In recent years, various types of devices have come to be connected to the Internet. Computing architectures which handle massive quantities of data and AI technology which learns from accumulated data and can recognize/reason, have developed rapidly. These technical developments have enabled us to recognize the movements of people and equipment, thus we can now store as data, situations of products and services used, behaviors and attributes of consumers as well as information of towns where we spend our daily life.

The data is shared and connected with each other across companies of various business sectors. By the collaboration of AI technology-driven systems (AI systems), business processes which used to be independent are mutually connected and are furthermore streamlined and sophisticated. They are expected to significantly contribute to solving social issues such as the environment, circular economy, and human rights specifically addressed through the United Nations' initiatives of sustainable development goals (SDGs).

On the other hand, AI systems thus networked have evolved into more complex structured models which have led to their improper usage, operation and management. Consequently, some AI systems may bring a negative impact on the society by generating unexpected risks such as intruding on personal privacy interests, undermining diversity and damaging fairness.

Accordingly, many countries and organizations established rules and principles on the use of AI technologies and data for the purposes of understanding positive and negative impacts as well as reviewing possible measures, and have attempted to balance the benefits and risks of AI technologies and data use.

The BIPROGY Group AI Ethics Principles

The BIPROGY group, as a company group to create a sustainable society using foresight and insight to unlock the full potential of technology, aims to achieve a sustainable society—equipped with social systems to enable everyone to live happily—by creating digital commons (shared assets of society) through the promotion of our business with three social impacts as our guide: Resilience (Viable and resilient autonomous distributed environments); Regenerative (Regenerative systems for a net positive society); Zero emissions (Environmental contributions and reduced environmental loads using digital technologies).

The BIPROGY group hereby announces the AI Ethics Principles (hereinafter referred to as the "Principles") in order to deliberate upon both benefits and drawbacks delivered to society by AI systems indispensable for creating social systems and address inherent risks together with stakeholders before unlocking the potential versatility of AI systems use.

The following Principles cover entire businesses related to the services using AI systems and AI technologies. The Principles shall be applicable to uses and sales of the services regardless of whether or not technologies that support the services or that are used in the services are developed by the BIPROGY group.

The BIPROGY Group officers and employees will endeavor to do the following:

- 1. Unlock potential of data and AI technologies together with business ecosystem partners that aim to create a sustainable society. We will recognize positive and negative impacts on users and society of AI systems and share with stakeholders such as business ecosystem partners, general users, and external experts and take necessary measures so that AI systems we provide will become widely accepted in society.
- 2. Provide examples and internal AI training to employees to develop human resources who can appropriately identify and review measures to handle benefits and risks of AI systems.
- 3. In providing AI systems, give due consideration not to harm the life, body, or property of users or a third party. Also, we will give due consideration so that disadvantage will not be imposed on a data subject by abusing dominant bargaining position that we may obtain as a result of providing AI systems.
- 4. In deliberating on AI system roles, we will respect human dignity and autonomy of individuals, and consider defining appropriate roles between humans and AI systems in terms of the scope and the method, to prevent users from excessively depending upon AI systems.
- 5. In handling data needed for AI systems, give consideration to ensuring security without compromising privacy. Also, we will be meticulous about the data quality and pay attention not to use inaccurate data.
- 6. Recognize that decisions made by AI systems may include biases and give careful consideration so that individuals and groups are not unreasonably discriminated against. We will also pay attention to the data quality used for learning, the verifiability of AI system inputs and outputs, and the accountability of AI system decision results.
- 7. In using and providing AI systems, assess benefits and risks of AI systems for each business, and consider to prepare guidelines and rules as needed. Also, we will continue to monitor the situations and will take necessary

measures.

8. We will continuously revise these Principles based upon discussions with stakeholders such as business ecosystem partners, general users and external experts, according to changes of laws and regulations and social movements as well as changes of receptivity in response to such changes and movements.

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