

Note: This is an English translation of the Notice of the 79th Ordinary General Meeting of Shareholders of BIPROGY Inc. prepared for readers' convenience. Should there be any inconsistency between this translation and the original Japanese text, the latter shall prevail.

Securities code: 8056
June 6, 2023

Dear Shareholders:

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

NOTICE OF THE 79th ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby notify you of the 79th Ordinary General Meeting of Shareholders (the “Meeting”) of BIPROGY Inc. (the “Company”). The meeting will be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (information for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the Company’s website. Please access the Company’s website by using the internet address shown below to review the information.

< The Company’s Website >

<https://pr.biprogy.com/invest-j/stock/meeting.html> (in Japanese only)

Also, the measures for electronic provision are posted on the PRONEXUS Inc. website, which can be found below.

< PRONEXUS Inc’s Website >

<https://d.sokai.jp/8056/teiji/> (in Japanese only)

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or by an electromagnetic means (such as the internet) in advance as described below. Please study the “Reference Documents for Shareholders Meeting” and exercise your voting rights by **5:30 p.m. on Tuesday, June 27, 2023 (Japan Standard Time)**.

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

Livestreaming is for viewing only and exercising voting rights and/or making questions/comments/motions, etc., are not accepted on the live streaming website. Please refer to the back cover of the paper Notice about the livestreaming service and how we collect questions prior to the Meeting.

[Posting the Video after the Meeting]

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

<https://pr.biprogy.com/invest-j/stock/meeting.html> (in Japanese only)

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

[Results of passed resolutions]

The results of the resolutions for this General Meeting will be posted on the Company's website below in lieu of the conventional mailing of a notice of resolution.

<https://pr.biprogy.com/invest-j/stock/meeting.html> (in Japanese only)

To Shareholders visiting the Meeting place

- Please submit your voting right exercise form at the reception of the Meeting if you visit the Meeting place on the date of the Meeting to attend the Meeting.
- We will livestream the Meeting. We plan to shoot a livestreaming video in the Meeting room from the back of the venue. Despite our consideration for the privacy of shareholders in attendance, images of some shareholders may unavoidably appear in the live-stream video footage. Also, remarks delivered by shareholders in attendance will be livestreamed.

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

<https://pr.biprogy.com/invest-j/stock/meeting.html> (in Japanese only)

• Meeting Details

1. Date and Time: Wednesday June 28, 2023 at 10:00 a.m. (doors open from 9:00 a.m.)
(Japan Standard Time)

2. Venue: Main Office building meeting room on the 29th floor
1-1, Toyosu 1-chome, Koto-ku, Tokyo

3. Purpose:

Items to be reported:

1. Business Report, Consolidated Financial Statements and Reports of Audit on the Consolidated Financial Statements by Accounting Auditor and the Audit & Supervisory Board for the 79th fiscal year (from April 1, 2022 to March 31, 2023)
2. Non-Consolidated Financial Statements for the 79th fiscal year (from April 1, 2022 to March 31, 2023)

Items to be resolved:

- Proposal 1: Appropriation of Surplus
Proposal 2: Election of Eight (8) Directors

4. Notes Regarding the Handling of Votes:

- (1) If there is no indication of either approval or disapproval for any proposal on the voting right exercise form, you will be deemed to have approved the proposal and your vote will be counted accordingly.
- (2) If you cast multiple votes by using both the voting right exercise form and via the Internet, the Internet vote will be deemed valid.
- (3) If you have exercised your voting rights more than once via the Internet, the last exercise will be deemed valid.

Notes: Exercise of Voting Rights

- (1) Exercise of voting rights by voting right exercise form:
Please exercise your voting rights by stating whether you are for or against the agenda items on the voting right exercise form and send it back to us so that it reaches us by Tuesday, June 27, 2023 at 5:30 p.m. (Japan Standard Time).
 - (2) Exercise of voting rights via the Internet, etc.:
Please access the website that has been designated by the Company for exercising voting rights by either method described below and indicate your approval or disapproval in accordance with the instructions on the screen.
Deadline for exercising voting rights: Received by 5:30 p.m., Tuesday June 27, 2023
- Exercising your voting rights using your smartphone, etc.;
 - 1) Read the QR code printed on the Voting Rights Exercise Form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
 - 2) Tap the “議決権行使へ(To exercise voting rights)” button from the initial page of the 株主総会ポータル(Shareholder’s Meeting Portal).
 - 3) The initial page of the スマート行使®(Smart Voting) website will be displayed.
Then, indicate your approval or disapproval in accordance with the instructions on the screen.
- Exercising your voting rights using your PC, etc.;
 - Access the website by entering the login ID and password printed on your Voting Rights Exercise Form at the URL presented below. After logging in, indicate your approval or disapproval in accordance with the instructions on the screen.

株主総会ポータル(Shareholder’s Meeting Portal) URL
<https://www.soukai-portal.net> (in Japanese only)

Please continue to utilize the website for exercising voting rights.
<https://www.web54.net> (in Japanese only)

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

< The Company’s Website >

<https://pr.biprogy.com/invest-j/stock/meeting.html> (in Japanese only)

< PRONEXUS Inc’s Website >

<https://d.sokai.jp/8056/teiji/> (in Japanese only)

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

Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters related to year-end dividends

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

Considering that the current fiscal year's profit attributable to owners of the parent exceeded the plan, and also taking into consideration the future management executive environment and business development, the Company proposes an annual dividend of 80 yen per share (dividend payout ratio of 39.8%). Since the Company paid interim dividends of 40 yen per share in December 2022, the year-end dividends will be as proposed below:

- (1) Type of dividends:
Cash
- (2) Matters related to the allocation of dividends and total amount thereof:
Per share of common stocks: 40 yen
Total dividends: 4,020,118,560 yen
- (3) Effective date of dividends from surplus:
June 29, 2023

Proposal 2 Election of Eight (8) Directors

Since the terms of office of all of the current eight (8) Directors will expire as of the conclusion of the Ordinary General Meeting of Shareholders, the Company proposes to elect eight (8) Directors.

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

Candidate number	Name	Current positions and areas of responsibility in the Company		Board of Directors meeting attendance	Term of office as Director
1	Akiyoshi Hiraoka	Representative Director, President CEO (Chief Executive Officer) CHO (Chief Health Officer)	Re-appointed	12 times / 12 meetings	14 years
2	Noboru Saito	Representative Director, Executive Corporate Officer CMO (Chief Marketing Officer)	Re-appointed	12 times / 12 meetings	7 years
3	Koji Katsuya	Director, Executive Corporate Officer CSO (Chief Sustainability Officer)	Re-appointed	12 times / 12 meetings	7 years
4	Takahito Kanazawa	Director	Re-appointed	12 times / 12 meetings	2 years
5	Chie Sato	Outside Director	Re-appointed Outside Director Independent Director	12 times / 12 meetings	6 years
6	Nalin Advani	Outside Director	Re-appointed Outside Director Independent Director	12 times / 12 meetings	2 years
7	Yoshinori Ikeda	Outside Director	Re-appointed Outside Director Independent Director	10 times / 10 meetings	1 year
8	Asako Osaki		Newly-appointed Outside Director Independent Director	—	—

Candidate Number 1 Akiyoshi Hiraoka [Re-appointed]

Date of birth: June 6, 1956 (Age: 67)

Number of the Company's shares held: 35,400 shares

Term of Office as Director: 14 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2023:
12 times / 12 meetings

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

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

(Role)

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

■ Significant concurrent positions held in other organizations: None

■ Special interests with the Company: None

■ Reasons for appointment as candidate for Director

Mr. Akiyoshi Hiraoka is the longest serving Corporate Officer at the Company (serving since 2002) and has a vision for change.

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

Candidate Number 2 Noboru Saito [Re-appointed]

Date of birth: August 8, 1961 (Age: 61)

Number of the Company's shares held: 19,800 shares

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

Board of Directors meeting attendance during the fiscal year ended March 31, 2023:
12 times / 12 meetings

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

Apr. 1986	Joined the Company
Apr. 2004	General Manager of Industry & Commerce 2 Department of the Company
Apr. 2009	General Manager of Industry & Commerce Department of the Company
Apr. 2010	General Manager of Industry & Commerce 2 Department of the Company
Apr. 2012	General Manager of Business Services Department of the Company
Apr. 2013	Corporate Officer of the Company
Apr. 2016	Senior Corporate Officer of the Company
Jun. 2016	Director, Senior Corporate Officer of the Company
Apr. 2020	Representative Director, Executive Corporate Officer of the Company (present)
Jun. 2022	Outside Director, Seiko Group Corporation (present)

(Role)

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

■ Significant concurrent positions held in other organizations:

Outside Director, Seiko Group Corporation

■ Special interests with the Company: None

■ Reasons for appointment as candidate for Director

Mr. Noboru Saito has abundant industry knowledge and experience, offering insight into its future movements as well as business strategies, as a result of his long service as Corporate Officer and General Manager specializing in the manufacturing and distribution sectors before his service of presiding over sales division and business development initiatives in general. Thus, we believe that Mr. Saito will be able to use his professional knowledge and experience to make management and business decisions from his broad perspective in the course of management and business judgement for the Company Group. Therefore, we propose to elect him as Director again.

Candidate Number 3 Koji Katsuya [Re-appointed]

Date of birth: October 24, 1963 (Age: 59)

Number of the Company's shares held: 11,000 shares

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

Board of Directors meeting attendance during the fiscal year ended March 31, 2023:
12 times / 12 meetings

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

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

(Role)

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

■ Significant concurrent positions held in other organizations: None

■ Special interests with the Company: None

■ Reasons for appointment as candidate for Director

Mr. Koji Katsuya has a wealth of knowledge of and experience in the Groups management decisions and business strategies as a result of his Corporate Officer service of presiding over divisions such as the systems division, quality management & assurance division, and the research & development division as well as Corporate Planning after his service in the financial system development and business of the Company. Thus, we believe that Mr. Katsuya will be able to use his professional knowledge and experience to make management and business decisions from his broad perspective in the course of management and business judgement for the Company Group. Therefore, we propose to elect him as Director again.

