

**ESG
Initiatives
to Enhance
Corporate
Value**

November 26, 2020

Mikako Suzuki

Corporate Vice President,
General Manager of Sustainability Management Division,
Ricoh Company, Ltd.

- Thank you for making time to join us today.

ESG within Management Strategies

Our Initiatives

Governance

Environment

Social

Future Efforts

- Here is today's agenda.
- I will present how we are incorporating ESG within our management strategies, our governance, environment, and social initiatives, and our future efforts.

ESG within Management Strategies



- Before moving on to our initiatives, I will speak about how we're incorporating and integrating ESG within Ricoh's management strategy.

Specific examples of ESG disclosure demands

Environment

- Business growth opportunities from environmental management
- Basic stance on climate change initiatives
- Validity and bases of environmental goals and issues
- Stance on Ricoh-specific risks
- Competitive edge over rivals in same industries
- Resource-related initiatives
- Plastic recycling rates for products
Cartridge collection rules and setups

Social

- Value chain management initiatives in procurement, human rights, and other areas
- Diversity initiatives
- Initiatives and achievements for women participating in work and goals (suitability)
- Work practice reform efforts
- Stance and initiatives relating to Ricoh-specific risks

Governance

- Capital efficiency approach, particularly regarding returns on invested capital and weighted average cost of capital
- Shareholder returns sustainability
- Connections between executive remuneration and ESG initiatives
- Effectiveness of Board of Directors (oversight effectiveness of outside directors and examples)

- Over the past two years, we have gathered disclosure requests from investors and customers.
- There have been questions to date about our basic approach to climate change and our specific approach. There have recently been more requests regarding resource-recycling initiatives, recycling rates for the plastic parts in our equipment and about our cartridge collection rules.
- Social endeavors have included value chain management and diversity initiatives.
- We have received inquiries about diversity initiatives across the value chain, such as at production sites. Some have asked, for example, if our plants have women's committees.
- On the governance front, there have been inquiries about the connections between executive remuneration and ESG initiatives and the effectiveness of the Board of Directors.

Rising and more complex ESG demands of suppliers by European global enterprises and national and local governments

- ESG accounts for 10% of supplier scores in business deal negotiations, while ESG initiatives are inevitably spelled out in agreements and required
- Responses to ESG questionnaires, evidence submissions, ESG audits, and enhancements at production sites specifically required

Case study: Participation in Deutsche Telekom's Sustainable Development Programme

- Deutsche Telekom developed this two-year program to encourage supplier sustainability improvements
- Answered 147 questions and submitted evidence for 10 categories, including environmental management, working climate, human rights, and supplier management
- Provided monthly reports on plant ESG audits and progress in highlighted areas

<Examples of improvement proposals and monitoring items for Ricoh based on audits>

- Establishment of women's committee (to foster diversity)
- Carbon dioxide emissions cuts (reduction efforts based on Science Based Targets standards)
- Proper management of chemical substances
- Supplier management (environmental management approach and audits)
- CSR management in keeping with Sustainable Development Goals (SDGs)

Received Gold Award under program in September 2020



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

4

- The ESG requests from European global enterprises and national and local governments have become increasingly complex.
- A good example of this what we have done with Deutsche Telekom.
- ESG scores accounts for around 10% of that company's supplier scores in business deal negotiations. Even after receiving orders, we underwent monthly audits of our sustainable development program. This challenging process included sometimes filling out ESG questionnaires, partaking in in-person audits, and auditing production sites and suppliers.
- A two-year audit ended in September 2020, when we received a Gold Award. At that point, Deutsche Telekom said assessments similar to that audit program would likely become business negotiation prerequisites not just in Germany but also for national and local governments around Europe but also for multinationals. So, the challenges will mount.

Have readily taken part in major initiatives in Japan and around world

- April 2017 **First** Japanese company to join RE100
- August 2018 **Swift** among Japanese companies to commit to recommendations of Task Force on Climate-Related Financial Disclosures (TCFD)
- October Signs Japan Climate Action Summit declaration
- August 2019 **First** Japanese company to participate in Business for Inclusive Growth
- November **Early** among Japanese entity to join Responsible Business Alliance, which promotes social responsibility in global supply chains
- January 2020 **Only** Asian company to join RE100 Advisory Committee
- March **Early** in Japan certified by Science Based Targets for setting emissions reduction goals that help limit global temperature rise to 1.5°C above pre-industrial levels
- June Commits to Uniting Business and Governments to Recover Better
- August Commits to Business for Nature's Call to Action
- September Commits to Business Ambition for 1.5°C campaign
- November Joins 30% Club Japan

- We have endeavored to meet ESG requirements by leading the way in domestic and international initiatives under the 19th Mid-Term Management Plan and during this fiscal year.
- In 2017, we were the first Japanese company to join RE100.
- In August 2018, we committed to the recommendations of the TCFD.
- In August 2019, we were the first Japanese company to participate in Business for Inclusive Growth, established under the auspices of the OECD after the G7 Leaders' Summit in France. In November that year, we joined the Responsible Business Alliance, which promotes social responsibility in supply chains.
- In January 2020, we were the only Asian company to join the RE100 Advisory Committee. In March, we were certified by Science Based Targets for setting emissions reduction goals that help limit the global temperature rise to 1.5°C above pre-industrial levels.
- Taking part in such initiatives has enabled us to get advice and useful information from experts and companies at the forefront of ESG efforts.
- Internally, we are challenging to pursue higher targets, with each department taking the initiative to undertake concrete steps.

Materialize sustainable society

Sustainably enhance corporate value

 Contribute to SDGs and Paris Agreement

Key ESG activity themes and disclosure items

Environment

- Climate change
- Circular economy
- Chemical substance management
- Biodiversity preservation

Social

- Human rights protection
- Diversity and inclusion
- Customer satisfaction enhancement
- Supply chain management
- Social and regional contributions

Governance

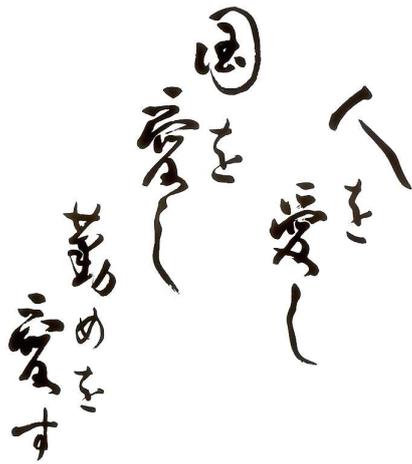
- Corporate governance
- Risk management
- Compliance
- Information security

Note: We will overview areas highlighted in red in this presentation

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

6

- We aim to materialize a sustainable society and enhance corporate value sustainably by resolving social issues. We believe that these efforts will contribute to reaching Sustainable Development Goals and Paris Agreement objectives by 2030.
- This slide presents a complete picture of the Ricoh Group's ESG efforts. I will focus today's presentation on the areas highlighted in red.

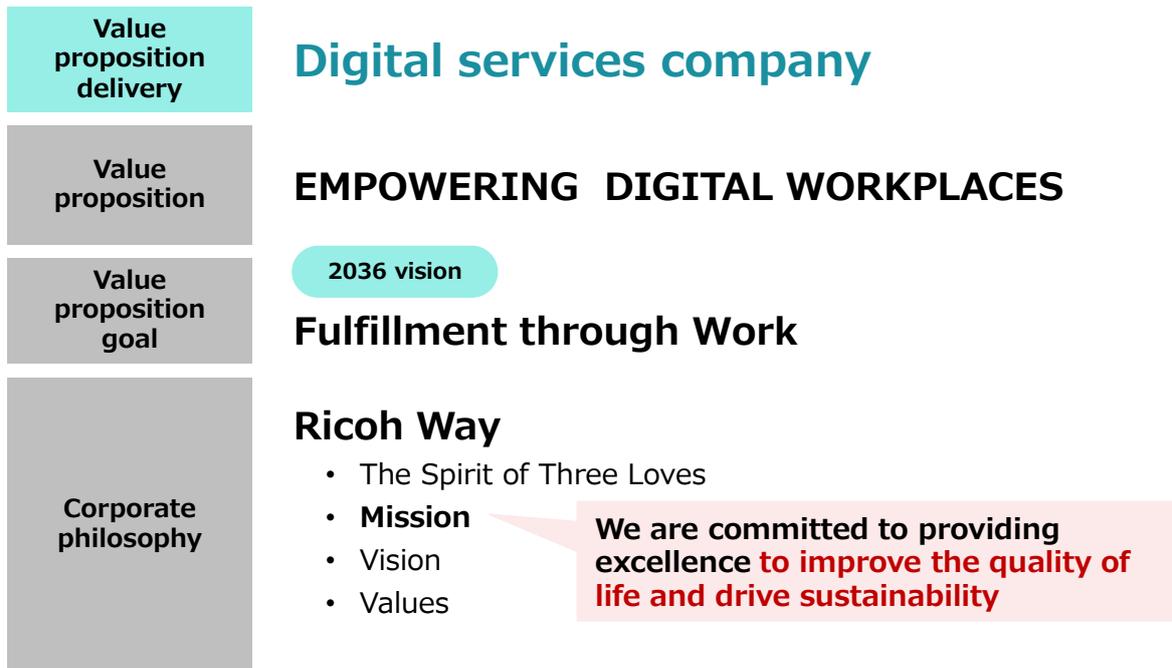


"Love your neighbor"
"Love your country"
"Love your work"



Ricoh founder Kiyoshi Ichimura

- Kiyoshi Ichimura created The Spirit of Three Loves, our founding spirit, which is ingrained in our corporate DNA.
- Love your neighbor encompasses our stakeholders. Love your country refers to regions, nations, and the Earth. Love your work is a nod to the joy of working. Our employees believe that Sustainable Development Goals embody the Spirit of Three Loves.



- Ricoh is transforming away from office equipment manufacturer into a digital services company.
- To date, we have endeavored improve work environments by streamlining office tasks and productivity through business machines and other equipment.
- The COVID-19 pandemic, however, prompted us to focus not just on boosting productivity but also on helping workers achieve things and realize their potential. We accordingly formulated our value proposition goal for 2036, our centennial, of Fulfillment through Work.
- We remain committed to generating new value that is useful to the world and providing excellence to improve the quality of life and drive sustainability.

Focus on sustainable corporate value

<Basic Principle>

**Sustainably enhance corporate value
by delivering solutions to address social challenges**

**Harness self-motivated
employees**

**Strengthen
competitiveness**

- ✓ For office customers, build recurring revenues from office services
- ✓ Generate solutions from our in-house digital revolution practices

Enhance capital returns
(Strengthen operating infrastructure)

- ✓ Monitor profitability in each business using ROIC (Optimize corporate structure)
- ✓ Capital policies to optimize capital structure

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

Slide From
Investors' Meeting
(March 27, 2020)

- On March 27, Mr. Yamashita announced basic principles for 2022 and beyond of sustainably enhancing corporate value by delivering solutions to address social challenges.

