BIPROGY

Foresight in sight

BIPROGY Group

Integrated Report 2026

For the Year Ended March 31, 2026



Purpose

The Unique Characteristics and Management Resolve of the BIPROGY Group

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**

Corporate Philosophy

Our Mission

Work with all people to contribute to creating a society that is friendly to people and the environment

Our Vision

Be a group that strives to be sensitive to the expectations and needs of society and that thinks through how ICT can contribute to meet them

Our Values

1. **Pursuit of High Quality and High Technology**
   Always have the latest knowledge that is useful for society while improving our skills
2. **Respect for Individuals and Importance of Teamwork**
   Identify each other's good points, encourage each other to improve those good points and harness the strengths of each person
3. **Attractive Company for Society, Customers, Shareholders and Employees**
   Listen sincerely to our stakeholders to improve our corporate value

BIPROGY Group Charter of Corporate Behavior

We will meet our responsibilities towards society and the environment to protect the future of our children.

1. Act with coexistence of people and the environment as the highest priority
2. Always act according to the principles of social responsibility
3. Sincerely work on the core subjects and issues of social responsibility

* Principles of social responsibility
The seven key principles of ISO 26000, the international guidance relating to social responsibility: accountability, transparency, ethical behavior, respect for stakeholder interests, respect for the rule of law, respect for international norms of behavior, and respect for human rights.

* Core subjects and issues of social responsibility
The seven core subjects of ISO 26000, the international guidance relating to social responsibility: organizational governance, human rights, labor practices, the environment, fair operating practices, consumer issues, community involvement and development, and relevant issues related to each of the core subjects.

Corporate Statement

Simple Slogan Spreading Ideas Consistently

Foresight in sight

"Foresight" consists of foreseeing and understanding industry changes, customer needs, and future social issues, and "in sight" has the double meaning of being able to see and understand things combined with the meaning of "insight."

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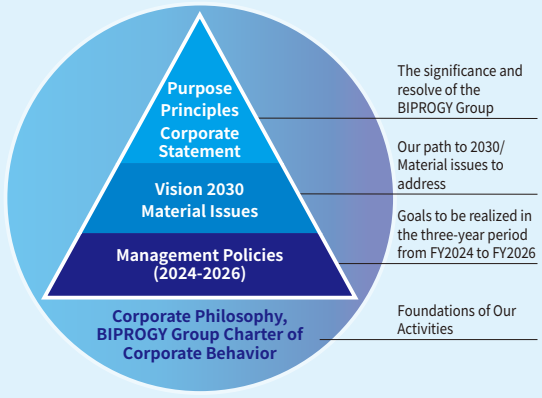
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Integrated Report 2026 Concept

Amid advances in digital technologies, including AI, the BIPROGY Group is advancing its transformation into a company that creates social value, as stated in its "Purpose," by demonstrating foresight and insight into social change and combining technology with ICT at its core and business ecosystems built with diverse partners. To achieve this, we have established Vision 2030 as the vision we aspire to realize by 2030 and identified material issues, while working under the Management Policies (2024-2026) to establish a sustainable business portfolio and enhance corporate value.

This report presents the Group's value creation story, showing how we view changes in the AI era as an opportunity for growth and seek to realize Vision 2030 through the creation of social and economic value.



Information Disclosure

Corporate Data
https://www.biprogy.com/e/
Company information/Solutions/Case studies and more.

Information for Investors and Shareholders
https://www.biprogy.com/invest-e/
Integrated Reports/Financial Statements and Supplementary Materials/Financial Results Briefing Materials/ Corporate Governance Reports and more.

Sustainability Information (Japanese only)
https://www.biprogy.com/sustainability/
Sustainability Reports and more.

Editorial Policy

This report aims to communicate the BIPROGY Group's medium- to long-term initiatives to improve corporate value to a wide range of stakeholders, including shareholders and investors. It is also intended to further their understanding of our process for creating both social and economic value. This report presents both financial and non-financial information about matters of great importance in the Group's value creation process. A broader range of detailed information is also available on our website.

Scope of the Report

In principle, the scope of the report consists of BIPROGY and its consolidated subsidiaries, and it is individually noted when the scope differs.

Period of the Report

In this report, fiscal year (FY) refers to the period beginning April 1 and ending March 31 the following year. In principle, this report covers FY2025 (April 1, 2025 to March 31, 2026), with activities during past fiscal years and conditions following FY2026 also reported as necessary. The Company adopted International Financial Reporting Standards (IFRS) for FY2021 and after, but for FY2020 and before, financial information is based on Japanese accounting standards, J-GAAP.

Referenced Guidelines

- International Integrated Reporting Framework from IFRS Foundation
- Sustainability Reporting Standards from the Global Reporting Initiative (GRI)
- ISO 26000, JIS Z 26000
- Guidance for Collaborative Value Creation from the Ministry of Economy, Trade and Industry of Japan

Guidance for Collaborative Value Creation

Issued

November 2026

Notes Concerning Forward-Looking Statements

Statements in this report that refer to current plans, projections or strategies of BIPROGY Inc. or its consolidated subsidiaries, other than historical facts, represent forward-looking statements made based on judgments and assumptions in accordance with the information currently available. Please note that actual results may differ from the forecasts due to fluctuations in risks and uncertainties and changes in economic conditions, and the Group makes no guarantee of the reliability of such forecasts. This information is also subject to change without notice. The purpose of this report is to provide information for use as a reference in making investment decisions, and it has not been prepared to solicit investment. BIPROGY Inc. assumes no liability for any damages resulting from the use of this report.

At a Glance (Data as of FY2025 or March 31, 2026)

Establishment
1958

Consolidated subsidiaries
34 companies

No. of employees
8,801

No. of engineers
5,220

Revenue
¥433.7 billion
Year-on-year change +7.3%

Operating profit
¥42.6 billion
Year-on-year change +9.1%

Profit attributable to owners of parent
¥31.2 billion
Year-on-year change +15.7%

Operating cash flows
¥57.6 billion
Year-on-year change +¥12.6 billion

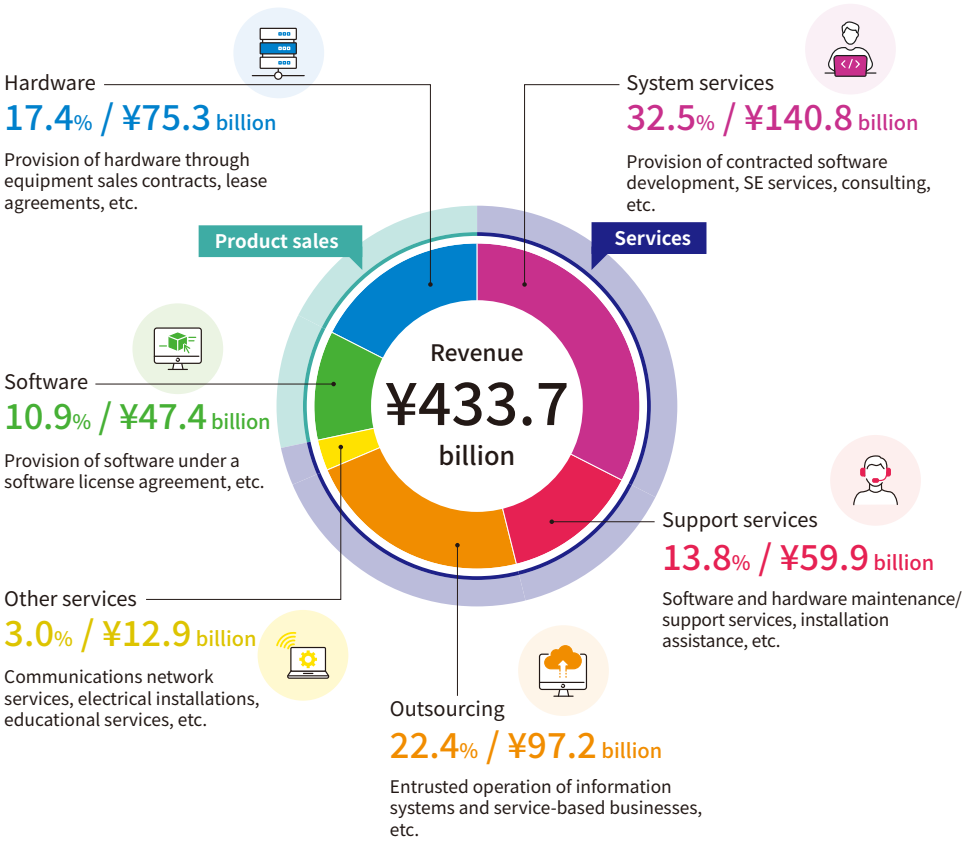
ROE
17.9%
Year-on-year change +1.8 pt

Annual dividend
¥12.6 billion
(¥130 per share)
Year-on-year change +¥1.8 billion
(+¥20 per share)

Ratio of equity attributable to owners of parent to total assets
47.0%
Versus end of last FY -4.1 pt

Issuer rating*
A-
* Rating and Investment Information, Inc. (R&I)

Revenue by Segment



BIPROGY Group's Strengths

Implementation Capabilities Backed by Integrity, the Power to Get Things Done

Relationships with Customers and Partners in Various Industries

The BIPROGY Group has built strong relationships of trust over many years with customers across a broad range of industries. Through co-creation with a wide range of business partners, we create value that transcends industry and sector boundaries.

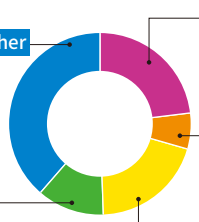
Customers in broad types and categories of businesses

Number of customers*1

Approx. **5,000** companies

*1 Total for BIPROGY and UNIADEX (FY2025)

Breakdown of sales by market (FY2025)



Financial services
Banks, shinkin banks, cooperative central financial institutions, securities, insurance, etc.

Public/Government
Government agencies, local governments, related organizations, schools and nursery schools, healthcare, etc.

Manufacturing
Automobiles, printing, housing, chemistry, precision instruments, food, pharmaceuticals, etc.

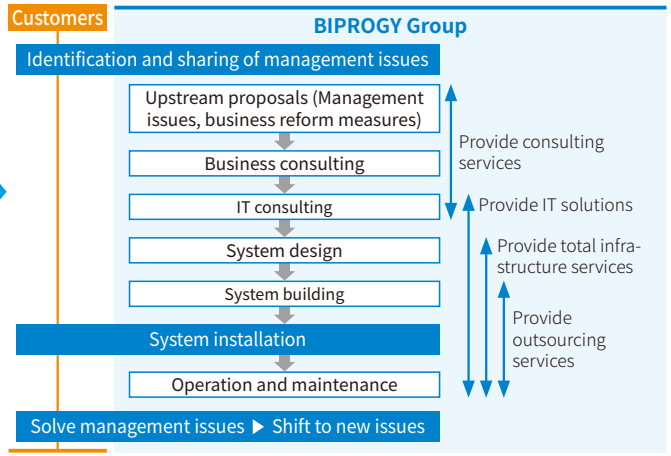
Utilities/Services/Other
Electricity and gas, information and communications, transport, services, real estate, travel, leasing companies, etc.

Commerce/Distribution
Retail, wholesale, mail order, apparel, distribution, trading companies, etc.

Capabilities for Enabling One-stop Vendor-Free Support

From a vendor-free position unconstrained by specific products or technologies, the Group provides the ICT environment best suited to each customer. We work alongside our customers throughout the entire process, from consulting, system design, and system building to operation and maintenance, helping them solve their challenges.

Provide the optimal vendor-free ICT environment for solving problems faced by customers

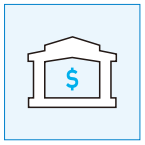


Capabilities for Enabling Successful System Implementation

The Group has delivered numerous mission-critical systems that support society and business operations. While ensuring their stable operation, we keep pace with the latest technologies and continue to evolve.

Providing mission critical systems that move society

Extensive **track record**



- Developed BankVision, the world's first Windows-based "full-banking" core banking system
- Developed BankVision on Azure, Japan's first public cloud-based "full-banking" system



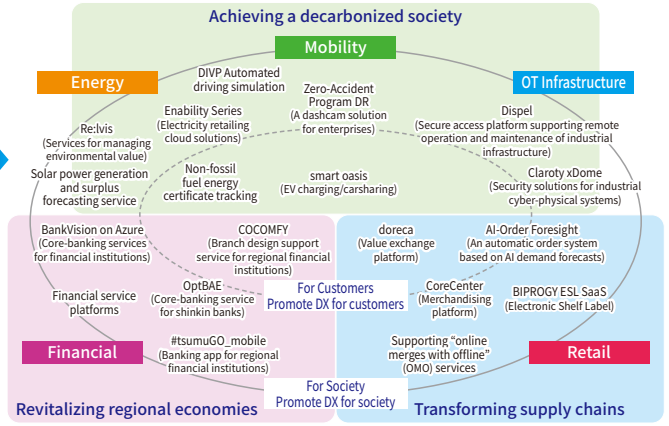
- Developed the world's first open technology-based domestic airline passenger system

Capabilities for Designing and Delivering New Services

By combining the industry knowledge and technological capabilities we have cultivated over the years with foresight and insight into social change, the Group identifies emerging challenges and needs among customers and society and creates new services.

Providing services that leverage our accumulated expertise and track record

Examples of services in core business focus areas



CEO Message

To continue meeting society's expectations

We will strengthen our capabilities for social implementation and evolve into a group that continues to create new value through co-creation with diverse stakeholders.



Noboru Saito
Representative Director,
President & CEO

As technological innovation, including advances in AI, accelerates, society and industry are at a major turning point. What I see as the most significant change, however, is not the technology itself, but the major shift now taking place in the role expected of us. We are expected to do more than provide systems. We must work with customers and partners to identify issues, envision the future, and serve as a partner throughout the process of realizing that vision.

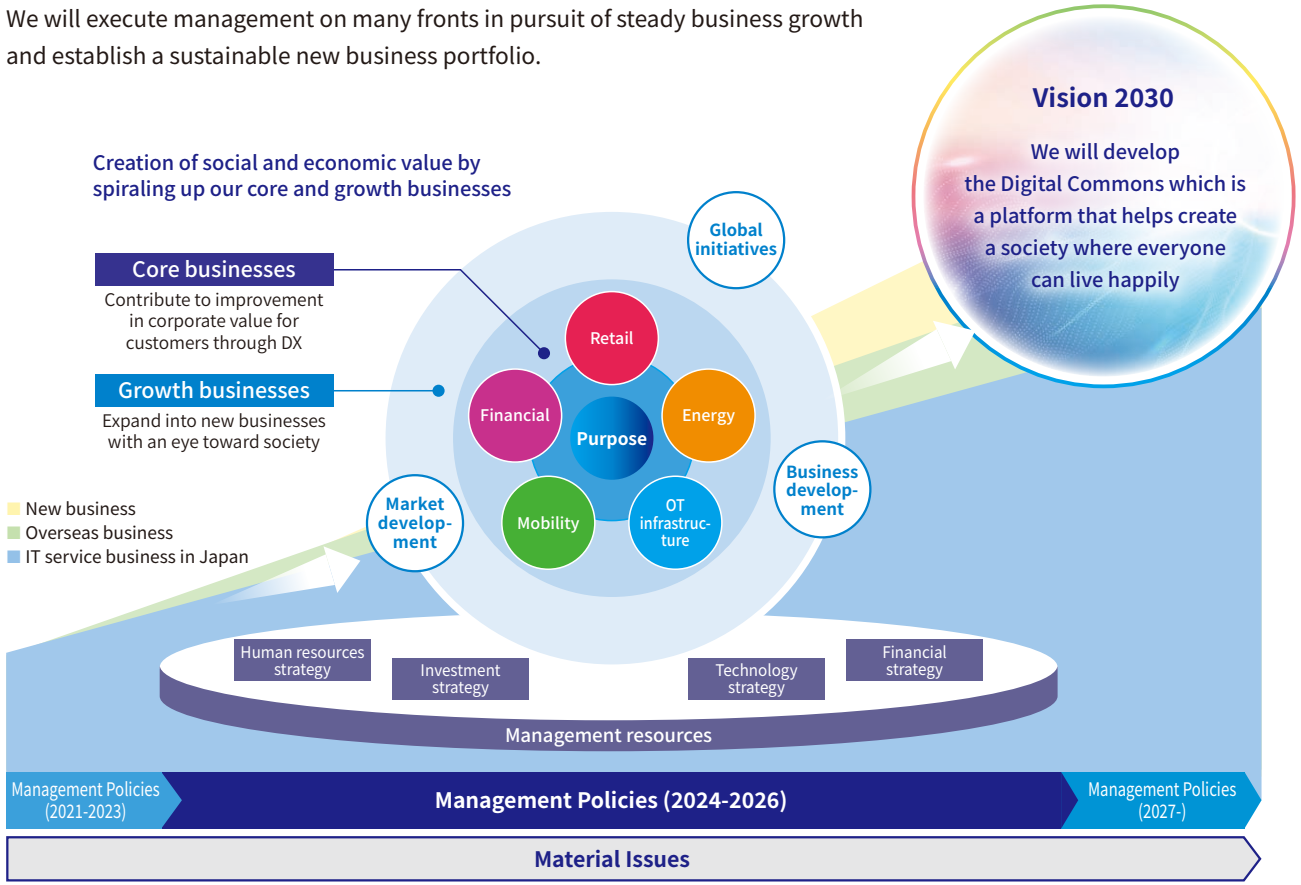
These changes present new challenges, but also major opportunities for growth. Together with our customers and other value co-creation partners, we will continue to create new value. We believe that the steady accumulation of such efforts will lead to sustained enhancement of corporate value.

Progress under the Management Policies (2024-2026) and a review of FY2025

It has been over two years since I became President. During that time, my highest priority has been translating the direction set out in the Management Policies (2024-2026) into the actions of each employee. A company does not change overnight. Looking back on the past year, however, I have a real sense that the challenges taken on by individual employees are gradually taking shape and that the organization as a whole has begun to move in the same direction. Across the Group, efforts to gain a deeper understanding of issues through dialogue with customers and turn those insights into new proposals are steadily spreading. I believe our solid

Toward the realization of Vision 2030

We aim to become a 1 trillion-yen corporate group by creating both social value and economic value and by being a company that the market and customers want to work with to solve social issues.
We will execute management on many fronts in pursuit of steady business growth and establish a sustainable new business portfolio.





business performance also reflects the fact that these organizational changes are beginning to produce results.

In FY2025, while customer demand for DX remained strong, we delivered results that exceeded our plan. I believe this was the result of our efforts to deepen our understanding of customers' management and operational issues and strengthen our proposal capabilities, particularly in the focus areas set out in the Management Policies (2024-2026). To further accelerate our initiatives in retail, one of those focus areas, we welcomed Catalina Marketing Japan K.K. into the Group. The Group has long promoted operational transformation and DX for retail customers by providing merchandising core systems and in-store services, including electronic shelf labels and AI-based demand forecasting and automated ordering. At the same time, we saw even greater potential in using data from consumer touchpoints to support the execution of marketing initiatives and the measurement of their effectiveness. By combining Catalina Marketing Japan's data assets and marketing platform with our capabilities for social implementation, we can significantly expand the value we deliver to customers, industries, and society across the full cycle from planning and execution through effectiveness assessment. The acquisition is not simply a means of expanding the scale of our business. It is a strategic investment to realize in society the future of retail that we have envisioned together and create a virtuous cycle of value.

Turning changes in the business environment into growth opportunities for the BIPROGY Group

The business environment surrounding us is changing at unprecedented speed.

With advances in AI, customers will increasingly have the option of bringing the development and operation of their own systems in-house. As this trend unfolds, their expectations are shifting. Instead of looking to us simply for conventional system development and operation, they increasingly want a partner who will work with them to determine how their business should transform and then support them through implementation. Precisely because the right answers are increasingly difficult to discern, customers need more than technology. They need a partner that deeply understands their business and challenges and can envision the future with them.

I see this very shift as the Group's greatest opportunity for growth. For many years, we have worked alongside customers across diverse industries, including financial services, retail and distribution, manufacturing, and social infrastructure. We have engaged closely with their businesses and frontline operations, developed a deep understanding of both, and built the systems that support society. The knowledge and relationships of trust we have cultivated through this work are major assets for the Group. If customers bring more system development and operations in-house, I believe the BIPROGY Group should be the partner that supports and helps them advance those efforts. We must therefore evolve from a company that builds systems into a partner that works with others to solve social issues and create new value.

I believe that our capabilities for social implementation are where the Group's strengths can be put to best use. To me, social implementation means more than introducing new technology. It is an end-to-end process: building on our long-standing industry knowledge and trusted customer relationships to identify issues with customers, develop a vision, bring it to life in the field, turn it into results, and build on those results to create further value. The goal is not simply to put a system into operation. Our value lies in staying alongside customers until their businesses and operations actually change and that change produces new results. Throughout this process, we need to listen carefully and draw out the concerns and aspirations of customers, partners, and, at times, industry and local stakeholders. We then work through their respective interests and constraints one by one and translate them into practical mechanisms that work in the real world.

What value can we create with AI?

AI has the potential to transform our work and society. However, I do not believe that AI itself will create a

competitive advantage for the Group. What matters is how we use AI to deliver new value to customers and society. Technology is only a means to an end; a company's true competitiveness lies in the value it can create through that technology.

Based on this view, we are leveraging AI use from three perspectives: expanding AI solutions and services to enhance the value we deliver to customers; improving development productivity through development process transformation; and making business processes more efficient and sophisticated so that each employee can make fuller use of their capabilities. At the center of our Group-wide implementation of this approach is the AI Center of Excellence (AI CoE), a cross-functional organization established in FY2026. It consolidates expertise across the Group and goes beyond technology verification to drive use case deployment, human resources development, and governance in an integrated manner. Its role is to establish the mechanisms needed to translate AI into value in the workplace.

However, while AI holds enormous potential, due consideration must also be given to ethics, quality, and security. Responsible use is a prerequisite if AI is to earn society's trust. As we explore AI's potential, we are steadily putting in place the rules and governance that support its use and building a foundation on which it can be used with confidence.

I believe AI will most profoundly change what is expected of people. AI will take on routine tasks, allowing people to devote more energy to deepening dialogue with customers, identifying the essential issues, and envisioning new value. Enabling this shift toward higher-value work is, in my view, the essence of leveraging AI.

By using AI, we will maximize the respective strengths of people and technology and help customers achieve transformation. We will continue to strengthen our capabilities for social implementation and deliver new value to customers and society. This is how we intend to use AI.

People will remain our competitive advantage in the AI era

Precisely because AI continues to evolve, I believe that a company's competitiveness will be determined not by technology, but by its people. In time, technology will be accessible to everyone. What will matter then is what people think about and what value they create with it. The difference will be made by each and every employee.

I often tell our employees that I want them to become compelling individuals. Sharpening one's expertise is of course important, but that alone is not enough. I want them to embrace change positively, learn on their own initiative, take on challenges, and create new value in collaboration with a wide range of people. I believe that having more employees like this will enhance the Group's appeal and competitiveness.

We position our people as the drivers of value creation. Creating an environment, systems, and culture in which employees can shape their own careers and take on new challenges is both an investment in people and an investment in the future of the Group. Transformation emerges only when people are willing to take on challenges without fear of failure and the culture encourages them to do so.

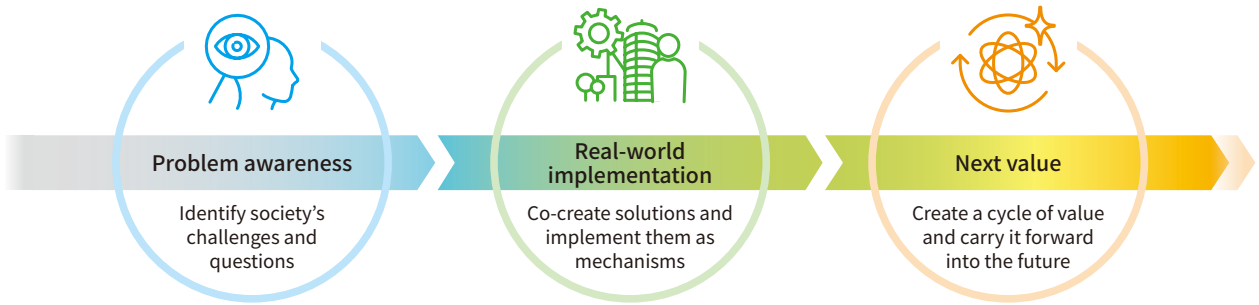
I make a point of creating as many opportunities as possible to speak directly with employees. For example, I eat lunch with employees in the company cafeteria and have open conversations with younger colleagues. Hearing about the challenges they are taking on and the issues they encounter in their day-to-day work offers important lessons for management. At the same time, each time I see how seriously every employee thinks about the Group's future, I become even more confident in the Group's potential.

Open innovation as a source of value creation

The Group has also continued to pursue open innovation. To create value, it is important to draw on external knowledge and technologies and the capabilities of startups, universities, research institutions, and partner companies. We have expanded our links with external ecosystems through direct investments in startups and indirect investments through domestic and overseas funds, including a CVC fund we established in North America, participation in the CVC co-creation community, collaboration with universities, and other initiatives. These are not simply investment activities; they also provide opportunities for talent development and business creation. Exposure to the outside world helps employees understand where we stand, enabling them to grow and the Group to change.

My involvement in Keidanren's Committee on Startups[*1] is an extension of this approach. Japan has a major presence in

From identifying issues to real-world implementation—and on to new value





terms of economic scale, but it faces challenges in generating innovation and future growth. Collaboration with startups is essential to change this situation. The Group is connecting startups with large companies, local communities, government bodies, universities, and others to create new value within business ecosystems. Not every initiative will succeed. New value, however, cannot be created without taking on challenges. We take on a challenge, learn from it, and apply those lessons to the next. I believe this cycle is a source of new value creation.

Innovation emerges when diverse values and perspectives come together. I want us to remain a group where people who take on challenges come together and grow, and where each challenge gives rise to the next.

*1 In June 2026, CEO Noboru Saito was appointed Chair of the Committee on Startups of the Japan Business Federation (Keidanren).

To continue meeting society's expectations

Our Vision 2030 target of achieving corporate value of 1 trillion yen reflects management's firm resolve for the Group to be a company worthy of that valuation that society continues to look to with high expectations as we co-create new value with diverse stakeholders. We aspire to be a Group that customers want to shape the future with; a company where employees feel inspired to take on challenges; a trusted partner in creating new value; and a company that investors recognize for its strong growth potential. I believe that consistently living up to these expectations is a clear path to enhancing corporate value.

We aim to be a group that continues to create social value through the Digital Commons.*2 To realize this aim, we will hone our own foresight and insight while working with customers and partners to identify concerns and early signs of change that could shape the future emerging in society. By inspiring one another, we will continue to deliver new value to society.

The rapid evolution of AI is changing capital market expectations and the criteria by which companies are evaluated. Yet the Group has grown by continuously adapting within the fast-changing IT industry. We will continue to design a future that generates a continuous cycle of value for our customers and society, and we will keep changing ourselves to realize that future. Our employees will draw on their individual strengths, create new value together with customers and partners, and extend the resulting benefits throughout society. The BIPROGY Group will continue to strive to be a corporate group that meets society's expectations.

*2 Digital Commons: Communities and mechanisms that, to help build a sustainable society, use digital technologies to make tangible and intangible assets in society widely available as shared assets at low additional cost and continuously create value through co-creation. (P.13 Digital Commons)

Value Creation Story

The BIPROGY Group has been addressing the issues facing customers and society 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.

10 History of the BIPROGY Group
11 Value Creation Process
13 Vision 2030
14 Material Issues

History of the BIPROGY Group

With Japan's first commercial computer, the BIPROGY Group helped pave the way for today's information society. For more than 60 years since then, the Group has provided a wide range of business solutions in response to diverse customer needs and the changing demands of the times.

1947
Yoshizawa Kiki, the predecessor to Nippon Remington Univac Kaisha, Ltd., established

1955
Installed Japan's first commercial computers at Tokyo Stock Exchange, Inc. and Nomura Securities Co., Ltd.



1958
Founding
Nippon Remington Univac Kaisha, Ltd. (currently BIPROGY Inc.)

1967
Launched Japan's first online banking process

1968
Nippon Remington Univac Kaisha, Ltd. changed its corporate name to Nippon Univac Kaisha, Ltd.

1971
Nippon Univac Kaisha, Ltd. listed on the First Section of the Tokyo Stock Exchange

1988
Establishment of Nihon Unisys, Ltd.
Merger of Nippon Univac Kaisha, Ltd. and Burroughs Corporation

1991
Launched the integrated CAD/CAM system CADCEUS

1997
Total infrastructure service subsidiary UNIADEX, Ltd. established

2007
Launched BankVision, the world's first Windows-based "full-banking" core banking system

2012
Capital alliance with Dai Nippon Printing Co., Ltd. to strengthen business foundation for expansion in new markets

2013
Launched the world's first open technology-based domestic airline passenger system

2021
Launched Japan's first public cloud-based full-banking system

2022
Corporate name changed to BIPROGY Inc.

2026
Catalina Marketing Japan K.K. became a subsidiary

Value and Functions Required of ICT

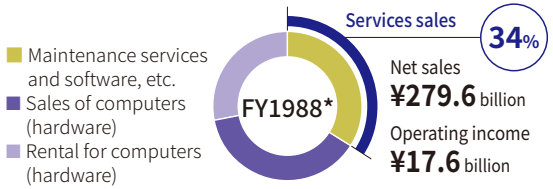
Greater business efficiency and cost reduction → Support for management decision making and business expansion / Support for structural reform → Business innovation and business creation / Resolution of social issues

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

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

Changes in portfolio





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

Value Creation Process

INPUT and OUTCOME data as of FY2025 or March 31, 2026

By expanding business ecosystems that span across sectors and business models and leveraging its accumulated strengths to solve 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: Approx. 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: 8,801
- Percentage of management positions held by women ■: 12.3%
- No. of engineers: 5,220
- Human capital investment: ¥5.2 billion

Financial capital

A financial base supporting new service creation and responding to business environment changes
- Equity attributable to owners of parent: ¥179.0 billion
- Issuer rating:*1 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*2 ¥62.9 billion

Quality assurance for products and services
- Quality control via ISBP*3

Investment in AI

Natural capital

Decarbonizing business activities
- Amount of energy consumption: 5,089 kl
- Percentage of purchased energy used at the BIPROGY Group business locations that is renewable energy ■: 48.2%

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
- Capabilities for Enabling Successful System Implementation
- Capabilities for Enabling One-stop Vendor-Free Support
- Capabilities for Designing and Delivering New Services

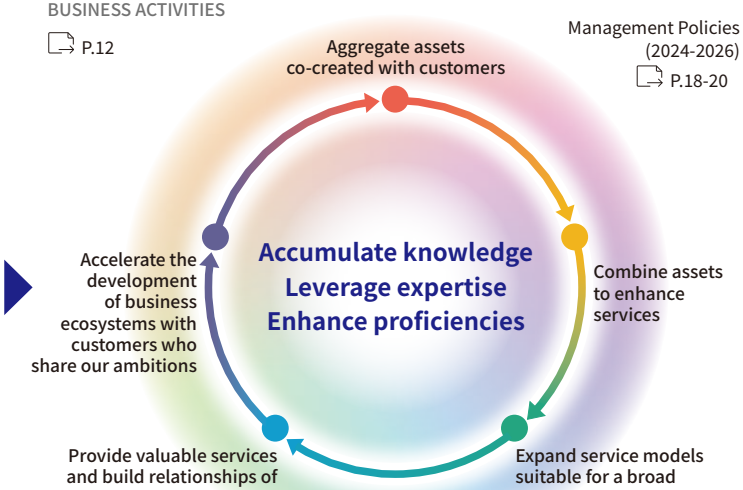
■ is a material issue KPI

Value Creation Cycle

BUSINESS ACTIVITIES

P.12

Management Policies (2024-2026)
P.18-20

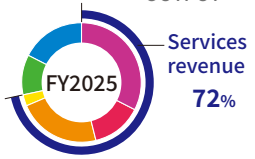


Creation of Services

OUTPUT

P.21-31

Revenue
¥433.7 billion



Services revenue
72%

- System services
- Support services
- Outsourcing
- Other services
- Software
- Hardware

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 ■: 1.42 times compared to FY2023
- Sales growth rate of the managed service business ■: 1.74 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 ■: 63
- Average score on items related to job satisfaction and worker-friendliness in the engagement survey ■: 55%
- Operating profit per employee: ¥4.84 million

Financial capital

Sustainable growth/Shareholder returns
- ROE: 17.9%
- Ratio of equity attributable to owners of parent to total assets: 47.0%
- Annual dividend: ¥12.6 billion (dividend payout ratio 40.5%)

Intellectual capital

Establishment of a sustainable competitive advantage

Creation of new services
- Investments in funds that target diverse fields both in Japan and overseas: 34 funds
- Investments in startups and other businesses: 8

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) ■: 420.4%
- Reduction rate of GHG emissions (Scope 1 + Scope 2 (Market-based)) (vs. FY2019) ■: 58.6%

Manufactured capital

Reliable operation of services
- Online uptime rate: 99.998%

Vision 2030

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

P.13

Material Issues
P.14-16

Social Impacts

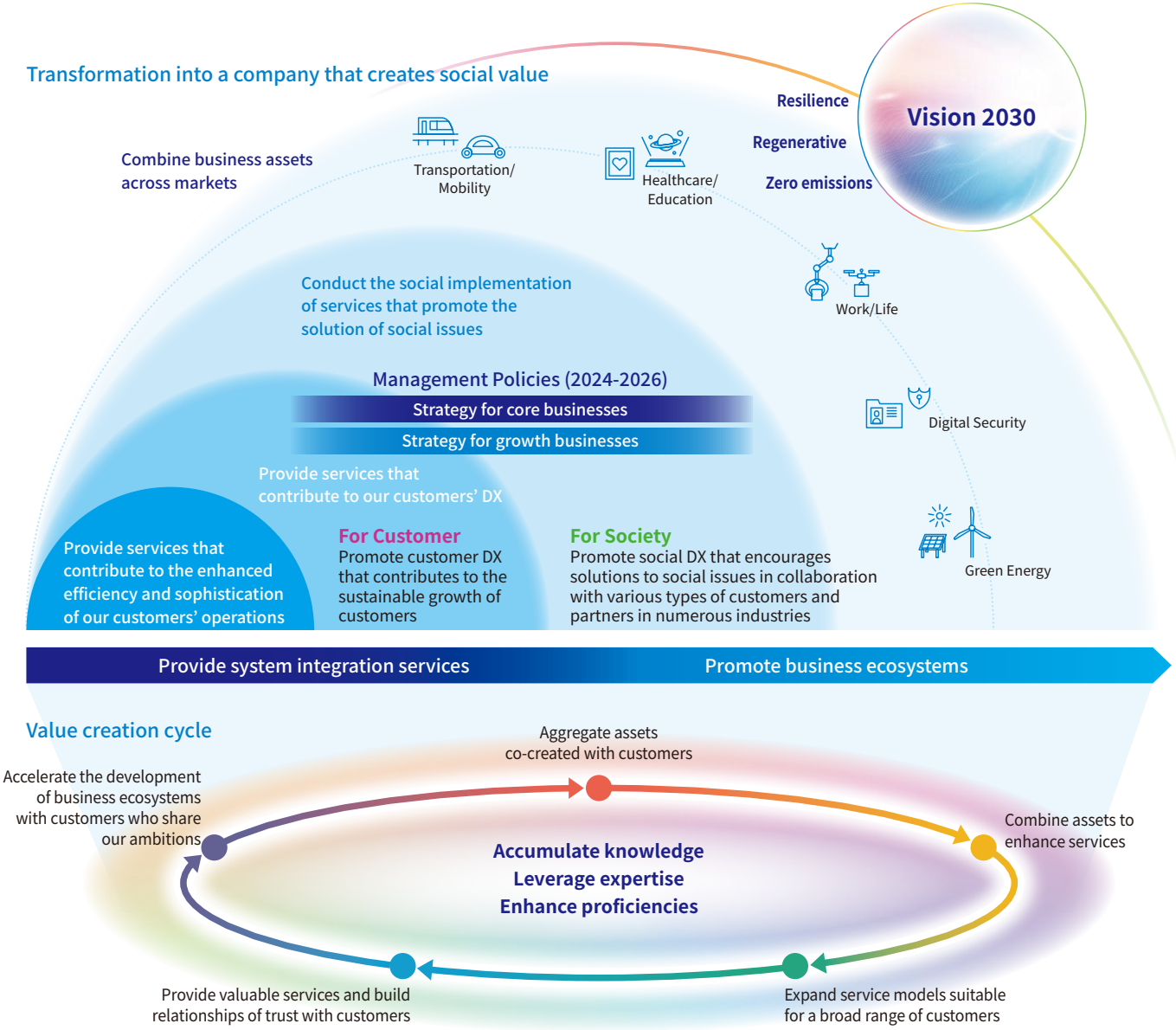
Resilience
Viable and resilient autonomous distrib-uted environments

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.

Transformation into a Company that Creates Social Value through the "Value Creation Cycle"



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.31), 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 and flexible service models. At the same time, we would like to increase the number of services that are appealing to customers over the long term by generalizing the experience and knowledge from individual projects into a form applicable to multiple customers and compiling that into a library.

Leveraging the Group's foresight and insight, together with its implementation capabilities backed by integrity and the power to get things done, we aim to accelerate the expansion of business ecosystems by driving the value creation cycle and, together with our customers and partners, create social and economic value that will help realize Vision 2030.

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.

Combining keen foresight and insight into social change with ICT-driven technology and the formation of business ecosystems with diverse partners, the BIPROGY 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.

BIPROGY Group's Digital Commons Concept

Digital Commons are communities where it is possible to create both social value and economic value in the resolution of social issues. These communities are formed thanks to the power of digital, used to make private assets that already exist in society (assets held by companies, organizations and individuals) and surplus assets (assets with a low operation rate) widely usable as common assets with low additional costs.

The BIPROGY Group will promote the social implementation of the Digital Commons by combining its track record and expertise in solving social issues with a network of like-minded people, plus digital technologies founded on many years' experience.

Purpose

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

Foresight and Insight
Foresee new business opportunities by identifying changes in the external environment in order to focus on social issues

×

Technology
Ability to implement solutions through combinations of elements that best meet customer requirements

×

Business Ecosystem
Contribute to resolving more social issues by increasing the number of customers who share our ambition

Create social value

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



Material Issues

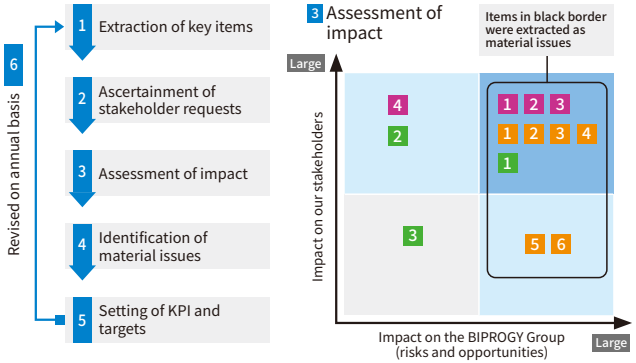
The Group is working to realize Vision 2030 by integrating sustainability into our management practices and further enhancing corporate value. To this end, we have identified key items as material issues in light of evolving social issues and changes in the business environment. We aim to achieve sustainable growth through the creation of both social and economic value.

Continuous enhancement of materiality management

The Group organizes its material issues into two categories: business growth (expanding opportunities) and business foundations (enhancing value through risk reduction). We set KPIs and targets for each material issue and continuously monitor progress.

In addition, to further align the realization of Vision 2030 with the Management Policies, we review the appropriateness of our material issues annually based on an assessment of progress, changes in social issues and the business environment, and stakeholder expectations and revise them as necessary. Through this process, we ensure the continued relevance of our priority issues and strengthen their alignment with management strategy, thereby driving sustainable value creation.

Process of determining and updating material issues



E Environment
1 Climate change
2 Water resources
3 Biodiversity

S Social
1 Acquisition and promotion of diverse human resources
2 Human resource development
3 Supply chain management
4 Customer service
5 Human rights*
6 Labor
* Includes the concepts of protecting privacy and guaranteeing the freedom of expression.

G Governance
1 Corporate governance
Risk management
Compliance
Intellectual property protection
2 Innovation management
3 Information security and protection of personal information
4 Preventing corruption and bribery

P.72 Connection to business risks, etc.
P.73 Relationship between material issues and stakeholders

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.
Material issues for supporting business growth	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.
	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. Many initiatives are delivering steady progress, while some KPIs fall short of their targets or have declined from the previous fiscal year. For these issues, we are reviewing measures based on an analysis of the underlying factors and enhancing progress monitoring while steadily advancing initiatives to achieve the targets.

