To Our Shareholders

Enhancing Corporate Value over the Medium to Long Term with Our Shareholders

I would like to express my sincere appreciation to our shareholders for their support. We are pleased to present our convocation notice of the 123rd Ordinary General Meeting of Shareholders.

In fiscal 2022, which ended March 31, 2023, movement restrictions due to the COVID-19 pandemic were eased in Japan and elsewhere, and various measures were implemented to promote a return to regular economic activity. As a result, we saw a moderate recovery in business conditions. However, the global economic outlook for businesses continues to be clouded by factors such as escalating international tensions, soaring resource prices, inflation, and the yen's depreciation. This environment affected our production due to supply shortages and lockdowns in China. Rising costs, including soaring ocean freight and raw materials, also impacted us. In particular, delays in the supply of MFPs and other products and shortages in ICT commercial materials affected our Office Printing business and sales activities in our Office Services business, where we are targeting future growth. Each business unit made timely decisions and improved its ability to respond quickly through structural reforms and cost controls. Amid continued shortages of commercial materials, we responded to the increased demand for digitalization during the pandemic by developing customer-centric services and hardware-independent solutions, such as responding to the revised Electronic Books Preservation Act.

We continued implementing pricing controls to reflect rising costs, made investments for future growth, and strove for increased digital services revenues. Consolidated sales for the term accordingly rose by 21%, to ¥2,134.1 billion. Profit attributable to owners of the parent was ¥54.3 billion. As forecasted initially, we will propose a year-end dividend of ¥17.00 per share for fiscal 2022 at the 123rd Ordinary General Meeting of Shareholders. Combined with the interim dividend already disbursed, the annual payment would be ¥34.00 per share.

We have embarked on our 21st Mid-Term Management Strategy from April 2023. Under the 20th Mid-Term Management Plan (spanning fiscal 2021 and fiscal 2022), we pushed ahead with major internal reforms by transitioning to a business unit structure. Management focused on ROIC, business portfolio management, the introduction of a Ricoh-style job-based personnel system (in Japan), and the IT infrastructure overhaul. I believe we have completed our run-up in fiscal 2022 and are ready to be a digital services company. The three years of the 21st Mid-Term Management Strategy will be a period of "execution" to produce results and achieve steady growth.

Under the 21st Mid-Term Management Strategy, we will accelerate our transformation from a revenue structure centered on the Office Printing business and aim to boost profitability as a digital services company. At the same time, we will build flexible production and supply systems, enhance our ability to respond to environmental changes and establish a new revenue pillar in the on-site digitalization domain.

For fiscal 2023, we forecast ¥2,250.0 billion in sales and ¥50.0 billion in profit attributable to owners of the parent. Profit will decrease compared to fiscal 2022 due to one-time gains from asset sales and government subsidies that occurred in fiscal 2022, as well as the impact from one-time expenses for structural reforms included in fiscal 2023, but when excluding these, profit in real terms will increase. We will continue to transform our profit structure through business growth centered on digital services and strengthening the corporate structure to ensure that we achieve our

forecast for the next fiscal year.

Under our mission and vision of "Fulfillment through Work," we will engage in resolving social issues in tandem with our business activities by helping our customers achieve digitalization, thereby sustainably enhancing our corporate value. While current international conflicts seem to have no resolution on the horizon, I sincerely hope we can return to a world of peace where everyone can live safely.

We look forward to your ongoing understanding and support.

Sincerely,

May 2023

Akira Oyama
Representative Director,
President and CEO,
Ricoh Company, Ltd.

Video Message from Management

We have prepared a video so that President and CEO Akira Oyama can directly deliver a message to shareholders. Please access the link below to watch the video.

Japanese
https://go.ricoh/IR/gm_2023/message2023/

English
https://go.ricoh/IR/gm_2023/message2023_en/

(Translation)

NOTICE OF
123RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

(Securities code: 7752)
Date of dispatch: June 2, 2023
Start date of electronic provision measures: May 21, 2023

We would like to express our appreciation for your continued support.

You are hereby notified that the 123rd Ordinary General Meeting of Shareholders of Ricoh Company, Ltd. (the Company) will be held as described below.

In the convocation of this Ordinary General Meeting of Shareholders, the Company has taken measures for the electronic provision of materials, and the matters subject to electronic provision measures are posted as "Notice of Convocation of the 123rd Ordinary General Meeting of Shareholders" on the websites shown below.

Date and Time: Friday, June 23, 2023, from 10:00 a.m.
(Reception will start at 9:00 a.m.)

Venue: Head Office of Ricoh Company, Ltd.
3-6, Nakamagome 1-chome, Ohta-ku, Tokyo

Purpose:

Items to be reported:

1. The Business Report, Consolidated Financial Statements and the results of the audit of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board for fiscal 2022 (from April 1, 2022 to March 31, 2023)
2. The Non-consolidated Financial Statements for fiscal 2022 (from April 1, 2022 to March 31, 2023)

Items to be resolved:

Agenda 1: Appropriation of surplus
Agenda 2: Election of eight (8) Directors
Agenda 3: Payment of bonuses to Directors
Agenda 4: Partial amendment and continuation of the stock-based compensation plan for Directors

Websites for the matters subject to electronic provision measures

No.	Website	URL and QR code	Access method
1	The Company	https://www.ricoh.com/IR/events/gm_20230623	Please refer to the "Notice of the 123rd Ordinary General Meeting of Shareholders."
2	Listed Company Search (Tokyo Stock Exchange)	https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show	Enter "RICOH COMPANY" in the "Issue name (company name)" field or "7752" in the "Code" field, and press "Search." On the search results page, select "Basic Information" of the Company's information, and then "Documents for Public Inspection/PR Information" and "Notice of General Meeting of Shareholders/Information Materials for a General Shareholders Meeting" in that order.
3	Website for shareholders (Sumitomo Mitsui Trust Bank)	https://www.soukai-portal.net (in Japanese) The QR code is shown on the enclosed voting form.	Please scan the QR code on the enclosed voting form or access the URL on the left and enter your ID and initial password. After logging in, please click on the "Convocation Notice" tab.

* Please note that each website may be temporarily inaccessible due to reasons such as scheduled maintenance. If you are unable to view a website, please check from another website or access it again after some time.

Those who will not be able to attend the meeting on the day may, and are kindly requested to, exercise their voting rights via postal mail or the Internet no later than 5:30 p.m. on Thursday, June 22, 2023, considering the "Reference Material for Ordinary General Meeting of Shareholders" included in the matters subject to electronic provision measures.

Treatment of voting rights

(1) The following matters subject to electronic provision measures are not included in the documents to be delivered to shareholders who have requested delivery of a paper copy in accordance with laws and regulations and Article 17 of the Articles of Incorporation of the Company.

- 5. System to secure appropriateness of operations and their operating status of the Business Report
- Notes to Consolidated Financial Statements
- Notes to Non-consolidated Financial Statements

Therefore, the documents to be delivered to shareholders who requested the delivery of a paper copy are part of the documents audited by the Audit & Supervisory Board Members and the Independent Auditor in preparing audit reports.

(2) When voting rights are exercised both via postal mail and the Internet, the later of the votes received shall be deemed effective. However, if votes are received on the same day, the vote exercised via the Internet shall be deemed effective.

(3) When voting rights are exercised via the Internet more than once, the latest vote shall be deemed effective.

(4) If voting rights are exercised by proxy, voting rights shall be delegated to a shareholder who has voting rights. Please note that delegation of voting rights is limited to only one proxy.

(5) No indication of approval or disapproval on the voting form for a proposal shall be treated as an indication of approval.

Amendments to the Reference Material for Ordinary General Meeting of Shareholders, etc.

Any amendments to the matters subject to electronic provision measures will be posted on the above websites 1 to 3.

Reference Material for Ordinary General Meeting of Shareholders

Agenda 1: Appropriation of surplus

The appropriation of surplus will be as follows:

The Company's shareholder return policy is to pursue a total return ratio of 50% as a guide by continuing to increase dividends with dividend yields in mind and flexibly repurchasing shares. The Company looks to steadily lift dividends per share in line with profit growth. The Company will flexibly buy back shares, factoring in the business environment and progress with growth investments to improve EPS*.

The year-end dividends for fiscal 2022 will be ¥17 per share.

As a result, the annual dividend for fiscal 2022 including the interim dividend will be ¥34 per share.

*EPS: Earnings per share

Year-end dividends

(1) Type of dividend assets
Cash

(2) Matters concerning allocation of dividend assets and the total amount
¥17 per common share of the Company
Total: ¥10,360,585,519

(3) Effective date of the surplus distribution
June 26, 2023

Basic Capital Policy

The Ricoh Group strives to improve corporate value in a sustainable manner while maintaining a relationship of trust with all stakeholders, and will implement appropriate capital policies and aim to realize returns that exceed capital costs.

The target value for return on equity (ROE) for fiscal 2025, the final year of the 21st Mid-Term Management Strategy, is over 9%. To achieve this goal, we have been working on management reforms to improve capital efficiency. In fiscal 2020, to pursue a return on invested capital (ROIC) that exceeds our understanding of the Company's capital costs, we are implementing PDCAs* using the ROIC tree.

In our investment initiatives, the Investment Committee has been established to verify investment plans from a financial perspective based on capital costs and a business strategy perspective based on medium- to long-term profitability, growth potential and risks, and has developed a system to make decisions while pursuing investment efficiency. We will expand profits through strategic investments aimed at sustainable growth to meet our stakeholders' expectations.

The Company's shareholder return policy is to pursue a total return ratio of 50% as a guide by continuing to increase dividends with dividend yields in mind and flexibly repurchasing shares. The Company looks to steadily lift dividends per share in line with profit growth. The Company will flexibly buy back shares, factoring in the business environment and progress with growth investments to improve EPS.

*PDCA: a cycle of plan-do-check-act

Policy Regarding Cross-Shareholdings

From the viewpoint of streamlining and strengthening of business alliance and development of collaborative businesses, the Company shall be able to hold shares of the related partners only when such holding of shares is deemed necessary and effective for the future development of the Ricoh Group, while taking the returns such as dividends into consideration.

Specifically, the Board of Directors will verify, for each issue, whether the benefits and risks of holding shares are worth the capital cost, and if holding shares loses significance in the medium- to long-term, they will be reduced accordingly.

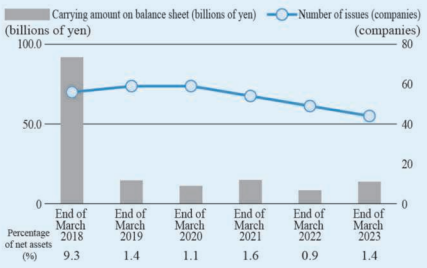
Exercise Criteria for Voting Rights to Cross-Shareholdings

The Company will exercise voting rights attached to cross-shareholdings upon examining each agenda whether it enhances the corporate value of the investee in the medium- to long-term, or whether it impairs shareholder value, and will determine approval or disapproval.

Status of cross-shareholdings

Status of cross-shareholdings

		End of March 2018	End of March 2019	End of March 2020	End of March 2021	End of March 2022	End of March 2023
Number of issues (companies)	Listed	24	23	20	18	17	14
	Not listed	32	36	39	36	32	30
	Total	56	59	59	54	49	44
Carrying amount on balance sheet (billions of yen)	Listed	91.5	13.4	10.3	14.2	8.0	13.3
	Not listed	0.3	1.1	0.9	0.7	0.5	0.4
	Total	91.9	14.6	11.2	14.9	8.5	13.7
Net assets (billions of yen)		988.7	1,018.9	1,008.5	923.8	905.8	958.0
Percentage of net assets (%)		9.3	1.4	1.1	1.6	0.9	1.4



Agenda 2: Election of eight (8) Directors

The tenure of office of all the eight (8) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the appointment of eight (8) Directors, including five (5) Outside Directors. When selecting the candidates for Directors, the Nomination Committee chaired by an Independent Outside Director nominated candidates based on the election criteria for Directors (refer to page 63) and the skills and experience required to supervise management of the Company (Skill Matrix: refer to pages 28-30), and made recommendations to the Board of Directors. The candidates were determined through subsequent discussions by the Board of Directors. In fiscal 2023, the first year of the 21st Mid-Term Management Strategy, in which we aim to fulfill the steady implementation of the formulated policies, it has been concluded that a composition of five (5) Independent Outside Directors and three (3) Internal Directors is appropriate to further strengthen the supervisory structure and accelerate decision-making.

The Company changed the ratio of Independent Outside Directors on the Board of Directors from one-third or more to a majority in fiscal 2022, and the chairperson of the Board of Directors is also selected from Independent Outside Directors. In fiscal 2023, we will ensure continuity in supervision and decision-making from objective and diverse perspectives by maintaining a majority of Independent Outside Directors on the Board of Directors and by having an Independent Outside Director chair the Board of Directors. At the same time, under the business unit structure, the Company is pursuing the expansion of revenue on a global scale and transformation into a digital services company, etc. With a certain number of Directors who concurrently serve as Executive Officers and are familiar with the Company's business and internal affairs, the Board of Directors will fulfill supervision, including decision-making on important executive matters.

The composition of the Board of Directors is deliberated annually by the Nomination Committee and the Board of Directors. While the Company's policy is to continue to deliberate on the structure of the Board of Directors with a majority of Independent Outside Directors as a standard, the number and ratio of Directors will change according to the composition deemed optimal at that time. While using these formal criteria as a guide, we will continue to communicate appropriately with shareholders so that they can make a comprehensive judgment as to whether the supervisory function of the Board of Directors is effective.

The candidates for Directors are on pages 9-27.

No.			Current positions at the Company	Years of service as Director (at the conclusion of this Meeting)	Attendance at Board of Directors and Committee meetings during fiscal 2022	Number of concurrent positions at listed companies, including the Company
1	Yoshinori Yamashita	Reappointment Male Non-executive Officer*	Representative Director	11	Board: 15/15 (100%) Nomination: 13/13 (100%) Compensation: 10/10 (100%)	Executive positions 1 (Not concurrently serving as an Executive Officer of the Company and not involved in the day-to-day execution of the Company's business) Non-executive positions 0
2	Akira Oyama	Reappointment Male	Representative Director	2	Board: 15/15 (100%)	Executive positions 1 Non-executive positions 0
3	Takashi Kawaguchi	New Male	–	–	–	Executive positions 1 Non-executive positions 0
4	Keisuke Yokoo	Reappointment Male Outside Independent	Outside Director	3	Board: 15/15 (100%) Nomination: 13/13 (100%) Compensation: 10/10 (100%)	Executive positions 0 Non-executive positions 2
5	Sadafumi Tani	Reappointment Male Outside Independent	Outside Director	2	Board: 15/15 (100%) Compensation: 10/10 (100%)	Executive positions 0 Non-executive positions 1
6	Kazuhiko Ishimura	Reappointment Male Outside Independent	Outside Director	1	Board: 12/12 (100%) Nomination: 10/11 (91%) *Attendance after appointment at general meeting of shareholders	Executive positions 0 Non-executive positions 2
7	Shigenao Ishiguro	New Male Outside Independent	–	–	–	Executive positions 0 Non-executive positions 3
8	Yoko Takeda	New Female Outside Independent	–	–	–	Executive positions 0 Non-executive positions 2

* Internal Director who does not concurrently serve as an Executive Officer of the Company and is not involved in the day-to-day execution of the Company's business

No.	Name (Date of birth)	Reasons for nomination as a candidate for Director
1	Yoshinori Yamashita (August 22, 1957) Reappointment Male Non-executive officer* *Internal Director who does not concurrently serve as an Executive Officer of the Company and is not involved in the day-to-day execution of the Company's business Responsibilities as a Director of the Company Nomination Committee Member / Compensation Committee Member Class and number of the Company's shares held Common shares: 61,100 Dilutive shares: 40,540 *The number of dilutive shares represents the number of shares corresponding to the number of points in relation to which rights are vested under the stock compensation system utilizing a trust. Years of service as Director 11 years (at the conclusion of this Meeting) Attendance during fiscal year ended March 31, 2023 Board of Directors meeting 15/15 (100%) Nomination Committee meeting 13/13 (100%) Compensation Committee meeting 10/10 (100%)	Mr. Yoshinori Yamashita has contributed greatly to the development of the Company for many years through his work at the Company, including the management of production and global marketing, management strategy and overseeing the Company's core business, and assumed the office of Director in 2012. Since assuming the post of Representative Director, President and CEO in April 2017, he has promoted structural reforms and growth strategies in a top-down manner to improve the company's corporate value, with a strong will to revise legacies and precedents that hamper the company's growth without exception. Simultaneously, he has worked to enhance governance and business management systems, which are the management foundation that supports growth strategies, realizing reform of operational structure and enhancing profitability in the process. He also set the direction of the Company to transformation into a digital services company. To this aim, he worked to establish a management foundation by strengthening the Company's human capital and customer contact capabilities, executed growth investments in line with the Company's business portfolio management, and accelerated business renewal. In addition, he has worked to expand the development of the service business, which promotes the digitalization of offices and workplaces, while at the same time strengthening the business structure through cost reductions and other measures. He has steadily implemented capital policies to support these efforts. Furthermore, he has endeavored to strengthen dialogue and engagement with internal and external stakeholders, including shareholders and employees. In April 2023, he assumed the position of Chairperson. As a person with CEO experience, he has taken up a role of improving the Company's shareholder value and corporate value through management supervision, especially from the perspective of shareholders and investors, holding a position independent and not involved in the day-to-day execution of the Company's business. The Company's Board of Directors has determined that his broad and rich experience at the Company and his management supervision based on the high-level perspective unique to an experienced CEO are necessary to realize the 21st Mid-Term Management Strategy and growth strategy, as well as to enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates him as a candidate for Director. [Message to our shareholders from the candidate for Director] During fiscal 2022, the operating environment was very challenging, with the spread of COVID-19 not yet under control and geopolitical risks increasing. We have been working to ensure a stable supply of products and services by taking contingency measures to address ongoing risks in parts procurement, production, and logistics. I have led the transformation from an OA manufacturer to a digital services company with an unwavering determination to improve our corporate value over the medium to long term. To further advance the business unit structure and business portfolio management, we set return on invested capital (ROIC) as a key management indicator to better evaluate each business unit and optimize the overall capital policy, including return on equity (ROE) and balance sheet. In addition, we have been working to secure human resources with the skills necessary to provide digital services, develop a personnel system, and foster an organizational culture that allows employees who can autonomously create customer value and social value to demonstrate their abilities fully. Our mission and vision is "Fulfillment through Work." This is the declaration made in my own words that we will continue to help solve issues faced by our customers and society by harnessing the power of digital technology while staying close to work. I believe that this practice will contribute to sustainable growth and enhance corporate value. In April 2023, I transitioned from the position of President, which I held for

six years, to become the Chairperson, a role that provides rigorous oversight of management and business operations. I am committed to fulfilling the responsibilities mandated by our shareholders and the expectations of our various stakeholders.

[Brief personal profile, positions and responsibilities at the Company and significant concurrent positions]

Mar. 1980	Joined the Company
Feb. 1995	General Manager of Business Planning Division of Ricoh UK Products Ltd.
Apr. 2008	President of Ricoh Electronics, Inc.
Apr. 2010	Group Executive Officer
Apr. 2011	Corporate Senior Vice President General Manager of Corporate Planning Division
June 2012	Director Corporate Executive Vice President
Apr. 2014	General Manager of Business Solutions Group
Apr. 2015	In charge of core business
June 2016	Deputy President
Apr. 2017	**Representative Director (Current)** President CEO (Chief Executive Officer)
Apr. 2020	CHRO (Chief Human Resource Officer)
Apr. 2021	**Vice Chairperson of Japan Association of Corporate Executives (Current)**
Apr. 2023	**Chairperson (Current)**

[Status of concurrent positions as officer* at listed companies, including the Company (planned)] *Positions as director or corporate auditor

Number of positions held as executive officer	Number of positions held as non-executive officer
1 (Not concurrently serving as an Executive Officer of the Company and not involved in the day-to-day execution of the Company's business)	0

*If this agenda is approved. (as of June 30, 2023)

Notes:

1. There are no special interests between candidate Mr. Yoshinori Yamashita and the Company.
2. The term of office of candidate Mr. Yoshinori Yamashita shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of his election in accordance with the Company's Articles of Incorporation.
3. The number of the Company's shares and dilutive shares held by candidate Mr. Yoshinori Yamashita is as of March 31, 2023.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. Candidate Mr. Yoshinori Yamashita is insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if his election is approved.

No.	Name (Date of birth)	Reasons for nomination as a candidate for Director
2	Akira Oyama (January 6, 1961) Reappointment Male Responsibilities as an Executive Officer of the Company CEO (Chief Executive Officer) CTO (Chief Technology Officer) Class and number of the Company's shares held Common shares: 29,500 Dilutive shares: 8,235 *The number of dilutive shares represents the number of shares corresponding to the number of points in relation to which rights are vested under the stock compensation system utilizing a trust. Years of service as Director 2 years (at the conclusion of this Meeting) Attendance during fiscal year ended March 31, 2023 Board of Directors meeting 15/15 (100%)	Since joining the Company, Mr. Akira Oyama has been involved in various operations at local subsidiaries in Europe and the U.S. for many years, and served in many positions of top management at local subsidiaries. Utilizing his wealth of experience overseas and his knowledge and insight into global marketing, he has contributed to enhancing the corporate value of the Company. In addition, he was placed in charge of global marketing as the CMO (Chief Marketing Officer) from April 2019, and from April 2020, as General Manager of Workplace Solutions Business Group, he has enabled the steady growth of the Office Services business, which is the key to the Company's future growth. He has been in charge of Ricoh Digital Services Business Unit since April 2021 and has steadily implemented growth strategies to drive the improvement of the Unit's business performance and push forward the strengthening of the Office Services business in order for the Company to transform into a digital services company. Based on this track record of global business expansion and strengthening the profitability of office services, as well as his experience in roles overseeing the entire company such as CFO and corporate planning, his unifying power, including in overseas management, and his ability to identify potential needs from a global perspective and link them to services, he was appointed Representative Director, President and CEO in April 2023. In assuming the position of CEO, he also played a leading role in the formulation of the 21st Mid-Term Management Strategy. The Company's Board of Directors has determined that his rich business experience, exceptional management skills, and leadership in transforming the Company into a digital services company are necessary to realize the 21st Mid-Term Management Strategy and growth strategy, as well as to enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates him as a candidate for Director. [Message to our shareholders from the candidate for Director] In fiscal 2022, as President of the Ricoh Digital Services Business Unit, I have continued to strive to expand our earnings by providing digital services that contribute to the growth of our customer's businesses. We have strengthened our capabilities to deliver services directly to customers, expanded the Group software portfolio and global services provision platform, and expanded our business with customers in each region and major customers with global contracts with us. The business environment in fiscal 2022 was very challenging due to the emergence of geopolitical risks in addition to a slump in customer print volumes caused by the lingering effects of COVID-19, a shortage of commercial materials triggered by the shortage of semiconductors, high ocean freight costs, and inflation, especially overseas. However, as a business unit, we were able to achieve increases in both revenue and profit, thanks to the expansion of our digital services business, as well as to our continued efforts to respond to various emergencies and to the increase in the unit price per transaction through the increased value we provide to our customers. I was appointed as President in April 2023. I will accelerate our transformation into a digital services company by transforming our business portfolio and shifting our invested capital and human capital to growth areas. In particular, in overseeing the execution of each business unit, I will focus on return on capital to enhance corporate value. Moreover, while maintaining our position as a leader in ESG*, we will build a more solid business foundation by strengthening our ability to respond to change and meet our shareholders' medium- and long-term expectations. *ESG: The environment, social, and governance

[Brief personal profile, positions and responsibilities at the Company and significant concurrent positions]

July 1986	Joined the Company
Apr. 2011	President and COO (Chief Operating Officer) of Ricoh Europe Plc
Aug. 2012	Group Executive Officer General Manager of Europe Marketing Group CEO (Chief Executive Officer) of Ricoh Europe Plc Chairperson of Ricoh Europe B.V.
Apr. 2014	Corporate Senior Vice President General Manager of Corporate Division
Apr. 2015	President of Ricoh Americas Holdings, Inc.
June 2015	Director
Sep. 2015	General Manager of New Business Development Division
June 2016	Corporate Executive Vice President
Apr. 2017	CFO (Chief Financial Officer) General Manager of CEO Office
Apr. 2018	General Manager of Sales and Marketing Group
Apr. 2019	CMO (Chief Marketing Officer)
Apr. 2020	General Manager of Workplace Solutions Business Group
Apr. 2021	Executive Corporate Officer President of Ricoh Digital Services Business Unit
June 2021	Director
Apr. 2022	Director and Chairperson of Ricoh Japan Corporation
Apr. 2023	**Representative Director (Current)** **President (Current)** **CEO (Chief Executive Officer) (Current)** **CTO (Chief Technology Officer) (Current)**

[Status of concurrent positions as officer* at listed companies, including the Company (planned)] *Positions as director or corporate auditor

Number of positions held as executive officer	Number of positions held as non-executive officer
1	0

*If this agenda is approved. (as of June 30, 2023)

Notes:

1. There are no special interests between candidate Mr. Akira Oyama and the Company.
2. The term of office of candidate Mr. Akira Oyama shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of his election in accordance with the Company's Articles of Incorporation.
3. The number of the Company's shares and dilutive shares held by candidate Mr. Akira Oyama is as of March 31, 2023.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. Candidate Mr. Akira Oyama is insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if his election is approved.

No.	Name (Date of birth)	Reasons for nomination as a candidate for Director
3	Takashi Kawaguchi (January 29, 1963) New Male Responsibilities as an Executive Officer of the Company CFO (Chief Financial Officer) Class and number of the Company's shares held 2,400 Dilutive shares: 5,700 *The number of dilutive shares represents the number of shares corresponding to the number of points in relation to which rights are vested under the stock compensation system utilizing a trust.	Mr. Takashi Kawaguchi has been consistently involved in accounting and finance operations since joining the Company. After working in North America for eight years, he assumed the role of CFO of RICOH LEASING COMPANY, LTD. in 2018, returned to the Company's head office in June 2021, and has been the Executive Corporate Officer and CFO of the Company since April 2022. While stationed in North America, he served as CFO of InfoPrint Solutions LLC, which was made a subsidiary, and contributed to improving profitability and establishing governance in the region. He has abundant experience in both management execution and management supervision as an executive director as he also served as a Director of RICOH LEASING COMPANY, LTD., and his holistic thinking and essence-oriented communication have contributed to the advancement of decision-making in the Company. He also played a leading role as CFO in formulating the 21st Mid-Term Management Strategy. The Company's Board of Directors has determined that his high perspective and knowledge of global accounting and finance operations and of the Ricoh Group as a whole as CFO, as well as insight into strategic measures, are necessary to realize the 21st Mid-Term Management Strategy and growth strategy, as well as to enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates him as a candidate for Director. [Message to our shareholders from the candidate for Director] The Ricoh Group was impacted by the COVID-19 pandemic and various unforeseen external factors during the two years of the 20th Mid-Term Management Plan. Nonetheless, we have been strengthening our business foundation as we transform ourselves into a digital services company, not only for the immediate future but also to strengthen our processes, structure, products, and services from a medium- to long-term perspective. As CFO, I have been working on establishing and disseminating the Ricoh-style ROIC tree and implementing PDCA cycles for various measures that lead to business results and profit efficiency. I have worked to improve the cash conversion cycle through the business management of each business unit, optimizing cash allocation and appropriately managing the financial framework. In the area of strengthening the business foundation, I led accounting process improvements and accounting ERP* updates. Regarding growth investment, the Investment Committee evaluates, guides, and supports many M&A projects and thoroughly monitors the post-investment integration process. Through these efforts, we have implemented capital policies aimed at stable cash flow management and improvement of corporate value. In the 21st Mid-Term Management Strategy, which begins in fiscal 2023, we will achieve sustainable enhancement of corporate value through the achievement of business results in each fiscal year and implementing capital policies that support continued growth. By continuing to demonstrate these efforts both internally and externally, I will help realize the Ricoh Group's mission and vision of "Fulfillment through Work." *ERP (Enterprise Resource Planning): A system for centrally managing corporate resources such as people, goods, money, and information and optimizing the allocation of these resources company-wide [Brief personal profile, positions and responsibilities at the Company and significant concurrent positions] Mar. 1986 Joined the Company July 2004 General Manager of Accounting Department of Finance and Accounting Division May 2007 CFO (Chief Financial Officer) of InfoPrint Solutions LLC Aug. 2010 SVP (Senior Vice President) of Ricoh Americas Holdings, Inc. Oct. 2015 General Manager of Planning Department, Global Capital Management Support Center, Corporate Division

		Apr. 2018 General Manager of Finance Department, Finance and Legal Division and General Manager of CEO Office Oct. 2018 Executive Officer and General Manager of Corporate Management Division of RICOH LEASING COMPANY, LTD. Jan. 2019 Managing Executive Officer and General Manager of Corporate Management Division of RICOH LEASING COMPANY, LTD. June 2019 Director of RICOH LEASING COMPANY, LTD. Apr. 2020 Director and Corporate Senior Vice President of RICOH LEASING COMPANY, LTD. June 2021 **General Manager of Finance and Accounting Division (Current)** General Manager of Finance and Accounting Center, Professional Services Division **Chairperson and President of Ricoh Americas Holdings, Inc. (Current)** Apr. 2022 Corporate Officer **CFO (Chief Financial Officer) (Current)** Apr. 2023 **Executive Corporate Officer (Current)** [Status of concurrent positions as officer* at listed companies, including the Company (planned)] *Positions as director or corporate auditor Number of positions held as executive officer: 1 Number of positions held as non-executive officer: 0 *If this agenda is approved. (as of June 30, 2023)

Notes:

1. There are no special interests between candidate Mr. Takashi Kawaguchi and the Company.
2. The term of office of candidate Mr. Takashi Kawaguchi shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of his election in accordance with the Company's Articles of Incorporation.
3. The number of the Company's shares and dilutive shares held by candidate Mr. Takashi Kawaguchi is as of March 31, 2023.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. If his election is approved, candidate Mr. Takashi Kawaguchi will be insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if his election is approved.

No.	Name (Date of birth)	Reasons for nomination as a candidate for Outside Director / an outline of roles expected to be performed as an Outside Director
4	Keisuke Yokoo (November 26, 1951) Reappointment Male Outside Director Independent Director Responsibilities as a Director of the Company Nomination Committee Member / Chairperson of the Compensation Committee Number of the Company's shares held 3,200 Years of service as Director 3 years (at the conclusion of this Meeting) Attendance during fiscal year ended March 31, 2023 Board of Directors meeting 15/15 (100%) Nomination Committee meeting 13/13 (100%) Compensation Committee meeting 10/10 (100%)	Mr. Keisuke Yokoo assumed office as a senior executive of Mizuho Securities Co., Ltd. in June 2001, and then assumed the office of President in April 2007 and Chairperson in June 2011. As a member of top management, he contributed to the development of Mizuho Securities Co., Ltd. by demonstrating his outstanding management skills in financial and capital markets over many years. He also assumed the office of President, Member of the Board & Chief Executive Officer of Japan Investment Corporation in December 2019, and contributes to the improvement of Japan's international competitiveness. At the Company, as an Outside Director, he has played an important role in ensuring the validity and appropriateness of the management decisions and management oversight of the Board of Directors of the Company. With his extensive experience and broad knowledge and insight as a management executive, as well as his views and long-term perspective cultivated over many years in financial and capital markets, he has provided a wide range of useful advice and recommendations. In addition, as a Nomination Committee Member and Compensation Committee Member, he has actively engaged in discussions from an independent standpoint with a shareholder and investor perspective. In fiscal 2022, he provided advice and recommendations based on his knowledge of corporate finance and experience in the capital markets for the formulation of the 21st Mid-Term Management Strategy. As Chairperson of the Compensation Committee, he also led discussions on the review of the stock-based compensation plan for Directors using indicators such as TSR*. In small meetings with shareholders, he engaged in dialogue regarding the Company's compensation system, accounting, finances, and other initiatives and challenges as the Chairperson of the Compensation Committee. In addition, he visited Company sites such as production sites and communicated with local employees, determining the actual situation onsite. He participated as an observer in management meetings in an effort to gain an understanding of information related to business execution. The Company's Board of Directors expects him to make management decisions and oversight from an independent standpoint with a shareholder and investor perspective based on his extensive experience in financial and capital markets over many years and his broad knowledge of and insight into finance, etc. It has determined that these are all necessary to realize the 21st Mid-Term Management Strategy and growth strategy, and enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates him as a candidate for Outside Director. *TSR (Total shareholder return): An indicator for measuring the comprehensive return on investment (the sum of capital gains and dividends) for shareholders and investors [Message to our shareholders from the candidate for Director] Under the 20th Mid-Term Management Plan (fiscal 2021 to fiscal 2022), although we made steady progress in strengthening our business foundation, we fell short of our business growth targets. From this perspective, the Board of Directors engaged in a series of discussions and deliberations to formulate a strategy for the 21st Mid-Term Management Strategy (fiscal 2023 to fiscal 2025) centered on achieving business growth and maximizing corporate value. Specifically, the strategy is to shift to a revenue structure as a digital services company. We aim to achieve business growth by strengthening various areas, such as securing a stable revenue source by building up recurring revenues*, establishing a resilient production and supply system, and ensuring profit stability by building the next pillar of our business. Moreover, in addition to

the profit growth associated with the business growth described above, we will work to increase corporate value through TSR growth by improving asset efficiency and optimizing capital costs.
My role is to perform oversight functions objectively and make effective proposals with a commitment to appropriate information disclosure. In addition, I will use the views and long-term perspectives that I have cultivated through my half-century of experience in the financial businesses sector to achieve better corporate governance while always keeping our shareholders and other stakeholders in mind, as we strive to achieve business growth and enhance corporate value, thereby contributing to the pursuit of sustainability.

* Recurring revenues: Business models in which a company earns compensation on a regular basis in exchange for its continuous provision of products and services, such as monthly agreements (consumables supply and maintenance service agreements for office printing, service and support for office services, and software use on a subscription basis for which compensation is paid for usage fees over a fixed period of time, etc.)

[Brief personal profile, positions and responsibilities at the Company and significant concurrent positions]

Apr. 1974	Joined The Industrial Bank of Japan, Ltd. (Current Mizuho Bank, Ltd.)
Apr. 2000	General Manager of Nagoya Branch of The Industrial Bank of Japan, Ltd.
June 2001	Managing Director, Head of Planning Group of Mizuho Securities Co., Ltd.
Apr. 2007	President of Mizuho Securities Co., Ltd. (Shinko Securities Co., Ltd. and Mizuho Securities Co., Ltd. merged in May 2009 to form Mizuho Securities Co., Ltd.)
June 2011	Chairperson of Mizuho Securities Co., Ltd.
June 2012	Advisor of Mizuho Securities Co., Ltd.
Apr. 2015	Vice Chairperson & President of Japan Association of Corporate Executives
Oct. 2016	**Outside Director of The Dai-ichi Life Insurance Company, Limited (Current)**
June 2017	Outside Director of Nippon Suisan Kaisha, Ltd.
May 2019	**Chairperson of Sonar Advisers Inc. (Current)**
Dec. 2019	**President, Member of the Board & Chief Executive Officer of Japan Investment Corporation (Current)**
May 2020	**Outside Director of Takashimaya Company, Limited (Current)**
June 2020	**Outside Director (Current)**

[Status of concurrent positions as director or officer at listed companies]

Company	Position
Takashimaya Company, Limited	Outside Director

[Status of concurrent positions as officer* at listed companies, including the Company (planned)]*Positions as director or corporate auditor

Number of positions held as executive officer	Number of positions held as non-executive officer
0	2

*If this agenda is approved. (as of June 30, 2023)

Notes:

1. There are no special interests between candidate Mr. Keisuke Yokoo and the Company.
   Candidate Mr. Keisuke Yokoo currently serves as Outside Director of The Dai-ichi Life Insurance Company, Limited and Takashimaya Company, Limited. The Company has business relations with each of these companies, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant. Thus, there are no special business relations that could affect him in executing his duties as Outside Director.

In addition, the Company has business relations with Mizuho Securities Co., Ltd. and Nippon Suisan Kaisha, Ltd., where Mr. Keisuke Yokoo had belonged to in the past 10 years, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant. Thus, there are no special business relations that could affect him in executing his duties as Outside Director.

2. The term of office of candidate Mr. Keisuke Yokoo shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of his election in accordance with the Company's Articles of Incorporation.
3. With the expectation that Outside Directors can fully fulfill the roles associated with their positions, the Company has executed a contract with Mr. Keisuke Yokoo to limit liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, to the higher of ¥10 million or the minimum liability limit amount stipulated in Article 425, Paragraph 1 of the Companies Act. If approval is given for Mr. Keisuke Yokoo to be reelected as Outside Director, the Company plans to continue the said liability limitation contract with him.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. Candidate Mr. Keisuke Yokoo is insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if his election is approved.
5. Candidate Mr. Keisuke Yokoo has been registered as an Independent Director as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, and if approval is given for him to be reelected as Outside Director, he will remain registered as Independent Director.
6. The number of the Company's shares held by candidate Mr. Keisuke Yokoo is as of March 31, 2023.

No.	Name (Date of birth)	Reasons for nomination as a candidate for Outside Director / an outline of roles expected to be performed as an Outside Director
5	Sadafumi Tani (September 15, 1954) Reappointment Male Outside Director Independent Director Responsibilities as a Director of the Company Compensation Committee Member Number of the Company's shares held 3,700 Years of service as Director 2 years (at the conclusion of this Meeting) Attendance during fiscal year ended March 31, 2023 Board of Directors meeting 15/15 (100%) Compensation Committee meeting 10/10 (100%)	After joining Jiji Press Ltd. in 1977, Mr. Sadafumi Tani took on the roles of analyzing and distributing information in Japan and overseas as an economic reporter for many years. He assumed the office of Director in June 2010 and of Executive Director in June 2013, contributing to the development of Jiji Press Ltd. by demonstrating his outstanding management skills. Furthermore, since June 2016, as Executive Director / Editor in Chief of Nippon.com, he has spread information about Japan far and wide overseas, aided in the promotion of mutual understanding between countries, and contributed to global human resource development. At the Company, as an Outside Director, he has played an important role in ensuring the validity and appropriateness of management decisions and supervision by the Board of Directors of the Company, and provided a wide range of useful advice and recommendations based on his outstanding ability to analyze and communicate information domestically and internationally, his medium- to long-term viewpoint and broad perspective, and his extensive personal network, cultivated as an economics reporter for many years. In addition, as a member of the Compensation Committee, he has actively engaged in discussions from an independent standpoint and from a shareholder and investor perspective. In fiscal 2022, he provided advice and recommendations on information dissemination, human resource strategy, and growth investment in formulating the 21st Mid-Term Management Strategy. In addition, he visited Company sites such as production and R&D sites, communicated with local employees, to determine the actual situation onsite, participated as an observer in management meetings, and actively participated in other important meetings related to the Company's operation. The Company's Board of Directors expects him to make management decisions and oversight from an independent standpoint with a shareholder and investor perspective based on his extensive experience as an economics reporter for many years and his broad views on and insight into the global economy and social issues, as well as his advanced information gathering and analysis capabilities and excellent communication skills, and has determined that these are all necessary to realize the 21st Mid-Term Management Strategy and growth strategy, as well as to enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates him as a candidate for Outside Director. [Message to our shareholders from the candidate for Director] External factors such as COVID-19 and the Russia-Ukraine situation created a difficult business environment. Both the business performance and share price did not meet our targets. As an Outside Director, I recognize this as an issue. However, we planted the seeds for future growth through acquisitions and alliances to transform us into a digital services company. Communication with shareholders and other stakeholders, including dialog and information dissemination, is increasingly essential in an uncertain business environment. I advise the company on key management matters as needed to ensure that information is appropriately disseminated, drawing on my career and knowledge to date. In the acquisition of PFU Limited ("PFU"), I pointed out the importance of communication, including addressing the local community's concerns about PFU joining the Ricoh Group. I advised the company to communicate through regional media. I am proud that the relationship of trust built based on careful information dissemination led to ongoing efforts to create synergies between the two companies. Fiscal 2023 will mark the first year of the 21st Mid-Term Management Strategy under the leadership of the new President and CEO Mr. Akira Oyama. I will monitor the steady implementation of the strategy from a variety of perspectives, including the transition to a digital services company,

		the improvement of capital efficiency, and the penetration and improvement of the business unit structure and the Ricoh-style job-based personnel system that was already introduced. I will also make recommendations on the issue of how to translate the advantage of our high ESG rating into profits. Regarding external factors, it is necessary to manage our business based on the assumption that we will continue to face unforeseen crises in the future. I will supervise the executives to ensure the agile and flexible execution of crisis management functions, and I will introduce my contacts and provide information to help management function better. [Brief personal profile, positions and responsibilities at the Company and significant concurrent positions] Apr. 1977 Joined Jiji Press, Ltd. Apr. 1988 Staff Correspondent of Washington D.C. Bureau of Jiji Press, Ltd. Dec. 2001 Editor in Chief of Economic News of Jiji Press, Ltd. June 2004 Director of Kobe Bureau of Jiji Press, Ltd. June 2006 Managing Editor of Jiji Press, Ltd. June 2009 Director of General Administration Division of Jiji Press, Ltd. Jan. 2010 General Manager of President's Office of Jiji Press, Ltd. June 2010 Director of Jiji Press, Ltd. July 2010 Director and Managing Editor of Jiji Press, Ltd. June 2013 Executive Director of Jiji Press, Ltd. Mar. 2016 Director / Editor in Chief of Nippon.Com May 2016 Audit & Supervisory Board Member of Quants Research Inc. June 2016 **Executive Director/ Editor in Chief of Nippon.com (Current)** June 2021 **Outside Director (Current)** May 2022 **Advisor and Visiting Researcher of Jiji Research Institute, Ltd. (Current)** [Status of concurrent positions as officer* at listed companies, including the Company (planned)] *Positions as director or corporate auditor Number of positions held as executive officer: 0 Number of positions held as non-executive officer: 1 *If this agenda is approved. (as of June 30, 2023)

Notes:

1. There are no special interests between candidate Mr. Sadafumi Tani and the Company.
   The Company has business relations with Jiji Press Ltd. and Quants Research Inc., where candidate Mr. Sadafumi Tani had belonged to in the past ten years, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered highly insignificant. Thus, there are no special business relations that could affect him in executing his duties as Outside Director.
2. The term of office of candidate Mr. Sadafumi Tani shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of his election in accordance with the Company's Articles of Incorporation.
3. With the expectation that Outside Directors can fully fulfill the roles associated with their positions, the Company has executed a contract with Mr. Sadafumi Tani to limit liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, to the higher of ¥10 million or the minimum liability limit amount stipulated in Article 425, Paragraph 1 of the Companies Act. If approval is given for Mr. Sadafumi Tani to be reelected as Outside Director, the Company plans to continue the said liability limitation contract with him.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. Candidate Mr. Sadafumi Tani is insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if his election is approved.
5. Candidate Mr. Sadafumi Tani has been registered as an Independent Director as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange. If approval is given for him to be reelected as Outside Director, he will remain registered as Independent Director.
6. The number of the Company's shares held by candidate Mr. Sadafumi Tani is as of March 31, 2023.

No.	Name (Date of birth)	Reasons for nomination as a candidate for Outside Director / an outline of roles expected to be performed as an Outside Director
6	Kazuhiko Ishimura (September 18, 1954) Reappointment Male Outside Director Independent Director Responsibilities as a Director of the Company Nomination Committee Member Number of the Company's shares held 0 Years of service as Director 1 year (at the conclusion of this Meeting) Attendance during fiscal year ended March 31, 2023 (attendance rate after his appointment at the General Meeting of Shareholders) Board of Directors meeting 12/12 (100%) Nomination Committee meeting 10/11 (91%)	Mr. Kazuhiko Ishimura assumed office as a senior executive of Asahi Glass Co., Ltd. (currently AGC Inc.) in 2006, and then assumed the office of Representative Director, President and COO in March 2008, Representative Director, President and CEO in January 2010, and Representative Director and Chairperson in January 2015. As a member of top management, he contributed to the development of the said company by demonstrating his outstanding management skills, such as leading the global expansion of Japan's leading manufacturing company for many years. He also assumed the office of President of the National Institute of Advanced Industrial Science and Technology (AIST) in April 2020, and is contributing to strengthening of Japan's industrial competitiveness. At the Company, as an Outside Director, he has played an important role in ensuring the validity and appropriateness of management decisions and supervision by the Company's Board of Directors. He has made appropriate management decisions and supervised management by providing advice and recommendations based on his extensive experience as a management executive of AGC Inc. and his knowledge and insight as President and CEO of AIST. In addition, as a member of the Nomination Committee, he has actively engaged in discussions from an independent standpoint based on his experience at the top management of a company, thereby contributing to strengthening the supervisory function and ensuring objectivity and transparency in the nomination process. In fiscal 2022, he provided advice and recommendations from multiple perspectives, including improving capital profitability, organization and governance, growth investment, and human resource strategy in formulating the 21st Mid-Term Management Strategy. In addition to visiting facilities such as production sites to communicate with local employees to grasp the actual situation onsite, he has also actively worked to understand our business through communication with key executive divisions. The Company's Board of Directors expects him to make objective management decisions and oversight from an independent standpoint based on his extensive experience as a management executive, his deep insight into environmental issues, and his high awareness of issues concerning organizations and governance. It has determined that these are all necessary to realize the 21st Mid-Term Management Strategy and the growth strategy, and enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates him as candidate for Outside Director. [Message to our shareholders from the candidate for Director] Through my experience in the manufacturing industry, which, like Ricoh, has been accelerating its global expansion, I have come to realize that simply achieving good quality products and services at low cost is not enough to survive global competition. The achievement of QCD (quality, cost, and delivery) is a must, of course, and we have entered an era where we cannot win the trust of our stakeholders unless we realize customer value without falling into price competition and, at the same time, create social value such as ESG and SDGs*. In such a business environment, the question is how we can achieve sustainable growth and increase our corporate value. The Company has achieved global business growth through its high-performance products and attentive services centered on multifunctional office printers. It has also been highly regarded in terms of ESG, particularly for its approach to environmental issues. The Company has now made a significant shift to become a digital services company to achieve new growth. I believe this is the correct approach. The Company's new structure is required to demonstrate that this policy is right, namely to deliver results. As

an Outside Director, I will strive to strengthen proper governance while promoting the transformation described above.
Finally, my motto is "People are power." I have experienced many crises in my career, and each time I firmly believe that it is people who can overcome crises and bring about change. The Company has a culture of valuing people that has been handed down through its founding principles, the Spirit of Three Loves: "Love your neighbor," "Love your country," "Love your work," and this culture resonates deeply with me. People are the engine of change, and I will strive to enhance our corporate value by further harnessing their power and transforming ourselves into a digital services company.
*SDGs (Sustainable Development Goals): In September 2015, the United Nations Summit adopted 17 Sustainable Development Goals and 169 targets as part of a universal agenda to ensure that nobody is left behind in the drive to free humanity from poverty and hunger and improve the human condition in such respects as health, sanitation, economic development, and the environment by 2030.

[Brief personal profile, positions and responsibilities at the Company and significant concurrent positions]

Apr. 1979	Joined Asahi Glass Co., Ltd. (Current AGC Inc.)
Jan. 2006	Executive Officer and GM of Kansai Plant of Asahi Glass Co., Ltd.
Jan. 2007	Senior Executive Officer and GM of Electronics & Energy General Division of Asahi Glass Co., Ltd.
Mar. 2008	Representative Director, President and COO of Asahi Glass Co., Ltd.
Jan. 2010	Representative Director, President and CEO of Asahi Glass Co., Ltd.
Jan. 2015	Representative Director and Chairperson of Asahi Glass Co., Ltd.
June 2015	Outside Director of TDK Corporation
June 2017	Outside Director of IHI Corporation
Jan. 2018	Director and Chairperson of Asahi Glass Co., Ltd.
Apr. 2018	**Vice Chairperson of Japan Association of Corporate Executives (Current)**
June 2018	**Outside Director of Nomura Holdings, Inc. (Current)**
Mar. 2020	Director of AGC Inc.
Apr. 2020	President of the National Institute of Advanced Industrial Science and Technology
Apr. 2021	**President and CEO of the National Institute of Advanced Industrial Science and Technology (Current)**
June 2022	**Outside Director (Current)**

[Status of concurrent positions as director or officer at listed companies]

Company	Position
Nomura Holdings, Inc.	Outside Director

[Status of concurrent positions as officer* at listed companies, including the Company (planned)] *Positions as director or corporate auditor

Number of positions held as executive director or officer	Number of positions held as non-executive director or officer
0	2

*If this agenda is approved. (as of June 30, 2023)

Notes:
1. There are no special interests between candidate Mr. Kazuhiko Ishimura and the Company.
Candidate Mr. Kazuhiko Ishimura is an Outside Director of Nomura Holdings, Inc. and President and CEO of the National Institute of Advanced Industrial Science and Technology. The Company has business relations with each of these companies, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant. Thus, there are no special business relations that could affect him in executing his duties as Outside Director.

The Company has business relations with AGC Inc., TDK Corporation and IHI Corporation, where candidate Mr. Kazuhiko Ishimura had belonged to in the past ten years, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant. Thus, there are no special business relations that could affect him in executing his duties as Outside Director.

2. The term of office of candidate Mr. Kazuhiko Ishimura shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of his election in accordance with the Company's Articles of Incorporation.
3. With the expectation that Outside Directors can fully fulfill the roles associated with their positions, the Company executes a contract with Mr. Kazuhiko Ishimura to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, to the higher of ¥10 million or the minimum liability limit amount stipulated in Article 425, Paragraph 1 of the Companies Act. If approval is given for candidate Mr. Kazuhiko Ishimura to be reelected as Outside Director, the Company plans to continue the said liability limitation contract with him.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. Candidate Mr. Kazuhiko Ishimura is insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if his election is approved.
5. Candidate Mr. Kazuhiko Ishimura has been registered as an Independent Director as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange, and if approval is given for him to be reelected as Outside Director, he will remain registered as Independent Director.
6. The number of the Company's shares held by candidate Mr. Kazuhiko Ishimura is as of March 31, 2023.