Set an ROE target to enhance corporate value

Ricoh Lift
Off Target

ROE above **9%** in FY22

Above 10% from
FY23 (21st MTP)

Financial KPIs to achieve ROE target

Profit attributable to owners
of the parent

Adjusted operating profit

(Operating profit + equity in earnings of affiliates)

ROIC : Above 7%

Stakeholder targets*

Customers Customer survey scores

Partners Partner scores
(Suppliers, dealers, and development partners)

Employees Employee engagement scores

Society **Decarbonization:** GHG scopes 1 and 2**
Circular economy: Product resource
conservation rate

Shareholders **ROE: Above 9%**

* From ESG targets

** Greenhouse gas emission reductions for scopes 1 and 2

Slide From
Investors' Meeting
(March 27, 2020)

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- We target a return on equity of above 9% for fiscal 2022 and a return on invested capital exceeding 7%.
- At the same time, we have formulated targets covering multiple stakeholders, including shareholders and customers.

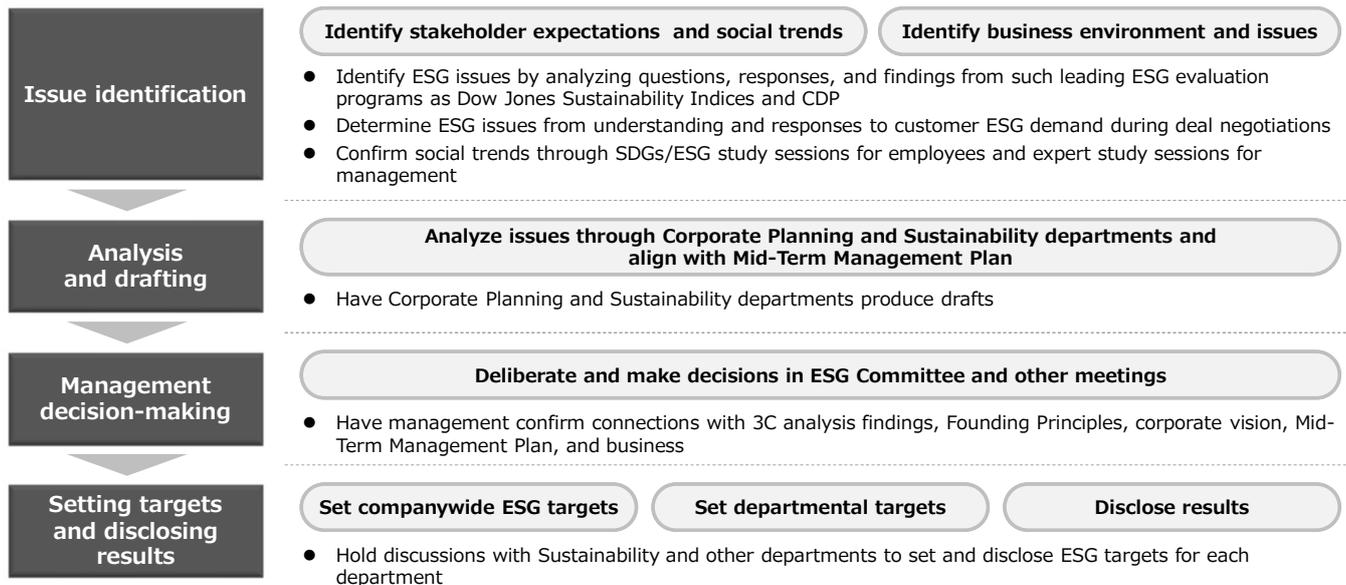
Companywide management targets

**Financial
targets**

**ESG
targets**
(Future finances)

- We have positioned financial and ESG goals as companywide management goals.

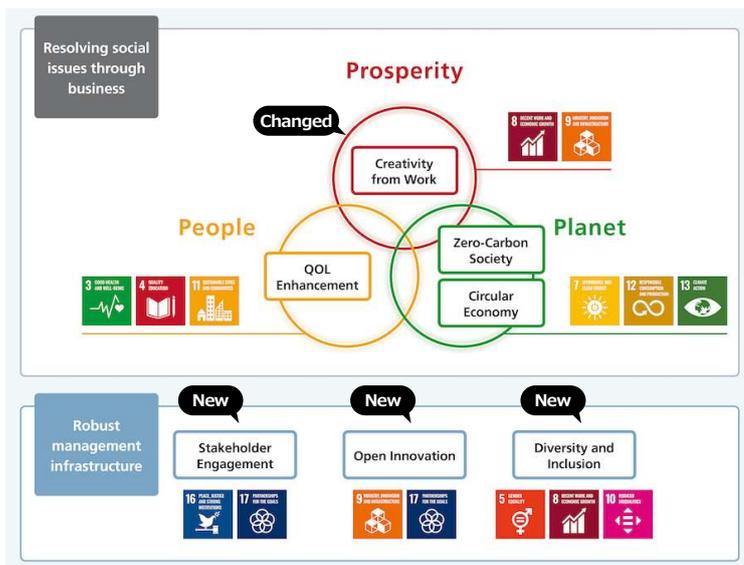
All managers and employees participating based on 3C analysis



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- This fiscal year, we changed and added materialities and set ESG targets based on trends for customers, investors, and society according to the process shown here.
- In light of previously explained customer requirements, social trends, and such external evaluations as Dow Jones Sustainability Indices and CDP, we conducted a 3C analysis and had management as well as employees identify issues.
- The Corporate Planning and Sustainability management departments produced drafts, with the ESG Committee deliberating and making decisions.
- We then decided to set companywide ESG targets, set departmental targets, and improve disclosure.

Have identified materialities and set 14 ESG targets in light of management philosophy, business strategies, and stakeholder demands



Four materialities for resolving social issues through business

- Transforming work in keeping with 2036 vision and business strategies
- Improving quality of life through management philosophy and delivering more value
- Decarbonizing economies in view of climate crisis
- Materializing circular economy

Three new materialities relating to reinforcing management infrastructure

Stakeholder engagement	Make stakeholder assessments a management benchmark
Open innovation	Drive innovation through co-creation
Diversity and inclusion	Secure diversity so employees can reach their potential

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- This slide presents our materialities for fiscal 2022.
- We have identified materialities and set 14 ESG targets in light of our management philosophy, business strategies, and stakeholder demands.
- Until fiscal 2019, we had five materialities for resolving social issues through business. These were to improve productivity, create information, enhance the quality of life, attain a zero-carbon society, and materialize a circular economy.
- From fiscal 2020, we integrated improving productivity and creating information to establish a materiality of creativity from work in keeping with our 2036 vision.
- To reinforce our management structure so we can enhance corporate value, we added three new materialities, of stakeholder engagement, open innovation, and diversity and inclusion, resulting in seven materialities.

	Materiality	ESG targets		
		2030 targets	KPIs	Targets
Resolving social issues through business	Creativity from work	Contribute to “Creativity from work” of all customers to whom we deliver value	Evaluation scores in customer surveys	Top score rate* : 30%
			Enhancement level of the value delivered to customers	
	QOL Enhancement	Contribute to the enhancement of social infrastructure for 30 million people	No. of people to whom we have contributed by improving social infrastructure	10 million people
	Zero-carbon Society	Reduce GHG emissions by 63% for scope 1 and 2, and 20% for scope 3	GHG emissions reduction rate for scope 1 and 2	30% (Relative to 2015)
	GHG emissions reduction rate for scope 3		10% (Relative to 2015)	
	Circular Economy	Ensure efficient use of resources throughout the entire value chain and achieve 50% of product resource conservation	Resource conservation rate of products	30%
Robust management infrastructure	Stakeholder Engagement	Materialize win-win-win relationships in-house and with partners and society by engaging in equitable corporate activities with stakeholders	Acquisition of RBA* certification at our production bases	Acquire certification at all the six major production bases
			Percentage of suppliers who have signed the Ricoh Group Supplier Code of Conduct	Have all the important suppliers sign the Code of Conduct
			International security standards	Enhance security based on the standards set by ISO/IEC and NIST
			Evaluation scores given by each partner (suppliers, distributors/dealers, development partners)	
		Receive highest- level evaluation in major ESG indexes	DJSI, CDP and others	
	Open innovation	Collaborate with partners to create new value that benefits the world	Create new value through open innovation	
Diversity and Inclusion	Benefit from diverse, dedicated workers	RFG engagement score	At least 50 percentile in each region	
		Percentage of female managers	At least 15% (At least 7% in Japan)	

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- We established 14 companywide ESG targets tied to these seven material issues.
- We set targets for 2022 by backcasting from the 2030 goals that we set in the first half of fiscal 2019, and have disclosed numbers for them.
- Our website and integrated report provide more detail on our material issues and 14 ESG targets.
- Also, we have broken down companywide targets and set ESG targets by fiscal year for each business and functional department. For example, we set carbon dioxide emissions reduction targets for businesses with particularly high emissions, which they would reach by improving production processes. We use PDCA cycles and check progress against targets.



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- Here are key external assessments of our efforts thus far in fiscal 2020.
- I think that we have been highly regarded not only for our environmental efforts by also for setting and implementing overall and business-specific ESG targets.
- We recently won the Grand Prix Award in the Nikkei SDGs Management Grand Prix. We were also included in the World Index for the Dow Jones Sustainability Indices.
- We are very open to external surveys and evaluations, but our goal isn't to get better scores and ratings. Objective and multifaceted evaluations enable us to clarify where we stand and then act to boost corporate value.

Our Initiatives: **Governance**



- Thus far, I've talked about how we've integrated ESG with the management strategy we've worked on during the past year.
- I'll now present specific initiatives in each ESG area.
- I'll begin with governance.

Governance effectiveness

- **Board of Directors composition**
Outside directors: 50%
Female directors: 12%
- **Creation of Nomination Committee and Compensation Committee**
- Evaluation of Board of Directors effectiveness (initiated third review in 2020)
- Invigorated deliberations through governance and board review committees
- Disclosed audit results in 2019

Appointments and remuneration

- Shortened director terms to one year in 2017
- Rolled out share price-linked remuneration in 2019
- **ESG benchmarks reflected in director bonuses formula from 2020**
- Two-stage director assessments deployed from 2018
- CEO succession planning summary disclosed in 2018
- Enhanced independence of auditor selection process in 2019

Compliance and risk management

- Strengthened pre-assessments of M&A deals by setting up Investment Committee in 2018
- Stimulated deliberations about ESG challenges for medium and long terms by setting up **ESG Committee** in 2018
- Clarified key management risks and enhanced effectiveness by creating Risk Management Committee in 2019
- Reviewed and strengthened performance management structure for overseas subsidiaries in 2017
 - Reviewing balance sheets of overseas subsidiaries
 - Strengthening the global auditing structure
- Improving compliance by broadening adoption of Ricoh Group Code of Conduct

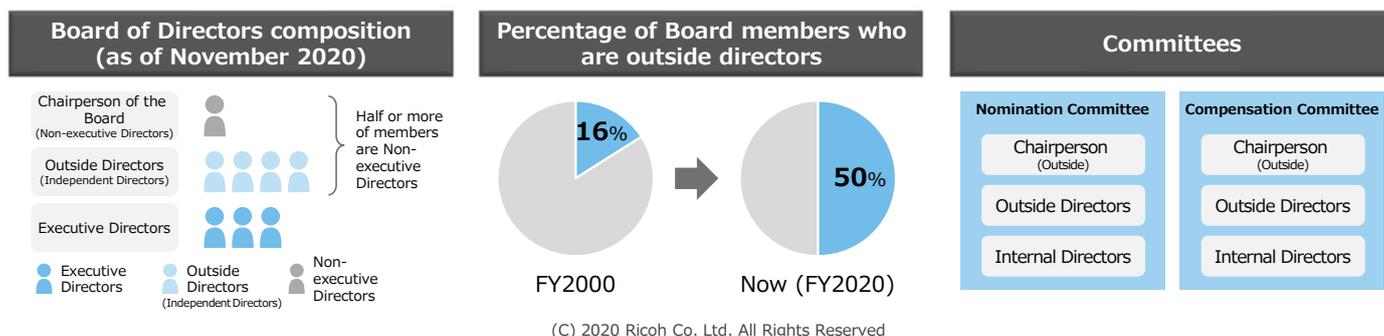
Note: Subsequent slides cover parts highlighted in blue

- We have addressed governance effectiveness, specifically for the composition of the Board of Directors, the creation of the Nomination Committee and Compensation Committee, and the evaluation of the Board of Directors.
- We've done much about appointments and remuneration. We've shortened director terms to one year and reflected ESG benchmarks in the director bonuses formula. We've also enhanced the independence of the auditor selection process.
- For compliance and risk management, we set up the Investment Committee to strengthen pre-assessments of M&A deals. We created the Risk Management Committee, and we reviewed and strengthened the performance management structure for overseas subsidiaries, as part of which we reviewed the earnings statements and balance sheets of those entities.
- I will explain the areas shown in blue today.