	Material issues	Create social value	Create economic value	KPI	Targets	FY of achievement	FY2025 results and key initiatives (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	**1.42 times** (1.2 times) Promoted the creation of new services in collaboration with partners, focusing on business development in growth business areas to expand our social DX and customer DX businesses	P.18-20 Management Policies (2024-2026) P.26 Growth businesses Market development / business development
				Sales growth rate of managed service business	Three times or more (compared to FY2023)	FY2026	**1.74 times** (1.4 times) With UNIADEX, Ltd. taking the lead, the entire Group worked to launch a new brand and provide new services	
Material issues for supporting business growth	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	**420.4%** (279.9%) Promote decarbonization efforts across business operations and the delivery of green products and services	P.50-52 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%) Promoted disclosures that quantify financial impacts. Conduct scoping with reference to the TNFD recommendations and further enhance scenario analysis on an ongoing basis.	
				Percentage of purchased energy used at the BIPROGY Group business locations that is renewable energy	50% or more	FY2030	**48.2%** (33.1%) Progressing as planned. Continue examining ways to diversify procurement methods to achieve the target ahead of schedule	
				Reduction rate in GHG emissions (Scope 1 + Scope 2) (compared to FY2019)	50% or more	FY2030	**58.6%** (42.1%) Promoting energy-saving measures and a shift to renewable electricity	
	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	**24.2%** (23.1%) Through dialogue with suppliers, continue to grasp the status of emission reduction target setting and encourage them to take further action	P.50-52 Environment P.53 Supply Chain P.54 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	**7.1%** (17.4%) Promote collaboration toward the decarbonization of products and services 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** (Implemented) Conduct e-learning for all officers and employees, as well as company-wide, cross-functional workshops	
				Progress rate on re-performing human rights risk assessments and addressing issues at all Group companies	100%	FY2026	**Assessment completed; response initiation rate: 100%** (assessment completed; response initiation rate: 50%) Advance measures to address priority issues based on the results of the human rights risk assessment	
				Percentage of BIPROGY Group suppliers having taken the ESG risk survey	100%	FY2026	**96.6%** (70.3%) Continued conducting ESG risk surveys of suppliers	
				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	**38.2%** (FY2024 was not subject to performance measurement) Engage in individual dialogue with suppliers and implement improvements based on the survey results	

*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	Targets	FY of achievement	FY2025 results and key initiatives (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*2	18% or more	As of April 1, 2026	**12.6%** (12.3%)*3 Strengthen planned development and human resource pipeline creation. Implement level-specific development programs	P.32-38 Human Capital Strategy
				Number of human resources promoting new business development	100 or more	FY2026	**63 people** (48 people) Enhance business creation capabilities through practical product-market fit (PMF) training and cross-functional collaboration	
				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%*4	FY2026	**55%** (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%** (100%) Set ROLES and medium- to long-term career goals through the career design program	
				Maintenance and improvement rate of mechanisms to promote career well-being*5 (number of implementations / number of plans)	100%	FY2026	**100%** (83%) Completed the development of related processes in conjunction with the above initiatives	
				Percentage of eligible men who took leave or time off for childcare after their spouse gave birth	100%	FY2025; maintain thereafter	**97.1%** (83.3%) Introduce a spouse pregnancy notification system, distribute a "Childcare Leave Handbook," and share examples of employees who took childcare leave, among other initiatives	
				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	**96.5%** (91.8%) Foster a workplace culture that encourages men to take childcare leave by advancing the above initiatives and other measures	
				Percentage of employees with disabilities	At least 0.1 points above the legally mandated percentage	Annually	**3.09%** (2.98%) Promote employment measures, including activities at special subsidiaries and efforts to expand employment 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 three or more risk factors: 100%** (follow-up rate for employees with four risk factors: 100%) Promote measures to increase employee health awareness and encourage behavioral change, and strengthen follow-up in 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	**113 people per year** (120 people) Strengthen prevention and early intervention through support for younger employees and manager-led line care	
	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	• Expansion of opportunities to discuss key issues and risks • Monitoring of efforts to reform organizational climate and raise compliance and risk-management awareness	P.58-67 Corporate Governance P.68-69 Further Improve Integrity
				Improvement and upgrade of the compliance program		Annually	• Promotion of dialogue through Compliance Roundtable activities • Enhancement of the effectiveness of the internal reporting system (compliance hotline) • Strengthening of compliance education and awareness-raising activities	
				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: 4 cases** (6 cases)	
				Number of serious security incidents	0 cases	Annually	**0 cases** (0 cases)	
				Percentage of Group companies in Japan that have applied data protection security mechanisms for hybrid work (blend of working remotely and in the office)	100%	As of March 31, 2027	Completed rollout of the controls to all applicable Group companies in Japan	
				Coverage rate of special operation management*6	100%	As of March 31, 2027	**100%** (100%) At BIPROGY, gradually promoting various measures that contribute to improving the comprehensiveness of special operation management	

*2 Target as of April 1, 2026. FY2026 is positioned as a period for considering revisions to numerical targets for FY2027 and beyond and the formulation of related strategies.
*3 As of April 1, 2026. Figures in parentheses are as of April 1, 2025.
*4 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.
*5 Enhancing a sense of fulfillment and happiness by using abilities and growing in one's own career.
*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.)

Value Creation Strategy

The BIPROGY Group is accelerating the creation of social value and economic value through business activities under its Management Policies (2024–2026) to achieve Vision 2030. We aim to become a company that the market and customers want to work with to resolve social issues. We introduce our value creation strategy for achieving this goal and the progress we have made.

18 Management Policies (2024-2026)
21 Core Businesses
26 Growth Businesses
28 Group Companies & Co-Creation Partners that Realize Value Creation
32 Human Capital Strategy
39 Intellectual Capital Strategy
41 Special Feature Becoming a Company that Co-Creates with AI to Create Value
44 CFO Message



Management Policies (2024-2026)

Review of Past Mid-Term Management Plans

	Mid-Term Management Plan FY2012-FY2014	Mid-Term Management Plan FY2015-FY2017 Innovative Challenge Plan	Mid-Term Management Plan FY2018-FY2020 Foresight in sight 2020
Vision	Corporate Transformation for Sustainable Growth	Business Model Transformation	Become a sustainable company and achieve a sustainable growth cycle predicated on resolving, through business activities in our priority areas, social issues in the context of customer issues.
KPIs	FY2014 Operating Margin 4.1% Net Sales ¥269.2 billion ROE 9.7% Dividend Payout Ratio 26.0%	FY2017 Operating Margin 5.7% Net Sales ¥287.0 billion (Net sales in the areas of digital innovation and life innovation) (¥27.0 billion) ROE 12.4% Dividend Payout Ratio 33.6%	FY2020 Operating Margin 8.6% Net Sales ¥309.7 billion (Net Sales in Priority Areas) (¥68.4 billion) ROE 13.4% Dividend Payout Ratio 41.1%
Strategies and Key Outcomes / Acquired Strengths	Added the ability to design and implement new services to our existing strengths • Took a social perspective to create business ecosystems that link different industries • Collaboration with Dai Nippon Printing Co., Ltd., which has strengths in the content field • Provided payment/settlement platforms as a service business entity • Strengthened financial condition	Took on challenges in new business areas and strengthened our foundation for further growth • Increased profit and number of potential new businesses by expanding business in the digital and life innovation fields • Increased profitability by concentrating on fields of strengths, such as business ICT platforms, and improving labor productivity • Promoted a change in skill sets in line with business model transformation • Proactively promoted investments in business partners in Japan and overseas as well as Fund of Funds (FoF)	Acquired assets to transform the Group into one that creates social value by expanding business in priority areas • Built a foundation for the direction that should be promoted in the next management policies through initiatives in the core fields of neo-banks, digital acceleration, smart towns, and asset guardian • Reviewed human resources and roles in business execution, cultivated relationships with customers, and contribute to greater customer value • Strengthened platform provision capabilities through measures to integrate technology throughout the Group, increase productivity, and increase efficiency • Implemented measures on various fronts, including corporate culture reforms that promote challenges and reforms in awareness regarding diversity • Proactively implemented initiatives that foster open innovation and acquired knowledge through investments that target new business creation

Vision 2030

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

Review of Previous Management Policies

Management Policies (2021-2023)

FY2021-FY2023

	FY2023 Actual	FY2023 Target
Revenue	¥370.1 billion	¥340.0 billion
Outsourcing Business*1	(¥76.6 billion)	(¥100.0 billion)
Adjusted Operating Margin*2	9.1%	10% or higher
ROE	16.5%	Approx. 15%
Dividend Payout Ratio	39.8%	Approx. 40%

*1 System outsourcing as well as service businesses where BIPROGY Group is the provider
*2 Adjusted Operating Profit: Revenue minus cost of sales and SG&A expenses

What we accomplished

- For Customers (customer DX): Achieved substantial growth in system services, especially in the area of digital transformation
- For Society (social DX): Expanded social digital transformation initiatives in various fields that help resolve social issues
- Made progress in changing employee awareness and behavior by systematically developing business-producing human resources and promoting DE&I
- Invested in startups and structural reform for internal digital transformation

What we need for further growth

- For Customers (customer DX): Define, hone, and expand focus areas that will become strengths for the BIPROGY Group
- For Society (social DX): Identify key themes to accelerate and expand provision of social value
- Promote organizational development and train and acquire human resources linked to business strategies
- Proactively invest to accelerate business strategies

Current Management Policies

Management Policies (2024-2026)

FY2024-FY2026

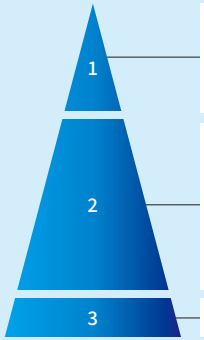
	FY2025 Actual	FY2026 Target*3	Initial target
Revenue	¥433.7 billion	¥440.0 billion	¥420.0 billion
Adjusted Operating Margin*2	10.0%	11.0%	11.0%
ROE	17.9%	17.0% or more	15.0%
Dividend Payout Ratio	40.5%	40.0% or more	40.0% or more
	+Treasury stock acquisition ¥10.0 billion	+ Flexibly implement share repurchases, taking into account the stock price	

*3 Targets were revised upward in April 2025. See p. 44 for the outlook announced in April 2026.

Basic Policy

P.19

We will work to realize Vision 2030 through three basic policies



1. Increase corporate value by establishing a sustainable business portfolio
   - Strategy for core businesses
   - Strategy for growth businesses
2. Optimize the allocation of management resources
   - Investment strategy
   - Human resource strategy
   - Technology strategy
   - Financial strategy
3. Strengthen the Group's management base

Basic Policies of Management Policies (2024-2026)

Through our Management Policies (2024-2026), we aim to accelerate the creation of social value and economic value through business activities and to become a company that the market and customers want to work with to resolve social issues.

We will use the management resources we have accumulated to date to proactively invest in growth, promote an ambidextrous management approach of core and growth businesses, and create new mainstay businesses. We will establish these mainstay businesses in the form of a sustainable business portfolio and take on the challenge of achieving a corporate value of 1 trillion yen.

Challenges

- Now that our financial base is stable thanks to our improved operating margin, we must establish a new business portfolio and increase our corporate value.
- We must acquire new capabilities and further increase both customer and social value in order to explore new business models and digital transformation initiatives for customers and achieve green transformation and other solutions to social issues.
- We must develop business across borders to establish a truly unique BIPROGY brand.
- We must allocate our management resources and make human capital investment, as well as acquire new resources by investing in growth to drive initiatives with a medium- to long-term perspective.

Basic Policy

We will work to realize Vision 2030 through three basic policies

1. **Increase corporate value by establishing a sustainable business portfolio**
   - **Strategy for core businesses**
     Establish areas of strength and improve value proposition
     P.21-25
   - **Strategy for growth businesses**
     Establish a new earnings base
     P.26-27
2. **Optimize the allocation of management resources**
   - **Investment strategy**
     Invest proactively in focus areas
     P.44-47
   - **Human resource strategy**
     Allocate resources linking to business strategies
     P.32-38
   - **Technology strategy**
     Strengthen technologies for accelerating business strategies
     P.39-40
   - **Financial strategy**
     Optimize capital allocation
     P.44-47
3. **Strengthen the Group's management base**

Business Environment

Markets and customers

- Possibility that outsourced development (for systems/network integration) may contract over the medium and long term due to factors such as the emergence of new "as-a-service" models and domestic population decline
- Continuous growth expected in overseas IT markets, centering on ASEAN countries
- Increasing investment in the area of digital transformation by customers in tandem with the evolution of AI, IoT, and other technologies, and strengthening of efforts to resolve social issues, including green transformation

Competitors

- Expanding businesses, including through the acquisition of human resources, capabilities, and channels, as well as by capturing overseas markets based on aggressive growth investments (e.g., M&As)
- Intensifying competition due to the emergence of global conglomerates and cloud services companies and the entry of companies from other industries

New growth opportunities

The BIPROGY Group's recognition of the evolution of AI technology

Understanding of the business environment surrounding AI

- A major turning point that is bringing structural change to conventional approaches to system development and operations
- Against the backdrop of increasing AI-driven automation, the traditional labor-dependent (person-month-based) system development model is undergoing change
  * Over the medium to long term, customers are expected to advance IT insourcing
- The focus of value sought by customers is shifting toward balancing holistic business and system design based on industry expertise with AI governance.

Impact on the BIPROGY Group's business

- Enhancing the value delivered across solutions and services, in addition to enhancing value in infrastructure and operations efforts
- By combining the Group's strength in system development grounded in deep business understanding with AI, evolving from a development contractor into a partner that supports customers' IT internalization efforts and co-creates value

Increase corporate value by establishing a sustainable business portfolio

Core Businesses

Establish areas of strength through consolidation and selection, enhance value proposition, and improve profitability

Key Strategic Initiatives	Growth Scenarios
Allocate management resources to focus areas/customers	**Make proactive development investments and human capital allocations in focus areas** • Centered on our assets, which are a product of our excellent customer base and our thorough operational and customer knowledge, define five focus areas: financial, retail, energy, mobility, and operational technology (OT) infrastructure • Proactively invest in development to enhance customer value
Enhance development productivity	**Increase development capacity to support business expansion; enhance development productivity and reliability by utilizing new technologies and knowledge** • Standardize project management and engineering, and shift internal processes toward earlier stages in the value chain • Strengthen collaboration with domestic and international partners, including through M&As and business alliances, and supplement our human capital through initiatives such as hiring experienced professionals • Automate development through the use of generative AI and other new technologies
Expand service businesses	**Enhance value proposition in service businesses through prioritized development investments in focus areas** • Increase the speed with which we can provide solutions by transitioning more services to the cloud, and expand our market share • Review operational processes and frameworks for outsourced services and increase efficiency

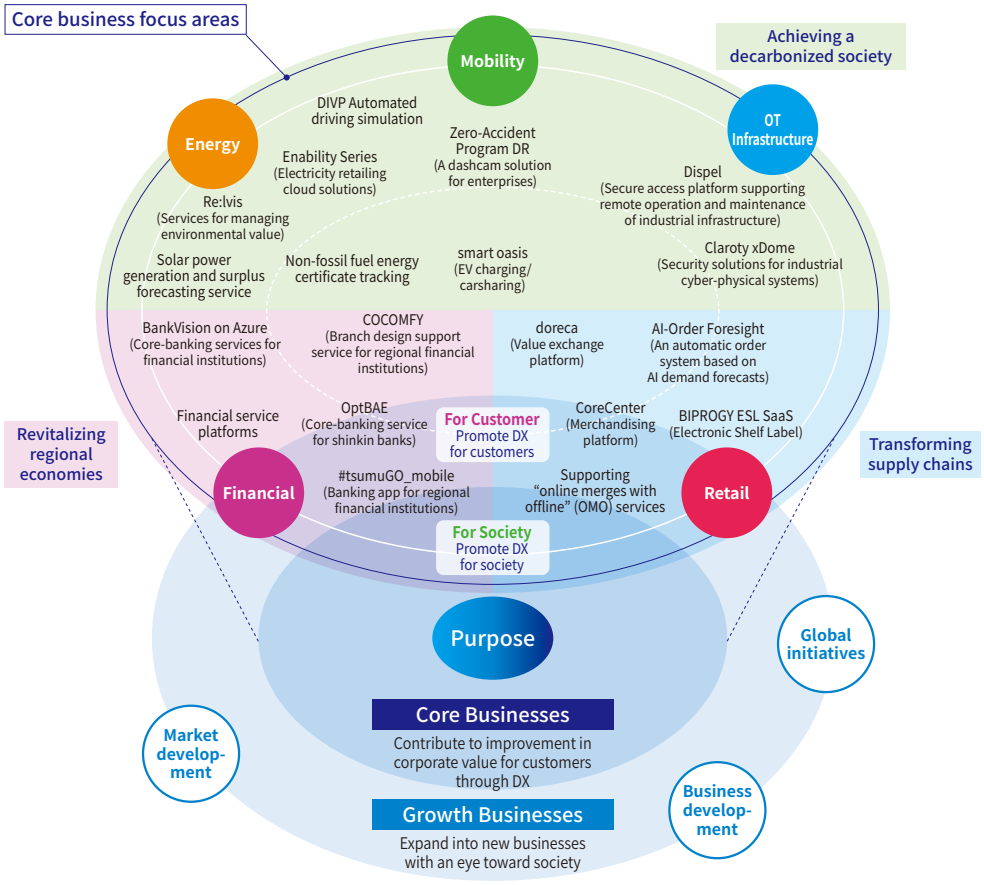
Growth businesses

Enhance value proposition through proactive investment and establish a new earnings base

Key Strategic Initiatives	Growth Scenarios
Market development Acquire/ Expand new service areas and capture/ expand market share	**Capture/Expand new market share by acquiring new service areas and cultivating growth markets** • Deploy data utilization services that employ data scientists and AI to support customer management decisions • Deploy managed services, including digital workplaces, security and cloud management, that free customers to concentrate on their core business processes
Business development Accelerate the co-creation and deployment of social digital transformation businesses	**Accelerate the development, co-creation, and deployment of social digital transformation businesses that resolve social issues** • Positioning social/green transformation, smart lifestyles, and regional revitalization as focus themes, establish business ecosystems that span industry fields together with customers and partners who share our ambition, to co-create and accelerate the deployment of social digital transformation businesses
Global initiatives Develop business in major ASEAN countries and strengthen approaches for North America and other markets	**Develop business in major ASEAN countries and strengthen approaches with an eye toward entering North America and other markets** • Use strategic investments such as M&As to expand service areas and acquire new customer segments • Leverage services and knowledge from operations in Japan to promote customer digital transformation businesses overseas • Establish business ecosystems with customers and partners in each country/region and promote social digital transformation businesses centered on resolving social issues

Core business focus areas

Within the Group's core businesses, which are our current sources of earnings, we will concentrate management resources on five areas where we can leverage our strengths of an excellent customer base and thorough operational and customer knowledge gained through our track record of providing and operating mission-critical solutions and infrastructure services, thereby enhancing the value we provide and improving profitability.

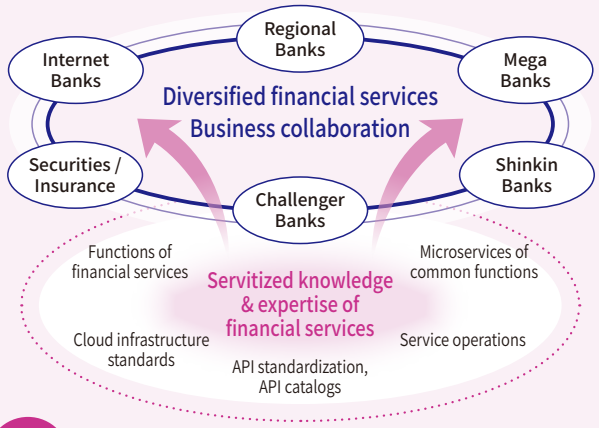


Core Businesses

Focus areas Financial

Our Vision for 2030

Play a part in transforming the digital economy through attempting to integrate our financial services and promoting mutual engagement among business partners

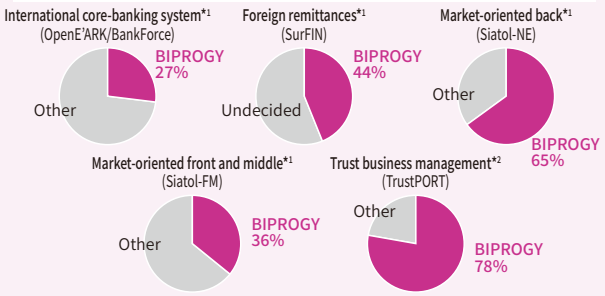


Strength

(as of the end of March 2026)

Build trust (from various business partners)/ Development capabilities and capabilities for enabling successful system implementation/Pioneering attempts

Market share of our solutions

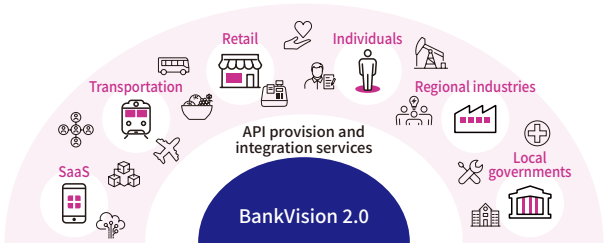


*1 Market share among regional banks, second-tier regional banks, and credit unions with deposits of at least 3 trillion yen each
*2 Market share among trust banks with system installation

Over the past 50 years, the Group has developed and delivered packaged systems for financial institutions. Embracing cutting-edge IT as times change, we launched the world's first open core-banking system and achieved Japan's first core-banking system running on a public cloud. Harnessing ever-evolving IT and our financial-industry know-how, as a business partner to a diverse range of financial institutions, including mega banks, online banks, internet banks, regional banks, shinkin banks, securities firms, and insurers, the Group will continue supporting financial institutions in solving challenges and making their IT and management strategies successful.

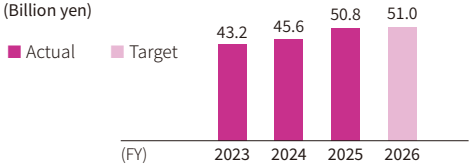
Pickup API economy envisioned by BankVision 2.0*3

- Improve development productivity and customer convenience by enabling seamless linkage between banks' internal systems and external services
- Create new business opportunities and innovation across industry and business boundaries by enabling services to complement one another



*3 Initiatives to further enhance the value of the open core-banking system BankVision

Actual revenues and target



Strategies	FY2025 progress
1 **Further evolution of the core business** Expansion of the customer base and business scale in back-office services, front-end functions, and financial solutions	• Growth of the core-banking systems business: THE SHIGA BANK, LTD.'s "BankVision on Azure" • Increase in new orders for branch-office systems, banking apps, international financial systems, and capital markets systems
2 **Business development in new business domains** Materialization of concepts for new business areas and creation of new markets	• The business that integrates AI technologies into financial business BPaaS*4 is currently being advanced toward commercialization. • Investing in startup companies related to stablecoins and security tokens toward entry into the business
3 **Evolution and expanded application of the FSP** Architecture standardization, commonization of functions, and operational standardization through the Financial Service Platform	• Promoting architecture standardization and common function development, primarily centered on front-end systems • Apply to newly developed products from FY2026 onward to strengthen service profitability

*4 BPaaS: A model that combines SaaS with BPO

Management message



A trusted partner co-creating the future of the rapidly changing financial industry

Hiromi Watanabe
Corporate Officer, BIPROGY Inc.

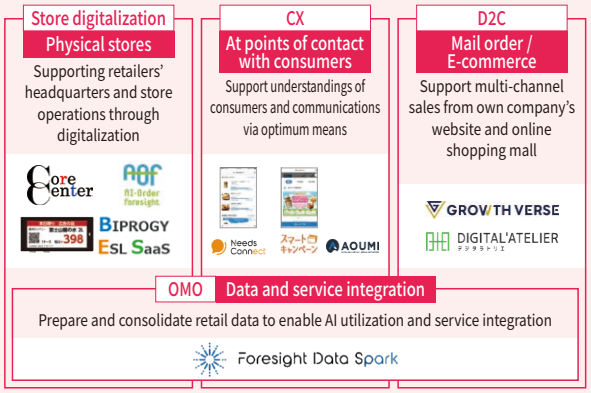
Through the adoption of BankVision by a new customer, we have built a strong asset in our core-banking brand, while also expanding orders in front-end areas such as the SurFIN foreign remittance service and branch-office systems. Looking ahead, as we move into an environment with positive interest rates and advances in AI technology and Web3 finance enable more real-time services, we will accelerate the evolution of our offerings and our efforts to take on new business domains to help alleviate labor shortages and revitalize regional economies.

Core Businesses

Focus areas Retail

Our Vision for 2030

Enable a futuristic retail that solves issues in society facing retailers, and supports changes in business environments and consumers' purchase behaviors



Strength

(as of the end of March 2026)

Capabilities of implementing effective IT solutions based upon knowledge and expertise about the industries and businesses accumulated through our experience of creating mission-critical systems for more than 40 years

- CoreCenter for Retail core system package for the retail industry, etc.
  Introduced by **24** companies cumulatively
- AI-Order Foresight automatic order system based on AI demand forecasts
  Introduced by **11** companies at **1,200** stores cumulatively
- BIPROGY ESL SaaS electronic shelf label service
  Introduced by **12** companies at **1,500** stores cumulatively
- Needs Connect consumer feedback collection service
  Adopted by **2** major retailers (Launched in April 2026)

In the retail area, we aim to realize future-oriented retailing that contributes to a sustainable society by tackling labor shortages and diversifying consumer needs. We have created a range of services across four areas: Store Digitalization, D2C,*1 CX,*2 and OMO,*3 which links them all together. Through Foresight Data Spark, our retail data utilization concept that connects these services, we are enhancing our offerings with data and AI.

*1 D2C: Direct-to-Consumer referring to companies selling their products directly on EC sites.
*2 CX: Customer Experience referring to a series of processes that customers experience by buying goods and services.
*3 OMO: Online Merges with Offline referring to integrating online services and offline services with the aim of keeping customers from confusions due to differences in the channels.

Pickup Catalina Marketing Japan joins the Group

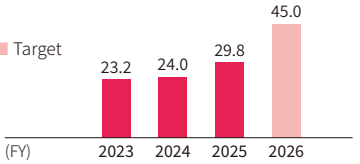
- Combine the purchasing data platform that Catalina Marketing Japan manages on behalf of retailers with BIPROGY's IT technologies and service development capabilities. By building a neutral platform that delivers benefits to consumers, retailers, and manufacturers, we aim to contribute to the sustainable development of the retail and distribution industry.

Catalina Marketing Japan P.29

CATALINA	BIPROGY
Marketing support platform leveraging consumer data	Core systems for the retail and distribution sectors store digital transformation (DX) solutions

Actual revenues and target

(Billion yen)



Strategies	FY2025 progress
1 **Enhance businesses in the area of store digitalization** Enhance relations with key customers and establish stable earnings through strengthening store digitalization and service platforms	• A large-scale MD core system CoreCenter for Retail went live after development. • Retail-oriented AI automatic ordering solutions such as AI-Order Foresight are also steadily increasing.
2 **Enhance businesses in the area of D2C (Direct to Consumer)** Strengthening of direct sales and EC services and cost optimization Creation of a presence in the D2C market and new revenue opportunities	• The OMO system went live for a major outdoor brand within a short delivery timeframe. • AI-driven development is under way to improve efficiency and speed up operations.
3 **Create new business models through the use of CX and OMO** Promote the development of CX- and OMO-related services by leveraging aggregated data from consumers and stores	• Catalina Marketing Japan joined the Group. Services are being deployed centered on the new service delivery concepts, Foresight Connect and Data Spark, with an eye on completing PMI and expanding the CX/OMO business.

Management message



Aiming for further business expansion by creating synergies with Catalina Marketing Japan

Akinobu Murakami
Corporate Officer, BIPROGY Inc.

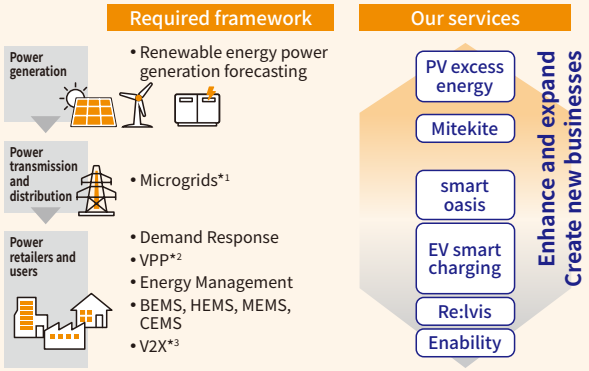
Initiatives to support DX among retailers are making steady progress, including a large-scale core merchandising system implementation project and increased orders for our automatic order system based on AI demand forecasts. In January 2026, Catalina Marketing Japan also joined the Group. By leveraging the strengths of both companies, we aim to establish a platform that enhances value across the entire retail and distribution industry.

Core Businesses

Focus areas Energy

Our Vision for 2030

Create new businesses conducive to promoting renewable energy through the use of IT, with an eye toward realizing a decarbonized society as one of the social issues, in cooperation with our customers and partners



Strength

(as of the end of March 2026)

Knowledge and expertise that we have accumulated from developing systems as well as services for companies related to energy

"Enability CIS"*4 electricity retail cloud service

Major city gas providers, leading homebuilders, major electric utilities, etc.

Adopted by **27** companies in total
Serving **2.17** million registered IDs

"Enability EMS"*5 energy management cloud service

Buildings using BEMS management services (for buildings/tenants): Approx. **1,000**
Buildings using MEMS services (for condominiums): Approx. **384,900**

"Re:lvis" environmental value management service

Companies using the service: Up **270**% year on year

Solar power generation and surplus forecasting service

Volume of forecasted power generation: Up over **82**% year on year

In the energy area, the Group aims to contribute to the realization of a decarbonized society, one of the social challenges. Thus far, we have offered the Enability series, demand forecasting and power generation forecasting systems, and other services primarily to electricity retailers and end users. Drawing on approximately 70 years of industry expertise, we will continue to take on the challenge of creating new value by enhancing the value we provide through AI, entering the battery storage business, and integrating digital and physical capabilities.

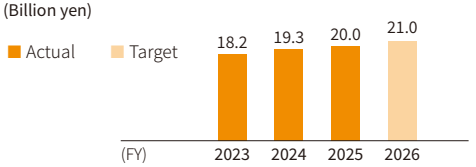
Pickup Launch an aggregation business*6

- In addition to our existing system provision business, we aim to shift to a business model under which we own battery storage assets ourselves. To this end, we established a battery storage company in June 2026 and plan to launch an aggregation business.
- By operating the battery storage and aggregation businesses in an integrated manner and providing AI-powered IT services, we will contribute to grid stability and the wider adoption of renewable energy.
- Building on the operational track record and expertise we develop through our own business, we aim to expand into services for third-party battery storage systems in the future and create new social value.

*1 Microgrid: stand-alone or isolated small-scale electrical grid designed to generate and manage power for facilities or in local areas
*2 Virtual Power Plant (VPP): A system that uses IoT technology to integrate and remotely control energy resources such as on-site power generation systems and storage batteries distributed across factories and homes so that they operate as if they were a single power plant.
*3 Vehicle to Everything (V2X): A technology that uses communication systems to connect and coordinate automobiles with various objects and devices
*4 Customer Information System (CIS): A system supporting customer management, rate calculation, and billing/payment management in the energy sales business
*5 Energy Management System (EMS): A system that visualizes energy consumption and performs monitoring and control based on measurement data
*6 Aggregation business: A business that conducts transactions in the wholesale electricity market and balancing market and adjusts electricity supply and demand using distributed energy resources such as grid-scale battery storage systems

Actual revenues and target

(Billion yen)



Strategies	FY2025 progress
1 **Deepen the value proposition for customers** Expansion of service solutions such as Enability Expand SE services for DX at energy-related companies, including DX-related businesses for power transmission and distribution operators	• For EnabilityCIS, an architecture renewal has been initiated to further enhance maintainability and flexibility, thereby enabling a more rapid response to customer needs. • Initiatives are underway with power transmission and distribution operators to improve operational efficiency through the use of AI, with plans to expand the scope of operations covered.
2 **Expand business in relation to carbon neutrality** Energy management-related services solution development and delivery	• The environmental value management service "Re:lvis" has been awarded contracts by major electric power companies. • A demonstration of hourly matching*7 has already been conducted to support the expanded adoption of renewable energy.
3 **Grow through entering new businesses** Strengthen competitiveness through synergies with existing businesses, by pursuing business alliances and equity participation with decarbonization-related companies	• With a view to developing an aggregation business utilizing battery storage, the company is focusing on launching the business in-house. The business aims to achieve growth, including through proactive investments.

*7 Hourly matching: Certifying that, on an hourly basis, the amount of electricity supplied from renewable energy sources is equal to the amount of electricity consumed.

Management message



Leveraging our capabilities to help realize a decarbonized society

Satoshi Kanai
Corporate Officer, BIPROGY Inc.

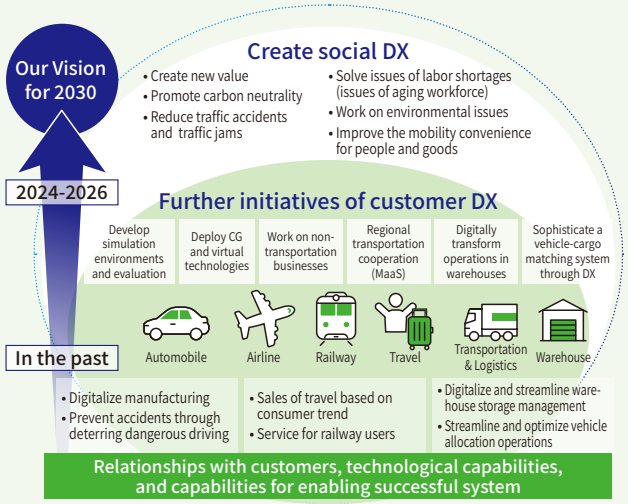
Our initiatives in the energy area to help realize a decarbonized society also contribute to the sustainable society envisioned in our Purpose and Vision 2030. Leveraging the expertise and capabilities we have accumulated, we aim to drive further growth in this area by expanding businesses that help address social challenges, including the launch of an aggregation business in FY2026.

Core Businesses

Focus areas Mobility

Our Vision for 2030

Digitally transform mobility with digital technologies. Enable new value propositions conducive to customer DX and social DX through digitally transforming mobility with the digital technologies such as digital twins linking real world and digital space



Strength

(as of the end of March 2026)

Execution capabilities based on advanced technological skills (CG, virtual technologies, etc.) and a wealth of business experience (in the business areas of automobile industry, airline industry, railway industry, and logistics industry) obtained through developing systems for customers

Launch of a recovery support system using generative AI with East Japan Railway Company

Provide "BP-BOX," which uses behavioral prediction AI to help prevent traffic accidents

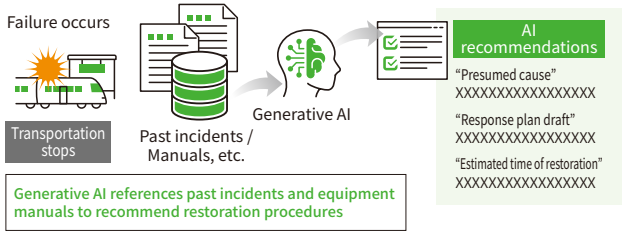
An initiative that aims to use AI to mitigate various value losses caused by traffic accidents. Taking dashcam*1 technology to the next level.

*1 Dashcam: Zero-Accident Program DR, a dashcam solution for enterprises

In the mobility area, we have long helped improve and streamline operations as a DX partner to customers in the mobility industry related to the movement of people and goods, including automotive, aviation, railway, travel, transportation and logistics, and warehousing. Our strengths lie in the operational expertise we have gained in manufacturing, our technological strengths in CG and virtual technologies, and our ability to develop and implement mission-critical systems. Leveraging these strengths, we aim to solve social issues arising from labor shortages caused by population decline, environmental problems, traffic accidents, and other factors through the power of mobility and digital technologies.

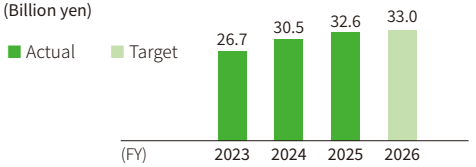
Pickup Expanding the generative AI-powered recovery support system introduced in collaboration with East Japan Railway Company

- When a transportation disruption occurs due to equipment failure, information on the disruption is captured chronologically, enabling generative AI to identify similar past cases and generate recommendations on the cause of the failure and recovery work.
- The system shortens recovery times, reduces the workload of dispatchers, and helps ensure consistent quality in recovery instructions.



Actual revenues and target

(Billion yen)



Strategies	FY2025 progress
1 **Enable V-Drive Technologies Inc. to grow business and use cross-cuttingly its technologies** Establish safety evaluation methodologies for autonomous driving technologies using digital twins and apply these methodologies to domains beyond the automotive domain	• Take the lead in the international standardization of assets*2 in virtual spaces with a view to establishing a framework for safety evaluation • Further enhance safe driving support services by renewing dashcam services and leveraging image recognition AI
2 **Create businesses in light of non-transportation businesses in the airline industry and the railway industry** Achieve labor-saving operations through more efficient maintenance activities and co-create new businesses that deliver new value to mobility	• Further service sophistication is being promoted to deploy the generative AI framework used in the recovery support service provided to East Japan Railway Company across other operations and railway operators.
3 **Initiatives for addressing labor shortages in the areas of logistics and transportation** Starting with improved efficiency within warehouses, achieve sustainable business operations through optimization of the entire logistics network	• Autonomous collaborative robots have been introduced at Saishunkan Pharmaceutical Co., Ltd. promoting automation and efficiency within warehouses. Further efforts are underway to address additional challenges through the use of Physical AI.

*2 Assets: Digital representations such as automobiles and traffic participants simulated within a virtual environment.

Management message



Accelerating solutions to social issues through AI utilization

Hiroshi Matsumoto
Corporate Officer, BIPROGY Inc.

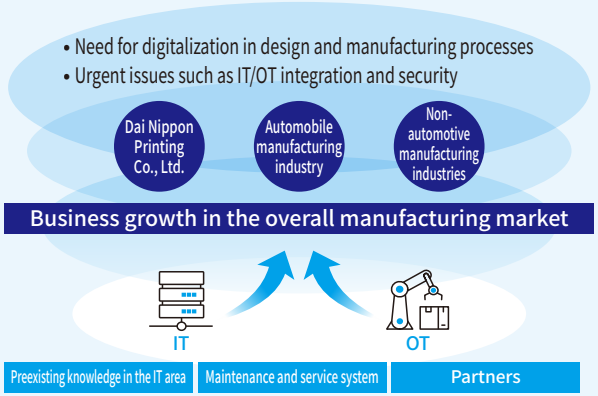
In the mobility area, we are working with a diverse range of partners on initiatives toward the real-world implementation of autonomous driving, as well as labor-saving operations for railway operators while maintaining and improving transportation quality. To address challenges such as logistics demand and labor shortages, we are also advancing the use of Physical AI and will continue working to create further value and solve social issues.

Core Businesses

Focus areas OT Infrastructure

Our Vision for 2030

Specifically focus on the manufacturing industry as a managed service provider. Promote digital transformation of the manufacturing industry from the perspectives of IT and OT,* with our businesses about OT network and security used as the stepping stone



*1 OT (Operational Technology): Used to control and operate hardware at factories in the manufacturing industry

Strength

Expertise in IT enablement of OT

Leveraging the technologies and expertise we have developed in the IT field, we support the integration of IT into OT environments. Together with partners specializing in OT, we steadily help customers enhance and advance their frontline operations.

Infrastructure design with emerging technologies in mind

With an eye to the use of emerging technologies such as AI and Software Defined Factory, we design and build infrastructure that also provides for future scalability.

Addressing evolving security risks

In collaboration with consulting firms specializing in OT, we provide robust security measures against emerging threats, including those associated with frontier AI.

In the area of OT infrastructure, the BIPROGY Group, led by UNIADEX, Ltd., is focusing particularly on the manufacturing industry. In the manufacturing industry, there is a growing need for digitalization in OT domains, including design and manufacturing processes. The Group has a strong customer base and customer relationships in the manufacturing industry built through its conventional IT business. We are seeing very strong demand from automobile manufacturers, with an increasing number of projects related to OT networks and security. Leveraging our track record of creating optimal systems by combining various products and services, we deliver end-to-end support—from consulting to design, construction, and operation and maintenance—and promote digitalization in the manufacturing industry.

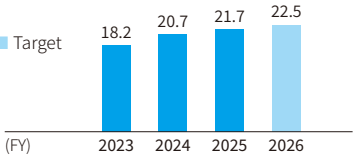
Pickup Securing large-scale and collaborative projects in the OT infrastructure area

- Provided a comprehensive infrastructure solution, including networks, security, and facility construction, for a new domestic plant of an automaker, enabling a smart factory equipped with the latest security measures.
- Collaborated with a leading global OT partner on infrastructure design and construction to help a heavy industry manufacturer automate its domestic production lines and implement advanced security measures.

Connect data	Connect securely	Keep operations running
Create an environment where the data needed from the shop floor to management is connected and ready for use	Securely connect networks and data to create a trusted foundation	Create an operational framework that ensures stable, continuous operation and can adapt to change

Actual revenues and target

(Billion yen)



Strategies	FY2025 progress
1 **Expand the entire businesses in the manufacturing market through creating and establishing business in the OT business area** Expand the overall business in the manufacturing market by securing and deploying OT businesses	• Steadily capture demand for OT security investment in response to supply chain risks • Differentiating through total solutions that include facility construction to drive business scale expansion
2 **Establish our brand in the area of OT business** Aiming to establish a strong brand by enhancing recognition and trust within the OT domain	• Brand recognition and trust continue to grow, alongside deeper collaboration with OT partners. By establishing a highly secure and manageable OT infrastructure package for new production lines and factories in the manufacturing sector, the creation of collaborative projects is being accelerated.
3 **Establish offering models and business models for horizontal development** Expanding the product and service portfolio and strengthening collaboration with OT partners toward establishing a horizontally scalable business model	• With a view to expanding into managed services for the manufacturing sector, customer engagement based on various GASSAI services is underway, while optimal business models are being evaluated.

Management message



Driving DX in manufacturing with OT infrastructure at the core

Tomohiro Nakamura
Corporate Officer, UNIADEX, Ltd.

In FY2025, leveraging UNIADEX's strengths in networking and security, we steadily captured OT security investment demand in response to supply chain risks and achieved the final-year target under the Management Policies (2024–2026) (¥21.5 billion plus α as of the beginning of FY2025) in FY2025, the second year of the plan. We will further accelerate business expansion by strengthening collaboration with OT partners.

Growth Businesses

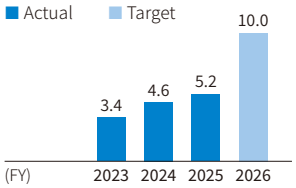
Market development

Growth Scenarios

Capture/Expand new market share by acquiring new service areas and cultivating growth markets

Focus themes	FY2025 progress
Data use & AI use	• At the Data & AI Innovation Lab, data consultants and AI engineers work together to provide end-to-end support for customers' business growth and transformation, from analyzing business issues and developing improvement plans to selecting and validating the optimal technologies. DX support projects leveraging data and generative AI have expanded.
Managed Services	• Service offerings were expanded in the GASSAI Security, GASSAI Multi/Hybrid Cloud, GASSAI Digital Workplace, and GASSAI Network areas in response to market needs. Project acquisition also progressed steadily.

Actual revenues and target
(Billion yen)



For market development, we seek to secure and grow our presence in growth areas of the domestic IT market where we have previously had limited involvement, with the goal of building a new revenue base. Under our focus theme of "Data use & AI use," we are promoting DX support centered on the Data & AI Innovation Lab. In Managed Services, with Group company UNIADEX, Ltd. taking the lead, we are expanding the service portfolio under the GASSAI brand. Through integrated operation and enhancement of increasingly complex ICT infrastructure as AI use expands, we contribute to building the business infrastructure that supports DX and AI use.

Management message



Enhancing the value we deliver to customers in growth markets

Shinsuke Chiba
Corporate Officer
BIPROGY Inc.

Junichi Mitsui
Corporate Officer
UNIADEX, Ltd.