No.	Name (Date of birth)	Reasons for nomination as a candidate for Outside Director / an outline of roles expected to be performed as an Outside Director
7	Shigenao Ishiguro (October 30, 1957) New Male Outside Director Independent Director Number of the Company's shares held 0	Since Mr. Shigenao Ishiguro joined TDK ELECTRONICS CO., LTD. (currently TDK Corporation) in 1982, he has led the Company's overseas expansion through his extensive overseas experience. After serving as Corporate Officer from June 2014 and Senior Vice President from June 2015, he was appointed President & Representative Director in June 2016, and has contributed to the development of the company and the enhancement of its corporate value by exercising outstanding management skills, such as promoting the transformation of the company's business structure by developing new businesses based on EX (energy transformation) and DX* (digital transformation), including the battery and sensor businesses. In addition, as Chairperson & Representative Director from April 2022, and as Chairperson & Director since June 2022, he has exercised governance functions from a medium- to long-term and broad perspective. The Company's Board of Directors expects him to make objective management decisions and oversight from an independent standpoint based on his proven track record of global management excellence, fostering new businesses and transforming business structures, and his deep insights into sustainability and governance, and has determined that these are all necessary to realize the 21st Mid-Term Management Strategy and the growth strategy, as well as to enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates him as candidate for Outside Director. *DX (digital transformation): Corporate efforts to deal with drastic changes in the business environment by transforming its products, services and business models according to the needs of customers and society, as well as its business operations, organizations, processes, and corporate culture and climate by leveraging data and digital technologies, with the aim of establishing competitive advantage. [Message to our shareholders from the candidate for Director] For more than 40 years, I have worked with a global perspective in the highly competitive international environment of the electronic components industry. I worked in Europe and China for more than 17 years, and even after returning to Japan, I was always in a multinational business environment. In my work, I have looked at Japan from a global perspective rather than looking at the world from Japan, having experienced the world's trends firsthand. The current rising trend of extremely powerful DX is about to change the world significantly. Digital technology delivers unprecedented levels of value to humanity through the free and automatic manipulation of vast amounts of data that could not be effectively utilized in the analog era. I firmly believe that this DX trend will make the world more compact and accelerate the speed of everything, including business. The Ricoh Group is expected to grow even further as a corporate group at the center of this DX trend and make significant contributions to society. To continue contributing to society and to remain a corporate group that is needed by society, I believe it is necessary to achieve management that leverages diversity and speed. I will use my experience to contribute to the growth of the Ricoh Group by advising and overseeing the implementation of management strategies to realize a company that brings "Fulfillment through Work" to people around the world. [Brief personal profile, positions and responsibilities at the Company and significant concurrent positions] Jan. 1982 Joined TDK ELECTRONICS CO., LTD. (Current TDK Corporation)

		Apr. 2002 Senior Manager of Planning Group of Europe Sales Group of Recording Media & Solutions Business Group of TDK Corporation Apr. 2011 Deputy General Manager of Data Storage & Thin Film Technology Components Business Group of TDK Corporation June 2012 General Manager of Data Storage & Thin Film Technology Components Business Group of TDK Corporation June 2014 Corporate Officer of TDK Corporation Apr. 2015 CEO of Magnetic Heads and Sensors Business Company of TDK Corporation June 2015 Senior Vice President of TDK Corporation June 2016 President & Representative Director of TDK Corporation General Manager of Manufacturing HQ and General Manager of Humidifier Countermeasures HQ of TDK Corporation Apr. 2022 Chairperson & Representative Director of TDK Corporation June 2022 **Outside Director of NTT DATA Corporation (Current)** **Chair**person **& Director of TDK Corporation (Current)** [Status of concurrent positions as director or officer at listed companies] Company: TDK Corporation — Position: Chairperson & Director Company: NTT DATA Corporation — Position: Outside Director [Status of concurrent positions as officer* at listed companies, including the Company (planned)] *Positions as director or corporate auditor Number of positions held as executive officer: 0 Number of positions held as non-executive officer: 3 *If this agenda is approved. (as of June 30, 2023)

Notes:

1. There are no special interests between candidate Mr. Shigenao Ishiguro and the Company.
   Candidate Mr. Shigenao Ishiguro is a Chairperson & Director of TDK Corporation and Outside Director of NTT DATA Corporation. The Company has business relations with each of these companies, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant. Thus, there are no special business relations that could affect him in executing his duties as Outside Director.
   TDK Corporation holds 108,000 shares of the Company's stock (holding ratio: 0.018% as of March 31, 2023), and the Company holds 2,790 shares of TDK Corporation's stock (holding ratio: 0.001% as of March 31, 2023). The mutual shareholding ratio is well below the standard of major shareholders (10%) stipulated in the Financial Instruments and Exchange Act.
2. The term of office of candidate Mr. Shigenao Ishiguro shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of his election in accordance with the Company's Articles of Incorporation.
3. With the expectation that Outside Directors can fully fulfill the roles associated with their positions, the Company executes contracts with Outside Directors to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, to the higher of ¥10 million or the minimum liability limit amount stipulated in Article 425, Paragraph 1 of the Companies Act. If approval is given for candidate Mr. Shigenao Ishiguro to be elected as Outside Director, the Company plans to execute the said liability limitation contract with him.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. If his election is approved, candidate Mr. Shigenao Ishiguro will be insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if his election is approved.
5. If approval is given for candidate Mr. Shigenao Ishiguro to be elected as Outside Director, he will be registered as an Independent Director as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
6. The number of the Company's shares held by candidate Mr. Shigenao Ishiguro is as of March 31, 2023.

No.	Name (Date of birth)	Reasons for nomination as a candidate for Outside Director / an outline of roles expected to be performed as an Outside Director
8	Yoko Takeda (April 13, 1971) New Female Outside Director Independent Director Number of the Company's shares held 0	Ms. Yoko Takeda joined the Bank of Japan in 1994, where she was in charge of overseas economic analysis and domestic and international financial market analysis. After studying abroad, she joined Mitsubishi Research Institute, Inc. (MRI) in April 2009, where she served in numerous positions, including General Manager of Research Center for Policy and Economy (appointed in October 2017) and Deputy General Manager of the Think Tank Unit and General Manager of Center for Policy and the Economy (in October 2020). Currently, as a Research Fellow, Deputy General Manager of the Think Tank Unit, General Manager of the Planning and Administration Office, and General Manager of the Center for Policy and the Economy of MRI, she has demonstrated her outstanding skills and abilities in research and analysis of finance and economics. She has also been actively involved in external activities, including serving on numerous government councils. She has made a wide range of policy recommendations regarding issues such as monetary policy, public finance, social security systems, and labor markets. The Company's Board of Directors expects her to make objective management decisions and oversight from an independent standpoint based on her wealth of insight and analytical skills related to global economic and social trends, as well as deep insight and knowledge of employment issues and human resource development, which she has cultivated over many years as an economist, and has determined that these are all necessary to realize the 21st Mid-Term Management Strategy and growth strategy, as well as to enhance the Company's shareholder value and corporate value. Thus, the Company's Board of Directors nominates her as candidate for Outside Director. [Message to our shareholders from the candidate for Director] Three trends are now accelerating in the world amid growing uncertainty. The first is the destabilization of the balance of power, particularly the emergence of economic security issues. The second is the emphasis on sustainability. We are in an era where corporate value depends on actions to combat climate change and contribute to a zero-carbon, circular economy. The third is the transition to a society that coexists with COVID-19. Inflation triggered by supply constraints is having a major impact on the global economy, and advances in DX and AI (artificial intelligence) technologies are driving changes in the labor market. For the Ricoh Group, this presents a new challenge to address economic security but also offers an opportunity to contribute to resolving social issues worldwide through businesses that leverage our strengths. The trend toward a greater emphasis on sustainability is expected to further enhance the social value of the Ricoh Group, which has been engaged in environmental management since the 1990s. I am also convinced that transitioning to a society that coexists with COVID-19 will allow us to transform into a digital services company and create new value for our customers. My role as an Outside Director is to advise on global environmental changes regarding both business opportunities and risks and contribute to and appropriately supervise human capital management, which is the key to innovation. From the shareholders' perspective, I will utilize my knowledge of economic, financial, and policy issues gained through my activities with government committees, the central bank (Bank of Japan), and think tanks. I will strive to enhance our corporate value through management that makes the most of diverse human resources and knowledge based on the Spirit of Three Loves: "Love your neighbor," "Love your country," "Love your work," business expansion that brings "Fulfillment through Work" to people around the world, and contributions to the global environment and

		sustainability of future societies. [Brief personal profile, positions and responsibilities at the Company and significant concurrent positions] Apr. 1994 Joined the Bank of Japan Apr. 2009 Joined the Mitsubishi Research Institute, Inc. Senior Economist, Senior Researcher of Research Center for Policy and-Economy of Mitsubishi Research Institute, Inc. Apr. 2012 **Chief Economist (Current)** Research Director of Research Center for Policy and–Economy of Mitsubishi Research Institute, Inc. Oct. 2015 Deputy General Manager of Research Center for Policy and Economy of Mitsubishi Research Institute, Inc. Oct. 2017 General Manager of Center for Policy and the Economy of Mitsubishi Research Institute, Inc. Oct. 2020 **Deputy General Manager of Think Tank Unit and General Manager of Center for Policy and the Economy of Mitsubishi Research Institute, Inc. (Current)** Dec. 2021 **Research Fellow of Mitsubishi Research Institute, Inc. (Current)** Oct. 2022 **General Manager of Planning and Administration Office of Mitsubishi Research Institute, Inc. (Current)** June 2023 Outside Director of FANUC CORPORATION [Scheduled to be appointed] [Status of concurrent positions as officer* at listed companies, including the Company (planned)] *Positions as director or corporate auditor Number of positions held as executive officer: 0 Number of positions held as non-executive officer: 2 *If this agenda is approved. (as of June 30, 2023)

Notes:

1. There are no special interests between candidate Ms. Yoko Takeda and the Company.
2. The term of office of candidate Ms. Yoko Takeda shall be up to the conclusion of the Ordinary General Meeting of Shareholders with respect to the last fiscal year that ends within one (1) year of her election in accordance with the Company's Articles of Incorporation.
3. With the expectation that Outside Directors can fully fulfill the roles associated with their positions, the Company executes contracts with Outside Directors to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act, to the higher of ¥10 million or the minimum liability limit amount stipulated in Article 425, Paragraph 1 of the Companies Act. If approval is given for candidate Ms. Yoko Takeda to be elected as Outside Director, the Company plans to execute the said liability limitation contract with her.
4. The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with all insurance premiums at the Company's expense. If her election is approved, candidate Ms. Yoko Takeda will be insured under the insurance contract, which covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations. The Company intends to renew the insurance contract during the candidate's term of office if her election is approved.
5. If approval is given for candidate Ms. Yoko Takeda to be elected as Outside Director, she will be registered as an Independent Director as stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
6. The number of the Company's shares held by candidate Ms. Yoko Takeda is as of March 31, 2023.

<Reference>

Structure and Skill Matrix of Officers if Agenda 2 is Approved

If Agenda 2 is approved, the composition of the Board of Directors and the Audit & Supervisory Board, as well as the expertise of each Director and Audit & Supervisory Board Member will be as follows. The table below represents the skills possessed by each candidate for Director and Audit & Supervisory Board Member that are deemed exemplary, and does not represent all of their knowledge and experience.

<Basic approach to the structure of officers>

- The Company's basic requirement for the appointment of Directors and Audit & Supervisory Board Members is that they have a deep understanding of The Ricoh Way, which comprises the "Founding Principles" (the Spirit of Three Loves, namely, love your neighbor; love your country; and love your work), the "Mission & Vision," and the "Values," and are capable of contributing to the sound and sustainable growth of the Company and the enhancement of its corporate and shareholder value. In addition, for Outside Directors and Audit & Supervisory Board Members, as they are in a position that requires independence and neutrality, we place a particular emphasis on those who are able to openly express their opinions to the management team, and who are able to provide appropriate advice and supervision from an independent and neutral standpoint.
- The Company has established an appropriate structure of officers by comprehensively considering the composition of Internal and Outside Directors and Audit & Supervisory Board Members, tenure, diversity, and other factors, in addition to the skills possessed by them. We will continue to discuss the necessary skills and diversity in line with changes in our business environment and the development of our business strategy, and will build a structure of officers in line with these discussions.

<Positioning of major skills and notable fields of expertise>

- For major skills, the Company lists those skills that, preferably, should be covered by more than one Director or Audit & Supervisory Board Member in light of the management environment and business strategies. Based on their position and role on the Board of Directors and committees, a maximum of three major skills possessed by each individual are marked with a "●."
- In addition, we consider it necessary for individual Directors and Audit & Supervisory Board Members to demonstrate outstanding knowledge and skills in their respective fields of expertise in order to address increasingly sophisticated and diverse management issues, and have listed these as notable fields of expertise.

<Reasons for selection of major skills>

Corporate management	To understand business opportunities and risks in consideration of the management environment, and to ensure appropriate decision-making and oversight with the aim of enhancing corporate value.
Governance and risk management	To achieve a higher level of governance that is trusted by diverse stakeholders and to appropriately address increasingly complex and sophisticated business risks such as geopolitical risk and economic security through global information gathering and analysis.
Finance and accounting	To achieve sustainable enhancement of shareholder value and corporate value through capital policy and communication with the capital market, as a company listed on the Prime Market.
Sustainability	To promote solutions to social issues through ESG initiatives, which Ricoh considers essential for sustainable enhancement of shareholder value and corporate value, in order to realize Ricoh's goal of a society in which the balance among the three Ps[*1] is maintained (Three Ps Balance).
Technology and R&D	To accelerate the transformation into a digital services company by utilizing edge devices[*2] that are unique to Ricoh and providing digital services such as platforms and software that leverage these strengths.

*1 Three Ps: Prosperity, People, and Planet

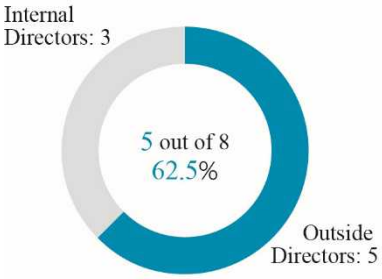
*2 Edge device: A networked device with data processing functions, such as a multifunctional printer or a camera that serves as an entry and exit point for various data, such as text, photographs, audio, and video.

						Years of service	Nomination Committee	Compensation Committee
Directors	Yoshinori Yamashita		Male	Non-executive Officer		11	●	●
	Akira Oyama		Male			2		
	Takashi Kawaguchi		Male			–		
	Keisuke Yokoo	Chairperson of the Board of the Directors	Male	Outside	Independent	3	●	●
	Sadafumi Tani		Male	Outside	Independent	2	●	● Chairperson
	Kazuhiko Ishimura	Lead Independent Director	Male	Outside	Independent	1	● Chairperson	●
	Shigenao Ishiguro		Male	Outside	Independent	–	●	
	Yoko Takeda		Female	Outside	Independent	–		●
Audit & Supervisory Board Members	Kazuhiro Tsuji		Male			3		
	Shinji Sato		Male			2		
	Yo Ota		Male	Outside	Independent	6		Observer
	Shoji Kobayashi		Male	Outside	Independent	3		
	Yasunobu Furukawa		Male	Outside	Independent	3	Observer	

Notes:1. Chairperson of the Board of Directors, Lead Independent Director, and members and chairperson of each of the advisory committees shown are those to be in place after this Meeting (scheduled to be elected at a meeting of the Board of Directors after the closing of this Meeting).

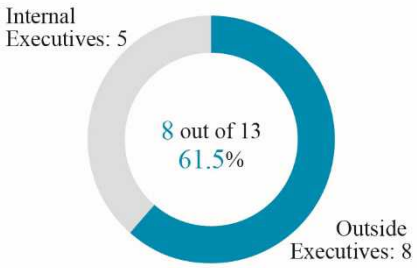
2. Non-executive Officer: Internal Director who does not concurrently serve as an Executive Officer of the Company and is not involved in the day-to-day execution of the Company's business

Ratio of Outside Directors



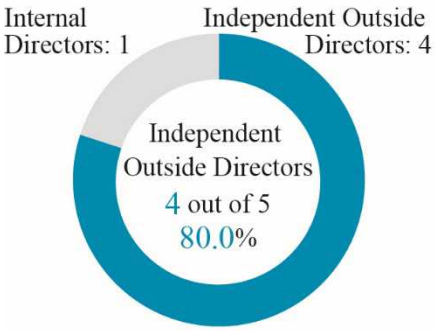
Ratio of female Directors

Ratio of Outside Executives (Outside Directors and Outside Audit & Supervisory Board Members)



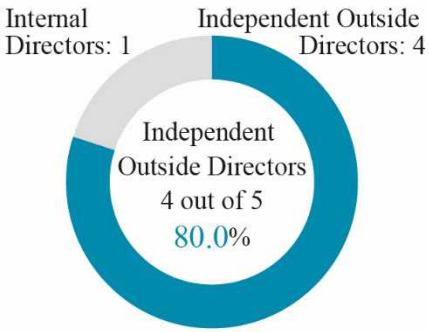
		Major skills					Notable fields of expertise
		Corporate management	Governance and risk management	Finance and accounting	Sustainability	Technology and R&D	
Directors	Yoshinori Yamashita	●	●		●		SCM and marketing
	Akira Oyama	●		●		●	Global marketing
	Takashi Kawaguchi		●	●			Accounting, finance and investment management
	Keisuke Yokoo	●	●	●			Finance and investment management
	Sadafumi Tani	●	●				Information analysis/ distribution and communication
	Kazuhiko Ishimura	●	●			●	Technology management and ESG management
	Shigenao Ishiguro	●			●	●	Global business and manufacturing management
	Yoko Takeda		●	●	●		Economic/financial analysis
Audit & Supervisory Board Members	Kazuhiro Tsuji		●		●		Human resources and personnel development
	Shinji Sato		●	●			Finance and accounting
	Yo Ota		●	●			Corporate legal affairs
	Shoji Kobayashi	●				●	Technology/R&D
	Yasunobu Furukawa		●	●			Accounting audit

Nomination Committee



Chairperson: Independent Outside Director

Compensation Committee



Chairperson: Independent Outside Director

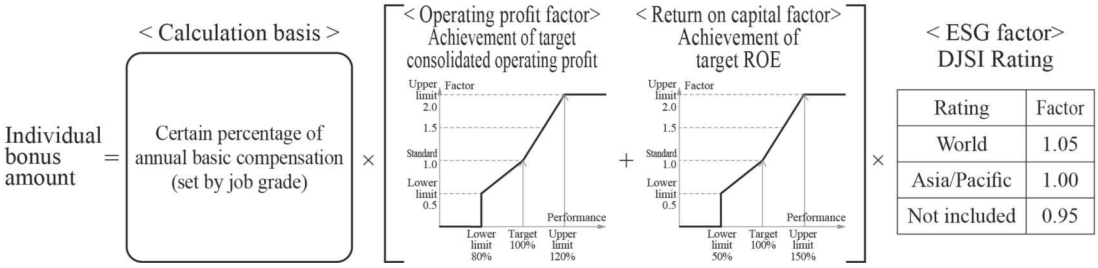
Agenda 3: Payment of bonuses to Directors

The Company proposes that bonuses amounting to ¥74.947 million be paid to five (5) Directors (excluding Outside Directors) who were in office during fiscal 2022, reflecting the Company's earnings results for the fiscal year under review. The Company requests that the details such as the specific amount to be paid to each Director, timing and method of payment be left to the resolution of the Board of Directors. Compensation for Directors (excluding Outside Directors) consists of basic compensation, performance-linked bonuses, compensation for acquiring stocks and a stock-based compensation with stock price conditions*. Bonuses payment requires the resolution of the general meeting of shareholders each year as it fluctuates depending on business performance.

The Company's Board of Directors has established a policy for determining the level of compensation for Directors, which is outlined on pages 68-74. The Company believes that this proposal is appropriate because it is in line with such policy.

* The stock-based compensation with stock price conditions is scheduled to be amended in accordance with Agenda 4.

(Reference) Formula for calculating Directors' bonuses



Rating	Factor
World	1.05
Asia/Pacific	1.00
Not included	0.95

Target and result for each KPI (fiscal 2022)

KPI	Target*2	Result	Factor
Achievement of target consolidated operating profit	¥90.0 billion	¥78.7 billion	0.69
Achievement of target ROE	7.0%	5.9%	0.84
Annual DJSI*1 Rating	World	World	1.05

*1 DJSI (Dow Jones Sustainability Indices): A share index jointly developed by Dow Jones in the US and S&P Global, a company specializing in research on sustainable investment, the Dow Jones Sustainability Indices measures the sustainability of major companies around the world from the three perspectives of economy, environment and society.

*2 The target values are the fiscal 2022 forecast which was briefed in the fiscal 2021 financial results released on May 10, 2022.

Agenda 4: Partial amendment and continuation of the stock-based compensation plan for Directors

1. Reason and grounds for proposal

The compensation of the Company's Directors consists of "basic compensation," "bonuses," "compensation for acquiring stock," and "stock-based compensation with stock price conditions," of which stock-based compensation with stock price conditions was introduced upon approval of shareholders at the 119th Ordinary General Meeting of Shareholders held on June 21, 2019 as the compensation to the Directors of the Company (excluding Outside Directors and Non-executive Directors) under a "stock-based compensation plan with stock price conditions" using a trust (the "Plan"). This proposal seeks approval for the continuation of the Plan as a performance-linked stock-based compensation plan with partial amendments.

Furthermore, the Company requests that the determination of the details of the Plan be left to the Board of Directors, within the scope described in 2. below.

The Plan was introduced to clarify the linkage between Directors' compensation and the corporate performance and shareholder value of the Company, and to raise awareness among Directors of the need to contribute to improving the Company's performance and enhancing its corporate value over the medium to long term by sharing with shareholders the benefits and risks associated with fluctuations in the stock price. The Company will make partial amendments to this Plan with the aim of further strengthening the sense of sharing benefits and risks with shareholders going forward and demonstrating Directors' commitment to enhancing shareholder value, including its sustained growth and appropriate shareholder returns.

The proposal is to establish a limit for compensation for Directors (excluding Outside Directors) under the revised Plan, separate from the limit for compensation for Directors approved at the 116th Ordinary General Meeting of Shareholders held on June 17, 2016 (up to ¥46 million per month (including ¥7 million per month for Outside Directors); including compensation for Outside Directors but excluding employee salaries).

The purpose of the proposed amendments to the Plan is as described above. The Company establishes a policy for determining the content of compensation, etc. for individual Directors by resolution of the Board of Directors based on the report from the Compensation Committee, an advisory body to the Board of Directors, which has deliberated over the matter and reported to the Board of Directors on the deliberation results.

The outline of the policy is shown on page 68, and the Plan is in line with such policy, and there is no plan to change such policy even if this agenda is approved. The Company believes that the contents of this proposal are appropriate as they are necessary and reasonable for the purpose of the above amendment and for the payment of compensation in accordance with such policy.

If Agenda 2 "Election of eight (8) Directors" is approved as proposed, three (3) Directors will be eligible for the Plan.

2. Amount and content of compensation to be provided under the Plan

In order to continue the Plan, partial amendments will be made to the current Plan as of September 1, 2023. The amount and details of compensation, etc. under the Plan after the amendments are as follows.

1) Plan Overview

The Plan is a stock-based compensation plan under which a trust (already established at the time of introduction of the Plan in 2019; hereinafter referred to as the "Trust") established by monetary contribution by the Company acquires the Company's common stock ("Company Shares"), and the Company Shares equivalent to the number of points granted by the Company to each Director are delivered to each Director through the Trust.

The timing for Directors to receive the Company Shares, which used to be upon retirement of each Director, will be changed to the end of each performance evaluation period (see (ii) in the table below), in principle, in order to link the impact of performance to compensation on a medium- to long-term and continuous basis and to more clearly reflect the performance and management responsibility over the three fiscal years in the compensation. Other elements of the Plan after the amendments are as shown in the table below.

		Performance-linked stock-based compensation plan (after amendments)	Stock-based compensation with stock price conditions (before amendments)
(i)	Persons eligible for the Plan	Directors of the Company (excluding Outside Directors)*1	Directors of the Company (excluding Outside Directors and Non-executive Directors)
(ii)	Performance evaluation period	Each of the three consecutive fiscal years beginning on April 1 of each year in and after 2023 (the first period from April 1, 2023 to March 31, 2026; the second period from April 1, 2024 to March 31, 2027; and applying the same thereafter, one period comprising three consecutive fiscal years)	During the tenure of the eligible persons
(iii)	Maximum amount of money to be contributed by the Company as funds for acquiring Company Shares necessary for the delivery to the eligible persons in (i)	¥200 million as funds to acquire the number of Company Shares equivalent to the number of points to be granted for one performance evaluation period	A total of ¥300 million for the initial period (from the fiscal year ended March 31, 2020 to the fiscal year ended March 31, 2022) In the case of an extension of the period, the amount obtained by multiplying the number of fiscal years of the extended period by ¥100 million will be added.
(iv)	Method of acquiring Company Shares	Acquisition through the stock market (including off-floor trades)*2	Same as left
(v)	Maximum total number of points to be granted to the eligible persons in (i)	200,000 points for one performance evaluation period*3	A total of 300,000 points for the initial period. In the case of an extension of the period, the number of points obtained by multiplying the number of fiscal years of the extended period by 100,000 points will be added.
(vi)	Evaluation indicators	The evaluation of the Company's TSR relative to the TOPIX (including dividends) growth rate and its ranking relative to the TSR of the peer group*4, and the degree of achievement of ESG targets during the performance evaluation period	Results of comparison of the Company's stock price growth rate and TOPIX growth rate during the tenure of each eligible person
(vii)	Standard for granting points	Points are granted according to the above evaluation indicators based on the base amount of stock-based compensation by job grade and the base stock price*5	Points are granted according to the above evaluation indicators based on the position
(viii)	Timing of the delivery of Company Shares to the eligible persons in (i)	In principle, after the completion of each performance evaluation period (three years after the commencement of the performance evaluation period)	In principle, at the time of retirement

*1 The Company appointed a new Representative Director and Chairperson ("Chairperson") in April 2023. As a Non-executive Officer Director (an Internal Director who does not concurrently serve as an Executive Officer and is not involved in day-to-day business execution), the Chairperson mainly supervises management, while at the same time has representative authority and provides support for business execution and conducts external activities to enhance corporate value. In light of these roles of the Chairperson, the Company has determined that it is important for the Chairperson to share the benefits and risks associated with stock price fluctuations with shareholders and to raise awareness of the need to contribute to medium- and long-term performance improvement and increase in corporate value, and decided to include the Chairperson also in the persons eligible for the Plan after the amendments. From the same perspective, although the Chairperson should also be eligible for this Plan before the amendments, at the 119th Ordinary General Meeting of Shareholders held on June 21, 2019, based on the fact that an internal Non-executive Director was the Chairperson of the Board of Directors at the time, shareholders approved the Plan by excluding Non-executive Directors from persons eligible for the Plan. Therefore, stock-based compensation for the Chairperson's execution of his duties during the period between his election as the Chairperson and the implementation of the amendments to the Plan shall be granted under the Plan after the amendments. Specifically, points equivalent to the points that would have been granted from April through August 2023 in accordance with the Plan before the amendments will be granted to the Chairperson in accordance with the Plan after the amendments,

together with the points to be granted corresponding to the points to be granted in the performance evaluation period beginning on April 1, 2023. The granting of such additional points to the Chairperson will not cause the points granted to exceed the maximum total number of points in (v) of the table in 1). Such treatment has been determined after deliberation and consideration by the Compensation Committee and the Board of Directors.
In the Company's "Notice Regarding a Revision of a Stock-based Incentive System for Directors of Ricoh" dated March 6, 2023, Non-executive Directors were excluded from the scope of the Plan after the amendments. Although the Company had assumed that the Chairperson would become eligible for the Plan after the amendments at that time as well, the role of the Chairperson as described above had not been determined as of the date of the above release. Now that the role has been determined and the Chairperson is positioned as a Non-executive Officer Director, the eligible persons for the Plan after the amendments are defined as Directors of the Company (excluding Outside Directors) as shown in (i) in the table in 1) above, which includes the Chairperson.

*2 Company Shares will be acquired from the stock market and therefore will not cause dilution.

*3 Because each performance evaluation period covers three fiscal years, the performance evaluation periods may overlap for a maximum of three periods. However, in principle, there will be no overlap in the timing of the granting of the points, so the maximum total number of points per fiscal year is equivalent to 200,000 points, even if there is overlap of three periods.

*4 Twelve companies are selected primarily from competitors in the office automation field, as well as companies that are models for transformation into digital services companies.

*5 The number of points to be granted will vary between 0% and 200% depending on the degree of achievement of business results over the three fiscal years.

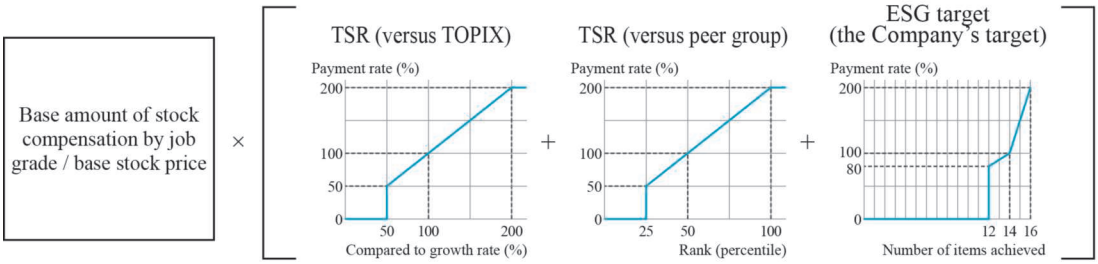
Points under the Plan before the amendments, which were approved at the 119th Ordinary General Meeting of Shareholders held on June 21, 2019, will be granted until August, 2023 and the granting of new points after September 1 will be suspended in principle by resolution of the Board of Directors of the Company. The Company Shares corresponding to the accumulated points during the term of office shall be delivered from the Trust to each Director upon his or her completion of the prescribed beneficiary determination procedures at the time of his or her retirement.

[Reference] Process from grant of rights to delivery of shares under the amended Plan (image)

Plan	Event ＼ Calendar year	X	X+1 year	X+2 years	X+3 years	X+4 years	X+5 years
X	Grant of rights	☆					
	Performance evaluation period	■	■	■	■		
	Vesting of rights (determination of the number of points granted, and delivery of shares)				★		
X+1	Grant of rights		☆				
	Performance evaluation period		■	■	■	■	
	Vesting of rights (determination of the number of points granted, and delivery of shares)					★	
X+2	Grant of rights			☆			
	Performance evaluation period			■	■	■	■
	Vesting of rights (determination of the number of points granted, and delivery of shares)						★

The number of points to be granted for the fiscal year X is determined after the performance evaluation period (X+3 years) based on the performance during the performance evaluation period starting from fiscal year X (three fiscal years from fiscal year X to X+2 years), and Company Shares corresponding to this number will be delivered. Similarly, the number of points to be granted for the fiscal year X+1 is determined after the performance evaluation period (X+4 years) based on the performance during the performance evaluation period starting from fiscal year X+1 (three fiscal years from fiscal year X+1 year to X+3 years), and Company Shares corresponding to this number will be delivered.

Formula for performance-linked stock-based compensation for Directors



2) Maximum contribution by the Company

The Company will extend the trust period of the Trust, which has already been established, based on a resolution of the Board of Directors, and will additionally contribute the fund to acquire the number of Company Shares equivalent to the number of points to be granted for one performance evaluation period, during the performance evaluation period, at an amount of money within the upper limit in (iii) of the table in 1) above as compensation for Directors*6.

*6 The amount of money that the Company will actually contribute to the Trust will be the total of the funds for acquisition of Company Shares mentioned above and the estimated amount of necessary expenses such as trust fees and trust administrator's fees.

Thereafter, by a resolution of the Board of Directors of the Company, the Plan may be continued by setting up to three new performance evaluation periods on a case-by-case basis and further extending the Trust period accordingly (this includes effectively extending the trust period by transferring the trust assets of the Trust to a trust with the same purpose as the Trust to be established by the Company; the same shall apply hereinafter). In this case, the Company shall additionally contribute to the Trust an amount of money within the maximum amount in (iii) in the table in 1) above as additional funds to acquire the number of Company Shares equivalent to the points to be granted for one additional performance evaluation period, and shall continue to grant points

and deliver Company Shares as described in 3) below.

In addition, even if the Plan is not continued by setting an additional performance evaluation period as described above, if there are Directors who have been granted points under the Plan before the amendments but have not yet retired at the expiration of the trust period, the trust period of the Trust may be extended until such Directors retire and the delivery of Company Shares is completed.

The Company Shares already acquired by the Trust for the Plan before the amendments may be delivered to the Directors under the Plan after the amendments.

3) Method for calculating the number of Company Shares delivered to Directors, and the maximum amount thereof

(i) Method of granting points to Company Directors

In accordance with the rule of performance shares established by the Board of Directors of the Company, the Company will grant each Director a number of points calculated based on the achievement rate during the performance evaluation period, etc. based on the standard amount of money determined for each job grade on the point grant date specified in rule of performance shares during the trust period*7.

For the initial performance evaluation period ((ii) in the table in 1) above), the number of points to be granted to Directors will be determined using the evaluation of the Company's TSR relative to the TOPIX (including dividends) growth rate and its ranking relative to the TSR of the peer group, and the [degree of achievement of ESG targets] during the performance evaluation period as indicators, varying within a range of 0% to 200% of the base number of shares calculated using the payment rate determined in accordance with the results of the evaluation.

However, the total number of points to be granted to Directors by the Company shall be limited to 200,000 points per performance evaluation period.

*7 For the initial performance evaluation period, the number of points calculated based on the achievement rate during the three fiscal years of the performance evaluation period will be granted. However, as for the execution of duties from April 1, 2023 to August 2023, except for the points to be granted to the Chairperson, points will be granted based on the Plan before the amendments, and points will not be granted under the Plan after the amendments.

(ii) Delivery of Company Shares corresponding to points granted

Directors will receive delivery of Company Shares in accordance with the procedure described in (iii) below in proportion to the number of points granted in (i) above. However, in the event that a Director conducts a serious misconduct, that causes damage to the Company or in certain other cases, all or part of the points granted up to that time will be forfeited after the necessary procedures, including a resolution of the Board of Directors, and the Director will not receive a number of Company Shares in proportion to the points forfeited.

One point is equal to one Company Share. However, in the event of a stock split, reverse stock split, or other event in which it is deemed reasonable to adjust the number of Company Shares to be delivered, the number of Company Shares per point will be adjusted in accordance with such split or reverse stock split ratio, etc.

(iii) Delivery of Company Shares to Directors

In principle, each Director shall acquire beneficiary rights of the Trust after completing the prescribed procedures to determine the beneficiary at the end of each performance evaluation period, and shall receive, as a beneficiary of the Trust, the number of Company Shares equivalent to the number of points granted for the relevant evaluation period.

However, a certain proportion of Company Shares can be converted into cash through sale by the Trust for the Company to withhold income tax and other taxes, with payments of cash to Directors being in lieu of Company Shares. Payments can also be made in cash to Directors in lieu of Company Shares if Company Shares in the Trust are converted to cash, notably upon settlement of Company Shares held in the Trust owing to acceptance of a tender offer.

4) Exercise of voting rights

Voting rights for Company Shares in the Trust will not be exercised altogether, based on trust administrator instructions. The goal of such a policy would be to ensure the neutrality regarding the Company's management in exercising voting rights in Company Shares held in the Trust.

5) Treatment of dividends

The Trust will receive dividends on Company Shares, appropriating them to cover such payments as the costs of acquiring Company Shares and trust fees.

<Corporate Governance Information> Initiatives for Corporate Governance

Basic Policies for Corporate Governance

The Ricoh Group, through its corporate activity as a whole, including activities by management, is working to enhance our governance system to strengthen competitiveness in line with stakeholder expectations, while ensuring management transparency based on corporate ethics and legal compliance. By doing so, the Ricoh Group aims to achieve sustainable growth, and improve shareholder value and corporate value.

The Ricoh Group established The Ricoh Way as a set of guiding principles and values that serve as the foundation for all our business activities. The Ricoh Way, which comprises our founding principles, Mission & Vision, and Values, is the foundation of our management policy and strategy, and also is the basis of its autonomous corporate governance.

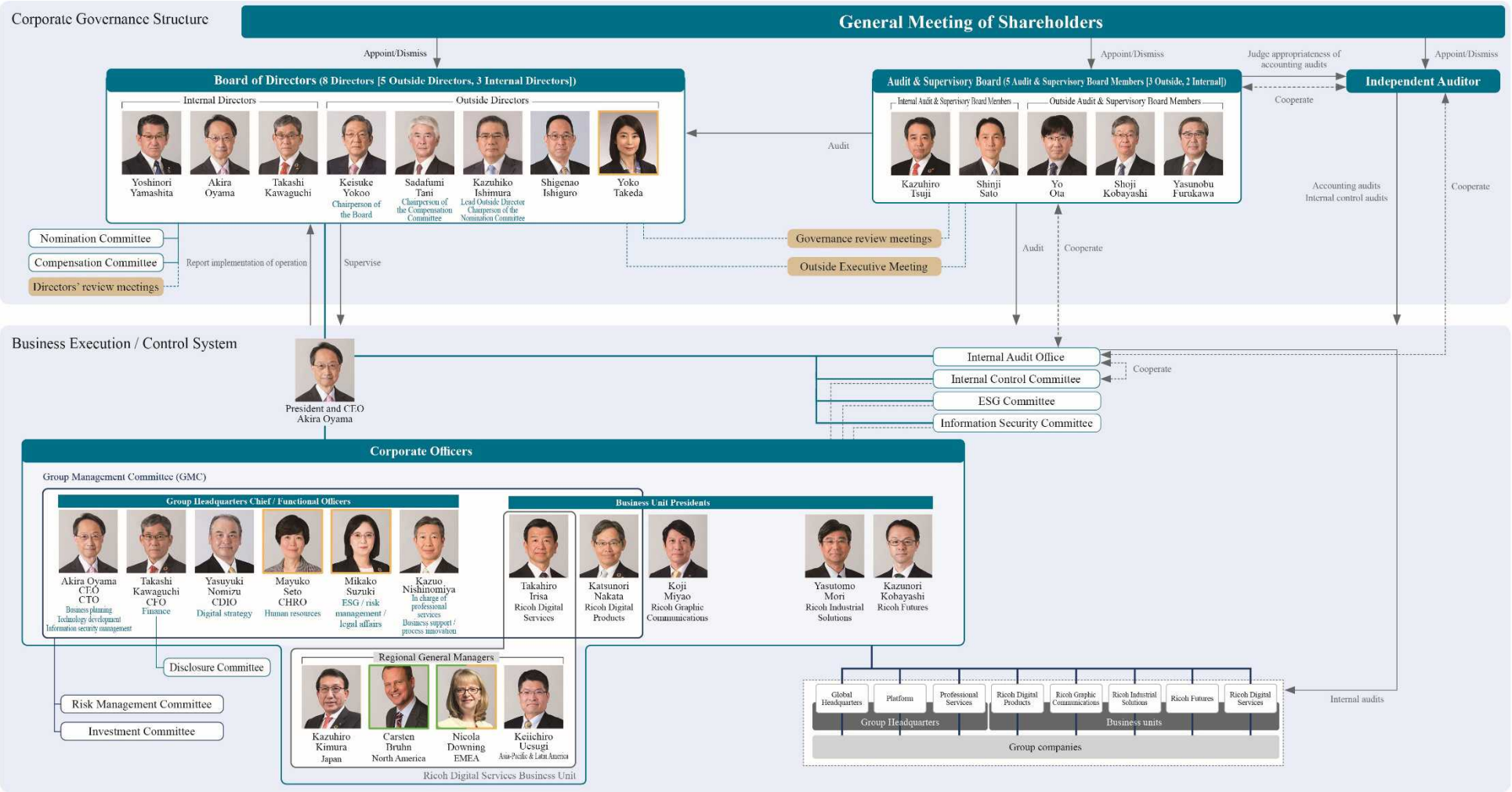
The Company has introduced a corporate audit system. In addition, the Company is making efforts to enhance oversight of executive management by the Board of Directors and enhance execution of operations by the executive officer system. Furthermore, by appointing Outside Directors, the Company is making efforts toward further improvement of corporate governance by decision-making and oversight of executive management through discussion from their independent perspectives.

The nomination and compensation of Directors and Executive Officers are deliberated by the Nomination Committee and the Compensation Committee, advisory bodies that are comprised of a majority of Independent Outside Directors. The recommendations of each committee are reported to the Board of Directors.

Governance structure to enhance supervisory structure for transformation into a digital services company and to facilitate agile decision-making

(Governance structure after the conclusion of the General Meeting of Shareholders on June 23, 2023)

[□: Foreign national □: Female]



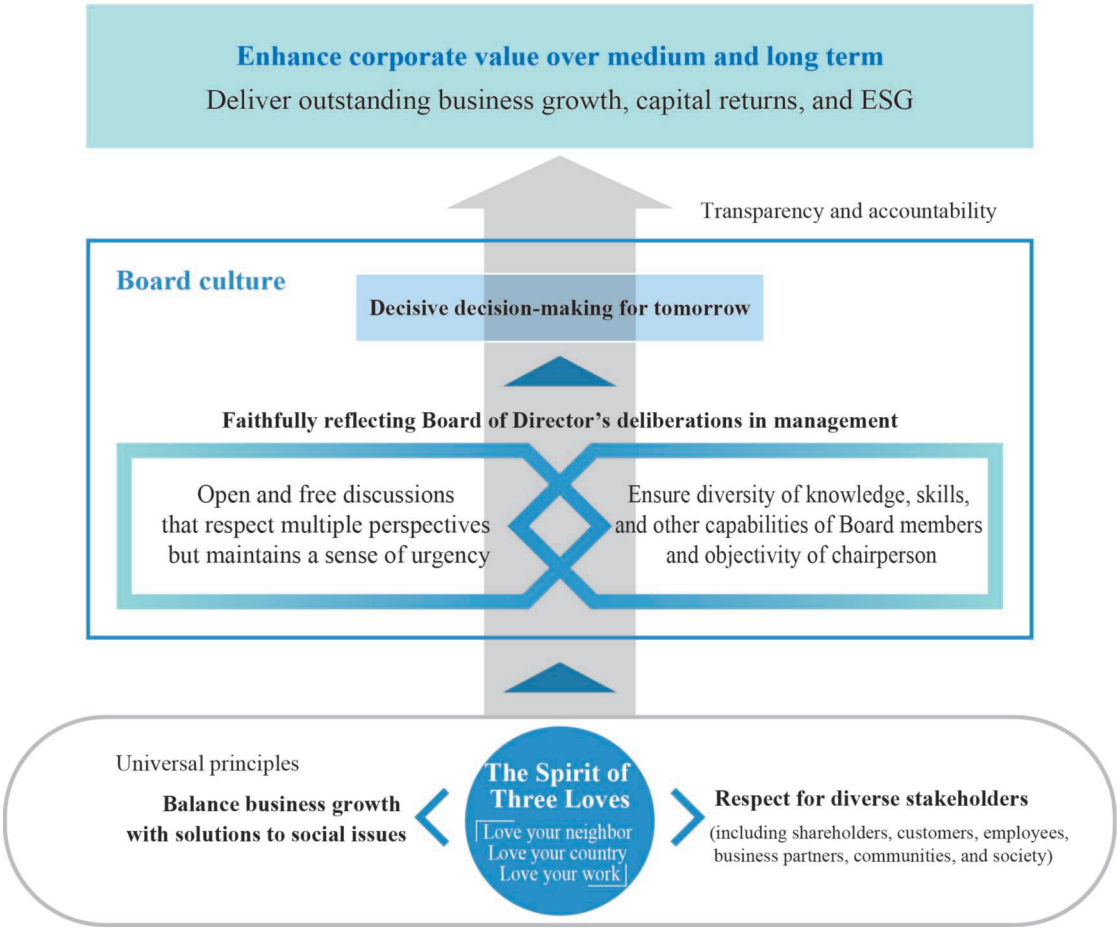
The Board of Directors reflected on Ricoh's founding spirit to discuss the ideas and principles that underpin that body's deliberations, decisions, and actions to help enhance corporate value. It accordingly established the following values for Board culture in fiscal 2022.

The Board of Directors shall:

1. Honor the Spirit of Three Loves, engaging with and respecting the interests of shareholders, customers, employees, partner companies, communities and society, and other stakeholders while overseeing management strategies and plans that help resolve social issues.
2. The chairperson shall objectively lead diverse and highly independent Board members to engage in constructive deliberations that value a diversity of open and free viewpoints. Management shall faithfully reflect the results of these deliberations.
3. Board members shall understand their social responsibilities, make robust decisions for the future, and oversee management's implementation of decisions, so that the Ricoh Group can enhance medium- and long-term corporate value by delivering exceptional business growth, capital profitability, and ESG goals.

As the business climate and management structure change, the Board of Directors will constantly refer back to the culture described above in deliberating, making decisions, choosing directors, and engaging with shareholders and other stakeholders.

Conceptual diagram of Ricoh Board culture



Corporate governance system under the business unit structure

On April 1, 2021, the Ricoh Group shifted to a business unit structure in order to transform our business structure into a digital services company and further improve returns on capital.

Each business unit operates its business autonomously. The Group headquarters focuses on medium- to long-term strategic planning, capital allocation to each business unit, and business management strictly based on the growth potential and return on capital of each business unit. Through this process, we will aim to raise the corporate value of the entire Group.

Based on this renewal of the organizational structure, we are proceeding with the following governance-related initiatives from the perspectives of oversight, execution, and audit:

1) Oversight
   a) The Board of Directors and the Nomination Committee have carried out performance evaluations of executive managers, including the head of each business unit, in addition to the existing evaluations of Directors including the CEO, since fiscal 2021.
   b) The Board of Directors deliberates on the performance status of each business unit on a quarterly basis and monitors invested capital and return on capital.
   c) The Board of Directors is strengthening its monitoring to ensure that internal controls and risk management are functioning properly after transition to a business unit structure, including the delegation of authority to each business unit and the review of affiliate management.
2) Execution
   a) After clarifying the scope of responsibility of each business unit through the business unit structure, each business unit sets its own targets (return on capital, etc.), monitors results at monthly business unit management meetings, and discusses issues and countermeasures with the CEO and general managers of Group headquarters.
   b) Profits earned by each business unit will be first consolidated on a Group basis. Resource reallocation policy will be decided every year at the portfolio management meeting, which is part of the management meeting (Group Management Committee (GMC)).
      At the portfolio management meeting, each business is analyzed based on the three evaluation axes of finance, marketability, and compatibility with digital service, and GMC members agree on a business category that establishes resource priorities. The Directors attend these meetings on a voluntary basis.
   c) In addition to implementing autonomous internal control and risk management, each business unit addresses the Group's managerial risks in cooperation with the risk management division of Group headquarters. The risk management division of Group headquarters regularly exchanges individual information with each business unit and provides support to resolve individual issues according to the robustness of internal control and risk management identified there. In addition, the Ricoh Group is implementing initiatives to enhance the sensitivity to risk and strengthen risk management capabilities throughout the Group, such as holding risk-related study sessions for risk management promoters in each organization.

3) Audit
   a) The Audit & Supervisory Board recognizes that the following audit issues require close attention: "the optimal form of headquarters function governance for a digital services company," "autonomous internal control and risk management by business units and management of subsidiaries," and "control environments within individual organizations," such as employee and workplace environments and organizations. In addition to the review of each organization at the headquarters and subsidiaries, the Audit & Supervisory Board conducts cross-sectional reviews of headquarters functions dispersed as a result of the introduction of the business unit structure, as well as interviews with each business unit president and Group headquarters function managers and participation in various meetings to audit the status of initiatives from the oversight and execution perspectives described above.
   b) The internal audit division, the Independent Auditor and Audit & Supervisory Board Members closely exchange opinions and share information on governance and internal control issues and concerns after the transition to the business unit structure, and reflect them in their respective audit items, thereby collaborating and strengthening the three-way audit.

The Board of Directors

The Board of Directors is responsible for management oversight and important decision-making for Group management. By appointing highly independent Outside Directors, the Group ensures greater transparency in its management and fair decision-making.

By leveraging the expertise and experience of each Director who is not concurrently serving as an Executive Officer, including Independent Outside Directors and Executive Directors in holding serious discussion on important issues, the Company encourages initiatives in new areas of growth, creating a structure that allows for management oversight from the viewpoints of various stakeholders, including shareholders. As a rule, all Directors must attend at least 80% of meetings of the Board of Directors, and are required to provide an effective supervisory function for corporate management.

The Board of Directors is chaired by an Independent Outside Director, and Independent Outside Directors on the Board of Directors constitute a majority. In fiscal 2022, five (5) of the eight (8) Directors were Independent Outside Directors. In addition, the Company appoints a Lead Independent Director to enable Outside Directors to better fulfill their roles and functions on the Board of Directors. The Lead Independent Director will be responsible for improving and enhancing governance in collaboration with the Chairperson of the Board of Directors, and will serve as the leader of Independent Outside Directors at the Company.

The appointment of the Lead Independent Director will be made as necessary based on the judgment of the Board of Directors in light of the Company's management situation and the appointment of the Chairperson of the Board of Directors and the Directors. Appropriate collaboration and division of roles by the Chairperson of the Board of Directors and the Lead Independent Director will ensure the smooth operation of the Board of Directors and the fulfillment of its functions.

Furthermore, the Company has appointed a Chairperson in April 2023. In appointing the Chairperson, the Board of Directors and the Nomination Committee carefully deliberated on the role to be played by the Chairperson so that the relationship of its authority and responsibility with those of the CEO would be clear. As a result, the role of the Chairperson in the Company has been defined as an Internal Director who primarily supervises management, does not concurrently serve as an Executive Officer, and is not involved in the day-to-day execution of the Company's business. The definition has been clearly stated in the internal rules and regulations. Based on the above roles, the delegation of the Chairperson's duties is based on the perspectives of strengthening the supervisory function, providing support to the business execution, and external activities. By granting the Chairperson representative authority, we have further strengthened the Chairperson's support to the business execution and external activities, and clarified the position to fulfill his or her responsibilities in order to enhance corporate value. The position and duties of the Chairperson are reviewed on a regular basis in light of the business environment and execution.

Board of Directors structure
Maximum number of Directors: 15
Current number of Directors: 8
(including 5 Outside Directors)
Term: 1 year
(As of May 19, 2023, and structure after the conclusion of the General Meeting of Shareholders on June 23, 2023 (planned))

Audit & Supervisory Board

The Audit & Supervisory Board discusses and decides on audit policies and assignment of duties, audits the execution of duties by Directors, plays a supervisory function on management through cooperating with the Company's Independent Auditor and the internal audit division, and auditing the Company's individual organizations and subsidiaries. In addition to the Board of Directors and its advisory committee meetings, Audit & Supervisory Board Members attend other important meetings and regularly exchange information with the Representative Director and Outside Directors.

The Company has five (5) Audit & Supervisory Board Members, comprising two (2) full-time members who are familiar with internal circumstances and three (3) outside members who meet the requirements for independent Audit & Supervisory Board Member set by the Company, and the majority of the members are independent Outside Audit & Supervisory Board Members. In addition, the Audit & Supervisory Board is

required to secure necessary knowledge, experience, and specialized abilities in a well-balanced manner in forming the Audit & Supervisory Board. We have built a system that enables deep discussion from an independent and objective perspective, capitalizing on a wealth of experience and wide-ranging insight in the specialized fields of each Audit & Supervisory Board Member.

For details on the status of activities by Audit & Supervisory Board Members and the Audit & Supervisory Board, please refer to the Notes on the Audit Performance (pages 179-185).

Audit & Supervisory Board structure
Maximum number of Audit & Supervisory Board Members: 5
Current number of Audit & Supervisory Board Members: 5
(including 3 Outside Audit & Supervisory Board Members)
Term: 4 years
(As of May 19, 2023)

Coordination of the audit function

In order to ensure effective performance of duties by Audit & Supervisory Board Members, in addition to the activities reported in the Notes on Audit Performance (please refer to pages 179-185), the Audit & Supervisory Board coordinates as appropriate with Audit & Supervisory Board Members, the Independent Auditor and Internal Audit Office to strengthen and enhance all aspects of the Company's audit function.

1. Three-way audit coordination
   Audit & Supervisory Board Members, the Independent Auditor and the Internal Audit Office (the Company's internal audit division), meet to discuss audit policies, plans and methods. In addition, basic information and risk information related to subsidiaries has been organized into "integrated risk information database for the Ricoh Group," which can be shared and used effectively by each audit body. The Audit & Supervisory Board also holds quarterly three-way audit meetings with the Independent Auditor and the Internal Audit Office, to exchange information on the details and results of audits, and exchange opinions regarding matters such as the status of internal control and risk assessment, with the aim of ensuring a shared awareness of issues.

