the results of the voting.

III. Treatment of Voting Rights Exercised Repeatedly

1. If you exercise your voting rights both in writing and electronically, we will only accept the exercise of your voting rights electronically as valid.
2. If you exercise your voting rights more than once electronically, we will only accept the last exercise of your voting rights as valid.

Please call the following number if you have any questions relating to this guidance.

For information about the operation of personal computers and mobile phones in the usage of the website to exercise your voting rights:

Transfer Agent Web Support, Sumitomo Mitsui Trust Bank, Limited
Dedicated line (Tel.) 0120-652-031 (9:00 a.m. to 9:00 p.m.)

For other inquiries

For shareholder who have an account with a securities company
Please contact your securities company.

For shareholders who do not have an account with a securities company (Shareholders who have special accounts)

Please contact the Transfer Agent Business Center, Sumitomo Mitsui Trust Bank, Limited
(Tel.) 0120-782-031 (9:00 a.m. to 5:00 p.m. excluding weekends and Japanese public holidays)

