

Note: This is an English translation of the Notice of the 78th Ordinary General Meeting of Shareholders of BIPROGY Inc. prepared for readers' convenience. Should there be any inconsistency between this translation and the original Japanese text, the latter shall prevail.

Securities code: 8056
June 6, 2022

Dear Shareholders:

Akiyoshi Hiraoka
Representative Director, President & CEO
BIPROGY Inc.
1-1, Toyosu 1-chome, Koto-ku, Tokyo

NOTICE OF THE 78th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby notify you of the 78th Ordinary General Meeting of Shareholders (the "Meeting") of BIPROGY Inc. (the "Company"). The meeting will be held as described below.

From the standpoint of preventing further spread of COVID-19, we would like to request you to consider refraining from personally attending the Meeting, and instead exercise your voting rights prior to the Meeting in writing by using the enclosed voting card or via the Internet, etc.

When you exercise your voting rights prior to the Meeting, please refer to the enclosed "Reference Documents for the Meeting" on page 5 to 26 and exercise your voting rights **by 5:30 p.m., Monday, June 27, 2022 (Japan Standard Time)** in the manner described on page 4.

We will livestream the Meeting via the Internet, so that our shareholders are able to view the proceedings of the Meeting. Also, we will collect questions from shareholders prior to the Meeting. We will answer at the Meeting to the matters related to the purpose of the Meeting which many shareholders are keenly interested in.

Livestreaming is for viewing only and exercising voting rights and/or making questions/comments/motions, etc., are not accepted on the live streaming website.

Please refer to the back cover of the paper Notice about the livestreaming service and how we collect questions prior to the Meeting.

[Posting the Video after the Meeting]

We will post the video of the Meeting including the report by the Chairman at the Company's website below at a later date.

<https://pr.biprogy.com/invest-j/stock/meeting.html>

Contents of the video streaming service are briefings on the report items and resolution items. The video of Questions and answers as well as deliberations and resolutions will not be posted in consideration of the privacy of shareholders attending at the Meeting.

To Shareholders visiting the Meeting place

We will implement the following measures in light of preventing further spread of the COVID-19 pandemic. Shareholders are kindly requested to understand the situation and cooperate with us.

- All shareholders visiting the Meeting place to attend the Meeting will be tested for their temperature, when entering the building. Any shareholder who does not wear a mask, shows a high temperature or is reasonably deemed by the Company to be in poor health condition will be refused for entry.
- Please be forewarned that since we drastically reduce the number of seats in order to maintain social distance between shareholders. Some shareholders may not be entered into the Meeting place.
- Please submit your voting right exercise form (herein enclosed) at the reception of the Meeting if you visit the Meeting place on the date of the Meeting to attend the Meeting.
- We will not be able to offer beverages to shareholders attending the Meeting.
- Shareholders are required to wear a mask in the Meeting room. Shareholders who are deemed to be in poor health condition may be requested to leave the room.
- We will livestream the Meeting. We plan to shoot a livestreaming video in the Meeting room from the back side opposite to the area of chairman and officer seating. Despite our consideration for the privacy of shareholders in attendance, images of some shareholders may unavoidably appear in the live-stream video footage. Also, remarks delivered by shareholders in attendance will be livestreamed.

Shareholders are kindly requested to check the website below for updated information before visiting the Meeting place.

<https://pr.biprogy.com/invest-j/stock/meeting.html>

• **Meeting Details**

1. Date and Time: Tuesday, June 28, 2022 at 10:00 a.m. (doors open from 9:00 a.m.)
(Japan Standard Time)

2. Venue: Conference Room of the Company's Head Office (29th Floor)
1-1, Toyosu 1-chome, Koto-ku, Tokyo
Main Office building meeting room on the 29th floor

3. Purpose:

Items to be reported:

1. Business Report, Consolidated Financial Statements and Reports of Audit on the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board for the 78th fiscal year (from April 1, 2021 to March 31, 2022)
2. Non-Consolidated Financial Statements for the 78th fiscal year (from April 1, 2021 to March 31, 2022)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Amendments to the Articles of Incorporation
Proposal 3: Election of Eight (8) Directors
Proposal 4: Election of One (1) Auditor

4. Notes Regarding the Handling of Votes:

- (1) If there is no indication of either approval or disapproval for any proposal on the voting card, you will be deemed to have approved the proposal and your vote will be counted accordingly.
- (2) If you cast multiple votes by using both the voting card and via the Internet, the Internet vote will be deemed valid.
- (3) If you have exercised your voting rights more than once via the Internet, the last exercise will be deemed valid.
- (4) If you are a shareholder who has accepted to receive this notice via the Internet and you wish to receive the printed form, the Company will deliver this notice, the Reference Documents for Shareholders Meeting, and the voting card to you by mail.

Notes: Exercise of Voting Rights

- (1) Exercise of voting rights by voting card:
Please exercise your voting rights by stating whether you are for or against the agenda items on the voting card and send it back to us so that it reaches us by Monday, June 27, 2022 at 5:30 p.m. (Japan Standard Time).
 - (2) Exercise of voting rights via the Internet, etc.:
Please access the website that has been designated by the Company for exercising voting rights by either method described below and indicate your approval or disapproval in accordance with the instructions on the screen.
Deadline for exercising voting rights: Received by 5:30 p.m., Monday June 27, 2022
- Read QR code with your smartphone;
You can login to the website designated by the Company to vote without entering the code for exercising voting rights and password.
 - 1) Read the QR code printed on the right bottom corner of the Voting Rights Exercise Form enclosed herewith.
(NOTE)
If you exercise your voting rights for the second time in order to change the contents of your first-time exercise, please read the QR code again and enter the 'Code for Voting Rights Exercise' and 'Password' described on the Voting Rights Exercise Form.
 - 2) Then, indicate your approval or disapproval in accordance with the instructions on the screen.
 - Input the Code for Voting Rights Exercise and Password;
 - 1) Access the website for exercising voting rights (<https://www.web54.net>).
 - 2) Input the 'Code for Voting Rights Exercise' printed on the Voting Rights Exercise Form.
 - 3) Input the 'Password' printed on the Voting Rights Exercise Form.
 - 4) Then, indicate your approval or disapproval in accordance with the instructions on the screen.

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If there are corrections to the Reference Documents for Shareholders Meeting, Business Report, Non-Consolidated Financial Statements or Consolidated Financial Statements, such corrections will be published on the Internet.

<The Company's Website>

<https://pr.biprogy.com/invest-j/stock/meeting.html>

Reference Documents for Shareholders Meeting (Items of Resolution and Reference Items)

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters related to year-end dividends

The Company makes efforts for the stable and continued distribution of dividends to shareholders in line with the policy of paying dividends in accordance with our performance. The specific amount of dividends shall be determined by taking into consideration the managerial environment as well as securing an internal reserve for business expansion.

The annual dividend for shareholders for the current fiscal year will be 75 yen per share, taking into consideration that adjusted operating income was generally in line with the plan, and that net income attributable to owners of the parent company exceeded the plan.

In addition, a commemorative dividend of 10 yen per share will be paid for the change of the Company name to BIPROGY Inc.

Together, The Company propose an annual dividend of 85 yen per share (the dividend payout ratio : 41.7%).

Since the Company paid interim dividends of 35 yen per share in December 2021, the year-end dividends will be as proposed below:

(1) Type of dividends:
Cash

(2) Matters related to the allocation of dividends and total amount thereof:
Per share of common stocks: 50 yen
Total dividends: 5,022,325,900 yen

(3) Effective date of dividends from surplus:
June 29, 2022

Proposal 2: Amendments to the Articles of Incorporation

1. Rationale for the Proposal

(1) Introduction of a general meeting of shareholders without any set place

With the enforcement of the ‘Act for Partially Amending the Industrial Competitiveness Enhancement Act and Other Related Acts’(Act No. 70 of 2021), listed companies are now allowed to hold general meeting of shareholders without specifying a location (so-called "virtual-only shareholders meeting") under certain conditions by stipulating in their articles of incorporation that such meetings will be held without a physical venue.

The Company believes that this will benefit its shareholders by facilitating the attendance of many shareholders, including those in remote areas, and by enabling the Company to respond flexibly to changes in social conditions due to infectious diseases, including COVID-19 infection, natural disasters, and other emergencies. Therefore, the Company proposes amendment of the Articles of Incorporation to allow the Company to hold the general meeting of shareholders without specifying a location.

The amendment to the Articles of Incorporation in this proposal requires confirmation by the Minister of Economy, Trade and Industry and the Minister of Justice about satisfying the requirements set forth under the Ordinance of the Ministry of Economy, Trade and Industry and the Ordinance of the Ministry of Justice; the Company has already received the confirmation.

(2) Introduction of the system for electronic provision of materials for general meeting of shareholders

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the ‘Act for Partially Amending the Companies Act’ (Act No. 70 of 2019) will come into force on September 1, 2022. Since this amendment to the law will introduce a system of electronic provision of materials for general meetings of shareholders, the Company proposes the following amendments to its Articles of Incorporation.

- ① The Company shall establish a new article of proposed amendment, Paragraph 1 of Article 14 (Measures for Electronic Provision, etc.) since the Company will be required to stipulate in its Articles of Incorporation that the Company shall take measures to provide information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- ② The Company shall establish a new article of proposed amendment, Paragraph 2 of Article 14 (Measures for Electronic Provision, etc.). This is to allow the Company to limit the information to be given to shareholders who have requested delivery of such information in paper format to the scope which is specified by the Ordinance of the Ministry of Justice, out of the information that constitutes the content of reference documents for the general meeting of shareholders, etc. provided in electronic format by the Company.
- ③ The Company shall delete the current provision of Article 14 (Disclosure on the Internet and Deemed Provision of the Reference Documents for General Meetings of Shareholders, etc.) in the Articles of Incorporation, since this provision will no longer be necessary because of the introduction of the system for electronic provision of materials for general meeting of shareholders.
- ④ The Company shall establish supplementary provisions about the effects of provision to be newly established or deleted stated above. The Company shall delete the supplementary provisions after a due date.

2. Contents of the Amendments

Please see below the contents of amendments.

(The underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>(Convening of meeting) Article 11 The Company's ordinary general meeting of shareholders shall be convened in June every year. The Company's extraordinary general meeting of shareholders shall be convened if necessary.</p>	<p>(Convening of meeting) Article 11 The Company's ordinary general meeting of shareholders shall be convened in June every year. The Company's extraordinary general meeting of shareholders shall be convened from time to time as necessary. <u>2. The Company may hold a general meeting of shareholders without a designated location.</u></p>
<p>Article 12, Article 13 (Texts omitted)</p>	<p>Article 12, Article 13 (Unchanged)</p>
<p><u>(Disclosure on the Internet and Deemed Provision of the Reference Documents for General Meetings of Shareholders, etc.)</u> Article 14 <u>The Company may deem as having provided shareholders with information pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business reports, non-consolidated financial statements, and consolidated financial statements its disclosing the said information on the Internet pursuant to the Ordinance of Ministry of Justice.</u></p>	<p>Deleted</p>
<p>Newly established</p>	<p><u>(Measures for Electronic Provision, etc.)</u> Article 14 <u>The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. in electronic format.</u> <u>2. Pursuant to the Ordinance of the Ministry of Justice, the Company is not required to deliver all or part of the information provided in electronic format to shareholders who have requested the Company to deliver such information in paper format by the record date of voting rights.</u></p>

<p>Article 15-36(Texts omitted)</p> <p>Newly established</p>	<p>Article 15-36(Unchanged)</p> <p><u>(Supplementary Provisions)</u> <u>The deletion of pre-amended Article 14 and amended Article 14 shall come into effect as of the date stipulated in the proviso of Article 1 of the supplementary provisions of the Act for Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the ‘Enforcement Date’).</u> <u>2. Notwithstanding the provisions of the preceding paragraph, pre-amended Article 14 shall remain in force for a general meeting of shareholders to be held on a day within six months from the Enforcement Date.</u> <u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Enforcement Date or three months have elapsed from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>
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Proposal 3: Election of Eight (8) Directors

The terms of office of the present nine (9) Directors of the Company will expire as of the conclusion of the Ordinary General Meeting of Shareholders. The Company proposes to decrease the number of Inside Directors by one (1) and elect eight (8) Directors.

The candidates for Directors of the Company are as follows (their brief personal histories follow the table.).

