

Value Creation Story

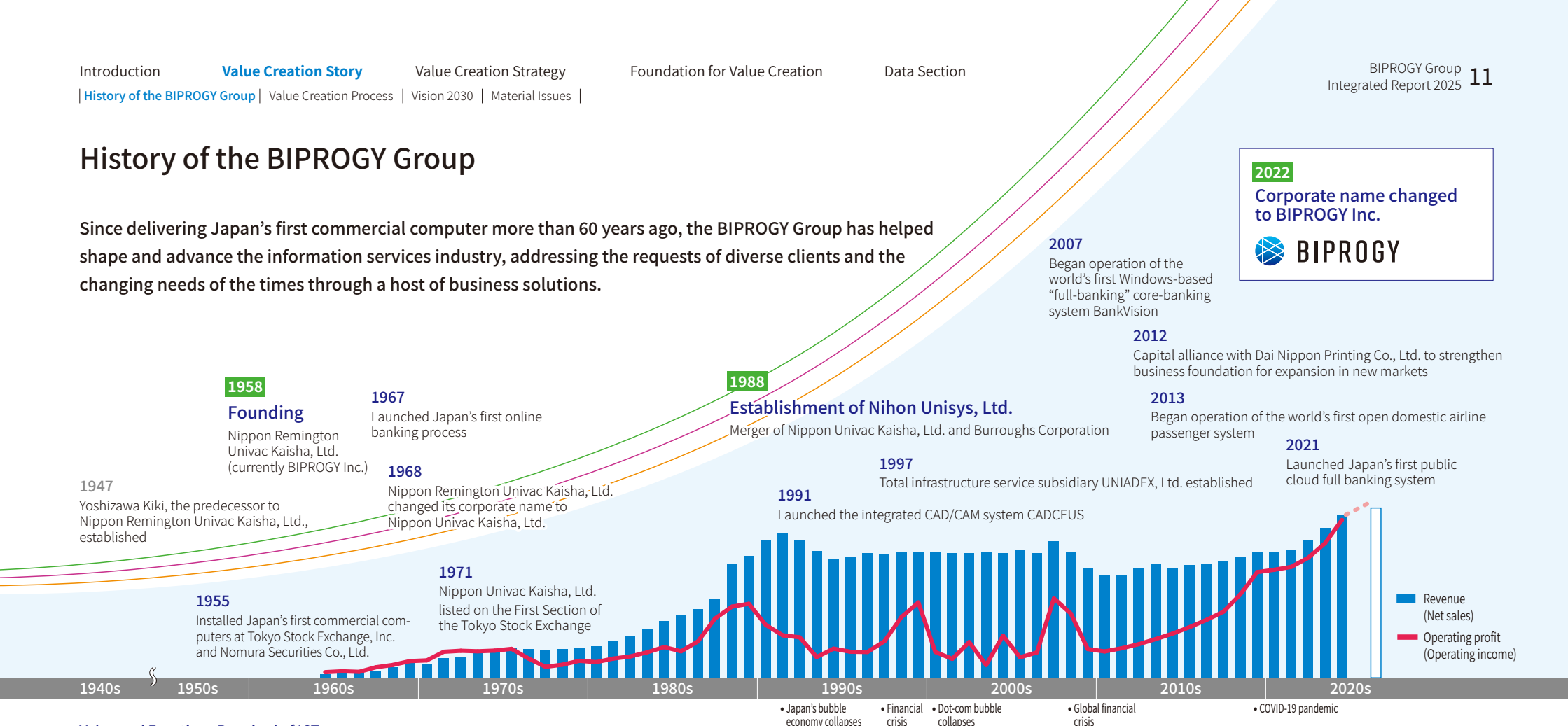
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The BIPROGY Group has been solving customer issues as a system integrator and building systems that support society and industry.

Leveraging this experience and track record as our backbone, we aim to increase the Group's corporate value over the medium to long term through transformation into a company that creates social value. In this section, we introduce our value creation process.

History of the BIPROGY Group

Since delivering Japan's first commercial computer more than 60 years ago, the BIPROGY Group has helped shape and advance the information services industry, addressing the requests of diverse clients and the changing needs of the times through a host of business solutions.



