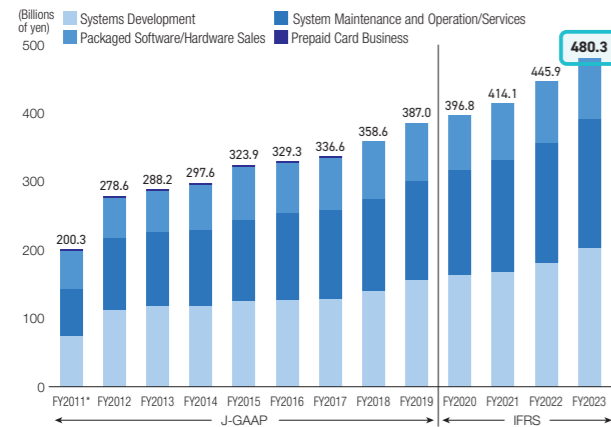


# Financial and Non-Financial Highlights

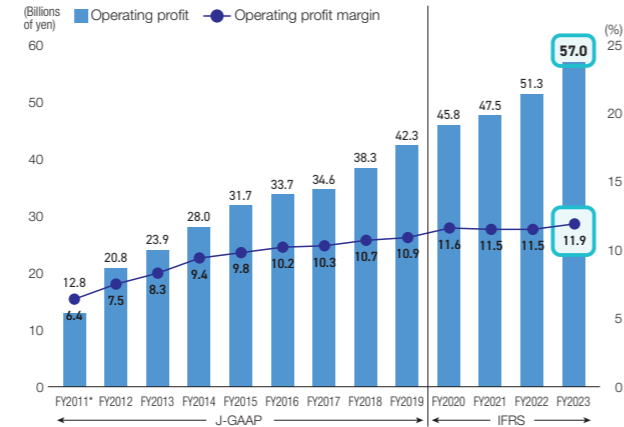
## Net sales

¥480.3 billion



## Operating Profit/Operating Profit Margin

¥57.0 billion/ 11.9%



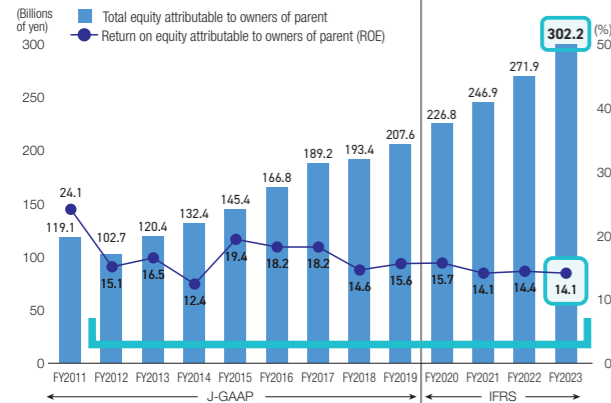
Under the Medium-Term Management Plan (FY2012 to FY2014) after the merger in October 2011, the Group capitalized on the expanded client base from the merger to promote cross-selling of services in which the respective companies have strengths and increased sales. Under the Medium-Term Management Plan (FY2015 to FY2019), the Group transformed the business structure into a non-labor-intensive business model and made steady progress in enhancing its management foundation, and, as a result, achieved a compound annual growth rate of 5.4% for sales and 8.6% for operating profit.

Under the Medium-Term Management Plan (FY2020 to FY2022), the Group has positioned Core Business Innovation, Commercialization of DX, and Investment in People as its core strategies to transform its core business and create new businesses. Since the start of the plan, we have continued to conduct business under COVID-19 restrictions, society's digitization has accelerated amid the shift to a new normal, not the least of which is demand for IT investment among client companies gradually shifting to an uptick. Given such business conditions, the Group achieved an average annual growth rate of 4.8% for net sales and 6.7% for operating profit, notwithstanding the increased business investment cost following the strategy of the Medium-Term Management Plan. In FY2023, which is the first year of the Medium-Term Management Plan (FY2023 to FY2025), the Group's strong will to invest in IT with the aim of expanding its business and strengthening its competitiveness was supported by demand from client companies in a wide range of industries. As a result, net sales increased 7.7% to ¥480.3 billion and operating profit increased 11.0% to ¥57.0 billion, achieving increases both in sales and profit for 12 consecutive fiscal years since the merger.

\*Figures of CSK Corporation before the merger date (October 1, 2011) are not included.

## Total Equity Attributable to Owners of Parent/Return on Equity Attributable to Owners of Parent (ROE)

¥302.2 billion/ 14.1%

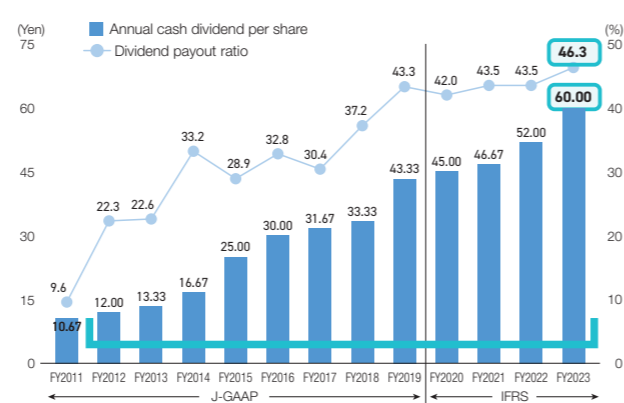


Backed by strong business results, total equity attributable to owners of parent has increased for 11 consecutive years, except for FY2012 when it decreased owing to redemption of preferred shares. ROE during this period has also been maintained well above the industry standard of 9.4%\* due to the pursuit of management focused on capital efficiency.

\*Company calculation based on the Japan Exchange Group Inc.'s Average PER and PBR by Size and Types of Industry (March 2024).

## Annual Cash Dividend per Share\*/ Dividend Payout Ratio

¥60.00/46.3%

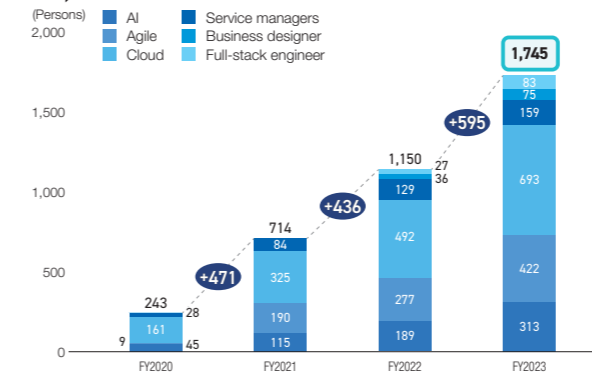


We have continued to provide dividends in line with increases in business results. The annual dividend for FY2023 was ¥60 per share, an ¥8 increase from the previous fiscal year. This was the 12th consecutive year we have increased the dividend, and the dividend per share has increased 5.6-fold from ¥10.67 in FY2011 when the companies merged.

\*SCSK carried out a one-for-three split of its common stock on October 1, 2021. Previous years' financial data is presented with values converted after the stock split.

## Number of Employees Who Have Completed Training to Develop Advanced Technologies (Cumulative Total)

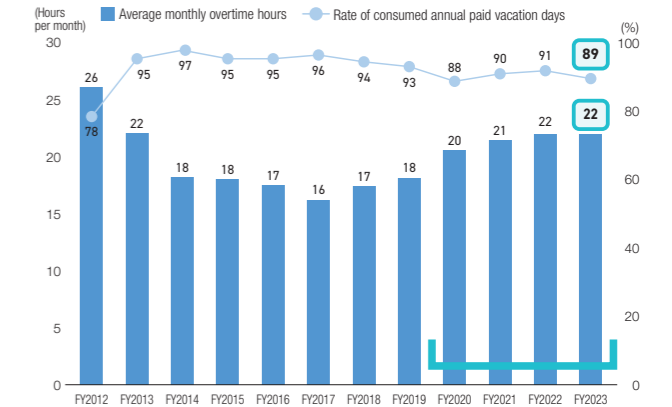
1,745 persons



In response to the rapid evolution of digital technology, we are focusing on developing advanced digital talent who will support the digital transformation of our clients. We constantly review and enhance our training programs on advanced technologies such as AI, cloud, and agile in light of market trends, technological trends, needs of business divisions. The training programs for service managers, business designers, and full-stack engineers consist of hands-on curricula over the course of several months, and the participation of in-house experts as observers enhances the effectiveness of the training programs. We will continue to provide and improve training programs necessary for achieving our business strategies.