Have accelerated drive to reinforce corporate governance since rolling out RICOH Resurgent in 2017

- **Outside director composition: 50% (4 people)**
→ Securing independence before social demands might arise
- **Half of Board members are outside directors, and non-executive directors constitute majority**
→ Lively deliberations from diverse perspectives
- **Outside directors head Nomination and Compensation Committees**
→ Securing transparency, objectivity, and independence

Governance reforms	
2000	Appointed outside directors Instituted executive office structure
2005	Set up Nomination and Compensation Committee
2016	Split Nomination and Compensation Committee
2017	Made committees more independent Launched Governance Review Committee
2018	Outside Directors accounted for more than half of committee compositions

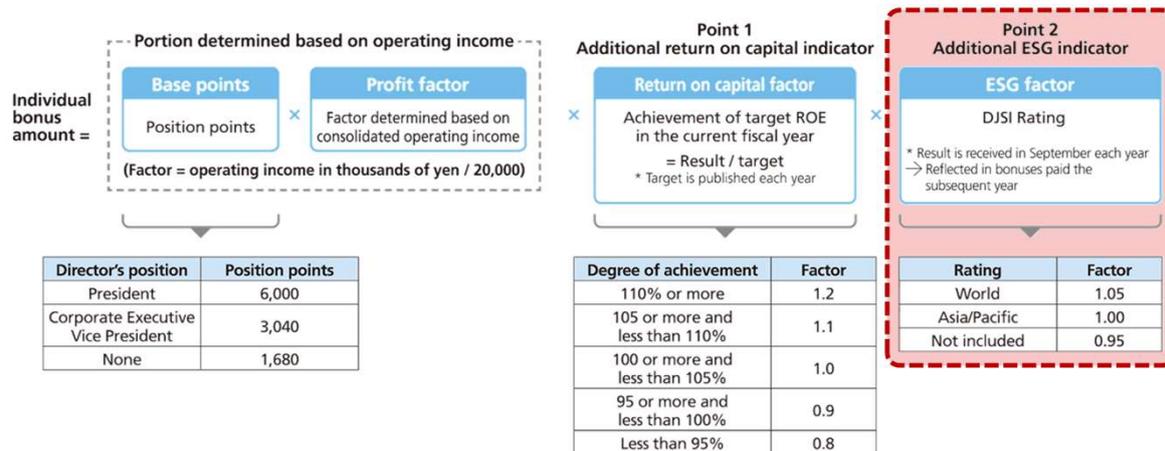


(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- Since Mr. Yamashita took the helm in fiscal 2017, we have accelerated the drive to reinforce governance under the RICOH Resurgent banner.
- Outside directors account for half of our eight-person Board of Directors, securing independence before social demands might arise. With that ratio and non-executive directors constituting a majority of the board, deliberations are lively and from diverse perspectives.
- Outside directors head the Nomination and Compensation committees, securing transparency, objectivity, and independence.

Formula for calculating Director's bonuses from 2020

- I. Establish a performance indicator using ROE results for each fiscal year, as an incentive to enhance return on capital
 - II. Establish the annual DJSI* Rating, which the Company as a whole is pursuing, as a performance indicator, as an incentive to enhance ESG indicators
- * Indicators related to return on capital and ESG will also be added to the formula for Executive Officers.



Director's position	Position points
President	6,000
Corporate Executive Vice President	3,040
None	1,680

Degree of achievement	Factor
110% or more	1.2
105 or more and less than 110%	1.1
100 or more and less than 105%	1.0
95 or more and less than 100%	0.9
Less than 95%	0.8

Rating	Factor
World	1.05
Asia/Pacific	1.00
Not included	0.95

- Starting this year, the bonus formula for directors incorporates not just operating profit but also indicators related to the return on capital and annual DJSI Rating as an ESG measure.
- We use the DJSI assessment as an ESG metric because it is exhaustive and multifaceted, with feedback leading to extensive improvements. Similarly for executive officers, we have incorporated departmental ESG targets into both the bonus calculation formula and performances.

Committee overview and roles

- CEO chairs ESG Committee, comprising Group Management Committee* members, Audit and Supervisory Board member, and general manager of Sustainability Management Division
- Discusses and decides on ESG issues
- Set up in 2018 and convenes quarterly
- Formulates strategies and identifies medium- and long-term risks and opportunities
- Manages and supervises progress with key performance indicators
- Identifies Board of Directors deliberation matters

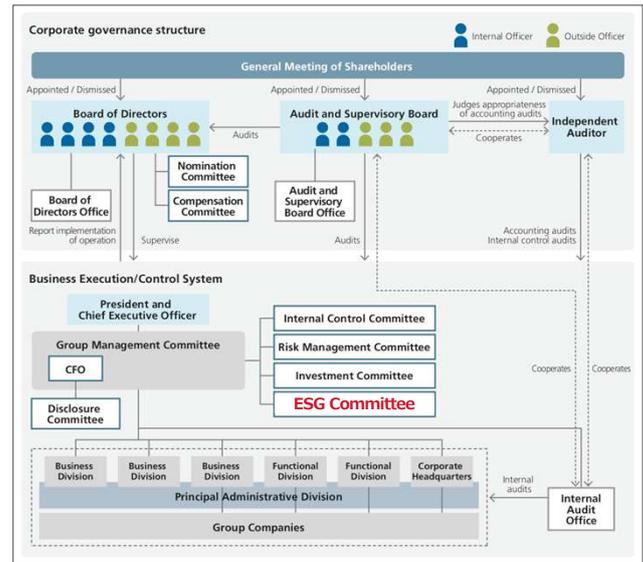
FY2019~2020 deliberations

- Upwardly revised environmental goals (in keeping with 1.5°C target)
- TCFD conformity (disclosing risks and opportunities)
- Formulated policies and roadmap for reaching RE100 targets
- Set ESG targets
- Reinforced supply chain ESG

* Comprises executive officers and is decision-making body empowered by Board of Directors

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

ESG Committee positioning



- The ESG deliberations I have spoken about thus far have been through the ESG Committee, which we established in 2018.
- Mr. Yamashita chairs that entity, which comprises Group Management Committee members, an Audit and Supervisory Board member, and the general manager of the Sustainability Management Division.
- The committee has met quarterly since its creation. Its varying decisions have covered everything from short-term deliberations through identifying medium- and long-term risk opportunities.
- Shown here are deliberations for fiscal 2019 and 2020.
- All committee members have discussed revising upward environmental goals in keeping with our Science Based Targets 1.5°C goal. Among other things, they have deliberated about TCFD conformity, disclosing risks and opportunities. They have formulated policies and a roadmap for reaching RE100 targets, set ESG targets, and have reinforced supply chain ESG.
- While the committee basically convenes quarterly there are also extraordinary gatherings. There were thus six very vibrant meetings in 2019.

Our Initiatives: **Environment**



- Next, I will talk about our environmental initiatives.

Climate change measures

- **Set medium- and long-term targets based on Paris Agreement**
- **Endeavor to reach RE100 goals**
- Business site energy-saving activities
 - Production process reforms
 - High-efficiency equipment installations
 - Eco car introduction and fleet size optimization
- **Conform with TCFD and strengthen disclosure**
 - **Bolster business opportunities**
 - Enhance risk responsiveness
- Secure disclosure reliability (Third-party audits)

Circular economy measures

- **Act based on Comet Circle**
- **Set medium- and long-term targets**
- **Pursue product 3Rs**
 - Pursue 3Rs at business sites
 - Effectively use and conserve water resources
- **Undertake plastics initiatives**
- **Build collection structure RICOH Eco Business Development Center**
 - Properly treat business site waste
 - Audit industrial waste contractors

Chemical substances management and biodiversity conservation

- Manage chemical substances when manufacturing products
- Manage chemical substances in products
- Manage soil at business sites
- Factor biodiversity into raw materials procurement
- Forest conservation projects

Note: Subsequent slides cover parts highlighted in green

- Climate change measures include setting medium- and long-term targets based on the Paris Agreement, endeavors to reach RE100 goals, and conformity with TCFD.
- Circular economy measures encompass acting based on Comet Circle, setting medium- and long-term goals, and pursuing product 3Rs.
- We are also managing chemical substances and conserving biodiversity.
- Today, I will focus on areas shown in green.

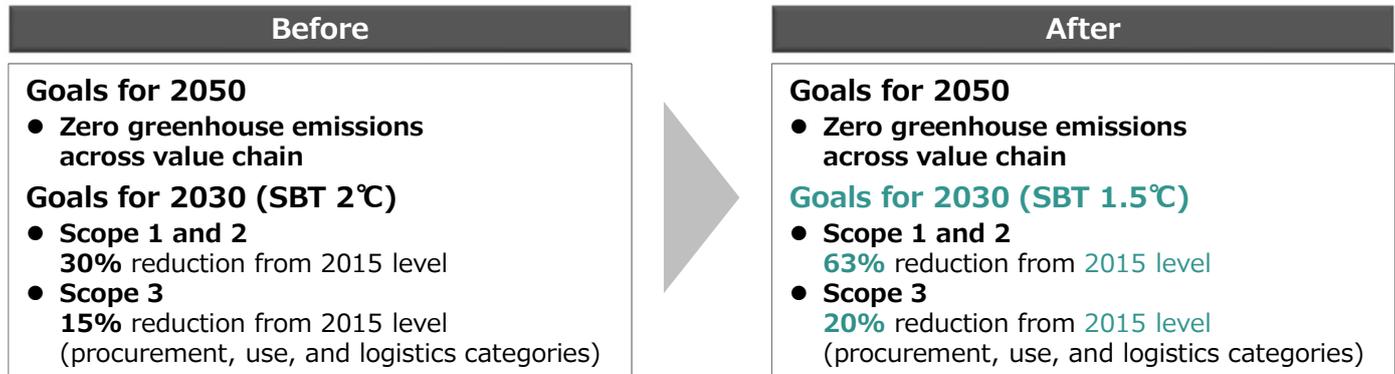


Upwardly Revised Environmental Goals

(in keeping with 1.5°C target)

In April 2020, revised greenhouse gas emissions reduction target for 2030 from 30%, to 63%

- Was first Japanese manufacturer (and fifth Japanese corporation) to switch from Science Based Targets* goal of 2.0°C to 1.5°C
- Decided to strengthen efforts in light of Intergovernmental Panel of Climate Change's Governance Special Report on Global Warming of 1.5°C and climate crisis



* Science Based Targets is an international initiative that certifies that corporate greenhouse gas reduction goals are science-based.

