

Governance



Keisuke Yokoo

Chairperson of Board of Directors,
Outside Director

Message from the Chairperson of the Board of Directors

Appointment of Chairperson of Board of Directors

I was appointed chairperson of the Board of Directors in June 2023. I will endeavor to encourage deliberations that make the Board more effective. One particular priority will be to enhance preparatory information about proposal details to outside directors. I look to draw on points and questions raised in such gatherings to foster constructive question-and-answer sessions between directors and executives in Board meetings. I also aim to inspire more vibrant discussions among outside directors about core issues.

We will therefore keep stepping up initiatives so directors better understand our business. Examples would include having them attend management meetings as observers and tour business sites. We will also solicit solid suggestions and advice from outside directors by conveying and highlighting important issues to them in advance.

Creating a board culture that embodies Ricoh's founding principles

The structure and procedures of the Board of Directors continue to evolve with the business climate. We thus clearly defined the board culture as vital for the Board of Directors to foster and maintain.

We have based our board culture on the Spirit of Three Loves, the founding principles of the Ricoh Group. That culture has three core elements. The first is for the Board of Directors to respect the interests of diverse stakeholders, including shareholders, customers, employees, business partners, and communities and society. It does that by engaging in dialogue with those stakeholders and by overseeing efforts to formulate and implement management strategies that help resolve social issues. Second, the Chairperson of the Board of Directors

manages that entity impartially so its highly diverse and independent members can candidly discuss issues from broad perspectives, with Ricoh's operations reflecting the results of such deliberations. Third, the Board oversees efforts to formulate and implement decisions that help improve corporate value over the medium through long term while ensuring solid business growth, capital returns, and ESG progress. I believe all directors have embraced the Spirit of Three Loves and that they reflect the Board culture in making decisions, supervising management, and advising on operations and businesses.

Governance challenges

One issue requiring ongoing discussion is the ideal setup of the Board of Directors. It currently comprises internal and outside directors with diverse backgrounds. The Board will ultimately need to both supervise management and suitably advise about business operations. Because of the Ricoh Group's transformation into a digital services company, the Board needs to continuously assess its size, the proportion of outside directors, and member selections. It also needs to consider skills and backgrounds that can help enhance corporate value by appointing directors based on its overall skills matrix balance.

Given growing efforts concerning Board successions, it is vital to create an appropriate structure for that body and constantly examine its roles and functions while reviewing its design and operational approaches. As well as evaluating the Board's composition and talent acquisition, we will endeavor to make it more effective from various angles. That approach will include appointing outside directors who can help maintain and enhance the functions of the Board and the Nomination and Compensation Committees, improving members' capabilities, evaluating effectiveness, and providing solid feedback.