## Average Monthly Overtime Hours/Rate of Consumed Annual Paid Vacation Days

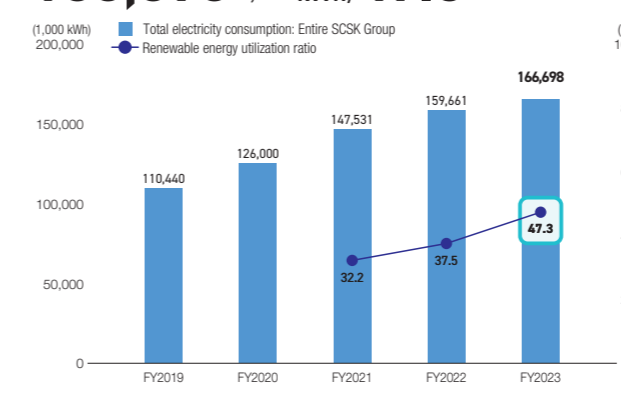
22 hours/89%



In FY2013, we began initiatives to reduce overtime hours and increase the rate of paid leave taken. These initiatives have produced some results; for example, we have maintained a high rate of paid leave taken. However, overtime hours have been increasing since FY2020. Another problem is the tendency of highly difficult tasks to be disproportionately assigned to highly skilled employees. To improve such a situation, we will encourage each and every employee to improve his or her skills and abilities, and utilize technologies such as generative AI to reduce and level the workload.

## Total Electricity Consumption: Entire SCSK Group/Renewable Energy Utilization Ratio

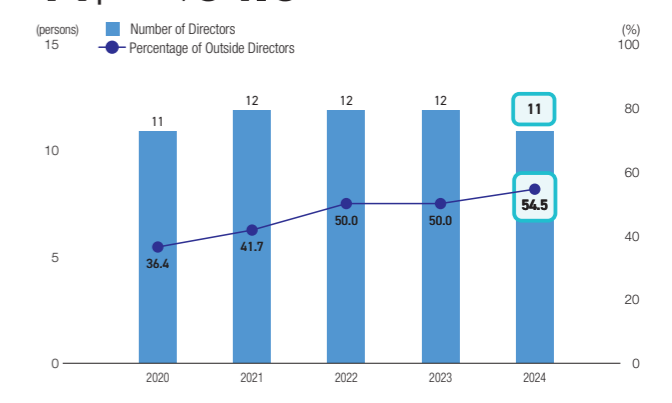
166,698 1,000kWh/47.3%



Although the total amount of electricity consumption is on an increasing trend as our business expands, we have been promoting measures to reduce greenhouse gas emissions from the use of electricity. Through the use of renewable energy and non-fossil certificates, we reduced greenhouse gas emissions by approximately 33,654t-CO<sub>2</sub> per year in FY2023, and the renewable energy utilization ratio of electricity was 47.3%.

## Number of Directors/Percentage of Outside Directors

11 persons/54.5%



As for the composition and number of the Board of Directors members, decisions are made taking into consideration the skills that should be possessed by the SCSK's Board of Directors, their balance, and diversity. We continue to elect Outside Directors to maintain and improve the function of supervising the execution of duties by Directors.

After the General Meeting of Shareholders in 2024, Outside Directors consist of a majority of the Board of Directors, which has strengthened corporate governance.

\*Number and percentage after the General Meeting of Shareholders

## Consolidated Management Indicators

J-GAAP

IFRS

(Unit: millions of yen)

Income Statements	FY2011 <sup>1</sup>	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2019	FY2020	FY2021	FY2022	FY2023
Net sales	200,326	278,634	288,236	297,633	323,945	329,303	336,654	358,654	387,003	385,295	396,853	414,150	445,912	480,307
Systems Development	73,811	112,316	117,597	117,843	124,470	127,051	128,387	140,092	155,835	156,190	163,090	167,967	180,433	202,799
System Maintenance and Operation/Services	68,296	104,284	107,577	110,720	119,170	125,802	129,071	134,132	143,429	143,410	152,518	162,407	175,638	188,340
Packaged Software/Hardware Sales	56,496	58,731	60,019	65,691	77,087	73,147	76,247	84,430	87,738	85,694	81,243	83,776	89,841	89,168
Prepaid Card Business <sup>2</sup>	1,722	3,302	3,042	3,378	3,217	3,302	2,948	—	—	—	—	—	—	—
Gross profit	46,370	64,466	68,724	72,469	78,021	81,754	83,555	88,742	97,954	97,192	102,969	108,187	117,679	127,971
Gross profit margin (%)	23.1	23.1	23.8	24.3	24.1	24.8	24.8	24.7	25.3	25.2	25.9	26.1	26.4	26.6
SG&A expenses <sup>3</sup>	33,490	43,663	44,749	44,466	46,235	48,040	48,953	50,363	55,628	57,144	57,090	60,632	66,317	70,966
Operating profit	12,879	20,803	23,974	28,003	31,785	33,714	34,602	38,378	42,326	40,048	45,878	47,555	51,361	57,004
Operating profit margin (%)	6.4	7.5	8.3	9.4	9.8	10.2	10.3	10.7	10.9	10.4	11.6	11.5	11.5	11.9
Ordinary profit	16,659	22,228	25,690	30,667	33,610	36,121	36,291	38,650	43,014	—	—	—	—	—
Profit attributable to owners of parent	25,669	16,730	18,387	15,638	26,956	28,458	32,488	27,892	31,201	28,765	33,435	33,470	37,301	40,461
(Unit: millions of yen)														
<b>Cash Flows</b>														
Cash flows from operating activities	22,249	25,156	35,342	29,707	34,730	37,161	37,096	33,511	48,950	55,710	50,219	59,081	43,592	67,900
Cash flows from investing activities	(8,122)	(249)	(26,045)	5,166	(9,473)	(11,982)	(35,394)	(7,163)	(27,338)	(27,484)	(20,586)	(14,927)	(14,950)	(19,898)
Free cash flows	14,137	24,907	9,297	34,873	25,257	25,178	1,702	26,348	21,612	28,226	29,633	44,153	28,642	48,002
Cash flows from financing activities	(7,965)	(5,512)	(33,739)	(8,395)	(12,338)	476	(25,763)	(19,995)	(16,369)	(22,923)	(32,488)	(32,342)	(29,074)	(25,881)
Cash and cash equivalents at end of period	63,661	83,247	59,004	85,713	98,445	123,935	99,797	106,198	111,695	111,695	108,768	121,251	121,425	144,360
(Unit: millions of yen)														
<b>Financial Position</b>														
Total assets	300,928	322,828	317,932	334,290	352,676	389,537	303,914	314,844	342,485	362,241	380,399	407,609	435,469	471,400
Total equity	124,419	108,208	126,159	138,536	151,546	173,674	196,600	194,468	208,072	200,405	227,338	247,363	272,403	302,910
Equity attributable to owners of parent	119,189	102,799	120,488	132,458	145,420	166,897	189,214	193,412	207,681	200,047	226,874	246,921	271,909	302,254
Interest-bearing debt + preferred shares <sup>4</sup>	84,860	84,860	57,000	55,000	50,000	60,000	45,000	55,000	55,400	55,325	45,056	36,459	31,727	31,245
(Unit: yen)														
<b>Per-Share Information<sup>5</sup></b>														
BPS	286.79	330.49	387.10	425.46	467.00	535.91	607.51	620.93	666.72	640.85	726.77	790.86	870.56	967.36
EPS	111.40	53.80	59.09	50.24	86.57	91.39	104.32	89.55	100.17	92.13	107.09	107.20	119.44	129.51
Annual dividend per share	10.67	12.00	13.33	16.67	25.00	30.00	31.67	33.33	43.33	43.33	45.00	46.67	52.00	60.00
<b>Major Indicators</b>														
Return on equity attributable to owners of parent (ROE) (%)	24.1	15.1	16.5	12.4	19.4	18.2	18.2	14.6	15.6	14.9	15.7	14.1	14.4	14.1
Ordinary profit to assets ratio (ROA) (%)	7.9	7.1	8.0	9.4	9.8	9.7	10.5	12.5	13.1	—	—	—	—	—
Profit before tax to total assets ratio (ROA) (%)	—	—	—	—	—	—	—	—	—	11.7	12.5	12.3	12.7	12.7
Equity attributable to owners of parent ratio (%)	39.6	31.8	37.9	39.6	41.2	42.8	62.3	61.4	60.6	55.2	59.6	60.6	62.4	64.1
Debt/Equity ratio (times)	0.46	0.83	0.47	0.42	0.34	0.36	0.24	0.28	0.27	0.28	0.20	0.15	0.12	0.10
Number of employees	11,995	11,797	11,689	11,754	11,769	11,910	12,054	12,365	13,979	13,979	14,550	14,938	15,328	16,296
Capital expenditures (millions of yen)	7,954	10,219	9,441	14,842	12,046	15,335	15,588	15,163	13,604	20,759	38,972	25,708	26,208	14,757
Depreciation and amortization (millions of yen)	5,380	6,690	6,841	6,865	8,003	8,972	11,245	10,530	10,358	17,303	18,437	19,881	20,629	21,646
R&D expenses (millions of yen)	417	566	449	267	117	266	280	725	1,190	1,190	874	1,097	1,058	965
Stock prices (yen) <sup>6</sup>	437.3	611.7	927.0	1,121.7	1,466.7	1,473.3	1,531.7	1,645.0	1,605.0	1,605.0	2,186.7	2,101.0	1,935.0	2,837.5
Price-book ratio (PBR) (times)	1.5	1.9	2.4	2.6	3.1	2.7	2.5	2.6	2.4	2.5	3.0	2.7	2.2	2.9
Price-earnings ratio (PER) (times)	3.9	11.4	15.7	22.3	16.9	16.1	14.7	18.4	16.0	17.4	20.4	19.6	16.2	21.9
Total shareholder return (TSR) (%) <sup>6</sup>	107.3	152.4	232.0	283.3	372.9	381.8	403.6	439.1	439.9	439.9	591.8	582.3	554.7	728.3