Candidate Number 4 Takahito Kanazawa [Re-appointed]

Date of birth: September 4, 1960 (Age: 62)

Number of the Company's shares held: None

Term of Office as Director: 2 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2023:
12 times / 12 meetings

■ Career summary

Dec. 1998	General Manager of Digital & Information Network Systems Department, Tokyo Sales & Business Planning Division Digital & Information Network Systems Department, Business Form & Securities Printing Operations, Dai Nippon Printing Co., Ltd.
Apr. 2007	General Manager of System Development Division, Information Processing Solutions Operations System Development Division, Dai Nippon Printing Co., Ltd.
Oct. 2008	General Manager of Production Division, Information Processing Solutions Operations Production Division, Dai Nippon Printing Co., Ltd.
Oct. 2012	General Manager of BPO Development Division, Information solution Operations BPO Development Division, Dai Nippon Printing Co., Ltd.
Oct. 2016	Deputy General Manager of BPO Center, Information innovation Operations BPO Center, Dai Nippon Printing Co., Ltd.
Apr. 2017	Representative Director, President, DNP Data Techno Co., Ltd.
Apr. 2018	General Manager of Information Systems Division, Dai Nippon Printing Co., Ltd.
Jul. 2018	General Manager of ICT Business Development Division, Advanced Business Center, Dai Nippon Printing Co., Ltd.
Jun. 2019	Corporate Officer, General Manager of ICT Business Development Division, Advanced Business Center, Dai Nippon Printing Co., Ltd.
Jun. 2021	Director of the Company (present)
Oct. 2021	Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division, Dai Nippon Printing Co., Ltd.
Jun. 2022	Senior Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division, Dai Nippon Printing Co., Ltd.
Apr. 2023	Senior Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division, Education Business Division, ICT Management Office Technology, Research & Development Division, Dai Nippon Printing Co., Ltd. (present)

■ Significant concurrent positions held in other organizations:

Senior Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division, Education Business Division, ICT Management Office Technology, Research & Development Division, Dai Nippon Printing Co., Ltd.

■ Special interests with the Company:

Please see Note 2

■ Reasons for appointment as candidate for Director

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

for the Company's business management from the technical and managerial viewpoints. Furthermore, the Company expects him to exercise his skills of effectively supervising business management. Thus, we propose to elect him as Director again. As described in Note 2, Mr. Kanazawa concurrently serves as a Senior Corporate Officer of Dai Nippon Printing Co., Ltd., a major shareholder of the Company. In light of the fact that a higher degree of independence is expected for outside officers, especially in recent years, the Company has not designated him as an Outside Director in this proposal.

Candidate Number 5 Chie Sato
[Re-appointed, Outside Director, Independent Director]

Date of birth: January 30, 1970 (Age: 53)

Number of the Company's shares held: None

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

Board of Directors meeting attendance during the fiscal year ended March 31, 2023:
12 times / 12 meetings

■ Career summary

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

■ Significant concurrent positions held in other organizations:

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

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

Tokyo Broadcasting System Television (TBS) Program Practice Council Member

■ Special interests with the Company:

None

■ Reasons for appointment as candidate for Outside Director and overview of expected roles

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

Candidate Number 6 Nalin Advani
 [Re-appointed, Outside Director, Independent Director]

Date of birth: October 1, 1965 (Age: 57)

Number of the Company's shares held: None

Term of Office as Director: 2 years (at the conclusion of the shareholders' meeting)

Board of Directors meeting attendance during the fiscal year ended March 31, 2023:
 12 times / 12 meetings

■ Career summary

Apr. 1984	Venture Capitalist, Investment / Corporate Strategy Advisor (present)
Sep. 1998	Director, Chief Marketing Officer, eSOL Co., Ltd.
Jan. 2007	President, Barco Co., Ltd (Japan) (Retired in Jul. 2011)
Aug. 2009	Managing Director, Barco Electronic Systems Pvt Ltd. (India) (Retired in Aug. 2011)
Jan. 2010	Graduated from the UCLA Anderson and NUS (National University of Singapore) Business School
Sep. 2011	Vice President, Asia Pacific, Barco Pte Ltd. (Retired in Dec. 2015)
Aug. 2013	Guest Lecturer, National University of Singapore Business School (present)
Nov. 2015	Co-Founder, KPISOFT Inc (entomo pte ltd of the present) (present)
Feb. 2016	CEO Asia Pacific & Japan, Grey Orange Pte. Ltd. (Retired in Mar. 2019)
Jun. 2021	Outside Director of the Company (present)
Feb. 2023	Adjunct Professor, Graduate School of Leadership and Innovation, Shizenkan University(present)

■ Significant concurrent positions held in other organizations:

Venture Capitalist, Investment / Corporate Strategy Advisor
 Co-Founder, entomo pte ltd.

■ Special interests with the Company: None

■ Reasons for appointment as candidate for Outside Director and overview of expected roles

Mr. Nalin Advani obtains global business experience mainly based on the Asia Pacific region as well as technical expertise about AI and robots after having served multiple technology companies mainly in Japan, Singapore and India in light of business management and investment. The Company expects Mr. Advani to utilize his global experience as well as knowledge and expertise about the industry which the Company belongs to in giving effective advice on and support for the Company's business management. The Company proposes to elect him as Outside Director again.

Candidate Number 7 Yoshinori Ikeda
 [Re-appointed, Outside Director, Independent Director]

Date of birth: May 23, 1961 (Age: 62)

Number of the Company's shares held: None

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

Board of Directors meeting attendance during the fiscal year ended March 31, 2023:
 10 times / 10 meetings

■ Career summary

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

■ Significant concurrent positions held in other organizations:

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

■ Special interests with the Company: None

■ Reasons for appointment as candidate for Outside Director and overview of expected roles

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

Candidate Number 8 Asako Osaki
 [Newly-appointed, Outside Director, Independent Director]

Date of birth: February 27, 1971 (Age: 52)

Number of the Company's shares held: None

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

Board of Directors meeting attendance during the fiscal year ended March 31, 2023: —

■ Career summary

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)
Apr. 2009	Visiting Professor, School of Policy Studies, Kwansai Gakuin University (present)
Jun. 2011	Director, Specified non-profit corporation Gender Action Platform (present)
Apr. 2016	Evaluation Committee Member of the National Action Plan on Women, Peace and Security (WPS), Ministry of Foreign Affairs (present)
Apr. 2021	Expert Member, Council for Gender Equality, 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 (present)

■ Significant concurrent positions held in other organizations:

Visiting Professor, School of Policy Studies, Kwansai Gakuin University,
 Director, Specified non-profit corporation Gender Action Platform
 Evaluation Committee Member of the National Action Plan on Women, Peace and Security (WPS), Ministry of Foreign Affairs
 Expert Member, Council for Gender Equality, Cabinet Office
 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

■ Special interests with the Company: None

■ Reasons for appointment as candidate for Outside Director and overview of expected roles
 Ms. Asako Osaki has extensive international experience, including work at the United Nations. She is also active as an expert on gender in various fields such as government, local government, and academia. Also, Ms. Osaki has sophisticated professional knowledge and expertise not only in the field of gender, but also in the field of ESG/sustainability. The Company expects Ms. Osaki to give effective advice on and support for the Company's business management in promoting ESG management based upon her expertise and experience. The Company proposes to elect her as Outside Director.

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- (Note 1) In light of the independence standards of the Tokyo Stock Exchange and the Company, the Company submitted a notification to the Tokyo Stock Exchange, Inc. designating Ms. Chie Sato, Mr. Nalin Advani, and Mr. Yoshinori Ikeda, three Outside Director candidates as Independent Directors. The Company will submit a notification with Tokyo Stock Exchange designating Ms. Asako Osaki as Independent Director. Please refer below to the independence standards of the Company.
- (Note 2) Dai Nippon Printing Co., Ltd. where Mr. Takahito Kanazawa serves as Senior Corporate Officer is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract. The companies have trading relationships mainly in system development, business outsourcing and product purchasing. The trading amount is less than 2% of the Company's net sales of the latest fiscal year on a consolidated basis or less than 0.1% of Dai Nippon Printing Co., Ltd.'s net sales on a consolidated basis.
- (Note 3) Pursuant to Article 427, Paragraph 1 of the Companies Act (the "Act"), the Company has entered into an agreement with Mr. Takahito Kanazawa, Ms. Chie Sato, Mr. Nalin Advani, and Mr. Yoshinori Ikeda to limit their liability as provided for in Article 423, Paragraph 1 of the Act. The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated by laws and regulations. If their reelection is approved, the agreement will continue. If the election of Ms. Asako Osaki is approved, the Company will enter into the same agreement with her.
- (Note 4) The Company has entered into an indemnity agreement with Mr. Akiyoshi Hiraoka, Mr. Noboru Saito, Mr. Koji Katsuya, Mr. Takahito Kanazawa, Ms. Chie Sato, Mr. Nalin Advani, and Mr. Yoshinori Ikeda. Pursuant to the indemnity agreement, the Company will provide each of them with compensation as stipulated in Article 430-2, Paragraph 1 of the Companies Act and the contents of the agreement are summarized in "(3) Overview of the Contents of Indemnity Agreement" under "3. Details about the Company's Officers" in the Business Report. If their reelection is approved, the agreement will continue. If the election of Ms. Asako Osaki is approved, the Company will enter into the same agreement with her.
- (Note 5) The Company has entered a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. Contents of the insurance contract is summarized in "(4) Overview of Contents of Directors and Officers Liability Insurance Contracts" in "3. Details about the Company's Officers" in the Business Report. If the election is approved as submitted in this proposal, the subject Directors will be included as insured persons of the insurance contract. Also, we will renew the same insurance contracts for the next term.
- (Note 6) The Company incurred a serious incident in which USB flash drives that contained encrypted personal information were lost on June 21, 2022 in a project commissioned by the City of Amagasaki, and it was discovered that inappropriate operations were being carried out in the handling of personal information and management of the entrusted party. Ms. Chie Sato and Mr. Nalin Advani, both outside Directors of the Company when the incident occurred had been making recommendations and alerts at meetings of the Board of Directors and other meetings to ensure legal compliance and strengthen governance; however, they were unaware of such inappropriate operations until this incident occurred. After being made aware of this fact, all three outside Directors, including Mr. Yoshinori Ikeda, who assumed outside Director of the Company after this incident occurred, have fulfilled their responsibilities by making specific proposals and monitoring for fostering and strengthening risk management and compliance awareness, etc., and various measures to restore confidence to prevent recurrence, including making recommendations regarding the establishment and composition of a third-party investigation committee and organizational culture reform and providing advice on information disclosure.
- (Note 7) The age of individual director-candidates given herein is as of the date of delivering of this notice.

<Reference>

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

■ Criteria on the Independence of Outside Directors/Auditors

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

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

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

*2 Classification into the category of 'significant borrowings' is judged according to the amount of those borrowings: whether or not they exceed 2% of the gross assets of the Company for the fiscal year immediately before.

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

*4 Classification into the category of 'significant donations' is judged according to the amount of donations that have been received from the Company or its subsidiaries: whether or not they exceed ¥10 million a year or 2% of the annual total costs of the corporation or organization of the fiscal year immediately before, whichever is higher.

<Reference> Structure of the Board of Directors and the Audit & Supervisory Board
 If Proposal 2 is approved as submitted, the Board of Directors and the Audit & Supervisory Board of the Company will be comprised of the following.

