



**RICOH**  
imagine. change.

Integrated Report  
Ricoh Leasing **2024**

# Corporate Story

Ricoh Leasing was established in 1976 as a leasing company to support sales of Ricoh products, and has grown by providing financial support for capital investment and business expansion, mainly to small and medium-sized enterprises. We have developed our business based on our corporate philosophy, and in the course of doing so, we have enhanced our uniqueness as Ricoh Leasing and contributed to solving social issues for nearly half a century.

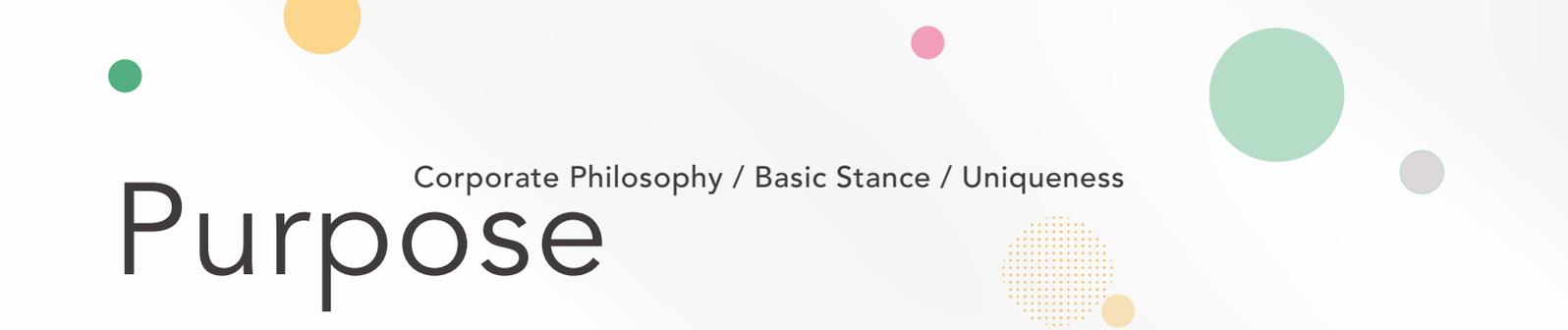


Today, we serve 400,000 customers through 6,000 vendors. The use of transaction data, especially in our vendor leasing, is our DNA and strength.

The human resources to utilize this strength and the corporate culture that has been fostered have continuously led to the evolution of new businesses.

Currently, we are advancing sustainability management toward evolving into a Circulation-Creating Company to realize an abundant future.

We aim to realize a sustainable circulation-oriented society by creating new businesses as a business company that also engages in finance and contributing to society through our business.



# Purpose

Corporate Philosophy / Basic Stance / Uniqueness

Ricoh Leasing was established in 1976 to provide sales support for Ricoh's office equipment (multifunction copiers, fax machines, etc.).

Through leases, installment sales, and loans, we have contributed to lowering the hurdles for companies (especially small and medium-sized enterprises, which account for the majority of our transactions) to obtain financing for introducing equipment. In the process of these services, we have continued to expand our business domains by utilizing the knowledge and expertise we have gained and developing new businesses and services of our own. We believe that our Group's reason for existence is to fulfill our corporate philosophy, and we have therefore elevated it to be our Purpose, our highest concept. In all of our corporate activities, each and every one of our employees shares the common principle of deciding whether or not our activities are a bridge that will lead to the abundant future laid out in our corporate philosophy, aiming to resolve social issues not only in finance but in the new services we will provide.

## Corporate Philosophy

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**We will be a bridge to an abundant future with our independent finance and services.**

## Basic Stance

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1. We will contribute to the development of a sustainable global society with our integrity and reliable business activities.
2. We will connect our customers to the future and society with services beyond expectations.
3. We will create an enjoyable and active working environment while respecting each other.
4. We will answer stakeholders' expectations by enhancing corporate value.

# Uniqueness

Below is a description of the uniqueness that we have cultivated through our business activities to date.

## Targets



The Group's core business is leasing, installment sales, and loans to corporations, and it conducts a wide range of B2B businesses.

## Deal Size



The Group holds 1,114.9 billion yen in operating assets (as of March 31, 2024), which will serve as a source of earnings for the future. We specialize in facilitating the smooth circulation of small capital investments by companies, with an average contract unit price of 1.99 million yen.

## Timeframes



Having provided sales support for Ricoh products and other office equipment, mainly multifunction copiers, we consider five years, which is the lease term for the majority of transactions, to be the time horizon for investments.

## Style

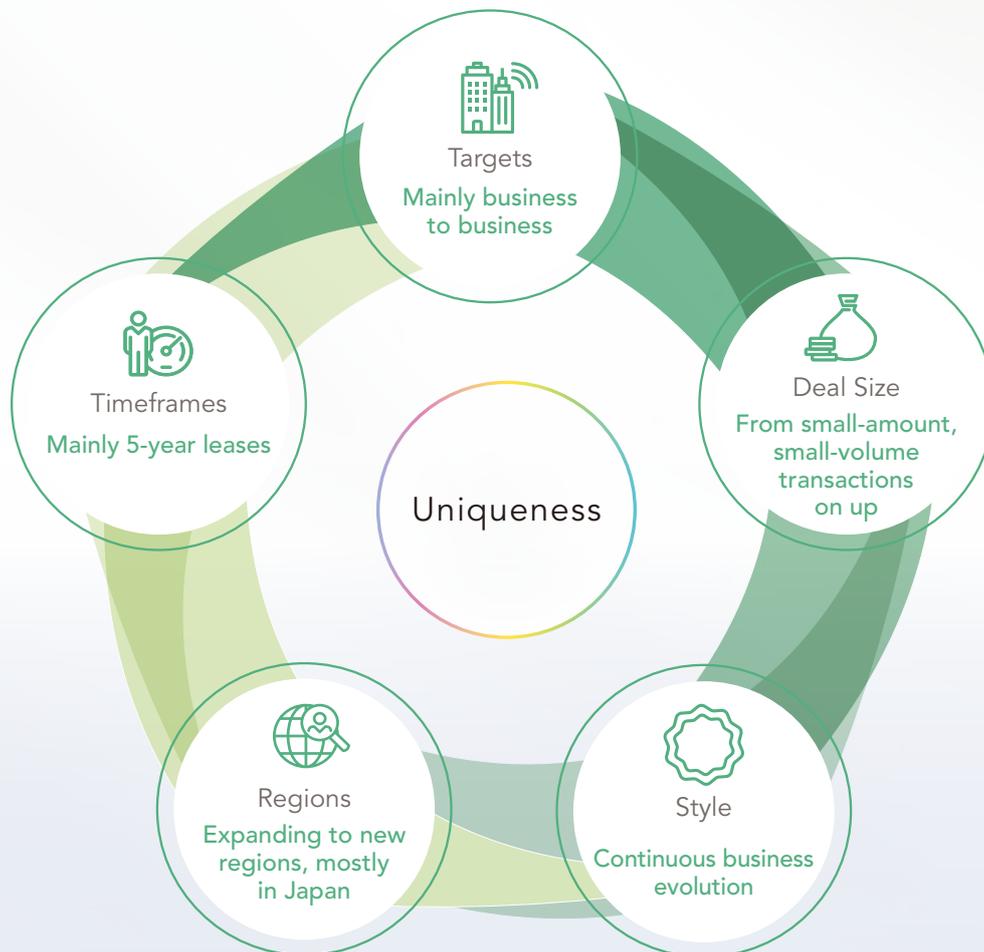


The Group has enjoyed growth thanks to continuous evolution. Through these evolutions that repeatedly "mutate" our existing businesses, we aim for business expansion.

## Regions



The Group's core area for business development is in Japan, and we are working to expand into new geographic areas within Japan.



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## Editorial Policy

- Ricoh Leasing Company, Ltd. ("the Company") publishes the Ricoh Leasing Integrated Report as a means of informing shareholders, investors and all other stakeholders of the Ricoh Leasing Group's views on and actions for value creation. The report's purpose is to present the Group's corporate philosophy, medium- to long-term vision of becoming a Circulation-Creating Company and strategies for achieving that vision, history and corporate story on the path to sustainable growth.
- Integrated Report 2024 has our corporate story at its core and focuses on our approach to sustainability management, from the perspectives of both financial and non-financial information. We have included in this report messages from individual directors, including President Nakamura, as well as a snapshot of our engagement implementation as described in conversations between outside directors and discussions with experts.
- In the process of preparing this report, we verified the interests and expectations of our stakeholders, interviewed people inside and outside Ricoh Leasing, including top management, and referred to the International Integrated Reporting Council (IIRC) framework advocated by the IFRS Foundation (former VRF) and the Guidance for Collaborative Value Creation issued by Japan's Ministry of Economy, Trade and Industry to select and decide the key subjects to be reported.
- Reporting period: Fiscal 2023 (April 1, 2023 to March 31, 2024; "FY2023") Note: This report includes some information from outside the reporting period.
- Scope of report: Ricoh Leasing Company, Ltd., Techno Rent Co., Ltd., Enplus Inc., Welfare Suzuran Co., Ltd. and Tokyo Business Rent Co., Ltd. ("the Ricoh Leasing Group")
- Publication: October 2024
- For inquiries regarding this report, please contact: Corporate Planning Department, Ricoh Leasing Company, Ltd. TEL.050-1702-4203

## Note regarding forward-looking statements

In addition to past and present facts about the Group, this report contains forecasts and strategies focused on the future. These are predictions of the future based on the information available at the time of preparation. Due to various factors, these predictions may differ from actual performance and the results of business activities. This report has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated report and the Japanese original, the original shall prevail.

# Key Points of This Report

## 1 About Ricoh Leasing's Uniqueness and DNA

What are the values that Ricoh Leasing has treasured, what kind of DNA (strengths) do we possess, what kind of value has been created based on Ricoh Leasing's uniqueness, and what are our future goals and how will we move forward to achieve them? In this section, we explain the underlying corporate story at the root of Ricoh Leasing.

P.1-3,6-12

## 2 Expanded Disclosure of Human Resources Strategy

In addition to the overall human resources strategy, we have newly formulated impact paths in the most recent year. Here, we visualize how human resources measures impact our businesses. The impact paths that have been formulated will help us to elevate our effectiveness internally going forward.

P.33-37

## 3 Expanded Disclosure of Business Fields

We have illuminated our path forward through new disclosures of risks, opportunities, and strengths by field, as well as a three-year business portfolio. The progress and performance of each business are disclosed along with messages from the general managers of each division.

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### Information Disclosure System

The Group discloses financial and non-financial information through the following resources. Please refer to our website for the latest information.

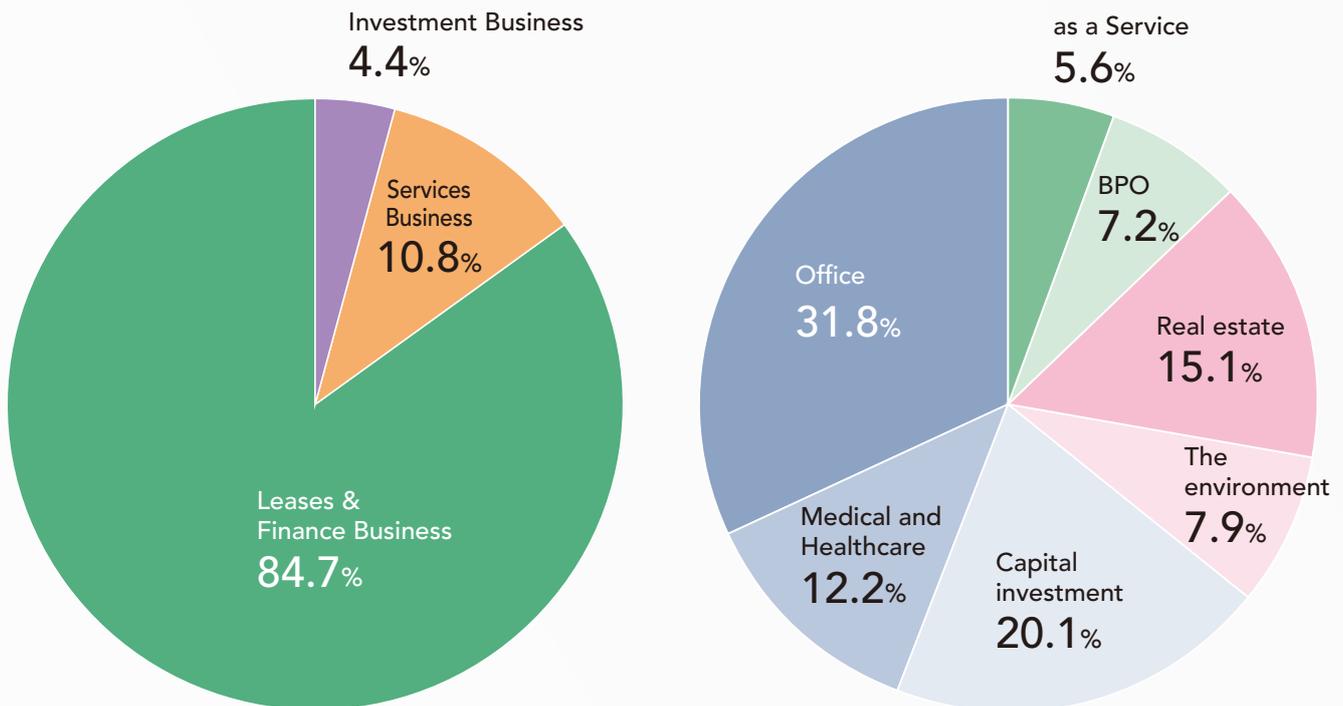
Financial Information	Non-Financial Information
Annual Securities Report	
Integrated Report	
Business Report	
IR Presentations	Corporate Governance Report
Shareholder and Investor Information Site <a href="https://www.r-lease.co.jp/en/ir/">https://www.r-lease.co.jp/en/ir/</a>	Sustainability Site <a href="https://www.r-lease.co.jp/en/sustainability/">https://www.r-lease.co.jp/en/sustainability/</a>

# At a Glance

A Look at Ricoh Leasing from the Perspective of Our Uniqueness

Gross profit before deducting financial expenses for disclosed segments and business fields

Gross profit before deducting financial expenses **47.5** billion yen



Relationship between disclosed segments and business fields





### Deal Size

From small-amount, small-volume transactions on up

Executed contract volume / Investment amount

**404.7** billion yen

Average customer unit price per lease and installment sales contracts

**1.99** million yen

Credit issuances and contracts per year

Approximately **360,000** issuances

Approximately **130,000** contracts



### Targets

Mainly business to business

Number of business partners

Approximately **400,000** companies

Number of vendors with transactions

Approximately **6,000** companies

Percentage of small and medium-sized enterprises (SMEs)

Approximately **98** %



### Regions

Expanding to new regions, mostly in Japan

Number of locations

**39** locations nationwide

Group companies

- Techno Rent Co., Ltd.
- Enplus Inc.
- Welfare Suzuran Co., Ltd.
- Tokyo Business Rent Co., Ltd.

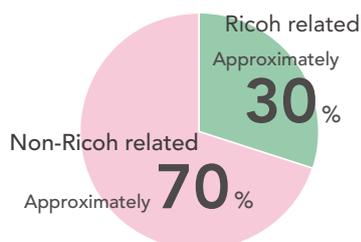


### Style

Continuous business evolution

Ricoh's share\* of executed contract volume / business investment

\* Executed contract volume through Ricoh agents/dealers as the sales channel



Operating Assets

**1,114.9** billion yen

Business derived from vendor leasing

- Annual number of transactions in collection agency services

**30.39** million transactions

- Power plants operated in-house

**499** sites

- Guarantee balance in the credit guarantee business

**1** billion yen



### Timeframes

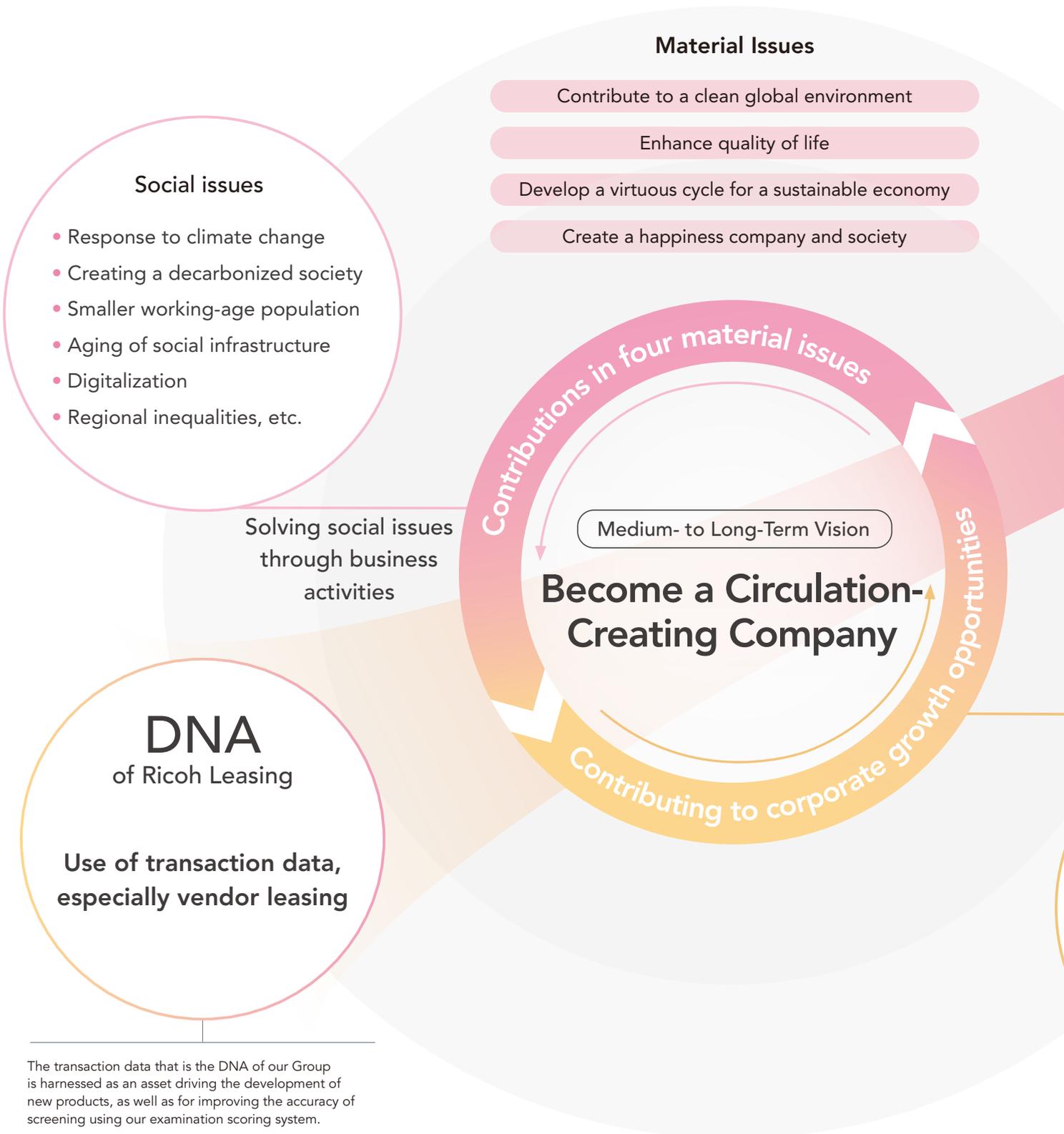
Mainly 5-year leases

Average term of lease and installment sales contracts

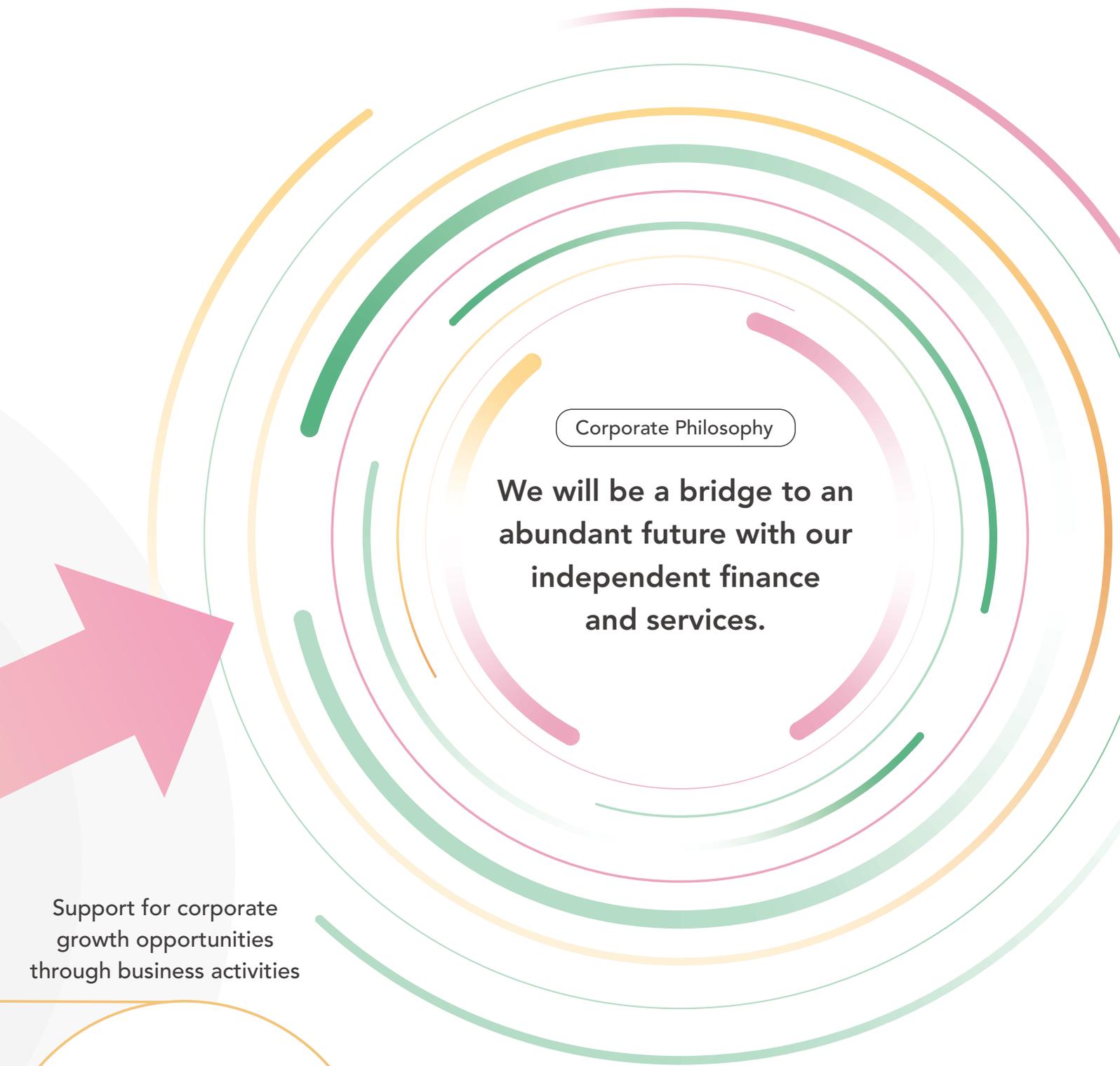
Approximately **5.9** years

# Our Future

Ricoh Leasing Group started its three-year Mid-term Management Plan from April 2023. We will aim to realize the abundant future set forth in our corporate philosophy by focusing on strategic planning that combines contributions toward corporate growth opportunities through the utilization of transaction data centered on vendor leasing, which is our Group's DNA, with work on the four material issues identified for solving social issues through our business activities.



The transaction data that is the DNA of our Group is harnessed as an asset driving the development of new products, as well as for improving the accuracy of screening using our examination scoring system.



Corporate Philosophy

**We will be a bridge to an abundant future with our independent finance and services.**

Support for corporate growth opportunities through business activities

**Corporate growth opportunities**

- Starting a business
- Capital investment
- Financing
- General business operations
- Business succession, etc.

# Our Business

Starting with vendor leasing, the Ricoh Leasing Group has developed our own unique financial and service offerings that permeate various parts of society. Like the blood of society, we will circulate goods and services to help bring about abundant lifestyles and a sustainable economy.



## Office

We support the introduction of office equipment such as multifunction copiers and computers through leasing and financing. By lowering the hurdles to introducing equipment, we contribute to the creation of comfortable working environments and support corporate growth.



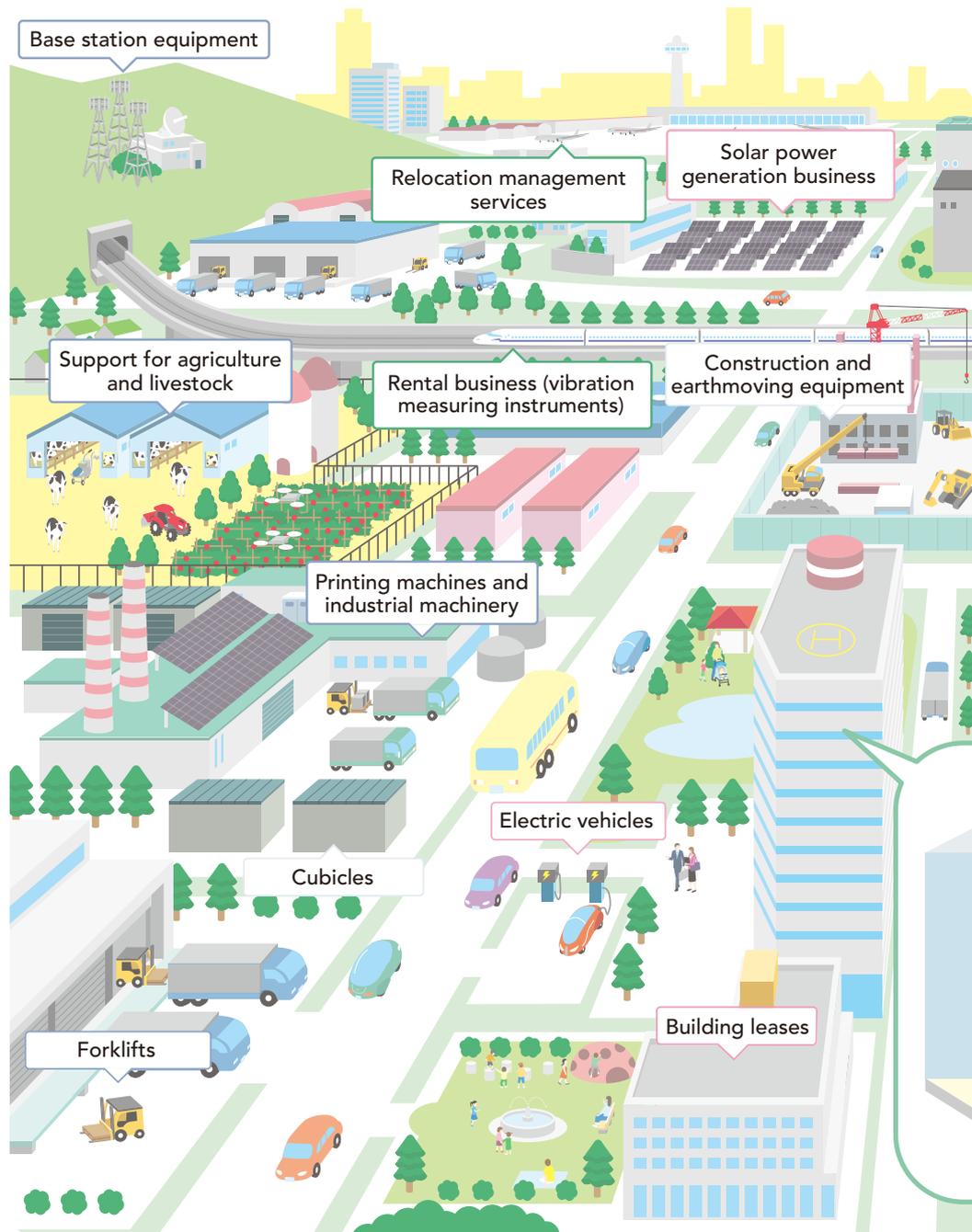
## Medical and Healthcare

We provide financial and management support for new hospital and clinic openings as well as for introducing medical equipment to these facilities. We aim to improve the work comfort of medical practitioners and the accessibility of medical services for patients.



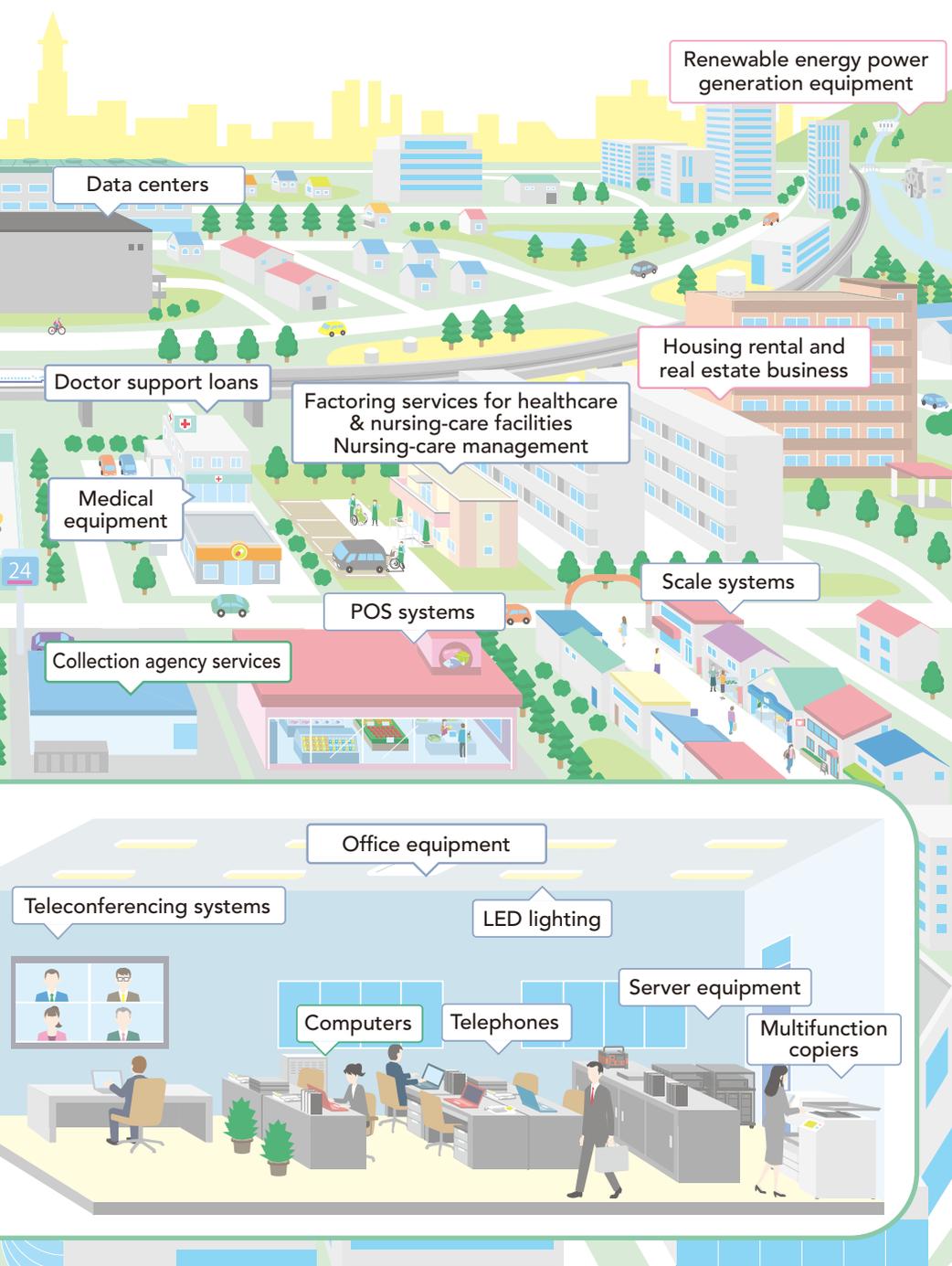
## Capital investment

We provide financing to support the introduction of a wide range of equipment, including for factories, warehouses, construction machinery, and smart agriculture. By lowering the hurdles to introducing equipment, we are helping to improve productivity and support corporate growth.



## Real estate

In addition to condominiums and other residential properties, we provide financing for factories, warehouses, commercial facilities, and other real estate. We are contributing to the creation of affluent towns by responding to housing needs resulting from demographic changes, including declining birthrates and an aging society.



**BPO**

We provide services with a focus on settlement, such as collection agency services, including account transfers and payment collection at convenience stores. We also operate a relocation management business that provides total support for accepting foreign nationals. By improving business processes, we help companies improve operational efficiency and productivity, and create more time for workers.



**as a Service**

We provide equipment, including computers, alongside additional services, such as maintenance and replacement of equipment. This reduces the cumbersome procedures involved in the use and management of equipment, helping companies flexibly utilize their equipment.

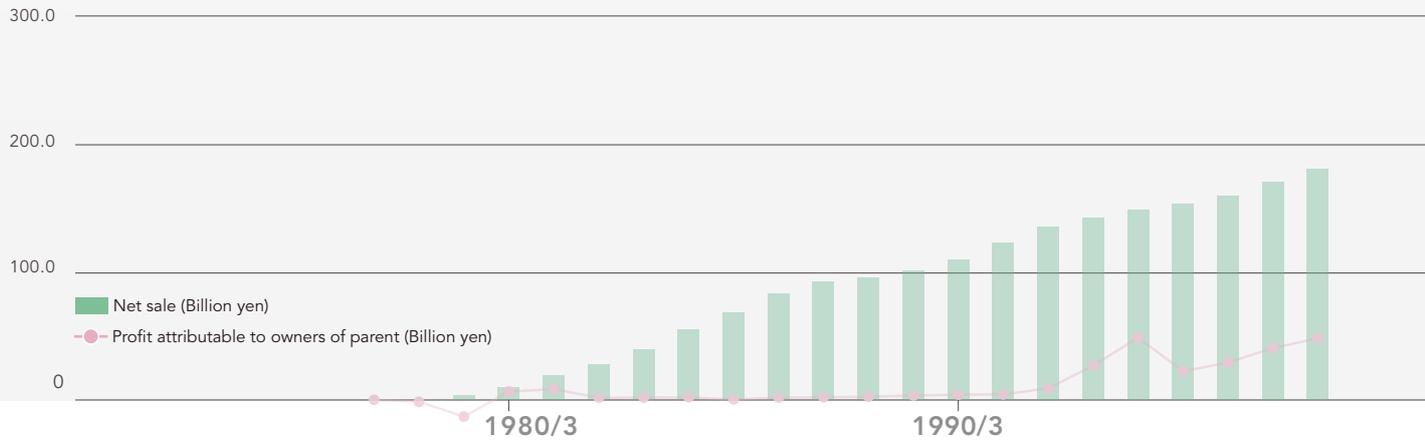


**The environment**

In addition to our own solar power generation business, we provide a variety of services to meet the clean energy needs of companies and support their decarbonization management toward a decarbonized society.

# History

## Our History and the Evolution of Our Business Models



1970s

1980s

1990s

### Changing Social Challenges

- Economic growth
- Human resource shortages due to rapid economic expansion
- Spread of automobile ownership
- Problems of climate change

### The Changing Ricoh Leasing Group

Begins sales support for Ricoh products through leasing and credit services

**1976**  
Established as Ricoh Credit Co., Ltd.

Expands to loans for Ricoh Group employees and begins collection agency, factoring and other financial services for sales companies

**1981**  
Makes Tokyo Business Rent Co., Ltd. a subsidiary

**1984**  
Renames itself Ricoh Leasing Company, Ltd.

Increases the executed contract volume of Ricoh and other products in preparation for listing on the stock market

**1996**  
Lists on the Second Section of the Tokyo Stock Exchange

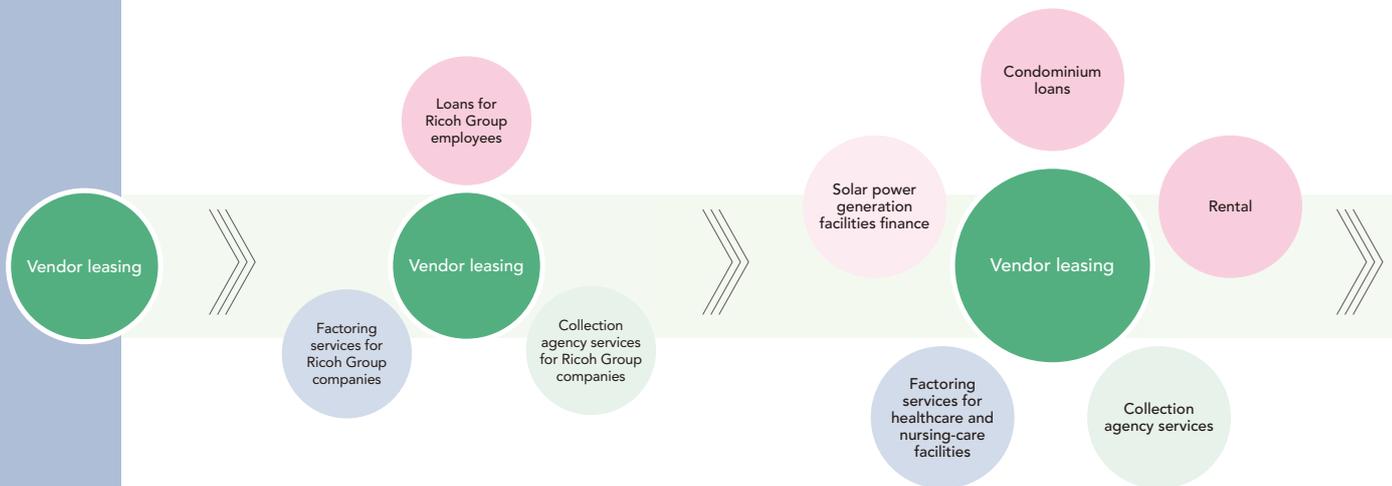
### Evolution of Our Business Models

#### Founding

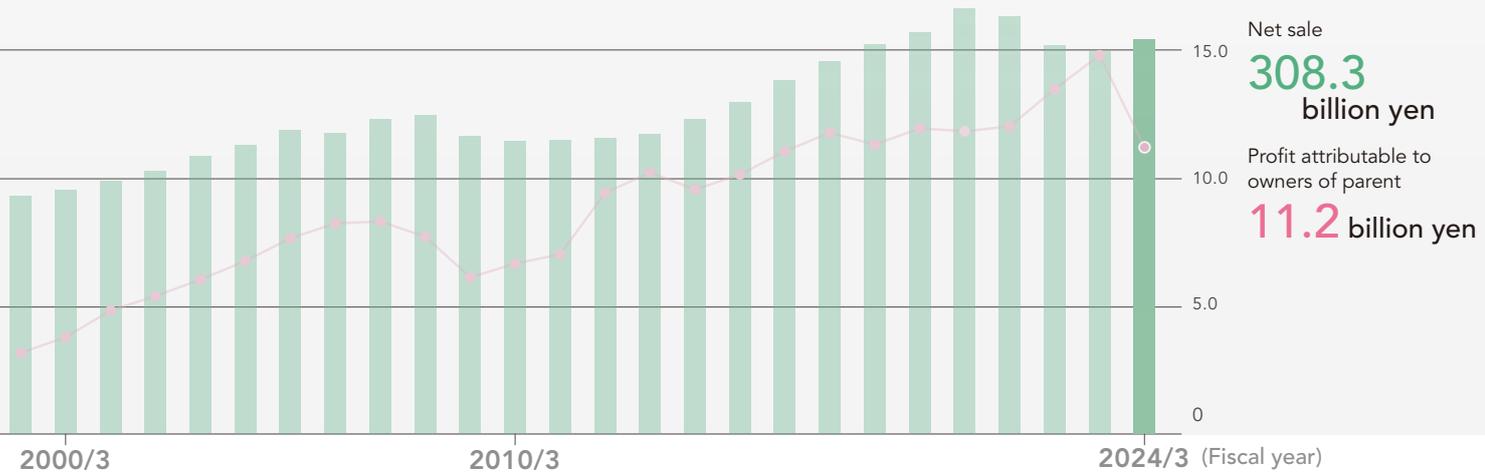
Offer financing to support sales of Ricoh-manufactured products

#### 2000 to around 2020

Providing financing to customers outside the Ricoh Group and evolving into a business that aims to address social challenge



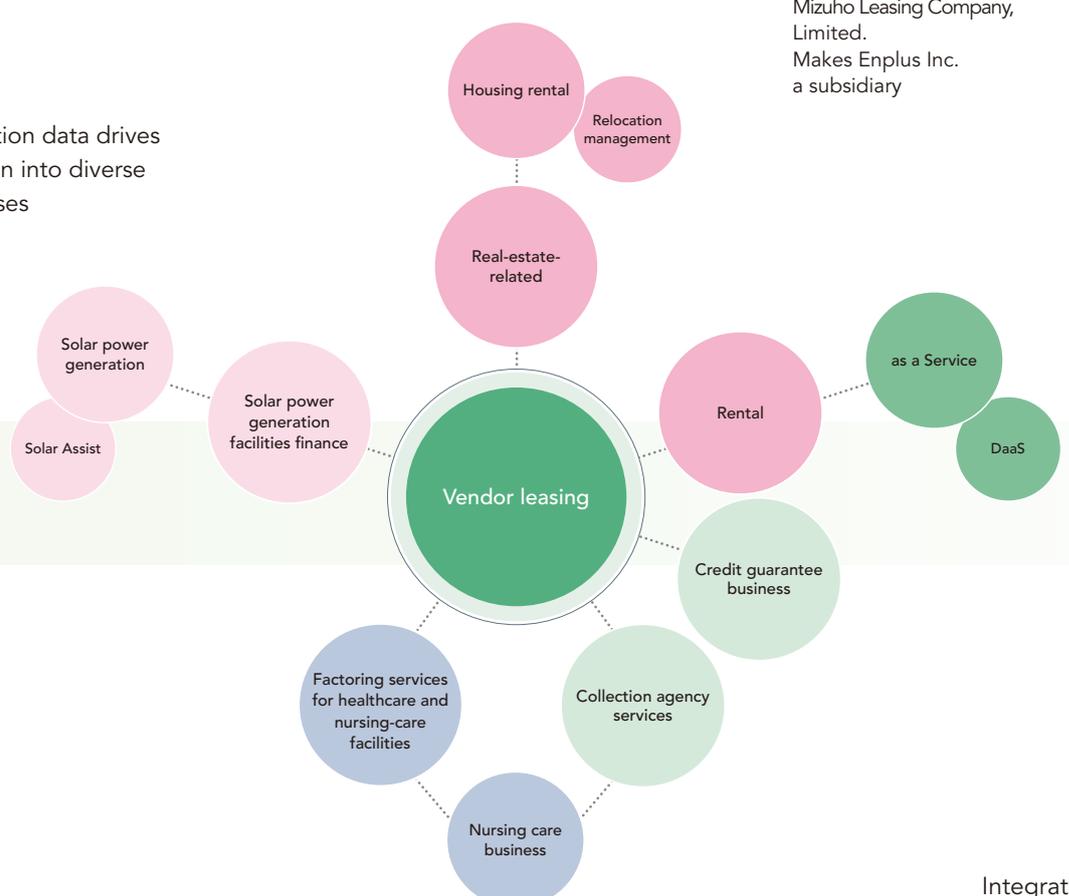
The Ricoh Leasing Group was established to finance the sale of Ricoh products, and we have continued to expand our business domains along with those of our customers and business partners while adapting to drastic changes in the challenges facing society. Going forward, we will continue to contribute to the solution of social challenges based on our uniqueness.