<sup>1</sup> Figures of CSK Corporation before the merger date (October 1, 2011) are not included.

<sup>2</sup> All the shares of QUO CARD Co., Ltd., which constitutes Prepaid Card Business, were transferred as of December 1, 2017.

<sup>3</sup> After transition to IFRS, values are presented including the other income and expenses.

<sup>4</sup> The figure as of March 31, 2012 includes ¥30.0 billion of preferred stock assumed by the company in FY2011 as a result of the merger with CSK Corporation. All of this preferred stock was acquired from the financial institutions holding the shares on May 31, 2012, and based on a resolution passed at the Ordinary General Meeting of Shareholders held on June 27, 2012, all of these preferred stocks were cancelled on the same day, June 27, 2012.

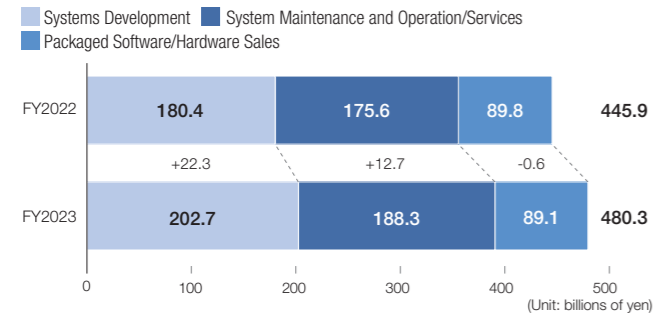
Interest-bearing debt is debt on which interest is paid excluding lease obligations.

<sup>5</sup> SCSK carried out a one-for-three split of its common stock on October 1, 2021. Previous years' financial data is presented with values converted after the stock split.

<sup>6</sup> Calculated with the merger date (October 1, 2011) as 100%.

# 1. Net Sales Analysis

## 1-1. By Sales Segment



### System Maintenance and Operation/Services

Services included in **Verification Services, IT Management, BPO**



Although the impact of a decrease in sales due to a partial revision of accounting treatment in the data center business continued, net sales increased by ¥12.7 billion (7.2%) year on year in all quarters, to ¥188.3 billion, owing to strong performance in management services, verification services, etc.

### Packaged Software/Hardware Sales

Services included in **IT Hardware/Software Sales**



Although demand for network security products was strong, net sales decreased by ¥0.6 billion (0.7%) year on year to ¥89.1 billion due to an impact of the reactionary decrease in license sales for the financial industry and a decrease in sales of network equipment for specific clients in the communications industry.

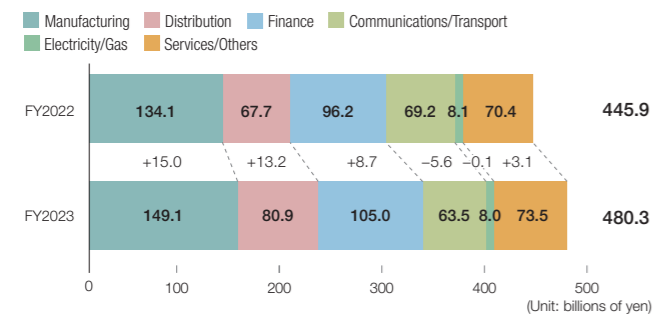
### Systems Development

Services included in **IT Consulting, Systems Development, IT Infrastructure Development**



Net sales continued to grow throughout the year thanks to strong demand related to AML projects for the finance industry, development projects for the manufacturing and distribution industries, etc., resulting in net sales of ¥202.7 billion, an increase of ¥22.3 billion (12.4%), for the full year.

## 1-2. By Client Industry



### Finance

Net sales increased by ¥8.7 billion (9.1%) year on year to ¥105.0 billion due to an increase mainly in systems development projects for the banks, credit, and leasing industries.



### Communications/Transport

Net sales decreased by ¥5.6 billion (8.2%) year on year to ¥63.5 billion, due to a reactionary decrease in sales of network equipment to certain clients in the communications industry.



### Electricity/Gas

Net sales decreased by ¥0.1 billion (1.4%) year on year to ¥8.0 billion, on a par with the previous fiscal year throughout the year.



### Services/Others

Net sales increased by ¥3.1 billion (4.4%) to ¥73.5 billion due to the impact of a newly consolidated subsidiary (Inet Support Inc.) and packaged software/hardware sales to government offices and academic research institutions, etc.



### Manufacturing

Net sales increased by ¥15.0 billion (11.2%) year on year to ¥149.1 billion, due to increases in strategic investment and verification services for the automotive industry, projects for the electric machinery industry, and in core system development projects for other manufacturing industries.