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

The Board of Directors will comprise of eight Directors including four Outside Directors (two of whom will be female) who are all Independent Directors, as indicated above. The Audit & Supervisory Board comprising of five members has a majority of three Outside Auditors (two of whom are female). These Outside Auditors are all Independent Officers.

As above, both the Board of Directors and the Audit & Supervisory Board will be in a position to supervise management in a highly effective manner.

<Reference> Skill Matrix

The Company proposes to elect candidates for Directors who have diversified knowledge and expertise and experience such as those on ESG/sustainability as well as global business that are needed to successfully complete the Vision 2030 and Management Policies (2021-2023).

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

	Business management experience at other companies	Industry knowledge	Technology / R&D	Finance / Accounting	Legal / Risk management	ESG / Sustainability*	Global business
Director							
Akiyoshi Hiraoka		●	●	●	●	●	
Noboru Saito		●	●		●	●	●
Koji Katsuya		●	●		●	●	
Takahito Kanazawa	●	●	●				
Chie Sato					●	●	●
Nalin Advani	●	●	●				●
Yoshinori Ikeda				●	●		●
Asako Osaki						●	●
Auditor							
Yuji Teranishi		●		●	●	●	
Masaya Oishi	●	●		●	●	●	
Hirofumi Hashimoto	●			●	●	●	●
Harumi Kojo			●		●		●
Keiko Mizuguchi				●	●	●	●

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

【Reasons for selecting items in the skill matrix 】

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

Business Report (for the fiscal year from April 1, 2022 through March 31, 2023)

1. Current Situation of the BIPROGY Group

(1) Progress and Results of the Businesses

The Japanese economy remained uncertain about its future status, affected by the slowdown of overseas economies and soaring prices of energy and raw materials, although inbound demand and personal consumption showed signs of a gradual recovery.

We have seen good appetite for digital transformation (DX) investment in the domestic information services market. However, the outlook for the domestic economy is uncertain. We need to remain watchful about the situations.

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

Aiming for mid- to long-term growth, the Company has developed its efforts toward ‘For Society’, the promotion of social DX to solve social issues together with customers and partners in various industries and sectors, based on the extensive knowledge gained through ‘For Customer’, the promotion of customer DX that contributes to sustainable growth of customers.

In the financial sector, the adoption of full banking systems for regional financial institutions using open technology is expanding. The OptBAE®, joint-use core-banking service, has been in operation at 11 banks to date, and new adopters have been selected. BankVision®, which is in being used at 10 major regional financial institutions, is also preparing to go live at two more banks. From now on, we will leverage our track record of operating in open environments, including cloud computing, and expand as a financial services platform. In addition to providing services such as AI and data utilization, we will collaborate with other industry services and SaaS to promote efforts to revitalize regional economies.

In distribution sectors, AI-Order Foresight®, an AI automated ordering service, is in operation at multiple food supermarket customers. Those stores that have introduced the system have been able to reduce the time required to place orders by 50%, and have also been able to reduce shortages and waste, contributing to solving social issues such as labor shortages and waste. Also, the recovery of inbound demand is expected to lead to an expansion of QR code payments, which the Company has been working on.

In the manufacturing sector, in March 2023, we will launch the offering of DigiD Prism®, which strengthens the relationship with homeowners and optimizes the living environment, based on the know-how we have accumulated over the past 40 years of providing domestically produced home design CAD^{Note 3} systems mainly to major housebuilders, with multiple manufacturers in the process of applying the system. In the midst of a growing shortage of engineers, in addition to strengthening the functionality of the CAD system, it has evolved into a platform for integrated management of the home design cycle from business negotiations to after-sales service, including improved efficiency of collaboration with external providers. Going forward, we will develop this as a social DX service focused on the housing industry by linking data among companies involved in the housing industry and utilizing the latest technologies such as AI.

In the public sector, leveraging our knowledge and experience from initiatives such as ensuring the reliability of non-fossil certificates, in November 2022 we began offering Re:lvis™, an environmental value management service that reduces the burden of operations related to carbon offsetting^{Note 4}, which is expected to increase the volume of transactions. We will continue to leverage the power of digital technology to contribute to achieving carbon neutrality, with a view to reducing greenhouse gas emissions by 50% by 2030 and achieving zero emissions by 2050.

The Company Group has designated “Develop and strengthen human resources to create a new future and promote diversity and inclusion” as one of its materiality issues^{Note 5}, and is striving to create an environment in which diverse human resources can demonstrate their abilities. To further accelerate these efforts, the Human Capital Management was newly established in April 2023.

Also, in February 2023, the Company was selected as a “Sustainability Yearbook Member^{Note 6}” by S&P Global as a company within the top 15% of the industry in terms of evaluation score in “The Sustainability Yearbook 2023,” which lists companies that excel in sustainability.

The Company Group as a whole has been working in unison to achieving its goals set forth in the Management Policies (2021-2023) for the realization of Vision 2030. We aim to continue communications with various stakeholders, continuously increase our corporate value and promote business with sustainability kept in mind.

For the fiscal year ended March 2023, as a result of strong sales of system services, net sales amounted to ¥339,898 million (up 7.0% compared with the previous fiscal year). Operating income increased 8.2% compared with the previous fiscal year to ¥29,673 million, as higher gross profit from increased system services revenue and improved profitability offset the increase in SG&A expenses due to investments in in-house mechanization related to the update of our internal core systems. Current fiscal year income attributable to owners of the parent also decreased to ¥20,203 million, down 1.4% compared with the previous fiscal year, mainly due to a decrease in financial income due to a decrease in valuation gains related to fund investments. Adjusted operating profit that is used by the Company as an index for managing performance was ¥29,394 million (Note 7), up by 10.2% compared with the previous fiscal year.

The breakdown of sales shows that services sales were ¥245,822 million, a 7.7% or ¥17,469 million increase from the previous fiscal year; software sales were ¥37,410 million, a 9.7% or ¥3,320 million increase from the previous fiscal year; and hardware sales were ¥56,665 million, a 2.7% or ¥1,507 million increase from the previous fiscal year.

As for the sales contribution ratios, services sales were 72.3% (71.9% in the previous fiscal year); software sales were 11.0% (10.7% in the previous fiscal year); and hardware sales were 16.7% (17.4% in the previous fiscal year).

(Notes)

1. For more information on Purpose, please refer to the Company’s web page below.
https://www.biprogy.com/com/purpose_principles.html (in Japanese only)
2. For more information on Vision 2030, please refer to the Company’s web page below.
https://www.biprogy.com/com/management_policy.html (in Japanese only)
3. CAD: An acronym for Computer Aided Design, which refers to computer-aided design and manufacturing.
4. Carbon offsetting: compensating for generated greenhouse gases by non-fossil certificates and other environmental values.
5. For more information on materiality issues, please refer to the Company’s web page below.

- <https://www.biprogy.com/sustainability/> (in Japanese only)
6. For more information on Sustainability Yearbook Member, please refer to the Company's web page below.
<https://biprogy.disclosure.site/ja/themes/99> (in Japanese only)
 7. Adjusted operating profit: Calculated by deducting cost of sales and SG&A expenses from sales revenue.
 8. Names of companies or products herein described are trademarks or registered trademarks of their respective organizations.

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

Category of officer	Japanese Accounting Standards		IFRS		
	Fiscal Year 76	Fiscal Year 77	Fiscal Year 77	Fiscal Year 78	Fiscal Year 79 (current consolidated fiscal year)
	from April 1, 2019 to March 31, 2020	from April 1, 2020 to March 31, 2021	from April 1, 2020 to March 31, 2021	from April 1, 2021 to March 31, 2022	from April 1, 2022 to March 31, 2023
Net sales (¥mil)	311,554	309,685	308,426	317,600	339,898
(Breakdown)					
Services (¥mil)	222,512	218,750	218,594	228,352	245,822
(composition ratio) (%)	(71.4)	(70.6)	(70.9)	(71.9)	(72.3)
Software (¥mil)	33,943	33,287	32,341	34,089	37,410
(composition ratio) (%)	(10.9)	(10.7)	(10.5)	(10.7)	(11.0)
Hardware (¥mil)	55,098	57,647	57,490	55,158	56,665
(composition ratio) (%)	(17.7)	(18.6)	(18.6)	(17.4)	(16.7)
Operating income (¥mil)	26,139	26,724	24,624	27,425	29,673
Operating margin (%)	8.4	8.6	8.0	8.6	8.7
Profit attributable to owners of the parent (¥mil)	18,182	17,076	16,639	20,490	20,203
Basic earnings per share (¥)	181.19	170.13	165.78	204.04	201.06
Total assets (¥mil)	214,975	231,980	254,035	268,647	280,396
Total equity (Net assets) (¥mil)	122,598	136,887	113,986	130,674	141,597
Equity attributable to owners of the parent per share (¥mil)	120,473	134,632	112,271	128,917	139,887
Return on equity (ROE) (%)	15.5	13.4	15.5	17.0	15.0
Orders (¥mil)	315,626	322,268	324,285	326,961	362,094

(Notes)

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

(3) Outline of Capital Investment

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

(4) Outline of Financing

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

used under commitment lines as of March 31, 2023.

(5) Issues to Be Dealt with

Under the Management Policies (2021 - 2023), our group creates new value to make our society abundant and accelerates our initiatives to solve social issues, as well as delivers ICT services, and we will transform ourselves into a group of companies to create social value. We must be committed to continuously improving its corporate value.

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

Furthermore, we promote efforts to deal with ethical, legal and social issues (ELSI) occurring in connection with rapid developments of science and technology. We promote Research & Development initiatives with responsibility through the Life Science Research Ethics Committee, an advisory board in which external experts take part. Also, we establish and implement the AI Ethics Guidelines to support us in understanding AI's positive or negative influences upon human beings and society and making appropriate responses.

We think that there are significantly many areas where we can contribute through the use of technologies to creating a sustainable society. There are social issues that may not be easily solved by a single company such as issues related to energy management system as well as climate changes and other environmental problems. Our aim is to continuously contribute to creating a new affluent society by enabling business ecosystem innovations and new services to solve those issues.

<Business Initiatives>

We will closely monitor the impact on our business activities of changes in international social conditions, such as the slowdown of overseas economies and soaring prices of energy and raw materials, and continuously review and improve our countermeasures.

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

The Company identifies key areas where our group has strength, quickly deepens knowledge and expertise about customer businesses and industries, and arranges knowledge and expertise into patterns. Furthermore, we quickly deepen engineering technologies as the source for creating value and evolve technologies to use and combine engineering technologies.

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

The Company combines crosscutting marketing activities and open innovation, strengthens efforts to create use cases based on the activities, and develops further high value-added businesses through DX initiatives for customers and industries. We develop UI, UX and other types of products, establish improvement processes and strengthen implementation capabilities by focusing on relevant laboratories. Furthermore, the Company promotes the establishment of DX business types and platforms to enable DX quickly.

