

## Risk Management<sup>1</sup>

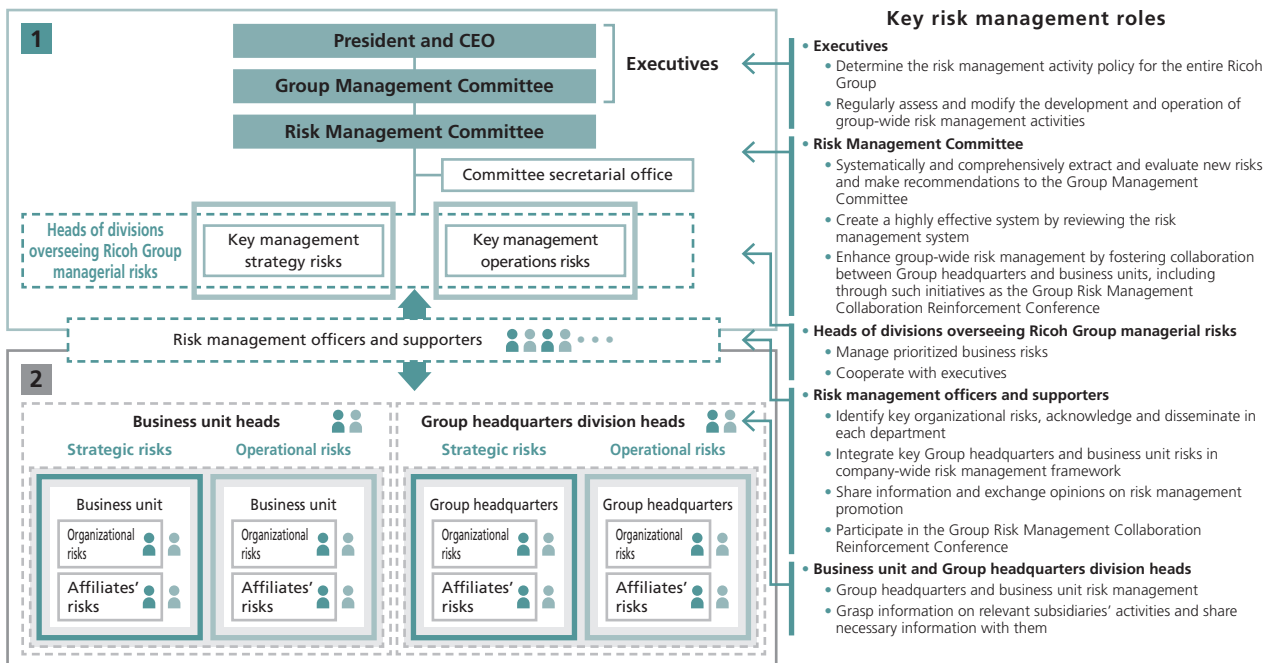
### Risk management systems

The Ricoh Group's risk management system has two main levels, as Figure 1 shows.

1. Managerial risks, which are selected and managed autonomously by the Group Management Committee for management items of particular importance, within the management of the Ricoh Group
2. High-priority risks in specific responsibility areas managed by the heads of Group headquarters or business units

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 can be transferred from one level to another due to changes in the level of impact caused by environmental changes.

Figure 1 Ricoh Group's risk management structure



### Process for determining key management risks and the role of the Risk Management Committee

The Risk Management Committee discusses key management risks before the Group Management Committee reviews and finalizes them. These risks are strategic or operational. Strategic risks range from those affecting short-term business plans to emerging ones that could affect Ricoh over the medium to long term.

Ricoh established the Risk Management Committee to advise the Group Management Committee on

strengthening groupwide risk management processes. The corporate officer responsible for risk management chairs this entity, which comprises experts from each organization to ensure comprehensive risk coverage and substantive discussions. The committee proposes specific risks that require attention or prioritization to the Group Management Committee to guide Ricoh Group oversight.