2000s	2010s	2020s
<ul style="list-style-type: none"> <li>• Aging society</li> <li>• Shrinking labor pool</li> </ul>	<ul style="list-style-type: none"> <li>• Shortage of medical practitioners</li> <li>• Problems of urbanization</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing demand for decarbonization</li> <li>• Digitalization</li> </ul>
Accelerates growth by increasing sales activities outside the Ricoh Group while centered on product promotion within the Ricoh Group	Increases investment in related business domains on the basis of its finance knowledge	Adopts the medium- to long-term vision of becoming a Circulation-Creating Company and contributes to continuous environmental, social and economic development

<b>2001</b> Lists on the First Section of the Tokyo Stock Exchange	<b>2004</b> Begins a shareholder special benefit program that includes social contribution	<b>2005</b> Makes Techno Rent Co., Ltd. a subsidiary	<b>2020</b> Concludes a trilateral business alliance agreement with Ricoh Company, Ltd. and Mizuho Leasing Company, Limited. Makes Enplus Inc. a subsidiary	<b>2022</b> Moves to Tokyo Stock Exchange Prime Market. Makes Welfare Suzuran a subsidiary
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**Today**  
Transaction data drives evolution into diverse businesses



# Message from the CEO

**Tokuharu Nakamura**

Representative Director, President  
and Chief Executive Officer



# We will consistently evolve so that we can contribute to the realization of an abundant future by solving social issues and supporting corporate growth opportunities

The first year of our Mid-term Management Plan (FY2023-FY2025) (“current Mid-term Plan”), in which our medium- to long-term vision is to “Become a Circulation-Creating Company,” has come to an end. Among the business fields to be focused on in this current Mid-term Plan, we accumulated operating assets mainly in the real estate field and were able to deliver performance in line with our initial forecast, despite a decrease in profits with an increase in sales. With the subsiding of the COVID-19 pandemic and signs of economic recovery, such as rising stock prices, the Ricoh Leasing Group is continuing to look beyond the current Mid-term Plan, and is engaged in consistent evolution in keeping with our uniqueness in order to contribute to the realization of an abundant future.

## Realizing an abundant future by harnessing our DNA and through initiatives for our material issues

The role of our Group, which originated in the Leases & Finance Business, is to lower the hurdles for companies to make capital investments in new businesses and to diversify their businesses. By circulating funds, which are the lifeblood of a company, we have supported the business activities of our clients, especially small and medium-sized enterprises. Our Group has set forth the corporate philosophy that “We will be a bridge to an abundant future with our independent finance and services.” What we call our “uniqueness” incorporates our commitment to consistently provide unique services to our clients, based on the assets we have accumulated through small-amount, small-volume transactions, and through repeated and consistent evolution.

The foundation of our business is transaction data with approximately 400,000 customers, one of the strengths of our Group. The Group was established as a leasing company to provide sales support for Ricoh products. In 2026 we will celebrate our 50th anniversary, and the data we have accumulated over these many years has become so fundamental to us that it can be called our DNA. We believe that by effectively utilizing this data, which is not represented in the balance sheet or statement of profit and loss, we can create new services that do not yet exist in the world and encourage growth opportunities

for our clients. This is a source of differentiation from our competitors in order to survive in the era of VUCA (Volatility, Uncertainty, Complexity, and Ambiguity).

The two axes of strategic planning for the current Mid-term Plan are use of transaction data, especially vendor leasing, and the resolution of social issues. The Group has identified four material issues (contribute to a clean global environment, enhance quality of life, develop a virtuous cycle for a sustainable economy, and create a happiness company and society), and has set non-financial targets for each material issue, aiming to resolve social issues. We believe that our medium- to long-term vision to “Become a Circulation-Creating Company” will be realized through a combination of these two axes.

When I talk about this, I often use famous industrialist Eiichi Shibusawa’s book *Rongo to Soroban* as an analogy. Here, Shibusawa’s *rongo* (teachings, referring to Confucius’s Analects) is our material issues, and the *soroban* (abacus, referring to the pursuit of profits) is contribution to corporate growth. We will contribute to the world from both of these perspectives, and by earning profits from the recognition of our Group’s efforts, we will contribute to an abundant future, as stated in our corporate philosophy.

## Sales and profits exceeding initial forecasts in the first year of the current Mid-term Plan Further promoting business growth strategies by field

Looking back on the first year of the current Mid-term Plan, we achieved a certain level of results in terms of sales and profits. Net sales increased for the first time in four fiscal years, rising 3.2% from the previous year to 308.3 billion yen. Meanwhile, operating profit, though lower than the previous fiscal year at 21.0 billion yen due to a reactionary drop from the previous year's special rental demand related to COVID-19, exceeded the initial forecast along with net sales due to growth in leasing and installment sales.

With respect to our sales operations, increased investments in logistics facilities and trust beneficiary interests in residential properties in the real estate field and expanded investments in solar power generation and several large-value installment projects in the environmental field contributed to higher executed contract volume and overall performance.

Net income was 11.2 billion yen, lower than the initial forecast, due to an extraordinary loss of 5.1 billion yen resulting from an impairment loss on some of the securities held due to a decline in stock prices. Ricoh Leasing continues to hold securities acquired, including the securities that were the subject of this impairment, through ESG investments and other means for the purpose of creating business opportunities and expanding collaboration. This has deepened our cooperative relationships through business collaboration with each of our investees.

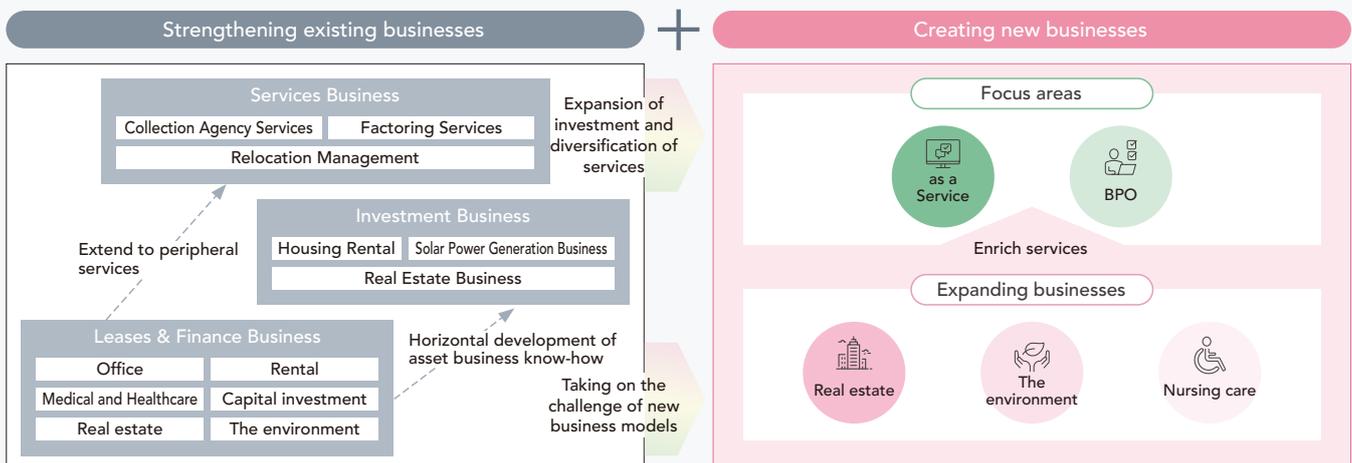
Now, in the second year of our current Mid-term Plan, an assessment of our external environment shows that the COVID-19 pandemic has finally subsided, interest rates are expected to rise in the future as we move away from the zero interest rate and low interest rate policies, and there are bright signs now appearing in the pulse of the once long-stagnant economy and society.

In management, investment in human capital will become even more important. Leasing companies can no longer survive on organic growth alone, and are entering an era in which new evolutions are required. In response to these environmental changes, the Group has formulated business growth strategies and strategies for enhancement of organizational strength in the current Mid-term Plan.

There are three main business growth strategies. The first is expansion and improved efficiency, which applies to three business areas: office, medical and healthcare, and capital investment. We will expand our business in these areas while improving efficiency as the most important foundation for the Group's growth. The second is diversification through the addition of businesses and services, which applies to real estate, the environment, and nursing care. These are business areas where we would like to consider how to secure revenue while adapting our services for further expansion. The third is taking on the challenge of new business models, which includes the two business fields of "as a Service" and "BPO."\* Although their contribution to earnings is yet to be seen, these business fields are expected to become a future axis of the Company through concentrated investment of people, goods, and money.

The three strategies for enhancing organizational capabilities are encouraging employees to take on challenges, which will result in business growth, and revitalizing the organization, building flexible systems and operational structures that reflect social changes, and strengthening governance, including governance at affiliates. Based on these strategies, we are promoting various initiatives.

\* BPO (Business Process Outsourcing): Outsourcing part of a business process to a specialized business





## Business growth strategies and organizational creation to adapt to environmental changes

### Continuous evolution of Ricoh Leasing's businesses

The Group's business began in the office field, and we have grown and expanded our business while adding new fields one by one. However, markets in growth areas quickly become saturated, leading in turn to the need for efficiency. Then, we test ourselves in a new field, and the cycle repeats itself.

We call this sequence of events continuous evolution. Through a series of evolutions like these, we hope to create new fields that will become central axes of our business. Much like the evolution of living organisms, in business activities, we commit errors but adapt and evolve (mutate) to meet changes in the environment. To generate these evolutions is the challenge we face, and building such an evolution-based business model is what creates our uniqueness. In particular, we see the "as a Service" and BPO fields in our business growth strategies of the current Mid-term Plan as markets with ample room for growth. We will drive intentional evolution in these areas while actively investing management resources.

Evolution can be caused by a variety of stimuli in all kinds of situations. What is important is how a company provides opportunities for that stimulation. At the same time, the ability of each employee to notice things is also important, so we would like to encourage evolution by applying mechanisms that do not put too much pressure on them. If employees more readily verbalize their daily thoughts and feelings, employees may be able to notice

things and generate insights. Therefore, as a company, we would like to create an environment that is facilitative, rather than take a grandiose, and potentially intimidating, attitude.

For example, we provide opportunities for employees to gain new knowledge through what we call Mirakuru-Za, a direct roundtable meeting to create an abundant future, in which officers are invited to each business site to stimulate communication between the field and management; Mirai Creation, an internal proposal submission system aimed at creating new businesses; Mirai Award, an event to recognize best practices in sales and business operations; women's leadership training, and; RL Miraijuku, a succession planning program. We also offer a human resources system arising from capturing ideas from front-line employees, including things they want to do and examples from other companies. Although we have not reached the point to justify incorporation in our business plans, we aim to take these ideas beyond the realm of our internal systems and connect them to our businesses.

There is one thing to keep in mind when thinking about evolution. I often talk about taking it "one variable at a time." To give an example, if a company were to expand overseas, it would consider which business it would use to begin this expansion. I believe that when we look at this single variable of going abroad, we must choose something that is an extension of our existing businesses.

## Message from the CEO

This is because when you have two variables—overseas and a new business—it is no longer continuous.

At present, I believe that we are able to generate strong figures while responding to the challenges of the world as we venture into new areas, and in general we are generating continuous evolution in the right way. Entrepreneurs do not find success patterns from the start;

they follow what they call the basketball “pivot.” This is truly a continuous evolution to find a success path while pivoting on an axis. Since experience is needed to make this happen, we will gradually increase the speed while thickening our current pipeline of evolution, leading to the overall growth of the Company.

### Firstly, seeking to improve capital efficiency, and then aiming to increase profits

#### Basic dividend policy: Stable shareholder returns over the medium to long term

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In the prior Mid-term Plan (FY2020-FY2022), we achieved profit growth by improving earning power. It is necessary to maintain this trend in the future while, on the other hand, launching new business creation and measures.

The numerical targets for fiscal 2025, the final year of the current Mid-term Plan, are operating profit of 23.5 billion yen, net income of 16 billion yen, ROA of 1.1% or more, and ROE of 7% or more, with a dividend payout ratio of 40% or more. To achieve these numerical targets, it is important to increase profits while improving capital efficiency. For example, within taking on the challenge of new business models, we will create revenue streams that do not use assets. This is why we are strengthening our non-asset “as a Service” and BPO fields.

In March 2023, the Tokyo Stock Exchange issued a request that we practice management conscious of cost

of capital and stock price, and with investors also demanding that we achieve ROE that exceeds the cost of capital, we must be more conscious of capital efficiency than ever before. At Ricoh Leasing, even before the COVID-19 pandemic, we have been practicing contract acquisition activities with an awareness of the cost of capital by establishing hurdle rates for each business field in order to ensure profitability for each business portfolio. We will more broadly instill such activities to increase profits. Beyond the current Mid-term Plan, we have also established a numerical target of 30 billion yen in operating profit for fiscal 2029. We will explore how to achieve this target as we carry out our business.

Although ROE declined in fiscal 2023 due to extraordinary losses, we will work to optimize equity capital in the denominator and increase profits in the numerator,



targeting 7% or more in fiscal 2025, the final year of the current Mid-term Plan, and 8% or more in fiscal 2029. In the optimization of equity capital, we have changed our basic policy for shareholder return with the aim of controlling the speed of increase in equity capital.

While keeping in mind the progressive nature of our dividends, which have increased for 29 consecutive fiscal years through fiscal 2023, we will aim for an industry-leading dividend payout ratio of 40% or more in fiscal 2025 and 50% in fiscal 2029.

## Significance of the four material issues set forth in the non-financial targets

### Encouraging proactive employee engagement by setting numerical targets

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One of our Group's material issues, create a happiness company and society, is an important foundation of management and the fundamental concept of human capital management. In the current Mid-term Plan, we aim to achieve employee happiness by implementing human resource strategies, with non-financial targets such as raising the engagement score to 75 points, increasing the percentage of female managers to 25%, and raising per capita education expenditures, such as reskilling, to 55,000 yen. We then set material issues such as contribute to a clean global environment, enhance quality of life, and develop a virtuous cycle for a sustainable economy, and set quantified targets to

enable us to proactively engage in business activities. The Sustainability Committee held a series of discussions to determine the target values for these and how much of a positive impact they would have on society and how much they would lead to increased corporate value.

These targets are also used to measure the progress of how much each employee's work contributes to materiality, with clear numerical targets providing the driving force for our businesses. We will contribute to solving social issues by developing new business activities in light of what we must do to achieve our targets and the Group's corporate philosophy.

## Creating an active working environment for employees by investing in human capital

### Creating new services and increasing corporate value

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In the current Mid-term Plan, we will grow our companies through initiatives in business fields within our business growth and strategies for enhancing organizational strength. We will faithfully and steadily carry out each business activity and create new services that our customers demand, while proceeding with continuous evolution. In order to realize this, it is important that our employees be able to work actively, and we will therefore create a work environment in which they can experience happiness by steadily investing in human capital. We believe that this will lead to improved performance and business growth for our Group, and

that as we achieve greater sustainability in our corporate structure, the achievement of material issues will become a reality, and the entire planet will become sustainable.

First, we will devote all our energy to achieving the targets of the current Mid-Term plan, and then, using this as a stepping stone, we will look ahead to the numerical targets beyond this plan and strive to increase corporate value even more than before. This will help us to meet the expectations of our stakeholders. We look forward to your further support as we build ourselves up to achieve the abundant future sought by the Ricoh Leasing Group.

# Value Creation Process

## Management Capital

## Business Model

P.22-23

Social issues

Response to climate change

Creating a decarbonized society

Smaller working-age population

Aging of social infrastructure

Digitalization

Regional inequalities, etc.

### Financial capital

Stable financial base  
Credit rating: Long-term Short-term

JCR: AA- J-1+  
R&I: A+ a-1  
S&P: BBB A-2

Net assets  
221.9 billion yen

### Intellectual capital

Transaction data covering  
400,000 corporate  
customers amassed since  
the Company's founding

### Social and relationship capital

Jointly creating new  
businesses with  
6,000 vendors

### Manufactured capital

System construction and  
know-how for  
small-amount, large-  
volume transactions  
Vendor support tools

### Human capital

1,641 employees  
(consolidated) supporting  
diverse businesses  
An organization  
that ensures  
psychological safety

### Natural capital

Infrastructure that  
contributes to building a  
circulation-oriented society  
3R promotional structure  
Rental business

Continuous business evolution style

C  
leverage  
changes

Changes in  
the Business  
Environment  
(Business  
Opportunities)

Existing  
businesses  
including vendor  
leasing

Uniqueness

Horizontal  
development of  
asset business  
know-how

Taking on the  
challenge of  
new business  
models

Expansion of  
investment and  
diversification  
of services

Extend to  
peripheral  
services

Enhancement of organizational strength

## Material Issues

P.48-73

Contribute to a clean  
global environment

Enhance quality  
of life

Develop a virtuous cycle  
for a sustainable economy

Services P.40-47

Value Proposition

Create new businesses by leveraging our strengths and using the business environment as opportunities

Creating services that contribute to forming a circulation-oriented society

as a Service BPO

Real estate  
The environment  
Nursing care

Office  
Medical and Healthcare  
Capital investment

Strengthening existing businesses



Create a happiness company and society

Become a Circulation-Creating Company

Financial capital

Dividend payout ratio 40% or more  
\*FY2025

Intellectual capital

Cost of education per person: 55,000 yen (1.4 times the FY2022 level)  
\*FY2025

Social and relationship capital

ESG investing 20 billion yen

Manufactured capital

Prime operating asset accumulation

Human capital

Engagement score 75 points  
Percentage of female managers 25%  
\*FY2025

Natural capital

Scope 1 and 2 Net zero by 2030

Social impact

- Increased numbers of companies creating new growth businesses as a response to changing social environment
- Spread of renewable energy
- Increased sophistication of local healthcare
- Achieving sustainable urban development

Contribution to customers

- Agile investment activity that creates new business opportunities
- Enhanced labor productivity
- Development and improvement of business environments

Employee happiness

- Balancing need for self-fulfillment with contribution to resolving social issues through work
- Proactive career development
- Creating a workplace characterized by mutual respect and cheerful/energetic work

Corporate Philosophy

We will be a bridge to an abundant future with our independent finance and services.

# Business Model

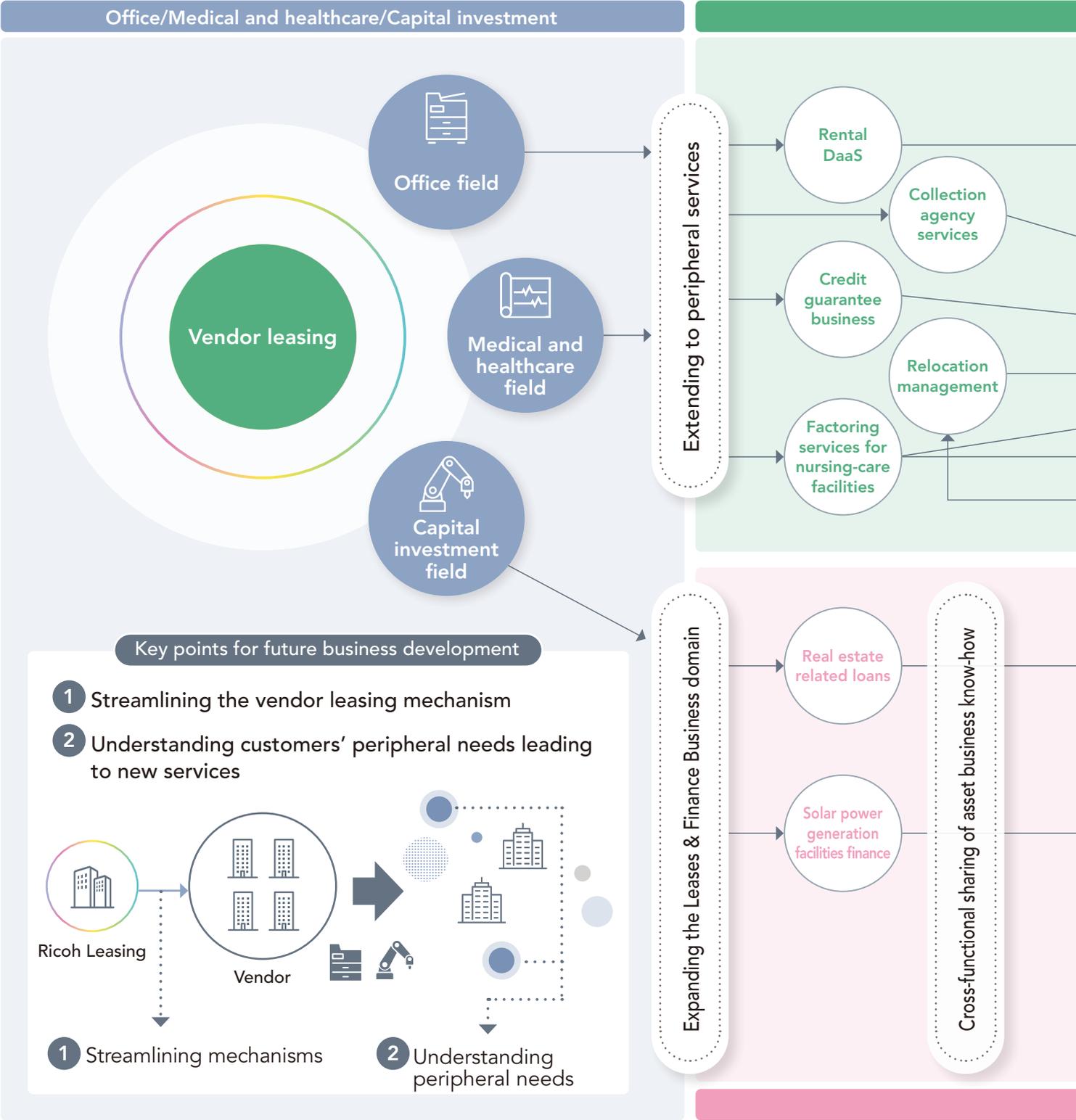
## About vendor leasing

Ricoh Leasing started out by handling Ricoh products, and we have since developed a vendor leasing mechanism as a means of selling office and information-related equipment, including multifunction copiers and computers, to our customers in a timely manner.

Leasing transactions generally involve direct negotiations between the customer using the equipment and the leasing company. In contrast, Ricoh Leasing's vendor leasing offers knowledge (benefits) related to leasing to sales companies, and encourages use of leases. For business discussions and negotiations on terms and conditions with customers, sales companies with wide-ranging sales networks act on our behalf, enabling us to offer our leases to a larger number of customers.

The system created within the Ricoh Group has been expanded to other fields, and today we do business with approximately 6,000 vendors and 400,000 customers.

### I. Expansion and improved efficiency



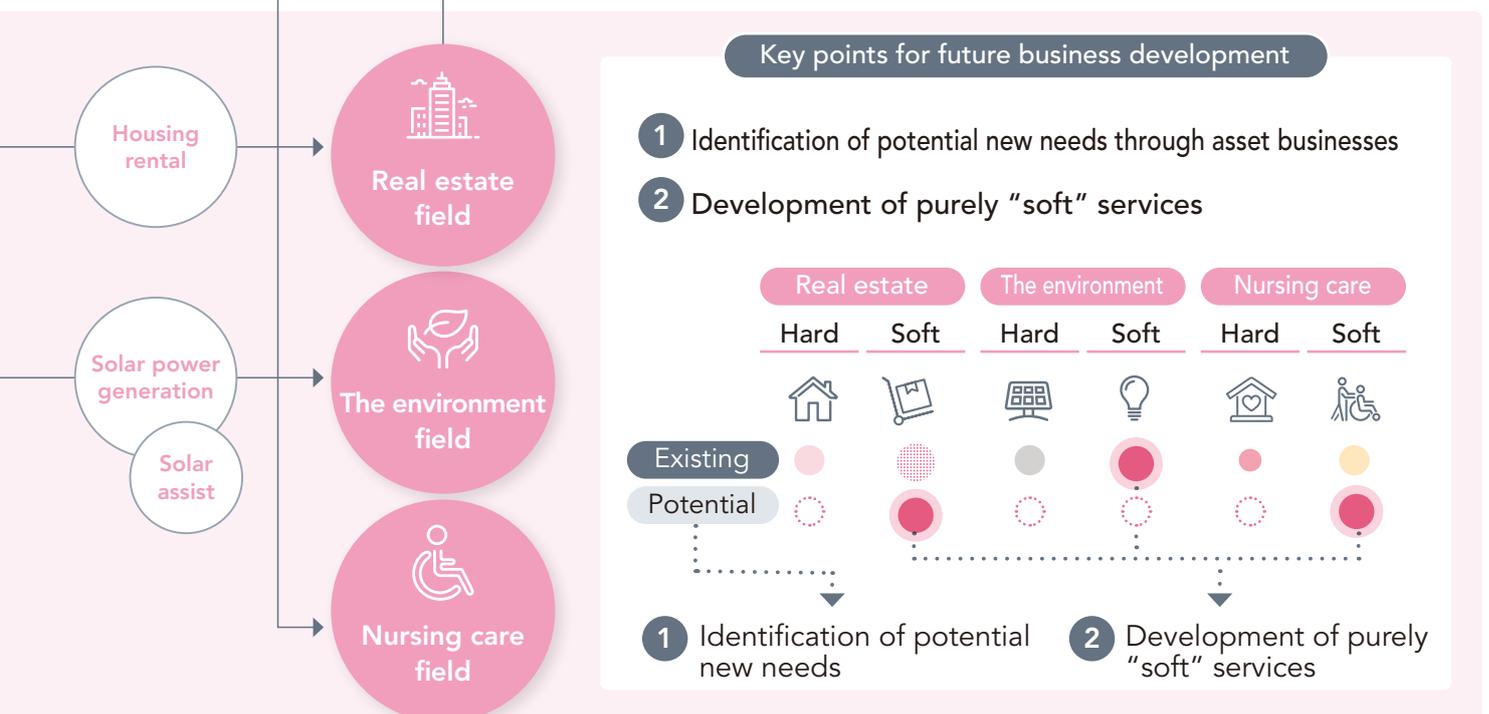
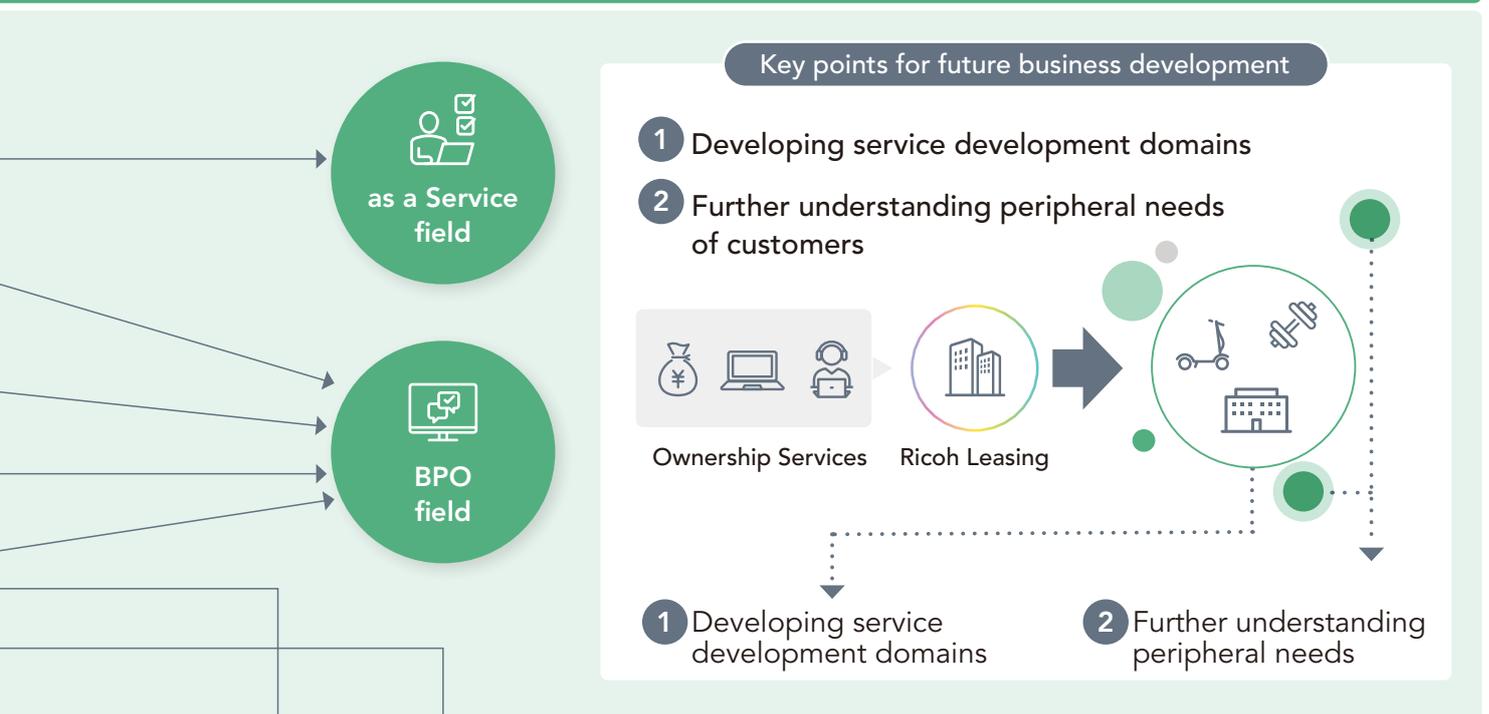
Our vendor leasing mechanism is easy to use for both the sales company (i.e., vendor) and the customer who uses the equipment.

To further enhance the quality and efficiency of this vendor leasing, we have implemented a screening process that utilizes our proprietary scoring and a web-based credit system to provide accurate and prompt credit-related decisions and responses. In addition, we are continuously making improvements to increase the efficiency of both vendors and the Company by establishing IT-based systems such as our lease contract output system that is linked to the vendor's quotation system. This has allowed us to establish a strong business model not easily mimicked by other companies.

(The transaction data that is the DNA of our Group is harnessed as an asset driving the development of new products, as well as for improving the accuracy of screening using our examination scoring system.)

## II. Taking on the challenge of new business models

### as a Service/BPO



### Real estate/The environment/Nursing care

## III. Diversification through the addition of businesses and services

# Progress in the Mid-term Management Plan

The Ricoh Leasing Group has started its three-year Mid-term Management Plan from fiscal 2023. In this initial year of the plan, we made steady progress toward our financial targets, excluding with regard to extraordinary losses. As for our non-financial targets, though there are some discrepancies versus our plan depending on the target in question, we will continue to work toward achieving our targets in consideration of each issue we face.

## Positioning of the Mid-term Management Plan

	FY2017–FY2019	FY2020–FY2022	FY2023–FY2025
<b>Plan Themes</b>	Going Beyond Leasing	Become a Circulation-Creating Company	
<b>Key Strategies (Excerpt)</b>	<ul style="list-style-type: none"> <li>Strengthened alliances with vendors and maximizing utilization of the customer network for the creation of a robust sales network</li> <li>Centered on energy creation and energy saving, taking on the challenge of work in the new environmental field</li> <li>Development and provision of financial services to solve issues from social changes</li> </ul>	<ul style="list-style-type: none"> <li>Further evolution of vendor leasing and enhancement of value provided to customers</li> <li>Contributing to realizing a clean global environment rooted in environmental circulation</li> <li>Reconstruction of the rental business</li> <li>Business expansion not dependent on assets</li> <li>Development of a mission-critical system and operation structure for pursuing high quality and high efficiency</li> <li>Human resource management that links the employees' happiness with the Company's business expansion</li> <li>Reinforcement of governance</li> </ul>	<ul style="list-style-type: none"> <li>Taking on the challenge of new business models</li> <li>Diversification through the addition of businesses and services</li> <li>Further diversification from efficiency</li> <li>Encouraging employees to take on challenges, which will result in business growth, and revitalizing the organization</li> <li>Building flexible systems and operational structures that reflect social changes</li> <li>Strengthening governance, including governance at affiliates</li> </ul>
<b>Financial Indicators</b>			
	FY2019	FY2022	FY2025 (mid-term plan target)
Operating Profit	17.0 billion yen	21.2 billion yen	23.5 billion yen
Net Income	11.8 billion yen	14.8 billion yen	16.0 billion yen
ROA	1.08%	1.23%	1.1% or more
ROE	6.6%	7.2%	7% or more
Dividend Payout Ratio	23.5%	30.1%	40% or more

## Business Growth Strategy

Strategy	Business field	Measures	
Taking on the challenge of new business models	 as a Service	<ul style="list-style-type: none"> <li>Providing Device as a Service (DaaS) and value to major customers</li> <li>Strengthening alliances to provide primarily lease products as a service</li> </ul>	
	 BPO	<ul style="list-style-type: none"> <li>Increasing the transaction volume in collection agency services and expanding settlement-related services</li> <li>Expanding services, taking advantage of demand for business travel from overseas</li> </ul>	
Diversification through the addition of businesses and services	 Real estate	<ul style="list-style-type: none"> <li>Accumulating diverse assets and developing services that will enhance asset value</li> </ul>	
	 The environment	<ul style="list-style-type: none"> <li>Diverse businesses, including asset management services for power plants</li> <li>Developing other power sources business operations and conducting research in the storage battery field</li> </ul>	
	 Nursing care	<ul style="list-style-type: none"> <li>Business operation at Welfare Suzuran and accumulation of expertise in the industry</li> </ul>	
Expansion and improved efficiency	The most important foundations that underpin the Company's growth		
	 Office	 Medical and Healthcare	 Capital investment

## Strategy for Enhancement of Organizational Strength

Strategy	Measures
Encouraging employees to take on challenges, which will result in business growth, and revitalizing the organization	<ul style="list-style-type: none"> <li>Strengthening systems that will contribute to cultivating human resources that take on challenges and creating a corporate culture that encourages employees to take on challenges</li> <li>Building systems that will flexibly respond to changes in the external environment and creating an organization where diverse human resources can participate actively</li> </ul>
Building flexible systems and operational structures that reflect social changes	<ul style="list-style-type: none"> <li>Replacing business systems related to leases one by one for automation and improved efficiency</li> <li>Innovating infrastructure and strengthening cyber security</li> <li>Strengthening IT governance by improving IT management and control</li> </ul>
Strengthening governance, including governance at affiliates	<ul style="list-style-type: none"> <li>Evolving sustainable management by communicating externally</li> <li>Strengthening cooperation with Group companies and expanding business through the integration of strategies</li> </ul>

## Numerical Targets of the Mid-term Management Plan

	FY2022		FY2023			FY2025 Prior Mid-Term Management Plan Targets	
	Results	Results Excluding Special Factors <sup>1</sup>	Initial Plan	Results	Results Excluding Special Factors <sup>2</sup>		
Financial Targets	Operating Profit	21.2 billion yen	20.0 billion yen	20.6 billion yen	21.0 billion yen	21.0 billion yen	23.5 billion yen
	Net Income	14.8 billion yen	14.0 billion yen	14.4 billion yen	11.2 billion yen	14.8 billion yen	16.0 billion yen
	ROA (Return on Asset Ratio)	1.23%	1.17%	1.15%	0.91%	1.20%	1.1% or more
	ROE (Return on Equity Ratio)	7.2%	6.8%	6.7%	5.2%	6.9%	7% or more
	Dividend Payout Ratio	30.1%	—	32.1%	41.0%	—	40% or more

1. Special factors in FY2022: Posted one-time gain from special rental demand related to COVID-19 (revenue from extension of the rental period: 1.1 billion yen)  
2. Special factors in FY2023: Posted one-time loss due to extraordinary loss (loss on valuation of investment securities: 5.1 billion yen)

	Material issue	Item	FY2022 Results		FY2023 Results		FY2025 Targets
			Results	Results	Results	Results	
Non-financial Targets	Contribute to a clean global environment	Cumulative investment in the environmental field <sup>3</sup>	272.0 billion yen <sup>6</sup>	313.8 billion yen			400.0 billion yen (Through FY2025)
	Enhance quality of life	Number of collection agency operation services	16,682 services	17,861 services			20,000 services
	Develop a virtuous cycle for a sustainable economy	Executed contract volume in three priority fields <sup>4</sup> (Agriculture, Vehicles and Construction machinery)	32.0 billion yen	30.3 billion yen			45.0 billion yen
	Create a happiness company and society <sup>5</sup>	Engagement score (Annual average)	72 points	71 points			75 points
		Percentage of female managers	23.0%	21.8%			25%
Cost of education per person		39,730 yen	40,016 yen			55,000 yen	

3. Cumulative total of leasing and installment sales contracts in the field of renewable energy and solar power generation business and equity investments  
4. Leases: cost of acquisition of assets for lease; installment sales: installments receivable minus unrealized profit on installment sales  
5. Results and targets are non-consolidated results and targets at Ricoh Leasing  
6. After examining the contents of the environmental related loans, retroactively adjusted from 270.3 billion yen to 272.0 billion yen

# Financial Strategy



A steady start in the first year of the current Mid-term Plan  
 We will strive for qualitative and quantitative profit growth through management conscious of cost of capital and strengthen our financial position for continuous dividend increases

**Hiroshi Osawa**  
 Managing Executive Officer  
 General Manager, Corporate Management Division

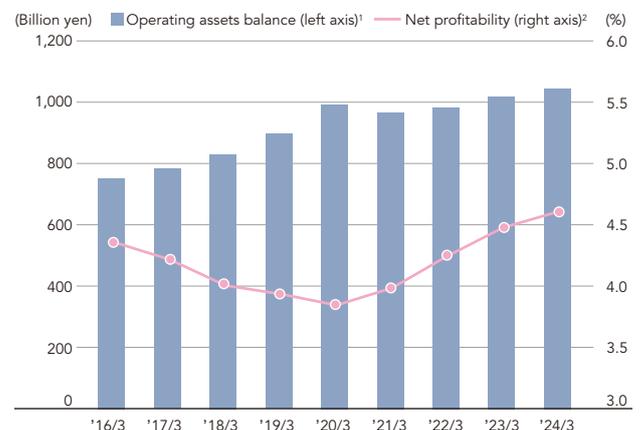
## Balancing management conscious of cost of capital and investments for the future

The first year of the Mid-term Management Plan (FY2023–FY2025) (“current Mid-term Plan”) got off to a good start. Though operating profit decreased due to a reactionary drop from the previous year’s special demand, it still exceeded the initial plan of 20.6 billion yen at 21.0 billion yen due to increased earning power. Asset yields on leases and installment sales continued to improve, while the BPO field saw an increase in transaction volume, and asset accumulation in the real estate field also contributed. On the other hand, net income declined significantly due to impairment losses on some business partner securities held due to declining stock prices. Despite an overall increase in operating assets, the balance of leases and installments has been on a downward trend since the end of fiscal 2020, leaving us with the sense that we have issues to overcome in terms of volume. We intend to achieve profit growth in terms of both quality and quantity while maintaining a lean structure of operating assets through yield improvement.