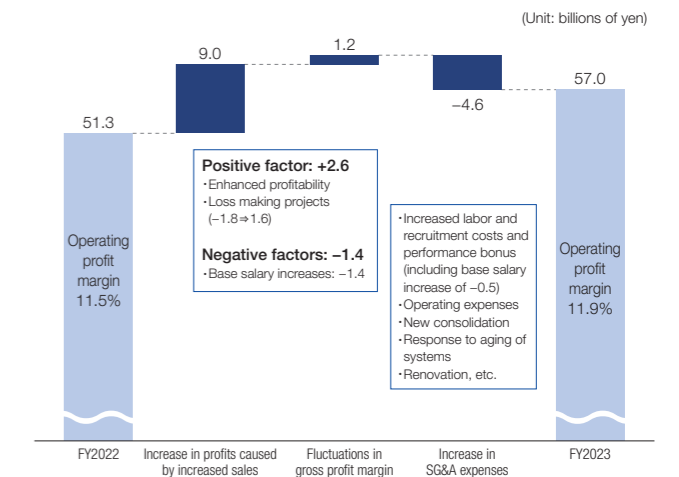
### Distribution

Net sales increased by ¥13.2 billion (19.5%) year on year to ¥80.9 billion, owing to increases in systems development projects, such as large-scale core systems development projects using SAP, as well as in network security equipment sales to wholesale distributors.

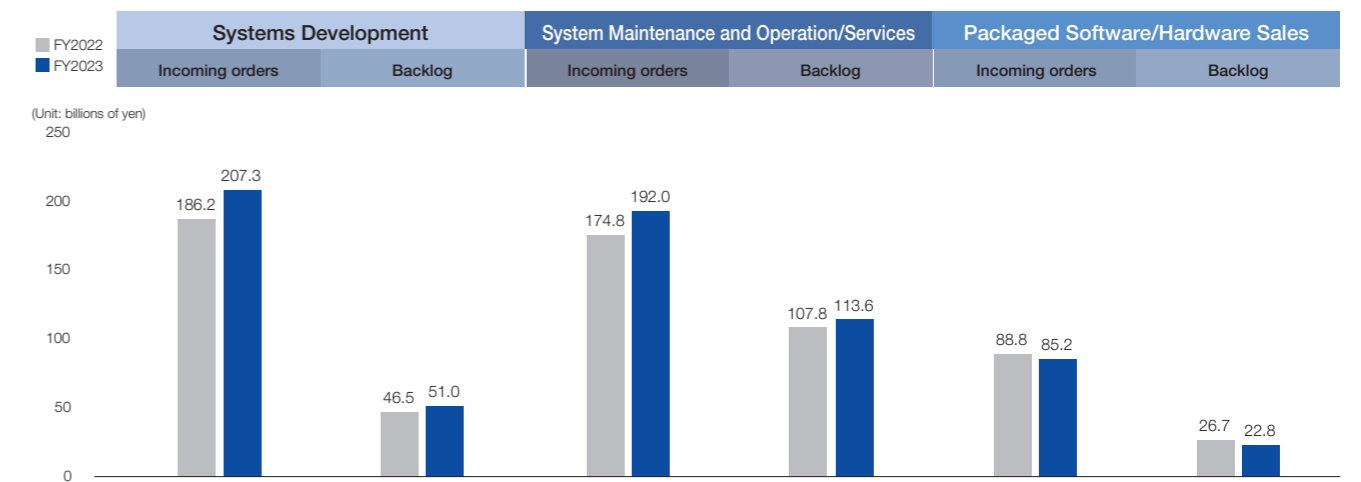
# 2. Operating Profit Analysis

Gross profit increased by approximately ¥10.2 billion (8.7%), as profitability improved by approximately ¥2.6 billion due to progress in passing on higher costs to clients through the presentation of fair prices and improved productivity, in addition to the reduction in the negative impact of unprofitable projects, and as these factors absorbed the impact of cost increases resulting from base salary increases.

The increase in selling, general and administrative expenses was due mainly to base salary increases, performance bonuses, increases in personnel expenses and recruiting-related expenses due to new recruitment, an increase in operating expenses, as well as the addition of consolidated subsidiaries. In addition, office renovations and measures to address aging systems, which occurred in the fourth quarter, were also the main factors behind the increase in selling, general and administrative expenses.



# 3. Incoming Orders and Backlog (by Sales Segment)



### Systems Development

Incoming orders increased by ¥21.1 billion (11.3%) and backlog increased by ¥4.5 billion (9.9%) due to an increase in, for example, core system development projects, development projects for the financial industry, and projects for the manufacturing industry. Investment demand remains robust at present, and net sales are expected to increase mainly in the manufacturing, distribution, and financial industries.

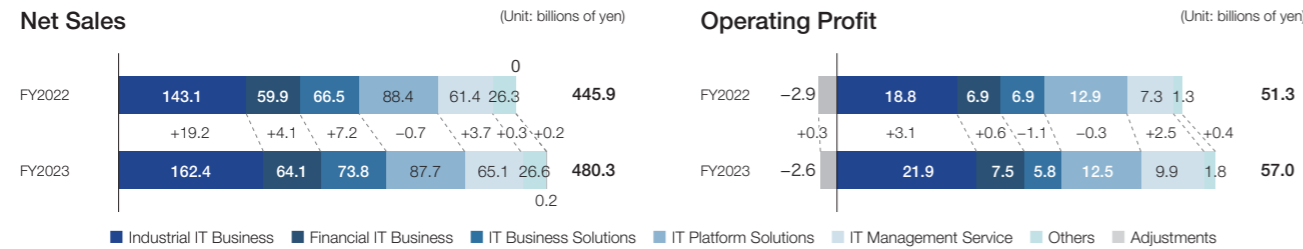
### System Maintenance and Operation/Services

Incoming orders increased by ¥17.2 billion (9.9%) and backlog increased by ¥5.7 billion (5.4%) due to factors such as an increase in management services and strong performance of verification services, and we believe that net sales will continue to be stable in the future.

### Packaged Software/Hardware Sales

Incoming orders decreased by ¥3.6 billion (4.1%) and backlog decreased by ¥3.9 billion (14.7%) due to factors such as a decrease in network equipment for specific clients in the communications industry and a reactionary decrease in sales of large-scale hardware. The backlog decreased in reaction to some advance orders placed by specific clients in the previous fiscal year. However, demand for network and security products is expected to remain strong.

## 4. Analysis by Reportable Segment



### Industrial IT Business Segment

The segment provides multiple IT solutions, mainly systems development, to clients principally in the manufacturing, communications, and distribution industries.

#### Net Sales and Segment Profit

Investment demand from a wide range of industries expanded, including an increase in core system reconstruction projects for the distribution industry and development projects for the communications industry and various manufacturing industries including automobiles and electronics. After absorbing the effects of unprofitable projects, net sales increased by ¥19.2 billion (13.5%) year on year to ¥162.4 billion, and segment profit increased by ¥3.1 billion (16.8%) year on year to ¥21.9 billion.

#### Incoming Orders and Backlog

Incoming orders increased by ¥16.5 billion (11.1%) year on year to ¥165.8 billion, and backlog increased by ¥3.3 billion (6.2%) year on year to ¥57.8 billion, due to demand for development and verification services for the manufacturing industry, mainly the automotive industry, and demand for systems development for the distribution industry and the communications industry.

### Financial IT Business Segment

The segment engages in systems development, maintenance, and operation services for financial institutions—including banks, trust banks, insurance companies, securities firms, shopping credit/leasing companies—to help clients materialize their business strategies and to support their secure and efficient business operations.

#### Net Sales and Segment Profit

Net sales increased by ¥4.1 billion (7.0%) year on year to ¥64.1 billion, mainly due to an increase in development projects for the securities industry, in addition to the expansion of AML projects for the banking, mail order and leasing industries. Segment profit increased by ¥0.6 billion (8.9%) year on year to ¥7.5 billion, due to an increase in profits resulting from increased sales, as well as a reaction to unprofitable projects that occurred in the previous fiscal year.

#### Incoming Orders and Backlog

Incoming orders increased by ¥4.8 billion (7.9%) year on year to ¥66.1 billion, and backlog increased by ¥1.9 billion (9.0%) year on year to ¥23.5 billion, owing to an accumulation of AML projects for the banking industry and the acquisition of replacement projects for the securities industry.

