Transition risks



Governments

Regulations in each country to achieve the Paris Agreement

- Introduction of carbon taxes and emissions trading
- Strong policies to promote the spread of low-carbon products

Ricoh Group

RICOH

imagine. change.

Strict standards for energy-efficiency labeling



Global economy

Discussions in each country to achieve SDGs

Risks

- Reduction in differences between nations
- Sluggish population growth
- Postmaterialist and energy-saving oriented consumption
- Post-coronavirus world





Soaring cost or raw materials and products



 Cost increase in response to regulations such as for carbon taxes

Price increases due to increased forest fires and pest damages

Segregated supply chains

 Production halt due to intensified natural disasters





Opportunities

Expansion of renewable energy use



- Stable supply of renewable energy due to progress of energy shift
- Rising demand for maintenance

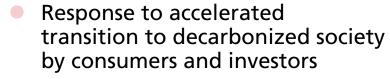
Expansion of new energy development

Energy harvesting





Carbon taxes and emissions trading systems applied to suppliers



- Rapid increase of natural
- Regional epidemics
- **Declining forest resources**

Opportunities

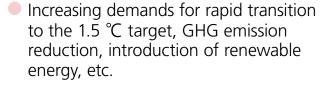
- Expanding sales of products and solutions to support customers' decarbonation efforts (Mitigation)
- Expanding sales of solutions against infections (New Normal) (Adaptation)
- Expanding environment and energy businesses (energy creation / storage / conservation)





Customers (Companies)

More severe demands from customers





Increasing needs for energy-saving products and zero-carbon solutions

- Increasing demands for low-carbon products, renewable electricity, and O & M services for power generation equipment
- Providing lighting / air conditioning equipment and control systems

Rising demands for New Normal in the with-corona era

- Remote medical treatments, education, interviews that reduce infection risks
- Solutions for work style transformation

Stakeholders (Investors)

Opportunities

Increase and selection of ESG investment by investors

Selection by investors and funders who prefer ESG investment







Physical risks



Environmental changes Natural environment changes caused by climate changes

- Intensification of disasters (floods etc.)Increase in forest fires and pests
- Increase in infection risks