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- I'll first explain climate change measures based on the Paris Agreement.
- In April 2020, we raised our environmental targets to switch to the Science Based Targets goal of 1.5°C.
- Before that move, our 2050 target was zero greenhouse gas emissions across the value chain. The target for 2030 was the Science Based Targets goal of 2°C. The Scope 1 and 2 goals were a 30% emissions reduction from the 2015 level and a Scope 3 decrease of 15% from 2015.
- While we have retained our 2050 goals we have revised those for 2030. For Scope 1 and 2, we now target a 63% emissions reduction from the 2015 level, with a Scope 3 reduction target of 20% from that base year.
- These targets are particularly stringent for Japanese manufacturers, and we declared our commitment to meeting them. In fact, we were the fifth Japanese company and the nation's first equipment manufacturer certified in these respects.

Continue Intensive efforts to conserve energy and use knowledge and diverse approaches to deploy renewable energy

● Accelerate deployment of energy-saving measures in Japan, Americas, and Asia and strengthen globally

- Step up activities below in Japan, Americas, and Asia, augmenting efforts in Europe and China

- | | |
|--|--|
| 1. Expand strategic use of renewables certification and strengthen renewables purchasing | 3. Look into securing renewable energy outside business sites |
| 2. Expand in-house power production (solar and micro wind power) | 4. Use sustainability linked loans from MUFG Bank (Offers preferential interest rates aligned with attaining 1.5°C goal) |

● Continue rigorous efforts to conserve energy

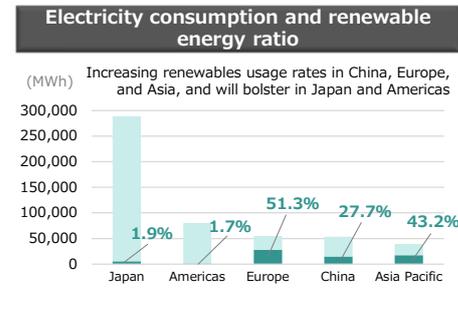
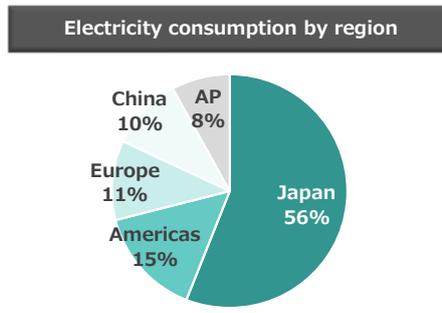
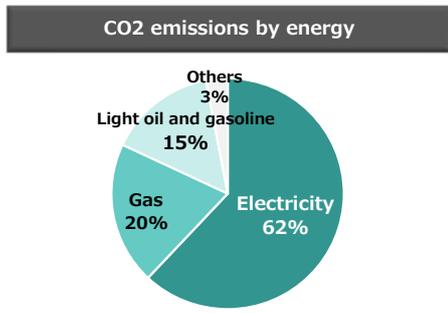
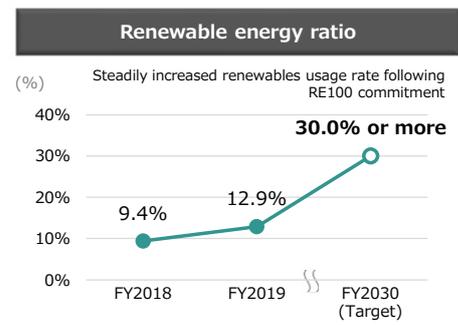
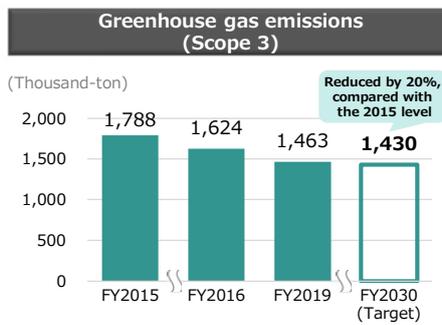
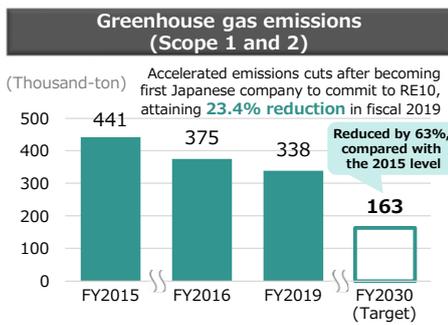
- | | |
|--|--|
| 1. Improve processes and install high-efficiency and energy-saving facilities at production sites | 3. Lower fuel consumption by optimizing vehicle fleet size and mileage |
| 2. Promote Net Zero Energy Buildings efforts at non-production sites in Japan and relocate to energy-saving offices overseas | 4. Switch systematically to low-eco-impact vehicles |

● Begin exploring process electrification and fuel conversion measures (prepare for 2030)

1. Start looking into electrifying processes that use natural gas

- While regarded highly for our environmental efforts, we are not resting on our laurels. We will draw on our expertise to undertake a range of activities.
- We will accelerate the deployment of renewable energy in various ways by continuing to conserve energy and leverage our knowledge.
- As I will explain later, we will accelerate the deployment of energy-saving measures that which we have pursued primarily in Europe and China, focusing on Japan, the Americas, and Asia.
- We will naturally push ahead with power purchase agreements and renewable energy and expand the strategic use of renewables certification. Also, we have concluded a sustainability loan agreement with MUFG Bank, through which we have secured approximately 10 billion yen in funds. Our greenhouse gas emissions reductions in line with the SBT 1.5°C target give us preferential interest rates.
- To keep progressing with rigorous energy-saving activities, we will improve processes at production sites and install high-efficiency and energy-saving facilities at production sites.
- In Japan, we will promote Net Zero Energy Buildings efforts at non-production sites in Japan and relocate to energy-saving offices overseas. We will lower fuel consumption by optimizing our vehicle fleet size and mileage and switch systematically to low-eco-impact vehicles.
- We also want to explore process electrification and fuel conversion measures, such as for those that currently use natural gas.

Emissions Cuts and Shifts to Renewables for Electricity



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- This slide presents the Ricoh Group’s carbon dioxide emissions and renewable energy usage.
- The top left shows that Scope 1 and 2 greenhouse gas emissions dropped 23.4% in fiscal 2019 from the fiscal 2015 level. By fiscal 2030, we seek to cut emissions by 63% from that level. The emissions cut target under Scope 3 is 20% for fiscal 2030 from the 2015 base.
- We increased the renewable energy ratio to 12.9% in fiscal 2019.
- The lower left shows our carbon dioxide emissions by energy source. Electricity represents 62%.
The electricity consumption by region chart shows Japan accounting for 56% of the total, with the Americas following at 15%. So, there is some work to do there.
- The lower right chart shows our electricity consumption and renewable energy ratio by region. Japan is at 1.9%, with the Americas at 1.7%. These percentages are lower than in Europe and China and across the Asia Pacific. As I mentioned earlier, we need to accelerate renewable energy deployments in Japan and the Americas.

RE100 Success Story 1

Manufacturing A3 MFPs worldwide with 100% renewable electricity

- In summer 2019, switched to 100% renewables (equivalent to 37 GWh) for all electricity consumed in assembling A3 MFPs
- Plants in China and Thailand have received **International Renewable Energy Certificates** and Japanese sites have obtained **J-Credit** procurement credit (Note that Gotemba site is switching to renewable electricity)
- Have endeavored to enhance environmental value of key products, **promoting capabilities to customers** while driving momentum to employ renewables internally and externally

Shanghai Ricoh Digital Equipment Co., Ltd.*¹



Ricoh Asia Industry (Shenzhen), Ltd.*²



Ricoh Manufacturing (Thailand) Ltd.



Tohoku Office of Ricoh Industry Co., Ltd.*¹, in Miyagi Prefecture (A3 MFP production facilities at site)



Ricoh Eco Business Development Center in Shizuoka Prefecture

*¹ A3 MFP production facilities at site

*² Production functions were transferred to Ricoh Manufacturing (China) Ltd. in July 2020

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- We have undertaken a range of initiatives to date. Here are some examples.
- The first is that in summer 2019 we switched to 100% renewables energy consumed in assembling A3 MFPs around the globe.
- These sites are in Shanghai, Shenzhen, Thailand, as well as the Tohoku Office of Ricoh Industry and Ricoh Eco Business Development Center in Gotemba, Shizuoka Prefecture. We have deployed some solar power facilities and received International Renewable Energy Certificates at plants in China and Thailand while obtaining J-Credit procurement credit in Japan to attain RE100 goals.
- While enhancing the environmental value of products we also want to promote our appeal to customers by adopting production processes that are in keeping with RE100 commitments.

Starting operations at new Chinese plant that meets RE100 goals

- **Launched operations at advanced eco-friendly plant in July 2020.** Employing Internet of Things, robots, and automated facilities to materialize digital manufacturing, preemptively maintain facilities, and enhance productivity through worker motion analysis
- **Electricity consumption more than 70% less** than at two Shenzhen plants replaced with new one and shut down
- Solar power covers more than 10% electricity requirements at new plant, which has secured **International Renewable Energy Certificate and meets RE100 targets**



- Facility has obtained **best-possible three stars** under Chinese Green Building System
- Has secured Green Building Council-supported LEED Gold credential from Green Business Certification Inc.

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- Another success story is in China.
- In July 2020, we launched operations at an advanced eco-friendly plant in Dongguan.
- The site engages in digital manufacturing by employing the Internet of Things, robots and automation facilities. Its electricity consumption is more than 70% less than at two plants it replaced owing to productivity improvements from preventive equipment maintenance and operator analysis.
- Solar power covers more than 10% of electricity requirements at the plant, which has secured an International Renewable Energy Certificate and meets RE100 targets.
- The facility has obtained a best-possible three stars under China's Green Building System.

