

Value Creation Process

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

Vision 2030

Realizing a Sustainable Society

→ P.18-19

Corporate Philosophy
Our Mission
Work with all people to contribute to creating a society that is friendly to people and the environment

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

Material Issues → P.22-25

- Create schemes to solve issues through the use of digital technology and business ecosystems
 - Contribute to the environment through the use of digital technology and reduce the environmental impact of business activities in order to help build a world of net zero emissions
- Sustainably procure and provide safe and secure products and services throughout the entire value chain
 - Develop and strengthen human resources to create a new future and promote diversity and inclusion
 - Further improve corporate governance and integrity

Foresight in sight → P.3

Sources of Competitive Advantages (Inputs)

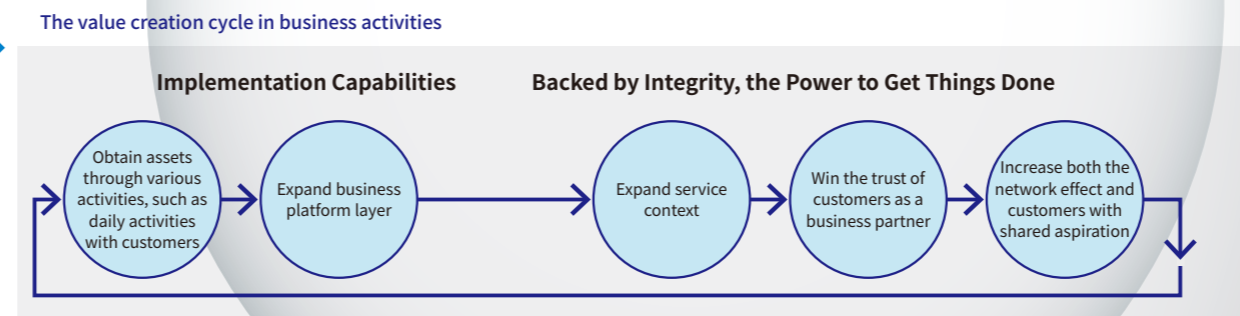
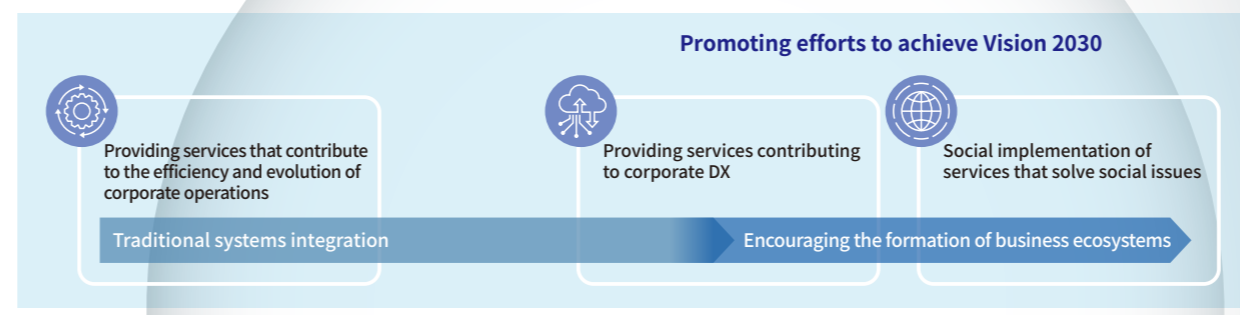
Data as of FY2021 or March 31, 2022

<div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Social and relationship capital</p> <ul style="list-style-type: none"> Customer base spanning a broad range of sectors and industries <small>Customers</small> More than 5,000 companies Relationships built on trust Japan BIPROGY Users Association members <small>Development partners</small> About 520 companies / More than 450 companies </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Human capital</p> <ul style="list-style-type: none"> Human resources able to take the initiative to grasp social issues and take action Diverse human resources able to innovate <small>No. of employees</small> 8,068 Investment in human capital ¥2.6 billion Ratio of management positions held by women 8.1% New hires (new graduates + mid-career) 353 Human resources able to implement systems <small>No. of engineers</small> 5,062 </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Financial capital</p> <ul style="list-style-type: none"> A financial base supporting new service creation and responding to business environment changes Equity attributable to owners of parent ¥128.9 billion Free cash flows ¥18.5 billion </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Intellectual capital</p> <ul style="list-style-type: none"> Business knowledge and technical skills cultivated over a history of more than 60 years Obtained DX Certification Open innovation through collaboration with venture firms and startups Investments to create new services Investments*1 ¥19.9 billion </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Natural capital</p> <ul style="list-style-type: none"> Decarbonizing business activities Energy consumption 7,836kl Percentage of purchased energy used at the Group business locations that is renewable energy 7.4% </div> <div style="border: 1px solid blue; padding: 5px;"> <p>Manufactured capital</p> <ul style="list-style-type: none"> Quality assurance for products and services Quality control via ISBP*2 Transparent and fair processes Group compliance awareness survey response rate 97.1% Nationwide service network in Japan, service locations in eight foreign countries Effective BCP structure </div>	<p>Strengths → P.5</p> <p>Relationships with customers and partners in various industries</p> <p>Capabilities for enabling successful system implementation</p> <p>Capabilities for enabling one-stop vendor-free support</p> <p>Capabilities for designing and delivering new services</p>
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BIPROGY Group's Businesses