2. Individual coordination
   (1) Coordination between Audit & Supervisory Board Members and the Internal Audit Office
   Full-time Audit & Supervisory Board Members hold regular monthly meetings with the Internal Audit Office, to discuss the results of audits and ensure a shared awareness of issues. In addition, the Internal Audit Office reports quarterly to the Audit & Supervisory Board on the status of its activities, and engages in an exchange of opinions that includes the perspectives of Independent Outside Audit & Supervisory Board Members.
   (2) Coordination between Audit & Supervisory Board Members and the Independent Auditor
   The results of audits and other information are shared at the three-way audit meetings and information exchange meetings. Meetings are also held as appropriate on specific themes, facilitating prompt exchange of information and discussion.
   (3) Coordination between the Independent Auditor and the Internal Audit Office
   Audit results and information are regularly shared between the Independent Auditor and the Internal Audit Office. In addition, information is promptly exchanged and discussed on specific themes.

Training for Directors and Audit & Supervisory Board Members

Training for the Company's Directors and Audit & Supervisory Board Members has the objective of enabling constructive discussion that contributes to improving shareholder value and corporate value through the oversight functions of the Board of Directors. It is conducted by acquiring and updating knowledge specific to the duties and environment for each of the Company's Internal and Outside Directors and Audit & Supervisory Board Members. The goal of the training is to enable them to fulfill their roles and responsibilities appropriate for an executive who holds a position in the Company's important governing bodies.

Upon appointment of Internal Directors and Audit & Supervisory Board Members, training is provided to allow these persons to confirm their expected roles and duties, as well as acquire knowledge necessary to carry

out their duties, including knowledge regarding corporate governance, law, and finance. Even after appointment, training opportunities are provided via internal/external training and e-learning initiatives suited to each Director and Audit & Supervisory Board Member so they can update their knowledge.

Outside Directors and Audit & Supervisory Board Members are appointed from among those who have adequate insight and experience necessary to carry out duties. Upon appointment, to enable them to deepen their understanding of the Company's current status, they are briefed on topics such as business strategy, financial conditions, and organizational structure as well as make site visits to key locations as required. In addition, even after appointment, efforts are made to ensure and improve the management oversight function of the Board of Directors and the effectiveness of audits by Audit & Supervisory Board Members, through the regular provision and sharing of information on the status of the Company, the management environment, risks in business operations, etc., as well as the provision of an opportunity to grasp the actual situation of the company, such as participation as an observer in the management meeting (Group Management Committee) and site inspections.

To confirm that the above measures are being conducted appropriately, their results are reported to the Board of Directors.

[Fiscal 2022 results (for Outside Directors and Outside Audit & Supervisory Board Members)]

・Site visits (Numazu Plant, Ricoh Technology Center, Tohoku Plant of RICOH INDUSTRY COMPANY, LTD.)

・Orientation for new Outside Directors (company and business overview, etc.)

・Lectures from Ricoh Institute of Sustainability and Business (Japanese and international economic trends, economic security, digital sustainability, etc.)

・Observer participation in GMC (14 times in total)

・Participation in in-house exhibitions by advanced technology research divisions and the digital strategy divisions

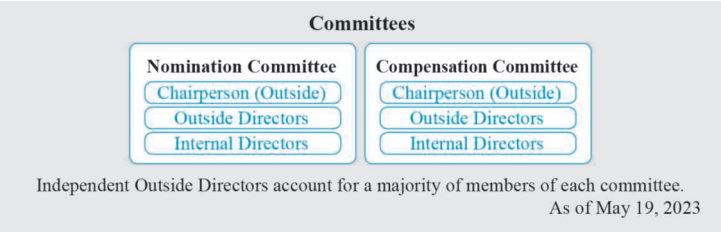
・Participation in Technical Advisory Committee

・Interviews with senior managers

Nomination Committee / Compensation Committee

Decisions on the nomination of the CEO and other senior managers, and their compensation, etc. are one of the most important matters for management oversight by the Board of Directors. The Company secures transparency and objectivity of appointment and dismissal, and compensation of Directors and Executive Officers, etc. by establishing the "Nomination Committee," which is chaired by an Independent Outside Director, with Independent Outside Directors making up the majority; and the "Compensation Committee." In addition, one Outside Audit & Supervisory Board Member attends the deliberations of the Nomination Committee and Compensation Committee as an observer at each meeting.

The Nomination Committee and Compensation Committee for fiscal 2022 each consisted of four Independent Outside Directors and one Internal Director.

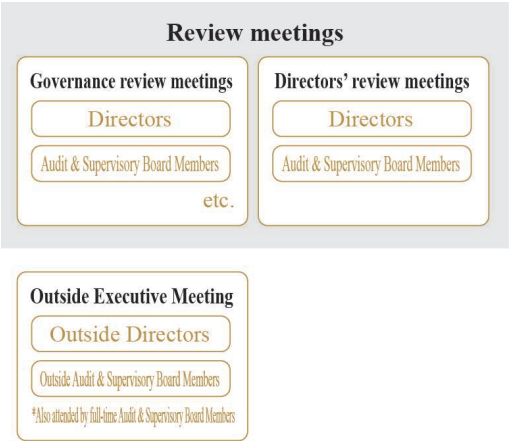


Governance Review Meeting / Directors' Review Meeting / Outside Executive Meeting

Governance review meetings are held to provide a forum for comprehensive discussions on the Ricoh Group's direction of governance and related issues by Directors, Audit & Supervisory Board Members and other relevant parties. The outline of the review meetings held is disclosed in the Corporate Governance Report and other documents.

Directors' review meetings are held to provide an opportunity and sufficient time for prior discussions by Directors and Audit & Supervisory Board Members to resolve on important company themes (such as the mid-term management strategy) at Board of Directors meetings.

From the viewpoint of active contribution to discussions at meetings of the Board of Directors, the Outside Executive Meeting serves as a forum to share information and perspectives based on the independent and objective standpoints among Outside Directors and Outside Audit & Supervisory Board Members, as well as between Outside Directors and Outside Audit & Supervisory Board Members, and Full-time Audit & Supervisory Board Members and other executives.



Group Management Committee

The Group Management Committee (GMC), chaired by the President and Chief Executive Officer and consisting of executive officers who fulfill certain conditions, has been established as a decision-making body authorized by the Board of Directors. The GMC facilitates deliberations and renders decisions on the Group's overall management from the perspective of total optimization. While items requiring a resolution of the Board of Directors are stipulated in the Board of Directors Regulations, matters for approval or important items related to business execution that do not satisfy these criteria are decided by the GMC. The following items regarding the execution of duties by the GMC are reported to the Board of Directors at least once every three months.

- Important management indicators and the implementation status of important measures in terms of business strategy
- Items resolved by the GMC and the results of the resolution

Matters to be discussed at the GMC are as follows.

1. Planning of management strategy
   - Management philosophy
   - Medium and long-term management strategy
   - Approval of short-term (annual) management policies and business plans
   - Consolidated financial plans and borrowing facilities
2. Execution of management strategy
   - Review and determination of proposals by Board of Directors
   - Approval of financial decisions based on internal rules and regulations
   - Determination of managerial risk items for the Ricoh Group
   - Important personnel policy matters of Ricoh Company, Ltd.
3. Decision-making and reporting on other important matters

Outside Directors also participate in the GMC as observers in order to deepen their understanding of business operations.

<Participation by Outside Directors as observer in fiscal 2022>

Year and Month held		Number of observer Outside Directors
2022	April	1
	May #1	3
	May #2	2
	June	2
	July #1	2
	July #2	3
	September	2
	November	3
	December	2
2023	January	2
	February #1	2
	February #2	1
	February #3	2
	March	1

Internal Control Committee

The Internal Control Committee is an organization established under the President and CEO of the Company to deliberate and make decisions on internal control of the entire Ricoh Group. The committee is composed of executive officers who fulfill certain requirements. As a rule, it meets once every quarter, but extraordinary or emergency meetings may be held at other times.

The committee deliberates on the following matters.

1. Assessment of the design and operation of internal controls, and their revision
   - Assessment of the design and operation of internal control as a whole
   - Assessment of the effectiveness of internal controls related to financial reporting
   - Assessment of the effectiveness of internal controls related to information disclosure
   - Revision of internal controls
2. Determination of policies for internal control activities
   - Determination of basic policies for internal controls related to financial reporting
   - Determination of internal audit plans for each fiscal year
3. Response to defects in internal control
   - Decisions on response in the case of serious incidents
4. Presentation of proposals to the Board of Directors for the amendment of internal control principles
   - Presentation of proposals to the Board of Directors for the amendment of internal control principles, in consideration of environmental changes

Specifically, in the case of serious incidents that may impact the entire Ricoh Group, the Internal Control Committee confirms details including the background, cause, and measures to prevent recurrence. Where doubts remain regarding the validity of measures to prevent recurrence, or issues remain regarding the possibility of recurrence of that incident in the Group, the committee promptly determines the necessary countermeasures, and ensures that these are implemented from a top-down approach. In addition, taking into consideration internal control issues reported by internal audits and risk management and compliance activities, the GMC discusses and decides on measures to be taken to prevent recurrence.

Internal Control Committee meetings

Fiscal 2022		Agenda
First Meeting	April	1. Report of internal audit results for fiscal 2021 2. Fiscal 2021 Q4 disclosure audit report 3. Internal audit plan for fiscal 2022 4. Report on critical incidents and the number of whistleblowing incidents in fiscal 2021 5. Review of the Internal Control System Basic Policy and its inclusion in the Business Report of the Notice of 122nd Ordinary General Meeting of Shareholders of the status of operations in fiscal 2021 6. Strengthening processes for managerial risks and disclosure of risk information
Second Meeting	June	1. Risk levels of managerial risks 2. Disclosure of TCFD information on risk impact and urgency level in fiscal 2022
Third Meeting	August	1. Fiscal 2022 Q1 internal audit report 2. Fiscal 2022 Q1 disclosure audit report 3. Approach toward SOX management evaluation in fiscal 2022 4. Fiscal 2022 1H critical incident report 5. Rules on critical incident report 6. Management and supervision system for government subsidies 7. Compliance Month (October)
Fourth Meeting	November	1. Fiscal 2022 Q2 internal audit report 2. Fiscal 2022 Q2 disclosure audit report 3. Fiscal 2022 1H critical incident report 4. Results of the compliance survey 5. Provision of tools to collect information on laws and regulations
Fifth Meeting	February	1. Fiscal 2022 Q3 critical incident report 2. Learning from incidents 3. Introduction of IT system for risk management 4. Follow-up items for extraordinary Internal Control Committee meetings 5. Fiscal 2022 Q3 internal audit report 6. Fiscal 2022 Q3 disclosure audit report 7. Internal audit plan for fiscal 2023

Extraordinary Internal Control Committee meetings

Fiscal 2022		Agenda
First Extraordinary Meeting	October	1. Learning from incidents 2. Revision of basic policies for internal controls related to financial reporting
Second Extraordinary Meeting	December	1. Learning from incidents
Third Extraordinary Meeting	March	1. Internal audit plan for fiscal 2023

ESG Committee

The ESG Committee aims to respond promptly and appropriately to the expectations and requests of stakeholders by continuously discussing environmental, social, and governance issues faced by the Ricoh Group at a management-level and leading the discussions to the quality enhancement of the entire Group. The ESG Committee plays the following specific roles:

1. Formulate the Ricoh Group Sustainability Strategy to resolve social issues through business, such as initiatives toward achieving SDGs, into the foundation of the Company's management
2. Identify medium- to long-term sustainability risks and opportunities as well as material issues faced by the entire Group
   (investment decisions on risks and opportunities related to climate change recommended by the TCFD*)
3. Supervise and advise on sustainability strategies, material issues, and progress in KPIs for each business division throughout the entire Group
4. Identify sustainability issues to be submitted for discussion at the Board of Directors and report them to the Board of Directors

The committee is chaired by the CEO and consists of GMC members, business unit presidents, and Audit & Supervisory Board Members. The committee, which meets quarterly, has established a system to examine and discuss sustainability issues across the Company by inviting representatives of the relevant business divisions according to the theme to be discussed, and other means. In fiscal 2022, the committee met four times to discuss the following.

* TCFD (Task Force on Climate-related Financial Disclosures):
Established by the Financial Stability Board (FSB), the TCFD provides stability to financial markets by promoting information disclosure of climate-related risks and opportunities by companies, and facilitating a smooth transition to a low-carbon society.

Fiscal 2022		Agenda
First Meeting	May	• Report on the results of material ESG items and deliberation on draft disclosure for the convocation notice and the annual securities report • Deliberations on information security system proposals • Report on trends and points for enhancement in ESG activities
Second Meeting	August	• Roadmap of the Ricoh Group's decarbonization efforts and deliberations on measures • Ricoh Group Integrated Report, ESG-related media publication reports
Third Meeting	November	• Deliberations on renewable energy fiscal 2023 certificate budget and introduction of the 21st Mid-Term Management Strategy • Deliberations on materiality/ESG targets revisions • Report on RBA* audit results
Fourth Meeting	February	• Planning deliberations on 2023 Ricoh Group Integrated Report • Report on 20th Mid-Term Management Plan ESG improvement activities and external assessment results • Report on changes in customer demands as seen from ESG benchmark and business talks in fiscal 2022 • Report on environmental appeal of new products

*RBA (Responsible Business Alliance): An alliance of more than 150 leading companies that have agreed to a uniform code of conduct and audit process for their suppliers.

Information Security Committee

The Information Security Committee was newly established in the second half of fiscal 2022 as a body under the President and CEO to make decisions regarding the security of the Ricoh Group. The committee consists of Executive Officers who meet certain eligibility requirements and will meet quarterly beginning in fiscal 2023 in principle.

The committee mainly deliberates on the Ricoh Group's security strategy, security governance, and security operations.

The risks to information security have been increasing rapidly in recent years. The scope of response by companies is also expanding due to the frequency of cyber-attacks, the diversification and sophistication of malware technologies (ransomware*, etc.), the tightening and diversification of laws and regulations in various countries, and the emergence of geopolitical risks.

In addition, as we aim to transform ourselves into a digital services company, we must not only mitigate security risks in our digital services but also view them as investments for business growth in order to further solidify profitability in our existing businesses.

Recently, while companies are aiming to improve their competitiveness through DX, there are also security issues that need to be resolved.

To this end, a security department was established in fiscal 2022 under the direct control of the CEO, who is in charge of security management, to plan and implement security and privacy protection strategies for the Ricoh Group as a whole. The department supports the operation of the committee by making prompt management decisions on security and clarifying strategies to comply with the laws and regulations of various countries.

Fiscal 2022		Agenda
First Meeting	November	Current issues and future responses
Second Meeting	December	Security ratings discussions

*Ransomware: A malicious program that infects a computer or smartphone. If corrupted by a ransomware, the files stored on the victim's computer/smartphone get encrypted (making the files inaccessible) and the attacker demands ransom from the victim to restore the files.

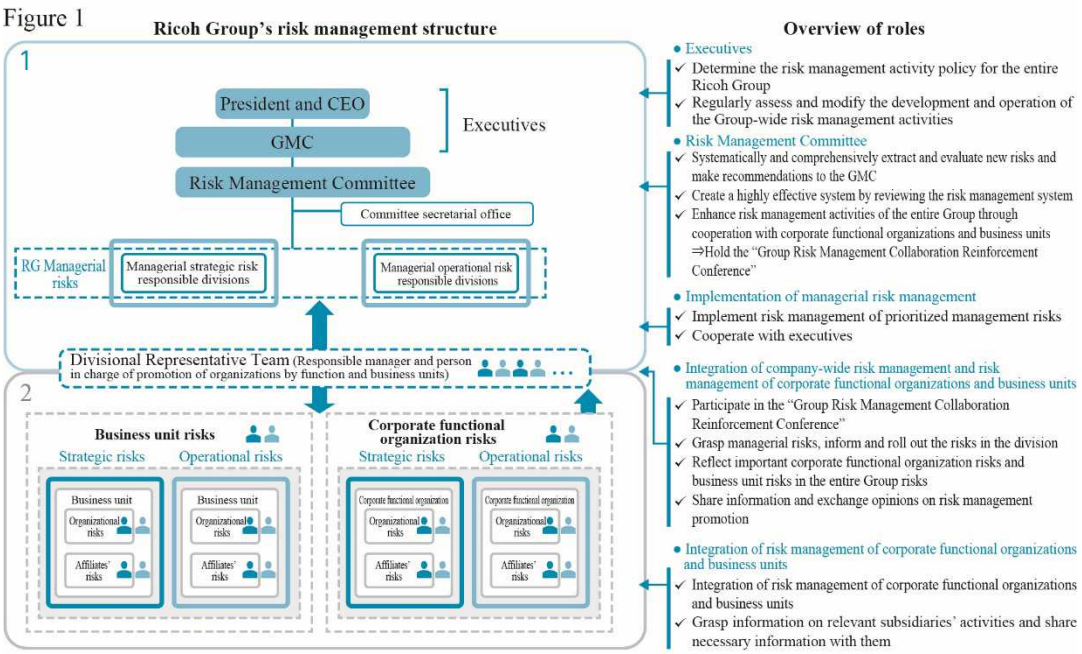
Risk Management Systems and the Risk Management Committee

The Ricoh Group's risk management systems can be divided into two main levels, as shown in Figure 1 below.

1. Managerial risks, which are selected and managed autonomously by the GMC for management items of particular importance, within the management of the Ricoh Group
2. Corporate functional organization risks and business unit risks that each business organization is responsible for managing its own business

These two levels clarify the bodies responsible for risk management enabling agile decision-making and swift action in response to each level of risk, and together form an integrated risk management system. The management of some risks may be transferred from one level to the other, due to changes in the level of impact caused by environmental changes.

Figure 1



The Risk Management Committee is an advisory body to the GMC that was established to strengthen risk management processes across the entire Ricoh Group. The committee is chaired by the corporate officer in charge of risk management and has experts from each organization as members to ensure comprehensive coverage of risks and substantial discussions, and to propose to the GMC specific risks requiring response or focus in terms of the management of the Ricoh Group. Furthermore, the committee will review and restructure the risk management system in 1 and 2 in Figures 1 as necessary, in order to strengthen the effectiveness of risk management across the Ricoh Group.

In addition, in order to establish a more effective and integrated risk management system through coordination between management and each business execution organization, we have appointed risk management managers and promoters from each organization, and have established an autonomous risk management system for each organization.

Moreover, at the Group Risk Management Collaboration Reinforcement Conference for each risk management promoter, study sessions and information sharing related to risk management are held, and ongoing efforts are being made to make the organization more responsive to risk.

Fiscal 2022		Agenda
First Meeting	April	• Consideration of strengthening the rolling planning process for managerial risks • Consideration of risk information disclosure
Second Meeting	October	• Confirmation of changes in the internal and external environment • Confirmation of the status of response to managerial risks for fiscal 2022
Third Meeting	November	• Consideration of plans of managerial risks for fiscal 2023
Fourth Meeting		
Fifth Meeting	January	
Sixth Meeting	March	• Report on the results of the response to managerial risks in fiscal 2022 • Discussion of promotion plan concerning managerial risks for fiscal 2023

Process of determining managerial risks

The GMC and Risk Management Committee determine managerial risks based on a comprehensive recognition of risks that have a significant impact on management, including impact on interested parties, in light of the Company's management philosophy and business purpose, and are actively involved in countering these risks. (Figure 2: Process of determining managerial risks)

- Managerial risks are classified and managed as "strategic risks" and "operational risks" based on their characteristics. Strategic risks cover a wide range of risks that affect management, from risks related to the accomplishment of short-term business plans to emerging risks in the medium- to long-term.
- As an advisory body to the GMC, the Risk Management Committee, whose members are experts representing each organization with the specialized knowledges and experiences, engaged in substantial discussions to recognize and assess risks, in order to identify possible managerial risks.

Business Risks

Matters concerning the status of business and performance that may have a material effect on the decisions of shareholders and investors are as follows.

(1) Ricoh Group's material management risks (managerial risks)
(2) Significant risks specific to business domain (business unit risks)
(3) Other risks (Corporate functional organization risks)

While the risks that management recognizes as having a material impact on the Ricoh Group's financial position, operating results, and cash flows are discussed on pages 52-60, they are not all-inclusive. The Ricoh Group's business may be affected in the future by other risks that are currently unknown or not considered significant. Business and other risks are based on the Ricoh Group's assessment as of March 31, 2023.

Figure 2: Process of determining managerial risks

External environment
A) Indications from various global risk reports and macro environment analysis
B) Sharing of the latest development in the specialized areas of Risk Management Committee members (including the status of responses taken by the Company)

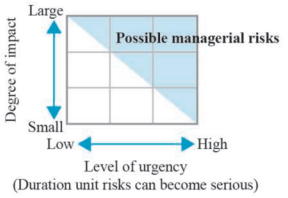
Internal environment
C) Management philosophy and business purposes
D) Business strategy (Mid-Term Management Plan)
E) Implications from risks of organizations by function and business unit risk
F) Trends in incidents occurring within the Group
G) Progress status of measures against managerial risks in the fiscal year

Possible risks

Risk Management Committee

Determine possible managerial risks and make recommendations to the GMC
✓Identify risks comprehensively and assess their materiality
✓Discuss risk scenarios

<Risk assessment>
We classify and assess each risk based on the degree of impact and level of urgency in the event of a risk occurrence. We examine possible managerial risks, focusing on the risk items placed in the upper right area of the risk map based on the assessment results and taking the current status of responses and risk management levels into consideration.



Risk levels and risk management levels

Risk levels

	Degree of impact *1
1	Impact on profit: ¥1.0 billion or less
2	Impact on profit: Up to ¥20.0 billion
3	Impact on profit: Up to ¥50.0 billion
4	Impact on profit: Up to ¥100.0 billion
5	Impact on profit: Over ¥100.0 billion

×

	Level of urgency (Degree of severity, greater than 50% probability of occurrence)
1	Within 30 years
2	Within 10 years
3	Within 5 years
4	Within 3 years
5	Within 1 year

= Risk response

*1. Consideration of reputational damage and impact on business transactions

Risk management level

	Strategic risks	Operational risks
A	Risks are quantified and controlled to the satisfaction of the decision maker.	Response measures have reduced the risk and the residual risk*2 is within an acceptable range.
B	The overall risk picture is identified, tied to countermeasures, and risk can be controlled/risk response measures are taken.	
C	Key elements to control/mitigate risk are identified and addressed.	
D	The potential events have been identified and at least one countermeasure has been taken for each major element.	
E	Possible events are not understood, and responses are ad hoc. Response processes and regulations are not in place.	

*2 Residual risks:
Risk remaining after risk management (residual risk can contain unidentified risk.)
Source: JIS Q 31000

Monitor and report risk management progress status/results of managerial risks

Possible managerial risks

Report on progress status/results of overall risk management activities

Assessment and modification

Sharing of progress status/results

GMC

Determine managerial risks
✓ Identify possible managerial risks comprehensively and assess their materiality
✓ Discuss risk scenarios

Assess risk management progress status/results of managerial risks, and make modifications accordingly

Report on progress status/results

Assessment and modification

Managerial risk responsible divisions

Formulate countermeasures and plans for implementation

Implement plans

Report progress status/results

List of Business Risks

Class		Item	Description	Countermeasure		Urgency	Impact	Risk manage-ment level
(1) Ricoh Group's material management risks	Managerial strategic risks	**(1) Transition of profit structure as a digital services company**	· Risk of business performance being impacted by a decline in printing volume due to a lack of progress in the transformation of the business structure · Risk of missing M&A investment opportunities for business growth and losing growth opportunities	Along with portfolio management decisions: · Invest in growth businesses and implement new businesses · Continue portfolio management, and monitor growth investment executions · Strengthen monitoring mechanisms for financial management indicators and management of business structure for transformation of profitability Strengthen the visibility and development of M&A human resources		4	4	C
		(2) Acceleration of digital strategy	· Lack of human resources to implement digital strategy · The Co-creation platform (RICOH Smart Integration) is not utilized as a foundation to promote business value creation globally	· Secure human resources to implement the digital strategy · Construction of a mechanism to link the Co-creation platform (RICOH Smart Integration) and edge devices for each business, and support for their use by each business		4	3	C
		(3) Reinforcement of advanced technologies	Loss of corporate credibility and business opportunities due to the decline in the company's technological response capability to respond to the medium- to long-term market from a company-wide perspective and the lack of ELSI[*1] response capability in advanced technologies	Continue R&D investment portfolio management to align company-wide technology strategies with action plans, and further strengthen the promotion system and raising of awareness related to technology ethics	Technical adaptation for medium- to long-term markets	3	2	C
					Technical ethics	4	3	D

Class		Item	Description	Countermeasure		Urgency	Impact	Risk manage-ment level
		(4) Information security	· Risk of non-compliance with NIST SP800-171*2: Cyber-attacks on companies and government agencies are increasing in number and sophistication, and organizations are being called on to have a higher level of defense systems and information protection · Product security risks: Incidents such as use as an unintended stepping stone for attacks against others, which is unintentional on the part of the Group, due to inadequate security measures for publicly disclosed websites or serious security problems inherent in Ricoh Group products · Corporate security risks: Increasingly sophisticated and complex cyber-attacks may cause business activities of Ricoh Group companies to be suspended due to stoppages or malfunctions of business systems, and data may be falsified, leaked, or destroyed · Factory security risks: The boundary between the business systems of Ricoh Group companies and the production facilities has been weakening due to the progress of DX in recent years, and a breach from the production facilities could cause the business systems of Ricoh Group companies to stop or malfunction, resulting in the suspension of business activities or the falsification, leakage, or destruction of data · Data privacy risks, including personal data protection: As laws concerning the protection of personal information are enforced in various countries and are applied even to events outside the country of origin (extraterritorial application), in the case of global joint use, if sanctions are imposed due to violation of regulations in each country, there may be business impact such as damage to the corporate brand value and loss of business	· Risk of non-compliance with NIST SP800-171: We aim to comply with NIST SP800-171 as a digital service provider. We are committed to security activities not only to meet the requirements of NIST SP800-171, but also to protect our customers' information assets as a top priority. · Product security risks: Continue to strengthen information security-related quality management and also check the vulnerability of sites already published and products already sold, and take appropriate action when risks are discovered. To this end, continue implementing activities such as setting up a dedicated counter for security issues, providing information on safe use of our products, and developing guidelines for dealing with vulnerabilities in our products · Corporate security risks: Establish/strengthen a system with awareness of information security for the entire Ricoh Group's supply chain in accordance with	Compliance with NIST SP800-171	5	3	C

Class		Item	Description	Countermeasure		Urgency	Impact	Risk manage-ment level
			opportunities due to the decline in social trust	international information security standards. In addition, assume the security risks associated with business systems in the planning / design / purchasing / production / sales / support phases in a timely manner and continue to review/implement countermeasures ・Factory security risks: Assume the security risks associated with the production plant systems of Ricoh Group's companies based on international information security standards, and continue to review and implement countermeasures ・Data privacy risks, including personal data protection: Continue to review and implement measures in accordance with the personal information protection laws being developed in each country, by examining the revision of personal information handling standards and investigating and correcting the handling of personal information in the Ricoh Group	Adaptation of information security	4	2	C

Class	Item	Description	Countermeasure		Urgency	Impact	Risk manage-ment level
	(5) Securing, developing, and managing human resources	Risk of adverse effects on the Ricoh Group's performance and growth due to the continuous failure to acquire advanced expertise and reallocate human resources in line with business strategies in order to achieve business transformation into a digital services company and continue to grow over the medium to long term	· Human resource development through internal and external training and career recruitment · Strengthen initiatives to enhance the corporate image as an attractive place to work · Clarify gaps between the current status and the plan to acquire advanced expertise and reallocate human resources in line with business strategies and their issues, and consider and implement countermeasures · Thoroughly implement Ricoh-style job-based personnel system and recruit internally for new positions	Acquisition of advanced expertise	5	3	C
				Realloca-tion of human resources in line with business strategy	4	3	C
	(6) Responding to ESG and SDGs	Loss of business opportunities and loss of social credibility due to delayed response to issues related to ESG and SDGs such as human rights, climate change, and the circular economy	Strengthen human rights through the establishment of an RBA-based ESG risk management system, promote decarbonization activities through the development of a decarbonization roadmap, and reduce the rate of new resource use to achieve a circular economy	Response to human rights	5	1	C
				Decarboniz-ation efforts	4	1	B
				Resource recycling	4	3	C
	(7) Geopolitical risks	· As we conduct business activities on a global scale, heightened political, military, and social tensions in countries and areas may significantly affect the Group's business · The risk of losing business opportunities due to geopolitical risks such as stricter laws and regulations in each country and checks and balances between countries	Management will deliberate and take prompt and appropriate actions to ensure smooth business activities in the future through such means as strengthening prevention and response processes, enhancing collection of information on laws and regulations in each country, and selecting multiple suppliers for each critical component.		4	4	C

Class	Item	Description	Countermeasure		Urgency	Impact	Risk manage-ment level
Managerial operational risks	**(1) Long-term delay and suspension in supply of products**	Risk of losing business opportunities due to unpredictable circumstances such as major earthquakes, tsunamis, floods, pandemics, suspension of supply, and geopolitical risk resulting in: ・Delay or suspension in the supply of parts ・Delay or suspension of manufacturing by factories ・Delay or suspension of operations by distributing agents ・Delay or suspension of supply to sales companies	・Has strengthened prevention / response processes in light of the rapid global spread of the coronavirus and its prolongation, and also conducted BCP drills that assume new work styles such as remote work, and set and launch alert levels for each area such as securing inventories for contingencies, selecting multiple suppliers for critical components or selecting/purchasing alternative parts, and production ・Continue to improve response measures and confirm their effectiveness through regular practice as well as classroom training	Infectious diseases	2	2	C
				Earth-quakes, volcanic eruptions, typhoons	3	2	B
	(2) Large-scale disasters / incidents or accidents	Risks of significant impact on business due to large-scale natural disasters, incidents, or accidents, such as human or property damage	Japan ・Clarify and continue to review the system for appropriate response to disasters ・To prevent damage from disasters and minimize damage in the event of a disaster, conduct joint disaster response drills by the Ricoh Group in Japan, disaster drills at each business site (including night-time evacuation drills), and periodic facility inspections, etc. ・In response to flood risks, prepared a	Japan: earth-quakes, volcanic eruptions	1	3	C
				Japan: wind, flood or snow damage	5	1	C

Class	Item	Description	Countermeasure		Urgency	Impact	Risk manage-ment level
			recovery action plan in the event of major flooding and conducted on-site training based on the plan; implemented flood damage countermeasures for sites with relatively high risk; and established a visualization tool for flood risk information for all Ricoh Group sites in Japan and started its operational roll out ・In response to eruption risks, strengthened measures against the eruption of Mt. Fuji in fiscal 2022 Outside Japan ・Clarify basic approach, roles, and responsibilities, and monitor the status of response at each overseas company in order to respond promptly	Outside Japan: major natural disasters, accidents or incidents	3	1	C
	(3) Unexpected impact of changes in the global environment	Risk of new unexpected events affecting the Ricoh Group's performance	・Monitor monthly performance (management meetings, business operation meetings for each business unit, etc.) to understand the causes of the forecast/result gaps and consider measures to recover from them ・Implement preparation, and decision-making and execution of measures in accordance with the contingency plan[*3] process ・Establish a resilient production and supply system		5	3	D
	(4) Human resource-related compliance	Loss of social credibility due to various compliance violations related to human resources	・Implement training for compliance (including human rights and harassment issues) ・Raise awareness of consultation and reporting when compliance violations are detected ・Provide labor management training for managers ・Share information on revised labor-related laws and how to handle them across the Ricoh Group ・Establish a consultation service for personnel-related compliance violations throughout the Ricoh Group, and share case studies		5	1	C

Class	Item	Description	Countermeasure	Urgency	Impact	Risk manage-ment level
	(5) Risks related to Group governance	· Risk of failure to respond to new business and changes in the external environment due to inadequate governance at headquarters, leading to violations of ethics and compliance violations · Risk of fraud or misconduct due to inadequate management and supervision of Ricoh Group companies by the headquarters, affecting the growth and corporate value of the Ricoh Group as a whole	· Redesign the Group governance structure, taking into account the optimal balance between centralization and decentralization · Provide more appropriate guidance and management supervision to Group companies in accordance with the characteristics of individual businesses and the maturity of risk management · Propose effective actions based on technology-based compliance violation trend analysis	5	1	C
(2) Significant risks specific to business domain	**(1) Changes in the environment of the office printing market**	Risk of adverse impact on performance of a decline in print output in the market for MFPs and printers for office use due to an increase in remote work and the shift to a paperless office environment	· Increase recurring revenues in the office services domain · Secure profits by adjusting related personnel in response to changes in print output volume, etc. · Improve profit margin through initiatives to reduce development and production costs	4	2	C
	(2) Growth of office services business through strategic acquisitions	· Risk of not achieving the anticipated return on investment from acquired companies due to changes in market conditions or poor performance · Risk of not being able to identify and acquire suitable companies to acquire in the future, which may affect the execution of the business strategy	· Establish a system to constantly monitor the performance and return on investment of acquired companies by the Investment Committee and implement appropriate countermeasures against unexpected situations · Identification of deals by the M&A department established within the business planning division of the headquarters, utilizing outside consultants · Improve the probability of executing strategic acquisitions in target areas by strengthening search activities at regional headquarters around the world	4	2	C
	(3) Growth risks in the commercial printing business	Risk of a downturn in the performance of the enterprise printing business in the commercial printing business domain due to the consolidation and integration of print output volume with print service providers who accept orders for low-cost printing services using high-speed printing equipment and the accelerated digitization of documents	· Promote the development of untapped distributors in Europe. North America, and emerging countries · Implement business portfolio management to strengthen resource allocation to commercial printing/industrial printing businesses, where market growth is expected, and promote business restructuring	4	2	B
	(4) Intensifying price competition in the thermal market	Risk of price-cutting competition due to higher demand for low and medium grade thermal paper, resulting in lower market share and gross margins	· Reduce product costs and review product portfolio to solve social issues in regions where demand for low and medium grade products is increasing · Implement business transformation to provide customers in the fields (logistics, distribution, manufacturing, etc.) with digital services for which the Company can leverage its strengths in thermal formulation technology and production technology	3	2	C

Class	Item	Description	Countermeasure	Urgency	Impact	Risk manage-ment level
(3) Other risks	**(1) Impairment of goodwill and fixed assets**	Impairment of goodwill arising from corporate acquisitions, property, plant and equipment and intangible assets for businesses, etc.	· Implement the prescribed procedures according to the amount and content of the investment, and review the return on investment, etc. · Conduct preliminary deliberations from financial, strategic, and risk perspectives by the Investment Committee composed of experts, and submission of its views to the GMC · Establish a system for taking countermeasures against risks through periodic monitoring of the progress of projects approved by the Investment Committee	2	3	B
	(2) Deferred tax assets	Reduction of deferred tax assets based on estimated future taxable income, etc.	Monitor progress of performance by each business unit, and establish a system that can respond quickly and autonomously when factors that hinder the achievement of the plan occur	2	3	C
	(3) Protection of intellectual property rights	· Failure to obtain intellectual property rights related to our products and services, and to protect our business · Injunction of sale or payment of damages due to infringement of intellectual property rights of a third party · Contractual issues relating to intellectual property rights caused by increased collaboration with other companies in new businesses, and joint research and development	· Thorough prior-art search when applying for intellectual property rights, understanding of laws, examination processes and criteria related to intellectual property in each country · Thorough clearance of the intellectual property rights of third parties · Prevention of problems and risk reduction using explicit knowledge of past contractual issues	2	1	B
	(4) Product liability	For Ricoh Group products and goods: · Serious safety problems (casualties, fire damage) · Legal issues related to safety or the environment · Prolonged quality problems, etc. may cause loss of customers' confidence and social credibility in the company, resulting in damage to the corporate brand and product brand	· Better prevention through analysis of the mechanism of breakdowns and accidents, and its application to the development process · Enhancement of market response systems in preparation for the occurrence of a problem · Thorough compliance (with laws and official standards in each country, etc.) through the establishment and regular review of standards and guides	2	2	B
	(5) Government regulations (import/export management)	· Impact on production and sales from administrative sanctions such as export suspensions due to violations of laws related to import and export, loss of business opportunities due to the loss of social credibility, fines and criminal penalties, etc. · Violation of export control laws of countries due to external factors such as international emergencies	· Strengthen governance through a group committee structure headed by the Representative Director and President · Conduct periodic training and internal audits focused on import / export control, and promptly disseminate information on revisions to laws and regulations · Strictly comply with laws and regulations through appropriate pre-export inspections by a dedicated team	5	3	B

Class	Item	Description	Countermeasure	Urgency	Impact	Risk manage-ment level
	(6) Government regulations (antitrust / competition law)	Fines (administrative dispositions) and criminal penalties for violation of antitrust / competition laws, suspension of transactions with public offices, and loss of public trust	Strengthen local competition law compliance, education activities, and response to incidents led by local legal departments	5	2	B
	(7) Government regulations (environment)	Subjection to administrative dispositions, fines, criminal penalties and loss of social credibility due to violation of environmental laws	Construct Environmental Management Systems, and conduct regular assessments to ensure thorough compliance with environmental laws, and grasp and respond promptly to changes in regulation	5	2	B
	(8) Exchange rate fluctuations	· Impact of exchange rate fluctuations on local currency-denominated performance of overseas subsidiaries · Impact of exchange rate fluctuations on local currency-denominated assets and liabilities of overseas subsidiaries	· Implement and enforce rules for foreign exchange hedging transactions · Offset receivables and payables, perform currency matching of assets and liabilities of overseas subsidiaries	4	3	C
	(9) Defined benefit plan obligations	Unexpected and unforeseen movements in the equity and debt markets related to plan assets held to provide for defined benefit plan obligations and retirement benefit plans (causing a decline in revenue from plan assets)	Review and implement revised plans as appropriate, in view of government regulations, personnel strategy and personnel systems	2	2	B

*1 ELSI: Ethical, Legal and Social Issues
*2 NIST SP800-171: One of the guidelines issued by the National Institute of Standards and Technology (NIST)
*3 Contingency plan: An emergency response plan to prepare for unforeseen situations and minimize the impact on business that describes measures and action guidelines to be implemented

Investment Committee

The Investment Committee, as an advisory committee to the GMC, verifies investment plans based on financial considerations including capital costs, and strategic considerations such as profitability and growth risks, etc. Members representing different functional organizations perform prior reviews and discussion on diversifying investment projects to external entities in order to ensure consistency with management strategies and raise the effectiveness of investments while improving the speed and accuracy of investment decisions.

The committee mainly discusses investments from the perspective of strategies, finance, and risks. Its members include a chairperson appointed by the President and CEO, representatives from the business planning, accounting, legal, and internal control functions as specialists for each functional organization, as well as various experts depending on the project. The committee receives prior inquiries from planning departments to provide evaluations and advice after performing comprehensive discussion on the investment value of a project. Although the committee is not authorized to approve or disapprove of any investment projects, it assists the decision-maker in making objective decisions by clearly presenting the results of the committee's deliberations on each project.

In order to improve the accuracy of external investment decisions for the Company as a whole, the committee also deliberates on projects below the GMC's standard amount for approval, and provides advice on investment decisions and considerations made by the planning department as well as on project negotiations.

<Continuous monitoring of investments>

After investments are executed, we will periodically summarize the progress of the investments and provide monitoring reports to the GMC on a semi-annual basis in accordance with the content and timing of the business plan and quantitative indicators (KPI) that have been approved by the GMC and other decision-making bodies after the Investment Committee's deliberation process.

<Initiatives to develop M&A experts>

Since fiscal 2019, we have systematically developed human resources to lead M&A and PMI* to success. By raising the level of planning divisions, we are improving the quality of investment projects and enhancing discussions and deliberations at the Investment Committee.

The training program offers the Company's original program (20 courses with the duration of six months) based on our past cases. So far, 156 people have obtained completion certificates. This is scheduled to be continued in fiscal 2023 as well.

In addition, even after the completion of this training program, we will hold courses for corporate value evaluation and financial analysis, as well as specialized courses for different functions, such as human resources, environment, and IT, to provide continuous support to program attendees and help them further improve their abilities.

These efforts have increased the speed and reliability of investment reviews in the planning department.

* PMI (Post Merger Integration): It refers to the integration process to maximize the integration effect that was initially expected after the M&A. The scope of integration covers all processes related to integration, such as management, business, and awareness.

Disclosure Committee

The Disclosure Committee performs appropriate disclosure of information that may influence the decisions of investors in addition to promoting dialogue with shareholders and capital markets by proactively disclosing corporate information that contributes to investment decisions, and thereby seeks to develop relationships of trust with shareholders and capital markets as well as to achieve an appropriate recognition of the Ricoh Group.

This committee is composed of representatives from different functional organizations, including the disclosure management division, accounting division, legal division, business planning division, Board of Directors operating division, public relations division, and internal control division, information-generating and acknowledging departments, the Supervising Organizations managing affiliates, and the CFO, who is responsible for information disclosure.

During fiscal 2022, the committee performed a review of internal processes and internal regulations in order to enhance its effectiveness.

We conduct deliberation on active disclosure and monitoring of disclosing procedures regarding company information that contributes to investors' investment decisions, along with the judgment on the appropriateness and accuracy of annual report documents and timely disclosure documents, and judgment on the necessity of information disclosure in disclosure procedures. Furthermore, the internal control division regularly evaluates the timeliness of information disclosure, the accuracy and validity of disclosure statements, and the validity of disclosure decisions, etc., and reports its findings to the Board of Directors and the Internal Control Committee.

Fiscal 2022		Agenda
First Meeting	April	Disclosure content of the convocation notice
Second Meeting		
Third Meeting	June	Revision of the disclosure policy
Fourth Meeting		Contents of response to corporate research
Fifth Meeting	August	Disclosure content of the Ricoh Group Integrated Report
Sixth Meeting		Disclosure content of the Ricoh Group TCFD Report
Seventh Meeting	December	Revision of disclosure rules
Eighth Meeting	March	Report on fiscal year results

Approach to Election of Directors

Election Criteria for Directors

<Management capabilities>

Superior insight and judgment necessary for management functions

1. Knowledge of a wide range of businesses and functions, and has the ability to think and make decisions appropriately from a company-wide and long-term perspective
2. Insight into the essence of issues
3. Vision to make best decisions on a global level
4. Judgment and insight based on extensive experience, as well as excellent track record leading to significant improvements in corporate value and competitive strength
5. Ability to think and make decisions appropriately from the perspective of various stakeholders including shareholders and customers based on a firm awareness of corporate governance

<Character and personality>

Positive trust relationships between Directors and management team for smooth performance of the oversight function

1. Integrity (honesty, moral values and ethics); exemplifies fair and honest decisions and actions based on a high sense of morality and ethics in addition to the strict observance of laws, regulations, and internal rules.
2. Interacts with others with respect and trust based on a spirit of respect for humanity and sets an example for decisions and actions that respect the personality and individuality of others based on a deep understanding and acceptance of diverse values and ideas.

Election criteria for Outside Directors

In addition to the election criteria for Internal Directors stated above, the election criteria for Outside Directors include having excellence in areas such as expertise in different fields, problem discovery and solving capabilities, insight, strategic thinking capabilities, risk management capabilities, and leadership. Outside Directors must also meet the Company's standards for independence of Outside Directors and Outside Audit & Supervisory Board Members.

Diversity Policy

We believe that the Board of Directors of the Company should be composed of directors with management ability and a rich sense of humanity in addition to various viewpoints and backgrounds, on top of multidimensional sophisticated skills.

In addition, it is our policy to select candidates based on their character and knowledge with no distinction made on the basis of race, ethnicity, gender, or nationality or similar attributes, thus ensuring diversity in such attributes.

Election Process and Evaluation Process for Directors

The Company is making ongoing efforts to strengthen and enhance corporate governance for the Company's sustainable growth and improvement of shareholder value and corporate value.

<Nomination Committee>

To secure objectivity, transparency, and timeliness for procedures to appoint, dismiss, and evaluate Directors, the CEO, and other members of the management team, the Board of Directors has established the Nomination Committee, which is an advisory body to the Board of Directors.

To increase objectivity and independence, the Nomination Committee is comprised of a majority of Independent Outside Directors, and is chaired by an Independent Outside Director. In addition, one Outside Audit & Supervisory Board Member attends meetings of the committee so as to ensure transparency in deliberation.

The Nomination Committee deliberates on the following matters and reports on the deliberation and conclusions to the Board of Directors.

(Inquiry items from the Board of Directors)

1) Nomination of candidates for CEO and Directors
2) Whether or not the CEO and Directors should be replaced
3) Evaluation of the performance of the CEO and Executive Directors
4) Confirmation of status of CEO succession plans and development of future CEO candidates

5) Confirmation of appointment/dismissal proposals and reasons therefore for Executive Officers, Advisors, and Fellows[*1]
6) Review of the evaluation of Non-executive Directors[*2], their positions, and the nature of their assignments
7) Approval or disapproval on the formulation, revision or abolishment of appointment/dismissal systems for Directors and Executive Officers
8) Other matters individually consulted by the Board of Directors

*1 Fellow: The Company defines a "fellow" as a person who holds excellent technological prowess or knowledge recognized in the world, and who is able to further pursue his or her expertise, and lead research activities for utilizing and developing such expertise. Fellows are appointed by resolution of the Board of Directors.

*2 Non-executive Director: An Internal Director who does not concurrently serve as an Executive Officer and is not involved in the day-to-day execution of the Company's business

(Other agenda items)

1) Confirmation of reasons for selecting candidates for Audit & Supervisory Board Member based on requests from the Audit & Supervisory Board
2) Confirmation of performance evaluation of Executive Officers
3) Other matters consulted by the CEO

<Election process>

In order to maintain a Board of Directors structure that enables appropriate and effective management decision-making and supervision of business execution, the Nomination Committee undertakes ongoing deliberation on the composition of the Board and the specializations, experience (skills matrix), etc. required of Directors, based on the issues recognized at the meeting held to evaluate the effectiveness of the Board of Directors, before nominating candidates for Director. Candidate nominations for Director are deliberated by the Nomination Committee over several sessions, and undergo a strict screening process.

The Nomination Committee engages in multifaceted assessment of the qualities, experience, skills, diversity, etc. required of the Company's Directors, in accordance with the management environment, strategic direction, challenges, etc., against the basic criteria of management ability, character and personality necessary to fulfill the role and responsibilities of Director, and reports to the Board of Directors after clarifying the basis for nomination.

Based on reporting from the Nomination Committee, the Board of Directors deliberates from a shareholder perspective, and then determines which candidates for Director are to be submitted to the General Meeting of Shareholders.

A skills and career matrix that maps out personnel, roles, skills, career experience, etc. is also used when determining the Company's executive structure, with the aim of building a structure to facilitate swift and accurate decision-making by the GMC, as well as appointing and developing appropriate human resources in terms of the management succession plan. The CEO reports to the Nomination Committee on the selection and training policy of management candidates.

<Evaluation process>

Directors are evaluated annually in two steps by the Nomination Committee, upon consultation by the Board of Directors. In the first evaluation, careful and appropriate deliberations are made on the competence of Directors to continue in their duties, ensuring timeliness of appointment and dismissal. In the second evaluation, Directors' achievements are evaluated with a multifaceted approach, and their issues are clarified through feedback to improve the quality of management. The Nomination Committee's deliberations and conclusions on the evaluation of Directors are reported to the Board of Directors to thoroughly oversee whether the Director is suitable to continue in their duties.

Furthermore, evaluations are based on such standards as "Management oversight status as a Director," "Financial aspects including key management indicators regarding business results, return on capital, etc.;" and "Contribution to shareholders and evaluation by capital markets."

<Key items for Director evaluation> for Directors concurrently serving as Executive Officers

Evaluation perspective	Category	Evaluation items (typical items)	Example of item details
Management oversight status	Qualities and abilities	Actions aimed at maximizing shareholder value and corporate value, attitude toward executive oversight and mutual checks and balances among Directors, risk management, and insight necessary for corporate management	
Financial indicators	Performance	Business performance on a consolidated basis	Sales, operating profit, profit, ROE, ROIC, FCF
		Status of annual business plan	By business unit, by region, key measures
		Performance under the Mid-Term Management Plan	Finance, key measures
Capital market / shareholder indicators	Capital market	Stock price indicators	Stock price, market capitalization, PBR
		Rating	
	Shareholder	TSR/shareholder returns	

TSR, which is used as one of the criteria for "contribution to shareholders and capital market evaluation perspectives" to evaluate Directors, is calculated based on the average share price for the fiscal year (see table below) to avoid the impact of sudden share price fluctuations.

Holding period	1 year	2 years	3 years	4 years	5 years	6 years
RICOH (incl. dividends)	95.4%	138.6%	107.0%	104.5%	113.1%	126.0%
TOPIX (incl. dividends)	101.2%	120.7%	129.9%	126.5%	128.9%	158.3%

Notes: 1. March 31, 2023 is the record date for TSR.
2: The TSR is calculated using the average of the daily dividend-included stock price for the year in order to equalize the effect of the share price at the beginning and the end of the period

Evaluation of CEO and CEO Succession Plan

The CEO succession plan is an important initiative for improving shareholder value and corporate value of the Ricoh Group in a continuous manner over the medium to long-term and continuously fulfilling the social responsibilities of the Group as a member of society.

From the viewpoint of strengthening corporate governance, the Group works to establish a CEO succession plan with procedures that are objective, timely, and transparent.

1) CEO Evaluation

The CEO is evaluated annually in two steps by the Nomination Committee, at the request of the Board of Directors. In the first evaluation, careful and appropriate deliberations are made on the soundness of the CEO to continue in his/her duties, ensuring timeliness of appointment and dismissal. In the second evaluation, the CEO's achievements are evaluated with a multifaceted approach, and his/her issues are clarified through feedback in an effort to improve the quality of management. The Nomination Committee's deliberations and conclusions on the evaluation of the CEO are reported to the Board of Directors to effectively oversee the CEO.

As with Directors who concurrently serve as Executive Officers, the CEO is evaluated based on the "Management oversight status as a Director," "Financial aspects including key management indicators regarding business results, return on capital, etc." and "Contribution to shareholders and evaluation by capital markets" (see above), as well as "Future financial viewpoint" to evaluate his/her overall management supervision and business execution capabilities as a CEO.

<Key items for CEO evaluation>

Evaluation perspective	Category	Evaluation items (typical items)	Examples of item details
Management oversight status	Same categories and evaluation items as those for Directors (please refer to page 65)		
Financial indicators	Same as above		
Capital market / shareholder indicators	Same as above		
Future financial indicators	ESG	Environment	Environmental management initiatives
		Society	SDGs initiatives
		Governance	System, disclosure, IR, compliance
	Employees	Development and use of human resources	Personnel systems and work environment
		Employee engagement	External survey
		Safety and health	Workplace safety and health management
	Customers	Serious incident	Product and information security
		Customer satisfaction	External survey

As former CEO Yamashita resigned as CEO on March 31, 2023, in addition to the usual evaluation items for him, a review of the following items was conducted as a summary of the six years since the former CEO assumed office on April 1, 2017, and the results were reported to the Board of Directors by the Chairperson of the Nomination Committee as feedback for the new management team, including current CEO Oyama.

<Evaluation items for the six years in office added as a summary of the CEO's term in office>

- Consolidated financial results (net sales, operating profit, free cash flow, etc.)
- Return on capital (ROE, ROIC, TSR, shareholder returns, etc.)
- Focus on growth businesses (business portfolio, etc.)
- Cost structure reform initiatives
- Changes in assets (investments and disposal) and asset efficiency

2) Selection, development and evaluation of CEO candidates

<Selection of new CEO effective April 1, 2023>

For the CEO succession, the Nomination Committee has been systematically training and reviewing succession candidates, replacing, and narrowing down the list of candidates, and implementing training based on each candidate's issues. In particular, since fiscal 2021, when former CEO Yamashita entered his fifth year in office and the selection process for a successor CEO began in full, the Nomination Committee has held a total of 12 sessions for deliberation, evaluation, and discussion regarding the succession. The Nomination Committee has ensured transparency and objectivity in the selection process through fair and objective deliberation led by the Chairperson who is an Outside Director, interviews with Outside Directors (committee members), and third-party assessments.