In Market development, we are working to expand services in the growth areas of Data use & AI use and Managed Services, toward our FY2026 revenue target of ¥10.0 billion. In FY2025, we launched the Data & AI Innovation Lab for Data & AI use services and the new GASSAI brand for Managed Services. As we expand the respective service offerings, we are steadily winning projects. Leveraging the strengths the Group has cultivated to date, we will enhance the value we deliver to customers.

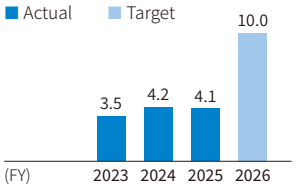
Business development

Growth Scenarios

Accelerate the development, co-creation, and deployment of social digital transformation businesses that resolve social issues

Focus themes	FY2025 progress
SX/GX	• Implemented an initiative using Urban OS to help alleviate traffic congestion in Kobe City
Smart Life	• Launch of 'PayPay Paycheck' on the value exchange platform 'doreca' in March 2026
Regional Revitalization	• Promoting DX support initiatives in the area of regional revitalization, in collaboration with Mattrz, Inc. to improve operational efficiency and increase sales for small and medium-sized enterprises
Healthcare	• A legacy of Expo 2025 Osaka, Kansai has been commercialized and launched as the "Body Measurement Service."

Actual revenues and target
(Billion yen)



For business development, we aim to enhance the value we deliver and establish a new revenue base by accelerating the development, co-creation, and deployment of social DX businesses that address social issues. As our customers step up their own efforts to solve social challenges, the Group is also required to acquire new capabilities and further enhance both customer and social value. Going forward, we will continue to form cross-industry business ecosystems with customers and partners who share our ambitions, and co-create and deploy social DX businesses.

Management message



Advancing social implementation to establish a new revenue base

Shinsuke Chiba
Corporate Officer
BIPROGY Inc.

Business development plays an important role in realizing Vision 2030 and driving the Group's growth by addressing, through business ecosystems, social issues that no single company can solve alone. In areas such as regional revitalization, healthcare, and smart life, initiatives have advanced to the social implementation phase. To establish these businesses as a new revenue base for the Group by 2030, we recognize the need to accelerate business expansion and are taking measures such as business restructuring and the promotion of inorganic growth strategies.

Growth Businesses

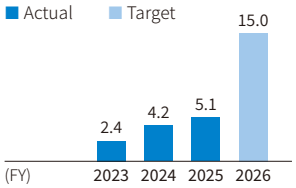
Global initiatives

Growth Scenarios

Develop business in major ASEAN countries and strengthen approaches with an eye toward entering North America and other markets

Focus themes	FY2025 progress
Develop business in major ASEAN countries and strengthen approaches with an eye toward entering North America and other markets	• In addition to the organic growth of subsidiaries developing ERP businesses in the ASEAN region, efforts are underway to achieve further growth by creating synergies among Group companies • Through a North American CVC fund, strategic investments have been made in three startups in focus areas, including retail (AI commerce) and financial (such as stablecoins). To support medium- to long-term business growth, initiatives are underway to identify cutting-edge technologies and explore their commercialization as services

Actual revenues and target
(Billion yen)



Through strategic investments such as mergers and acquisitions, the Group continues to expand its service coverage and customer base. Building on the expertise and services developed in Japan, we are advancing customer DX businesses primarily in major ASEAN countries. We also plan to develop social DX businesses driven by social issues by forming business ecosystems with customers and partners in each country.

Management message



Expanding business and developing human resources toward 2030

Takeshi Yamada
Corporate Officer
BIPROGY Inc.

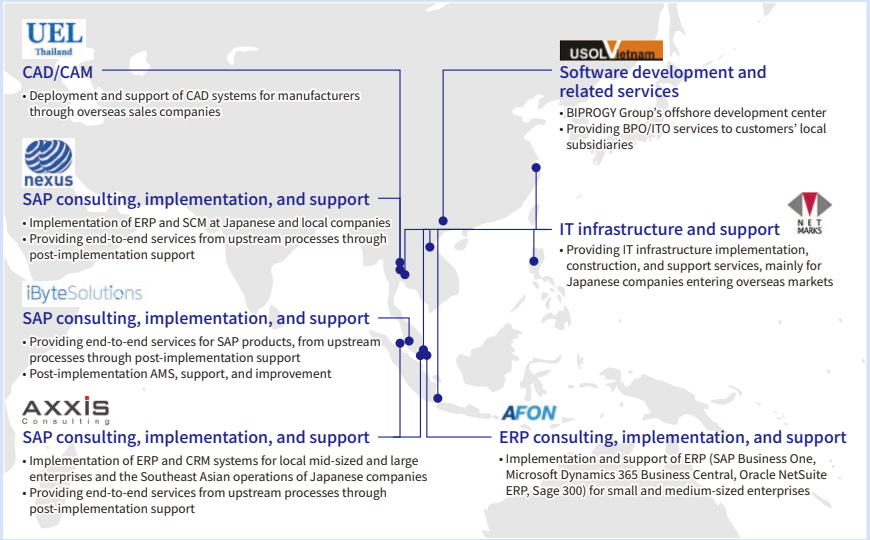
In FY2025, we explored further M&A opportunities in major ASEAN countries while promoting the organic growth of our existing overseas subsidiaries and creating synergies by combining the strengths of each company. We recognize that achieving our FY2026 revenue target of ¥15.0 billion will not be easy. Nevertheless, to establish the global business as one of the Group's revenue bases by 2030, we will continue to accelerate both business expansion and the development of global human resources.

Development of ICT/DX business in major ASEAN countries

The Group is steadily expanding ERP service offerings and geographic reach in Southeast Asia while developing a dual-base support structure spanning Japan and the region. Through support for the overseas expansion and business development of Japanese enterprises and the promotion of DX among local companies, we seek to create a business ecosystem that contributes to solving social issues and to establish a position as a global company that realizes a Digital Commons in society. By 2030, we aim to make our global operations a core revenue driver for the Group.

Business network in the ASEAN region

(as of the end of March 2026)



* Includes partner companies outside the BIPROGY Group

Approach to the North American market

North American CVC fund

Through strategic investments in local startups, we are identifying promising partners and creating collaboration opportunities. We are also assessing their applicability to the Japanese market and exploring specific collaboration themes. Through PoCs and service development, we aim to commercialize these opportunities and drive medium- to long-term growth.

Group Companies & Co-Creation Partners that Realize Value Creation

The BIPROGY Group combines the strengths and expertise of Group companies and partner companies to create value that no single company could achieve on its own. This section presents initiatives aimed at solving social issues and creating sustainable value through Group synergies with UNIADEX, Ltd. and Catalina Marketing Japan K.K., joint business initiatives with Dai Nippon Printing Co., Ltd., and the promotion of open innovation.

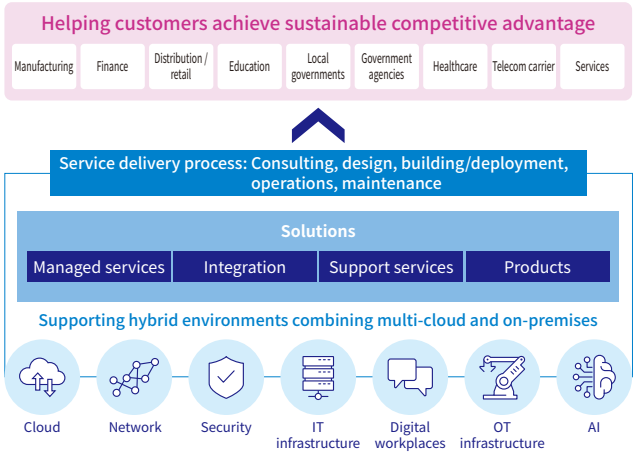
BIPROGY Group

UNIADEX, Ltd. (Established: March 1997)

UNIADEX has strengths in areas such as next-generation networks, DX, and managed services, and provides comprehensive ICT infrastructure services for the BIPROGY Group.

UNIADEX provides a wide range of services tailored to customer needs, including managed services that deliver integrated operations and new insights through AI across increasingly complex ICT infrastructure environments. In the managed services area, positioned as a growth business under the Management Policies (2024-2026), BIPROGY's support and security functions are being consolidated into UNIADEX to enhance specialization.

UNIADEX's business purpose and technology and service areas



UNIADEX's **5** business areas

1 Rollout of managed services "GASSAI"

GASSAI is a managed services portfolio that brings together the BIPROGY Group's extensive expertise in anticipating what can happen to systems. Covering a diverse range of areas, including cloud, networks, security, and digital workplaces, it goes beyond conventional defensive operations by using AI and data to continuously propose improvements and enable proactive operations.

GASSAI

2 Leveraging multi/hybrid cloud environments

As cloud adoption advances, optimizing ICT infrastructure, including on-premises environments, has become a challenge. Drawing on technological capabilities developed through its on-premises business, UNIADEX combines a variety of cloud services and provides end-to-end support from planning support and design through implementation, migration, maintenance, and operations, maximizing the value of cloud environments.

3 Providing servers, networks, and storage

As AI adoption accelerates, the importance of ICT infrastructure continues to grow. Drawing on technological capabilities cultivated over many years, UNIADEX builds, protects, and optimizes infrastructure to provide next-generation ICT infrastructure suited to the AI era.

4 Support for OT infrastructure

Strengthening security across OT infrastructure is essential to business continuity. Drawing on technologies and expertise cultivated over many years in both IT and OT, UNIADEX supports security measures based on a defense-in-depth approach to minimize the impact on customers' businesses.

5 Building communication environments

Leveraging extensive experience in providing and implementing telework-related services, UNIADEX provides communication environments optimized for each customer. As a total ICT infrastructure service provider, it offers one-stop support from building through utilization, enabling ways of working that allow people to collaborate securely from anywhere.

Management message



Ken Tanaka
President & CEO, UNIADEX, Ltd.

Leveraging strengths built through infrastructure services to create new value

Building on the expertise and technical capabilities it has cultivated as an infrastructure services company supporting customers' ICT foundations, UNIADEX is pursuing further growth. To expand managed services, a key BIPROGY Group initiative, the company is strengthening technology development and its service delivery framework for GASSAI. UNIADEX will mark its 30th anniversary in 2027. Building on the technologies and trust it has accumulated over the years, the company will continue creating new value by anticipating changes in society and our customers. Going forward, it will continue to contribute to realizing a sustainable society through collaboration with diverse partners.

BIPROGY Group

Catalina Marketing Japan K.K.

(Became a BIPROGY subsidiary in January 2026)

Catalina Marketing Japan operates AOUMI, a retail media network covering approximately 13,000 stores nationwide and 150 million IDs, and provides a marketing support platform that connects retailers and manufacturers.

Catalina Marketing Japan conducts marketing initiatives on behalf of manufacturers, optimizing them based on retailers' purchase data and other information. Its retail media network AOUMI has expanded beyond food supermarkets and general merchandise supermarkets to drugstores, home centers, and other retail formats.

For the retail area, one of the Group's focus areas, the Group has established the Purpose of "realizing sustainable, consumer-centric future retail through the power of technology." To achieve sustainable retail, we leverage technology to support retailers in transitioning to sustainable management while addressing challenges such as declining consumption and a shrinking workforce. To realize consumer-centric retail, we use data to accurately capture consumer and community needs and promote the development of systems that enhance product assortments and services in collaboration not only with retailers but also with wholesalers and manufacturers.

What is AOUMI?

AOUMI CATALINA RETAIL MEDIA NETWORK

AOUMI is a retail media network operated by Catalina Marketing Japan.

AOUMI works with more than 130 retailers nationwide and leverages more than 150 million consumer IDs and purchase data representing approximately ¥14 trillion in annual sales. It analyzes statistically processed actual purchase data and develops marketing initiatives based on those insights. Through integrated marketing across off-site, on-site, and in-store channels, AOUMI helps generate strong promotional results.

90% or more of key consumer goods are purchased at physical stores in Japan. **AOUMI captures more than approx. 55% of such purchases.**

Leveraging the BIPROGY Group's expertise to accelerate AOUMI's growth

To strengthen the business foundation for AOUMI's growth, we will utilize BIPROGY's IT infrastructure technology, service development capabilities, AI technology, and our business knowledge cultivated through many years of providing systems for the retail industry. Furthermore, by combining nationwide purchasing data with advanced digital technology, we will expand AOUMI's services and expand our client base, driving the growth of Japan's retail media market.

Social issues

The retail and distribution sectors are facing challenges such as decreasing demand, labor shortages, diversification of consumer needs, and food loss

GOAL

Establish a distribution demand chain driven by the needs and demands of consumers and communities, and provide solutions through DX.

CATALINA

One of the largest marketing platforms in Japan with purchase data exceeding ¥14 trillion annually from approximately 13,000 stores nationwide, connecting consumers, retailers, and manufacturers.

BIPROGY

A broad range of solutions that aggregate and utilize dispersed retail data, spanning core systems, AI demand forecasting, store DX solutions such as electronic shelf labels, and app marketing.

Acceleration of Catalina Marketing Japan's growth strategy around "AOUMI"

To strengthen the business foundation for AOUMI's growth, BIPROGY will leverage its IT and AI technology, service development capabilities, and business know-how cultivated in the retail and distribution business.

Enhancement of value provided by AOUMI

Enhance the value of the AOUMI platform by integrating retail marketing solutions that elevate communication with consumers between AOUMI and BIPROGY.

Evolution of AOUMI

By integrating AOUMI and BIPROGY's store DX solutions, establish a demand chain that reflects consumer needs and regional demands in product planning, sales planning, and store operations.

Global expansion focused on Asia

In Asia, where population growth and consumption expansion continue, promote business development in collaboration with local partners based on the marketing expertise utilizing consumer data cultivated in Japan.

Management message



Sean Chu
President & CEO
Catalina Marketing Japan K.K.

Accelerating growth in the retail media business through collaboration with BIPROGY

Through AOUMI, one of Japan's largest retail media networks, Catalina Marketing Japan provides optimal shopping experiences tailored to individual consumers while helping companies advance their marketing.

Since joining the BIPROGY Group, Catalina Marketing Japan has been combining its strength in demand generation with BIPROGY's strengths in supporting core systems and digital infrastructure in the retail and distribution sectors, taking on the challenge of creating new value. Going forward, the two companies will accelerate the use of AI and service development as they seek to realize next-generation consumer-centric retail and create new growth opportunities in Japan and overseas.

Business Alliance Partner

Dai Nippon Printing Co., Ltd. (DNP)

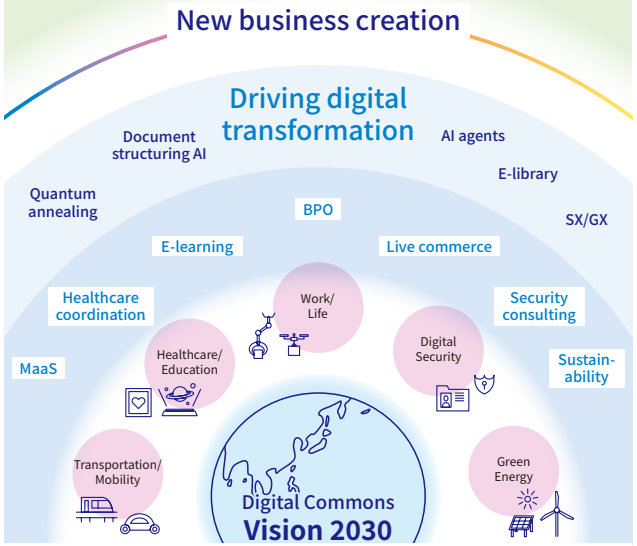
(Business and capital alliance: August 2012)

Steady progress has been made in sales collaboration, the development of new markets, and the expansion of the service business base. We will continue to launch new businesses, support DX for customers of both groups, and share BIPROGY Group expertise in areas such as quality control processes and IT human resource development programs with the DNP Group, further enhancing synergies between the two groups.

Dai Nippon Printing Co., Ltd. (DNP) and BIPROGY are creating new businesses centered on themes that support the realization of both companies' visions. By combining BIPROGY's digital technologies with DNP's communication technologies, the two companies aim to create new value.

The two companies are currently working in advanced technology areas such as XR (extended reality), the metaverse, AI, and quantum computing, while also jointly providing a wide range of services, including e-library services and other ICT platform businesses.

Overview of collaboration themes



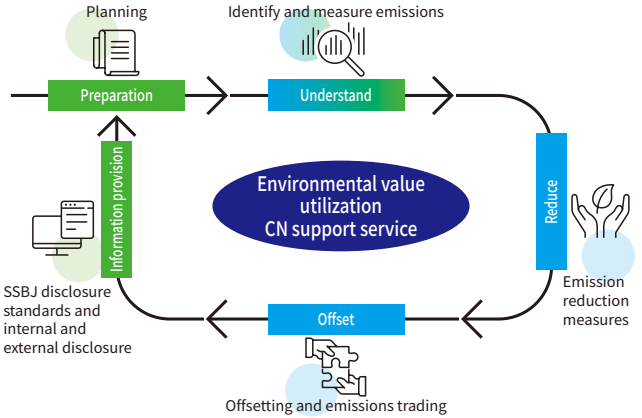
Examples of collaboration

Supporting carbon neutrality through collaboration with DNP

Since June 2026, BIPROGY and DNP have offered the "Environmental Value Utilization CN (Carbon Neutrality) Support Service." Through this service, companies receive comprehensive support for initiatives aligned with the five steps toward carbon neutrality advocated by Japan's Ministry of the Environment.

Corporate efforts toward carbon neutrality now extend beyond measuring GHG emissions to promoting energy conservation, shifting electricity use to non-fossil sources, managing non-fossil certificates, and disclosing information. Environmental compliance requirements are becoming more complex due to factors such as the full-scale implementation of emissions trading schemes and requirements to include climate-related disclosures in Annual Securities Reports in accordance with SSBJ Standards. For companies with multiple sites in particular, the workload associated with power management and environmental value management can be substantial. By combining BIPROGY's solar power generation and surplus power forecasting service and its Environmental Value Management Service "Re:lvis," which digitizes non-fossil certificate management, with DNP's support for diagnostics, emissions calculation, and disclosure, we support companies in promoting energy conservation and shifting their electricity use to non-fossil sources.

Overview of the environmental value utilization CN support service



DNP's role	BIPROGY's role
Drawing on expertise gained from calculating and verifying the carbon footprints of its own products, DNP supports companies throughout the entire process, from formulating specific initiatives and understanding and visualizing GHG emissions to considering reduction measures and communicating internally and externally.	Leveraging specialized expertise gained through serving as the Secretariat for Non-Fossil Certificate certification and its proprietary services, BIPROGY supports customers in achieving carbon neutrality by forecasting solar power generation and surplus power and improving the efficiency of environmental value management.

Management message



Naoshi Nagashima
Senior Corporate Officer, CMO
BIPROGY Inc.

Pursuing sustainable value creation through co-creation leveraging our combined strengths

Since forming a business and capital alliance with DNP in 2012, BIPROGY has worked to create new value by combining the strengths of both companies. We have developed new businesses with an eye on changes in society and customer needs, including e-library services, XR and the metaverse, and quantum annealing, while expanding collaboration across a wide range of fields through DX initiatives and the joint use of assets. Fourteen years of co-creation have built an important foundation for our business growth. Going forward, we will continue to bring together the diverse expertise and assets of both companies to solve social issues and create sustainable value.

Creating Value Through Open Innovation

The Group is promoting open innovation to realize Vision 2030 by leveraging digital technologies and business ecosystems. Through collaboration with a diverse range of partners in Japan and overseas, we are creating new value through a multifaceted approach that includes corporate venture capital (CVC) investments, M&A and capital/business alliances, and community building.

Main initiatives

In addition to inorganic strategies such as CVC and M&A, we combine co-creation with external ecosystems and collaboration in human resources and public policy to achieve both short-term business results and the creation of new value over the medium to long term. We will continue to adapt to social and market changes in pursuit of sustainable growth and greater corporate value.

Investment	CVC	Began investing in domestic startups through Canal Ventures, Ltd. in FY2017. Since FY2025, we have expanded investments in North American startups through a North America-focused CVC fund.
	LP (Limited Partner) investment	Made investments in domestic and international venture capital funds, enabling us to quickly identify market dynamics and advanced technology trends.
	M&A	Promoted M&A to strengthen and expand our business base in ASEAN, and pursued M&A and capital/business alliances to accelerate both our core and growth businesses.
Co-creation	Community management	Formed a "CVC Co-Creation Community" involving operating companies, VCs, CVCs, and startups. Operated domain-specific and technology-focused communities and conducted the in-house event "Morning Challenge!" to foster a culture of open innovation.
	External collaboration	Participated in events and programs run by accelerators and universities to expand collaboration opportunities and our talent network.
	VCM*1	Served as a launch customer for startup products and technologies to shorten the path from PoC to market rollout.
Talent and policy collaboration	Human resource development	Develop innovation talent capable of driving future business creation through secondments to VCs and universities and hands-on collaboration.
	Policy collaboration	Through the Keidanren (Japan Business Federation)'s Committee on Startups and related forums, participated in programs that match major corporations with startups and contributed to policy recommendations.

*1 Venture Client Model (VCM): A mechanism through which an established company acts as an early-stage client for a startup, evaluating and implementing its products or services to leverage external innovation for business growth and the creation of new businesses.

Accelerating new value creation through CVC

▮ Exploring advanced technologies and growth areas through CVC activities in Japan and overseas

Through CVC activities in Japan and overseas, the Group is expanding its connections with startups and advanced technologies that can drive future business growth. Overseas, in February 2025, we established a North America-focused CVC fund totaling US$80 million with U.S. venture capital firm Translink Capital. In Japan, in December 2025, Canal Ventures, Ltd. established its third fund, totaling ¥5.0 billion.

By investing in startups operating in next-generation growth areas such as AI, stablecoins, agentic commerce, and Physical AI, we gain early insight into advanced technologies, market trends, and regulatory developments. By integrating our networks in Japan and overseas, we also identify future business opportunities and potential partners.

▮ Strengthening the ecosystem through co-creation communities

The Group is also working to expand its innovation network in Japan and overseas and strengthen the startup ecosystem by building co-creation communities that bring together startups, VCs, CVCs, and operating companies. By sharing the expertise and challenges of participating companies, creating new collaboration opportunities, and fostering open innovation, we aim to realize our business strategies and sustainably enhance corporate value.

Creating value through the ecosystem

▮ Our CEO appointed chair of Keidanren's Committee on Startups

In June 2026, our CEO Noboru Saito was appointed chair of Keidanren's Committee on Startups. The committee was established in 2019 to promote innovation that contributes to solving social issues through stronger collaboration between large companies and startups and through policy recommendations. Saito has served as chair of the committee's planning subcommittee since its inception. The Group will contribute to solving social issues and revitalizing the Japanese economy by accelerating cross-industry co-creation.

▮ Another strong performance in Keidanren's fourth "Startup Friendly Scoring," following the third round

BIPROGY ranked fourth among 112 responding companies in the fourth Startup Friendly Scoring*2 organized by Keidanren. This assessment quantitatively evaluates companies' commitment to collaborating with startups. BIPROGY received particularly high marks for procuring products and services, providing funding, acquiring businesses through M&A, and contributing talent to the startup ecosystem.

*2 Startup Friendly Scoring: A framework established in FY2022 by Keidanren (Japan Business Federation) that assigns a numerical score of up to 1,000 points to measure a company's commitment to partnering with startups. The assessment covers three aspects—resource provision, business and talent acquisition, and business and talent output.

BIPROGY Group's investment track record

- Investments in funds that target diverse fields both in Japan and overseas: 34 funds (as of the end of March 2026)
- Investments in startups and other businesses: 8 companies (FY2025)

Major investments (Solution areas)
ailead, Inc. (AI analysis of sales discussions), Bastion Platforms, Inc. (regulatory-compliant stablecoin infrastructure), EAGLYS Inc. (advanced and AI security), FHE Labs Ltd. (dba Fhenix) (FHE-based privacy-preserving blockchain), Shizen Connect Inc. (VPP platform), among others

Human Capital Strategy

Material Issues Develop and strengthen human resources to create a new future and promote diversity and inclusion

The BIPROGY Group considers human resources to be the most important corporate asset and the driving force for the Group's sustainable growth and for improvement in its corporate value over the medium to long term. The Group strives to create workplaces and environments where each individual employee with diverse values and backgrounds can have ambitions, resonate with the Group's Purpose, and maximize their individual abilities. The Group is also promoting DE&I and steadily transforming itself into a corporate group that creates social value by transforming its human resources and corporate culture to enable it to continuously generate innovation.



Taeko Sawakami
Director, Corporate Officer, CHRO

Our Story of Creating Value Through Ambition × Purpose

Our human resources strategy, which starts with each employee's ambition and aims to maximize value creation and organizational outcomes, is now in its third year.

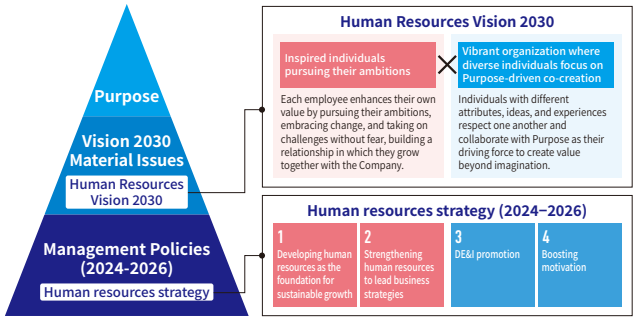
In FY2025, we positioned human resources as a key theme of management strategy and worked to improve engagement and enhance human capital disclosure, while also accelerating consideration of a human resource portfolio aligned with our business strategy.

Specifically, to strengthen the human resources that drive our core and growth businesses, we have repeatedly discussed and clarified the As-Is and To-Be states of human resources, particularly in our focus areas. We have achieved certain results, including visualizing human resources using ROLES and rolling out the "MOTIV8 HR Transfers" initiative (employee-initiated departmental transfers). At the same time, developing and recruiting human resources suited to the rapidly changing business environment has become increasingly difficult. We therefore recognize that our immediate challenge is to continue discussions with business divisions while quickly putting in place an environment for accelerating human capital management.

FY2026 marks the final phase of the BIPROGY Group Human Resources Strategy (2024-2026). We are steadily advancing initiatives to achieve the plan while considering how to further evolve and strengthen our human resources strategy with an eye to the next Management Policies. The business environment is changing rapidly amid a declining working-age population and rapid advances in AI technology. While preserving and building on the Group's strengths in staying close to customers, resolving their challenges through our understanding of their operations and our IT expertise, thereby helping to enrich society, we will develop an enabling environment from a human capital perspective and implement effective measures to evolve into a company that can co-create new value with customers and other stakeholders. We believe this will be a major theme of our next human resources strategy.

People and Organization Supporting the Realization of Purpose —Framework for Human Resources Vision 2030 and the Human Resources Strategy—

To realize Purpose and Vision 2030, the Group has established Human Resources Vision 2030, which defines the desired state of its people and organization, and is advancing a three-year human resources strategy in tandem with its management strategy. The strategy is built around four priority strategies linked to Vision 2030 and the Management Policies (2024-2026). By clarifying the desired states of individuals and the organization, we aim to enhance our capacity to create value and achieve sustainable growth through taking on challenges autonomously and collaborating.

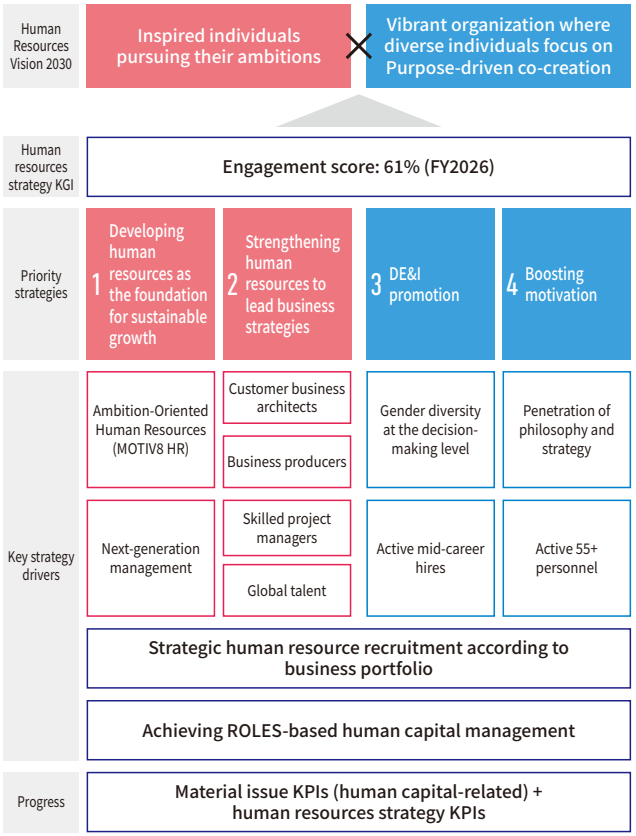


For details on the BIPROGY Group's approach to human capital management and human resources strategy, please see our Human Resources Strategy Report.
https://www.biprogy.com/invest-e/

BIPROGY Group Human Resources Strategy

Through measures that serve as key drivers of the four priority strategies, our human resources strategy aims to improve engagement and realize Human Resources Vision 2030.

To remain a corporate group that creates social value through technology, we will develop the human capital of diverse individuals and combine their strengths to maximize the capabilities of the Group.



Improving engagement to strengthen strategy execution

Since 2013, we have sought to strengthen the organization by continuously measuring and improving our engagement score. As a result, employee initiative and organizational cohesion have steadily increased. At the same time, as the business environment changes and our business portfolio evolves, we recognize the need to further strengthen our ability to execute strategy and create innovation. Against this backdrop, the Group positions engagement as a core driver that enables each employee to proactively take on challenges based on their own ambitions and create value through collaboration with diverse talent.

Accordingly, we use the engagement score as the KGI for measuring progress in our human resources strategy and pursue recruitment, development, assignment, corporate culture reform, health management, and other measures in an integrated manner, while linking the engagement score to the KPIs for each priority strategy. Human capital KPIs comprise two layers: human resources strategy KPIs that measure progress in the human resources strategy linked to the Management Policies, and material issue KPIs that contribute to sustainability. By linking the two, we aim to improve engagement, our KGI, and strengthen strategy execution.

The FY2026 engagement score target of 61% represents a state in which each employee proactively takes on challenges and collaborates based on their own ambitions, with these behaviors spreading throughout the organization and leading to sustained improvements in strategy execution and continuous innovation. The target of 61% is an ambitious level that we aim to reach by steadily advancing our priority strategies, building on the improvements made to date.

To achieve this, we are advancing priority strategies such as developing Ambition-Oriented Human Resources and next-generation management, strengthening human resources to lead business strategies, promoting DE&I, and boosting motivation. We are also advancing ROLES-based human capital management and career development support. Going forward, we will improve engagement by creating opportunities to take on challenges and promoting cross-organizational collaboration, thereby generating a virtuous cycle in which employee growth and business outcomes reinforce each other and contribute to medium- to long-term enhancement of corporate value.

BIPROGY Group engagement score*1

FY2024	FY2025*2	FY2026 target
52%	56%	61%

*1 Engagement score: Average positive response rate for questions on "sense of achievement," "willingness to contribute," and "intent to recommend the workplace"
*2 Number of respondents to the FY2025 engagement survey (response rate): 8,027 (97%)

BIPROGY Group People

I'm happiest when we reach consensus



Yuri Bamba
Business Development Division
BIPROGY Inc.

Since joining the Company in 2020, I have been involved in creating new businesses in the healthcare field. I have advanced industry-first initiatives, including exhibiting a pavilion and providing in-kind sponsorships at Expo 2025 Osaka, Kansai. Although I initially experienced the frustration of having my ideas not accepted, I earned trust by continuing to make value-added proposals. I find great fulfillment when value takes shape through consensus building with stakeholders and a proposal becomes reality. Going forward, I aim to take on a management role leading business creation, drawing on my strength in growing something from 1 to 10.

Human capital investment to strengthen human resources

To steadily execute our priority strategies, we are increasing investment focused on recruitment, development, corporate culture reform (boosting motivation), and health management. In addition to acquiring and developing the human resources targeted for strengthening, we are creating an environment in which every employee can fully demonstrate their capabilities through initiatives such as DE&I promotion and facility transformation. These efforts are revitalizing the organization and improving engagement, thereby enhancing the effectiveness of our human resources strategy. In FY2025, we focused in particular on expanding efforts to deepen employee understanding of the human resources strategy and on a range of initiatives to support self-directed career development rooted in each employee's ambitions.

Expanding human capital investment

Additional investment of between ¥3.0 and ¥4.0 billion over the course of three years, including acquisition and training of human resources with enhanced skills

	Results for FY2021-FY2023		Plan for FY2024-FY2026		
	FY2023 results		FY2024 results	FY2025 results	
Recruitment	¥0.47 billion	Cumulative ¥11.0 billion	¥0.48 billion	¥0.56 billion	Cumulative ¥14.0 - ¥15.0 billion
Training	¥3.1 billion		¥3.13 billion	¥4.26 billion	
Enhancing corporate culture, boosting motivation	¥0.17 billion		¥0.47 billion	¥0.05 billion	
Health management	¥0.32 billion		¥0.39 billion	¥0.38 billion	
Total	¥4.06 billion		¥4.47 billion	¥5.24 billion	

Major measures and initiatives in FY2025

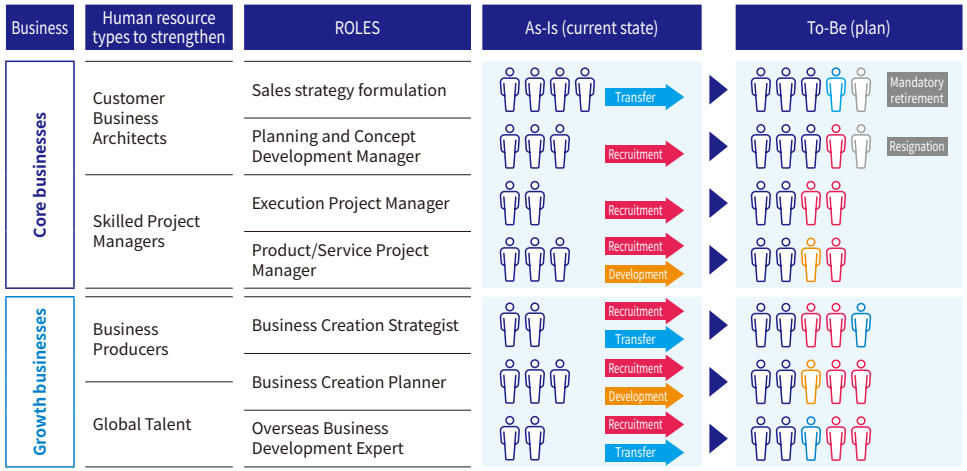
Recruitment	• Introduction of referral and alumni recruitment • New relationship building and strengthening with regional universities and technical colleges
Training	• Introduction of autonomous skill-up training (Jiriken) • Enhancement of training content for four human resource types who will lead business strategy
Enhancing corporate culture, boosting motivation	• Further expansion of Purpose Dialogues to discuss Purpose and individual ambitions within the organization • Holding second career training for employees in their 50s
Health management	• Introduction of insurance coverage for detailed examination costs, enhancement of regular health checkups, and promotion of women's health support measures

Human Capital Planning Based on Management Strategy

—Achieving ROLES-Based Human Capital Management—

To realize the Management Policies, we are advancing human capital planning in alignment with our business strategies. We define the types of human resources required to support the growth of each business, clarify the necessary capabilities, expertise, and workforce scale, and strengthen human capital through recruitment, development, and assignment. The core concept underpinning these efforts is ROLES. Under ROLES, each employee creates value by combining multiple ROLES. We define the roles and skills required for each of the ROLES, thereby clarifying the types of human resources needed to execute our strategies. We also visualize the As-Is (current state) and To-Be (plan) for headcount and the number of ROLES in each organization as a human resources portfolio, using this information to plan integrated human resource measures covering recruitment, development, and assignment. Through these initiatives, we are building an organizational foundation capable of sustained value creation even as the business environment changes.

Illustration of human capital planning*



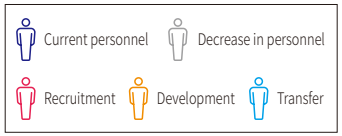
* The ROLES shown are examples and do not include all ROLES associated with the human resource types targeted for strengthening.

Strategic Recruitment

Based on changes in the external environment and our human resource portfolio, we identify the types of human resources to prioritize in recruitment. We place particular emphasis on people who resonate with the "inspired individuals pursuing their ambitions" envisioned in Human Resources Vision 2030. In addition to recruiting people who support the competitiveness of our core businesses, we seek people who bring new values and experience to drive our growth businesses. We also enhance organizational diversity by bringing in a wide range of people, including mid-level personnel who can form the core of the organization and locally rooted talent, thereby strengthening our capacity to create value. Through a virtuous cycle of recruitment, support for active participation, and talent circulation, we aim to build a diverse and resilient human resource portfolio.

Application of human capital plans

- Expand the required ROLES through mid-career recruitment to realize medium- to long-term business plans
- Strengthen the required ROLES through development to realize medium- to long-term business plans
- Expand the required ROLES through internal transfers to realize medium- to long-term business plans



Four Priority Strategies to Accelerate Value Creation

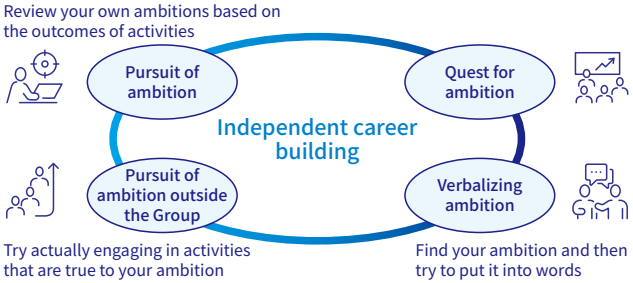
Developing human resources as the foundation for sustainable growth Priority Strategy 1

Our Group positions the development of Ambition-Oriented Human Resources (MOTIV8 HR) and Next-Generation Management as pillars of our human resources strategy toward realizing our Purpose and achieving sustainable growth. These are important human resource types for drawing out employee autonomy and transformational capabilities while enhancing organizational vitality.

Ambition-Oriented Human Resources (MOTIV8 HR)

Ambition-Oriented Human Resources (MOTIV8 HR) are those who identify the overlap between their own ambitions and the Group's Purpose, proactively seize opportunities for growth, and forge their own careers. We support them in realizing their ambitions through such initiatives as articulating and discussing their ambitions and setting medium- to long-term career goals centered on their ambitions. In FY2025, more than 2,300 Group employees participated in "Koko Café," a workshop for articulating their ambitions. The workshop achieved a satisfaction rate of 89%, and 79% of participants were able to articulate ambitions that they found personally meaningful. Through these initiatives, we aim to improve career well-being and connect individual growth to organizational vitality.

Cycle of pursuing one's own ambition



Next-generation management

To realize Vision 2030, we regard building a diverse management team and a pool of successor candidates as an important priority. To strengthen succession planning, we have identified priority development areas based on the qualities required of the chief executive officer and, since FY2024, have implemented a two-tier selective development program. Since FY2025, we have also worked to strengthen the development foundation for the entire management layer through 180-degree feedback and optional management seminars. Through these initiatives, we will strengthen next-generation management and build a framework that supports the Company's capacity for sustainable transformation.

P.65 Succession Plan

Strengthening human resources to lead business strategies Priority Strategy 2

We organize the linkage between business strategy and human resources strategy as shown in the diagram below and design human resource measures around this framework. In core business areas, we have identified Customer Business Architects and Skilled Project Managers, and in growth business areas, Business Producers and Global Talent as the human resource types to develop. We are advancing various measures by fully leveraging the foundation for human capital management centered on ROLES.

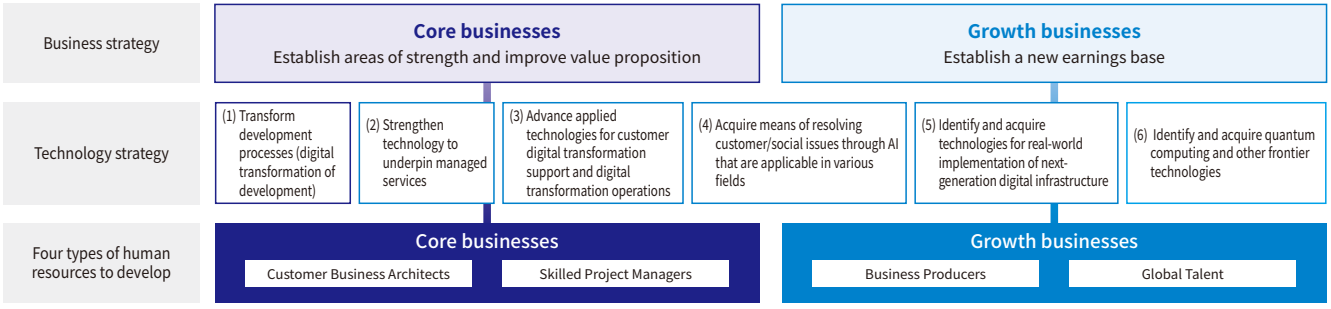
BIPROGY Group People

A skilled project manager who takes on challenges without precedent through diverse expertise and the ability to execute



Keisuke Saito
Manager, Chubu Account Service Headquarters, UNIADEX, Ltd.

Since joining the Company in 2015, I have gained experience across diverse technology fields, including networks, security, and virtualization infrastructure, while honing my expertise as an engineer. In 2017, on a system implementation project for a major automaker with around 10,000 users, I built my management skills through hands-on experience while serving as a project manager and overseeing project progress. I now lead an infrastructure development project for ships operated by a major cruise company, taking on unprecedented challenges in maritime environments with significant communication constraints. I use my technical knowledge and adaptability to find optimal solutions and practice management that balances delegation of authority with a company-wide optimization perspective. By valuing technical capability, communication skills, and flexibility, I lead the execution of business strategy while also developing the next generation of talent.



DE&I promotion Priority Strategy 3

Our Group aims to cultivate an organizational culture where each individual enhances their individual diversity, respects each other's uniqueness, and can maximize their own characteristics and abilities.

Gender diversity at the decision-making level

To achieve sustainable growth, we believe it is essential to reflect diverse values and perspectives in decision-making, and we are working to promote diversity at the executive and management levels.