Candidate Number	Name	Current positions and areas of responsibility in the Company		Board of Directors meeting attendance	Term of Office as Director
1	Akiyoshi Hiraoka	Representative Director, President CEO (Chief Executive Officer) CHO (Chief Health Officer)	Re-appointed	11 times/ 11 meetings	13 years
2	Noboru Saito	Representative Director, Executive Corporate Officer CMO (Chief Marketing Officer)	Re-appointed	11 times/ 11 meetings	6 years
3	Koji Katsuya	Director, Executive Corporate Officer CSO (Chief Sustainability Officer)	Re-appointed	11 times/ 11 meetings	6 years
4	Takahito Kanazawa	Director	Re-appointed	9 times/ 9 meetings	1 year
5	Ayako Sonoda	Outside Director	Re-appointed Outside Director Independent Director	11 times/ 11 meetings	7 years
6	Chie Sato	Outside Director	Re-appointed Outside Director Independent Director	11 times/ 11 meetings	5 years
7	Nalin Advani	Outside Director	Re-appointed Outside Director Independent Director	9 times/ 9 meetings	1 year
8	Yoshinori Ikeda		Newly-appointed Outside Director Independent Director	—	—

Candidate Number 1 Akiyoshi Hiraoka 【Re-appointed】

Date of Birth: June 6, 1956 (age: 66)

Number of the Company's shares held: 27,500 shares

Term of Office as Director: 13 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

11 times / 11 meetings

■ Career summary, positions and areas of responsibility in the Company

Apr. 1980	Joined the Company
Apr. 2002	General Manager of Business Aggregation Department of the Company
Jun. 2002	Corporate Officer of the Company
Jun. 2005	Director, Senior Corporate Officer of the Company
Apr. 2007	Director, Superior Senior Corporate Officer of the Company
Jun. 2007	Superior Senior Corporate Officer of the Company
Apr. 2011	Executive Corporate Officer of the Company
Jun. 2011	Representative Director, Executive Corporate Officer of the Company
Apr. 2016	Representative Director, President & CEO of the Company (present)

(Role)

- CEO (Chief Executive Officer), CHO (Chief Health Officer)
- In charge: Entirety of the Company, Group Internal Audit

■ Significant concurrent positions held in other organizations: None

■ Special interests with the Company: None

■ Reasons for appointment as Director

Mr. Akiyoshi Hiraoka is the longest serving Corporate Officer at the Company (serving since 2002) and has a vision for change. He has a wealth of industry knowledge and experience, giving insight into future movements, as well as management strategies. Furthermore, he has a vast network in and abundant knowledge about other areas of the industry and political and business circles. Thus, we believe that Mr. Hiraoka is well qualified for taking the lead in creating the cross-industry eco-systems envisioned by the Company Group and we propose to elect him as Director again.

Candidate Number 2 Noboru Saito 【Re-appointed】

Date of Birth: August 8, 1961 (Age: 60)

Number of the Company's shares held: 14,100 shares

Term of Office as Director: 6 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

11 times / 11 meetings

■ Career summary, positions and areas of responsibility in the Company

Apr. 1986	Joined the Company
Apr. 2004	General Manager of Industry & Commerce 2 Department of the Company
Apr. 2009	General Manager of Industry & Commerce Department of the Company
Apr. 2010	General Manager of Industry & Commerce 2 Department of the Company
Apr. 2012	General Manager of Business Services Department of the Company
Apr. 2013	Corporate Officer of the Company
Apr. 2016	Senior Corporate Officer of the Company
Jun. 2016	Director, Senior Corporate Officer of the Company
Apr. 2020	Representative Director, Executive Corporate Officer of the Company (present)

(Role)

- CMO (Chief Marketing Officer)
- In charge: Business Innovation Division, DX Promotion Division, Regional Headquarters and Regional Offices

■ Significant concurrent positions held in other organizations: None Please see Note 2

■ Special interests with the Company: None

■ Reasons for appointment as Director

Mr. Noboru Saito has abundant industry knowledge and experience, offering insight into its future movements as well as business strategies, as a result of his long service as Corporate Officer and General Manager specializing in the manufacturing and distribution sectors before his current service of presiding over sales division and business development initiatives in general.

Thus, we believe that Mr. Saito will be able to use his professional knowledge and experience to make management and business decisions from his broad perspective in the course of management and business judgement for the Company Group. Therefore, we propose to elect him as Director again.

Candidate Number 3 Koji Katsuya 【Re-appointed】

Date of Birth: October 24, 1963 (Age: 58)

Number of the Company's shares held: 6,984 shares

Term of Office as Director: 6 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

11 times / 11 meetings

■ Career summary, positions and areas of responsibility in the Company

Jan. 1985	Joined the Company
Jul. 2007	Senior Project Manager of S-BITS Project, Software & Services Department of the Company
Apr. 2011	General Manager of Financial 3 Department of the Company
Apr. 2012	Deputy Division Manager of Financial Business Division, General Manager of Financial 3 Department of the Company
Apr. 2014	Corporate Officer, General Manager of Corporate Planning Department of the Company
Apr. 2016	Senior Corporate Officer of the Company
Jun. 2016	Director, Senior Corporate Officer of the Company
Apr. 2021	Director, Executive Corporate Officer of the Company (present)

(Role)

- CSO (Chief Sustainability Officer)
- In charge : Corporate Planning, Business Management, Procurement Management, Human Resources, Quality Management & Assurance, MI CoE (Management Innovation Center of Excellence), Group BPR & core system renewal, Group companies

■ Significant concurrent positions held in other organizations: None

■ Special interests with the Company: None

■ Reasons for appointment as Director

Mr. Koji Katsuya has a wealth of knowledge of and experience in management decisions and business strategies of the Nihon Unisys group as a result of his Corporate Officer service of presiding over divisions such as the systems division, quality management & assurance division, and the research & development division as well as Corporate Planning after his service in the financial system development and business of the Company.

Thus, we believe that Mr. Katsuya will be able to use his professional knowledge and experience to make management and business decisions from his broad perspective in the course of management and business judgement for the Company Group. Therefore, we propose to elect him as Director again.

Candidate Number 4 Takahito Kanazawa 【Re-appointed】

Date of Birth: September 4, 1960 (Age: 61)

Number of the Company's shares held: 0

Term of Office as Director: 1 year (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

9 times / 9 meetings

■ Career summary

Dec. 1998	General Manager of Digital & Information Network Systems Department, Tokyo Sales & Business Planning Division Digital & Information Network Systems Department, Business Form & Securities Printing Operations, Dai Nippon Printing Co., Ltd.
Apr. 2007	General Manager of System Development Division, Information Processing Solutions Operations System Development Division, Dai Nippon Printing Co., Ltd.
Oct. 2008	General Manager of Production Division, Information Processing Solutions Operations Production Division, Dai Nippon Printing Co., Ltd.
Oct. 2012	General Manager of BPO Development Division, Information solution Operations BPO Development Division, Dai Nippon Printing Co., Ltd.
Oct. 2016	Deputy General Manager of BPO Center, Information innovation Operations BPO Center, Dai Nippon Printing Co., Ltd.
Apr. 2017	Representative Director, President, DNP Data Techno Co., Ltd.
Apr. 2018	General Manager of Information Systems Division, Dai Nippon Printing Co., Ltd.
Jul. 2018	General Manager of ICT Business Development Division, Advanced Business Center, Dai Nippon Printing Co., Ltd.
Jun. 2019	Corporate Officer, General Manager of ICT Business Development Division, Advanced Business Center, Dai Nippon Printing Co., Ltd.
Apr. 2021	Corporate Officer, in charge of ICT Business Development Division, Advanced Business Center and Information Systems Division, Dai Nippon Printing Co., Ltd.
Jun. 2021	Director of the Company (present)
Oct. 2021	Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division, Dai Nippon Printing Co., Ltd. (present)

■ Significant concurrent positions held in other organizations

Corporate Officer, in charge of ICT Business Development Division, Advanced Business Center and Information Systems Division, Dai Nippon Printing Co., Ltd.

■ Special interests with the Company

Please see Note 3

■ Reasons for appointment as Director

Mr. Takahito Kanazawa obtains management experience as an officer as well as abundant knowledge and experience about the industry which the Company belongs to after successively serving as a manager responsible for ICT, DX and innovation sections in information system department and ICT business development department of Dai Nippon Printing Co., Ltd.

The Company expects Mr. Kanazawa to give effective advice on and support for the Company's business management from the technical and managerial viewpoints. Furthermore, the Company expects him to exercise his skills of effectively supervising business management. Thus, we propose to elect him as Director.

As described in Note 3, Mr. Kanazawa concurrently serves as a Corporate Officer of Dai Nippon Printing Co., Ltd., a major shareholder of the Company. In light of the fact that a higher degree of independence is expected for outside officers, especially in recent years, the Company has not designated him as an Outside Director in this proposal.

Candidate Number 5 Ayako Sonoda

【Re-appointed, Outside Director, Independent Director】

Date of Birth: August 28, 1963 (Age: 58)

Number of the Company's shares held: 0

Term of Office as Director: 7 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

11 times / 11 meetings

■ Career summary

Aug. 1988	Established Cre-en Incorporated and assumed position of Representative Director (present)
Oct. 2003	Secretary-General, Sustainability Forum Japan (Specified Nonprofit Corporation) (present)
Jun. 2004	Director, Japan Sustainability Investment Forum (Specified Nonprofit Corporation) (present)
Jun. 2015	Outside Director of the Company (present)
Feb. 2017	Representative Director, Mirai RITA Foundation (Public Interest Incorporated Foundation) (present)

■ Significant concurrent positions held in other organizations:

Representative Director, Cre-en Incorporated

Secretary-General, Sustainability Forum Japan (Specified Nonprofit Corporation)

Director, Japan Sustainability Investment Forum (Specified Nonprofit Corporation)

Representative Director, Mirai RITA Foundation (public interest incorporated foundation)

■ Special interests with the Company: None

■ Reasons for appointment as Outside Director

The Company expects Ms. Ayako Sonoda to utilize her abundant experience supporting many companies in the fields of CSR, SDGs and integrated management as well as her dedication to various activities promoting the employment and utilization of female workers. Thus, she is in a position to give advice to the Company's management from multiple perspectives as an Outside Director. The Company proposes to elect her as Outside Director again.

Candidate Number 6 Chie Sato

【Re-appointed, Outside Director, Independent Director】

Date of Birth: January 30, 1970 (Age: 52)

Number of the Company's shares held: 0

Term of Office as Director: 5 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

11 times / 11 meetings

■ Career Summary

Apr. 1992	Joined Japan Broadcasting Corporation (NHK)
May 2001	Graduated from Columbia Business School
Aug. 2001	Joined the Boston Consulting Group
Jun. 2003	Joined the Walt Disney Company (Japan) Ltd.
Jan. 2012	Became independent as author and consultant
Apr. 2014	Member of the Professional Graduate Business School Certified Evaluation and Accreditation Committee, The Japan University Accreditation Association (present)
Apr. 2016	Tokyo Broadcasting System Television (TBS) Program Practice Council Member (present)
Jun. 2017	Outside Director of the Company (present)

■ Significant concurrent positions held in other organizations

Member of the Committee of Certified Evaluation and Accreditation for Management and Professional Graduate Schools Member

The Japan University Accreditation Association, JUAA (public interest incorporated foundation)

TBS Television Program Council Member

■ Special interests with the Company:

lease see Note 4

■ Reasons for appointment as Outside Director

Ms. Sato has abundant management experience and expertise as evidenced in her numerous books about business schools in the United States. Furthermore, she played an active role as management strategy consultant in the Boston Consulting Group. The Company expects her to give effective advice and support to the Company to promote business model reforms from an objective and professional perspective as an Outside Director. The Company proposes to elect her as Outside Director again.

Candidate Number 7 Nalin Advani

【Re-appointed , Outside Director, Independent Director】

Date of Birth: October 1, 1965 (Age: 56)

Number of the Company's shares held: 0

Term of Office as Director: 1 year (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

9 times / 9 meetings

■ Career Summary

Apr. 1984	Venture Capitalist, Investment / Corporate Strategy Advisor (present)
Sep. 1998	Director, Chief Marketing Officer, eSOL Co., Ltd.
Jan. 2007	President, Barco Co., Ltd (Japan) (Retired in Jul. 2011)
Aug. 2009	Managing Director, Barco Electronic Systems Pvt Ltd. (India) (Retired in Aug. 2011)
Jan. 2010	Graduated from the UCLA Anderson and NUS (National University of Singapore) Business School
Sep. 2011	Vice President, Asia Pacific, Barco Pte Ltd. (Retired in Dec. 2015)
Aug. 2013	Guest Lecturer, National University of Singapore Business School (present)
Nov. 2015	Co-Founder, KPISOFT Inc (entomo pte ltd of the present) (present)
Feb. 2016	CEO Asia Pacific & Japan, Grey Orange Pte. Ltd. (Retired in Mar. 2019)
Jun. 2021	Outside Director of the Company (present)

■ Significant concurrent positions held in other organizations

Venture Capitalist, Investment / Corporate Strategy Advisor

Co-Founder, entomo pte ltd.

■ Special interests with the Company: None

■ Reasons for appointment as Outside Director

Mr. Nalin Advani obtains global business experience mainly based on the Asia Pacific region as well as technical expertise about AI and robots after having served multiple technology companies mainly in Japan, Singapore and India in light of business management and investment.

The Company expects Mr. Advani to utilize his global experience as well as knowledge and expertise about the industry which the Company belongs to in giving effective advice on and support for the Company's business management. The Company proposes to elect him as Outside Director again.