- Create markets for solving social issues and develop sustainable growth stories

The Company integrates various types of assets that we have obtained through our initiatives, and promotes activities across industries and sectors in order to promote approaches to solving even broader social issues from a viewpoint of the entire social systems. Furthermore, we promote accumulating knowledge and expertise in DX businesses to be eventually useful for solving social issues, and establishing standard processes.

- Evolve our group business management by redesigning our group value chain

The Company attempts to revisit and strengthen our group value chain from a viewpoint of value creation cycle, and promotes the redesign of group business management.

- Strengthen organization capital and human capital, and promote investment strategies

We accelerate our measures to strengthen our organization capital and human capital on the basis of our efforts to visualize the situation of employees in light of diversity and strength. Furthermore, we promote our corporate culture reforms partly through environmental contributions, diversity & inclusion initiatives, and business reforms in order to make it easy for employees to take on challenges of solving social issues. In addition, we revisit and recombine our investment portfolios pursuant to our investment strategies in order to strengthen strategic investment and business investment.

<Other Issues>

The Company Group, in developing and providing information systems, has the opportunity to access not only its own information, but also the information held by many of its customers. For this reason, the Company Group has positioned the management of information, including personal information, as the most important issue for the Group, and has been maintaining and operating an information management system and providing education and guidance to employees and outsourced subcontractors. However, on June 21, 2022, a serious incident occurred in which an employee of a subcontractor of the Company's partner company lost USB flash drives that contained encrypted personal information (the flash drives were found three days later on June 24, and no leak of personal information was confirmed). We are making efforts to strengthen the governance of the entire Group to prevent a recurrence of such a situation. The Group is working to strengthen the functionality of monitoring by reviewing the operational process to ensure thorough education, guidance, and management in the management of contractors. We will continue to do all we can to restore confidence in the Group.

Also, a prolonged period of self-restraint and stagnation in economic activities due to the re-spread of COVID 19 pandemic or large-scale natural disasters may cause customers to reconsider information system investments, which may impact the Group's business activities. The Group is aware of the risk, and has given top priority to ensuring safety for the employees, subcontractors, customers and business partners of our Group, and we have been promoting workstyle reforms mainly through thorough safety confirmation and teleworking. We have fully supported customers in their continuing businesses, enabling remote working, and implementing digital transformation. We will accelerate our efforts to enable a resilient society.

We need to examine and identify appropriate business strategies in order to enable a sustainable growth of our group. Furthermore, we need a robust business platform to support our business strategies. For this, we will strengthen further its corporate governance arrangements. Also, we will stimulate awareness about managing its group companies. We avail ourselves of a system to ensure the business appropriateness as resolved by the Board of Directors (the internal control system) in order to attempt to further instill compliance awareness, and make continuous improvements in implementing the internal control system for the entire group. This intention is

to find signs of compliance violation earlier in the ever-changing circumstances around the Company partly characterized by telecommuting and further digitalized business operations. We will continue to implement appropriate business operations.

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

(6) Parent Company and Major Subsidiaries, etc.

(i) Relationship with Parent Company

Not applicable

(ii) Major Subsidiaries

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

(7) Principal Businesses (as of March 31, 2023)

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

(8) Principal Offices (as of March 31, 2023)

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

(9) Group Employees (as of March 31, 2023)

(i) Employees of the Group

Number of Employees (persons)	Change from March 31, 2022 (persons)
8,124	+56

Category of occupation	Number of Employees (persons)
Sales representatives	1,344
System engineers	3,515
System service engineers, etc.	1,574
Staff	1,691
Total	8,124 (against 8,068 as of March 31, 2022)

(Notes)

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

(ii) Employees of the Company

Number of Employees (persons)	Change from March 31, 2022 (persons)	Average Age	Average Length of Service
4,442	-9	46.3	20.9

(10) Principal Sources of Borrowings (as of March 31, 2023)

Source of Borrowings	Amount of Loan (¥ mil)
Sumitomo Mitsui Banking Corporation	8,200
The Norinchukin Bank	5,000
Shinkin Central Bank	2,500

(11) Other important matters about the business progress and achievements of the corporate group

We sincerely apologize to all of our stakeholders for any concern and inconvenience caused by the serious incident that occurred on June 21, 2022 during this fiscal year, in which USB flash drives that contained encrypted personal information were lost.

In response to the incident, the Company established a task force headed by the CEO on June 26, 2022, to deal to stakeholders, prevent recurrence, and manage risk and emergency situations. In view of the importance of the situation, a third-party investigation committee consisting of outside experts was established on July 1, 2022, and commissioned to objectively verify the actual situation, analyze the causes, and make recommendations for improvement concerning this case and transactions similar to this case, and received the investigation report on December 12, 2022. The Company also received administrative guidance based on the law from the Personal Information Protection Commission on September 21, 2022, and reported to the Commission regarding improvements and measures to prevent recurrence.

Going forward, the Group will seriously consider the results of the investigation to ensure that such a situation will not be repeated, and will do its utmost to restore confidence by taking thorough preventive measures based on the administrative guidance of the Personal Information Protection Commission and the recommendations of the third-party investigation committee,

and by strengthening the governance and compliance of the entire Company.

* For details on the Company's response to the USB flash drives loss incident, click here:

https://www.biprogy.com/com/info_security/info202206.html (in Japanese only)

2. Matters about the Company Stock (as of March 31, 2023)

- (1) Total Number of Authorized Shares: 300,000,000 shares
(2) Total Number of Shares Outstanding: 109,663,524 shares
(3) Number of Shareholders: 9,937 shareholders
(4) Major Shareholders:

Name	Number of Shares Held (Thousands of Shares)	Holding Ratio
Dai Nippon Printing Co., Ltd.	20,727	20.62%
The Master Trust Bank of Japan, Ltd. (Trust Account)	14,542	14.46%
Custody Bank of Japan, Ltd. (Trust Account)	14,289	14.21%
Mitsui & Co., Ltd.	2,448	2.43%
The Norinchukin Bank	2,326	2.31%
THE BANK OF NEW YORK MELLON 140044	1,818	1.80%
JAPAN POST INSURANCE Co., Ltd.	1,710	1.70%
BIPROGY Employees' Shareholding Society	1,530	1.52%
The Master Trust Bank of Japan, Ltd. (Retirement Benefit Trust Account, Mitsubishi Electric Corporation, Limited Account)	1,271	1.26%
STATE STREET BANK AND TRUST COMPANY 505223	1,150	1.14%

(Notes)

- Numbers of shares less than one thousand has been omitted.
- The Company retains 9,160,560 treasury shares without voting rights. Thus, they are excluded from the major shareholder list above.
- The ratios are calculated by deducting treasury shares and expressed by rounding down to two decimal places.

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

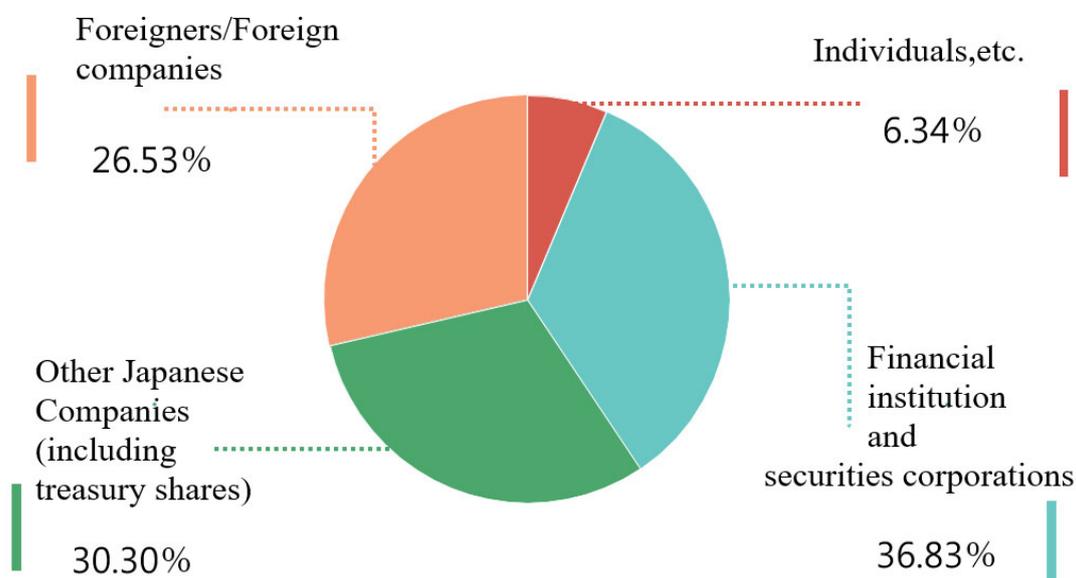
	Number of Shares (shares)	Number of officers to whom shares were issued (persons)
Directors (excluding Outside Directors)	16,600	3
Outside Directors	0	0
Auditor	0	0

(Note) The details of the Company's stock-based compensation are described in "(5) Remunerations for Directors and Auditors" in "3. Details about the Company's Officers."

(6) Other Material Matters regarding Shares

None

Ratio of shareholding by



<Reference> Cross-Shareholdings

(1) Policy related to 'Cross-Shareholdings'

The Company may sometimes hold stocks of its business partners, if they are found to contribute to the enhancement of the Company's corporate value, such as leading to the expansion of its revenue base through maintaining or strengthening relationships with such business partners. When acquiring stocks, the Company judges the appropriateness of the acquisition in accordance with internal rules, and after holding the stocks, the Board of Directors annually reviews the appropriateness of holding the stocks and reduces the number of stocks held. As a result, the total amount of listed stocks on the balance sheet at the end of the fiscal year 2022 was 1.7 billion yen less than at the end of the previous fiscal year, and the number of stocks held was 22, down 2 stocks from the end of the previous fiscal year. In the future, we aim to reduce the total amount of policy stock holdings on the balance sheet to less than 10% of total capital.