Based on our material issues, we set a KPI of at least 18% for women in management positions across the Group as of April 1, 2026. On a non-consolidated basis, under our General Employer Action Plan based on the Act on Promotion of Women's Participation and Advancement in the Workplace, we have set a target of 26% women in company officer positions by FY2029. To achieve these targets, we are systematically developing women for management positions and building a talent pipeline, while continuously monitoring progress at the Sustainability Committee and Board of Directors based on appointment plans formulated by the Company and Group companies. We are also implementing tiered development programs to support women employees in proactively developing their careers and fostering interest in management roles, both by changing mindsets and developing capabilities.

As a result of these efforts, women accounted for 12.6% of management positions across the Group as of April 1, 2026, while women accounted for 18.4% of company officer positions on a non-consolidated basis. Although the KPI for women in management was not achieved, primarily because the pipeline of management candidates was not sufficiently developed, we have seen steady improvement since the target was established in FY2021. We have positioned FY2026 as a period for reviewing numerical targets for women in management positions and formulating strategies to further promote gender diversity. We will reassess key issues and consider initiatives involving the structural reforms needed to address them. We also plan to set and disclose numerical targets from FY2027 onward.

Promoting men employees' childcare leave take-up

For men employees taking childcare leave, we regard its fundamental value as an opportunity to reconsider their ways of working and values and to gain new perspectives and experiences through active participation in childcare. Based on this approach, in FY2024 we established two material issue KPIs and launched initiatives to improve the quality of childcare leave. We have strengthened information sharing with supervisors and other relevant parties through notifications of a spouse's pregnancy, while promoting understanding and take-up of the system by distributing a Childcare Leave Handbook and sharing examples of employees who have taken leave.

As a result of these initiatives, the average number of days of childcare leave taken by men employees in FY2025 was 109 days, compared with 154 days in FY2024. Although the average declined from FY2024 partly because more employees took leave for shorter periods, progress has been made in both increasing the take-up rate and securing sufficient leave periods, steadily advancing the development of an environment and culture that support men employees' participation in childcare.

Gender pay gap

To eliminate gender pay disparities, we conduct regular surveys and implement corrective measures. While there are no gender differences in basic salary within the same job level, the gap arises because men are more heavily represented in higher job levels, while the recent increase in the proportion of women among new hires has resulted in more women being represented in lower-paid job levels. The gap has narrowed each year, and we will continue to correct imbalances in the composition of job levels by increasing the percentage of women in management positions and strengthening the talent pipeline, with the aim of eliminating the gender pay gap over the medium to long term.

Gender pay gap for all workers

	FY2024	FY2025
BIPROGY Group	78.2%	79.5%
BIPROGY (non-consolidated)	78.4%	79.3%

Initiatives for the employment of persons with disabilities

Because the active participation of diverse talent is essential to sustainable growth, we promote the employment of persons with disabilities (FY2025 employment rate of persons with disabilities: 3.09%). We have conducted training for all organizational heads to create workplaces where employees with disabilities can make full use of their abilities in ways that reflect their individual strengths and characteristics. Looking ahead to the phased increase in the statutory employment rate through 2030, we will further expand opportunities for these employees to thrive by strengthening recruitment, providing retention support that enables them to continue working over the long term with stability and peace of mind, and expanding workplace opportunities.

Active mid-career hires

We aim to create an environment where human resources with diverse experiences and skills are attracted to the Group, quickly become active contributors as members of the organization, and contribute to its growth. We also actively recruit human resources from other industries and, to support their retention and success, enhance onboarding initiatives such as training programs, surveys, and training for supervisors, while providing continuous follow-up support.

BIPROGY Group People



Taking on the challenge of becoming an engineer with no prior experience

Tomohiro Amano
Product Services Headquarters
BIPROGY Inc.

After joining the Company, I was supported by a thorough onboarding structure and forged a path as a systems engineer, working on the kind of product development I had envisioned. A DE&I project I joined after entering the Company inspired me to spread a culture that values dialogue, and I have actively shared this message internally. I have also entered the Company's presentation contest for four consecutive years and received awards. While consciously practicing followership that supports those who take on challenges, I am building a foundation for success by leveraging my technical capabilities and ability to bring people together.

Boosting motivation Priority Strategy 4

We consider creating motivating organizations and workplaces where diverse talent can maximize their abilities as the source of growth and competitiveness, and we are taking initiatives to improve motivation.

Embedding philosophy and strategy

We are working to embed our philosophy and strategy so that each employee can see how their work connects to the Company's and their organization's "Purpose" and management strategy, and can act proactively with a sense of purpose and fulfillment.

In FY2025, we continued Purpose Dialogue, an initiative in which employees discuss the Company's and their organization's Purpose. In the Purpose penetration survey, the combined percentage for "understanding," "personal ownership," and "practical application" rose four percentage points year on year. We will continue dialogue-centered initiatives to deepen understanding and help employees see how Purpose overlaps with their own ambitions and work, fostering an organizational culture in which employees identify with the Company's philosophy and strategy, take pride in them, and proactively engage in their work.

Active 55+ personnel

In light of social changes such as the declining workforce due to a falling birthrate and aging population and the growing prevalence of the "100-year life" concept, we are advancing measures to enable senior personnel with extensive experience to fully apply their capabilities and skills, continue growing toward their future careers and lives, and work with vitality. In FY2025, we provided second-career development training and career counseling for senior employees, cross-boundary experiences that enabled them to interact with people from other industries, and seminars for managers to deepen their understanding of senior employees' careers and support appropriate management. We will expand measures that promote further growth among senior employees and advance reforms to our human resources systems, creating an environment in which they can contribute even more fully.

Health management

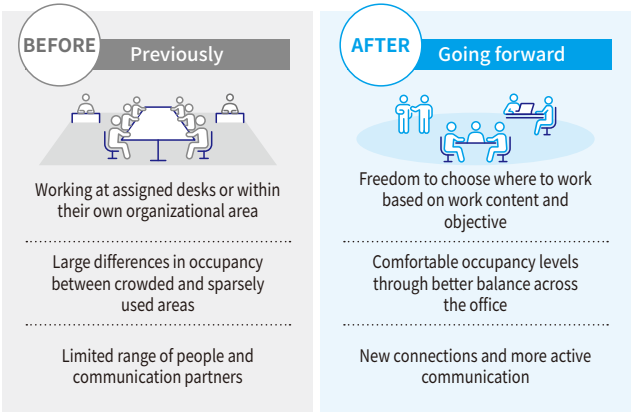
We regard the productivity and creativity generated through improved employee well-being as an important foundation for enhancing corporate value, and promote health management accordingly. We support each employee's physical and mental health and autonomous efforts to maintain and improve their health, while seeking to enhance organizational vitality and achieve sustainable growth by creating an environment where employees can work with peace of mind.

To address our material issues, the Group positions maintaining and improving employees' physical and mental health as one of its priority issues. Based on an analysis of health issues, we are advancing initiatives focused on five themes: addressing lifestyle-related diseases, supporting mental health, early detection and prevention of cancer, addressing women's health issues, and improving sleep quality. For mental health, we work to prevent mental health issues before they arise through early response via support systems and opportunities for dialogue, together with improvements to the workplace environment. For physical health, we promote early disease detection and prevention of serious illness through integrated health checkups, encouraging employees to receive examinations, and financial assistance for follow-up examinations. We also support improved health literacy and proactive health management through our health portal and collaborative health initiatives. These initiatives are advanced in an integrated manner under the Social Committee in cooperation with Group companies and the health insurance association. We also place importance on improving presenteeism (reduced performance due to health problems) and absenteeism (absence or leave from work), aiming to increase productivity by embedding healthy behaviors and encouraging behavior change.

In July 2026, we revised our Health Management Declaration, clarifying our policy of revitalizing the organization through health management and linking these efforts to the realization of Purpose and Vision 2030 and to enhanced corporate value. Under this declaration, we will continue to promote multifaceted support using health data, aiming to maintain and improve employee health and enhance well-being.

Facility transformation

In pursuit of value creation, we are advancing facility transformation to build attractive offices that encourage employees to come together. Through facility transformation, we will enable employees to choose where to work without being constrained by time or location according to their work content and objectives, maintain a comfortable environment by balancing occupancy across the office, and create opportunities for new connections that stimulate communication. In FY2025, we implemented employee participation initiatives, including soliciting names for office areas and creating wall art. We will also promote collaboration with partner companies as well as interaction among employees and create spaces where each person can work freely and creatively, aiming to realize the "vibrant organization where diverse individuals co-create around Purpose" set out in Human Resources Vision 2030.



Large-scale renovation of the head office building to foster individual autonomy, promote cross-organizational communication, and strengthen relationships


Toyosu head office

Human Capital KPIs for Value Creation

To quantitatively track progress in our human resources strategy, the Group sets KPIs and monitors them continuously. These KPIs consist of two layers: human resources strategy KPIs that measure progress in the human resources strategy linked to the Management Policies, and material issue KPIs that contribute to sustainability. By linking these two sets of KPIs, we seek to improve engagement, our KGI, and strengthen strategy execution.

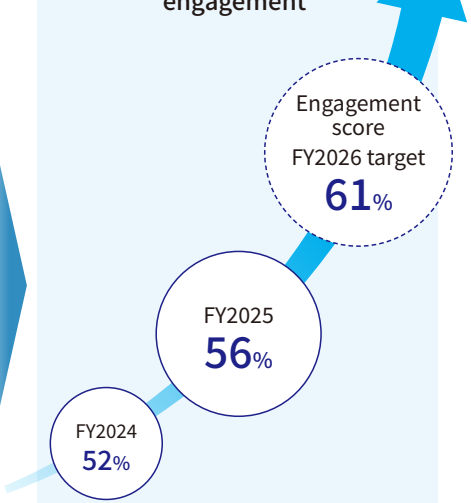
Human resources strategy KPIs

Priority strategies	Key strategy drivers	KPIs	FY2024 results	FY2025 results	FY2026 targets
Priority Strategy 1 Developing Human Resources as the Foundation for Sustainable Growth	Ambition-Oriented Human Resources	❶ Percentage of positive responses in the engagement survey about achieving career goals ❷ Percentage of employees who have set medium- to long-term career goals and agreed on them with their supervisors ■ ❸ Maintenance and improvement rate of mechanisms to promote career well-being (number of implementations / number of plans) ■	❶ 46% ❷100% ❸ 83%	❶ 55% ❷100% ❸100%	❶ 55% ❷100% ❸100%
	Next-generation management	Successor candidate preparation rate	100%	100%	100%
Priority Strategy 2 Strengthening Human Resources to Lead Business Strategies	Customer Business Architects	Number of human resources meeting ROLES-based criteria	147	198	300
	Skilled Project Managers	Number of human resources meeting ROLES-based criteria	239	329	300
	Business Producers	Number of human resources promoting new business development ■	48	63	100
	Global Talent	Number of human resources meeting ROLES-based criteria	39	46	70
Priority Strategy 3 DE&I Promotion	Gender diversity at the decision-making level	Percentage of management positions held by women*1 ■	12.3%	12.6%	—*2
	Success of mid-career hires	Percentage of positive responses to the engagement survey item on "self-efficacy at work" (employees within three years of joining as mid-career hires)	60%	55%	65%
Priority Strategy 4 Boosting Motivation	Penetration of philosophy and strategy	Average positive response rate for seven engagement survey questions on "motivation" and "ease of working" (vs. FY2024) ■	51%	55%	61%
	Active 55+ personnel	Average positive response rate for two engagement survey questions on "growth opportunities" (employees aged 50 and over)	—*3	55%	50%

Items marked with ■ are also used as a material issue KPI

KGI

Improving employee engagement



+

Material issue KPIs (human capital-related) P.15-16 KPIs and targets for material issues

*1 FY2024 results are as of April 1, 2025; FY2025 results are as of April 1, 2026.
*2 Targets from FY2027 onward are scheduled to be set and disclosed.
*3 KPI introduced in FY2025.

Intellectual Capital Strategy

Material Issues Create schemes to solve issues through the use of digital technology and business ecosystems

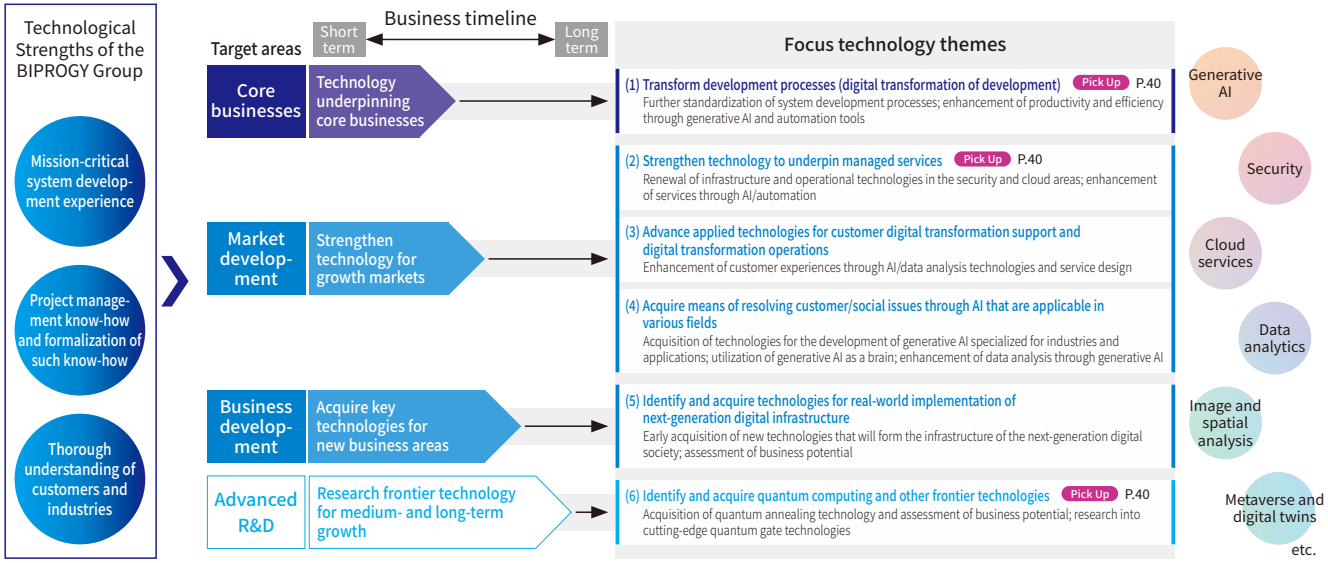
The BIPROGY Group identifies technical fields that our Group should address over the entire life cycle of technologies related to our corporate activities. Under our technology strategy for the acquisition, strengthening, and utilization of technologies targeted for application in business, we aim to achieve our management and business strategies along with sustainable growth.

The BIPROGY Group's Technology Strategy

The Group is implementing a technology strategy that encompasses the entire technology life cycle involved in our corporate activities, with the objective of realizing our management and business strategies and achieving sustainable growth. Under Management Policies (2024-2026), we have identified six focus technology themes covering both our core businesses, which constitute our current sources of revenue, and our growth businesses, which are expected to serve as new earnings pillars.

Based on a technology portfolio that reflects the Group's strengths and the time horizons of its businesses, we are advancing digital transformation of development in our core businesses while strengthening technologies to accelerate higher value-added offerings and greater sophistication in the market development area of our growth businesses. We also seek sustainable business growth by identifying, acquiring, and implementing frontier and next-generation digital technologies.

Overall technology strategy and key technology themes





Sadayuki Baba
Corporate Officer, CTO
BIPROGY Inc.

Leveraging our strengths and the power of technology to achieve sustainable growth and create value

The BIPROGY Group has built up business expertise and technological capabilities, as well as a strong customer base across a wide range of industries, through the development and operation of mission-critical systems. At the same time, rapid advances in digital technologies, including AI, are bringing major change to the business environment. To achieve business growth through value creation in this environment, it is essential to leverage the Group's industry expertise and customer base while rapidly incorporating frontier technologies and translating them into greater value for customers. This requires technology management that takes a broad view of market and technology trends, together with a technology strategy aligned with our business and human resources strategies. We will continue to enhance the effectiveness of our technology strategy and achieve sustainable growth in corporate value by helping solve issues faced by society and our customers.

Pick Up

Focus technology themes

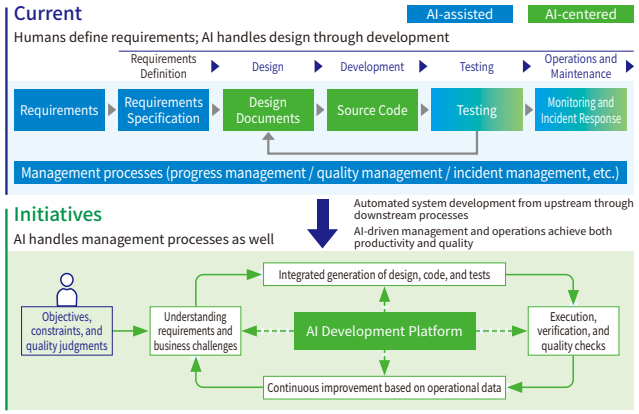
(1) Transform development processes (digital transformation of development)

The Group has positioned generative AI at the core of its technology strategy and is transforming its development processes. While looking to apply generative AI across all business domains, we are prioritizing areas where it is most cost-effective, while also advancing the development of proprietary AI agents and their implementation with customers. In particular, we are expanding the use of AI to analyze and revitalize legacy systems that have been in use for many years and become difficult to maintain, applying it to advanced use cases that go beyond simple code generation. By embedding generative AI into IT infrastructure implementation and development processes, we aim to create an environment in which engineers can use AI naturally without having to think consciously about doing so. This will reduce the burden of learning how to use AI and enable engineers to realize gains in productivity and creativity while using AI more safely.

Through the use of generative AI, the Group will accelerate efforts to solve social issues and contribute to sustainable value creation.

P.41 Special Feature

Development process that achieves both productivity and quality



Pick Up

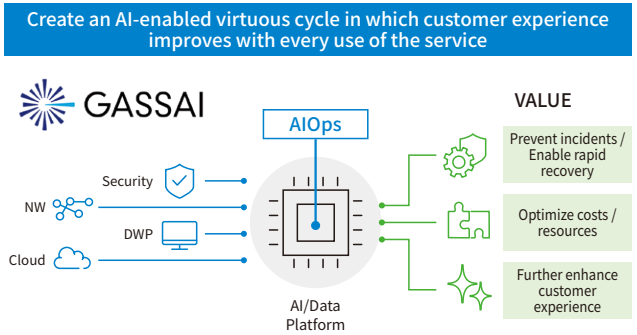
Focus technology themes

(2) Strengthen technology to underpin managed services

Since June 2025, the Group has offered the managed services portfolio "GASSAI," which embodies best practices derived from the collective knowledge accumulated over many years of supporting customers' IT infrastructure operations. As IT infrastructure increasingly spans both cloud and on-premises environments, operations are becoming more complex, while security requirements are also becoming more sophisticated in response to increasingly advanced security threats and rapid technological innovation.

Under our technology strategy, we are strengthening technologies such as data linkage and integration platforms needed to integrate, enhance, and automate IT infrastructure operations, while researching, verifying, and applying frontier technologies that can support customers' business operations. We are also working on AIOps—the automation and streamlining of IT infrastructure operations using AI—with the aim of delivering new value through the use of data and AI.

Evolution of the managed services "GASSAI"



Pick Up

Focus technology themes

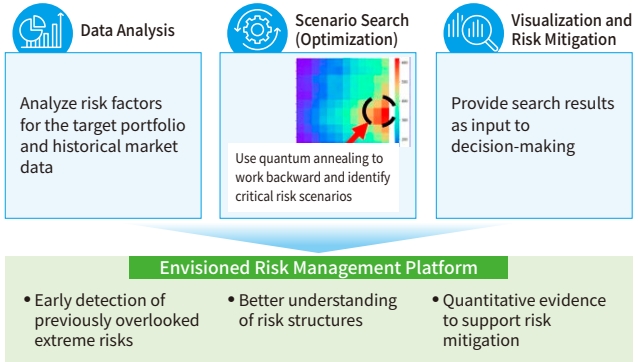
(6) Identify and acquire quantum computing and other frontier technologies

With the aim of applying quantum computing technologies to real-world business, we are working to stay abreast of advanced trends, acquire technologies, and explore potential business domains.

We are also conducting PoCs with customers to solve business issues through the use of quantum computing technologies. In the financial sector, leveraging the Group's expertise in system development for financial institutions, we are working with securities companies on technical verification aimed at enhancing risk management operations. Quantum annealing enables high-speed, comprehensive searches across vast scenario spaces and complex risk correlations, increasing the potential to uncover latent risks that conventional methods may have overlooked. By working backward to identify combinations of conditions that could result in portfolio failure and visualizing critical risk scenarios in advance, the approach is expected to help prevent major losses.

The Group will continue working to solve customer and social issues through the business application of frontier technologies.

Overview of a PoC to enhance financial portfolio risk management



Special Feature

Becoming a Company that Co-Creates with AI to Create Value

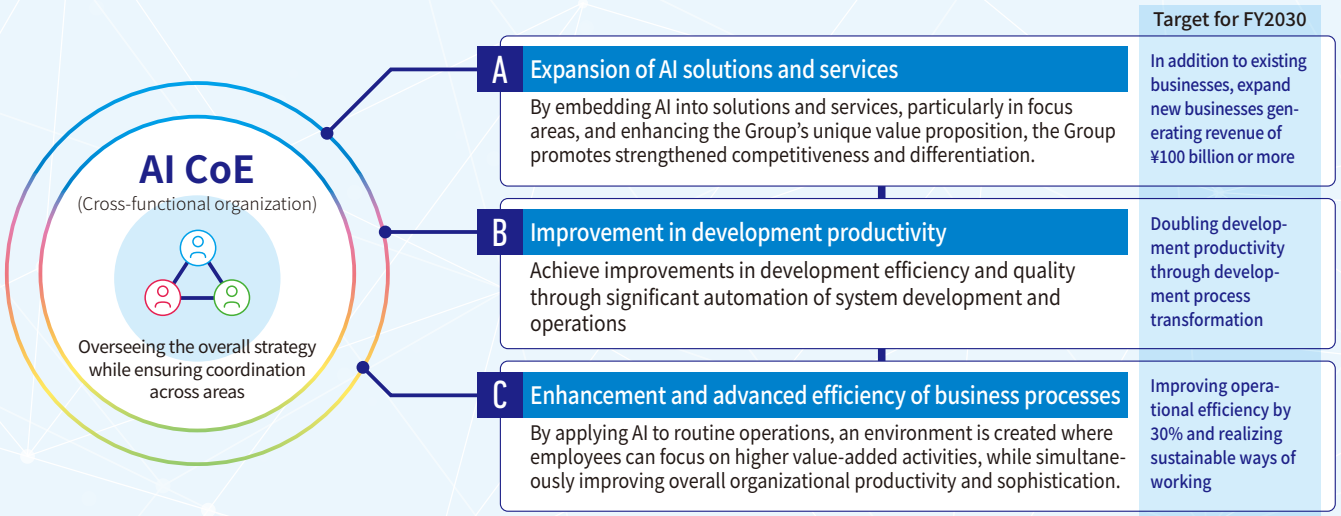
—Starting with purpose, turning transformation in value delivery, development, and operations into results—

AI is no longer simply about adopting a new tool. Starting with what we want to achieve, we seek to translate co-creation between people and AI into tangible results by expanding the value we provide, advancing development, and transforming operations. We believe this is what companies should aspire to in the AI era.

The BIPROGY Group's AI Strategy

The Group sees advances in AI technology not simply as a means of improving operational efficiency, but as a growth opportunity that can fundamentally reshape business models and significantly enhance the value we deliver to society and customers.

To promote AI use across the Group, we established the AI CoE (AI Center of Excellence) as a cross-functional organization in April 2026. With the AI CoE at the center, we are integrating initiatives across three areas: business, development, and operational transformation, to make AI a source of medium- to long-term competitiveness and a foundation for the Group's sustainable growth. By accelerating the creation of social and economic value through AI, we will advance toward the realization of Vision 2030.



Management message



Koji Katsuya
Representative Director, Executive Corporate Officer, CSO
BIPROGY Inc.



Aiko Korin
Corporate Officer
Head of AI CoE
BIPROGY Inc.

Leveraging AI to enhance the value we deliver and drive sustainable growth

Rapid advances in AI are reshaping corporate activities and business itself, with structural impacts on the Group's business models and the value we deliver. Across every area, from system development to solutions and services, infrastructure, and operations, we need to further enhance the value we deliver.

The Group sees advances in AI not simply as a means of improving operational efficiency, but as an opportunity for medium- to long-term value creation. That is why we are confronting key questions about AI head-on: How do we ensure safety? How do we ensure fairness? How should we define the role of people in decision-making? We regard governance as the foundation of value creation.

Building on this foundation of trust, we will place the AI CoE at the center of our efforts to embed AI in our operations and services and expand its use into new business opportunities, while ensuring alignment, quality, and speed of execution in AI use across the Group. We aim to evolve into a "value co-creation partner" that creates new value together with customers.

Progress on AI strategy initiatives

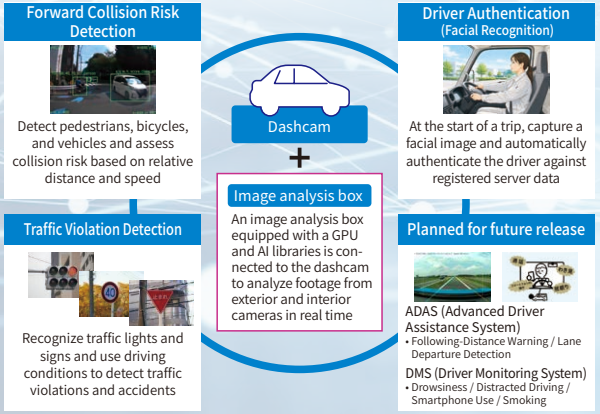
A Expansion of AI solutions and services

Zero-Accident Program DR

A dashcam solution for enterprises

Zero-Accident Program DR is a connected dashcam service that visualizes vehicle operating conditions and supports safety management and operational improvement. It uses advanced image analysis AI for fleet management and vehicle tracking, with the aim of eliminating traffic accidents and contributing to people, businesses, and society.

AI automatically detects dangerous driving and traffic violations and sends real-time alerts together with video and location information, helping prevent accidents and enabling ongoing safety training. Because vehicle information and driving data can be centrally managed in the cloud, the service also makes fleet management more efficient. Its rental model lowers the barrier to adoption, making it suitable for companies of any size. Drawing on operational know-how accumulated across more than 70,000 vehicles over many years, the solution provides comprehensive support for reducing accidents, optimizing insurance and fuel costs, and enhancing corporate value.



Needs Connect

Consumer feedback collection service

Needs Connect is a platform for retailers that collects consumer feedback based on actual purchases and supports more sophisticated product development and sales promotion. Generative AI analyzes reviews and ratings collected from actual purchasers through retail apps, revealing why products were purchased and why others were not, insights that POS data alone cannot provide.

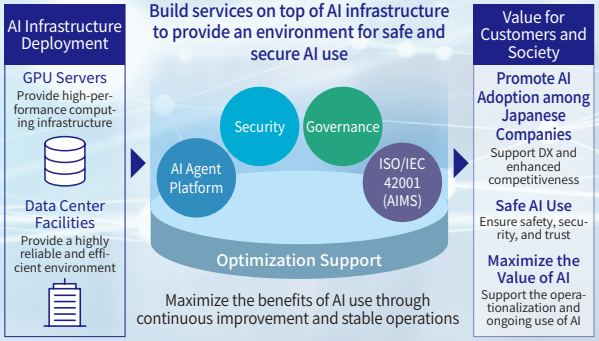
Generative AI automatically extracts and classifies reasons for purchase, points of dissatisfaction, and requests for improvement, then generates reports on each product's strengths and issues. This enables retailers to quickly improve products and strengthen private-brand products based on consumer needs. By continuously accumulating and analyzing review data, the service also helps retailers quickly identify market changes and make data-driven decisions rather than relying solely on intuition and experience. By turning vast volumes of customer feedback into valuable insights, generative AI helps enhance product competitiveness.



AI infrastructure and operations services

UNIADEX, a BIPROGY Group company, is developing a business model that provides end-to-end support from AI infrastructure deployment through operations, accelerating its expansion in the AI market, where sustained growth is expected. Centered on its GPU server and data center facilities businesses, UNIADEX provides high-performance, scalable AI infrastructure to a broad range of customers and is working to build social infrastructure that supports AI implementation and digital transformation by Japanese companies.

On top of this AI infrastructure, UNIADEX provides high-value-added services, including the development of environments for using AI agents, the strengthening of security measures and AI governance, and support for compliance with ISO/IEC 42001 (AIMS), the international standard for AI management systems. It provides comprehensive support from planning and implementation through operations. While pursuing medium- to long-term value creation through ongoing service delivery, UNIADEX helps customers strengthen their competitiveness and contributes to the digital transformation of Japanese society by providing a safe and secure environment for AI use.



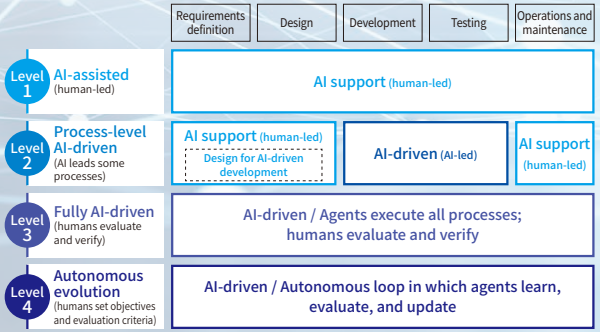
Progress on AI strategy initiatives

B Improvement in development productivity

The Group positions AI as a core technology for software development and has built a platform for applying AI across the entire development lifecycle, from requirements definition and design through implementation, testing, and operations. We have established an AI-driven development environment and tools that use AI to support code generation, test design, quality analysis, and other tasks, and are expanding AI use across all development processes.

Starting from requirements, we are shifting to AI-driven development in which AI agents responsible for individual processes work together to drive the overall development process. This shift is helping advance development capabilities, raise productivity and quality, and shorten development lead times. Building on these capabilities, we will establish a next-generation development model designed around AI, with AI orchestrating the entire development process. Technologies developed through AI-driven development are also being applied to our own solutions and services. By using multimodal large language models (LLMs) and AI agent technologies, we select optimal models and design workflows while also addressing practical requirements such as explainability, response performance, operating costs, and security.

AI-driven development maturity levels



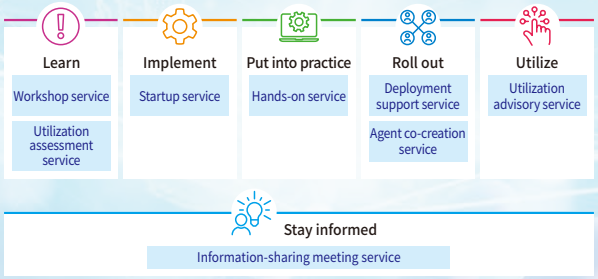
C Enhancement and advanced efficiency of business processes

To embed AI throughout the Group and transform business processes, we have positioned ourselves as "Customer Zero," proactively putting generative AI and AI agents into practice and validating their use. As part of this effort, we opened the AI agent execution environment to the entire Group, enabling business divisions, not just IT divisions, to take the initiative in using AI. Employees on the front lines can now quickly create and improve AI agents to address their own operational issues and needs, generating a steady stream of use cases directly tied to day-to-day work.

We also view AI as something to be developed and refined on the front lines. By sharing and organizing knowledge across the Group and strengthening governance, we support autonomous and sustainable use of AI. As a result, AI is becoming a natural part of everyday work, improving efficiency and quality while enabling employees to focus on higher value-added activities. This creates a virtuous cycle in which AI use spreads from the front lines and drives continuous business process transformation.

We are also applying the knowledge gained through these initiatives to support services for Microsoft 365 Copilot offered to customers.

Drawing on its own practical experience, BIPROGY supports customers from learning the basics of Microsoft 365 Copilot through implementation and utilization.



AI governance

The Group strives to continuously enhance AI-enabled services through forward-looking AI technology research, while ensuring that these services conform to its proprietary BIPROGY Group AI Policy. We have also formulated the "Guidelines for the Business Use of ChatGPT and Other Generative AI" and the "Guidelines on Generative AI and Copyright," and provide all officers and employees with education and awareness programs on topics such as data-subject protection (security and privacy), respect for human rights and individual autonomy, and the appropriate scope of AI utilization. The BIPROGY Group Human Rights Policy also commits us to proactively considering and addressing a wide range of human rights issues surrounding advanced technologies and data. In line with this policy, we are advancing Group-wide initiatives to address human rights challenges posed by AI.

Obtaining ISO/IEC 42001 Certification for AI Management Systems

UNIADEX, a BIPROGY Group company, obtained certification under ISO/IEC 42001, the international standard for AI management systems, in January 2026 for the development, provision, and operation of "Support GAI (General-Purpose Artificial Intelligence) Chat," which supports maintenance services. ISO/IEC 42001 is an international standard designed to ensure rigorous AI risk management and the provision of safe and secure AI services. Drawing on the knowledge gained through the certification process, UNIADEX will continue to provide safe and highly reliable services across the diverse AI solutions it plans to roll out.

BIPROGY Group AI Policy
https://www.biprogy.com/e/com/ai_ethics_policy_BIPROGY_group_e.pdf

BIPROGY Group Human Rights Policy
https://sustainability-cms-biprogy-s3.s3-ap-northeast-1.amazonaws.com/pdf/humanrightspolicy_e.pdf

CFO Message



Turning growth investments into solid profit growth to sustainably enhance corporate value

Yasuhiro Imai
Corporate Officer, CFO

A Steadily Expanding Foundation for Future Earnings

In FY2025, revenue, profit, and orders all remained strong. Even as we steadily invested in human resources and advanced initiatives to expand the business, higher revenue and an improved gross profit margin drove profit growth and lifted the adjusted operating margin.

Under Management Policies (2024-2026), we are pursuing two priorities in tandem: strengthening the profitability of core businesses and creating growth businesses. As CFO, I find it particularly encouraging that the business foundation for future earnings is becoming stronger. Revenue is expanding, margins are improving, and the cash-generating capacity of our core businesses is increasing. We are beginning to establish a virtuous cycle in which this cash is reinvested in further strengthening core businesses, technology, human resources, and growth businesses. In FY2026, while continuing upfront investments for business growth, we intend to assess investment returns with even greater precision and manage growth investment and near-term profitability more effectively than ever before.

FY2025 results and Management Policies (2024-2026) targets

(Billions of yen)			Management Policies (2024-2026)	
	FY2024	FY2025	FY2026 targets	FY2026 forecast*1
Revenue	404.0	433.7	440.0	470.0
Adjusted operating margin (Adjusted operating profit*2)	9.5% (¥38.4 billion)	10.0% (¥43.6 billion)	11.0% (¥48.4 billion)	10.3% (¥48.4 billion)
ROE	16.1%	17.9%	17.0% or more	Same as left
Dividend payout ratio	40.3% + Share repurchases: ¥11.2 billion	40.5% + Share repurchases: ¥10.0 billion	40.0% or more + Flexibly implement share repurchases, taking into account stock price	42.0% Same as left

*1 Figures announced in April 2026
*2 Adjusted operating profit is the result obtained after deducting cost of sales and SG&A expenses from revenue.

Using Cash Generated by Core Businesses to Drive the Next Stage of Growth

To sustainably enhance corporate value, it is critical to determine where to allocate the cash we generate and how to translate it into the next stage of profit growth. Our investments will focus on areas that can further strengthen the competitiveness of our core businesses and on growth businesses that can become future earnings pillars. In core businesses, we will pursue investment opportunities that strengthen our existing advantages and add capabilities the Group does not currently possess, with the aim of improving profitability. In growth businesses, one avenue we are pursuing is to strengthen our global business, particularly in major ASEAN countries. Through partnerships with local companies and M&A, we intend to create synergies with the Group's customer base and technological capabilities and use them to drive business expansion.

However, not every growth investment is acceptable. We evaluate investment projects using IRR and other metrics, but we also need to reassess hurdle rates as the environment changes. We will look beyond short-term profitability and make comprehensive judgments based on alignment with our growth strategy, the potential to expand our future business foundation, and contribution to enhancing corporate value.

Balancing the drive to capture growth opportunities with the discipline needed to protect capital efficiency is, in my view, one of the CFO's most important roles.

Steadily Translating the Benefits of M&A into Profits

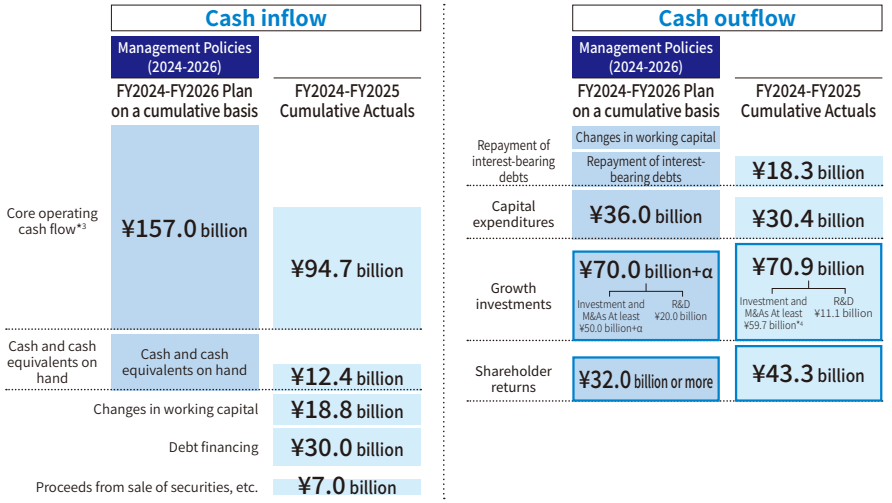
M&A is a key pillar of our growth investments. Catalina Marketing Japan K.K., which joined the Group in January 2026, is a prime example. By combining its expertise with the Group's retail customer base and technological capabilities, we aim to provide new value. PMI is also progressing steadily, and over the medium to long term, we intend not only to grow Catalina Marketing Japan itself but also to expand business across the entire retail area.

An acquisition is not successful simply because the deal closes. We must continue to manage the recognition and subsequent amortization of intangible assets through PPA, as well as goodwill, PMI, and synergy creation. Only when the value ultimately created exceeds the capital invested can we call the transaction a success. As CFO, I will focus not on the number or size of M&A deals, but on managing them consistently through post-investment profit growth and cash generation, with a firm commitment to converting growth investments into financial value.

Strengthening Financial Discipline without Missing Growth Opportunities

Precisely because we intend to continue making proactive growth investments, financial soundness and risk management are more important than ever. We use the maintenance of at least our current A- issuer rating from Rating and Investment Information, Inc. (R&I) as one benchmark for financial management, while ensuring a financial base that allows us to execute necessary growth investments flexibly. In addition, to further strengthen our ability to execute the growth strategy, we will focus not only on maintaining financial soundness but also on securing sufficient liquidity so that we can respond quickly and flexibly to business expansion and new investment opportunities. We are also reducing cross-shareholdings while verifying the appropriateness of holding them each year, and will continue to pursue further reductions from the standpoint of improving capital efficiency. Financial discipline is the foundation that enables us to make bold growth investments when needed. We will maintain sufficient investment capacity while rigorously assessing the risk-return profile of each investment, and remain firmly committed to achieving both.

Financial strategy (capital allocation) in Management Policies (2024-2026) and progress



*3 Core operating cash flow: Operating cash flow excluding changes in working capital (WC) and R&D expenses
*4 Includes ¥50.7 billion in expenditures associated with the acquisition of Catalina Marketing Japan K.K.

Aggressive growth investments

Target areas

Core businesses

Identify focus areas and make proactive development investments and resource allocations in those areas

- Financial
- Retail
- Energy
- Mobility
- OT infrastructure

Growth businesses

Acquiring/expanding new service areas and capturing/expanding market share

- New businesses (market development, business development)
- Global initiatives

×

Investment details

- R&D
- Open innovation investment
- M&As (including acqui-hiring), etc.

Balanced approach to shareholder returns

- Maintain a minimum dividend payout ratio of 40% and conduct share repurchases while monitoring total payout ratio

Viewing AI Not as a Threat, but as a Growth Opportunity to Transform Our Earnings Structure

One of the biggest themes in our dialogue with capital markets today is AI. As generative AI makes system development more efficient, there are concerns that revenue from the traditional business model, in which revenue is tied to engineering headcount and time, could decline. We view this structural shift not as a defensive challenge, but as a growth opportunity to transform our earnings structure. AI can improve efficiency in development processes such as programming, while upstream processes such as design and consulting, which require a deep understanding of customers' businesses, are harder to replace with AI. By using AI to make some processes more efficient, we can handle more projects without relying on engineer headcount and shift engineers to higher value-added work. This could be a major opportunity to improve profitability. Looking toward 2030, we have set KPIs for AI utilization, including ¥100 billion in revenue from AI solutions and services, doubling development productivity, and improving operational efficiency by 30%. The key is to translate more sophisticated services and improved productivity into greater project capacity and a shift toward upstream processes, thereby creating new revenue and improving profitability. We need to measure not simply how much cost we have reduced, but how much AI has expanded profit and growth opportunities.

Meeting the Market's Growth Expectations through Sustained EPS Growth

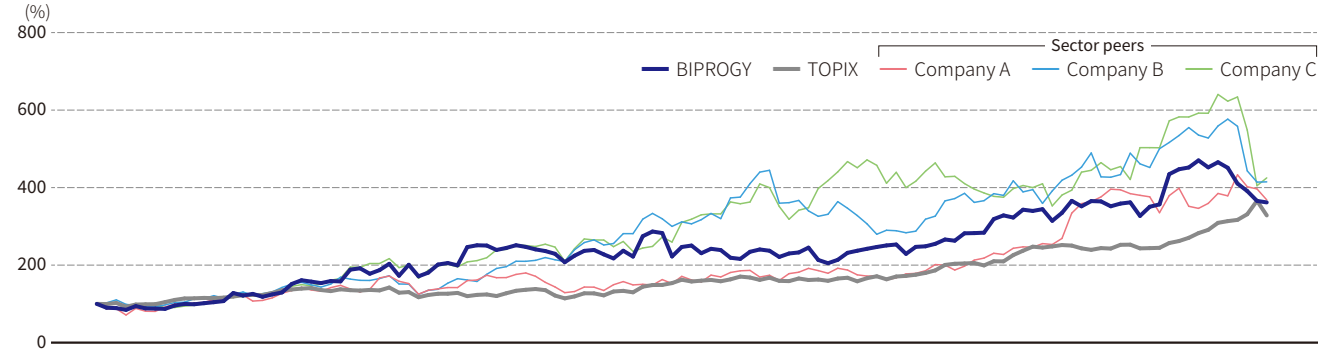
Under Management Policies (2024-2026), our shareholder return policy is based on a dividend payout ratio of 40% or more, together with flexible share repurchases. In FY2025, we paid an annual dividend of ¥130 per share and repurchased ¥10.0 billion of our own shares. However, shareholder returns alone are not enough to sustainably increase TSR. In today's capital markets, concerns over structural changes in the SI business driven by AI have weakened expectations for the industry's future growth. That is precisely why it is important to demonstrate a strategy that can deliver continued growth even in the AI era and to translate its results into profit growth. I believe sustained EPS growth is one of the clearest indicators of our ability to deliver such growth.