Value and Functions Required of ICT

Greater business efficiency and cost reduction

Support for management decision making and business expansion | Support for structural reform

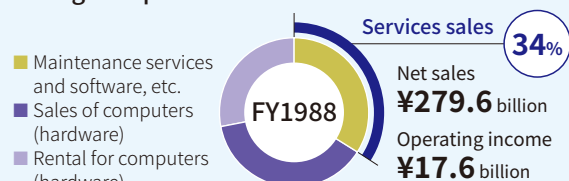
Business innovation/business creation | Resolution of social issues

Role of the BIPROGY Group

Continue to meet customer needs

Contributing to the expansion of customers' businesses and structural reforms through the formation of Japan's information society and construction of various systems

Changes in portfolio



* The year Nihon Unisys, Ltd. was established.
Breakdown ratios apply to Nihon Unisys non-consolidated.

Transform into a company that creates social value

Transforming into a company that creates social value by building business ecosystems that solve social issues



Value Creation Process

INPUT and OUTCOME data as of FY2024 or March 31, 2025

By expanding business ecosystems that span across sectors and business models and leveraging its accumulated strengths to solve the social issues, the BIPROGY Group aims to create a sustainable society through the creation of social and economic value.

Purpose

Create a sustainable society using foresight and insight to unlock the full potential of technology

Foresight and Insight × Technology × Business Ecosystem = Company that creates social value

Sources of Value Creation

INPUT

Social and relationship capital

Relationships with a wide range of industries and partners

- Customers: More than 5,000 companies
- BIPROGY Users Association members: About 570
- Development partners: More than 450 companies

Human capital

Corporate culture that boasts diversity and encourages taking on challenges

- No. of employees: 8,362
- Percentage of management positions held by women: 11.2%
- No. of engineers: 5,092

Financial capital

A financial base supporting new service creation and responding to business environment changes

- Equity attributable to owners of parent: ¥169.1 billion
- Free cash flows: ¥36.0 billion
- Issuer rating*: A-

Intellectual capital

Business knowledge from various industries and technical skills cultivated over a history of more than 60 years Investments to create new services

- Obtained DX Certification
- Growth investments*: ¥8.0 billion

Quality assurance for products and services

- Quality control via ISBP³

Natural capital

Decarbonizing business activities

- Amount of energy consumption: 6,553kl
- Percentage of purchased energy used at the BIPROGY Group business locations that is renewable energy: 33.1%

Manufactured capital

Nationwide service network in Japan, service locations in eight foreign countries

BIPROGY Group's Strengths
P.3

Relationships with Customers and Partners in Various Industries
P.3

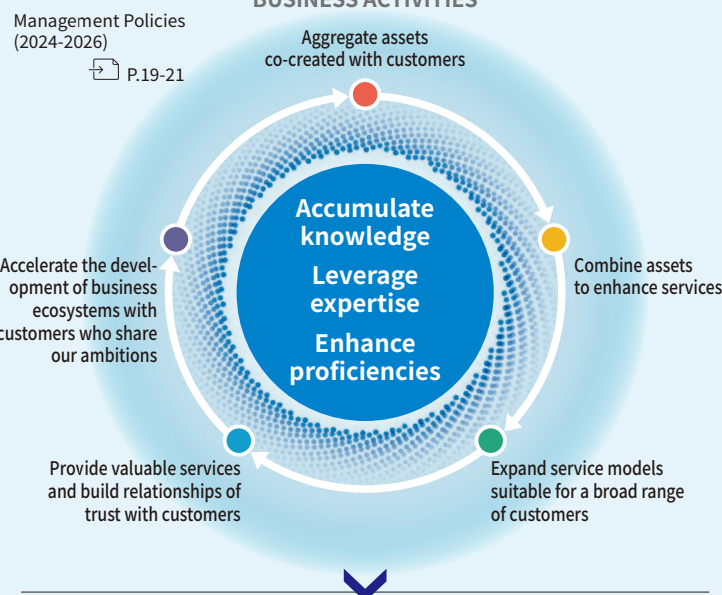
Capabilities for Enabling Successful System Implementation
P.3

Capabilities for Enabling One-stop Vendor-Free Support
P.3

Capabilities for Designing and Delivering New Services
P.3

Value Creation Cycle BUSINESS ACTIVITIES

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Creation of Services OUTPUT

P.22-30



Social and Economic Value Created OUTCOME

Social and relationship capital

Provision of businesses that solve social issues and offer safe and secure products and services