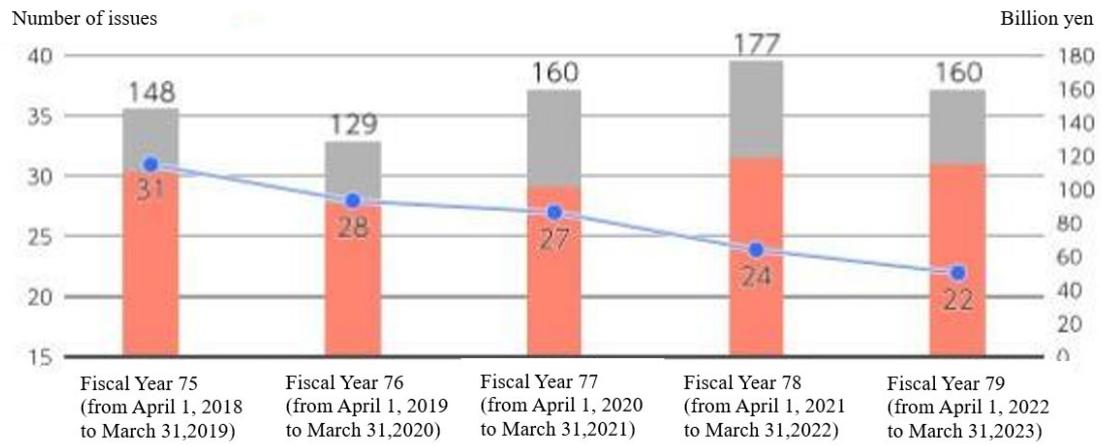
(2) Contents examined by the Board of Directors

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

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

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

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



- Carrying amount on the balance sheet [customers]
- Carrying amount on the balance sheet [partners]

3. Details about the Company's Officers

(1) Company Officers

Directors and Auditors (as of March 31, 2023)

Title	Name	Principal Positions and Significant Concurrent Position(s) Held in Other Organizations
Representative Director, President	Akiyoshi Hiraoka	CEO (Chief Executive Officer) CHO (Chief Health Officer) In charge: Entirety of the Company, Responsibility: Group Internal Audit
Representative Director, Executive Corporate Officer	Noboru Saito	CMO (Chief Marketing Officer) In charge: Business Innovation Division, Incubation Division, DX Promotion Division, Regional Headquarters and Regional Offices, Responsibility: Business Innovation Operations Outside Director, Seiko Group Corporation
Director, Executive Corporate Officer	Koji Katsuya	CSO (Chief Sustainability Officer) In charge: Corporate Planning, Business Management, Procurement Management, Human Resources & Organization Development, Quality Management & Assurance, Information System Services Division, MI CoE (Management Innovation Center of Excellence), Group BPR & core system renewal, Group companies
Director	Takahito Kanazawa	Senior Corporate Officer, General Manager of Advanced Business Center, in charge of Information Systems Division, Dai Nippon Printing Co., Ltd.
Director	Ayako Sonoda	Representative Director, Cre-en Incorporated Executive, Sustainability Forum Japan (Specified Nonprofit Corporation) Director, Japan Sustainability Investment Forum (Specified Nonprofit Corporation) Representative Director, Mirai RITA Foundation (Public Interest Incorporated Foundation)
Director	Chie Sato	Member of the Committee of Certified Evaluation and Accreditation for Management and Professional Graduate Schools Member The Japan University Accreditation Association, JUAA (public interest incorporated foundation) TBS Television Program Council Member
Director	Nalin Advani	Venture investor Investment and Management Strategy Advisor entomo pte ltd Co-Founder
Director	Yoshinori Ikeda	Professor at Graduate School of Global Business, Meiji University Advisor & Tax Accountant, Hongo Tsuji Tax & Consulting
Full-Time Auditor	Yuji Teranishi	
Full-Time Auditor	Masaya Oishi	

Auditor	Hirofumi Hashimoto	Managing Director in charge of Strategic Business Planning & Development Division, Value Creation & Promotion Division, Sanai-cho Sales Dept., Dai Nippon Printing Co., Ltd.
Auditor	Harumi Kojo	Partner for Sakurazaka Law Offices Auditor, Organization for Cross-regional Coordination of Transmission Operators, JAPAN
Auditor	Keiko Mizuguchi	ESG Economist, Asian Development Bank Institute

(Notes)

- Ms. Ayako Sonoda, Ms. Chie Sato, Mr. Nalin Advani and Mr. Yoshinori Ikeda are Outside Directors.
- Mr. Masaya Oishi, Ms. Harumi Kojo and Ms. Keiko Mizuguchi are Outside Auditors.
- The Company has submitted a notification with Tokyo Stock Exchange designating Outside Directors Ms. Ayako Sonoda, Ms. Chie Sato, Mr. Nalin Advani and Mr. Yoshinori Ikeda as Independent Directors.
- The Company has submitted a notification with Tokyo Stock Exchange designating Outside Auditors Mr. Masaya Oishi, Ms. Harumi Kojo and Ms. Keiko Mizuguchi as Independent Auditors.
- Dai Nippon Printing, Co., Ltd. is a major shareholder of the Company. The Company and Dai Nippon Printing Co., Ltd. have a business alliance contract.
- Mr. Yuji Teranishi has considerable expertise in finance and accounting due to his long dedication in financial and accounting operations for the Company and serving as General Manager of Accounting and Business Accounting of the Company.
- Mr. Masaya Oishi has considerable expertise in finance and accounting due to his long dedication in the financial institutions operations.
- Mr. Hirofumi Hashimoto has considerable expertise in finance and accounting as evidenced in his serving as a Finance Manager for an overseas subsidiary of Dai Nippon Printing, Co., Ltd.
- Ms. Keiko Mizuguchi has considerable expertise in finance and accounting due to her dedication through the financial institutions and the rating firm as well as the Certified Public Accountants and Auditing Oversight Board as a member for many years.
- Other than the above, there is no special interest between the organizations at which Outside Directors and Auditors are concurrently posted and the Company.

* The Company has introduced a system of Corporate Officers (for shikkoyakuin and gyomu-shikkoyakuin).

The Corporate Officers except Directors, Corporate Officers and Counselor as of March 31, 2023 are listed below.

Title	Name	Position and Responsibility
Senior Corporate Officer	Kazuma Umehara	CFO (Chief Financial Officer) In charge: Finance, Accounting, Business Accounting, Legal Division Responsibility: Finance, Accounting, Business Accounting
Senior Corporate Officer	Yasuhide Hatta	Project Manager, Strategic Alliance In charge: Special Project Responsibility: Strategic Alliance
Senior Corporate Officer	Takashi Sasaki	CDO (Chief Digital Officer) In charge: Business Service Division Responsibility: Business Service Operations
Corporate Officer	Yuichiro Fukuda	General Manager, DXN Business Incubation Responsibility: DXN Business Incubation

Corporate Officer	Kumiko Shirai	Responsibility: Global Business
Corporate Officer	Naoshi Nagashima	Assistant CMO In charge: Group Marketing, Technical Marketing & Design Planning, Corporate Communications Responsibility: Group Marketing, Technical Marketing & Design Planning, Corporate Communications, Service Innovation, Public Utility & Social Services, Transportation & Logistics
Corporate Officer	Yuji Takeuchi	General Manager, Kansai Regional Headquarters Responsibility: Regional Headquarters and Regional Offices
Corporate Officer	Naoya Okuyama	Responsibility: Manufacturing Business Services 1, Manufacturing Business Services 2
Corporate Officer	Hideki Moriguchi	General Manager, Business Development Initiative 1 Responsibility: Business Development Initiative 1
Corporate Officer	Isao Miyata	Responsibility: Financial Business Services 1, Financial Business Services 2, Financial Business Services 3, Financial Business Services 4, Financial Solution Services
Corporate Officer	Takashi Miyashita	CISO (Chief Information Security Officer), Responsibility: Procurement Management, Human Resources & Organization Development, Quality Management & Assurance
Corporate Officer	Susumu Ogino	Responsibility: Commerce Business Services 1, Commerce Business Services 2, DXT Project
Corporate Officer	Sadayuki Baba	Assistant CDO In charge: BizDevOps Division, Technology Research & Innovation Responsibility: Business Process Outsourcing Services, Platform Services, Support Services, Technology Research & Innovation
Corporate Officer	Takeshi Takai	Responsibility: Social & Public Business Services 1, Social & Public Business Services 2, Social & Public Business Services 3, Product Services 1, Product Services 2
Corporate Officer	Atsushi Tsubouchi	CIO (Chief Information Officer) General Manager, Information Systems Services Responsibility: Information Systems Services
Corporate Officer	Shinsuke Chiba	General Manager, Business Development Initiative 2 Responsibility: Business Development Initiative 2
Corporate Officer	Hideaki Sato	Responsibility: Industry Market 1, Industry Market 2, Industry Market 3, Industry Market 4
Corporate Officer	Taeko Sawakami	CRMO (Chief Risk Management Officer) General Manager, Corporate Planning Responsibility: Corporate Planning, Business Management
Corporate Officer	Toshihiro Kobayashi	Responsibility: LOB-Financial Industries, LOB-Community Banking Industry, LOB-Regional Banking Industry
Corporate Officer	Yoshiko Yamauchi	CCO (Chief Compliance Officer) General Manager, Legal Responsibility: Legal
Counselor	Tetsuya Fujito	Responsibility: Group BPR & core system renewal

(2) Overview of the Contents of Liability Limitation Agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act of Japan, the Company has entered into an agreement with each non-executive Director and Auditor to limit their liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act. The limit stipulated in that agreement is the higher of either 5 million yen or the amount stipulated in the laws and regulations. The limitation of liability is applicable only when they conduct their duties in good faith and without gross negligence.

(3) Overview of the Contents of Indemnity Agreement

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

(4) Overview of the Contents of Directors and Officers Liability Insurance Contracts

The Company has entered a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insured subjects are Directors, Auditors and Corporate Officers of the Company. The Company pays total insurance premiums. The insurance agreement covers damage and litigation expenses that may be incurred by the insured persons as a result of a third party lodging a damage claim or shareholders' derivative lawsuit about their business executions as a Director, an Auditor or a Corporate Officer.

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

(5) Remunerations for Directors and Auditors

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

Executive Directors are paid a) fixed remuneration (a monthly salary), b) bonus linked to short-term business performance, and c) restricted stock as remuneration linked to medium-to-long-term business performance in a ratio of 4:4:2. (This ratio is predicated upon the assumption that short-term performance targets are fully attained, and stock remuneration conditions are fully met in the final fiscal year of the evaluation period of stock remuneration.) Non-executive Directors such as Outside Directors are paid only a fixed monthly salary that is not linked to performance.

The policies for deciding remunerations for Directors are approved by the Board of Directors after deliberation by the Nomination and Remuneration Committee, advisory committee for the Board of Directors.

(Reference) Rations of Remuneration Types

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

- b. Method to decide a policy for deciding remunerations for Auditors and the contents of the policy

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

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

2 Bonuses Linked to Business Performance

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

a. Bonuses linked to short-term business performance

- The total bonus amount shall be within the range of ¥400 million as approved at the 77th Ordinary General Meeting of Shareholders. The total bonus amount is decided by the Board of Directors in accordance with a standard coefficient corresponding to Profit Attributable to Owners of the Parent and base amounts by managerial position decided by the Nomination and Remuneration Committee. Note that in an event where Profit Attributable to Owners of the Parent is a loss (negative), no bonus is paid. In a case where it is less than ¥5 billion, base amounts by managerial position are only paid. If it is ¥5 billion or more, a base amount is paid together with an amount resulted from multiplying a base amount by a standard coefficient decided by the Nomination and Remuneration Committee. A standard coefficient shall not exceed 0.5% for the time being.

