

Environment

Realizing a Zero-Carbon society

The Ricoh Group aims to virtually eliminate greenhouse gas (GHG) emissions across its entire value chain by 2050 in line with scientific knowledge, such as from the Paris Agreement and the Intergovernmental Panel on Climate Change. We supported that goal by formulating medium- and long-term environmental targets and a comprehensive decarbonization road map. We are implementing specific measures company-wide.

Decarbonization policy

1. Conserve energy and switch to alternative fuels

2. Harness renewable energy

3. Identify and reduce GHG emissions in the supply chain

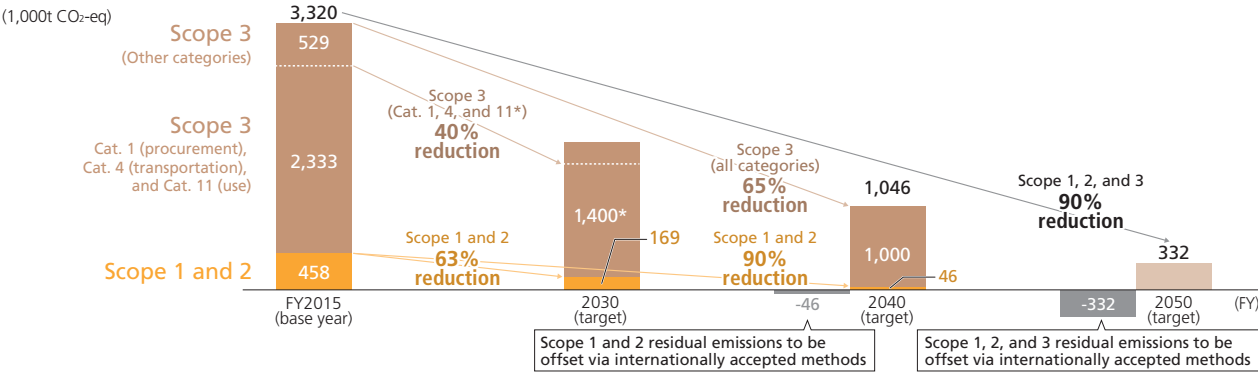
Revised decarbonization targets

We set new targets for Scope 1*¹ and Scope 2*² emissions. We aim to eliminate GHG emissions and transition to 100% renewable energy (satisfy RE100 criteria*⁴) for the electricity we consume in our business activities by fiscal 2040, a full decade ahead of our fiscal 2050 goal.

For our fiscal 2040 Scope 1 and 2 targets, we will undertake internal initiatives to cut emissions by 90% from the base year*⁵ and use internationally recognized techniques*⁶ to offset the remaining emissions, for a

net-zero outcome.

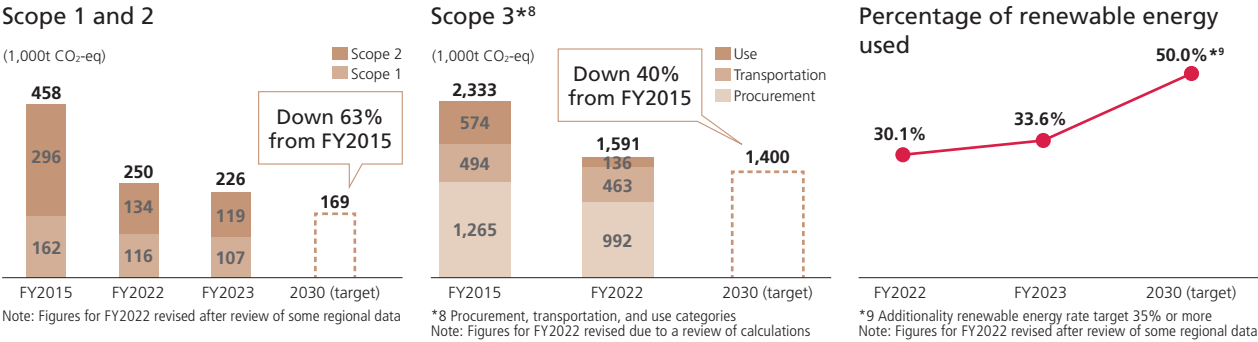
We will expand the coverage of Scope 3*³ emissions beyond Category 1 (procurement), Category 4 (transportation), and Category 11 (use) to include all categories. To strengthen our efforts, we have set a new target to reduce Scope 3 emissions by 65% from the base year by fiscal 2040. In keeping with existing net-zero targets for Scope 1, 2, and 3 by fiscal 2050, we seek to cut emissions by 90% from the base year through internal initiatives.



Zero-carbon initiatives and results for fiscal 2023

In fiscal 2023, we began employing virtual power purchase agreements and wheeling electricity for internal use, lifting our renewable energy rate based on our decarbonization road map.

Also, we responded to the increasing severity of natural disasters by analyzing the susceptibility of key business sites and implementing improvements based on these assessments.



