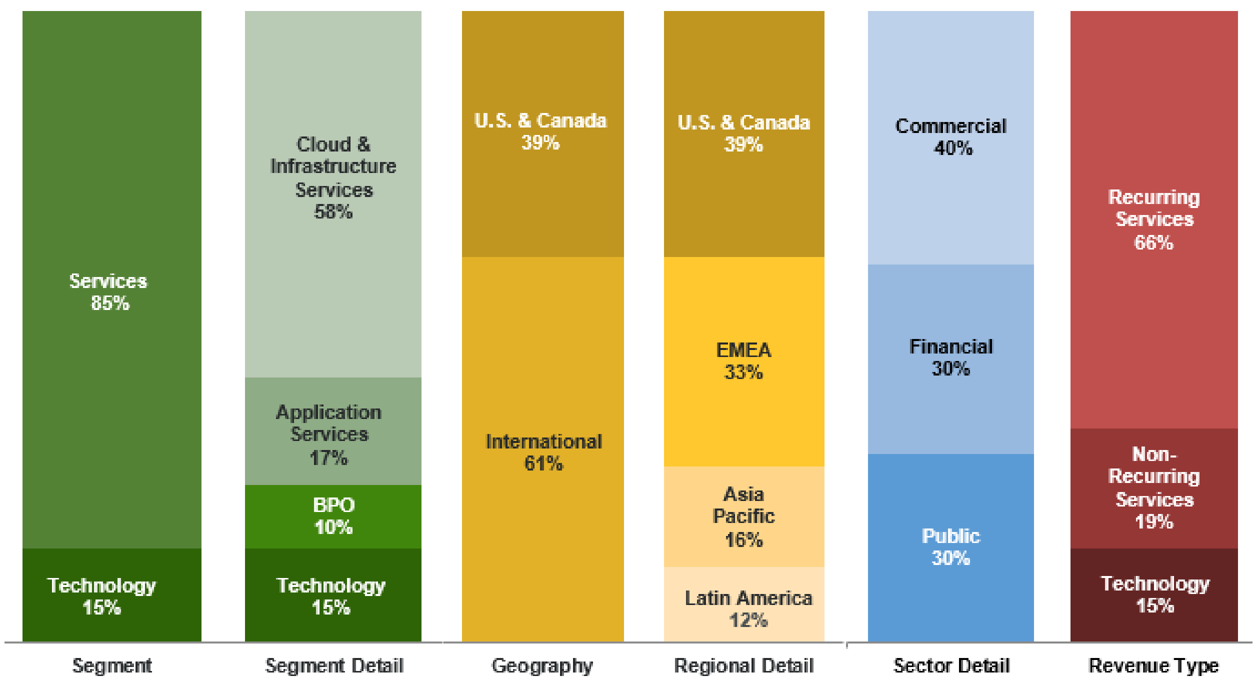
COVID-19 Update as of March 10, 2020

The company currently believes Unisys is positioned to address potential disruptions to business stemming from COVID-19, both as a result of its global nature and its business continuity planning. For a more detailed discussion regarding relevant factors, please see information related to specific topics below:

1. ***Limited Risk Exposure***
2. ***Institutionalized Company Preparedness Plan***
3. ***Market Impact on Pension***
4. ***Market Impact on Pension Takeout Strategy***

1. Limited Risk Exposure

- Globally diversified company, with limited revenue concentration. See below for pro forma[1] revenue diversification by segment, service line, geography, sector and revenue type for the full year 2019.



- Geographically diverse Services delivery footprint. Unisys also has a geographically-dispersed delivery model, which allows for transfer of workloads in the event that operations in certain areas are disrupted or unable to open.
    - The company operates in 30 countries around the world at just under 100 locations, which provides it with higher resiliency than companies that are more geographically concentrated
    - 11 data centers globally, including space at Unisys-leased locations and third-party colocations

[1] Pro forma refers to pending sale of the U.S. Federal business announced on 2/6/2020

- 13 service desks globally

- A significant portion of revenue is recurring and tied to long-term, multi-year contracts. As noted in the bar chart above, for the full year 2019, recurring Services revenue represented 66% of total company pro forma[1] revenue. The bulk of Technology revenue is also tied to long-term contracts. Adding that to the recurring Services revenue takes pro forma[1] recurring revenue to approximately 81% of total pro forma[1] revenue in 2019.
- Limited concentration of revenue within areas most immediately and directly impacted by COVID-19. In 2019, the company earned less than 7% of total pro forma[1] revenue from clients in China and its global Travel and Transportation business on a combined basis. In 2019, the amount of pro forma[1] revenue related to passenger travel was less than 4%.
  - As of March 9th, 2020, 96% of confirmed COVID-19 cases have been observed in 7 countries (China, South Korea, Italy, Iran, France, Germany and Spain; data sourced from the World Health Organization as of 3/9/20). In 2019, Unisys earned approximately 7% of its pro forma[1] revenue from these countries and had less than 7% of its associates based in these countries.