After careful deliberations by the Nomination Committee on the track record, experience, qualifications, and character of several candidates, the committee concluded that in accelerating the transformation into a digital services company, Mr. Akira Oyama is a suitable successor CEO, based on his track record of expanding overseas operations and strengthening the profitability of office services, his global business experience, as well as his experience in company-wide roles such as CFO and business planning, his unifying power including that for overseas management, and his ability to identify potential needs from a global perspective and link them to services. Based on the report from the Nomination Committee, the Board of Directors, at its meeting held on January 30, 2023, selected Mr. Akira Oyama as the successor CEO, taking into consideration factors including the tenure of former CEO Yamashita and the starting year of the 21st Mid-Term Management Strategy, and as a result, determined that the transition to a new management team led by a new CEO effective April 1, 2023, was necessary to ensure the implementation of measures toward becoming a digital services company.

<Positioning of the Nomination Committee and the Board of Directors>

Once a year (around September), the CEO prepares a list of potential future CEO candidates together with a development plan for them and elaborates on the proposals at the Nomination Committee in early November. The Nomination Committee deliberates on the appropriateness of the CEO candidate list and development plans, provides advice to the CEO on candidate development, and reports the findings to the Board of Directors. The Board of Directors confirms the appropriateness of the candidate selection and development plans upon reporting from the Nomination Committee and is actively involved in the selection and development of CEO candidates.

<Selection of candidates>

CEO candidates are selected by terms as follows according to the timing of the change. The backup candidate in case of accident in the table below is determined via resolution of the Board of Directors at the same time the CEO is selected.

Terms	Number of persons selected
Backup candidate in case of accident	One
First candidate in line	Several
Second candidate in line	Several

<Development of candidates>

The Nomination Committee deliberates on the development plan for future CEO candidates and gives guidance to the CEO, who, in the next fiscal year, provides growth opportunities suited to each candidate according to their individual targets, allowing the candidates to accumulate experience. The CEO also gives direct guidance to promote the candidate's development based on individual assessment.

<Evaluation of candidates>

CEO candidates are evaluated annually, and the CEO reports on the achievements and growth of each candidate during the development period (April to March next year) to the Nomination Committee in early November (the evaluation period is from April to October, which is the month before the Nomination Committee meets). The Nomination Committee deliberates on the continuation or replacement of CEO candidates and, if necessary, evaluates CEO candidates, utilizing advice from outside experts, etc., and reports the results of its deliberations to the Board of Directors. Upon reporting from the Nomination Committee, the Board of Directors evaluates the CEO candidates and confirms the validity of deliberations on which candidates are to remain or to be replaced, and is actively involved in the process.

Matters Concerning Compensation for Directors and Audit & Supervisory Board Members, etc.

1. How to determine policy regarding decisions on individual compensation, etc.

The policy is decided by the Board of Directors considering the deliberation and recommendation by the Compensation Committee, which is an advisory body to the Board of Directors.

2. Compensation policy

Executive compensation is used as a concrete incentive to achieve sustainable increases in corporate earnings for the medium- to long-term, in the pursuit of increased shareholder value of the Ricoh Group. In addition, from the viewpoint of strengthening corporate governance, measures to secure objectivity, transparency, and validity are taken in setting up compensation levels and determining individual compensation. The Company determines executive compensation based on the following basic policies:

Compensation composition	• Compensation for Internal Directors who concurrently serve as Executive Officer is comprised of three elements: i) basic compensation that reflects expected roles and responsibilities, ii) bonuses that reflect business results (performance-linked compensation), and iii) compensation that reflects medium- to long-term increase in shareholder value. • Compensation for Internal Directors who do not concurrently serve as Executive Officers is comprised of basic compensation, bonuses and stock-based compensation in light of their role of overseeing business execution as full-time Director with extensive knowledge of the actual situation of the Company. • Compensation for Outside Directors responsible for management oversight and Audit & Supervisory Board Members responsible for auditing is comprised only of basic compensation in order for them to focus on fair oversight and auditing, thereby ensuring independence from the execution of business.
Governance	• The Company will ensure objectivity, transparency and appropriateness in designing the compensation system, setting compensation levels and determining individual compensation through appropriate external benchmarks and ongoing deliberations and monitoring by the Compensation Committee. • The Compensation Committee and the Board of Directors deliberates on the appropriateness of individual director compensation amounts based on the results of the Nomination Committee's evaluation of Directors and other factors.

3. Policy regarding decisions on individual compensation, etc., and matters related to performance-linked compensation, non-monetary compensation, etc. for fiscal 2022

1) Process for determining compensation

The Company has established a voluntary Compensation Committee to build a more objective and transparent compensation review process that helps increase profits, enhance corporate value, and strengthen corporate governance through incentives. The Compensation Committee determines each compensation plan for basic compensation, bonuses, compensation for acquiring stock, and performance-linked stock-based compensation after multiple deliberations based on the compensation standards for Directors and business performance, as well as the results of the Nomination Committee's evaluation of Directors, and makes recommendations to the Board of Directors.

The Board of Directors deliberates and decides on each compensation plan recommended by the Compensation Committee. With respect to bonuses, the Board of Directors determines the total amount of bonuses to be paid after confirming that the amount of bonuses for each individual Director is appropriate in accordance with the formula for Directors' bonuses, and decides on a proposal for the payment of bonuses to Directors and whether or not to submit the proposal to the General Meeting of Shareholders. After the proposal for payment of bonuses to Directors is approved at the General Meeting of Shareholders, the amount of the individual bonuses determined by the Board of Directors is paid.

2) Policy for determining compensation level

In order to ensure appropriate linkage with corporate performance, the Compensation Committee confirms every fiscal year whether the target level of the Company's performance has been secured for each compensation category of basic compensation and short-, medium-, and long-term incentives. The compensation levels of the peer group officers based on the results of a survey by an external professional organization are used as guides, while the payment rate for short-, medium-, and long-term incentives is set to fluctuate according to the Company's performance.

3) Compensation for Directors

Type	Name	Internal Director	Outside Director	Comments
Fixed	Basic compensation	○	○	Compensation based on roles and responsibilities
Variable (short-term)	Performance-linked bonuses	○	-	Linked to achievement of performance targets
Variable (medium- to long-term)	Compensation for acquiring stock	○	-	The entire amount paid is used for the acquisition of Company shares through the Executive Stock Ownership Plan
	Performance-linked stock-based compensation	○	-	Incentive to enhance shareholder value and corporate value over the medium to long term

Please refer to pages 72-73 for the ratio of each type of compensation.

i) Basic compensation (fixed)

Basic compensation is monetary compensation paid monthly during the term of office as a compensation that reflects the roles and responsibilities expected of Directors.

The amount of compensation is decided within the range of the total amount of compensation determined at the general meeting of shareholders, and the total amount of compensation paid for fiscal 2022 was ¥263.01 million.

	Composition of compensation	Main method of setting compensation levels
Internal Directors	"Compensation pertaining to management oversight" and "compensation reflecting the importance of individual roles and management responsibilities" as a base, with additional "compensation based on positions, such as Representative Director, member of the Nomination Committee, or member of the Compensation Committee"	• The importance of individual roles and management responsibilities of Directors who concurrently serve as Executive Officers are determined with reference to the job grade framework of external specialized agencies. • Compensation for Directors who do not concurrently serve as Executive Officers is determined in light of their role of overseeing business execution with their extensive knowledge of the actual situation of the Company serving full-time.
Outside Directors	"Compensation pertaining to management oversight" and "compensation pertaining to advice to management" as a base, with additional "compensation based on positions, such as Chairperson of the Board of Directors, Chairperson of the Nomination Committee and Chairperson of the Compensation Committee"	• The amount of compensation is set with reference to objective data from external specialized agencies.

ii) Performance-linked bonuses (short-term)

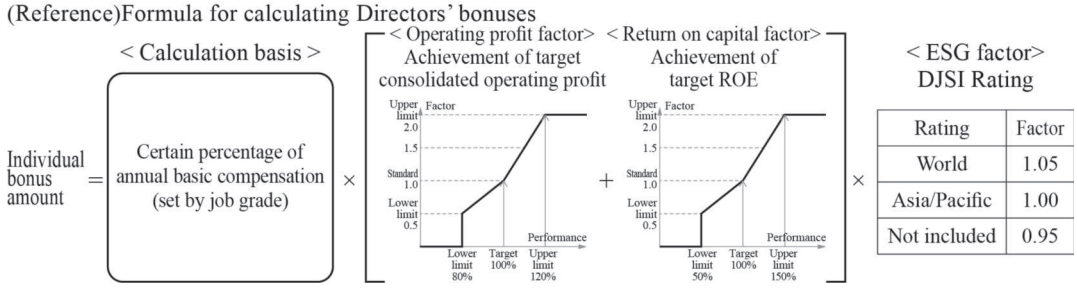
Performance-based bonuses are monetary compensation paid after the end of a fiscal year as compensation that reflects the Company's performance and shareholder value improvements in the target fiscal year. For fiscal 2022, the following indicators were established.

Evaluation indicator	Reason
Achievement of target consolidated operating profit	Clarify that Directors are responsible for increasing earnings and improving profitability by setting operating profit, which correlates with market capitalization and represents achievements in business activities, as an evaluation indicator
Achievement of target ROE	Clarify that Directors are responsible for improving shareholder value by setting ROE, a key indicator for enhancing return on capital, as an evaluation indicator
Annual DJSI Rating	Provide an incentive for ESG improvement by using the DJSI's annual rating, which is used as a tool for confirming company-wide ESG initiatives, as an evaluation indicator

In addition, the Compensation Committee deliberates on the appropriateness of individual bonus payment amounts based on the results calculated by the formula for calculating Directors' bonuses below, including the results of the evaluation of Directors by the Nomination Committee, and make recommendations to the Board of Directors, which then decides whether or not to submit a proposal for the payment of bonuses to Directors to the General Meeting of Shareholders.

With regard to bonuses for fiscal 2022, the Compensation Committee's deliberations determined that the results calculated according to the formula for calculating Directors' bonuses below are appropriate, and the total amount to be paid is 74.94 million yen.

(Reference)Formula for calculating Directors' bonuses



Rating	Factor
World	1.05
Asia/Pacific	1.00
Not included	0.95

Targets and Results for Evaluation Indicators (fiscal 2022)

	Target*	**Results**	**Factor**
Achievement of target consolidated operating profit	¥90.0 billion	¥78.7 billion	0.69
Achievement of target ROE	7.0%	5.9%	0.84
Annual DJSI Rating	World	World	1.05

*The target values are the fiscal 2022 forecast which was briefed in the fiscal 2021 financial results released on May 10, 2022.

iii) Compensation that reflects the improvement of shareholder value (medium- to long-term)

Compensation that reflects the stock price consists of the following "compensation for acquiring stock," and "performance-linked stock-based compensation" for the purpose of further strengthening Directors' commitment to improving the Company's corporate value over the medium- to long-term.

(Cash compensation for acquiring stock)

Cash compensation for acquiring stock is cash compensation intended to steadily increase the number of shares held by the Directors and to share with shareholders the benefits and risks arising from fluctuations in the stock price. Cash compensation for acquiring stock is paid monthly as fixed salary during the term of office, and the entire amount paid is used for the acquisition of Company shares by the Ricoh Executive Stock Ownerships Plan. The amount is set for each position within the range of the total compensation decided at the general meeting of shareholders, and the total compensation paid for fiscal 2022 was ¥10.43 million.

(Performance-linked stock-based compensation)

At the 119th Ordinary General Meeting of Shareholders held on June 21, 2019, the Company introduced a stock-based compensation plan with stock price conditions (the "Plan") using a trust as the compensation structure for Directors with the approval of shareholders. As described in Agenda 4, "Partial amendment and continuation of the stock-based compensation plan for Directors," the Plan will be partially revised and continued from September 1, 2023 as a performance-linked stock-based compensation plan in order to further strengthen awareness of shared interests and risks with shareholders, and to demonstrate Directors' commitment to sustainable growth and improved shareholder value, including appropriate shareholder returns. The performance-linked stock-based compensation is a plan under which the Board Incentive Plan trust (hereinafter referred to as the "Trust") established by the Company with monetary contributions acquires the Company's common stock ("Company Shares") from the stock exchange market (including off-floor trading) and delivers the number of Company Shares equivalent to the number of points granted by the Company to each Director through the Trust. In principle, Directors will receive Company Shares after the completion of each period subject to performance evaluation (each period of three consecutive fiscal years commencing on April 1 of each year after 2023; the same shall apply thereafter). The number of points granted to each Director by the Company will be determined based on the base amount for each job grade in accordance with the rule of performance shares determined by the resolution of the Board of Directors and will vary within a range of 0% to 200% by taking into account the evaluation of the Company's TSR relative to the TOPIX (including dividends) growth rate as well as its ranking relative to the TSR of the peer group, and the degree of achievement of ESG targets during the performance evaluation period. Company Shares will be delivered at a rate of one share per point. In addition, pre-issuance malus-clawback clause has been established to request the return of stock-based compensation in the event of serious misconduct, etc. that causes an impact on the Company during the Director's term of office.

For the Plan before the amendments, in principle, the Company will stop granting new points after September 1, 2023, and the number of Company Shares corresponding to the accumulated points will be delivered at the time of retirement in accordance with the provisions of the Plan before the amendments.

The amount of expenses recorded based on the points granted for the fiscal 2022 under the Plan before the amendments was ¥32.03 million, and shares (4,000 shares) were granted to a Director who retired during fiscal 2022 in proportion to the result of the comparison of the Company's stock price growth rate (95.7%) with TOPIX growth rate (122.0%) during the tenure of the Director to the accumulated points.

(Major amendments to the Plan)

	Item	Performance-linked stock-based compensation (after amendments)	Stock-based compensation with stock price conditions (before amendments)
1	Evaluation indicators (Reason and aim for setting indicators)	The evaluation of the Company's TSR relative to the TOPIX (including dividends) growth rate and its ranking relative to the TSR of the peer group, and the degree of achievement of ESG targets during the performance evaluation period (to strengthen the link between management responsibility for increasing shareholder value and achieving sustainable development goals and stock-based compensation)	Results of comparison of the Company's stock price growth rate with TOPIX growth rate during tenure (to share with shareholders the benefits and risks of stock price fluctuations)
2	Standard for granting points	Points are granted according to the above evaluation indicators based on the base amount of stock-based compensation by job grade and the base stock price*	Points are granted according to the above evaluation indicators based on the position
3	Timing of delivery of Company Shares to the eligible Directors	In principle, after the completion of each performance evaluation period (three years after the commencement of the performance evaluation period)	In principle, at the time of retirement

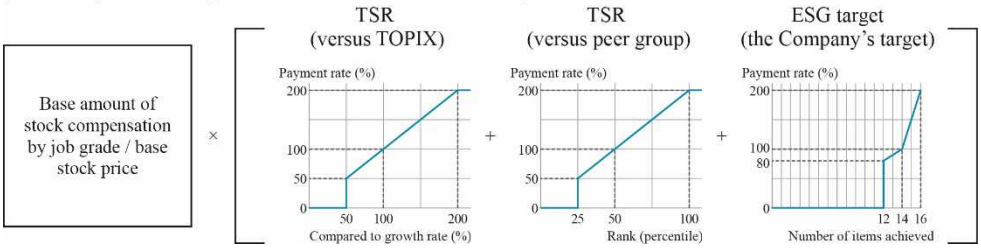
* Please see Agenda 4, "Partial amendment and continuation of the stock-based compensation plan for Directors" on page 32.

[Reference] Process from grant of rights to delivery of shares under the amended Plan (image)

Plan	Event ＼ Calendar year	X	X+1 year	X+2 years	X+3 years	X+4 years	X+5 years
X	Grant of rights	☆					
	Period subject to performance evaluation	■	■	■	■		
	Vesting of rights (determination of the number of points granted, delivery of shares)				★		
X+1	Grant of rights		☆				
	Period subject to performance evaluation		■	■	■	■	
	Vesting of rights (determination of the number of points granted, delivery of shares)					★	
X+2	Grant of rights			☆			
	Period subject to performance evaluation			■	■	■	■
	Vesting of rights (determination of the number of points granted, delivery of shares)						★

The number of points to be granted for fiscal year X is determined on a single fiscal year basis after the evaluation over a performance evaluation period of three fiscal years, including fiscal year X and two subsequent fiscal years (X+1 year and X+2 years) and three years (X+3 years) after the end of the performance evaluation period (three fiscal years), and shares are issued accordingly. Similarly, the number of points to be granted for fiscal year X+1 is determined on a single year basis after the evaluation over a performance evaluation period of three fiscal years, including fiscal year X+1 and two subsequent fiscal years (X+2 years and X+3 years) and three years (X+4 years) after the end of the performance evaluation period (three fiscal years), and shares are issued accordingly.

(Reference)Formula for performance-linked stock-based compensation for Directors



4) Compensation for Audit & Supervisory Board Members

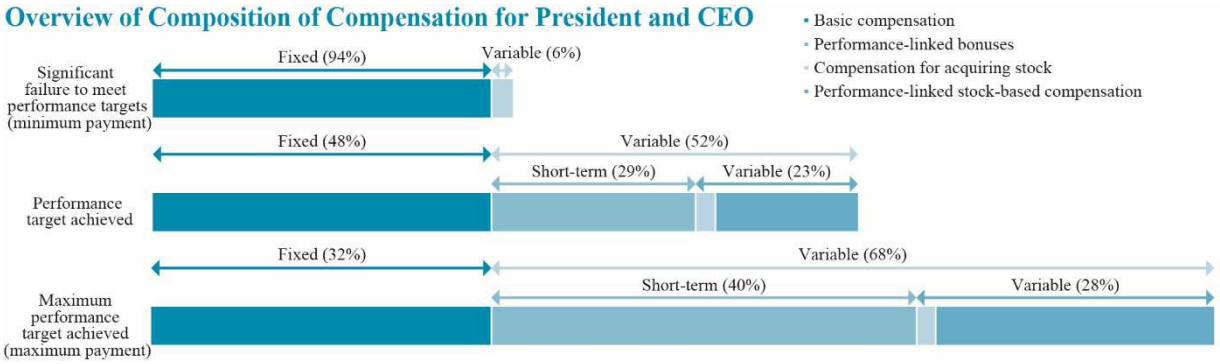
Compensation for Audit & Supervisory Board Members consists only of basic compensation for their role of appropriately performing audits. Compensation levels are discussed by the Audit & Supervisory Board based on the results of an external benchmark study and are determined within the remuneration framework for Audit & Supervisory Board Members approved at the 84th Ordinary General Meeting of Shareholders.

4. Policy on determining the ratio of fixed and variable compensation

In order to clarify responsibility for performance for each role and function, the ratio of fixed compensation (basic compensation) to variable compensation (performance-linked bonus, compensation for acquiring stock, and performance-linked stock-based compensation) is designed so that those with more management

responsibility will receive a greater proportion of variable compensation. For the highest-ranking President and CEO, the fixed/variable compensation ratio will approximately be 5:5 when the standard performance target for fiscal 2022 is achieved (Operating profit of ¥90.0 billion and ROE of 7.0%), and 3:7 when the maximum performance target is achieved (Operating profit of ¥108.0 billion or more and ROE of 10.5% or higher).

The Company will continue to emphasize the enhancement of shareholder value and corporate value over the medium to long term, and will further increase the ratio of variable compensation linked to shareholder value and business performance, and will continue to deliberate on the appropriate amount of compensation for each compensation type.



5. Other important matters regarding decisions on individual compensation, etc.

1) Return of stock-based compensation (malus-clawback clause)

Regarding performance-linked stock-based compensation, a malus clause and a clawback clause are stipulated in the rule of performance shares that are determined by the Board of Directors of the Company. In the event that a Director engages a serious misconduct, etc. that causes an impact on the Company, all or part of the points granted up to that time will expire by a resolution of the Board of Directors and the Director subject to the malus clause and the clawback clause will not be eligible for beneficiary rights related to the expired points.

Furthermore, the Company can request those who have already received delivery of Company Shares and delivery of money in lieu of Company Shares to return the amount obtained by multiplying the total number of points by the closing price of the Company Shares on the Tokyo Stock Exchange on the date such request is made.

2) Prohibition of stock trading for a certain period

In compliance with insider trading regulations, even after the delivery of the Company's shares, incentive compensation shares may not be bought or sold until one year has elapsed from the date following the recipient's retirement.

3) Handling of compensation amid significant environmental changes, etc.

In the event of a significant change in the business environment, sudden deterioration of business performance, and quality issues that may damage corporate value, serious accidents, scandals, etc., the compensation for Directors may be temporarily reduced or suspended by a resolution of the Board of Directors.

6. Reasons why the Board of Directors has determined that the content of individual compensation, etc. for Directors is consistent with the policy for determining compensation

In determining individual compensation for Directors in fiscal 2022, the Compensation Committee conducted a multifaceted examination including consistency with the above policy for determining compensation, and the Board of Directors deliberated and made decisions, basically respecting the recommendation made by the Compensation Committee. Therefore, we have determined that the individual compensation for Directors in fiscal 2022 was consistent with the above policy for determining compensation.

7. Matters concerning resolutions at the general meeting of shareholders regarding compensation of officers, etc.

Compensation type	Details	Resolution	Number of recipients at the time of resolution
Compensation for Directors	The amount of basic compensation (including the cash portion of the compensation for acquiring stock): ¥46 million or less per month (including 7 million yen or less per month for Outside Directors)	116th Ordinary General Meeting of Shareholders held on June 17, 2016	11 (including 4 Outside Directors)
	The maximum amount of contribution and the maximum total number of points to be granted to Directors for the stock-based compensation with stock price conditions are ¥300 million in total (¥100 million per fiscal year) and 300,000 points in total (100,000 points per fiscal year) for the initial period (from the fiscal year ended March 31, 2020 to the fiscal year ended March 31, 2022). In the event that the period covered is extended by a resolution of the Board of Directors of the Company for a period not exceeding five fiscal years, the amount shall be ¥100 million multiplied by the number of fiscal years of the extended period, and the number of points shall be 100,000 points multiplied by the number of fiscal years of the extended period.	119th Ordinary General Meeting of Shareholders held on June 21, 2019	3
Compensation for Audit & Supervisory Board Members	The amount of basic compensation: ¥9 million or less per month	84th Ordinary General Meeting of Shareholders held on June 29, 1984	4

Results Summary of the Evaluation of Effectiveness of the Board of Directors During Fiscal 2022

On May 8, 2023, the Company evaluated the effectiveness of the Board of Directors during fiscal 2022 (from April 2022 to March 2023), and the results are as outlined below.

1. Outline of Evaluation: Effectiveness of the Board of Directors during fiscal 2022

The evaluation continued to include how the Nomination Committee and Compensation Committee as well as the response of the business executives to Board of Directors, along with the effectiveness of the Board of Directors. A third-party evaluation was also implemented as well in order to ensure objectivity.

[Evaluation process]

The evaluation was carried out at a discussion attended by all Directors and Audit & Supervisory Board Members, after sharing written evaluations by the Directors and the Audit & Supervisory Board Members, as well as the results of questionnaires' analysis by the third-party anonymous survey. Through discussions, participants reviewed and evaluated the performance of the Board of Directors during fiscal 2022, in terms of the basic policies on the operation of the Board of Directors and the three action items outlined below, which were set forth by the Company's Board of Directors in the last evaluation of effectiveness.

<Basic policies for fiscal 2022>

1) Monitor and support important measures to achieve the goals as the final year of the 20th Mid-Term Management Plan
2) Discuss and support the formulation of the 21st Mid-Term Management Strategy with the aim of maximizing corporate value as a digital services company

<Action items for fiscal 2022>

i) In a highly uncertain business environment, monitor the progress of key management indicators and measures to achieve the business plan for fiscal 2022, and encourage execution as necessary
ii) In order to maximize corporate value as a digital services company, further enhance discussions on the transformation of the business structure, improvement of return on capital, and other matters concerning the management base, including the human capital to support it, and reflect them in the 21st Mid-Term Management Strategy
iii) Along with continuous improvement of corporate governance, inspect and supervise the business unit structure, risk management system, new personnel system, ESG (future finances), etc., to create an environment for sustainable growth.

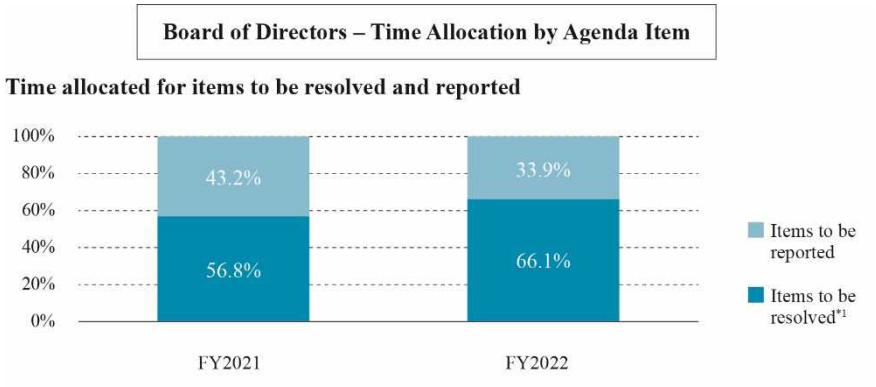
2. Results summary of the "Evaluation of Effectiveness of the Board of Directors" for fiscal 2022

2-1. Results of operation of the Board of Directors

In fiscal 2022, the final year of the 20th Mid-Term Management Plan, we monitored the progress of key indicators and measures for each business unit, and also deliberated on medium- and long-term management policies and strategies based on the annual plan as the year for formulating the 21st Mid-Term Management Strategy. With respect to the CEO succession plan, the Nomination Committee had enough meetings and time to conduct the final selection of the successor CEO and discuss the new management structure.

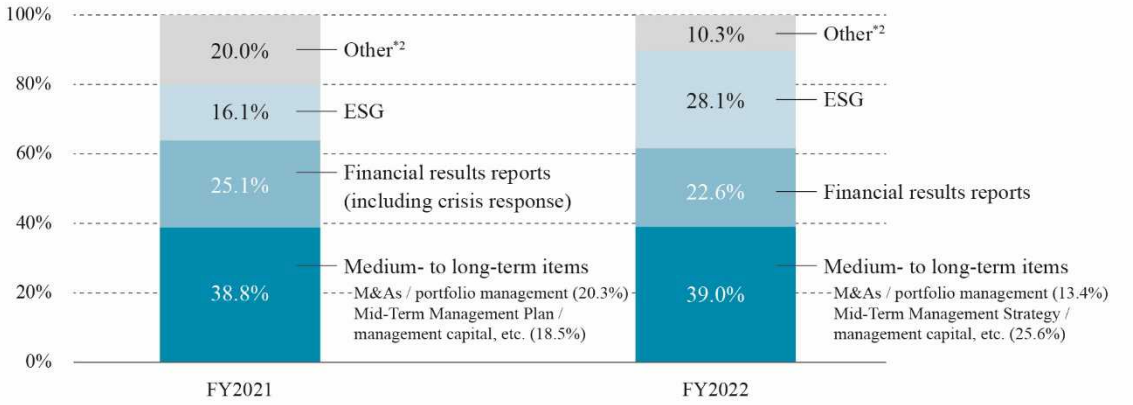
In addition to the on-site inspections by Outside Directors and Outside Audit & Supervisory Board Members, roundtable discussions with local employees, and participation in management meetings as observers to gain an understanding of the Company's actual situation, opportunities were provided for dialogue through small meetings between shareholders and Outside Directors to deepen discussions from the shareholders' perspective, with the aim of reflecting the shareholders' views in management.

The allocation of time to agenda items at meetings of the Company's Board of Directors held in fiscal 2022 is disclosed as follows, for the purpose of ensuring the transparency in the status of deliberations of the Board of Directors.



*1 Items to be resolved: In addition to agenda items for resolution of the Board of Directors, these include Director's review meetings and governance review meetings held for deliberation in preparation for making a resolution.

<Time allocated by item category>



*2 Resolutions in accordance with the provisions of the Companies Act, personnel matters, other individual proposals, etc.

2-2 Summary

The following is a summary of the results of discussions among the members of the Board of Directors regarding written evaluations by the Directors and the Audit & Supervisory Board Members, as well as third-party evaluations.

◎ The unanimous evaluation was that the composition of the Board of Directors was appropriate, that free and vigorous discussions were held under the Chairperson of the Board of Directors, an Outside Director, who presided from the neutral standpoint, that appropriate supervision and decision-making were carried out in response to various changes in the business environment, and that the effectiveness of the Board of Directors was ensured.

◎ The Nomination Committee ensured that the process of the changes of CEO was highly fair and transparent, and the Compensation Committee revised the executive compensation system from a shareholder perspective, including the introduction of performance-linked stock-based compensation. Both committees, which are chaired by an Outside Director and consist of a majority of Outside Directors, conducted extensive deliberations and were evaluated as effectively functioning as advisory bodies to the Board of Directors.

◎ It was judged that the selection of a new Lead Independent Director has further strengthened the effectiveness of governance, and the Board of Directors now engages in deliberations with a more shareholder-oriented perspective, with Directors aware of shareholder expectations and concerns through ongoing SR by senior management and small meetings between shareholders and Outside Directors.

◎ On the other hand, it was pointed out that "further enhancement of deliberations and response to issues to achieve corporate value that meets the expectations of stakeholders" and "qualitative growth with transformation into a digital services company through steady implementation of the fiscal 2023 business plan" are needed, based on the trends of the Company's corporate value and evaluation of the current business performance.

◎ In addition, it was pointed out that, in transforming the business structure, it is necessary to review and continuously improve integrated risk management under the business unit structure.

<Action items for fiscal 2022 i) and ii)>

◎ In a highly uncertain business environment, the Board of Directors made efforts to understand the actual status of the business through monitoring the performance and measures of each business unit, and encouraged improvement of issues in response to the business environment.

◎ It was positively evaluated that the Board of Directors also supported the development of the management infrastructure through deliberations on human capital strengthening, capital policy, and IT infrastructure overhaul, laying the foundation for the implementation strategies under the 21st Mid-Term Management Strategy, as well as supervision and decision-making toward the transformation of the business structure, including implementation of growth investments and business alliances aimed at strengthening digital services.

◎ On the other hand, recognizing that the highly uncertain business environment will continue, there were remarks pointing out the need for discussion on a resilient management structure, as well as the need to accelerate the transformation of the business structure to enhance corporate value, and the importance of deepening discussions on improving the profitability of the office services business and business portfolio management using ROIC.

<Action item for fiscal 2022 iii)>

◎ The Board of Directors was commended for sharing governance issues through governance review meetings and Outside Executive Meetings, and for regularly requesting reports on internal audits, risk management, and ESG progress to strengthen the governance structure necessary for a digital services company.

◎ Efforts to directly understand the operation status of the new personnel system and environmental initiatives through on-site inspections and communication with local employees, as well as in-depth discussions at Board of Directors' meetings and inspections from multiple perspectives, were highly evaluated as having led to improved effectiveness of the supervisory function.

◎ Meanwhile, the need for verification of integrated risk management in accordance with the management structure based on the business unit structure, response to risks specific to each region and business unit, the head office structure, and Ricoh-style job-based personnel system and its operation was also pointed out.

3. Efforts to improve the effectiveness of the Board of Directors in fiscal 2023

Based on the above evaluation, the Company's Board of Directors will operate in accordance with the following basic policies and work to improve the effectiveness of the Board of Directors based on three specific action items.

<Basic policies for fiscal 2023>

1) Discuss and oversee the realization of corporate value that meets stakeholder expectations
2) Monitor and support performance and key measures, from both quantitative and qualitative aspects, to achieve qualitative growth with transformation into a digital services company

<Action items for fiscal 2023>

i) Enhance deliberations on enhancing corporate value, deepen discussions to a level where concrete measures can be implemented, and provide more effective supervision from the perspective of corporate value
ii) Supervise and support the Company to achieve qualitative growth with transformation into a digital services company through steady implementation of the fiscal 2023 business plan
iii) Continuously improve integrated risk management linked to the management system, which enables both sound risk-taking and risk control in order to accelerate the transformation into a digital services company

Approach to Election of Audit & Supervisory Board Members

Election Criteria for Audit & Supervisory Board Members

Candidates for Audit & Supervisory Board Members are selected for a balance of knowledge, experience, and specialized abilities required of the Audit & Supervisory Board taken into consideration, such as, in particular, the appointment of at least one person with sufficient knowledge of finance and accounting, in addition to the candidate's ability to contribute to the sound and sustained growth of the Company and the medium- to long-term enhancement of its corporate value through the performance of duties as an Audit & Supervisory Board Member.

In selecting candidates for Audit & Supervisory Board Members, the Audit & Supervisory Board has established the following criteria and makes a comprehensive judgment based on these criteria.

[Audit ability]

1. Appropriate experience, ability, and the necessary knowledge regarding finance, accounting and law
2. Professional skepticism and the ability to investigate facts properly, with an earnest attitude, and exercise objective judgement
3. Sense of duty and courage founded on personal beliefs, and the ability to make active and forthright suggestions and proposals to Directors and employees
4. The ability to see matters from a shareholders' perspective, act on this perspective, and engage in audits based on an attitude of learning from actual front lines, actual things and actual facts

[Knowledge background and temperament]

1. Healthy in mind and body, and able to serve for a full four-year tenure as Audit & Supervisory Board Member
2. Always aspires to improve him/herself, with a desire to learn new things
3. Able to communicate with local top management in English

Election Criteria for Outside Audit & Supervisory Board Members

In addition to the criteria above, Outside Audit & Supervisory Board Members are elected based on their high degree of specialist insight in the fields of corporate management, finance, accounting and law, and their extensive experience. The absence of any issues of independence regarding their relationships with the Company, its Representative Director, other Directors and important employees, with reference to the Company's Standards for Independence of Outside Directors and Outside Audit & Supervisory Board Members, is an additional criterion.

Diversity

In appointing Audit & Supervisory Board Members, the Company believes that the Audit & Supervisory Board should be composed of Audit & Supervisory Board Members with diverse experiences and perspectives, in addition to the above-mentioned auditing abilities, backgrounds, and personalities.

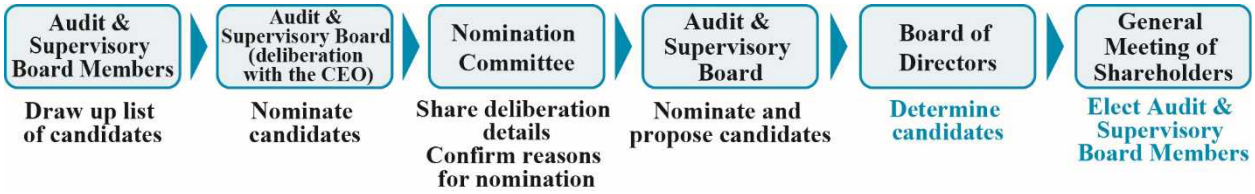
In addition, no distinction is made on the basis of race, ethnicity, gender, nationality or similar attributes, and candidates are selected based on their character and knowledge, thus ensuring diversity in such attributes.

Election Process for Audit & Supervisory Board Members

"Recommendation of candidates" and "candidate nomination/proposal" for Audit & Supervisory Board Member is conducted primarily by the Audit & Supervisory Board, in accordance with the process shown below, with an emphasis on ensuring the independence of Audit & Supervisory Board Members.

The Audit & Supervisory Board provides a list of candidates for Audit & Supervisory Board Members based on the criteria for the appointment of Audit & Supervisory Board Members, recommends candidates based on the list and in deliberation with the President and CEO as necessary, and nominates and proposes candidates after confirmation by the Nomination Committee.

The Board of Directors respects the judgment of the Audit & Supervisory Board and passes a resolution for a proposal for the appointment of Audit & Supervisory Board Members submitted to the General Meeting of Shareholders.



Standards for Independence of Outside Directors and Outside Audit & Supervisory Board Members

1. In principle, Outside Directors and Outside Audit & Supervisory Board Members of the Company should be independent from the Company and should satisfy all of the items set out below.
   (1) A person who is not a shareholder holding 10% or more of the total voting rights of the Company (a "major shareholder"), or a person who is not a director, audit and supervisory board member, accounting advisor, executive officer, executive director, corporate officer, manager or any other employee of the major shareholder of the Company.
   (2) A person who is not a director, audit and supervisory board member, accounting advisor, executive officer, executive director, corporate officer, manager or any other employee of a company of which the Ricoh Group is a major shareholder.
   (3) A person who is not a director, audit and supervisory board member, accounting advisor, executive officer, executive director, corporate officer, manager or any other employee of the Ricoh Group, or a person who was not a director, audit and supervisory board member, accounting advisor, executive officer, executive director, corporate officer, manager or any other employee of the Ricoh Group within 10 years preceding the assumption of the office of Outside Directors and Outside Audit & Supervisory Board Members.
   (4) A person of which the Ricoh Group was not a major business partner (whose sales to the Ricoh Group accounted for 2% or more of its consolidated net sales) in the immediately preceding fiscal year or any of the three fiscal years prior to such fiscal year, or a person who is not a director (excluding outside directors who are independent), executive officer, executive director, corporate officer, manager or any other employee thereof (including its parent company and subsidiaries).
   (5) A person who was not a major business partner of the Ricoh Group (to which sales of the Ricoh Group accounted for 2% or more of consolidated net sales of the Ricoh Group) in the immediately preceding fiscal year or any of the three fiscal years prior to such fiscal year, or a person who is not a director (excluding outside directors who are independent), executive officer, executive director, corporate officer, manager or any other employee thereof (including its parent company and subsidiaries).
   (6) A person who is not a consultant, certified public accountant, certified tax accountant, lawyer or any other professional who received money or other property other than executive compensation, either directly or indirectly, from the Ricoh Group in an amount of ¥10 million or more in the immediately preceding fiscal year or per year in average over the past three fiscal years.
   (7) A person who does not belong to an organization, such as a law firm, auditing firm, tax accounting firm, consulting firm or any other professional advisory firm, that received money or other property, either directly or indirectly, from the Ricoh Group in an amount equivalent to 2% or more of its total revenue in the immediately preceding fiscal year or per year in average over the past three fiscal years.
   (8) A person who is not a spouse, a relative within the second degree of kinship or a relative who lives in the same household of a person who falls under the items (1) through (7).

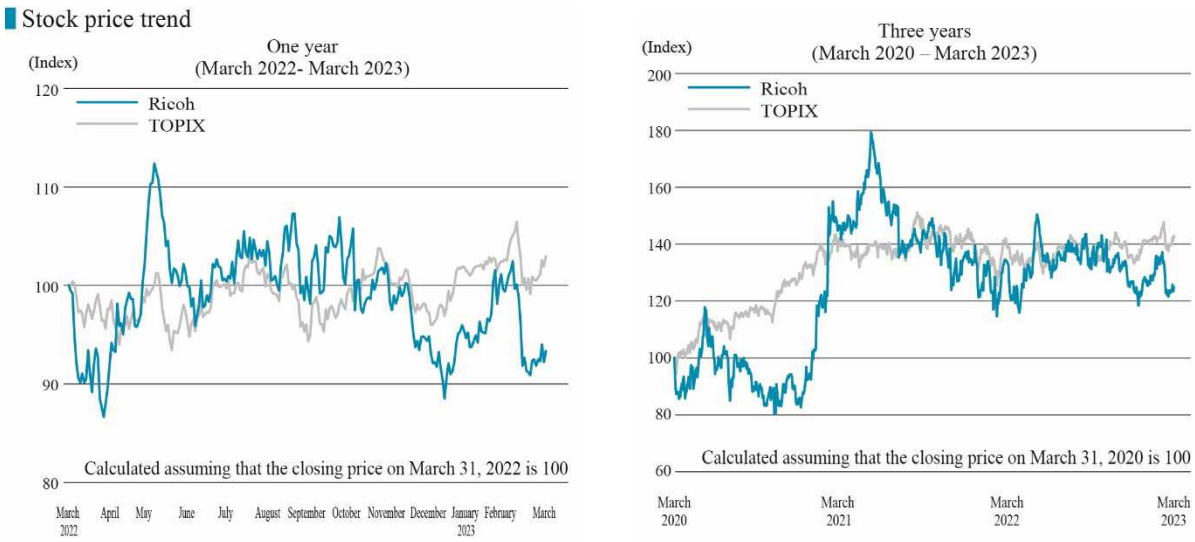
(9) A person who is not a director, audit and supervisory board member, accounting advisor, executive officer, executive director, corporate officer, manager or any other important employee of a company, its parent company or subsidiary that has directors dispatched from the Ricoh Group.

(10) A person who is unlikely to cause a substantial conflict of interests with the Company.

2. The Company may appoint a person as Outside Director or Outside Audit and Supervisory Board Member if it determines that the person is qualified for the post, even though he/she fails to satisfy any of the above items (1) and (4) through (9) in the preceding paragraph, provided that the Company explains to external parties the reason for its determination that the person qualifies for the post.

Stock price and TSR trends

At the beginning of fiscal 2022, the stock price rose due to positive reception by the capital market, including the full year results announcement on May 10, 2022 for fiscal 2021 of a dividend increase and treasury stock repurchases. However, the downward revision of the full-year operating profit forecast due mainly to the impact on production from supplies shortages announced in the second quarter results announcement (November 4, 2022), as well as the downward swing of sales of non-hardware in the office printing business and the office service business that continues to be affected by the shortage of commercial materials, caused concerns in the capital markets about a downturn in performance and the share price trended downward as a result. Subsequently, in the third quarter results announcement (February 7, 2023), an improvement in the office services business, including the growth of solution sales, which are less susceptible to the shortage of commercial products, was recognized, and the stock price broke out of its downward trend and began to rise. The stock price turned downward again after the announcement of the 21st Mid-Term Management Strategy on March 7, 2023, as the Company was unable to sufficiently persuade the capital markets about the specific paths toward medium- to long-term growth and to completely wipe away the concerns in the office printing business. As a result, stock prices underperformed TOPIX during the current fiscal year.

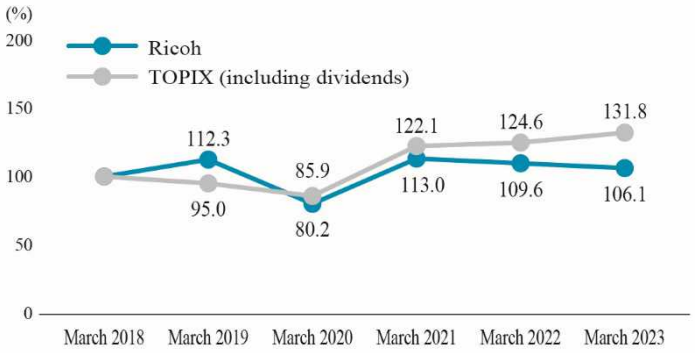


TSR* and comparative indicators for the last five years

* TSR (Total Shareholder Return) is the sum of capital gains and dividends, showing the comprehensive yield on investment for shareholders.

	RICOH	TOPIX
Mar. 2018	100.0%	100.0%
Mar. 2019	112.3%	95.0%
Mar. 2020	80.2%	85.9%
Mar. 2021	113.0%	122.1%
Mar. 2022	109.6%	124.6%
Mar. 2023	106.1%	131.8%

Notes: 1. Stock prices at the end of each fiscal year are used for calculating TSR.
2. In calculating comparative indicators, the record date of dividend-included TOPIX is set at the end of March 2018 to match the record date of the Company's TSR.



To evaluate the President and CEO and Directors, as listed on pages 63-67, we adopt TSR as one of the standards to define the level of their contribution to shareholders and evaluation of capital markets. However, to avoid the impact of sudden fluctuations in stock prices, we use TSR incorporating the average stock price (see table below).

Holding period	1 year	2 years	3 years	4 years	5 years	6 years
RICOH (incl. dividends)	95.4%	138.6%	107.0%	104.5%	113.1%	126.0%
TOPIX (incl. dividends)	101.2%	120.7%	129.9%	126.5%	128.9%	158.3%

Notes: 1. March 31, 2023 is the record date for TSR.
2. The TSR is calculated using the average of the daily dividend-included stock price for the year in order to equalize the effect of the share price at the beginning and the end of the period.

Policy for constructive engagement with shareholders

The Company engages dynamically and constructively with shareholders. We maintain a cycle in which we reflect feedback from shareholders in our activities to cultivate trust through mutual understanding. In operating based on that cycle, we endeavor to innovate and deliver value that is useful for everyone, everywhere, helping to enhance their lives and create social sustainability while increasing medium- and long-term corporate value.

Person responsible for dialogue with shareholders:
Representative Director, President and CEO

Department(s)/person(s) in charge:
Depending on the purpose of the dialogue and the number of shares held, this will be conducted by the IR/SR departments, and by the President and CEO, CFO, business unit presidents, CHRO, ESG officers, and Internal as well as Outside Directors/Audit & Supervisory Board Members.

Main dialogue opportunities:
Large and small meetings such as medium- to long-term strategy briefings, financial results briefings, and business briefings, as well as 1-on-1 individual dialogues are conducted. In addition, briefings are held at externally sponsored IR events and conferences as appropriate.

Feedback to management:
(1) After conducting large meetings such as briefings on quarterly financial results and medium- to long-term strategy briefings, we report on the reaction from the capital market based on information including the content of dialogue with shareholders and investors and analyst reports.
(2) The views on the Company obtained through dialogue with management and the IR/SR departments, as well as with the capital market through means such as a perception study survey, are shared with management and executives, with the President and CEO and CFO taking the lead in improving disclosure that leads to more constructive dialogue.
(3) We report the opinions of shareholders and investors, mainly when management engages in dialogue with them, unchanged in principle in terms of content, in order to provide feedback to management as clearly and without discrepancies as possible.

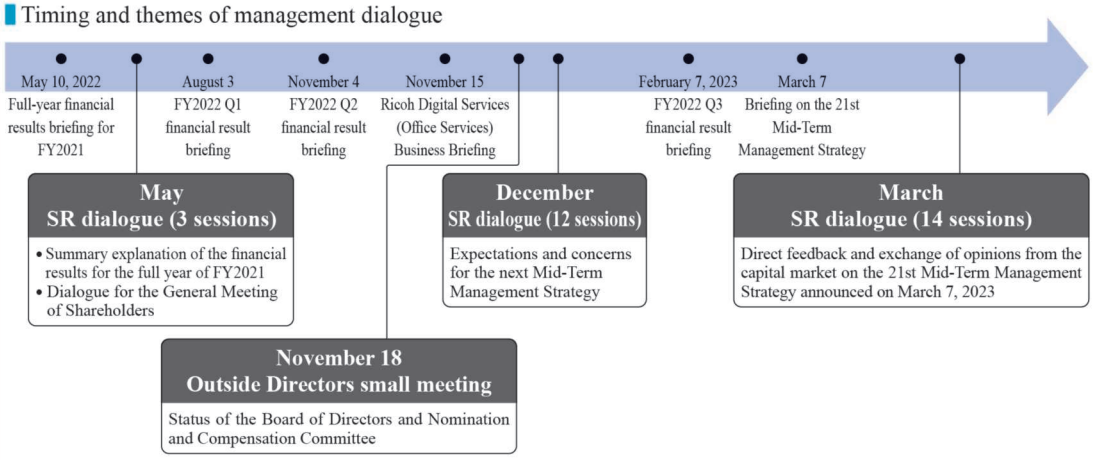
Regarding insider information:
To prevent the leak of insider information and ensure fairness in information disclosure, the Company observes a quiet period from the day following the final day of each fiscal year to the day of the annual financial results announcement.

Results of dialogue for the current fiscal year

The Company's information dissemination and dialogue results for the current fiscal year are as follows.

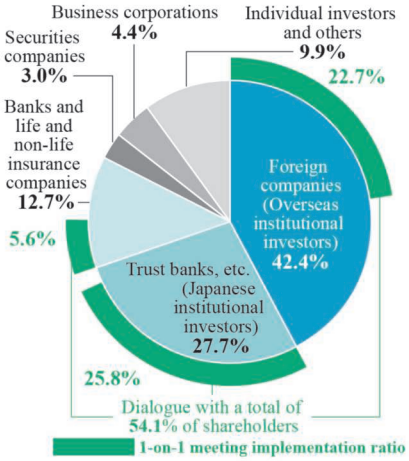
Total of 6 large meetings: (1 briefing on mid-term management strategy / 1 business briefing / 4 financial results briefings)
Total of 7 small meetings: (5 management* meetings / 1 Outside Director meeting / 1 ESG department meeting)
Total of 235 1-on-1 meetings: (38 management* meetings [9 IR/ 29 SR] / 195 IR/SR departments / 2 ESG department)
*Management: President and CEO, CFO, Outside Directors, ESG officers

Timing and themes of management dialogue



Proportion of 1-on-1 meetings conducted by management among shareholder composition

*Estimated by the Company based on the results of a shareholder identification survey commissioned to a third-party research organization that investigates beneficial shareholders from a list of shareholders



(As of March 31, 2023; based on the number of shares issued excluding treasury stock)

Key areas of improvement based on dialogue with capital market participants

Capital market feedback		Response
I would like you to show the progress of digital services not only in the Mid-Term Management Strategy briefing, but also in the financial results	→	Added explanation of progress toward digital services company in quarterly financial results briefing materials
I would like to see the progress of system strengthening (including M&A) presented in an easy-to-understand manner	→	Added explanation of companies acquired in each area by country in quarterly financial results briefing materials
I want to know about human resource strategies for transforming into a digital services company		Disclosed human capital approach and KPIs in the 21st Mid-Term Management Strategy released on March 7, 2023
I would like a more detailed explanation of the 21st Mid-Term Management Strategy announced on March 7, 2023	→	Supplemental explanation of the 21st Mid-Term Management Strategy was added to the May 8, 2023 presentation of FY2022 financial results

Business Report

(April 1, 2022 - March 31, 2023)

(The following is an unofficial English translation of the Reports for fiscal 2022 of the Company. The Company provides this translation for reference and convenience only and without any guarantee as to its accuracy or otherwise.)

A video overview of the business report is available at
https://go.ricoh/IR/gm_2023/report2023/

1. Business Condition of the Ricoh Group

(1) Status of assets and profit/loss

■ Assets and Profit/Loss of the Consolidated Ricoh Group

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Sales (billions of yen)	2,013.2	2,008.5	1,682.0	1,758.5	2,134.1
Operating profit (loss) (billions of yen)	86.8	79.0	(45.4)	40.0	78.7
Profit (loss) before income tax expenses (billions of yen)	83.9	75.8	(41.0)	44.3	81.3
Profit (loss) attributable to owners of the parent (billions of yen)	49.5	39.5	(32.7)	30.3	54.3
Earnings (loss) per share attributable to owners of the parent (yen)	68.32	54.58	(45.20)	45.35	88.13
Total assets (billions of yen)	2,725.1	2,867.6	1,887.8	1,853.2	2,149.9
Equity attributable to owners of the parent (billions of yen)	932.5	920.3	920.2	902.0	931.5

Note: The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

(2) Business Situation in Year under Review

Operating Progress and Results

Overall Conditions

Economic Climate

The global economy ebbed and flowed during the term because of factors such as the spread of the COVID-19 Omicron variant, inflation in Europe and the U.S., the implementation and end of lockdowns in China, shortages of semiconductors and parts and materials, and a subsequent moderate recovery in supply, and large fluctuations in exchange rates.

