

The SCSK Group will promote sustainability management as a growth strategy. We aim to become a “Co-Creative IT Company in 2030” by solving social issues and generating new value through our business by addressing our material issues with our corporate philosophy as the origin of our business.

## 2 Business Activities

IT Consulting    IT Management  
Systems Development    IT Hardware and Software Sales  
Verification Services    BPO  
IT Infrastructure Implementation

Toward 2030 Medium-Term Management Plan Phase II (FY2023–FY2025)

Providing the full line of IT services from IT consulting to BPO required for business



Material issues with the aim of solving social issues and achieving sustainable growth

### Co-creation-oriented corporate culture

Co-creation with clients    Co-creation with society

Promote co-creation with stakeholders who share our future of dreams

Contributing to the realization of a sustainable society

## 3 Creation of Value

### Social Value

- Innovating for a brighter society
- Building trust for a safe and secure society
- Creating an inclusive society

### Economic Value

- Increasing profits
- Enhancing capital efficiency
- Maximizing shareholder value

(Reference) Output: P43/Management Indicators (Financial and Non-Financial) Progress Summary

Continuously resolve social issues and create new value through our business

SCSK Vision

# 2030 Co-Creative IT Company IT for the next delight



Material issues as the foundation supporting sustainable growth

### Corporate Philosophy

Our Mission

Create Our Future of Dreams

We create our future of dreams by establishing value based on our customers' trust.

## 1 Management Resources (Input)

### Financial Capital

Sound financial base supporting sustainable growth

### Intellectual Capital

Technological capabilities to solve social and client issues

### Natural Capital

Business activities that contribute to the global environment

### Social and Relationship Capital

Premier client base and sound value chain

### Human Capital

Professional human resources with various skills and experience  
Well-Being Management that continues to provide new value to society

Dynamic business development through the utilization of the five types of capital that support business activities

Upgrade and expand management resources (Outcome)

## External Environment for SCSK Group

Paradigm shift of technology

Social issues and trends



SCSK has grown by identifying changes and needs in society and contributing to solving social issues. Over the years, we have built up a variety of capital that is the source of our strengths today. We will pursue further value creation by strategically utilizing and expanding these forms of capital.

### Financial Capital

#### Sound financial base supporting sustainable growth

- ROE **15.2%**
- Credit rating **A+**  
(Long-term credit rating by Japan Credit Rating Agency, Ltd. (JCR))
- Total amount of growth investments\*1  
**¥100.0 billion / 3 years**  
(Growth investment target under the Medium-Term Management Plan)

### Intellectual Capital

#### Technological capabilities to solve social and client issues

- A diverse range of services that contribute to solving issues\*1  
Approx. **500 or more** (Total number of products and services)
- SCSK's proprietary development platform **S-Cred+**
- SCSK development standard **SE+**
- Amount invested in R&D/business development\*1  
**¥20.0 to 30.0 billion / 3 years**  
(Growth investment target under the Medium-Term Management Plan)

### Natural Capital

#### Business activities that contribute to the global environment

- Ratio of renewable energy\*1  
**55.1%**
- Information disclosure based on TCFD recommendations
- Energy efficient data centers

### Social and Relationship Capital

#### Premier client base and sound value chain

- Client base: Approx. **10,000** companies
- Partner companies in urban areas\*1  
Approx. **630** companies  
(approx. **13,000** employees)
- Coordination with Prime Business Partner\*2
- Robust business network in Japan and overseas

### Human Capital

#### Professional human resources with various skills and experience Well-Being Management that continues to provide new value to society

- Number of employees on a consolidated basis  
**20,252**
- Major professional human resources\*3  
Number of employees certified under the IT Skill Level Assessment **6,109**  
Consulting and business design personnel **523**  
Advanced PM talent **219**  
Number of employees who have completed training to develop advanced technologies **2,349**

