SCSK and NEC Strengthen Collaboration to Accelerate Customers' DX and Business Growth

- Establishment of a joint venture for the joint operation of data centers -

Tokyo, March 10, 2022 - <u>SCSK Corporation</u> (SCSK; TSE: 9719) and <u>NEC Corporation</u> (NEC; TSE: 6701) today announced that they will strengthen collaboration in the data center and network business to accelerate customers' DX and grow their businesses. As part of this effort, the companies will establish SCSK NEC Data Center Management, Ltd., a joint venture in data center operations on April 1, 2022.

1. Background and purpose of establishing a new company

Due to the global COVID-19 pandemic and the frequent occurrence of natural disasters, there is a need for the utilization of secure and safe data centers to further raise awareness of business continuity, and to ensure the safety of sensitive information such as personal information. Furthermore, due to the shift to remote work and the acceleration of digital transformation (DX), there is a growing need for using richly functional and highly flexible cloud services.

SCSK and NEC will jointly operate a data center in Inzai City, Chiba Prefecture, Japan, scheduled for completion in April 2022, to accelerate DX for customers, and to attract ecosystem partners, including cloud providers. This will provide customers with significant benefits in terms of convenience and confidentiality in connecting to ecosystem partners when using jointly operated data centers.

Ecosystem partners will also install network connectivity points to jointly operated data centers in the future, giving both companies' customers the opportunity to leverage the services of the ecosystem partners.

To realize these environments, both companies will jointly own and operate data centers and establish a data center joint operating company with the aim of creating and providing new services with the ecosystem partners.

2. Role of the new company

The new company will hold the property of a data center in Inzai City, scheduled for completion in April 2022, and will provide data center services and network services to SCSK and NEC. In addition, the new company aims to operate an environmentally friendly data center by using renewable energy, and both companies will contribute to the achievement of virtually zero greenhouse gas emissions.

3. Future development

SCSK and NEC will continue to attract ecosystem partners to realize a high level of convenience and confidentiality in an environment that combines customer-specific systems within data centers and various cloud services. Going forward, both

companies will continue to support the acceleration of customers' DX and business growth through collaboration in the data center and network business.

4. Profile of the new company

1. Company name	SCSK NEC Data Center Management, Ltd.
2. Business Activities	Provision of data center services and network services for SCSK and NEC from Inzai City, Chiba Prefecture, Japan
3. Date of Establishment	April 1, 2022
4. Representative	Hiroshi Ogasawara, Representative Director
5. Head Office	Toyosu, Koto-ku, Tokyo
6. Capital	200 million yen (including capital reserve)
7. Ownership ratio	SCSK: 62.5% NEC: 37.5%
8. Number of employees	10

Reference

- SCSK and NEC collaborate in data center business https://www.scsk.jp/ir_en/news/2021/pdf/20210714e.pdf
- About SCSK netXDC https://www.netxdc.com/eng/

About SCSK Corporation

SCSK provides a full lineup of services to support any area of IT solution required for businesses from consulting to system integration, verification services, IT infrastructure implementation, IT management, IT hardware and software sales, and BPO (business process outsourcing).

SCSK at https://www.scsk.jp/index_en.html

About NEC Corporation

NEC Corporation has established itself as a leader in the integration of IT and network technologies while promoting the brand statement of "Orchestrating a brighter world." NEC enables businesses and communities to adapt to rapid changes taking place in both society and the market as it provides for the social values of safety, security, fairness and efficiency to promote a more sustainable world where everyone has the chance to reach their full potential. For more information, visit NEC at http://www.nec.com.