Candidate Number 8 Yoshinori Ikeda
【Newly-appointed , Outside Director, Independent Director】

Date of Birth: May 23,1961 (Age: 61)

Number of the Company's shares held: 0

Term of Office as Director: — (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022: —

■ Career Summary

Apr. 1985	Joined the National Tax Agency JAPAN
Jul. 1992	District Director, the Seto Taxation Office, Hiroshima Regional Taxation Bureau
Jul. 1995	Harvard Law School (Obtained Master of Laws in Jun.1996)
Jul. 2004	Visiting Researcher, Georgetown University Law Center (Retired in Jun. 2005)
Jul. 2008	Director, Office of Mutual Agreement Procedures of the National Tax Agency Assistant Regional Commissioner (Planning and Administration), Nagoya Regional Taxation Bureau Director, International Operations Division of the National Tax Agency Director, Large Enterprise Examination Division of the National Tax Agency Regional Commissioner, Okinawa Regional Taxation Bureau
Oct. 2020	General Manager, International Tax Division, Hongo Tsuji Tax & Consulting
Nov. 2020	Admitted as Certified Public Tax Accountant
Apr. 2021	Lecturer at Graduate School of Global Business, Meiji University
Apr. 2022	Professor at Graduate School of Global Business, Meiji University(present) Advisor, Hongo Tsuji Tax & Consulting(present)

■ Significant concurrent positions held in other organizations

Professor at Graduate School of Global Business, Meiji University
Advisor, Hongo Tsuji Tax & Consulting

■ Special interests with the Company: None

■ Reasons for appointment as Outside Director

Mr. Ikeda has accumulated experience in serving the National Tax Agency at important positions for many years. He has overseas experience, and he is well-versed specifically in the field of international taxation. Mr. Ikeda has sophisticated professional knowledge and expertise in the field of tax accounting as evidenced in his playing active roles as Tax accountant and university professor after retiring from the National Tax Agency. The Company expects Mr. Ikeda to give effective advice on and support for the Company's business management based upon his expertise and experience. The Company proposes to elect him as Outside Director.

(Note1) The Company submitted a notification to the Tokyo Stock Exchange, Inc. designating Ms. Ayako Sonoda and Ms. Chieko Sato, Mr. Nalin Advani, three Outside Director candidates as Independent Directors. The Company will submit a notification with Tokyo Stock Exchange designating Mr. Yoshinori Ikeda as Independent Director. Please refer below to the independence standards of the Company.

(Note2) Mr. Noboru Saito will be appointed as an outside director of Seiko Holdings Co., Ltd. if approved at their annual general meeting of shareholders scheduled to be held on June 29, 2022.

(Note3) Dai Nippon Printing Co., Ltd. where Mr. Takahito Kanazawa serves as Corporate

Officer is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract. The Company has trading relationships mainly in system development, business outsourcing and product purchasing. The trading amount is less than 2% of the Company's net sales of the latest fiscal year on a consolidated basis or less than 0.1% of Dai Nippon Printing Co., Ltd.'s net sales on a consolidated basis. In June 2022, he will be appointed as a Senior Corporate Officer of Dai Nippon Printing Co., Ltd.

- (Note4) The Company paid Ms. Chie Sato a lecture fee for her presentation at a seminar hosted by the Company in the most recent fiscal year. The amount paid by the Company to Ms. Sato is insignificant at 550,000 yen.
- (Note5) Pursuant to Article 427, Paragraph 1 of the Companies Act (the "Act"), the Company has entered into an agreement with Mr. Takahito Kanazawa, Ms. Ayako Sonoda, Ms. Chie Sato, and Mr. Narlin Advani to limit their liability as provided for in Article 423, Paragraph 1 of the Act. The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated by laws and regulations. If their reelection is approved, the agreement will continue for each of them. Also, if the election of Mr. Yoshinori Ikeda is approved, the Company will enter into the same agreement with him.
- (Note6) The Company has entered into an indemnity agreement with Mr. Akiyoshi Hiraoka, Mr. Noboru Saito, Mr. Koji Katsuya, Mr. Takahito Kanazawa, Ms. Ayako Sonoda, Ms. Chie Sato, and Mr. Nalin Advani. Pursuant to the indemnity agreement, the Company will provide each of them with compensation as stipulated in Article 430-2, Paragraph 1 of the Companies Act (the contents of the agreement are summarized in page 41.). If their reelection is approved, the agreement will continue. If the election of Mr. Yoshinori Ikeda is approved, the Company will enter into the same agreement with him.
- (Note7) The Company has entered a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. Contents of the insurance contract is summarized in this notice (page 41). If the election is approved as submitted in this proposal, the subject Directors will be included as insured persons of the insurance contract. Also, we will renew the same insurance contract for the next term.
- (Note8) The age of individual director-candidates given herein is as of the date of delivering of this notice.

<Reference>

The Company's "Standards on the Independence of Outside Directors/Auditors" are as follows.

■ Criteria on the Independence of Outside Directors/Auditors

The Company deems that outside directors and outside auditors as defined by the Companies Act have independence if they satisfy the independence criteria stipulated by the Tokyo Stock Exchange and do not fall under any one of the categories below:

- (1) Major shareholders holding voting rights equivalent to 10% or more of the total voting rights of the Company, or in the case of a corporation or organization, an executive of that corporation or organization
- (2) A major client of the Company or its subsidiaries, or executive of a corporation or organization that deals with the Company or its subsidiaries as a major business partner (*1)
- (3) An executive of a financial institution to which the Company owes significant borrowings (*2)
- (4) A person who receives significant amounts of compensation or other economic benefit (*3) (other than their remuneration as a director) as a consultant, accountant, or lawyer for the Company or its subsidiaries, or where a corporation or organization, a person belonging thereto
- (5) An executive of a corporation or organization that receive significant donations (*4) from the Company or its subsidiaries
- (6) A person who served a corporation or organization falling under any of the categories (1) to (5) above as an executive within the past 3 years
- (7) A spouse or relative within two degrees of kinship of a person falling under any of the categories below
 - A person falling under any of the categories (1) to (5) above
 - A person who is a director or executive of a subsidiary of the Company

* 1 Classification into the category of 'major client of the Company or its subsidiaries' is judged according to the net sales that the Company or its subsidiaries had with the client in the fiscal

year immediately before: whether or not they exceed 2% of the consolidated net sales of the Company.

Classification into the category of a 'corporation or organization that deals, as their major clients, with the Company or its subsidiaries' is judged according to the net sales that the corporation or organization had with the Company or its subsidiaries in the fiscal year immediately before: whether or not they exceed 2% of the consolidated net sales of the corporation or organization that deals with the Company or its subsidiaries, or ¥10 million, whichever is higher.

- *2 Classification into the category of 'significant borrowings' is judged according to the amount of those borrowings: whether or not they exceed 2% of the gross assets of the Company for the fiscal year immediately before.
- *3 Classification into the category of 'significant amounts of compensation or other economic benefit' is judged according to the benefit that the person has received from the Company (other than their remuneration as a director) in the fiscal year immediately before: whether or not the person has received remuneration or other economic benefit of ¥10 million or more; or where the person belongs to a corporation or organization, whether or not that corporation or organization has received from the Company or its subsidiaries remuneration or other economic benefit that exceeds 2% of the consolidated net sales of the corporation or organization for the fiscal year immediately before or ¥10 million, whichever is higher.
- *4 Classification into the category of 'significant donations' is judged according to the amount of donations that have been received from the Company or its subsidiaries: whether or not they exceed ¥10 million a year or 2% of the annual total costs of the corporation or organization of the fiscal year immediately before, whichever is higher.

Proposal 4 Election of One (1) Auditor

Since the terms of office of Auditor, Mr. Hirofumi Hashimoto will expire as of the conclusion of the Ordinary General Meeting of Shareholders, the Company proposes to elect one (1) Auditor. The proposal has been agreed to by the Audit & Supervisory Board. The candidate for Auditor is as follows.

Candidate Hirofumi Hashimoto
【Re-appointed】

Date of Birth: July 8, 1957 (Age: 64)

Number of the Company's shares held: 0

Term of Office as Auditor: 4 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2022:

11 times / 11 meetings

Audit & Supervisory Board meeting attendance during the fiscal year ended March 31, 2022:

15 times / 15 meetings

■ Career summary

Jun. 1992	Manager of Control Section, Planning & Control Department, Business Form & Securities Printing Operations, Dai Nippon Printing Co., Ltd.
Jan. 1997	P.T. DNP Indonesia
Apr. 2002	General Manager of Planning & Control Department, Commercial Planning Operations, Dai Nippon Printing Co., Ltd.
Apr. 2007	General Manager of Dynamic Advanced Communication Division, Commercial Planning Operations, Dai Nippon Printing Co., Ltd.
Nov. 2009	General Manager of Strategic Business Planning Department, Dai Nippon Printing Co., Ltd.
Jun. 2015	Corporate Officer; General Manager of Strategic Business Planning Department, Dai Nippon Printing Co., Ltd.
Oct. 2017	Corporate Officer; General Manager of Strategic Business Planning & Development Division, Dai Nippon Printing Co., Ltd.
Apr. 2018	Corporate Officer in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Dai Nippon Printing Co., Ltd.(present)
Jun. 2018	Auditor of the Company (present)
Jun. 2018	Senior Corporate Officer; in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Dai Nippon Printing Co., Ltd.
May 2019	Senior Corporate Officer; in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Sanaicho Sales Division, Dai Nippon Printing Co., Ltd.
Jun. 2020	Managing Director; in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Sanaicho Sales Division, Dai Nippon Printing Co., Ltd. (Present)

■ Significant concurrent positions held in other organizations

Managing Director

in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Dai Nippon Printing Co., Ltd.

■ Special interests with the Company

Please see Note1

■ Reasons for appointment as Auditor

Mr. Hirofumi Hashimoto gained global experience through his service as Finance Manager at an overseas subsidiary of Dai Nippon Printing Co., Ltd., experience serving as the person responsible for the corporate planning division of the Company as well as managerial experience that he gained while serving as a director at other listed companies. Mr. Hashimoto has a considerable degree of financial and accounting expertise and is well-versed in managerial accounting. Mr. Hashimoto has not been involved in executing the business of the Company. Thus, his independence from management and those who execute business of the Company is maintained. We believe he will be able to utilize his abundant knowledge and experience as well as his shareholder viewpoint for auditing the overall management of the Company. The Company proposes to elect him as Auditor.

As described in Note 1, Mr. Hashimoto concurrently serves as a Managing Director of Dai Nippon Printing Co., Ltd., a major shareholder of the Company. In light of the fact that a higher degree of independence is expected for outside officers, especially in recent years, the Company has not designated him as an Outside Auditor in this proposal.

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- (Note1) Dai Nippon Printing Co., Ltd. where Mr. Hirofumi Hashimoto serves as Managing Director is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract. The companies have trading relationships mainly in system development, business outsourcing and product purchasing. The trading amount is less than 2% of the Company's net sales of the latest fiscal year on a consolidated basis or less than 0.1% of Dai Nippon Printing Co., Ltd.'s net sales on a consolidated basis.
- (Note2) Pursuant to Article 427, Paragraph 1 of the Companies Act (the "Act"), the Company has entered into an agreement with Mr. Hirofumi Hashimoto to limit his liability as provided for in Article 423, Paragraph 1 of the Act. The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated by laws and regulations. If his reelection is approved, the agreement will continue.
- (Note3) The Company has entered into an indemnity agreement with Mr. Hirofumi Hashimoto. Pursuant to the indemnity agreement, the Company will provide him with compensation as stipulated in Article 430-2, Paragraph 1 of the Companies Act (the contents of the agreement are summarized in page 41.). If his reelection is approved, the agreement will continue.
- (Note4) The Company has entered a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. Contents of the insurance contract is summarized in this notice (page 41).
If the election is approved as submitted in this proposal, the subject Auditor will be included as insured persons of the insurance contract. Also, we will renew the same insurance contracts for the next term.
- (Note5) The age of the auditor-candidate given herein is as of the date of delivering of this notice.

<Reference> Structure of the Board of Directors and the Audit & Supervisory Board
 If Proposal 3 and Proposal 4 are approved as submitted, the Board of Directors and the Audit & Supervisory Board of the Company will be comprised of the following.

	Number of Constituents	Outside Officers (female)	(Independent Officers included)	Ratios of Independent Officers
Board of Directors	8	4(2)	4	50.0%
Audit & Supervisory Board	5	3(2)	3	60.0%
Total	13	7(4)	7	53.8%

The Board of Directors will comprise of eight Directors including four Outside Directors (two of whom will be female) who are all Independent Directors, as indicated above. The Audit & Supervisory Board comprising of five members will have a majority of three Outside Auditors (two of whom will be female). These Outside Auditors are all Independent Officers. Thus, the independence of the Audit & Supervisory Board will be further guaranteed. As above, both the Board of Directors and the Audit & Supervisory Board will be in a position to supervise management in a highly effective manner.

<Reference> Skill Matrix

The Company proposes to elect candidates for Directors and Auditors who have diversified knowledge and expertise and experience such as those on ESG/sustainability as well as global business that are needed to successfully complete the Vision2030 and the Management Policy (2021-2023).

- Election proposal submitted to this General Meeting of Shareholders
 Independent Outside Officer

	Business management experience at other companies	Industry knowledge	Technology /R&D	Finance/Account-ing	Legal/Risk management	ESG /Sustain-ability	Global Business
Directors							
Akiyoshi Hiraoka		●	●	●	●	●	
Noboru Saito		●	●		●	●	●
Koji Katsuya		●	●		●	●	
Takahito Kanazawa	●	●	●				
Ayako Sonoda	●				●	●	
Chie Sato					●	●	●
Nalin Advani	●	●	●				●
Yoshinori Ikeda				●	●		●

Auditors							
Yuji Teranishi		●		●	●	●	
Masaya Oishi	●	●		●	●	●	
Hirofumi Hashimoto	●			●	●	●	●
Harumi Kojo			●		●		●
Keiko Mizuguchi				●	●	●	●

* S of ESG includes human resources strategy, and diversity & inclusion etc.

