

## Emerging Risks

We define "emerging risks" as those that currently pose a low likelihood of significantly impacting our business but may materialize in the future. These risks are characterized by high uncertainty, making it difficult to predict when they might arise or how severe their impact could be. At the Ricoh Group, we are committed to identifying such risks at an early stage and proactively advancing efforts to assess and implement mitigation strategies.

### 1. Securing Specialized Talent Amid Accelerated AI Adoption

With the rapid and transformative evolution of IT and AI technologies—particularly generative AI—The Ricoh Group sees the ongoing changes in work styles and communication, especially in the post-COVID era, as a strategic opportunity to drive our transformation into a digital services company.

At the same time, as global digital competition intensifies and expectations grow for productivity gains through generative AI, falling behind in technology adoption could lead to diminished competitiveness and missed business opportunities. Furthermore, the use of generative AI carries inherent ethical and legal risks, including potential intellectual property violations, the generation of false or biased information, and misuse for malicious purposes. Addressing these risks is essential.

To maintain our technological edge while upholding AI ethics, securing highly skilled and specialized talent is critical. A shortage of such resources could undermine the sustainability and competitiveness of our transformation over the long term.

#### Business Impact

To grow revenue and recurring income in our digital services business and to maintain high capital efficiency, we recognize the need to continuously enhance both our service offerings and internal operations in line with technological advancements in IT and AI.

If we are unable to secure the necessary talent to support this foundation, not only could the long-term growth of our core digital services business be compromised, but issues such as IP infringement or the spread of misinformation could lead to legal disputes or reputational damage, posing significant risks to our business operations.

#### Mitigation Measures

- We are actively developing AI talent through initiatives such as digital academies and reskilling programs.
- We are also promoting awareness and education around AI ethics by setting technology ethics goals and engaging in related initiatives for all stakeholders involved in the development, deployment, and use of AI.

## 2. Security Risks from a Global Perspective

In today's global business environment, there has been a notable increase in security breaches targeting affiliated companies or business partners, which in turn can lead to attacks on the headquarters of those organizations. The Ricoh Group is not immune to such threats, and the scope of our security measures continues to expand accordingly.

Moreover, with the widespread adoption of remote work driven by workstyle reforms, employees now have greater flexibility in how and where they work. As a result, the range of potential threats has broadened beyond cyberattacks to include internal risks such as data leaks caused by employees or other insiders.

### Business Impact

As the Ricoh Group operates globally, any lapse in security measures—particularly if they are not aligned with global standards—can create temporary vulnerabilities. These weaknesses may be exploited, leading to unauthorized access to our internal servers and information systems. Such breaches could result not only in the leakage of our own data but also that of our clients and business partners, potentially causing significant reputational damage and loss of trust. Additionally, as AI and other emerging technologies continue to evolve, new security vulnerabilities and ethical challenges may arise, which could have a serious impact on our business operations.

### Mitigation Measures

In response, we are committed to executing a robust, mid- to long-term roadmap for security assessments and countermeasures. This approach is informed by the latest trends in security governance, which emphasize a strategic balance between centralized oversight and decentralized implementation.

### 3. Human Rights Compliance in Corporate Operations

Amid ongoing global developments, human rights issues such as violations in armed conflicts, discrimination and inequality, economic injustice, and the misuse of technology are drawing increasing attention. For companies operating on a global scale, it is essential to stay ahead of these global human rights trends. This includes complying with national human rights laws and international regulations, ensuring that labor conditions across the supply chain are free from forced or child labor, and strengthening efforts to protect workers' rights. Respect for human rights is now a fundamental expectation for responsible corporate conduct.

#### Business Impact

The Ricoh Group operates globally across both office and digital service domains. Failure to appropriately address human rights issues—not only within our own operations but also across our supply chain—could result in a loss of trust from key stakeholders, including customers and investors, potentially impacting our business performance and stock value.

In addition, as civil society and NGOs become increasingly active in advocating for human rights, companies are expected not only to meet legal requirements but also to demonstrate a proactive and responsible stance in line with these broader social movements.

#### Mitigation Measures

- The Ricoh Group promotes human rights due diligence<sup>※</sup> based on its Human Rights Policy, in response to social expectations and legal requirements. We use the Corporate Human Rights Benchmark (CHRB) methodology to conduct self-assessments (SAQs), address risks, provide training, and build grievance mechanisms.
- Under our 21st Mid-Term Plan, we aim to lead the ICT sector in CHRB scores. In 2024, we appointed key persons for human rights risk management at major sites, distributed a group-wide human rights guide, and monitor compliance through annual SAQs.
- At production sites, we continue ESG risk assessments based on the RBA framework. For critical suppliers, we strengthen ESG management and enhance labor condition monitoring and worker protection in the supply chain.
- Since 2013, we have also investigated responsible mineral sourcing to prevent human rights violations and labor issues in conflict-affected and high-risk areas.

※ Human Rights Due Diligence

Human rights due diligence refers to a series of actions undertaken by businesses to identify and assess potential human rights risks, implement preventive and corrective measures, monitor the effectiveness of these efforts, and disclose relevant information. This process is designed to ensure that companies proactively manage human rights impacts throughout their operations and value chains.