### IT Business Solutions Segment

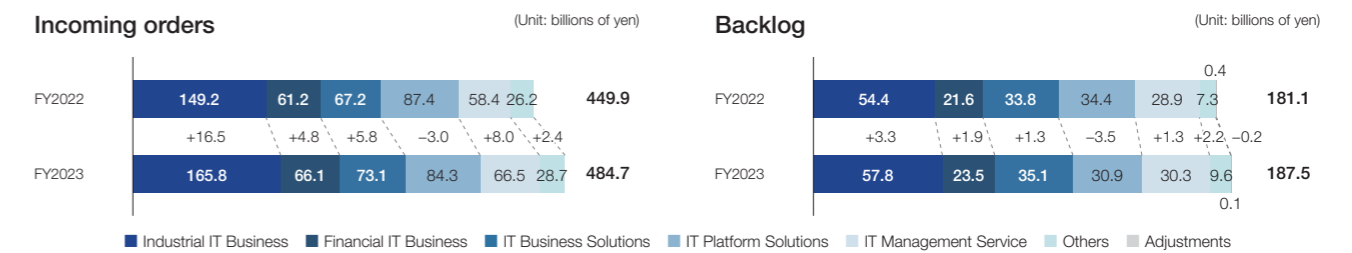
The segment offers ERP products, which include ProActive, a product we developed, SAP and Oracle offerings, as well as BPO services.

#### Net Sales and Segment Profit

Net sales increased by ¥7.2 billion (11.0%) year on year to ¥73.8 billion due to the impact of new consolidation in the BPO business associated with an M&A, in addition to the robust ERP construction projects and the steady accumulation of projects in the ProActive business. Segment profit decreased by ¥1.1 billion (16.4%) year on year to ¥5.8 billion due to upfront costs associated with strengthening the re-skilling of engineers as we promoted a shift of resources to the digital supply chain business, as well as the impact of a reactionary decrease in public-sector projects in the BPO business.

#### Incoming Orders and Backlog

Incoming orders increased by ¥5.8 billion (8.8%) year on year to ¥73.1 billion, and backlog increased by ¥1.3 billion (3.9%) year on year to ¥35.1 billion owing to an increase in ERP projects and EC-related construction projects involving SAP and ProActive, as well as the effects of M&As in the BPO business.



### IT Platform Solutions Segment

The segment sells hardware and software products and provides maintenance and support for them.

#### Net Sales and Segment Profit

Although there was a decrease in profits from network equipment for specific clients in the communications industry, net sales were ¥87.7 billion and segment profit were ¥12.5 billion due to strong sales of network security products and an increase in hardware sales to manufacturers and academic research institutions. As a result, full-year net sales were almost on par with the previous fiscal year.

#### Incoming Orders and Backlog

Incoming orders decreased by ¥3.0 billion (3.5%) year on year to ¥84.3 billion, and backlog decreased by ¥3.5 billion (10.2%) year on year to ¥30.9 billion, due mainly to a decrease in network equipment for specific clients in the communications industry and a reactionary decrease in sales of large-scale hardware, despite strong demand for network and security products.

### IT Management Service Segment

The segment engages primarily in the data center business and the provision of cloud infrastructure and management services.

#### Net Sales and Segment Profit

Net sales increased by ¥3.7 billion (6.1%) year on year to ¥65.1 billion, mainly from management services of clients in the financial industry, as demand for cloud shift and lift services continued. In addition, inter-segment transactions increased due to an increase in infrastructure-related projects from industrial IT and financial IT clients, in addition to resolving the impact of a rise in electricity costs that could not be passed on to clients in the first half of the previous fiscal year. As a result, segment profit increased by ¥2.5 billion (35.2%) year on year to ¥9.9 billion.

#### Incoming Orders and Backlog

Incoming orders increased by ¥8.0 billion (13.8%) year on year to ¥66.5 billion, and backlog increased by ¥1.3 billion (4.6%) year on year to ¥30.3 billion due to solid growth in incoming orders related to management services resulting from increased demand for cloud shift and lift services.

### Others Segment

The segment provides a variety of IT solutions mainly for medium-sized companies while performing remote development (nearshore development) leveraging the characteristics of its regional bases.

#### Net Sales and Segment Profit

Net sales increased by ¥0.3 billion (1.3%) year on year to ¥26.6 billion mainly due to systems development at SCSK Minori Solutions Corporation. Segment profit increased by ¥0.4 billion (32.9%) year on year to ¥1.8 billion owing to an improvement in the sales mix and a decrease in system integration expenses.

#### Incoming Orders and Backlog

Incoming orders increased by ¥2.4 billion (9.3%) year on year to ¥28.7 billion, and backlog increased by ¥2.2 billion (30.7%) year on year to ¥9.6 billion due to an increase in systems development projects at SCSK Minori Solutions Corporation.

## Human Resources Data

Consolidated<sup>1)</sup>

		FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees		13,979	14,405	14,938	15,328	16,296
By gender	Male	10,921	11,106	11,371	11,558	12,208
	Female	3,058	3,299	3,567	3,770	4,088
By region	Japan	13,665	14,086	14,592	14,927	15,811
	Asia	151	153	162	213	287
	Americas	83	80	82	81	85
	Europe	80	86	102	107	113

Non-Consolidated<sup>1)</sup>

		FY2019	FY2020	FY2021	FY2022	FY2023		
Number of employees		7,384	8,357	8,462	8,470	8,611		
By gender	Male	5,940	6,664	6,692	6,645	6,704		
	Female	1,444	1,693	1,770	1,825	1,907		
By age	20s	Male	585	798	893	947	1,088	
		Female	358	479	536	568	603	
		Total	943	1,277	1,429	1,515	1,691	
	30s	Male	1,036	1,090	1,000	1,000	1,034	
		Female	478	485	461	444	473	
		Total	1,514	1,575	1,461	1,444	1,507	
	40s	Male	1,916	2,104	2,077	2,012	1,910	
		Female	441	524	529	543	534	
		Total	2,357	2,628	2,606	2,555	2,444	
	50s	Male	2,075	2,221	2,175	2,076	2,003	
		Female	163	195	230	254	275	
		Total	2,238	2,416	2,405	2,330	2,278	
60s	Male	328	451	546	610	669		
	Female	4	10	15	16	22		
	Total	332	461	561	626	691		
Number of line managers <sup>2)</sup>		1,015	1,101	1,053	1,028	1,017		
By gender	Male	929	1,013	968	940	927		
	Female	86	88	85	88	90		
By position	Officer, Division General Manager Positions	Male	90	106	107	110	100	
		Female	1	1	3	3	4	
		Total	91	107	110	113	104	
	Department Manager Positions	Male	328	347	329	327	320	
		Female	14	13	11	13	19	
		Total	342	360	340	340	339	
	Section Manager Positions	Male	511	560	532	503	507	
		Female	71	74	71	72	67	
		Total	582	634	603	575	574	
	Number of new recruits		Male	140	196	170	157	207
		Female	87	116	104	76	75	
		Total	227	312	274	233	282	
Number of mid-career professionals hired <sup>3)</sup>		Male	65	56	84	146	256	
	Female	13	10	21	37	82		
	Total	78	66	105	183	338		
Number of non-Japanese employees		31	41	41	39	43		
Number of people with disabilities <sup>4)</sup>		262	275	270	329	332		
	Employment Rate (%)	2.32	2.33	2.23	2.40	2.40		