【Reasons for selecting items in the skill matrix 】

Business management experience at other companies	Appropriate advice and supervision by outside directors who have management experience and achievements at other companies are effective in order to enable the management to transform the Company into a company that creates social value by making appropriate and prompt business judgements pursuant to the ‘Management Policy (2021-2023)’ in the midst of the rapidly changing business environment.
Industry knowledge	A wealth of knowledge about the information service industry such as ICT and DX is essential for the Company in order to promote DX for its customers and society as stipulated in the ‘Management Policy (2021-2023)’ and expand business ecosystems together with customers and partners.
Technology/ R&D	As technology evolves rapidly, a wealth of knowledge and expertise about technologies and research including advanced technology is essential for the Company in order to promote DX for its customers and society as stipulated in the ‘Management Policy (2021-2023)’ and expand business ecosystems together with customers and partners.
Finance/ Accounting	The Company needs directors well versed in finance and accounting in order to achieve transparent and correct financial reporting, strong financial foundation, strategic investments for sustained enhancement of corporate value and capital policy with consideration to appropriate shareholders returns.
Legal/ Risk management	Risk management that enables appropriate and prompt responses to deal with diversified and complicated risks as well as strengthening corporate governance are indispensable in order to enable a medium-to long-term increase in corporate value. The Company needs a wealth of knowledge about these issues.

ESG/ Sustainability	The Company needs a wealth of experience and expertise about efforts on climate change, workforce strategies, and promotions for ESG/sustainability issues such as diversity and inclusion in order to create a sustainable society as it aims under the 'Management Policy (2021-2023)'.
Global Business	Borderless perspectives are indispensable in order to expand business ecosystems together with customers and partners. Thus, the Company needs a wealth of knowledge and experience about global business.

Business Report (for the fiscal year from April 1, 2021 through March 31, 2022)

1 Current Situation of the BIPROGY Group

(1) Progress and Results of the Businesses

The Japanese economy remained uncertain partly due to price hikes of raw materials and the situation in Ukraine as well as a continued semiconductor chip shortage, although it showed signs of gradual recovery supported by the COVID-19 vaccination making progress in the fiscal year ending March 2022.

We have seen good appetite for digital transformation (DX) investment in the domestic information services market. However, some companies have become cautious investors about their ICT asset. We need to remain watchful about the situations.

In this environment, the Nihon Unisys changed its trade name to BIPROGY Inc. in April 2022 with the vision of transforming into a company that creates social value. The Company has worked on initiatives as indicated in the Management Policies (2021-2023). The Management Policies were established by the Group with an eye towards a new stage where the Group will enable a sustained growth of the entire corporate value through creating social value pursuant to the “Purpose^{Note 1}” and the “Vision 2030^{Note 2}” that the Group established anew.

Revenue was driven up compared with the previous fiscal year on the basis of an increase in system services projects related to digital transformation (DX) and steadily accumulated outsourcing business projects such as those of platform services for EC business operators and financial institutions.

Despite an increase in SG&A expenses, gross profit was increased as a result of the strong revenue as well as improved profitability. We posted an increase in operating income, adjusted operating income, and profit compared with the previous period.

Orders exceeded the level of the previous fiscal year, attributable to system services remaining at a high level in the fourth quarter as before. Order backlogs also exceeded the previous fiscal year.

The Company has worked on increasing business ecosystems from the two viewpoints: the ‘For Customers’ perspective to promote for customers digital transformation conducive to their sustained growth and the ‘For Society’ perspective to promote solutions for social issues in cooperation with customers and partners of various business sectors and industries.

Our ‘For Customer’ initiatives are exemplified by ‘Omni-Base for DIGITAL’ATELIER’, a service-use type commerce business platform provided for retailers and mail order companies. The platform has continuously served as an OMO-compatible DX system. Also, AI-Order Foresight®, an AI-driven automated ordering service, increases its users steadily as a key service for digitally transforming shops. The sense of speed enabled by using our cloud-computing flexibility to gradually increase automation subjects after starting small captivates customers who are operating business in the VUCA^{Note 3} age. We aim to increase more of the services.

Recently, electronic shelf labelling to digitally transform operations gathers attention as a solution to solve the social issue of shrinking labor force. eBuyerBrains to support sustainable procurement goes with the flow of the times to evaluate an entire supply chain in light of labor, human rights, and the environment. The solution has come to be inquired about more frequently.

Thus, we have been steadily increasing our group efforts to work on solving social issues across industries through the use of services and AI technologies that broadly support these business areas. Our various types of outsourcing services such as those for core-banking businesses now serve many advanced regional financial institutions in the industry.

The Company has also promoted DX efforts for regional financial institutions reforming their branch offices through BANK_FIT-NE and SmileBranch to streamline clerical duties and strengthen customer interactions. Our group earnestly working on regional revitalization as well as regional financial institutions believing in developing and revitalizing regional economies as their mission, reverberate and create empathy. This enables a flow that data of local areas has come be accumulated and used for revitalizing regional economies.

Our 'For Society' initiatives are exemplified by the KIINNOX[®] project that we launched in November 2021 with the aim of promoting distribution and use of domestic timber through collaborations among businesses of various sectors. We have been implementing on a trial basis the 'timber distribution platform service' for digitally transforming the lumber industry as part of the project. This service has been provided in Gifu Prefecture. We will contribute to achieving SDGs as well as carbon neutrality through reducing greenhouse gas emissions to net-zero in 2050 by promoting utilization of domestic wooden materials.

Also, the Company has been promoting initiatives conducive to increasing renewable energies in addition to environmental value businesses exemplified by a business related to Non-Fossil Certificate With Tracking continuously implemented as entrusted by the Ministry of Economy, Trade and Industry. One example is a demonstration experiment of energy management scheme conducted in cooperation with local government bodies as well as major energy business operators. Based upon EVs ^{Note 6} travelling data and booking information, we make an optimal daily charge/discharge plan, and conduct the complex power control demonstration experiment. The experiments are about limiting on maximum power consumption in compliance with the characteristics of solar energy and dispersed power sources such as storage batteries for EV vehicles and controlling remaining charge levels of storage batteries and EVs in consideration of power sharing in an event of power outage.

We will establish a unique position with the aim of making three social impacts: resilience, regenerative and zero emissions. We will provide Digital Commons[®] designed to create a sustainable society, and create new markets.

Other attempts that we have implemented include our studiously working on measuring methods of non-financial KPIs as indicated in the Materiality newly established under the sustainability promotion system and visualizing the methods. Our efforts for meeting a social demand of sustainable procurement are exemplified by eBuyerBrains and energy management system. The solutions are environmentally conducive and serves the aim of zero emissions as indicated through the materiality KPIs for business growth.

In addition, our group companies aim to create an environment where all employees can fulfill roles. We were awarded and recognized for various types of attempts and initiatives to promote female employees. Our selection as a "2021 Nadeshiko Brand"^{Note 8} company is one example. Also, we received the highest Gold award in the PRIDE Index 2021. We will continue to promote efforts to reform our corporate culture in light of employee capabilities and organization.

The group as a whole is studious in achieving its goals set forth in the Management Policies (2021-2023). We aim to continue communications with various stakeholders, continuously increase our corporate value and promote business with sustainability kept in mind.

For the fiscal year ending March 2022, we posted revenue of ¥317,600 million up by 3.0% compared with the previous fiscal year. The increase is attributable to a continued strength of system services and outsourcing services.

The Company posted operating profit of ¥27,425 million up by 11.4% compared with the previous fiscal year. It posted profit attributable to owners of parent of ¥20,490 million up by 23.1% compared with the previous fiscal year.

Adjusted operating profit that is used by the Company as an index for managing performance was ¥26,671 million, up by 5.9% compared with the previous fiscal year.

The breakdown of sales shows that services sales were ¥228,352 million, a 4.5% or ¥9,757 million increase from the previous fiscal year; software sales were ¥34,089 million, a 5.4% or ¥1,748 million increase from the previous fiscal year; and hardware sales were ¥55,158 million, a 4.1% or ¥2,331 million decrease from the previous fiscal year.

As for the sales contribution ratios, services sales were 71.9% (70.9% in the previous fiscal year); software sales were 10.7% (10.5% in the previous fiscal year); and hardware sales were 17.4% (18.6% in the previous fiscal year).

(NOTES)

1. https://www.biprogy.com/com/purpose_principles.html
2. https://www.biprogy.com/com/management_policy.html
3. OMO: Acronym for Online Merges with Offline, referring to a marketing method to enable seamless customer experience by coordinating digital shops (online) on the Internet with real brick-and-mortar shops (offline) from the viewpoint of customers.
4. VUCA: Acronym for volatility, uncertainty, complexity, ambiguity, referring to a future situation of social environment which is not an easy prediction
5. Sustainable procurement: procuring materials and fuels with kept in mind the environment, human rights and the sustainability of society
6. EV: Acronym for electric vehicle, referring to automobiles travelling on electricity as fuel source
7. https://biprogy.disclosure.site/ja/themes/95?response_id=265#265
8. Nadeshiko Brand: The Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange select companies that made excellent efforts to promote women in the workplace as 'Nadeshiko Brands' for each of 27 industries. Companies are selected pursuant to certain scoring criteria for measuring the empowerment of women and then are screen based on a point-addition method of assessing financial performance (ROE).
9. PRIDE Index: the nation's first performance index to assess efforts about sexual minorities such as LGBTQ at work sites.
10. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

(2) Changes in the value of group assets and operating results

	Accounting Japanese Standards			IFRS	
	Fiscal Year 75	Fiscal Year 76	Fiscal Year 77	Fiscal Year 77	Fiscal Year 78 (current consolidated fiscal year)
Category	from April 1, 2018 to March 31, 2019	from April 1, 2019 to March 31, 2020	from April 1, 2020 to March 31, 2021	from April 1, 2020 to March 31, 2021	from April 1, 2021 to March 31, 2022
Net sales (¥mil)	299,029	311,554	309,685	308,426	317,600
(Breakdown)					
Services (¥mil)	210,475	222,512	218,750	218,594	228,352
(composition ratio)(%)	(70.4)	(71.4)	(70.6)	(70.9)	(71.9)
Software (¥mil)	33,877	33,943	33,287	32,341	34,089
(composition ratio) (%)	(11.3)	(10.9)	(10.7)	(10.5)	(10.7)
Hardware (¥mil)	54,677	55,098	57,647	57,490	55,158
(composition ratio) (%)	(18.3)	(17.7)	(18.6)	(18.6)	(17.4)
Operating income (¥mil)	20,622	26,139	26,724	24,624	27,425
Operating margin (%)	6.9	8.4	8.6	8.0	8.6
Profit attributable to owners of the parent (¥mil)	14,238	18,182	17,076	16,639	20,490
Basic earnings per share (¥)	141.90	181.19	170.13	165.78	204.04
Total assets (¥mil)	211,421	214,975	231,980	254,035	268,647
Total Equity (Net assets) (¥mil)	116,615	122,598	136,887	113,986	130,674
Equity attributable to owners of the parent company per share (¥mil)	114,638	120,473	134,632	112,271	128,917
Return on equity (ROE) (%)	13.1	15.5	13.4	15.5	17.0
Orders (¥mil)	304,874	315,626	322,268	324,285	326,961

(Notes)

1. The consolidated financial statements for the 78th fiscal year have been prepared in accordance with IFRS. Figures in accordance with IFRS for the 77th fiscal year are also included for reference.
2. Any fractional amount less than one million yen is disregarded.
3. Basic earnings per share is calculated by using the average number of shares outstanding during each fiscal year after deducting treasury shares therefrom, and are expressed by rounding off to two decimal places.

(3) Outline of Capital Investment

Major capital investments during the current consolidated fiscal year were made in computers for business activities and software for outsourcing.

(4) Outline of Financing

The Company Group procures working capital mainly through own funds, loans, and issuance of bonds. Furthermore, in order to ensure flexible and stable access to funds, the Group has established commitment lines totaling 10,500 million yen with major banks. There is no balance used under commitment lines as of March 31, 2022.

(5) Issues to Be Dealt with

Under the new management policy, Our group creates new value to make our society abundant and accelerates our initiatives to solve social issues, as well as delivers ICT services, and we will transform ourselves into a group of companies to create social value. We must be committed to continuously improving its corporate value.

Our group has made arrangements to further promote a sustainable business management based upon positive efforts towards ESG targets and SDGs. We established the Sustainability Committee, a decision-making body headed by the Chief Sustainability Officer (CSO) totally responsible for initiatives conducive to SDGs and the sustainability management strategy, and its subordinate organizations, the Environmental Contribution Committee and the Social Committee, about the environment as well as society and human rights in the fiscal year 2020. Thus, we attempt to enhance management and governance about our initiatives about sustainability.

Furthermore, we promote efforts to deal with ethical, legal and social issues (ELSI) occurring in connection with rapid developments of science and technology.

We promote Research & Development initiatives with responsibility through the Life Science Research Ethics Committee, an advisory board in which external experts take part. Also, we establish and implement the AI Ethics Guidelines to support us in understanding AI's positive or negative influences upon human beings and society and making appropriate responses.

We think that there are significantly many areas where we can contribute through the use of technologies to creating a sustainable society.