- Average annual hours of training per employee\*3 **69** hours
- Average monthly overtime hours\*3 **22** hours
- Rate of consumed annual paid vacation days\*3 **89.4%**
- Engagement\*3  
Percentage of respondents that agreed that SCSK is a "pleasant place to work" **89.7%**  
Percentage of respondents that agreed that SCSK is a "rewarding place to work" **79.1%**

- Amount invested in people\*1  
**¥10.0 to 20.0 billion / 3 years**  
(Growth investment target under the Medium-Term Management Plan)

● Message from the Officer in Charge of Human Resources

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\*1 Excluding Net One Systems Co., Ltd.  
\*2 Name changed from Core Partner to Prime Business Partner in FY2025  
\*3 SCSK Corporation    \*FY2024 results

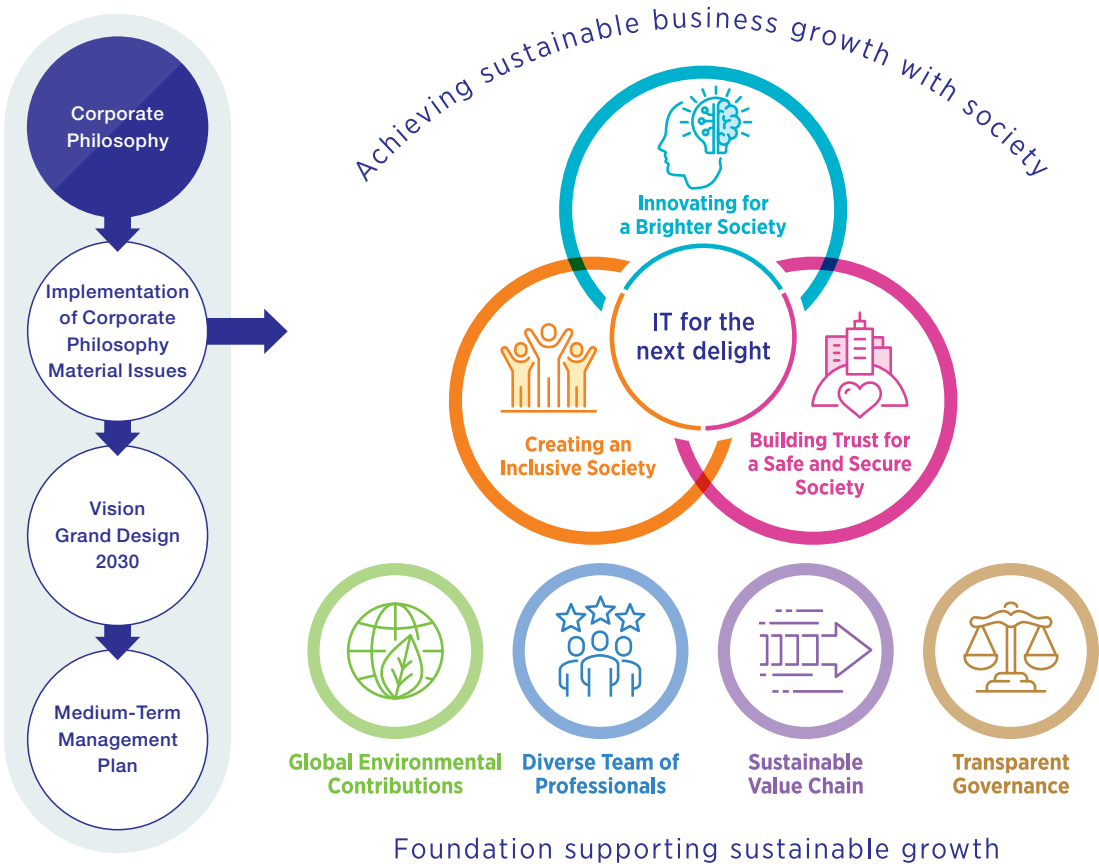
Sustainability Management as a Growth Strategy of the Group

Under the corporate philosophy “Create Our Future of Dreams,” the SCSK Group is promoting sustainability management as part of its growth strategy.