		FY2019	FY2020	FY2021	FY2022	FY2023		
Average years of service		Male	20.2	20.0	20.1	20.1	19.5	
	Female	12.3	12.3	12.5	12.8	12.7		
	Total	18.7	18.4	18.5	18.5	18.0		
Average Annual Salary <sup>5)</sup> (thousands of yen)		7,359	7,526	7,522	7,467	7,642		
	Differences between male and female salaries (%)	77.8	80.2	80.6	81.2	82.7		
Turnover <sup>6)</sup>		Male	160	138	165	236	212	
	Female	27	28	43	54	75		
	Total	187	166	208	290	287		
	Turnover Rate <sup>7)</sup> (%)	Male	2.6	2.0	2.4	3.5	3.1	
	Female	1.8	1.6	2.4	2.9	3.9		
	Total	2.5	1.9	2.4	3.3	3.3		
Average monthly overtime hours <sup>8)</sup> (hours/month)		18	20	21	22	22		
Annual paid vacation		Average days taken (days)	18.1	17.3	17.8	18.0	17.3	
	Acquisition rate (%)	93.0	88.7	90.9	91.8	89.5		
Percentage of teleworking (%)		7.4	58.0	61.8	54.5	47.4		
Number of employees using reduced work hour programs		Male	7	6	7	7	8	
	Female	258	268	253	244	223		
	Total	265	274	260	251	231		
Number of employees using childcare leave		By gender	Male	19	45	53	74	78
	Female	178	183	162	155	149		
	Total	197	228	215	229	227		
	Acquisition rate (%)	Male	9.1	14.6	27.7	32.7	39.2	
	Female	100.0	100.0	100.0	100.0	100.0		
	Total	33.2	37.3	50.4	53.3	53.0		
	Return rate (%)	Male	100.0	100.0	100.0	100.0	100.0	
	Female	94.8	97.5	95.7	98.6	98.0		
	Total	95.7	98.3	97.3	99.2	99.1		
	Average number of days taken (days)	Male	89	65	29	64	99	
	Female	437	482	413	420	410		
	Total	377	337	268	270	234		
Number of employees using extended nursing care leave		Male	1	2	1	1	3	
	Female	0	1	1	3	2		
	Total	1	3	2	4	5		
Number of employees using nursing care leave		Male	162	145	141	164	170	
	Female	30	26	29	38	45		
	Total	192	171	170	202	215		
Number of employees using maternity leave <sup>9)</sup>		63	47	41	43	45		
Number of employees using parental leave		122	89	86	100	86		
Number of employees using balance support leave <sup>10)</sup>		Male	669	497	475	408	480	
	Female	399	363	370	350	417		
	Total	1,068	860	845	758	897		
Number of employees using child nursing leave		Male	261	143	198	186	217	
	Female	235	161	208	178	192		
	Total	496	304	406	364	409		

<sup>1)</sup> Data is calculated as of March 31 each fiscal year except where noted.

<sup>2)</sup> Excluding directors, but including employees on loan.

<sup>3)</sup> Total of mid-career professionals for full-time employees and specialized full-time employees

<sup>4)</sup> Figures as of June 1 each fiscal year including main domestic Group companies with certification as special purpose subsidiary or affiliated company.

<sup>5)</sup> Average annual salary of full-time employees, specialized full-time employees and senior full-time employees.

<sup>6)</sup> Number of full-time employees, specialized full-time employees, contract employees, senior full-time employees, and senior expert employees, who resigned voluntarily

<sup>7)</sup> Average number of employees for each fiscal year used as the parameter.

<sup>8)</sup> Average for all employees including those under the discretionary work system and supervisors.

<sup>9)</sup> Available to pregnant women in half-day increments to allow them to take time off for various related ailments, such as morning sickness, and for prenatal checkups (10 days a year).

<sup>10)</sup> Paid leave that can be taken by the hour (up to a total of five days per year) to care for a family member, to accompany his/her child to receive necessary vaccinations or health exams or attend an event at his/her child's school, up until the child graduates from junior high school, or to undergo infertility treatments in a hospital.



## Basic Information

<b>Established</b>	October 25, 1969	
<b>Capital</b>	¥21,420 million	
<b>Total number of employees</b>	16,296 (Consolidated)	
		<b>Head office</b>
		Toyosu Front, 3-2-20, Toyosu, Koto-ku, Tokyo 135-8110, Japan TEL: +81-3-5166-2500 URL: <a href="https://www.scsk.jp/index_en.html">https://www.scsk.jp/index_en.html</a>

## Base Information

<b>Toyosu Head Office</b>	Toyosu Front, 3-2-20, Toyosu, Koto-ku, Tokyo TOYOSU FORESIA, 3-2-24, Toyosu, Koto-ku, Tokyo	<b>Chubu Office</b>	SC Fushimi BLDG., 2-16-26, Nishiki, Naka-ku, Nagoya-shi, Aichi
<b>SCSK LINK SQUARE*</b>	Tokyo Midtown Yaesu, Yaesu Central Tower, 2-2-1, Yaesu, Chuo-ku, Tokyo	<b>Hiroshima Office</b>	Hiroshima High Bldg. 21, 3-1, Kanayama-cho, Naka-ku, Hiroshima-shi, Hiroshima
<b>Odaiba Office</b>	Tradepia Odaiba, 2-3-1, Daiba, Minato-ku, Tokyo	<b>Kyushu Office</b>	CONNECT SQUARE HAKATA, 1-17-1, Hakataekihigashi, Hakata-ku, Fukuoka-shi, Fukuoka
<b>Nishinohon Kitahama Office</b>	Osaka Shoken Torihikijo Bldg., 1-8-16, Kitahama, Chuo-ku, Osaka-shi, Osaka	<b>Tama Center Office</b>	SCSK Tama Center Bldg., 2-3, Sannoushita, Tama-shi, Tokyo
<b>Nishinohon Senri Office</b>	Sumitomo Corporation Senri Bldg., 1-2-2, Shinsenri Nishimachi, Toyonaka-shi, Osaka	<b>SCSK Group Okinawa Center Office</b>	4-35-2, Gusukuma, Urasoe-shi, Okinawa
<b>Nishinohon Honmachi Office</b>	Metlife Honmachi Square Bldg., 2-5-7, Honmachi, Chuo-ku, Osaka-shi, Osaka		

\*Opened in June 2024

## Group Companies

■ =IT Consulting   
 ■ =Systems Development   
 ■ =Verification services   
 ■ =IT infrastructure development  
■ =IT management   
 ■ =IT hardware/software sales   
 ■ =BPO services

Domestic	<b>SCSK ServiceWare Corporation</b>	SCSK ServiceWare provides BPO services with high added value in domains such as contact centers, back offices, and help desk operation with operational knowledge, IT, and human resources as its strengths.
	<b>VeriServe Corporation</b>	For nearly 40 years, VeriServe has helped more than 1,100 companies improve the quality of products with embedded software and information systems.
	<b>SCSK Minori Solutions Corporation</b>	With expertise in diverse industries and technological capabilities in virtualization, cloud technologies, Microsoft technologies, and more, SCSK Minori Solutions supports the digitalization of a wide range of medium-sized companies and other clients with comprehensive ICT capabilities.
	<b>SCSK KYUSHU CORPORATION</b>	Under the slogan "a company that contributes to the vitalization of the region through IT services," SCSK Kyushu contributes to the growth of clients as a technical company that represents the SCSK Group in the Kyushu Region.
	<b>SCSK HOKKAIDO CORPORATION</b>	Focusing on our clients in Hokkaido and northern Tohoku, SCSK Hokkaido provides support for small- and medium-sized enterprise DX, core systems for distributors, IT infrastructure development and various solutions for agriculture, food manufacturing, and inspection operations.
	<b>SCSK RegTech Edge Corporation</b>	As a company specializing in AML (anti-money laundering) measures, SCSK RegTech Edge supports the development of AML systems through accumulated expertise and advanced service offerings to help realize a safe and secure society.
	<b>Skeed Co., Ltd.</b>	An IoT data distribution infrastructure through a unique decentralized autonomous architecture. Skeed provides development, sales, and maintenance of high efficiency file distribution technology, high capacity high speed file transfer software, etc. to many offices.