There are social issues that may not be easily solved by a single company such as issues related to energy management system as well as climate changes and other environmental problems. Our aim is to continuously contribute to creating a new affluent society by enabling business ecosystem innovations and new services to solve those issues.

<Business Initiatives>

- Evolve and deepen the technical capabilities and service capabilities to conducive to customers in implementing ICT strategies.

The Company identifies key areas where our group has strength, quickly deepens knowledge and expertise about customer businesses and industries, and arranges knowledge and expertise into patterns.

Furthermore, we quickly deepen engineering technologies as the source for creating value and evolve technologies to use and combine engineering technologies.

- Strengthen our clear-sighted capabilities to create customer value from the standpoint as DX partner for customers.

The Company combines crosscutting marketing activities and open innovation, strengthens efforts to create use cases based on the activities, and develops further high value-added businesses through DX initiatives for customers and industries.

We develop UI, UX and other types of products, establish improvement processes and strengthen implementation capabilities by focusing on relevant laboratories. Furthermore, the Company promotes the establishment of DX business types and platforms to enable DX quickly.

- Create markets for solving social issues and develop sustainable growth stories
The Company integrates various types of assets that we have obtained through our initiatives, and promotes activities across industries and sectors in order to promote approaches to solving even broader social issues from a viewpoint of the entire social systems. Furthermore, we promote accumulating knowledge and expertise in DX businesses to be eventually useful for solving social issues, and establishing standard processes.
- Evolve our group business management by redesigning our group value chain
The Company attempts to revisit and strengthen our group value chain from a viewpoint of value creation cycle, and promotes the redesign of group business management.
- Strengthen organization capital and human capital, and promote investment strategies
We accelerate our measures to strengthen our organization capital and human capital on the basis of our efforts to visualize the situation of employees in light of diversity and strength. Furthermore, we promote our corporate culture reforms partly through environmental contributions, diversity & inclusion initiatives, and business reforms in order to make it easy for employees to take on challenges of solving social issues. In addition, we revisit and recombine our investment portfolios pursuant to our investment strategies in order to strengthen strategic investment and business investment.

<Other Issues>

If businesses are expected to reduce economic activities and re-consider information system investments amidst the ongoing COVID 19 pandemic, the business activities of the Nihon Unisys group may be impacted, as well. The group is aware of the risk, and has been making efforts to prevent the pandemic from spreading in society. Furthermore, we have given top priority to ensuring safety for the employees, subcontractors, customers and business partners of our Group, and we have been promoting workstyle reforms mainly through teleworking. We have fully supported customers in their continuing businesses, enabling remote working, and implementing digital transformation. We will accelerate our efforts to enable a resilient society.

We need to examine and identify appropriate business strategies in order to enable a sustainable growth of our group. Furthermore, we need a robust business platform to support our business strategies.

For this, We will strengthen further its corporate governance arrangements. Also, we will stimulate awareness about managing its group companies.

We avail ourselves of a system to ensure the business appropriateness as resolved by the Board of Directors (the internal control system) in order to attempt to further instill compliance awareness, and make continuous improvements in implementing the internal control system for the entire group. This intention is to find signs of compliance violation earlier in the ever-changing circumstances around the Company partly characterized by telecommuting and further digitalized business operations.

we will continue to implement appropriate business operations.

In addition, we are aware of business risks becoming diversified as we further strengthen coordination among our group companies for business growth in future. We will furthermore develop our existing business risk management arrangements in response.

(6) Parent Company and Major Subsidiaries, etc.

(i) Relationship with Parent Company

Not applicable

(ii) Major Subsidiaries

Name of Subsidiary	Capital (¥ mil)	Percentage owned by the Company(%)	Key Businesses
UNIADEX, Ltd.	750	100	(1) Offering services and selling devices related to network system creation (2) Providing services of operating/managing computer systems and maintenance services

(7) Principal Businesses (as of March 31, 2022)

The Group provides services such as cloud computing and outsourcing; sells and leases computer systems and network systems; creates and sells software; and provides various types of system-related services

(8) Principal Offices (as of March 31, 2022)

Company Name	Office Name	Location
BIPROGY Inc.	Headquarters	Koto-ku, Tokyo
	Kansai RHQ	Osaka city
	Chubu RHQ	Nagoya city
	Kyushu RHQ	Fukuoka city
	Hokkaido RO	Sapporo city
	Tohoku RO	Sendai city
	Niigata RO	Niigata city
	Hokuriku RO	Kanazawa city
	Shizuoka RO	Shizuoka city
	Chugoku RO	Hiroshima city
UNIADEX, Ltd.	Headquarters	Koto-ku, Tokyo
	Kansai RO	Osaka city
	Chubu RO	Nagoya city
	Kyushu RO	Fukuoka city

** RHQ: Regional Headquarters

RO: Regional Office

(9) Group Employees (as of March 31, 2022)

(i) Employees of the Group

Number of Employees (persons)	Change from March 31, 2021 (persons)
8,068	+77

Category of occupation	Number of Employees (persons)
Sales representatives	1,343
System engineers	3,476
System service engineers, etc.	1,586
Staff	1,663
Total	8,068 (against 7,991 as of March 31, 2021)

(Note)

1. The Group conducts a broad range of business segments within the organization related to computer, software and other related products. Thus, the employee numbers are described by the unit of occupational category.
2. The employee numbers exclude secondees from the Group to outside the Group, and include secondees to the Group from outside.

(ii) Employees of the Company

Number of Employees (persons)	Change from March 31, 2019 (persons)	Average Age	Average Length of Service
4,451	+44	46.1	21.0

(10) Principal Sources of Borrowings (as of March 31, 2022)

Source of Borrowings	Amount of Loan (¥ mil)
Sumitomo Mitsui Banking Corporation	6,700
The Norinchukin Bank	5,000
Shinkin Central Bank	2,500

2. Matters about the Company Stock (as of March 31, 2022)

(1) Total Number of Authorized Shares:	300,000,000 shares
(2) Total Number of Shares Outstanding:	109,663,524 shares
(3) Number of Shareholders:	10,862 shareholders

(4) Major Shareholders:

Name	Number of Shares Held (Thousands of Shares)	Holding Ratio
Dai Nippon Printing Co., Ltd.	20,727	20.63%
The Master Trust Bank of Japan, Ltd. (Trust Account)	13,812	13.75%
Custody Bank of Japan, Ltd.(Trust Account)	11,902	11.84%
Mitsui & Co., Ltd.	2,448	2.43%
THE BANK OF NEW YORK MELLON 140044	2,359	2.34%
The Norinchukin Bank	2,326	2.31%
Nihon Unisys Employee Stock Ownership Plan	1,522	1.51%
GOVERNMENT OF NORWAY	1,327	1.32%
The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account, Mitsubishi Electric Corporation, Limited Account)	1,271	1.26%
STATE STREET BANK AND TRUST COMPANY 505223	1,265	1.26%

(Note)

1. Numbers of shares less than one thousand has been omitted
2. The Company retains 9,217,006 treasury shares without voting rights. Thus, they are excluded from the major shareholder list above.
3. The ratios are calculated by deducting treasury shares and expressed by rounding down to two decimal places.

(5) Status of shares issued to officers of the Company as remuneration for execution of duties in the fiscal year

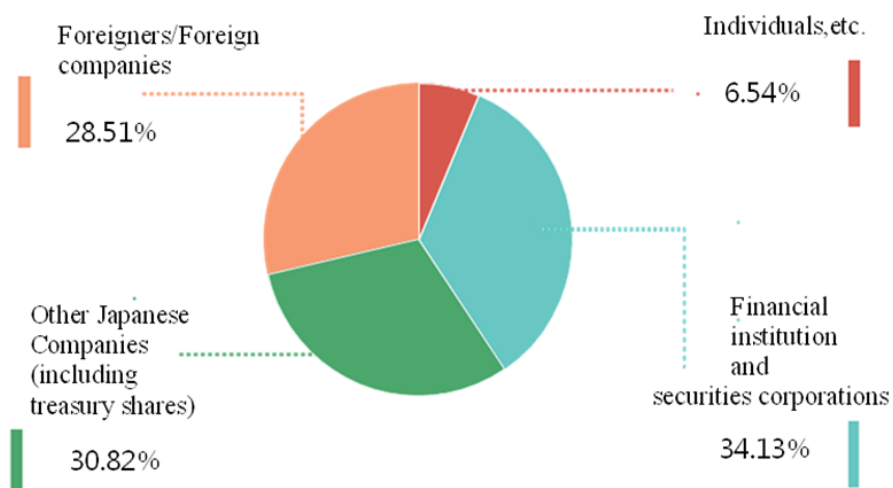
	Number of Shares (shares)	Number of officers to whom shares were issued (persons)
Directors (excluding outside directors)	14,100	4
Outside directors	0	0
Auditors	0	0

(Note) Contents of the stock remuneration of the Company are described in pages 41 to 46.

(6) Other Material Matters regarding Shares

None

Ratio of shareholding by



<Reference> Cross-Shareholdings

(1) Policy related to 'Cross-Shareholdings'

The Company may sometimes hold stocks of its business partners, if they are found to contribute to the enhancement of the Company's corporate value, such as leading to the expansion of its revenue base through maintaining or strengthening relationships with such business partners.

The Company acquires such stocks after adjudicating the appropriateness of acquiring them pursuant to its internal regulations. After acquiring the stocks, the Company's Board of Directors annually examines the appropriateness of holding such stocks, and the Company has been reducing the number of such stocks.

As a result, although the total value of listed stocks on the balance sheet at the end of fiscal year 2021 increased from the end of the previous fiscal year due to an increase in the market value of some stocks, the number of stocks held decreased by 3 stocks from the end of the previous fiscal year to 24 stocks.

The Company aims to reduce the total amount of cross-shareholdings indicated in the balance sheet to less than 10% of the Total Equity in the future.

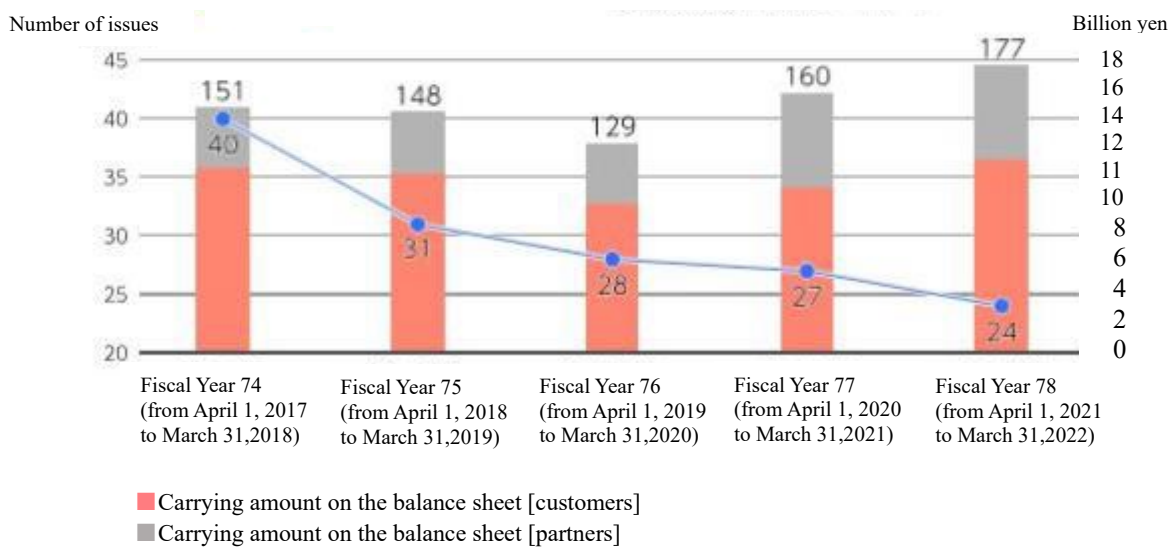
(2) Contents Examined by the Board of Directors

The Company reviews the appropriateness of each and every listed stock that it holds at Board of Directors meetings by taking into consideration purposes for holding, consistency with its business strategies and business related profits, etc.

(3) Responses to indications to sell the Company's shares by cross-shareholders

When cross-shareholders that hold the Company's shares indicate their intention to sell the Company's shares, the Company will never prevent them from selling them. It will appropriately respond to their indication of sales.