Against this backdrop, office attendance rates in our core office market remained low, amid growing acceptance of remote work and other aspects of new ways of working. Recovery in print demand was thus limited. Although there were signs of an improving trend in transport costs, an alleviation of shortages in parts and materials, and an improvement in ICT products procurement, factors such as uneasiness over corporate management in the financial industry and concerns of a recession due to tighter monetary policy in response to inflation in Europe and the U.S. led to continuing uncertainty about global business prospects.

As to the average exchange rates of major currencies, the yen depreciated significantly against both the U.S. dollar and the euro compared to last year.

Results for the Year

The Ricoh Group's goal for the two years of the 20th Mid-Term Management Plan is to transform to a digital services company that innovates work productivity.

In the year under review, which was the final year of the 20th Mid-Term Management Plan, we proceeded with autonomous business operations by each business unit under the business unit structure that we adopted in April 2021. We accelerated efforts to reinforce our structure while swiftly tackling changes in each market. We also cultivated human resources to support our drive to become a digital services company and overhauled enterprise systems, striving for transformation and aiming to achieve digital services growth by uniting our entire organization.

Consolidated sales for the term increased by 21.4% from a year earlier, to ¥2,134.1 billion. In the office printing business, shortages of parts and materials and a decline in factory operating rates due to lockdowns in China caused delays in the supply of products, but we improved supply towards the end of the term by deploying various production measures to respond to these external factors, and sales of edge devices increased. Non-hardware sales increased year-on-year, but the recovery was more moderate than anticipated. In the office services business as well, sales activities were impacted by shortages of ICT products and other factors. However, sales increased owing to factors such as the deployment of services and solutions independent of ICT products, the effect of acquisitions in Europe and the U.S., the conversion of PFU Limited ("PFU") to a consolidated subsidiary in September 2022, and the depreciation of the yen.

By region, in Japan, sales for the office printing business increased year-on-year due to an increase in sales of A3 MFPs. In the office services business, services for small and medium-sized enterprises independent of ICT products, such as services to comply with the revised Electronic Books Preservation Act, performed strongly, contributing to a rise in sales, amid the impact of delays in the supply of our products and ICT products due to shortages of parts and materials. In addition, owing to factors such as the effect of the acquisition of PFU, sales increased by 14.0% from a year earlier. Overseas, in the Americas, supply shortages of A4 MFPs and other products were alleviated towards the end of the term, leading to bulk sales including A3 MFPs, and sales of edge devices in the office printing business increased year on year. In the office services business, we strengthened our new services and solutions for existing customers of our managed services. Also thanks in part to the acquisition of Cenero LLC. ("Cenero") in the communication services domain, sales increased. Total sales in the region increased by 35.4% from a year earlier with a recovery in sales of both hardware and non-hardware, which was boosted by the depreciation of the yen. In Europe, the Middle East, and Africa, supply shortages for products such as A4 MFPs in the office printing business were alleviated and sales of edge devices increased. Non-hardware also recovered from the previous term, and sales grew. The office services business continued to perform strongly thanks to the effect of acquisitions and packaged sales. This was boosted by the depreciation of the yen, leading to a year-on-year increase in sales of 21.4%. In other regions, sales slumped temporarily due to the impact of movement restrictions under lockdowns in China, and the subsequent spread of COVID-19 due to the change of government policies, but sales for the term grew 14.7% from a year earlier, boosted by the depreciation of the yen. As a result, overseas sales increased by 26.3% overall.

Gross profit increased by 19.7%, to ¥745.4 billion. Profit improved owing to a rise in earnings from higher sales and efforts to secure profits through pricing controls including price pass-throughs implemented at each business unit in response to rising purchasing costs due to increased commodity prices and energy costs, as well as parts and materials shortages. Profit was further boosted by continuing structural reinforcement of development and production and the depreciation of the yen.

Selling, general and administrative expenses increased by 14.6%, to ¥688.1 billion due to factors such as the acquisition of PFU and the depreciation of the yen, in addition to increase in sales and expenses associated with business growth.

Other income increased year on year. In the previous term, we recorded income including gains on U.S. subsidiary land sales. During the term under review, we went on to record a gain on sale of land in Japan.

We accordingly posted an operating profit of ¥78.7 billion, an increase of ¥38.6 billion from the previous fiscal year.

Net financial expenses increased, reflecting increases in interest expense and foreign exchange losses. The share of profit of investments accounted for using the equity method was higher, reflecting better performances among equity-method affiliates.

We recorded an ¥81.3 billion profit before income tax expenses, an increase of ¥36.9 billion from the previous fiscal year.

Income tax expenses increased by ¥11.9 billion, owing largely to the increase in profit before income tax expenses.

We therefore posted a ¥54.3 billion profit attributable to owners of the parent, an increase of ¥23.9 billion from the previous fiscal year.

Comprehensive income was ¥101.7 billion, owing largely to the profit increase above and an increase in translation adjustments for foreign operations.

Financial Position

Total assets increased by ¥296.7 billion from the end of fiscal 2021, to ¥2,149.9 billion. In addition to the acquisition of PFU, the yen depreciated from the end of the previous term, producing currency translation differences for foreign assets and boosting the amount of total assets. After excluding the foreign exchange impact, total assets increased by ¥221.0 billion.

Trade and other receivables rose by ¥79.2 billion, mainly due to the increase in sales towards the end of the term under review. Inventories rose by ¥81.8 billion due to factors such as an increase in sales inventories, the securing of safety inventory, acquisitions, and the depreciation of the yen. Goodwill and intangible assets increased by ¥106.9 billion on the acquisition of PFU and service business companies in Europe and the U.S., as well as the depreciation of the yen and other factors.

Total liabilities were up ¥244.4 billion, to ¥1,191.8 billion. Trade and other payables increased by ¥43.8 billion owing to an increase in purchases. The total of current and non-current bonds and borrowings increased by ¥127.5 billion with the procurement of funds through syndicated loans and other means.

Total equity increased by ¥52.2 billion, to ¥958.0 billion. Equity declined in line with the repurchase and retirement of ¥30.0 billion of treasury stock, implemented as a policy to enhance shareholder returns. However, as a result of the yen's depreciation, exchange differences on translation of foreign operations rose by ¥40.7 billion.

Equity attributable to owners of the parent was up ¥29.5 billion, to ¥931.5 billion. The equity ratio declined 5.4 points from the end of fiscal 2021 to 43.3%, mainly due to share repurchases and other capital policy measures, as well as new borrowings, but remained at a stable level.

Cash Flows

Net cash provided by operating activities was ¥66.7 billion, down ¥15.7 billion from the previous year. While profitability improved significantly, inventories rose and trade and other receivables increased due to an increase in sales during the fiscal year.

Net cash used in investing activities increased by ¥74.5 billion, to ¥133.9 billion, mainly due to the acquisition of PFU and other active acquisitions and investments.

We accordingly posted a negative free cash flow (net cash provided by operating activities plus net cash used in investing activities) of ¥67.2 billion, down ¥90.3 billion.

Net cash provided by financing activities was ¥35.4 billion, after a decline of ¥167.1 billion in cash used from the previous fiscal year. This was mainly due to an increase in cash provided due to borrowing and other funds procurement, despite the increase in cash used to implement ¥30.0 billion in share repurchases.

Cash and cash equivalents at the end of fiscal 2022 thus totaled ¥210.8 billion, down ¥23.1 billion.

We will systematically employ operating cash flows from business investments to invest in further growth and support shareholder returns.

■ **Consolidated Sales and Operating Profit/Loss by Category**

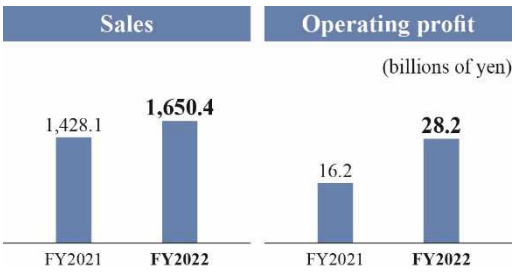
Segment	Product/Services	Fiscal 2022 (billions of yen)		YoY change (%)
Ricoh Digital Services	Sales of multifunctional printers, printers, digital duplicators, wide format printers, facsimile machines, scanners, personal computers, PC servers, network equipment, related supplies, customer service, support and software, document related services and solutions, etc.	Sales	1,650.4	+15.6
		Operating profit (loss)	28.2	+74.5
Ricoh Digital Products	Manufacturing and OEM* of multifunctional printers, printers, digital duplicators, wide format printers, facsimile machines, scanners, network equipment, and related supplies Manufacturing and sales of electronic components	Sales	440.3	+16.7
		Operating profit (loss)	31.5	(24.0)
Ricoh Graphic Communications	Manufacturing and sales of cut sheet printer, production printer, continuous feed printer, inkjet heads, inkjet modules, industrial printers, related supplies, customer service, support and software, etc.	Sales	234.8	+25.5
		Operating profit (loss)	14.5	-
Ricoh Industrial Solutions	Manufacturing and sales of thermal paper, thermal media, industrial optical components, modules, and precision device components, etc.	Sales	116.3	+14.0
		Operating profit (loss)	3.1	+109.4
Other	Digital cameras, 360° cameras, environment, and healthcare, etc.	Sales	127.7	+259.3
		Operating profit (loss)	(3.2)	-
Corporate and eliminations		Sales	(435.5)	-
		Operating profit (loss)	4.3	-
Total		Sales	2,134.1	+21.4
		Operating profit (loss)	78.7	+96.6

*OEM: Contract manufacturing of products branded by other companies

Note: Sales and operating profit/loss include those from external customers and intersegment transactions. Sales of PFU are recorded under Other.

Ricoh Digital Services

Sales were up 15.6% year-on-year to ¥1,650.4 billion
Operating profit was up 74.5% year-on-year to ¥28.2 billion



Business Outline

In Digital Services, we sell office imaging equipment such as MFPs and printers, in which we have leading global market shares, and consumables, to our global customer base. We also provide IT-related solutions that support customers' overall workflow reforms and work practice innovations, as well as other services to digitally resolve their management issues and enhance productivity.

In the year under review, we expanded domestic sales of solutions independent of ICT products, such as services to comply with the revised Electronic Books Preservation Act and invoicing system. We also strengthened our ability to propose solutions through training. As a result, sales of Scram series, including operation management after system installation, virtualization consolidation, and security-related services, remained strong.

In April 2022, we agreed on a business partnership with Cybozu, Inc. ("Cybozu") for Digital Services business. Based on this partnership, we proceeded to launch the RICOH kintone plus solution, the cloud-based business improvement platform jointly developed with Cybozu in October 2022. RICOH kintone plus enables collaboration between our Co-creation platform (RICOH Smart Integration) and MFPs. In December 2022, we went on to conclude a capital alliance agreement with Cybozu, and we are working towards stronger initiatives in the digital services field. By combining Cybozu's software developmental capabilities and the solution capabilities we offer, utilizing our global sales and support network, we will support customers to share information across various business activities and enhance the efficiency of their operational processes through the power of digital technology, in Japan and around the world. At the same time, we will support customers' future growth and competitive strength and contribute to DX for "work," for the future of companies and organizations.

In March 2023, we launched the RICOH HANDY PLASTIC SENSOR B150, a compact and lightweight handy sensor that can easily identify plastic resin materials. This sensor was developed to facilitate the sorting of plastics, thus promoting recycling. It is light, compact, and easy to carry and operate, even for first-time users, and can distinguish between 13 major types of plastic materials. In addition, up to 100 additional types of other plastics can be registered in the sensor. We are offering this new product to customers involved in plastic recycling such as waste plastic dischargers and intermediate processing companies. By promoting more efficient sorting processes, which have been an obstacle to efforts to encourage materials recycling, this sensor contributes to achieving a circular economy.

In the Americas, sales of security-related services continued to be robust. We completed the acquisition of the U.S. company Cenero, which provides communications services, and progressively strengthened our proposal capabilities in the office services business.

We succeeded in growing net sales in Europe through the sale of packaged solutions and by generating synergies with acquired IT service companies. We acquired Pure AV in the United Kingdom, AVC in Denmark, and Corelia SAS in France, proceeded with the training of internal systems engineers and sales staff responsible for the office services business, strengthened the foundation of the office services business, and enhanced our sales and support structures.

Digital Services sales increased by 15.6% to ¥1,650.4 billion. The office services business continued to grow, despite the impact of shortages in ICT products on sales activities and the sales of related services. In the office printing business, while we were affected by production delays due to shortage of supplies and the lockdowns in China, hardware sales increased year-on-year due to improvements in supply shortages of A4 MFPs toward

the end of the current fiscal year, and progress in delivery at the time of bulk sales including A3 MFPs. Non-hardware sales recovered at a more moderate pace than anticipated. In addition, while costs increased mainly due to ocean freight, we implemented profit improvement measures such as pricing controls including price pass-through and structural reform of maintenance services. As a result, segment operating profit increased by ¥12.0 billion to ¥28.2 billion.

Ricoh Digital Products

Sales were up 16.7% year-on-year to ¥440.3 billion
Operating profit was down 24.0% year-on-year to ¥31.5 billion

Business Outline

In Digital Products, we develop and produce (including on an original equipment manufacturing basis) office MFPs, in which we are the global market leader, as well as printers and other imaging equipment and edge devices that support digital communication.

In fiscal 2022, we worked to strengthen our range of edge devices that support digital services.

We launched the RICOH IM C6010/C5510/C4510/ C3510/C3010/C2510/C2010 full-color A3 MFPs in February 2023. These paper document digitalization devices provide value in terms of both customer DX and sustainability. Amid the progressive shift to digital order sheets and invoices due to changes in working styles and legal reform, MFPs have become edge devices, linking paper-based analogue information with digital technology. These new products are aimed at strengthening this function as an edge device, enabling users to digitalize a wide range of paper documents including small-scale originals such as name cards and receipts. By saving on resources and energy, they also reduce environmental burdens across all facets of lifecycle, contributing to reducing environmental burdens from customers' business activities.

In the field of video and audio digitalization, in June 2022 we launched the RICOH Meeting 360 V1, an all-in-one teleconferencing device incorporating a 360° camera, as an edge device to enhance the sense of presence at virtual meetings. Through its 360° camera, this device displays the entire meeting room and all participants, automatically recognizing and instantly projecting the person speaking. This makes it easy to identify the speaker and facilitates the smooth progress of the meeting.

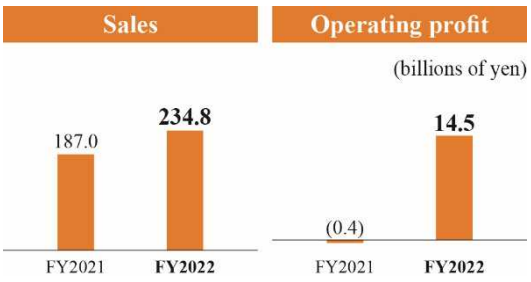
In November 2022, we launched the RICOH Portable Monitor 150BW/150, a lightweight handout display featuring a touch function. In addition to functioning as an additional display for PCs, it can be used as a communications device to distribute and view materials, instead of handing out paper copies, enabling participants to write comments and notes directly on the materials by touching, and thus promoting collaboration between participants in small face-to-face forums such as business meetings and discussions.

These edge devices enhance the efficiency of customer workflows and generate new value by coordinating with a range of applications through the Co-creation platform (RICOH Smart Integration).

Digital Products sales for the year rose by 16.7%, to ¥440.3 billion. While plant operation suffered from parts and materials shortages, together with lockdowns in China due to the spread of COVID-19 cases there, we implemented flexible production measures and sales increased year-on-year due to recovery in production. We secured profits through measures such as cost improvement activities by enhancing manufacturing structure, despite a decrease in profit margin ratio due to a temporary increase in the dispatch of A4 MFPs and a continuing rise in parts and materials prices. Operating profit was ¥31.5 billion, a year-on-year decline of ¥9.9 billion. The level of operating profit was effectively flat after excluding the one-off factors such as the gains on U.S. subsidiary land sales recorded in the previous fiscal year.

Ricoh Graphic Communications

Sales were up 25.5% year-on-year to ¥234.8 billion
Operating profit was ¥14.5 billion



Business Outline

This segment comprises the Commercial Printing and Industrial Printing businesses.

Commercial Printing Business

We provide digital printing-related products and services for high-mix, low-volume printing, mainly to our customers in the printing industry.

Industrial Printing Business

We manufacture and sell industrial inkjet printers, inkjet ink, and industrial printers for diverse applications. These include building materials, furniture, wallpaper, signage displays, and apparel fabrics.

In July 2022, we launched the RICOH IM CW2200/CW2200H/ CW1200/CW1200H wide format digital full-color MFPs in the commercial printing business. These new devices not only feature high-speed full-color and monochrome output but also significantly faster scanning speeds, greatly improving productivity in applications such as plan printing and plan data transmission, and promoting more efficient business operations. Condensing full-color copying, full-color scanning, and full-color plotting features into the most compact body size in their class,* they support on-site plan and document applications for a wide range of customers in the construction, manufacturing, and copying industries, as well as government bodies and others.

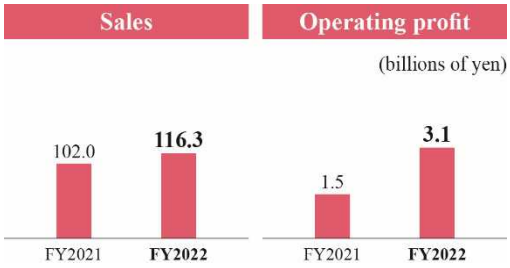
In September 2022, we launched the color management solution RICOH Auto Color Adjuster, a new solution for on-site use in the printing industry to achieve more efficient color-matching and color adjustment. Previously, on-site color-matching was a painstaking process that had to be carried out by a highly-trained person. By quantifying color quality, this new device enables efficient and objective quality control. Moreover, featuring our unique technology that enables color-matching for samples of actual images as well, it reduces the significant burden of person-dependent on-site color-matching and color management work.

Graphic Communications sales increased by 25.5% in fiscal 2022, to ¥234.8 billion. Sales in the commercial printing business increased thanks to the recovery of economic activities in Europe and the U.S. While we were affected by shortages in parts and materials, we responded to this through the market procurement of substitute parts to secure production volumes, which led to an increase in sales of production printers. Sales of non-hardware recovered to pre-pandemic levels. In the industrial printing business, sales of ink jet heads were robust, despite the impact of the slump in economic activity due to lockdowns in the key Chinese market. Although profit came under pressure from a rise in costs due to the procurement of substitute parts in the commercial printing business, operating profit increased ¥15.0 billion year-on-year to ¥14.5 billion, driven by a recovery in sales, an improvement in development, production, and services activities, as well as the effect of the depreciation of the yen.

* In terms of ground area for A0/A1 large-format colored inkjet MFPs (paper basket closed). Based on Ricoh's research (as of July 2022).

Ricoh Industrial Solutions

Sales were up 14.0% year-on-year to ¥116.3 billion
Operating profit was up 109.4% year-on-year to ¥3.1 billion



Business Outline

This segment encompasses the Thermal and Industrial Products businesses.

Thermal Business

We manufacture and sell thermal paper used for food POS labels, barcode labels, shipping labels, and other labels, and thermal transfer ribbons for printing clothing price tags, brand tags, and tickets.

Industrial Products Business

We provide precision device components and other products that employ optical and image processing technologies.

Note: The electronics business in Ricoh Industrial Solutions was reclassified into Ricoh Digital Products from the third quarter of fiscal 2022. Accordingly, results in the electronics business for fiscal 2022 have been included in those of Ricoh Digital Products.

In the thermal business, fiscal 2022 marked the adoption of our thermal printing technology, Label-free printing, for product packaging by SEVEN-ELEVEN JAPAN CO., LTD.*[1] in May 2022, followed by its adoption for product packaging by Lawson, Inc.*[2] in November 2022. Label-free printing enables direct printing onto film packaging by partially pre-coating it with our uniquely-developed thermal ink, then heating the coated area using a thermal head or laser device. The introduction of Label-free printing allows information such as product names and ingredients to be printed directly on the upper surface of packaging, thus making the paper labels previously attached to packaging redundant, and contributing to alleviating environmental burdens. It also eliminates the work of affixing paper labels and replacing ink ribbons in manufacturing processes, achieving an increase in productivity across a wide range of fields such as retail and logistics.

In the industrial products business, we launched the RICOH AGV*[3] 3000 autonomous delivery vehicle in September 2022. This vehicle is designed to transport goods of a wide variety of shapes and sizes through the narrow spaces and diverse layouts of production and logistics sites. Because it uses optical recognition to detect the delivery routes, users can cheaply create routes by using generic black plastic tape. It is also able to turn in a small radius even in tight spaces, without the need to move existing equipment. It is easily customized to fit with existing equipment, enabling it to contribute to on-site DX while controlling operational costs, without the need to significantly alter existing equipment.

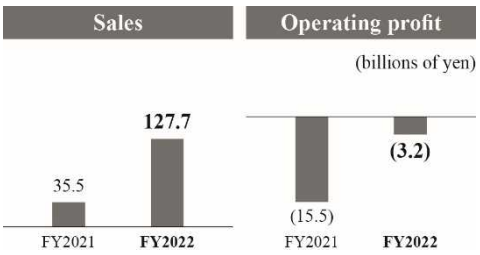
Industrial solutions sales increased by 14.0%, to ¥116.3 billion. In the thermal business, while energy and raw material prices and logistics and other costs continued to rise, we absorbed this rise through the flexible implementation of pricing controls, including price pass-through. In addition, sales expanded of linerless labels and demand grew from the logistics and distribution industries in Europe and the U.S., contributing to the sales increase. Sales declined in the industrial products business, which was affected by reduced production by automotive customers due to the lockdowns in China. Operating profit increased by ¥1.6 billion from the previous year to ¥3.1 billion, in part as the result of cost controls.

*1 Adoption for product packaging by SEVEN-ELEVEN JAPAN CO., LTD.: Approximately 1,700 stores, for a limited time

*2 Adoption for product packaging by Lawson, Inc.: Approximately 4,300 stores (as of January 31, 2023), excluding Lawson Store100
*3 AGV (automated guided vehicles): Automated transport vehicles guided by recognition of lines of tape on the floor

Other

Sales were up 259.3% year-on-year to ¥127.7 billion
Operating loss was ¥3.2 billion



Business Outline

This segment includes PFU and new businesses such as the Smart Vision.

PFU

PFU provides products and services related to ICT, such as hardware including image scanners and embedded computers, building IT infrastructure, and multi-vendor services in partnership with other companies.

New businesses

We have been expanding new business opportunities in various fields. One is our Smart Vision business that provides platform business, which brings together our 360° cameras with software and cloud services to digitalize real estate, construction, and civil engineering site work. Other examples include our business with PLAiR, a new plant-derived material that is an alternative to plastic, our biomedical business, which supports drug discovery with iPS differentiated cells and cell chips, and our medical imaging-based healthcare business, which focuses on magnetoencephalography. We are helping to resolve social issues, notably by streamlining inspection work for road surfaces, tunnels, slopes, and other infrastructure, and are creating environmental technologies and businesses. This segment also includes our digital camera-related-business, for which we have solid consumer market demand, and businesses that affiliates are expanding.

We acquired shares of PFU and made it our consolidated subsidiary in September 2022. PFU has the global No. 1 market share and customer base for commercial scanners, the entry point for the digitalization of paper documents, an application that has been accelerating in recent years. Strengthening our commercial scanner offerings will enable us to respond to special documents that are difficult to read with existing MFPs. This enables us to provide value not only in offices, but also in more specialized areas such as counter services in medical institutions and public institutions, as well as processing of various documents in back offices of financial institutions. PFU also provides cloud development and managed security services in Japan, and improves our IT management services capabilities. We are actively engaging in personnel exchange with PFU, supplementing and enhancing the areas of specialization of each company to generate synergies, and thereby accelerating our growth into a digital services company.

In the Smart Vision business, jointly with SpiderPlus & Co. (“SpiderPlus”), we launched a collaboration between our RICOH360 platform business and the SPIDERPLUS construction DX services business, with the aim of accelerating DX in the construction industry. As a business platform utilizing 360° images and video, in addition to providing SPIDERPLUS with technical information and functions associated with 360° image processing, we also worked to enhance the functions of RICOH360 in order to resolve short-term challenges based on the needs of users in the construction industry and medium- and long-term challenges in light of market trends. With SpiderPlus, we will bring together our respective insights and provide solutions more accurately tailored to the construction industry, contributing to workflow DX for our customers.

Other sales increased by 259.3%, to ¥127.7 billion in fiscal 2022 mainly due to the acquisition of PFU. We also engaged in new business creation, such as an additional investment in Elixirgen Scientific Inc. in the drug discovery support business and activities aimed at the commercialization of social infrastructure inspection services, including verification testing and new project development. We posted a ¥3.2 billion operating loss in this segment due to advance investments in new business creation in addition to the above activities. However,

this was an improvement of ¥12.2 billion compared to the previous fiscal year due to the acquisition of PFU and the profit improvement in the camera business.

(3) Our Challenges

Unchanging Commitments Amid Change

The pandemic transformed the world. It drastically altered the environment for working people, accelerating the global shift to working anytime, anywhere. At the same time, a trend has also emerged towards mandatory physical attendance at work. Faced with changing working styles, companies and the people who work there have been forced to reexamine the meaning of gathering at offices and reconsider how to exert creativity.

Two of our fundamental commitments will remain unchanged in this new environment.

First, we will stay close to our customers. Since championing office automation in 1977, we have done much to help improve the efficiency and productivity of offices. As the value of work shifts away from enhancing efficiency toward harnessing the creativity that only people can deliver, we will keep collaborating with customers to help them attain fulfillment through work.

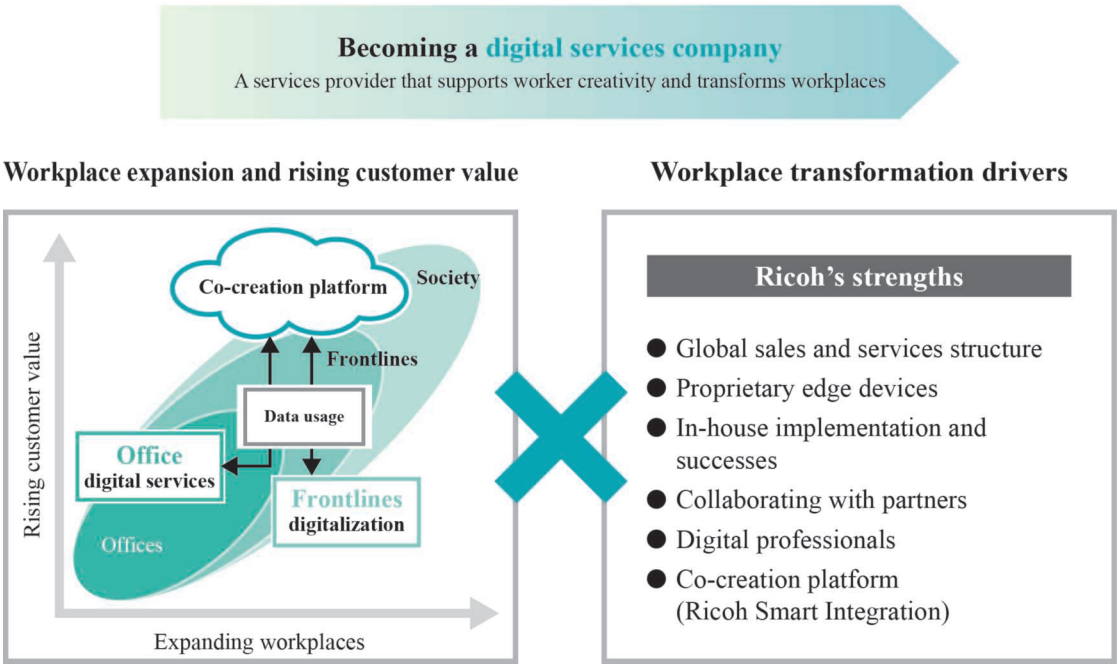
Our second commitment is to our founding principles, the Spirit of Three Loves: "Love your neighbor, Love your country, Love your work." On April 1, 2023, we revised our corporate philosophy, The Ricoh Way, to further clarify our vision, based on the Spirit of Three Loves, to be a company that stays close to our customers' work and helps them attain fulfillment through work. We have redefined "Fulfillment through Work" as our Mission & Vision. By staying close to our customers' work and continuing to bring about transformation, we aim to support them to make the most of human creativity and help build a sustainable future society.

Medium-Term Direction

In March 2023, we announced the 21st Mid-Term Management Strategy beginning from April 2023.

As our medium- to long-term goal, we aim to become a digital services company that supports workers creativity and transforms workplaces, in order to achieve our Mission & Vision of "Fulfillment through Work." We expand the range of workplaces where we provide digital services from offices, centered on the sale of MFPs, to services on frontlines and throughout society. At the same time, we will expand the customer value we provide to each workplace (office/frontline/social setting) and progressively evolve into a digital services company.

Expanding workplace and customer value by providing value as a digital services company



Future Financial (ESG) Perspectives

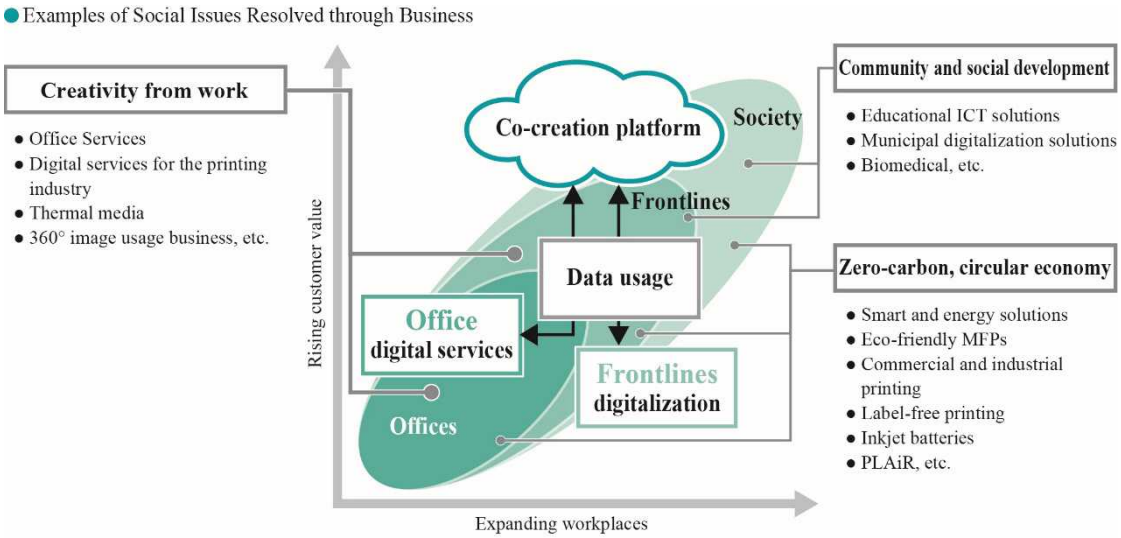
Positioning ESG initiatives as essential for generating future finances, we will undertake initiatives across the value chain to serve the growing ESG requirements of customers, shareholders and investors in keeping with a commitment to maintaining a top global reputation for sustainability and ESG.

With the launch of the 21st Mid-Term Management Strategy, we have partially redefined these material issues, and we will engage in resolving four social issues through business and take on three challenges to robust management infrastructure to support these efforts. In addition, we have set 16 future financial targets (ESG targets) linked to our seven material issues. Materiality and ESG targets are set with a view to responding to the global ESG trend and improving the execution capabilities of the management strategy, and 16 ESG targets are broken down into each business unit and functional organization.

To help resolve social issues through business, we will provide digital technologies and services to help customers achieve "Creativity from Work" and support productivity improvement and value creation. We will also continue to focus on achieving a zero-carbon society and circular economy, and combine our technological and customer contact capabilities, a Ricoh Group strength, to contribute to maintaining, developing, and streamlining community and social systems.

To establish a stronger management foundation, we will strengthen measures to address human rights issues, secure sufficient number and quality of digital professionals to become a digital services company and improve the quality of digital service-related patents.

Finally, under the 21st Mid-Term Management Strategy, we will take on the challenge of clarifying the businesses that contribute to solving social issues and their impact on our performance, and show our efforts to fuse ESG and business growth, to stakeholders in an easy-to-understand manner.

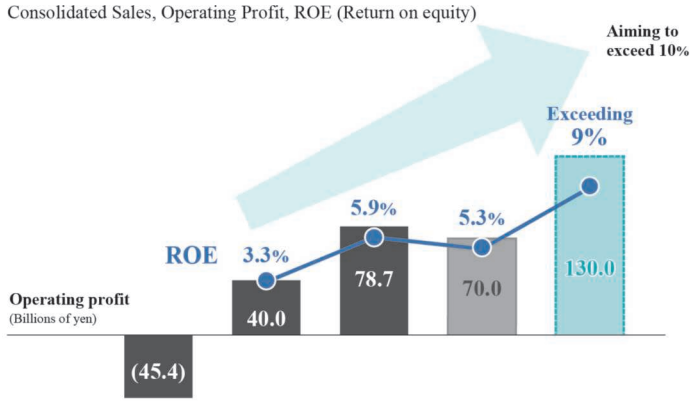


Financial Perspectives

Under the 21st Mid-Term Management Strategy, we aim to enhance corporate value by achieving growth as a digital services company through innovation from the customer perspective. Our financial targets for fiscal 2025, the final fiscal year of the 21st Mid-Term Management Strategy, are net sales of ¥2,350.0 billion, operating profit of ¥130.0 billion, and ROE of over 9%. When we announced the 20th Mid-Term Management Plan (in March 2021) we set financial targets for fiscal 2025 of operating profit of ¥150.0 billion, and ROE of over 10%. However, upon consideration of factors such as the recent unpredictable changes in the management environment and a recovery in non-hardware sales in the office printing business that is expected to be more subdued than originally anticipated, we believe that the achievement of these targets will be further in the future, and we have revised our targets for fiscal 2025. We will continue to aim for ROE of over 10%.

● 21st Mid-Term Management Strategy Financial Targets

Consolidated Sales, Operating Profit, ROE (Return on equity)



	FY2020	FY2021	FY2022	FY2023 Forecasts	**FY2025 Targets**
Sales (billions of yen)	1,682.0	1,758.5	2,134.1	2,250.0	**2,350.0**
Operating margin	—	2.3%	3.7%	3.1%	**5.5%**

At the same time, we have also revised some of the targets we have set for net sales and operating profit in each segment (business unit). With the digital office services provided by Ricoh Digital Services driving growth companywide, we will expand the growth domain of frontline digitalization to manufacturing and logistics sites and social settings. We aim to support our customers as a company that provides services wherever our customers work, and firmly establish this as a new pillar of our revenue.

● Sales & Operating Profit Targets by Segment

Segment (Business Unit)		FY2025 target: Sales (CAGR: Compound Annual Growth Rate)	FY2025 target: Operating profit (Changes from FY2022)	Main businesses
Ricoh Digital Services		1750.0 (2.0%)	60.0 (+31.7)	**Office Services Office Printing Edge devices**
Ricoh Digital Products		420.0 (-1.6%)	34.0 (+2.4)	
Ricoh Graphic Communications		280.0 (6.0%)	18.0 (+3.4)	**Commercial Printing Industrial Printing**
Ricoh Industrial Solutions		160.0 (11.2%)	12.0 (+8.8)	**Thermal Products, industrial equipment, etc.**
Ricoh Futures	Others + Companywide and elimination	-260.0	6.0 (+4.8)	**Smart Vision, PLAiR*1, etc.**
Group Headquarters				
	Total	2,350.0 (3.3%)	130.0 (+51.2)	

*1 PLAiR: A new material that is plant-derived and biodegradable and is an alternative to plastics

We have also established four key performance indicators (KPIs) and targets for fiscal 2025 to manage the progress of our transformation into a digital services company. The first is to generate more than 60% of sales from digital services as we attempt to transform our business portfolio, shifting our focus to the growth area of digital services. The second is to increase recurring revenue business earnings by 18% (compared to fiscal 2022) as we transform the business model and boost profitability, enhancing our business model to continually generate returns. The third is to raise the proportion of recurring revenue business earnings generated from areas outside the office printing business to 54%. Finally, our fourth KPI is to increase profitability per employee by 70% (compared to fiscal 2022) as we aim to maximize human capital potential, reallocating human capital to growth areas by reskilling[*2] and enhancing organizational productivity.

*2 Reskilling: Initiatives by existing employees to acquire new qualifications and skills

● Main Key Performance Indicators for Boosting Earnings

Companywide initiatives	Direction		FY2025 targets for four main key performance indicators (Target compared with FY2022 figures)
Reform business portfolio	Shift to digital services growth areas	▶	**1. Generate more than 60% of sales from digital services**
Transform business model and boost profitability	Increase overall earning from recurring revenue levels and expand in non-Office Printing areas	▶	**2. Increase recurring revenue business earnings by 18%** **3. Increase recurring revenue business earnings ratio from non-Office Printing to 54%**
Maximize human capital potential	Reallocate human capital to growth areas by reskilling and lifting organizational productivity	▶	**4. Increase profitability per employee by 70%**

To achieve these financial targets, we will engage in the three basic policies of the 21st Mid-Term Management Strategy: “1. Reinforce regional strategies and evolve Group management,” “2. Build revenue sources in frontlines and social domains,” and “3. Leverage global talent.”

● Basic policies of the 21st Mid-Term Management Strategy

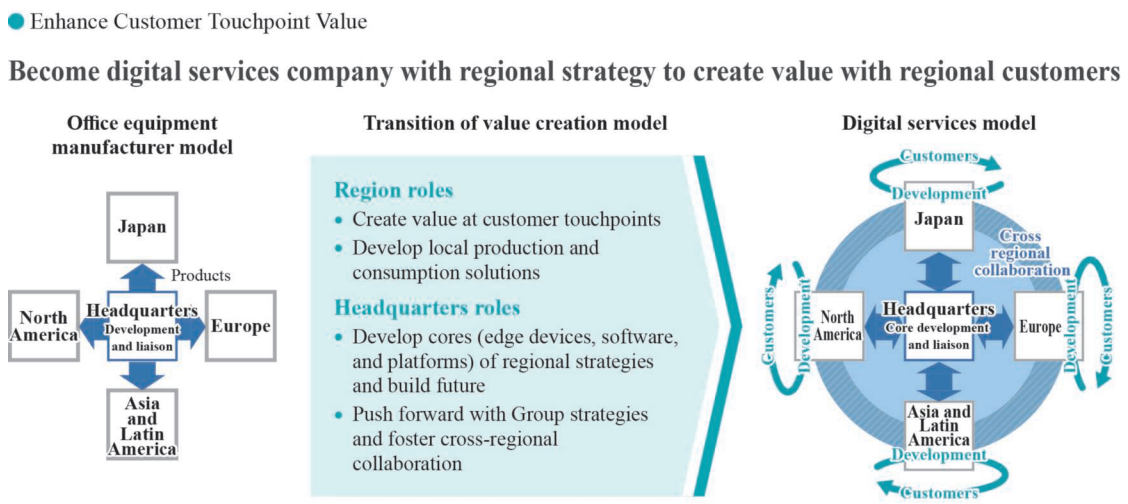
(1) Reinforce regional strategies and evolve Group management
(2) Build revenue sources in frontlines and social domains
(3) Leverage global talent

Basic Policy (1) Reinforce regional strategies and evolve Group management

Three points are key to amassing revenue from outside the office printing business and establishing a highly profitable earnings base: improving customer touchpoint value creation capabilities, leveraging synergies within the Ricoh Group, and being able to tackle business climate changes in order to achieve continuous improvement of revenue.

We have businesses spanning regions around the globe, in Japan, Europe, the U.S., Asia, Latin America, and elsewhere. Each region has different customer base, with different customer challenges and demands. In order to help customers in each region transform how they work, we must therefore strengthen our customer touchpoint functions, with a development framework based on local production and local consumption to stay close to our customers and swiftly provide them with solutions. Under the 21st Mid-Term Management Strategy, we will work to strengthen our customer touchpoint function while taking into account the attributes of customers in each region and our existing organizational capabilities, to strengthen our frameworks for value creation.

Beyond this, to fully leverage our synergies as a global corporate group, we will pursue headquarters-led efforts in building ecosystems around our Co-creation platform (RICOH Smart Integration), enhancing our proprietary software and expanding it globally, and developing and providing competitive edge devices.



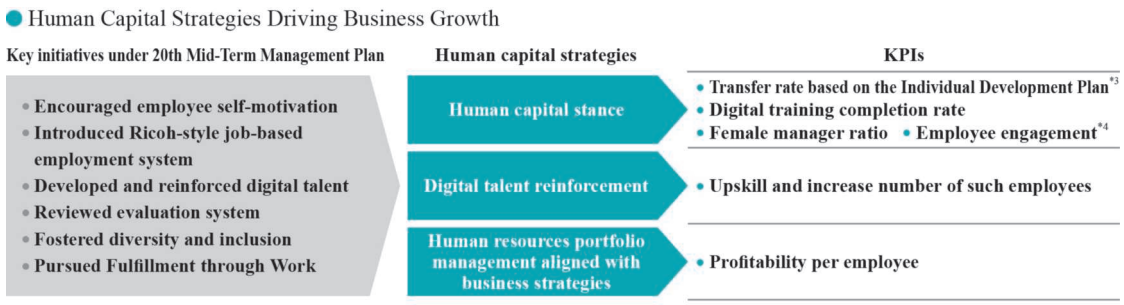
Basic Policy (2) Build revenue sources in frontlines and social domains

Our revenue is currently centered on the office domain, but we will build on our digital services and progressively expand our frontline businesses to provide value to a wider range of customers. Operations at many frontline locations, such as manufacturing and logistics sites, are still largely analog, and we hope to use our technologies to develop new businesses. We will also engage in creating businesses directly linked to resolving social issues.

Businesses that we will focus on under the 21st Mid-Term Management Strategy include commercial printing centered on customers in the printing industry, the thermal business providing solutions for printing on external packaging in the food, logistics, and other industries, and businesses that contribute to resolving social issues, such as PLAiR, a new material that contributes to reducing environmental pollution caused by waste. We will identify business domains to focus on and build a revenue pillar in the frontlines and social domains.

Basic Policy (3) Leverage global talent

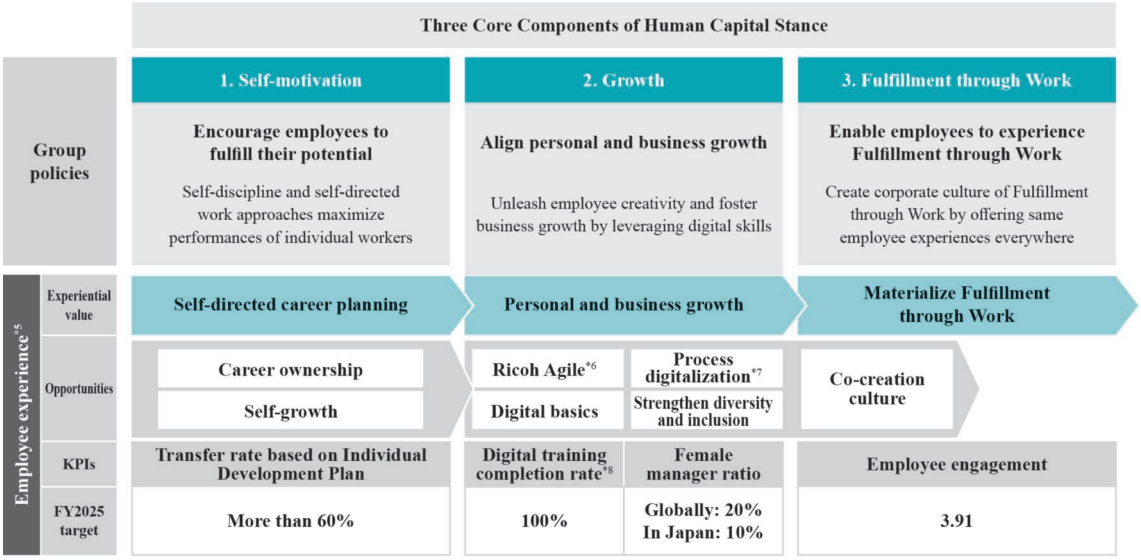
To change our business structure and expand our value proposition globally, it is vital that we leverage talent. We perceive the abilities and skills of our employees as a form of capital, and we have established a human capital strategy to actively invest in people.



*3 Transfer rate based on the Individual Development Plan: Percentage of transfers and the job changes based plan to the actual transfers
*4 Employee engagement: Degree of contribution, understanding and other factors toward company that an employee belongs to

Our human capital strategy is founded on the three components of autonomy, growth, and Fulfillment through Work. The basic approach of this strategy is to aim for both employees' Fulfillment through Work and business growth by enabling them to accumulate the experiences they gain through working at Ricoh.

Leverage employee experience components to drive personal and business growth

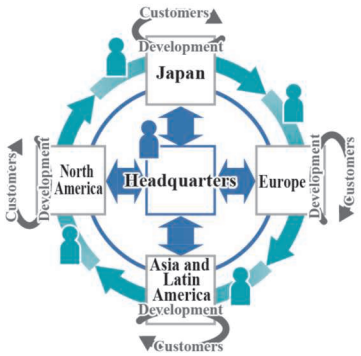


*5 Employee experience: Experience gained from Ricoh's work
*6 Ricoh Agile: In-house design thinking + agility model for organizational management
*7 Process digitalization: Redesigning work and processes with digital technology
*8 Digital training completion rate: Generic term for training programs encompassing Ricoh Agile, process digitalization, and digital basics

In addition to boosting the level of skills of the employees of the Ricoh Group, we will enhance the expertise of the digital professionals who will contribute to creating and accelerating our digital services. Under the 21st Mid-Term Management Strategy, we will strengthen our human resources capable of creating advanced services from customer contacts in each region and expanding these service models globally. We will also engage in training management personnel for the future, including measures such as the implementation of fast track digital leadership development program in digital services and the provision of experience in multiple projects globally.

● Reinforce Digital Talent to Accelerate Business Growth

Bolster leaders co-creating, collaborating, and creating digital services globally



■ **Expand pool of professionals**
Strengthen personnel pipeline for global digital business co-creation and collaboration

■ **Expand management pool**
Reinforce pipeline of managers with digital business experience

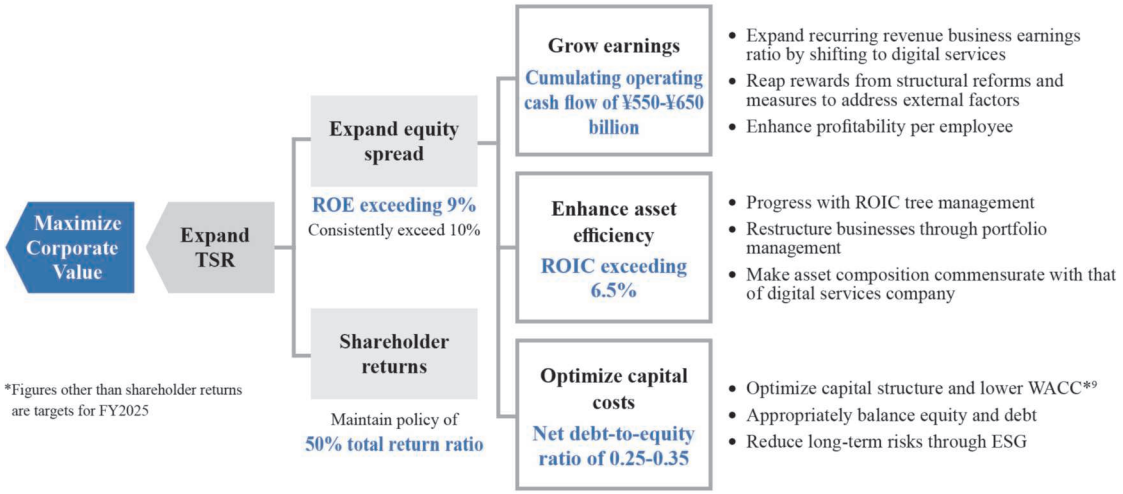
Capital Policies Supporting Growth

We aim to maximize shareholder value and corporate value while satisfying stakeholder expectations. We accordingly seek to realize returns on the capital contributed by our shareholders that exceed the cost of capital.

We will promote return on invested capital (ROIC) management and the enhancement of asset efficiency in our business portfolio management, among other measures, and strive to improve return on equity (ROE).

● Maximizing Corporate Value

Steadily expand total shareholder returns to maximize corporate value



*9 WACC: Weighted average cost of capital

To evolve into a digital services company, we will aim for an appropriate capital structure based on risk assessments and borrow to fund investments, carefully balancing debt and equity in our operations. We will use debt in such stable businesses as office printing while primarily allocating capital to growth businesses that pose relatively high risks.

Towards fiscal 2025, we will secure capital for growth based on the assumption that the business environment will remain uncertain with a capital structure that takes into account ratings and fundraising risks. From fiscal 2025 onwards, we plan to flexibly adjust the optimal capital structure, taking into account changes in the business structure associated with the new growth investment strategy in conjunction with the stabilization of businesses in the growth and investment area.

We will thus systematically use operating cash flows generated from business investments to fund further growth and shareholder returns. We have not altered our plan to invest around ¥500.0 billion in growth areas over five years (fiscal 2021 to fiscal 2025), announced in the 20th Mid-Term Management Plan, as growth investment in the drive to become a digital services company. In fiscal 2022, we acquired PFU to help transform our customers' document workflows and strengthen our IT management service functions. We also made other M&A investments in Europe and the U.S. to grow our office services business, steadily proceeding with investments for business growth. To fund investments, we will also draw on interest-bearing debt centered on operating cash flows, strategically executing investments in a well-balanced manner.

● Cash Allocations

Capital management through cash allocations (FY2021 to FY2025) (Billions of yen)

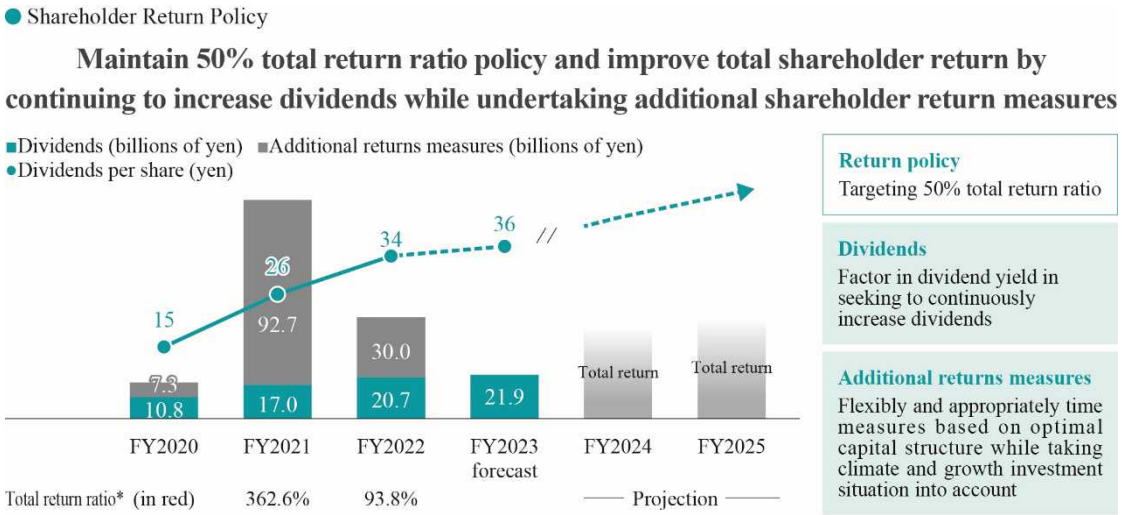
Growth investment framework and progress (Billions of yen)

	20th Mid-Term Management Plan 2 years from FY2021 to FY2022 Actual	Growth investment framework 5 years from FY2021 to FY2025 Plan
Business growth acquisitions	125	325
Robust management infrastructure	40	90
Investments to create new business domains	25	85
Total	190	500

At the financial results briefing for fiscal 2022 held on May 8, 2023, we announced that we have launched a special project to realize price book-value ratio (PBR) of over 1.0 and started its activities. By analyzing the gap between the theoretical stock value and the current evaluation, and identifying the factors that lead to PBR of under 1.0, we intend to formulate and implement action plans that lead to the improvement of corporate value, including the acceleration of the measures in the 21st Mid-Term Management Plan. We plan to cover a wide range of topics, from identifying business portfolios to capital policies.