- Sales from businesses aimed at solving social issues: 1.2 times compared to FY2023
- Sales growth rate of the managed service business: 1.4 times compared to FY2023

Human capital

Produce innovative human resources that contribute to solving social issues

Improve labor productivity

- Number of human resources promoting new business development: 48
- Average score on items related to job satisfaction and worker-friendliness in the engagement survey: 51%
- Operating profit per employee: ¥4.67 million

Financial capital

Sustainable growth/Shareholder returns

- ROE: 16.1%
- Ratio of equity attributable to owners of parent to total assets: 51.1%
- Annual dividend: ¥10.8 billion (dividend payout ratio 40.3%)

Intellectual capital

Creation of new services

- Investments in funds that target diverse fields both in Japan and overseas: 32 funds
- Investments in start-ups and other businesses: 15

Natural capital

Provide environmental contribution services

Reduce the environmental burden of the value chain

- Zero emission achievement rate (an index measuring the extent to which our environmentally friendly products and services contribute to zero emissions in society): 279.9%
- Reduction rate of GHG emissions (Scope 1 + Scope 2 (Market-based)): 42.1% (vs. FY2019)

Manufactured capital

Reliable operation of services

- Online uptime rate: 99.999%

Vision 2030

We will develop the Digital Commons which is a platform that helps create a society where everyone can live happily.

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Material Issues

P.15-17

Social Impacts

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

*1 Rating and Investment Information, Inc. (R&I)

*2 Total investment, M&As and R&D expenses

*3 ISBP (Information Services Business Process): The Group's standard business process, summarizing the work required for system development in order to provide high-quality systems.

■ is a material issue KPI

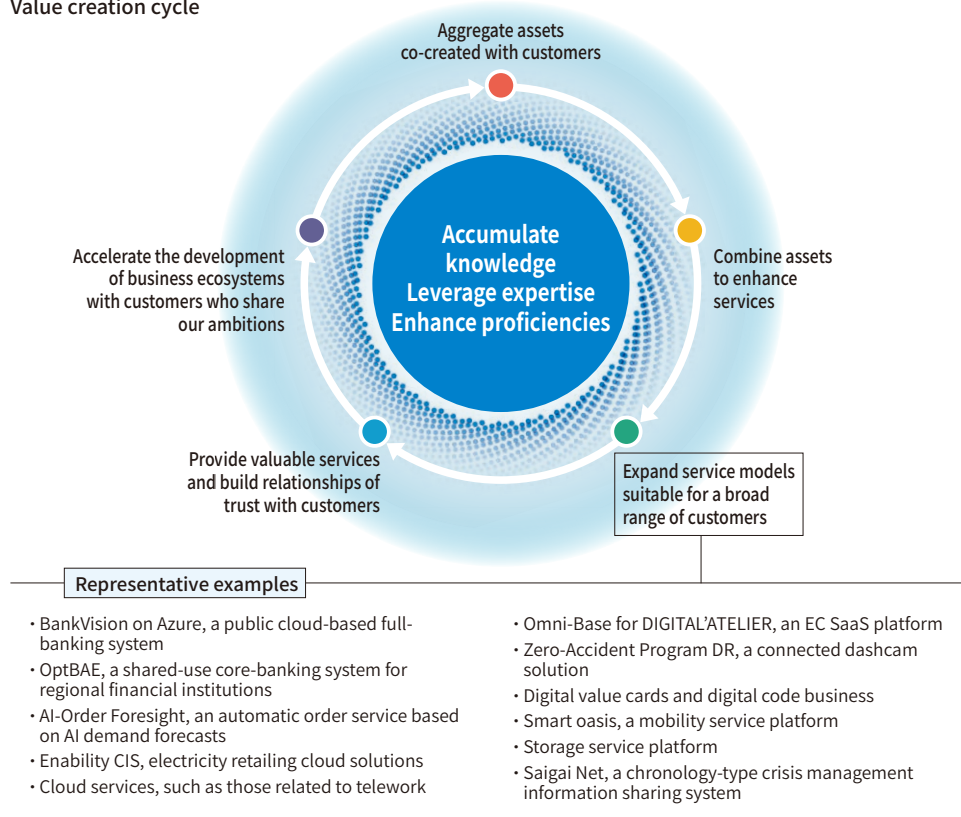
A “value creation cycle” that accelerates the expansion of business ecosystems