ROE was 17.9% in FY2025, exceeding the final-year target of 17.0% or more under Management Policies (2024-2026). However, maintaining high capital efficiency alone is not sufficient to enhance corporate value. What matters is directing the cash we generate toward growth investments, translating those results into profit, and achieving sustained EPS growth.

My Responsibility as CFO in Translating Growth Strategy into Financial Value

The Group has set a target of ¥1 trillion in corporate value toward the realization of Vision 2030. This target can only be achieved by reliably translating growth investments into profit and cash and, in doing so, building capital-market confidence in our future growth. Clearly communicating this process and our future potential to investors is also an important responsibility of the CFO. Rather than being swayed by near-term valuation alone, we will steadily grow EPS and, under the next set of Management Policies, clearly articulate a strategy for growth amid the structural changes being brought about by AI, thereby strengthening expectations for the Group's growth. "Our job is not merely to execute strategy, but to convert that strategy into profit, cash, and corporate value." As CFO, I will maintain financial discipline while decisively executing the growth investments we need, with the aim of sustainably enhancing the Group's corporate value.

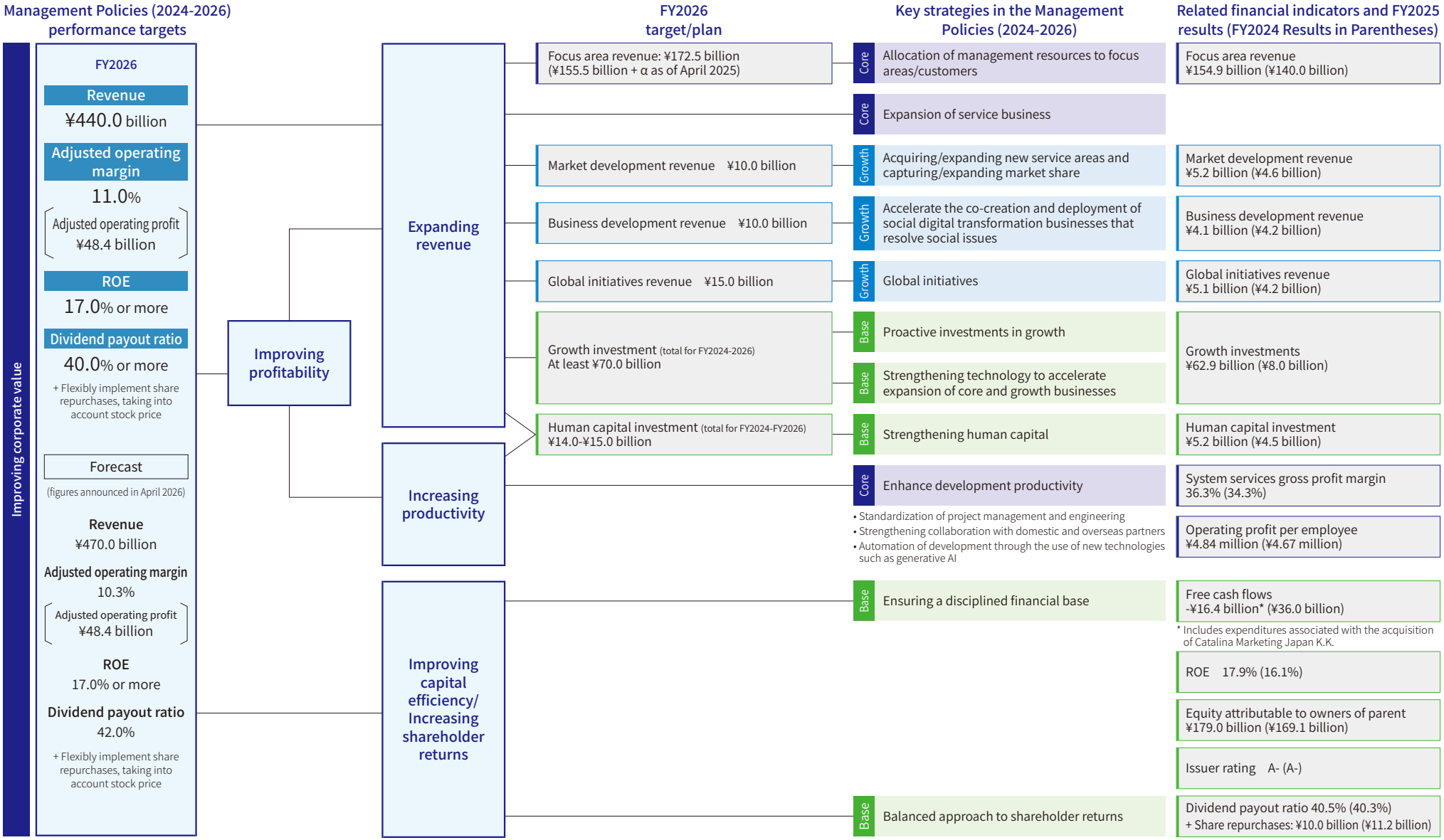
Total shareholder return (TSR)



	1 year	3 years		5 years		10 years	
		Cumulative	Annual rate	Cumulative	Annual rate	Cumulative	Annual rate
BIPROGY	3.6%	52.6%	15.1%	50.3%	8.5%	261.8%	13.7%
TOPIX	34.6%	87.4%	23.3%	102.2%	15.1%	228.2%	12.6%

* Total Shareholder Return (TSR): Total return on investment that combines capital gains and dividends.
* TSR for BIPROGY is calculated based on cumulative dividends and changes in the share price, while TSR for TOPIX is calculated using the total return index including dividends (prepared by BIPROGY using data from Bloomberg and other sources).
* The values in the graph are indexed based on TSR, taking the closing price on March 31, 2016, as 100 (with a holding period through March 31, 2026).

Management Policies (2024-2026) logic tree



Foundation for Value Creation

By creating both social and economic value, the BIPROGY Group seeks to promote the sustainability of the environment and society as well as the Group itself. To this end, we integrate sustainability management into our business activities. In this section, we introduce the environmental, social, and governance initiatives that support our value creation.

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CSO Message

We will advance sustainability management across the Group and contribute to solving social issues

Koji Katsuya Representative Director, Executive Corporate Officer, CSO



Toward Realizing Vision 2030

Guided by its Purpose, the BIPROGY Group is working to realize its long-term vision, Vision 2030. FY2026 marks the final year of the Management Policies (2024-2026). Building on the management resources accumulated to date, we will proactively invest in growth and promote ambidextrous management that advances our core and growth businesses in tandem.

Looking ahead to 2030, it is important to take an integrated view of the risks arising from changes in the business environment, considering both threats and opportunities, and to sustainably enhance corporate value through a virtuous cycle between non-financial and financial capital. To achieve this, it is essential that we use the material issues identified by the Group as a starting point and advance our business activities and sustainability management in an integrated manner.

Based on this approach, we are focusing particularly on enhancing risk management. We are looking ahead to highly uncertain risks that require a medium- to long-term perspective, including those related to the rapid advancement of AI, information security, human resources, and technological innovation, and are strengthening our Group-wide capabilities to identify, assess, and respond to them. At the same time, we view these changes in the business environment not only as risks, but also as new growth opportunities. By advancing value creation through our business activities in tandem with the strengthening of our management foundation, we aim to build a highly resilient management framework.

In FY2025, we steadily advanced initiatives to enhance sustainability management and strengthen information disclosure. These included advancing our response to climate change, natural capital, and biodiversity with reference to the TCFD and TNFD recommendations; strengthening our response to human rights risks; and conducting ESG risk assessments of suppliers. We also worked to reinforce the disclosure framework supporting dialogue with stakeholders by improving the quality of non-financial disclosures and expanding the use of third-party assurance. Furthermore, we view our response to the disclosure standards issued by the Sustainability Standards Board of Japan (SSBJ) not merely as a matter of disclosure compliance, but as an opportunity to enhance sustainability management itself. With a view to enhancing corporate value over the medium to long term, we are further integrating sustainability considerations into management and business activities.

Sustainability in the AI era

AI is now beginning to reshape society and corporate management. We see AI not simply as a means of improving productivity, but as an opportunity to transform the value we provide and create new social and economic value. At the same time, as AI becomes more widely adopted, it is increasingly important to address issues of fairness, safety, transparency, and accountability. For this reason, we believe that in an era when AI is becoming central to social infrastructure and business activities, the question is not just what AI can do, but under what principles it should be used. Based on this thinking, we regard AI governance as a foundation for value creation and have worked to realize responsible AI through the establishment and revision of the BIPROGY Group AI Ethics Principles. In response to the expanding use of AI and growing societal expectations, we have established the BIPROGY Group AI Policy and are strengthening the governance framework for responsible AI through the continuous review and enhancement of internal rules and operational practices. In April 2026, to further advance AI governance and value creation, we established the AI CoE, a Group-wide, cross-functional organization in which I also serve as the executive with overall responsibility, and began managing AI-related opportunities and risks. Through Group-wide initiatives led by the AI CoE, we will promote the broader use of AI and strengthen risk management while balancing governance and innovation, thereby enhancing our competitiveness.

The name BIPROGY embodies our aspiration to bring together diverse colors of light, illuminate new paths for society, and continue creating new value in response to change. In the AI era, guided by this aspiration, we will unlock the full potential of technology and, with ethics and trust as the foundation of value creation, generate a virtuous cycle between social and economic value. By viewing increasingly complex and multifaceted social issues, as well as an evolving business environment, as growth opportunities and continuing to engage in dialogue with stakeholders, we will contribute to the development of a sustainable society while enhancing corporate value as we work toward realizing the future envisioned in Vision 2030.

Environment

Material Issues

- 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
- Sustainably procure and provide safe, secure products and services throughout the entire value chain

The BIPROGY Group promotes collaboration and cooperation to address a wide range of environmental issues through services that facilitate the transition to a low-carbon economy and a circular economy, as well as through the Digital Commons that the Group has established and participates in. In addition to strengthening measures to reduce GHG emissions across the value chain, we are also advancing our response to biodiversity and water security risks and accelerating our efforts to help build a world of net-zero emissions as early as possible.

The BIPROGY Group's Environmental Management

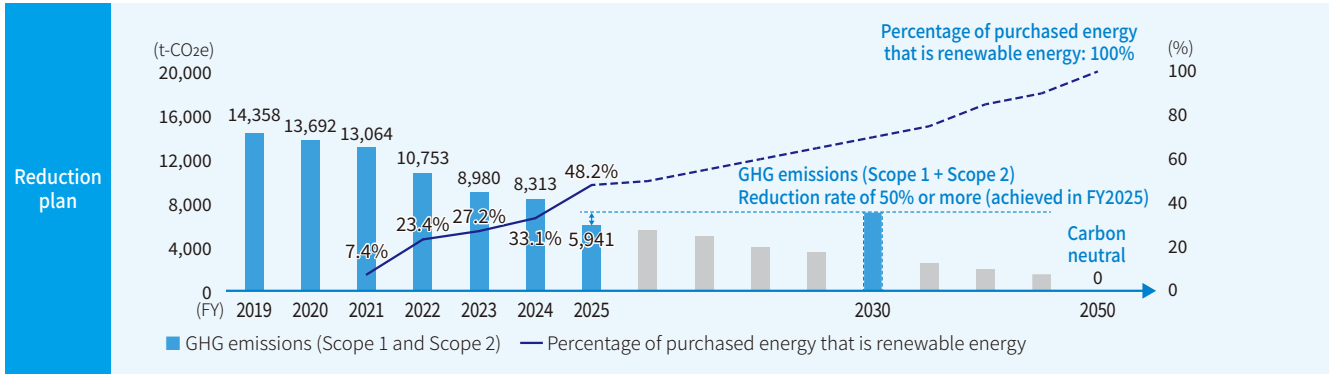
Progress on the climate change transition plan

The BIPROGY Group considers reducing GHG emissions across the value chain essential to build a world of net-zero emissions envisioned in its Long-Term Environmental Vision 2050. To accelerate these reductions further, we have built on our existing initiatives and formulated a climate change transition plan comprising a GHG emissions reduction plan, key action plans, and an investment plan. Progress under the plan is reported to the Board of Directors through the CSO, and implementation is monitored by the Board through its advice and guidance.

GHG emission reduction related KPIs

KPI	Targets	FY of achievement	FY2025 results
GHG emissions (Scope 1 + Scope 2) reduction rate	50% or more compared to FY2019	FY2030	58.6%
SBT-equivalent reduction target setting by suppliers accounting for 40% of procurement value corresponding to Scope 3 Category 1	40% or more	FY2027	24.2%
GHG emission reduction rate corresponding to Scope 3 Category 11	25% or more compared to FY2021	FY2030	7.1%
Renewable energy procurement rate (Group business locations)	50% or more	FY2030	48.2%

Climate change transition plan



Environmental Contribution in Management Policies (2024-2026)

Our Group believes that addressing environmental issues, including climate change, requires transformations in social systems on an unprecedented scale, as well as innovation through digital technologies. We also believe that the Digital Commons, a community of like-minded partners, is essential to achieving such transformation. Beyond reducing the environmental impact of our own business activities, we aim to make broad environmental contributions for our customers and society through value creation in our businesses. Our Management Policies (2024-2026) aim to create value that benefits both the environment and society, helping build a world of net-zero emissions, regional economic revitalization, and supply chain transformation.

In our core businesses, we have designated areas where we can leverage our strengths as focus areas. Through strategic capital allocation, we aim to enhance the value we provide and improve profitability. In addition to providing direct benefits such as improved operational efficiency through DX, we aim to help reduce environmental impact by improving energy efficiency and using resources more effectively. In our growth businesses, we aim to create new revenue opportunities and expand our business domains through market development and business development. By transforming social systems through co-creation with partners and the use of digital technologies, these businesses are expected to contribute to addressing environmental issues and realizing a sustainable society.

Biodiversity and Natural Capital Initiatives

People's lives and the economy are sustained by the benefits derived from ecosystems based on biodiversity. Human activities over the past century have led to serious environmental concerns due to the degradation and loss of natural capital, including forests, air, water, soil, and biodiversity. For companies, responding to nature-related risks and opportunities is becoming increasingly important in light of their dependencies on and impacts on natural capital. The BIPROGY Group recognizes biodiversity and natural capital as important management issues and is working to identify its dependencies and impacts on natural capital, as well as the associated risks and opportunities. We believe these efforts not only enhance business resilience and reduce risk but also contribute to creating new value and expanding business opportunities. The Group promotes management that takes biodiversity and natural capital into account while contributing to the pursuit of a nature-positive future.

Managing natural capital/biodiversity risks

Under these circumstances, since FY2023, the BIPROGY Group has been conducting analyses based on the LEAP approach proposed by the Taskforce on Nature-related Financial Disclosures (TNFD) to understand how its business activities depend on and impact biodiversity and natural capital. We endorsed the TNFD recommendations in November 2024 and registered as a TNFD Adopter in February 2025. We subsequently identified and assessed nature-related dependencies, impacts, risks, and opportunities across the value chain. We prioritize each risk and opportunity based on the potential magnitude of impact and the likelihood of occurrence for risks or realization for opportunities.

In FY2025, we also set a natural capital conservation target: For BIPROGY Group-owned sites, assess current conditions regarding habitat surveys and potential contributions to forest conservation (target year: FY2026). We have begun habitat surveys around Company-owned sites. The Environmental Contribution Committee continues to discuss the assessment results and the status of related deliberations, and we disclose these initiatives and their progress annually in our TCFD/TNFD Report.

Core business areas

Launch of a light plan for the environmental value management service Re:lvis

Re:lvis is a SaaS service that helps streamline operations related to the procurement, bidding, and allocation of non-fossil certificates. As companies expand their use of renewable energy and work toward carbon neutrality, environmental value management is becoming increasingly complex, creating a significant operational burden for many companies. By digitalizing these operations, Re:lvis supports efficient and appropriate management. In FY2026, we launched a Light Plan with a streamlined set of functions that enables users to retain their existing Excel-based management while improving the efficiency of input into the JEPX system. In the same fiscal year, we began providing the service to a major electric power company and are expanding its adoption. By promoting the use of non-fossil certificates, Re:lvis helps companies advance GX and contributes to the realization of a decarbonized society.

Growth business areas

Advancing a resource circulation model that turns waste plastics into automotive parts

XtoCar is a project that aims to realize a circular economy by collecting and recycling used plastics for reuse as automotive parts. Working with Resource Circulation Systems Co., Ltd., Daiei Kankyo Co., Ltd., Nifco Inc., Yagikuma Co., Ltd., Fukuoka University, automakers, and other partners, we are developing a recycled plastic supply system that connects arterial (manufacturing) and venous (resource recovery) industries. The project was launched in 2025, and in 2026 we began PoCs for traceability and a formulation simulator covering a wide range of waste plastics, including construction waste materials and containers and packaging. Using digital technologies, we manage and visualize information and support manufacturing throughout the process, from collection and recycling to compounding and parts manufacturing, with the aim of ensuring a stable supply while assuring the quality and origin of recycled materials. By using the resource circulation platform to promote collaboration among companies, this initiative contributes to more advanced resource circulation and reduced environmental impact in the automotive industry.

Initiatives to Enhance Environmental Information Disclosure Quality and Quantity

The BIPROGY Group aims to improve both the quality and quantity of its environmental information disclosures. In April 2020, the Group endorsed the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and in 2025, it also endorsed and registered with the Taskforce on Nature-related Financial Disclosures (TNFD). Detailed information is published annually in our BIPROGY Group TCFD/TNFD Report.

Overview of our disclosure of environmental information based on TCFD/TNFD recommendations

<table>
<tr><th></th><th colspan="3">TCFD</th><th colspan="2">TNFD</th></tr>
<tr><td>Governance</td><td colspan="5">The Sustainability Committee (Chair: CSO) and its subordinate body, Environmental Contribution Committee, deliberate and decide response policies for climate change and natural capital issues, implementing environmental management based on ISO 14001. Important matters are reported and deliberated in the Executive Council, with the Board of Directors providing supervision and guidance through regular CSO reports. As a company that endorses the TCFD and TNFD recommendations, we are developing human rights policies and systems to respect the rights and cultures of Indigenous peoples and local communities.</td></tr>
<tr><td rowspan="4">Strategy</td><td colspan="3">In 2021, the Environmental Contribution Committee established a Company-wide project to analyze scenarios for all climate-related risks and opportunities indicated in the TCFD recommendations, and conducted an assessment of the impacts of the identified risks and opportunities. The results of the assessment were shared with management through reporting routes and have been incorporated in strategies and measures.</td><td colspan="2">We are advancing understanding of our business activities' natural capital dependencies and impacts and their importance, while working to organize nature-related risks and opportunities. Based on these evaluation results, we are proceeding with consideration of future response policies and measures, promoting initiatives to improve information disclosure quality based on the TNFD framework.</td></tr>
<tr><td>Transition risks</td><td>• Policy/Regulation: Increased carbon costs and operating expenses due to regulatory strengthening accompanying low-carbon economic transition
• Technology: Competitive disadvantage and revenue deterioration due to delayed response to low-carbon technologies
• Market: Competitive and profitability deterioration due to insufficient response to market changes in low-carbon products and services
• Reputation: Decreased corporate evaluation and increased capital costs due to delayed information disclosure response accompanying low-carbon economic transition</td><td>Risk reduction response
• Low-carbon business activities
• Technology development contributing to social decarbonization
• Provision of services adapted to changes in customers' needs
• Disclosure of reliable climate-related information</td><td>Assessment of nature-related issues</td><td>We conducted analysis of our outsourcing business targeting direct operations and supply chains to evaluate natural capital dependencies, impacts, risks, and opportunities. Through our analysis, we grasped dependencies and impacts across our entire business including office operations and data centers, identifying and evaluating key dependencies as climate regulation/flood mitigation and freshwater supply (upstream), and impacts as GHG emissions, terrestrial and marine use changes, pollution, and water use (upstream).</td></tr>
<tr><td>Physical risks</td><td>• Acute: Revenue reduction and increased response costs due to production capacity decline from supply chain disruption by severe flood or storm disasters
• Chronic: Revenue reduction and increased response costs due to a rise in employee illness and greater demand for air conditioning caused by rising temperatures</td><td>Risk reduction response
• Promote measures contributing to business resilience improvement
• Promote measures contributing to climate change adaptation</td><td>Priority location identification
Risks</td><td>We identified priority locations targeting domestic and international business sites and outsourced data centers, and confirmed that a relatively high number of sites are exposed to flood risk. The analysis results will be reflected in nature-related risk management and used for selecting priority sites for environmental impact reduction and ecosystem conservation.
For data center and office-related businesses, we are advancing responses to physical risks from storm and flood disasters and regulatory risks such as e-waste.</td></tr>
<tr><td>Opportunities</td><td>Products and Services
• Increased sales and improved profitability from growing demand for low-carbon products and services
• Creation of new business opportunities arising from the diversification of energy resources and expanded use of environmental value</td><td>Responses to expand opportunities
• Development of new low-carbon products and services
• Further expansion of low-carbon products and services</td><td>Opportunities</td><td>In the data center business, we are creating opportunities for water usage and GHG emission reduction, while the office-related business also strives to create GHG emission reduction opportunities.</td></tr>
<tr><td>Risk management</td><td colspan="5">We integrate the climate change risks identified in our scenario analyses into our Group risk management systems, and manage these risks. Climate change risks are also incorporated into our risk classification system, developed by the Risk Management Committee that oversees our risk management systems. Furthermore, we are advancing integration of nature-related risks into our risk management systems.</td></tr>
<tr><td>Indicators and targets</td><td colspan="3">Key items to be strategically addressed in our response to environmental issues are set as material issues. We set KPIs and goals and undertake relevant initiatives.
• GHG emissions (Scope 1 + Scope 2): Reduction rate (compared to FY2019) of 50% or more (To be achieved by FY2030/FY2025 result: 58.6%)
• GHG emissions (Scope 3, Category 1): Suppliers accounting for 40% of our total procurement of purchased goods and services set targets equivalent to SBT (To be achieved by FY2027/FY2025 result: 24.2%)
• GHG emissions (Scope 3, Category 11): Reduction rate (compared to FY2021) of 25% or more (To be achieved by FY2030/FY2025 result: 7.1%)
• Percentage of purchased energy used at the BIPROGY Group business locations that is renewable energy: 50% or more (To be achieved by FY2030/FY2025 result: 48.2%)
• Zero emission achievement rate: 100% or more (annually through FY2030/FY2025 result: 420.4%)
• Percentage of business opportunities and risks identified via climate change scenario analysis (impact evaluation) for which a risk response has been implemented: 100% (annually through FY2030/FY2025 result: 100%)</td><td colspan="2">In FY2025, we established the following new nature-related targets and are advancing initiatives to achieve them:
• Target for natural capital conservation: Habitat surveys at Group-owned sites and understanding forest conservation contribution potential (achievement by FY2026, FY2025 progress: habitat surveys under way at Group-owned sites)
• Target considering water resources: Maintain or reduce water withdrawal relative to sales annually based on FY2024 results (Annual implementation through FY2030, FY2025 result: 0.107 m^3/¥1 million (base-year result: 0.124 m^3/¥1 million))</td></tr>
</table>

Supply Chain

Material Issues Sustainably procure and provide safe, secure products and services throughout the entire value chain

The BIPROGY Group promotes sustainable procurement by identifying and mitigating supply chain procurement risks at an early stage. We are committed to building and maintaining relationships of trust with suppliers and providing safe and secure products and services throughout the supply chain.

Our Approach to the Supply Chain

The Group regards fair and transparent procurement practices and the development of a supply chain that gives due consideration to ESG issues, including human rights and the environment, as a key management priority. We recognize supply chain risks as material risks that can affect not only the quality of products and services and the stability of supply, but also corporate value and public trust.

The Group has established the BIPROGY Group Procurement and Transaction Guidelines and the BIPROGY Group Sustainable Procurement Guidelines and asks all suppliers to understand and comply with these policies. We also maintain ongoing dialogue through our web portal, supplier networking events, and other channels to promote mutual understanding. In addition, we have established a hotline for suppliers that accepts anonymous consultations and reports.

BIPROGY Group Procurement and Transaction Guidelines (Japanese only)
https://www.biprogy.com/com/purchase.html

BIPROGY Group Sustainable Procurement Guidelines
https://sustainability-cms-biprogy-s3.s3-ap-northeast-1.amazonaws.com/pdf/Sustainable_Procurement_Guidelines__e.pdf

Supply Chain Risk Survey

Each year, the Group conducts surveys to assess suppliers' ESG risks, including risks related to human rights, labor, the environment, and information security.

- Scope: Major suppliers selected from among the BIPROGY Group's business partners based on transaction value, importance to the business, and other factors
- FY2025 results: 319 suppliers were selected for the survey, and ESG risk surveys were conducted for 308 of them (survey coverage rate: 96.6%)

For suppliers that provide system development and system engineering services in particular, we also conduct surveys to verify compliance with information security requirements and the measures they have in place, and to promote improvements.

Based on these survey results, we have identified areas requiring improvement, particularly in the areas of human rights and the environment, as priority areas and are strengthening our efforts to address them.

Identifying Supply Chain Risks

The Group has identified material ESG risk areas, including human rights-related risks, based on their materiality. We ask suppliers to address the items identified as material and, based on the survey results, follow up on their status and request action where necessary.

Analysis of the survey results showed that 38.2% of suppliers had fully addressed or initiated corrective action on all material ESG risk items defined by the Group. For suppliers with outstanding items, we conduct additional follow-up and request improvements based on the materiality of the risks, and continue to monitor their progress.

Supplier Improvement Measures

Based on the survey results, we work with suppliers that require additional follow-up or improvement through the following process:

- Individual follow-up and additional surveys
- Requests for improvement and sharing of relevant policies
- Confirmation of progress through dialogue

In FY2025, among suppliers with outstanding material items, we followed up with 12 that we identified as particularly high priority and requested corrective actions, confirming that they had begun taking corrective action.

Sustainable procurement KPIs

KPI	Targets	FY of achievement	FY2025 results
ESG risk survey coverage rate for suppliers	100%	FY2026	96.6%*1
Percentage of suppliers that have either addressed or begun corrective action on all material ESG risk items	100%	FY2030	38.2%*2

*1 Percentage of the 319 major suppliers selected for the survey that were surveyed for ESG risks (308 suppliers).

*2 Percentage of suppliers confirmed to have either addressed or begun corrective action on all material ESG risk items defined by the Group. For outstanding items, we request improvements and engage in dialogue to support continuous improvement.

Future Initiatives for Sustainable Procurement

Going forward, in addition to expanding the scope of our surveys, we will strengthen dialogue and follow-up efforts to drive improvements in higher-risk suppliers and risk areas.

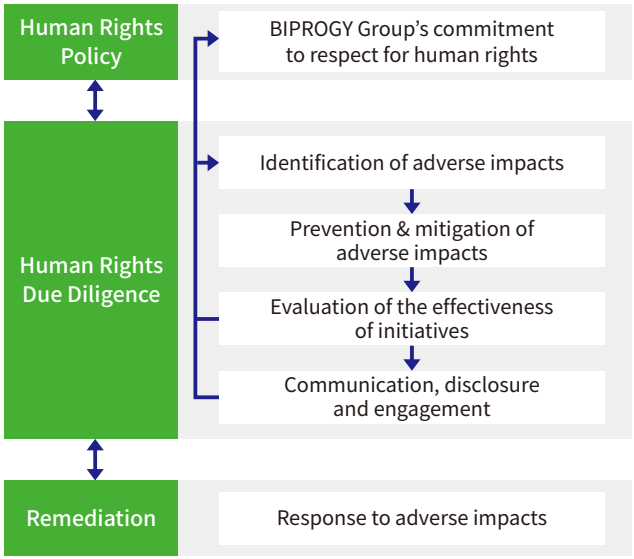
Human Rights

Human Rights Policy and Governance

The BIPROGY Group has established the BIPROGY Group Human Rights Policy based on the United Nations Guiding Principles on Business and Human Rights and applies it to all officers and employees and to business partners, including suppliers. Human rights initiatives are deliberated by the Sustainability Committee and its subordinate Social Committee and are promoted under a framework in which they are reported to the Board of Directors through the Executive Council.

BIPROGY Group Human Rights Policy
https://sustainability-cms-biprogy-s3.s3-ap-northeast-1.amazonaws.com/pdf/humanrightspolicy_e.pdf

Framework for respecting human rights



Issues identified through effectiveness assessments and remediation are reflected in subsequent efforts to identify and address human rights risks.

Human Rights Due Diligence

The Group conducts human rights due diligence encompassing the identification and assessment of human rights risks; prevention and mitigation of adverse impacts; monitoring; disclosure and dialogue; and remediation and prevention of recurrence. With support from an external specialist organization, we assess human rights risks in light of our business characteristics and value chain and prioritize material human rights issues.

Human rights risk assessment

To identify and assess adverse human rights impacts, we regularly conduct human rights risk assessments of Group companies and ESG risk surveys of suppliers.

- Human rights risk assessment coverage across countries and regions where Group companies operate: 100%
- Supplier ESG risk survey completion rate: 96.6%*
  * Survey covering human rights, labor, the environment, information security, and other areas
- Risk assessment methods:
  -Country-level risk assessment by an international organization specializing in risk analysis and research
  -Analysis of business characteristics based on data such as employee numbers, attributes, and employment types
  -Human rights risk workshops with participants from Japan and overseas

Salient human rights risks

In FY2025, we designated the following as priority risks and took measures to address them.

- Labor practices relating to Group employees (long working hours and harassment)
- Labor practices at suppliers and contractors (long working hours, discriminatory practices, etc.)
- Risks of privacy violations, discrimination, and other adverse impacts associated with the use of AI
  * For measures to address AI-related human rights risks, see "AI Governance" on p.43.
- Labor exploitation in the supply chain (forced labor, child labor, discriminatory practices, etc. at equipment suppliers)

Measures to address risks

The Group is taking the following measures to address the identified risks.

- Provide annual human rights training for all employees (FY2025 participation rate: 99.5%)
- Provide suppliers with the Sustainable Procurement Guidelines
- Based on ESG risk survey results, conduct individual follow-ups, request improvements, and engage in dialogue with 12 suppliers identified as requiring priority action

In addition, regarding labor practices relating to Group employees, one of our priority risks, we conducted human rights impact assessments at two overseas Group company locations. We assessed USOL Vietnam Co., Ltd. in FY2024 and UEL (Thailand) Co., Ltd. in FY2025, and identified no severe human rights impacts at either location. Based on the opportunities for improvement identified through these assessments, we continue to implement improvement initiatives.

Metrics and KPIs

KPIs for initiatives to respect human rights

KPI	Targets	FY of achievement	FY2025 Results
Review of human rights policy and activities to promote understanding among employees	Implement every year	To be implemented every year until FY2026	Assessment implemented
Progress rate on re-performing human rights risk assessments and addressing issues at all Group companies	100%	FY2026	Progress rate: 100%

Based on these results, we will continue to monitor the status of our responses to priority risks and work to improve the effectiveness of improvement measures.

Remediation

The Group has established consultation, grievance and reporting channels available to internal and external stakeholders, including employees and business partners. When a report is received, we investigate the matter and take corrective action while ensuring the independence of the process and protecting anonymity.

Dialogue Between the CEO and an Outside Director



Noboru Saito
Representative Director, President & CEO

Nalin Advani
Outside Director, Independent Director
(Chairperson of the Nomination & Remuneration Committee)

Governance that Supports Transformation

Achieving Vision 2030 requires management and oversight to share the same vision of the future and engage in candid dialogue. The CEO and an outside director who chairs the Nomination & Remuneration Committee discuss growth investment, human resources development, and the role of governance, and explore the value of questions and dialogue that help turn challenges into success.

Questions that help turn challenges into success sharpen management decisions

How do you view BIPROGY today as it works toward Vision 2030?

Saito Since changing our company name to BIPROGY, we have been transforming ourselves into a company that creates value together with customers, with social issues as our starting point. Over the past two years, I have seen the aspirations embodied in our Purpose and Management Policies take root in each employee, and I feel we have entered the execution phase. At the same time, the role customers expect us to play has changed significantly. We need to evolve beyond simply providing systems into a partner that works alongside customers to realize business transformation.

Advani From my outside perspective, the biggest change is that we no longer describe ourselves as an "IT company." Technology and systems used to be at the center of our conversations, but today discussions begin with customers' management issues and social issues. This shift is also clearly reflected in Board deliberations.

At the same time, one of the Group's greatest strengths is the relationships of trust we have built with customers over many years. Yet that strength alone cannot deliver sustainable growth.

As advances in AI and shifts in industrial structures rapidly reshape the competitive environment, the Board increasingly discusses how to accelerate transformation rather than maintain the status quo.

Has the nature of the Board's discussions changed as well?

Advani It has changed significantly. The supervisory function is of course important, but oversight alone does not enhance corporate value. The Board now increasingly discusses not only which risks to avoid, but also which risks we should take. At times, we need to challenge the underlying assumptions. At other times, we need to encourage management to go further.

Continuing to manage the Company along conventional lines is not enough to realize Vision 2030. Even when the management team proposes a strategy, we ask questions such as, "Are these assumptions truly sound?" and "Is this growth investment sufficient?"

In the M&A transaction involving Catalina Marketing Japan K.K., we returned again and again to three questions: "Why now?", "What value will the acquisition create?", and "Have we



really mapped out the plan including PMI?" We rigorously examined not only the size of the investment, but also how it would contribute to realizing Vision 2030. These discussions were not intended to stop the challenge, but to help ensure its success. In that sense, I feel the Board has come to play a more strategic role than before.

Saito These discussions made a strong impression on me as well. When we consider an acquisition transaction solely from within the Company, our attention naturally gravitates toward business synergies. The outside directors, however, raised questions from other angles, such as how the market would assess the transaction and how we would communicate it to employees. Those questions enabled us to work through not only the investment itself, but also the subsequent implementation plan in greater depth.

The views we receive from the outside directors do not feel like mere checks on management. Questions from diverse perspectives help us consider stakeholder expectations and our responsibilities as seen by society, both of which we might otherwise overlook from inside the Company. Through such dialogue, we can pursue each challenge on firmer footing and reach decisions that enable everyone involved to move forward. The outside directors bring perspectives from capital markets and society, as well as experience in other industries. With these perspectives, we are able to make decisions from a broader viewpoint. As a result, the quality of our management decisions improves and our strategy itself is refined. To me, that is the true value of governance. That is why I regard constructive dialogue at the Board of Directors and the Nomination & Remuneration Committee as an important process that supports management.

Governance that supports taking on challenges accelerates growth

In FY2025, bringing Catalina Marketing Japan K.K. into the Group was a major management decision. What was the thinking behind this growth investment?

Saito The acquisition of Catalina Marketing Japan K.K. was one of the most significant investment decisions since our founding. The market focused on the size of the investment, but our discussions were not limited to the amount invested. We focused on what value the investment would enable us to provide to customers and, beyond them, across the industry, throughout the supply chain, and to society.

The Group has long supported DX in the retail industry. By combining Catalina Marketing Japan K.K.'s data and marketing expertise with the operational knowledge and social implementation capabilities that we have cultivated, we can greatly expand the value we provide. I see M&A not as a means of expanding business scale, but as a management decision to broaden the scope of value co-creation.

Advani That was exactly the focus of the Board's discussions. We did not simply take the view that we should be cautious because this was a large transaction. Instead, we repeatedly discussed how the investment would contribute to realizing Vision 2030 and what kind of company the BIPROGY Group aims to become in the future. Rather than focusing on whether to make the investment, we emphasized what value it would create and whether we had a clear story for how that value would be created. Of course, continuing to monitor investment returns, capital efficiency, and progress on PMI is



an important responsibility of the Board. At the same time, we need to look beyond financial outcomes to what kind of company the investment will enable the Group to become and what value it can create in the future. Our role is to understand the risks that accompany a challenge and put in place the mechanisms needed to make that challenge a success.

Do you take the same approach to AI?

Saito Yes. Our basic thinking is the same for AI. What matters is not introducing AI, but how we use it to realize transformation for customers and society. AI is only a means to an end. It creates value only when combined with the operational knowledge and social implementation capabilities that we have cultivated over many years. The further we move into the AI era, the more important this strength will become.

Advani I saw enormous potential in AI, but I also believed from an early stage that we needed to pay attention to risks involving ethics, quality, and security. While AI presents major growth opportunities, it also raises issues that the Board must address, including AI ethics, personal information protection, and cybersecurity. It would not, however, be appropriate to stop people from taking on challenges because of these risks. The purpose of risk management is to create an environment in which people can take bolder steps with confidence under appropriate governance, rather than



to prevent such challenges. In this sense, initiatives in AI governance and AI ethics are important foundations that support corporate value.

Saito I also consider that point extremely important. That is why the Group formulated its AI Policy as early as 2020 and put AI governance in place, while also working to create an environment in which customers can use AI with confidence. The role expected of business leaders also changes as the AI era advances. More important than providing answers will be the questions we ask and the future we envision with customers. Management must design better forms of collaboration between people and AI, people and organizations, and companies and society, rather than simply use technology.

Advani That point is also a recurring theme in the Nomination & Remuneration Committee. Even as AI evolves, people are ultimately the ones who create corporate value. That is why we do not evaluate management talent solely on current performance. Looking toward Vision 2030 and beyond, we need people who can reliably manage the current business, transform existing businesses, create new businesses, understand both technology and management, and lead diverse talent. The ability to envision the future, develop people, and transform the organization—these are the qualities that will be required of management going forward.

Saito I believe that is exactly what matters. As AI evolves rapidly, people need the ability to determine what questions to ask and what future to envision together with customers and partners. Talent with that ability will support the Group's competitiveness in the years ahead.

Challenge and dialogue sustain corporate value

As we work toward Vision 2030, what issues should the Board of Directors and the Nomination & Remuneration Committee discuss in greater depth?

Advani The Nomination & Remuneration Committee's highest priority is not only evaluating current management, but also considering how to shape the management of the future. Its role extends beyond appointing or dismissing the CEO and determining executive remuneration. We must continue to consider what kind of management team will be needed for Vision 2030 and beyond. What truly matters is taking a medium- to long-term view of whether the management team as a whole is positioned to sustainably enhance corporate value. The succession plan also involves more than discussing candidates. We emphasize the process of developing the next generation of management talent by considering what experience they should gain and what responsibilities they should assume. Management talent cannot be developed overnight.

Saito I also believe that management is not something one person can do alone. Realizing Vision 2030 requires a management team with diverse expertise to engage in candid discussion and move forward together in a shared direction. I have personally felt that questions from the outside directors and the Nomination & Remuneration Committee have brought greater clarity and precision to our strategy. What I truly appreciate as a business leader is not having people agree with me, but having them ask fundamental questions. That dialogue is what gives me the confidence to take on challenges.

Advani Governance is often discussed in terms of supervision and checks and balances. Discipline alone, however, cannot drive a company's growth. In an era of increasingly complex social issues and accelerating technological innovation, it is important to encourage new challenges (initiatives) and adjustments to the approach when necessary. I believe a distinctive feature of BIPROGY's governance is that it does not stifle challenges. Assessing risk is of course important, but even more important is for the Board of Directors and the Nomination & Remuneration Committee to keep asking questions that help guide challenges to success.

Saito I feel the same way. I can take on challenges with confidence because we have a Board that encourages candid discussion. People with diverse perspectives engage in frank dialogue and make better decisions together. I believe that culture is a source of the Group's competitiveness and will be a driving force in realizing Vision 2030.

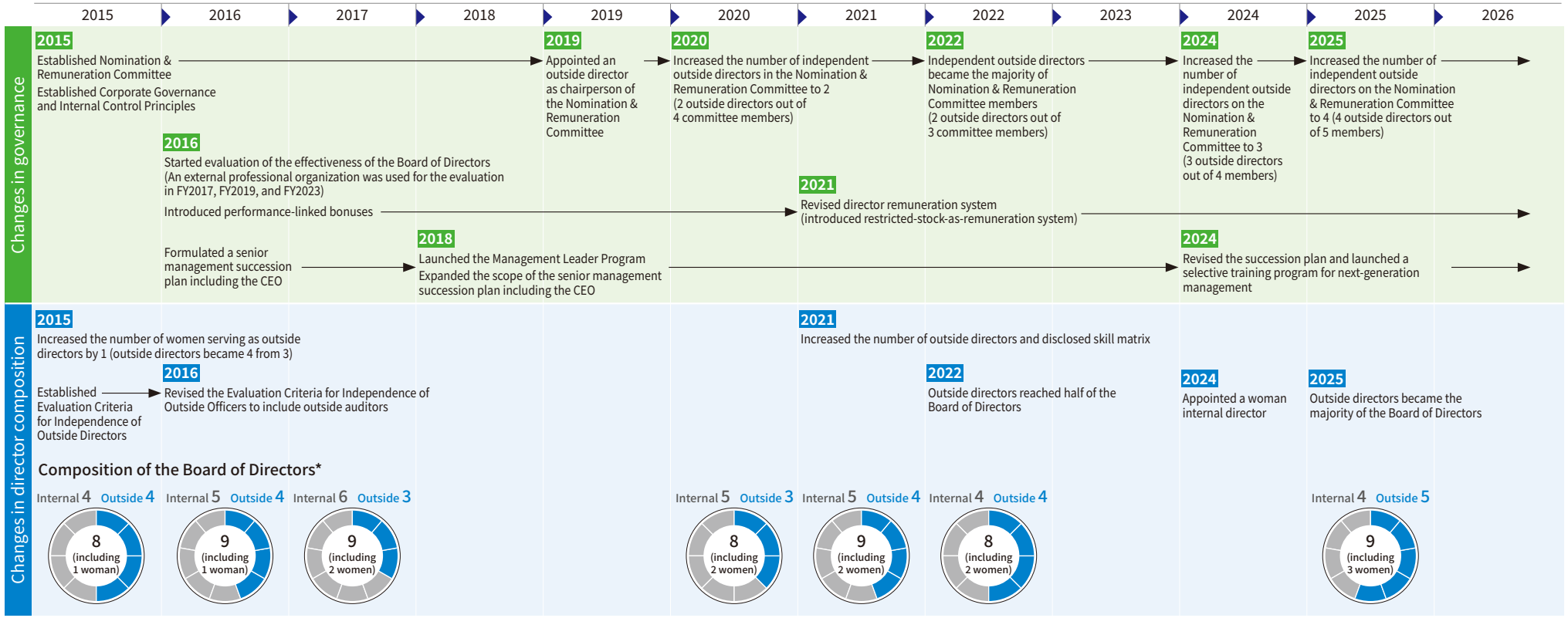
Going forward, as a management team that includes our outside directors, we will continue to work across the BIPROGY Group to strengthen our judgment and resilience to change as we look toward Vision 2030 and beyond.