Our shareholder return policy is to maintain a total return ratio of 50%. With the target of a total return ratio of 50%, we look to steadily lift dividends per share in line with annual profit growth, while being conscious of offering attractive dividend yields. We will also implement share repurchases and other additional return measures in a flexible and timely manner, based on our views on the optimal capital structure and factoring in the business environment and progress with growth investments to achieve an improvement in total shareholder return (TSR).

Based on this policy, we look to lift cash dividends per share by ¥2.00, to ¥36.00, in fiscal 2023.



*The Company acquired ¥100.0 billion of treasury stock during the period from March 4, 2021 to December 8, 2021. This includes ¥7.3 billion in FY2020 and ¥92.7 billion in FY2021. Together with the treasury stock acquired before March 2021, the Company canceled its treasury stock on February 28, 2022. The Company acquired ¥30.0 billion of treasury stock between May 11, 2022 and September 22, 2022 and canceled the acquired treasury stock on October 31, 2022.

Future Outlook

A moderate recovery trend emerged in business conditions during fiscal 2022, thanks to the relaxation of restrictions on movement due to COVID-19. However, the economic outlook for global business remained unclear due to factors such as continuing international tensions, rising resource prices, inflation, and the depreciation of the yen. This adverse external environment will persist in fiscal 2023. However, under the 21st Mid-Term Management Strategy, we will accelerate our transformation from an earnings structure focused on the office printing business and work to enhance profitability as a digital services company. We will also build flexible production and supply systems, raise our capacity to tackle business climate changes and establish a new pillar of earnings in frontline digital services domains.

For fiscal 2023, we forecast ¥2.25 trillion in consolidated sales and ¥50.0 billion in profit attributable to owners of the parent. While the forecast indicates a decrease in profit from the results of the current fiscal year, the decrease is mainly due to transient earnings such as sale of assets and government support generated during the current fiscal year, and the impact of one-time costs for structural reform included in the next fiscal year. With these exceptions, profits will be substantially increased. In order reliably to achieve this forecast, we will continue to promote business growth centered on digital services and transform the earnings structure by strengthening the structure.

Ricoh's approach to seven material issues and ESG targets (20th Mid-Term Management Plan Results)

Resolving social issues through business						
Materiality (Material issues)	2030 targets	Resolution of social issues and business strategies	ESG targets		Results	Efforts / Topics
			KPIs	20th Mid-Term Management Plan targets		
Creativity from Work	Contribute to "Creativity from Work" of all customers to whom we deliver value	Social issues For sustainable development, companies need to reform employees' work styles, boost productivity by using IT and increase employees' work satisfaction. Business strategies We will help customers achieve "Creativity from Work" by providing them with digital technologies and services.	(1) Top score rate[*1] in customer surveys	30% or more	Japan: 37% Europe: 20% APAC: 32% Americas: 89%	Customer surveys were used to calculate overall satisfaction of major customers in each region. The scopes and survey methods varied by region, so these scores are not inter-regional comparative scores. In Europe, the upper rating ratio (the ratio of "very satisfied" and "satisfied") is 60%. In the U.S., we earned high satisfaction rate by performing detailed follow-up through monthly meetings with Managed Service customers.
			(2) Fulfilling value proposition for customers[*2]	15%	15.5%	In fiscal 2022, we sold 82,000 Scrum packages, and cumulative sales reached 290,000 packages since their launch in fiscal 2017.
			(3) Digital specialist development	IPA[*3] ITSS L3[*4] 1.5 times	1.53 times	We raised the base level of our employees through measures such as the visualization of the skills of digital experts and the Group-wide deployment of online training courses. The number of persons with ITSS level 3 or above has increased to 2,232 from 1,459 in fiscal 2020.
QOL Enhancement	Contribute to the enhancement of social infrastructure for 30 million people	Social issues It is necessary to eliminate disparities in medical, educational, and regional services between developed and developing countries and between urban and rural areas. Business strategies We will help improve medical, educational, and regional services by utilizing the digital technologies and know-how that we have accumulated for office solutions.	(4) Number of people to whom we have contributed by improving social infrastructure	10 million people	10.01 million	We have received orders for Road Surface Inspection System from 21 municipalities. In particular, we were able to receive multiple orders for prefectural government projects, which contributed to achieving our targets.

Zero-carbon Society	- Reduce GHG emissions by 63% for scope 1 and 2, and 40% for scope 3 - Switch to 50% renewable electricity	Social issues As the impact of climate change is becoming more severe, it is necessary to enhance and speed up countermeasures. Business strategies Upholding the Science Based Target (SBT)[*5] of "1.5°C," we will work to reduce GHG emissions substantially and supply products and solutions that contribute to the decarbonization of society as a whole.	(5) GHG scope1, 2 reduction rate (vs. 2015)	30%	45.6%[*11]	In addition to energy conservation activities in Japan and overseas, through the active use of renewable energy, such as the introduction of onsite PPA, we have reduced our GHG Scope 1 and 2 emissions by 209 kt from fiscal 2015. For scope 3, we have established internal goals in procurement, logistics and usage category, and promoted reduction activities. We have reduced our GHG Scope 3 emissions by 620 kt from 2015.
			(6) GHG scope 3 reduction rate (vs. 2015)	20%	26.6%[*11]	
			(7) Renewable energy utilization rate	30%	30.3%[*11]	
Circular Economy	Ensure efficient use of resources throughout the entire value chain and achieve 60% or less of virgin material usage rate	Social issues For sustainable use of natural resources, it is necessary to foster the recycling of resources and reduce the use of new resources. Business strategies We will further enhance our 3Rs measures and reduce the use and foster the substitution of plastic materials and provide on-demand printing service, thereby helping customers make efficient use of resources.	(8) Virgin material usage rate	85% or less	84.9%[*11]	In fiscal 2020, we formulated the "Ricoh Group Plastic Policy for products" to promote the reduction of new resource usage fees for products and packaging materials. In the IMC series announced in February 2023, the recycled plastic utilization rate was 50%.

Robust management infrastructure					
Materiality (Material issues)	Demand from society and management strategies	ESG targets		Results	Efforts / Topics
		KPIs	20th Mid-Term Management Plan targets		
Stakeholder Engagement	Requests from society For the sustainable development of society, companies are required to enhance the sustainability of their entire global value chains. Management strategies We will strengthen collaboration with our business partners and build Win-Win-Win relationships between our company, business partners and society.	(9) Production sites with RBA certified	6 sites	5 sites	We acquired certification at Ricoh Industry Tohoku, Shanghai Ricoh Digital Equipment, Ricoh Manufacturing Thailand, RICOH Eco Business Development Center, and Ricoh Manufacturing China. We have decided not to acquire certification at Ricoh Industry Katsuta, for which the acquisition of certification had been planned.
		(10) Suppliers signing on RICOH Group Supplier Code of Conduct	100% signed	98% signed	We completed signing at 303 of the 309 companies.
		(11) International security standard	Bolstered security based on ISO/IEC*6 NIST	Bolstered security based on ISO/IEC NIST	Passed 11,527 out of 11,528 NIST requirements audit items. We have formulated a response plan for items that did not pass, and are working on improvements.
		(12) Evaluation scores given by each partner*7 (suppliers, distributors/dealers, development partners)	Undisclosed		
		(13) Attain top levels for primary ESG external evaluations	DJSI, CDP*8 etc.	DJSI: World Index CDP: A-list	We were selected by the DJSI World Index and acquired CDP A-list for the third consecutive year.
		(14) Selected in Digital Transformation stock (by Ministry of Economy, Trade and Industry)	Selected	Selected as DX stock 2022	The entire Ricoh Group was highly rated for its initiatives, including the direction of initiatives toward transforming into a digital services company, concrete measures to utilize AI technology and data at production sites, and new value provision to solve customer's business site issues.

Open Innovation	Requests from society For sustainable development, innovation needs to be promoted across a range of industrial sectors. Management strategies We will attribute importance to open innovation with universities, research institutes, other companies and business partners, and foster collaboration with these partners to solve social issues through efficient research and technological development as well as to create new value.	(15) Increase rate of patent ETR*9 score (vs fiscal 2020)	20%	20.1%	With the review of low-score patents based on business and technical strategies and the new acquisition of high-score patents, the rate of ETR score rose steadily from 7.4% in fiscal 2021 to 20.1% in fiscal 2022.
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, upholding the empowerment of self-motivated employees in our management policy and strive to create workplaces where employees can work with vigor.	(16) RFG*10 engagement score	50 percentile or more in each region	Japan: 54 percentile Americas: 45 percentile Europe: 38 percentile APAC: 39 percentile	KPIs were set up for each business unit and functional organization, and measures were implemented. The scores have risen in all regions from fiscal 2020. Japan 48%tile→54%tile Americas 35%tile→45%tile Europe 21%tile→38%tile APAC 31%tile→39%tile (Note) Percentile data is based on different benchmark scopes in different regions, and therefore these scores are not inter-regional comparative scores.
		(17) Female-held managerial position rate	Global: 16.5% or more (Japan: 7.0% or more)	Global: 16.3% (Japan: 6.9%)	The D&I Council, which leads the development of diversity and inclusion targets and measures, has been developed in each region. The ratio of female managers has increased from 15.1% to 16.3% globally and 5.8% to 6.9% in Japan from fiscal 2020.

*1 Top score ratio: Highest score selecting ratio

*2 Scrum-package customers ratio

*3 IPA: Information-technology Promotion Agency.

*4 ITSS: IT Skill Standard set by IPA (level 0-6)

*5 SBT (Science Based Targets): International initiatives to certify that GHG reduction targets of a company are consistent with scientific evidence

*6 ISO/IEC: International Organization for Standardization/International Electrotechnical Commission

*7 Evaluation score: Evaluation results from each partner for Ricoh.

*8 CDP: Evaluation by an international NGO working in climate change and other environmental issues.

*9 ETR (External Technology Relevance): Score indicating the number of patents cited by other companies.

*10 RFG (Ricoh Family Group): Ricoh Group

*11 To be confirmed after third-party verification in early June 2023.

Actions on Climate Change: Disclosure Based on the TCFD (Task Force on Climate-related Financial Disclosures) Framework

Please refer to the TCFD Report for more information.
https://www.ricoh.com/sustainability/report/tcfd

The Ricoh Group has defined "Zero-carbon Society" and "Circular Economy" as material social issues, and within its management strategies, it is responding to climate change as one of its management issues. From 2020, we have positioned "GHG* emission reduction targets" as one of the "ESG Targets" based on our management strategy, and we are promoting effective initiatives by linking them to the remuneration of officers and senior management. At the Board of Directors, we discuss on the themes of ESG challenges including climate change and under the supervision of the ESG Committee, chaired by the President and CEO, we will identify the risks and opportunities related to climate change and continue to work mitigate and adapt to climate change. In particular, we will strive to reduce risks by formulating and implementing a risk management plan and a business continuity plan (BCP) in response to natural disasters, which are becoming more and more severe. In addition, we are contributing to the creation of a decarbonized society throughout the entire value chain by improving the energy efficiency of our products and collaborating with our business partners and customers.

* GHG: Greenhouse Gas

Measures for addressing climate change and progress made in fiscal 2022

Governance	- The Board of Directors and CEO-chaired ESG Committee established to ensure management-level supervision for climate change-related activities - The ESG Committee discusses proposals for decarbonization roadmaps, confirms progress toward environmental goals, and decides on investments in decarbonization-related projects - The Group's climate change action plans approved by the ESG Committee and implemented under the leadership of the ESG Management Division - Introduction of an ESG-linked executive remuneration system for executives and management that varies depending on the degree of achievement of the "GHG reduction target"	
	Status of fiscal 2022 initiatives	- Deliberated and decided on the following matters at the ESG Committee meetings (held four times) [see page 47] <Issues discussed by the ESG Committee> - Approved ESG targets (decarbonization, circular economy) - Approved decarbonization roadmap and initiatives - Fiscal 2023 renewable energy introduction plans
Strategies	- Contribution to SDGs given priority in formulating a Mid-Term Management Strategy - "Zero-carbon Society" included in material issues. Manage specific numeric targets as ESG targets - Risks and opportunities identified through scenario analysis at ESG Committee meetings	
	Status of fiscal 2022 initiatives	- Implement measures aligned with decarbonization roadmap (renewable energy comprehensive evaluation system, achieve RE100* at main sites, etc.) - Progress in activities for decarbonization and customer appeal - Concluded VPPA (Virtual Power Purchase Agreement) * RE100: An international initiative aiming for 100% conversion to renewable energy
Risk management	- The Risk Management Committee established to manage major focus managerial risks, which are risks that can significantly affect business performance categorized into two groups: strategic risks and operational risks - Categorize risk levels based on financial impact, urgency, and risk management level, and prioritize the order of measures to address them	
	Status of fiscal 2022 initiatives	- Documentation of initial response, reporting procedure, roles of each response division in the event of an emergency - Preparation of BCP (business continuity plan) for each region and business, such as implementation of regular facilities inspections and disaster prevention training - Flooding risk investigation for key domestic sites and implementation of risk countermeasures for high-risk sites

Indicators and goals

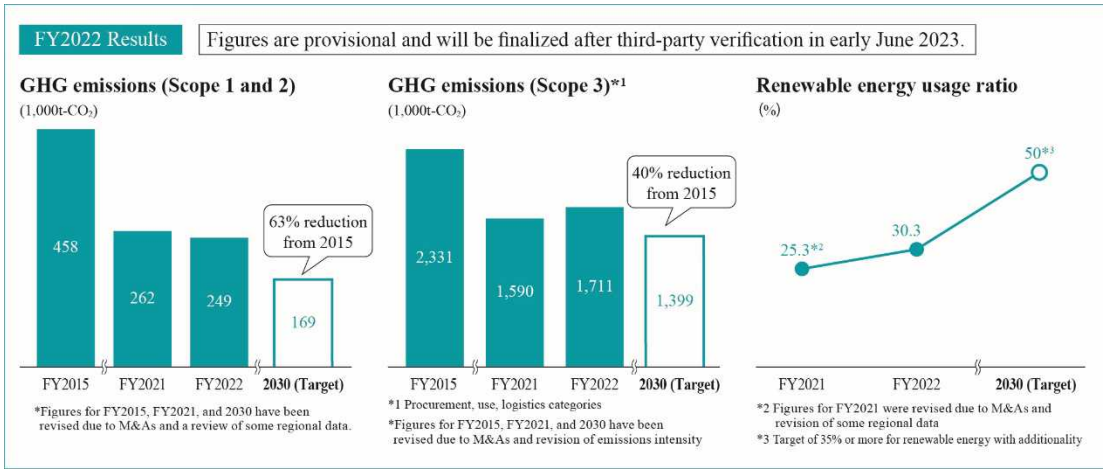
The Ricoh Group has set long-term environmental goals to achieve zero GHG emissions across the entire value chain by 2050. We have also set a high level GHG emission reduction target of 63% reduction for scope 1 and 2 and 40% reduction for scope 3 (procurement, use and logistics categories) in 2030 (each compared to 2015 levels), which has been validated by SBTi, an international climate change initiative, as a 1.5°C level. To achieve this target, the Ricoh Group is promoting thorough energy-saving activities and active use of renewable energy sources. In addition, we became the first Japanese company to participate in RE100 to promote the active use of renewable energy, and in March 2021, we raised our 2030 target for renewable energy use rate to 50%.

The Ricoh Group's environmental goals (decarbonization)

2030 goals
- GHG scope 1 and 2*: 63% reduction vs 2015
- GHG scope 3*: 40% reduction vs 2015 (procurement, logistics and usage category)
- Switch 50% of electricity used in business operations to renewable energy

2050 goals
- Achieve zero GHG emissions across the entire value chain
- Switch 100% of electricity used in business operations to renewable energy

* GHG scope 1, 2, 3
  - GHG scope 1: GHG directly emitted by the Ricoh Group factories, offices, vehicles, etc.
  - GHG scope 2: GHG produced by heat/power purchased by the Ricoh Group
  - GHG scope 3: Supply chain emissions from corporate activities (excluding GHG scope 1 and 2)



Recognition of climate change risks and opportunities

We evaluate the financial impact and urgency of individual risks through scenario analysis. In this evaluation, the impact and urgency are indicated in specific amounts and years for the impact to take place in full-scale with greater than 50% probability of occurrence by comparing the results of scenario analysis with the company-wide risk management framework.

On the other hand, we recognize that climate change not only leads to business risks, but also to opportunities to increase the value of providing products and services as well as corporate value.

Climate change risks

Impact of climate change on the Ricoh Group			Impact	Urgency
Transition risks	Transition risk 1 (2°C /1.5°C scenario*1) Carbon taxes and emissions trading systems applied to suppliers	- Carbon pricing (carbon tax/emissions trading) will be applied to all suppliers and the price will be passed on to raw materials, resulting in higher procurement costs. - Impact of carbon pricing (carbon tax/emissions trading) on the Ricoh Group is minimal (Implement systematic reduction of GHG under the SBT of 1.5°C)	Below ¥1.0 billion	Within 5 years
	Transition risk 2 (2°C /1.5°C scenario) Response to accelerated transition to decarbonized society by consumers and investors	- Due to demand for achieving the target of 1.5°C and RE100 ahead of schedule, additional costs for implementing measures such as energy saving/renewable energy facility investment and switching to renewable energy are incurred	Below ¥1.0 billion	Within 5 years
Physical risks	Physical risk 1 (4°C scenario*2) Rapid increase of natural disasters	- Due to climate change, the severity of weather has become more extreme, causing production stops and sales opportunity losses due to disruption of the supply chain, etc. as a result of greater than expected storms and rain damages to Group production sites and suppliers	Up to ¥20.0 billion	Within 5 years
	Physical risk 2 (4°C scenario) Regional epidemics of infectious diseases	- Impact on production plans due to parts supply disruption - Insufficient inventory due to lower operating rates at production sites - Decrease in sales opportunities due to difficulty of face-to-face business	Up to ¥20.0 billion	Within 10 years
	Physical risk 3 (4°C scenario) Declining forest resources	- Forest damage such as forest fires and increase of pests due to global warming results in deterioration of stable supply of paper raw materials and leads to a rise in paper procurement costs	Below ¥1.0 billion	Within 10 years

*1 2°C /1.5°C scenario: a scenario where the global average temperature increase is below 2°C by 2100

*2 4°C scenario: a scenario where the global average temperature increase is 4°C by 2100

Opportunities in climate change

Areas of contribution	Overview of fiscal 2022 results	Financial effect
Contributions to climate change mitigation We will pursue thorough energy savings in our products and services that contribute to the mitigation of climate change.		Approx. ¥1,165 billion
	- Sales of products that contribute to decarbonization (environmental label certification) - Sales from negotiations involving ESG response - Sales in products and parts reuse and recycling businesses - Sales in energy saving and energy creation businesses - Contributions of new businesses (sales of eco-friendly Silicone-Top Linerless Label)	Approx. ¥1,060 billion Approx. ¥40 billion Approx. ¥30 billion Approx. ¥30 billion Approx. ¥5 billion
Contributions to climate change adaptation We will strive to develop products and services that avoid or mitigate the impact of climate change.		Approx. ¥130 billion
	- Sales of solutions that support new workstyles (Scrum package solutions and Scrum assets*1/LCAW*2) - Contributions of new businesses (sales of energy harvesting*3 products, etc.)	Approx. ¥130 billion -

*1 Scrum assets: A packaged solution for mid-sized companies sold in Japan

*2 LCAW (Leading Change at Work): A packaged solution sold in Europe

*3 Energy harvesting: Environmental power generation that generates electricity from light, heat, and vibration present in the surrounding environment

Increase in negotiations involving ESG response

In recent years, ESG demands from customers have been increasing. In particular, the ESG demands of public institutions and global companies based in Europe have been increasing worldwide. The number of business negotiations support and client interviews related to ESG handled by the Ricoh Group in fiscal 2022 rose roughly 1.3-fold in comparison to fiscal 2020. The enrichment of ESG efforts by region sales management companies and ESG initiatives are having a significant impact on the enhancement of customer relationships and contributions to business.

(4) Status of plant and equipment investment and fund procurement

(i) Plant and equipment investment

In the fiscal year under review, the Ricoh Group invested a total of ¥45.4 billion (including investments of ¥13.1 billion by the Company) in plant and equipment, mainly comprising the following.

(a) Major equipment and facility expansions completed during the fiscal year:

Not applicable

(b) Major equipment and facility expansions in progress in the fiscal year:

Expansion of automated production line for cost reduction (Atsugi Plant)

(ii) R&D activities

The Ricoh Group is committed to providing excellence to improve the quality of living and to drive sustainability as our basic management philosophy.

In its R&D activities, the Ricoh Group focused on transformation from an OA manufacturer to a digital services company as it accelerated transformation beyond COVID-19. In order to realize the Ricoh Group's mission of "Fulfillment through Work," we provide products and services that transform workplaces as a digital service company.

With the adoption of IFRSs, part of the development costs incurred by Ricoh Group has been capitalized and reported as intangible assets. Consolidated R&D expenditures were ¥107.7 billion, including the development costs which were treated as intangible assets.

(iii) Fund procurement

For the fundraising in the fiscal year under review, we borrowed money from financial institutions and issued commercial papers in order to respond to funding demands such as acquisitions.

As a result, corporate bonds and borrowings increased by ¥127.5 billion from the end of the previous fiscal year to ¥362.9 billion.

(5) Major subsidiaries

■ Major subsidiaries (as of March 31, 2023)

Name	Paid-in capital	Investment ratio (%)	Principle business
RICOH INDUSTRY CO., LTD.	100 million JPY	100.0	Production of digital service devices
RICOH JAPAN CORPORATION	2,517 million JPY	100.0	Provision of digital services combining devices, applications and maintenance
PFU Limited	15,000 million JPY	80.0	Provision of digital services combining production of devices, applications and maintenance
RICOH USA, INC.	885 million USD	100.0	Provision of digital services combining devices, applications and maintenance
RICOH EUROPE HOLDINGS PLC	27.9 million GBP	100.0	Holding company of sales in the European region
RICOH ASIA PACIFIC PTE LTD.	31 million SGD	100.0	Holding company of sales in the Asia Pacific region
RICOH ASIA INDUSTRY LTD.	180 million HKD	100.0	Provision of digital service devices for sales bases
RICOH MANUFACTURING (CHINA) LTD.	31 million USD	100.0	Production of digital service devices

Note: The percentage of total investment ratio for RICOH USA, INC., RICOH MANUFACTURING (CHINA) LTD. include voting rights of those shares held by subsidiaries.

(6) Principal offices and plants (as of March 31, 2023)

■ Major domestic offices and plants

The Company (location)	Subsidiaries (location)
Headquarters (Tokyo)	RICOH JAPAN CORPORATION (Tokyo)
Ricoh Technology Center (Kanagawa Pref.)	RICOH INDUSTRIAL SOLUTIONS INC. (Tokyo)
Yokohama Nakamachidai Office (Kanagawa Pref.)	RICOH INDUSTRY CO., LTD. (Kanagawa Pref.)
Atsugi Plant (Kanagawa Pref.)	RICOH ELEMEX CORPORATION (Aichi Pref.)
Numazu Plant (Shizuoka Pref.)	PFU Limited (Ishikawa Pref.)
Fukui Plant (Fukui Pref.)	

■ Major overseas offices and plants

Subsidiaries (location)	Subsidiaries (location)
RICOH ELECTRONICS, INC. (U.S.A.)	RICOH MANUFACTURING (CHINA) LTD. (China)
RICOH USA, INC. (U.S.A.)	SHANGHAI RICOH DIGITAL EQUIPMENT CO., LTD. (China)
RICOH INDUSTRIE FRANCE S.A.S. (France)	RICOH ASIA PACIFIC PTE LTD. (Singapore)
RICOH UK PRODUCTS LTD. (U.K.)	RICOH MANUFACTURING (THAILAND) LTD. (Thailand)
RICOH EUROPE HOLDINGS PLC (U.K.)	

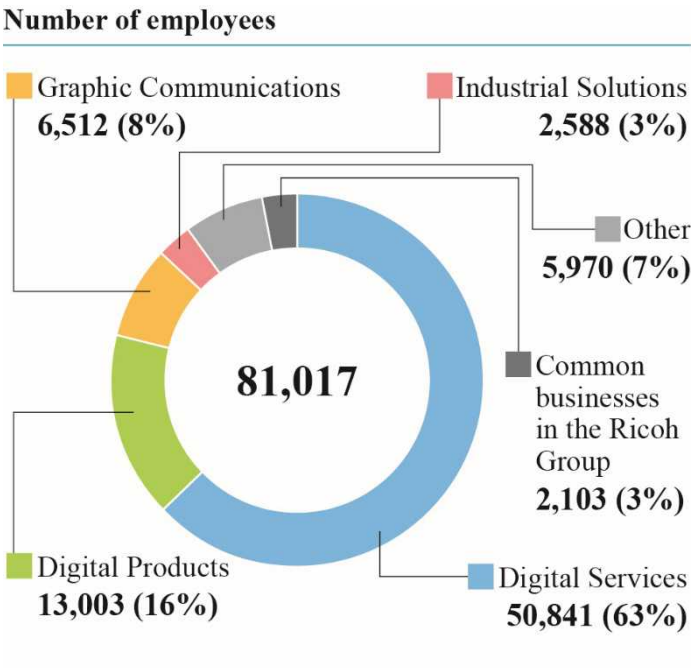
(7) Status of employees (as of March 31, 2023)

(i) Employees of the Ricoh Group

Categories	Number of employees
Digital Services	50,841
Digital Products	13,003
Graphic Communications	6,512
Industrial Solutions	2,588
Other	5,970
Common businesses in the Ricoh Group	2,103
Total	81,017
YoY change	2,657 (increase)

(ii) Employees of the Company

Categories	
Number of employees	7,470
Change from the end of the previous fiscal year	143 (decrease)
Average age	45.6
Average length of service	20.7 years



(8) Main creditors (as of March 31, 2023)

Creditors	Amounts borrowed (millions of yen)
Syndicated loans	87,687
MUFG Bank, Ltd.	67,286
Sumitomo Mitsui Trust Bank, Limited	34,572

2. Shareholders' Equity (as of March 31, 2023)

(1) Total number of shares authorized to be issued: 1,500,000,000

(2) Total number of shares issued: 609,521,978

(3) Number of shareholders: 62,403

(4) Major shareholders:

Name	The shareholders' stake in the Company	
	Thousands of shares	Percentage of ownership (%)
The Masters Trust Bank of Japan, Ltd. (Trust Account)	110,883	18.19
Custody Bank of Japan, Ltd. (Trust Account)	32,507	5.33
GOLDMAN SACHS INTERNATIONAL	30,239	4.96
Nippon Life Insurance Company	26,497	4.35
Shinsei Trust & Banking Co., Ltd. ECM MF Trust Account 8299004	21,000	3.45
BNYMSANV AS AGENT/CLIENTS LUX UCITS NON TREATY 1	16,489	2.71
Ichimura Foundation for New Technology	15,839	2.60
CGML PB CLIENT ACCOUNT/COLLATERAL	11,815	1.94
J.P. MORGAN SECURITIES PLC FOR AND ON BEHALF OF ITS CLIENTS JPMSP RE CLIENT ASSETS-SEGR ACCT	11,002	1.81
MUFG Bank, Ltd.	10,786	1.77

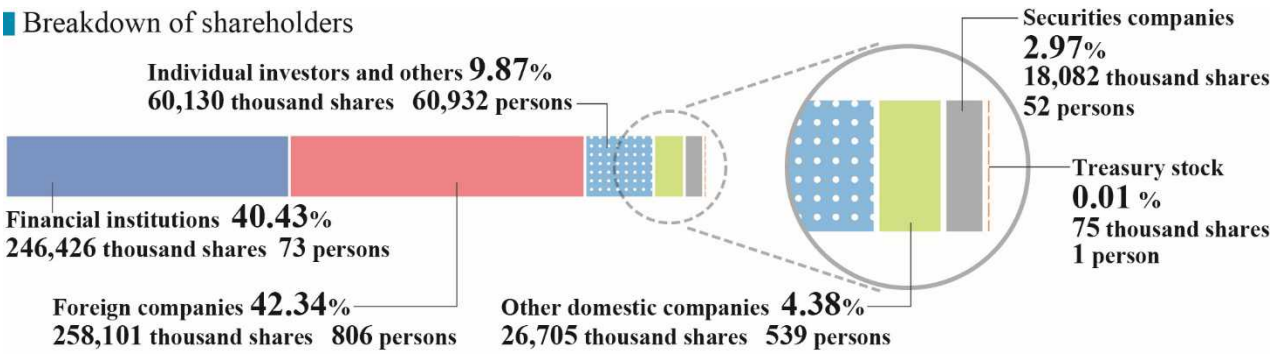
Notes:
1. The number of treasury stocks (75 thousand shares) is not included in the chart above. Treasury stocks do not include shares of the Company (371 thousand shares) held by the Board Incentive Plan trust in which beneficiaries include Directors and Executive Officers.
2. The percentage of ownership is calculated after deducting treasury stock.

(5) Status of shares issued to Directors and Executive Officers as compensation for execution of duties during the fiscal year

Position	Number of shares	Number of persons eligible
Director (excluding Outside Directors)	4,000	1

(6) Other important matters related to shares:

The Company implemented share repurchase of 27,946,200 shares of treasury stocks by the resolution of the Board of Directors meeting held on May 10, 2022, to enhance shareholder returns and to improve capital efficiency. The Company also implemented share retirement of 27,946,200 shares of treasury stocks on October 31, 2022 by the resolution of the Board of Directors meeting held on October 4, 2022.



3. Status of Corporate Officers

(1) Directors and Audit & Supervisory Board Members (as of March 31, 2023)

Position	Name	Principal duty and significant concurrent positions	
		(as of March 31, 2023)	(Reference: as of May 19, 2023)
Representative Director	Yoshinori Yamashita	CEO (Chief Executive Officer) Japan Association of Corporate Executives (Vice Chairperson)	Chairperson Japan Association of Corporate Executives (Vice Chairperson)
Director	Seiji Sakata	CTO (Chief Technology Officer)	-
Director	Akira Oyama	President of Ricoh Digital Services Business Unit Chairperson of Ricoh Japan Corporation	Representative Director CEO (Chief Executive Officer) CTO (Chief Technology Officer)
Director	Masami Iijima	Lead Independent Director Chairperson of Nomination Committee MITSUI & CO., LTD. (Counselor) SoftBank Group Corp. (Outside Director) The Bank of Japan (Counselor) Isetan Mitsukoshi Holdings Ltd. (Outside Director) Takeda Pharmaceutical Company Limited (Outside Director, Chair of the Board Meeting)	Lead Independent Director Chairperson of Nomination Committee MITSUI & CO., LTD. (Counselor) SoftBank Group Corp. (Outside Director) The Bank of Japan (Counselor) Isetan Mitsukoshi Holdings Ltd. (Outside Director) [Planned to retire in June 2023] Takeda Pharmaceutical Company Limited (Outside Director, Chair of the Board Meeting) KAJIMA CORPORATION (Outside Director) [Planned to assume office in June 2023]
Director	Mutsuko Hatano	Chairperson of the Board Department of Electrical and Electronic Engineering, School of Engineering, National University Corporation Tokyo Institute of Technology (Professor)	Chairperson of the Board Department of Electrical and Electronic Engineering, School of Engineering, National University Corporation Tokyo Institute of Technology (Professor) Marubeni Corporation (Outside Director) [Planned to assume office in June 2023]
Director	Keisuke Yokoo	Chairperson of Compensation Committee Japan Investment Corporation (President, Member of the Board & Chief Executive Officer) Sonar Advisers Inc. (Chairperson) The Dai-ichi Life Insurance Company, Limited (Outside Director) Takashimaya Company, Limited (Outside Director)	(Same as on the left)
Director	Sadafumi Tani	Nippon.com (Executive Director/ Editor in Chief) Jiji Research Institute, Ltd. (Advisor/Visiting Researcher)	(Same as on the left)

Position	Name	Principal duty and significant concurrent positions	
		(as of March 31, 2023)	(Reference: as of May 19, 2023)
Director	Kazuhiko Ishimura	National Institute of Advanced Industrial Science and Technology (President and CEO) Outside Director of Nomura Holdings, Inc. Japan Association of Corporate Executives (Vice Chairperson)	(Same as on the left)
Audit & Supervisory Board Member	Kazuhiro Tsuji	(Full-time)	(Same as on the left)
Audit & Supervisory Board Member	Shinji Sato	(Full-time)	(Same as on the left)
Audit & Supervisory Board Member	Yo Ota	Nishimura & Asahi (Partner) Nippon Kayaku Co., Ltd. (Outside Director) Japan Association of Corporate Directors (Director) Japan Association of Corporate Directors (Corporate Governance Committee) (Vice Chairperson) LOTTE Foundation (Councilor)	(Same as on the left)
Audit & Supervisory Board Member	Shoji Kobayashi	Contract Monitoring Committee, National Institute of Technology and Evaluation (Member of Contract Monitoring Committee) SAIWAI TRADING CO., LTD. (Director in charge of Control Group [Part-time])	Contract Monitoring Committee, National Institute of Technology and Evaluation (Member of Contract Monitoring Committee) [Planned to retire in June 2023] SAIWAI TRADING CO., LTD. (Director in charge of Control Group [Part-time]) [Planned to retire in June 2023]
Audit & Supervisory Board Member	Yasunobu Furukawa	Keisei Electric Railway Co., Ltd. (External Director) Saitama Resona Bank, Limited (Outside Director (Audit & Supervisory Committee Member))	Keisei Electric Railway Co., Ltd. (External Director) Saitama Resona Bank, Limited (Outside Director (Audit & Supervisory Committee Member)) [Planned to retire in June 2023]

Notes:

1. Directors Masami Iijima, Mutsuko Hatano, Keisuke Yokoo, Sadafumi Tani and Kazuhiko Ishimura are Outside Directors stipulated in Article 2, Item 15 of the Companies Act.
2. Audit & Supervisory Board Members Yo Ota, Shoji Kobayashi and Yasunobu Furukawa are Outside Audit & Supervisory Board Members stipulated in Article 2, Item 16 of the Companies Act.
3. Directors Masami Iijima, Mutsuko Hatano, Keisuke Yokoo, Sadafumi Tani and Kazuhiko Ishimura, Audit & Supervisory Board Members Yo Ota, Shoji Kobayashi and Yasunobu Furukawa are Independent Directors / Audit & Supervisory Board Members stipulated in Rule 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange.
4. Audit & Supervisory Board Member Shinji Sato has abundant experience in accounting and finance operations at domestic and overseas offices and affiliates, in addition to abundant experience serving as a president of affiliates and in internal audit operations at the Company and MITSUI & CO., LTD., where he had worked previously. He has considerable insight into finance and accounting.
5. Audit & Supervisory Board Member Yasunobu Furukawa has served as a certified public accountant and as an engagement partner at Ernst & Young ShinNihon LLC., for audits of global corporations with operations overseas, and has considerable insight into finance and accounting.

(2) Total compensation, etc. paid to Directors and Audit & Supervisory Board Members

Class	Number of recipients	Total compensation, etc. (millions of yen)	Total amount by type of compensation, etc. (millions of yen)			
			Basic compensation	Bonuses	Compensation for acquiring stock	Stock-based compensation with stock price conditions
Directors [Outside Directors]	11 [6]	380 [78]	263 [78]	74 [-]	10 [-]	32 [-]
Audit & Supervisory Board Members [Outside Audit & Supervisory Board Members]	5 [3]	93 [36]	93 [36]	-	-	-
Total	16 [9]	474 [114]	356 [114]	74 [-]	10 [-]	32 [-]

Notes:

1. The figures include compensation paid to three Directors who retired at the conclusion of the 122nd Ordinary General Meeting of Shareholders held on June 24, 2022.
2. The compensation, etc. paid to Directors excludes employee wages for Directors who are also employees.
3. The total for stock-based compensation with stock price conditions is the amount recorded as expenses during this fiscal year.

Please refer to pages 68-74 for “Matters Concerning Compensation for Directors and Audit & Supervisory Board Members, etc.”

(3) Outside Directors and Audit & Supervisory Board Members

(i) Significant concurrent jobs Outside Directors and Audit & Supervisory Board Members are engaged in at other companies, and the relationship between the Company and those other companies

Position	Name	Significant concurrent positions and relationship with the Company
Outside Director	Masami Iijima	MITSUI & CO., LTD. (Counselor) SoftBank Group Corp. (Outside Director) The Bank of Japan (Counselor) Isetan Mitsukoshi Holdings Ltd. (Outside Director) [Planned to retire in June 2023] Takeda Pharmaceutical Company Limited (Outside Director, Chair of the Board Meeting) KAJIMA CORPORATION (Outside Director) [Planned to assume office in June 2023]
		The Company has business relations with MITSUI & CO., LTD., SoftBank Group Corp., Isetan Mitsukoshi Holdings Ltd. and Takeda Pharmaceutical Company Limited, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and the relevant companies, respectively, which is considered extremely insignificant.
Outside Director	Mutsuko Hatano	Department of Electrical and Electronic Engineering, School of Engineering, National University Corporation Tokyo Institute of Technology (Professor) Marubeni Corporation (Outside Director) [Planned to assume office in June 2023]
		The Company had entered into a consignment contract with Ms. Mutsuko Hatano from April 1, 2016 to June 16, 2016, and had paid ¥1.5 million to her as commission. The purpose of this agreement was to have Ms. Mutsuko Hatano attend the Ricoh Group Technology Management Meetings to provide advice and recommendations from an outsider's point of view on the management of technology at the Company. This agreement was terminated before her appointment as the Company's Outside Director. The Company has business relations with Tokyo Institute of Technology, primarily relating to the consignment of research and development, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and Tokyo Institute of Technology, which is considered extremely insignificant.
Outside Director	Keisuke Yokoo	Japan Investment Corporation (President, Member of the Board & Chief Executive Officer) Sonar Advisers Inc. (Chairperson) The Dai-ichi Life Insurance Company, Limited (Outside Director) Takashimaya Company, Limited (Outside Director)
		The Company has business relations with The Dai-ichi Life Insurance Company, Limited and Takashimaya Company, Limited, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and the respective companies, which is considered extremely insignificant. In addition, the Company has business relations with Mizuho Securities Co., Ltd. and Nippon Suisan Kaisha, Ltd., where Mr. Keisuke Yokoo had belonged to in the past 10 years, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant.
Outside Director	Sadafumi Tani	Nippon.com (Executive Director/Editor in Chief) Jiji Research Institute, Ltd. (Advisor/Visiting Researcher)
		The Company has business relations with Jiji Press Ltd. and Quants Research Inc., where candidate Mr. Sadafumi Tani had belonged to in the past 10 years, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant.

Position	Name	Significant concurrent positions and relationship with the Company
Outside Director	Kazuhiko Ishimura	National Institute of Advanced Industrial Science and Technology (President and CEO) Nomura Holdings, Inc. (Outside Director) Japan Association of Corporate Executives (Vice Chairperson)
		The Company has business relations with National Institute of Advanced Industrial Science and Technology and Nomura Holdings, Inc., such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and the respective companies, which is considered extremely insignificant. In addition, the Company has business relations with AGC Inc., TDK Corporation and IHI Corporation, where Mr. Kazuhiko Ishimura had belonged to in the past 10 years, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant.
Outside Audit & Supervisory Board Member	Yo Ota	Nishimura & Asahi (Partner) Nippon Kayaku Co., Ltd. (Outside Director) Japan Association of Corporate Directors (Director) Japan Association of Corporate Directors (Corporate Governance Committee) (Vice Chairperson) LOTTE Foundation (Councilor)
		Nishimura & Asahi is one of the law offices to which the Company requests legal services, as appropriate, on a case by case basis. The Company has relations with this law office, such as the referral of legal matters, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and the annual transactions of the said law office, which is considered extremely insignificant. The Company has business relations with Nippon Kayaku Co., Ltd., such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and Nippon Kayaku Co., Ltd., respectively, which is considered extremely insignificant. Although the Company pays membership fees to the Japan Association of Corporate Directors, the amount paid, such as the membership fees for the fiscal year under review, totals less than 1% of the consolidated net sales of the Company and annual activity income of the said organization, which is considered extremely insignificant.
Outside Audit & Supervisory Board Member	Shoji Kobayashi	Contract Monitoring Committee, National Institute of Technology and Evaluation (Member of Contract Monitoring Committee) [Planned to retire in June 2023] SAIWAI TRADING CO., LTD. (Director in charge of Control Group [Part-time]) [Planned to retire in June 2023]
		The Company has business relations with SAIWAI TRADING CO., LTD., such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and SAIWAI TRADING CO., LTD., which is considered extremely insignificant.
Outside Audit & Supervisory Board Member	Yasunobu Furukawa	Keisei Electric Railway Co., Ltd. (External Director) Saitama Resona Bank, Limited (Outside Director, Audit & Supervisory Committee Member) [Planned to retire in June 2023]
		The Company has business relations with Keisei Electric Railway Co., Ltd. and Saitama Resona Bank, Limited, such as product sales, with the relevant transactional amounts totaling less than 1% of the consolidated net sales of the Company and each of these companies, respectively, which is considered extremely insignificant.

(ii) Major activities by Outside Directors and Audit & Supervisory Board Members

Position	Name	Main activities/ Outline of duties performed in relation to the roles expected of Outside Directors
Outside Director	Masami Iijima	Mr. Masami Iijima used his broad-ranging experience, etc. as a management executive of MITSUI & CO., LTD., which operates business globally, to make appropriate management decisions and provide management oversight. In addition, as Lead Independent Director, he has strengthened governance by collaborating with the Chairperson of the Board of Directors and led the duties of independent Outside Directors. In addition, as Chairperson of the Nomination Committee, he has also contributed to strengthening the supervisory function of the committee by leading objective discussions from an independent standpoint. As a member of the Compensation Committee, he has engaged in discussions aimed at ensuring objectivity and transparency in the process of determining executive compensation. In fiscal 2022, he also provided advice and recommendations from a multifaceted perspective when formulating the 21st Mid-Term Management Strategy, in relation to business portfolio management, ROIC management, and capital policy, along with global risk management, taking into account rapid changes in world affairs and regional characteristics. Through these efforts, he contributed to efforts to enhance the Company's corporate value. Furthermore, as the Chairperson of the Nomination Committee, he led discussions regarding the changing of the CEO and the new management structure. In small meetings with shareholders, he engaged in dialogue regarding the Company's governance reforms, CEO appointment, CEO dismissal, and other initiatives and challenges as the Lead Independent Director and the Chairperson of the Nomination Committee. In addition, he visited Company sites such as development sites and communicated with local employees, determining actual site conditions, he participated as an observer in management meetings, and he actively participated in other important meetings related to the Company's execution. Attendance rate during the fiscal year under review: Board of Directors meetings: 93% (14 out of 15) Nomination Committee meetings: 100% (13 out of 13) Compensation Committee meetings: 100% (10 out of 10)
Outside Director	Mutsuko Hatano	Ms. Mutsuko Hatano used her broad-ranging experience as a researcher and other important positions at Hitachi, Ltd., and a professor of the Department of Electrical and Electronic Engineering, School of Engineering, National University Corporation Tokyo Institute of Technology, to make appropriate management decisions and provide management oversight. In addition, as Chairperson of the Board of Directors, she steered and led the operation of the Board of Directors from a neutral position, eliciting active input from Outside Directors to produce free, lively, and constructive discussions. Furthermore, as a member of the Nomination Committee and the Compensation Committee, she has actively engaged in discussions from her independent perspective that differs from those of corporate executives, contributed to strengthening the supervisory functions of the committees, and helped ensure objectivity and transparency in the processes of nomination and determining compensation. In fiscal 2022, she also provided advice and recommendations when formulating the 21st Mid-Term Management Strategy in relation to the technologies and R&D approaches involved in transforming into a digital services company, securing advanced professional human resources, new business strategies, growth investment, and the like. Through these efforts, she contributed to efforts to enhance the Company's corporate value. In small meetings with shareholders, she engaged in dialogue regarding the effectiveness of the Board of Directors, personnel strategies, diversity, and other matters and challenges as the Chairperson of the Board of Directors. In addition, she visited Company sites such as development sites and communicated with local employees, determining actual site conditions, she participated in the Company's technology management advisory committee meetings, and she actively participated in other important meetings related to the Company's execution. Attendance rate during the fiscal year under review: Board of Directors meetings: 100% (15 out of 15) Nomination Committee meetings: 100% (13 out of 13) Compensation Committee meetings: 100% (10 out of 10)

Position	Name	Main activities/ Outline of duties performed in relation to the roles expected of Outside Directors
Outside Director	Keisuke Yokoo	Mr. Keisuke Yokoo used his broad-ranging experience over many years in finance and capital markets together with his broad-ranging knowledge and insights regarding finance to make appropriate management decisions and provide management oversight from a shareholder and investor perspective. Furthermore, as the Chairperson of the Compensation Committee, he has led objective discussions from an independent perspective based on his experience as a top corporate executive and he has contributed to strengthening the supervisory functions and ensuring transparency in the process of determining compensation. As a member of the Nomination Committee, he has engaged in discussions aimed at ensuring the objectivity and transparency of the nomination process. In fiscal 2022, he also provided advice and recommendations when formulating the 21st Mid-Term Management Strategy in relation to corporate finance, communication with capital markets, capital policy, growth investment, and other areas. Through these efforts, he contributed to efforts to enhance the Company's corporate value. Furthermore, as the Chairperson of the Compensation Committee, he led discussions regarding increasing the ratio of stock compensation, the revision of ESG targets, and other matters. In small meetings with shareholders, he engaged in dialogue regarding the Company's compensation system, accounting, finances, and other initiatives and challenges as the Chairperson of the Compensation Committee. In addition, he visited Company sites such as production sites and communicated with local employees, determining actual site conditions, he participated as an observer in management meetings, and he actively participated in other important meetings related to the Company's execution. Attendance rate during the fiscal year under review: Board of Directors meetings: 100% (15 out of 15) Nomination Committee meetings: 100% (13 out of 13) Compensation Committee meetings: 100% (10 out of 10)
Outside Director	Sadafumi Tani	Mr. Sadafumi Tani used his broad-ranging experience and knowledge over many years as an economic reporter regarding global economy and social issues, to make appropriate management decisions and provide management oversight. Furthermore, as a member of the Compensation Committee, he has actively engaged in discussions from an independent perspective based on his experience as a corporate manager, contributed to strengthening the supervisory functions and ensuring objectivity and transparency in the processes of determining compensation. In fiscal 2022, he also provided advice and recommendations when formulating the 21st Mid-Term Management Strategy in relation to communication with capital markets, information dissemination, human resource strategy, growth investment, and other areas. Through these efforts, he contributed to efforts to enhance the Company's corporate value. In addition, he visited Company sites such as production and R&D sites and communicated with local employees, determining actual site conditions, he participated as an observer in management meetings, and he actively participated in other important meetings related to the Company's execution. Attendance rate during the fiscal year under review: Board of Directors meetings: 100% (15 out of 15) Compensation Committee meetings: 100% (10 out of 10)
Outside Director	Kazuhiko Ishimura	Mr. Kazuhiko Ishimura used his broad-ranging experience as a management executive of AGC Inc. and his knowledge and insight as Chairperson of the National Institute of Advanced Industrial Science and Technology (AIST) to make appropriate management decisions and provide management oversight by providing advice and recommendations. In addition, as a member of the Nomination Committee, he has actively engaged in discussions from an independent standpoint based on his experience at the top management of a company, thereby contributing to strengthening the supervisory function and ensuring objectivity and transparency in the nomination process. In fiscal 2022, he also provided advice and recommendations from multifaceted perspectives, when formulating the 21st Mid-Term Management Strategy in relation to improving capital profitability, organization and governance, growth investment, and human resource strategy, and other areas. Through these efforts, he contributed to efforts to enhance the Company's corporate value. In addition, he visited Company sites such as production sites and communicated with local employees, determining actual site conditions, he has actively worked to understand our business through communication with key executive divisions. Attendance rate during the fiscal year under review (since taking office upon election): Board of Directors meetings: 100% (12 out of 12) Nomination Committee meetings: 91% (10 out of 11)

Position	Name	Main activities/
Outside Audit & Supervisory Board Member	Yo Ota	Mr. Yo Ota actively made comments at the Audit & Supervisory Board and the Board of Directors based on his extensive track records from his many years of experience as an attorney practicing all areas of corporate law, including M&As, corporate governance, and compliance, and his extensive experience as a specialist in corporate governance. He also attended Nomination Committee meetings as an observer and contributed to ensuring the transparency in the nomination process. During the fiscal year under review, in addition to the above activities, he also participated in audits of divisions in fields of particular focus in relation to his areas of expertise or importance, and provided advice and recommendations. He also actively engaged in discussions at meetings such as periodic meetings with the Chairperson of the Board of Directors, Lead Independent Directors and the Representative Director, governance review meetings, and outside executive meetings and frankly shared his opinions from a professional perspective. Attendance rate during the fiscal year under review: Board of Directors meetings: 100% (15 out of 15) Audit & Supervisory Board meetings: 86% (12 out of 14) Nomination Committee meetings*: 100% (2 out of 2) * As an observer
Outside Audit & Supervisory Board Member	Shoji Kobayashi	Mr. Shoji Kobayashi actively made comments at the Audit & Supervisory Board and the Board of Directors from an objective perspective based on his extensive experience gained through many years in development and business management while serving in important positions at Kao Corporation, such as General Manager of a business division and Executive Officer, as well as his deep insight into the management and governance of a global corporation, acquired as a full-time Audit & Supervisory Board Member of Kao Corporation, and his broad knowledge regarding all aspects of technology. He also attended Nomination and Compensation Committee meetings as an observer and contributed to ensuring the transparency in the process of determining nomination and compensation. During the fiscal year under review, in addition to the above activities, he also attended numerous audits of business units and Group headquarters organizations, subsidiaries, etc., and provided advice and recommendations from a wide range of perspectives, including technical and business operations, as well as ESG and employee engagement. He also actively engaged in discussions at meetings such as periodic meetings with the Chairperson of the Board of Directors, Lead Independent Directors and the Representative Director, governance review meetings, and outside executive meetings and frankly shared his opinions from a professional perspective. Attendance rate during the fiscal year under review: Board of Directors meetings: 100% (15 out of 15) Audit & Supervisory Board meetings: 100% (14 out of 14) Nomination Committee meetings*: 100% (11 out of 11) *As an observer Compensation Committee meetings*: 100% (2 out of 2) *As an observer
Outside Audit & Supervisory Board Member	Yasunobu Furukawa	Mr. Yasunobu Furukawa actively made comments at the Audit & Supervisory Board and the Board of Directors based on his many years of experience as a certified public accountant and as an engagement partner for audits of global corporations with operations overseas at Ernst & Young ShinNihon LLC., and on his extensive insight and experience in corporate management as an outside director, audit committee member, and outside audit & supervisory board member for other companies. He also attended Compensation Committee meetings as an observer and contributed to ensuring the transparency in the process of determining compensation. During the fiscal year under review, in addition to the above activities, he also participated in audits of divisions in fields of particular focus in relation to his areas of expertise or importance, and provided advice and recommendations. In addition, he was particularly active in asking questions of and communicating with the Independent Auditor, when receiving reports from them. He also actively engaged in discussions at meetings such as periodic meetings with the Chairperson of the Board of Directors, Lead Independent Directors and the Representative Director, governance review meetings, and outside executive meetings and frankly shared his opinions from a professional perspective. Attendance rate during the fiscal year under review: Board of Directors meetings: 100% (15 out of 15) Audit & Supervisory Board meetings: 100% (14 out of 14) Compensation Committee meetings*: 100% (8 out of 8) *As an observer

(iii) Outline of liability limitation contracts

The Company amended its Articles of Incorporation regarding liability limitation contracts at the 115th Ordinary General Meeting of Shareholders on June 19, 2015, establishing the provision of contracts to limit liabilities of Directors (excluding Executive Directors) and Audit & Supervisory Board Members.