We will continuously assess the impact of our business activities on the environment and society and promote improvements. In addition, we will consider changes in the business environment toward the realization of a decarbonized and recycling-oriented society as an opportunity and capture new business opportunities that leverage our core competencies. By so doing, we will further accelerate the creation of economic value and social value which are needed by society and will grow sustainably along with society.

SCSK Group's material issues

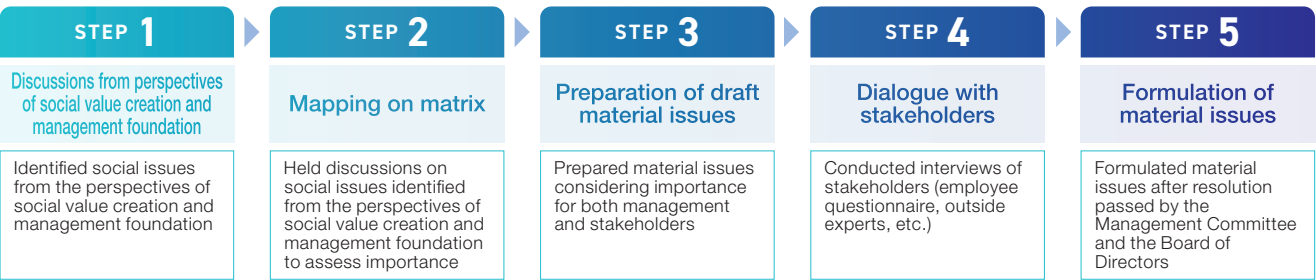
In recent years, social issues have become increasingly complex and serious due to rapid changes in the social environment arising from responses to climate change issues, emerging geopolitical risks, and rapid development of AI technology. Companies irrespective of industry are being called on to conduct management to resolve social issues through their business and achieve sustainable growth together with society. The SCSK Group evaluated a range of issues faced by society from a business perspective, seeking to implement its corporate philosophy of “Create Our Future of Dreams,” and specified the issues that it views as particularly important and that it should prioritize taking action on to achieve growth together with society as material issues.