Corporate Governance

Material Issues Further improve corporate governance and integrity

A mechanism of corporate governance that enables management to make prompt and sound management decisions under appropriate and effective supervision is indispensable to the BIPROGY Group's continuous growth and increase in medium- to long-term corporate value. The Company shall create, maintain, and ceaselessly improve this mechanism. Furthermore, in order to contribute to society as an enterprise resolving social issues, the Company stipulates as part of its corporate philosophy "Listen sincerely to our stakeholders to improve our corporate value" in order to create relationships of trust with all stakeholders, and shall proceed with its business activities in accordance with this principle.

Initiatives to Enhance Corporate Governance

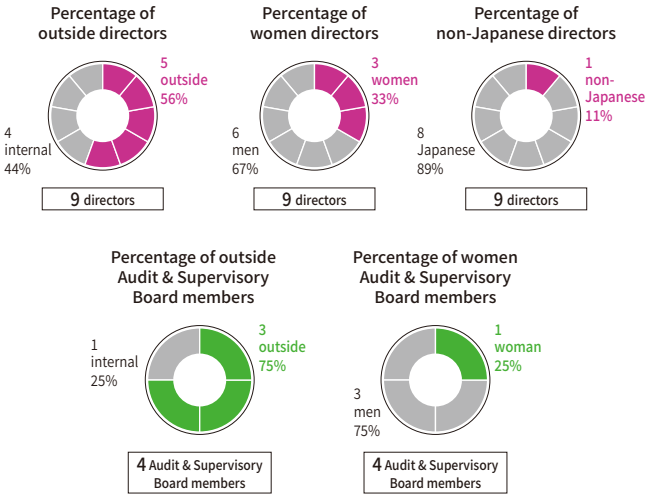


* The chart shows the composition of the Board of Directors following the Ordinary General Meeting of Shareholders for each year.

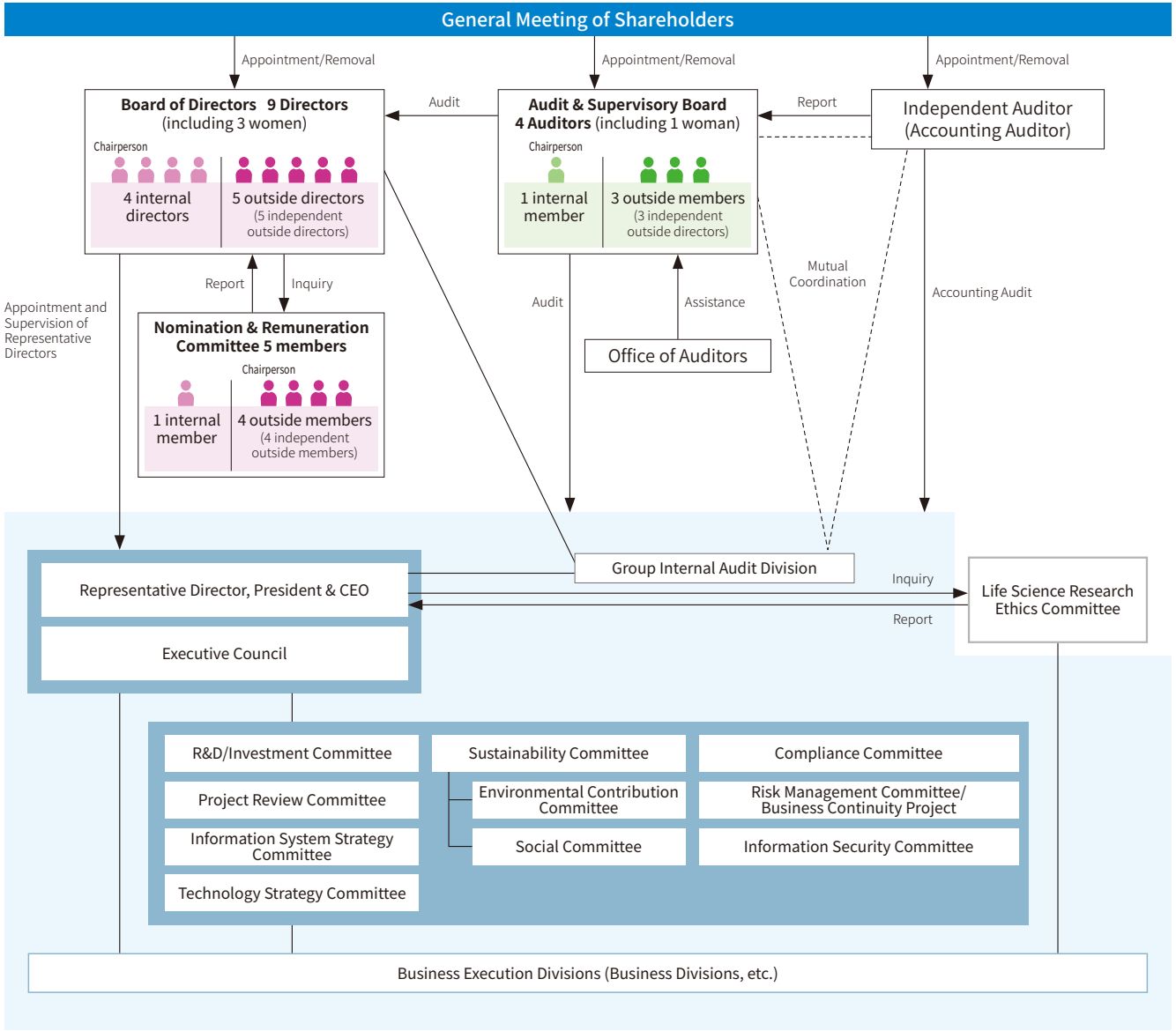
Corporate Governance Structure

BIPROGY has determined that an audit system involving supervision by the Board of Directors, including outside directors, and auditing by outside Audit & Supervisory Board members is effective for monitoring management. Accordingly, the Company has adopted an Audit & Supervisory Board structure. Given the rapidly changing nature of the industry, the Board of Directors is composed primarily of internal directors familiar with the industry and internal affairs, together with outside directors with extensive management experience and specialized expertise. The aim is to achieve decision-making based on a broader perspective and objectivity, as well as the effective exercise of its supervisory function. The Company has adopted a system of corporate officers (for shikkoyakuin and gyomu-shikkoyakuin), which enables the appropriate delegation of authority in order to separate management supervision from execution and enable prompt business execution.

Composition of directors and Audit & Supervisory Board members



Corporate governance structure (As of June 25, 2026)



Board of Directors

FY2025 results Meetings held: 12

The Board of Directors generally meets once a month. In addition to deliberation and deciding on the Company's basic management policies, important matters, etc., it supervises overall management, including execution of duties by directors and corporate officers. The term of directors is one year so as to establish a flexible management system that can respond to changes in the business environment and to clarify the management responsibilities of directors.

Audit & Supervisory Board

FY2025 results Meetings held: 16

Audit & Supervisory Board members audit the execution of duties by directors and the internal control system through their attendance at all important meetings including Board of Directors meetings, the examination of the operational and financial status, and the exercise of their rights regarding appointments and dismissal of accounting auditors and audit compensation. In order to increase the effectiveness of Audit & Supervisory Board member audits and facilitate the execution of audit functions, the Office of Auditors (2 full-time employees) aids the execution of Audit & Supervisory Board member duties.

Key audit items in FY2025

- State of execution of the Management Policies and management plans
- State of initiatives to reinforce internal control system
- State of initiatives to reinforce risk management
- State of initiatives to reinforce compliance framework
- State of initiatives to improve organizational culture

Content of main deliberations by the Board of Directors in FY2025

Content of main deliberations	2025 1Q Apr.	May	Jun.	2Q Jul.	Aug.	Sep.	3Q Oct.	Nov.	Dec.	2026 4Q Jan.	Feb.	Mar.
Board of Directors meetings held	●	●	●●	●		●		●	●	●		●	●	●
State of progress in implementing Management Policies (2024-2026)	→	→	→	→	→	→	→	→	→	→	→	→
Consideration of investment projects				●		●		●	●	●				●
Matters related to personnel and evaluation of directors, etc.	●	●	●						●		●		●
State of operation of the internal control system, including the Group's risk management and compliance	●	●		●		●		●			●			
State of initiatives related to the Corporate Governance Code, including cross shareholdings and evaluation of Board of Directors' effectiveness		●	●	●		●			●	●		●		●
State of sustainability-related initiatives			●	●		●								●
State of dialogue with investors	●					●								
State of initiatives to improve organizational culture				●					●					

Nomination & Remuneration Committee

FY2025 results Meetings held: 14

This advisory committee to the Board of Directors deliberates and reports on matters pertaining to personnel and remuneration of our directors and corporate officers. The attendance of independent outside directors and the agreement of all members, including independent outside directors, are required when passing resolutions.

Content of main deliberations by the Nomination & Remuneration Committee in FY2025

- Matters concerning composition of the Board of Directors and Audit & Supervisory Board and expertise and experience required of directors and Audit & Supervisory Board members (skill matrix)
- Personnel proposals regarding director candidates and corporate officer candidates (including representative director, order of acting directors and corporate officers, performance evaluation, appropriateness of reappointment, and successor training plan, etc.)
- Bonus payment amount
- Issue and allotment of restricted stock

* The results of deliberations by the Nomination & Remuneration Committee are reported and submitted to the Board of Directors.

Group Internal Audit Division

This independent in-house body was established to audit the effectiveness and efficiency of internal controls through the Group. It confirms and audits the state of activities of internal organizations and Group subsidiaries. It also reports the audit results to the Board of Directors.

Executive Council

The council, which is composed of corporate officers concurrently serving as directors and members appointed by the President, is a decision-making body for material matters concerning business execution and ensures efficient decision-making. Moreover, Audit & Supervisory Board members are able to attend Executive Council meetings, and full-time auditors normally attend.

Evaluation of Effectiveness of the Board of Directors

To continuously improve corporate value, we consider it important for the Board of Directors to enhance governance by sufficiently fulfilling its functions. Accordingly, the Company has conducted an annual evaluation of the effectiveness of the Board of Directors since FY2015. In FY2025, we conducted a non-anonymous questionnaire survey of all directors and Audit & Supervisory Board members and had an outside consultant analyze the results. Based on the results of such analysis, the Company deliberated on and evaluated the current status of the Board of Directors, its issues, and initiatives for improvement.

Results of FY2025 evaluation and policies for FY2026

As a result of discussion by the Board of Directors based on the results of the questionnaire, the rankings for the evaluation items were generally high, and the initiatives for our Actions for FY2025 shown below also received high evaluations. At the same time, the following matters were identified as requiring further action to enhance the effectiveness of the Board of Directors, centering on management issues and the role and functions of the Board of Directors.

▮ Matters requiring further action

1. The following have been identified as key management issues: human resources strategies, including securing talent for global expansion; responding to the development of AI technology; enhancing management control, including PMI of large-scale investments; strengthening governance in Group management; and risk management to achieve the Management Policies. It is necessary to further enhance the monitoring and discussion of these issues, taking their priority into account.
2. Regarding the roles and functions of the Board of Directors, it is particularly important to exercise supervisory functions over management strategy, risk management, capital allocation, and human resources strategy. Additionally, from the perspectives of management speed and flexibility, as well as further enhancing the effectiveness and supervisory functions of the Board of Directors, discussions should be deepened on the possibility of further delegation of authority to the executive side and on establishing a more desirable corporate governance structure for the Group.

Evaluation method

Step 1 Non-anonymous questionnaire survey for all directors (9) and auditors (5) in FY2025

Evaluation Items (38 questions in total)

① Management issues and role and function of Board of Directors
② Progress of actions for FY2025
③ Size and composition of the Board of Directors
④ Operation of the Board of Directors
⑤ Composition and role of the Nomination & Remuneration Committee
⑥ Operation of the Nomination & Remuneration Committee
⑦ Directors and Audit & Supervisory Board members training
⑧ Support system for outside directors
⑨ Role of and expectations for Audit & Supervisory Board members from a Board of Directors' perspective
⑩ Role of Audit & Supervisory Board members
⑪ Relationship with investors and shareholders
⑫ Overall effectiveness of corporate governance system and the Board of Directors
⑬ Self-assessment

Step 2 Deliberation and evaluation by the Board of Directors

Step 3 Formulation of action policies based on the evaluations

Step 4 Initiatives

Results of FY2025 evaluation and policies for FY2026

FY2024 Evaluation

(1) Based on measures such as devising agendas, enhancing pre-briefings, and conducting on-site inspections, positive evaluations have been made. However, it is necessary to continue deepening discussions on business strategies, technology strategies, human resource strategies, and specific risks considering domestic and international social conditions, such as overseas strategies, and to devise ways to provide information ahead of time and set agendas conducive to such aims.

(2) Although there has been some progress with measures such as regular reporting and pre-briefings, it is necessary to enhance the effectiveness of monitoring by devising ways to provide information related to efforts to reform organizational culture and instill compliance and risk management awareness at the operational level.

FY2025 action plan and evaluation results

(1) With our Vision 2030 in mind, we will prioritize the following key management issues and risks, deepen discussions both inside and outside the Board of Directors, and continue efforts to enhance information sharing, set agendas throughout the year, and devise materials:

- Our areas of expertise considering medium- to long-term competitive conditions and market trends
- Evaluation and verification of the steady execution of business strategies
- Risk tolerance and risk mitigation measures in advancing investment strategies and overseas strategies
- Global strategy
- Human resource development and securing (including promoting diversity in the medium- to long-term management layer, succession plans for the CEO and other senior management)
- Medium- to long-term trends in technology and innovation considering changes in the external environment
- Strengthening group management in M&A and subsidiary establishment, including overseas

[Evaluation results]
Through the setting of annual agendas and appropriate information sharing, opportunities for discussions on important issues have been expanded. We will continue to prioritize and conduct effective discussions on topics such as global strategy, investment strategy, human resources strategy, and risk management.

(2) Enhance the effectiveness of monitoring by improving information provision related to efforts to reform organizational culture and instill compliance and risk management awareness at the operational level.

[Evaluation results]
Through the expansion of information provision regarding organizational culture reform and the instillation of compliance and risk management awareness, monitoring opportunities have increased, and it is evaluated that effectiveness is being improved. We will continue to strive for deeper monitoring.

Actions to be taken in FY2026

(1) In addition to the ongoing initiatives within the Board of Directors, we will prioritize the monitoring of the following key management issues and risks, and strive to deepen discussions both within and outside the Board of Directors:

- Management strategy in the AI era
- Strengthening core businesses and establishing new revenue bases in growth businesses
- Enhancing Group management, including follow-up on investment projects
- Developing and securing human resources to promote the above

(2) We will revisit and discuss the ideal form of corporate governance (including organizational design and succession plans) for the Group.

Composition of Directors and Auditors, Skill Matrix

Independent outside directors and auditors

			Number of years in post	Attendance in FY2025 (times attended / times held)			Skill Matrix						
				Board of Directors	Audit & Supervisory Board	Nomination & Remuneration Committee	Business management experience at other companies	Industry knowledge	Technology/R&D	Finance/ Accounting	Legal/Risk management	ESG/ Sustainability*1	Global business
Directors	Representative Director, President & CEO (Chairperson of the Board)	Noboru Saito	10	12/12	—	—		●	●		●	●	●
	Representative Director, Executive Corporate Officer, CSO	Koji Katsuya	10	12/12	—	—		●	●		●	●	
	Director, Corporate Officer, CHRO (Nomination & Remuneration Committee member)	Taeko Sawakami	2	12/12	—	14/14		●	●		●	●	
	Director	Takahito Kanazawa	5	12/12	—	—	●	●	●		●		
	Outside Director, Independent Director (Chairperson of the Nomination & Remuneration Committee)	Nalin Advani	5	12/12	—	14/14	●	●	●		●		●
	Outside Director, Independent Director (Nomination & Remuneration Committee member)	Yoshinori Ikeda	4	12/12	—	14/14				●	●	●	●
	Outside Director, Independent Director (Nomination & Remuneration Committee member)	Asako Osaki	3	12/12	—	14/14					●	●	●
	Outside Director, Independent Director (Nomination & Remuneration Committee member)	Yuichi Katayama*2	2	12/12	—	11/11	●	●		●	●		
	Outside Director, Independent Director	Yasuko Teraura*3	1	10/10	—	—					●	●	●
Audit & Supervisory Board members	Auditor (Audit & Supervisory Board Chair)	Mikinori Kobayashi	2	12/12	16/16	—		●	●		●		
	Outside Auditor, Independent Officer	Satoshi Matsunaga*4	1	10/10	11/11	—	●			●	●		
	Outside Auditor, Independent Officer	Masahiro Fuchizaki*4	1	10/10	11/11	—	●	●	●	●	●		
	Outside Auditor, Independent Officer	Masako Inoue*4	1	10/10	11/11	—				●	●		●

*1 The S in ESG (environmental, social, and governance) includes human resources strategy, diversity, inclusion, etc.

*2 Yuichi Katayama was appointed as a member of the Nomination & Remuneration Committee on June 25, 2025. The Committee met 11 times on and after that date.

*3 Yasuko Teraura assumed office as Director on June 25, 2025. The Board of Directors met 10 times on and after that date.

*4 Satoshi Matsunaga, Masahiro Fuchizaki, and Masako Inoue assumed office as Audit & Supervisory Board Members on June 25, 2025. The Board of Directors met 10 times and the Audit & Supervisory Board met 11 times on and after that date.

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 Policies (2024-2026) 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 to expand business ecosystems together with customers and partners under Management Policies (2024-2026).
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 to expand business ecosystems together with customers and partners as stipulated in the Management Policies (2024-2026).
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 Policies (2024-2026).
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 about global business.

Reasons for the appointment of directors and new auditors can be found in the notice of the 82nd Ordinary General Meeting of Shareholders (P.11-22).
https://www.biprogy.com/invest-e/uploads/2026gm_e.pdf

Directors, Audit & Supervisory Board Members, and Corporate Officers (As of June 25, 2026)

Directors



Noboru Saito
Representative Director, President, Chief Executive Officer (CEO)

No. of company shares held 37,000

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
Jun. 2022 Outside Director of Seiko Group Corporation (present)
Apr. 2024 Representative Director, President & CEO of the Company (present)



Koji Katsuya
Representative Director, Executive Corporate Officer, Chief Sustainability Officer (CSO)

No. of company shares held 21,900

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 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
Apr. 2024 Representative Director, Executive Corporate Officer of the Company (present)



Taeko Sawakami
Director, Corporate Officer, Chief Human Resource Officer (CHRO)

No. of company shares held 7,500

Apr. 1993 Joined the Company
Oct. 2016 General Manager of Corporate Communications Department of the Company
Apr. 2020 General Manager of Corporate Planning Department of the Company
Apr. 2021 Corporate Officer, CRMO of the Company
Apr. 2024 Corporate Officer of the Company
Jun. 2024 Director, Corporate Officer of the Company (present)



Takahito Kanazawa
Director

No. of company shares held none

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 of Dai Nippon Printing Co., Ltd.
Apr. 2017 Representative Director, President of DNP Data Techno Co., Ltd.
Apr. 2018 General Manager of Information Systems Division of Dai Nippon Printing Co., Ltd.
Jul. 2018 General Manager of ICT Business Development Division, Advanced Business Center of Dai Nippon Printing Co., Ltd.
Jun. 2019 Corporate Officer, General Manager of ICT Business Development Division, Advanced Business Center of 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 of Dai Nippon Printing Co., Ltd.
Jun. 2022 Senior Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division of Dai Nippon Printing Co., Ltd.
Jun. 2024 Managing Director, General Manager of Advanced Business Center, in charge of Information Systems Division, Education Business Division, ICT Management Office Technology, Research & Development Division, Content & XR Communication Division of Dai Nippon Printing Co., Ltd. (present)
Apr. 2026 Managing Director, Head of Advanced Business Center, in charge of Information Systems Division, Education Business Division, ICT Management Office Technology, Research & Development Division, AX Co-creation Promotion Office Technology, Research & Development Division, Content & XR Communication Division of Dai Nippon Printing Co., Ltd. (present)



Nalin Advani
Outside Director, Independent Director

No. of company shares held none

Apr. 1984 Venture Capitalist, Investment / Corporate Strategy Advisor (present)
Sep. 1998 Director, Chief Marketing Officer of eSOL Co., Ltd.
Jan. 2007 President of Barco Co., Ltd (Japan) (Retired in Jul. 2011)
Aug. 2009 Managing Director of 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 of Barco Pte Ltd. (Retired in Dec. 2015)
Aug. 2013 Guest Lecturer of National University of Singapore Business School (Adjunct Professor from Aug. 2023, Program Director from Apr. 2025) (present)
Nov. 2015 Co-Founder of KPISOFT Inc (currently entomo pte ltd) (present)
Feb. 2016 CEO Asia Pacific & Japan of Grey Orange Pte. Ltd. (Retired in Mar. 2019)
Jun. 2021 Outside Director of the Company (present)
Feb. 2023 Adjunct Professor, Graduate School of Leadership and Innovation of Shizenkan University (present)
Mar. 2023 Representative Director (Chairman), General Incorporated Association Yokohama India Centre (present)



Yoshinori Ikeda
Outside Director, Independent Director

No. of company shares held none

Apr. 1985 Joined the National Tax Agency JAPAN
Jul. 1992 District Director, the Seto Taxation Office of 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) Director, General Affairs Division of 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 of Okinawa Regional Taxation Bureau
Oct. 2020 General Manager, International Tax Division of Hongo Tsuji Tax & Consulting
Nov. 2020 Admitted as Certified Public Tax Accountant
Apr. 2021 Lecturer at Graduate School of Global Business of Meiji University (Specially Appointed Professor from Apr. 2022; Professor from Apr. 2026 (present))
Apr. 2022 Professor at Graduate School of Global Business of Meiji University (present)
Advisor of Hongo Tsuji Tax & Consulting (present)
Jun. 2022 Outside Director of the Company (present)



Asako Osaki
Outside Director, Independent Director

No. of company shares held none

May 1997 Masters in International Affairs (MIA) (international human rights law and human rights issues) from Columbia University
Jun. 1997 Joined the Bureau for Development Policy at the United Nations Development Programme (UNDP) New York Headquarters
Jan. 2005 Worked independently as an expert on international cooperation and gender issues (present)
Jun. 2011 Director of Specified non-profit corporation Gender Action Platform (present)
Apr. 2016 Evaluation Committee Member, National Action Plan on Women, Peace and Security (WPS) of Ministry of Foreign Affairs (present)
Apr. 2021 Expert Member, Council for Gender Equality of Cabinet Office (present)
Jan. 2022 Member of the Domestic Committee of ISO/PC337 "Guidelines for the promotion and implementation of gender equality" and an expert representing Japan in the Working Group on Gender Equality
Jun. 2023 Outside Director of the Company (present)
Jan. 2024 Representative of Japan, Commission on the Status of Women (CSW), Ministry of Foreign Affairs (present)
Apr. 2024 Part-time Lecturer, School of Education of Waseda University (present)
Sep. 2024 Director of General Incorporated Association Changing Men (present)
May 2025 External Advisory Board Member of the Sustainability Management Committee of Fuji Television Network, Inc. (present)
Mar. 2026 Outside Director (Audit and Supervisory Committee Member) of teno.Holdings Company Limited (present)



Yuichi Katayama
Outside Director, Independent Director

No. of company shares held none

Apr. 1979 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)
Apr. 2008 Officer of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)
Jul. 2009 Managing Executive Officer and Director in charge of Corporate Banking of Mizuho Corporate Bank, Ltd.
Apr. 2012 Managing Executive Officer and Director, second in charge of Branch Banking Division of Mizuho Bank, Ltd.
Apr. 2013 Executive Officer of Oriental Land Co., Ltd.
Jun. 2013 Executive Director, Executive Officer of Oriental Land Co., Ltd.
Apr. 2015 Executive Director, Senior Executive Officer of Oriental Land Co., Ltd.
Apr. 2019 Executive Director, Executive Vice President Officer of Oriental Land Co., Ltd.
Apr. 2022 Executive Director, Executive Vice President Officer, Supervisor of the Corporate Venture Capital Business Segment, the Finance/ Accounting and the Sponsor Marketing Alliance Departments, in charge of Overseeing the Project Development of Oriental Land Co., Ltd.
Apr. 2024 Executive Director, Executive Vice President Officer, in charge of the Sponsor Marketing Alliance Departments and the Special Assignment of Oriental Land Co., Ltd.
Jun. 2024 Outside Director of the Company (present)
Apr. 2025 Executive Director of Oriental Land Co., Ltd.
Jun. 2025 Advisor of Oriental Land Co., Ltd. (Retired in Jun. 2026)



Yasuko Teraura
Outside Director, Independent Director

No. of company shares held none

Apr. 2000 Admitted as an attorney-at-law in Japan *(bengoshi)*
Oct. 2006 Admitted to the New York State Bar
Mar. 2010 Established Endeavour Law Office (present)
Jun. 2019 Outside Director of Seiko Holdings Corporation (currently Seiko Group Corporation)
Jun. 2022 Outside Director of Ryosan Company, Limited (Audit and Supervisory Committee Member)
May 2024 Outside Corporate Auditor of CEL Corporation (present)
Jun. 2025 Outside Director of SENKO Group Holdings Co., Ltd.
Outside Director of the Company (present)

Audit & Supervisory Board Members



Mikinori Kobayashi
Full-Time Auditor

No. of company shares held 378

Apr. 1986 Joined the Company
Jul. 2011 General Manager of Business Service Sales Section V, Industry & Commerce 2 Department of the Company
Apr. 2014 Director, Sales 1, Business Services
Apr. 2016 General Manager, Corporate Marketing
Apr. 2018 General Manager, Group Marketing
Jun. 2020 General Manager, Group Marketing and Director, Emellience Partners Inc.
Nov. 2020 General Manager of Group Marketing Department of the Company, Director of Emellience Partners, Inc. (Retired in Jun. 2021), Representative Director of Tech Viewing, Ltd. (Retired in Mar. 2021)
Jun. 2021 Audit & Supervisory Board Member of UNIADEX, Ltd.
Jun. 2024 Auditor of the Company (present)



Satoshi Matsunaga
Full-Time Auditor, Outside Auditor, Independent Officer

No. of company shares held 100

Apr. 1989 Joined The Norinchukin Bank
Aug. 2009 Senior Manager and Credit Officer of Credit Risk Management Division of The Norinchukin Bank
Jul. 2010 Deputy General Manager and Credit Officer of Credit Risk Management Division of The Norinchukin Bank
Jul. 2012 Deputy General Manager of Coordination Division of The Norinchukin Bank
Jun. 2014 General Manager of Credit Risk Management Division of The Norinchukin Bank
Jul. 2017 General Manager of Osaka Branch of The Norinchukin Bank
Apr. 2019 Managing Executive Officer of The Norinchukin Bank (Retired in Mar. 2021)
Apr. 2021 Standing Counsel of The Norinchukin Bank (Retired in Jun. 2021)
Jun. 2021 External Corporate Auditor of TAKARA HOLDINGS INC. (Retired in Jun. 2025)
Jun. 2025 Auditor of the Company (present)



Masahiro Fuchizaki
Outside Auditor, Independent Officer

No. of company shares held none

Apr. 1979 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)
Apr. 2007 Executive Officer , General Manager of Operations Planning Dept., Sumitomo Mitsui Banking Corporation
May 2009 Advisor of JSOL CORPORATION (Director, Senior Managing Director from Jun. 2009)
Apr. 2010 Managing Executive Officer, Sumitomo Mitsui Banking Corporation (CIO from Apr. 2011)
Apr. 2011 Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc.
Director of The Japan Research Institute, Limited
Jun. 2011 Director of Sumitomo Mitsui Financial Group, Inc.
Apr. 2012 Director and Senior Managing Executive Officer, Sumitomo Mitsui Banking Corporation
May 2015 Representative Director, President and CEO of The Japan Research Institute, Limited
Jun. 2019 Director and Chairman of The Japan Research Institute, Limited
Jun. 2020 Special Advisor of The Japan Research Institute, Limited (Advisor from May 2026 (present))
Jun. 2021 Outside Director of MARUDAI FOOD CO., LTD. (present)
Jun. 2025 Auditor of the Company (present)



Masako Inoue
Outside Auditor, Independent Officer

No. of company shares held none

Oct. 1996 Joined Aoyama Audit Corporation (currently PricewaterhouseCoopers Japan LLC)
Apr. 2019 Member of the Accounting Standards Board of Japan (ASBJ) Technical Committee: Emerging Practical Issues (Retired in Jun. 2025)
Member of the ASBJ Technical Committee: Emerging Practical Issues, Accounting System Committee, The Japanese Institute of Certified Public Accountants (Chair from Aug. 2022, Retired in Jun. 2025)
Jul. 2022 Partner of PricewaterhouseCoopers Aarata LLC (currently PricewaterhouseCoopers Japan LLC) (Retired in Jun. 2025)
Apr. 2023 Member of the Final Assessment Committee, The Japanese Institute of Certified Public Accountants (present)
Jun. 2025 Auditor of the Company (present)

Corporate Officers and Senior General Managers

Senior Corporate Officer

CMO
Naoshi Nagashima

Corporate Officers

Takeshi Yamada
CISO
Takashi Miyashita
Naoya Okuyama
Hideaki Sato
CTO
Sadayuki Baba
Shinsuke Chiba
CIO
Nobuaki Nakatsugawa
Hiromi Watanabe
Satoshi Kanai
Hiroshi Matsumoto
CRMO
Akira Takanarita
Shuji Nakamura

Shinichi Inoue
CFO
Yasuhiro Imai
CCO
Yoshiko Yamauchi
Akinobu Murakami
Yukari Matsuo
Kentaro Ajima
Katsuhito Iwamoto
Tatsuya Fujimoto
Shigeki Matsumoto
Kazumasa Miyaji
Aiko Korin

Senior General Manager

Isao Miyata

Remuneration System

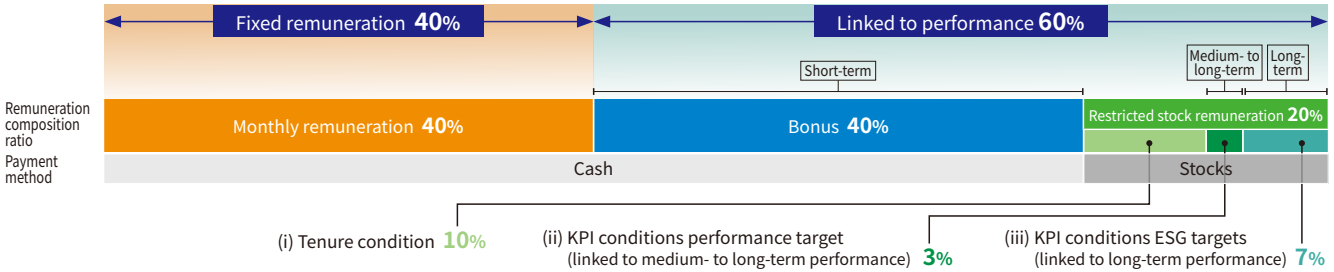
For remuneration for executive directors, if performance targets are fully met, the fixed remuneration, performance-based bonus (linked to profit attributable to owners of parent), and stock remuneration are paid in a ratio of 4:4:2.

Non-executive directors are paid only a fixed monthly salary that is not linked to performance to guarantee effective advising and monitoring of management. The determination of remuneration for individual directors is delegated to the Nomination & Remuneration Committee to reflect objective and impartial opinions from outside the Company.

Restricted stock remuneration tied to medium- to long-term and long-term performance

In FY2021, we introduced a remuneration system that incorporates both performance targets linked to medium- to long-term performance and long-term performance conditions that include actual response to sustainability issues such as climate change. The goal is to enhance corporate value in the medium- to long-term and strengthen the linkage between compensation and medium- to long term and long-term performance.

Illustration of executive director remuneration



a Fixed remuneration (monthly remuneration) 40%

The monthly remuneration for directors shall be no more than ¥35 million, and for Audit & Supervisory Board members no more than ¥8 million.

b Bonus (linked to short-term performance) 40%

The total annual amount of bonuses for executive directors shall be no more than ¥400 million, and is determined by the Board of Directors in accordance with a standard amount by position and a standard coefficient based on profit attributable to owners of parent as determined by the Nomination & Remuneration Committee (for now, up to 0.5%).

c Restricted stock remuneration 20%

The Company has adopted a restricted stock remuneration plan for executive directors, which incorporates three requirements and indicators: (i) tenure condition, (ii) medium- to long-term performance target (total shareholder return (TSR) growth rate versus TOPIX), and (iii) ESG targets (see pages P.15-16). These are paid at a ratio of 3:1:2, respectively.

The tenure conditions in (i) are designed to have executive directors share awareness and value with shareholders through share ownership. The performance indicator in (ii) is linked to medium- to long-term business performance, a comparative measure versus TOPIX of the degree to which we have independently increased our corporate value independently of overall market influence. The ESG indicators in (iii) function as guideposts to the realization of important issues that we are taking action on. The total annual amount of monetary claims for restricted stock remuneration shall be no more than ¥200 million per year (the total annual number of shares of common stock to be issued or disposed of in exchange for this compensation is limited to 66,000).

Activities of the Board of Directors and the Nomination & Remuneration Committee in the process of determining the remuneration amounts for directors and Audit & Supervisory Board members for FY2025

a. Board of Directors

Regarding the remuneration of directors and Audit & Supervisory Board members for the fiscal year ended March 31, 2026, the Board of Directors resolved at its June 2025 meeting to issue and allocate restricted stock remuneration, and at its May 2026 meeting to pay performance-linked bonuses. In addition, the fixed remuneration was paid in accordance with the resolution passed at the May 2021 meeting of the Board of Directors.

b. Nomination & Remuneration Committee

The Nomination & Remuneration Committee met four times to discuss the payment of performance-linked bonuses for the fiscal year ended March 31, 2026, and the issuance and allocation of restricted stock.

Total remuneration in FY2025 for directors and Audit & Supervisory Board members with subtotals for each type of remuneration and numbers of recipients

Classification	Total remuneration paid (Millions of yen)	Amount of remuneration by type (Millions of yen)			Recipients
		a Fixed remuneration	b Bonuses	c Stock remuneration	
Directors (excluding outside directors)	348	138	155	54	4
Audit & Supervisory Board members (excluding outside Audit & Supervisory Board members)	37	37	—	—	2
Outside officers	96	96	—	—	11

(Notes)
1. Amounts listed are rounded down to the nearest million yen.
2. One non-executive director is not eligible for bonus and stock remuneration.
3. Auditors and outside directors are not eligible for bonus and stock remuneration.
4. The stock remuneration figures in the table on the left indicate the amounts recognized as expenses in FY2025 in connection with restricted stock remuneration granted to three 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 amount on the left includes the amount of remuneration, etc. paid to three outside auditors who retired at the conclusion of the 81st Ordinary General Meeting of Shareholders held on June 25, 2025, during their terms of office.

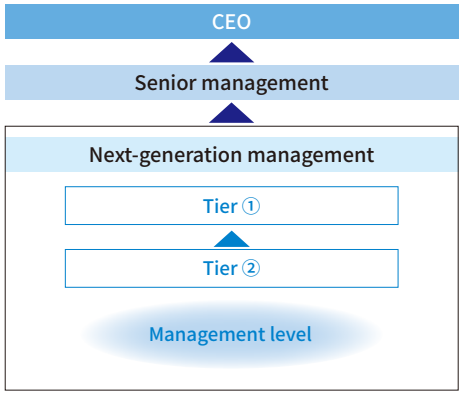
Succession Plan

The Nomination & Remuneration Committee, which is chaired by an independent outside director, deliberates on succession plans and reports the details of those deliberations to the Board of Directors in order to secure transparency in the selection process of members of senior management, including the CEO.

The succession plan, with integrity, a critical quality demanded of the CEO, as the foundation, defines seven competencies, including foresight and innovation, across three categories: ability to create new value, ability to improve, and staying power. We believe that the level of each competency demonstrated will vary depending on the business environment, such as whether the Company is in a period of transition/transformation or one of continuity and expansion.

In addition, to strengthen the human resource pipeline for senior management succession candidates, we are focusing on developing next-generation management as a priority measure of our human resource strategy.

Succession plan



Qualities required of the CEO



▮Ability to create new value

Foresight	Foresight refers to the ability to foresee the future of the BIPROGY Group, promote a vision with great aspirations and make a commitment to the future.
Insight	Insight refers to the ability to understand global trends and changes, identify developments in the Japanese economy, in other words societal swings, and perceive essential value in everything.
Determination	Determination refers to the ability to decide on a direction with unwavering conviction despite unpredictable conditions and with an awareness of the risks involved.

▮Ability to improve

Innovation	Innovation refers to the power to improve, leaving precedent and custom behind to ambitiously carve out a new path undeterred by difficulties.
Passion	Passion refers to the ability to gain cooperation, trust, and encouragement from those around you while passionately engaging in all endeavors and communicating extensively. This also refers to such attributes as a high sensitivity toward information and receiving capabilities, as well as the ability to convey objectives in the direction of realizing dreams, goals to be achieved, and solving problems.

▮Staying power

Execution	Execution refers to the ability to steadfastly stay the course to achieve results by setting lofty goals companies should strive for and displaying leadership.
Diversity and Inclusion	Diversity and Inclusion refers to the ability to interact with a wide array of people whether inside or outside the Company, recognizing the values of people with various standpoints without stereotyping and pigeonholing them. This also refers to the ability to build proactive relationships based on an understanding of ideas from various corporate and cultural perspectives.

Developing next-generation management

The Company is strengthening a human resources pipeline under the succession plan to continuously develop successors for senior management. In the Management Policies (2024–2026), we are promoting the development of next-generation management as a priority measure of our human resources strategy. Next-generation management refers to talent who possess a strong desire to improve the corporate value of the Group and will drive reforms with ideas unconstrained by precedent, energy and a vision that inspires those around them.

Since FY2018, we have been carrying out the Management Leadership Program as an open recruitment program to develop human resources to take charge of change. However, recognizing that the program was not sufficiently linked to strengthening the human resource pipeline or appointments, we redesigned the succession plan and launched a two-tier, selective training program in FY2024. We are pursuing systematic development by combining assessments based on multi-rater evaluations and management knowledge assessments with coaching by current senior management and tough assignments. Furthermore, from FY2025, we have been strengthening the development framework for personnel at all management levels through initiatives such as 180-degree feedback and voluntary management seminars.

In our selective training program, we have established four priority areas of development: foresight, innovation and reform, determination, and management mindset. These priority areas are based on the qualities required of a CEO and have been defined as particularly important capabilities amid changes in the business environment and the growing complexity of management issues.

By visualizing next-generation management and monitoring the successor candidate's preparation rate, we will systematically and continuously produce successors for senior management.

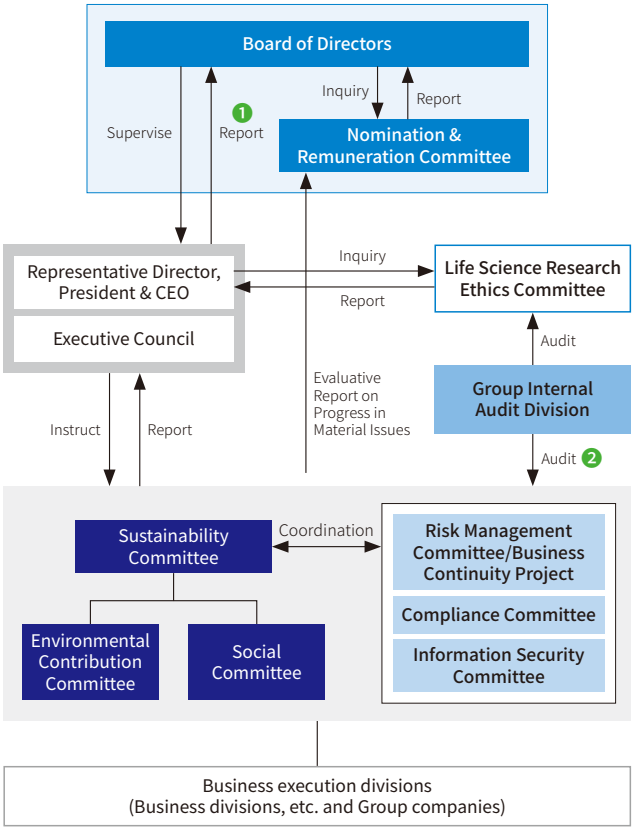
Sustainability-Related Governance

The Group recognizes that appropriate governance covering both management oversight and business execution is crucial for tackling sustainability challenges, and has established a framework to promote its initiatives. The Company appoints a CSO from among its executive directors and has established the Sustainability Committee, with the Environmental Contribution Committee and Social Committee as its subordinate bodies.

These committees deliberate on and make decisions regarding sustainability initiatives centered on material issues. Important matters are also submitted to the Executive Council for deliberation and decision. KPIs and targets are set for each material issue toward realizing Vision 2030, and progress is monitored.

The Board of Directors receives regular reports from the CSO on important sustainability matters, discusses the status of initiatives, and exercises oversight through advice and guidance. The officer remuneration system also includes long-term performance conditions incorporating ESG indicators, and remuneration is determined based on recommendations from the Nomination & Remuneration Committee.

