News Release



April 28, 2020 SCSK Corporation

SCSK Group Specifies Seven Material Issues for Implementing Its Corporate Philosophy

SCSK Corporation (Head Office: Koto-ku, Tokyo; Representative Director, President and Chief Operating Officer: Tooru Tanihara; hereinafter SCSK) has specified seven material issues for implementing its corporate philosophy, "Create Our Future of Dreams." The SCSK Group is engaged in sustainability management as part of its mid- to long-term strategy, targeting sustainable business growth through the creation of new value needed by customers and society and contributing to solving social issues.

1. Background to Specifying Material Issues

While AI and other cutting-edge technologies have made tremendous advances in recent years, social issues such as climate change and widening regional disparity have also intensified. In hand with this, companies irrespective of industry are being called on to conduct management aimed at resolving social issues through their business and achieving sustainable growth together with society. Against this backdrop, the SCSK Group evaluated a range of issues faced by society from a business perspective, seeking to achieve its management 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.

2. Specification Process of Material Issues

This specification process looked at ISO 26000, the Global Reporting Initiative, and other international guidelines as well as the 17 SDGs, which offer a comprehensive picture of social issues faced in the world, and the evaluation criteria used by ESG rating agencies, and identified social issues using the two approaches of business opportunity and risk reduction. These social issues were evaluated from a management and a social perspective, and the material issues were specified based on which social issues were given high priority from both perspectives.

3. SCSK Group's Material Issues

Material Issues for SCSK Group consists of three material issues that represent sustainable business growth through offering solutions to social issues and four material issues pertinent to

the foundation supporting sustainable growth.

"Achieving sustainable business growth with society" refers to achieving three qualities in society through business activities, which will also achieve sustainable growth for the business as the social issues are gradually solved. The three material issues are interrelated and centered on the concept of "IT for the next delight" as well as connected to the "Future of Dreams" in the corporate philosophy. "IT for the next delight" signifies that SCSK Group will continue achieving sustainable growth that supports people's happiness, even if the term IT is expressed using different words in the future.

The "foundation supporting sustainable growth" refers to solidifying SCSK's management foundation by accelerating ESG-driven initiatives, and at the same time, creating a foundation to realize the upper three material issues.



Foundation supporting sustainable growth

■ 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

Material Issues and the SDGs

Material Issues	Concrete Initiative Examples	Related SDGs
Innovating for a Brighter Society	Al utilization	9 MONTH MARKED 111 MONTH MARKET 117 MARKET M
Building Trust for a Safe and Secure Society	Secure and stable operation of social infrastructure Cybersecurity	9 HOUR MARKET IN SAME HOURS IN MARKET IN MARKE
Creating an Inclusive Society	 ● ICT solutions enabling work-style reforms ● Global business support ● Near shore development base deployment (revitalization and HR development in regional areas) 	8 SCHOLDSCHAIN 100 HIDSON 117 MITCHES 117 MITCHES 117 MITCHES 117 MITCHES 117 MITCHES 118 MITCHES 119
Global Environmental Contributions	 Implementation of environmental action plan Environmental impact reduction initiatives Development of environmental impact reduction solutions Utilization of renewable energy 	7 minutation 13 minut
Diverse Team of Professionals	Support for ongoing employee skill development and realization of diverse career paths Establishment of environments conducive to contributions by diverse human resources	3 minutes 4 minutes 5 minutes
Sustainable Value Chain	Quality and productivity improvements through coordination with partner companies Improvements in project and development process quality Dissemination and exercise of sustainability policies	8 100 100 100 100 100 100 100 100 100 10
Transparent Governance	Compliance and respect for human rights Appropriate information and risk management Reinforcement of corporate governance systems needed for sustainable growth	16 rear section sections sections sections sections sections sections.

Aligning the seven material issues with ESG issues and the SDGs was factored into the specification process.

Through the practice of sustainability management, the SCSK Group aims to contribute to realizing a sustainable society and improving mid- to long-term corporate value.

Related information:

Notification of Establishment of SCSK Group Medium-Term Management Plan (FY2020-

FY2022) https://www.scsk.jp/ir_en/news/2020/pdf/20200428_3e.pdf

Sustainability https://www.scsk.jp/corp_en/csr/index.html SCSK Report https://www.scsk.jp/corp_en/csr/report.html

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Reference

■ Achieving sustainable business growth with society



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.



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.



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.

■ Foundation supporting sustainable growth



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.



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.



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.



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.