Examples of initiatives for each material issue

Material Issue	Description	Main initiatives	Related SDGs
 Innovating for a Brighter Society	While engaging in co-creation with our customers and partners with a focus on the major changes digital technology is bringing to industry and society, we create greater affluence and comfort by turning technology into innovation to address social challenges and create social value.	<ul style="list-style-type: none"><li>COxCO Karte A cloud service that calculates CO<sub>2</sub> emissions simply by uploading accounting data (e.g., a general ledger).</li></ul>	    
 Building Trust for a Safe and Secure Society	Our resilient and reliable business platforms connect customers and partners across industries and support increased safety and security for all by allowing companies to improve the quality of their business activities and people to have better everyday experiences.	<ul style="list-style-type: none"><li>BankSavior® A general account transaction monitoring system that responds to scams quickly and flexibly</li></ul>	    
 Creating an Inclusive Society	Our business is global and contributes to growth and development in many countries and regions. We use our understanding of technology and its impacts to help build more inclusive societies that offer more opportunities to more people.	<ul style="list-style-type: none"><li>Dr2Go A service that delivers high-quality medical care to contribute to the creation of next-generation healthcare</li></ul>	    
 Global Environmental Contributions	We are addressing the impacts climate change is having on our business while helping create a better global environment by integrating environmental considerations into our business activities and creating and expanding environmentally sustainable business opportunities.	<ul style="list-style-type: none"><li>Greenhouse gas emissions reduction targets and initiatives for reduction</li><li>Implementing reduction of greenhouse gas emissions with partner companies</li><li>Information disclosure based on TCFD/TNFD recommendations</li><li>Environmental performance data</li></ul>	 
 Diverse Team of Professionals	We are a team of professionals with diverse expertise and experience and a shared set of values. Since we embrace diversity as a source of creativity, we strive to create workplaces and opportunities to engage our team and keep them growing professionally and as individuals.	<ul style="list-style-type: none"><li>“Business strategy and human resources portfolio” to improve and utilize abilities and skills</li><li>“Treatment and remuneration systems” to appropriately evaluate abilities and skills and reward performance</li><li>“Well-Being Management” that leads to creation of value</li><li>“Diversity and inclusion” that respect and draw on diversity</li></ul>	   
 Sustainable Value Chain	We minimize any negative impacts associated with our value chain. In addition to service quality, we also work with partners to advance environmental and social goals such as sustainability, diversity, human rights and innovation to support our customers' sustainable growth.	<ul style="list-style-type: none"><li>Collaborating with partner companies to improve quality and productivity, promoting introduction of health and productivity management, heightening efficiency of contract work, ensuring information security and compliance, promote work engagement and nearshore and offshore activities</li><li>Sharing the SCSK Group Supply Chain Sustainability Promotion Guidelines and promoting initiatives related to respect for human rights and reduction of greenhouse gas emissions</li></ul>	  
 Transparent Governance	We conduct effective management oversight while ensuring transparency and compliance, and have established and maintain management frameworks for sound information and risk management.	<ul style="list-style-type: none"><li>Corporate governance structure enabling practice of sustainability management</li><li>Remuneration system for Directors (Basic Policy on Remuneration, policy on performance-linked compensation and index)</li><li>Systems and initiatives to ensure compliance</li><li>Initiatives to enhance information security and response to security incidents</li><li>Basic Policy on Risk Management and concrete risk countermeasures</li><li>Succession Plan</li></ul>	

Process for Compiling Material Issues



Learn about the process of formulating material issues  
[https://www.scsk.jp/corp\\_en/csr/materiarity/process.html](https://www.scsk.jp/corp_en/csr/materiarity/process.html)

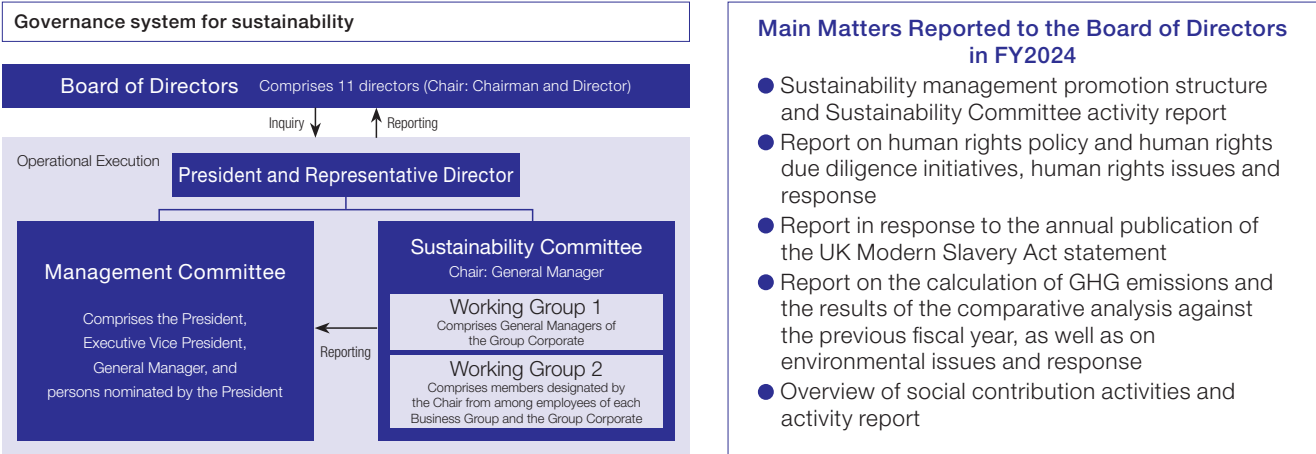




Promotion of Sustainability Management and Our Governance System

The SCSK Group established the Sustainability Committee as an advisory body to the President and Representative Director, in order to confirm and review company-wide issues and measures to be taken in relation to promotion of sustainability management, which forms part of the Group’s growth strategy.