< Standard Coefficients >

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

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

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

< Achievements for Bonus Linked to Business Performance Indicator >

As the actual result of Profit Attributable to Owners of the Parent for the fiscal year ended March 2023 was ¥20.2 billion, the Company paid a total amount of ¥109 million as the bonus calculated by using a standard coefficient of 0.5% as well as base amounts by managerial position. The total bonus amount is below the maximum limit of ¥400 million

per year as resolved at the General Meeting of Shareholders.

- b. Remuneration for restricted stock linked to medium-to-long-term business performance
- Executive Directors shall receive the Company's common shares that will be issued or disposed of by the Company, within ¥200 million per year or 66,000 shares per year as approved at the 77th Ordinary General Meeting of Shareholders.
 - The Company shall calculate the number of shares to be allotted to each Executive Director by multiplying the total bonus amount given above with standard coefficients decided by the Nomination and Remuneration Committee which correspond to managerial positions. The Company shall allot the restricted shares as remuneration to each Executive Director in June every year in principle after deliberation by the Board of Directors.
 - Executive Directors shall be prohibited from transferring or assigning the allotted shares to the extent that they remain in the positions prescribed by the Board of Directors of the Company.
 - The allotted shares consist of those conditional upon ① a certain term of service (tenure condition) and ② achievements of business performance targets and achievements in light of KPIs such as ESG indicators within a certain period (medium-to-long-term / long-term performance conditions). The number of restricted shares subject to restriction release depends upon achievement degrees of these conditions.
 - The number of restricted shares subject to restriction release as indicated in ② above is decided in accordance with a business performance target achievement degree which is measured by a ratio of Total Shareholder Return related to the Company's stock to TOPIX growth rate, and achievement degrees of targets (KPIs) about key issues (Materiality) in light of ESG indicators to be worked on in order to accomplish Vision 2030 of the Company.
 - The tenure condition referred to in ① above for the allotted shares assigned in the period ended March 2023 shall be to continue to be in service immediately before the conclusion of the Ordinary General Meeting of Shareholders to be held in the year 2023. The medium-to-long term business performance conditions referred to in ② above shall be to lift transfer restrictions in accordance with achievement degrees as of March 31, 2025. The long-term business performance conditions referred to in ② above shall be to lift transfer restrictions in accordance with achievement degrees as of March 31, 2024.
 - Company shall, as a matter of course, acquire the allotted shares without compensation which are not released from the transfer restrictions due to unsatisfied conditions. The same shall be applicable in an event where Executive Directors commit actions in violation of laws.

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

3 Non-monetary Remunerations

The Company pays to Executive Directors non-monetary remunerations that are restricted

shares as remuneration, as summarized in 2 b.

- 4 Dates of General Meetings of Shareholders that Resolved Remunerations for Directors, and Contents of the Resolutions
 - a. It was resolved at the 49th Ordinary General Meeting of Shareholders held on June 25, 1993 that the total monthly remuneration amount for Directors is within ¥35 million per month. The number of Directors subject in the resolution is 31.
 - b. A revision to a resolution about bonus linked to business performance was resolved at the 77th Ordinary General Meeting of Shareholders held on June 25, 2021. Pursuant to the revision, the total amount of bonus linked to business performance is limited to ¥400 million per year, and a specific total payment amount is decided by the Board of Directors using a standard coefficient (which is 0.5% max. for the time being) in accordance with Profit Attributable to Owners of the Parent and base amounts by managerial position decided by the Nomination and Remuneration Committee. The number of Directors subject in the resolution is four.
 - c. It was resolved at the 77th Ordinary General Meeting of Shareholders held on June 25, 2021 that the total monetary claims paid to Executive Directors of the Company as remunerations for granting restricted stock should be within ¥200 million per year, and the total number of the Company's common shares to be issued to or be disposed for executive directors of the Company should be within 66,000 shares per year. The number of Directors subject in the resolution is four.
 - d. It was resolved at the 62nd Ordinary General Meeting of Shareholders of June 22, 2006 that the total monthly remuneration amount for Auditors is within ¥8 million per month. The number of Auditors subject in the resolution is three.
- 5 Directors or a Third Party Authorized to Decide Contents of Remunerations for Individual Directors

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

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

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

(Members of the Nomination and Remuneration Committee)

Ayako Sonoda (Chairperson/Independent Outside Director), Noboru Saito (Inside Director), Nalin Advani (Independent Outside Director)

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

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

Category of officer	Total amount of remuneration (million Yen)	Total amount by remuneration type (million Yen)			Number of subject officers
		(a) Fixed remuneration	(b) Bonus	(c) Restricted stock remuneration	
Director	331	181	109	40	10
Auditor	74	74	—	—	5
Total (Outside Officers)	405 (73)	255 (73)	109 (—)	40 (—)	15 (8)

(Notes)

1. Any fractional amount less than one million yen is disregarded.
 2. A Non-executive Director is not eligible for bonus and stock remuneration.
 3. Outside Directors and Outside Auditors are not eligible for bonus and stock remuneration.
 4. The stock remuneration figures in the table above indicate the amounts recorded as costs for the fiscal year under review in the costs about restricted stock as remuneration granted to four executive directors.
 5. The officer retirement benefit plan was cancelled as of June 30, 2006 as resolved at a meeting of Board of Directors convened on April 28, 2006.
 6. The table above includes remunerations for two Directors who retired at the conclusion of the 78th Ordinary General Meeting of shareholders held on June 28, 2022.
 7. In light of the USB flash drives loss incident, Mr. Akiyoshi Hiraoka (President and Representative Director) has voluntarily returned 20% (3 months) of his fixed remuneration, and the amount shown above is the amount after his voluntary return of remuneration.
- b. Reasons why the Board of Directors adjudicated that the remunerations for individual Directors for this fiscal year comply with the decision policies stated in 1a. above

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

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

(6) Matters regarding Outside Officers

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

(ii) Major activities of Outside Officers

● Director Ayako Sonoda

Ms. Sonoda attended all 12 Board of Directors meetings held during the business year under review,

and actively asked questions and expressed opinions from diversified viewpoints about diversity management and ESG issues such as the environment. Ms. Sonoda's diversified viewpoints are based on her experiences in supporting many companies in the fields of CSR, SDGs, and environmental management, as well as experience in promoting women in work activities. She plays an important role for giving advice for and supervising the management of the Company. Ms. Sonoda chairs the Nomination and Remuneration Committee. She attended all the meetings of the committee. Ms. Sonoda actively expressed opinions from an objective and fair viewpoint as Outside Director. She plays the material role in the deliberations and reports about the personnel and remuneration matters of the Company officers.

● Director Chie Sato

Ms. Sato attended all 12 Board of Directors meetings held during the business year under review,

and actively asked questions and expressed opinions based on her abundant business experience and expertise gained through serving the Boston Consulting Group as a management strategy consultant and being an author of many books on U.S. business schools. She plays an important role in advising and supervising the Company's management and gave advice for and raised issues about the Company's business model transformation from the viewpoint of risk management based on the understandings of global situations.

● Director Nalin Advani

Mr. Advani attended all 12 Board of Directors meetings held during the business year under review,

Mr. Advani, in light of business management and investment, based on technical expertise about AI and robots and extensive knowledge of global business through experience managing and investing in technology companies mainly in Japan, Singapore and India has played an important role in advising and supervising the Company's management. He mainly gave advice for and raised issues about the investment strategies and business model transformation of the Company from the viewpoint of the understandings of global situations. Mr. Advani is a member of the Nomination and Remuneration Committee. He attended all the meetings of the committee. He actively expressed opinions from an objective and fair viewpoint as Outside Director. Mr. Advani plays the material role in the deliberations and reports about the personnel and remuneration matters of the Company officers.

● Director Yoshinori Ikeda

Mr. Ikeda attended all 10 Board of Directors meetings held after his assuming office on June 28, 2022.

Mr. Ikeda provides advice and opinions based on his knowledge in the field of international taxation, in addition to his advanced expertise in the fields of taxation and accounting gained through his many years of work experience at the National Tax Agency and his experience as a certified tax accountant and university professor. He plays an important role for giving advice

for and supervising the management of the Company.

- Auditor Masaya Oishi

Mr. Oishi attended all of the 12 Board of Directors meetings and all 16 Audit & Supervisory Board meetings held during the business year under review,

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

- Auditor Harumi Kojo

Ms. Kojo attended all of the 12 Board of Directors meetings and all 16 Audit & Supervisory Board meetings held during the business year under review,

and appropriately asked questions and expressed opinions based on her extensive legal knowledge and experience as an attorney and judge. She audits the business execution situations of Directors from an independent viewpoint as Outside Auditor.

- Auditor Keiko Mizuguchi

Ms. Mizuguchi attended all of the 12 Board of Directors meetings and all 16 Audit & Supervisory Board meetings held during the business year under review,

She appropriately asked questions and expressed opinions based on abundant knowledge and experience about finance, corporate accounting, governance and disclosure that she accumulated through serving financial institutions and a rating firm as well as Certified Public Accountants and Auditing Oversight Board as a member. She audits the business execution situations of Directors from an independent viewpoint as Outside Auditor.

The Company incurred a serious incident in which USB flash drives that contained encrypted personal information were lost on June 21, 2022 during this fiscal year in a project commissioned by the City of Amagasaki, and it was discovered that inappropriate operations were being carried out in the handling of personal information and management of the entrusted party.

Each Outside Director and Outside Audit & Supervisory Board Member had been making recommendations and alerts at meetings of the Board of Directors and other meetings to ensure legal compliance and strengthen governance; however, they were unaware of such inappropriate operations until this incident occurred.

After being made aware of this fact, they fulfilled their responsibilities by making specific proposals and monitoring for fostering and strengthening risk management and compliance awareness, etc., and various measures to restore confidence to prevent recurrence, including making recommendations regarding the establishment and composition of a third-party investigation committee and organizational culture reform and providing advice on information disclosure.