At Ricoh Leasing, we advance management conscious of cost of capital, identifying risks inherent in each business and allocating shareholders’ equity commensurate with the risks quantified using statistical

methods. The cost of capital, determined by the weighted average of the cost of shareholders’ equity and the cost of debt, plus the expense ratio, is set as a minimum required profit level for each business. Based on this, we have established two target levels of profitability: a minimum hurdle rate that must be exceeded, and an expected return as our corporate medium- to long-term target level. By incorporating these profitability targets into the performance management process, we are growing financial literacy

## Changes in Operating Assets and Net Profitability



1. Balance of operating assets: Balance of operating assets excluding securitized lease receivables
2. Net profitability: Net profit ÷ Average balance of operating assets

regarding profitability for each business and are creating a self-propelled organizational foundation with a clear sense of purpose. In tandem with this management conscious of the cost of capital, we are making upfront investments in human resources and IT. For us, human capital management is an essential factor for our medium- and long-term growth, and we intend to proceed with this management style in a balanced fashion.

The majority of our profits come from our asset businesses, such as leasing, installments, and financing, and growth in these businesses is accompanied by asset expansion. Therefore, maintaining financial soundness is an important aspect in maintaining stable funding capacity.

Our basic policy is to match funding to the interest rate type and term for a given asset, with a view to controlling funding costs and ensuring stable funding. In terms of operations, the ALM<sup>1</sup> Committee meets monthly to continuously monitor the matching status of operating assets and liabilities in terms of interest rate type and term. In the past few years, the Bank of Japan's negative interest rate policy has created a unique market environment, evidenced by factors such as an extremely small gap between long- and short-term interest rates, but as monetary policy has normalized, management of interest rate fluctuation risk has become more important than before. While we have already been focused on the risk of fluctuations in asset values on the balance sheet, we are strengthening our risk management by introducing the concept of net interest income (NII)<sup>2</sup> on a trial basis, which quantitatively assesses fluctuations in profit and loss, among other new measures. For liquidity risk, the Company secures liquidity assuming a certain necessary level of funds by concluding commitment line and overdraft agreements with several financial institutions to guard against changes in the funding environment.

1. ALM (Asset Liability Management): Comprehensive management of assets and liabilities

2. NII (Net Interest Income): A method to measure the degree of change in the balance between interest income and interest expense changes given a presupposed change in interest rates

## Toward enhancing corporate value

We are seriously addressing the request issued by the Tokyo Stock Exchange in March 2023 to practice management

conscious of cost of capital and stock price as a request for profit growth with capital efficiency. Currently, our P/B ratio as of March 31, 2024 is 0.74x, and we recognize that there is a gap between our ROE and the market's expected cost of shareholders' equity. With the target of ROE of 7% or more in the current Mid-term Plan as a midpoint, we will continue to improve management efficiency to achieve ROE of 8% in the fiscal year ending March 31, 2030.

By reducing the cost of shareholders' equity along with this increase in ROE, we intend to improve our P/B ratio and increase corporate value. Actions to enhance corporate value are broken down into three components serving as the basis for various measures: (1) ROA improvement through profit growth and profitability improvement, (2) optimization of financial leverage, and (3) PER improvement through fostering growth potential.

In terms of ROA improvement, we will support the realization of the growth strategies set forth in the current Mid-term Plan by promoting management conscious of cost of capital as mentioned above. We will improve capital profitability by expanding non-asset businesses, especially in the key "as a Service" and BPO fields. While building a diversified business portfolio in this way, we will also actively engage our shareholders and institutional investors to foster their growth expectations in order to improve PER.

In relation to the optimization of financial leverage, we have reviewed our basic policy for shareholder return. Initially, we were aiming for a dividend payout ratio of 35% in the final year of the current Mid-term Plan, but this will be raised to 40% or more during the period of said plan, and in the long term we will strive to increase shareholder returns, aiming for a dividend payout ratio of 50% in the fiscal year ending March 31, 2030.

With the dividend increase for the fiscal year ending March 31, 2025, we expect to have reached 30 consecutive fiscal years of dividend increases<sup>3</sup> since our public stock listing. Continued business growth is essential to maintain adequate profit returns in the future. We are conscious of our industry-leading level of returns and aim to improve capital efficiency while maintaining a sound financial position.

3. Continuous dividend increases include the effective dividend increase due to a stock split in the fiscal year ended March 31, 2000



## Special Dialogue Feature

### Shoichi Tsumuraya

Professor, Graduate School  
of Business Administration  
Hitotsubashi University



## To increase corporate value, going beyond simply conducting business with value and further improving pitch ability

Ricoh Leasing is often praised for its serious and honest business development. The reality is that, though the Company has distinctive businesses born from this seriousness, society is largely unaware of them.

What is needed to further enhance the corporate value of Ricoh Leasing, which has been supporting small and medium-sized enterprises since its founding and is engaged in businesses that contribute to solving social issues?

This is the question posed in this dialogue with Shoichi Tsumuraya, Professor at the Graduate School of Business Administration at Hitotsubashi University.



## Tokuharu Nakamura

Representative Director, President  
and Chief Executive Officer  
RicoH Leasing Company, Ltd.

### Seriousness is clearly communicated Learn to show off businesses with social value

**Tsumuraya** President Nakamura, prior to this dialogue, I read an interview article with you and Ricoh Leasing's Integrated Report, among other items. They gave me the sense of a serious company. I think this is great, considering that such a corporate culture cannot be created overnight. You, President Nakamura, are said to have originated the idea of lowering the hurdles to capital investment for all types of companies. With the macroeconomic challenge in Japan of companies' cash reserves not being directed toward investment, your business could help solve this issue. Is this not an innate strength you should be showing off even more?

**Nakamura** At the time of our founding, a number of major leasing companies, including those affiliated with banks, were being established to invest in ships, airplanes, and large-scale factory equipment. However, they targeted large companies, and small and medium-sized enterprises were being left behind. In the process of Ricoh's popularization of copiers, we were established to support the capital investment of small and medium-sized

enterprises. Since then, we have continued to grow while expanding the scope of our leasing to include computers, cars, and medical equipment. Currently, we have about 400,000 customers, but the average unit price of lease and installment sales contracts is less than 2 million yen, and we have not changed our stance of supporting small and medium-sized corporate customers.

**Tsumuraya** And this becomes an asset in the form of a large amount of transaction data. Using this data, which you can say is proof of trust in Ricoh Leasing, and repeating what you call continuous evolution, you are seeking to be a bridge to an abundant future with independent finance and services.

**Nakamura** Yes, that's right. We have generated and systematized scoring based on information such as corporate attributes and other company information, as well as transaction history, to ensure prompt and efficient screening. The data is also used to improve screening accuracy through AI-based analysis and evaluation. As for evolution, there are two kinds. The first is intentional evolution on the part of management, and the other is evolution that occurs as a result of new daily awarenesses by employees, such as

## Special Dialogue Feature

when they are stimulated by customers. In both cases, the initial evolution is small, but as it repeats over and over again, it grows to become big business. Though evolution, or specifically the initial mutation part of evolution, does result in errors, the kind of mutation we are referring to builds up and helps us grow internally.

**Tsumuraya** Your company's goal of moving from a "financial company that engages in business" to a "business company that also engages in finance" is also in line with this continuous evolution.

**Nakamura** Currently, we operate nursing care facilities and provide factoring services to nursing care providers, while in the environmental field, we contribute to the expansion of renewable energy by operating our own solar power plants and providing financing for power generation facilities. Finance is sometimes likened to the lifeblood of an industry, or a silent stagehand dressed in black. The greatest strength of our Group is that we have the perspective of a business operator and a player in the financial industry, which is the lifeblood of business. In other cases, we have helped stabilize businesses by meeting demand for funds through ABL, or asset-based lending, that focuses on the asset value of beef cattle, in response to the social issues faced by the agricultural and livestock industries, which continue to see a decline in the number of producers.

**Tsumuraya** That is the kind of unique business that I would like to see in an Integrated Report. If it catches the eye of investors, it may generate analyst coverage and change the

structure of how traders value your stock price.

I imagine a paid analyst report would be something people would be interested in.

**Relationships with customers who understand price increases**

**Desire for growth with positivity among employees**

**Tsumuraya** If the majority of your customers are small and medium-sized enterprises, would there not be a backlash against rate hikes and price increases?

**Nakamura** With the Bank of Japan lifting its yield curve control and negative interest rate policies, Japan has re-entered a world with interest rates. Our clients understand that that some price increases are compensation for our services, and yields have been increasing since around 2018. We enjoy a sound financial position, with a low default rate and good risk diversification.

**Tsumuraya** You have the makings of an opportunity to increase asset efficiency and profitability for the future. If the capital market is informed that your company enjoys such an advantage, I believe that valuations will rise even higher.

**Nakamura** First of all, we are aiming for ROE of 7% or more in fiscal 2025, and we are striving for growth by rearranging our business portfolio mindful of management aware of cost of capital.

**Tsumuraya** Currently, the mainstream approach to dealing with a P/B ratio below 1x is to use the proceeds from the sale of cross-shareholdings to conduct large-scale share buybacks, and then take short-term corporate actions to turn the situation around. However, your company is not a company that drastically changes its capital structure. The structure is designed to grow the business, return it with dividends, and reduce the volatility of profits. If we can explain that these are favorable conditions for shareholders and that it will take time to generate evolution, investors and the capital market will appreciate it differently. You also possess distinctive internal systems, such as Happiness Training, a one-month virtual experience for organization managers to experience time-constrained work styles due to childcare, nursing care, illness of a partner, or other circumstances. Your paternal leave also enjoys a 100% usage rate. How that has changed the company should also be a factor for pitching your superiority.

**Nakamura** Recently, we improved our Mirai Creation internal proposal submission system for creating new businesses; if a proposal proceeds to commercialization,



the proposing employee will receive a reward of 2 million yen, and even a proposing employee who is not in a management position can also become the head of the organization that is in charge of that business. This also serves as training in entrepreneurship. Other efforts to revitalize communication between the field and management include the start of Mirakuru-Za, in which officers are dispatched to business sites for discussions at the request of those sites.

**Tsumuraya** And what are your thoughts, President Nakamura, in the context of these initiatives?

**Nakamura** In the end, the only person who can change you is yourself. My term as president will be limited, and then the natural cycle of replacement and renewal will continue. In a rapidly changing social environment, just doing the daily tasks in front of you will not help you grow, since this keeps you from seeing the rest of the world around you. We see our greatest asset at Ricoh Leasing as being our human resources, and we believe that in order for them to achieve growth, we need to invest in their education. We believe that this growth will lead to qualitative changes in our human resources, and that these changes will lead to the birth of new businesses.

**Tsumuraya** You seem to have a strong will to change both the organization and its human resources, rather than maintaining the status quo. With that as a foundation, what is your next goal?

**Nakamura** My personal ideal would be to create an environment where people can grow if they work at Ricoh Leasing. In this ideal, many people would join us, gain experience, and become independent. It would be interesting to see if human resources who have grown up outside the Company come back to reconnect with us with a new sense of values.

### **Diverse and sound governance structure Making Board of Directors meetings a forum where everyone feels a sense of ownership**

**Tsumuraya** As an independent listed company, your company has a separate governance structure from its major shareholders, Ricoh and Mizuho Leasing. Tell us about the composition of your Board of Directors.

**Nakamura** The Board of Directors consists of 13 directors, including three internal directors, two outside directors dispatched from our major shareholders, and eight independent outside directors. Our officer structure enjoys strong governance, with 30% of our directors being women, creating diversity and a sense of ownership by all. By providing



information on agenda items from the Company prior to Board meetings, we try to create a forum for lively discussions that are rich in substance on the day of the meeting. In addition, during the formulation of our Mid-term Management Plan, members of the Board held half-day meetings and retreats to ensure close mutual communication during this process, which allowed for quite in-depth discussions.

**Tsumuraya** Are there any opportunities for communication between internal and outside directors outside of Board meetings?

**Nakamura** We have informal gatherings where only outside directors participate and no minutes are taken, and I also share my awareness of issues as appropriate. We have sessions with advisors based on changes in the external environment, which we also share. In such interactions, outside directors have told me to do more to pitch the appeal of Ricoh Leasing.

**Tsumuraya** That is indeed a key topic of today's discussion, and I think you should explore what investors are focusing on and proactively disclose information related to these areas. Since your company is engaged in a business with social value, how you disclose this should have a positive impact on the share price.

**Nakamura** In addition to proactively disclosing what investors are looking for, we would like to devise and enhance methods for two-way communication, including disclosure and engagement for multiple kinds of stakeholders. Thank you very much for your time today.

# System Strategy



## Accelerating the digital shift expanding business founded in system evolution

### Koichi Sawatsugawa

Director  
General Manager, Group IT Management Division

The role of the Group IT Management Division is to manage the IT of Ricoh Leasing and its Group companies, while at the same time stabilizing company-wide systems. Currently, we are promoting the digitalization of business systems, innovation of infrastructure, and further strengthening of cyber security measures and IT governance under the system strategy set forth in our Mid-term Management Plan (FY2023–2025) (the “Mid-term Plan”).

Regarding our progress as of the end of the first year of the Mid-term Plan, with respect to business systems, the construction of customer information infrastructure and a system for digitalization of credit screening operations has started and is expected to be completed in fiscal 2026. Regarding infrastructure innovation, the construction of

our cloud infrastructure has been completed, and major systems will be migrated in stages. In addition, the construction of a network to accommodate remote work and other diverse work styles is scheduled to be completed in fiscal 2024, and cyber security measures will be strengthened. As for IT governance, we have almost nearly finalized our rules as of fiscal 2023, and we are ready to implement them. We also hired 20 IT personnel in fiscal 2023, formulated the IT Skill Standards to improve their skills, conducted assessments, and are implementing a specific curriculum starting in fiscal 2024. We also encourage employees to take e-learning courses and obtain certifications.

In the first year of the Mid-term Plan, we recognized the urgent need to strengthen governance in order to respond to various incidents. In addition, as a medium- to long-term goal, it is necessary to develop an infrastructure that can provide high-quality services and realize data integration through various channels by utilizing digital technologies such as artificial intelligence (AI).

With regard to customer contact points, we will integrate services to strengthen relationships with existing customers, and aim to develop comprehensive services across products and improve UX.\* For areas that have not yet been migrated to an online environment, we will enhance communication by increasing the number of AI-based channels. To address this, the analog part of the business will be digitalized through AI and RPA (Robotic Process Automation) to improve efficiency and provide high-quality and prompt services. To do so, it is important to link the data scattered across various systems, and the first priority is to develop and integrate a data master. Digitalization will lead to digital marketing by creating an environment where transaction data can be collected, stored, and analyzed, and valuable data-driven insights can be fed back to our processes. Through the successful circulation of these, we aim to improve productivity, save labor, and contribute to new business opportunities.

\* UX (User Experience): All the experiences, such as ease of use, sensations, and impressions that users experience through any product or service.

	UX	Channel	Operation	Data
Value Provided	Providing multi-device, comprehensive services across multiple products	Enhancing communication with a two-track online/offline channel	Providing high quality and speedy service	Data-driven feedback of valuable information to customers
Measures	<p>Integrated services</p> <p>Integration of services for business partners to create a total service across several businesses</p>	<p>Online channels</p> <p>Unified customer and vendor portals</p> <p>Offline channels</p> <p>Follow-up contact for business partners who are lagging behind in digitalization</p>	<p>Streamlining examination</p> <p>Enables cross-business credit/examination</p> <p>Digitalization of operations</p> <p>Automation of paper and manual operations</p>	<p>Data master integration</p> <p>Unifying the “language” of data</p> <p>Data analysis</p> <p>Extracting useful information for management and sales from data</p>
Management contribution	Increasing customer touchpoints, deepening relationships with existing customers, and promoting cross-selling		Improving operational productivity and freeing up personnel	Discovering new insights generated from analyzed information

Realization of digital marketing

# Human Resources Strategy

Linking management and human resources strategies to encourage human capital and organizational transformation

Supporting human capital impact paths to help employees feel a sense of ownership

## Yuichi Araki

Managing Executive Officer  
General Manager of Group Human Resources  
Management Division



For the Ricoh Leasing Group, which is engaged in the financial and services businesses, our most important asset is our human resources. Since our founding to this very day, we have grown our businesses based on the idea that our growth drivers are our human resources.

In the Mid-term Management Plan (“Mid-term Plan”) that started in fiscal 2023, we are working on business growth strategies and strategies for enhancement of organizational strengths (hereinafter generally referred to as management strategies) to realize our medium- to long-term vision to “Become a Circulation-Creating Company.” Since the prior Mid-term Plan, we have been implementing a human resource strategy based on the belief that enhancing employee happiness is the source of corporate value enhancement. Now, in the current Mid-term Plan, we are working to tie our management strategies and human resources strategy closer together.

Our human resources strategy also seeks to resolve issues identified in the engagement survey, such as what is needed to motivate employees and improve their productivity. The goal of our human resources strategy is to develop and produce personnel who can create new cycles by creating evolution, accepting evolution, and evolving themselves. Such human resources will also create their own motivation. We believe that “Happiness at work” is not a passive concept in which a company provides happiness to employees, but an active concept in which employees themselves think, act, and change for the sake of their own happiness. It is a concept where the company also invests in the development of human resources who can think and act independently and leaders who can encourage the growth of their subordinates, and link this to the execution of management strategies. The structure of Ricoh Leasing’s human resources strategy is designed to achieve our management strategies while maintaining employee happiness as a universal human resource management vision.

It has been one year since the start of our Mid-term Plan, and through the enhancement of our self-improvement

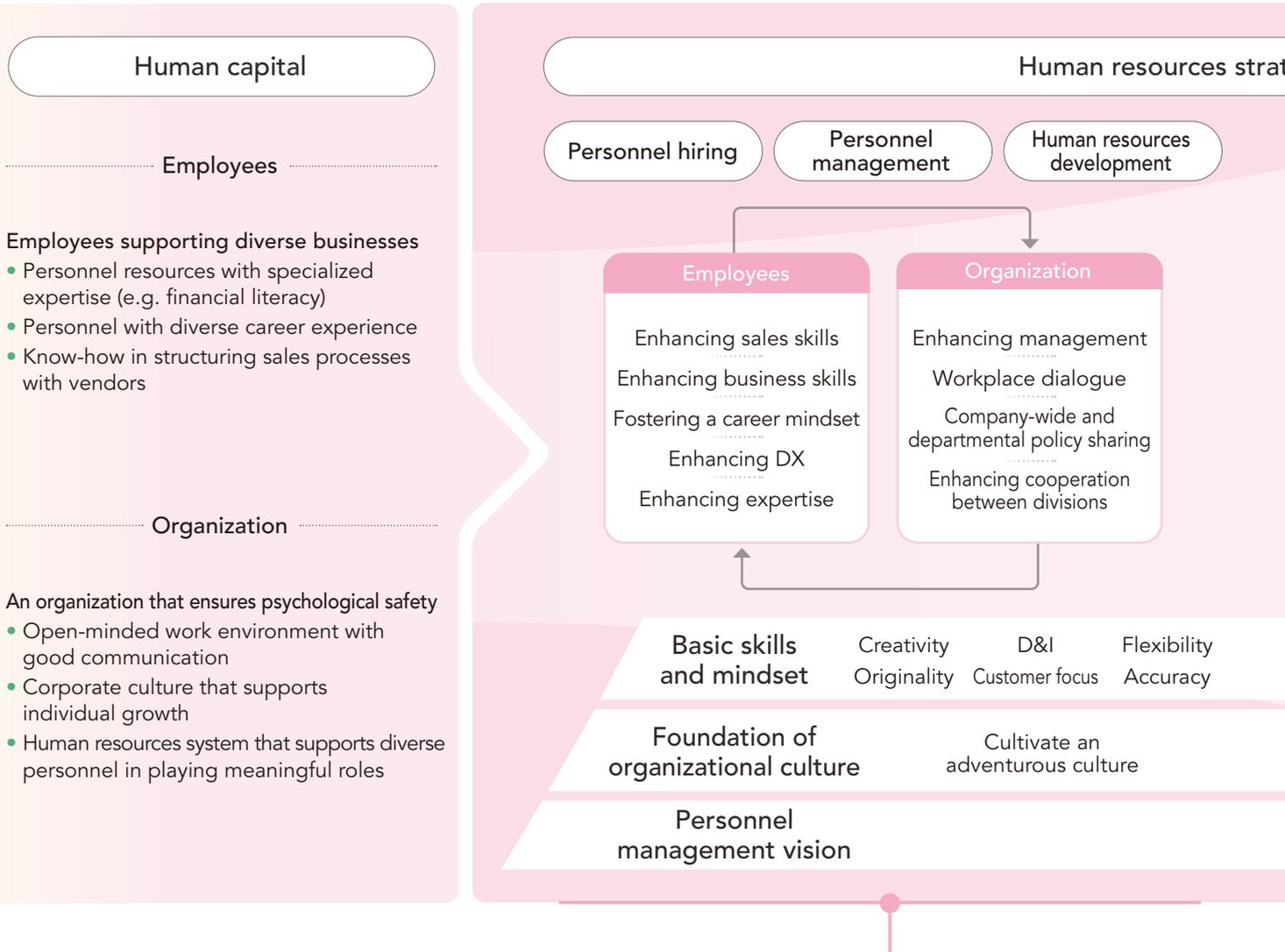
program and the development of measures such as the Mirai Creation internal proposal submission system, employees have more opportunities to think about how their company is changing and what they should do in the midst of this change. The Human Capital Impact Path\* Visualization Project was launched in fiscal 2023 to promote further understanding and a sense of ownership among employees. There have been questions about how our management strategies and human resources strategy are connected, as well as about how becoming the kind of human resources we seek will affect the business and how the Company will change as a result. Since it has been difficult to see the results of human capital investment measures for some time, we will increase the clarity here through impact paths to encourage employees to feel a sense of ownership. Each human resources measure is formulated and promoted based on the corporate philosophy, management strategies, and human resources strategy. However, it has not always been clear how promoting each human resources measure and carrying out the human resources strategy would lead to the realization of the corporate philosophy and the management strategies, or even whether these would be realized as a result. In addition to being able to show that this is connected from both above and below, we have set key goal indicators (KGIs) in human capital management to facilitate quantitative measurement. We aim to improve corporate value by connecting management and human resource strategies, driving changes in employee activities, and transforming businesses and organizations.

We plan to deploy these measures across Japan by holding information-sharing meetings to more broadly disseminate our human resources strategy and the impact path concept internally, and to provide opportunities for dialogue and discussion with employees. We are also looking forward to seeing our employees become human resources who can take ownership and create their own output.

\* Human Capital Impact Path: A visualization of how measures and initiatives for human capital lead to financial value and ultimately to corporate value

# Overview of Human Resources Strategy

With Happiness at work as a foundational human resource management vision, the Ricoh Group is pursuing a human resources strategy to realize both business growth and employee happiness.



## Principal policies of the Mid-term Management Plan

The Mid-term Management Plan sets forth numerous human resource policies to encourage employees to take on challenges and revitalize the organization.

In pursuit of both business growth and employee happiness, we will strive to create environments where employees can assume active roles with vigor. In particular, in the area of human resources development, we will place the highest priority on education for self-improvement and reskilling. Our aim is to develop personnel capable of driving evolution that leads to stronger existing businesses as well as new businesses. To increase investment in education, we have set a per capita education expenditure target of 55,000 yen, 1.4 times the FY2022 level. As our business grows, we will continue to update this target.

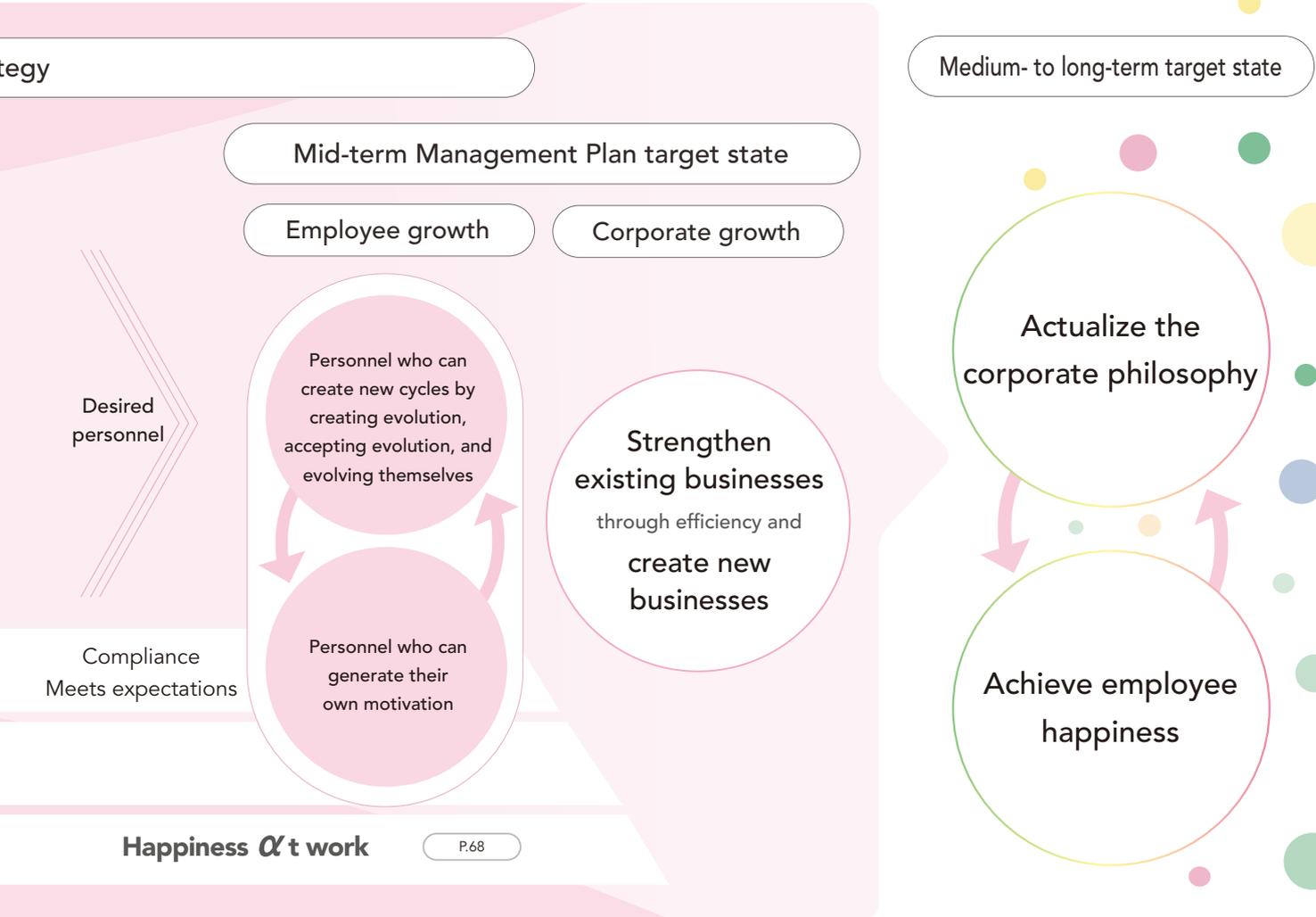
## Human resources development

**Policy** Offer skills and opportunities that promote evolution by acquiring new strengths and expertise

**Measures**

- Develop personnel with an entrepreneurial mindset for business creation
- Strengthen company-wide DX education
- Provide self-improvement/recurrent education

**Targets and results** Cost of education per person: FY2023 results: 40,016 yen  
FY2025 target: 55,000 yen



Personnel hiring	
<b>Policy</b>	Acquire personnel who share our corporate philosophy and can continue to drive our evolution
<b>Measures</b>	<ul style="list-style-type: none"> <li>Hire innovative personnel</li> <li>Proactively hire personnel with high-level specialized expertise</li> </ul>
<b>Targets and results</b>	Expansion of innovative personnel

Personnel management	
<b>Policy</b>	Deploy appropriate personnel to areas and positions that promote business creation and evolution, and strengthen management
<b>Measures</b>	<ul style="list-style-type: none"> <li>Implement a human resources system that encourages personnel shift and regeneration</li> <li>Personnel deployment through an established resource deployment process</li> <li>Achieve appropriate compensation levels</li> <li>System structures that enable diverse personnel to play meaningful roles</li> </ul>
<b>Targets and results</b>	Engagement score: FY2023 results: 71 points FY2025 target: 75 points Female manager ratio: FY2023 results: 21.8% FY2025 target: 25.0%

# Connection between Organizational Measures and Business Results — Formulation of Human Capital Impact Paths —



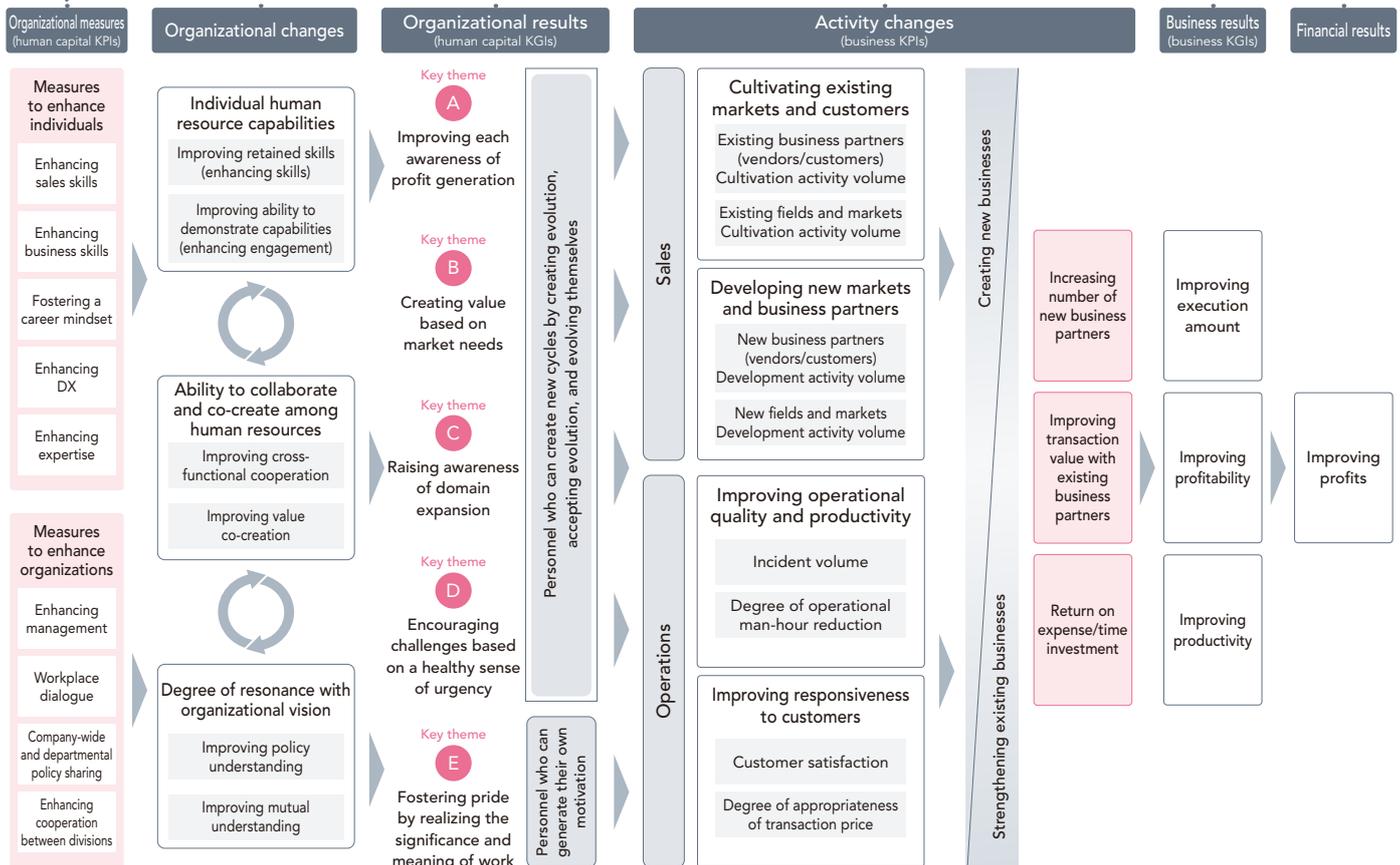
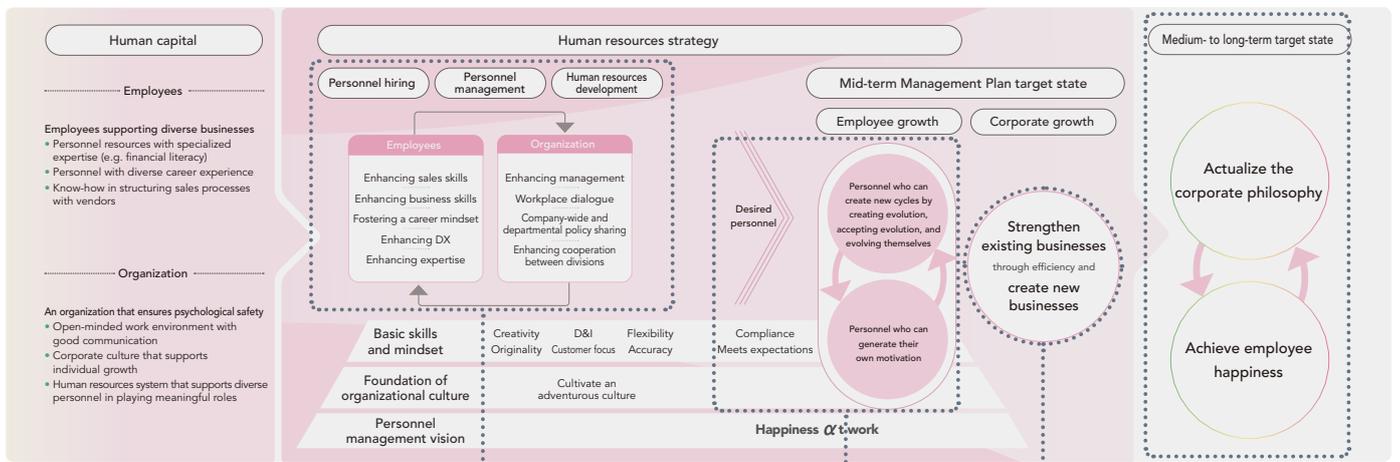
**Masatake Mori**  
Group Human Resources Management Division  
Senior Manager,  
Personnel Department

The Human Capital Impact Path Visualization Project was initiated to maximize individual and organizational capacity to achieve the targets of our human resources strategy that will lead to business growth strategies. It mainly visualizes how personnel measures and daily operational and sales activities lead to financial results for three operational and business areas (leasing sales, leasing operations, and “as a Service”).

During the project process, we interviewed branch and department managers in the field about how they wanted their members to grow and what results they hoped this would achieve, such as an increase in the number of new clients or an increase in the value of transactions, and worked together to consider changes in activities and results. The most difficult part of the project was to select the most appropriate paths, even if the ultimate goal was to increase profits, since there were hundreds of paths to achieve that goal, and to formulate a concise hypothesis. In addition, in order to gain the employees’ understanding, we endeavored to incorporate the current uniqueness of Ricoh Leasing.

Going forward, we would like to expand this project company-wide by incorporating our human resources strategy into the workplace and encouraging each employee to feel a sense of ownership and decide what they should be doing at each given moment.

## Overview of Human Capital Impact Paths and Connection to Human Resources Strategy



We have identified the following five key themes for organizational deliverables required in human capital management in conjunction with our management strategies. Going forward, we will use the employee engagement survey administered to all employees as an indicator to measure the degree of achievement of each key theme.

Key theme

### A Improving each awareness of profit generation

In order to provide the kind of finance and services that we are known for, we need to further expand our existing businesses with efficiency in order to allocate management resources to the creation of new businesses.

To this end, it is essential to build up not only large-scale management-led efficiency improvements but also efficiency improvements led by those in the field. To achieve the latter,

the challenge is to build mindsets among employees for taking ownership of operational efficiency improvements.

We will address this issue by monitoring scores related to workload in the engagement survey as an indicator to measure the degree of progress in improving efficiency.

Key theme

### B Creating value based on market needs

In order to create new businesses, it is necessary to continuously evolve existing businesses by perceiving the customer's detailed peripheral needs as the seeds of a new service while carrying out these businesses.

To this end, the challenge is to improve our awareness and ability to understand the needs and business challenges

of customers and to actually create new services.

We will address this issue by monitoring scores related to clear indication of mission and goals in the engagement survey as an indicator to measure the degree of clarity of what needs to be done to create new services.

Key theme

### C Raising awareness of domain expansion

In order to get new businesses off the ground after a process of continuous business creation, it is necessary to expand services to a wide range of markets and customers, and to have these permeate society.

To achieve this, the challenge is for all employees, regardless of whether they have a touchpoint with customers or not, to have a strong commitment to results and to expand

markets covered by services and the domains in which they are involved.

We will address this issue by monitoring scores related to motivation in the engagement survey as an indicator to measure the degree to which each individual proactively addresses markets and customers.

Key theme

### D Encouraging challenges based on a healthy sense of urgency

In order to continuously generate new services, it is necessary for all employees to challenge themselves to evolve, to focus on even the smallest needs by utilizing each individual's point of view, and to consistently make attempts to build services.

To this end, the challenge is to instill a healthy sense of urgency company-wide that we must continue to change,

and to foster a culture in which challenges are praised rather than the status quo maintained.

We will address this issue by monitoring scores related to a culture of challenge in the engagement survey as an indicator to measure the degree to which each individual is taking on challenges.

Key theme

### E Fostering pride by realizing the significance and meaning of work

One of Ricoh Leasing's strengths is its ability to address customer issues, developed through dealings with approximately 400,000 client companies and 6,000 vendors, and we must continue to maintain this advantage.

To do this, the challenge is to create a system that fosters a sense of pride from realizing the significance and

meaning of daily work so that employees continue to be active not only due to ease of work but also in motivation.

We will address this issue by monitoring scores related to pride in businesses and services in the engagement survey as an indicator to measure the degree of resonance with the meaning and significance of one's own work.

# Message from the Officer in Charge of Sales



Reforms in the second year of the MTP: Restructuring into a sales-oriented organization that leverages the unique strengths of each division and accelerating capital-cost-focused initiatives

Shinichi Kuroki

Director and  
Corporate Senior Vice President

## The status of business fields with disparities in growth

We have entered the second year of our Mid-term Management Plan (FY2023 to FY2025). At the Ricoh Leasing Group, we have identified eight business fields (“as a Service,” BPO, real estate, the environment, nursing care, office, medical and healthcare, and capital investment) where we anticipate growth in profitability and business opportunities and plan to shift resources accordingly. Of these, we have designated “as a Service” and BPO as focus sectors for creating new business models. For “as a Service,” we are currently identifying market needs, and investigating the feasibility of revenue opportunities and strategies. The BPO sector is progressing steadily, and we are targeting double-digit growth in the number of transactions for collection agency services.