Sustainability promotion structure (As of June 25, 2026)



Overview and key activities of sustainability-related committees (FY2025)

	Sustainability Committee	Environmental Contribution Committee	Social Committee
Purpose and role	Responsible for developing the Group's approach to sustainability challenges, identifying the material issues necessary to implement that approach, and managing and supervising progress. Also responsible for making an overall assessment of the appropriateness of business activities from an ESG perspective, as well as of the promotion and evaluation of those activities, and for requesting revisions when necessary.	As a subordinate organization of the Sustainability Committee, responsible for examining response policies related to environmental contribution (climate change, water, biodiversity, forests, land use, and other natural capital), designing mechanisms to promote environmental contribution, and managing and supervising implementation status.	As a subordinate organization of the Sustainability Committee, responsible for examining response policies in the social field (human rights, diversity, work style reform, health management, regional development and social contribution, etc.), designing mechanisms to promote responses in this area, managing and supervising implementation status, and issuing corrective instructions regarding outstanding issues.
Meetings held (FY2025)	8	7	7
Members (as of June 25, 2026)	**Chair**: CSO (Representative Director, Executive Corporate Officer) **Members**: CFO, CHRO, Environmental Contribution Committee Chair, Social Committee Chair, Compliance Committee Chair, President of UNIADEX, Ltd., other persons who have been appointed by Chair	**Chair**: Appointed by the Sustainability Committee Chair (Corporate Officer) **Members**: Environment Contribution Committee Chair selects responsible persons of related responsible organizations within the Group	**Chair**: Appointed by the Sustainability Committee Chair (Director, Corporate Officer) **Members**: Social Committee Chair selects responsible persons of related responsible organizations within the Group
Main agenda items (FY2025)	• Evaluation of progress toward material issue KPIs and targets, and policies for their review • Revision, formulation, and disclosure of sustainability-related policies • Response to the mandatory application of the Sustainability Standards Board of Japan (SSBJ) disclosure standards • Quality improvement of sustainability-related information in various disclosure documents	• Managed the implementation status of material issues • Formulated a climate change transition plan • Introduced internal carbon pricing • Disclosure of information in the environmental field	• Managed the implementation status of material issue • Formulation of an Occupational Health and Safety Policy • Business and human rights initiatives across the Group • Disclosure of information in the social field
Main items reported to the Board of Directors ①	• Progress and issues related to material issue KPIs and targets • Revision of the Environmental Policy and formulation of the Occupational Health and Safety Policy and Anti-Corruption Policy • Development of a climate transition plan • Results of major ESG evaluations and issues for improving evaluations		
Main audit items related to sustainability ②	Internal environmental audits to confirm the effectiveness of the maintenance and operation of the BIPROGY Group environmental management system, and reviews of social areas, including human rights, human resources, and labor practices, through organizational audits and other means.		

Cross-Shareholdings

The Company may strategically hold shares of partners if it is deemed that this would contribute to greater corporate value for the Company, such as resulting in a stronger profit basis by maintaining or strengthening the relationship with partners. The determination to acquire stock is made pursuant to its internal regulations. As for the subsequent holding of the shares, the Board of Directors verifies whether it is appropriate each year, and we are working to reduce such holdings.

The number of listed stocks held at the end of FY2025 increased by 1 from the previous fiscal year-end due to the listing of an unlisted stock (a business partner) that the Company had already held. In addition, the Company acquired unlisted stocks to expand its business in focus areas, and the total carrying amount of cross-shareholdings consequently represented 8.5% of total equity (6.8% at the previous fiscal year-end). Although the number of listed stocks held at the end of FY2025 increased, there has been no change in the policy of reducing cross-shareholdings, and the Company will continue to sell stocks whose rationale for holding has diminished.

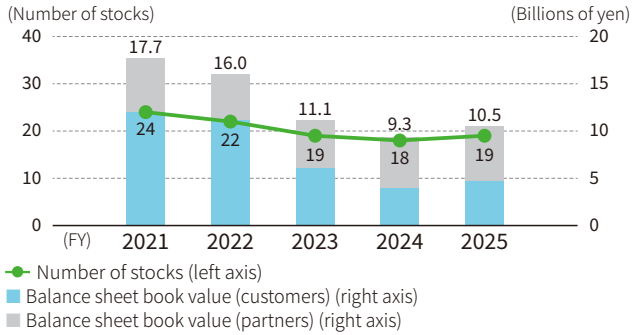
The Company examines the appropriateness of each and every listed stock that it holds at Board of Directors meetings by taking into consideration purposes for holding, consistency with its business strategies and business related profits, etc.

If the counterparty of strategic shareholdings who holds BIPROGY shares indicates a desire to dispose of the shares they hold, BIPROGY will appropriately respond to the sale without ever trying to prevent the sale.

Verification results regarding stocks held as of March 31, 2026, at the Board of Directors meeting held in June 2026

- The Company examined if the holdings of those stocks are still meaningful and in compliance with the business strategies from a medium- to long-term perspective.
- In addition, the Company examined the business related profits from the perspective of capital cost, and it confirmed that holding them is economically rational.

Number of stocks held by BIPROGY for non-pure investment purposes and total value on balance sheet (listed companies)



Total balance sheet book value of cross-shareholdings
8.5% of total equity (as of March 31, 2026)

Constructive Dialogue with Shareholders and Other Investors

In addition to disclosing information to its shareholders and other investors at a suitable time and in an appropriate manner, the Group engages in proactive investor relations and shareholder relations activities, led mainly by its CEO, CFO, and the executive in charge of corporate governance promotion, in the belief that repeatedly engaging in mutual dialogue leads to the fair assessment of its value. The details of dialogue with and opinions and suggestions made by the responsible staff of overseas and Japanese institutional investors*1 with various investment styles*2 are reported to members of senior management and the Board of Directors in a timely manner. These opinions are then used to make improvements to the Group's management. Feedback regarding the state of dialogue in FY2025 was provided to the Board of Directors twice.

*1 Active/passive, growth/value/dividend-focused, etc.
*2 Fund managers, analysts, ESG analysts, and voting rights exercisers.

State of dialogue (FY2025)

Type of dialogue	Dialogue frequency/number of companies (total)	
Financial results briefings	4 times	
Management Policies briefings	1 time	
Small meetings	4 times	
IR/SR meetings	330 times	Institutional investors and analysts 691 companies Of which, institutional investor voting rights exercisers 11 companies
Overseas roadshows	4 times	
Conferences sponsored by securities firms	2 times	

Main topics discussed in dialogue and items of interest

- Details of overall performance P.44-47, P.75, P.77-78
- Changes in the business environment P.19
- Key strategies and progress in the Management Policies P.18-27
- Approach to capital allocation P.44-47
- State of the Group's response to market topics such as DX and AI, etc. P.21-43

Items incorporated considering dialogue and subsequent feedback

- Held a business briefing on the retail area, which is of strong investor interest
- Expanded disclosure regarding AI initiatives

Main initiatives to improve effectiveness of dialogue and strengthen disclosure

- Promoted dialogue with overseas investors through participation in conferences hosted by securities companies and overseas roadshows

Status of Response to Corporate Governance Code

Please visit the following website for more information on the status of compliance with the Corporate Governance Code, corporate governance, and internal controls.

Corporate Governance and Internal Control Principles
Corporate Governance Report
Necessary Systems to Ensure Appropriate Operations and Status of Operation of the Systems
Dialogue with Shareholders
https://www.biprogy.com/invest-e/com/governance.html

Further Improve Integrity

Material Issues Further improve corporate governance and integrity

As a corporate group that provides ICT services as trustworthy, sustainable social infrastructure and creates social value, the BIPROGY Group strives to comply with laws and regulations in Japan and overseas. We recognize that acting in accordance with social norms based on high ethical standards and conducting sound and transparent business activities are vital not only from a risk management perspective, but also for building relationships of trust with a wide range of stakeholders and addressing social issues. Based on this recognition, the Group places emphasis on compliance and information security, seeking to maintain and enhance stakeholder trust by ensuring both are thoroughly implemented, while working to sustainably enhance corporate value.

Compliance

Corporate ethics and compliance

Recognizing compliance as a top-priority issue in business operations, the Group ensures adherence to laws and regulations, social norms, and internal rules, as well as ethical conduct, in accordance with the Group Charter of Corporate Behavior, the Group Compliance Basic Policy, and the Group Code of Conduct. Under the Compliance Committee chaired by the Chief Compliance Officer (CCO), we promote Group-wide education and awareness initiatives to raise compliance awareness among officers and employees. In August 2025, we established the BIPROGY Group Anti-Corruption Policy, further strengthening our initiatives by setting out prohibited conduct, matters requiring attention, and mechanisms for appropriate reporting and consultation.

Compliance program

The Group systematically implements a compliance program built around the development and communication of policies and rules, establishment of a framework for promoting compliance, operation of the whistleblower system, education and training, and awareness surveys. Through ongoing communication of the Group Code of Conduct and various training programs, we work to raise awareness among all officers and employees and embed compliance in day-to-day operations. We also seek to enhance the program's effectiveness through expert lectures during Compliance Week and the BIPROGY Group CCO Meeting, where CCOs from Group companies share their understanding of issues and case studies.

Promoting integrity awareness

To continuously enhance the effectiveness of compliance, we conduct a compliance awareness survey twice a year for all officers and employees. Based on the survey results, we ascertain actual conditions in the workplace and potential issues and use these findings to review and improve priority measures, thereby driving the PDCA cycle. The survey is conducted anonymously to encourage candid responses. Going forward, we will continue to refine measures to raise awareness and further embed integrity throughout the Group.

Whistleblower system

As reporting channels for all officers and employees, the Group has established internal hotlines that provide direct access to the Compliance Committee Secretariat and auditors, as well as an external hotline accessible through a third party. When a report is received or a violation is identified, we respond promptly and appropriately, taking strict disciplinary action against offenders, conducting root-cause analysis, and implementing measures to prevent recurrence. To protect whistleblowers, we strictly prohibit adverse treatment in accordance with the Whistleblower Protection Act, as amended, and impose disciplinary action for violations. The status of these operations is reported to the Executive Council and the Board of Directors. In FY2025, we received 56 consultations and responded appropriately based on the nature of each case. We will continue to improve the environment in which these hotlines can be used with confidence.

Main measures implemented in FY2025

- **Compliance awareness survey:** Response rates were 98.5% in July 2025 and 97.1% in December 2025. The results were shared with the leaders of each organization and reflected in improvement measures.
- **Compliance Roundtables:** Conducted dialogues on compliance risks in each workplace to foster self-directed compliance practices.
- **Improvement of the whistleblower system (hotline):** Disseminated messages from the CCO and conducted training to communicate the importance of the system and reinforce awareness that it can be used safely and with confidence.
- **Compliance education and awareness:** Conducted e-learning to provide specific guidance on key points for putting compliance into practice (participation rate: 100%).
- **Establishment and implementation of Compliance Week:** In addition to messages from the CCO and others, lectures by external experts were held to share key points for putting compliance into practice.

BIPROGY Group Compliance Basic Policy (Japanese only), BIPROGY Group Code of Conduct (Japanese only)
https://biprogy.disclosure.site/ja/themes/115
BIPROGY Group Anti-Corruption Policy
https://sustainability-cms-biprogy-s3.s3-ap-northeast-1.amazonaws.com/pdf/anti-corruption-policy_e.pdf

Information Security

Information security governance

Our Group's information security framework consists of the Information Security Committee, which is chaired by the Chief Information Security Officer (CISO), and the organizations under the committee as well as the persons responsible for information security in each organization of our Group. The Committee oversees the formulation of the Group's cybersecurity strategy and the protection of personal information, formulating and promoting policies and measures in response to these issues. In addition, in the event of a major incident, the Committee will investigate the root cause and thoroughly implement recurrence prevention measures across the Group, in collaboration with the Risk Management Committee chaired by the Chief Risk Management Officer (CRMO). The CRMO reports the various activities of the Information Security Committee to the Executive Council and the Board of Directors.

Under the Information Security Committee, we have established the Cybersecurity strategy Task Force to promote a Group-wide response to cybersecurity risks through a cross-organizational structure. We have also established and are operating a CSIRT*1 and SOC.*2 The information security officers and personal information managers in each organization assume primary management responsibility for the information security of their own organization, and maintain and improve information security by making the rules known to all employees, introducing measures, and checking and improving the implementation status on an ongoing basis.

Cybersecurity strategy initiatives

The Group positions cybersecurity as a top-priority issue and systematically advances initiatives under its Cybersecurity Strategy, which is based on its management strategy. In FY2025, based on the results of a third-party assessment based on NIST CSF 2.0,*3 we set risk-based priorities and implemented measures under the Cybersecurity Promotion Program (2024–2027). Specifically, we added measures such as building threat intelligence capabilities, establishing a cyber BCP, and strengthening information security governance, while continuing to enhance our cybersecurity initiatives. In FY2025, we implemented measures to deter insider threats through rigorous management of removable media, advance asset visibility and vulnerability countermeasures, and raise awareness of cyberattacks targeting people. Through these initiatives, we are strengthening our response capabilities across systems, organizations and processes, and human resources. Going forward, based on comprehensive visibility of assets and the integration of configuration information, we will improve our ability to respond rapidly to vulnerabilities and enhance the effectiveness of data protection, while also addressing supply chain risks through the use of external assessment schemes.

*1 Acronym for our Computer Security Incident Response Team. A technical support team that specializes in preventing cyberattacks before they occur and responding to associated incidents.
*2 Acronym for our Security Operation Center. It monitors and analyzes threats to the Group's network and servers.
*3 The NIST Cybersecurity Framework (CSF) 2.0, developed by the U.S. National Institute of Standards and Technology (NIST).

Toward preventing security incidents

The Group has set the number of serious security incidents as a KPI and is working to prevent incidents before they occur. In light of the USB flash drive loss incident in 2022, in addition to firmly establishing safety management measures, we are strengthening initiatives to prevent awareness from fading or becoming merely superficial. Specifically, we have expanded Information Security Week and restructured it as Risk & Security Week, providing opportunities for each employee to reconsider risks in relation to their own work through messages from the CRMO and special sessions led by the CISO. By breaking away from complacency, keeping past lessons alive, and embedding them into our organizational systems and culture, we are implementing effective measures to prevent recurrence.

Incident of lost USB flash drives (Japanese only)
https://www.biprogy.com/com/info_security/info202206.html

BIPROGY Basic Policy on Information Security / Information Security Initiatives (Japanese only)
https://biprogy.disclosure.site/ja/themes/114

Overview of the BIPROGY Group's cybersecurity strategy

Vision	**Cybersecurity Foresight** **Implement Digital Commons in society and provide a secure environment that befits us as a business ecosystem creator that connects diverse companies.**			
Mission	Realizing cybersecurity management that befits us as a company providing value that creates a more affluent society together with our customers and partners and solving social issues as we strive for the world's highest level of information security at all times.			
Objectives	1. Provide secure platforms for customers and partners as a basis for business ecosystems	2. Maintain and improve the management quality of the Group so that it is chosen by customers and partners with peace of mind	3. Establish secure environments in which each employee can protect information assets and collaborate with various people on site	
Measures	System measures		Information disclosure and communication measures	Organizational and process measures	Human resource measures
	Customer systems and services Provide highly secure services and platforms	Internal systems Continuously provide a safe environment	Promote information disclosure and sharing to strengthen internal and external collaboration	Build systems that are not vulnerable to cyberattacks	Improve the skills, abilities, and awareness of Group executives and employees

Declaration of Cyber Security Management 2.0
Keidanren

Cybersecurity Management Guidelines
Ministry of Economy, Trade and Industry

Cybersecurity Strategy
Government of Japan

KPIs related to information security

KPIs	Targets	FY of achievement	FY2025 results
Number of serious security incidents	0	Each year	0
Percentage of group companies in Japan that have applied data protection security mechanisms for hybrid work (blend of working remotely and in the office)	100%	As of the end of March 2027	Completed the introduction of mechanisms and systems that allow data to be transferred only from authorized PCs to authorized removable media
Coverage rate of special operation management*4	100%	As of the end of March 2027	Gradually implemented various measures to improve the coverage of special operation management at BIPROGY (100% coverage)

*4 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.)

Risk Management

Material Issues

- Further improve corporate governance and integrity
- Sustainably procure and provide safe, secure products and services throughout the entire value chain

The BIPROGY Group believes that accurately understanding the uncertainties surrounding its business activities and translating that understanding into responses to threats and the creation of business opportunities are essential to achieving sustainable growth and value creation. In recent years, uncertainty in the business environment has increased due to natural disasters, information security threats, geopolitical risks, technological advances such as generative AI, and other factors. The Group promotes risk management from a medium- to long-term perspective to minimize threats and maximize opportunities.

Risk Management Framework

With reference to the ISO 31000 international standard for risk management, the BIPROGY Group has named an officer responsible for risk management and established organizations as required, and takes the following actions:

- Formulation of risk management regulations
- Development and implementation of systems necessary for preventing risks
- Dealing with emergencies
- Monitoring critical risks and reviewing risk management items and systems
- Reporting risk management activities to the Board of Directors

In our medium- to long-term risk management strategy, we have set the following priority measures: enhancing risk management throughout the Group; and improving the risk management abilities of Group executives and employees. Accordingly, we are working to respond to changes in the external and internal environments and to update the risk management system itself. Throughout the year, we run a PDCA cycle by monitoring risks, developing responses to newly emerging risks, and raising risk awareness and knowledge among all officers and employees. To ensure appropriate responses to risks that could have a major impact on management, we have established the Risk Management Committee, chaired by the Chief Risk Management Officer (CRMO), thereby establishing a Group-wide risk management framework.

Risk Management Process

The Risk Management Committee has established a common risk classification system for the entire Group and manages approximately 130 risk management items in an integrated manner, including personal information, system development, disasters, and accidents. Each fiscal year, we review all risks, reassessing existing items and identifying new risks arising from changes in the environment. Risks are assessed using a risk map based on impact and frequency, and those requiring priority management are identified. The identified risks are reported regularly to the Executive Council and the Board of Directors and reflected in management-level assessment and oversight.

Through ongoing monitoring, we continuously review policies and risk management items, enabling flexible and prompt responses to changes in the environment.

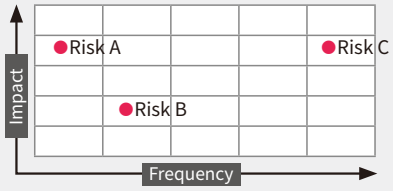
Risk management process



Checks by risk control departments

- Set topics each fiscal year
- Provide reports in relation to frequency, degree of impact, prevention measures, responses to the risk, existence of audits, measures to reduce frequency and impact, and the state of risks that emerged in the previous fiscal year

Risk Map



Significant Risks

The Group designates as significant risks strategic risks that could materially affect the fulfillment of our Management Policies and Vision 2030 or our business, as well as risks such as climate change that need to be considered from a medium- to long-term perspective. In FY2025, following a review of the risk management process, we added human rights and geopolitical risks to the significant risks and designated medium- to long-term risks, including these risks, as risks subject to priority management.

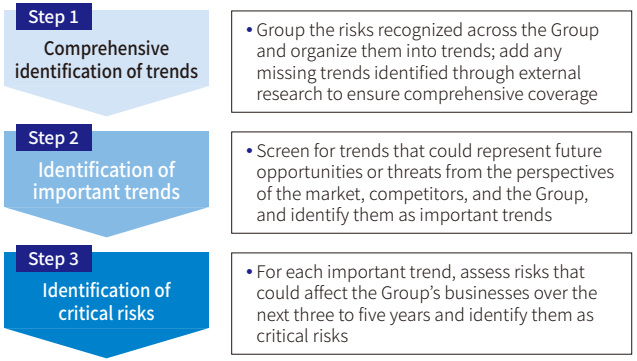
For details on our significant risks, please refer to "Risk Management Data" on page 31 of the Sustainability Report 2026.
https://www.biprogy.com/invest-e/uploads/sustainability_rpt2026_e.pdf

Reinforcing the Risk Management System

Beginning in FY2026, we introduced a process to identify and monitor “critical risks” among our significant risks, which are risks that could have a particularly significant impact on the execution of management strategies, considering both threats and opportunities. By tracking changes in the external environment and the status of responses to critical risks, we detect early signs of risks materializing and respond quickly and appropriately.

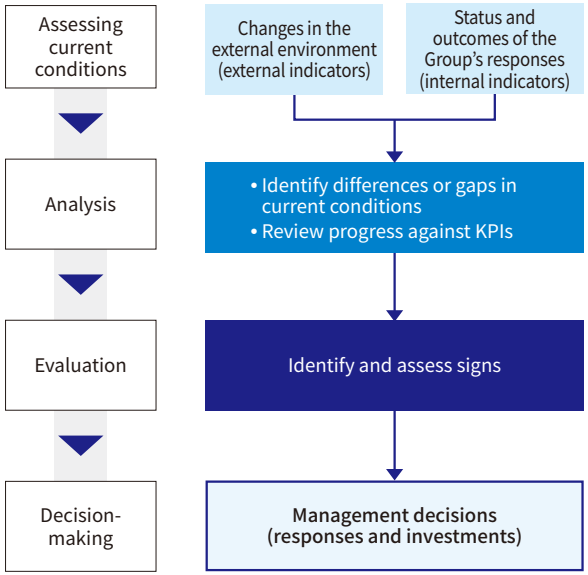
Identifying critical risks

Using external research and other sources, we comprehensively identify social, economic, technological, and other trends reflecting changes in the external environment. We then identify important trends expected to affect our business over the medium to long term and assess how they could affect the Group over the next three to five years, considering both threats and opportunities. Based on this assessment, we identify critical risks. Among our significant risks, risks related to information security, human resources, and technical innovation are managed as critical risks.



Monitoring critical risks

To continuously assess whether the Group is responding appropriately to changes in the external environment, we compare those changes with the status of our responses. We detect early signs of risks materializing, discuss their potential impacts and response measures at the Risk Management Committee, the Executive Council, and the Board of Directors, and use the findings to inform management judgment and decision-making.



Fostering a Risk Culture

We recognize that enhancing the effectiveness of risk management requires not only robust systems but also a risk culture embedded in day-to-day operations. In an environment where uncertainty has become the norm, we are working to foster a culture in which each organization identifies risks autonomously, every employee considers risks in the context of their own work, and the more important the information, the more promptly it is shared and escalated. To this end, we continuously provide training for officers and organizational leaders and conduct drills based on disaster and incident scenarios. We also share and use identified risk information across the Company to strengthen initial response capabilities and prevent recurrence. In addition, we treat the recognition of and response to risks as opportunities for organizational learning, strengthening our ability to adapt to changes in the environment. In FY2025, we expanded the existing Information Security Week and reorganized it as Risk & Security Week. Through messages from the CRMO and CISO and a range of sessions, we provide opportunities for employees to reconsider risks in the context of their own work, focusing on themes such as changes in the risk environment, business continuity, and cyber risks. These efforts help prevent complacency and the erosion of risk awareness in daily operations, turn risk response into an organizational capability, and strengthen our ability to adapt to change as a source of competitiveness.

Business and other risks

Relationship to key items identified when determining material issues (items in red boxes were identified as material issues)

Environment: 1 Climate change; 2 Water resources; 3 Biodiversity
Social: 1 Acquisition and promotion of diverse human resources; 2 Human resource development; 3 Supply chain management; 4 Customer service; 5 Human rights; 6 Labor
Governance: 1 Corporate governance, risk management, compliance, and intellectual property protection; 2 Innovation management; 3 Information security and protection of personal information; 4 Preventing corruption and bribery

P.14 Process for identifying and reviewing material issues

	Item	Threats	Opportunities	Responses
Business environment	Impact of economic trends and the market environment	• Deterioration in the economic environment due to developments in the Middle East, volatility in financial and capital markets, downturns in overseas economies, U.S. trade policies, and other factors • Deterioration in the business environment due to restrained information systems investment, changes in investment strategies, intensified competition from entrants in other industries, and other factors • Growing environmental awareness, including climate change action, rapid shifts in social attitudes, and the resulting tightening of various regulations 1 • Changes in government policies, including those related to disaster preparedness	• Create business opportunities that help solve social issues and generate earnings in relevant markets 2 • Create business ecosystems and expand business opportunities by building relationships of trust with diverse stakeholders 2	Continuously assess trends and changes in the external environment while responding swiftly
Business activities	Procurement	• Changes in product specifications, prices, or terms of supply; delays or suspensions in the supply of products and services due to changes in suppliers' business strategies or financial conditions; and impacts on the procurement of products and services resulting from geopolitical risks and other factors. 3 • Serious disruptions caused by failures in procured services or security incidents 3 • Impacts on the supply of products and services from certain regions due to tighter economic security and export control regulations 3 • Damage to social credibility and brand image	• Strengthen relationship capital and expand revenue opportunities by building stronger relationships of trust with suppliers and securing high-quality partners 3 4 • Reduce business risks related to human rights, environmental impacts, and other issues across the value chain 3 4	In accordance with procurement and purchasing guidelines, properly manage periodic supplier reviews and product quality, while continuously gathering information on geopolitical risks, assessing procurement risks, and selecting appropriate countermeasures
	Intellectual property rights	• Infringement of intellectual property rights by third parties 1 • Costs arising from disputes over intellectual property rights 1 • Inability to provide certain products or services if necessary licenses or other rights cannot be obtained 1 • Inability to use intellectual property as anticipated in partnerships 1	• Expand revenue opportunities by securing high-quality partners • Enhance social credibility • Expand business through innovation 2	Acquire intellectual property rights, investigate the intellectual property rights of partner companies, and secure the necessary rights in partnership agreements
	Project management	• Delivery delays and cost overruns due to increasingly sophisticated customer requirements and greater project complexity • Increased safety and security risks as products and services become more diverse 3	• Secure a stable earnings base through higher productivity and fewer cost overruns and security incidents • Expand revenue opportunities by strengthening trust with customers and business partners 4 • Provide secure services and platforms to customers 3	Conduct multifaceted assessments through the Project Review Committee to determine whether to proceed with system development and outsourcing projects. In addition to rigorous budget-versus-actual management, continue the project issue early-detection program ("project check-ups").
	System failure	• Serious failures due to system malfunctions, cyberattacks, or other problems 3 • Damage to social credibility and brand image • Liability for damages		Set quality targets for unplanned service downtime caused by system failures. Conduct quality assurance reviews during system development to improve quality characteristics (confidentiality, fault tolerance, recoverability, stability, etc.)
	Information security	• Loss or leakage of confidential customer information or personal information 3 • Increasingly advanced and sophisticated cyberattacks and attack methods • Damage to social credibility and brand image • Costs incurred in responding to incidents		Under the Information Security Committee, maintain a strategic response framework, review information management systems covering personal information and other data, and provide training to officers, employees, and contractors. Implement a range of measures, including strengthening the security foundation based on a zero-trust approach, and maintain insurance coverage for information leakage.
	Human resources	• Intensifying competition for IT talent 1 • Shortage of personnel who, in addition to technical expertise, can continuously drive innovation and respond to increasingly diverse social issues and customer needs 1 2	• Expand business through innovation 2 • Contribute to creating employment opportunities for diverse talent 1 2 • Contribute to a society where people are physically and mentally healthy, diversity can thrive, and work is rewarding 1 2 6 • Provide high-value-added services leveraging advanced skills • Secure competitive advantage	Proactively recruit new graduates, recent graduates, and mid-career professionals; enhance training programs and HR systems; create workplace environments that enable diverse talent to thrive and support flexible work styles; promote talent mobility through ROLES; enhance visibility into human capital; improve productivity and optimize human resource allocation through generative AI; and advance sustainability management through employee engagement surveys.
	Investment	• Insufficient return on investment • Inconsistency with business partners' management strategies • Business growth below initial expectations	• Expand business through innovation 2 • Develop highly skilled human resources capable of making sound investment decisions • Maximize investment returns • Secure competitive advantage	To minimize investment decision risk, carefully review the validity of each investment project's business plan through the Investment Committee or the Executive Council, its higher-level body.
	Compliance	• Personnel and labor issues 5 6 1 4 • Serious compliance violations arising from improper data handling or other misconduct 1 3 • Damage to social credibility, liability for damages, and reviews of business relationships by key business partners	• Enhance social credibility • Contribute to solving social issues and to economic growth through transparent and fair processes	Establish the Group Charter of Corporate Behavior, Group Compliance Basic Policy, and Group Code of Conduct, build a compliance promotion system, and ensure that all officers and employees comply with laws, social norms, and internal rules while conducting business ethically.
	Technical innovation	• Changes in business processes, system development and operations, and value creation models driven by rapid advances in technologies such as generative AI 2 • Delays in acquiring new technologies and intellectual property and in transforming business models 2 • Obsolescence of in-house assets and know-how 2	• Enhance the sophistication and added value of AI-first solutions and services in both core businesses and the market development area 2 • Enhance the value provided to support customers' business transformation and in-house development 2 • Capture business growth opportunities by improving development productivity, quality, and maintainability through AI utilization and digital transformation of development processes 2	Rebuild the technology portfolio, advance AI-first solutions and services and digital transformation of development processes and, led by the AI CoE, establish policies for AI utilization, strengthen AI governance, and support AI-related initiatives and projects.
	Climate change	• More severe extreme weather and disasters such as droughts and floods 1 • Decline in service development capabilities, market competitiveness, and reputation due to an inability to keep pace with tighter environmental regulations and growing disclosure demands from investors and society 1 2 3	• Increase earnings through the development and expansion of low-carbon products and services 1 2 3	Under the BIPROGY Group Environmental Policy, we strengthen environmental management through scenario analysis and other measures and respond proactively to climate-related and business environment changes, with the aim of realizing the zero-emission society set out in Long-Term Environmental Vision 2050.
	Human rights	• Negative impacts on human rights in business activities and the supply chain 3 5 6 • Human rights and ethical issues associated with the use of AI and other advanced technologies 5 • Legal risks such as litigation, reputational risks, and damage to social credibility resulting from inappropriate responses to human rights and ethical issues 1 5 1 • Loss of social credibility	• Stabilize the supply chain 3 • Strengthen social and relationship capital through management that respects human rights 5 1 3	We have established the BIPROGY Group Human Rights Policy, the BIPROGY Group AI Policy, and the BIPROGY Group Sustainable Procurement Guidelines. In addition to conducting human rights due diligence across our businesses and supply chain, we address human rights and ethical issues associated with advanced technologies and promote responsible procurement that respects human rights throughout the supply chain.
Others	Natural disasters, infectious diseases, and other events	• Catastrophic damage from natural disasters, such as earthquakes, or terrorism • Restrictions on providing services or other business activities due to an outbreak of infectious disease, etc. • Threats to the health and safety of employees	• Contribute to social sustainability through businesses that address social issues 1 2 3 • Strengthen competitiveness by enhancing business resilience	As part of the Business Continuity Project, we have formulated a Business Continuity Plan (BCP) from the perspectives of ensuring safety, restoring internal operations, and serving customers, and continuously review and improve it. We also work to ensure business continuity in preparation for future outbreaks of novel infectious diseases under the New Infectious Diseases Action Plan.

Stakeholder Engagement

We believe that dialogue with stakeholders is essential for the BIPROGY Group to continue to be recognized as an indispensable company in addressing social issues. By incorporating requests, expectations, interests, and evaluations received by the Group through diverse communication activities into our business operations, we aim to build trust with stakeholders and thereby contribute to sustainable value creation.

Material Issues

1 Create schemes to solve issues through the use of digital technology and business ecosystems

2 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

3 Sustainably procure and provide safe, secure products and services throughout the entire value chain

4 Develop and strengthen human resources to create a new future and promote diversity and inclusion

5 Further improve corporate governance and integrity

Stakeholder	Dialogue policy	Major methods of communication	Reference	Relevance to material issues
Customers	We provide comprehensive services spanning the analysis and resolution of management issues. Through communication with our customers, we provide systems and services from the customer's perspective and work to enhance customer satisfaction and trust.	• Sales activities and responses to inquiries • Customer forums and seminars • Customer satisfaction surveys • BIPROGY Users Association activities	**Corporate Information** https://www.biprogy.com/e/ **Digital media BIPROGY TERASU (Japanese only)** https://terasu.biprogy.com/	1 2 3 4 5
Employees and their families	We respect employees' diverse values and ways of working and promote a safe and supportive environment in which each individual can demonstrate their capabilities. Through various opportunities for dialogue, employees share their views and ideas as we strive to create a rewarding workplace. We also work to enhance communication with employees' families so that they can better understand and support our employees.	• Employee engagement surveys • Group intranet and internal social networking services • Labor-management consultations and various internal programs • One-on-one meetings, roundtable discussions, and information-sharing meetings • Social contribution programs	**Organizational development (strengthening organizational capabilities and work style reform) (Japanese only)** https://biprogy.disclosure.site/ja/themes/107#277	4 (1 2 3 5)
Shareholders and investors	We disclose our management policies, business strategies, and financial and non-financial information to shareholders and investors in a timely and appropriate manner. We reflect feedback received through constructive dialogue in management and aim to enhance corporate value.	• General Meeting of Shareholders and financial results briefings • IR meetings and events • Information disclosure (website and various IR materials)	**Information for Shareholders and Investors** https://www.biprogy.com/invest-e/	2 3 4 (1 5)
Business partners	Building on mutual understanding and relationships of trust with our business partners, we work to promote sustainable business activities. Through dialogue, we share an understanding of social issues and market needs and aim to co-create new value.	• Web portal for business partners • Various briefings for suppliers and partner companies • Sustainability surveys	**Quality management (Japanese only)** https://biprogy.disclosure.site/ja/themes/109	3 (1 2 4 5)
Local communities	Through dialogue with local communities, we seek to understand social issues and local needs. Through our business and social contribution activities, we foster harmonious relationships with local communities and contribute to the realization of a sustainable society.	• Community contribution activities • Social contribution club "Uniheart"	**Social contribution activities (Japanese only)** https://biprogy.disclosure.site/ja/themes/111	2 5 (1 3 4)

* The size of each boxed number indicates the degree of relevance to the corresponding material issue.

Data Section

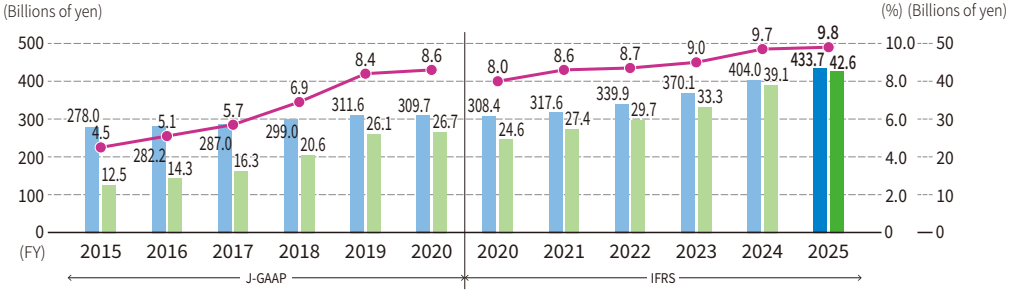
This section provides key financial and non-financial data on the BIPROGY Group, as well as company information.

75 Financial Highlights
76 Non-Financial Highlights
77 Business Results Summary
79 11-Year Financial Summary
81 ESG Data
84 External Evaluations/
Statement of Responsibility
85 Corporate Information



Financial Highlights (BIPROGY Inc. and its consolidated subsidiaries)

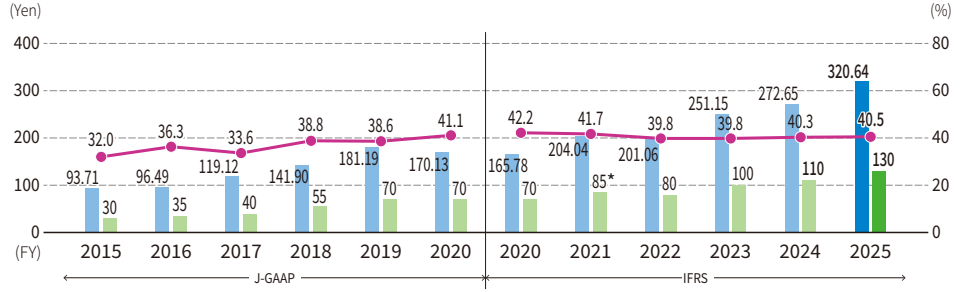
Revenue (Net Sales)/Operating Profit (Operating Income)/Operating Margin



■■ Revenue (Net Sales) (left axis) ■■ Operating Profit (Operating Income) (right axis) ●— Operating Margin (right axis)

Under Management Policies (2024-2026), we are focusing on areas of strength and working to improve profitability. Revenue, operating profit, and operating margin have all continued to rise steadily. In FY2025, amid continued customer demand for IT investments, system services and hardware sales remained strong, and revenue increased 7.3% year on year to ¥433.7 billion. On the profit side, while steadily advancing investments in human resources and initiatives to expand the business, higher revenue and an improved gross profit margin enabled us to secure higher profit. As a result, operating profit increased 9.1% year on year to ¥42.6 billion, and the operating margin was 9.8%.

Basic Earnings (Net Income) per Share/Dividends per Share/Dividend Payout Ratio

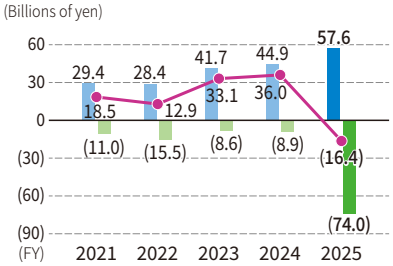


■■ Basic Earnings (Net Income) per Share (left axis) ■■ Dividends per Share (left axis) ●— Dividend Payout Ratio (right axis)

In FY2025, basic earnings per share increased ¥47.99 year on year to ¥320.64, reflecting higher operating profit. The Company's basic policy is to make performance-linked distributions. Under Management Policies (2024-2026), we continue to provide stable shareholder returns, using a dividend payout ratio of 40% or higher as a guideline. For FY2025, the annual dividend was ¥130 per share, up ¥20 year on year (interim: ¥60, year-end: ¥70), for a consolidated dividend payout ratio of 40.5%.

* Includes an additional ¥10 dividend to celebrate the company name change to BIPROGY Inc.

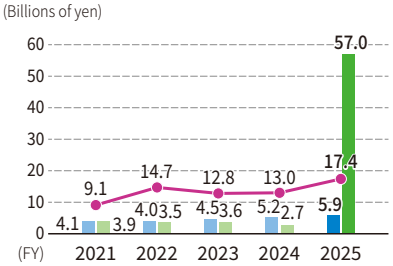
Operating Cash Flows/ Investment Cash Flows/Free Cash Flows



■■ Net Cash Provided by (used in) Operating Activities
■■ Net Cash Provided by (used in) Investing Activities
●— Free Cash Flows

Net cash provided by operating activities increased ¥12.6 billion year on year to ¥57.6 billion, mainly due to an increase in profit before tax. Meanwhile, net cash used in investing activities was ¥74.0 billion, reflecting expenditures associated with making Catalina Marketing Japan a subsidiary, and acquisitions of intangible assets, primarily software for outsourcing.

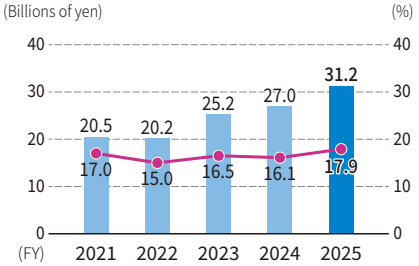
Research and Development Expenses/ Strategic Investments/Capital Expenditures



■■ Research and Development Expenses
■■ Strategic Investments (investment/M&As)
●— Capital Expenditures (tangible/intangible)

Under Management Policies (2024-2026), we are actively pursuing growth investments, including R&D, open innovation investments, and M&A, to enhance corporate value. In FY2025, strategic investments totaled ¥57.0 billion, reflecting investments to expand business in the Retail focus area, including making Catalina Marketing Japan a subsidiary.

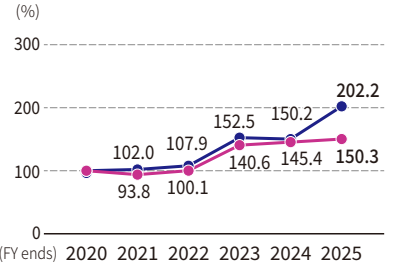
Profit Attributable to Owners of Parent/ROE



■■ Profit Attributable to Owners of Parent (left axis)
●— ROE (right axis)

Profit attributable to owners of parent for FY2025 increased ¥4.2 billion year on year to ¥31.2 billion, reflecting higher operating profit. ROE rose 1.8 percentage points year on year to 17.9%, reflecting the increase in profit.

Total Shareholder Return (TSR)



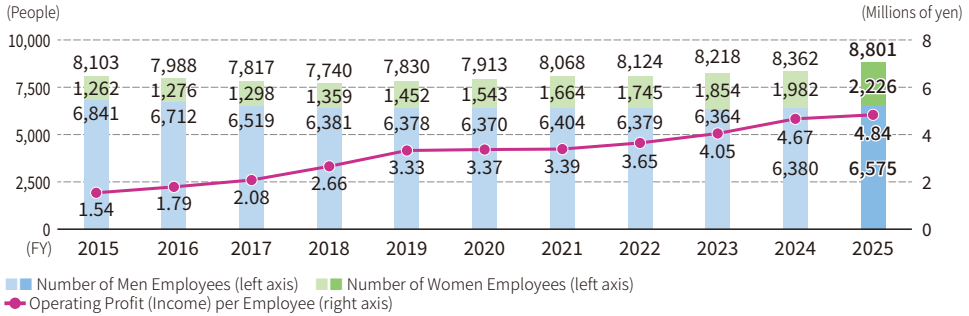
●— BIPROGY
●— TOPIX Total Return Index

In FY2025, total shareholder return (TSR) rose from the previous fiscal year to 150.3%, supported by earnings growth and the higher dividend. Meanwhile, the TOPIX Total Return Index for the same period was 202.2%, and BIPROGY's TSR underperformed it. We will continue to work to enhance corporate value through sustainable profit growth and enhanced shareholder returns.

* Market price based on TSR indexed with closing price on March 31, 2021 (100).

Non-Financial Highlights (BIPROGY Inc. and its consolidated subsidiaries)

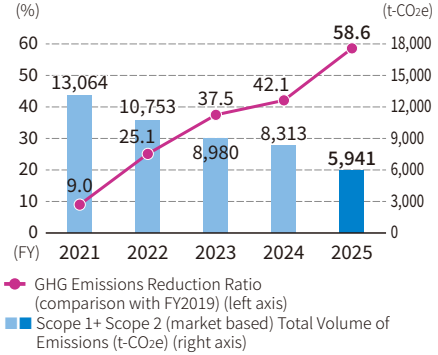
Number of Employees (by Gender)/Operating Profit (Operating Income) per Employee



The BIPROGY Group has long viewed human capital as an important corporate asset and has been working to strengthen its human capital, the source of its competitive advantage, under the material issue "Develop and strengthen human resources to create a new future and promote diversity and inclusion." As a result of these initiatives, operating profit per employee has also steadily increased.