### SCSK SYSTEM MANAGEMENT CORPORATION

With extensive experience in the systems operation and management service field, SCSK System Management provides high quality and high added-value services, always engaging in improvement of clients' systems operation quality, and contributing to business stabilization.

### VA Linux Systems Japan K.K.

VA Linux offers advanced services including development and failure analysis related to the Linux Kernel, in-vehicle operating systems, cloud computing, containers and networks by highly professional engineers with in-depth source-code expertise in infrastructure OSS.

### SDC Corporation

SDC offers full spectrum of innovative network infrastructure products and solutions as well as professional services for next-gen network design, build, maintenance and operation by our highly skilled and experienced engineers.

### SCSK NEC Data Center Management, Ltd.

SCSK NEC Data Center Management owns data center assets in Inzai City, Chiba, and provides data center services and network services to SCSK and NEC.

### SCSK Security Corporation

SCSK Security contributes to a safe and secure society by using advanced security technology and expertise to provide high-quality services and support. It also maximizes return on enterprise security investment.

### Allied Engineering Corporation

Allied Engineering provides product development, sales, and maintenance of the structural analysis software, ADVENTURECluster, provides development, sales and maintenance of the parts specifications design system from the required product specifications and provides the contracted consulting service for CAE analyses.

### SCSK Automotive H&S Corporation

Under our mission of "Bringing happiness to everybody involved," SCSK Automotive H&S provides software development support services by specialized engineers toward creating a future mobility society.

### SCSK PRESCENDO CORPORATION

SCSK PRESCENDO provides support for clients to expand their EC business through an ever-evolving EC (electronic commerce) platform called "FACE," high-quality fulfillment services, and management support services that improve sales.

### Gran Manibus Co., Ltd.

Under the philosophy "creating social value through business," Gran Manibus provides consulting support in the management and IT fields and a business incubation service using advanced technologies.

### SCSK Nearshore Systems Corporation

SCSK Nearshore Systems provides remote services to regional offices in Japan centering around software development and maintenance operations for the IT services deployed by respective SCSK Group companies.

### TOKYO GREEN SYSTEMS CORPORATION

A special purpose subsidiary under the quasi-public corporation method with Tama City, Tokyo, Tokyo Green Systems provides disabled persons who have the motivation to work places for participation in society and deploys businesses such as administration, cleaning, and agriculture aimed at supporting their independence.

### ARGO GRAPHICS Inc.\*

As a technical solution provider, ARGO GRAPHICS provides IT solutions mainly to clients in the manufacturing industry, including automobiles and semiconductors, supporting clients' manufacturing with diverse products and advanced technical capabilities.

### Diamond head Co., Ltd.\*

Diamond head provides full support for the operations necessary for e-commerce operations from product photography, design, providing EC system and sales support systems, EC site operations, online marketing, to distribution support.

\*Company accounted for using the equity method.

### SCSK USA Inc.

In cooperation with SCSK and its overseas local companies, SCSK USA provides large-scale, high-quality digitalization promotion and operation services that it has developed over many years, and promotes the co-creation of advanced businesses with clients utilizing cutting edge technologies unique to USA.

### SCSK Europe Ltd.

With a base in London, SCSK Europe provides various Japanese quality IT services primarily to Japanese businesses located in Europe and Middle East Africa. Promoting a number of overseas DX projects, it has strengthened initiatives to transform business models using digital technologies in recent years.

### SCSK Shanghai Limited

Targeting China and other East Asian countries, SCSK Shanghai provides IT services by leveraging its accumulated knowledge and refined technical capabilities. It provides smooth and reliable support for clients' businesses as a multilingual player between Japan and local companies.

### SCSK Asia Pacific Pte. Ltd.

SCSK Asia Pacific provides a full line up of IT services as a strategic DX partner to Japanese companies based in Singapore, South, East and West Asia, and Australia given its understanding of the local requirements and track record with large scale projects.

### PT SCSK Global Indonesia

With Jakarta as the base, SCSK Global Indonesia provides high-quality IT solutions as a strategic IT partner to businesses. In addition, it also provides a wide range of support on overall IT that goes along with clients' commercialization of DX.

### SCSK Myanmar Ltd.

Located in Yangon, SCSK Myanmar provides high-quality IT solutions as a strategic IT partner to businesses based in Myanmar. It creates new values for clients and contributes to development of the local community through the commercialization of DX.

Domestic

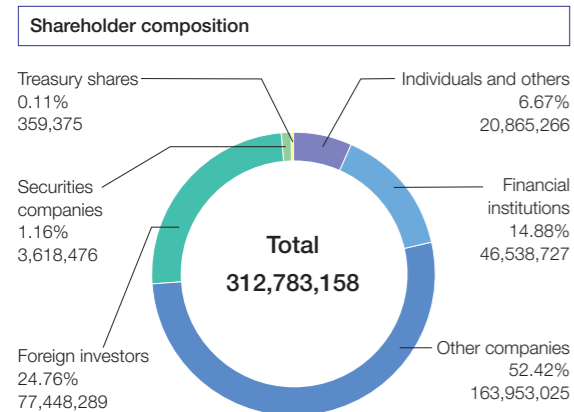
Overseas

## Investor Information

### Stock/Shareholder Information

<b>Class of stock</b>	Common Stock	<b>Stock listing</b>	Tokyo Stock Exchange, Prime Market
<b>Number of shares authorized</b>	600,000,000	<b>Stock code</b>	9719
<b>Number of shares issued</b> (including 359,375 treasury shares)	312,783,158	<b>Stock trading unit</b>	100
<b>Number of shareholders</b>	26,638	<b>Shareholder registrar</b>	Sumitomo Mitsui Trust Bank, Limited
		<b>Independent certified public accountant</b>	KPMG AZSA LLC

### Distribution of Shareholders (Common Stock)



### Major Shareholders

Name of Shareholder	Number of Shares Held	Shareholding Ratio <sup>1</sup>
1 SUMITOMO CORPORATION	158,091,477	50.60
2 The Master Trust Bank of Japan, Ltd. (Trust Account)	22,924,800	7.34
3 Custody Bank of Japan, Ltd. (Trust Account)	14,957,400	4.79
4 SCSK Group Employee Stock Ownership Association	6,781,064	2.17
5 STATE STREET BANK WEST CLIENT -TREATY 505234	4,440,476	1.42
6 SSBTC CLIENT OMNIBUS ACCOUNT	4,108,202	1.31
7 ARGO GRAPHICS Inc.	3,046,500	0.98
8 STATE STREET BANK AND TRUST COMPANY 505001	2,408,660	0.77
9 JAPAN POST INSURANCE Co., Ltd.	2,146,200	0.69
10 GOVERNMENT OF NORWAY	2,030,122	0.65

<sup>1</sup> Shareholding ratio is calculated exclusive of treasury stock (359,375 shares).