RE100 Success Story 3

Ricoh Japan will use new buildings* which are Zero Energy Building (ZEB) Ready or better in making customer recommendations

- By April 2020, Wakayama Branch was ZEB-certified and Gifu and Kumamoto branches were Nearly ZEB-certified
- Akashi site of Hyogo Branch and Kakegawa site of Shizuoka Branch were ZEB Ready-certified in May and August, respectively
- Each location serves as customer showcase and presents progress with decarbonization



**Gifu Branch
Nearly ZEB**
(completed in March 2019)

Ricoh Group's first domestic office to go live as energy-saving, renewables-based offices, enhancing employee eco consciousnesses and offering customer proposals

* owned by Ricoh or rented as a whole



**Kumamoto
Branch
Nearly ZEB**
(completed in April 2020)



**Wakayama
Branch
ZEB**
(completed in April 2020)



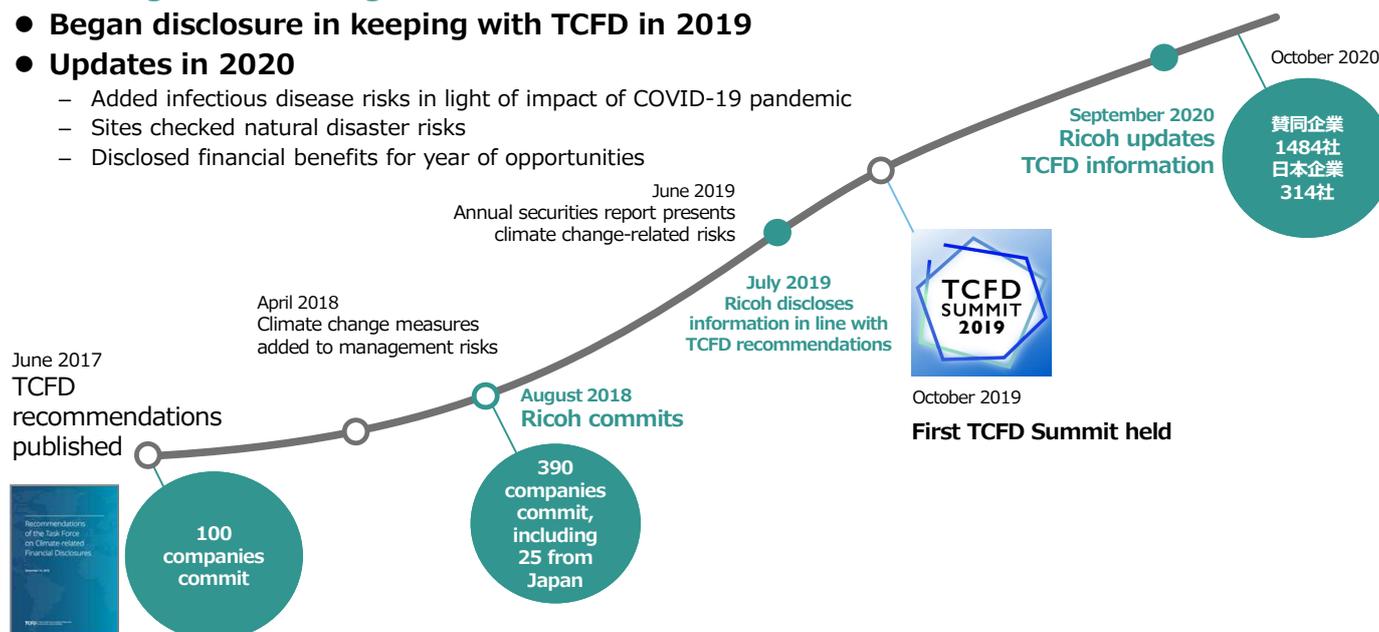
- Next up is a domestic success story.
- Ricoh Japan will use new buildings that are Zero Energy Building Ready or better in making customer recommendations.
- The Gifu and Kumamoto branches are Nearly ZEB-certified. The Akashi site of the Hyogo Branch and the Kakegawa site of the Shizuoka Branch are ZEB Ready-certified.
- Ricoh Japan has 47 offices nationwide that showcase recommendations for workstyle reforms and offer solutions on work situations. We present ZEB and other environmental initiatives there, and are expanding the scope of proposals for creating more environmentally friendly offices.
- Images of each of the offices introduced in the slide only show solar panels, but it is also worth mentioning that we are looking into dimming lights and converting our commercial vehicle fleet to electric models. In the event of a disaster, such vehicles can power business sites, which can also serve as evacuation shelters for neighboring residents.

Disclosure Based on TCFD Framework

Disclosing climate change information in line with TCFD trends

- Began disclosure in keeping with TCFD in 2019
- Updates in 2020

- Added infectious disease risks in light of impact of COVID-19 pandemic
- Sites checked natural disaster risks
- Disclosed financial benefits for year of opportunities



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- I will now overview our climate change initiatives and the TCFD.
- We began disclosure in keeping with TCFD in fiscal 2019.
- We updated our efforts in September 2020.
- We added infectious disease risks in light of the COVID-19 pandemic. We also reviewed the latest hazard maps for natural disaster risks in view of there being so many such events last year.
- On the opportunity front, we introduced various case studies last year and disclosed the financial benefits of those efforts.
- That concludes key disclosures for this year.

Opportunities

Opportunities for 2030	Current initiatives	Financial impacts
Increase service solutions sales to help customers decarbonize	<ul style="list-style-type: none"> Supply energy-saving products that significantly surpass eco label standards Provide decarbonization support solutions Offering office optimization solutions 	Fiscal 2019 Decarbonized product sales (Energy Star- certified): Around ¥1,100 billion
	<ul style="list-style-type: none"> Increase sales opportunities by enhancing eco brands and supplying eco-friendly products 	Fiscal 2019 Sales from major ESG-compatible business deals: Around ¥12 billion
Enhance sales of solutions for new times	<ul style="list-style-type: none"> Provide tele medicine, education, meeting, work practice reform, and other solutions that reduce infection risks 	Fiscal 2019 Sales of solutions packages that help reduce infections diseases and decarbonize: Around ¥30 billion
Expand environmental and energy businesses to create, store, and conserve energy	<ul style="list-style-type: none"> Expand product recycling and parts regeneration businesses Reuse and recycle recovered products 	Fiscal 2019 Product and parts recycling business sales: Around ¥36 billion
	<ul style="list-style-type: none"> Expand energy creation and conservation businesses, including electricity sales with low carbon dioxide emission factors, solar power operations and maintenance, and lighting and air conditioning management systems) 	Fiscal 2019 Energy creation and conservation sales: Around ¥30 billion
Create and develop new businesses	<ul style="list-style-type: none"> Develop and sell alternative plastics materials 	Outlook In 2020, we began shipping samples of packaging made of polylactic acid foam, a biodegradable plant-derived polymer, as an alternative to containers and packaging materials made with regular plastics. We aim to expand sales by marketing our materials to diverse industries, including for Ricoh's products, offering manufacturing solutions, and licensing production.
	<ul style="list-style-type: none"> Develop and sell dye-sensitized solar cells 	Outlook One energy harvesting effort will be to expand sales by deploying dye-sensitized solar cells for a range of applications.
	<ul style="list-style-type: none"> Develop and sell silicon linerless labels, rewritable laser systems, and labelless printing 	Outlook We seek to increase sales by helping reduce paper consumption and waste in societies through label-free printing and release paper-free label seals.

- Here we list of climate change opportunities.
- I will detail four efforts highlighted in red boxes.

Opportunities for climate change

Expanding sales of solutions for infections

- Providing remote medical treatments, education, interviews, and workstyle reform solutions that reduce infection risks



【Financial impact - FY2019】
Sales of solution packages for infectious disease reduction and decarbonization
30 billion yen

Expanding energy creation and energy-saving businesses

- Solar power operations and maintenance and electric vehicle charger installation and maintenance



- Lighting/air conditioning control system



- Electricity sales with low CO2 emission coefficient (including RE100 menu)

【Financial impact - FY2019】
Product and parts recycling business sales
30 billion yen

Expanding products and parts recycling business

- Expanding recycled product sales worldwide



Looking to expand sales of recycled systems by drawing on 3R-related technologies and global recovery structure amassed since 1994

【Financial impact - FY2019】
Product and parts recycling business sales
36 billion yen

New environmental technologies (Alternative plastic materials)

- Foamed PLA; a biodegradable plant-based resin



As substitutions for plastic containers and packaging materials, we will start shipping samples of foamed PLA in 2020. We aim to expand this material globally by selling materials to a wide range of industries including Ricoh products, providing manufacturing solutions, and licensing production.

- We have expanded sales of solutions relating to infectious disease control measures, generating strong demand for telecommuting versions for various sectors of Scrum packages that we offer in Japan. In fiscal 2019, sales of related solution packages totaled around 30 billion yen, a significant rise from a year earlier.
- We had been unable to disclose much about the expansion of energy-saving businesses, but we can say that from five years ago we started expanding our businesses, principally through retailing electricity from Ricoh Japan, solar power operations and maintenance, and installing and maintaining electric vehicle chargers. These business have already generated sales of around 30 billion yen.
- We have expanded the product parts recycling business, generating around 36 billion yen in non-hardware revenues related to product sales.
- On the new technology development front, we are working on commercializing polyactic acid foam, a biodegradable plant-derived polymer.



Rising demands in each country related to deal negotiations and collection and recycling

Example 1

Public tendering requirements (Sweden)

Recycled plastics content percentage made a public tender requirement

Example 2

Request from telco (Germany)

Asked to explain everything from recycled plastics usage through resource conservation targets

Example 3

Request from large bank (United States)

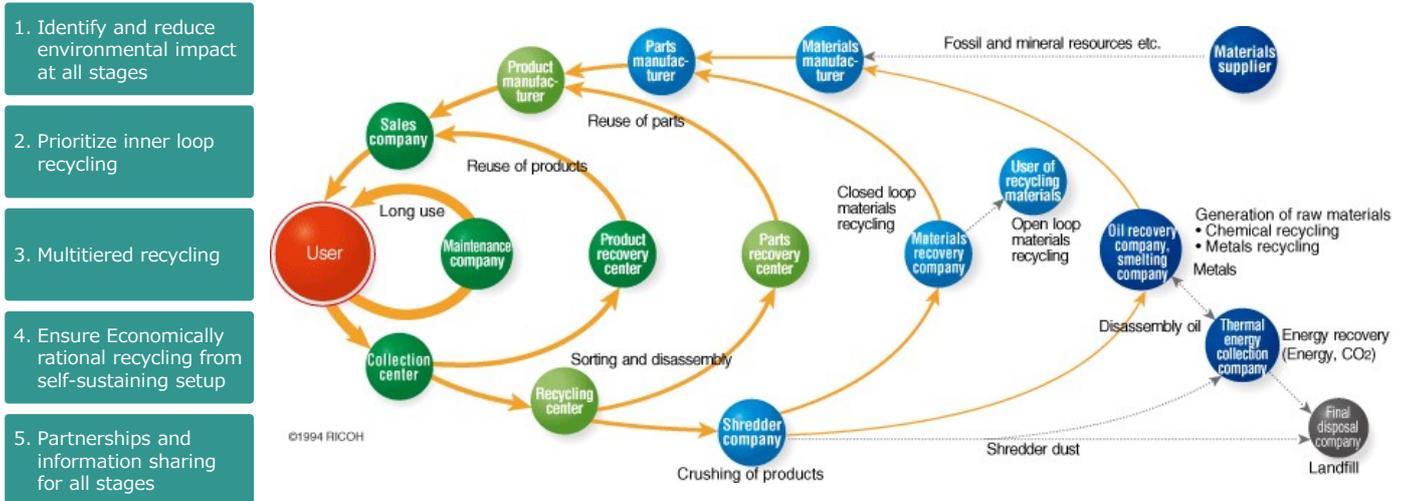
Asked to disclose information on volumes of supplies that Ricoh has recovered and recycled and amounts of plastics, metals, and toner involved

- From here on, I will discuss circular economy endeavors.
- Examples of 3R efforts have included meeting public tendering requirements in Sweden, satisfying a German telco's requests, and dealing with a request from a large bank in the United States. These examples illustrate the extent to which interest in the circular economy has risen.