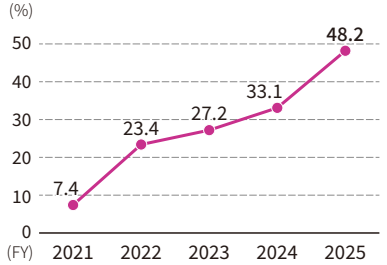
(Note) Up to and including FY2020, our reporting was in accordance with generally accepted accounting principles in Japan (J-GAAP), while the International Financial Reporting Standards (IFRS) have been applied since FY2021.

Reduction Ratio in GHG Emissions / Scope 1 + Scope 2 (Market-based) Total Emissions*1



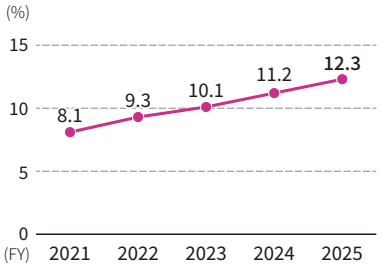
By promoting energy conservation measures and expanding the use of renewable energy, the Group achieved a 58.6% reduction in GHG emissions in FY2025 compared with FY2019 (14,358 t-CO2e), meeting its KPI of at least a 50% reduction. We continue to pursue initiatives to realize a decarbonized society.

Percentage of Purchased Electricity Used at the BIPROGY Group Business Locations that is Renewable Energy Sources*1



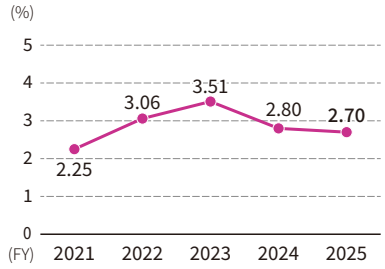
We have progressively increased the amount of renewable energy procured, bringing the procurement rate to 48.2% in FY2025. We will continue to promote renewable energy procurement to reduce the environmental impact of our business activities.

Percentage of Management Positions Held by Women*2



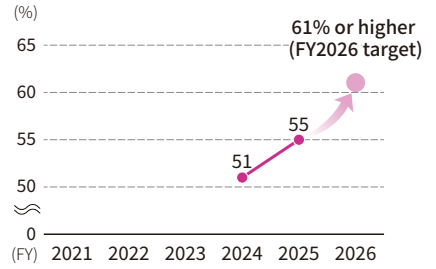
As a result of our continued efforts to promote women's empowerment, women held 12.3% of management positions in FY2025. We are steadily advancing talent development and promotion initiatives to build an organization where diverse employees can fully demonstrate their capabilities.

Turnover Rate*3



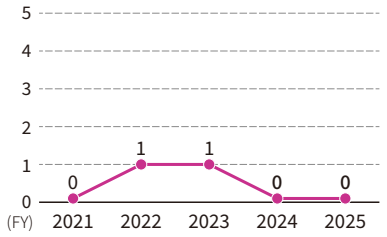
Although the turnover rate rose from FY2022 to FY2023, it has remained low, in the high 2% range, for the past two years as a result of initiatives to create a more comfortable work environment and provide career support. We will continue to enhance employee engagement with the aim of further improving retention.

Average Score on Items Related to Job Satisfaction and Worker-Friendliness in the Engagement Survey*4



As a result of our ongoing initiatives to improve job satisfaction and create a more comfortable work environment, the score reached 55% in FY2025. We will work to further enhance employee engagement to achieve the FY2026 target.

Number of Serious Security Incidents



There were no serious security incidents in FY2025, as a result of thorough information security management and ongoing employee education. We will continue to strengthen our prevention, detection, and response capabilities.

P.69 Information Security

*1 FY2021: BIPROGY Inc. and 25 consolidated companies worldwide excluding investment business limited partnerships (covering 100% of total BIPROGY Group personnel)
FY2022: BIPROGY Inc. and 26 consolidated companies worldwide excluding investment business limited partnerships (covering 100% of total BIPROGY Group personnel)
FY2023: BIPROGY Inc. and 29 consolidated companies worldwide (covering 100% of total BIPROGY Group personnel)
FY2024: BIPROGY Inc. and 32 consolidated companies worldwide (covering 100% of total BIPROGY Group personnel)
FY2025: BIPROGY Inc. and 34 consolidated companies worldwide (covering 100% of total BIPROGY Group personnel)

*2 BIPROGY Inc. and 6 other companies
*3 BIPROGY Inc. and UNIADEX, Ltd.
*4 BIPROGY Inc. and 17 other companies

Business Results Summary (BIPROGY Inc. and its consolidated subsidiaries)

Summary of FY2025 Results

Revenue
¥433.7 billion
Year-on-year change
+¥29.7 billion (+7.3%)

Operating profit
¥42.6 billion
Year-on-year change
+¥3.5 billion (+9.1%)

Profit attributable to owners of parent
¥31.2 billion
Year-on-year change
+¥4.2 billion (+15.7%)

Operating margin
9.8%
Year-on-year change
+0.2 pt

ROE
17.9%
Year-on-year change
+1.8 pt

Consolidated statements of profit or loss

(Billions of yen)

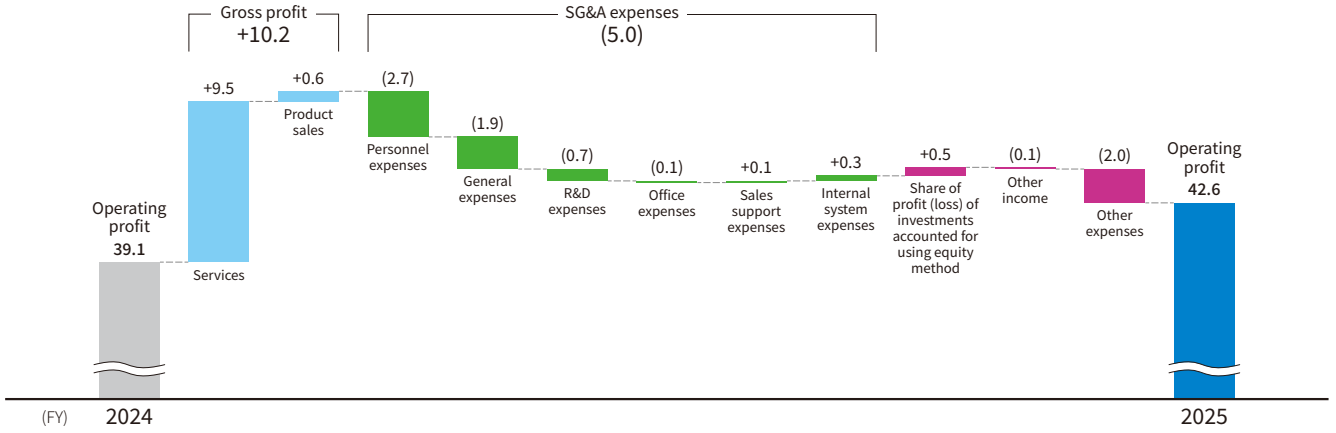
	FY2024 (April 1, 2024 – March 31, 2025)	FY2025 (April 1, 2025 – March 31, 2026)	Year-on-year change
Revenue	404.0	**433.7**	**+29.7 (+7.3%)**
Cost of sales	298.2	**317.7**	**+19.5 (+6.5%)**
Gross profit	105.8	**116.0**	**+10.2 (+9.6%)**
Selling, general and administrative expenses	67.4	**72.4**	**+5.0 (+7.5%)**
Share of profit (loss) of investments accounted for using equity method	0.8	**1.3**	**+0.5 (+56.8%)**
Other income	0.3	**0.3**	**-0.1 (-26.8%)**
Other expenses	0.5	**2.5**	**+2.0 (+375.5%)**
Operating profit	39.1	**42.6**	**+3.5 (+9.1%)**
Finance income	0.5	**1.8**	**+1.3 (+270.2%)**
Finance costs	0.8	**0.6**	**-0.2 (-22.3%)**
Profit before tax	38.8	**43.8**	**+5.1 (+13.0%)**
Income tax expenses	11.5	**12.4**	**+0.8 (+7.2%)**
Profit	27.3	**31.5**	**+4.2 (+15.5%)**
Profit attributable to owners of parent	27.0	**31.2**	**+4.2 (+15.7%)**
Comprehensive income	25.1	**32.3**	**+7.3 (+28.9%)**
Adjusted operating profit	38.4	**43.6**	**+5.1 (+13.4%)**

Revenue increased by ¥29.7 billion year on year to ¥433.7 billion (up 7.3%), driven mainly by growth in services and product sales amid continued customer demand for IT investments. In particular, initiatives in Financial, Retail, Energy, Mobility, and OT Infrastructure focus areas of the core businesses under the Management Policies (2024-2026) progressed steadily.

Although selling, general and administrative expenses increased due to higher personnel expenses, increased investment in future business expansion, and M&A-related expenses, the increase was offset by higher gross profit resulting from revenue growth. Operating profit increased by ¥3.5 billion year on year to ¥42.6 billion (up 9.1%), while profit attributable to owners of parent increased by ¥4.2 billion to ¥31.2 billion (up 15.7%).

Adjusted operating profit, which the Group uses as a performance management indicator, increased by ¥5.1 billion year on year to ¥43.6 billion (up 13.4%).

Analysis of changes in operating profit (Billions of yen)



Conditions by segment

		(Billions of yen)	FY2024	FY2025	Year-on-year change	FY2025 results	Future direction
Services	System Services Provision of contracted software development, SE services, consulting, etc.	Revenue	130.4	**140.8**	↑ +8.0%	Revenue and gross profit increased due to the steady expansion of development projects, particularly for financial institutions, retailers, and electric power companies.	With customer demand for IT investment expected to remain firm, we will seek to further increase revenue and improve profitability by enhancing productivity through the use of AI and other initiatives.
		Gross profit	44.7	**51.1**	↑ +14.3%		
		Gross profit margin	34.3%	**36.3%**	↑ +2.0 pt		
	Support Services Software and hardware maintenance/support services, installation assistance, etc.	Revenue	58.4	**59.9**	↑ +2.7%	Revenue from support services accompanying product sales was driven up in accordance with an increase in product sales. Gross profit, however, decreased partly due to a decline in rebates.	We will work to improve profitability through revenue growth and other initiatives.
		Gross profit	19.4	**19.0**	↓ (2.3%)		
		Gross profit margin	33.3%	**31.6%**	↓ (1.6 pt)		
	Outsourcing Entrusted operation of information systems and service-based businesses, etc.	Revenue	90.6	**97.2**	↑ +7.4%	Revenue and gross profit increased due to the consolidation of Catalina Marketing Japan, an increase in the number of financial institutions newly adopting or using "BankVision," and expansion of operation services, among other factors.	We will seek to expand revenue and improve profitability by expanding service-based businesses in the focus areas of core businesses and in growth businesses, while further improving operational efficiency.
		Gross profit	18.2	**21.4**	↑ +17.1%		
		Gross profit margin	20.1%	**22.0%**	↑ +1.8 pt		
	Other Services Communications network services, electrical installations, educational services, etc.	Revenue	12.1	**12.9**	↑ +6.5%	—	—
		Gross profit	2.9	**3.4**	↑ +16.8%		
		Gross profit margin	23.9%	**26.2%**	↑ +2.3 pt		
Product sales	Software Provision of software under a software license agreement, etc.	Revenue	45.1	**47.4**	↑ +5.2%	Revenue increased due to the recording of large-scale projects for government agencies and the service and manufacturing industries. However, gross profit declined due to a rebound from high-margin projects recorded in Q4 of the previous fiscal year.	We will promote product sales that contribute to customers' DX and develop software as a service.
		Gross profit	9.2	**7.5**	↓ (17.7%)		
		Gross profit margin	20.3%	**15.9%**	↓ (4.4 pt)		
	Hardware Provision of hardware through equipment sales contracts, lease agreements, etc.	Revenue	67.4	**75.3**	↑ +11.7%	Revenue and gross profit increased due to the recording of large-scale projects for government agencies and a research institution. Demand for AI- and network-related infrastructure enhancement has continued.	Driven by continued strong IT investment demand, we will capture demand for DX- and AI-related infrastructure and expand product sales.
		Gross profit	11.4	**13.6**	↑ +19.9%		
		Gross profit margin	16.9%	**18.1%**	↑ +1.2 pt		
Total		Revenue	404.0	**433.7**	↑ +7.3%		
		Gross profit	105.8	**116.0**	↑ +9.6%		
		Gross profit margin	26.2%	**26.7%**	↑ +0.6 pt		

Consolidated statements of financial position

(Billions of yen)

	FY2024 (As of March 31, 2025)	FY2025 (As of March 31, 2026)	Versus end of last FY
Assets			
Current assets	196.8	**178.1**	**(18.7)**
Non-current assets	134.1	**202.6**	**+68.5**
Total assets	330.9	**380.7**	**+49.8**
Liabilities			
Current liabilities	122.6	**161.1**	**+38.4**
Non-current liabilities	36.9	**38.5**	**+1.6**
Total liabilities	159.6	**199.6**	**+40.0**
Equity			
Total equity attributable to owners of parent	169.1	**179.0**	**+9.9**
Non-controlling interests	2.2	**2.1**	**(0.2)**
Total equity	171.3	**181.1**	**+9.8**
Total liabilities and equity	330.9	**380.7**	**+49.8**

Consolidated statements of cash flows

(Billions of yen)

	FY2024 (April 1, 2024 – March 31, 2025)	FY2025 (April 1, 2025 – March 31, 2026)	Year-on-year change
Net cash provided by (used in) operating activities	44.9	**57.6**	**+12.6**
Net cash provided by (used in) investing activities	(8.9)	**(74.0)**	**(65.1)**
Free cash flows	36.0	**(16.4)**	**(52.4)**
Net cash provided by (used in) financing activities	(30.6)	**(1.5)**	**+29.1**
Effect of exchange rate changes on cash and cash equivalents	0.2	**0.2**	**+0**
Net increase (decrease) in cash and cash equivalents	5.5	**(17.8)**	**(23.3)**
Cash and cash equivalents at end of period	64.8	**47.0**	**(17.8)**

11-Year Financial Summary (BIPROGY Inc. and its consolidated subsidiaries)

(Millions of yen)

		Mid-Term Management Plan (FY2015–FY2017)			Mid-Term Management Plan (FY2018–FY2020)		
J-GAAP		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Fiscal Year							
Net sales		278,039	282,249	286,977	299,029	311,554	309,685
Cost of sales		213,428	215,521	218,174	225,859	231,754	228,605
Gross profit		64,610	66,727	68,803	73,169	79,799	81,079
Selling, general and administrative expenses		52,085	52,413	52,470	52,547	53,659	54,354
Operating income		12,525	14,314	16,332	20,622	26,139	26,724
Net income attributable to owners of the parent		8,920	10,261	11,949	14,238	18,182	17,076
Capital expenditures		11,631	14,781	11,473	8,183	10,336	12,038
Depreciation and amortization		9,488	9,315	10,363	11,653	11,161	10,999
Research and development costs		4,036	3,454	2,998	3,958	4,512	4,952
Net cash provided by (used in) operating activities		10,989	29,922	26,956	27,438	27,539	31,933
Net cash provided by (used in) investing activities		(10,565)	(15,906)	(13,227)	(10,586)	(13,259)	(11,206)
Free cash flows		424	14,015	13,728	16,852	14,280	20,726
Net cash provided by (used in) financing activities		(8,186)	(11,756)	(12,977)	(8,226)	(8,202)	(8,177)
Orders		279,415	281,394	296,956	304,874	315,626	322,268
By Segment							
System services	Net sales	89,829	89,607	90,509	95,972	102,919	93,572
	Gross profit	23,834	23,490	23,960	27,356	31,722	29,130
	Gross profit margin	26.5%	26.2%	26.5%	28.5%	30.8%	31.1%
Support services	Net sales	55,362	54,074	52,821	53,578	55,022	53,037
	Gross profit	14,848	15,015	15,122	15,289	16,186	16,337
	Gross profit margin	26.8%	27.8%	28.6%	28.5%	29.4%	30.8%
Outsourcing	Net sales	40,496	45,926	48,017	51,148	55,183	60,595
	Gross profit	8,797	10,633	10,765	11,993	13,966	17,390
	Gross profit margin	21.7%	23.2%	22.4%	23.4%	25.3%	28.7%
Other services	Net sales	8,474	8,807	8,428	9,776	9,387	11,546
	Gross profit	2,389	2,116	2,038	2,157	2,139	2,456
	Gross profit margin	28.2%	24.0%	24.2%	22.1%	22.8%	21.3%
Software	Net sales	30,003	29,733	33,103	33,877	33,943	33,287
	Gross profit	7,358	7,024	8,965	7,239	6,774	7,030
	Gross profit margin	24.5%	23.6%	27.1%	21.4%	20.0%	21.1%
Hardware	Net sales	53,873	54,099	54,097	54,677	55,098	57,647
	Gross profit	7,381	8,447	7,950	9,133	9,011	8,733
	Gross profit margin	13.7%	15.6%	14.7%	16.7%	16.4%	15.2%
Total	Net sales	278,039	282,249	286,977	299,029	311,554	309,685
	Gross profit	64,610	66,727	68,803	73,169	79,799	81,079
	Gross profit margin	23.2%	23.6%	24.0%	24.5%	25.6%	26.2%

(Millions of yen)

		Management Policies (FY2021–FY2023)			Management Policies (FY2024–FY2026)	
IFRS		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Fiscal Year							
Revenue		308,426	317,600	339,898	370,142	404,010	**433,686**
Cost of sales		229,209	234,462	250,547	272,968	298,179	**317,677**
Gross profit		79,217	83,138	89,350	97,173	105,831	**116,009**
Selling, general and administrative expenses		54,023	56,466	59,955	63,360	67,410	**72,441**
Operating profit		24,624	27,425	29,673	33,287	39,066	**42,604**
Profit attributable to owners of parent		16,639	20,490	20,203	25,246	26,965	**31,209**
Capital expenditures (tangible/intangible)		11,694	9,091	14,720	12,770	12,996	**17,398**
Depreciation and amortization (tangible/intangible)		10,196	9,394	9,101	10,411	10,516	**10,688**
Research and development expenses		4,952	4,121	3,953	4,534	5,226	**5,887**
Net cash provided by (used in) operating activities		40,567	29,435	28,419	41,693	44,916	**57,566**
Net cash provided by (used in) investing activities		(11,583)	(10,957)	(15,537)	(8,550)	(8,926)	**(73,978)**
Free cash flows		28,983	18,477	12,882	33,142	35,989	**(16,412)**
Net cash provided by (used in) financing activities		(16,301)	(16,118)	(18,043)	(17,621)	(30,613)	**(1,512)**
Orders		324,285	326,961	362,094	386,104	404,004	**445,762**
By Segment							
System services	Revenue	94,147	103,101	115,726	127,039	130,433	**140,845**
	Gross profit	28,886	32,629	39,603	44,137	44,746	**51,127**
	Gross profit margin	30.7%	31.6%	34.2%	34.7%	34.3%	**36.3%**
Support services	Revenue	53,264	51,537	52,401	54,881	58,355	**59,942**
	Gross profit	16,583	16,218	16,079	16,743	19,405	**18,953**
	Gross profit margin	31.1%	31.5%	30.7%	30.5%	33.3%	**31.6%**
Outsourcing	Revenue	59,547	63,437	66,730	76,582	90,583	**97,245**
	Gross profit	16,271	17,298	17,039	16,908	18,230	**21,353**
	Gross profit margin	27.3%	27.3%	25.5%	22.1%	20.1%	**22.0%**
Other services	Revenue	11,635	10,275	10,963	12,836	12,149	**12,944**
	Gross profit	2,461	2,258	2,485	2,986	2,904	**3,393**
	Gross profit margin	21.2%	22.0%	22.7%	23.3%	23.9%	**26.2%**
Software	Revenue	32,341	34,089	37,410	38,330	45,087	**47,444**
	Gross profit	6,366	5,255	5,097	5,853	9,166	**7,542**
	Gross profit margin	19.7%	15.4%	13.6%	15.3%	20.3%	**15.9%**
Hardware	Revenue	57,490	55,158	56,665	60,471	67,401	**75,264**
	Gross profit	8,647	9,476	9,043	10,544	11,377	**13,638**
	Gross profit margin	15.0%	17.2%	16.0%	17.4%	16.9%	**18.1%**
Total	Revenue	308,426	317,600	339,898	370,142	404,010	**433,686**
	Gross profit	79,217	83,138	89,350	97,173	105,831	**116,009**
	Gross profit margin	25.7%	26.2%	26.3%	26.3%	26.2%	**26.7%**

(Millions of yen)

	Mid-Term Management Plan (FY2015–FY2017)			Mid-Term Management Plan (FY2018–FY2020)		
J-GAAP	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Fiscal Year-End						
Total assets	193,094	192,694	197,278	211,421	214,975	231,980
Total equity	91,213	90,772	104,674	116,615	122,598	136,887
Net interest-bearing debts	22,020	21,003	10,529	(3,375)	(11,020)	(22,815)
Shareholders' equity	90,374	89,918	103,001	114,638	120,473	134,632
Order Backlogs	211,594	210,739	220,719	226,564	230,636	243,219
Per Share Information						
Basic net income per share (Yen)	93.71	96.49	119.12	141.90	181.19	170.13
Diluted earnings per share (Yen)	82.33	96.05	118.69	141.40	180.53	169.52
Net assets per share (Yen)	847.51	896.39	1,026.72	1,142.41	1,200.32	1,341.04
Cash dividends per share (Yen)	30.00	35.00	40.00	55.00	70.00	70.00
Stock Information						
PER (Times)	15.9	15.8	19.3	20.7	16.0	20.0
PBR (Times)	1.76	1.70	2.23	2.57	2.41	2.54
Stock price information (FY ends) (Yen)	1,491	1,520	2,294	2,932	2,893	3,410
Other Information						
Dividend payout ratio (%)	32.0	36.3	33.6	38.8	38.6	41.1
Operating margin (%)	4.5	5.1	5.7	6.9	8.4	8.6
Ordinary income to total assets (ROA) (%)	6.2	7.2	8.3	10.0	12.5	11.9
Return on equity (ROE) (%)	10.5	11.4	12.4	13.1	15.5	13.4
Equity ratio (%)	46.8	46.7	52.2	54.2	56.0	58.0
Net debt-to-equity ratio (Times)	0.24	0.23	0.10	(0.03)	(0.09)	(0.17)
Operating income per employee	1.54	1.79	2.08	2.66	3.33	3.37

(Millions of yen)

		Management Policies (FY2021–FY2023)			Management Policies (FY2024–FY2026)	
IFRS	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Fiscal Year-End						
Total assets	254,035	268,647	280,396	314,219	330,876	**380,669**
Total equity	113,986	130,674	141,597	168,314	171,297	**181,059**
Net interest-bearing debts	1,150	(6,862)	(5,640)	(23,718)	(22,200)	**28,605**
Equity attributable to owners of parent	112,271	128,917	139,887	166,423	169,050	**178,988**
Order Backlogs	242,429	251,684	273,880	289,842	289,836	**301,912**
Per Share Information						
Basic earnings per share (Yen)	165.78	204.04	201.06	251.15	272.65	**320.64**
Diluted earnings per share (Yen)	165.18	203.38	200.48	250.47	272.03	**320.03**
Owners' equity per share (Yen)	1,118.31	1,283.45	1,391.89	1,654.93	1,721.81	**1,853.33**
Dividends per share (Yen)	70.00	85.00	80.00	100.00	110.00	**130.00**
Stock Information						
PER (Times)	20.6	15.3	16.2	18.0	16.8	**14.4**
PBR (Times)	3.05	2.43	2.33	2.74	2.66	**2.49**
Stock price information (FY ends) (Yen)	3,410	3,115	3,250	4,531	4,583	**4,620**
Other Information						
Dividend payout ratio (%)	42.2	41.7	39.8	39.8	40.3	**40.5**
Operating margin (%)	8.0	8.6	8.7	9.0	9.7	**9.8**
Profit before tax to total assets (ROA) (%)	9.9	11.3	10.9	11.5	12.0	**12.3**
Return on equity attributable to owners of parent (ROE) (%)	15.5	17.0	15.0	16.5	16.1	**17.9**
Ratio of equity attributable to owners of parent to total assets (%)	44.2	48.0	49.9	53.0	51.1	**47.0**
Net debt-to-equity ratio (Times)	0.01	(0.05)	(0.04)	(0.14)	(0.13)	**0.16**
Operating profit per employee	3.08	3.39	3.65	4.05	4.67	**4.84**

[Reference] "TANKAN (National Short-Term Economic Survey of Enterprises in Japan)," Amounts of Investment in Software

(Year-on-year change, %)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Manufacturing	3.9	(5.1)	6.3	6.1	14.7	(5.9)	9.7	16.2	11.3	7.2	**5.1**
Non-manufacturing	0.0	5.6	7.5	3.6	8.4	(6.4)	6.4	9.1	9.3	2.7	**8.8**
All industries	1.2	2.1	7.1	4.3	10.3	(6.2)	7.6	11.5	10.0	4.2	**7.5**
Financial institutions	32.4	8.8	11.2	(9.8)	10.0	(10.2)	1.0	21.0	17.8	2.7	**12.3**
All industries including Financial institutions	7.8	3.9	8.5	(0.4)	10.2	(7.4)	5.4	14.5	12.2	3.7	**8.9**
Holding companies, etc.	-	-	-	-	(4.9)	(5.5)	8.8	11.9	0.0	(4.3)	**16.5**
All industries including Financial institutions and Holding companies, etc.	-	-	-	-	9.7	(7.3)	5.6	14.3	11.5	3.4	**9.2**

Source: Bank of Japan

ESG Data

Environment

Material Issues

- **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**
- **Sustainably procure and provide safe, secure products and services throughout the entire value chain**

KPIs in bold relate to Material Issues

(FY)	2021	2022	2023	2024	2025
Total energy consumption (kL)[1]	7,836	7,608	7,189	6,553	5,089
Purchased electricity (kWh)	27,229,042	25,835,293	24,502,085	22,233,799	19,430,976
Purchased electricity from renewable energy sources (included in the above purchased electricity) (kWh)	2,025,840	6,041,212	6,656,421	7,361,146	9,366,595
Percentage of purchased electricity derived from renewable energy sources (%)	**7.4**	**23.4**	**27.2**	**33.1**	**48.2**
Scope 1 and 2 GHG emissions[1, 2]					
Scope 1 GHG emissions (t-CO_2e)	1,470	1,406	1,257	1,326	1,089
Scope 2 GHG emissions (Location-based) (t-CO_2e)	13,442	12,370	11,571	9,793	8,587
Scope 2 GHG emissions (Market-based) (t-CO_2e)	11,593	9,347	7,723	6,988	4,852
Scope 1 + Scope 2 (Market-based) total emissions (t-CO_2e)[1]	**13,064**	**10,753**	**8,980**	**8,313**	**5,941**
Scope 3 GHG emissions (t-CO_2e)[1, 3]	632,737	615,597	522,816	653,390	730,928
Category 1 Purchased goods and services	**251,490**	**229,242**	**287,512**	**320,442**	**351,538**
Category 2 Capital goods	20,684	33,493	29,056	29,570	39,589
Category 3 Fuel and energy related activities not included in Scope 1 or Scope 2	2,276	2,330	2,252	2,082	1,822
Category 4 Transportation and delivery (upstream)	1,785	3,141	5,868	3,096	2,891
Category 5 Waste generated in operations	31	31	44	96	89
Category 6 Business travel	2,570	4,367	4,770	5,190	5,453
Category 7 Employee commuting	1,028	1,211	1,450	1,545	1,597
Category 8 Leased assets (upstream)	NA	NA	NA	NA	NA
Category 9 Transportation and delivery (downstream)	NA	NA	NA	NA	NA
Category 10 Processing of sold products	NA	NA	NA	NA	NA
Category 11 Use of sold products	**352,767**	**341,618**	**191,766**	**291,214**	**327,850**
Category 12 End-of-life treatment of sold products	105	165	97	156	99
Category 13 Leased assets (downstream)	NA	NA	NA	NA	NA
Category 14 Franchises	NA	NA	NA	NA	NA
Category 15 Investments	NA	NA	NA	NA	NA
Paper used (kg)[1]	25,696	23,698	23,650	20,338	10,422
Waste emissions (t)[4]	649	339	386	435	466
Water withdrawal (m^3)[1, 5]	—	—	—	50,093	46,255
Water discharge (m^3)[1, 5]	—	—	—	48,847	46,255
Water used (m^3)[1, 5]	49,477	53,007	51,342	—	—
Water consumption (m^3)[1, 5]	—	—	—	1,247	0

Scope of calculation

Figures shown have been rounded off to the nearest whole number.

1 FY2021: BIPROGY Inc. and 25 consolidated companies worldwide excluding investment business limited partnerships (covering 100% of total BIPROGY Group personnel)
FY2022: BIPROGY Inc. and 26 consolidated companies worldwide excluding investment business limited partnerships (covering 100% of total BIPROGY Group personnel)
FY2023: BIPROGY Inc. and 29 consolidated companies worldwide (covering 100% of total BIPROGY Group personnel)
FY2024: BIPROGY Inc. and 32 consolidated companies worldwide (covering 100% of total BIPROGY Group personnel)
FY2025: BIPROGY Inc. and 34 consolidated companies worldwide (covering 100% of total BIPROGY Group personnel)

2 Starting in FY2021, calculations are based on the GHG Protocol. Location-based and market-based Scope 2 emissions are defined in the GHG Protocol Scope 2 Guidance 2015.

3 Scope 3 emissions calculated starting in FY2021. Category 8 under Scope 3 emissions is included in Scopes 1 and 2, Category 9 is included in Category 4. Categories 13 and 15 are excluded from the calculation due to their small percentage of the total. Categories 10 and 14 are not applicable to the Group's business activities.

4 FY2021: BIPROGY Inc. and 25 consolidated companies worldwide excluding investment business limited partnerships
FY2022: BIPROGY Inc. and 26 consolidated companies worldwide excluding investment business limited partnerships
FY2023: BIPROGY Inc. and 21 consolidated companies in Japan
FY2024: BIPROGY Inc. and 19 consolidated companies in Japan
FY2025: BIPROGY Inc. and 20 consolidated companies in Japan

5 Until FY2023, water withdrawal was disclosed as water use. Starting in FY2024, we disclose water consumption as the difference between water withdrawal and water discharge.

Social

Material Issues

- **Develop and strengthen human resources to create a new future and promote diversity and inclusion**
- **Sustainably procure and provide safe, secure products and services throughout the entire value chain**

KPIs in bold relate to Material Issues

(FY)	2021	2022	2023	2024	2025
Employment, diversity, and working hours					
Number of employees (Consolidated)	8,068	8,124	8,218	8,362	8,801
Japan	7,720	7,759	7,781	7,864	8,308
Asia	336	353	423	483	485
Americas	12	12	14	15	8
Europe	0	0	0	0	0
Average years of continuous employment (years)[6]	21.0	20.9	21.0	20.8	20.4
Men	21.8	22.0	22.2	22.2	22.0
Women	17.8	17.1	17.0	16.4	15.6
Average age[6]	46.1	46.3	46.4	46.4	46.3
Paid leave utilization rate (%)[7]	82.54	85.15	85.81	85.67	85.93
Percentage of employees with disabilities (%)[8]	**2.62**	**2.84**	**2.89**	**2.98**	**3.09**
Percentage of management positions held by women (%)[9]	**8.1**	**9.3**	**10.1**	**11.2**	**12.3**
Percentage of woman employees (%)	20.6	21.5	22.6	23.7	25.3
Number of new graduate hires[10]	248	205	223	256	266
Men	127	105	117	139	153
Women	121	100	106	117	113
Number of mid-career hires	105	208	220	200	226
Men	89	150	154	154	152
Women	16	58	66	46	74
Average annual salary (yen)[6]	8,100,039	8,163,349	8,502,857	8,462,098	8,846,208
Gender pay gap (%)[11]	—	76.3	76.6	78.2	79.5
Employee turnover rate (%)[7]	2.25	3.06	3.51	2.80	2.70
Average monthly overtime hours worked per employee (hours/month)[7]	16.3	17.3	17.5	16.6	16.9
Average score on items related to job satisfaction and worker-friendliness in the engagement survey (%)[12]	—	—	—	**51**	**55**
Absenteeism rate (%)[7]	0.21	0.23	0.21	0.22	0.27
Work-life balance					
Percentage of employees returning to work after childcare leave (%)[7]	98	99	100	100	100
Percentage of eligible people taking childcare leave (Men) (%)[13]	30.1	48.7	49.5	62.7	66.0
Number of employees taking paid leave for nursing care[7]	501	515	464	353	316
Development of Human Capital					
Human capital investment (billion yen)[14]	—	—	4.1	4.5	5.2
Other					
Online uptime rate (%)[7]	99.999	99.998	99.999	99.999	99.998
Number of occupational accidents[15]	12	6	12	20	22

Scope of calculation

6 BIPROGY Inc. on a non-consolidated basis

7 BIPROGY Inc. and UNIADEX, Ltd.

8 Through FY2023: BIPROGY Inc. and 6 other companies; from FY2024 onward: BIPROGY Inc. and 7 other companies.

9 BIPROGY Inc. and 6 other companies

10 BIPROGY Inc. and 8 other companies

11 BIPROGY Inc. and 6 other companies

12 BIPROGY Inc. and 17 other companies.

13 For FY2021 and before, BIPROGY Inc. and UNIADEX, Ltd. For FY2022 and after, BIPROGY Inc. and 5 other companies.

14 This was recalculated after adding recruiting expenses and health management-related expenses in addition to traditional development expenses in line with the human resource strategy included in Management Policies (2024-2026).

15 BIPROGY Inc., UNIADEX, Ltd. and UEL Corporation

Governance

Material Issues

- **Further improve corporate governance and integrity**

KPIs in bold relate to Material Issues

(FY)	2021	2022	2023	2024	2025
Board of Directors ratio of independent outside directors (%)	50.0	50.0	50.0	55.6	55.6
Board of Directors ratio of women directors (%)	22.2	25.0	25.0	25.0	33.3
Audit & Supervisory Board ratio of independent outside auditors (%)	60.0	60.0	60.0	60.0	75.0
Dividend payout ratio (%)	41.7	39.8	39.8	40.3	40.5
ROE (%)	17.0	15.0	16.5	16.1	17.9
Number of serious security incidents[16]	**0**	**1**	**1**	**0**	**0**

Scope of calculation
16 BIPROGY Inc. and its consolidated subsidiaries

Participation in Major International Initiatives, Acquisition of Third-Party Certifications

- UN Global Compact
- Task Force on Climate-related Financial Disclosures (TCFD)
- Taskforce on Nature-related Financial Disclosures (TNFD)
- RE100
- Science Based Targets initiative
- Women's Empowerment Principles (WEPs)

- ISO 14001
- JIS Q 27001:2025 / ISO/IEC 27001:2022+Amd 1:2024
- ISO 9001
- Privacy Mark certification
- DX Certification

Sustainability Initiatives (Japanese only)
https://www.biprogy.com/sustainability/

Third-Party Assurance

The following data has been subject to independent third-party assurance to enhance the reliability of the reported data.

Environmental Data (FY2025)

- Amount of Scope 1 GHG emissions (t-CO_2e)
- Amount of Scope 2 GHG emissions (t-CO_2e), Location-based and Market-based
- Amount of Scope 3 GHG emissions (t-CO_2e) Categories 1-15
- Amount of total energy consumption (GJ, MWh, kL)
- Percentage of purchased electricity derived from renewable energy sources (%)
- Amount of energy used (city gas (m^3), heavy fuel oil A (kL), gasoline (kL), LPG (m^3), hot water (GJ), cold water (GJ), steam (GJ))
- Amount of water withdrawal (m^3)
- Amount of water discharge (m^3)
- Amount of waste emissions (recycled, landfilled, incinerated, and other) (t)
- Amount of paper used (kg)

LRQA Independent Assurance Statement
Environment https://sustainability-cms-biprogy-s3.s3.amazonaws.com/pdf/IAS_2026_Environment_en.pdf

Social Data (FY2025)

- Percentage of employees with disabilities (%)
- Employee turnover rate (%)
- Percentage of management positions held by women (%)
- Number of employees
- Average age
- Average years of continuous employment
- Average annual salary (yen)
- Year-on-year change in average annual salary (%)
- Percentage of eligible people taking childcare leave (men) (%)
- Gender pay gap (%)
- Absenteeism rate (%)

LRQA Independent Assurance Statement
Social https://sustainability-cms-biprogy-s3.s3.amazonaws.com/pdf/IAS_2026_Social_en.pdf

External Evaluations/Statement of Responsibility

External Evaluations

Based on business activities that take into consideration the environment, society, and governance, which are the foundation for sustainable growth, the Group earnestly works to solve various social issues and aims to increase corporate value by creating value through contributions to the development of a sustainable society. Our various initiatives have undergone the following evaluations by external parties.

The Sustainability Yearbook Member 2025

MSCI ESG Rating

MSCI ESG Ratings: AAA

CDP2025

PRIDE Index 2025

2026 Certified Health & Productivity Management Outstanding Organization

Platinum Kurumin certification

Eruboshi certification

Nadeshiko Brand

D&I Award 2025 “Best Workplace”

Inclusion in ESG Indexes

FTSE4Good Index Series

FTSE JPX Blossom Japan Index

FTSE JPX Blossom Japan Sector Relative Index

2026 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

MSCI Japan ESG Select Leaders Index

2026 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

MSCI Japan Empowering Women Index (WIN)

Morningstar Japan ex-REIT Gender Diversity Tilt Index

S&P/JPX Carbon Efficient Index

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Statement of Responsibility



Corporate Officer, CFO
Yasuhiro Imai

The BIPROGY Group publishes its integrated report to help stakeholders deepen their understanding of the Group’s initiatives to enhance corporate value over the medium to long term. In preparing this report, we have worked to enhance our disclosures, taking into account feedback from readers, including shareholders and investors, so that we can communicate the Group’s value creation process and growth strategies more clearly.

This report sets out our approach to value creation rooted in our Purpose, the growth strategies based on the Management Policies (2024-2026), and our financial and non-financial initiatives and their progress. We consolidate information in coordination with relevant internal departments and, based on discussions at the Sustainability Committee and Executive Council, work to enhance the content and ensure its reliability. In addition, we improve the transparency of the report by obtaining independent third-party assurance for key non-financial information. As the officer responsible for preparing this integrated report, I attest that the editorial policy and preparation process for this report are appropriate.

I hope this report will help deepen your understanding of the Group and lead to constructive dialogue with you.

Corporate Information (As of March 31, 2026)

Corporate Data

Company Name	BIPROGY Inc.
Established	March 29, 1958
Paid-in Capital	¥5,483.17 million
Description of Business	Services business including cloud computing and out-sourcing; computer and network system sales/rentals; software development and sales; system-related services
Number of Employees	8,801 (consolidated)
Independent Auditor	Deloitte Touche Tohmatsu LLC
Business Offices	Corporate Headquarters: 1-1-1 Toyosu, Koto-ku, Tokyo 135-8560, Japan Regional Headquarters: Kansai (Osaka), Chubu (Nagoya), and Kyushu (Fukuoka) Regional Offices: Hokkaido (Sapporo), Tohoku (Sendai), Niigata (Niigata), Hokuriku (Kanazawa), Shizuoka (Shizuoka), and Chugoku (Hiroshima) Other Locations: Sapporo Techno-Center, and Izu Executive Center

Number of consolidated subsidiaries 34

Marketing, Business Development and Consulting

UEL Corporation
UEL (Thailand) Co., Ltd.
Cambridge Technology Partners, Ltd.
Cambridge Technology Partners Inc.
AFAS Inc.
Canal Ventures, Ltd.
Canal Ventures Collaboration 1 Limited Partnership
CVCF2 Limited Partnership
Axxis Consulting (S) Pte. Ltd.
Axxis Technologies (S) Pte. Ltd.
Axxis Consulting (M) Sdn. Bhd.
AFON IT Pte. Ltd.
AFON Systems Pte. Ltd.
AFON Technologies Pte. Ltd.
Nexus System Resources Holdings Co., Ltd.
Nexus System Resources Co., Ltd.
iByte Solutions Sdn. Bhd.
Emellience Partners, Inc.
Green Digital & Innovation Inc.
V-Drive Technologies Inc.
BIPROGY and Translink Sustainability & Innovation Fund, L.P.
Mattrz, Inc.
Catalina Marketing Japan K.K.
BCF1 Limited Partnership

Total Infrastructure Services

UNIADEX, Ltd.
Netmarks Information Technology (Shanghai) Co., Ltd.
S&I Co., Ltd.

System Services

International Systems Development Co., Ltd.
G&U System Service, Ltd.
USOL VIETNAM Co., Ltd.
UNIAID Co., Ltd.
BIPROGY CHALLENGED Inc.

Outsourcing

TRADE Vision, Ltd.

Group Services

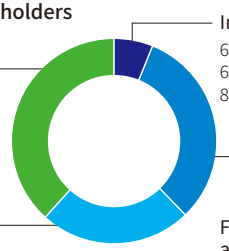
BIPROGY USA, Inc.

Number of equity method affiliates 11

Stock Information

Number of shares issued	98,959,624 shares
Number of shareholders	9,313 shareholders
Stock exchange listings	Tokyo Stock Exchange, Prime Market (Stock code: 8056)

Classification of Shareholders



Individuals and others
6.25%
6,180,416 shares
8,764 shareholders

Foreign corporations and individuals
38.30%
37,901,965 shares
391 shareholders

Other domestic corporations (including treasury shares)
23.76%
23,513,137 shares
76 shareholders

Financial institutions and securities companies
31.69%
31,364,106 shares
82 shareholders

Principal Shareholders

Name	Number of shares held (Thousands of shares)	Holding ratio (%)
Dai Nippon Printing Co., Ltd.	20,727	21.44
The Master Trust Bank of Japan, Ltd. (Trust Account)	11,106	11.49
Custody Bank of Japan, Ltd. (Trust Account)	10,882	11.26
THE BANK OF NEW YORK MELLON 140044	2,139	2.21
JPMorgan Securities Japan Co., Ltd.	1,940	2.00
JP MORGAN CHASE BANK 385781	1,904	1.97
STATE STREET BANK AND TRUST COMPANY 505001	1,768	1.82
STATE STREET BANK AND TRUST COMPANY 505103	1,742	1.80
STATE STREET BANK AND TRUST COMPANY 505301	1,686	1.74
Custody Bank of Japan, Ltd. (Trust Account 4)	1,502	1.55

(Notes) 1. Number of shares less than one thousand has been omitted.
2. The Company retains 2,312,639 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.

BIPROGY Inc.

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Finance Department
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