### Total Shareholder Return (TSR)<sup>2</sup>



<sup>2</sup> October 3, 2011 indexed as 100

## External Recognition

### Evaluation regarding ESG

Rated 4.5 stars in the 7th Nikkei Smart Work Management Survey

Selected as a Health and Productivity Stock Selection for the tenth consecutive year

Recognized as Certified Outstanding Health & Productivity Management Organization (Large Enterprise Category) "White 500" for the eighth consecutive year

Selected for THE DIVERSITY MANAGEMENT 2.0 PRIME (FY2018)

Selected as a Nadeshiko Brand 2024 (9th time: FY2014-FY2021, FY2023)

For the sixth consecutive year, received the Gold rating, the highest rating, in the PRIDE Index for LGBTQ-Related initiatives

Received an A- rating in CDP Climate Change Report 2023

Rated highest in CDP Supplier Engagement Assessment and selected as a "Supplier Engagement Leader"

### Inclusion in Various Indices

An investment product for pension funds and institutional investors, which is managed by Sompo Asset Management Co. Ltd. and broadly invests in companies with high ESG ratings

An index series that reflects performance of companies which excel in the global standards for environment, society, and governance (ESG) defined by FTSE Russell

Received an A in the MSCI ESG rating, a global benchmark for ESG investment provided by MSCI ESG Research

### Selected for all ESG indices covering domestic stocks adopted by Government Pension Investment Fund (GPIF)

An index defined by FTSE Russell, which reflects performance of excellent Japanese companies in ESG measures<sup>1</sup>

An index that reflects performance of excellent Japanese companies in ESG measures in each sector defined by FTSE Russell<sup>2</sup>

An index consisting of companies with higher ESG ratings selected from each industry classified according to the Global Industry Classification Standard (GICS), based on MSCI Nihonkabu IMI Index

### 2024 CONSTITUENT MSCI日本株 女性活躍指数 (WIN)

A theme-based index consisting of companies which excel in gender diversity based on the MSCI Japan IMI Top 700 Index

### Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)

An index designed for companies in which an established gender diversity policy has permeated as corporate culture, and ones which are committed to equal opportunities for employees regardless of gender, utilizing data and evaluation methods provided by Equileap\*

\*Independent, specialized data provider based in Amsterdam, the Netherlands, which provides a wide range of gender indicators



A stock index focusing on the environment among "ESG investments" jointly developed by S&P Dow Jones Indices and Japan Exchange Group

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<sup>2</sup> FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that SCSK Corporation has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE Blossom Japan Sector Relative Index. The FTSE Blossom Japan Sector Relative Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.



## Communication with Shareholders and Other Investors

The SCSK Group actively holds constructive communication with shareholders and other investors according to a scope and means acceptable in order to contribute to sustainable growth and the enhancement of medium- to long-term corporate value. We have created a structure for promoting constructive communication with shareholders and other investors, led by the Corporate IR Officer. This officer is mainly responsible for establishing an internal system for disclosing information on our business activities to shareholders and other investors in an appropriate and timely manner. In terms of actual communication, we work to hold direct discussions between this officer and shareholders and other investors whenever possible. In FY2023, we engaged in highly transparent IR activities through communication with a total of approximately 500 analysts and investors in Japan and overseas.

As an initiative to promote dialogue with shareholders and other investors, we hold quarterly financial results conferences. Moreover, for FY2023, we held a briefing on the new Medium-Term Management Plan and a sustainability briefing to deepen understanding about the SCSK Group's operations. In addition, we proactively engage in IR activities, such as holding a briefing for individual investors for the first time.

As for dialogue with overseas investors, in FY2023, we actively participated in conferences which securities firms held in Japan for overseas institutional investors, continuing from the previous year, and have ongoing dialogue with those investors in FY2024. We also resumed in-person IR meetings abroad in FY2023.

Opinions received through these dialogues are reported to the Board of Directors and the management team in a timely and appropriate manner, and are utilized in management and IR activities. For example, we held a sustainability briefing with the aim of reflecting the content of the dialogue when formulating the new Medium-Term Management Plan and having each officer in charge explain directly to institutional investors about their questions on ESG-related issues.

### Main Dialogue Themes in FY2023

- Market environment for IT services
- Performance trends
- New Medium-Term Management Plan
- Financial and non-financial strategies
- Human resources strategy, etc.

### Main Activities (IR Events) in FY2023

#### Holding a briefing on the new Medium-Term Management Plan

The Representative Director and President explained the details of the new Medium-Term Management Plan published at the time of the announcement of full-year financial results in April 2023, and had a dialogue with institutional investors and analysts.



#### Holding a sustainability briefing

The officers in charge of Human Resources & General Affairs Div., Sustainability Promotion & Corporate Communications Div. and Finance, Accounting & IR Div. presented the SCSK Group's initiatives for sustainability management, and had a dialogue with institutional investors and analysts.



#### Holding a briefing for individual investors

The officer in charge of Finance, Accounting & IR Div. explained the SCSK Group's business overview and initiatives for sustainable growth in the future were explained online to individual investors.

\*The materials are only available in Japanese.



For the materials presented at events for analysts and institutional investors to date, please visit:  
[https://www.scsk.jp/ir\\_en/library/analyst\\_meeting/index.html](https://www.scsk.jp/ir_en/library/analyst_meeting/index.html)



### About the Cover

The cover page and concept page of this booklet are inspired by "Co-creation Space for a Comfortable Future," the concept of "SCSK Link Square," which was opened in June 2024 as a base for strengthening the brand power and co-creation of the SCSK Group.

Warm green is used as a key color to express a comfortable and sustainable image where nature, people and IT are intermingled.

For details of SCSK LINK SQUARE, please refer to the page on the right.



## Opened "SCSK LINK SQUARE," a SCSK Branding Base

SCSK opened "SCSK LINK SQUARE" in Tokyo Midtown Yaesu in June 2024 as a base for communicating with and co-creation with clients to further strengthen the brand power of the SCSK Group. It will be a place where clients will recognize the significance of the SCSK Group's existence and the value it provides, and where they can experience SCSK's latest solutions and cutting-edge digital technologies. The SCSK Group will use SCSK LINK SQUARE as a starting point to create new value required by society.



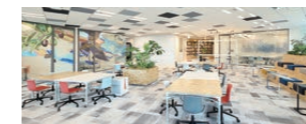
The logo represents the image of "connecting" and "gathering" through this place.



WELCOME AREA



EXPERIENCE AREA



COLLABORATION AREA



EVENT AREA

### About SCSK LINK SQUARE

Toward the realization of our corporate philosophy "Create Our Future of Dreams," the SCSK Group is promoting sustainability management as part of its growth strategy. SCSK LINK SQUARE was established with the following three objectives and missions toward the realization of "Co-Creative IT Company" as set forth in Grand Design 2030.

### Purpose of SCSK LINK SQUARE

- A place to share the SCSK Group's value creation through its business with clients
- A place where clients can experience a new and flexible work style in a live office
- A place to co-create, demonstrate, and communicate leading-edge technologies and initiatives across industries

By creating an open and flexible space, it is also possible to revitalize communication between employees across organizational boundaries.

### Area overview

SCSK LINK SQUARE consists of five areas: "WELCOME AREA," "EXPERIENCE AREA," "LIVE OFFICE AREA," "COLLABORATION AREA," and "EVENT AREA." Each area is designed so that clients can deepen understanding about SCSK, communicate with each other, and engage in co-creation activities aimed at creating value.

### Concept of SCSK LINK SQUARE

The concept of SCSK LINK SQUARE is a "Co-creation Space for a Comfortable Future." Through this place, we hope to generate "co-creation" with our clients and other visitors by providing them with a wonderful and comfortable "co-creation experience."

### Column

## "CAMP," SCSK Group's Social Contribution Activity

Children's Art Museum & Park (CAMP) was launched in April 2001 as a social contribution activity of the SCSK Group to foster the "Ability to create in harmony with one another" of children, who will be forging the future.

CAMP places the highest priority on activities that children can enjoy on their own initiative, and provides workshops for elementary and junior high school students that incorporate the five elements of "thinking," "making," "connecting," "presenting," and "reflecting." Through the experience of co-creation activities in group work, children will learn various ways of expressing themselves, and develop the sociality and a spirit of enjoyment by accepting others and diversity, which will be required of children in the future.

### Five elements of CAMP workshops:



### CAMP is active throughout Japan, mainly at the SCSK Group's bases.

Number of workshops held: 1,242; Total number of participants: 24,046  
(April 2001 - March 2024)



By developing CAMP activities in collaboration with industry, academia, and government at SCSK Group bases throughout Japan, we promote activities to foster the next generation and contribute to regional revitalization. At the workshops, employees from each base and local university students play an active role as facilitators who draw out the independence of children and provide appropriate support according to each situation. The experience as facilitators is an opportunity to learn and gain awareness.



For further details about CAMP, please visit:  
<https://www.camp-k.com/>  
(in Japanese only)