The Group has earnestly collaborated with customers in all industries to solve their issues, which has made it possible for us to accumulate experience and knowledge based on our familiarity with their operations. By stitching together in a patchwork fashion various assets such as the knowledge we have acquired working with customers and the assets obtained through the solutions we have independently developed, open innovation ( p.40), the pursuit of knowledge and other companies' products, and by reworking these assets into an optimal form while obtaining additional wisdom from our customers, we will work to enrich our unique, flexible business platform layer. At the same time, we would like to increase, in the

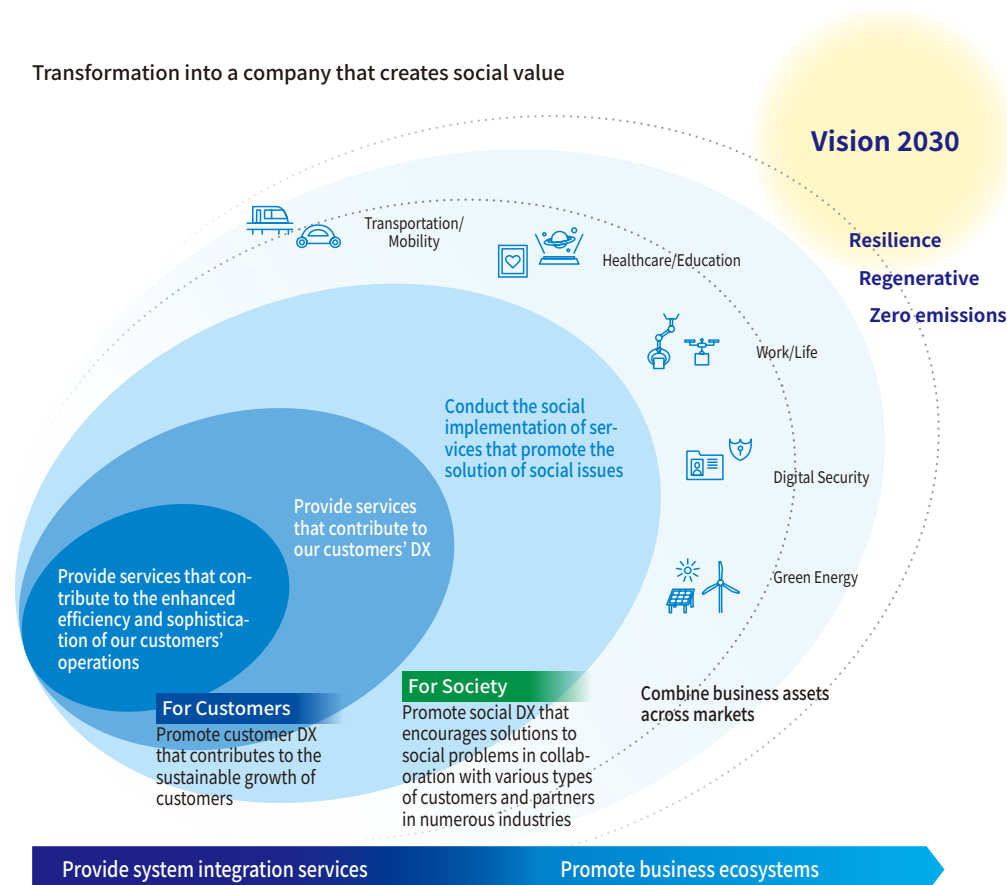
long term, service contexts that are appealing to customers by generalizing the experience and knowledge from individual projects into a form applicable to multiple customers and compiling that into a library.

We are aiming to transform into a company that creates social value by accelerating the expansion of business ecosystems through the implementation of a value creation cycle based on the Group's foresight and insight and implementation capabilities backed by integrity and the power to get things done.