Number of issues of Listed Companies Held by the Company Not for Purely Investment Purpose



3. Details about the Company's Officers

(1) Company Officers (as of March 31, 2022)

Title	Name	Principal Positions and Significant Concurrent Position(s) Held in Other Organizations
Representative Director, President	Akiyoshi Hiraoka	CEO (Chief Executive Officer) CHO (Chief Health Officer) In charge: Entirety of the Company, Group Internal Audit
Representative Director, Executive Corporate Officer	Noboru Saito	CMO (Chief Marketing Officer) In charge: Business Innovation Division, DX Promotion Division, Business Innovation Operations, Regional Headquarters and Regional Offices
Director, Executive Corporate Officer	Koji Katsuya	CSO (Chief Sustainability Officer) In charge: Corporate Planning, Business Management, Procurement Management, Human Resources & Organization Development, Quality Management & Assurance, Group companies
Director, Senior Corporate Officer	Kazuo Nagai	In charge: Incubation Division, BizDevOps Division, Technology Research & Innovation
Director	Takahito Kanazawa	Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division, Dai Nippon Printing Co., Ltd.
Director	Go Kawada	Outside Director, Audit and Supervisory Committee Member, DAIREI CO., LTD.
Director	Ayako Sonoda	Representative Director, Cre-en Incorporated Secretary-General, Sustainability Forum Japan (Specified Nonprofit Corporation) Director, Japan Sustainability Investment Forum (Specified Nonprofit Corporation) Representative Director, Mirai RITA Foundation (public interest incorporated foundation)
Director	Chie Sato	Member of the Committee of Certified Evaluation and Accreditation for Management and Professional Graduate Schools Member The Japan University Accreditation Association, JUAA (public interest incorporated foundation) TBS Television Program Council Member
Director	Nalin Advani	Venture investor Investment and Management Strategy Advisor entomo pte ltd Co-Founder

Full-Time Auditor	Yuji Teranishi	
Full-Time Auditor	Masaya Oishi	
Auditor	Hirofumi Hashimoto	Senior Corporate Officer in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Sanai-cho Sales Dept., Dai Nippon Printing Co., Ltd.
Auditor	Harumi Kojo	Partner for Sakurazaka Law Offices Auditor, Organization for Cross-regional Coordination of Transmission Operators, JAPAN
Auditor	Keiko Mizuguchi	Counselor in charge of Research and Planning, Japan Credit Rating Agency, Ltd. Commissioner of Certified Public Accountants and Auditing Oversight Board Member of Business Accounting Council / Member of Audit Standard Committee of Business Accounting Council Member of Technical Committee: Insurance Contracts (From June 2013 to March 2022), Member of Technical Committee: Financial Instruments (From May 2015 to March 2022), and Member of Technical Committee: Disclosure (From April 2017 to March 2022) of Accounting Standards Board of Japan Member of Working Group on Development of Infrastructure to Vitalize the Corporate Bond Market, The Japan Securities Dealers Association

(Note)

1. Mr. Go Kawada, Ms. Ayako Sonoda, Ms. Chie Sato and Mr. Nalin Advani are Outside Directors.
2. Mr. Masaya Oishi, Ms. Harumi Kojo, and Ms. Keiko Mizuguchi are Outside Auditors.
3. The Company has submitted a notification with Tokyo Stock Exchange designating Directors Mr. Go Kawada, Ms. Ayako Sonoda, Ms. Chie Sato and Mr. Nalin Advani as Independent Directors.
4. The Company has submitted a notification with Tokyo Stock Exchange designating Auditors Mr. Masaya Oishi, Ms. Harumi Kojo and Ms. Keiko Mizuguchi as Independent Officers.
5. Dai Nippon Printing, Co., Ltd. is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract.
6. The Company paid Ms. Chie Sato a lecture fee for her presentation at a seminar hosted by the Company in the most recent fiscal year. The amount paid by the Company to Ms. Sato is insignificant at 550,000 yen.
7. Mr. Yuji Teranishi has considerable expertise in finance and accounting due to his long dedication in financial and accounting operations for the Company and serving as General Manager of Accounting and Business Accounting of the Company.
8. Mr. Masaya Oishi has considerable expertise in finance and accounting due to his long dedication in the financial institutions operations.
9. Mr Hirofumi Hashimoto has considerable expertise in finance and accounting as evidenced in his serving as a Finance Manager for an overseas subsidiary of Dai Nippon Printing, Co., Ltd.
10. Ms. Keiko Mizuguchi has considerable expertise in finance and accounting due to her dedication through the financial institutions and the rating firm as well as the Certified Public Accountants and Auditing Oversight Board as a member for many years.
11. Mr. Etsuo Uchiyama resigned as an Audit & Supervisory Board Member of the Company at the conclusion of the Ordinary General Meeting of Shareholders held on June 25, 2021.

12. Other than the above, there is no special interest between the organizations at which Outside Directors and Auditors are concurrently posted and the Company.

* The Company has introduced a system of Corporate Officers (for shikkoyakuin and gyomu-shikkoyakuin). The Corporate Officers except Directors as of March 31, 2022 are listed below.

Title	Name	Position and Responsibility
Senior Corporate Officer	Hirokazu Konishi	Responsibility: Group Marketing, Technical Marketing & Design Planning, Corporate Communications,
Senior Corporate Officer	Kazuma Umehara	CFO (Chief Financial Officer) Responsibility: Finance, Accounting, Business Accounting, Legal Division
Senior Corporate Officer	Yasuhide Hatta	Project Manager, Strategic Alliance Responsibility: Strategic Alliance
Senior Corporate Officer	Takashi Sasaki	CDO (Chief Digital Officer) Responsibility: Business Service Division Business Service Operations
Corporate Officer	Hiroki Hyodo	General Manager, Kansai Regional Headquarters
Corporate Officer	Mitsuru Tamura	CCO (Chief Compliance Officer) Responsibility: Legal Division
Corporate Officer	Yuichiro Fukuda	General Manager, DXN Business Incubation Responsibility: DXN Business Incubation
Corporate Officer	Tetsuya Fujito	Responsibility: Group Marketing, Technical Marketing & Design Planning, Corporate Communications,
Corporate Officer	Kumiko Shirai	Responsibility: Global Business Division
Corporate Officer	Ken Tanaka	Responsibility: LOB-Financial Industries, LOB-Community Banking Industry, LOB-Regional Banking Industry
Corporate Officer	Naoshi Nagashima	Responsibility: Service Innovation, Public Utility & Social Services, Transportation & Logistics
Corporate Officer	Yuji Takeuchi	General Manager, Chubu Regional Headquarters
Corporate Officer	Naoya Okuyama	Responsibility: Manufacturing Business Services 1, Manufacturing Business Services 2
Corporate Officer	Hideki Moriguchi	General Manager, Business Development Initiative 1 Responsibility: Business Development Initiative 1
Corporate Officer	Isao Miyata	Responsibility: Financial Business Services 1, Financial Business Services 2, Financial Business Services 3, Financial Solution Services, OptBAE Project
Corporate Officer	Takashi Miyashita	CISO (Chief Information Security Officer), Responsibility: Procurement Management, Human Resources & Organization Development, Quality Management & Assurance
Corporate Officer	Susumu Ogino	Responsibility: Commerce Business Services 1, Commerce Business Services 2, DXT Project
Corporate Officer	Sadayuki Baba	General Manager, Business Process Outsourcing Services Responsibility: Business Process Outsourcing Services, Platform Services, Support Services,
Corporate Officer	Takeshi Takai	Responsibility: Social & Public Business Services 1, Social & Public Business Services 2 Solution Services, JP Project
Corporate Officer	Atsushi Tsubouchi	CIO (Chief Information Officer) General Manager, Information Systems Services Responsibility: Information Systems Services
Corporate Officer	Shinsuke Chiba	General Manager, Business Development Initiative 2 Responsibility: Business Development Initiative 2

Title	Name	Position and Responsibility
Corporate Officer	Hideaki Sato	Responsibility: Commerce 1, Commerce 2, Manufacturing 1, Manufacturing 2
Corporate Officer	Taeko Sawakami	CRMO (Chief Risk Management Officer) General Manager, Corporate Planning Responsibility: Corporate Planning, Business Management

(2) Overview of Liability Limitation Agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with each non-executive Director and Auditor to limit their liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act.

The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated in the laws and regulations. The limitation of liability is applicable only when they conduct their duties in good faith and without gross negligence.

(3) Summary of the Contents of Indemnity Agreement

The Company has entered into an indemnity agreement with the Directors of the Company: Mr. Akiyoshi Hiraoka, Mr. Noboru Saito, Mr. Koji Katsuya, Mr. Kazuo Nagai, Mr. Takahito Kanazawa, Mr. Go Kawada, Ms. Ayako Sonoda, Ms. Chie Sato, and Mr. Nalin Advani, as well as the Auditors of the Company: Mr. Yuji Teranishi, Mr. Masaya Oishi, Mr. Hirofumi Hashimoto, Ms. Harumi Kojo, and Ms. Keiko Mizuguchi. Pursuant to the indemnity agreement, the Company will provide each of them with compensation for expenses in Article 430-2, Paragraph 1, Item 1 of the Companies Act and for losses in Item 2 of the same paragraph within the limits stipulated by laws and regulations.

(4) Overview of Directors and Officers Liability Insurance Contracts

The Company has entered a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insured subjects are Directors, Auditors and Corporate Officers of the Company. The company pays total insurance premiums.

The insurance agreement covers damage and litigation expenses that may be incurred by the insured persons as a result of a third party lodging a damage claim or shareholders' derivative lawsuit about their business executions as a Director, an Auditor or a Corporate Officer.

However, the case where the insured persons committed criminal acts such as bribery and committed illegal acts intentionally shall not be compensated.

(5) Remunerations for Directors and Auditors

1 Method to decide policies for deciding remunerations for Officers and the contents of the policies

a. Method to decide policies for deciding remunerations for each individual Directors and the contents of the policies

Executive Directors are paid a) fixed remuneration (a monthly salary), b) bonus linked to short-term business performance, and c) restricted stock as remuneration linked to medium- to-long-term business performance in a ratio of 4:4:2. (This ratio is predicated upon the assumption that short-term performance targets are fully attained, and stock remuneration conditions are fully met in the final fiscal year of the evaluation period of stock remuneration.) Non-executive Directors such as Outside Directors are paid only a fixed monthly salary that is not linked to performance. The policies for deciding remunerations for Directors are approved by the Board of Directors after deliberation by the Nomination and Remuneration Committee, advisory committee for the Board of Directors.

(Reference) Rations of Remuneration Types

	Fixed		Linked to performance						
	Monthly remuneration	Bonus (linked to short-term performance)	Restricted stock remuneration						
			(i) tenure condition	KPI conditions (ii) mid-long term performance target,	(iii)ESG targets (linked to long-term performance)				
Composition Ratio	4	:	4	:	1	:	1/3	:	2/3

b. Method to Decide a Policy for Deciding Remunerations for Auditors and the Contents of the Policy

Remuneration paid to Auditors are not linked to business performance in order to ensure the effectiveness of auditing from an independent perspective. A fixed monthly remuneration alone is paid to Auditors.

The policy for deciding remuneration paid to Auditors is decided through discussions among Auditors after deliberation by the Nomination and Remuneration Committee.

2 Bonuses Linked to Business Performance

The Company pays bonuses linked to short-term business performance and restricted stock as remuneration linked to medium-to-long-term business performance to Executive Directors, as indicated below.

a. Bonuses Linked to Short-term Business Performance

- The total bonus amount shall be within the range of ¥400 million as approved at the 77th Ordinary General Meeting of Shareholders. The total bonus amount is decided by the Board of Directors in accordance with a standard coefficient corresponding to Profit Attributable to Owners of the Parent and base amounts by managerial position decided by the Nomination and Remuneration Committee.

Note that in an event where Profit Attributable to Owners of the Parent is a loss (negative), no bonus is paid.

In a case where it is less than ¥5 billion, base amounts by managerial position are only paid.

If it is ¥5 billion or more, a base amount is paid together with an amount resulted from multiplying a base amount by a standard coefficient decided by the Nomination and Remuneration Committee.

A standard coefficient shall not exceed 0.5% for the time being.

< Standard Coefficients >

Profit Attributable to Owners of the Parent	Standard Coefficients
Less than ¥5.0 billion	0%
¥5.0 billion or more and less than ¥10.0 billion	0.2%
¥10.0 billion or more and less than ¥15.0 billion	0.3%
¥15.0 billion or more and less than ¥20.0 billion	0.4%
¥20.0 billion or more	0.5%

A bonus amount for each of Executive Directors shall be calculated by using standard coefficients corresponding to managerial positions decided by the Nomination and Remuneration Committee on the basis of the total bonus amount for Directors given in (i) above. It shall be paid in June in principle.

The Company uses Profit Attributable to Owners of the Parent as the indicator in order to clarify responsibilities of Executive Directors for short-term business performances.

<Achievements for Bonus Linked to Business Performance Indicator>

As the actual result of Profit Attributable to Owners of the Parent for the fiscal year ended March 2022 was ¥20.4 billion, the Company paid a total amount of ¥126 million as the bonus calculated by using a standard coefficient of 0.5% as well as base amounts by managerial position.

The total bonus amount is below the maximum limit of ¥400 million per year as resolved at the General Meeting of Shareholders.

b. Remuneration for Restricted Stock Linked to Medium-to-Long-term Business Performance

• Executive Directors shall receive the Company's common shares that will be issued or disposed of by the Company, within ¥200 million per year or 66,000 shares per year as approved at the 77th Ordinary General Meeting of Shareholders.

The Company shall calculate the number of shares to be allotted to each Executive Director by multiplying the total bonus amount given above with standard coefficients decided by the Nomination and Remuneration Committee which correspond to managerial positions. The Company shall allot the restricted shares as remuneration to each Executive Director in June every year in principle.

Executive Directors shall be prohibited from transferring or assigning the allotted shares to the extent that they remain in the positions prescribed by the Board of Directors of the Company.

The allotted shares consist of those conditional upon ① a certain term of service (tenure condition) and ② achievements of business performance targets and achievements in light of KPIs such as ESG indicators within a certain period (medium-to-long-term / long-term performance conditions). The number of restricted shares subject to restriction release depends upon achievement degrees of these conditions.