We are also working to expand our existing businesses, and the real estate and environment fields are growing robustly. In the real estate field, financing has become a significant revenue driver. In the housing rental business, we have started offering “rental housing for active seniors living alone” by utilizing one of the apartment buildings we own as a residence for seniors.

A notable feature of this service is that it includes monitoring and regular visits. In the environment field, we have steadily increased the amount of financing and business investments. However, in the solar power business, afterFIT’s market is experiencing slow growth, and we are gathering information to identify where opportunities for growth may lie.

In the office and capital investment fields, we are seeing continued positive trends, with yield on asset balances continuing to grow. However, we are concerned about the impact of rising future interest rates on funding and recognize the urgent need to provide additional value. Regarding these fields, we have observed changes in SMEs’ needs. Vendors have started to offer services (software) through the cloud and other platforms to meet customer needs. With regard to traditional lease transactions, we can no longer expect increases in demand as these are tied to the sale of physical goods (hardware).

In anticipation of the switch from physical goods (hardware) to services (software), we have been experimenting in each business field. “As a Service” is the key to making a breakthrough here. Currently, we are still working under the concept of adding services to goods. However, by identifying the true needs of our

customers, we believe we can create new “as a Service” models where goods are added to services or where goods are unnecessary.

Customer needs change as their businesses grow. From starting a business to business operations such as capital investment and cash flow, we continue to provide Ricoh Leasing’s unique management support and services, leveraging our long-standing strength of staying close to our customers.

### **Restructuring into a sales-oriented organization that leverages the unique strengths of each division**

In April 2024, we restructured our organization to enhance our sales capabilities. I will explain this while touching upon the slogan of our sales divisions, “Think for yourself and cooperate with others!”

Regarding “Think for yourself,” we created planning and promotion functions in all of our sales divisions. In the Sales and Marketing Division, we created the Sales Planning Department; in the Environment and Real Estate Sales Division, we created the Environment and Real Estate Promotion Department; in the Area Sales Division, we created the Area Promotion Department; and in the BPO Division, we created the Planning and Development Section. We also created a headquarters for planning and promotion at our group company, Techno Rent. Regarding “cooperate with others,” we selected employees from each sales division, including those at our Group company, to concurrently work in the Sales and Marketing Division, and thereby strengthen cross-divisional collaboration.

Regarding organizational restructuring, we transferred and integrated some of the capital investment sales functions from the Medical and Healthcare Division and Sales Development Division into the Area Sales Division. This ensures a structure that maintains and enhances the expertise cultivated in the medical and healthcare fields while simultaneously deepening collaboration with the Area Sales Division, which has nationwide operations, and reinforces large-scale expansion.

An example of this collaboration is the building lease arrangement for a residential fee-based nursing care home in the Chubu region. While the employee in charge of the Chubu region managed the project, the Medical and Healthcare Division, with its expertise in medical and nursing care, provided credibility and assessed commercial viability, and the Environment and Real Estate Sales Division, with its expertise in real estate, handled asset evaluation and product structuring. Since then, similar collaborative projects have been launched, highlighting that the new collaborative system is operating effectively.

The roles and activities of the Sales and Marketing Division under the new structure are as follows: 1. Formulating a business portfolio strategy with a focus on capital costs (starting with real estate, expanding to the environment, and eventually covering all fields. Selecting strategic areas to utilize capital and capital allocation), 2. Promoting cross-division collaboration and conflict mediation (providing cross-division functions and platforms for discussion), and 3. Coordinating and solving common issues in sales divisions (systems, industry laws, evaluation, incubation, etc.).

Regarding point 1, we are managing our portfolio with an increased awareness of capital costs. We are making progress in managing profit and loss (P&L) and the balance sheet (B/S) on a per-sales organization basis, and although still in a simplified form, we have developed a system to track operating profit per employee. Additionally, we calculate the WACC for each product and set hurdle rates to ensure profitability, aiming to achieve an ROE of 8%.

The real estate field is the first field where we are implementing these methods. We manage breakdowns by asset type, such as residential or logistics facilities, along with the scale of each financing channel, such as loans and equity. With this, it has become possible to calculate the capital to be allocated and make decisions regarding whether we can take strategic risks or whether to take a more risk-averse approach.

By further promoting these initiatives, we aim to grow the Company while maintaining a lean structure and increasing profitability.

Regarding point 2, we regularly hold open discussion sessions (known as Open Waigaya) at our Kioicho office in Tokyo. All Company employees can take part and freely express their opinions on each session’s theme. Afterward, employees, including those concurrently serving at the Business Strategy Management Division, gather to summarize ideas and issues for further discussion.

As seen in the collaboration example from the Chubu region mentioned earlier, we have begun expanding our products and services across multiple areas through interdivisional collaboration. Conventionally, highly specialized personnel have developed each market vertically. In addition to this, from now on, sales teams will expand markets horizontally and create new business opportunities by collaborating across business fields. Therefore, sales teams will need to widen their breadth of knowledge.

Through organizational restructuring, a structure that will enable us to implement our vision is taking shape. With strong determination, we will accelerate our efforts toward achieving our Mid-term Management Plan.

# Results by Segment



## Leases & Finance Business

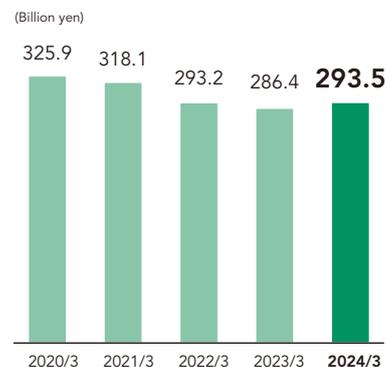
### Main companies

Ricoh Leasing Company, Ltd., Techno Rent Co., Ltd., Tokyo Business Rent Co., Ltd.

### FY2023 results

In the Leases & Finance Business, although there was an increase in real-estate-related loans and installment sales contracts for solar power generation equipment, executed contract volume across the business as a whole fell due to a reactionary decline from large capital investment projects in the previous year. The yield on new contracts continued to improve under a profitability-focused strategy. While net sales increased, segment profit decreased due to a drop following the previous year's surge in demand for rental services caused by COVID-19.

### Net sales



## Services Business

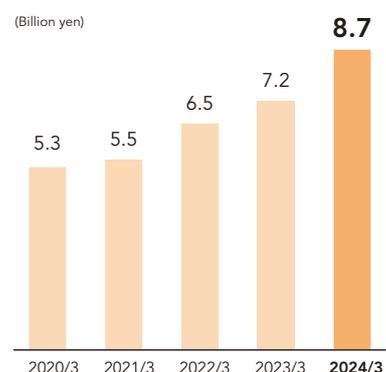
### Main companies

Ricoh Leasing Company, Ltd., Enplus Inc., Welfare Suzuran Co., Ltd.

### FY2023 results

In collection agency services, collections handled for existing customers increased, and new contracts were initiated smoothly. In factoring services for healthcare and nursing-care facilities, transaction volume increased steadily due to demand returning after the government support had ended. In addition, the business results of Welfare Suzuran Co., Ltd., which was made a subsidiary in the previous fiscal year, are now reflected in the consolidated results. Ultimately, both net sales and segment profit increased.

### Net sales



## Investment Business

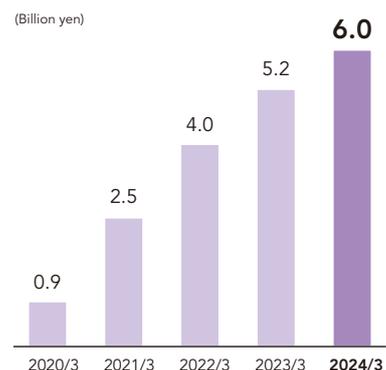
### Main companies

Ricoh Leasing Company, Ltd.

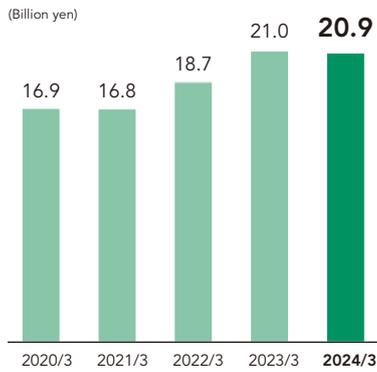
### FY2023 results

In the Investment Business, solar power investments progressed smoothly, driven by the success of multiple power plant projects. In the real estate field, we increased our investments while diversifying into approaches such as trust beneficiary rights and equity investments. As a result, both net sales and segment profit increased.

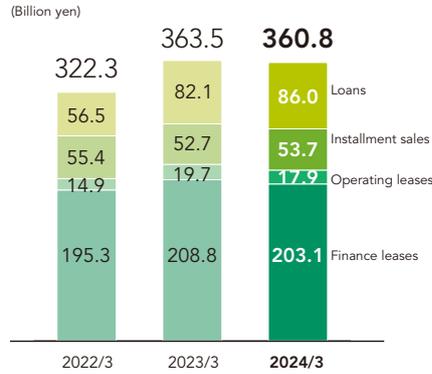
### Net sales



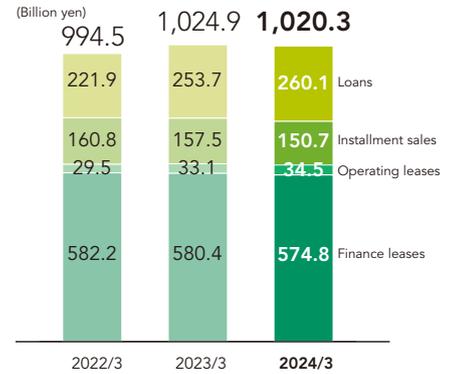
### Segment profit



### Executed contract volume (by product)

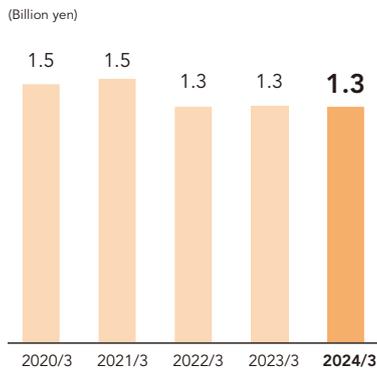


### Operating assets

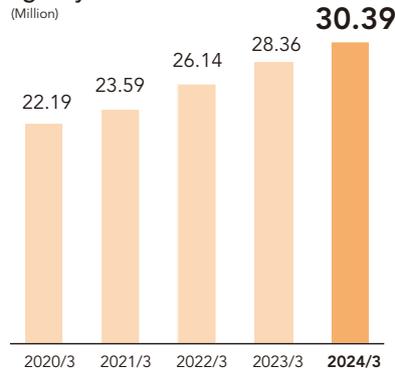


Note: The balance of operating assets includes securitized lease receivables.

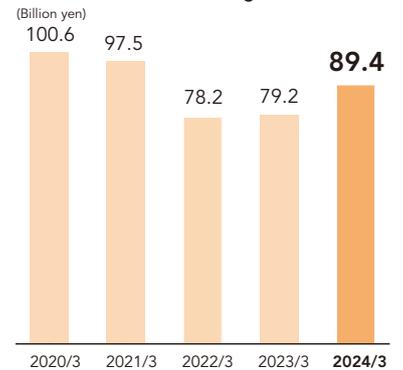
### Segment profit



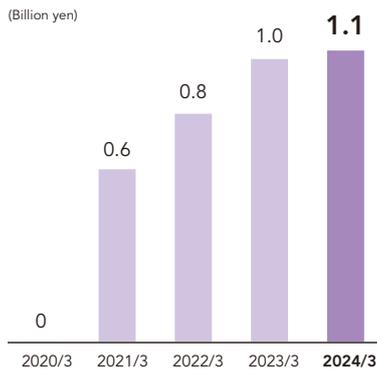
### Number of transactions in collection agency services



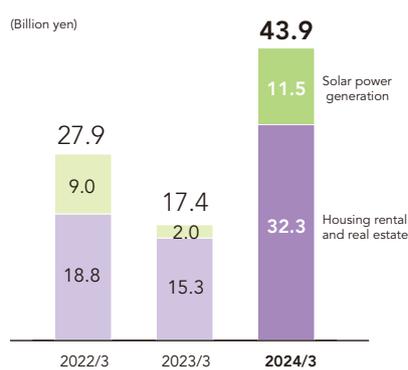
### Transaction volume in factoring services for healthcare and nursing-care facilities



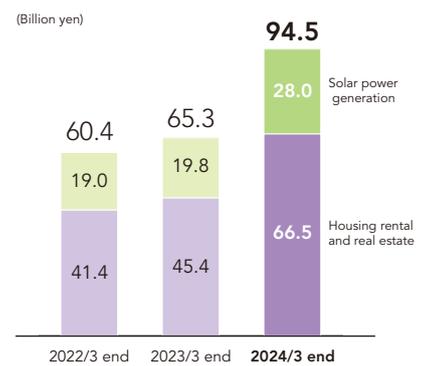
### Segment profit



### Investment amount



### Operating assets



# Threats and Opportunities by Business Field

From the three existing and disclosed segments, the Group has clarified where it is providing value. With the goal of investing resources into areas with high profit levels and greater commercial opportunity, we defined business areas suitable for our strategy of three business growth strategies. By establishing strategies that identify threats, opportunities, and strengths by business field, we are aiming for sustainable growth.

## Disclosed Segments



### Leases & Finance Business

- Finance leases
- Operating leases
- Installment sales
- Rental
- Loans



### Services Business

- Collection agency services
- Factoring services for healthcare and nursing-care facilities
- Relocation management services
- Nursing care and nursing home facilities management



### Investment Business

- Housing rental and real estate
- Solar power generation

## Business Field

Business Field			
Expansion and improved efficiency		Office	
		Medical and Healthcare	
		Capital investment	
Diversification through the addition of businesses and services		Real estate	
		The environment	
Taking on the challenge of a new business models		as a Service	
		BPO	

Threats	Opportunities	Strengths
<ul style="list-style-type: none"> <li>• Decrease in capital investment demand due to changing needs resulting from the shift from the material to the immaterial</li> <li>• Changes in vendor leasing schemes due to contract digitalization</li> <li>• Response to legal and system changes related to leasing</li> </ul>	<ul style="list-style-type: none"> <li>• Demand for capital investment and services to address labor shortages caused by population decline</li> <li>• Demand for equipment installations and replacement to achieve SDGs, including decarbonization</li> <li>• New demand for capital investment due to utilization of generative AI and the acceleration of DX</li> </ul>	<ul style="list-style-type: none"> <li>• Transaction data for approximately 400,000 companies, mainly small and medium-sized businesses</li> <li>• A business model supporting the sales of around 6,000 vendors through established business relationships</li> <li>• High quality and efficiency of the operation system utilizing IT</li> <li>• Nationwide sales network</li> </ul>
<ul style="list-style-type: none"> <li>• Negative impact on management due to rising prices and wages and shortages of doctors and nurses</li> <li>• Loss of specialized personnel with expertise in opening new practices</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing needs for healthcare and nursing care in an aging society</li> <li>• Expansion of investment in human capital and medical DX in medical institutions</li> <li>• Response to new medical services, such as home visits and treatments not covered by insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Network with various vendors, including pharmaceutical wholesalers, medical device makers, and distributors</li> <li>• Vast experience and expertise in providing support for opening medical practices</li> <li>• Nationwide sales network</li> </ul>
<ul style="list-style-type: none"> <li>• Decrease in capital investment demand due to changing needs resulting from the shift from the material to the immaterial</li> <li>• Changes in vendor leasing schemes due to contract digitalization</li> <li>• Response to legal and system changes related to leasing</li> </ul>	<ul style="list-style-type: none"> <li>• Demand for capital investment and services to address labor shortages caused by population decline</li> <li>• Demand for equipment installations and replacement to achieve SDGs, including decarbonization</li> <li>• New demand for capital investment utilizing ICT</li> </ul>	<ul style="list-style-type: none"> <li>• Transaction data for approximately 400,000 companies, mainly small and medium-sized businesses</li> <li>• A business model supporting the sales of around 6,000 vendors through established business relationships</li> <li>• High quality and efficiency of the operation system utilizing IT</li> <li>• Nationwide sales network</li> </ul>
<ul style="list-style-type: none"> <li>• Fluctuations in the real estate market and supply-demand balance</li> <li>• Real estate market shrinking due to rising interest rates</li> </ul>	<ul style="list-style-type: none"> <li>• Pursuing opportunities in specialized markets and functions, such as corporate loans for residential and logistics warehouse development and bridge financing for REIT inclusion</li> <li>• Growing demand for financing to address the shortage of buildings in the medical and healthcare market</li> </ul>	<ul style="list-style-type: none"> <li>• Knowledge gained from real estate financing in areas such as residential and logistics warehouses</li> <li>• Long-standing partnerships with major developers</li> <li>• Expanding rental business by leveraging expertise in assessing residential properties</li> </ul>
<ul style="list-style-type: none"> <li>• Increased competition due to decreased investment in power generation equipment following the end of the FIT system</li> <li>• Increased cost burden and operational costs due to adapting to regulatory changes</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion of the renewable energy market (PPA, self-consumption, etc.) to achieve carbon neutrality</li> <li>• Expansion from solar power generation to other power sources (offshore wind, energy storage projects, etc.)</li> <li>• Expansion of the operation and maintenance (O&amp;M) market</li> </ul>	<ul style="list-style-type: none"> <li>• Strong business evaluation capabilities, flexibility in financing options, and the ability to respond quickly</li> <li>• Expertise in power plant operation gained from our own business ventures</li> </ul>
<ul style="list-style-type: none"> <li>• Decline in rental demand due to changes in lease accounting standards</li> <li>• Decrease in equipment investment demand and increase in our procurement costs due to rising prices</li> <li>• Reduction in the number of devices caused by BYOD*</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing need for services resulting from the shift in needs from the material to the immaterial</li> <li>• Increased demand for PC lifecycle management (PCLCM) due to a shortage of IT personnel</li> <li>• Spread of PCs equipped with generative AI</li> </ul>	<ul style="list-style-type: none"> <li>• Relationships with manufacturers and vendors established through the leasing business</li> <li>• Capability to provide one-stop services for product lifecycles (procurement, management, delivery, resource circulation, etc.) through collaboration with partner companies</li> </ul>
<ul style="list-style-type: none"> <li>• Security measures and personal information protection in online payments and data management</li> <li>• Decreased trust and loss of customers due to delays or errors caused by system trouble or human errors</li> <li>• Emergence of innovative competitive services from fintech companies with overwhelming technological capabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Increased demand for online payments, collection agency services, and cashless transactions</li> <li>• Opportunities to provide services to SMEs who cannot easily implement DX on their own</li> <li>• New BPO needs arising from changes in social environments and regulations</li> <li>• Emergence of new payment schemes in the B2B sector</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to handle small transactions through efficient systems and business operations</li> <li>• Web marketing and industry-specific sales channels</li> </ul>

\* BYOD: A usage model where individuals use personal computers or smartphones for work purposes

# Strategies by Business Field

The Ricoh Leasing Group formulates strategies for its business and strives to grow its business in each field with an awareness of respective market conditions.

Specifically, our goal is to grow gross profit before deducting financial expenses from 44.7 billion yen in the year ended March 31, 2023, to 53.0 billion yen in the year ending March 31, 2026. In the year ended March 31, 2024, net profit grew to 47.5 billion yen due to growth in the medical and healthcare and real estate sectors.

## Message from the General Manager



**Shoichi Ino**

Executive Officer  
General Manager of  
Area Sales Division

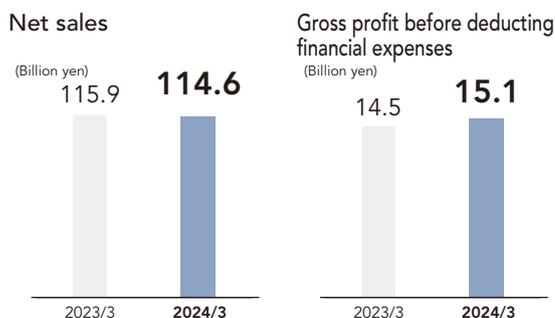
The mission of the Area Sales Division is “rooting ourselves in regions and contributing to the added value and increased productivity of customers in each region through our unique financial and service offerings.” This is derived from our Group’s corporate philosophy. Our Division’s activities are the core foundation supporting the Group’s growth, and we need to improve efficiency and expand our business in each field. We will increase the value we provide to customers by continuously improving and strengthening our sales processes, collaborating across organizational boundaries, and conducting marketing campaigns for each region.

We have set forth the three growth strategies below to achieve this, and highly motivated and self-driven employees are essential to implement these strategies. We will improve employee job satisfaction by conveying the message of “Steadily implementing what needs to be done (Must) and enhancing our value and strengths (Can) toward achieving the ideal state of our Division in three years (Will).”



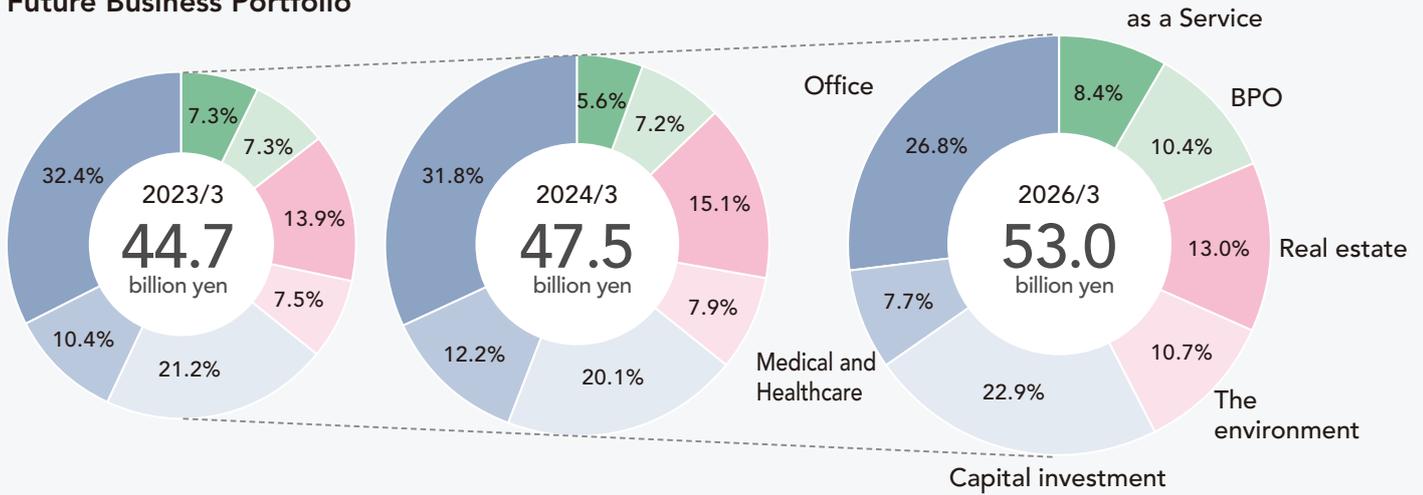
### Strategy for the office field

To capitalize on the demand for replacing PCs brought about by the Windows migration starting in the second half of FY2024, the Area Sales Division will enhance sales activities in each region it oversees. When new PCs are introduced, there are increased needs for comprehensive services that include troubleshooting, kitting, deletion of data, and replacement device rental. In collaboration with our subsidiary, Techno Rent, we will respond to these needs by making proposals optimized to customer’s needs, whether through leasing, rentals, or other services.



While there was a decrease in net sales due to a decline in asset balance, gross profit before deducting financial expenses increased due to improvements in asset yield and an increase in re-leasing.

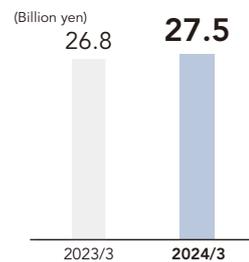
### Future Business Portfolio



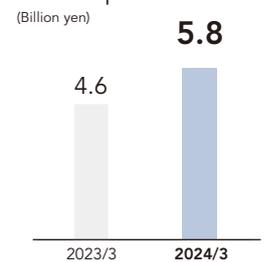
#### Strategy for the medical and healthcare field

In the medical and healthcare field, we are on track to achieve “200 projects to support the opening of new medical facilities,” one of our non-financial targets for the year ending March 2026. In the future, we will expand the scope of the business from conventional medical service (medical equipment leasing and financing for doctors opening new practices) to nursing care, preventative medicine, housing, and living support (leasing buildings to nursing-care providers). Also, we will contribute to the creation of comprehensive regional care systems based on our highly specialized consulting capabilities. We will achieve this by enhancing our ability to make proposals covering the essential management resources of “people, goods, and capital” through collaboration with other fields.

#### Net sales



#### Gross profit before deducting financial expenses



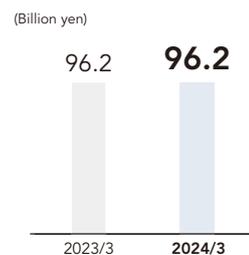
Both revenue and profit increased with the reflection of the business results of Welfare Suzuran, which was made a subsidiary in December 2022, into the full-year consolidated results.



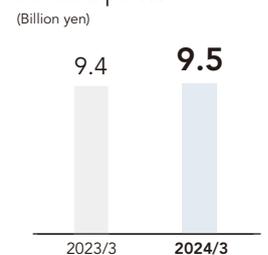
#### Strategy for the capital investment field

We have allocated three priority areas of construction machinery, vehicles, and agriculture in the capital investment field. Regarding construction machinery, we are formulating and executing strategies for excavators and ICT-based machinery, and regarding vehicles, for heavy-duty vehicles and EV peripherals. Each strategy is based on the characteristics of the respective region. Regarding agriculture, the Area Promotion Department is taking the lead, acting as a planning department connecting organizations within the Division. They are developing scenarios for the expansion of livestock financing and the growth of leasing for agricultural machinery. We will roll out these scenarios within the Division and focus on acquiring and enhancing expertise for implementation at each organization.

#### Net sales



#### Gross profit before deducting financial expenses



Asset yield and gross profit before deducting financial expenses increased due to continued improvement in yield from new contracts.

## Message from the General Manager



### Ako Nagata

Executive Officer  
General Manager of  
Environment and Real Estate  
Sales Division

Both the environment and real estate fields have grown to become pillars of our company in terms of income. In the Mid-term Management Plan (FY2023 to FY2025), we designated them as independent fields, allowing us to more clearly define their target markets. We will further improve profitability by taking an accurate and holistic approach to each market. Further, we are also working on creating added value that spans both fields as business opportunities are materializing as a result of the synergy between the fields. An example of this is the installation of solar power generation facilities handled in the environment field at logistic facilities handled in the real estate field.

Amid the continued surge in real estate prices and the shift from renewable energy businesses, such as those driven by the FIT system, to models like PPA<sup>1</sup>, controlling risk will be vital in achieving steady growth. In this regard, we will bring about sophisticated risk management and business growth by swiftly ascertaining target market trends in each field and discerning essential information.

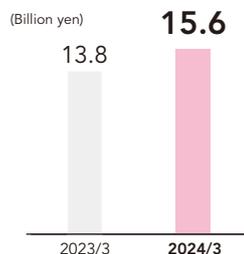
1. PPA (Power Purchase Agreement): A contractual form where power consumers purchase renewable power directly from the power generators.



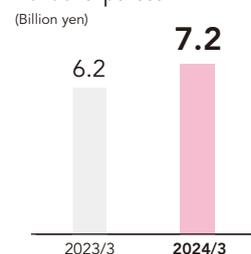
### Strategy for the real estate field

We are promoting the optimization of our asset structure in the real estate field. We aim to optimize our asset structure by leveraging our strengths in asset assessment and determining the risk-return balance for each asset type and product. Also, we will accelerate business development that looks to both solve social issues and drive our company's growth. For example, we have begun providing rental properties for seniors and leasing buildings in response to the aging population. In the future, we will focus on finding new business opportunities, such as developing additional services for these products.

#### Net sales



#### Gross profit before deducting financial expenses



Both revenue and profit increased due to improvements in asset yield, primarily from loans and building leases, and the accumulation of operating assets.

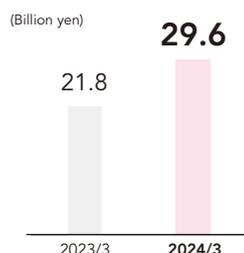


### Strategy for the environment field

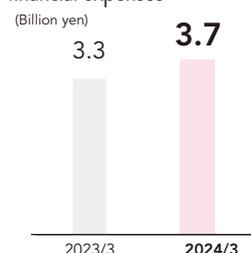
Regarding solar power generation, we maintain a competitive advantage in high-voltage class power stations (AC<sup>2</sup> under 2 MW) by leveraging our ability to respond quickly, made possible by carrying out due diligence and cash flow management in house. In the renewable energy business, despite the presence of complex systems and schemes, we will continue to steadily conduct business by gathering knowledge about systems and schemes and discerning the impact on profitability and risk. Also, we are taking on the challenge of diversification of our services. For example, we will organically link our Solar Assist service, which supports the operation of other company's power stations, with our proxy purchase service for tracking FIT non-fossil certificates and the undertaking of management of power plants operated by other vendors.

2. AC stands for Alternating Current.

#### Net sales



#### Gross profit before deducting financial expenses



Increased revenue and profit were achieved in solar power installment sales due in part to several large early repayments.

## Message from the General Manager



**Kenji Kurokawa**

President and Chief Executive Officer, Techno Rent Co., Ltd.

In the “as a Service” field, we have set forth the concept of Work-Life Integration as a Service, aiming to transform the business by shifting from the traditional leasing of goods to the provision of goods and functions or services. Under this concept, by making products and functions into services and providing them quickly and continuously, we aim to commercialize services that accommodate diverse lifestyles and comfortable workplaces that improve employee productivity.

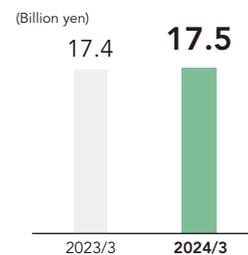
The current ICT market is at a major turning point, with the growing demand for thin clients, cloud servers, and the rise of AI. Also, outside of the ICT market, the diversification of B2B products and services continues to expand. In response to this, we are combining the other business fields of our Group with “as a Service” and collaborating with other companies to continuously enhance the added value of our functions and services. By doing so, we will establish this as a driver of growth over the medium to long term.



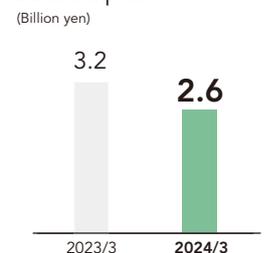
### Strategy for the “as a Service” field

Firstly, we will look to expand our business in the short term by focusing on realizing “as a Service” in the ICT market, an area where we are strong. In particular, we hope to accurately capture the expanding needs in the ICT-related market caused by the Windows migration starting in the second half of FY2024. We also see new additional investments by companies aimed at increased productivity, such as the introduction of PCs equipped with AI capabilities, which is expected to grow in the future, as business opportunities. As such, we will use the winning strategies we have obtained by responding quickly to drastically evolving and changing business demand as our basis for expansion into other markets and develop “as a Service” offerings that are unique to our Group.

#### Net sales



#### Gross profit before deducting financial expenses



While revenue increased due to an increase in operating assets, gross profit before deducting financial expenses decreased due to the drop off of the previous year's COVID-19-related surge in demand (rental extension income was up by 1.1 billion yen) for rental services.

## Message from the General Manager



**Ryoji Nagai**

Executive Officer  
General Manager of BPO Division

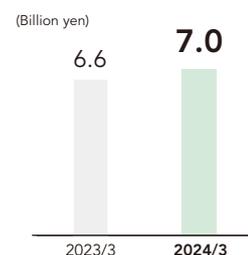
In the BPO field, we will enhance our services beyond payment services, allowing us to provide management support to our customers. As part of this effort, we have been developing the DX-leveraging “New Collect!” since FY2024. This new service expands and strengthens the features of our existing “Collect!” web platform, a dedicated collection agency system, while also adding new services that improve payment-related productivity and cash flow management. “New Collect!” will be first offered to BPO-field customers who use our collection agency services. For the next step, we plan to roll it out to the 400,000 companies that we do business with. It is our mission to support SMEs who face various issues despite often lacking the management resources to deal with these issues. With “New Collect!” alongside our range of other services, we will support the continuity of our customers’ businesses while simultaneously expanding our business domain.



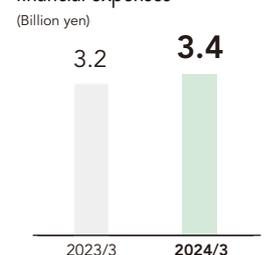
### Strategy for the BPO field

At the BPO Division, we have a robust customer base comprised mostly of SMEs. Our expertise in the nursing care and education fields is one of our strengths. Based on our in-depth understanding of the market, we will provide services that customers truly need by collaborating with the various other business fields. For example, in the real estate sector, we have integrated the rent guarantee services of Casa Inc., a company we have invested in, with our payment collection services. As our next initiative, we plan to collaborate with the medical and “as a Service” fields to contribute to the home healthcare market, which is expected to grow in the future.

#### Net sales



#### Gross profit before deducting financial expenses

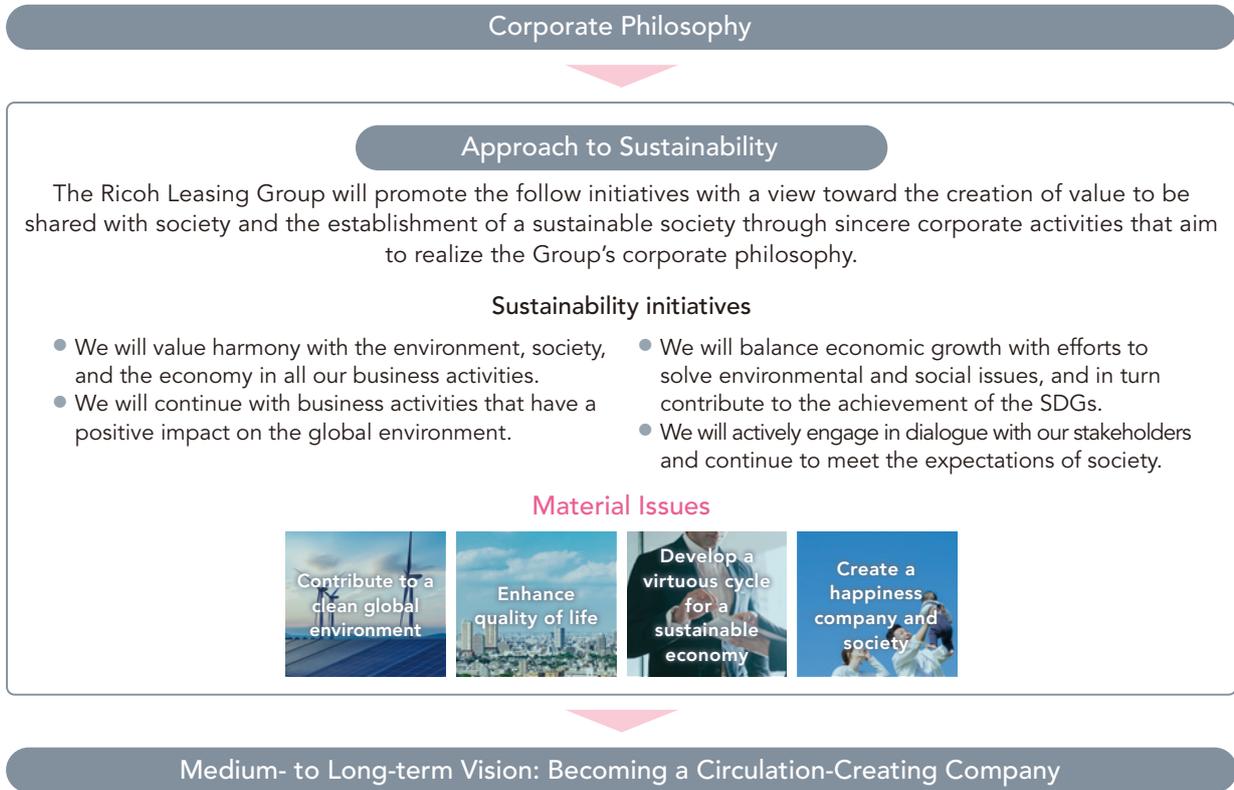


Revenue and profit increased due to steady increases in the number of transactions handled by the collection agency service and the transaction volume of the nursing-care factoring service.

# Promotion of Sustainable Management

The Ricoh Leasing Group has positioned its corporate philosophy as the highest concept of the Group. Based on its approach to sustainability, the Group is promoting sustainable management through efforts to tackle its material issues.

## Sustainable Management Overview



## Material Issue Review Process

In line with changes in our external and business environments, in fiscal 2020 we reviewed our material issues and identified four new material issues.

### 01 Understanding and identifying issues

Following analysis of changes in our business environment and external environment, including those related to the SDGs, we identified the issues that were related to the Group

### 02 Assessing their importance

We then assessed and inspected their importance based on the level of impact they could have on the Group and our stakeholders, and created a material issue matrix

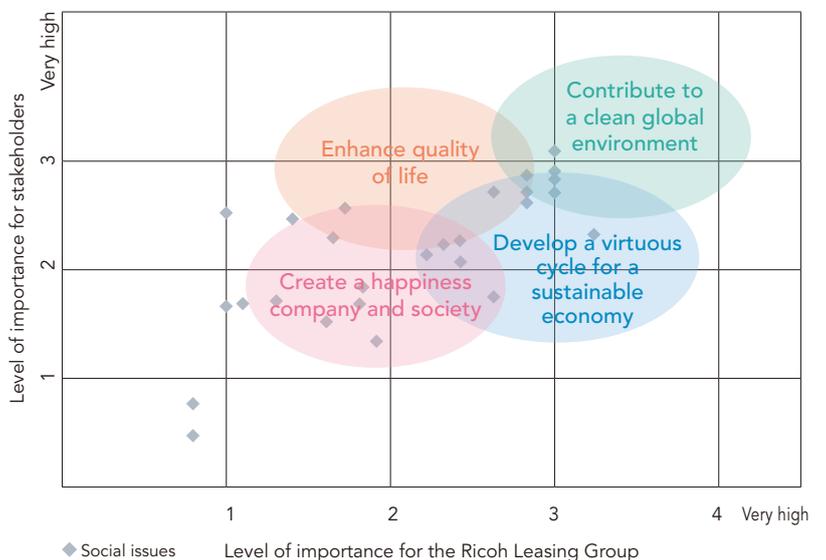
### 03 Assessing their relevance

The Sustainability Committee then exchanged opinions with internal departments and external experts to inspect the relevance and consistency of the issues

### 04 Identifying key issues

Following a resolution by the Board of Directors, we identified four material issues

Material Issue Matrix



### Sustainability Promotion System

The Ricoh Leasing Group has established a Sustainability Committee to help realize a sustainable society and ensure the Group’s sustainable growth. The committee will continue to push the Group’s sustainability management forward. The Sustainability Committee is an advisory body to the President and CEO. It is composed of individuals in managing executive officer roles and above, the heads of divisions related to sustainability, and Group company presidents. It formulates basic policies and plans regarding sustainability management and deliberates on management policies and business activities from the perspective of sustainability. Matters that should be discussed by this committee are then submitted for discussion and decision-making by the Management Meeting.

The Management Meeting determines the matters to be shared with the Board of Directors, which provides its general consensus as advice.