Chaired by a general manager, the Sustainability Committee is composed of Working Group 1 and Working Group 2. Matters deliberated by the Sustainability Committee are periodically reported to the Management Committee for further discussion from the perspective of company-wide management, after which the Sustainability Committee reports to the Board of Directors, which provides appropriate supervision.



Roles and status of implementation of each sustainability-related council		
Board of Directors (twice)		Regularly receive committee reports on important sustainability-related matters and details of discussions at Management Committee meetings, and provide oversight.
Management Committee (10 times)		Regularly receive committee reports mainly on important sustainability-related issues, discuss measures related to company-wide management
Sustainability Committee	Working Group 1 (4 times)	Deliberate and confirm company-wide sustainability-related issues and measures to address them. Working Group 1 regularly reports the results of deliberation to the Management Committee and the Board of Directors.
	Working Group 2 (12 times)	Working Group 2 discusses and considers matters necessary to foster understanding and culture of sustainability management and material issues. It also promotes activities for promoting awareness in each organization as evangelists.

Message from Outside Director

Shohei Yamana Outside Director

I believe that the following three factors are crucial to the sustainable growth of a company: the clarification of the reason for existence, a management strategy that prioritizes the social value (including environmental value) it provides through its business, and the thoroughgoing efforts of front-line staff to differentiate it from the competition.

The SCSK Group is committed to creating social and environmental value through transformation into a digital offering business by promoting its corporate philosophy of “Create Our Future of Dreams.” Furthermore, through its merger with Net One Systems Co., Ltd., the SCSK Group is aiming to further differentiate itself and strengthen its competitive advantage.

The Group also believes that the driving force behind these initiatives lies in the power of its people. The Well-Being Management promoted by the SCSK Group enhances each employee’s vitality and sense of fulfillment at work, while fostering a spirit of altruism that engages those around them and amplifies empathy toward value creation.

I have high expectations for these continuous initiatives, and as Outside Director, will support proactive risk-taking.

Activities of the Sustainability Committee

Working Group 1 of the Sustainability Committee

Working Group 1 is chaired by a general manager, and its members consist of General Managers of the Group Corporate. Working Group 1 collects information on global sustainability trends to practice sustainable management. It also reviews the implementation status and any deficiencies in measures related to material issues—a priority issue for the SCSK Group—and discusses issues that need to be addressed from a medium- to long-term perspective, and considers measures.

Main Review Themes of FY2024 by Working Group 1

- Review the global information disclosure standards related to sustainability, as well as review aimed to increase non-financial disclosure items in securities reports
- Confirm insufficient ESG-related initiatives and response policies
- Confirm the approval status of partner companies for the “SCSK Group Supply Chain Sustainability Promotion Guidelines”
- Confirm the status of implementation of various initiatives toward human rights due diligence and respect for human rights
- Formulate the SCSK Group AI Basic Policy
- Confirm response to the publication of a statement on UK Modern Slavery Act
- Confirm initiative and progress related to the reduction of greenhouse gas emissions

Working Group 2 of the Sustainability Committee

Working Group 2 is chaired by a Business Group executive officer, and its members are selected from executives and employees of each Business Group and Group Corporate. To promote understanding of sustainability management as a growth strategy of the SCSK Group and cultivate a culture that supports it, Working Group members deepen their understanding of sustainability through study meetings and discussions, and act as evangelists themselves. They also consider the implementation and improvement of promotion measures suited to their organization so that more executives and employees can understand and practice them.