2. Institutionalized company preparedness practices

- ISO-certified Business Continuity Planning procedures are in place and have helped the company avoid any material disruptions to date.
  - Unisys Business Continuity Management System (BCMS) is certified to ISO 22301:2012 – the prevailing global standard
    - This certification recognizes that the company meets or exceeds the relevant standards for Management of Business Continuity for the following operations in 18 Unisys client service centers located around the world:
      - Global Workplace Services (GWS), including Service Desk, End-Point Operations, End-Point Security and Global Field Operations;
      - Cloud Infrastructure and Application Services (CIAS), including Managed Service Operations (MSO) and Managed Network Services (MNS);
      - Security Service, including Security Operations Center and Managed Security Services;
      - Data Centers (DC) providing hosting and systems management services;
      - Facilities and Administration; and
      - Location IT Operations
  - Unisys BCMS provides for cutover of Service Desk operations from any affected client center to others that can accommodate clients' linguistic requirements. Work-from-home options are also available to ensure continuity of business, while limiting risk of virus spread to or amongst employees.
    - ***A key example of the success of this planning occurred in recent weeks in connection with the outbreak in China: As a result of government-imposed restrictions, the company could not re-open its service desk in Shanghai at the end of Chinese New Year. Accordingly, the company invoked BCMS procedures and managed work-loads with no material interruption.***

  - Approximately 60% of 2020 pro forma[1] field services revenue is expected to be earned from clients in the U.S. or Latin America.

- The company's business continuity plan specifically includes pandemics.

- Crisis management team in place to handle situations that arise unexpectedly outside of ordinary business continuity planning. The company has a standing cross-functional, global team to address unexpected "crisis-level" issues that arise. This team meets regularly to review its policies and procedures and undergoes periodic simulation exercises, which help increase preparedness and allow for ongoing assessment of key strengths of the team and areas to improve upon.
- Long track record of successfully implementing protocols related to public health emergencies, including with respect to outbreaks in recent years of Avian flu, H1-N1, and MERS
    - The company has been proactive in providing ongoing updates to associates regarding key public health tips and protocols and has been continually evolving travel policies to limit spread to and within employee populations.

3. **Pension:**

As a reminder, pension valuation is performed at year-end only. As such, the company's pension obligations were valued at December 31, 2019 and will not be formally re-valued until December 31, 2020 based on market conditions at that point in time. As such, any mid-year commentary provided is illustrative and does not have a direct impact on the company's balance sheet obligations or required cash contributions.

- Pension Deficit:
    - Asset returns:
        - Equities: The U.S. pension plans' fiduciary committee has the ability to manage risk exposure within the plans (international plans are managed by trustees) and has implemented hedging strategies which limit downside exposure to equities. In general, if the current downturn in equities persists through year end, these hedges for the U.S. pension plans would provide protection from equity market losses between 2% to 17%.
        - Fixed Income: The portion of the company's U.S. plan assets that are invested in fixed income sees positive returns when rates decline, as prices move inversely to yields. This impact of the fixed income assets offsets a portion of the discount rate impact noted below.
    - Discount rates:
        - As a reminder, the discount rate the company uses to value its U.S. pension deficit is not tied to the U.S. 10-year Treasury rate, it is based on a basket of highly-rated corporate bonds. Given that credit spreads have widened in recent days, the yields on corporate bonds have not declined as significantly as the yield on the 10-year. As of 3/9/20, the yield on the basket of corporate bonds that the company uses to value its U.S. pension deficit has decreased by approximately 76 basis points since year-end 2019, whereas the U.S. 10-year Treasury rate has decreased by 135 basis points.
- Cash Contributions:

- <u>Asset returns:</u>
    - The risk management strategies of plan assets noted above also mitigate the impact of negative market movements on the cash contribution calculations.
- <u>Interest rates:</u>
    - Overall, required cash contributions are significantly less sensitive in the near-term than the pension deficit is to changes in interest rates. As a result, if cash contributions were re-calculated based on interest rates as of 3/9/20, there would be a de minimis net future impact on required cash contributions.

4. Impact to pension takeout strategy

- As the company has noted in recent commentary, it intends to apply a portion of the proceeds from the sale of its U.S. Federal business to its near-term U.S. required pension contributions. The company may explore raising debt in the capital markets to fund some or all of the remaining required cash contributions, but it is under no obligation to do so at any particular time or at all.

Forward-Looking Statements

Any statements contained in this update that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, any projections of financial results; any statements of the company's plans, strategies or objectives for future operations; statements regarding future economic conditions or performance; and any statements of belief or expectation. All forward-looking statements rely on assumptions and are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Discussion of factors that could affect the company's future results is contained in its periodic filings with the Securities and Exchange Commission. The company assumes no obligation to update any forward-looking statements.