The number of restricted shares subject to restriction release as indicated in ② above is decided in accordance with a business performance target achievement degree which is measured by a ratio of Total Shareholder Return related to the Company's stock to TOPIX growth rate, and achievement degrees of targets (KPIs) about key issues (Materiality) in light of ESG indicators to be worked on in order to accomplish Vision 2030 of the Company.

The tenure condition referred to in ① above for the allotted shares assigned in the period ending March 2022 shall be to continue to be in service immediately before the conclusion of the Ordinary General Meeting of Shareholders to be held in the year 2022. The medium-to-long term / long-term business performance conditions referred to in ② above shall be to lift transfer restrictions in accordance with achievement degrees as of March 31, 2024.

- The Company shall, as a matter of course, acquire the allotted shares without compensation which are not released from the transfer restrictions due to unsatisfied conditions. The same shall be applicable in an event where Executive Directors commit actions in violation of laws.

The tenure condition referred to in ① above is designed to attempt to share common awareness and value with shareholders through shareholding. The conditions referred to in ② are set in light of: performance indicators that should be linked to medium-to-long term business performances; TOPIX-comparison ratio used to measure the Company's achievement degree in improving corporate value independently of the entire market influences; and ESG indicators from the viewpoint of attaining critical targets that the Company should work on.

③ Non-monetary Remunerations

The Company pays to Executive Directors non-monetary remunerations that are restricted shares as remuneration, as summarized in ② b.

④ Dates of General Meetings of Shareholders that Resolved Remunerations for Directors, and Contents of the Resolutions

a. It was resolved at the 49th Ordinary General Meeting of Shareholders held on June 25, 1993 that the total monthly remuneration amount for directors is within ¥35 million per month. The number of Directors subject in the resolution is 31.

b. A revision to a resolution about bonus linked to business performance was resolved at the 77th Ordinary General Meeting of Shareholders held on June 25, 2021. Pursuant to the revision, the total amount of bonus linked to business performance is limited to ¥400 million per year, and a specific total payment amount is decided by the Board of Directors using a standard coefficient (which is 0.5% max. for the time being) in accordance with Profit Attributable to Owners of the Parent and base amounts by managerial position decided by the Nomination and Remuneration Committee. The number of Directors subject in the resolution is four.

c. It was resolved at the 77th Ordinary General Meeting of Shareholders held on June 25, 2021 that the total monetary claims paid to Executive Directors of the Company as remunerations for granting restricted stock should be within ¥200 million per year, and the total number of the Company's common shares to be issued to or be disposed for executive directors of the Company should be within 66,000 shares per year. The number of Directors subject in the resolution is four.

d. It was resolved at the 62nd Ordinary General Meeting of Shareholders of June 22, 2006 that the total monthly remuneration amount for Auditors is within ¥8 million per month. The number of Auditors subject in the resolution is three.

⑤ Directors or a Third Party Authorized to Decide Contents of Remunerations for Individual Directors

The Company assigns through delegation the Nomination and Remuneration Committee (chaired by an Independent Outside Director and composed of four Directors including two Independent Outside Directors) to decide contents of remunerations for individual Directors in order to reflect objective and fair opinions and views outside of the Company.

The Nomination and Remuneration Committee decides contents of remunerations of individual Directors that do not exceed an upper limit resolved at a General Meeting of Shareholders, pursuant to the decision policies stated in ① above.

The attendance of Independent Outside Director and the unanimous approval of all attending members, including the attending Independent Outside Director, are required in order to adopt resolutions by the Nomination and Remuneration Committee.

(Members of the Nomination and Remuneration Committee)

Go Kawada (Chairperson/Independent Outside Director) ,

Akiyoshi Hiraoka (Inside Director) ,

Ayako Sonoda (Independent Outside Director) ,

Noboru Saito (Inside Director)

The position and role of the members are described in the (1) Details about the Company's Officers.

⑥ Total amount of remunerations by officer category, total amount by remuneration type, etc.

a. Total amount of remunerations by officer category, total amount by remuneration type, and subject officers

Category of Officer	Total amount of remuneration (million Yen)	Total amount by remuneration type (million Yen)			Number of Subject officers
		(a)Fixed remuneration	(b)Bonus	(c) Restricted stock remuneration	
Directors	362	211	126	24	10
Auditors	74	74	—	—	7
Total (Outside Officers)	436 (71)	286 (71)	126 (—)	24 (—)	17 (9)

(Notes)

1. 1. Any fractional amount less than one million yen is disregarded.
2. A Non-executive Director is not eligible for bonus and stock remuneration.
3. Outside Directors and Outside Auditors are not eligible for bonus and stock remuneration.
4. The stock remuneration figures in the table above indicate the amounts recorded as costs for the fiscal year under review in the costs about restricted stock as remuneration granted to four executive directors.
5. The officer retirement benefit plan was cancelled as of June 30, 2006 as resolved at a meeting of Board of Directors convened on April 28, 2006.
6. The table above includes remunerations for one Director and two Auditors who retired at the conclusion of the 77th Ordinary General Meeting of shareholders held on June 25, 2021.

b. Reasons why the Board of Directors adjudicated that the remunerations for individual directors for this fiscal year comply with the decision policies stated in ①a. above

As indicated in the table 6 a above, pursuant to the decision policies described in ①a above, remuneration for Executive Directors consists of: (a) fixed remuneration, (b) bonuses linked to short-term business performance, and (c) restricted stock as remuneration linked to medium-to-

long term business performance.

Fixed remunerations are paid to Non-executive Directors.

Furthermore, the Nomination and Remuneration Committee (partly composed of Independent Outside Directors taking part in preparing the decision policies) unanimously decided the contents of remunerations for individual Directors after deliberating from diversified perspectives including integrity with the policies. Thus, the Board of Directors adjudicates that contents of the decision comply with the decision policies.

(6) Matters regarding Outside Officers

(i) The situation of significant concurrent positions and relationships with the Company are stated in (1) 'Company Officers.

(ii) Major Activities of Outside Officers

● Director Go Kawada

Mr. Kawada attended all 11 Board of Directors meetings held during the business year under review, and actively expressed opinions in light of risk management, utilizing his extensive experience as Outside Director highly specialized knowledge and expertise in the fields of taxation and accounting.

Mr. Kawada chairs the Nomination and Remuneration Committee. He attended all the meetings of the committee. Mr. Kawada actively expressed opinions from an objective and fair viewpoint as outside director. He plays the material role in the deliberations and reports about the personnel and remuneration matters of the Company officers.

● Director Ayako Sonoda

Ms. Sonoda attended all 11 Board of Directors meetings held during the business year under review, and actively asked questions and expressed opinions from diversified viewpoints about diversity management and ESG issues such as the environment. Ms. Sonoda's diversified viewpoints are based on her experiences in supporting many companies in the fields of CSR, SDGs, and environmental management, as well as experience in promoting women in work activities. She plays an important role for giving advice for and supervising the management of the Company.

Ms. Sonoda is a member of the Nomination and Remuneration Committee. She attended all the meetings of the committee. She actively expressed opinions from an objective and fair viewpoint as outside director. Ms. Sonoda plays the material role in the deliberations and reports about the personnel and remuneration matters of the Company officers.

● Director Chie Sato

Ms. Sato attended all 11 Board of Directors meetings held during the business year under review, and actively asked questions and expressed opinions based on her abundant business experience and expertise gained through serving the Boston Consulting Group as a management strategy consultant and being an author of many books on U.S. business schools.

She gave advice for and raised issues about the Company's business model transformation from the viewpoint of risk management based on the understandings of global situations.

● Director Nalin Advani

Mr. Advani attended all 9 Board of Directors meetings held after his assuming office on June 25, 2021.

Mr. Advani actively asked questions and expressed opinions in light of business management and investment, based on technical expertise about AI and robots and extensive knowledge of global business through experience managing and investing in technology companies mainly in Japan, Singapore and India. He mainly gave advice for and raised issues about the investment strategies and business model transformation of the Company from the viewpoint of the understandings of global situations.

- Auditor Masaya Oishi

Mr. Oishi attended all 9 Board of Directors meetings and all 11 Audit & Supervisory Board meetings after his assuming office on June 25, 2021.

He appropriately asked questions and expressed opinions, based on his business experience at financial institutions for many years, considerable expertise in finance and accounting and broad knowledge about the IT field. He appropriately audits the entire management of the Company as full-time auditor.

- Auditor Harumi Kojo

Ms. Kojo attended 11 of the 15 Board of Directors meetings and all 16 Audit & Supervisory Board meetings held during the business year under review, and appropriately asked questions and expressed opinions based on her extensive legal knowledge and experience as an attorney and judge. She audits the business execution situations of directors from an independent viewpoint as outside auditor.

- Auditor Keiko Mizuguchi

Ms. Mizuguchi attended all 9 Board of Directors meetings and all 11 Audit & Supervisory Board meetings after her assuming office on June 25, 2021. She appropriately asked questions and expressed opinions based on abundant knowledge and experience about finance, corporate accounting, governance and disclosure that she accumulated through serving financial institutions and a rating firm as well as Certified Public Accountants and Auditing Oversight Board as a member. She audits the business execution situations of directors from an independent viewpoint as outside auditor.

4. Details about Accounting Auditor

(1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Compensation, etc. Paid to Accounting Auditor

(i) Total compensation paid by the Company to its Accounting Auditor relating to the business year under review	¥93 million
(ii) Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to the Accounting Auditor	¥131 million

(Note)

1. The Company has not drawn any distinction between the compensation for the audit services pursuant to the Companies Act and that pursuant to the Financial Instruments and Exchange Act of Japan in the audit agreement with the Accounting Auditor. It is not practically possible to categorize the amounts. Thus, the amount listed in (i) above indicates the aggregated of those amounts.
2. The Company has paid the compensation to the Accounting Auditor for the consultation services, etc. pertaining to financial information disclosure, being services falling outside the services of Article 2, Paragraph 1 of the Certified Accountants Act.
3. The Audit & Supervisory Board of the Company deliberated on the compensation for the Accounting Auditor, Deloitte Touche Tohmatsu LLC, for their audit services pertaining to the 78th fiscal year, pursuant to Article 399, Paragraph 1 and Paragraph 2 of the Companies Act. As a result, the Audit & Supervisory Board recognized the reasonability of: an estimate vs. actual amount comparison of the audit compensation of the previous period; the plan of audit time and personnel assignment and a compensation estimate for the audit plan of this period; as well as the subsequent amount and ratio of change in the audit compensation amount as compared with the previous fiscal year on the basis of considerations of the above.
4. Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to member firms of the same network as the Accounting Auditor of the Company, is ¥77 million (excluding the amount paid to the Accounting Auditor of the Company) mainly for their financial advisory works.

(3) Policy for Decisions on Dismissal or Refusal of Reappointment of Accounting Auditor

- (i) If the Audit & Supervisory Board has judged that dismissal or refusal of reappointment of Accounting Auditor is appropriate due to the duty execution status of the Accounting Auditor, the Audit & Supervisory Board then requests the Board of Directors to submit an proposal calling for the ‘dismissal or refusal of reappointment of the Accounting Auditor’ and the ‘appointment of an Accounting Auditor’ to the General Meeting of Shareholders after deciding on the contents of the proposal. The Board of Directors then submits the proposal to the General Meeting of Shareholders.
- (ii) If the Accounting Auditor is deemed to fall under the items of Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board may dismiss the Accounting Auditor pursuant to the consent from all members of the Audit & Supervisory Board.

(An extract from the website of the Company)

Necessary Systems to Ensure Appropriate Operations and Status of Operation of the Systems

The ‘Necessary Systems to Ensure Appropriate Operations and Status of Operations of the System’ (in Japanese) can be found via the following link on the website of the Company.

<https://pr.biprogy.com/invest-j/stock/meeting.html>

An outline of the status of operation of the systems to ensure appropriateness of business for the fiscal year under review is as follows.

1. Systems to Ensure the Performance of Duties of Directors and Employees Complies with Laws and Regulations, and the Articles of Incorporation

< Basic Framework for Heightening Compliance Awareness >

- The BIPROGY Group has established a Compliance Committee headed by the Chief Compliance Officer (CCO) as the chairperson and has made efforts to help the officers and employees of the Group increase knowledge and heighten awareness of compliance by proactively deploying compliance programs for the entire group through this Committee.

Furthermore, the Group set up, internally and externally, direct reporting and consulting routes (‘hotlines’) to the Compliance Committee Secretariat and auditors which can be used anonymously or under registration, and it has taken strict measures to prevent hotline users from suffering any form of disadvantage. The Group has made immediate and appropriate responses in the event of receiving whistleblowing reports and detecting compliance violations through imposing strict sanctions against offenders and taking preventive measures against recurrence based on the identification of the true cause. These activities are reported to the Executive Council and the Board of Directors.

- The Company revised some of the detailed regulations for the Code of Conduct based upon changes in the internal and external environments about compliance in recent years.
- In the fiscal year 2021, the Group made efforts to promote the compliance regarding the intellectual property rights, such as activities to inspect appropriate uses of software products as the Group did in the previous fiscal year.

< Appropriate Financial Report >

- The Group established its ‘Basic Policy for Appropriate Financial Reporting of the Nihon Unisys Group’ in order to ensure the accuracy and credibility of its financial reporting, and has made appropriate financial reports pursuant to the policy.

< Action against Anti-social Forces >

- The Group has a strong willingness to refuse transactions with anti-social forces and for that purpose developed business partner screening systems and cooperation with external institutions.