Major Items for Implementation for FY2024 by Working Group 2

- Implement Input and workshops on understanding and personalizing sustainability management and material issues
- Identify issues for the promotion of these ideas through each organization and consider the implementation and improvement of effective promotion measures
- Hold discussions between Working Group members and chairperson on initiatives and issues to promote understanding
- Report the results of activities and future promotional plans to the President and management, and hold meetings to exchange opinions

Topic Working Group 2 of the Sustainability Committee Activities undertaken at each organization by Working Group members

The Mobility Business Group implemented measures to increase awareness, including organization meetings and relay talks. Through a series of dialogues that transcended organizational boundaries and roles, I saw with my own eyes how interest and concern for sustainability and new awareness spread among the participants. More than 80% of the participants responded that they had “deepened their understanding and empathy,” demonstrating the effectiveness of the dialogues.

Through the activities of Working Group 2, I was reminded that to work with customers and realize a safe and secure automotive society, it is essential to continuously promote the “personalization” of sustainability management throughout the Group. Going forward, I will continue to contribute, as an evangelist, to the creation of an organization in which people can be aware of and take pride in the fact that their daily work contributes to solving environmental and social issues.

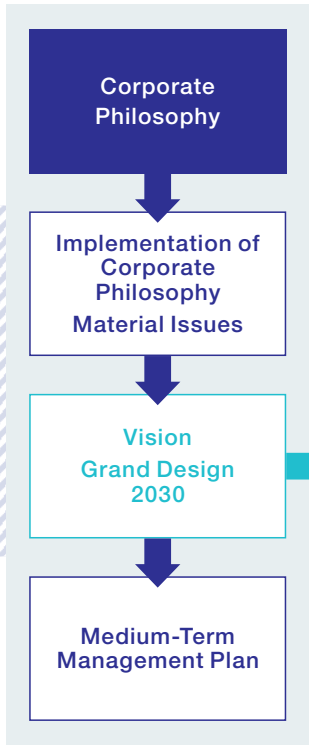
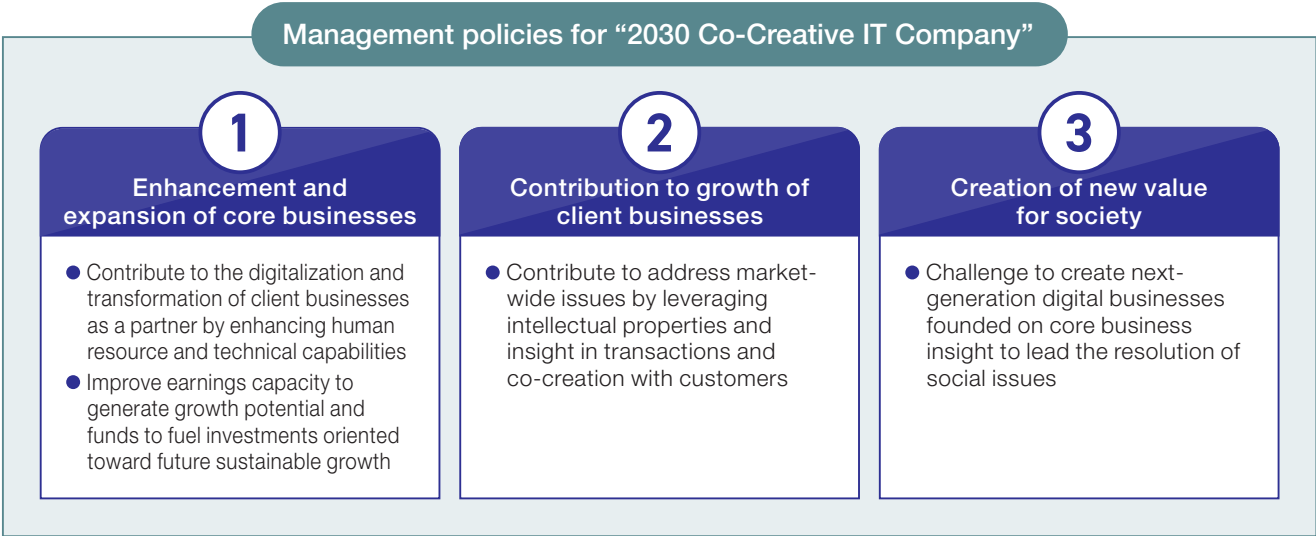
Naomi Kijima  
Section III, Systems Dept. IV,  
Mobility Systems Div. I,  
Mobility Business Group