Activities Based on Comet Circle

Initiated this concept for materializing sustainable economy in 1994

- Pushing ahead with 3Rs for overall social systems as with circular economy and establishing proprietary business model



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

33

- In 1994, Ricoh initiated the Comet Circle concept for materializing a sustainable economy.
- As with the circular economy, we pushed ahead with 3Rs, Reuse, Reduce and Recycle, from overall social system perspectives.

Resource conservation area Environment Goals

result/target	FY2019	FY2022 target	FY2030 target	FY2050 target
Resource conservation rate of products*1	22%	30%	50%	93%

Measures to reach goals

1. Develop compact and light products and parts
2. Develop technologies that enhance reliability and extend product and parts lives
3. Supply recycled products worldwide
4. Enhance recycling rates for products, parts, and materials by developing recycling technologies and recycled materials applications

Ricoh Group plastic policy for products

1. Breakaway from dependence on virgin plastic derived from fossil resources
2. Material recyclable design

Specific targets and goals for plastic

- Reduction in packaging materials for virgin plastic derived from fossil resources Goals for 2030: 50% or more, compared to the conventional model
- Use of post-consumer recycled plastics for imaging products
Goals for 2030: Post-consumer recycled plastic content rate of 50% or more
- Display resin identification code and single material use
Goals for 2025: Clearly indicated on all parts and all packaging materials

*1 : The rate of new resource reductions to input resources

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

34

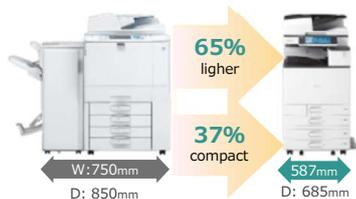
- Based on many years of experience in Comet Circle initiatives, we have set medium- to long-term targets in resource recycling.
- In resource conservation, we formulated targets for reducing new inputs of key raw materials. We are pursuing a resource conservation rate of 50% for fiscal 2030 and 93% for fiscal 2050. Measures to reach our goals include developing compact and light products and parts, extending parts lives, supplying recycled products worldwide, and cultivating recycling technologies. We established a policy for packaging materials and other plastics to tackle the problem of marine plastics, in which interest has risen in recent years.
- As well as setting goals, we set up a cross-divisional Circular Economy Working Group to drive specific initiatives.

3R Initiative Examples

Recycling by design

Reduce

- Making products lighter and more compact



More than **65% lighter**
37% more compact

- Extending service lives
 Updating hardware and software without need to repurchase units

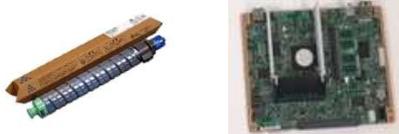
Reuse

- Recycling and selling MFPs



80%~90% reused parts

- Consumables
- Parts



Recycle

- Employing recycled materials

Electric furnace steel sheet made with **100%** steel scrap



Plastic materials and packaging



Waste appliance plastic



Plastic beverage bottles



MFP paper trays made with **50%** recycled scrap



Plastic toner bottles incorporating **100%** recycled plastic

- Here are some 3R initiative examples.
- In the Reduce arena, we are developing products that are 65% lighter and 37% more compact than conventional offerings. We are extending service lives by updating hardware and software without the need to repurchase units.
- On the reuse front, we are recycling and selling MFPs with 80% to 90% reused parts from plants in Japan, the United States, the United Kingdom, and France. In recycling, we use electric furnace steel plate made from 100% iron scrap. MFP paper trays are made with 50% recycled plastic scrap from containers and packaging, particularly fish boxes and waste plastic from appliances. Also, plastic toner bottles incorporate 100% recycled plastic.

The RICOH Eco Business Development Center

- Opened in 2016 as industry's largest reuse and recycling facility
- Pivotal for developing reuse and recycling technologies
- As international resource recycling base, ships used products to China

Received Prime Minister's
Award in Distinguished 3R
Promoter Awards in 2016



- **Product reuse**
 - Production capacity: 1,200 units monthly
- **Parts reuse**
 - Production capacity: 48,000 units monthly
- **Number of units recycled**
 - 8,400 monthly
 - Monthly processing capacity of
 - 1,600 metric tons, including
 - units and parts



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

36

- The RICOH Eco Business Development Center in Gotemba is a core resource recycling site.
- We opened that facility in 2016 as the industry's largest reuse and recycling facility, with a monthly production capacity of 1,200 units for product reuse and 48,000 units for parts reuse.
- In the same year, we received the Prime Minister's Award for 3R contributions.

Environmental sustainability management protects environment while generating profits

- We have remained committed to the above ethos since Masamitsu Sakurai initiated it in 1998 as Ricoh's fifth president
- We have long remained at the forefront of international trends been a leader among Japanese companies



Masamitsu Sakurai

Environmental sustainability management stance

- Conservation is only effective if ongoing
- Such activities must be profitable to remain sustainable
- It is thus vital to pursue profits through conservation

- In 1998, Masamitsu Sakurai, Ricoh's president at the time, advocated simultaneously safeguarding the environment while generating profits.
- Our efforts from the 1990s are in line with green recovery and recover better declarations.
- Our management initiatives are Group strengths that we will continue to pursue.

Our Initiatives: **Social**



- My overview of ESG initiatives will end with what we are doing in the social arena.

Diversity and inclusion

- Diversity efforts
 - Enhancing gender inclusion
 - Better harnessing the talents of experienced employees
 - Employing people with disabilities
 - Educating to enhance corporate culture
- Work-life management
 - Bolstering programs to balance professional and private commitments
 - Transforming work practices
 - Cutting actual working hours
 - Fostering flexible work practices

Supply chain management

- Complying with Responsible Business Alliance requirements
- Pursuing green procurement
- Creating supplier chemical management structure
- Investigating conflict minerals
- Business continuity management
- ESG briefings
- Supplier satisfaction ratings
- Supplier hotline

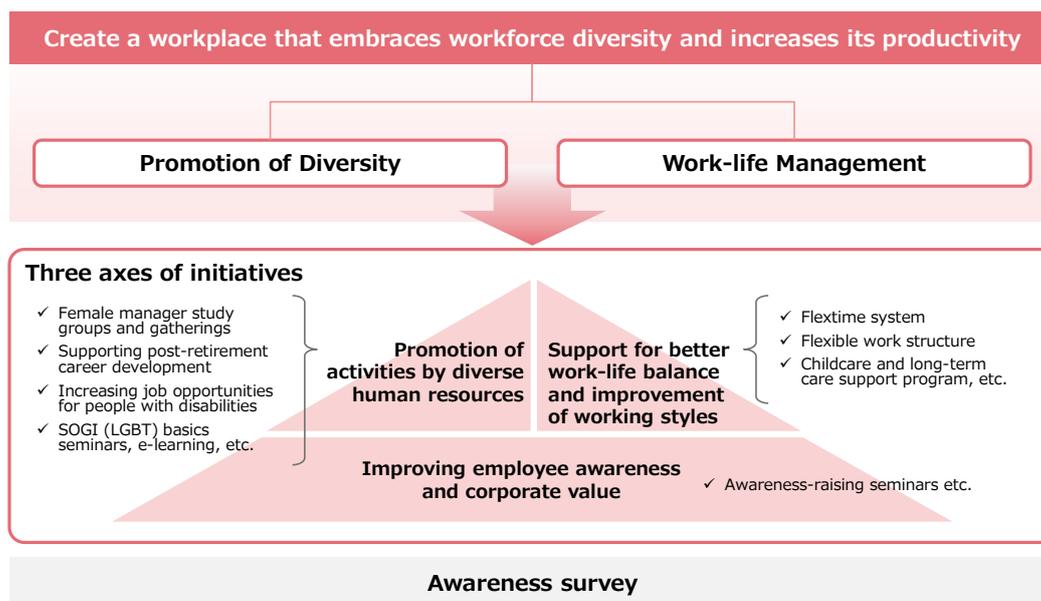
Human resources and engagement

- Respecting human rights
- Enhancing customer satisfaction
- Improving employee satisfaction
- Human resources management
- Education and enlightenment
- Occupational safety and health
- Social and local contributions

Note: Subsequent slides cover parts highlighted in red

- On diversity and inclusion, I will explain efforts to enhance gender inclusion and educate to enhance the corporate culture. Regarding supply chain management, I will talk about how we are complying with Responsible Business Alliance requirements and talk about ESG briefings for suppliers. For human resources and engagement, I will speak about education and enlightenment and social and local contributions.

Aim to increase employee motivation (performance) and corporate capability



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

40

- Our diversity and work-life management vision is to increase employee motivation and improve our corporate capability. It is thus vital to create a workplace that embraces workforce diversity and work-life management. There are three initiative axes.
- We are promoting diversity by, for example, training female managers, increasing job opportunities for people with disabilities, and holding seminars on LGBT basics.
- We are supporting work-life balance and improving working styles by offering a flextime system and a flexible work structure while offering childcare, long-term support, and other programs.
- We hold work-life management seminars and other events to foster awareness and culture. Very recently, we ran an awareness-raising seminar for managers.
- We also conduct regular employee awareness polls to improve our setup.

Raise female manager percentage to that of female employees

ESG Targets

	Materiality	Requests from society and management strategies	ESG Targets (FY2022)	
			KPIs	Targets
Robust management infrastructure	Diversity and Inclusion	Requests from society For sustainable development and innovation, it is necessary to promote decent work, which gives satisfaction and is humane, and respect diversity in society. Management strategies We will respect the diversity of employees in our management policy and strive to create workplaces where employees can work with vigor.	RFG engagement score	At least 50 percentile in each region
			Percentage of female managers	At least 15% (At least 7% in Japan)

Reviewing targets

Other key themes and goals

	Initiatives	Activities
Worksite climates and practices	<ul style="list-style-type: none"> Provide appropriate support so employees taking childcare and eldercare leave can perform well at work Materialize efficient work practices and enhance time efficiency so workers can meet professional and private commitments 	<ul style="list-style-type: none"> Reduce annual total working hours Reduce average overtime hours Lift percentage of employees taking annual leave Boost rate of men taking leave for education
Employing people with disabilities	<ul style="list-style-type: none"> Expand scope of work in keeping with disabilities 	<ul style="list-style-type: none"> Increase employment rate for people with disabilities

