

Updated Information

The information below is subsequent to the publication of the Ricoh Group Integrated Report.

Updated on January 6, 2023

Ricoh included in Dow Jones Sustainability World Index for third consecutive years

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

U.S. firm S&P Dow Jones Indices compiles the Dow Jones Sustainability World Index (DJSI World), which assesses corporate sustainability from economic, environmental, and social perspectives. In 2022, the firm surveyed around 3,500 companies worldwide, selecting 332 for DJSI World. Ricoh was among 36 Japanese entities chosen.

Ricoh received the highest score* among 36 companies

in the Computers & Peripherals and Office Electronics industry in seven areas. These were Materiality and Business Ethics in the governance and economics fields, Environmental Reporting, Environmental Policy & Management Systems in the environmental field, and Social Reporting, Talent Attraction & Retention, and Corporate Citizenship & Social Contribution in the social field.

* As of December 10, 2022

Ricoh featured in CDP's 2022 Climate Change A List for third straight year



CDP* included Ricoh in its Climate Change A List in 2022. CDP is a nonprofit organization that maintains the leading global disclosure system for environmental impact management. For 2022, CDP scored the climate change initiatives and disclosure efforts of almost 10,000 companies. It chose 283 companies for its A List, including Ricoh and 73 other Japanese entities.

Ricoh positions a zero-carbon society as one of its seven material issues. It accordingly aims to reduce Group company and supply chain (in procurement, use, and

transportation) greenhouse gas emissions by 63% and 40%, respectively, from 2015 levels by 2030. These goals meet Science Based Targets Initiative criteria for helping limit the rise in global temperature to 1.5°C above pre-industrial levels. The CEO's extensive engagement in climate change initiatives and the views he has exchanged with the Japanese government contributed to Ricoh winning high marks for its endeavors and disclosure relating to climate change issues.

* CDP is a global non-profit organization that drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests. In 2022, over 680 investors with over US\$130 trillion in assets and 280 major purchasers with US\$6.4 trillion in procurement spend requested companies to disclose data on environmental impacts, risks and opportunities through CDP's platform, and a record-breaking over 18,700 companies responded.

A detailed and independent methodology is used by CDP to assess these companies, allocating a score of A to D- based on the comprehensiveness of disclosure, awareness and management of environmental risks and demonstration of best practices associated with environmental leadership, such as setting ambitious and meaningful targets. Those that don't disclose or provided insufficient information are scored an F.

Fully TCFD aligned, CDP holds the largest environmental database in the world, and CDP scores are widely used to drive investment and procurement decisions towards a zero carbon, sustainable and resilient economy. CDP is a founding member of the Science Based Targets initiative, We Mean Business Coalition, The Investor Agenda and the Net Zero Asset Managers initiative.

Ricoh received Environmental Value Award for second time in 4th Nikkei SDGs Management Grand Prix



The Nikkei SDGs Management Grand Prix recognizes corporate efforts to help resolve social, economic, and environmental issues by linking SDGs to operations, thereby boosting corporate value. Nikkei Inc. conducts the Nikkei SDGs Management Survey, tasking an external review committee to comprehensively assess companies and choose winners. In 2022, Ricoh was one of 886 companies, including other listed entities in Japan, that took part in the survey. It received five stars, the top ranking, for the fourth consecutive year.

Ricoh received its third award under this program in

2022. Its previous wins were the Environmental Value Award in 2019 and the Grand Prix in 2020.

The Environmental Value Award comprehensively assesses corporate endeavors in such areas as climate change, resources, and biodiversity. The award recognized Ricoh's ongoing efforts since declaring its commitment to carbon neutrality to steadily reducing greenhouse gas emissions by including Scope 1, 2, and 3 in its disclosures. Another factor in Ricoh's favor was that it led other companies in complying with Task Force on Climate-Related Financial Disclosures requirements.

Attained perfect five-star rating for third straight year in 6th Nikkei Smart Work Management Survey



Ricoh received a perfect five stars (placing it among the top 3% of companies) for the third straight year in the 6th Nikkei Smart Work Management Survey. This survey chooses companies leading the way in revolutionizing productivity through work practice reforms.

Nikkei Inc. has been conducting this survey since 2017. The poll defines smart work management as initiatives to optimize organizational performance by attaining diverse and flexible work practices, deploying frameworks to create new businesses, and being able to develop markets.

A five-star scale evaluation covers those three elements, as well as corporate governance and other management underpinnings. The survey targets listed companies and leading unlisted companies around Japan. Overall assessments draw on responses to questionnaires measuring companies' ability to tap talent, innovate, and develop markets and external data. Of the 813 companies surveyed in 2022, Ricoh was one of 24 five-star recipients. It also secured top scores of S++ (also putting it among the top 3% of companies) in all three assessment categories.

Updated Information

The information below is subsequent to the publication of the Ricoh Group Integrated Report.

Updated on March 31, 2023

New President and CEO appointed

At a meeting on January 30, 2023, the Board of Directors resolved to appoint a new president and CEO, effective April 1, to bolster the Group's management structure and thereby boost corporate value and drive sustainable growth.

Name	New	Current
Yoshinori Yamashita	Representative Director Chairperson	Representative Director President and Chief Executive Officer
Akira Oyama	Representative Director President and Chief Executive Officer Chief Technology Officer	Director Executive Corporate Officer President of RICOH Digital Services Business Unit



Akira Oyama

Ricoh reviewed its 20th Mid-Term Management Plan and announced its 21st Mid-Term Management Strategy at an investors' meeting on March 7, 2023. Below is an overview of the meeting.