Approximately 1,600 members of the Financial Business Group worked together on sustainability promotion measures. These activities not only deepened our understanding of sustainability, but also provided an opportunity for us to reaffirm the significance of our work through lively discussions among the members. As a result, I feel that communication in my daily work has become smoother. For myself, this activity, which was carried out with the cooperation of the members of the committee and the general manager, was a valuable growth opportunity to enhance the project momentum. I realized that it is important for me to continue to communicate with a strong will to engage people around me, and that this attitude created a sense of empathy and broadened the circle of support. It was very rewarding to be able to contribute to the initiatives of the entire company, and I would like to continue to focus on sustainability activities while deepening cooperation.

Manami Kaneda  
Section I, Sales Dept.,  
Financial Systems Business Div. IV,  
Financial Business Group

In putting its corporate philosophy into practice, the SCSK Group evaluated a range of issues faced by society from a business perspective, and specified the issues that it views as particularly important and that it should prioritize taking action on to achieve growth together with society as material issues in FY2020. At the same time, we have formulated Grand Design 2030 as our medium- to long-term vision, based on our corporate philosophy and material issues as the SCSK Group's reason for existence. Under Grand Design 2030, we aim to become a Co-Creative IT Company in 2030 by taking initiative in businesses that contribute to the resolution of social issues together with our clients and partners.