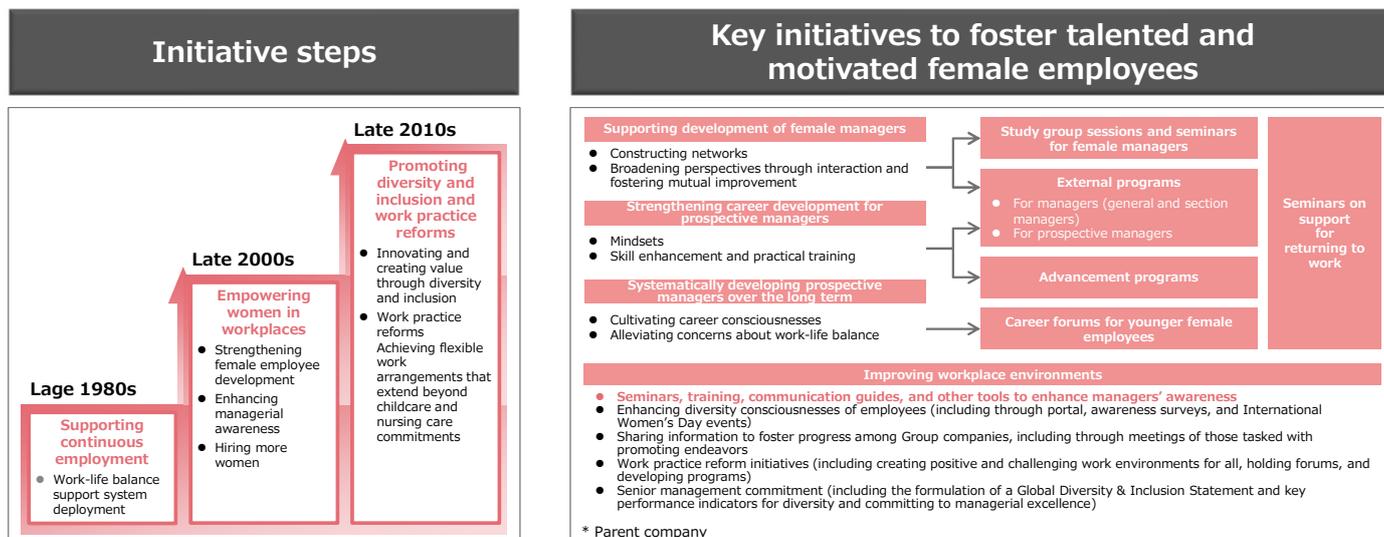
(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- From hereon, I will focus on gender inclusion initiatives.
- We have set companywide ESG targets in that regard.
- We currently look for women to hold 15% of management positions worldwide and 7% in Japan. This target is still low, and we are considering an upward revision.

Key Gender Inclusion Initiatives

Launched initiatives in 1980s

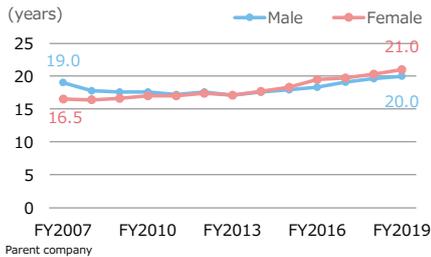
Help females cultivate their potential as prospective managers while increasing awareness among supervisors



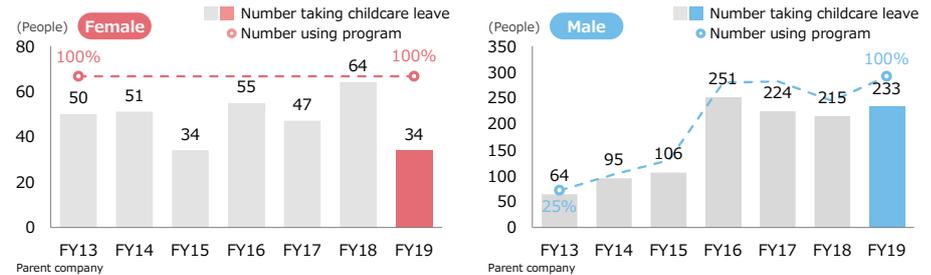
- These are our prime gender inclusion efforts.
- We launched initiatives in the 1980s.
- It was during that decade that we pursued work-life balance. In the late 2000s, we pursued women's empowerment, especially to help them become managers.
- From the late 2010s, we expanded efforts to foster diversity and inclusion and reform work practices.
- The chart on the right shows key initiatives to foster talented and motivated female employees.
- We provide annual programs to enhance awareness and improve mindsets and skills and practical training, provide networking, and learning for female managers. Ricoh is unique in Japan for not only training woman but also their supervisors at the same time. We regularly conduct awareness seminars for managers.

Data on Gender Inclusion Initiatives

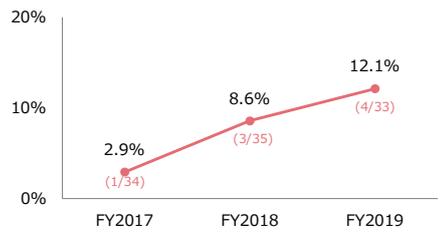
Years of service for men and women



Number of taking childcare leave / using program



Proportion of women in global meetings



Ongoing initiatives beginning to bear fruit

- Average service lengths of women exceeding those of men
- 100% of eligible women taking childcare leave
- Percentage of eligible men taking childcare leave rising, reaching 100% in fiscal 2019
- Women's participation in management meetings increasing

	FY2019 (March 2020)	
	Global	Ricoh Co.,Ltd.
Women as a percentage of full-time employees	31%	15%
Female manager ratio	15.6%	4.3%

- This slide shows data on gender inclusion initiatives.
- As the chart in the upper left of the slide shows, average years of service for women at Ricoh are now exceeding those of men.
- Use of our childcare leave program has risen steadily, with all eligible women using it. The rate for eligible men reached 100% in fiscal 2019.
- Women's participation in management meetings is increasing. Females accounted for 12.1% of participants in such gatherings in fiscal 2019.
- The female manager ratio shown in the bottom right of the slide is still low. I think we that we ought to set a target that is close to the percentage of female employees at Ricoh.

Example 1: Fostering Saleswomen

Career development and employment support initiatives for saleswomen (Ricoh Japan)



Overview of saleswomen's forums in 2019

Forum	Job categories	Age groups	Goals	Main contents
Saleswoman Networking Forum	Sales	Aged 25 to 31	<ul style="list-style-type: none"> ● Awareness building <ul style="list-style-type: none"> - Picturing one's future self - Enhancing motivation and self-efficacy - Creating nationwide saleswoman networking opportunities 	<ul style="list-style-type: none"> ● Changing social environment for saleswomen ● Reinforcing positive thinking ● Learning about diverse career paths from experiences of others ● Producing personal career action plans
Saleswoman Career Forum		Aged 32 to 35	<ul style="list-style-type: none"> ● Self-reliance <ul style="list-style-type: none"> - Job crafting to rediscover value of work - Enhancing mindsets and engagement 	<ul style="list-style-type: none"> ● Changing external and internal operating climates and understanding Ricoh and sales work needs ● Understanding sources of one's values and motivations ● Rediscovering meaning and rewards of work through job crafting ● Creating action plans that consider all involved

- Here, we overview activities to foster gender inclusion.
- This case study covers saleswomen in Japan.
- We have many saleswomen in Japan, but they have found it hard to continue long-term service.
- Since 2018, we have held forums for saleswomen. The Saleswoman Networking Forum has built awareness through networking, study sessions, and by looking at success stories among experienced saleswomen.

Example 2: International Women's Day event

International Women's Day event

- On International Women's Day, we hold events to promote women's empowerment in various locations.
- This event, which began in 2017 and originates from Ricoh Latin America, Inc., has gradually expanded to other regions.

Europe

Japan

Americas

Asia

Ricoh USA placed fourth in Diversity Impact Awards in United States
Basis: Diversity activities for employees through International Women's Day events

*1: 米国内のアワード

- Since 2017, we have held women's participation events worldwide on International Women's Day.
- The photos are from events held in March 2019.

Joined Responsible Business Alliance* in 2019, undertaking activities at internal sites and across supply chain

- Started auditing key production sites
- Revised Ricoh Group Supplier Code of Conduct to comply with that of Responsible Business Alliance
- Materials in Japanese, English, and Chinese to cover key sites
- Having major suppliers sign code of conduct this fiscal year

* Responsible Business Alliance is a non-profit coalition that supports the rights and wellbeing of workers and communities affected by the global supply chain. Founded in 2004 by a group of leading electronics companies, the coalition now includes global member companies in a wide range of industries such as the retail, automotive and toy sectors as well as electrical, electronics and ICT manufacturers.

Will continue ethics initiatives across supply chain



New multi-language versions of supplier conduct code



- Next, I will talk about managing the supply chain in line with global standards.
- We joined the Responsible Business Alliance in 2019, undertaking activities at internal sites and across the supply chain.
- We started auditing key production sites this year. We have revised the Ricoh Group Supplier Code of Conduct to comply with the code of the Responsible Business Alliance. We are deploying materials in Japanese, English, and Chinese, and are having major suppliers sign the code.
- We will continue ethical activities across the supply chain through our basic procurement stance, the Ricoh Group Supplier Code of Conduct, and the Green Procurement Guidelines.

We held ESG briefings for around 350 key suppliers

Goals	<ol style="list-style-type: none"> 1. Explain social trends and Ricoh's strategy and policies relating to ESG 2. Explain and request formal commitments to revised Ricoh Group Supplier Code of Conduct 3. Explain supplier satisfaction survey 4. Outline Responsible Business Alliance assessments 5. Learn more about RBA assessment 6. Seek confirmation of current carbon dioxide emissions and water consumption reduction targets Request status of CO2 and water reduction targets
Target participants	<ul style="list-style-type: none"> ● Key domestic and overseas suppliers ● Production site personnel
Sessions	<ul style="list-style-type: none"> ● Online (including through Microsoft Teams and Zoom)
Timing	<ul style="list-style-type: none"> ● Late October through December for Thailand, China, and Japan

Online briefings



- I will present our collaboration with suppliers in ESG.
- We held ESG briefings for around 350 key suppliers in Thailand, China, and Japan. As well as explaining ESG-related social trends and our strategic policy, we overviewed the conduct code, requested signatures, and explained supplier evaluations and satisfaction surveys.
- We seek to confirm current carbon dioxide emissions and water reduction targets among suppliers and advise on efforts for the future.

Community-Based Efforts to Resolve Social Issues

Nationwide collaborations with local governments, universities, and companies

Comprehensive partnership agreements with Ricoh Japan: **39**
(as of end-October 2020)

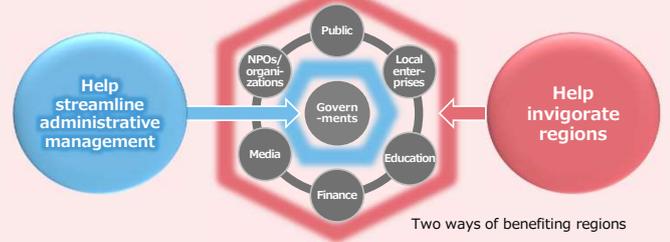
Key benefits that Ricoh Japan offers



Regional challenges

- Increase business productivity
 - Reform work practices
 - Accelerate SDG initiatives
 - Tackle global warming
 - Help build national resilience
- ...stem population falls, get long-term visitors and more key community members, tackle rising natural disasters...