The outline of liability limitation contracts, which the Company concluded only with Outside Directors and Outside Audit & Supervisory Board Members in accordance with the revised Articles of Incorporation, is as follows.

(a) Liability limitation contracts with Outside Directors

Under such contracts, the maximum liability of Outside Directors shall be the higher of either of ¥10.00 million or a minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

(b) Liability limitation contracts with Outside Audit & Supervisory Board Members

Under such contracts, the maximum liability of Outside Audit & Supervisory Board Members shall be the higher of either of ¥5.00 million or a minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.

(iv) Outline of directors and officers liability insurance contracts

The Company has entered into a directors and officers liability insurance contract pursuant to Article 430-3, Paragraph 1 of the Companies Act with an insurance company, to insure officers of the Ricoh Group (Directors, Audit & Supervisory Board Members, Executive Officers, etc.), with all insurance premiums at its expense. The insurance contract covers damages and litigation expenses arising from claims made to insured officers during the insurance period as a result of their actions in their capacity as an officer. However, certain damages are not covered by the insurance, including those arising from an action of the insured officer taken with the knowledge that it violates laws and regulations.

4. Independent auditor

(1) Name: Deloitte Touche Tohmatsu LLC

(2) Audit Fee, etc.:

	Amount to be paid
Audit Fee, etc. to be paid to the independent auditor by the Company	¥284 million
Total sum of audit fee, etc. to be paid to the independent auditor by the Company and its subsidiaries	¥417 million

Notes:

1. In the audit contract signed between the Company and the independent auditor, there is no classification between fee for audit services pursuant to the Companies Act and that in accordance with the Financial Instruments and Exchange Law. Accordingly, the above "Audit Fee, etc. to be paid to the independent auditor by the Company" represent the sum of these fees.
2. Among the Company's major subsidiaries, RICOH USA, INC., RICOH EUROPE HOLDINGS PLC, RICOH ASIA PACIFIC PTE LTD., RICOH ASIA INDUSTRY LTD., RICOH MANUFACTURING (CHINA) LTD., are audited by a network firm in which Deloitte Touche Tohmatsu LLC belongs.
3. The Audit & Supervisory Board conducted necessary verifications to determine whether the details of the audit plan for auditing by the independent auditor, the state of execution of accounting audit duties, and the calculation basis for audit fee estimates are appropriate or not. Upon these verifications, the Audit & Supervisory Board concluded that the amount of audit fee, etc., of the independent auditor is reasonable and consent has been given to it.

(3) Non-audit work

In addition to the services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act, the Company has entrusted inspection services related to information security evaluation to the independent auditor, and the amount of compensation (¥29 million) is included in the above fee.

(4) Policy regarding the decision to dismiss or not to reappoint the independent auditor

The Audit & Supervisory Board, by unanimous agreement, will dismiss the independent auditor when confirmed that the independent auditor falls under any item of Article 340, Paragraph 1 of the Companies Act. In this case, the dismissal and its reasons will be reported at the first general meeting of shareholders to be held after the dismissal.

The Audit & Supervisory Board establishes the evaluation criteria for the independent auditors, and considers the dismissal or non-reappointment of the independent auditor every year, taking into account its independence, expertise, quality control system, audit fees and group audit system, whether it is difficult for the independent auditor to properly perform audit duties, etc.

If there are any doubts regarding the reappointment of the independent auditor, or if the engagement becomes a long-term audit engagement, then the Audit & Supervisory Board will periodically listen to proposals from multiple auditing firms and will reappoint the independent auditor or will decide on the contents of resolutions to submit to the General Meeting of Shareholders regarding the dismissal or non-reappointment of the independent auditor, or election of another independent auditor.

5. System to secure appropriateness of operations and their operating status

The systems to secure the appropriateness of the Company's operations are reviewed on a regular and ongoing basis in response to changes in the business environment, and resolutions are made at the Board of Directors.

Internal Control System Basic Policy	The Ricoh Way, which comprises our founding principles ("The Spirit of Three Love" - love your neighbor, love your country, love your work), Mission & Vision, and Values, is the foundation of the Ricoh Group's management policy, strategy, and internal control system. Inspired by the values incorporated in The Ricoh Way, we are working to establish and implement an internal control system aimed at strengthening competitiveness and continuously improving the system while ensuring transparency based on corporate ethics and legal compliance.
(1) System to ensure appropriate compliance with laws and Articles of Incorporation concerning the implementation of Directors' and employees' duties	Based on the principle of autonomous corporate governance, the Company promotes a corporate culture that values both a sense of duty to meet the various expectations of stakeholders and high ethics suited to good social conscience. **1) Systems to ensure appropriate compliance with laws and Articles of Incorporation concerning the implementation of Directors' duties** [Content of Basic Policy] (i) Management transparency and fairness of decision-making are strengthened by the presence of Outside Directors. In addition, the Board of Directors is composed of a majority of Outside Directors to strengthen functions of overseeing from different perspectives. (ii) The Board of Directors is positioned as the highest decision-making organization for business management and is chaired by an Outside Director, who leads the Board from a neutral position, in order to facilitate in-depth discussions for important matters to reach robust decisions. (iii) As part of the strengthening of management oversight functions by the Board of Directors, the "Nomination Committee" and the "Compensation Committee", which are chaired by Outside Directors have been established. In each committee, the majority of the members are Outside Directors, so that the transparency and objectivity of the selection of candidates and compensation of Directors and executive officers, etc. is secured. (iv) Policies regarding disclosure has been established to assure the accuracy, timeliness and completeness of disclosure of corporate information and the "Disclosure Committee", which is chaired by a CFO who is responsible for information disclosure, is established to verify and decide the importance of disclosure of information, necessity of disclosure and validity of the content.
	[Operating Status of Internal Control System] (i, ii) The Board of Directors consists of 8 members, including 5 Outside Directors. 15 meetings were held during the fiscal year under review with agendas led by the chairperson of the Board selected from among the Non-executive Directors, and the Board of Directors focused on transparency in management and fair decision-making. (iii) During the fiscal year under review, the Nomination Committee held 13 meetings and the Compensation Committee held 10 meetings to secure transparency and objectivity through discussions with Outside Directors. (iv) The Disclosure Committee held 8 meetings during the fiscal year under review. This committee primarily judges whether annual reports and other disclosure documents are prepared through processes that can guarantee the appropriateness and accuracy, monitor disclosure procedures, and deliberates on matters regarding the appropriate and strategic disclosure of company information that contributes to the investment decisions of shareholders and investors. In the fiscal year under review, in order to increase the effectiveness of deliberations by the Disclosure Committee, we specifically defined the requirements to be presented to the Disclosure

	Committee from the information preparation department, and revised the information disclosure regulations.
	2) Systems to ensure appropriate compliance with laws and Articles of Incorporation concerning the implementation of employees' duties [Content of Basic Policy] (i) Regarding CSR (Corporate Social Responsibility) including compliance, in order to thoroughly implement the "Ricoh Group Code of Conduct" which articulates the general rules of conduct for the Ricoh Group and its officers and employees, the Specialty Committee and a reporting line to report incidents and seek advice have been established. Also, various training programs are set up to enhance compliance domestically and overseas. The Ricoh Group prohibits unfavorable treatments of anyone who made the report to the reporting line due to such reporting. (ii) Efforts are being made to improve business processes and construct a framework for standardized internal control throughout the Ricoh Group, with the goal of "complying with laws, norms and internal rules", "improvement of business effectiveness and efficiency", "maintaining high reliability of financial reporting", and "securing of assets", including compliance to the Financial Instruments and Exchange Law and other relevant laws and regulations. (iii) The Company shall establish a department (Risk Management and Legal Center) specializing in enhancing and promoting the functions of the above on an integrated basis. (iv) To ensure appropriate internal auditing, a division of internal management and control shall be established. The division examines and evaluates business operations based on legal compliance and rational criteria, and perform audit for improvement. (v) To establish and improve an internal control system of the Ricoh Group, the Company shall institute an "Internal Control Committee," which is expected to convene regularly to evaluate, deliberate and decide on development and improvement of internal control.
	[Operating Status of Internal Control System] (i, ii, iii) In order to promote greater compliance awareness throughout the Ricoh Group, during October, which is designated as Ricoh Group Compliance Month each year, informational activities and communications from top management were used to spread awareness of the "Ricoh Group Code of Conduct" and the "Whistleblowing System." During the fiscal year under review, an external education platform focused on compliance was utilized to globally implement e-learning regarding compliance at Group companies in Japan and overseas. In addition, compliance surveys were conducted for all Ricoh Group employees to check the compliance maturity of each company. Currently, necessary improvement activities are being promoted at each company based on the survey results. A standard for the "Ricoh Group Whistleblowing System," which prohibits the unfavorable treatment of whistleblowers, has been defined and internal and external whistleblowing hotlines have been established. Furthermore, a "Ricoh Group Global Whistleblowing" hotline was established to enable all Group employees to report directly to Audit & Supervisory Board Members, and the Company strove to develop and enrich its environment, which makes it possible for employees to feel secure in consulting and reporting issues. In addition, in order to appropriately respond to whistleblowing, education is provided periodically and continuously to the persons in charge of each organization. Furthermore, a "Supplier Hotline" was established for suppliers, and a system has been created that enables suppliers to report any violations of laws and other regulations they discover involving Ricoh Group companies. During fiscal 2022, there were no reports that involved serious legal violations. In addition, regarding the administrative order of

	biomedical business announced in August 2022, we conducted in-house investigations with external experts, and worked on measures to prevent the recurrence to strengthen compliance. (iv, v) The division of internal management and control conducts audit for the entire Ricoh Group, and provides advice to improve effectiveness and efficiency of compliance and business. The results of internal audits, the status of improvement on matters for correction and the status of the occurrence of incidents and responses are reported quarterly to the Internal Control Committee, and semi-annually to the Board of Directors.
(2) Systems related to the retention and management of information related to the implementation of Directors' duties	[Content of Basic Policy] Records and proposals related to decisions by Directors in the course of their duties are created, retained and managed in compliance with applicable laws, regulations and internal rules. Documents are kept so that they can be retrieved and reviewed when a request from Directors and Audit & Supervisory Board Members is made.
	[Operating Status of Internal Control System] Information related to Directors' duties and other important information are appropriately retained and managed in compliance with internal regulations for inspection by Directors and Audit & Supervisory Board Members at any time.
(3) Regulations and other systems regarding risk management for losses	[Content of Basic Policy] (i) The occurrence of losses shall be proactively prevented based on risk management regulations. (ii) Should losses nevertheless arise, efforts shall be made to minimize damage (loss) based on standards for initial reaction. (iii) In order to respond to diversifying sources of uncertainty both inside and outside the Ricoh Group, the "Risk Management Committee" assesses critical risks and evaluates responses, and devises risk management measures. In addition, a risk management promotion division will be established to expand risk management activities globally.
	[Operating Status of Internal Control System] (i) The Company has established the "Ricoh Group Risk Management Basic Regulation" to promote risk management effectively and efficiently and make preventive measures for the risk of loss. (ii) Ongoing and thorough awareness-raising activities are conducted throughout the Ricoh Group to ensure that appropriate incident responses and reports are made pursuant to the "Incident Management Standard" should losses nevertheless arise. (iii) Decisions regarding risks expected to be of particular importance with respect to management (managerial risks) are made after being evaluated by the Risk Management Committee and deliberated on by the GMC. During the fiscal year under review, a management organization that handles information security risks and geopolitical risks in an integrated manner worked autonomously to appropriately respond to cyberspace threats considering the increasingly complex international situation. With regard to risks related to international situation, a company-wide crisis management team led by the said organization was set up to establish a system to deal with the constantly progressing situation. In addition, supplier management (response to human rights and conflict minerals issues, etc.) in the supply chain was strengthened at a management organization established for the purpose of raising the level of governance in global purchasing. Further, the Ricoh Group as a whole continued to respond to COVID-19, while monitoring the situation. In addition, a risk management manager/promoter was selected in each Ricoh Group organization and each business unit to create autonomous risk management structures within each organization. Moreover, at the Group Risk Management Collaboration Reinforcement Conference for each risk management promoter, study sessions and information sharing related to risk management as well as individual study sessions on the subject of

	characteristics of business units and incidents that have occurred were held as part of ongoing efforts to make the organization more sensitive to risk.
(4) System to ensure the efficient implementation of Directors' duties	[Content of Basic Policy] (i) The executive officer system, its division of duties clarified, speeds up the decision-making process through the delegation of authority to each business unit. (ii) The GMC is a decision-making organization chaired by the President and CEO, delegated by the Board of Directors, and composed of executive officers who meet specific criteria and other members. The GMC operates so as to accelerate deliberation and decision-making from the perspective of the optimum management of the entire Ricoh Group, concerning the most appropriate strategies for direction of each business unit and the entire Ricoh Group, within the powers granted to it. (iii) The "Board of Directors office" realizes robust decision-making and management oversight with high transparency by supporting the Board of Directors.
	[Operating Status of Internal Control System] The executive officer system helps make efficient business execution. Resolution details of the GMC are reported on a quarterly basis to the Board of Directors and the Directors monitor the status of implementation.
(5) Systems to ensure correct business standards at Ricoh and its subsidiaries	[Content of Basic Policy] The Ricoh Group shall devise a system that ensures adherence to correct business standards to improve business performance and enhance the prosperity of the Ricoh Group, while respecting each other's independence, as follows: (i) The Company's Board of Directors and the GMC make decisions and perform management oversight for the Ricoh Group as a whole. (ii) The Company establishes its management regulations concerning each Ricoh Group company, and prescribes a system for reporting matters regarding the performance of duties of the Directors of each Ricoh Group company, and the Directors' authority for conducting such duties efficiently. (iii) Each Ricoh Group company conducts risk management for losses relating to the company. Should any incident arise, the company should strive to minimize damage and recover quickly, and promptly report to the Company. (iv) To ensure that the duties of Ricoh Group's Directors and employees are performed in compliance with laws and regulations and Articles of Incorporation, we formulate a set of common rules which shall be followed as the Ricoh Group's common standards, the "Ricoh Group Standard," and promote compliance across the Ricoh Group.
	[Operating Status of Internal Control System] (i) The Company's Board of Directors and the GMC engage in consideration and deliberation regarding the Mid-Term Management Plan and the business plans for the next fiscal year. (ii) In compliance with the "Corporate Management Regulations for Ricoh Affiliates," Directors of the Ricoh Group companies efficiently carry out their duties in accordance with the authority vested in them. In addition, matters associated with execution of duties by Directors of the Ricoh Group companies are reported to the Company's control and management divisions established at each company. (iii) Ongoing and thorough awareness-raising activities are conducted throughout the Ricoh Group to ensure that appropriate incident responses and reports are made pursuant to the "Incident Management Standard" should losses nevertheless arise. Incidents that occurred within the Group which are considered to have the potential for greater impact in the future are deliberated on and addressed by the Internal Control Committee with the aim of minimizing the impact on the Ricoh Group as a whole. In addition, in the event of an incident requiring exchange of opinions and

	discussions in a more detailed and broad manner at the management level, an Extraordinary Internal Control Committee meeting was held. (iv) Audits are conducted by the divisions for internal management and control to confirm compliance to the "Ricoh Group Standard," the Ricoh Group's common standards.
(6) Systems established to ensure the effective performance of duties by Audit & Supervisory Board Members	[Content of Basic Policy] **1) Matters regarding measures to secure independence of employees whom Audit & Supervisory Board Members request to assist them in the performance of their duties from Directors and efficacy of instructions given to such employees** (i) The Company shall establish an Audit & Supervisory Board office, where exclusively assigned employees assist Audit & Supervisory Board Members in performing their duties under their command. (ii) Personnel evaluations regarding said employees shall be made by the Audit & Supervisory Board. Furthermore, personnel changes regarding said employees shall be made only after gaining agreement of the Audit & Supervisory Board. **2) Systems for Directors and employees of the Ricoh Group to report to Audit & Supervisory Board Members and other systems related to the reporting to Audit & Supervisory Board Members** (i) Directors and employees shall promptly report to Audit & Supervisory Board Members concerning risks that may affect the operation or the performance of the Ricoh Group or material violations of compliance concerning execution of duties. (ii) Directors shall provide Audit & Supervisory Board Members with opportunities to attend important meetings, view minutes and materials of important meetings, as well as important resolution documents. (iii) Directors shall report the status of business and assets regularly or occasionally at the request of Audit & Supervisory Board Members. (iv) The Company prohibits unfavorable treatments of any Directors or employees of the Ricoh Group, who made the report to Audit & Supervisory Board Members due to such reporting. **3) Other systems established to ensure effective performance of duties by Audit & Supervisory Board Members** (i) Audit & Supervisory Board Members may regularly exchange opinions with Representative Directors. (ii) Directors and employees of the Ricoh Group shall establish an environment for effective auditing of the Company and each Ricoh Group company by Audit & Supervisory Board Members at the time of audit. (iii) The Company shall create an environment that enables Audit & Supervisory Board Members to conduct effective auditing through mutual cooperation with the Independent Auditor and the division of internal management and control. (iv) The Company shall pay expenses incurred from the performance of duties of Audit & Supervisory Board Members and from receiving advice from outside experts as necessary.
	[Operating Status of Internal Control System] The Company established the Audit & Supervisory Board office, which is composed of employees exclusively assigned to assist Audit & Supervisory Board Members, to support Audit & Supervisory Board Members with the performance of their duties under their command. Personnel evaluations of employees of the Audit & Supervisory Board office are made by full-time Audit & Supervisory Board Members appointed by the Audit & Supervisory Board, and personnel changes have been made with the consent of the Audit & Supervisory Board. The reporting system to Audit & Supervisory Board Members is operated in accordance with the basic policy and a monthly report is given by the division in charge of risk management. In addition, Audit & Supervisory Board Members

	acquire important information on each organization of the Company and each Ricoh Group company, select audit targets based on this information, and conduct audits under their authorities. Audit & Supervisory Board Members attend important meetings such as the GMC, in addition to meetings of the Board of Directors and its advisory committees. Audit & Supervisory Board Members also attend major meetings held by each business unit and Group headquarters requested by Audit & Supervisory Board Members. In addition, they exchange opinions regularly with Representative Directors and Outside Directors. In addition to meetings with the internal audit department and the Independent Auditor, the Company has established an environment for efficient audits by holding three-way audit meetings with each of the three parties to enable Audit & Supervisory Board Members to mutually cooperate with the internal audit division and the Independent Auditor.

The Company takes an uncompromising attitude toward antisocial activities and any organizations engaged therein in an effort to eradicate any antisocial activities and will not have any relationship with antisocial entities, as stipulated in the "Ricoh Group Code of Conduct," a code of conduct for the Ricoh Group and its executive officers and employees. Also, the Company has established an internal hotline and has been working closely with outside agencies, such as the police, and relevant organizations as well as making efforts to build trust with such organizations. Furthermore, the Company will continue to establish and strengthen its internal system so as to eradicate any antisocial activities or relationships with antisocial entities.

Consolidated Statement of Financial Position (as of March 31, 2023)

	Millions of yen	
	As of March 31,	
	2023	2022 (Reference)
ASSETS		
Current Assets:	**1,175,299**	1,012,422
Cash and cash equivalents	**221,890**	240,308
Time deposits	**207**	81
Trade and other receivables	**476,429**	397,148
Other financial assets	**93,906**	92,293
Inventories	**314,368**	232,558
Other current assets	**68,499**	50,034
Non-Current Assets:	**974,657**	840,832
Property, plant and equipment	**196,512**	188,439
Right-of-use assets	**57,003**	57,730
Goodwill and intangible assets	**366,394**	259,482
Other financial assets	**135,158**	128,321
Investments accounted for using the equity method	**83,529**	81,396
Other investments	**19,359**	12,329
Other non-current assets	**44,540**	31,942
Deferred tax assets	**72,162**	81,193
Total Assets	**2,149,956**	1,853,254

Consolidated Statement of Financial Position (as of March 31, 2023)

	Millions of yen	
	As of March 31,	
	2023	2022 (Reference)
LIABILITIES		
Current Liabilities:	**829,114**	693,448
Bonds and borrowings	**157,828**	114,395
Trade and other payables	**312,429**	268,534
Lease liabilities	**26,185**	22,665
Other financial liabilities	**2,582**	2,079
Income tax payables	**11,864**	11,143
Provisions	**10,968**	9,941
Other current liabilities	**307,258**	264,691
Non-Current Liabilities	**362,760**	253,981
Bonds and borrowings	**205,110**	121,042
Lease liabilities	**38,147**	44,444
Other financial liabilities	**27,566**	–
Accrued pension and retirement benefits	**41,058**	45,728
Provisions	**8,347**	9,607
Other non-current liabilities	**24,742**	29,029
Deferred tax liabilities	**17,790**	4,131
Total Liabilities	**1,191,874**	947,429
EQUITY		
Equity attributable to owners of the parent:	**931,556**	902,042
Common stock	**135,364**	135,364
Additional paid-in capital	**158,529**	180,942
Treasury stock	**(427)**	(460)
Other components of equity	**167,368**	126,341
Retained earnings	**470,722**	459,855
Non-controlling interests	**26,526**	3,783
Total Equity	**958,082**	905,825
Total Liabilities and Equity	**2,149,956**	1,853,254

Consolidated Statement of Profit or Loss (for the year ended March 31, 2023)

	Millions of yen	
	For the year ended March 31,	
	2023	2022 (Reference)
Sales	**2,134,180**	1,758,587
Cost of sales	**1,388,758**	1,135,920
Gross profit	**745,422**	622,667
Selling, general and administrative expenses	**688,156**	600,269
Other income (Note)	**21,544**	17,960
Impairment of goodwill	**70**	306
Operating profit	**78,740**	40,052
Finance income	**4,522**	2,532
Finance costs	**8,105**	3,800
Share of profit (loss)of investments accounted for using the equity method	**6,151**	5,604
Profit before income tax expenses	**81,308**	44,388
Income tax expenses	**25,667**	13,763
Profit	**55,641**	30,625
Profit attributable to:		
Owners of the parent	**54,367**	30,371
Non-controlling interests	**1,274**	254

Note: Other income includes gain on sale of property, plant and equipment, etc.

Consolidated Statement of Comprehensive Income (Unaudited) (for the year ended March 31, 2023)

	Millions of yen	
	For the year ended March 31,	
	2023	2022 (Reference)
Profit	**55,641**	30,625
Other comprehensive income		
Components that will not be reclassified subsequently to profit or loss:	**5,521**	12,851
Remeasurement of defined benefit plan	**5,097**	14,515
Net changes in fair value of financial assets measured through other comprehensive income	**742**	(1,851)
Share of other comprehensive income of investments accounted for using equity method	**(318)**	187
Components that will be reclassified subsequently to profit or loss:	**40,573**	47,464
Net changes in fair value of cash flow hedges	**(77)**	590
Exchange differences on translation of foreign operations	**40,591**	46,775
Share of other comprehensive income of investments accounted for using equity method	**59**	99
Total other comprehensive income	**46,094**	60,315
Comprehensive income	**101,735**	90,940
Comprehensive income attributable to:		
Owners of the parent	**100,564**	90,733
Non-controlling interests	**1,171**	207

Consolidated Statement of Changes in Equity (for the year ended March 31, 2023)

(Unit: millions of yen)

	Common stock	Additional paid-in capital	Treasury stock	Other components of equity				
				Remeasurement of defined benefit plan	Net changes in fair value of financial assets measured through other comprehensive income	Net changes in fair value of cash flow hedges	Exchange differences on translation of foreign operations	Total other components of equity
Balance as of April 1, 2022	135,364	180,942	(460)	-	4,540	246	121,555	126,341
Profit								
Other comprehensive income				5,011	466	(6)	40,726	46,197
Comprehensive income(loss)	-	-	-	5,011	466	(6)	40,726	46,197
Net change in treasury stock		(21)	(30,006)					
Retirement of treasury stock			30,014					
Dividends declared and approved to owners								
Share-based payment transactions		72	25					
Change in scope of consolidation								
Written put options over non-controlling interests		(22,485)						
Transfer from other components of equity to retained earnings				(5,011)	(159)			(5,170)
Transfer from retained earnings to additional paid-in capital		21						
Total transactions with owners	-	(22,413)	33	(5,011)	(159)	-	-	(5,170)
Balance as of March 31, 2023	135,364	158,529	(427)	-	4,847	240	162,281	167,368

	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance as of April 1, 2022	459,855	902,042	3,783	905,825
Profit	54,367	54,367	1,274	55,641
Other comprehensive income		46,197	(103)	46,094
Comprehensive income(loss)	54,367	100,564	1,171	101,735
Net change in treasury stock		(30,027)		(30,027)
Retirement of treasury stock	(30,014)	-		-
Dividends declared and approved to owners	(18,635)	(18,635)	(75)	(18,710)
Share-based payment transactions		97		97
Change in scope of consolidation		-	21,647	21,647
Written put options over non-controlling interests		(22,485)		(22,485)
Transfer from other components of equity to retained earnings	5,170	-		-
Transfer from retained earnings to additional paid-in capital	(21)	-		-
Total transactions with owners	(43,500)	(71,050)	21,572	(49,478)
Balance as of March 31, 2023	470,722	931,556	26,526	958,082

Consolidated Statement of Cash Flows (Unaudited) (for the year ended March 31, 2023)

	Millions of yen	
	For the year ended March 31,	
	2023	2022 (Reference)
I. Cash flows from operating activities		
Profit	**55,641**	30,625
Adjustments to reconcile profit (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	**97,468**	90,479
Impairment of property, plant and equipment and intangible assets	**37**	762
Impairment of goodwill	**70**	306
Other income	**(13,128)**	(13,299)
Share of (profit) loss of investments accounted for using the equity method	**(6,151)**	(5,604)
Finance income and costs	**3,583**	1,268
Income tax expenses	**25,667**	13,763
(Increase) decrease in trade and other receivables	**(39,546)**	13,448
(Increase) decrease in inventories	**(45,536)**	(28,533)
(Increase) decrease in lease receivables	**5,852**	23,285
Increase (decrease) in trade and other payables	**22,654**	(26,212)
Increase (decrease) in accrued pension and retirement benefits	**(10,661)**	(9,306)
Other, net	**195**	13,907
Interest and dividends received	**6,004**	3,457
Interest paid	**(5,512)**	(3,795)
Income taxes paid	**(29,929)**	(22,089)
Net cash provided by (used in) operating activities	**66,708**	82,462
II. Cash flows from investing activities		
Proceeds from sales of property, plant and equipment	**14,340**	15,062
Expenditures for property, plant and equipment	**(45,459)**	(37,359)
Expenditures for intangible assets	**(35,156)**	(33,683)
Payments for purchases of available-for-sale securities	**(6,539)**	(442)
Proceeds from sales of available-for-sale securities	**923**	6,327
Net (increase) decrease of time deposits	**(122)**	162
Purchase of business, net of cash acquired	**(58,453)**	(9,422)
Other, net	**(3,473)**	-
Net cash provided by (used in) investing activities	**(133,939)**	(59,355)

	Millions of yen	
	For the year ended March 31,	
	2023	2022 (Reference)
III. Cash flows from financing activities		
Net increase (decrease) of short-term debt	**24,159**	15,990
Proceeds from long-term debt	**150,027**	37,140
Repayments of long-term debt	**(44,032)**	(46,664)
Repayments of bonds	**(13,725)**	-
Repayments of lease liabilities	**(32,229)**	(31,146)
Dividends paid	**(18,635)**	(14,058)
Payments for purchase of treasury stock	**(30,006)**	(92,717)
Other, net	**(105)**	(230)
Net cash provided by (used in) financing activities	**35,454**	(131,685)
IV. Effect of exchange rate changes on cash and cash equivalents	**8,641**	12,254
V. Net increase (decrease) in cash and cash equivalents	**(23,136)**	(96,324)
VI. Cash and cash equivalents at beginning of year	**234,020**	330,344
VII. Cash and cash equivalents at end of year	**210,884**	234,020

Notes to Consolidated Financial Statements

All figures are rounded off to the nearest million yen.

Significant Accounting Policies Regarding the Preparation of Consolidated Financial Statements

Scope of Consolidation

The number of consolidated subsidiaries is 219 and the number of companies to which the equity method is applied is 21 in the fiscal year under review.

In addition to the above, Ricoh Company, Ltd. added structured entities to its scope of consolidation.

The names of major consolidated subsidiaries have been omitted, as they are stated in "1. Business condition of the Ricoh Group, (5) Major subsidiaries" of the Business Report for the 123rd business term.

Significant Accounting Policies

1. Basis of Preparation

The consolidated financial statements of the Company including consolidated statement of financial position and consolidated statement of profit or loss have been prepared on the basis of International Financial Reporting Standards ("IFRS"), in compliance with Article 120, Paragraph 1 of the Regulation on Corporate Accounting. However, in compliance with the second sentence of the paragraph, certain disclosures that are required on the basis of IFRS were omitted.

2. Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of inventory includes purchase costs and conversion costs that contain appropriate allocation of fixed and variable overhead expenses. These costs are assigned to inventories mainly by the weighted-average method.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3. Property, Plant and Equipment

(1) Recognition and measurement

Property, plant and equipment are carried at cost less any accumulated depreciation and any accumulated impairment loss.

The cost of items of property, plant and equipment includes costs directly attributable to the acquisition and initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

When the useful life of each part of an item of property, plant and equipment varies, it is accounted for as a separate item of property, plant and equipment.

(2) Subsequent costs

Ordinary maintenance and repairs are charged to expense as incurred. Major replacements and improvements are capitalized to the extent they enhance the future economic benefit of the Ricoh's assets.

(3) Depreciation

Depreciation of property, plant and equipment other than land and construction in progress is calculated principally under the straight-line method over the estimated useful lives of the assets. The depreciation period generally ranges from 2 to 60 years for buildings and structures, 1 to 20 years for machinery, equipment and vehicles, and 1 to 20 years for tools, furniture and fixtures.

The depreciation methods, useful life and residual value are reviewed at the end of each reporting period and changed when necessary.

4. Goodwill and Intangible Assets

(1) Goodwill

Goodwill is measured at the sum of the consideration transferred as of the acquisition date, non-controlling interest in the acquiree, and the fair value at the acquisition date of equity interest in the acquiree held prior to the acquisition date (in the case of step acquisition), less net recognized amount of assets acquired and liabilities assumed identifiable at the acquisition date. The aforementioned balance is immediately recognized as net profit or loss if it proves negative. If the initial accounting process for a business combination is not complete by the end of the fiscal year in which the business combination arose, provisional accounting is conducted, to be followed up by finalization/correction of the provisional accounting within the measurement period of one year beginning on the acquisition date. Cost of acquisition that incurred is treated as profit or loss.

(2) Intangible assets

The Ricoh Group adopts the cost model to measure intangible assets and presents them at cost less accumulated amortization and accumulated impairment losses.

(i) Capitalized software costs

The Ricoh Group capitalizes certain internal and external costs incurred to acquire or create internal use software during the application development stage as well as upgrades and enhancements that result in additional functionality. The capitalized software is amortized on a straight-line basis over approximately 2 to 10 years.

(ii) Development assets

An intangible asset arising from development activities (or from the development phase of an internal project) shall be recognized if, and only if, the Ricoh Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset for use or sale;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Amortization of the asset commences on the commercial production date after the completion of an internal project and the asset is amortized on a straight-line basis over the estimated useful life of 2 to 10 years that are the expected periods to generate net cash inflows. Other development expenditure and expenditure on research activities are recognized as an expense as incurred.

(iii) Other intangible assets

Intangible assets acquired separately is measured at cost at initial recognition. Intangible asset acquired in a business combination and recognized separately from goodwill are measured at fair value on the acquisition date.

(iv) Amortization (other than development assets)

Intangible assets with definite useful lives are amortized over the estimated useful lives and determination is made as to whether there exists any indication of impairment. Such intangible assets consisting primarily of software, customer relationships and trademarks are amortized on a straight-line basis over the estimated useful lives. Intangible assets with indefinite useful lives and intangible assets that are not ready to use are not amortized, but are tested annually for impairment until its life is determined to no longer be indefinite.

5. Impairment to property, plant and equipment, right-of-use assets, goodwill and intangible assets

The Ricoh Group determines on the last day of each reporting period whether there is indication of impairment in the carrying amount of non-financial assets excluding inventories and deferred tax assets. Upon identifying an impairment indicator, impairment test is conducted with reference to the recoverable amount of the asset. Goodwill, intangible assets without definite useful lives and intangible assets that are yet to be ready for use are tested for impairment on an annual basis. Cash generating unit which serves as the basis for conducting impairment test, is defined as the smallest group of asset identifiable as source of cash inflow largely independent from the cash inflows of other assets or asset groups. Cash generating units benefiting from goodwill are defined as the smallest units being monitored for the purpose of internal control, within the scope of business segments before aggregation.

Recoverable amount of an asset or a cash generating unit is defined as fair value after deducting disposal cost or value in use, whichever higher. In calculating the value in use, estimated future cash flows are discounted into present value by using a pre-tax discount rate reflecting the asset-specific risk which has not been considered in estimating either the time value of money or future cash flows.

Since corporate assets will not generate independent cash inflow, if an indication of impairment is identified in a corporate asset, impairment test is conducted with reference to the recoverable amount of the cash generating unit to which such corporate asset is attributable to.

Impairment loss is recognized when the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss recognized in relation to a cash generating unit is first allocated to reduce the carrying amount of goodwill allocated to the unit, and then to other assets of the unit in proportion to the carrying amount of each such asset.

For the asset or cash generating unit for which impairment loss was recognized in the past periods, whether there is an indication that warrants reversal of such recognized impairment loss is determined. For the asset or cash generating unit showing an indication that warrants such reversal of impairment loss, its recoverable amount is estimated and the impairment loss is reversed if such estimated recoverable amount is found to exceed the carrying amount. The carrying amount after reversal of impairment loss should not exceed the carrying amount reflecting the depreciations or amortizations up to the reversal had the impairment loss not been recognized. Reversal of impairment loss for goodwill is excluded.

6. Leases

(1) Leases as lessee

The Ricoh group assesses whether the contract is, or contains, a lease at the inception of the contract. If the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Ricoh group assesses that the contract is, or contains, a lease.

When underlying asset is real estate, the Ricoh group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. When the underlying asset is an asset other than real estate, the Ricoh group elects not to separate non-lease components from lease components, and instead accounts for each lease component and any associated non-lease components as a single lease component.

For a contract that is, or contains, a lease, the Ricoh group recognizes right-of-use assets and lease liabilities at the commencement date of the lease.

Lease liabilities are measured at the present value of outstanding lease payments discounted using the lessee's incremental borrowing rate at the commencement date. Right-of-use assets are initially measured at the initial measurement amount of the lease liability adjusted for the prepaid lease payments and other factors. Right-of-use assets are measured at cost and amortized on a straight-line basis over the shorter of their estimated useful lives or lease terms. Lease payments are apportioned between the interest expenses and the reduction of the outstanding liability using the effective interest method.

Interest expenses are presented on the consolidated statement of profit or loss separately from depreciation expenses of right-of-use assets.

The Ricoh group does not recognize right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and leases for low-value assets. The Ricoh group recognizes the lease payments associated with these leases as expenses on a straight-line basis over the lease term.

(2) Leases as lessor

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset to the lessee. Other leases are classified as operating leases.

In circumstances in which the lessor is a manufacturer or dealer, the profit or loss from a finance lease is recognized in accordance with the same revenue recognition policy as that for products sales. Finance income is recognized over the term of the lease using the effective interest method. In circumstances in which the lessor is neither a manufacturer nor dealer, finance income is recognized over the term of the lease using the effective interest method.

The interest rate implicit in the lease is the discount rate that causes the aggregate present value of the minimum lease payments and the unguaranteed residual value to be equal to the sum of the fair value of the leased asset and any initial direct costs incurred by the lessor.

Income from operating leases is recognized on a straight-line basis over the term of the lease.

7. Financial Instruments

Non-derivative financial assets and financial liabilities of the Ricoh Group are classified as (i) financial assets measured at amortized cost, (ii) debt financial instruments measured at fair value through other comprehensive income, (iii) equity financial instruments measured at fair value through other comprehensive income, (iv) financial assets measured at fair value through profit or loss and (v) financial liabilities measured at amortized cost.

(1) Initial recognition and measurement

The Ricoh Group initially recognizes trade and other receivables on the date that they are originated. Financial assets that are purchased or sold on a regular way basis are recognized initially on the settlement date. Financial assets measured at fair value through profit or loss are recognized initially at fair value. Financial assets measured at amortized cost as well as debt financial instruments and equity financial instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. However, sales claims that do not include significant financial factors are initially measured at the trading price.

(2) Classification and subsequent measurement

(i) Financial assets measured at amortized cost

When a financial asset held by the Ricoh Group meets both of the following conditions, the financial asset is classified as a financial asset measured at amortized cost.

- The asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, they are measured using the effective interest method, and when necessary, they are measured at the amount less impairment loss. Amortization using the effective interest method and gains and losses on derecognition are recognized in profit or loss for the period.

(ii) Debt financial instruments measured at fair value through other comprehensive income

When a financial asset held by the Ricoh Group meets both of the following conditions, the financial asset is classified as a debt financial instruments measured at fair value through other comprehensive income.

- The asset is held within a business model whose objective is to both collect and sell contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, these are measured at fair value. Among the subsequent changes in

fair value, foreign exchange gain and loss, impairment gain and loss, and interest income are recognized as profit or loss, while other subsequent changes are recognized as other comprehensive income. When the financial assets are derecognized, accumulated other comprehensive income is reclassified to profit or loss.

(iii) Equity financial instruments measured at fair value through other comprehensive income

Of the financial assets other than financial assets measured at amortized cost and debt financial instruments measured at fair value through other comprehensive income, equity financial instruments for which an irrevocable election was made at initial recognition to present subsequent changes in fair value as other comprehensive income, are classified as equity financial instruments measured at fair value through other comprehensive income.

Subsequent to initial recognition, these are measured at fair value and the subsequent changes in fair value are recognized as other comprehensive income. When the fair value significantly declines or the financial assets are derecognized, accumulated other comprehensive income is directly reclassified to retained earnings.

Dividend income relating to the financial assets are included in profit or loss.

(iv) Financial assets measured at fair value through profit or loss

Financial assets other than financial assets measured at amortized cost as well as debt financial assets and equity financial assets measured at fair value through other comprehensive income are classified as financial assets measured at fair value through profit or loss.

Subsequent to initial recognition, these are measured at fair value and the subsequent changes in fair value are included in profit or loss.

(v) Financial liabilities measured at amortized cost

Bonds, borrowings, trade and other payables held by the Ricoh Group are initially recognized at fair value less transaction costs directly attributable to the issue of financial liabilities. Subsequent to initial recognition, these financial liabilities are measured at amortized cost.

(3) Derecognition of non-derivative financial assets and non-derivative liabilities

A financial asset is derecognized when contractual rights to the cash flows therefrom are extinguished, or when the financial asset is transferred as part of a transaction transferring substantially all risks and benefits associated with the ownership thereof. A financial liability is derecognized when contractual obligations therefrom are discharged, annulled or expired.

(4) Impairment of non-derivative financial assets

For impairment on a financial asset measured at amortized cost, etc., allowance for doubtful accounts is recognized for the expected credit losses of the financial asset. At each fiscal year-end, the Ricoh Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition. The determination of whether the credit risk has increased significantly is based on the change in the risk of a default, with objective information such as a predetermined past due information and deterioration of financial conditions of business partners taken into consideration.

If the credit risk of a financial instrument has not increased significantly since initial recognition, allowance for doubtful accounts for the financial instrument is measured at an amount equal to the 12-month expected

credit losses. If the credit risk of a financial instrument has increased significantly since initial recognition, allowance for doubtful accounts for the financial instrument is measured at an amount equal to the full lifetime expected credit losses. For trade receivables, etc. that do not contain a significant financing component, however, allowance for doubtful accounts is measured through simplified approach.

The expected credit losses of a financial instrument are estimated by reflecting the following factors:

- Unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- Time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The amount pertaining to the measurement is included in profit or loss. When an event occurs that could reduce allowance for doubtful accounts after the impairment was recognized, the decrease in impairment is reversed to profit or loss.

(5) Equity

(i) Common stock

Costs that are directly attributable to issuance of equity instruments issued by the Company are recognized as a deduction item of equity.

(ii) Treasury stock

For the Company's own equity instruments that were repurchased after the initial issuance (treasury stock), consideration paid (including transaction costs that are directly attributable to the purchase of such stock) is recognized as a deduction item of equity. In the event of sale of treasury stock, consideration received is recognized as an increase in equity.

(6) Derivative financial instruments and hedging activities

The Ricoh Group manages its exposure to certain market risks, those primarily related to foreign currency and interest rate, through the use of derivative instruments. As a matter of the Ricoh Group policy, the Ricoh Group does not enter into derivative contracts for trading or speculative purposes. The Ricoh Group recognizes all derivative instruments as either assets or liabilities in the consolidated statement of financial position and measures those instruments at fair value. When the Ricoh Group enters into a derivative contract, it makes a determination as to whether or not, the hedging relationship meets the hedge effectiveness requirements. In general, a derivative applicable for hedge accounting may be designated as either (1) a hedge of the exposure to changes in fair value of a recognized asset or liability ("fair value hedge") or (2) a hedge of the exposure to changes in variability of the expected cash flows associated with an existing asset or liability or a highly probable forecasted transaction ("cash flow hedge").

The Ricoh Group formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value or cash flow hedges to specific assets and liabilities on the consolidated statement of financial position or to specific firm commitments or forecasted transactions.

(i) Fair value hedges

Derivative instruments designated as fair value hedges are measured at fair value. Changes in fair values of derivatives designated as fair value hedges are recognized as gains or losses and are offset by gains or losses resulting from the changes in the fair values of the hedged items.

(ii) Cash flow hedges

The effective portion of gains and losses of on hedging instruments in a cash flow hedge are recognized through other comprehensive income. Other comprehensive income is reclassified to profit or loss in the same period during which the hedged expected cash flows affects profit or loss. Changes in fair values of ineffective portions of cash flow hedges are recognized immediately in profit or loss.

(iii) Derivatives not designated as hedging instruments

Changes in the fair value of derivative financial instruments which do not qualify for hedge accounting are recognized in profit or loss for the fiscal period under review.

8. Revenue

The Ricoh Group recognizes and measures revenue based on the following five step approach:

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The specific standards for revenue recognition are described in the “Notes to Revenue Recognition.”

9. Provisions

Provisions are recognized when the Ricoh Group has present obligations as a result of past events, when it is probable that outflows of resources embodying economic benefits will be required to settle the obligations, and reliable estimates can be made of the amount of the obligations. Where the time value of money is material, provision is measured based on the present value using a discount rate that reflects the risks specific to the obligations.

With respect to asset retirement obligations, provisions are recognized for cost for dismantling and moving asset, cost of restoring the site to its original condition and expenditures arising from the use of the asset, which are added to the cost of acquisition of the asset. Estimated future cost and applicable discount rate are reviewed annually. If correction is considered necessary, addition or deduction will be made to the carrying amount of the asset, which is treated as changes in accounting estimates.

Warranty reserve is recorded to cover product after-sales service expenses based on estimated services costs during warranty period. Provision and reversal of warranty reserve are included in cost of sales on the consolidated statement of profit or loss.

10. Employee Benefits

(1) Post-employment benefits

The Ricoh Group has defined benefit corporate pension plans and defined contribution plans. The net obligations for defined benefit plans are recognized at the present value of the amount of future benefit that the employees have earned in the previous and current fiscal years, less the fair value of any plan assets on a plan-by-plan basis. Actuarial gains and losses arising from the defined benefit plan are recognized immediately in other comprehensive income and directly reclassified to retained earnings from other components of equity. Past service costs are recognized in profit or loss. The contribution to the defined contribution plans is recognized as an expense when the related service is provided by the employees.

(2) Short-term employee benefits

Short-term employee benefits are recognized as cost at the time when the applicable services are provided. Insofar as the Ricoh Group has the present legal as well as constructive obligation for payment in return for the labor provided by employees in the past, and that the amount of such obligations is reliably estimable, an amount expected to be paid is recognized as liabilities.

Notes to Changes in Accounting Policies

Significant accounting policies which apply in the consolidated financial statements are the same as the previous fiscal year.

Notes to Accounting Estimates

For the preparation of consolidated financial statements, it is required that management applies accounting policies and makes judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods in which the revision affects, taking into consideration the impact of the spread of COVID-19.

For the consolidated financial statements for the fiscal year under review, the Ricoh Group assumes that the effect of the surge in resource prices and inflation will persist to a certain extent over the next fiscal year and beyond although the impact on economic activities from COVID-19 and impact on the Ricoh Group's performance due to the supply constraints resulting from component shortages and logistics issues are gradually improving.

The Ricoh Group has considered the business impact of the situation in which society will not completely recover to a pre-pandemic normal and of the sales price fluctuations as measures to deal with cost increase of components, in view of the well-received new work style stemming from the downsizing of office spaces and decreasing attendance rate at work as teleworking triggered by the COVID-19 pandemic has taken root.

The items on which estimates and assumptions have a significant effect in the consolidated financial statements are (1) impairment of property, plant and equipment, intangible assets and goodwill and (2) recognition of deferred tax assets:

(1) Impairment of property, plant and equipment, intangible assets and goodwill

An item that has a risk of material adjustment to the carrying amount within the next fiscal year is goodwill of ¥55,298 million for the Office Printing business (sales group in Europe). The recoverable amount of goodwill is determined based on value in use, which exceeds the carrying amount. The value in use is calculated by discounting the estimated cash flows based on the business plan approved by management and the growth rate of negative 3%, using the pre-tax weighted average capital cost of 14%.

(2) Recognition of deferred tax assets

The Ricoh Group assesses the probability that a portion or all of the deductible temporary differences, net operating loss carryforwards and tax credit carryforwards can be used to offset future taxable income on recognition of deferred tax assets. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible and whether loss carryforwards are utilizable. The Ricoh Group considers the scheduled realization of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the temporary differences are deductible or loss carryforwards are utilizable, the Ricoh Group believes that the deferred tax assets recognized as of the end of the current fiscal year are more likely to be realized. The amount of the deferred tax assets considered realizable, however, will be reduced if estimates of future taxable income during the carryforward period are reduced.

As a result of this estimation, deferred tax assets of ¥72,162 million was recorded in the consolidated statements of financial position as of the end of the current fiscal year.

The Ricoh Group adopts the group tax sharing system in Japan and consolidated taxation system in part of foreign regions.

Notes to Consolidated Statement of Financial Position

1. Allowance for doubtful receivables directly deducted from the amount of assets:

(1) Current assets:	
Trade and other receivables:	¥6,563 million
Other financial assets:	¥4,333 million
(2) Non-current assets:	
Other financial assets:	¥4,560 million

2. Pledged assets and liabilities:

   Not applicable.

3. Matters related to transfers of financial assets:

   Certain foreign subsidiaries of the Company transferred lease receivables with recourse. Ricoh recognized receivables subject to these transfers as well as relevant liabilities as “Borrowings” since the risks and

economic values were retained and these transactions did not meet the derecognition criteria for financial assets. With respect to the aforementioned accounting treatment, the consolidated statement of financial position includes the following assets and liabilities:

(1) Assets:

Current assets:

Other financial assets:	¥78 million

Non-current assets:

Other financial assets:	¥21 million

(2) Liabilities:

Current liabilities:

Bonds and borrowings:	¥78 million

Non-current liabilities:

Bonds and borrowings:	¥21 million

4. Guarantee obligation:

   There is no guarantee obligation having significance in terms of value.

5. Accumulated depreciation and accumulated

   Impairment losses on property, plant and equipment: ¥780,743 million

6. Other components of equity include remeasurement of defined benefit plan, net changes in fair value of financial assets measured through other comprehensive income, net changes in fair value of cash flow hedges, and exchange differences on translation of foreign operations.

Notes to Consolidated Statement of Changes in Equity

1. Details and total number of shares outstanding as of the end of the current fiscal year

   Common stock: 609,521,978 shares

2. Category and number of treasury stocks:

Category of shares	Number of shares as of the beginning of the current fiscal year	Increase in number of shares for the current fiscal year	Decrease in number of shares for the current fiscal year	Number of shares as of the end of the current fiscal year
Common stock (shares)	468,700	27,952,029	27,973,558	447,171

Notes:

1. The increase of 27,952,029 shares of treasury stocks was due to the share repurchase of 27,946,200 shares of treasury stocks by the resolution of the Board of Directors meeting, and the acquisition of 5,829 shares of shares less than the basic unit.
2. The decrease of 27,973,558 shares of treasury stocks was due to the share retirement of 27,946,200 shares of treasury stocks by the resolution of the Board of Directors meeting, the share delivery of 27,200 shares by the Board Incentive Plan trust, in which beneficiaries include Executive Officers, and the sale of shares of 158 shares less than the basic unit.
3. The number of treasury stocks includes 371,400 shares of the Company's shares (3,714 voting rights) owned by the Board Incentive Plan trust, established by the Company, in which beneficiaries include Directors and Executive Officers.

3. Dividends

(1) Payment of dividends

Resolution	Total amount of dividends	Dividends per share	Record date
Ordinary General Meeting of Shareholders (June 24, 2022)	¥8,286 million	¥13.00	March 31, 2022
Board of Directors meeting (November 4, 2022)	¥10,361 million	¥17.00	September 30, 2022

Note: The total amount of dividends determined by the resolution of the Ordinary General Meeting of Shareholders held on June 24, 2022 includes ¥5 million of dividends for the Company's shares owned by the Board Incentive Plan trust, established by the Company, in which beneficiaries include Directors and Executive Officers.
Additionally, the total amount of dividends determined by the resolution of the Board of Directors meeting held on November 4, 2022 includes ¥7 million of dividends for the Company's shares owned by the Board Incentive Plan trust, established by the Company, in which beneficiaries include Directors and Executive Officers.

(2) Dividends whose record date is in the current fiscal year but whose effective date is in the following fiscal year are as follows:

Resolution (scheduled)	Total amount of dividends	Dividends per share	Record date
Ordinary General Meeting of Shareholders (June 23, 2023)	¥10,361 million	¥17.00	March 31, 2023

Note: The total amount of dividends includes ¥6 million of dividends for the Company's shares owned by the Board Incentive Plan trust, established by the Company, in which beneficiaries include Directors and Executive Officers.

Notes to Financial Instruments

(1) Capital risk management

Ricoh's capital management policy is to maintain a strong financial position, which enables us to procure sufficient funds for business expansions and to build an efficient capital structure in order to achieve continuous growth and increase corporate value.

(2) Foreign currency exchange rate risk management

The financial results, assets and liabilities are subject to foreign exchange fluctuations because of the high volume of Ricoh's production and sales activities in the Americas, Europe and Other, such as China. Ricoh enters into foreign currency contracts to hedge against the potentially adverse impact of foreign currency fluctuations on those assets and liabilities denominated in foreign currencies.