Review of 20th Mid-Term Management Plan

Ricoh expects sales to exceed the 20th Mid-Term Management Plan's initial target of ¥2 trillion. At the same time, operating profit will likely be significantly less than anticipated.

A prime factor would be the impact of parts shortages on activities to cut manufacturing costs. Others would be slower growth in the Office Services business because of IT equipment shortages and a non-hardware recovery being slower than expected in the Office Printing business in a post-pandemic climate.

It is in view of that situation that management lowered its operating profit target of ¥90 billion as of the second quarter to ¥85 billion.

Steps to reinforce the management infrastructure progressed well. We made steady progress toward becoming a digital services company. Ricoh was on track with future financial targets.

Key financial targets

(Billions of yen)

Financial indicators	Initial FY2022 targets	FY2022 forecasts
ROE	More than 9.0%	6.0%
Sales	2,000	2,100
Operating profit/margin	100/5%	85/4%
ROIC	6.5%	More than 5%

Steps taken to reinforce management infrastructure

- ✓ Adopted business unit structure
- ✓ Initiated business portfolio management
- ✓ Instituted Ricoh-style job-based personnel system
- ✓ Developed and upskilled digital professionals
- ✓ Revamped IT infrastructure
- ✓ Determined R&D direction
- ✓ Invested in growth
- ✓ Steadily implemented capital policy

Future financial targets

Future financial targets	Initial targets	FY2022 forecasts
Top score rate in customer surveys	30%	36.7% in Japan (Currently aggregating for other regions)
Number of people to whom we have contributed by improving social infrastructure	10 million	11.68 million
Greenhouse gas Scope 1 and 2/Scope 3 reduction rates	30% / 20%	44% / 25%
Renewable energy utilization ratio	30%	30%
Virgin material usage ratio	85% or less	85% or less
Suppliers signing on RICOH Group Supplier Code of Conduct	Completed for key suppliers	Completed
Increase rate of patent ETR score	20%	20%
Engagement score	50th percentile or higher	Percentiles: 54th in Japan, 45th in Americas, 38th in Europe, and 39th in APAC

Key initiatives

(Operating profit increases from FY2020 in billions of yen)

Key initiatives	Initial FY2022 targets	FY2022 forecasts
Office Services business growth	+27	+18.6
Structural reforms in printing business	+54	+47.1
Printing frontlines digitalization field growth and structural reforms	+17	+16.1

Overview of 21st Mid-Term Management Strategy

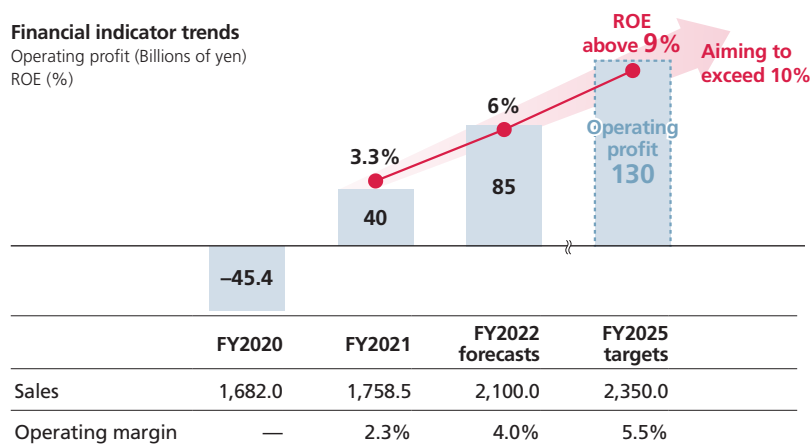
Key reinforcements under 21st Mid-Term Management Strategy

- Improve customer touchpoint value creation capabilities
- Enhance Group and global management
- Step up business model transformation and expand recurring revenues
- Build more change-responsive organizational processes
- Make management more capital efficient
- Keep investing in growth
- Balance corporate growth and employee self-development
- Become global ESG leader by lifting corporate value sustainably

21st Mid-Term Management Strategy financial targets

When we announced the 20th Mid-Term Management Plan, we targeted an operating profit of ¥150 billion and a return on equity exceeding 10%. But the business climate changed unexpectedly in recent times, prompting us to conclude that a non-hardware recovery in the Office Printing business would not be as expected. So, we pushed back initial targets. The financial targets of the 21st Mid-Term Management Strategy are accordingly ¥130 billion in operating profit and a return on equity exceeding 9%. We will keep striving to deliver a return on equity of over 10%.

Financial indicator trends
Operating profit (Billions of yen)
ROE (%)



Segment sales and operating profit targets

We will retain our structure of five business units. RICOH Digital Services, which oversees the office domain, will continue to drive growth. We also seek steady expansion in the frontlines and social areas.

As of fiscal 2022, digital services accounted for around 40% of sales. Management looks to boost that figure to more than 60% by fiscal 2025.

		FY2025 targets		Key businesses
(Billions of yen)		Sales (CAGR)	Operating profit (Changes from FY2022)	
RDS	RICOH Digital Services	1,750.0 (3.0%)	60.0 (+33.0)	Office Services Office Printing Edge Devices
RDP	RICOH Digital Products	420.0 (-3.0%)	34.0 (-3.7)	
RGC	RICOH Graphic Communications	280.0 (5.3%)	18.0 (+4.0)	
RIS	RICOH Industrial Solutions	160.0 (8.4%)	12.0 (+4.9)	Thermal Products Industrial Facilities
RFS	RICOH Futures	-260.0	6.0	PLAiR Biomedical business
Group headquarters	Others + Companywide and eliminations			
Total		2,350.0 (3.8%)	130.0 (+45.0)	

Changes in digital services sales (excluding Other businesses)