Value creation cycle



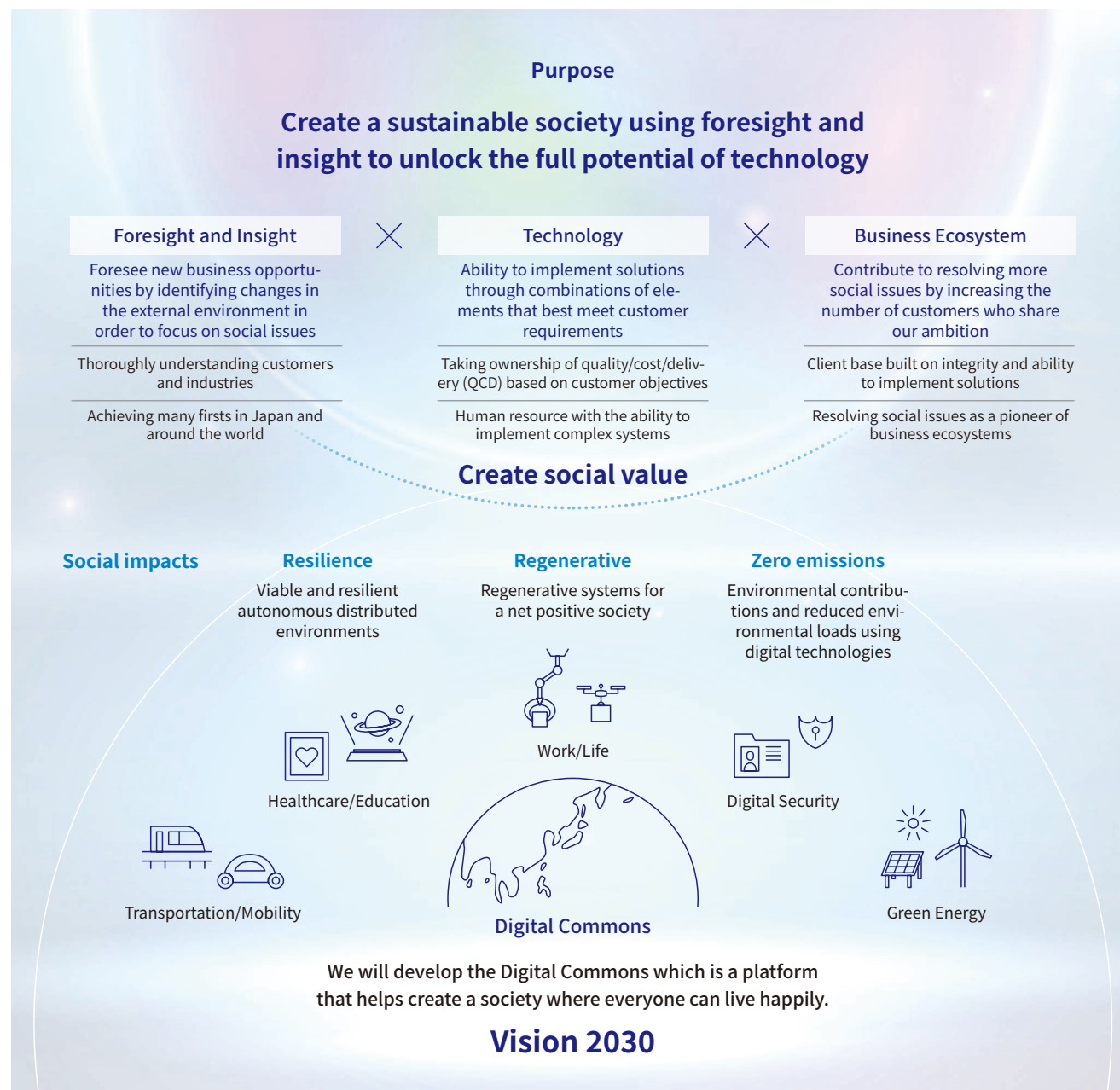
Transformation into a company that creates social value



Vision 2030

Based on our Purpose, the BIPROGY Group formulated its Vision 2030 as the direction for the corporate group toward 2030. Under “Vision 2030,” we aim to create and provide business ecosystems and platforms that can link diverse services, products, companies, and users as Digital Commons to be a shared asset for society. Guided by aspiration and empathy, and by unlocking the potential of technology, we seek to make a sustainable society a reality. Achieving this will require the transformative power of digitalization and technology. Working hand in hand with business ecosystem partners across diverse industries, sectors, and markets, we aim to create new value and open up entirely new markets.

Combining keen foresight and insight into social change with ICT-driven technology and robust partnerships, our Group will move beyond providing ICT services alone, accelerating the creation of new value that enriches society and the resolution of social challenges to evolve into a company that creates social value.