4. Details about Accounting Auditor

(1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Compensation, etc. Paid to Accounting Auditor

(i) Total compensation paid by the Company to its Accounting Auditor relating to the business year under review	¥92 million
(ii) Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to the Accounting Auditor	¥138 million

(Notes)

1. The Company has not drawn any distinction between the compensation for the audit services pursuant to the Companies Act and that pursuant to the Financial Instruments and Exchange Act of Japan in the audit agreement with the Accounting Auditor. It is not practically possible to categorize the amounts. Thus, the amount listed in (i) above indicates the aggregated of those amounts.
2. The Company has paid the compensation to the Accounting Auditor for the consultation services, etc. pertaining to financial information disclosure, being services falling outside the services of Article 2, Paragraph 1 of the Certified Accountants Act.
3. The Audit & Supervisory Board of the Company deliberated on the compensation for the Accounting Auditor, Deloitte Touche Tohmatsu LLC, for their audit services pertaining to the 79th fiscal year, pursuant to Article 399, Paragraph 1 and Paragraph 2 of the Companies Act. As a result, the Audit & Supervisory Board recognized the reasonability of: an estimate vs. actual amount comparison of the audit compensation of the previous period; the plan of audit time and personnel assignment and a compensation estimate for the audit plan of this period; as well as the subsequent amount and ratio of change in the audit compensation amount as compared with the previous fiscal year on the basis of considerations of the above.
4. Total amount of monetary and other economic benefits payable by the Company and its subsidiaries to member firms of the same network as the Accounting Auditor of the Company, is ¥95 million (excluding the amount paid to the Accounting Auditor of the Company) mainly for their financial advisory works.

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

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

(An extract from the website of the Company)

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

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

<https://pr.biprogy.com/invest-j/stock/meeting.html> (in Japanese only)

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

1. Systems to Ensure the Performance of Duties of Directors and Employees Complies with Laws and Regulations, and the Articles of Incorporation	
Basic Framework for Heightening Compliance Awareness	<p>(1) Establish a person responsible overseeing compliance and other necessary organizations then conduct the following:</p> <ul style="list-style-type: none"> • Formulate compliance-related regulations • Provide compliance education to officers and employees • Establish and operate a whistleblower hotline and thoroughly protect whistleblowers • Respond to problems when they occur • Report to the Board of Directors on the status of its activities <p>(2) Take appropriate disciplinary action against offenders based on disciplinary rules and regulations.</p> <p>(3) The Internal Auditing Division shall audit the status of the compliance system and promote activities of the Company and each Group company (hereinafter “the Group”) and, as necessary, point out areas and proposals for improvements.</p>
Appropriate Financial Report	Create a framework for proper financial reporting in accordance with the Financial Instruments and Exchange Act and other relevant laws and regulations.
Action against Anti-social Forces	Based on the policy of non-retention of relationships and eliminating the supportive behavior, the Company promotes internal awareness of this policy and the corresponding divisions, as well as cooperation with relevant external organizations.
Election of Outside Directors	To strengthen the supervisory function on the execution of duties by Directors, multiple Outside Directors shall be appointed.
Audit by Auditors	Auditors shall audit the status of compliance with laws, regulations, the Articles of Incorporation, etc. in the execution of duties by Directors.
Overview of the operational status of the above systems	
<p><Basic Framework for Heightening Compliance Awareness></p> <ul style="list-style-type: none"> • The BIPROGY Group has established a Compliance Committee headed by the Chief Compliance Officer (CCO) as the chairperson and has made efforts to help the officers and employees of the Group increase knowledge and heighten awareness of compliance by proactively deploying compliance programs for the entire group through this Committee. <p>Furthermore, the Group set up, internally and externally, direct reporting and consulting routes (‘hotlines’) to the Compliance Committee Secretariat and auditors which can be used anonymously or under registration, and it has taken strict measures to prevent hotline users from suffering any form of disadvantage. The Group has made immediate and appropriate responses in the event of receiving whistleblowing reports and detecting compliance violations through imposing strict sanctions against offenders and taking</p>	

preventive measures against recurrence based on the identification of the true cause. These activities are reported to the Executive Council and the Board of Directors.

- In June 2022, we established the “Group Whistleblower Handling Regulations” to establish and operate whistleblower systems that meets the requirements of the revised Whistleblower Protection Act that came into force in June 2022.
- In the fiscal year 2022, the Group made efforts to promote the compliance regarding the intellectual property rights, such as simultaneous software license inspection activities as the Group did in the previous fiscal year.
- In light of the USB flash drives loss incident and the revised Whistleblower Protection Act, we completely renewed the content of the company-wide compliance training (e-Learning) conducted in November 2022 to strengthen the compliance awareness of officers and employees.

<Appropriate Financial Report>

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

<Action against Anti-social Forces>

- The Group has a strong willingness to refuse transactions with anti-social forces and for that purpose developed business partner screening systems and cooperation with external institutions, and developed and is operating a system for blocking relationships when a business partner is found to be an anti-social force.

<Election of Outside Directors>

- The Company elects four (4) Outside Directors that constitute more than one third of all directors in order to strengthen the supervisory function of the Board of Directors. Also, to appropriately fulfill the roles and functions of Outside Directors and Outside Auditors, in the fiscal year 2022, in addition to inspections of the Company’s business locations, we are conducting exchanges of views between the presidents of the Company’s branch offices and Group companies and Non-Executive Directors and Auditors, exchanges of views among Independent Outside Directors, training on marketing trends, and other activities.

<Audit by Auditors>

- The Company has audits performed by its corporate auditors from the viewpoints of its key audit items that were decided based on the corporate auditor’s audit results in the fiscal year 2021 and changes in the internal and external environments in the fiscal year 2022.

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

Information Management Systems	<p>(1) Information related to the execution of duties by Directors shall be stored and managed appropriately based on laws and regulations and internal rules stipulating document management.</p> <p>(2) Directors and Auditors may inspect this information at any time upon request.</p>
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Overview of the operational status of the above systems

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

3. Regulations and Systems related to Management of Risk of Loss	
Risk management system	<p>(1) Establish a person responsible overseeing risk management and other necessary organizations then conduct the following:</p> <ul style="list-style-type: none"> • Formulate rules for loss risk management • Develop and operate mechanisms necessary to prevent the occurrence of risks • Response to emergencies • Review of risk management items and systems • Report to the Board of Directors on the status of its activities <p>(2) The Internal Auditing Division shall audit the status of the Company's risk management system and the promotion of its activities and, as necessary, point out areas and proposals for improvements.</p>
Overview of the operational status of the above systems	
<ul style="list-style-type: none"> • Through establishing a Risk Management Committee headed by the Chief Risk Management Officer (CRMO) as the chairperson, pursuant to internal rules, the Company has managed group-wide risks in a centralized manner, has reviewed risk management items as appropriate, taking measures to deal with risks that may have significant impacts on business management. • The Company has identified as key measures for the mid-and long-term risk management strategies: strengthening group-wide risk management capabilities and improving risk management capabilities of group officers and employees. • The Project Review Committee and the R&D Investment Committee, in which the management-level personnel participate, review the risks of critical projects. • The Information Security Committee, chaired by the Chief Information Security Officer (CISO), has been established, which formulates cyber security strategies and implements the appropriate management of information assets. • The Company has developed systems and plans that enable it to ensure business continuity smoothly and seamlessly in an emergency through a 'Business Continuity Project (BCP)' working group headed by a CRMO. • We have continued to improve risk management system and business continuity plan in the fiscal year 2022 and have strengthened cybersecurity measures based upon our awareness of the ongoing COVID-19 pandemic spreads and new workstyles (teleworking). • The CRMO reports to the Executive Council and the Board of Directors on activities performed by the Risk Management Committee, the Information Security Committee, and the Business Continuity Project (BCP). • In light of the USB flash drives loss incident, a task force headed by the CEO has been established to centrally implement measures to deal with stakeholders, prevent recurrence, and manage risks. Also, in order to understand and reemphasize the internal regulations on information security and information security risks that may lead to serious accidents, the Company conducts security training for all Group executives and employees, and implements permanent recurrence prevention measures in a sequential manner. Furthermore, in order to practice cyber security management commensurate with a company that solves social issues, we revised our Basic Policy on Information Security in February 2023 and have been putting this policy into effect. 	

4. Systems to Ensure Efficient Execution of Duties by Directors	
Separation of management supervision and execution and delegation of authority	<p>To ensure the proper execution of duties in a prompt and efficient manner, the following items shall be performed.</p> <ul style="list-style-type: none"> • * Introduction of a system of Corporate Officers (for shikkoyakuin and gyomu-shikkoyakuin). • Enhance the efficiency and appropriateness of decision-making through the establishment of management meetings, committees, etc. • Develop an authorization system and appropriate delegation of authority accordance with the importance of each case • Formulate a management plan and confirm the status of its progress with the Board of Directors
Overview of the operational status of the above systems	
<ul style="list-style-type: none"> • The Company has adopted the Corporate Officer System (compose of Corporate Officers etc., concurrently serving as Director) in order to separate management supervision from management execution and to execute business promptly. • The Company has established the Executive Council (consisting of Senior Corporate Officers and other higher-level personnel) as a decision-making body for deciding important matters in business execution. • The Company established various specialized advisory committees in order to help the Company deliberate individual management issues from a practical point of view. • The Company has further promoted the efforts to work on SDGs management and ESG management for the entire Group under the involvement of the Sustainability Committee, the Social Committee, and the Environmental Contribution Committee, which were newly established in the fiscal year 2020. • The Company operates a decision system (pursuant to rules about items subject to managerial decision and decision levels) to make decisions on matters beyond the authority of a head of a department. • The Company formulated 'Management Policies (2021-2023)' for the three years from the fiscal year 2021. The Company regularly reviews the progress at the Board of Directors. 	

5. Necessary Systems to Ensure Appropriate Operations in the Company and the Group Companies	
Framework for Group Company Management	<p>To ensure the appropriateness of the operations of the Company and each Group company and to enhance the corporate value of the Group, conduct the following:</p> <ul style="list-style-type: none"> • Establish a department in charge of each Group Company • Develop rules on the responsibilities of the divisions in charge, etc. • Appropriate management and support of its Group Companies by exercising legal or contractual rights as an investor
Group Compliance Systems	<p>(1) Establish a person in charge of compliance at each Group company, and these persons in charge shall collaborate with each other to conduct activities.</p> <p>(2) Establish a whistleblower hotline that can be utilized by each Group Company.</p>
Internal Audit for the Company and the Group Companies	<p>The Internal Auditing Division shall audit the status of controls in the execution of operations of the Company and each Group Company and, as necessary, point out areas and proposals for improvements.</p>

Overview of the operational status of the above systems

< Framework for Group Company Management >

- The Company has made attempts to improve the efficiency of its business management and unify its management philosophies among the Company and its Group Companies through a department assigned to help the Company supervise each group company pursuant to the regulations for managing affiliated companies.
- A manager for the supervising department of each Group Company has created and maintained appropriate consolidated management systems with the help of seconded executives and in cooperation with related back-office departments, and has developed and operated internal control systems and managed risks. Furthermore, the Company has partially revised the regulations for managing affiliated companies for the purpose of strengthening support for its Group Companies by the Company's related staff divisions.
- Under new working styles, such as teleworking, it has become difficult to detect signs of compliance violations due to the decrease in face-to-face communication opportunities. The Company has developed and is operating an internal control system that makes it difficult for fraud to occur, including segregation of duties, and the Company regularly monitors its operation status through audits by Auditors of Group Companies and audits by the Group Internal Audit Division, thereby detecting problems at an early stage and continuously improving the internal control system.