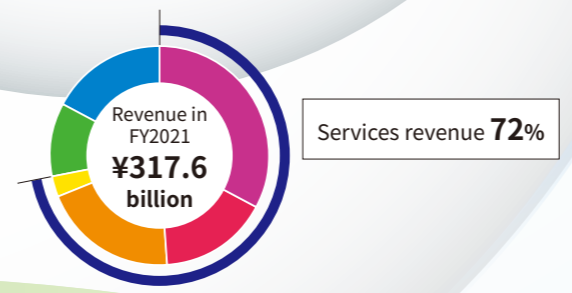
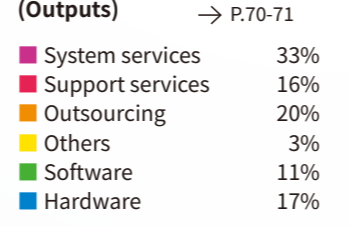
→ P.16-17

With foresight and insight, the BIPROGY Group provides solutions and services with optimized ICT environments tailored to each customer, while also creating new business models and business ecosystems



Creation of Services (Outputs)

→ P.70-71



(Negative output)
GHG emissions (Scope 1 + Scope 2 (Market-based))
13,064t-CO₂e

Management Foundation Supporting Transformation

→ P.42-69

Intellectual Asset Strategy → P.42-43	Human Resource Strategy → P.44-48	Environment → P.49-51	Value Chain Management → P.52-53	Corporate Governance → P.54-65	Risk Management → P.66-69
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Earning the trust of our customers and society, we pursue a virtuous cycle of sustainable growth by latching onto more business opportunities.

Social and Economic Value Created (Outcomes)

Data as of FY2021 or March 31, 2022

<div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Social and relationship capital</p> <ul style="list-style-type: none"> Contribute to the sustainability of society by providing businesses that solve social issues Create business ecosystems by building relationships of trust with diverse stakeholders Provide safe and secure products and services in compliance with laws, regulations, and social norms Percentage of main suppliers for which an ESG risk assessment has been made 100% </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Human capital</p> <ul style="list-style-type: none"> Produce innovative human resources that contribute to solving social issues Improve profitability by increasing labor productivity Contribute to the creation of a fulfilling society that is physically and mentally healthy and that accepts and utilizes individual diversity Operating profit per employee ¥3.39 million, +10.3% (vs. FY2020) </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Financial capital</p> <ul style="list-style-type: none"> High capital efficiency ROE 17.0% High shareholder returns TSR*3 over past five years 226.0% (+17.7% annualized) Solid financial base Issuer rating*4 A- Ratio of equity attributable to owners of parent to total assets 48.0% </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Intellectual capital</p> <ul style="list-style-type: none"> Creation of new services No. of news releases 109 Cumulative number of investments in venture capital funds and real-tech venture firms that aim to solve social problems About 30 funds, more than 60 venture firms </div> <div style="border: 1px solid blue; padding: 5px; margin-bottom: 10px;"> <p>Natural capital</p> <ul style="list-style-type: none"> Provide environmental contribution services Zero emissions initiative target achievement rate through providing environmental contribution products/services 132.9% Reduce the environmental burden of the value chain Reduction rate of GHG emissions (Scope 1 + Scope 2 (Market-based), vs. FY2019) 9.0% Reduction rate in Scope 3 GHG emissions (business travel and employee commuting) supply chain GHG emissions (vs. FY2019) 62.5% </div> <div style="border: 1px solid blue; padding: 5px;"> <p>Manufactured capital</p> <ul style="list-style-type: none"> Reliable operation of services Online uptime rate 99.999% </div>	<p>*3 Market price based on TSR indexed with closing price on March 31, 2017 (100).</p> <p>*4 Rating & Investment Information (R&I)</p>
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