Refer to our website Achievement of a Zero-Carbon Society

Realizing a circular economy¹

In 1994, we created the Comet Circle² concept for realizing a circular economy. We established goals for 2030 and 2050 to foster effective resource use across product life cycles. We aligned these goals with our resource conservation and plastics policies. We focus on using fewer new resources, recycling them, and reducing or replacing fossil-based plastics.

Resource conservation policy

1. Promote the efficient use and circulation of natural resources

2. Offer reused products and promote proactive use of sustainable resources with low environmental impact

Ricoh Group Plastics Policy for Products

1. Break away from dependence on virgin plastic derived from fossil resources

2. Material recyclable design

Resource conservation targets

Product resource conservation targets

- Virgin material usage ratio*¹
2030: 60% or less 2050: 12% or less

*1 Virgin material usage ratio: Ratio of virgin materials usage to total resources inputs
Targets: MFPs, printers, and digital printers

• Specific targets and goals for plastic

- 2025: Complete labeling of plastic parts and packaging materials and use single materials
- 2030: Plastic recovered materials used in imaging products to be at least 50%
- Reduce fossil-derived virgin plastic in packaging materials by at least 50% from the 2020 level

Resource conservation targets for business activities

• Waste reduction targets

Generate less waste than in the previous fiscal year
Note: Data collection scope is Ricoh production and non-production sites and production subsidiaries.

• Water withdrawal target

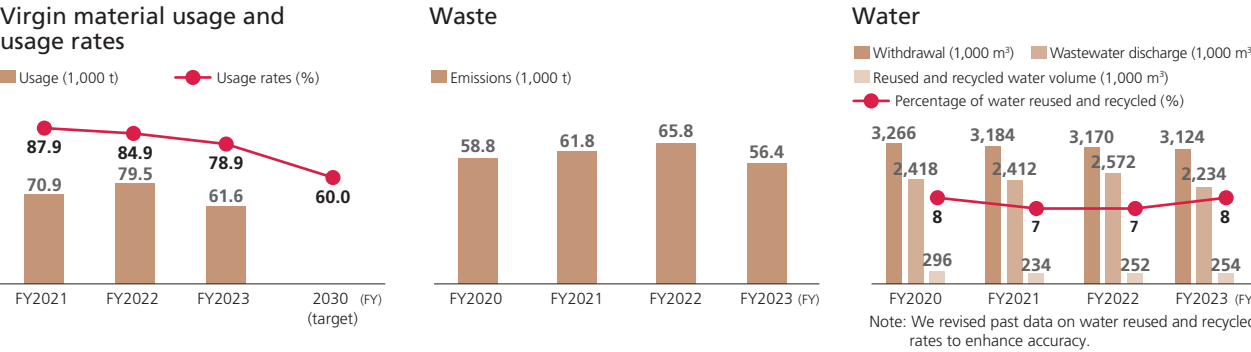
Reduce withdrawal to less than in the previous fiscal year
Note: Data collection scope is Ricoh (production and non-production sites) and subsidiaries inside and outside Japan

Resource conservation initiatives and fiscal 2023 results

Cross-organizational working groups are driving efforts to achieve our resource conservation targets for 2030 and 2050. In fiscal 2023, sales of reused products and recycled materials usage progressed as planned, keeping us on track to meet our targets.

In our business activities, we are developing production

processes and formulations that minimize resource losses to enhance production efficiency while cutting waste. We are also endeavoring to reduce water consumption through reuse and recycling initiatives. In fiscal 2023, we achieved our waste reduction and water usage targets.



Refer to our website 1 Achievement of a Circular Economy 2 Comet Circle

Conservation of biodiversity

We aim to help a society living in harmony with nature by achieving nature-positive outcomes and eliminating deforestation to halt biodiversity loss and promote its recovery. We assess biodiversity risks, collaborate with stakeholders to reduce the environmental impacts of our business activities, and endeavor to enhance the Earth’s regenerative capacity. In August 2024, we revised the Ricoh Group Biodiversity Policy to align it with international biodiversity trends, identify potential contributions from our businesses, and define the social ideals that we seek to embody.

Ricoh Group Biodiversity Policy Outline

2024 Revision¹

Basic Policy

1. Initiatives to address this management issue

2. Identifying risks and opportunities, improving outcomes

3. Collaboration with stakeholders

4. Raising awareness

5. Communication and disclosure of information

Initiatives for procuring products made of wood and paper

We view sustainable procurement as a cornerstone of a sustainable economy. In 2022, we launched the Global Paper Procurement Project, bringing together key members from ESG, procurement, production, and sales. Through supplier surveys, we strengthen risk management and identify and address common challenges. We encourage procuring eco-friendly products, including recycled and elemental chlorine-free paper, ensuring that our customers can confidently use our products.

In addition to considering the environment, we formulated the Paper Procurement Policy in 2023, which also factors in human rights and local operations as part of efforts to shrink the environmental footprint of our business.