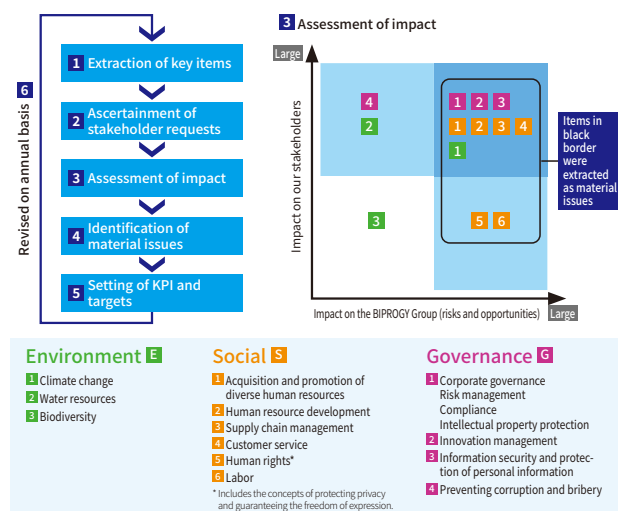
Material Issues

The Group is working to realize Vision 2030 by integrating sustainability into our management practices and further enhancing corporate value. As a core initiative, we have identified key items as material issues, established KPIs and targets that contribute to creating both social and economic value, and are advancing measures to realize the Group's Ideals and Goals.

Formulating and revising material issues in a changing environment

To advance sustainability management, the Group reviews its material issues every year in light of internal and external environmental changes. With the aim of increasing the effectiveness of initiatives toward Vision 2030 and strengthening alignment with overall management policy, we are redesigning our KPIs and targets for FY2024 onward.

Process of Determining and Updating Material Issues



Classification

Material Issues

Group's Ideals and Goals

Material issues for achieving business growth	Create schemes to solve issues through the use of digital technology and business ecosystems	We will help to build a regenerative, resilient society of zero emissions by creating communities with customers and partner companies in a wide range of industries who share our ambition.
	Contribute to the environment through the use of digital technology and reduce the environmental impact of business activities in order to help build a world of zero emissions	We seek to provide services that promote carbon neutrality and a circular economy while cooperating widely to build a carbon-free world. We also aim to help reduce greenhouse gas emissions by reducing the environmental impact of our business activities.
Material issues for supporting business growth	Sustainably procure and provide safe, secure products and services throughout the entire value chain	We will construct and maintain a value chain that respects human rights and has a lower environmental impact, and procure and provide safe and secure products and services.
	Develop and strengthen human resources to create a new future and promote diversity and inclusion	We must become a company that recognizes and accepts individual diversity, expertise, and values to continue creating innovation to achieve our future. To this end, we will support our human resources and build a more open corporate culture.
	Further improve corporate governance and integrity	We will construct and operate a corporate governance system that makes transparent, fair, quick, and bold decision making possible. As a group that can provide social value and ICT services as trustworthy, sustainable social infrastructure, we will comply with both domestic and overseas laws and regulations, act in line with social norms based on high ethics, and conduct sound, transparent business activities.

KPIs and Targets for Material Issues

We set KPIs and targets for each material issue to realize the vision outlined for each, and advance related initiatives under the supervision of the Board of Directors. Although a few challenges remain in some areas, progress toward the targets is largely on track, and overall we are beginning to see steady results.