(3) Interest rate risk management

Ricoh's interest-bearing debt is mainly bonds and borrowings with fixed interest rates. At present, the current level of interest rate risk is minor.

(4) Credit risk management

Receivables generated from operating activities of the Ricoh Group are exposed to the credit risk of its business partners.

As for such risk, the Ricoh Group sets a credit limit, conducts surveys on credit and monitoring of the performance of its business partners on an ongoing basis. The Ricoh Group believes that potential risk such as concentration of credit risk needs to be minimized, and therefore, the Ricoh Group makes adjustment to the extent of granting credit based on the results of monitoring.

When the Ricoh Group uses derivative transactions, financial institutions are limited to those which are highly credible. Therefore, credit risk is recognized to be minimal.

(5) Liquidity risk management

Ricoh raises funds through borrowings from financial institutions or issuance of bonds. These liabilities are exposed to the liquidity risk that Ricoh would not be able to repay liabilities on the due date resulting from the deterioration of the financing environment.

The Company and certain subsidiaries have committed limit of borrowing and overdraft facilities with financial institutions as well as commercial paper programs.

Ricoh has implemented a cash management system as a pooling-of-funds arrangement to achieve greater efficiencies in the utilization of liquidity on hand from one group company to another company through finance subsidiaries located in each region.

Ricoh has various funding methods and also has several committed lines of credit with financial institutions in order to reduce the liquidity risk.

2. Matters concerning fair value of financial instruments

Carrying amounts and fair values of the financial instruments as of March 31, 2023 are as follows.

(Unit: millions of yen)

	Carrying amount	Fair value
Assets:		
Lease receivables	228,862	232,006
Derivative assets	202	202
Securities and equity interests	18,972	18,972
Bonds	387	387
Liabilities:		
Derivative liabilities	362	362
Contingent consideration	7,245	7,245
Written put option liabilities over non-controlling interests	22,541	22,541
Bonds and borrowings	205,110	199,713

Note: The methods for calculating fair value are as follows:

Cash and cash equivalents, time deposits, trade and other payables

These are not included in the table above, as their carrying amounts approximate their fair values due to short-term settlement.

Trade and other receivables

Trade and other receivables settled in a short period are not included in the table above because the carrying amounts approximate the fair values due to the short maturities of these instruments. Any other receivables that are not material are not included in the table above.

Lease receivables

The fair value of lease receivables is calculated per each receivable classified per certain period based on the present value of such receivable discounted by the interest rate which takes into account the period to maturity and the credit risk. Lease receivables using the inputs described above are classified as Level 3 under the fair value measurement and disclosure framework.

Derivatives

Derivative instruments include foreign currency contracts. These derivative instruments are classified as Level 2 since the fair values of these instruments are measured mainly by obtaining quotes from brokers or proper valuation methods based on available information.

Securities, equity interests and bonds

Securities, equity interests and bonds include mainly marketable securities and bonds, as well as unlisted securities and equity interests. As the fair value of marketable securities and bonds is measured using quoted prices of identical assets in an active market and is therefore observable, their fair value is classified as Level 1. As the fair value of unlisted securities and equity interests is measured based on valuation techniques using observable indicators such as market prices of comparable companies, as well as unobservable indicators, their fair value is classified as Level 3.

Bonds and borrowings

Bonds and borrowings expected to be settled in less than 12 months are not included in the table above as the carrying amounts approximate fair values due to the short-term maturities of these instruments. The fair value of bonds and borrowings are calculated from estimated present values using year-end borrowing rates applied to borrowings with similar maturities derived from future cash flows on a per-

loan basis as well as calculated based on market prices. Bonds and borrowings using inputs described above are classified as Level 2 under the fair value measurement and disclosure framework, since they are valued using observable market data.

Contingent consideration

Contingent consideration is classified as Level 3, since the fair value of contingent consideration is calculated taking into account future performance of acquired companies and payment amounts.

Written put option liabilities over non-controlling interests

The amount stated as the fair value of written put option liabilities over non-controlling interests is determined by discounting future cash flows at the interest rate taking into account the credit risk at the period to the date of exercise and at the end of the period. Written put option liabilities over non-controlling interests using inputs described above are classified as Level 2, since they are valued using observable market data.

Measurement of financial instruments

Measurement methods for the financial instruments in accordance with IFRS9 'Financial Instruments' were as follows.

At amortized cost: trade receivables, bonds (as liabilities) and borrowings, written put option liabilities over non-controlling interests.

At fair value through profit or loss: derivative assets, securities and equity interests, derivative liabilities, contingent consideration.

At fair value through other comprehensive income: securities and equity interests, bonds (as assets).

3. Matters concerning fair value by level within the fair value hierarchy

The analysis of financial instruments subsequently measured at fair value is shown below. The fair value hierarchy of financial instruments is categorized as follows from Level 1 to Level 3:

Reclassification among the levels in the fair value hierarchy is recognized upon the date when the event or change in circumstances causing the reclassification to occur.

Level 1: Fair values measured using quoted prices in active markets with respect to identical assets or liabilities

Level 2: Fair values measured using inputs other than quoted prices that are observable, either directly or indirectly

Level 3: Fair values measured using inputs not based on observable market data

Fair value information of major financial instruments by level within the fair value hierarchy:

(Unit: millions of yen)

	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets measured at fair value through profit or loss				
Derivative assets	-	202	-	202
Securities and equity interests	-	-	1,517	1,517
Financial assets measured at fair value through other comprehensive income				
Securities and equity interests	14,422	-	3,033	17,455
Bonds	387	-	-	387
Liabilities:				
Financial liabilities measured at fair value through profit or loss				
Derivative liabilities	-	362	-	362
Contingent consideration	-	-	7,245	7,245

Notes to Revenue Recognition

1. Disaggregation of revenue

The Ricoh Group has five business units as reportable segments, namely Digital Services, Digital Products, Graphic Communications, Industrial Solutions, and Other. Sales are based on the location of customers and are disaggregated by geographic region. The relationship between these disaggregated sales and each reportable segment is as follows:

(Unit: millions of yen)

	Japan	The Americas	Europe, the Middle East, and Africa,	Other	Total
Digital Services	655,306	426,610	451,926	116,572	1,650,414
Digital Products	21,162	874	82	4,584	26,702
Graphic Communications	27,189	118,027	60,229	29,398	234,843
Industrial Solutions	36,946	31,806	21,946	22,874	113,572
Other	63,352	23,519	12,279	9,499	108,649
Total	803,955	600,836	546,462	182,927	2,134,180
Revenue from contracts with customers	799,662	531,345	459,560	151,097	1,941,664
Revenue from other sources	4,293	69,491	86,902	31,830	192,516

Notes:

1. Figures exclude intersegment sales.
2. Sales of PFU are included in other segment.
3. Revenue from other sources includes lease revenue in accordance with IFRS 16 and others.

2. Underlying information for understanding revenue

The timing of revenue recognition is as follows:

(Unit: millions of yen)

	Goods or services transferred at a point in time	Goods or services transferred over time	Total
Digital Services	829,412	821,002	1,650,414
Digital Products	26,508	194	26,702
Graphic Communications	149,258	85,585	234,843
Industrial Solutions	113,572	-	113,572
Other	86,200	22,449	108,649
Total	1,204,950	929,230	2,134,180

Notes:
1. The above revenue includes revenue from other sources than IFRS 15, mainly lease revenue in accordance with IFRS 16.
2. Sales of PFU are included in other segment.

The Ricoh Group's business consists of Digital Services, Digital Products, Graphic Communications, Industrial Solutions, and Other, and sells products and provides services in each business.
Sales are measured at the amount of consideration promised in a contract with the customer, after deducting the amount of discounts, rebates based on the volume of purchases, etc. For variable consideration, including variable discounts and rebates, the Ricoh Group estimates the amount of consideration to which it is entitled using all reasonably available information, including historical, current, and projected estimates, and recognizes revenue only to the extent that it is highly probable that a significant reversal will not occur.

In Digital Services and Other, revenue from sales of merchandise in which the Ricoh Group is an agent is recognized at the net amount.
With respect to product warranties, the Ricoh Group accounts for such warranties as a provision, since the customer does not have the option to independently purchase such warranties and the Ricoh Group does not provide services to the customer in addition to the warranty that the finished goods comply with the agreed-upon specifications. There are no significant return and refund obligations and other similar obligations.

Revenue from products in Digital Services (equipment such as multifunctional printers, printers, personal computers and servers), Digital Products (OEM of multifunctional printers and printers) and Graphic Communications (production printer, inkjet heads, imaging systems and industrial printers, etc.) is recognized typically when they have been installed and accepted by the customer, and revenue from related consumables related to these equipment is recognized at the time of delivery, as delivery represent the timing at which legal title and physical possession of the product, significant risks associated with ownership of the product, and economic value are transferred to the customer, and performance obligation of Ricoh is deemed to have been satisfied.

Revenue from the sales of Industrial Solutions (thermal paper, industrial optical components, etc.) and major products of Other is recognized at the time when such equipment, etc., is delivered to the customer, as the customer acquires control over the equipment, etc., at the time of delivery of the equipment, etc., and performance obligation of Ricoh is deemed to have been satisfied.
In the office printing business in Digital Services and the Commercial Printing business of Graphic Communications, revenue is recognized from maintenance contracts that pay a metered fee based on the customer's equipment usage, a fixed fee, or a base fee plus a metered fee based on usage. The Ricoh Group has determined that its performance obligation under maintenance contracts is to provide the customer with equipment available at all times in accordance with the contract, and revenue is recognized over a certain period of time as the relevant performance obligation is satisfied. Revenue from maintenance contracts based on a fixed fee is recognized equally over the contract period for the transaction amount related to the contract with the

customer. Revenue from maintenance contracts that charge a metered fee based on usage and that charge a base fee plus a metered fee based on usage are recognized based on the amount invoiced to the customer.
In the office services business of Digital Services, sales of software services are mainly divided into two types: license-based services with maintenance services, and cloud-based services. Revenue from license-based services is recognized when the software is provided according to the customer's specifications and the customer acquires control over the software at the time of delivery, and performance obligation of Ricoh is deemed to have been satisfied. On the other hand, revenue from maintenance services is recognized over time, as maintenance and support services for products are provided over a certain period of time and performance obligation of Ricoh is satisfied over a certain period of time. Similarly, revenue from cloud-based services is recognized over time, as services are provided through applications according to customer's specifications over a certain period of time.

As receivables under installment sales contracts are billed monthly over the installment payment period, the Ricoh Group makes adjustments with respect to the financing component. For other contracts, the Ricoh Group receives consideration generally within one year after performance obligation of Ricoh is satisfied, and they do not contain a significant financing component.

3. Underlying information for understanding amounts of revenue for the fiscal year under review and the following fiscal year

(1) Contract balance

Receivables from contracts with customers and liabilities from contracts with customers are as follows:

(Unit: millions of yen)

	Beginning balance of the fiscal year under review (April 1, 2022)	Fiscal year under review (March 31, 2023)
Receivables from contracts with customers	372,249	445,253
Contract liabilities	68,366	86,232

Contract liabilities are included in other current liabilities and other non-current liabilities on the consolidated statement of financial position. Contract liabilities are mainly related to advances received from customers for maintenance contracts.
For the revenue recognized for the year ended March 31, 2023, the amount included in contract liabilities at the beginning of the fiscal year was ¥37,805 million. The amount of revenue recognized from performance obligations that were satisfied (or partially satisfied) in previous periods is immaterial.

(2) Transaction price allocated to the remaining performance obligations

The transaction prices allocated to the remaining performance obligations in the contracts in which the duration of individual contracts is over one year amounted to ¥222,127 million. The transaction prices are mainly related to maintenance contracts for equipment sold to customers, and include fixed fees and the base fee component for metered fee contracts. They do not include the metered fee component for metered fee contracts. The time frame in which the Ricoh Group expects to recognize such transaction prices as

revenue is approximately one to five years. The Ricoh Group has applied a practical expedient, and omits disclosures for individual contracts with expected durations of one year or less.

(3) Assets recognized from costs to acquire contracts with customers

The Ricoh Group capitalizes the incremental costs of obtaining contracts with customers as an asset if those costs are expected to be recoverable and records them in "other current assets" and "other non-current assets" in the consolidated statements of financial position. Incremental costs of obtaining contracts are those costs that the Ricoh Group incurs to obtain a contract with a customer that would not have been incurred if the contract had not been obtained.

Incremental costs of obtaining contracts recognized as assets by the Ricoh Group are mainly the initial costs incurred related to sales commissions. The related assets are amortized on a straight-line basis over the estimated contract terms.

(Unit: millions of yen)

	Beginning balance of the fiscal year under review (April 1, 2022)	Fiscal year under review (March 31, 2023)
Assets recognized from costs to acquire contracts with customers	6,727	7,063

Amortization expenses arising from assets recognized from costs to acquire contracts with customers amounted to ¥4,594 million.

Subsequent Events

(Business combinations)

On April 3, 2023, Ricoh Europe Holdings PLC, a wholly owned subsidiary of the Company, reached an agreement to acquire all shares of PFH Technology Group, a leading provider of IT infrastructure, cloud and managed workplace services in Ireland and concluded a share purchase agreement, in order to expand digital services. The acquisition is expected to complete, subject to receiving clearance from the relevant competition authorities.

Notes to Per-share Information

1. Equity per share attributable to owners of the parent: ¥1,529.46
2. Earnings per share:
   - Earnings per share attributable to owners of the parent-basic ¥88.13
   - Earnings per share attributable to owners of the parent-diluted ¥88.10

Non-consolidated Balance Sheet (as of March 31, 2023)

	Millions of yen	
	As of March 31,	
	2023	2022 (Reference)
ASSETS		
Current Assets:	**341,394**	330,489
Cash on hand and in banks	**60,603**	82,932
Notes receivable – trade	**1,803**	1,771
Accounts receivable – trade	**116,624**	106,535
Marketable securities	**-**	9,999
Finished goods	**42,790**	32,747
Raw materials	**5,672**	3,529
Work in process	**2,800**	2,424
Supplies	**14,164**	13,593
Accounts receivable – other	**21,235**	20,232
Short-term loans receivable	**61,148**	40,473
Other current assets	**14,659**	16,330
Allowance for doubtful accounts	**(108)**	(81)
Fixed Assets:	**641,388**	532,164
Tangible fixed assets:	**88,796**	89,106
Buildings	**43,530**	46,129
Structures	**1,887**	1,941
Machinery and equipment	**11,858**	11,682
Vehicles	**43**	48
Tools, furniture and fixtures	**9,145**	7,258
Land	**18,875**	18,883
Leased assets	**746**	1,113
Construction in progress	**2,708**	2,048
Intangible fixed assets:	**33,169**	34,002
Goodwill	**930**	1,550
Leasehold right and others	**7,230**	7,302
Software	**25,008**	25,150
Investments and Other Assets:	**519,422**	409,055
Investment securities	**15,006**	9,825
Subsidiaries and affiliates' securities	**441,365**	344,417
Investment in subsidiaries and affiliates	**13,537**	13,357
Long-term loans receivable	**24,772**	20,505
Claims provable in bankruptcy, claims provable in rehabilitation and other	**112**	113
Deferred tax assets	**23,048**	19,905
Lease deposit	**183**	264
Other investments	**1,596**	859
Allowance for doubtful accounts	**(199)**	(195)
Total Assets	**982,783**	862,653

Non-consolidated Balance Sheet (as of March 31, 2023)

	Millions of yen	
	As of March 31,	
	2023	2022 (Reference)
LIABILITIES		
Current Liabilities:	**358,890**	299,483
Notes payable – trade	**-**	262
Electronically recorded obligations – operating	**3,156**	3,772
Accounts payable – trade	**119,153**	106,742
Bonds maturing within one year	**10,000**	13,670
Short-term borrowings	**96,722**	34,769
Current maturities of long-term borrowings	**27,286**	30,000
Leased obligations	**433**	434
Accounts payable – other	**71,341**	74,764
Accrued expenses	**7,666**	9,756
Accrued bonuses	**9,712**	8,685
Accrued Directors' bonuses	**74**	29
Warranty reserve	**1,064**	1,570
Other current liabilities	**12,270**	15,025
Fixed Liabilities:	**197,926**	118,398
Bonds	**10,000**	20,000
Long-term borrowings	**184,772**	90,505
Leased obligations	**363**	765
Retirement benefit obligation	**569**	4,438
Provision for share-based compensation	**182**	110
Asset retirement obligations	**1,913**	2,064
Other fixed liabilities	**124**	513
Total Liabilities	**556,816**	417,882
EQUITY		
Shareholders' Equity:	**421,566**	440,776
Common stock	**135,364**	135,364
Additional paid-in capital:	**180,804**	180,804
Legal capital reserve	**180,804**	180,804
Retained earnings	**105,824**	125,067
Legal reserve	**14,955**	14,955
Other retained earnings	**90,869**	110,112
Reserve for deferral of capital gain on property	**2,373**	2,461
Retained earnings brought forward	**88,495**	107,650
Treasury stock	**(426)**	(459)
Difference of appreciation and conversion	**4,399**	3,994
Net unrealized holding gains on securities	**4,399**	3,994
Total Equity	**425,966**	444,771
Total Liabilities and Equity	**982,783**	862,653

Non-consolidated Statement of Profit or Loss (for the year ended March 31, 2023)

	Millions of yen	
	For the year ended March 31,	
	2023	2022 (Reference)
Net sales	**504,676**	483,481
Cost of sales	**347,964**	327,072
Gross profit	**156,712**	156,409
Selling, general and administrative expenses	**184,184**	179,537
Operating loss	**(27,472)**	(23,128)
Non-operating income:	**44,858**	55,346
Interest and dividend income	**42,041**	47,797
Foreign exchange gain	**1,503**	940
Other revenue	**1,312**	6,608
Non-operating expenses:	**3,095**	1,903
Interest expense	**1,139**	542
Other expenses	**1,955**	1,361
Ordinary income	**14,290**	30,314
Extraordinary income	**11,227**	1,095
Gain on sales of fixed assets	**11,227**	1,095
Extraordinary loss:	**1,334**	8,238
Impairment of fixed assets	**1,334**	1,516
Transfer pricing adjustment	**-**	3,915
Loss on liquidation of subsidiaries and affiliates	**-**	2,806
Income before income taxes	**24,183**	23,171
Income taxes – current	**(1,913)**	(309)
Income taxes – deferred	**(3,320)**	(1,888)
Net income	**29,417**	25,368

Statement of Changes in Equity (for the year ended March 31, 2023)

(Unit: millions of yen)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings		
		Legal capital reserve	Legal reserve	Other retained earnings	
				Reserve for deferral of capital gain on property	Retained earnings brought forward
Beginning balance	135,364	180,804	14,955	2,461	107,650
Changes of items during the period					
Dividends from surplus					(18,646)
Net income					29,417
Reversal of reserve for deferral of capital gain on property				(88)	88
Purchase of treasury stock					
Disposal of treasury stock					(0)
Retirement of treasury stock					(30,013)
Net changes of items other than shareholders' equity					
Total changes of items during the period	-	-	-	(88)	(19,154)
Ending balance	135,364	180,804	14,955	2,373	88,495

	Shareholders' equity			Valuation and translation adjustments	Total equity
	Retained earnings	Treasury stock	Total shareholders' equity	Total valuation and translation adjustments	
	Total retained earnings				
Beginning balance	125,067	(459)	440,776	3,994	444,771
Changes of items during the period					
Dividends from surplus	(18,646)		(18,646)		(18,646)
Net income	29,417		29,417		29,417
Reversal of reserve for deferral of capital gain on property	-		-		-
Purchase of treasury stock	-	(30,006)	(30,006)		(30,006)
Disposal of treasury stock	(0)	25	25		25
Retirement of treasury stock	(30,013)	30,013	-		-
Net changes of items other than shareholders' equity	-		-	405	405
Total changes of items during the period	(19,243)	33	(19,209)	405	(18,804)
Ending balance	105,824	(426)	421,566	4,399	425,966

Notes to Non-consolidated Financial Statements

All figures are rounded down to nearest million yen.

Notes Regarding Significant Accounting Policies

1. Accounting Policy for Securities

(1) Securities of subsidiaries and affiliates

Securities of subsidiaries and affiliates are stated at cost based on Moving average cost method.

(2) Other securities

Securities other than shares that do not have a market price:

Fair value method (with the entire amount of valuation differences inserted directly into net assets, and the cost of sales calculated using the moving average method).

Shares that do not have a market price:

Stated at cost based on the moving average method.

2. Basis and method for valuation of derivatives

Derivatives are stated at the fair value method.

3. Basis and method for valuation of inventories

Inventories are stated principally at cost using the weighted-average method (with amount shown on balance sheet written down as profitability declines).

4. Depreciation and Amortization

(1) Tangible fixed assets (excluding leased assets):

Depreciated by using the straight-line method. Major useful life is as follows:

Buildings:	5-50 years
Machinery and equipment:	4-12 years

(2) Intangible fixed assets (excluding leased assets):

Amortized by using the straight-line method.

With software for sale in the market, however, the Company records the larger of an amortization based on projected sales profits or a uniform amortization based on a projected effective sales period for the balance. The initially projected effective sales term is 3 years. With software for internal use, the Company uses the straight-line method based on a usable period of 3 to 10 years.

Goodwill is amortized using the straight-line method over the period of investment effect (16 years).

(3) Leased assets

Finance leases for which ownership does not transfer to lessees

The Company applies the straight-line method for leased assets using the lease term as the service life and a residual value of zero.

5. Basis for Provision of Reserves

(1) Allowance for doubtful accounts:

The allowance for doubtful accounts is provided to cover possible losses from bad debts and represents possible individual doubtful accounts based on historical default rates and the recoverability.

(2) Accrued bonuses:

The reserve for accrued bonuses is provided by estimating the amount of bonuses payable to employees for the current fiscal year.

(3) Accrued Directors' bonuses:

The reserve for accrued bonuses is provided by estimating the amount of bonuses payable to Directors for the current fiscal year.

(4) Warranty reserve:

To cover product after-sales service expenses, the Company calculates the product warranty reserve based on projected service costs during the warranty period.

(5) Retirement benefit obligation:

To cover projected employee benefits, the Company records the estimated obligations at the end of current fiscal year based on projected year-end benefit obligations and plan assets.

For calculation of retirement benefit obligations, the method of attributing expected retirement benefits to periods up to the end of the current fiscal year is on a benefit formula basis.

For actuarial gains or losses, the Company uses straight-line amortization over a certain period of time (11 years) within averaged remaining employment term as incurred in each business year starting from the year following the year of occurrence.

For prior service costs the Company uses straight-line amortization over a certain period of time (11 years) within averaged remaining employment term as incurred in each business year.

Unrecognized actuarial gains and losses and unrecognized prior service costs on the non-consolidated balance sheets are treated differently from those on the consolidated statement of financial position.

(6) Provision for share-based compensation:

Projected payments of the Company's shares to Directors and other officers are recorded based on the amount of benefits corresponding to the estimated number of points granted to Directors and other officers pursuant to the rule of performance shares.

6. Basis for Recording Revenue

Pursuant to the contracts with customers, the Company provides imaging devices for office use, services and solutions related to document, IT service and communications, commercial printing equipment, industrial printing equipment, consumables and services related to various equipment, thermal paper, and thermal media. Revenue is recognized at an amount expected to be received by the Company in exchange for promised goods or services at the time when (or as) the control of such goods or services is transferred to the customer. Revenue from the sales of equipment, etc., is recognized at the time when such equipment, etc., is delivered to the customer, as the customer acquires control over the equipment, etc. at the time of delivery of the equipment, etc., and performance obligation of the Company is deemed to have been satisfied. Service revenue primarily

from maintenance contracts is recognized over a certain period of time as the relevant performance obligation is satisfied.

Revenue is measured at the amount of consideration promised in a contract with a customer, after deducting the amount of discount, rebate in accordance with the volume of purchases and refund, etc.

7. Application of the Group Tax Sharing System

The Company adopts the group tax sharing system in Japan with the Company being the parent company.

Notes to Accounting Estimates

Items for which an amount has been recorded in the non-consolidated financial statements for the fiscal year under review due to accounting estimates, and which may have a significant effect on the non-consolidated financial statements for the following fiscal year are as follows:

Deferred tax assets

(1) Amount reported in the non-consolidated financial statements for the fiscal year under review:

¥23,048 million

(2) Information on the significant accounting estimates for identified items

The details are presented under "Notes to Accounting Estimates" of the consolidated financial statements.

Notes to Non-consolidated Balance Sheets

1. Monetary claims and obligations to subsidiaries and affiliates:

Short-term receivable due from subsidiaries and affiliates:	¥194,871 million
Long-term receivable due from subsidiaries and affiliates:	¥24,987 million
Short-term payable due to subsidiaries and affiliates:	¥129,004 million
Long-term payable due to subsidiaries and affiliates:	¥33 million

2. Guarantee obligation:

Parent company's guarantee for commercial papers issued by subsidiaries and affiliates:	¥40,059 million
Parent company's guarantee for the credit line agreement by subsidiaries and affiliates when necessary:	¥20,000 million
Parent company's guarantee for the lease agreement by subsidiaries and affiliates:	¥397 million

3. Accumulated depreciation on tangible fixed assets: ¥423,570 million

Notes to Non-consolidated Statements of Operations

Transaction with subsidiaries and affiliates:

Sales:	¥491,971 million
Purchase:	¥205,242 million
Other operating transactions:	¥34,064 million
Non-operating transactions:	¥41,701 million

Notes to Statements of Changes in Shareholders' Equity

Category and number of treasury stocks:

Category of shares	Number of shares as of the beginning of the current fiscal year	Increase in number of shares for the current fiscal year	Decrease in number of shares for the current fiscal year	Number of shares as of the end of the current fiscal year
Common stock (shares)	468,700	27,952,029	27,973,558	447,171

Notes:

1. The increase of 27,952,029 shares of treasury stocks was due to the share repurchase of 27,946,200 shares of treasury stocks by the resolution of the Board of Directors meeting, and the acquisition of 5,829 shares of shares less than the basic unit.
2. The decrease of 27,973,558 shares of treasury stocks was due to the share retirement of 27,946,200 shares of treasury stocks by the resolution of the Board of Directors meeting, the share delivery of 27,200 shares by the Board Incentive Plan trust, in which beneficiaries include Executive Officers, and the sale of shares of 158 shares less than the basic unit.
3. The number of treasury stocks includes 371,400 shares of the Company's shares (number of voting rights: 3,714) owned by the Board Incentive Plan trust, established by the Company, in which beneficiaries include Directors and Executive Officers.

Notes to Deferred Tax Accounting

Major factors giving rise to deferred tax assets include deductible temporary difference relating to loss on valuation of shares of subsidiaries and affiliates, retirement benefit obligations, accrued bonuses, depreciation, etc., and net operating losses carried forward, with a valuation allowance of ¥86,858 million deducted. Valuation allowance is principally recognized for loss on valuation of shares of subsidiaries and affiliates and net operating losses carried forward.

The Company has adopted the group tax sharing system from the fiscal year under review. Accounting treatment and disclosure of income taxes, local income taxes and tax effect accounting are in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (PITF No.42 of August 12, 2021).

Notes to Leased Fixed Assets

The Company uses fixed assets in the balance sheets and certain office equipment and production facilities, etc. under finance lease contracts without ownership transfer.

Notes to Related Party Transactions

(Unit: millions of yen)

Attribute	Name of company, etc.	Voting rights held by Company (%)	Relation with company		Description of transactions	Transaction amount (Note 1)	Account item	Balance as of the fiscal year under review (Note 1)
			Concurrent Directors	Business relation				
Subsidiary	RICOH JAPAN CORPORATION	(Possessed) Directly: 100	Yes	Sale of the Company's office equipment	Sales of products (Note 2)	252,967	Accounts receivable – trade	66,363
Subsidiary	RICOH INDUSTRY COMPANY, LTD.	(Possessed) Directly: 100	Yes	Manufacture of the Company's office equipment	Purchase of products (Note 2)	73,655	Accounts payable – trade	7,167
Subsidiary	PFU Limited	(Possessed) Directly: 80	Yes	Borrowing of funds	Borrowing of funds (Note 4) (Note 5)	10,857	Short-term borrowings	12,000
Affiliate	RICOH LEASING COMPANY, LTD.	(Possessed) Directly: 33.7	Yes	Factoring transaction	Factoring transaction (Note 3)	52,906	Accounts payable – other	18,047
Subsidiary	RICOH AMERICAS HOLDINGS, INC.	(Possessed) Directly: 100	Yes	Borrowing of funds	Borrowing of funds (Note 4) (Note 5)	908	Short-term borrowings	13,232
Subsidiary	RICOH USA, INC.	(Possessed) Indirectly: 100	Yes	Sale of the Company's office equipment	Sales of products (Note 2)	68,026	Accounts receivable – trade	14,135
Subsidiary	RICOH EUROPE SCM B.V.	(Possessed) Indirectly: 100	No	Sale of the Company's office equipment	Sales of products (Note 2)	21,715	Accounts receivable – trade	11,839
Subsidiary	RICOH EUROPE FINANCE LIMITED	(Possessed) Indirectly: 100	Yes	Borrowing of funds Lending of funds	Lending of funds (Note 4) Collection of funds (Note 4) Lending of funds (Note 4)	16,699 27,832 9,741	Short-term loans receivable Long-term loans receivable	39,239 24,772

Notes: Transaction conditions and policy in determining transaction conditions

1. The transaction amount does not include the consumption tax, while the balance as of the end of the fiscal year under review includes the consumption tax.
2. Prices and other transaction conditions are determined through price negotiations, taking into account the market situation.
3. For trade payables of the Company, payments are made under the main factoring agreement concluded among three parties which are the Company, counterparty and Ricoh Leasing Company Ltd.
4. Terms and conditions of lending and borrowing are determined each time through negotiations based on market interest rates.
5. The transaction amount shows the average balance during the period.

Notes to Per-share Information

1. Equity per share: ¥699.36

2. Net income per share: ¥47.68

Note: The income per share is calculated by recognizing the Company's shares owned by the Board Incentive Plan trust as treasury stocks, then deducting the said number of treasury stocks from the average number of common stocks during the period. The Board Incentive Plan trust is established by the Company, in which beneficiaries include Directors and Executive Officers.

Notes to Revenue Recognition

Underlying information for understanding revenue from contracts with customers is described in “Notes to Revenue Recognition” of the consolidated financial statements.

(TRANSLATION)

Independent Auditor's Report

May 16, 2023

To the Board of Directors of
Ricoh Company, Ltd.:

Deloitte Touche Tohmatsu LLC
Tokyo Office

Masato Shoji
Designated Engagement Partner,

Certified Public Accountant:

Kenjiro Ikehata
Designated Engagement Partner,

Certified Public Accountant:

Yosuke Nakamoto
Designated Engagement Partner,

Certified Public Accountant:

Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Ricoh Company, Ltd. and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of March 31, 2023, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from April 1, 2022 to March 31, 2023, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2023, and its consolidated financial performance for the year then ended in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting standards prescribed pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting that omit a part of the disclosures required under International Financial Reporting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partner[s] do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

* Details of the audit report on the consolidated financial statements by the Audit & Supervisory Board are included in the Audit Report by the Audit & Supervisory Board on pages 177-178

(TRANSLATION)

Independent Auditor's Report

May 16, 2023

To the Board of Directors of
Ricoh Company, Ltd.:

Deloitte Touche Tohmatsu LLC
Tokyo Office

Masato Shoji
Designated Engagement Partner,
Certified Public Accountant:

Kenjiro Ikehata
Designated Engagement Partner,
Certified Public Accountant:

Yosuke Nakamoto
Designated Engagement Partner,
Certified Public Accountant:

Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of Ricoh Company, Ltd. (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2023, and the nonconsolidated statement income and nonconsolidated statement of changes in equity for the 123rd fiscal year from April 1, 2022 to March 31, 2023, and notes to the nonconsolidated financial statements and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2023, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

Transcript of Audit Report by the Audit & Supervisory Board (originally issued in Japanese)

Audit Report

In regard to the Directors' performance of their duties for the fiscal year from April 1, 2022 to March 31, 2023, the Audit & Supervisory Board has prepared this Audit Report after deliberations based on the Audit Reports prepared by each Audit & Supervisory Board Member and reports as follows.

1. Methods and contents of Audits by the Audit & Supervisory Board Members and the Audit & Supervisory Board

(1) The Audit & Supervisory Board determined the audit policies, activity plans, and division of duties, etc. and received reports from each Audit & Supervisory Board Member regarding the implementation status and results of their audits, in addition to which it received reports from the Directors, etc. and the Independent Auditor regarding the status of the performance of their duties and requested explanations as necessary.

(2) In compliance with the Audit & Supervisory Board Member audit standards established by the Audit & Supervisory Board and in accordance with the audit policies, activity plans and division of duties, etc., each Audit & Supervisory Board Member communicated with the Directors, the internal audit division, and other employees, etc., occasionally using telephone lines and the Internet, etc., endeavored to gather information and develop the audit environment, and conducted audits using the following methods.

(i) The Audit & Supervisory Board Members attended meetings of the Board of Directors and other important meetings, received reports from Directors and employees, etc. regarding the status of the performance of their duties, requested explanations as necessary, viewed important decision-making documents, etc., and inspected the status of operations and assets at the head office and main business locations. Additionally, in regard to subsidiaries, the Audit & Supervisory Board Members received the results of audit or reports on the status of management from the Headquarters internal audit division or administrative divisions in charge of subsidiaries, communicated and exchanged information with the Directors and employees, etc. of subsidiaries and received explanations of their business as necessary.

(ii) In regard to the content of resolutions of the Board of Directors regarding the development of systems to ensure that the Directors' performance of their duties complies with laws, regulations, and the articles of incorporation and other systems provided for in Article 100, paragraph (1) and paragraph (3) of the Ordinance for Enforcement of the Companies Act as systems necessary to ensure the appropriateness of operations of the corporate group composed of a stock company and its subsidiaries, as well as the systems developed pursuant to those resolutions (i.e., internal control systems) stated in the business report, the Audit & Supervisory Board Members periodically received reports from Directors and employees, etc. regarding the status of the establishment and operation of those systems and as necessary requested explanations and expressed opinions in regard thereto.

(iii) With regard to accounting audits, the Audit & Supervisory Board Members received explanations on audit plans from the Independent Auditor in advance and made discussions, as well as received audit reports. Furthermore, the Audit & Supervisory Board Members oversaw and verified whether the Independent Auditor maintained an independent position and conducted an appropriate audit, received reports from the Independent Auditor on the status of the performance of its duties, and requested explanations as necessary. Additionally, the Audit & Supervisory Board Members received notification from the Independent Auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council, November 16, 2021), etc., it had developed systems in order to ensure that its duties are appropriately performed (i.e., notification of the matters stated in the items of Article 131 of the Ordinance on Accounting of Companies) and requested explanations as necessary.

Using the methods above, the Audit & Supervisory Board examined the business report, the supplementary schedules thereto, the non-consolidated financial statements (i.e., the non-consolidated balance sheet, non-consolidated statement of profit or loss, non-consolidated statement of changes in equity, and explanatory notes to non-consolidated financial statements), the supplementary schedules to the non-consolidated financial statements, and the consolidated financial statements (i.e., the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statements of changes in equity, and explanatory notes to consolidated financial statements) for the fiscal year.

2. Audit results

(1) Results of audit of business report, etc.

(i) We find that the business report, and the supplementary schedules thereto accurately present the status of the company in accordance with laws, regulations, and the articles of incorporation.

(ii) We do not find any misconduct nor any material fact constituting a violation of any law, regulation, or the articles of incorporation in relation to the Directors' performance of their duties.

(iii) We find the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the business report or the Directors' performance of their duties relating to the internal control systems.

(2) Results of audit of accounting documents and supplementary schedules thereto

We find the methods and results of the audit by the Independent Auditor, Deloitte Touche Tohmatsu LLC, to be reasonable.

(3) Results of audit of consolidated accounting documents

We find the methods and results of the audit by the Independent Auditor, Deloitte Touche Tohmatsu LLC, to be reasonable.

May 19, 2023

The Audit & Supervisory Board, Ricoh Company, Limited

Audit & Supervisory Board Member (Full-time)	Kazuhiro Tsuji	(seal)
Audit & Supervisory Board Member (Full-time)	Shinji Sato	(seal)
Outside Audit & Supervisory Board Member	Yo Ota	(seal)
Outside Audit & Supervisory Board Member	Shoji Kobayashi	(seal)
Outside Audit & Supervisory Board Member	Yasunobu Furukawa	(seal)

Notes on the Audit Performance

1. Purpose of these Notes

Audit & Supervisory Board Members, as independent agents, are charged by the Company's shareholders with responsibility for auditing the execution of duties by Directors, and ensuring the establishment of systems of good corporate governance to respond to the trust placed in the Company by society. The Audit & Supervisory Board voluntarily prepares these Notes as complementary material to the Audit & Supervisory Board's Report (see pages 177-178), in order to enhance the effectiveness of the dialogue with stakeholders including shareholders, based on the belief that more concrete explanation of the Audit & Supervisory Board's activities will lead to enhanced audit transparency. We also plan to disclose the outline of these Notes in the section on the "Status of the Audit conducted by Audit & Supervisory Board" in the Securities Report.

2. Outline of audit activities

We reviewed risks and issues in the five areas, namely (1) Directors, (2) Business execution, (3) Subsidiaries, (4) Internal audit, and (5) Accounting audit, and formulated annual activity plans. Outline of audit activities in each of these areas and division of duties of Audit & Supervisory Board Members are illustrated in Chart 1 below. Audit activities are mainly carried out by full-time Audit & Supervisory Board Members, and the contents are shared in a timely manner at the Audit & Supervisory Board meetings. Outside Audit & Supervisory Board Members conduct audits with full-time Audit & Supervisory Board Members and make recommendations, taking advantage of their respective expertise and backgrounds, and express their opinions from the independent standpoint.

■Chart 1: Outline of audit activities ★Meeting organized by the Audit & Supervisory Board Members

		Full-time Audit & Supervisory Board Members	Outside Audit & Supervisory Board Members
(1) Directors	Attending Board of Directors meetings, monitoring Board of Directors effectiveness improvement measures, and reviewing and following up on Board of Directors proposals	●	●
	Attending as an observer in the Nomination Committee and Compensation Committee meetings		●
	Holding regular meetings with Chairperson of the Board of Directors, Lead Outside Director and Representative Director ★	●	●
	Holding governance review meetings attended by Directors and the Audit & Supervisory Board Members ★	●	●
	Holding Outside Executive Meeting (meeting for exchange of opinions by Outside Directors and Audit & Supervisory Board Members) ★	●	●
(2) Business execution	Audit & Supervisory Board Member review*1 on headquarters and principal offices (individual business units and individual Group headquarters organization)	●	□
	Attending Group Management Committee (GMC)	●	□
	Attending performance review meetings, business unit operation meetings, Investment Committee meetings and other important meetings	●	□
	Holding separate regular meetings with the CEO, CFO and the CHRO respectively (monthly) ★	●	
	Holding information sharing meetings with presidents of business units and Group Headquarters functional officers ★	●	
	Reviewing and confirming important documents (agendas and minutes of important meetings, documents for approval, written agreements, etc.)	●	
	Holding regular meetings with risk management department (monthly) ★	●	
	Auditing business reports, supplementary schedules, and financial statements; other period-end auditing duties	●	●
(3) Subsidiaries	Audit & Supervisory Board Member review on subsidiaries*1	●	□
	Holding regular meetings with Audit & Supervisory Board Members of subsidiaries (every other month) ★	●	
	Holding information exchange meetings among Audit & Supervisory Board Members of the Group ★	●	□
(4) Internal audit	Receiving explanation from the internal audit division about the internal audit plan, and reporting the results thereof (quarterly) ★	●	●
	Holding regular meetings with the internal audit division (monthly) ★	●	
	Holding three-way audit meetings (quarterly) ★	●	
(5) Accounting audit	Sharing information with the Independent Auditor (monthly (except for months in which three-way audit meetings are conducted))	●	
	Receiving explanation about audit plan and reports of quarterly review and audit results from the Independent Auditor	●	●
	Evaluating the Independent Auditor	●	●

●: In charge
□: Voluntarily or partly in charge

*1 Audit & Supervisory Board Member review: A series of audit procedures to be conducted including on-site audit at headquarters, principal offices, and subsidiaries as a general rule
Number of Audit & Supervisory Board Member reviews conducted: 5 business unit audits, 17 Group headquarters audits, and 22 subsidiary audits (9 in Japan and 13 overseas)

3. Areas of focus and actions for fiscal 2022

In fiscal 2022, the final year of the Company's 20th Mid-term Management Plan, the Company engaged in a variety of initiatives, including the business unit structure that was introduced in the previous fiscal year, and introduced a new Ricoh-style job-based personnel system, with the aim of transforming into a digital services company. The Audit & Supervisory Board examined these business activities as well as associated expected risks based on changes in the internal and external environment. As a result, "the optimal form of headquarters function governance for a digital service company," "autonomous internal control and risk management by business units and management of subsidiaries," and "control environments within individual organizations," were established as areas of focus for fiscal 2022.

Area of focus: (i) The optimal form of headquarters function governance for a digital service company

Based on the issues recognized in conjunction with governance changes resulting from the introduction of the business unit structure, and the state of responses to these issues, the Audit & Supervisory Board confirmed the status of the creation for the optimal form of headquarters function governance for a digital services company.

- **Confirmation of group governance design, creation, and operation structure**
  - The Audit & Supervisory Board Members conducted reviews of each business unit and headquarters organization. They confirmed the status of the establishment and operation of governance and checks and balances functions within each functional organization, the status of headquarters cross-functional and support functions, and the division of responsibilities.
  - Feedbacks regarding internal control issues identified through auditing activities, Outside Executive Meetings, governance review meetings, and other discussions were provided as appropriate at information sharing meetings with the leaders of Group headquarters functional organization and the presidents of business units in order to assist with making improvements.
- **Confirmation of the states of governance in functions whose structure changed as a result of the transition to the business unit structure**
  - With regard to functions related to quality, purchasing, and supply chain management, shared by multiple business units, Audit & Supervisory Board Members performed reviews spanning organizations, including the Group headquarters management organization, and confirmed the status of their mutual cooperation, divisions of duties, and other matters.

Area of focus: (ii) Autonomous internal control and risk management by business units and management of subsidiaries

Under the business unit structure, each business unit is required to autonomously conduct internal control, risk management, and management of its own subsidiaries. The Audit & Supervisory Board confirmed that structures for doing so had been created and were being appropriately operated and managed.

- **Confirmation of the status of creation of systems aligned with business unit characteristics and resources**
  - The Audit & Supervisory Board conducted Audit & Supervisory Board Member reviews of business units, participated in business operation meetings, and used information sharing meetings with business unit

presidents to confirm the status of their creation of internal controls and the status of the operation and management of these internal controls.

- The Audit & Supervisory Board confirmed improvements made to address issues pointed out during internal audits, etc., the rollout of these improvements throughout the Group, and the status of creation and operation of processes for firmly establishing these improvements.
- Audit & Supervisory Board Member reviews were carried out of subsidiaries selected based on their importance, the presence or absence of risks, and whether or not there were changes in management conditions following the introduction of the business unit structure. The status of management by Supervising Organizations*2 and their cooperation were confirmed.

  *2 Supervising Organizations: Headquarters organizations that administer their Affiliate(s) individually.

Area of focus: (iii) Control environments within individual organizations

The Audit & Supervisory Board confirmed whether each organization was properly maintaining a control environment, taking into consideration the transition to the business unit structure, the impact of the Ricoh-style job-based personnel system introduced in fiscal 2022, and the like.

- **Confirmation of the level of understanding among employees regarding changes in the internal environment, the impact of these changes, and changes in the organization culture**
  - In Audit & Supervisory Board Member reviews conducted at some of the headquarters organizations (5 organizations) and subsidiaries (9 companies), roundtable discussions with employees were also conducted to determine the impact of changes in the internal environment, how these changes were seen by individual employees, the degree to which they accepted the new systems, the impact on the workplace, and the like.
  - The Audit & Supervisory Board confirmed the understanding of current situation by top management of each organization and subsidiary concerning the results of internal employee engagement surveys and compliance surveys and the status of measures taken in response.
  - The information and insights obtained through these activities were shared at Outside Executive Meetings and the opinions of Outside Directors and Outside Audit & Supervisory Board Members were confirmed. These were provided to Supervising Organizations and related organizations such as human resource departments as feedbacks.

4. Audit & Supervisory Board operation and the framework for assisting the duties by Audit & Supervisory Board Members

To ensure effective execution of duties by its members, the Audit & Supervisory Board carries out the following activities based on the Audit & Supervisory Board Regulations. In addition, a framework is in place to assist their work.

(1) Operation of the Audit & Supervisory Board

The Audit & Supervisory Board meetings were held 14 times during fiscal 2022 (average time per meeting: approximately 141 minutes), and all full-time Audit & Supervisory Board Members were present at all meetings. (See page 127 for the attendance status of Independent Outside Audit & Supervisory Board Members.)

In fiscal 2022, the Audit and Supervisory Board made the following resolutions, engaged in the following

deliberations, and issued the following reports.

18 resolutions: Audit policy, audit plan, and division of duties, selection of the Chairperson of the Audit & Supervisory Board, full-time Audit & Supervisory Board Members, and specific Audit & Supervisory Board Members, audit budgets, Audit & Supervisory Board's Report, Notes on the Audit Performance, contents of summary of Audit & Supervisory Board audit activities, internal regulations related to Audit & Supervisory Board Members ("Audit & Supervisory Board Member Auditing Regulations," etc.), reappointment of the Independent Auditor, agreement regarding audit fee paid to the Independent Auditor, prior approval procedures for non-auditing activities of the Independent Auditor, etc.

35 deliberations: Review of exchange of opinions and the status of deliberations at the Board of Directors meetings, evaluation of the Independent Auditor, the results of Audit & Supervisory Board Member review, contents of regular meetings and follow-up with the Representative Director, Chairperson of the Board of Directors and Lead Independent Director and the methods used to hold these meetings, remuneration for Audit & Supervisory Board Members, prior consultation regarding resolutions, etc.

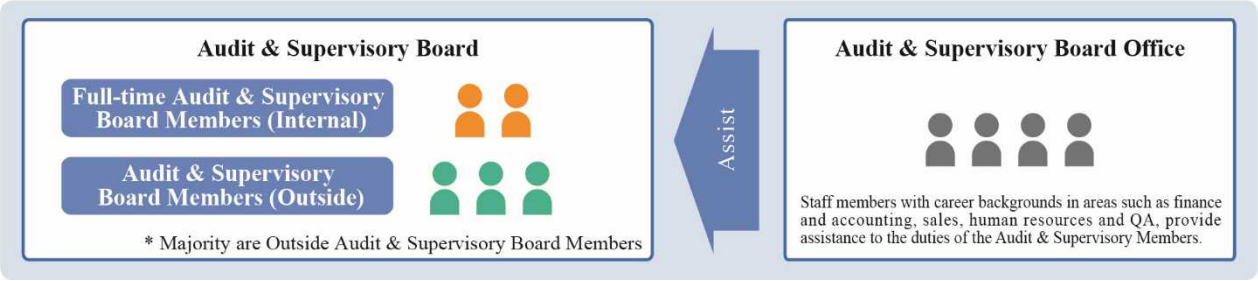
48 reports: Status of execution of duties by full-time Audit & Supervisory Board Members (monthly), status of operation of the Investment Committee, status of creation and operation of the disclosure system, status of non-audit work by the Independent Auditor, contents of securities report, the contents of business report, convocation notices, and subsequent events, the results of audits by the Independent Auditor, the status of internal audits, etc.

With regard to the materials discussed at the Audit & Supervisory Board, we ensured sufficient time for each Audit & Supervisory Board Member to confirm them in advance to enable deeper discussions and deliberations at the Audit & Supervisory Board meetings.

(2) Framework for the Audit & Supervisory Board Office to assist the execution by Audit & Supervisory Board Members

The Audit & Supervisory Board Office has been established as shown in Chart 2, staffed by four full-time employees dedicated to this office with a certain degree of guaranteed independence from the Business Execution and assists the activities of the Audit & Supervisory Board Members, such as collection and analysis of information globally and support for investigation. In addition, the Audit & Supervisory Board Office establishes requirements for qualities required of employees, and allocates staff in a well-balanced manner.

■Chart 2: Framework for the Audit & Supervisory Board Office to assist the execution of duties by Audit & Supervisory Board Members



5. Coordination with Independent Auditor and Evaluation

(1) Content of coordination between Audit & Supervisory Board Members and Independent Auditor

The content of coordination between Audit & Supervisory Board Members and Independent Auditor, Deloitte Touche Tohmatsu LLC, is as follows.

■ Table 1 Content of coordination between Audit & Supervisory Board Members and Independent Auditor

Content of coordination	Overview	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Explanation of audit plan	Audit plan and audit focus areas				■					■			■
Quarterly review report	Status of review procedure and key matters					■			■			■	
Quality management structure report	Audit quality initiatives and audit structure							■					
Audit results report	Results of Companies Act and Financial Instruments and Exchange Act auditing		■	■									
Internal control audit report	Explanation of audit results			■									
Regular meetings, etc. (including three-way audit meetings)	Sharing of information regarding enactment of and revisions to regulations and laws, other topics related to accounting auditing, the status of auditing, etc.	■	■	■	■	■	■	■	■	■	■	■	■

With regard to the Key Audit Matters (KAM) in fiscal 2022, the Audit & Supervisory Board confirmed the status of deliberations on the occasions of the explanations on the Independent Auditor's audit plans, quarterly review reports, etc., and strove to communicate appropriately with the executive side, as well.

(2) Evaluation of the Independent Auditor by Audit & Supervisory Board Members

The Independent Auditor was evaluated based on the following evaluation criteria defined by the Audit & Supervisory Board.

- The Audit & Supervisory Board communicated with the Independent Auditor regarding the content shown in Table 1 and monitored the quality of its auditing, such the stances of the Independent Auditor and the status of coordination with network firms, etc.
- Management letters and mid-term reports were used to confirm that information and recommendations were being appropriately provided to management.
- During the period (November and December), full-time Audit & Supervisory Board Members conducted interviews with executive divisions (accounting and internal auditing) regarding the performance of the Independent Auditor. Based on the results of these interviews and the quality of audits by the Independent Auditor, the Audit & Supervisory Board performed a performance review during the period. Requests for the Independent Auditor were collected and organized in the middle of the fiscal year, and explanations were

received regarding replies to these requests.

The Audit & Supervisory Board conducted an evaluation review at the end of the fiscal year (April), referring to the replies to the requests and other information, through evaluation items[*3] for the Independent Auditor defined by the Audit & Supervisory Board, determined the appropriateness of the reappointment of the Independent Auditor, and confirmed points of improvement in the upcoming fiscal year.

*3: Evaluation items for the Independent Auditor: Quality control by the audit firm, audit team, audit fee, etc., communication with Audit & Supervisory Board Members, etc., relationship with management, etc., group audits, fraud risk

6. Issues to be monitored in fiscal 2023

Each Audit & Supervisory Board Member has reviewed and evaluated the results of auditing activities in fiscal 2022, and the Audit & Supervisory Board reviewed and analyzed the results at its meeting, confirming points of improvement with the aim of improving the quality of auditing. In conjunction with this, it also considered the issues to be monitored in fiscal 2023. The Audit & Supervisory Board will continue to pay close attention to “measures aimed at transforming the Company into a digital services company,” and it has identified “governance under the new management system” through changes to the management structure, including the change in Representative Director and CEO, and “measures for enhancing corporate value” as issues to be monitored in fiscal 2023.