#### Overview of Sustainability Committee

Chairperson	Officer in Charge of Sustainability
Members	General Manager of Business Strategy Management Division General Manager of BPO Division General Manager of Environment and Real Estate Sales Division General Manager of Area Sales Division General Manager of Operations Division General Manager of Examination Division General Manager of Group Human Resources Management Division General Manager of Group IT Management Division General Manager of Strategic Investment Division General Manager of Corporate Management Division President of Techno Rent    President of Enplus President of Welfare Suzuran
Meeting frequency	Once quarterly



#### Key Sustainability Discussions for the Group

Board of Directors	September 2023	Sustainability Committee Report (12th and 13th meetings)
	January 2024	Sustainability Committee Report (14th meeting)
	March 2024	Integrated Report 2024 production policy (report)
Management Meeting	May 2023	(1) Environmental management: Revised target values for FY2022 and target values for FY2023 (approved) (2) Setting of non-financial targets (discussion)    (3) Production of Integrated Report (discussion) (4) Regular compliance report    (5) Study meeting for priority themes in the Mid-term Management Plan (discussion)
	July 2023	(1) Disclosure of non-financial targets in the Integrated Report (approved) (2) Revision of medium- and long-term CO <sub>2</sub> emission reduction targets (Scopes 1 and 2) (approved) (3) Introduction of FIT non-fossil certificate proxy purchase service (approved)
	August 2023	(1) Setting of non-financial targets (approved) (2) Donation to “Reserve Fund System for Prosperous Future” for disaster relief (approved)
	September 2023	Development of human rights due diligence (approved)
	November 2023	Regular compliance report
	March 2024	Integrated Report 2024 production policy (approved)
	Sustainability Committee	12th Meeting, May 2023
13th Meeting, July 2023		(1) (Expert lecture) Initiatives for biodiversity    (2) Human rights due diligence initiatives (3) Consideration of outcomes and impacts of non-financial goals
14th Meeting, November 2023		(1) Environmental management: Progress of EMS performance in the first half of FY2023 (2) Mid-term Management Plan: Progress of non-financial targets in the first half of FY2023
15th Meeting, February 2024		(1) Environmental management: Medium- to long-term CO <sub>2</sub> reduction measures, internal carbon pricing, Plastic Resource Circulation Act (2) Study of Sustainability Committee operating structure for FY2024

# Non-financial Targets

## Non-financial Objectives of the Mid-term Management Plan (FY2023–FY2025)

In the previous Mid-term Management Plan, the Mid-term Business Plan and the Mid-term Sustainability Management Plan were formulated independently of each other. However, based on the idea that our business itself contributes to sustainability management, we have integrated them by setting financial and non-financial targets in the current Mid-term Management Plan. In formulating non-financial targets, the Sustainability Committee held discussions and selected the following 20 items

Material Issue	Business Field/Category	Indicator
Contribute to a clean global environment P.54		★ Cumulative investments in environmental fields Renewable energy output Lease equipment collection rate Computer reuse and recycling rate
		Capital investment /The environment No. of EVs in fleet
		Medical and Healthcare No. of projects to support opening of new medical facilities
		Real estate No. of real estate properties for which value has increased
Enhance quality of life P.61		★ No. of collection agency services in operation Factoring services for nursing-care facilities No. of newly contracted facilities No. of people to which we provide inbound/outbound services
		BPO
		Capital investment ★ Executed contract value in three priority fields
Develop a virtuous cycle for a sustainable economy P.65		No. of “as a Service” transactions No. of “as a Service” products (including ICT devices)
		as a Service
		Other No. of services developed alongside investees and alliance partners
Create a happiness company and society P.68		★ Engagement score (annual average) ★ Ratio of female managers Percentage of male employees taking childcare leave Percentage of employees with disabilities
		Diversity & Inclusion
		Human Resource Development ★ Cost of education per person Training time per person
		Human Resource Development
		Human Resource Development

★ Marks items disclosed in the Mid-term Management Plan

as important indicators that have a significant impact on society and lead to an increase in corporate value. The six items marked with an asterisk, which are of particular importance, are also disclosed in the Mid-term Management Plan, but progress on all 20 items will be presented in the Integrated Report. By achieving non-financial targets, we will advance sustainability management at the Company.

Impact on Society	FY2022	FY2023	FY2025 Targets
Aiming to achieve a carbon-neutral society by 2050	272.0 billion yen	313.8 billion yen	400 billion yen
	112,872 MWh	141,841 MWh	205,700 MWh
Realize a resilient society by reducing the burden on the environment through the recycling of resources and products	68.4%	71.8%	74%
	98.7%	98.8%	100%
Aiming to achieve a carbon-neutral society by 2050	755 vehicles · HVs (hybrid vehicles): 707 · PHVs (plug-in hybrid vehicles): 19 · EVs (electric vehicles): 29 · FCVs (hydrogen fuel-cell vehicles): 0	694 vehicles · HVs (hybrid vehicles): 615 · PHVs (plug-in hybrid vehicles): 38 · BEVs (electric vehicles): 41 · FCVs (hydrogen fuel-cell vehicles): 0	No quantitative targets set
Reduce workloads of physicians and health care workers and improve patient access to health care	100	192	200
Improve ease of living and quality of life for residents and reduce the burden on the global environment through effective use of existing buildings	9,007	(1) 10,511 (management associations) (2) 4 (residential rental)	10,700
Improve operational efficiency to reduce costs and increase productivity for client companies and improve convenience for service users	16,682	17,861	20,000
Help ensure business continuity to maintain employment for caregivers and improve access to care services	521	602	600
Provide a safe and secure living environment for business travelers to enhance performance and improve corporate productivity	1,711	1,690	7,000
Lower the hurdle for capital investment by small and medium enterprises to create a virtuous cycle in the economy	32.0 billion yen	30.3 billion yen	45.0 billion yen
Provide the latest technology as services to help companies grow and develop	—	9,457	No quantitative targets set
	—	13	No quantitative targets set
Create businesses that reduce negative impacts and generate positive impacts on environmental and social issues	—	0	No quantitative targets set
Create a virtuous cycle for society by establishing working environments where a diverse range of individuals can play an active role and generate innovation	72 points	71 points	75 points
	23.0%	21.8%	25%
	114.3%	100.0%	100%
	2.54%	2.21%	2.7%
Create a virtuous circle for society by developing human resources who will take on social issues and create new value through proactive thinking and action	39,730 yen	40,016 yen	55,000 yen
	12.2 hours	10.6 hours	14 hours

# Ricoh Leasing Group's Initiatives for Climate Change

The Ricoh Leasing Group views climate change issues as a serious challenge that will have a significant impact on corporate value and business strategy decisions. We endorse the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board, and are committed to disclosing information based on our analysis of the risks and opportunities associated with climate change.

Going forward, with the TCFD's functions for monitoring corporate climate-related disclosure being transferred to IFRS® Sustainability Disclosure Standard S2 Climate-related Disclosures ("IFRS® S2") in 2024, we will work to ensure that our disclosures are in line with IFRS® S2 disclosure standards.



## President's Remarks

The Ricoh Leasing Group is pursuing sustainability management in line with its medium- to long-term vision to "Become a Circulation-Creating Company." To "Become a Circulation-Creating Company" means to create a virtuous circle for society as a whole, including the environment, the economy, and the circulation of goods and people, in line with the Group's corporate philosophy of "we will be a bridge to an abundant future with our independent finance and services." In order to realize a prosperous future, we must ensure that the earth we live on is passed on in a sustainable condition to the next generation and into the future.

In order to simultaneously realize the two axes of "solving social issues" and "contributing to corporate growth opportunities" through our business, we have identified four material issues by identifying and summarizing trends in the external environment, including the SDGs, and issues in the changing business environment facing the Group. With respect to global warming caused by climate change, we are working to reduce greenhouse gas (GHG) emissions in our operations under the theme of "mitigate and adapt to climate change," an action objective of one of our material issues, "contribute to a clean global environment." Regarding our own emissions

(Scope 1 and 2), we aim to achieve net-zero emissions by bringing forward the time frame of our reduction target by 20 years. We are also working to attain a more accurate understanding of our indirect emissions (Scope 3), and are disclosing information, studying countermeasures, and implementing measures accordingly.

Regarding the impact on our business of natural disasters caused by recent climate change, we will take appropriate precautions to reduce negative impacts by enhancing risk management. At the same time, we intend to help realize a decarbonized society by further developing business opportunities in the environmental field, such as the solar power generation business. Climate change is also a factor influencing the loss of natural capital, and addressing climate change and the loss of nature simultaneously will bring significant benefits to our society, including in terms of the environment, economy, and health.

We will continue to strengthen our partnerships with various stakeholders to create a sustainable, circulation society.

**Tokuharu Nakamura**  
Representative Director, President and  
Chief Executive Officer

## Table of Correspondences with the TCFD Framework

Disclosure item	Section of this report where disclosed	Pages
<b>Governance: Governance of the organization with respect to climate-related risks and opportunities</b>		
Companies disclose the role of board oversight and management in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> <li>· Corporate Governance System (organizational chart and matrix)</li> <li>· Sustainability Promotion System</li> <li>· Risk Management</li> </ul>	P.80-84 P.49 P.87-89
<b>Strategy: Actual and potential impacts of climate-related risks and opportunities on the organization's business, strategy, and financial planning</b>		
Companies disclose climate-related risks and opportunities (identified over the short, medium, and long term) and their potential impact on the organization's businesses, strategy, financial planning, and corporate governance. Also, describe the resilience of the organization, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<ul style="list-style-type: none"> <li>· Risks and Opportunities of Climate Change for Ricoh Leasing</li> <li>· Implementation Policies and Business Initiatives (Material Issues, "Contribute to a Clean Global Environment")</li> </ul>	P.53 P.54-60
<b>Risk Management: How does the organization identify, assess, and manage climate-related risks?</b>		
Companies disclose their processes for identifying, assessing, and managing climate-related risks and how these processes are integrated into the organization's overall risk management processes and strategies.	<ul style="list-style-type: none"> <li>· Corporate Governance System (organizational chart and matrix)</li> <li>· Sustainability Promotion System</li> <li>· Risk Management</li> <li>· Risks and Opportunities of Climate Change for Ricoh Leasing</li> </ul>	P.80-84 P.49 P.87-89 P.53
<b>Metrics and Targets: The metrics and targets used to assess and manage relevant climate-related risks and opportunities</b>		
Companies are required to disclose the metrics and targets they use to measure their success in addressing climate-related risks and seizing climate-related opportunities. In addition, they disclose transition plans that include actions and activities that will result in effective zero emissions by 2050.	<ul style="list-style-type: none"> <li>· Non-financial Targets</li> <li>· Implementation Policies and Business Initiatives (Material Issues, "Contribute to a Clean Global Environment")</li> </ul>	P.50-51 P.54-60

## Risks and opportunities of climate change for Ricoh Leasing

We anticipate there to be a risk that the transition to a decarbonized society and the increase in extreme weather due to climate change will affect customers' businesses. In light of the frequent occurrence of climate-driven natural disasters in Japan in recent years, we conducted a qualitative scenario analysis on five categories of our business [leased assets (office equipment,<sup>1</sup> automobiles, industrial machinery), solar power generation, and housing rental] that pose concerns given the financial impact of climate change. We estimated the financial impact for those items identified as having a significant impact on our business.

1.5°C  
scenario

Scenario where strict measures are taken to counter climate change and the rise in temperatures is contained to around 1.5°C

4°C  
scenario<sup>2</sup>

Scenario where steps to counter climate change are not taken and the temperature rises by about 4°C

1. Based on close scrutiny of the effectiveness of this analysis, assuming wind and flood damage to leased office equipment assets and taking into account insurance, etc., we determined that the impact of climate change on our business would be small, and thus excluded it from the quantitative analysis.
2. As a result of a qualitative analysis, we determined that the impact of physical risks (impact from damage due to floods, high tides, temperature rises, etc.) under the 4°C scenario on our business would be small. Based on this determination, quantitative analysis was not conducted.

Item		Risk / opportunity items		Timeframe <sup>3</sup>	1.5°C scenario impact <sup>4</sup>
Transition risks	Industrial machinery	[Opportunity]	Growing demand for new decarbonization-related equipment	Short-term	Minor
				Medium-term	Moderate
				Long-term	Major
	Automobiles	[Risk]	Reduced leasing demand for gasoline-powered (ICE) cars	Short-term	Moderate
				Medium-term	Major
				Long-term	Minor
		[Opportunity]	Increase in leasing demand for BEV <sup>5</sup> /FCV <sup>6</sup>	Short-term	Minor
				Medium-term	Major
				Long-term	Major
	[Risk]	Frequent model changes due to higher fuel efficiency standards and shift to BEV/FCV, increase in vehicle procurement costs	Short-term	Minor	
			Medium-term	Major	
			Long-term	Moderate	
Solar power generation	[Opportunity]	Significant growth of the renewable energy market	Short-term	Minor	
			Medium-term	Major	
			Long-term	Major	
Housing rental	[Risk]	Increase in asset acquisition costs due to stricter energy-saving standards for newly built buildings and mandatory "Nearly ZEB" <sup>7</sup>	Short-term	Minor	
			Medium-term	Major	
			Long-term	Moderate	
	[Risk]	Nearly ZEB renovation costs for existing buildings	Short-term	Minor	
			Medium-term	Moderate	
			Long-term	Major	

### Impact on our business

The results of the scenario analysis, in both the transition (1.5°C) and physical (4°C) scenarios, show generally limited short-term negative impacts from climate change on the Group's business. In addition, analysis results

show that, in overall terms, the opportunities are larger than the risks, suggesting that we can expect an increase in sales and profits under the 1.5°C scenario.

3. Short-term: present–2025, Medium-term: 2026–2030, Long-term: 2031–2050.

4. Major: over 3 billion yen; Moderate: 0.1–3 billion yen; Minor: less than 100 million yen.

5. BEV (Battery Electric Vehicle): A type of electric vehicle (EV) that runs on 100% electricity.

6. FCV (Fuel Cell Vehicle): A fuel cell vehicle that uses electrical energy generated by a chemical reaction between hydrogen and oxygen in a fuel cell to drive a motor.

7. Nearly ZEB (Zero Energy Building): Buildings that reduce primary energy consumption by 50% or more relative to standard primary energy consumption, excluding renewable energy sources.

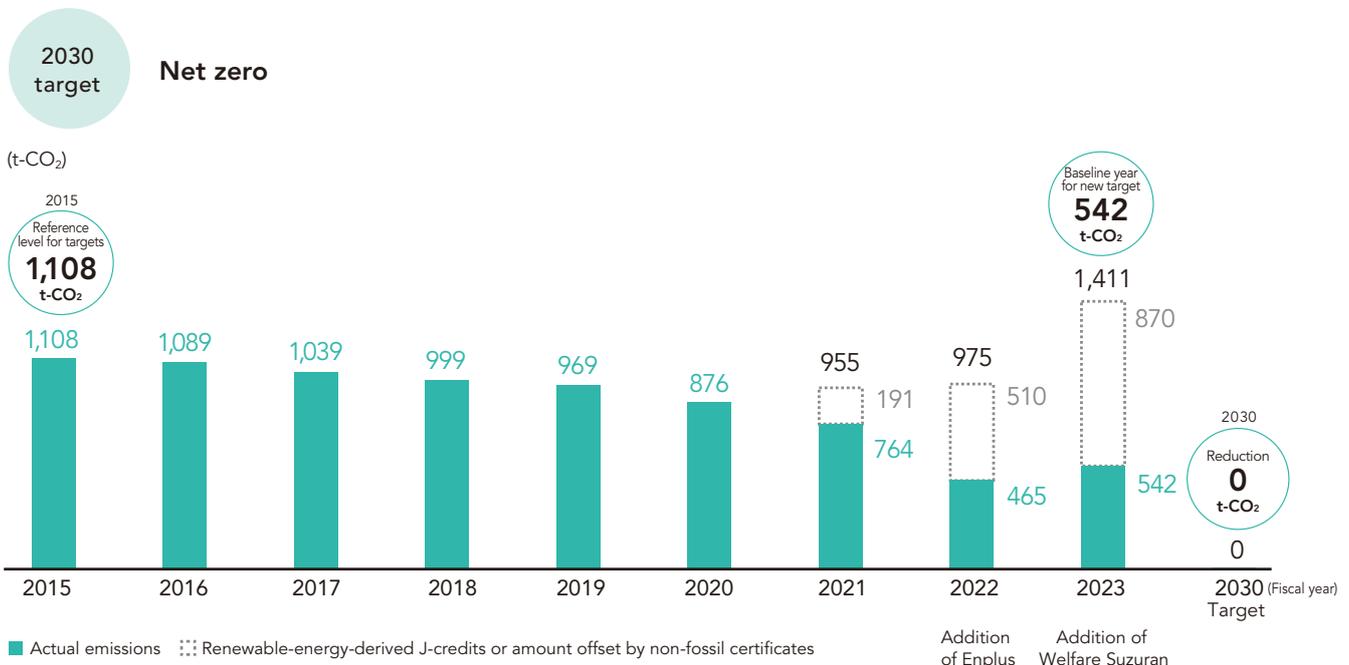
# Contribute to a Clean Global Environment



## Policy

The Ricoh Leasing Group has set its target for net-zero emissions under Scope 1 and 2 for 2030, and aims to reduce its own CO<sub>2</sub> emissions to net-zero through thorough energy conservation, while contributing to the realization of a decarbonized society by promoting renewable energy and expanding the use of environmentally friendly products. In addition, amid concerns about the tight supply and demand of resources and energy, we will aim for sustainable management, efficient use of natural resources, and significant waste reductions. We promote the reuse and recycling of facilities and equipment after leasing ends, as well as the sharing of rental equipment, thereby promoting the effective use of resources and contributing to the realization of a recycling-oriented society.

### Medium- and long-term CO<sub>2</sub> reduction targets (Scope 1 and 2) and achievements



### Medium- and long-term CO<sub>2</sub> reduction targets

The increase in greenhouse gases, principally carbon dioxide (CO<sub>2</sub>), has resulted in various impacts and damages to the natural environment and human life in many parts of the world, and the severity of these impacts has led to the term "climate crisis." Since the 2015 Paris Agreement, which was agreed upon in an effort to mitigate climate change, companies have been called upon to work on reducing greenhouse gas emissions in their business activities. In response to the SBTi,\* an international framework that calls for greenhouse gas reduction targets consistent with scientific findings, which raised the standard for setting targets to 1.5°C, the Ricoh Leasing Group has set a goal of achieving zero CO<sub>2</sub> emissions throughout its value chain by 2050. Additionally, in September 2023,

we moved up our targets for net zero emissions in Scopes 1 and 2 to 2030. With regard to the baseline year for the target, with the addition of Welfare Suzuran's emissions to Group results in FY2023, we have set FY2023 as the new baseline year for our CO<sub>2</sub> reduction efforts. To achieve our new targets, we will identify risks and opportunities in the Group and contribute to solving social issues through our efforts to "contribute to a clean global environment," one of our material issues.

\* SBTi (Science Based Targets initiative): A joint initiative that encourages companies to set reduction targets consistent with scientific findings toward the goal of limiting the increase in average global temperatures due to climate change to 1.5°C above pre-industrial levels.

### Scope 1 and 2: Initiatives to reduce environmental impact through our business activities

In FY2023, Welfare Suzuran Co., Ltd. and 25 small business sites belonging to Ricoh Leasing were included in our environmental data calculations for the first time, bringing the total to 38 business sites, resulting in an increase in the figures for each type of energy. At the business sites included as of last year, electricity consumption underwent a year-on-year decrease as a result of energy-saving activities. Company vehicles are

being switched to hybrid vehicles and EVs, and the switch for gasoline-powered vehicles has already been completed, bringing the total number of EVs deployed to four. After purchasing and redeeming 869 t-CO<sub>2</sub> of the Ricoh Leasing Group's electricity with tracked FIT non-fossil certificates from our solar power generation facilities, total CO<sub>2</sub> emissions amounted to 542 t-CO<sub>2</sub>.

### Reduction of CO<sub>2</sub> emissions from the entire supply chain through the calculation of Scope 3 emissions

Scope 3 emissions account for 99.9% of the Group's GHG emissions and, by our efforts since fiscal 2013 to calculate and disclose Scope 3 emissions, and by estimating and disclosing CO<sub>2</sub> emissions to customers when they use leased equipment, we have been working jointly with customers toward CO<sub>2</sub> reduction, promoting the spread of environmentally sound equipment.

In FY2023, Category 1 and Category 13 emissions decreased slightly due to the revision of emission intensity, but total Scope 3 emissions increased 0.4% from the previous year to 1,011,701 t-CO<sub>2</sub> due to an increase in real estate in Category 2.

#### Third-party assurance of CO<sub>2</sub> emissions data

Calculations of CO<sub>2</sub> emissions data in Scope 1, 2 and 3 are assured by a third party, Sustainability Accounting Co., Ltd.



#### Medium- and long-term CO<sub>2</sub> reduction targets (Scope 3)



#### Scope 3 in FY2023

Category	Description	CO <sub>2</sub> emissions (t-CO <sub>2</sub> )	Percentage of total greenhouse gas emissions (%)
Cat 1	Purchased products and services	715,467	70.7
Cat 2	Capital goods	39,127	3.8
Cat 3	Fuel- and energy-related activities not included in Scope 1 or Scope 2	313	0.0
Cat 4	Upstream transportation and distribution	1,106	0.1
Cat 5	Waste generated by operations	238	0.1
Cat 6	Business travel	316	0.0
Cat 7	Employee commuting	460	0.0
Cat 8	Upstream leased assets	11	0.0
Cat 9	Downstream transportation and distribution	(not calculated)	0.0

Category	Description	CO <sub>2</sub> emissions (t-CO <sub>2</sub> )	Percentage of total greenhouse gas emissions (%)
Cat 10	Processing of sold products	(not calculated)	0.0
Cat 11	Use of sold products	(not calculated)	0.0
Cat 12	End-of-life treatment of sold products	(not calculated)	0.0
Cat 13	Downstream leased assets	254,609	25.1
Cat 14	Franchises	(not calculated)	0.0
Cat 15	Investments	54	0.0
Scope 3 total		1,011,701	99.9
Scope 1		331	
Scope 2		211	
Total CO <sub>2</sub> emissions		1,012,243	100.0

■ Non-financial Targets

Indicator	FY2023 achievement	FY2025 targets
Cumulative investments in environmental fields*	313.8 billion yen	400 billion yen
Renewable energy output	141,841.3 MWh	205,700 MWh
No. of EVs in fleet	694	—

\* Total executed lease and installment sales contracts in the renewable energy sector, as well as solar power generation projects and equity investments

Initiatives in the environmental field

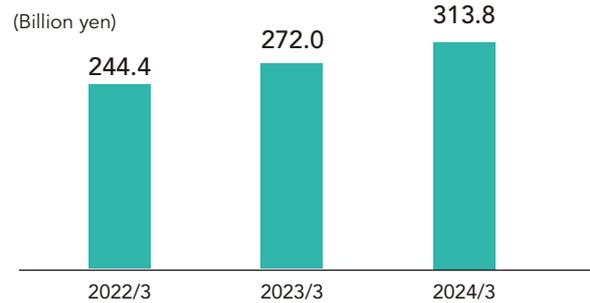
With “contribute to a clean global environment” as one of its material issues, the Ricoh Leasing Group is working, from the perspective of reducing CO<sub>2</sub> emissions, to combat global warming and promote renewable energy, i.e., clean energy sources that do not emit greenhouse gases. With the start of the FIT system, we have arranged financing projects for solar power plants, and have also worked on other power sources such as wind, biomass, and small-scale hydropower.

In 2018, we began to invest in becoming a power generation provider ourselves, working on a wide range of projects from those under the FIT system to PPAs, and as of March 2024, we have 499 power generation sites with a total of 177 MW of output.

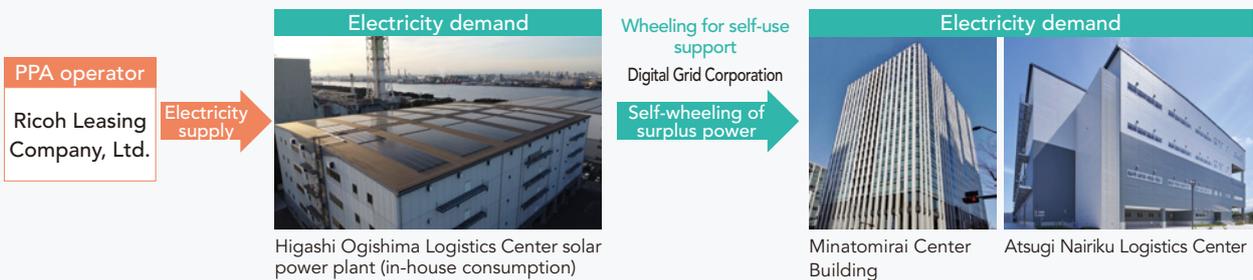
In FY2023, the total amount of cumulative investments amounted to 313.8 billion yen, the result of initiatives

including a silent partnership investment in an SPC that is undertaking a new geothermal power generation project. Through proactive investment going forward, we will continue our efforts to realize a decarbonized society through our business.

Cumulative amount of funds invested in the environmental field



Electricity wheeled for self-use through use of on-site PPA surplus power



On-site PPA schemes are one of the most promising means of converting consumed electricity to renewable energy, but in some cases, the effective use of surplus power can be a challenge. This project not only supplies electricity for in-house consumption from our solar power generation equipment installed on the roof of the Higashi Ogishima Logistics Center, but also achieves self-wheeling of electricity that cannot be consumed at another location by using the “Self-Wheeling Support Service” provided by Digital Grid

Corporation, our partner in this project.

As a result of this initiative, not only was electricity consumption at the Higashi Ogishima Logistics Center reduced by approximately 76%, but also surplus electricity was wheeled to another site, thereby contributing to the switching of electricity consumption at the other site to renewable energy.

By providing this and other solutions that contribute to the environment, we will continue to support our customers’ decarbonization operations.

## Ricoh Leasing Group's first participation in a geothermal power generation project



Salesperson

**Daiki Shoji**

Sales Section 2  
Environment and  
Energy Sales Department  
Environment and  
Real Estate Sales Division

Following its solar power generation business, the Ricoh Leasing Group is expanding its business into other areas of renewable energy as part of its efforts to decarbonize the industry. Of these, one particularly promising source is geothermal power generation, which uses heat resources extracted from the ground, making it a stable energy source that is not affected by time of day or weather conditions. In March 2024, we made a silent partnership investment in the SPC Waita No. 2 Geothermal Power Co., Ltd., the first such investment by our Group.

For this project, Furusato Netsuden Co., Ltd. (Below, "Furusato Netsuden") will sponsor the development of a power plant in Oguni Town, Aso District, Kumamoto

Prefecture, with the aim of starting operation in March 2026. This will be the second geothermal power plant (installed capacity of 4,995 kW) in the area, following the Waita No. 1 Geothermal Power Plant, which is already in operation, and was developed by the Furusato Netsuden and Waitakai LLC, which was established by local residents. In these projects, a portion of the income from electricity sales is returned to the community and used for community development, while the hot water and steam used for power generation undergoes secondary use in greenhouse cultivation before being returned to the ground. In addition, new jobs are expected to be created in the local area through the operation of the power plant and the use of thermal resources.

This project, which makes a direct contribution to society, is one that I find highly rewarding. As such, our involvement does not stop at investment, and we are still working with Furusato Netsuden and the local community to create new value. We will continue to contribute to the realization of a prosperous future by pursuing initiatives that simultaneously create environmental value through renewable energy and social value that leads to the revitalization of local communities.

## Using solar sharing to make use of abandoned land and contribute to local communities



Customer

**Toshihiro Takekoshi**

Representative Director  
Denritsu Co., Ltd.

Solar sharing is a system in which solar power generation equipment is installed in the space above agricultural land, and solar power generation is carried out alongside farming. The system is given its name based on the fact that sunlight is shared between power generation and agriculture. Japan faces the social challenges of an aging and decreasing agricultural workforce, and the amount of abandoned farmland has been consistently increasing. The popularization of solar sharing is expected to improve this situation by increasing income from solar power generation and increasing the number of new farmers.

The Ricoh Leasing Group has provided financial support for the Kawabe solar power plant we developed in Gifu Prefecture since its initial stages.



Cultivation of shiitake mushrooms on logs

This is one of the largest solar sharing power plants in Japan, in which Koganeiro LLC sells electricity under the FIT system, while Kirana Noen, an agricultural production corporation, grows shiitake mushrooms under the solar panels. The shiitake mushrooms are sold at a nearby roadside station as freshly harvested products, and are also sold nationwide as processed products online, thus achieving a good balance between power generation and farming. We hope to continue working together to make effective use of abandoned farmland, increase local employment, and revitalize local economies.

Supporting customers' safe and secure operation of solar power plants

In response to the growing demand for sources of renewable energy, the Ricoh Leasing Group offers "Solar Assist," a service that provides support from various angles to power generation companies that own small-scale solar power plants throughout Japan. For maintenance operations, which play an important role in this service, we have formed a partnership with Enetech Co., Ltd. to provide safe and reliable power plant operation support.



Customer/  
Maintenance Company

Left:  
**Atsushi Matsumoto**  
Director and Executive Officer  
Sendai Head Office  
Enetech Co., Ltd.

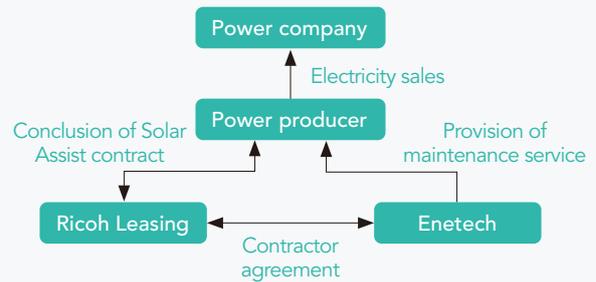
Right:  
**Rie Fujii**  
General Manager of  
O&M Sales Division  
Enetech Co., Ltd.

Since our founding, our company has been committed to providing the highest quality services by applying the expertise we have developed through electrical installation and electrical safety management to the operation and maintenance of renewable energy. Today, as a group of professionals in the solar power generation business, we are making full use of the latest and most suitable equipment and inspecting approximately 4,000 power plants per year from our 10 locations in Japan.

The Ricoh Leasing Group operates more than 500 solar power plants, many of which are maintained by us.

The Solar Assist service provided by Ricoh Leasing Group supports the management of power plants for companies that wish to operate a solar power generation business but lack the expertise to do so, or for companies that find it difficult to manage their own power plants

Solar Assist Service Schematic



due to a lack of personnel. As part of this service, our company takes on the role of conducting maintenance.

If the management of the power plant is neglected, not only will it not be able to generate the expected amount of electricity, but it will also lead to the risk of equipment damage and fires. We work together to reduce these risks and maximize the performance of power plants.

In line with Ricoh Leasing Group's medium- to long-term vision to "Become a Circulation-Creating Company" and its desire to further expand renewable energy, we hope to continue our role as a good partner by providing maintenance services that support power plants' safe and secure operation.

EV initiatives

With the goal of achieving a carbon neutral society by 2050, we are focusing on electric vehicles (EVs) to provide more customers with environmentally friendly means of transportation.

In FY2023, we handled 694 EVs (including HVs, PHVs, EVs, and FCVs), accounting for 18.8% of the total number of vehicles handled. As a major initiative, we have put in place a sales tool that can simulate the benefits of EV deployment, allowing us to propose EVs to a greater number of customers. The use of this tool helps illustrate

the specific benefits and challenges associated with EV deployment, and facilitates business negotiations.

In the future, we will establish a one-stop service system by pursuing alliances with various partners, including for provision of EV charging facilities and their maintenance, so that we can offer optimal and efficient EV use through energy management. In addition, we will further strengthen cooperation with automakers and dealers to support the deployment of EVs by our customers.

### Non-financial Targets

Indicator	FY2023 achievement	FY2025 targets
Lease equipment collection rate	71.8%	74%
Computer reuse and recycling rate	98.8%	100%

### Ricoh Leasing Group's goal of resource circulation

We believe that leasing companies have responsibilities regarding leasing, just as manufacturers have responsibilities regarding manufacturing. Our strength lies in our system for steadily promoting the 3Rs (reduce, reuse, recycle), including the Comet Circle, the Ricoh Group's system for reducing environmental impact.

The consistent collection of leased equipment is an important responsibility of leasing companies. To prevent environmental pollution due to illegal dumping of equipment after lease/rental contracts end, as well as leaks of personal information, we strive to ensure collection and proper disposal of such equipment and to promote effective use of resources through reuse and recycling. After a lease expires, customers can select either to re-lease the equipment (reuse), which allows them to continue using it, or return the equipment.

Returned equipment is consigned to an appropriate and fair partner company for proper disposal (recycling).

The Group has set "74% equipment collection rate" and "100% PC reuse/recycling rate" as non-financial targets to achieve resource recycling in its Mid-term Management Plan.

As a result of working with suppliers to enhance equipment collection, the equipment collection rate for FY2023 was 71.8%. Meanwhile, the reuse/recycling rate for PCs was 98.8%. To meet the information security needs of our customers with respect to IT equipment, we have established a system to ensure the safe and secure return of equipment by providing ITAD services that reliably dispose of any confidential data contained within. We will also enhance asset management and assessments, and establish systems that allow for the reuse and recycling of more equipment.

#### Strengths

- System for steady promotion of the 3Rs, including the Ricoh Group's Comet Circle

#### Risks

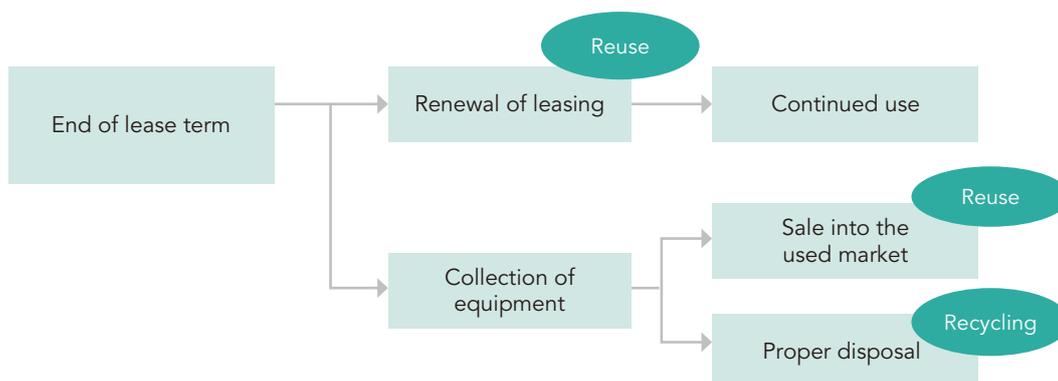
- Reputational damage that may occur when equipment is not properly collected, such as illegal dumping or leaks of personal information
- Compliance with changes in laws and various systems related to resource recycling

#### Opportunities

- Growing demand for ITAD services
- Increased demand for leases and rentals with assured 3R measures for equipment after contracts end

#### Countermeasures

- Initiatives to improve equipment collection rates
- Ensuring proper equipment disposal by selecting fair partners
- Responding to customers' information security needs



## Contribute to a Clean Global Environment

### Percentage of leased equipment recycled at the end of the lease contract

For Ricoh products, the implementation of Comet Circle, a system to reduce the environmental impact of products over their life cycles, has allowed us to maintain a high recycling rate on a unit basis regarding equipment for which the lease has expired. The overall recycling rate for FY2023, including non-Ricoh products, was 89.3%. Currently, we are actively promoting collection activities for leased equipment other than Ricoh products, and have established a total of 36 collection sites. These collection sites are being optimized in anticipation of the “2024 problem” in the logistics/transportation industry, which is expected to face a shortage of drivers and a decline in transportation capacity.

### Recycling rate of equipment after end of leasing contract (unit basis)

Fiscal year	Recycling rate (%)	Recycling rate breakdown (%)	
	Percentage of equipment re-leased, sold or reprocessed* into parts and materials, excluding equipment not yet collected	Reuse	Reuse of components and recycling
2021	90.8	97.4	2.6
2022	89.7	97.0	3.0
2023	89.3	97.0	3.0

\* “Reprocessed” refers to the reuse of parts and materials from collected equipment that has been recycled through Ricoh’s recycling process.

### PC reuse/recycling rate

As the number of shipments of IT equipment such as PCs, servers, and smartphones has increased in recent years, there is public demand for safer and more secure final disposal of IT equipment that contains confidential data, due in part to the trend toward stronger information security. In response to these social needs, we provide value-added services to properly erase important data

on IT equipment. By establishing a safe and secure return system, we will contribute to increasing the recovery rate for such equipment. In FY2023, we established a system to promote the 3Rs at a higher level of quality by also standardizing reuse methods for PCs belonging to our Group company, Techno Rent.

### Selection of appropriate and fair partners

The Ricoh Leasing Group conducts business with companies involved in logistics, including transportation and storage, sales, and disposal. We carry out regular on-site inspections of these companies to ensure that they understand our approach to sustainability, and that they are conducting appropriate

and lawful business activities. Once we have confirmed that they meet our rigorous standards, we conduct business with them through fair competition. We will continue to contribute to the realization of resource circulation by collaborating with our partners through sincere business activities.

### Compliance with the Plastic Resource Circulation Act

The Plastic Resource Circulation Act, which went into effect in April 2022, calls for reducing waste of products that use plastics (office supplies and other consumables) in business activities and for recycling of end-of-lease equipment when it is disposed of as industrial refuse. Although the Ricoh Leasing Group does not qualify as a

high-volume emitter because the multifunction copiers it handles are recycled under the Ricoh Group’s Comet Circle, we will continue to contribute to the recycling of plastic resources by promoting the 3Rs, particularly for our leased equipment.

# Enhance Quality of Life



## Policy

The Ricoh Leasing Group is promoting strategies to add value and differentiate itself in the three areas of healthcare, jobs, and housing. In healthcare, we contribute to extending healthy life expectancies through medical equipment leasing and financial solutions in the medical and healthcare fields. In jobs, we provide services that help small and medium-sized companies improve productivity, especially in BPO. In housing, we work to develop housing finance and rental businesses to provide safe, secure living environments. We are also proactively working on CSR efforts to help solve social issues and build a prosperous future by creating businesses in these fields.

### Non-financial Targets

Indicator	FY2023 achievement	FY2025 targets
No. of projects to support opening of new medical facilities	192	200

### Efforts to support new businesses in medicine and healthcare

Ricoh Leasing has provided Doctor Support Loans for physicians starting new practices, drawing on our insight and expertise in leasing and installment sales in the medical and healthcare field. Not only do we perform financing, we provide information through our dedicated Doctor Support website and a variety of other tools to support the opening of medical practices.

This support program considers a variety of economic factors, including the surrounding population, competitive landscape, and real estate prices in the location where the business will open, and offers proposals tailored to the needs of physicians opening a new practice, providing comprehensive support along the path to opening a new practice for everything from

location surveys to business planning, financing, procuring medical equipment, and licensing procedures.

In a case from FY2023, we helped match a physician looking to open a new practice with a neurosurgery practice in northern Okinawa Prefecture looking for a successor to the business. This helped with both business succession and starting a practice in an area facing a significant shortage of doctors, helping maintain access to medical care in the region.

More clinics are expected to open in the future. We will continue accumulating case studies and insight and leveraging our high level of expertise and data network to help improve access to medical care and build comprehensive community care systems.



\* The Doctor Support website  
A website with free membership for physicians looking to open a clinic that provides data on potential properties and surveys on healthcare needs in surrounding areas.



Working to grow nursing care businesses and solve industry issues by leveraging the synergy of the Ricoh Leasing Group through Welfare Suzuran

**Hirozumi Sano**

Director and Corporate Senior Vice President  
President, Welfare Suzuran Co., Ltd.

### Efforts to solve issues in the nursing care industry through Welfare Suzuran

The reason “Enhance quality of life” was included as one of the four Materialities that form the strategy of our Mid-term Management Plan (“Mid-term Plan”) stems from finding solutions to such social issues as a graying population, decreasing labor force, global environmental conservation, aging social infrastructure, promotion of wellness, and digitalization. The Ricoh Leasing Group promotes a strategy to add value and differentiate itself in the fields of Healthcare, Jobs, and Housing and is helping enhance living infrastructures and build a society of abundance and vigor.

In Healthcare (medical and nursing care), we contribute to enhancing the medical environment and extending healthy life expectancies through medical equipment leasing and installment sales, Doctor Support Loans, the rental of small ultrasound devices, and more. In Jobs (workplace and office), we help small and medium-sized companies improve productivity through BPO services such as collection agency services and factoring of nursing care fees. In Housing (housing and community development), we are working on livable community development by providing safety, security, and comfort in housing through housing finance and rental businesses.

Nursing care has been made a priority business area in the “diversification through the addition of businesses and services” growth strategy of our Mid-term Plan, and we are working to solve issues among nursing care workers as well by reducing workloads and more.