	Material Issues	Create Social Value	Create Economic Value	KPI (■=New items set for FY2024)	Targets	FY of Achievement	FY2024 results and major responses (parentheses indicate results from the previous fiscal year)	Reference Pages
Material issues for achieving business growth	Create schemes to solve issues through the use of digital technology and business ecosystems	Contribute to society's sustainability by providing businesses that solve the issues faced by society	Create business opportunities that contribute to the solution of issues faced by society and capture profits in created markets	Sales from businesses aimed at solving social issues ■	Six times or more (compared to FY2023)	FY2030	1.2 times To expand our social digital transformation businesses, we will collaborate with partners and create new services with a focus on business development in growth business areas	P.19-21 Management policies (2024-2026)
				Sales growth rate of managed service business ■	Three times or more (compared to FY2023)	FY2026	1.4 times With a focus on UNIADDEX, Ltd., the entire Group is working to provide new services and expand its service lineup	P.27 Growth businesses Market development / business development
	Contribute to the environment through the use of digital technology and reduce the environmental impact of business activities in order to help build a world of zero emissions	- Do our part to address the early realization of a decarbonized society and other environmental issues through the provision of environmentally friendly services - Help to reduce environmental impact by reinforcing initiatives to reduce carbon emissions from business activities, such as procuring renewable energy	- Increase profit from services that contribute to the environment - Restrain costs by reducing business risks due to climate change	Zero emission achievement rate* ¹ (an index measuring the extent to which our environmentally friendly products and services contribute to zero emissions in society)	100% or more	Annually until FY2030	279.9% (232.8%) Promote decarbonization efforts across business operations and the delivery of green products and services	P.47-51 Environment
				Percentage of business opportunities and risks identified via climate change scenario analysis (impact evaluation) for which a risk response has been implemented	100%	Annually until FY2030	100% (100%) Assess climate change risk and perform a scoping study based on the TNFD recommendations	
				Percentage of purchased energy used at the BIPROGY Group business locations that is renewable energy	50% or more	FY2030	33.1% (27.2%) Progressing as planned. Begin examining ways to diversify procurement methods for early target achievement	
				Reduction rate in GHG emissions (Scope 1 + Scope 2) (compared to FY2019)	50% or more	FY2030	42.1% (37.5%) Promoting energy-saving measures and a shift to renewable electricity	
Material issues for supporting business growth	Sustainably procure and provide safe, secure products and services throughout the entire value chain	- Contribute to the stability and maintenance of IT infrastructure that supports societal activities by providing safe and secure products and services that comply with various laws, regulations, and social norms - Contribute to the spread of ethical consumption and help build a sustainable society by providing products and services that take into consideration the environment and society	- Increase profit opportunities by strengthening trust with customers/suppliers and engaging with high-quality partner companies and thus reinforcing relationship capital - Reduce business risks related to issues such as human rights and environmental impact throughout the value chain	Percentage of suppliers accounting for 40% of our total procurement of purchased goods and services (Category 1, Scope 3) that have set targets equivalent to Science Based Targets	40% or more	FY2027	23.1% (19.1%) Continue to identify and promote reduction targets through dialogue with suppliers	P.47-51 Environment P.52 Supply Chain P.53 Human Rights
				Reduction rate in GHG emissions from the use of sold products/services (Category 11, Scope 3) (compared to FY2021) ■	25% or more	FY2030	17.4% Promote collaboration toward product decarbonization through dialogue with customers and partners	
				Review of human rights policy and activities to promote understanding among employees ■	Implement every year	To be implemented every year until FY2026	Implemented; Revised Human Rights Policy and conducted e-learning for all employees	
				Progress rate on re-performing human rights risk assessments and addressing issues at all Group companies ■	100%	FY2026	Assessment implemented, Progress rate 50% Re-implemented, and identified four risks, then initiated two measures in the current fiscal year	
				Percentage of BIPROGY Group suppliers having taken the ESG risk survey ■	100%	FY2026	70.3% Create a questionnaire and request responses from applicable companies	
				Percentage of suppliers that currently adhere to or have launched improvements to material ESG risk items that the BIPROGY Group has set for suppliers ■	100%	FY2030	-[The current fiscal year is not subject to performance measurement]	

*1 The zero emission achievement rate is the sales of environmentally friendly products and services multiplied by the GHG reduction contribution coefficient and divided by the total Scope 1 and 2 emissions of the BIPROGY Group.