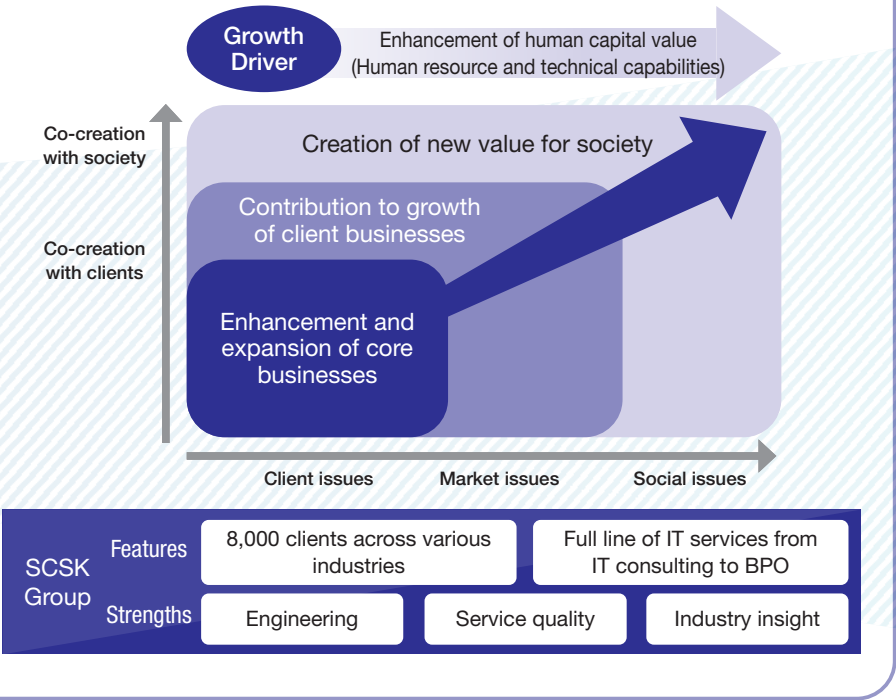
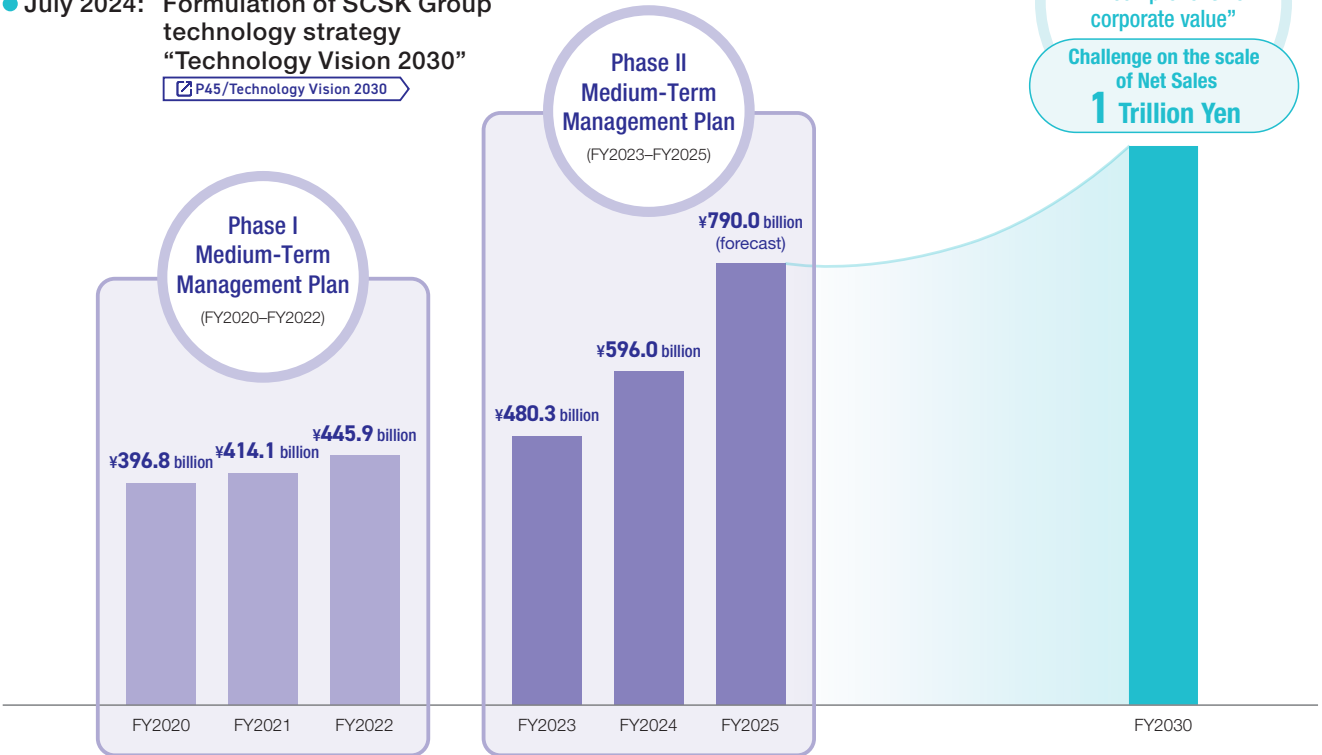
To improve the SCSK Group's essential corporate strength toward realizing our vision, we have set forth the goal, "Challenge net sales of ¥1 trillion," with the aim of dramatic improvements in comprehensive corporate value, which incorporates economic value, as well as non-financial factors such as social and human capital value, and becoming a first-class company that leads in solving social issues based on the creation of value that is not bound by tradition or past standards. As a concrete step toward realization, we are working on a Medium-Term Management Plan.



Timeline for 2030

2030 Co-Creative IT Company IT for the next delight

- April 2020: Formulation of Grand Design 2030
- July 2024: Formulation of SCSK Group technology strategy "Technology Vision 2030"



Value Creation through Business

Co-creation with society

Co-creation with clients