In December 2022, Welfare Suzuran Co., Ltd. was made a subsidiary. The company operates eight paid nursing homes as well as group homes for dementia patients

and people with disabilities primarily in Nagoya, Aichi Prefecture, and features high-quality service through attentive support. In addition, the paid nursing homes have visiting care stations and visiting nurse stations staffed with certified care workers and nurses, providing care for residents with high medical dependency in addition to long-term care insurance services.

Going forward, we will promote three measures. First, in partnership with real estate proprietors and nursing care device manufacturers, we will introduce the latest equipment as well as develop new products and services to develop new types of facilities.

Second, we will promote efficiency through the use of IT tools in an effort to further improve the quality of service. Examples under consideration include the rental of excretion sensors in partnership with Group company Techno Rent and the introduction of a monitoring system from our investee A.I.Viewlife Co., Ltd. These aim to provide high-quality services to users while improving conditions for workers.

Third, we will improve employee treatment and implement organizational reform to create a rewarding work environment, thereby increasing employee retention and promoting stable facility operations. In addition to these, we will achieve further synergy and growth through integration with the Group management infrastructure, including the knowledge we have accumulated in medical, healthcare, and nursing care factoring, as well as through partnership with business partners in housing and real estate.

### Investment in A.I.Viewlife and current initiatives

In an effort to address such social issues as labor shortages in the nursing care industry, workloads on care workers, and the need for streamlining associated with these, we acquired shares in A.I.Viewlife Co., Ltd. in December 2023.

While more than half of the nursing care monitoring robots to support independent living provided by A.I.Viewlife have been introduced through subsidies, there is also a need to introduce this robot without the use of subsidies. Therefore, we aim to expand adoption of this robot through leasing, rental, and other forms of financing, leveraging our nationwide partnership base and vendor leasing expertise cultivated throughout our history.

We have also introduced these monitoring robots at some of the facilities of our Group company, Welfare Suzuran. These monitoring robots are better at prediction than after-the-fact detection, so we will conduct verifications to determine whether it is possible to detect resident behavior and physical movement data in advance to detect changes in behavior and health conditions at an early stage.

Going forward, we will work together to develop businesses and services, providing support for ICT use in nursing care services to create safety and transparency in nursing care.

### Building lease initiatives for nursing care providers

As the demand for nursing care services increases against the backdrop of the rapid aging of the population, a shortage of facilities to accommodate those who use nursing care services has been raised as an issue.

To address this, we support financing for nursing care providers and meet the needs of many users who require nursing care services by providing building leases based

on our expertise in evaluating business feasibility in the medical and healthcare fields and in the real estate field.

In addition to expanding this initiative in the future, we will increase our knowledge of nursing care facility operations to broaden our range of proposals and help enhance quality of life in an aging society.

## Non-financial Targets

Indicator	FY2023 achievement	FY2025 targets
No. of collection agency services in operation	17,861	20,000

### Addressing collection agency needs through partnerships with regional financial institutions



**Kenji Takahashi**  
Marketing Section Manager,  
BPO Division

The Ricoh Leasing Group partners with regional financial institutions to offer our diverse products and services such as leases to address the concerns of small and medium-sized enterprises (SMEs), the customers of these financial institutions.

While SMEs need to collect accounts receivable through direct debit, some regional financial institutions do not offer this service, or some may offer it but with limited participating financial institutions for withdrawals, and in some cases do not support small numbers of billing transactions. In such cases, providing our collection agency services, which allow for withdrawals from a wide range of financial institutions and support as few as one billing transaction, allows us to complement the services of regional financial institutions, helping improve convenience for both SMEs and their customers.

We will continue to expand partnerships with regional financial institutions and help SMEs boost productivity by diversifying collection methods.

CSR and donations

Abundant Future Reserves

The Ricoh Leasing Group made a donation of 78.49 million yen in FY2023 through the "Abundant Future Reserves" system with the aim of continuously contributing to the development of a sustainable global society. We have endorsed a campaign to create low-pollen forests run by the Tokyo Development Foundation for Agriculture, Forestry, and Fisheries and the Tokyo Metropolitan Government and have participated since FY2022. Following tree planting in 2022 at our designated forest plot Ricoh Leasing Group Forest for an Abundant Future, 33 employees and their family members carried out supplementary planting work in November 2023.



In addition, nine of our employees participated as packing volunteers in the Food Support Box for Children

food drive organized by Save the Children Japan, one of our donation recipients. This volunteer activity aims to improve food for children during long breaks when school lunches are unavailable. It involves packing boxes of primarily food items that are then distributed to households facing economic difficulty. Employees who participated in the activity shared comments such as, "I was glad to learn more about the activities of our donation recipient," and "It was a great opportunity to interact with volunteers from other companies." Save the Children has also been selected as a donation recipient in our "SDGs Participation Lease and Rental - A Bridge to the Future We Build" project, and we are working in partnership with them. We will continue to help solve social issues through volunteer activities and business partnerships in the future.



©Save the Children

Power Generation Class

In October 2023, we held a Power Generation Class at Koibuchi Elementary School and our solar power plants in Koibuchicho, Mito City. FY2023 marked the third such event, attended by 42 fifth graders from Koibuchi Elementary School.

During the class, our employees served as instructors, explaining global warming issues and the use of renewable energy as a countermeasure. Next, using SDGs cards, students learned about specific actions to achieve the SDGs. The session then moved to our Koibuchicho No. 1, No. 2, and No. 3 solar power plants, where they

toured the power generation facilities, including solar panels and power conditioners.

We will continue to develop our business through the solar power generation business and other initiatives toward renewable energy to convey the importance of environmental conservation to the children who represent our future, while at the same time promoting understanding of the Group's activities among the local community in an effort to make our material issue of "Contribute to a clean global environment" a reality.



# Develop a Virtuous Cycle for a Sustainable Economy



## Policy

The Ricoh Leasing Group provides some 6,000 vendors with sales support to aid its 400,000 customers with their business activities. In order for the Group to sustain profitable growth, we will provide new value beyond our traditional leasing business by accurately responding to changes in society, markets, and customers.

We aim to resolve social issues in each region and create a virtuous cycle for the local economy by providing fine-tuned services to customers and vendors based on our strong network of bases nationwide, from Hokkaido to Okinawa, and the economic circumstances of each region.

## Non-financial Targets

Indicator	FY2023 achievement	FY2025 targets
No. of "as a Service" products (including ICT devices)	13 products	—

### Addressing the growing demand for PCs due to the end of support for Windows 10, etc.



**Munenori Ozaki**  
General Manager of Business  
Strategy Management Division  
Techno Rent Co., Ltd.

Techno Rent, a Group company that handles the rental business in the Ricoh Leasing Group, offers a wide range of equipment rentals, including personal computers and measuring instruments. With respect to PCs in particular, the end of support for Windows 10, which was introduced around 2019–20, is scheduled for October 2025, making this a time when many customers will be considering replacement.

Companies face the issue that replacing and managing PCs places a heavy burden on IT departments in terms of model selection, kitting (initial setup), and handling malfunctions during operation. Techno Rent can not only select models specified by customers, but can also take advantage of economies of scale in setting rental prices by purchasing large quantities from manufacturers

and vendors. In addition, by providing a one-stop shop for services such as high-quality kitting and the provision of replacement equipment during the rental period, we reduce the burden on IT departments in terms of PC replacement and management.

It is important for us to work with our partners to ensure that we are able to meet the demand for PC replacement. We at Techno Rent, together with our partners, provide a rental service that manages the life cycle of PCs from procurement to disposal. In order to increase opportunities for business negotiations, we also actively promote the benefits of our services to customers who have not yet used our rental services. In addition, by collaborating with various partners, such as offering rental services in combination with telecommunication services and telecommunication-related equipment, we are expanding our lineup of PC-related services and developing rental offerings to meet the diverse needs of our customers.

By continuing these activities, we will not only meet the demand for replacements, but also contribute to the growth of our customers' businesses by reducing the burden of IT equipment management and supporting the introduction of new equipment.

ESG investment program

In 2020, Ricoh Leasing established a fund of 20 billion yen to launch new businesses by investing in companies and businesses, especially ESG-friendly startups. We have invested in or funded multiple companies, with cumulative investments totaling 17.8 billion yen at the close of FY2023.

We are striving to use these investments to achieve organic synergies between portfolio companies and their businesses on the one hand with Group businesses, and help realize a sustainable circulation-oriented society by creating new value.

FY2023 Topics	Investment in A.I.Viewlife Co., Ltd.	P.63
Corporate Overview		
Name	A.I.Viewlife Co., Ltd.	
Representative	Toru Yasukawa	
Address	201 US Hanzomon Building, 2-13 Hayabusa-cho, Chiyoda-ku, Tokyo	
Established	April 5, 2017	
Business description	Development of "A.I.Viewlife independence-support nursing care monitoring robot"	

An SDGs Participatory Leasing Tie-up in cooperation with vendors

As part of our efforts to achieve the SDGs (Sustainable Development Goals), we are running an "SDGs Participatory Leasing Tie-up." When customers who agree to participate lease equipment from Ricoh Japan, a portion of the contract amount is donated to Ricoh Japan's social contribution partner, the certified non-profit organization "Sodateage-Net." In FY2023, 13 customers had agreed to donate 292,248 yen, based on a total contract amount of approximately 300 million yen by March 2024.



Donation ceremony, from left:  
 Satoshi Abe, Head of the Ricoh Japan ESG Center  
 Kei Kudo, Director, Sodateage-Net  
 Daisuke Hashimoto, Senior Manager, Sales Planning Department, Ricoh Leasing

Comment from Satoshi Abe, Head of the Ricoh Japan ESG Center

Sodateage-Net, Ricoh, and Ricoh Japan have joined forces to implement the "Digital Support Program for

Young People," which aims to help young people who have difficulty finding work in the digital society to participate in the workforce.

Many customers have an extensive understanding of social contribution activities and the SDGs, but do not know where to start. Ricoh Japan supports this Leasing Tie-up because customers who sign lease contracts can contribute to achieving the SDGs through the activities of Sodateage-Net, which supports youth employment. This initiative is also linked to our goal of "aligning our business with the SDGs/ESG." Our sales staff have also heard that customers are very receptive to the idea of supporting the SDGs and social contribution through lease contracts. Going forward, we hope to continue supporting the activities of Sodateage-Net by raising awareness of this Leasing Tie-up within our company and by further collaborating with Ricoh Leasing.

**Launch of “Mamotte” receivables guarantee initiative**

In April 2023, we launched Mamotte, a receivables guarantee business that provides guarantees against the risk of non-recovery of various receivables (e.g., accounts receivable) that may arise in transactions between corporations. Since our founding, we have assumed the risk of non-recovery for sellers (vendors) in leases and other transactions with 400,000 customers. Our screening capabilities, which continue to improve in accuracy based on transaction data obtained from our business dealings, have enabled us to set appropriate guarantee limits and guarantee fee rates for receivables guarantees. The services provided through this business will enable customers to reduce the workload involved in their credit management operations as well as the risk of non-recovery of receivables.

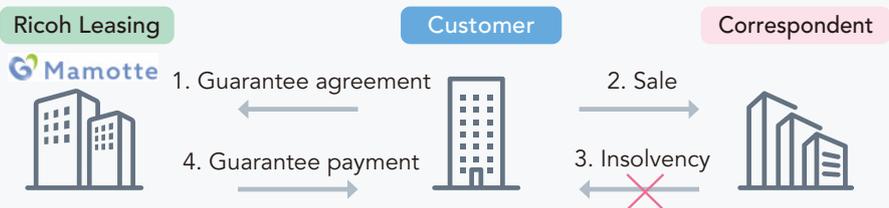
In FY2023, the first year of the business, we have been promoting face-to-face “tailor-made plans” to customers, in which the recipient of the guarantee is envisioned as a medium-sized business. As a result, the balance of guarantees exceeded 1 billion yen in just a year. Since July 2024, we have also been offering a “package

plan,” a subscription-based service that customers can sign up for via our website.

In the future, in addition to having leasing sales representatives make proposals to customers, we will also solicit business through our website, and include customer referrals from financial institutions and other sources as additional channels. Through initiatives like this, we aim to further increase the balance of guarantees as a business in the BPO field, an area that our Group is focusing on.

We take pride in the fact that, in making proposals to customers and having them choose our services, we are able to differentiate ourselves from other companies in terms of the volume of transaction data we hold and the conditions we can set using this data. By further expanding this business and alleviating our customers’ concerns about non-recovery of receivables or business partners going bankrupt, we will contribute to the revitalization of the economy and the realization of a sustainable society.

Schematic diagram of the receivables guarantee business



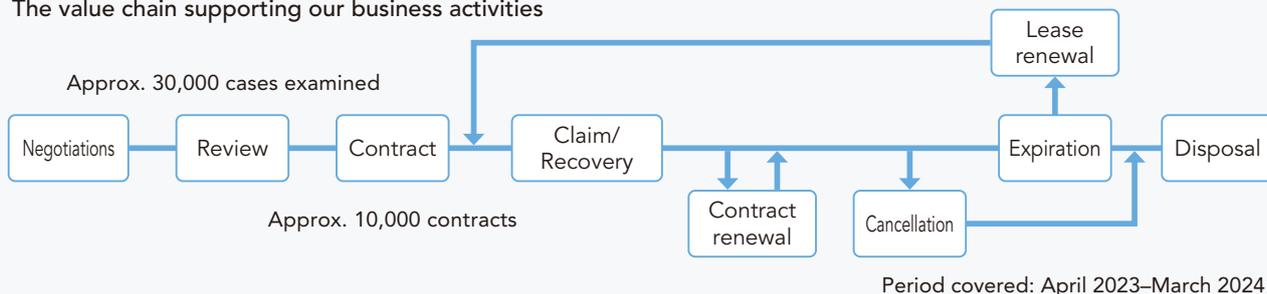
**High-quality, high-efficiency operations supporting our business model**

Our high-quality, high-efficiency operations framework enables us to handle transactions and contracts with 6,000 vendors and 400,000 customers. By optimizing our organizational structure, harnessing the power of digitalization, and engaging in ongoing improvement of our operations,

we have brought our operational processes to the next level.

Going forward, we will continue to standardize our business processes and promote further digitalization in order to improve productivity.

The value chain supporting our business activities



# Create a Happiness Company and Society



## Our fundamental human resource management concept

To facilitate the experience of rewarding work and the happiness that comes as a result of individual-centered management, we are promoting the concept of Happiness  $\alpha$  t work as our human resource policy.

We chose the Greek letter  $\alpha$  (alpha) to imply “anything you want.” Every individual employee is free to define the things they want, or want to achieve, and work toward their happiness through their job.

Thanks to efforts made during the Mid-term Management Plan of FY2020–2022, we successfully transitioned to a human resource system that enables employees to choose their work style. As a result, employee engagement scores have risen. At the same time, some employees stated that though the

Company has become easier to work for, their work still does not provide satisfaction, personal growth, or a sense of pride. As such, creating environments that enable employees, regardless of position or age, to work toward their goals and take on challenges, while ensuring mental health, is a challenge for the future.

In the Mid-term Management Plan, we have positioned Happiness  $\alpha$  t work as the foundation of our human resources strategy. In addition to making the Company an easier place to work, we are encouraging employees to take on challenges that will lead to business growth, implementing measures to energize the organization, and working to craft policies and create environments that will enable employees to work energetically.

### Non-financial Targets

Indicator	FY2023 achievement	FY2025 targets
Engagement score	71 points	75 points

## Employee engagement survey

We conduct employee engagement surveys for all employees. The engagement score reflects the psychological state in which an employee has a voluntary willingness to contribute to the organization and is taking the initiative in their work. The score is used as a benchmark to measure the realization level of Happiness  $\alpha$  t work, the foundation of our human resource management.

Every quarter, we ask employees to fill out a 32-question web-based engagement survey covering the overall state of the organization. The results for the whole Company and each organization are collected, analyzed, and made viewable in real time on our company intranet. By using this system to continuously visualize the realization level

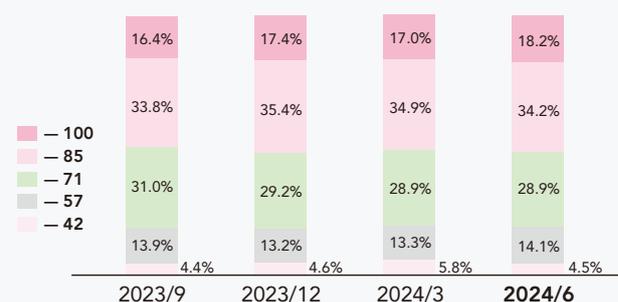
of Happiness  $\alpha$  t work, employees become aware of the status of their organization and how it is changing. Subsequently, they implement ongoing PDCA cycles and work on improvement activities through reflection and dialogue.

Also, at the Personnel Department, we have set key themes for organizational personnel that align with business strategy. We use specific engagement score indicators to measure progress on these themes. We are also working to create policies and an environment conducive to promoting initiatives that lead to business growth and organizational revitalization.

### Upward cycle for improving engagement score



### Engagement survey score distribution



### Mirakuru-Za

We have been holding the Mirakuru-Za, a roundtable meeting for creating an abundant future, since FY2023. Employees from Group organizations throughout Japan are invited to participate, and members of senior management attend in person and discuss matters with employees in a roundtable format.

Participants share their views on the main topic, which is chosen from the corporate philosophy, company-wide policies, sustainability management, and the Code of Conduct. The meeting also provides opportunities for employees to talk directly with senior management about

ideas and issues from their perspective. This encourages each participant to consciously think about the Company's future and broaden their perspective. As of June 2024, the meeting has been held across nine organizations, with participants commenting, "I felt closer to the executives as I was able to communicate with them in an open atmosphere" and "I could deepen my understanding of the corporate philosophy by hearing the sentiments behind it."

In the future, we will develop these activities with a view to implementing them across all organizations.



### Non-financial Targets

Indicator	FY2023 achievement	FY2025 targets
Ratio of female managers	21.8%	25%
Ratio of male employees taking childcare leave	100%	100%
Target percentage of employees with disabilities	2.21%	2.7%

### Empowering diverse personnel, beginning with women, in the workplace

We believe the empowerment of women, who account for roughly half of our employees, will be a driving force for business development, and we are eagerly promoting the active engagement of women. We also believe that creating an environment where women can continue to work and thrive will lead to an environment where all employees can do the same.

One of our indicators is the percentage of female managers, and we have set 30% (25% by FY2025) as a medium- to long-term target to contribute to the active participation of diverse personnel and improve organizational functionality. As of FY2023, the percentage was 21.8%. Also, we worked on policies to support the work styles of diverse employees in FY2023. As a way of supporting employees who balance work with home life, we once again held the Hapi-Train training. This training helps employees understand the working conditions

of those with time constraints due to childcare or nursing-care responsibilities. We will continue to deepen understanding throughout the Company of the environments and situations that employees find themselves in, promote a mindset shift regarding work styles, and create an environment that is easy for all employees to work.

Additionally, in recognition of these efforts, we were ranked 11th in the Forbes Japan Women Award 2023. This was the fifth consecutive year since FY2018 that we have been included in the rankings (not held in FY2020; until FY2021, we participated in the 300 to 1000 employees category).



### Role model for women's advancement



**Chie Hasegawa**

Relations Department 2,  
Operations Division  
Manager of the  
Chubu Support Center

I joined the Tohoku Branch Office as a dispatch worker in 2002. In 2004, I was made a full-time employee. I was working in operations at a branch office, so I was involved in all aspects of contracting, termination, changes, and expiration. Of which, I found contract acceptance for vehicle leasing particularly confusing compared to other products. At the time, there was no one I could ask for help, and I somehow got it done by looking things up in books and asking other companies. I made some mistakes along the way, but vehicle leasing is now a strength of mine. This enabled me to build trust with the sales staff. For example, they now always come to me if they have a question about vehicles. Drawing from this experience,

I tell junior employees that they should try things first, and not be worried about failing.

I was appointed manager in 2020 and I switched to a career track without location restrictions in 2023. This was a turning point for me, and I was transferred to the Chubu Branch Office in 2024. I was not sure about switching courses, but with a few years left until retirement, I do not want to have any regrets. So, with my family's backing, I made the decision.

There are two things that I value in my daily work. First, is to try to take things easy, and allow myself to ask for help when I can. I used to be a perfectionist, and I would sometimes tire myself out. Second, I know there are people in the Company with various ways of thinking, and so even if we have different values, I try to view the person objectively, and build a relationship with them through dialogue. I had concerns when I was appointed manager and when I switched courses, but I have made it my motto to do what you want to do when you want to do it. I want young employees to take on the challenge of becoming a manager and to not be afraid.

### Training for female employees

Since FY2017, we have been providing training for mid-level female employees who have advanced their careers mainly in frontline roles to help them acquire basic knowledge about corporate management and offer them the opportunity to continuously take on professional development on their own. In FY2023 we added female leader training.

In addition, we have been conducting a career training program with an awareness of life events (Self-compassion Training: Become the Person You Want To Be) since FY2021. We will continue to enhance this program in the future.

### Men taking childcare leave

In FY2023, the childcare leave utilization rate for male employees was 100%. At Ricoh Leasing, we believe that fostering work environments that allow men to take long-term childcare promotes the advancement of women. This is why, we launched a system dubbed Ikumen☆Challenge Leave System in FY2015, with the aim of encouraging men with new children to proactively

take childcare leave. Since FY2022, the number of childcare leave days taken has steadily increased, with 10 consecutive working days or more set as the standard for the Ikumen☆Challenge Leave System. There has also been an increase in the number of employees taking one month or longer of leave.

## Opinions from organizations where men have taken childcare leave



**Yasukazu Matsubara**  
Asset Sales Department,  
Operations Division  
Manager of the Remarketing Center

One of our organization members took a month of leave through the Ikumen☆Challenge Leave System. I heard in advance that he was going to take childcare leave, so we prepared for him not being here by taking time to carry out handover procedures for his tasks. He is a group leader, so we took over one-on-one meetings with his subordinates and progress management of their tasks and also a collaboration proposal that he had initiated. As a result, he was able to complete his childcare leave without any

problems. However, I think it would have been better if the progress management of his subordinates' tasks was done with a little more attention to detail. During his leave, he was able to focus on childcare, and was happy that he was able to help his family. This is a good system that brings joy to employees and their families, so I hope other organizations also take advantage of it.

I think the handover of tasks is key for organizations with employees planning to use the Ikumen☆Challenge Leave System. Therefore, they should thoroughly delegate tasks to other members to ensure that the employee can take long-term leave. Also, the role of organization managers in promoting understanding among organization members about taking leave is also a key factor in ensuring that employees are not hesitant about taking leave. Creating such an environment is also an effective way to prepare for other risks such as nursing-care leave.

## Support for diverse work styles

### Supporting more active roles for seniors

In a progressively aging and shrinking society, training for employees in their 50s that was launched in FY2021 also enables those who have reached the retirement age of 60 to continue working actively as valued business leaders until 65. In FY2023, we revised some of the roles within our reemployment system so that it allows

employees to leverage their past experiences and skills. The system was revised to enable employees to work with higher motivation than ever before and make a greater impact. Going forward, we will even more actively support participation by seniors according to their work style needs and individual skills and abilities.

### Creating a disability-friendly workplace

The Ricoh Leasing Group actively strives to recruit people with disabilities, and we are enhancing the scope of positions available, training, and support measures to match employees' aptitudes and personalities. In FY2020, we introduced a Job Coaching Support Program aimed at helping a wide range of individuals and workplaces play active roles. Job coaches are ready for dispatch to any workplace requiring support.

Also, we opened the Heartful Farm in FY2019. The vegetables we harvest are sold within the Company and are very popular with employees. It is also a place for active social exchange, with employees participating in agricultural experiences when they visit Heartful Farm.

The employment ratio of persons with disabilities at the close of FY2023 was 2.21%, compared to a target 2.6%,

meaning that we failed to reach our target. Going forward, we will expand the job scope even further and enhance the support we offer, with our goal being an employment ratio of 2.7% or greater by the close of FY2025.



Employees engaging in social exchanges at Heartful Farm

■ Non-financial Targets

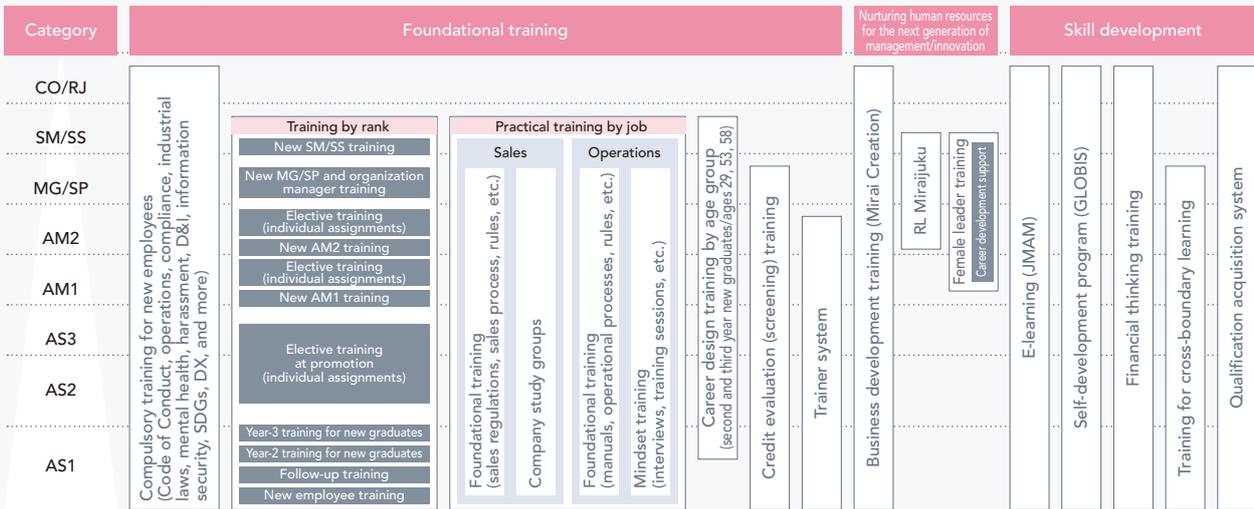
Indicator	FY2023 achievement	FY2025 targets
Training costs per person	40,016 yen	55,000 yen
Training hours per person	10.6 hours	14 hours

RL Academy

We established the RL Academy, a human resource development program, and hope to achieve its goals. RL Academy aims to contribute to independent career development on the part of employees by offering them a learning environment based on the concept, "Our Desired

Form x Employees x RL Academy." By proposing a desired form for personnel at different ranks, RL Academy serves as a guide to help employees think about and achieve their vision on their own.

New RL Academy programs (FY2024 onward)



AS: Associate AM: Assistant Manager MG/SP: Manager SM/SS: Senior Manager CO/RJ: Management class

RL Miraijuku

At the Ricoh Leasing Group, we are developing the operation of the Ricoh Leasing Top Talent program (RLTT), a program to cultivate and train the next generation of managers. The RL Miraijuku, a part of the program, is held monthly with President Nakamura as the head instructor.

In each session, external experts who believe in the program's aim and objective are invited as guest lecturers from President Nakamura's vast network. The lectures and interactive communication serve to disseminate the knowledge required to serve as a next-generation leader.

Self-improvement programs

The Group promotes initiatives to encourage employee growth through self-development. In addition to offering training programs for each function and position, we encourage the desire for autonomous learning by providing an online platform

that allows employees to study a broad range of themes. We are also expanding the number of certification programs for which we offer support. In these and other ways we support our employees in enhancing their skills.

### Mirai Creation

The Group operates Mirai Creation, launched in FY2021, as an internal proposal submission system. Group employees can present proposals for new businesses and operational improvements directly to management, to realize the prosperity mentioned in our corporate philosophy. If the proposal is ultimately adopted, the applicant will lead and promote the project.

Starting in FY2024, we plan to renew the content so that employees can think and propose ideas from various perspectives. This includes providing training programs

regarding the creation of new businesses and revising the application requirements and selection process.

Through this system, we leverage the Group's human resources, which are our strength. By enabling every employee to demonstrate his or her individual capabilities, we incorporate flexible ideas from the front line and manage from a fresh perspective, one not limited by existing business domains, to accelerate our contribution to the realization of a sustainable circulation-oriented society.

### Career autonomy support

We value, and offer active support for, the career autonomy of our employees. We encourage employee growth by understanding each individual's career goals and offering appropriate training and career consulting. Specifically, we operate a range of career development programs, such as providing external networking opportunities through the cross-boundary learning program established in FY2023 and opportunities for internal transfers through the Career Challenge system.

In addition, we stress the importance of evaluating employee skills and abilities, as well as deploying the right person to the right job. Through one-on-one meetings between supervisors and subordinates and regular feedback and performance evaluations, we maintain close communication with employees and offer company-wide support for career growth. These efforts are aimed at enhancing employee motivation and job satisfaction, thereby improving overall organizational performance.

### Implementation of health management

At the Ricoh Leasing Group, under the health slogan of "Health First, Work Second," we have established health metrics tailored to company health challenges, and are engaged in activities to mitigate physical and mental health risks.

We have set up the Health & Safety Committee, comprised of the Company and employees, where occupational health staff provide health information and active dialogues between workplace representatives are held. The committee also implements policies to improve health literacy and realize a more comfortable workplace.

We also collaborate with occupational physicians and have them attend the company-wide executive committee attended by all executive directors. Industrial physicians sharing the performance of health indicators and health issues leads to the promotion of enhanced health management. As a result of these efforts, we are maintaining 100% attendance for health checkups and follow-up examinations.

In addition, by categorizing health risks, we are providing proactive support to high-risk groups to prevent the progression of lifestyle-related diseases in collaboration with external specialized medical institutions. To prevent

productivity loss, we are providing opportunities for mental health training for each rank, including stress checks, line care (superiors monitoring the health of subordinates), and self-care. The aim of which is to prevent mental health issues. We are also making training content available for employees to view on the internal portal site. By doing so, we hope to reduce presenteeism\* (or working while sick). As a result of such efforts, we have been recognized under the Certified KENKO Investment for Health Outstanding Organizations Recognition Program (Large Enterprise Category) for eight consecutive years. Starting in FY2024, to enhance the foundation of our health management, we aim to further promote and enhance health management under a new industrial health framework.

\* Presenteeism: Refers to the condition where an employee is present at work, but their performance is diminished due to physical or mental health problems.



## List of Officers



### Directors (Attendance at Board of Directors meetings is for FY2023. Number of shares held is as of March 31, 2024)

#### Representative Director, President and Chief Executive Officer

##### Tokuharu Nakamura ①

Number of shares of the Company's stock held (of which, number of shares scheduled to be delivered based on the stock-based remuneration system):

10,233 shares (9,713 shares)

Term of office as director: 5 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

Tokuharu Nakamura has extensive experience in sales, business and management within the Group and has experience as the Company's Representative Director & President and Chief Executive Officer. The Company believes that he will contribute to strengthening the supervisory functions of the Board of Directors, and enhancing the sustainable growth and corporate value of the Company by leveraging his extensive experience and insight into corporate management.

Reappointment

#### Director and Corporate Senior Vice President

##### Hirozumi Sano ②

Number of shares of the Company's stock held

(of which, number of shares scheduled to be delivered based on the stock-based remuneration system):

5,746 shares (4,816 shares)

Term of office as director: 5 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

Hirozumi Sano has accumulated extensive experience and impressive knowledge over his career working at the Company, holding important positions in the sales division and as a person responsible for business processes to support business models. He oversees all aspects of the head office as Corporate Senior Vice President. The Company believes that he will contribute to enhancing the sustainable growth and corporate value of the Group by leveraging his extensive experience and insight.

Reappointment

#### Director and Corporate Senior Vice President

##### Shinichi Kuroki ③

Number of shares of the Company's stock held

(of which, number of shares scheduled to be delivered based on the stock-based remuneration system):

4,269 shares (3,804 shares)

Term of office as director: 3 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

Shinichi Kuroki has accumulated extensive experience and a high level of insight over his career working at the Company, holding important positions in the financial and service division, a division which strives to resolve social issues. He oversees all aspects of sales as Corporate Senior Vice President, and takes a leading role in new businesses for medium- to long-term growth and the generation of corporate value. The Company believes that he will contribute to enhancing the corporate value of the Group by leveraging his extensive experience and insight.

Reappointment

#### Outside Director

##### Masako Arakawa ④

Number of shares of the Company's stock held: — shares

Term of office as director: 5 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

As a specialist in finance and real estate, Masako Arakawa has extensive experience in domestic and international investments and finance, business development, etc. and also has extensive insight into corporate governance, etc. through her achievements. Furthermore, as an Outside Director, she appropriately supervises the execution of business by actively providing opinions and suggestions based on her experience and knowledge, and also as a member of the Nominating and Compensation Committee, she contributes to nominating directors of the Company and to fair and transparent consideration and determination of succession plans and remuneration of directors of the Company. The Company believes that she will contribute to strengthening the supervisory function of the Board of Directors and to the realization of fair and highly transparent management through valuable opinions and guidance on the Company's management.

Reappointment

Outside

Independent

Female

#### Outside Director

##### Mari Ebisui ⑤

Number of shares of the Company's stock held: — shares

Term of office as director: 4 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

Mari Ebisui has cultivated extensive experience and impressive knowledge in accounting based on a global perspective as a Certified Public Accountant in the United States and also has insight on corporate internal control and business ethics as a Certified Fraud Examiner. Moreover, as an Outside Director, she appropriately supervises the execution of business by actively providing opinions and suggestions, and as a member of the Nominating and Compensation Committee, she contributes to nominating directors of the Company and to fair and transparent consideration and determination of succession plans and remuneration of directors of the Company. The Company believes that she will contribute to enhancing the supervisory function of the Board of Directors and realizing fair and highly transparent management through valuable opinions and guidance on the Company's management.

Reappointment

Outside

Independent

Female

#### Outside Director

##### Atsumi Harasawa ⑥

Number of shares of the Company's stock held: — shares

Term of office as director: 4 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

Atsumi Harasawa has professional experience and knowledge accumulated as a lawyer, and experience and insight as an outside officer of listed companies. Moreover, as an Outside Director, she appropriately supervises the execution of business by actively providing opinions and suggestions, and as a member of the Nominating and Compensation Committee, she contributes to nominating directors of the Company and fair and transparent consideration and determination of succession plans and remuneration of directors of the Company. The Company believes that she will contribute to enhancing the supervisory function of the Board of Directors and realizing fair and highly transparent management through valuable opinions and guidance on the Company's management.

Reappointment

Outside

Independent

Female

## Outside Director

## Takashi Ichinose (7)

Number of shares of the Company's stock held: — shares

Term of office as director: 2 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

Takashi Ichinose has extensive experience as a manager with affiliated companies of major electronics manufacturers. Based on this, he has a wide range of knowledge and a high level of insight related to corporate management. Moreover, as an Outside Director, he appropriately supervises the execution of business by actively providing opinions and suggestions, and as a member of the Nominating and Compensation Committee, he contributes to nominating directors of the Company and fair and transparent consideration and determination of succession plans and remuneration of directors of the Company. The Company believes that he will contribute to enhancing the supervisory function of the Board of Directors and realizing fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above.

Reappointment Outside Independent

## Outside Director

## Takahiro Irisa (9)

Number of shares of the Company's stock held: — shares

Term of office as director: 1 year

Attendance at Board of Directors meetings: 12/12 meetings (100%)

Reason for appointment

Takahiro Irisa has experience and knowledge in the area of IT and technology and in management strategy at a major office equipment and precision machinery manufacturer. Moreover, as an Outside Director, he appropriately supervises the execution of business by actively providing opinions and suggestions. The Company believes that he will contribute to the enhancement of the supervisory functions of the Board of Directors and the realization of fair and highly transparent management through the provision of valuable opinions and guidance on the Company's management.

Reappointment Outside

## Outside Director

## Nobuhisa Zama (8)

Number of shares of the Company's stock held: — shares

Term of office as director: 2 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Reason for appointment

Nobuhisa Zama has a wealth of experience and strong track record as a manager in a major banking group, and a wide range of knowledge and a high level of insight into the financial industry. Moreover, as an Outside Director, he appropriately supervises the execution of business by actively providing opinions and suggestions. The Company believes that he will contribute to enhancing the supervisory function of the Board of Directors and realizing fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above.

Reappointment Outside

## Outside Director

## Hikomitsu Noji (10)

Number of shares of the Company's stock held: 300 shares

Term of office as director: — years

Attendance at Board of Directors meetings: —

Reason for appointment

Hikomitsu Noji has extensive experience as a manager at a major vehicle parts manufacturer. Based on this, he has a wide range of knowledge and a high level of insight related to technology and corporate management. The Company believes that he will contribute to the enhancement of the supervisory functions of the Board of Directors and the realization of fair and highly transparent management through the provision of valuable opinions and guidance on the Company's management.

New appointment Outside Independent

## Directors concurrently serving as Audit &amp; Supervisory Committee Members

(Attendance at Board of Directors and Audit &amp; Supervisory Committee meetings is for FY2023. Number of shares of the Company's stock held is as of March 31, 2024)

## Outside Director

(Audit &amp; Supervisory Committee Member)

## Tokio Kawashima (11)

Number of shares of the Company's stock held: — shares

Term of office as director: 4 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Attendance at Audit &amp; Supervisory Committee meetings: 23/23 meetings (100%)

Reason for appointment

From working for many years at a large financial institution, Tokio Kawashima has insight into finance and accounting and experience as a full-time auditor at a listed company. The Company believes that he will contribute to enhancing the supervisory function of the Board of Directors and realizing fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above.

Reappointment Outside Independent

## Outside Director

(Audit &amp; Supervisory Committee Member)

## Hiromi Nakazawa (12)

Number of shares of the Company's stock held: — shares

Term of office as director: 2 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Attendance at Audit &amp; Supervisory Committee meetings: 23/23 meetings (100%)

Reason for appointment

As a certified public accountant, Hiromi Nakazawa has expert insight into financial and accounting, as well as extensive experience as an officer of a listed company. The Company believes that she will contribute to enhancing the supervisory function of the Board of Directors and realizing fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above.

Reappointment Outside Independent Female

## Outside Director

(Audit &amp; Supervisory Committee Member)

## Toru Miyama (13)

Number of shares of the Company's stock held: — shares

Term of office as director: 2 years

Attendance at Board of Directors meetings: 14/14 meetings (100%)

Attendance at Audit &amp; Supervisory Committee meetings: 23/23 meetings (100%)

Reason for appointment

As a lawyer, Toru Miyama has expert insight and experience as an outside director of another company. The Company believes that he will contribute to enhancing the supervisory function of the Board of Directors and realizing fair and highly transparent management through valuable opinions and guidance on the Company's management based on the above.

Reappointment Outside Independent

## Executive Officers

## President

## Tokuharu Nakamura

## Director and Corporate Senior Vice President

## Hirozumi Sano

In charge of head office / President, Welfare Suzuran Co., Ltd.

## Director and Corporate Senior Vice President

## Shinichi Kuroki

In charge of sales

## Managing Executive Officer

## Akito Takagi

Director and Chairman, Techno Rent Co., Ltd.

## Managing Executive Officer

## Hiroshi Osawa

General Manager of Corporate Management Division, Director, Techno Rent Co., Ltd.

## Managing Executive Officer

## Yuichi Araki

General Manager of Group Human Resources Management Division and Board of Directors Office Head

## Managing Executive Officer

## Hisanao Ikeuchi

General Manager of Strategic Investment Division, Special Assignment to Corporate Management Division, Director, Welfare Suzuran Co., Ltd.

## Executive Officer

## Kenji Kurokawa

President and Chief Executive Officer, Techno Rent Co., Ltd.

## Executive Officer

## Emi Matsukami

General Manager of Internal Control Division, Corporate Auditor, Techno Rent Co., Ltd.

## Executive Officer

## Kazuuya Abe

General Manager of Examination Division

## Executive Officer

## Shoichi Ino

General Manager of Area Sales Division

## Executive Officer

## Hidenori Hosoi

Director and Vice President, Welfare Suzuran Co., Ltd.

## Executive Officer

## Mitsuru Kono

General Manager of Sales and Marketing Division

## Executive Officer

## Mari Sasaki

Director, Managing Executive Officer, General Manager of Corporate Management Division, Techno Rent Co., Ltd.