	Material Issues	Create Social Value	Create Economic Value	KPI (■=New items set for FY2024)	Targets	FY of Achievement	FY2024 results and major responses (parentheses indicate results from the previous fiscal year)	Reference Pages
Material issues for supporting business growth	Develop and strengthen human resources to create a new future and promote diversity and inclusion	- Help solve social issues by continuously producing innovative, talented workers - Create employment opportunities for diverse human resources - Contribute to the creation of a society that is physically and mentally healthy, is accepting of individual diversity, and offers work satisfaction	- Expand business by generating innovation - Increase profitability by raising labor productivity	Percentage of management positions held by women	18% or more	As of April 1, 2026	12.3% (11.2%)*2 Strengthen planned development and human resource pipeline creation	P.31-36 Human Capital Strategy
				Number of human resources promoting new business development ■	100 or more	FY2026	48 people Provide training according to proficiency levels to enhance business-creation capabilities and visualize progress	
				Average score on items related to job satisfaction and worker-friendliness in the engagement survey ■	10 points or higher than the base value of 51%*3	FY2026	51% Promote initiatives to improve job satisfaction, informed by analysis results	
				Percentage of employees who have set medium- to long-term career goals and have obtained agreement on these goals from their organizational heads ■	100%	FY2026	100% Set ROLES and medium- to long-term career goals through career design program	
				Maintenance and improvement rate of mechanisms to promote career well-being*4 (number of implementations / number of plans) ■	100%	FY2026	83% Advance process development in parallel with the above measures	
				Percentage of eligible men who took leave or time off for childcare after their spouse gave birth ■	100%	FY2025	83.3% Introduce spouse pregnancy reporting, distribute a "Childcare Leave Handbook," and introduce success stories about men who took childcare leave	
				Percentage of men who coordinated with their family and organization based on their own intentions when considering and deciding to take childcare leave ■	100%	FY2026	91.8% Support communication among stakeholders through the promotion of these measures	
				Percentage of employees with disabilities	0.1 points above the legally mandated percentage	Annually	2.98% (2.89%) Carry out employment measures such as the activities of special subsidiaries and the promotion of job creation at Group companies	
				Follow-up rate for those subject to active support in the health insurance specific health guidance until FY2026 ■	100% Subjects by year are as follows: • FY2024: Employees with four risk factors • FY2025: Employees with three or more factors • FY2026: Employees with two or more factors		Follow-up rate for employees with four risk factors 100% Taking measures to improve employee health awareness and supporting positive behavior changes, and enhancing follow-up efforts in workplace health management	
				Number of new leave-takers due to mental health issues ■	New leave-takers: 102 or fewer (i.e., below the number in FY2023)	FY2026	120 people per year (102people) Promote early detection and prevention measures through enhanced support for young employees	
	Further improve corporate governance and integrity	- Help to solve issues faced by society and the economic growth of society through transparent and fair processes - Contribute to the empowerment of all people, regardless of age, sex, handicap status, race, ethnicity, origin, religion, economic position, etc. - Help to build a society in which workers can experience job satisfaction by ensuring equal opportunities through the elimination of discriminatory practices, creation and operation of appropriate related rules, promotion of appropriate behavior, and similar activities	- Create business ecosystems and expand business opportunities by establishing trust with a wide range of stakeholders - Generate sustainable improvements in corporate value - Reduce business risks related to scandals, etc.	Actions for each year set in the evaluation of Board of Directors effectiveness are undertaken		Annually	- Improvement of management and information sharing to deepen discussions - Monitoring of efforts to reform organizational climate and raise compliance and risk-management awareness	P.56-65 Corporate Governance P.66-67 Further Improve Integrity
				Improvement and upgrade of the compliance program		Annually	- Holding of Compliance Roundtable activities - Improvement of the internal reporting system (compliance hotline) - Enhanced education and awareness raising activities through Compliance Week and similar initiatives	
				Spread awareness of integrity among Group executives and employees		Annually	Compliance Awareness Survey score: Good (highest of four levels)	
				Monitor compliance incident trends		Annually	Disciplinary actions in FY2024: 6 cases (8cases)	
				Number of serious security incidents	0 cases	Annually	0 cases (1 case)	
				Percentage of Group companies in Japan that have applied data protection security mechanisms for hybrid work (blend of working remotely and in the office)*5 ■	100%	As of March 31, 2027	Proceeding with the organization and verification of system proposals applicable to the entire Group, and implementing pilot application of measures at BIPROGY.	
				Coverage rate of special operation management*6 ■	100%	As of March 31, 2027	At BIPROGY, gradually promoting various measures that contribute to improving the comprehensiveness of special operation management.	

*2 As of April 1, 2025. (as of April 1, 2024)

*3 The average positive response rate for the seven questions on job satisfaction and worker-friendliness in the engagement survey conducted in June 2024 was used as the base value.

*4 Enhancing a sense of fulfillment and happiness by using abilities and growing in one's own career.

*5 System application in the Group: Applies to domestic group companies

*6 A state where there are no omissions in the application of operations subject to special operation management (Special operation management refers to a mechanism and system in which a specialized security organization objectively examines and approves the appropriateness of safety management measures for projects accessing highly confidential customer information assets, and comprehensively manages and monitors them.)