Goal	Sustainable paper procurement: 100% (by fiscal 2026)
Progress	Fiscal 2023: 60%

Forest conservation activities

Since 2014, we have promoted forest development projects across Japan by collaborating with stakeholders, including local governments, companies, and residents, to support local community development. In 2023, the Ricoh Group’s “Ena Forest” and “Ricoh Eco Business Development Center” were certified as “Nationally Certified Sustainably Managed Natural Site” by the Ministry of the Environment’s 30by30 program. This initiative aims to restore biodiversity in traditional Japanese woodlands and revitalize local communities.

Goal	Plant one million trees from fiscal 2020 through 2030
Progress	Fiscal 2023: 115,000 trees planted (cumulative progress toward goal 45.3%)



Biodiversity initiatives to prevent pollution at business sites

We established the “Ricoh Group Basic Regulations for Chemicals Management” to minimize the human health and environmental harms of chemicals. We seek to mitigate business risks by properly managing chemical substances in our operations and products while controlling their environmental impacts.

At our business sites, we conduct assessments before using any chemical substances to clearly define the management protocols for safe handling. If the assessment reveals contamination risks, we immediately take corrective action or consider alternative materials. Our thorough chemical substance management emphasizes safeguarding the biodiversity of areas around our business sites.²

Refer to our website ¹ Ricoh Group Biodiversity Policy ² Pollution Prevention

Environmental governance and risk management

Realizing a zero-carbon society and establishing a circular economy are key materiality issues. We are addressing a growing interest in biodiversity and rising disclosure demands by prioritizing climate change, resource circulation, and biodiversity-critical environmental priorities. We have set medium- to long-term environmental

targets through 2050, and integrated ESG targets in our medium-term management strategy. We are developing specific measures to achieve these objectives. We keep close tabs on progress through the ESG Committee and the Board of Directors.^① We manage environmental responses as a significant component of key management risks.

Environmental strategies (risks and opportunities)

We have identified significant environmental risks that could hamper our financial performance. These risks relate to climate change, resource recycling, and biodiversity. We further classify them as transition and physical risks. We estimate their financial impacts and urgency in line with our company-wide risk management system. We recognize

that environmental challenges in climate change, resource circulation, and biodiversity are both business risks and opportunities to enhance the value of our products, services, and corporate value. The risks and opportunities in these areas are as follows:

Risks: Business risks and financial impacts relating to climate change, resource circulation, and biodiversity

	Classification	Environmental field	Business risks	Ricoh Group impact	Impact	Urgency
Transition risks	Policies and regulations	Climate change and resource circulation	Rising procurement costs from stronger policies	The introduction of carbon pricing measures, such as carbon taxes and emissions trading, along with circular economy policies that encourage the use of recycled materials and taxing plastic packaging have increased procurement costs as suppliers pass on higher raw material prices	¥1~20 billion	Within 5 years
	Policies and regulations	Climate change and resource circulation	Stricter regulations and delays in responding to customer demands	Strengthening environmental regulations for products and companies and tightening stricter customer requirements to reach the 1.5°C target and build a circular economy. Losing business opportunities and earnings declining from delayed responses	¥20~50 billion	Within 3 years
	Market	Climate change and resource circulation	Business performance impacts of changing consumer behavior	Decreased revenues from the rise of teleworking and a shift toward paperless processes to reduce wasteful printing	¥1~20 billion	Within 3 years
	Reputation	Climate change, resource circulation, and biodiversity	Lost social trust and damage to brand value	Violations of environmental laws, such as illegal dumping, involvement in deforestation, or lost social trust owing to greenwashing, and other factors	¥1~20 billion	Within 1 year
Physical risks	Acute	Climate change	Rapid increases in natural disasters	Climate change is driving more extreme weather events, causing unexpected wind and water damage at Group production sites suppliers. This can disrupt supply chains, leading to production stoppages and lost sales opportunities. The costs of tackling climate change are rising, including disaster countermeasures, office relocations, and electricity expenses.	¥1~20 billion	Within 5 years
	Acute	Climate change	Regional infectious disease epidemics	Unforeseen circumstances from the spread of infectious diseases may result in: · Delays or stoppages in parts supplies, product manufacturing, or transportation · Delays or stoppages in supplies to sales companies	¥1~20 billion	Within 10 years
	Acute	Climate change, resource circulation, and biodiversity	Declining forest resources	Global warming is causing more forest fires, insect infestations, and other forest destruction, leading to stricter regulations and higher paper procurement costs	Up to ¥1 billion	Within 10 years

Opportunities: Contribute to climate change mitigation, adaptation, and resource recycling, along with the financial contribution impacts

Activities	Fiscal 2023 financial contributions
Activities to help mitigate climate change and resoure circulation	
Sales of environmental label-certified products	Approx. ¥1,230 billion
Sales from business deal negotiations involving ESG compliance	Approx. ¥40 billion
Reuse and recycling businesses	Approx. ¥30 billion
Energy conservation and energy creation–related projects	Approx. ¥30 billion
Activities helping to address climate change and resource circulation	
Solutions supporting digital transformation	Approx. ¥170 billion

Refer to our website Ricoh Group Environmental Report

For more details see ^① ESG Structure ▶P. 31