## Executive Officer

## Tatsuo Yamamoto

General Manager of Operations Division

## Executive Officer

## Ryoji Nagai

General Manager of BPO Division

## Executive Officer

## Ako Nagata

General Manager of Environment and Real Estate Sales Division

## Executive Officer

## Kentaro Takita

Senior Manager of Corporate Planning Department, Corporate Management Division

# Two Outside Directors in Conversation

## Teamwork spanning multiple roles to further strengthen governance

In this dialogue, outside directors Masako Arakawa, member of the Nominating and Compensation Committee, and Tokio Kawashima, member of the Audit & Supervisory Committee, explore the roles of outside directors at Ricoh Leasing, which seeks to be a business company that also engages in finance. Each outside director spoke from their unique perspective, taking into account the current state of the Board of Directors and each meeting body, as well as opportunities for reporting and information sharing.

### Masako Arakawa

Outside Director  
(Nominating and Compensation  
Committee Member)



### Tokio Kawashima

Outside Director  
(Audit & Supervisory  
Committee Member)



### The role of Ricoh Leasing's outside directors: Provide new awareness of risks and opportunities

— As outside directors, what is your view of the reasons for your appointment and your expected roles?

**Arakawa** As a finance and real estate professional, I have been involved in domestic and international investments, loans, and business development, as well as serving on the board of a corporate governance organization, and my sense is that Ricoh Leasing expects me to leverage my insights from these experiences. However, even though outside directors are expected to have a certain level of specialized skills, they also have responsibility regarding overall management, so an attitude of knowing nothing outside one's area of expertise is not acceptable. Along with updating information, including social conditions and topics that affect the Company's business, we also disseminate information ourselves.

**Kawashima** I was appointed in 2020 when Ricoh Leasing became a company with an audit and supervisory committee. Prior to that, I was a full-time auditor for a major electrical equipment manufacturer for about eight years. That manufacturer has many subsidiaries in Japan and abroad, which offered me experience in field-oriented audit activities. Therefore, I try to practice audit activities that can provide new awareness to prevent discrepancies between management and the field by making use of my audit experience. Furthermore, I recognize that I am expected to pass on my insights into corporate governance and activities as a member of the Audit & Supervisory Committee, and to contribute to the advancement of risk management and internal controls. I believe that my role as outside director is to provide new awareness. I also make full use of my financial working knowledge and strive to transmit new awareness about hidden risks and hidden chances. As a part-time Audit & Supervisory Committee member, I believe it is of utmost importance to capture feedback from the field, and I work to pass on that feedback to other outside directors. Ms. Arakawa also participates in seminars outside the Company in areas outside of her expertise, and

actively provides feedback on useful information to all members of the Board of Directors. This information often leads to new awareness for me as well.

**Arakawa** Outside directors are also very active outside of Board of Directors meetings. The Company's Nominating and Compensation Committee met 14 times in fiscal 2023. In addition to deliberative and confirmation meetings on the Mid-term Management Plan ("Mid-term Plan") for formulating and monitoring strategies for the Mid-term Plan, there are other forums for discussion from various angles, such as the Independent Directors Roundtable Meeting (a separate forum from the Board of Directors where independent outside directors can exchange opinions with each other).

**Kawashima** As an Audit & Supervisory Committee member, I attended 23 meetings of the Audit & Supervisory Committee in fiscal 2023 in addition to my on-site audit activities. I also make a conscious effort to ensure that we have opportunities to get to know our executive departments. Forums for discussion outside of Board meetings are proposed not only by the Company but also by outside directors, since the more people on the Board, the more difficult it becomes to communicate and share information.

**Arakawa** In order for the entire Company to work together in the event of an emergency, I believe it is useful to build relationships that facilitate mutual understanding, trust, and communication on a daily basis, as this also makes it easier to voice different opinions.

**Kawashima** Ms. Arakawa is correct in that understanding and trust are important, and teamwork is also important beyond that so each person can demonstrate their skills and knowledge. Then, teamwork serves as a way to multiply these strengths. Ricoh Leasing is building systems to create this kind of teamwork. Outside directors have experience beyond their area of expertise, such as leadership experience in various fields and operations, and I hope that they will go beyond their expected roles and utilize their experience more and more.

### Enhancing reporting details and systems for the Board of Directors Accelerating information sharing via opinions from outside directors

— What makes Ricoh Leasing's Board of Directors unique? Have you, as an outside director, provided any opinions on its operation or other matters that have led to improvements?

**Arakawa** A few days prior to each Board meeting, there is a pre-briefing session that focuses on explaining important resolutions. These are usually split into two sessions to accommodate the dates when each outside director is able to attend, and the agenda notes for the comments and questions at each session are shared prior to the Board

meeting so that we can move ahead on the day of the meeting in a more efficient manner.

**Kawashima** I also believe these pre-briefings are beneficial. Although they do require a time commitment, that is by no means a hardship thanks to the detailed and straightforward support from the Board of Directors Office, which acts as the secretariat. Plus, it leads to effective discussions at the actual Board meetings. On the other hand, when the executive side reports on business operations at Board meetings, there is a time constraint, and some parts of the report must inevitably be left to solely the broad strokes. As for the Audit & Supervisory Committee, there is an attempt to provide as much information and recognition of issues as possible based on information obtained from field interviews on various issues related to the contents of the report. We try to provide information at many opportunities, including feedback at Independent Directors Roundtable Meetings.

**Arakawa** The Ricoh Leasing Group has about 1,600 employees, and perhaps it helps that the Group's scale allows for visibility of the faces of its management team and facilitating action and change. Even if things are not perfect, taking the first step forward allows us to see new things, and thanks to Ricoh Leasing's environment where the PDCA cycle is followed, opinions can be expressed about these new things and improvements can be made.

**Kawashima** Several outside directors have noted that even if a matter is not at a level that requires Board of Directors resolution and requires resolution at a lower level internal meeting, it should still be discussed if it affects the business of the entire Company based on its qualitative importance, and we have accelerated the timing of information sharing accordingly.

**Arakawa** We now receive reports on the safety and impact of natural disasters on the Company's business and even about incidents from the stage at when they become a possibility. Even if details are to be handled on the execution side, it is not possible to supervise and advise on the appropriateness of how to handle a matter without first knowing about it. It is not good if outside directors learn about a material fact for public release by the Company after said release. I believe it is also our role to create an environment and system that facilitates information sharing.

**Kawashima** Discussions about cost of capital have already been developing since around 2019, and I believe they are evolving into more practical discussions each year. The cost of capital concept is already used in profitability management for each business, but some outside directors have expressed the opinion that they would like the Board of Directors to more explicitly share about how the cost of capital is also used as an indicator for evaluating the business portfolio from various angles.

### Establishing internal controls and organizational systems

#### How to define a state of true permeation of the corporate philosophy

— What specific actions have you taken to establish internal controls and organizational systems from your respective standpoints?

**Kawashima** The Audit & Supervisory Committee's audits focus on confirming the control environment. This has a few notable characteristics, the first of which being our participation in organizational management audits, in which the internal audit department, the Internal Control Office, closely conducts audit activities and interviews the status of organizational management in the field. A preliminary questionnaire confirms details from interviews by the Internal Control Office through answers received to questions in areas such as key objectives, hindering factors, utilization of the corporate philosophy, and risk perception. Audit & Supervisory Committee members also take this opportunity to explore issues in organizational management and/or problems in the field. While this could be said to be an essential role of corporate auditors and Audit & Supervisory Committee members, the Company makes full use of organizational management audits conducted by the Internal Control Office. The Company's system allows us to capture many voices from a wide range of levels, from organization heads to field personnel. The second notable characteristic is that part-time Audit & Supervisory Committee members can also participate in audit activities conducted by the Internal Control Office online as much as their time permits, so they are able to hear feedback from the field as much as the internal, full-time Audit & Supervisory Committee member does. Third, which is both a unique characteristic and a challenge, the Company is aiming to transform itself into a "business company that also engages in finance," which will require audits accordingly. For example, the Company is bracing itself for the need to study in a timely manner the different business findings of the solar power generation business, the real estate rental business, and the operation of nursing-care facilities, among others.

**Arakawa** Since the opportunities for real estate investments have increased since I became an outside director, it became necessary to establish a system appropriate to the nature and scale of the investments in terms of their assessment and due diligence. In order to ensure that not only departments handling businesses, but also the Examination Division, the Investment Committee, the Management Meeting, and the Board of Directors, can exercise a healthy influence on each other, it is important not only to establish systems and processes, but also to assign and train human resources. Although it is the field that carries this out, the Board of Directors is responsible for approving the basic policy for internal control systems be supervised, so we have provided opportunities to talk with each field personnel outside of Board meetings if we felt it was necessary. In my supervisory position, I am conscious of the two axes of (1) legality and

reasonableness of processes and (2) validity of results.

**Kawashima** In the Audit & Supervisory Committee, we try to check the two axes just mentioned by Ms. Arakawa from a field perspective, meaning the appropriateness of the strategies and measures from the viewpoint of the sites where they are being deployed. In doing so, it is essential to confirm the quantity and quality of human resources, an important element in supporting strategies and measures. The results of the engagement survey tool are also used in the organizational management audit interviews. The Audit & Supervisory Committee members also look at the engagement scores of each organization, which the Internal Control Office shares with us, and try to understand organizational issues by checking strengths and weaknesses and conducting interviews. We focus on the status of permeation of the corporate philosophy, which is the key to the Company's centripetal force as an independent listed company, as one of the important themes of the organizational management audits. From a field perspective, a company's corporate philosophy can seem more like a formality or a slogan just to put on a wall, but we are hearing more and more stories of people who understand the corporate philosophy in their own way and are using it as the basis for making decisions about how they carry out their operations. Some people in administrative and back-office divisions say that it is difficult to imagine how Ricoh Leasing's uniqueness is related to their work due to their busy schedules. However, we are hearing more and more that many of them are connecting the basic stance of the corporate philosophy to their own work, and are using it to improve their activities and maintain and build motivation. We recognize that it is an important mission to continuously check the status of the penetration of Ricoh Leasing's corporate philosophy.

**Arakawa** Through the corporate philosophy, Group members, ourselves included, are constantly asking themselves about this uniqueness. On the other hand, uniqueness can be a vague concept to identify, so it is also important for the President to communicate directly with employees to ensure that the corporate philosophy and material issues permeate the workplace. I understand that the President regularly visits each business site to provide opportunities for dialogue, among other measures.

### Assessment of the President by the Nominating and Compensation Committee Outside directors at the major shareholders are also subject to self-assessment

— Next is a question for Ms. Arakawa about the Nominating and Compensation Committee. What specific activities are you involved in?

**Arakawa** In fiscal 2023, the Company's Nominating and Compensation Committee specifically addressed (1) the assessment of the President, (2) succession plans, (3) remuneration-related matters, and (4) outside director

self-assessments. Regarding the first point, the assessment of the President, many companies believe that corporate performance serves as an assessment of their President, with assessments more common for directors rather than the President him or herself. For the past two years, we have been asking the President to share his or her own plans, including medium- to long-term perspectives and non-financial information, at the beginning of each fiscal year, and to provide feedback at the end of the fiscal year on progress and issues, along with the pros and cons of reappointing him or her for the following year. Regarding the second point, succession plans for internal directors and executive officers, in addition to training aimed at developing management personnel, personnel transfers are made with consideration to succession, candidates for executive officers and directors make presentations on preliminary issues, and opinions are compiled based on personnel evaluations, skills, and character, as well as interviews. Candidates for outside directors also go through a process in which the committee narrows down candidates from a long list, while taking into account the director skill matrix. In discussions related to the third point, remuneration, we examine whether the level of remuneration for directors is reasonable as an allocation of company resources and whether it is an appropriate incentive to secure excellent human resources, while also referring to external benchmarks. In fiscal 2023, we also began self-assessment of outside directors, the fourth point. All outside directors will be asked to describe their responses to questions like: "Do you engage in activities with a full understanding of the Company's corporate philosophy and management strategies?", "Do you make an effort to speak in a way that gives the executive side new insights?", "Do you regularly collect information about the Company's business and the environment surrounding the industry?", "Do you exchange opinions and share information among outside directors?" and "Do you make statements that lead to the improvement of corporate value while also being aware of the perspectives of each stakeholder?" These are summarized by the Nominating and Compensation Committee and shared with the Board of Directors and utilized in each business.

### Relationships with major shareholders and prevention of conflicts of interest

— What role do the two outside directors fully from Ricoh Leasing's major shareholders play on the Board of Directors? Also, how do you manage conflicts of interest and synergies?

**Kawashima** Both of these outside directors are aware of the potential for conflicts of interest and have asked questions, provided opinions and advice in their capacity as individual outside directors at Board meetings. As for the perspective of a major shareholder, for example, we have received various advice from the perspective of increasing corporate value, such as advice on pursuing synergies to improve business performance and on upgrading risk management.

**Arakawa** Both of these officers, as individual directors and based on their particular experiences, including as specialists in risk management and screening, provide their opinions as professionals in this field. Still, there is a potential for business competition. Such an event cannot be simply dealt with by avoiding Board resolution. Therefore, we are frankly discussing preparations and preparedness to prevent risk, such as prior information management.

**Kawashima** Immediately prior to the Board of Directors meeting, a mini-meeting of the Audit & Supervisory Committee is held for about half an hour. In addition to confirming the issues on the day's agenda, the three Audit & Supervisory Committee members make every effort to confirm in advance whether there are any potential conflicts of interest arising from the perspective and presence of major shareholders.

— Finally, from the perspective of an outside director, what are some of the governance issues facing the Company?

**Arakawa** Governance is a necessary and effective mechanism to keep the business going, and it is constantly being improved as times change and as the Company changes. To secure this mechanism, we conduct effectiveness assessments of the Board of Directors. We also conduct individual interviews between the Board of Directors Office and each outside director to absorb the information between the lines that cannot be grasped through questionnaires alone. The effectiveness assessment's outputs are not limited to a report on its contents, but also includes concrete proposals for what to do for a given year based on the results. The PDCA cycle is used to report on what has been accomplished and what will be done next, based on the results of the year's actions.

**Kawashima** I believe that the Company has an efficient organizational management system in which a small number of elite employees support a wide range of operations by highly earnest and diverse talent who demonstrate their individual strengths to the fullest extent. On the other hand, I feel that this centrifugal force is a bit too strong, putting the Company at risk of weakened systems for managing and advancing business in a comprehensive and integrated manner. I feel that there is a tendency toward the emergent risk of each department running with partial optimization, with a weakened perspective toward overall optimization. Recently, however, the Company has begun full-fledged promotion of enterprise risk management (ERM), and in terms of sales planning, there have been moves such as organizational restructuring to cross-functionalize the sales planning and control functions of each business. We will continue to monitor and supervise the management of the organization to ensure that there is a good balance between the permeation and centripetal force of the corporate philosophy and the centrifugal force that develops the Company's businesses.

# Corporate Governance

## Basic approach to corporate governance

The Ricoh Leasing Group is committed to good corporate governance, with the dual objectives of ensuring management transparency in accordance with business ethics and the spirit of compliance, and strengthening the Group's competitiveness. We are also striving for sustainable growth and enhancement of our corporate value by

building trust with our stakeholders, who we define as our customers, business partners, employees and society.

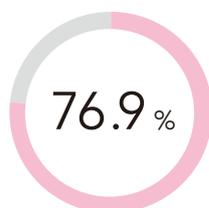
We will continue working to further strengthen and improve corporate governance by constantly reconsidering the framework according to social, environmental and legislative changes.

## Outline of corporate governance (As of June 24, 2024)

Organizational form	Company with an audit and supervisory committee
Executive officer system	Yes
Chairperson of Board of Directors	Representative Director, President and Chief Executive Officer
Directors	13 persons (including 10 outside directors and 8 independent outside directors) 10 directors who are not members of the Audit & Supervisory Committee (including 7 outside directors and 5 independent outside directors) 3 directors who are members of the Audit & Supervisory Committee (all are independent outside directors)
Board of Directors meetings and attendance <sup>1</sup>	14 meetings / Average attendance rate of directors: 100%
Advisory body to the Board of Directors	Nominating and Compensation Committee comprising 5 members (all of whom are independent outside directors; however, excludes directors who are Audit & Supervisory Committee members)
Audit & Supervisory Committee meetings and attendance <sup>1</sup>	23 meetings / Average attendance rate of Audit & Supervisory Committee members: 100%
Provision of incentives to directors	Bonus linked to single-year earnings (short-term incentives) Stock-based remuneration <sup>2</sup> (medium- and long-term incentives)

1. FY2023 2. Equity trust method

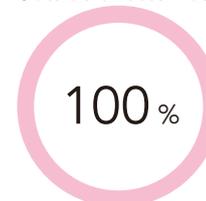
Outside director ratio



Female director ratio



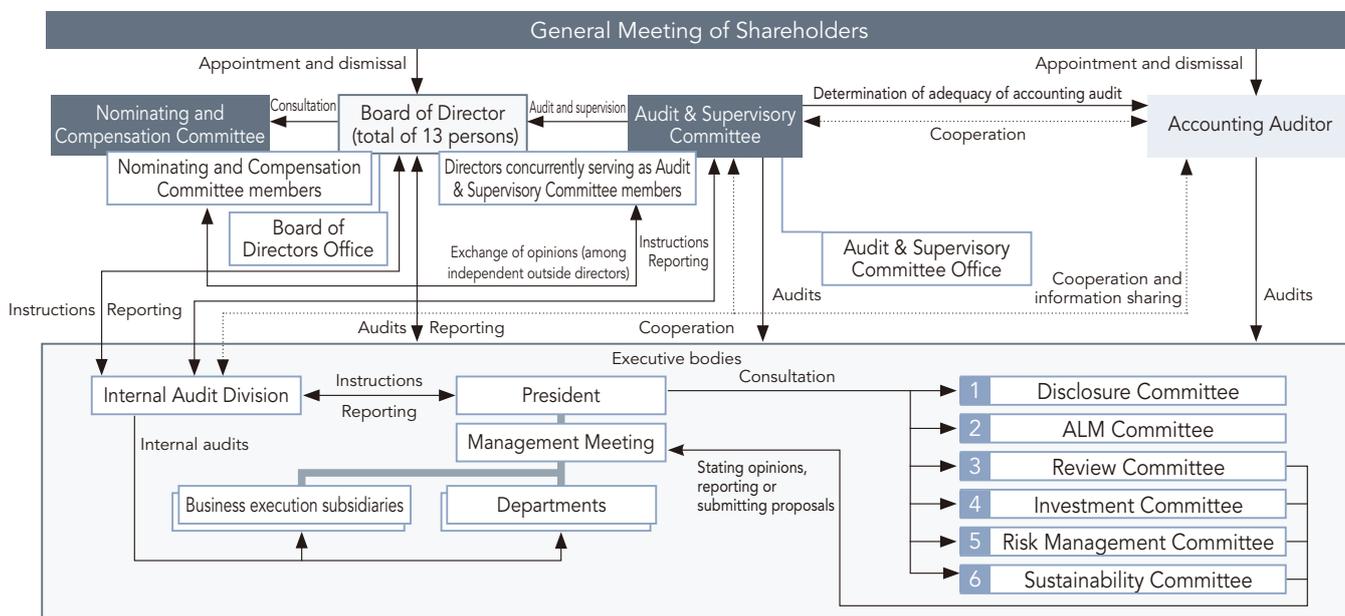
Audit & Supervisory Committee:  
Outside director ratio



## Record of initiatives for enhancement and reform of governance

2015	<ul style="list-style-type: none"> <li>Initiated submission of Corporate Governance Report</li> <li>Established Nominating and Compensation Committee</li> <li>Outside director ratio reaches 22.2%, female outside director ratio reaches 11.1%</li> </ul>
2016	<ul style="list-style-type: none"> <li>Began Board of Directors' effectiveness assessment</li> <li>Outside director ratio reaches 40.0%, female director ratio reaches 10.0%</li> </ul>
2017	<ul style="list-style-type: none"> <li>Revised director remuneration system (performance-linked pay increased to 50% of total remuneration)</li> </ul>
2018	<ul style="list-style-type: none"> <li>Outside director ratio reaches 45.4%, female director ratio reaches 9.1%</li> </ul>
2019	<ul style="list-style-type: none"> <li>Shortened directors' term of office (from 2 years to 1 year)</li> <li>Introduced stock-based remuneration system</li> <li>Outside director ratio reaches 50.0%, female director ratio reaches 16.7%</li> </ul>
2020	<ul style="list-style-type: none"> <li>Transitioned to company with an audit and supervisory committee</li> <li>Outside director ratio reaches 64.2%, female director ratio reaches 23.1%</li> <li>Entire Nominating and Compensation Committee composed of independent outside directors</li> </ul>
2021	<ul style="list-style-type: none"> <li>Disclosed policy for determining details of individual director remuneration</li> <li>Outside director ratio reaches 69.2%, female director ratio reaches 23.1%</li> <li>Disclosed compliance status regarding all 83 principles of Japan's Corporate Governance Code</li> </ul>
2022	<ul style="list-style-type: none"> <li>Outside director ratio reaches 76.9%, female director ratio reaches 30.8%</li> <li>Entire Audit &amp; Supervisory Committee composed of independent outside directors</li> <li>Began self-assessment of outside directors</li> <li>Began the Nominating and Compensation Committee's evaluation of the Representative Director and President's status of business execution</li> <li>Began meetings for exchange of opinions among independent outside directors only</li> </ul>
2023	<ul style="list-style-type: none"> <li>Revised the stock-based remuneration system</li> <li>Began interviews with all directors based on the results of the effectiveness assessment responses</li> </ul>

Diagram of corporate governance system (As of June 24, 2024)



### Voluntary advisory committee

As an advisory body to the Board of Directors, Ricoh Leasing has established a Nominating and Compensation Committee consisting entirely of independent outside directors (excluding directors who concurrently serve as Audit & Supervisory Committee members) for the purpose of ensuring the objectivity, transparency and adequacy in the appointment of director candidates, the appointment

and dismissal of management team members, the formulation and administration of succession plans for the CEO and the determination of directors' remuneration. The Company has also established the following committees as advisory bodies to the President and CEO.

1	Disclosure Committee	For the purpose of effectively and efficiently disclosing corporate information regarding the Ricoh Leasing Group
2	ALM Committee	For the purpose of properly managing assets and liabilities to properly manage risks and maximize profit
3	Review Committee	For the purpose of deliberating and determining review-related matters and reporting on review-related matters
4	Investment Committee	For the purpose of deliberating investments in entities and monitoring and reporting on investees, etc.
5	Risk Management Committee	For the purpose of promoting risk management through the exhaustive and comprehensive control of risks and the avoidance and prevention of losses by the Ricoh Leasing Group
6	Sustainability Committee	For the purpose of more effectively supporting sustainability management across the Ricoh Leasing Group

### Board of Directors

The Board of Directors comprises 13 directors (including 3 directors who are members of the Audit & Supervisory Committee). And of the 13 directors, 10 are outside directors (including 3 directors who are members of the Audit & Supervisory Committee) who deliberate on and make decisions pertaining to matters stipulated by law and regulations and the Articles of Incorporation, as well as other matters such as important affairs related to management.

The Company has adopted the structure of a company with an audit and supervisory committee, and based on the provisions of the Articles of Incorporation, a considerable portion of key business decisions are delegated to management, which enables prompt and flexible decision making. The Board of Directors deliberates on and makes decisions on matters such as management plans, while providing supervision over the execution of duties by individual directors and executive officers.

At fiscal 2023 Board of Directors meetings, in addition to monitoring such as regular monthly financial reporting, sales reporting, and reporting of the business operations of each division, there were discussions on management conscious of the Company's cost of capital and stock price. Furthermore, the Board of Directors is informed of matters discussed and reviewed by the Company's Sustainability Committee, which oversees, discusses, and advises on the status of efforts to meet the human-capital-related and climate-change-related non-financial targets set forth in the Mid-term Management Plan (FY2023-2025). In addition to the Board of Directors meeting, a deliberative meeting on the Mid-term Management Plan was also held with the participation of all directors, including internal and outside directors. As a result, a high percentage of respondents offered high ratings of the Board of Directors' effectiveness in its fiscal 2023 assessment, confirming that the Board of Directors is functioning effectively.

### Nominating and Compensation Committee

As an advisory body to the Board of Directors, Ricoh Leasing has established a Nominating and Compensation Committee consisting entirely of five independent outside directors (excluding directors who concurrently serve as Audit & Supervisory Committee members) for the purpose of ensuring objectivity, transparency and adequacy in the appointment of director candidates, the appointment and dismissal of management team members, the formulation and administration of succession plans for the CEO and the determination of directors' remuneration.

#### Nominating

In fiscal 2023, through interviews with the President and CEO, the Company decided to reappoint him to the same position based on an evaluation from the perspective of corporate performance, sustainable growth, and medium- to long-term improvement in corporate value. These interviews also served to discuss and deliberate the succession plan for the President and CEO from the perspective of human resource development. In addition, several sessions were

held to discuss the issue of outside directors, which has become increasingly important not solely as an internal issue. The Board also deliberated on the structure of the Board of Directors after June 2024, referring to the candidates' career history and the reasons for their selection. As in the previous fiscal year, a self-assessment of outside directors was conducted this year, and a summary of the results was reported to the Nominating and Compensation Committee and the Board of Directors.

#### Compensation

In fiscal 2023, the Nominating and Compensation Committee reviewed the results of the officer remuneration survey and discussed the status of the remuneration structure for directors, as well as the extension of the trust period for officer stock-based remuneration. In addition, the committee conducted a performance evaluation of the directors, including the President, and determined the performance-linked remuneration calculation and the details of the report to the Board of Directors.

### Audit & Supervisory Committee

The Audit & Supervisory Committee of the Company audits and supervises the Board of Directors' decision-making process and the execution of duties by the management team, through activities such as exercising voting rights at meetings of the Board of Directors and exercising the right to state opinions on personnel matters and remuneration of directors (excluding directors who concurrently serve as Audit & Supervisory Committee members) at the General Meeting of Shareholders, attending meetings of the Board of Directors, the Management Meeting, and other important meetings, looking over

key documents and examining the status of business operation and assets. The Audit & Supervisory Committee consists of three members, all of whom are highly independent outside directors. In addition, there is one fulltime Audit & Supervisory Committee member to make for smooth audits by the Audit & Supervisory Committee.

The resolutions, matters reported on, shared, deliberated, and discussed, as well as the other work done by the Audit & Supervisory Committee throughout fiscal 2023 are as follows.

Resolutions	Assignment of the duties of Audit & Supervisory Committee members, establishment of evaluation and selection criteria for accounting auditors, reappointment of accounting auditors, consent to audit fees for accounting auditors, submit Audit & Supervisory Committee audit reports, consent to proposed appointments of substitute Audit & Supervisory Committee members, etc.
Matters reported on and shared	Reporting on audit plans and audit summaries from accounting auditors, reporting on financial closing policies and financial closing overviews from the Accounting Department, reporting on the implementation of internal audit, reporting on basic policies and operation status of internal control systems from the Internal Control Office, and reporting on the summaries of important meetings such as the Management Meeting and advisory committee meetings, etc.
Matters deliberated and discussed	Audit & Supervisory Committee activity policy, establishment of priority audit themes, prior confirmation of agenda items on the days of Board of Directors meetings, consideration of Nominating and Compensation Committee agenda, discussion of key audit matters (KAM) and other audit issues and matters of concern with accounting auditors, evaluation of accounting auditors, etc.

### Assessment of Board of Directors' effectiveness (FY2023)

To continuously enhance and improve the effectiveness of the Board of Directors, the Company assessed the effectiveness of the Board of Directors by conducting a survey, targeting all directors

and corporate auditors (including Audit & Supervisory Committee members) regarding deliberations on the Board's responsibilities and the status of its operation.

#### Analysis and evaluation process

- (I) Questionnaire of all directors (13), including internal and outside, conducted from January to February 2024
- (II) Summary of results from the questionnaire in (I) above reported at the March Board of Directors meeting
- (III) Based on the results of the questionnaire in (I) above, conducted interviews with all directors during March 2024 in order to further investigate their awareness of the issues regarding the Company's Board of Directors
- (IV) Based on the results of the questionnaire in (I) above and the results of the interviews in (III) above, reported and deliberated on the results of the Board of Directors effectiveness assessment and measures to further improve effectiveness at the Board of Directors meeting in May 2024

#### Questionnaire items

The key items in the FY2023 questionnaire were as follows. Each question was assessed on a four-point scale (with qualitative assessment items included), and an additional column allowed responses to be made freely on each item.

- |   |   |
|---|---|
| 1. The status of discussions at Board of Directors meetings | 5. Operational status of committees (for Audit & Supervisory Committee members and Nominating and Compensation Committee members only; excluding certain members) |
| 2. The size and composition of the Board of Directors       | 6. Overall assessment   |
| 3. Management of the Board of Directors                     |   |
| 4. The support system for outside directors                 |   |

### Issues identified in previous survey and initiatives in response

Discussion on the appropriate development of internal control and risk management systems should be enhanced	<ul style="list-style-type: none"> <li>Discussed risks to the Company during information exchange opportunities among independent outside directors</li> <li>Started to explore the establishment of a risk management system conscious of Group management</li> </ul>
Follow-up and support for newly appointed outside directors should be strengthened	<ul style="list-style-type: none"> <li>Set up post-appointment follow-up interviews with newly appointed directors</li> <li>Shared internal documents such as glossaries and company regulations</li> </ul>

### Issues identified in this year's survey

- (I) Evolving discussion regarding the business portfolio  
Under the current Mid-term Management Plan, we are building a diversified business portfolio by strengthening existing businesses and expanding new businesses. As the concept of management conscious of cost of capital becomes more broadly instilled in our organization, we will continue to study the details of data classification and allocation in order to advance discussions regarding the business portfolio.
- (II) Activities of the Nominating and Compensation Committee  
Although reports on the activities of the Nominating and Compensation Committee are reported to the Board of Directors, efforts will be made to further ensure transparency and improve understanding of the committee's activities beyond this scope.
- (III) Best practices regarding Board of Directors meeting materials  
Board of Directors meeting materials tend to scale in complexity alongside new business initiatives and the increasing complexity of business. Therefore, in order to operate the Board of Directors more efficiently, we will continue to review the composition and other elements of materials for Board meetings.

## Remuneration and evaluation system for directors

The Company's remuneration for directors consists of basic remuneration as fixed remuneration, performance-linked remuneration, and stock-based remuneration. From the perspective of independence and appropriately performing a supervisory role, only basic remuneration is paid to directors who are Audit & Supervisory Committee members and outside directors. (Please refer to the table below for approximate percentages of each kind of remuneration.)

Performance-linked remuneration are determined based on business performance indicators, including (1) consolidated operating profit, (2) consolidated operating profit achievement rate, and (3) ROA, while the employee happiness score (employee engagement score), which is part of the non-financial targets of the Mid-term Management Plan (FY2023-2025), is used as a non-financial indicator

in the calculation formula.

Non-financial indicators are also incorporated into the formula for calculating stock-based remuneration, with evaluations from an external ESG research organization used as an indicator.

In addition, in the process for evaluating the business execution by the Representative Director, President and Chief Executive Officer, the Nominating and Compensation Committee conducts said evaluation after interviews regarding target setting and evaluation. The evaluation of executive directors, excluding the Representative Director, is made by the Representative Director, President and Chief Executive Officer in consultation with the Nominating and Compensation Committee and is determined in accordance with the report of the committee.

(Directors whose position is independent from business execution)	Fixed remuneration		
Audit & Supervisory Committee members, outside directors	Basic remuneration		
(Executive directors)	Fixed remuneration	Performance-linked remuneration	
Representative director	Basic remuneration (50%)	Performance-linked bonus (35%)	Stock-based remuneration (15%)
Directors	Basic remuneration (50%)	Performance-linked bonus (37%)	Stock-based remuneration (13%)

- We set the ratio between basic remuneration and performance-linked + non-monetary remuneration at 1:1. (When KPI is 100% achieved)
- From the perspective of independence and appropriately performing a supervisory role, only basic remuneration is paid to directors who are Audit & Supervisory Committee members and outside directors.

## Policy on cross shareholding

The Company has established a basic policy of holding shares of a trading partner's stock in order to maintain and strengthen stable trading relationships with said trading partner if it is necessary for the enhancement of the Company's corporate value over the medium- to long-term.

The status of the Company's business with such business partner and the significance of the cross shareholding are validated periodically and results are reported to the Board of Directors. A cross shareholding is reduced if the necessity of the cross shareholding is diminished.

Directors' skill matrix

The areas in which we hold expectations for each director are as follows. These illustrate the areas in which we have particularly strong expectations in each director to apply their insights and knowledge for the benefit of the Company. Since we appoint as

directors individuals who share our medium- to long-term vision of becoming a Circulation-Creating Company and possess fundamental literacy in ESG and sustainability, all directors have earned a mark in the ESG and sustainability column.

No.	Name	Position	Audit & Supervisory Committee member	Nominating and Compensation Committee member	Term of office	Gender	Directors' areas of expertise expected by the Ricoh Leasing Group								
							ESG and sustainability	Corporate management	Finance and accounting	Sales and marketing	Finance and investment	Law	Risk management	IT and technology	Human resources
1	Tokuharu Nakamura	Representative Director			5 yrs	Male	●	●		●	●				●
2	Hirozumi Sano	Director			5 yrs	Male	●		●	●	●				●
3	Shinichi Kuroki	Director			3 yrs	Male	●			●	●				●
4	Masako Arakawa	Outside Director	●		5 yrs	Female	●				●				●
5	Mari Ebisui	Outside Director	●		4 yrs	Female	●		●			●			●
6	Atsumi Harasawa	Outside Director	●		4 yrs	Female	●				●	●			●
7	Takashi Ichinose	Outside Director	●		2 yrs	Male	●	●					●		●
8	Nobuhisa Zama	Outside Director			2 yrs	Male	●				●	●			
9	Takahiro Irisa	Outside Director			1 yr	Male	●			●				●	
10	Hikomitsu Noji	Outside Director	●		—	Male	●	●						●	●
11	Tokio Kawashima	Audit & Supervisory Committee Member, Outside Director	●		4 yrs	Male	●				●	●			
12	Hiroshi Nakazawa	Audit & Supervisory Committee Member, Outside Director	●		2 yrs	Female	●		●		●	●			
13	Toru Miyama	Audit & Supervisory Committee Member, Outside Director	●		2 yrs	Male	●				●	●			

Skills (fields of specialty) expected from directors	Overview
ESG and sustainability	An individual with whom Ricoh Leasing's medium- to long-term vision resonates and can be counted on to give the appropriate advice from the perspective of ESG and sustainability (the fundamental literacy sought in Ricoh Leasing directors)
Corporate management	An individual who has been a representative director or president of a large company, either listed or unlisted, possesses considerable experience in corporate management and can be counted on to give appropriate advice from that perspective
Finance and accounting	An individual who has been in any position such as a CFO, finance or accounting department head, certified public accountant, licensed tax accountant, and can be counted on to give appropriate advice for the field of finance and accounting
Sales and marketing	An individual with background such as considerable experience in the fields of sales and marketing and can be counted on to give appropriate advice from that perspective
Finance and investment	An individual who comes from financial services or fund management (e.g., bank, securities, etc.) or a background such as considerable experience in fields such as leasing, finance, real estate, and M&A and can be counted on to give appropriate advice from that perspective
Law	An individual who has experience working in legal affairs in corporate activities such as contract and corporate legal affairs (including having prepared and researched corresponding laws) or with considerable experience in those areas and can be counted on to give appropriate advice from that perspective
Risk management	An individual with considerable experience in risk management within a company or a qualified individual in areas such as internal control and compliance or in the business of doing so and can be counted on to give appropriate advice from that perspective
IT and technology	An individual with background such as considerable experience in the field of IT or technological fields and can be counted on to give appropriate advice from that perspective
Human resources	An individual that can be counted on to give the appropriate advice on human resources, human resource development, diversity, succession planning for directors, and officer remuneration by virtue of their experience thus far and their insights

## Succession planning

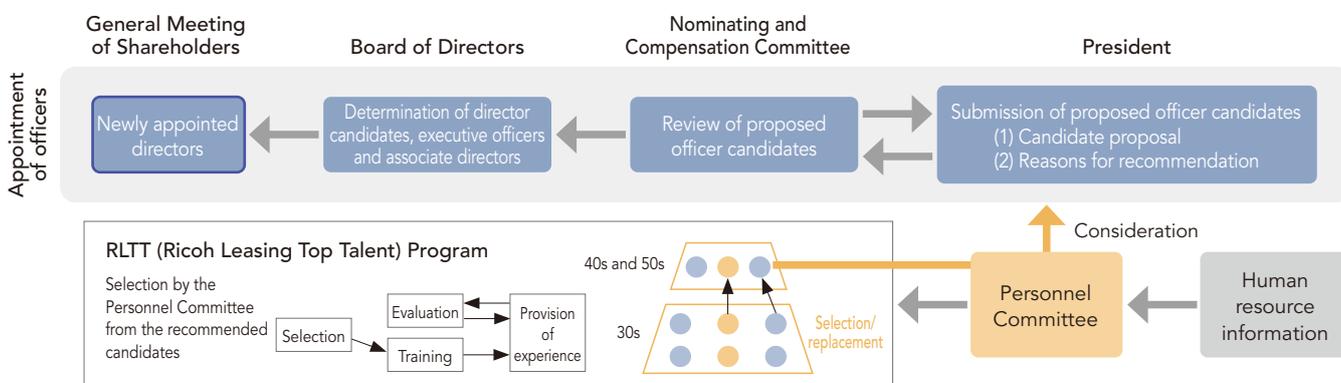
We implement a training program called the Ricoh Leasing Top Talent (RLTT) Program for staff we consider to be potential future candidates for the CEO position. In this program, the contents of which are provided in RL Mirajuku sessions, President Nakamura serves as senior instructor, conveying his own views and ideas as management philosophy, and cultivates the perspectives and viewpoints of management among trainees. With management team members (including outside directors who are members of the Nominating and Compensation Committee) and outside specialists chosen by the President as speakers, it includes lectures and interactive communications to broaden the knowledge required by next-generation leaders.

The Nominating and Compensation Committee assesses human resources through reports regarding business execution by each executive officer at meetings of the Board of Directors.

Based on these evaluations, the Nominating and Compensation Committee deliberates on candidates for positions such as the next CEO, directors, and executive officers as recommended through advice from the Personnel Committee, which comprises internal directors. In addition, taking into account the candidates' performance, results of 360-degree feedback, and information obtained through sundry social gathering opportunities, the Nominating and Compensation Committee reports to the Board of Directors about the final candidates.

In addition, the Nominating and Compensation Committee considers succession planning to be one of the most important issues that the President must exercise leadership in addressing, and checks the progress of succession planning in the annual evaluation of the President.

### Overview of officer appointment process



## Human Rights Policy/human rights due diligence

Based on our belief that respect for human rights is an important responsibility for companies in fulfilling their business activities, the Ricoh Leasing Group has endorsed and is a signatory to the United Nations Global Compact (UNGC). We continue to implement activities to achieve UNGC's The Ten Principles in the four areas of human rights, labor, the environment, and anti-corruption. We have formulated and act on our own human rights policy that aims for management that honors human rights in our business activities, while giving proper attention to human rights issues and changing

awareness within the global community. As we aim for the realization of a richer future, the Ricoh Leasing Group joins with our stakeholders in contributing to the sound and stable development of a sustainable society and economy.

We will also take concrete measures to prevent, mitigate, and remedy negative impacts on human rights by conducting human rights due diligence to prevent the occurrence of human rights violations in our supply chain.

[https://www.r-lease.co.jp/en/sustainability/social/humanrights\\_policy/](https://www.r-lease.co.jp/en/sustainability/social/humanrights_policy/)

### Investment Policy

The Ricoh Leasing Group are contributing to solving social and environmental issues through our businesses and seek to play an active role in creating a sustainable society as based on the Group's Concept for Sustainability. We prohibit or restrict investment, etc., in businesses and companies that have a major negative impact on society.

Regarding sectors and other realms for which there are concerns about the impact on climate change and biodiversity, we take into consideration the acquisition of certifications both international and local, and, through engagement with our business partners, will continue to share an awareness of environmental issues and contribute to the creation of a sustainable society.