Benefiting communities



Key SDG evangelizers around Japan

Ricoh Japan's nationwide brands + divisions: **260**
(as of end-November 2020)

- Incorporating SDG perspectives in proposals to customers and educate employees
- Amassing and disseminating success stories
- Presenting Ricoh activities through seminars, benchmarking, and customer visits

Key SDG evangelizers leading in-house instruction and study sessions



Involvements in regional events



(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- I will now present some examples of companywide SDGs and ESG penetration and customer proposals.
- Ricoh Japan has 39 comprehensive partnership agreements domestically. To resolve regional issues from SDGs perspectives, it is offering benefits from the perspectives of work practice reforms, the environment, and disaster prevention and business continuity planning. It is providing support to streamline local government processes and revitalize local communities through proposals in these three respects.
- Ricoh Japan's initiatives are likely without parallel among peers. It has 260 key SDGs people at branches in 47 prefectures nationwide and head office in Tokyo. They propose SDGs to customers, handle benchmarking, and accompany salespeople on customer visits.

Running in-house SDG and ESG study sessions on executive strategies, primarily for managers in Japan

- In May 2020, held online study sessions for managers and employees about global SDG and ESG trends, management strategies, and recommended activity focuses
- Participation was voluntary, yet around 2,000 people took part over four days, representing one-quarter of Ricoh Co., Ltd's workforce

Remote study sessions



Participant survey findings

1. Did you understand the need to help reach SDGs through business and enhance corporate value from ESG perspectives?



■ Fully
■ Mostly

98%

2. Did you understand ESG social trends?



■ Fully
■ Mostly

97%

3. Did you understand why we combine financial and ESG targets to reach management goals?



■ Fully
■ Mostly

96%

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- The Sustainability Division raises internal awareness and undertakes measures related to SDGs and ESG.
- In May 2020, it held online study sessions for managers instead of in person owing to the COVID-19 pandemic.
- Sessions ran for around an hour, covering global SDGs trends and goals for employees. Around 2,000 people representing and one-quarter workforce in Ricoh Co., Ltd, took part, with almost 100% fully understanding the content.

Disseminating content on SDG and ESG basics to regular employees

- Disseminating contents that employees can quickly absorb online during remote working breaks
- Generated more than 70,000 contents views and 10,000 survey responses over six months

SDGsスキマ講座について 7月7日時点版

全体概要編	ESG編		
	環境編(ESGのE)	社会編(ESGのS)	ガバナンス編(ESGのG)
SDGsとESGの違い、説明できますか?? ● 工場の影響対応とSDGs ● SDGsとESG ● 顧客要望の変化	環境目標とESG目標、同じもの? 違うもの? ● 19次中計期間の主な取り組み ● 脱炭素活動振り返り	CSVって知ってる? ファイル形式の話じゃないよ! ● CSVとはたまたまの不幸、生活の質の向上 ● 事例にするとどんなこと?	外部評価は会社の通信簿! ● ESG評価って何? ● DJSI, CDP等名だたる機関 ● リコーのESG評価
どうしてそんなにSDGsにこだわるの? やらないと何かよくないことが起きるの? ● 顧客からの要望 ● 離職時要請の変化	SBT1.5℃目標? それってすごい? ● 新環境目標 ● SBT1.5℃ ● 20次脱炭素取り組み方針	ダイバーシティ&インクルージョン?? 日本語で書けて! ● そもそもD&Iとは? (人事連携も視野) ● 現代の人権問題について	ガバナンス強化、具体的にどんなことやてるの? ● ESGコミティー ● 役員報酬連動
リコーグループのマテリアリティと20次中計戦略の関係性 ● 20次中計の考え方・主要目標 ● 7つのマテリアリティ ● ESG目標 ● 20次中計の透明性向上	サーキュラーエコノミー?? それってリサイクルのこと?? ● 3R(Reuse, Reduce, Recycle) ● コミットメント ● 再生プラスチック方針 ● リサイクル、再生機販売	今できる社会貢献とは? ● 20次重点領域 ● リコーの社会貢献活動	「ステークホルダーエンゲージメント」ってESGと関係あるの? ● そもそもステークホルダーエンゲージメントとは? ● ステークホルダーエンゲージメントとESGの関係

SDGsスキマ講座
全体概要編 第1回

RICOH
imagine. change.

【本講座の目的】

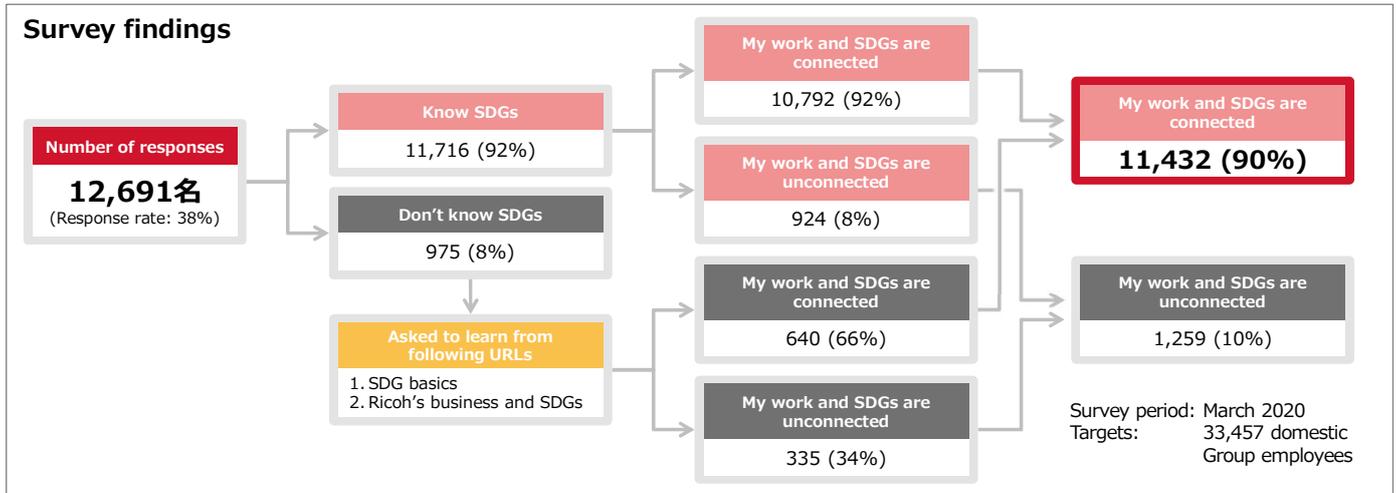
- ・ 事業を通じてSDGs達成に貢献すること、ESG観点で企業価値とステークホルダーの評価を高めることの必要性を理解する。
- ・ SDGs/ESGの観点で、リコーがやっていること・やろうとしていることを理解する。
- ・ 20次中計/FY20中計 ESG目標達成に向け理解を深める。
- ・ 自部門・自身の業務とSDGsとの繋がりを自分の言葉で話せるようになる。

株式会社リコー
サステナビリティ推進本部

- We prepared around 10 minutes of content that combines simple lectures and quizzes that people can easily absorb while working from home. We created 12 classes from ESG perspectives that would be hard to understand from a one-hour study session.

Employees steadily embracing SDG- and ESG-oriented policies and strategies

- Surveyed employees about connections between SDGs and their work
- 90% responded that such links exist



- In March this year, we surveyed employees about the connections between SDGs and their work.
- 90% of them responded that SDGs/ESG do relate to their jobs. I think we need to keep conducting study sessions and implementing uptake measures.

Establishing priority areas and undertaking ongoing global activities over long term

Priority areas	Principal activities		
<p>Chose three areas below based on materialities and global requirements</p> <p>1. Supporting worker inclusiveness</p>  <p>2. Improving quality of life improvement (through education, health-care, and community development)</p>  <p>3. Combatting climate change and safeguarding biodiversity</p> 	<p>Ricoh Science Caravan</p> <p>Using Ricoh Group resources to run scientific experiment programs</p>  <p>13 years</p>	<p>Ichimura Nature School Kanto</p> <p>Fostering understanding through experiments and communal living</p>  <p>19 years</p>	<p>FreeWill social contribution club</p> <p>Supports organizations through employee activities and donations</p>  <p>22 years</p>
	<p>Printed Memories</p> <p>Helping enhance understanding of Alzheimer's disease and support research through 3D printers and postcard printing</p>  <p>3 years</p>	<p>United Way Campaign</p> <p>Supporting community-based nonprofit organization through employee donations and volunteering</p>  <p>22 years</p>	<p>One Million Trees Project</p> <p>Helping to conserve biodiversity, prevent global warmings, and contribute to sustainable community development, linking MFP sales to planting mangrove trees throughout Asia</p>  <p>22 years</p>

(C) 2020 Ricoh Co. Ltd. All Rights Reserved

- This slide shows social contribution initiatives.
- There are three priority areas. The first is to support worker inclusiveness. The second is to improve the quality of life. The third is to combat climate change and safeguard biodiversity. We are engaging worldwide in forestation, social contributions, science caravans, and Printed Memories, an initiative in Europe to enhance understanding about Alzheimer's disease.
- As the slide shows, some activities started three years ago. Others have been ongoing for about two decades. Since this year, we have undertaken social contribution activities in addition to sales effort, notably by planting trees in line with the number of MFP units sold in Japan.

Future Efforts



- I will now discuss future efforts.

Focus under 20th Mid-Term Management Plan

- Respond to rapid decarbonization progress, particularly in Japan
- Leverage strengths to strengthen circular economy-compatible business model
- Reinforce ESG through supply chain
- Bolster human rights initiatives
- Draw on digital transformation to boost productivity in-house and supply expertise to customers
- Step up ESG disclosure

- We are working on a new mid-term management plan that starts next year.
- We aim to respond to rapid decarbonization progress, particularly in Japan.
- We will leverage our strengths to boost our circular economy-compatible business model, reinforce ESG through the supply chain, bolster growing human rights initiatives, and draw on digital transformation to boost productivity in-house and supply expertise to customers. We wish to disclose ESG information so it is easier to understand.

Ricoh people have long collaborated at all levels in a drive to enhance corporate value worldwide through a robust commitment to environmental sustainability management

We will undertake world-class social and governance initiatives and seek to further enhance corporate value

- Finally, I note that our people have long collaborated to enhance corporate value worldwide through a robust commitment to environmental sustainability management.
- We will undertake world-class social and governance initiatives and seek to further enhance corporate value.
- Thank you very much for your time today.

RICOH
imagine. change.

The plans, prospects, strategies and other statements, except for the historical events, mentioned in this material are forward-looking statements with respect to future events and business results. Those statements were made based on the judgment of Ricoh's Directors from the information that is now obtainable. Actual results may differ materially from those projected or implied in such forward-looking statements and from any historical trends. Please refrain from judging only from these forward-looking statements with respect to future events and business results. The following important factors, without limiting the generality of the foregoing, could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements:

- a. General economic conditions and business trend
- b. Exchange rates and their fluctuations
- c. Rapid technological innovation
- d. Uncertainty as to Ricoh's ability to continue to design, develop, produce and market products and services that achieve market acceptance in hot competitive market

No company's name and/or organization's name used, quoted and/or referenced in this material shall be interpreted as a recommendation and/or endorsement by Ricoh.

This material is not an offer or a solicitation to make investments. Please do not rely on this material as your sole source of information for your actual investments and be aware that investments decisions are your responsibility.

Note: In this document, fiscal years are defined as follows:
FY2020 = Fiscal year ended March 31, 2021, etc.