< Election of Outside Directors >

- The Company elects four (4) Outside Directors that constitute more than one third of all directors in order to strengthen the supervisory function of the Board of Directors. The Company aims to have Outside Directors and Outside Auditors appropriately fulfill their roles and functions. For this aim, it held web conferences for Non-executive Directors and Auditors (including Outside Directors and Outside Auditors) to exchange views, without actual visits and inspections of business facilities amidst of the COVID-19 pandemic, with managers of the regional headquarters, and with female general managers, respectively. Moreover, the Company held web meetings where Independent Outside Directors can exchange views amongst themselves. In addition, the Company provides training for all

directors and auditors including Outside Directors and Outside Auditors.
(The training subjects for the fiscal year 2021 were corporate governance, the latest trends of technology, and information securities, etc.)

< Audit by Auditors >

- The Company has audits performed by its corporate auditors from the viewpoints of its key audit items that were decided based on the corporate auditor's audit results in the fiscal 2020 and changes in the internal and external environments in the fiscal 2021.

2. Systems to Store and Control Information related to Duties Performed by Directors

- The Company established its internal rules for information management such as the rules for storing and managing documents and the manuals for handling confidential information in order to manage information storage periods and locations and so forth.
- Information on the execution of duties by directors is appropriately stored and managed. The Company has developed and implemented systems to enable information to be provided at any time in response to requests from directors and auditors.

3. Regulations and Systems related to Management of Risk of Loss

- Through establishing a Risk Management Committee headed by the Chief Risk Management Officer (CRMO) as the chairperson, pursuant to internal rules, the Company has managed group-wide risks in a centralized manner, has reviewed risk management items as appropriate, taking measures to deal with risks that may have significant impacts on business management.
- The Company has identified as key measures for the mid-and long-term risk management strategies: strengthening group-wide risk management capabilities and improving risk management capabilities of group officers and employees.
- The Project Review Committee and the R&D Investment Committee, in which the management-level personnel participate, review the risks of critical projects.
- The Information Security Committee, chaired by the Chief Information Security Officer (CISO), has been established, which formulates cyber security strategies and implements the appropriate management of information assets.
- The Company has developed systems and plans that enable it to ensure business continuity smoothly and seamlessly in an emergency through a 'Business Continuity Project (BCP)' working group headed by a CRMO.
- We have continued to improve risk management system and business continuity plan in the fiscal year 2021 and have strengthened cybersecurity measures based upon our awareness of the ongoing COVID-19 pandemic spreads and new workstyles (teleworking).
- The CRMO reports to the Executive Council and the Board of Directors on activities performed by the Risk Management Committee, the Information Security Committee, and the Business Continuity Project (BCP).

4. Systems to Ensure Efficient Execution of Duties by Directors

- The Company has adopted the Corporate Officer System (compose of Corporate Officers etc., concurrently serving as Director) in order to separate management supervision from management execution and to execute business promptly.
- The Company has established the Executive Council (consisting of Senior Corporate Officers and other higher-level personnel) as a decision-making body for deciding important matters in business execution.
- The Company established various specialized advisory committees in order to help the

Company deliberate individual management issues from a practical point of view.

- The Company has further promoted the efforts to work on SDGs management and ESG management for the entire Group under the involvement of the Sustainability Committee, the Social Committee, and the Environmental Contribution Committee, which were newly established in the fiscal year 2020.
- The Company operates a decision system (pursuant to rules about items subject to managerial decision and decision levels) to make decisions on matters beyond the authority of a head of a department.
- The Company formulated 'Management Policies (2021-2023)' for the three years from the fiscal year 2021. The Company regularly reviews the progress at the Board of Directors.

5. Necessary Systems to Ensure Appropriate Operations in the Company and the Group

< Framework for Group Company Management >

- The Company has made attempts to improve the efficiency of its business management and unify its management philosophies among the Company and its group companies through a department assigned to help the Company supervise each group company pursuant to the regulations for managing affiliated companies.
- A manager for the supervising department of each group company has created and maintained appropriate consolidated management systems with the help of seconded executives and in cooperation with related back-office departments, and has developed and operated internal control systems and managed risks.
- While work style reforms such as the teleworking are progressing, it has become difficult to detect signs of compliance violations due to the decrease in face-to-face communication opportunities.

The Company has developed and is operating an internal control system that makes it difficult for fraud to occur, including segregation of duties, and the Company regularly monitors its operation status through audits by Auditors of group companies and audits by the Group Internal Audit Division, thereby detecting problems at an early stage and continuously improving the internal control system.

< Group Compliance Systems >

- The Company has established a hotline that can be used by officers and employees of the group including seconded personnel and dispatched workers, and has implemented compliance programs for the entire group. The Company established a dedicated hotline and began operation at its subsidiary in Vietnam in the fiscal year 2019.
The Company is striving to detect compliance risks more frequently by increasing the frequency of compliance awareness surveys to twice a year amidst the ongoing reform of work styles, including the teleworking.
In addition, the group has made efforts to increase compliance awareness among the entire group partly by enabling CCOs of the group companies to share compliance cases and measures to prevent at round-table talks.
- In addition to periodic messages from the CCO, the Company implements a variety of initiatives, including the enhancement of related internal rules and guidebooks, as well as education, training, and awareness-raising for officers and employees of the Group, to ensure that they have firm awareness of compliance.
- When violations of laws and regulations or internal rules are revealed at each group company, the Company promptly takes corrective measures and measures to prevent recurrence. The Company also verifies that those measures are functioning properly and take additional corrective actions as necessary.

< Internal Audit for the Company and the Group Companies >

- Based on internal audit plans, the Company conducts audits of its major subsidiaries, points out areas for improvements, and reports on audits at the Executive Council and the Board of Directors.

6. Matters related to Employees Assigned to Assist Auditors, the Independence of Such Employees from Directors, and Ensuring the Effectiveness of Auditors' Directions to Such Employees

- The Company has established the Auditor's Office as a body to help auditors perform duties. It has assigned an appropriate number of employees including a manager dedicated to the Office.

7. Systems pertaining to Reports to Auditors and Systems to Ensure Effective Audit Performances by Auditors

< Systems pertaining to Reports to Auditors (Audit & Supervisory Board) >

- The Audit & Supervisory Board collects an "Execution Confirmation" document from each director. In the event that a fact that may significantly damage the Company is detected, the Board confirms with each director as to whether the fact was reported to the auditors (Audit & Supervisory Board) immediately.
- The Audit & Supervisory Board has established an auditor hotline as a direct reporting and consulting route to auditors. The Board has also prohibited practices that may disadvantage hotline users.

< Other Systems to Ensure Effective Auditing by Auditors >

- Auditors participate in important meetings mainly of the Board of Directors and the Executive Council. The Company has material documents such as documents for requesting managerial decisions sent over to the auditors.
- Auditors have conducted interviews with the President & CEO as well as other directors and key employees as needed.
- The Audit & Supervisory Board meets quarterly with the Accounting Auditor and the Internal Audit Division to exchange views about risk management situations and key audit items as well as confirm results of reviews by certified public accountants and the Auditing Oversight Board.
- Full-time auditors share information and exchange views as needed with the Group Internal Audit Division.
- Auditors audit the group companies on site visits as needed, and share information at quarterly liaison meetings with auditors of key group companies in order to check the status of management and control in group companies.

Audit Report

Accounting Auditor's Report on the Consolidated Financial Statements

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 13, 2022

To the Board of Directors of
BIPROGY Inc.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Yoshiki Okutsu [seal]

Designated Engagement Partner,
Certified Public Accountant: Hajime Yoshizaki [seal]

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of BIPROGY Inc.(formerly Nihon Unisys, Ltd.)and its consolidated subsidiaries (the "Group"), namely, the consolidated statements of financial position as of March 31, 2022, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from April 1, 2021 to March 31, 2022, and the related notes.

In our opinion, the accompanying consolidated financial statements, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022, and its consolidated financial performance for the year then ended.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and

we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

Accounting Auditor's Report on the Financial Statements

(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

May 13, 2022

To the Board of Directors of
BIPROGY Inc.:

Deloitte Touche Tohmatsu LLC
Tokyo office

Designated Engagement Partner,
Certified Public Accountant: Yoshiki Okutsu [seal]

Designated Engagement Partner,
Certified Public Accountant: Hajime Yoshizaki [seal]

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of BIPROGY Inc. (formerly Nihon Unisys, Ltd.) (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2022, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 78th fiscal year from April 1, 2021 to March 31, 2022, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. The accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

Audit & Supervisory Board's Audit Report

AUDIT REPORT

Having examined the Directors' performance of their duties during the 78th fiscal year from April 1, 2021 to March 31, 2022, we, the Audit & Supervisory Board, prepare and make this report as follows, based upon discussion on the basis of the auditors' reports prepared by each member of the Audit & Supervisory Board.

1. Methods and Content of Audit by Auditors and Audit & Supervisory Board
 - (1) The Audit & Supervisory Board set out auditing policies, allocation of work duties, etc., received a report on the auditing work performed and the results thereof from each Auditor, and received a report on their status of work executed from the Directors and the Accounting Auditor and requested their explanations as necessary.
 - (2) While conforming to the auditing standards as set out by the Audit & Supervisory Board, and in accordance with the auditing policies, the allocation of duties, etc., partly through the use of telephone circuits and the Internet, each Auditor endeavored to facilitate mutual understanding with the Directors, the internal auditing department, and other employees in order to collect information and to maintain the auditing environment. They performed the audit pursuant to the methods below.
 - (i) They attended meetings of the Board of Directors and other important meetings, received from the Directors and the employees reports on their status of work duties and requested their explanations as necessary, inspected material internal decision-making documents, etc., and investigated the status of operations and assets of the headquarters and major business sites. With respect to significant subsidiaries, we endeavored to facilitate mutual understanding and exchange of information with their directors, auditors, etc., and collected reports on their business as necessary.
 - (ii) They were regularly reported to by the Directors and other employees on, requested explanations about as necessary and expressed opinions on: (i) the contents of the Board of Directors' resolutions regarding the maintenance of the system to ensure that the Directors' performance of their duties described in the Business Report comply with all laws, regulations and the Articles of Incorporation of the Company and other systems that are set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a corporate group comprised of a stock company (*kabushiki kaisha*) and its subsidiaries; and (ii) the systems (internal control systems) based on such resolutions, and the construction and operation of those systems.
 - (iii) Regarding internal control of financial reporting, the Directors and Deloitte Touche Tohmatsu LLC provided us with reports assessing the internal control procedures and audit status, as well as explanations where necessary.
 - (iv) In addition, we examined and verified whether the independence of the Accounting Auditor was maintained and whether an appropriate audit was being undertaken, received reports on, and requested explanations on as necessary, the execution by the Accounting Auditor of its duties from the Accounting Auditor. We also received notifications from the Accounting Auditor that "Necessary systems to ensure appropriate execution of operations" (matters listed in each item of Article 131 of the Corporate Accounting Regulations of Japan) were maintained in line with "Quality control standards for auditing" (issued by the Japan Corporate Accounting Council on October 28, 2005), and requested explanations as necessary.

Based on the above approach, the Audit & Supervisory Board examined the business reports and the annexed detailed statements and financial statements (balance sheet, statement

of income, statement of changes in equity, and individual list of explanatory notes) and the annexed detailed statements of the Company as well as the consolidated financial statements (consolidated statements of financial position, consolidated statement of income, consolidated statement of changes in equity, and consolidated list of explanatory notes) for the fiscal year under review.

2. Results of Audit

(1) Results of audit of the business report, etc.

- (i) In our opinion, the business report and the annexed detailed statements are in conformity with the applicable laws and regulations of Japan and the Articles of Incorporation of the Company and fairly present the state of the Company's status;
- (ii) We have found no misconduct or material fact constituting a violation of any applicable laws and regulations of Japan or the Articles of Incorporation in connection with the Directors' performance of their duties; and
- (iii) In our opinion, the contents of the resolutions of the Board of Directors with regard to the internal control systems is appropriate. Furthermore, we find no matters that require noting with regard to the Directors' performance of their duties, the details contained in the Business Report with regard to the internal control systems or the internal control systems in connection with the financial statements.

The risks that the Group must deal with as it seeks to transform itself into a company that creates value for society are expected to become more diverse and complex in the future. It is necessary to further strengthen the internal control system of the Group, including risk management and the operational management system of the Company and its group companies. Audit & Supervisory Board will continue to monitor and verify situations in this regard.

(2) Results of audit of the financial statements and the annexed detailed statements

In our opinion, the auditing methods used and the conclusions reached by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of audit of the consolidated financial statements

In our opinion, the auditing methods used and the conclusions reached by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

As the various risks that the Group must deal with become more diverse and complex, Audit & Supervisory Board will confirm that the Accounting Auditors share with the Audit & Supervisory Board their awareness of such risks before conducting the accounting audit.

End of audit report

May 17, 2022

Audit & Supervisory Board
BIPROGY Inc.

Auditor, Full-Time
Auditor, Full-Time, Outside Auditor
Auditor
Auditor, Outside Auditor
Auditor, Outside Auditor

Yuji Teranishi [seal]
Masaya Oishi [seal]
Hirofumi Hashimoto [seal]
Harumi Kojo [seal]
Keiko Mizuguchi [seal]