< Group Compliance Systems >

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

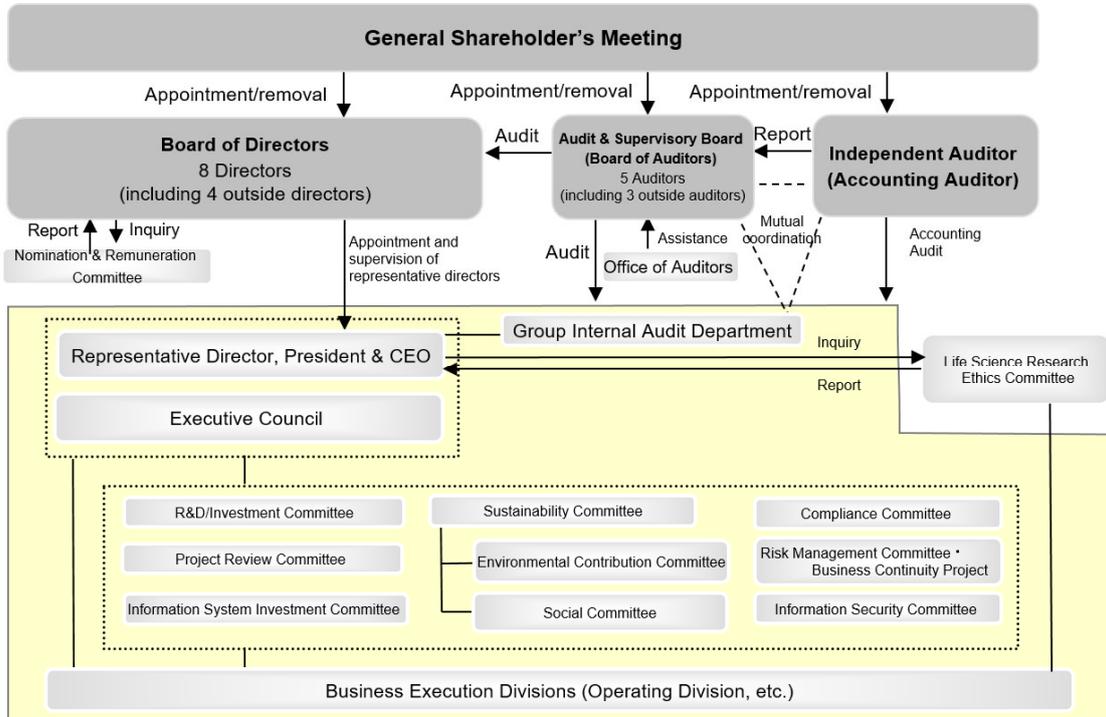
< Internal Audit for the Company and the Group Companies >

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

6. Matters related to Employees Assigned to Assist Auditors, the Independence of Such Employees from Directors, and Ensuring the Effectiveness of Auditors' Directions to Such Employees	
Auditor Assistance Systems	<ul style="list-style-type: none"> (1) Establish an organization to assist in auditing duties under the direction and orders of Auditors and assign full-time employees to the organization. (2) Any personnel changes of employees assisting in Auditor duties shall require the consent of the Audit & Supervisory Board.
Overview of the operational status of the above systems	
<ul style="list-style-type: none"> · The Company has established the Auditor's Office as a body to help auditors perform duties. It has assigned an appropriate number of employees including a manager dedicated to the Office. 	

7. Systems pertaining to Reports to Auditors and Systems to Ensure Effective Audit Performances by Auditors	
Systems pertaining to Reports to Auditors (Audit & Supervisory Board)	<ol style="list-style-type: none"> (1) Directors shall immediately report to the Audit & Supervisory Board if there is a risk of significant damage to the Company in the course of the performance of their duties. (2) The Group shall establish a whistleblower system and a mechanism to protect whistleblowers so that the officers and employees of the Group may report compliance issues directly to the Company's Auditors.
Other Systems to Ensure Effective Auditing by Auditors	<ol style="list-style-type: none"> (1) Auditors may attend and express their opinions at meetings of the Company's Board of Directors, Executive Council, and other important meetings. Documents and other information requested by Auditors shall also be immediately provided. (2) Auditors shall be able to receive reports, including those concerning matters concerning Group Companies, from officers and employees on a regular or as-needed basis. (3) Auditors and the Audit & Supervisory Board shall work closely with the Internal Auditing Division and the Accounting Auditor to conduct effective audits. (4) Auditors shall work with the auditors of each Group Company to ensure that the management of Group Companies and Group audits are conducted effectively. (5) The Company shall bear the expenses incurred by Auditors in the performance of their duties.
Overview of the operational status of the above systems	
<p>< Systems pertaining to Reports to Auditors (Audit & Supervisory Board) ></p> <ul style="list-style-type: none"> • The Audit & Supervisory Board collects an "Execution Confirmation" document from each director. In the event that a fact that may significantly damage the Company is detected, the Board confirms with each director as to whether the fact was reported to the auditors (Audit & Supervisory Board) immediately. • The Audit & Supervisory Board has established an auditor hotline as a direct reporting and consulting route to auditors. In light of the revision of the Whistleblower Protection Act, the Board has strengthened the whistleblower protection system and has also prohibited practices that may disadvantage hotline users. <p>< Other Systems to Ensure Effective Auditing by Auditors ></p> <ul style="list-style-type: none"> • Auditors participate in important meetings mainly of the Board of Directors and the Executive Council. The Company has material documents such as documents for requesting managerial decisions sent over to the auditors. • Auditors have conducted interviews with the President & CEO as well as other directors and key employees as needed. • The Audit & Supervisory Board meets quarterly with the Accounting Auditor and the Internal Audit Division to exchange views about risk management situations and key audit items as well as confirm results of reviews by certified public accountants and the Auditing Oversight Board. • Full-time auditors share information and exchange views as needed with the Group Internal Audit Division. • Auditors audit the group companies on site visits as needed, and hear regular reports from the auditors of key group companies once a quarter in order to check the status of management and control in Group Companies. 	

(Reference) Organizational Chart for Corporate Governance and Internal Control (current as of April 1, 2023)



Audit & Supervisory Board's Audit Report

AUDIT REPORT

Having examined the Directors' performance of their duties during the 79th fiscal year from April 1, 2022 to March 31, 2023, we, the Audit & Supervisory Board, prepare and make this report as follows, based upon discussion on the basis of the auditors' reports prepared by each member of the Audit & Supervisory Board.

1. Methods and Content of Audit by Auditors and Audit & Supervisory Board
 - (1) The Audit & Supervisory Board set out auditing policies, allocation of work duties, etc., received a report on the auditing work performed and the results thereof from each Auditor, and received a report on their status of work executed from the Directors and the Accounting Auditor and requested their explanations as necessary.
 - (2) While conforming to the auditing standards as set out by the Audit & Supervisory Board, and in accordance with the auditing policies, the allocation of duties, etc., partly through the use of telephone circuits and the Internet, each Auditor endeavored to facilitate mutual understanding with the Directors, the internal auditing department, and other employees in order to collect information and to maintain the auditing environment. They performed the audit pursuant to the methods below.
 - (i) They attended meetings of the Board of Directors and other important meetings, received from the Directors and the employees reports on their status of work duties and requested their explanations as necessary, inspected material internal decision-making documents, etc., and investigated the status of operations and assets of the headquarters and major business sites. With respect to significant subsidiaries, we endeavored to facilitate mutual understanding and exchange of information with their directors, auditors, etc., and collected reports on their business as necessary.
 - (ii) They were regularly reported to by the Directors and other employees on, requested explanations about as necessary and expressed opinions on: (i) the contents of the Board of Directors' resolutions regarding the maintenance of the system to ensure that the Directors' performance of their duties described in the Business Report comply with all laws, regulations and the Articles of Incorporation of the Company and other systems that are set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a corporate group comprised of a stock company (*kabushiki kaisha*) and its subsidiaries; and (ii) the systems (internal control systems) based on such resolutions, and the construction and operation of those systems.
 - (iii) Regarding internal control of financial reporting, the Directors and Deloitte Touche Tohmatsu LLC provided us with reports assessing the internal control procedures and audit status, as well as explanations where necessary.
 - (iv) In addition, we examined and verified whether the independence of the Accounting Auditor was maintained and whether an appropriate audit was being undertaken, received reports on, and requested explanations on as necessary, the execution by the Accounting Auditor of its duties from the Accounting Auditor. We also received notifications from the Accounting Auditor that "Necessary systems to ensure appropriate execution of operations" (matters listed in each item of Article 131 of the Corporate Accounting Regulations of Japan) were maintained in line with "Quality control standards for auditing" (issued by the Japan Corporate Accounting Council on November 16, 2021), and requested explanations as necessary.

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

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

2. Results of Audit

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

- (i) In our opinion, the business report and the annexed detailed statements are in conformity with the applicable laws and regulations of Japan and the Articles of Incorporation of the Company and fairly present the state of the Company's status;
- (ii) We have found no misconduct or material fact constituting a violation of any applicable laws and regulations of Japan or the Articles of Incorporation in connection with the Directors' performance of their duties; and
- (iii) In our opinion, the contents of the resolutions of the Board of Directors with regard to the internal control systems is appropriate. Furthermore, we find no matters that require noting with regard to the Directors' performance of their duties, the details contained in the Business Report with regard to the internal control systems or the internal control systems in connection with the financial statements. Note that in relation to the USB flash drives loss incident we were able to confirm that measures to prevent a recurrence of such an incident have been steadily implemented by the Audit & Supervisory Board, and after considering the results of the investigation of the third-party investigation committee and the advice provided by that committee, going forward, we will be careful to ensure that preventive measures are properly implemented in the Company and the Group and that the Board of Directors is appropriately monitoring such activities. Also, the risks that the Group must deal with as it seeks to transform itself into a company that creates value for society are expected to become more diverse and complex in the future. It is necessary to enhance risk management and further strengthen the internal control system of the Group, including the operational management system of the Company and its group companies. Audit & Supervisory Board will continue to monitor and verify situations in this regard.

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

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

(3) Results of audit of the consolidated financial statements

In our opinion, the auditing methods used and the conclusions reached by the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate. As the various risks that the Group must deal with become more diverse and complex, Audit & Supervisory Board will confirm that the Accounting Auditors share with the Audit & Supervisory Board their awareness of such risks before conducting the accounting audit.

End of audit report

May 16, 2023
Audit & Supervisory Board
BIPROGY Inc.

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

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