[https://www.r-lease.co.jp/en/sustainability/investment\\_policy/](https://www.r-lease.co.jp/en/sustainability/investment_policy/)

### Introduction of our newly appointed director



**Hikomitsu Noji**  
Outside Director

Conflicts have erupted around the world, natural disasters have affected many parts of the globe, creating a state where "uncertainty" has become a very familiar word. It is precisely in times like these that diversity is required. The ability to know, understand, and trust others and to create a pervasive diversity among us all will help to end conflict and support each other in times of disaster. Through their businesses, each company's job is to cultivate people who can act in a way that naturally recognizes diversity, who can contribute to the realization of a sustainable, circulation-oriented society, and further increase corporate value. We are confident that the Group's Mid-term Management Plan, which began in 2023, will accelerate this cultivation. I will support the Company from my perspective of objectivity as an outside stakeholder and as a representative of the Company's shareholders, making every effort to help it achieve its targets.

# Compliance

## Compliance approach and promotion system

The Ricoh Leasing Group considers thorough compliance to be a basic management principle for realizing its corporate philosophy. All officers and employees strictly comply with laws and regulations, and carry out honest and fair corporate activities by faithfully upholding social conventions and corporate ethics.

Specifically, based on the Group's Code of Conduct, we are building a compliance system from all aspects, including the establishment of internal regulations, employee education, and the establishment of an internal whistle-blowing system. The management team takes the lead in setting an example, and in order to ensure thorough compliance throughout the Company, we appoint a

Compliance Officer (officer in charge of compliance promotion section) as head of the Compliance Office and define a promotion section for the same, advancing efforts for compliance education and understanding. In order to verify the effectiveness of these activities, their status is deliberated at the Management Meeting and reported to the Board of Directors.

In fiscal 2023, no major concerns or other issues were recognized with regard to compliance. Going forward, we will continue to enhance our promotion structure and strive to practice rigorous compliance by enhancing our activities to raise awareness and encourage understanding.

## Providing and enhancing compliance education

E-learning is provided to all Ricoh Leasing Group employees on an annual basis. Based on the Ricoh Leasing Group Code of Conduct, we educate employees on compliance through studies in subjects such as compliance fundamentals, basic employee conduct, legal compliance, and more. This is designed to help each employee raise their awareness of compliance and always be conscious of compliance in their operational activities.

In addition, we post "Compliance Hot News" on the internal bulletin board once to twice a month, a concise summary of the latest trends and topics related to compliance. We also cover topics such as our approach to dealing with complaints from customers and business partners (this information is compiled in manuals and other materials), and we strive to ensure an appropriate response.

## Formulating, disseminating and instilling the Code of Conduct

The previous Code of Conduct was updated in April 2023 to coincide with the start of the New Mid-term Plan and to keep the document in tune with changes in the times, such as the diversification of values and the increased importance of the roles that companies play in solving social issues. Based on our corporate philosophy and basic stance, the Code of Conduct indicates the specific actions to be taken by officers and employees as applicable to our internal rules and regulations, and thereby defines the standards for conducting business and operational activities. Many organizations and employees were involved in the formulation of the Code, which was accompanied by repeated discussions at the Management Meeting and the Board

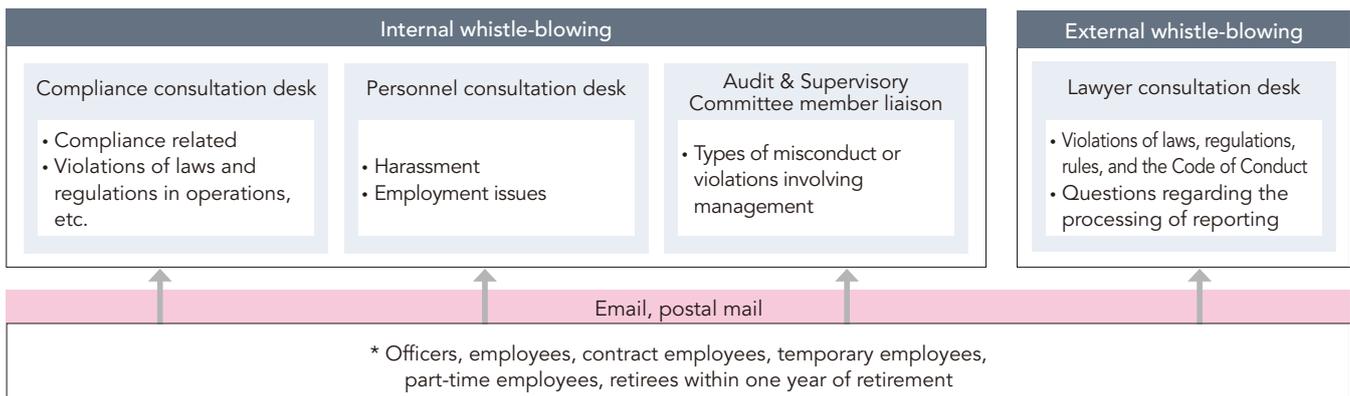
of Directors, resulting in a process taken on by the entire company. The Code of Conduct not only indicates the compliance requirements to be observed, but also articulates matters such as the value to provide and what stance to take in dealing with stakeholders in order to realize our corporate philosophy. To familiarize all officers and employees of the Group with the Code of Conduct, it is posted on our website and also made available and distributed in a handbook format. Employees take part in e-learning and sign Code of Conduct pledges to further deepen their understanding. Going forward, we plan to offer training and pledge activities every year to promote greater familiarity with and practice of the Code of Conduct.

## Internal whistle-blowing

The Company has established in and outside the Company a whistle-blowing desk for all employees\* to whistle-blow and consult about violations of laws and regulations and internal rules, acts in violation of the Ricoh Leasing Group Code of Conduct, and other issues, and has made the points of contact for internal whistle-blowing known to all Ricoh Leasing Group employees.

In addition to establishing internal rules to protect whistle-blowers based on the Whistleblower Protection Act, such as maintaining

the confidentiality of whistle-blowers, protecting personal information, prohibiting the pursuit of whistle-blowers' identity, and prohibiting disadvantageous treatment, we are creating an environment where it is easy to whistle-blow and consult by making these rules known through compliance education. In fiscal 2023, there were no whistle-blowing cases.



# Risk Management

## Our approach to risk management

In order for a company to achieve stable and sustainable development, to increase corporate value, and to fulfill its corporate social responsibility, it is essential to accurately address risks that could have a significant adverse impact on corporate activities. The Ricoh

Leasing Group is implementing effective and efficient risk management by comprehensively and exhaustively identifying, organizing, and addressing the risks that surround the Group.

## Review and establishment of risk management structure

Structures for risk management must be continuously reviewed and improved to adapt to an ever-changing environment. Until now, risk management of the Ricoh Leasing Group has been the responsibility of each Group company to act based on their own best judgment. In strengthening Group management growing forward, optimal decisions must be made to maximize profits for the entire Group. Factors that may hinder the realization of this goal must be identified, analyzed, and evaluated as risks, and a review of the risk management system is underway to this end.

### (1) Risk Management Committee

To manage risks that could significantly affect the Group's business, we have established the Risk Management Committee, chaired by the Company's President and Chief Executive Officer and composed of members of the Management Meeting and the presidents of Group companies. We are working to strengthen risk management by designating control items that we consider highly important in the management of the Group as Group priority control risks, and we are managing and monitoring these accordingly. Important matters are discussed by the committee and then reported to the Management Meeting and to the Board of Directors.

### Roles of the Risk Management Committee

- (1) Determination of risk management policy and annual plan
- (2) Determination of Group priority control risks and risk jurisdiction
- (3) Determination of risk countermeasure plan
- (4) Confirmation and feedback on the implementation status of risk countermeasures

### Diagram of risk management promotion structure



### (2) Risk Management Promotion Meeting

The Risk Management Promotion Meeting has been newly established to promote smooth Group risk management in close cooperation and collaboration among the Company and its Group companies. It is composed of the jurisdictional manager of Group priority control risks and the person responsible for promoting risk management at Group companies. This meeting shares not only the status of plans and responses to the Group's priority control risks, but also risk information and countermeasure status at each company, and reports to its parent body, the Risk Management Committee, after discussions.

## Risk assessments

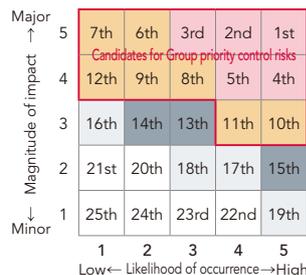
We have created a risk map that identifies and prioritizes risks in the Company and its Group companies from the perspectives of internal environment, external environment, and management strategy, and by conducting risk analysis and risk assessment.

The magnitude of risk is measured on two axes: magnitude of impact on occurrence and likelihood of occurrence, and items with high risk are designated as Group priority control risks.

### Risk map and risk assessment criteria

Rank	Assessment criteria for magnitude of impact
5	Over 50 billion yen
4	10 to 50 billion yen
3	1 to 10 billion yen
2	100 million to 1 billion yen
1	Less than 100 million yen

Rank	Assessment criteria for likelihood of occurrence
5	May occur once or more every year
4	May occur once or more every 1 to 5 years
3	May occur once or more every 5 to 10 years
2	May occur once or more every 10 to 30 years
1	May occur once or more every 30 years or more



# Risk Management

## Group priority control risks

The Ricoh Leasing Group risk jurisdiction is responsible for the overall cross-organizational management of Group priority control risks in particular. It formulates and promotes risk countermeasure plans, instructs Group companies and related departments to implement risk countermeasures and confirms the status of implementation, and reports to the Risk Management Promotion Meeting.

In addition, each Group company will establish its own priority control risks to be managed and implement risk management accordingly. After management decisions are made at each company, plans and implementation status of specific priority management risks are reported to and shared with the Risk Management Promotion Meeting to achieve integrated Group risk management.

### Group priority control risks (Group risk jurisdiction and positioning for each Group company)

Risk category	Group priority control risk	Group risk jurisdiction	Ricoh Leasing	Techno Rent	Enplus	Welfare Suzuran
Natural disasters	Volcanic eruptions, earthquakes/tsunami	General Affairs Department, Corporate Planning Department	◎	◎	◎	◎
Debt collection	Bad debts of large customers	Examination Division	◎	○	◎	
Crimes against corporations	Cyber-attacks	Group IT Management Division	◎	◎	◎	○
Information systems	Information system failure/destruction	Group IT Management Division	◎	○	◎	○
Economy	Interest rate fluctuations	Finance Department	◎			
Business strategy	Failure of acquisitions/joint ventures/alliances	Business Strategy Division	◎			
ESG compliance	Inadequate or delayed ESG compliance	Corporate Planning Department	◎	○	○	○
Fundraising	Deterioration in cash flow/payment delays	Finance Department	◎			

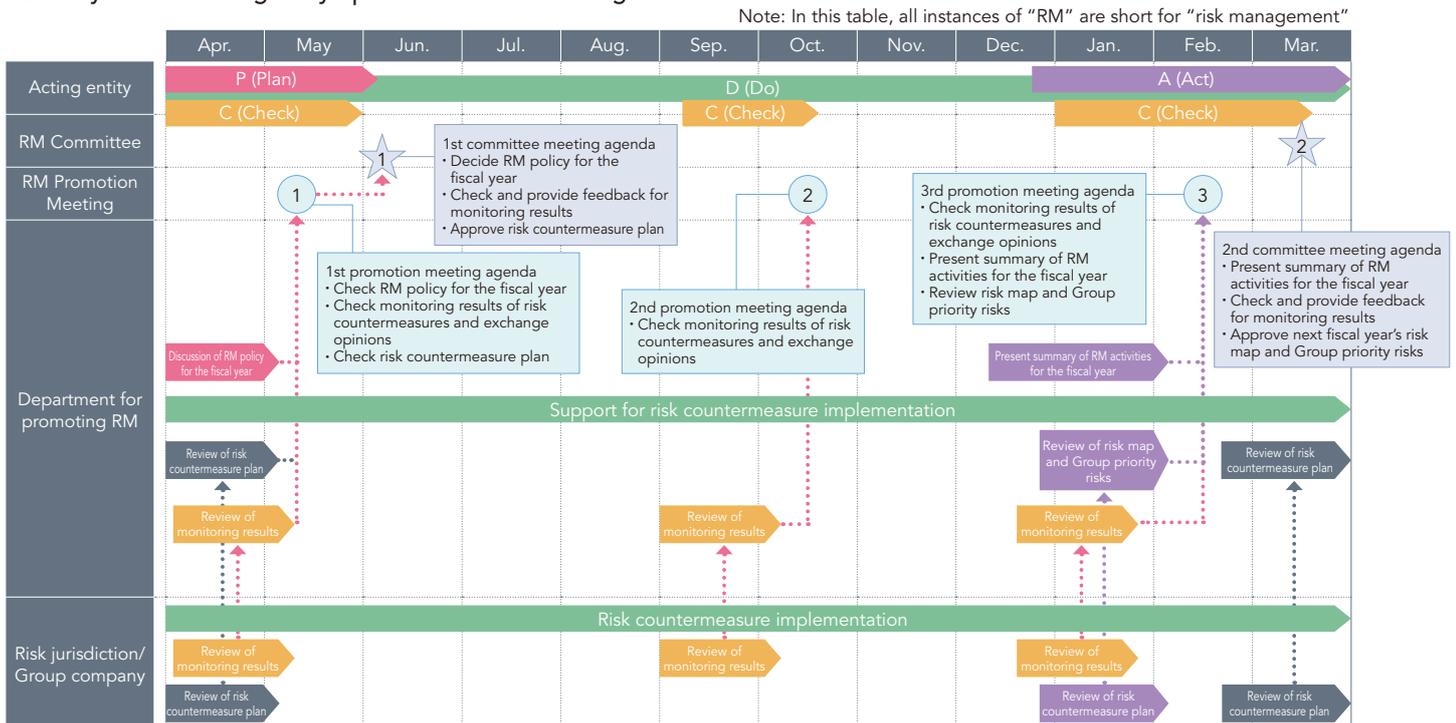
Note: ◎: Risks for each company to take ownership and prioritize  
 ○: Risks to be addressed under the direction and guidance of Ricoh Leasing

## Risk management process

Considering that the various actions related to a single risk cannot be encapsulated into a single fiscal year, the Group has set a three-year risk management cycle, implementing the PDCA cycle for the planning, implementing, and monitoring of countermeasures. Ensuring a sufficient period of time regarding implementation, evaluation/monitoring, and improvement will enhance the effectiveness of the

measures. The Risk Management Promotion Meeting is held three times a year. In May, the meeting decides the countermeasure plan for the current fiscal year, while in February, after an interim report, the annual summary and Group priority control risks for the next fiscal year are finalized at the Risk Management Committee.

### PDCA cycle for meeting body operations and risk management activities



## Business continuity planning (BCP) and disaster control

Drawing on lessons from the Great East Japan Earthquake, the Company has developed an action manual to ensure that each employee can respond appropriately to disasters. We conduct annual disaster drills in each region and, as of fiscal 2023, we carry out disaster response drills jointly conducted by the Ricoh Leasing Group.

In this training, we divide activities into initial responses in the event of a disaster (on-site activities) and BCP (headquarters activities) so that we can respond smoothly when an actual disaster occurs.

Upon receiving certification as a model company that promotes staggered returns home, we purchased enough sleeping bags and pillows, including the usual emergency supplies, for all employees commuting to our major sites in Japan, including the head office, to ensure a safe environment even if employees cannot return home.

In addition, we distributed TVs and storage batteries to enable access to disaster information at major sites and ensure the continuation of activities until the restoration of infrastructure.

We also introduced IP radios as a means of communication with each site, enabling communication regarding the disaster status and consideration of countermeasures at all Group companies.

A new safety confirmation system has been introduced to collect information on the safety of Group company employees in the event of a disaster. In addition, we are taking Group action for disaster prevention, putting employee safety first by notifying employees not to go to work or leave the office unnecessarily in the event of a typhoon or heavy rain or snow forecast.

FY	Major initiatives
2018	<ul style="list-style-type: none"> <li>• Ricoh Group disaster prevention training</li> <li>• Ricoh Group joint disaster response training (A Nankai Trough earthquake was assumed: application training)</li> <li>• Conducted disaster response training at Ricoh Leasing sites</li> </ul>
2019	<ul style="list-style-type: none"> <li>• Ricoh Group disaster prevention training</li> <li>• Ricoh Group Message Board was upgraded</li> <li>• Conducted disaster response training at Ricoh Leasing sites</li> </ul>
2020	<ul style="list-style-type: none"> <li>• Ricoh Group disaster prevention training</li> <li>• Overall review of the disaster prevention manual for teleworking</li> <li>• Introduction of disaster prevention bags for business vehicles</li> <li>• Conducted disaster response training at Ricoh Leasing sites</li> </ul>
2021	<ul style="list-style-type: none"> <li>• Ricoh Group disaster prevention training</li> <li>• Creation of earthquake response manual at business sites (head office and Toyosu)</li> <li>• Began sharing information on safety status via online chat tool during disasters</li> <li>• Added emergency bags for vehicles to the emergency supplies (food and drinking water was increased from one to three days' worth, toilets, and blankets)</li> <li>• Emergency bags for employees returning home changed in format from shoulder bag to backpack</li> <li>• Conducted disaster response training at Ricoh Leasing sites</li> <li>• Introduction of firefighting tutorials on the intranet</li> <li>• Certified as a model company that promotes staggered returns home</li> <li>• Arranged sheltering accommodation sets for use on the day of disaster occurrences (150 at head office and 250 at Toyosu)</li> </ul>
2022	<ul style="list-style-type: none"> <li>• Introduced IP radio as a communication device for use in times of disaster</li> <li>• Purchased TVs and storage batteries for use during disasters to enable main sites to access disaster information</li> <li>• Purchased sleeping bags and pillows (150 sets for head office and 250 sets for Toyosu)</li> <li>• Initiated sending of disaster assistance messages on the internal bulletin board</li> </ul>
2023	<ul style="list-style-type: none"> <li>• Introduced a new safety confirmation system and IP radios for disaster response use at Group companies</li> <li>• Began sharing disaster information with Group companies through a shared system</li> <li>• Stockpiled sleeping bags and pillows at the head office and major locations</li> <li>• Held fire VR experience sessions at the head office and Toyosu office</li> <li>• Implemented measures to prevent outlets from igniting, copiers from rolling around, and printers from falling over</li> </ul>

## Information management and protection system and strengthening information security countermeasures

In 2003, the Company obtained ISMS certification, becoming the first in the leasing industry to do so. In 2005, it was awarded the Privacy Mark. It has been operating management systems for information security and personal information protection with an integrated approach. Thanks to the ongoing improvement and enhancement of management system operations, we have made our information management system more robust and increased employee awareness of the need for information protection and management. As a result, we have been able to maintain our ISMS certification. In addition, there has been no occurrence of significant incidents regarding information security and personal information protection.

In 2023, we obtained a new certification, ISO 27017 (cloud service security). Cloud services have been gaining greater popularity in use over the last few years, and are extremely useful tools due to their convenience, scalability, and cost advantages. On the other hand, cloud environments pose various security risks, such as information leakage, data loss, cyber-attacks, and unauthorized access. Therefore, to ensure safe and secure internal use of cloud services, we have been making robust efforts toward cloud service security through controls stipulated by ISO 27017.

As countermeasures in response to the cyber-attacks that are on the increase globally, we routinely have in place technical security measures and, as programs for personnel, offer regular email training for the enhancement of employees' skills to enable the identification of suspicious emails and disseminate information security/cyber security information to improve their literacy. In addition, we will engage in initiatives to step up our ability to deal with critical situations in ways such as strengthening our Computer Security Incident Response Team (CSIRT) to respond to increasingly sophisticated cyber-security threats.

Recognizing that these initiatives are important not only for the Company but also for Group companies, we have begun to expand our information security activities.

The Company will maintain its efforts to enhance information security by pursuing activities in line with laws and regulations and the basic policy on information security and personal information protection policy, with the aim of continuously earning the trust of stakeholders.

# Major Financial Data

Summary of consolidated financial results	2013/3	2014/3	2015/3	2016/3	2017/3
Net sales	234,009	245,904	258,733	275,879	291,116
Cost of sales	205,423	217,309	228,917	245,507	259,957
Gross profit	28,586	28,595	29,815	30,371	31,158
Selling, general and administrative expenses	11,555	12,536	13,308	13,420	13,825
of which provision of allowance for doubtful accounts	(1,036)	419	915	797	1,105
Operating profit	17,030	16,059	16,507	16,951	17,333
Ordinary profit	16,921	15,884	16,447	16,843	17,180
Profit attributable to owners of parent	10,215	9,550	10,136	11,049	11,772
Per share (yen)					
Dividend amount	43.00	45.00	50.00	55.00	60.00
Net income	327.26	305.94	324.71	353.96	377.12
Net assets amount	3,807.05	4,060.90	4,344.43	4,644.38	4,975.38
Payout ratio	13.1%	14.7%	15.4%	15.5%	15.9%
Total assets	700,504	784,969	828,618	878,526	918,864
Net assets	119,186	127,179	136,117	145,562	155,998
Equity ratio	17.0%	16.1%	16.4%	16.5%	16.9%
Return on assets (ROA)	1.52%	1.29%	1.26%	1.29%	1.31%
Return on equity (ROE)	8.9%	7.8%	7.7%	7.9%	7.8%
<b>Cash Flows</b>	<b>2013/3</b>	<b>2014/3</b>	<b>2015/3</b>	<b>2016/3</b>	<b>2017/3</b>
Cash flows from operating activities	(49,529)	(49,124)	(47,432)	(31,231)	(12,940)
Cash flows from investing activities	(924)	(1,136)	(1,067)	(1,338)	(1,257)
Cash flows from financing activities	50,297	59,980	38,563	35,516	13,696
Cash and cash equivalents at end of period	834	10,553	617	3,563	3,061
<b>Operating assets, etc.</b>	<b>2013/3</b>	<b>2014/3</b>	<b>2015/3</b>	<b>2016/3</b>	<b>2017/3</b>
Finance leases	444,268	489,671	508,074	526,990	538,028
Operating leases	9,740	12,320	15,874	18,759	20,894
Total in leases	454,008	501,992	523,948	545,749	558,923
Installment sales	50,806	61,270	72,537	83,706	95,814
Total of leases and installment sales	504,815	563,262	596,486	629,456	654,737
Loans	103,994	109,947	114,289	123,127	129,217
Total of Leases & Finance Business	608,809	673,210	710,775	752,583	783,955
Solar power generation	–	–	–	–	–
Housing rental and real estate	–	–	–	–	–
Total of Investment Business	–	–	–	–	–
Total operating assets	608,809	673,210	710,775	752,583	783,955

Notes 1. Amounts less than one million yen are rounded down.

2. Operating assets indicate balance after securitization of receivables, etc.

3. Reporting segment categorization changed in the fiscal year ended March 31, 2021.

(Million yen)

2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3
304,341	313,957	332,256	326,266	303,853	298,889	308,335
273,081	281,013	297,073	288,564	263,812	255,617	262,768
31,260	32,943	35,182	37,701	40,040	43,272	45,567
14,708	15,667	18,164	20,229	20,759	22,044	24,557
1,550	1,632	2,879	3,747	2,615	1,272	1,381
16,552	17,276	17,018	17,471	19,280	21,228	21,010
16,415	17,383	17,087	17,510	19,522	21,573	21,544
11,306	11,943	11,827	12,019	13,481	14,872	11,278
70.00	80.00	90.00	100.00	120.00	145.00	150.00
362.19	382.60	382.80	389.93	437.34	482.48	365.89
5,288.85	5,588.38	5,893.78	6,207.07	6,536.27	6,867.91	7,199.98
19.3%	20.9%	23.5%	25.6%	27.4%	30.1%	41.0%
968,950	1,040,678	1,150,734	1,160,706	1,177,723	1,236,921	1,247,276
165,890	174,449	181,675	191,333	201,480	211,701	221,936
17.0%	16.8%	15.8%	16.5%	17.1%	17.1%	17.8%
1.20%	1.19%	1.08%	1.04%	1.15%	1.23%	0.91%
7.1%	7.0%	6.6%	6.4%	6.9%	7.2%	5.2%
2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3
(36,636)	(39,867)	(79,364)	38,930	9,138	(16,897)	(753)
(1,333)	(6,018)	(21,727)	(21,795)	(9,548)	(17,297)	(13,393)
37,742	45,171	99,828	(6,962)	(5,791)	43,487	4,984
2,833	2,119	856	11,028	4,827	14,119	4,956
2018/3	2019/3	2020/3	2021/3	2022/3	2023/3	2024/3
551,398	565,113	597,534	528,929	511,493	509,737	506,140
23,059	29,058	30,596	30,411	29,505	33,199	34,556
574,457	594,172	628,130	559,341	540,998	542,936	540,697
111,313	133,163	152,926	161,696	160,814	157,578	150,770
685,771	727,335	781,056	721,037	701,812	700,515	691,468
143,787	160,627	181,683	200,661	221,951	253,706	260,176
829,557	887,960	962,740	921,699	923,764	954,222	951,645
–	2,659	8,313	16,678	19,089	19,891	28,008
2,087	6,588	23,404	30,283	41,400	45,473	66,583
2,087	9,247	31,717	46,962	60,490	65,365	94,592
831,645	897,210	994,458	968,661	984,254	1,019,587	1,046,237

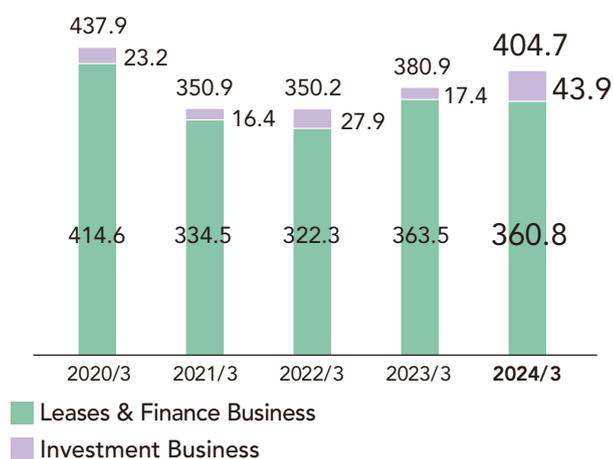
4. As accounting procedures for the merger of Welfare Suzuran, which became a subsidiary in the fiscal year ended March 31, 2023, were finalized to be in the first quarter of the fiscal year ending March 31, 2024, the consolidated financial summary figures are partially different from those for the fiscal year ended March 31, 2023, which have already been disclosed.

# Financial Highlights, Non-financial Highlights

## Financial Highlights

### Executed Contract Volume<sup>1</sup>

(Billion yen)



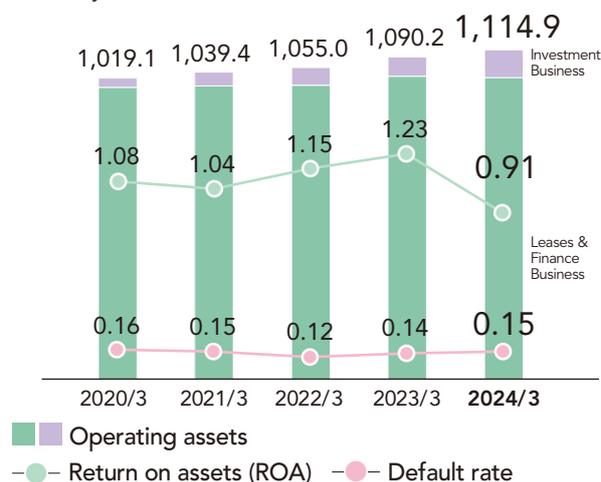
1. Leases: Cost of assets for lease; Installment sales: installments receivable minus unrealized profit on installment sales

Although volume declined for the Leases & Finance Business due to the absence of large transactions in the previous year, volume grew for the Investment Business, including real-estate-related businesses such as trust beneficiary interests as well as solar power generation, resulting in an increase in new executed contract volume.

### Operating Assets<sup>2</sup> / Return on Assets (ROA) / Default Rate<sup>3</sup>

(Billion yen)

(%)



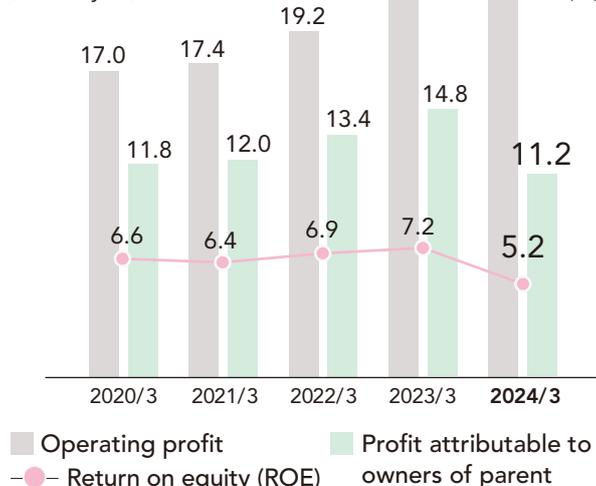
2. The balance of operating assets includes securitized lease receivables  
3. Default rate = Credit loss amount ÷ Average balance of operating assets

Operating assets increased with growing contract execution volume in the real estate sector, including trust beneficiary interests and corporate loans. The default rate remained low.

### Operating Profit / Profit Attributable to Owners of Parent / Return on Equity (ROE)

(Billion yen)

(%)

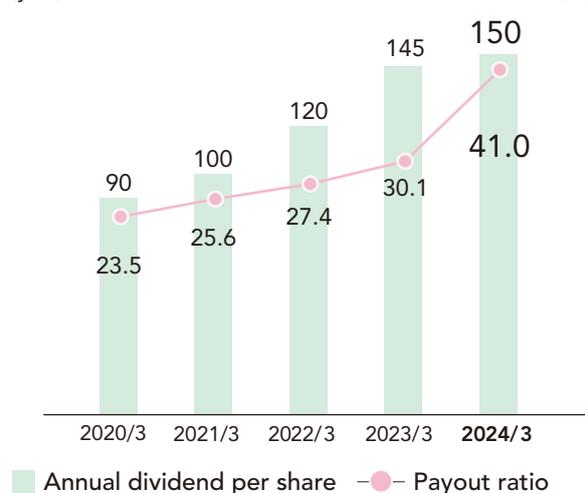


Gross profit increased due to improved asset yields and other factors, but operating profit decreased due to an increase in selling, general and administrative expenses, mainly due to investment in human resources. Profit attributable to owners of parent decreased due to an extraordinary loss (loss on valuation of investment securities).

### Dividend / Payout Ratio

(yen)

(%)



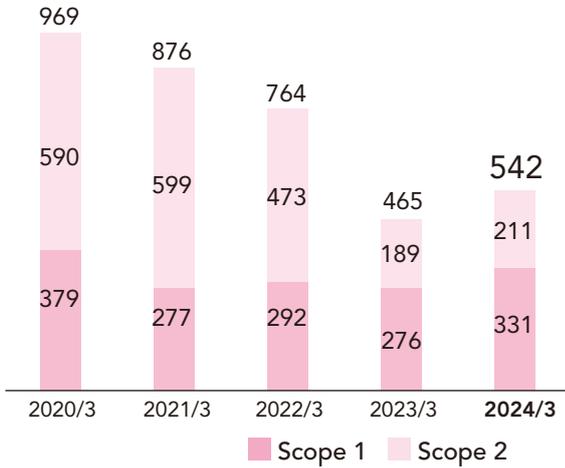
For the fiscal year ended March 31, 2024, we paid an annual dividend of 150 yen per share, marking the 29th consecutive year of dividend growth<sup>4</sup>. We aim to increase shareholder returns through sustainable growth and the strengthening of an appropriate capital structure and financial structure.

4. Including a substantial dividend increase following the stock split in the fiscal year ended March 31, 2000

Non-financial Highlights

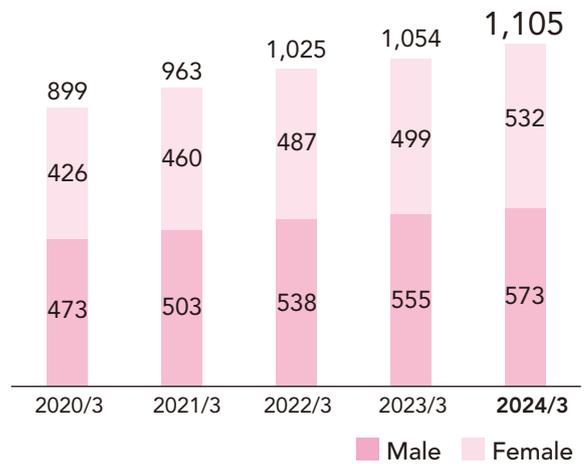
CO<sub>2</sub> Emissions

(t-CO<sub>2</sub>)



Number of Employees (Non-consolidated)

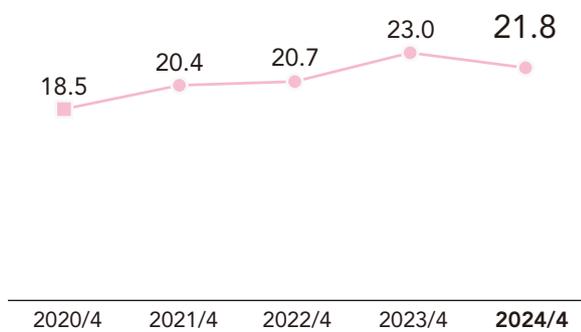
(People)



Percentage of Female Managers

(Non-consolidated)

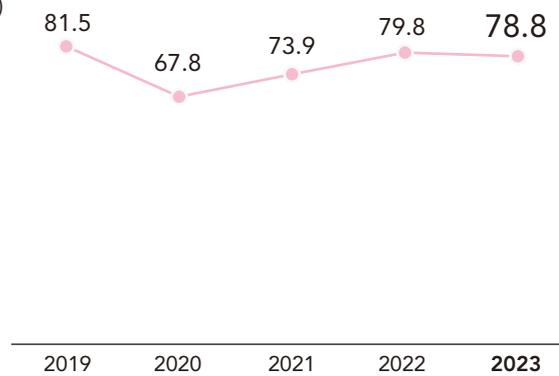
(%)



Annual Paid Vacation Days Taken

(Non-consolidated)

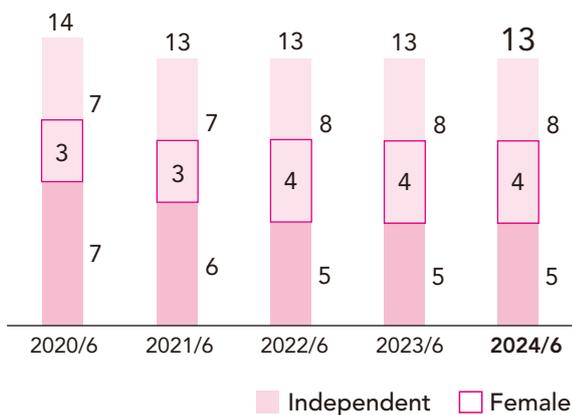
(%)



\* Periods run from January 1 to December 31

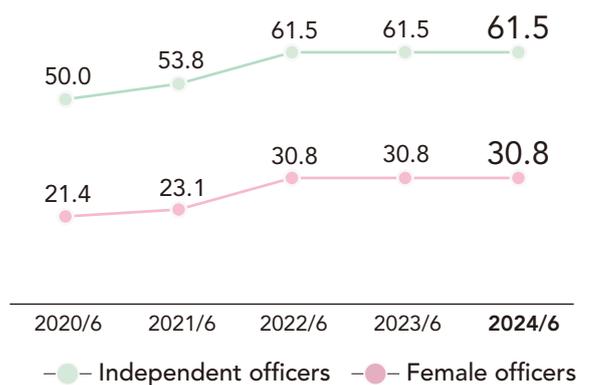
Number of Officers (Non-consolidated)

(People)



Officer Composition Ratio (Non-consolidated)

(%)



# ESG Data

## Environment

	Unit	FY2020	FY2021	FY2022	FY2023	Remarks (coverage, tabulation method)	
GHG (CO <sub>2</sub> ) emissions	Total	t-CO <sub>2</sub>	1,432,690	971,115	1,008,152	1,012,243	
	Scope 1	t-CO <sub>2</sub>	277	292	276	331	
	Scope 2	t-CO <sub>2</sub>	599	473	189	211	
	Scope 3	t-CO <sub>2</sub>	1,431,814	970,350	1,007,687	1,011,701	
GHG (CO <sub>2</sub> ) emissions: Intensity	Scope 1+2		2.68	2.52	1.56	1.75	Per 1 billion yen of sales
	Scope 3		4.39	3.19	3.37	3.28	Per 1 million yen of sales
Total waste output	t	348.8	359.0	324.9	321.5	RL Group	
Waste output excluding valuable resources	t	199.2	233.7	182.3	127.4	RL Group	
Waste recycling rate	%	95	93.7	92.6	93.7	Non-consolidated basis (RL)	
Water use	m <sup>3</sup>	7,067	5,340	5,160	6,277	Includes only Techno Rent; 16 sites	
Paper use	Thousand sheets	6,645	5,253	6,285	6,302	RL Group	
GHG (CO <sub>2</sub> ) emissions Scope 3 emissions for each category	Cat 1	t-CO <sub>2</sub>	906,258	718,140	737,697	715,467	
	Cat 13	t-CO <sub>2</sub>	490,424	242,071	258,617	254,609	
Recycling rate of Ricoh products upon termination of lease contracts	%	99.8	99.7	99.8	99.9		
Recycling rate of products other than Ricoh products upon termination of lease contracts	%	85.9	87.8	86.2	85.7		

## Social

	Unit	FY2020	FY2021	FY2022	FY2023	Remarks (coverage, data tabulation period, tabulation method)
Number of employees on a consolidated basis	Total Persons	1,156	1,227	1,588	1,641	As of end of fiscal year
Average age	Total Years old	40.7	40.8	41.1	41.3	As of end of fiscal year
Length of service	Total Years	13.7	13.4	13.7	13.5	As of end of fiscal year
Average annual salary	Yen	6,805,043	6,931,733	7,147,558	7,628,616	Calculated for the period between April and March for each fiscal year
Hiring of new graduates	Total Persons	17	14	15	22	Each number indicates that as of April 1 of the following fiscal year
Ratio of female new graduates hired	%	58.8	57.1	53.3	27.3	
Mid-career recruitment	Total Persons	72	72	40	78	As of end of fiscal year
Turnover rate	%	1.6	2.3	2.4	2.6	Limited to full-time employees
Managers	Total Persons	250	271	278	307	Each number indicates that as of April 1 of the following fiscal year
Ratio of female managers	%	20.4	20.7	23.0	21.8	Each number indicates that as of April 1 of the following fiscal year
Of which, section manager class	%	24.6	24.1	26.5	25.6	Each number indicates that as of April 1 of the following fiscal year
Of which, senior manager class	%	5.5	8.5	7.7	6.6	Each number indicates that as of April 1 of the following fiscal year
Employees promoted to management positions	Total Persons	24	18	21	20	Each number indicates that as of April 1 of the following fiscal year
Ratio of female leaders (leaders: managerial position + group leader)	%	26.4	26.1	29.3	28.5	Each number indicates that as of April 1 of the following fiscal year
Ratio of working mothers among all female employees	%	35.4	34.5	36.3	37.1	As of the end of each fiscal year
Percentage of employees with disabilities	%	2.37	2.42	2.54	2.21	As of the end of each fiscal year
Employees using maternity leave at childbirth	Persons	19	18	18	24	Number of employees who started maternity leave during each fiscal year
Ratio of employees who returned to work after childcare leave	%	100	100	100	100	Actual number of employees who returned to work after childcare leave + (employees who returned to work after childcare leave for the fiscal year + retirees)
Employees using maternity leave at childbirth	Total Persons	82	82	90	98	Number of employees who used shortened working hours for childcare during each fiscal year
Ratio of employees who took paid leave	%	67.8	73.9	79.8	78.8	Calculated based on the period between January and December (per person average)
Average monthly overtime per employee	Hours	10.4	12.3	14.6	15.3	Calculated based on the period between April and March (per person average)
Cost of education per person	Yen	29,838	35,122	39,730	40,016	Number of employees in 2023 (as of March 31, 2024): 1,054
Training period per person	Hours	10.1	11.8	12.2	10.6	Number of employees in 2023 (as of March 31, 2024): 1,054
Engagement score		70	72	72	71	2020 (February 2021), 2021 (March 2022), 2022(March 2023), 2023 (March 2024)

## Governance

	Unit	FY2020	FY2021	FY2022	FY2023		
Board of Directors	Number of meetings held	Times	12	14	14	14	Fiscal year (April–March)
	Number of directors	Persons	13	13	13	13	Number of directors after the Ordinary General Meeting of Shareholders
	of which number of independent outside directors	Persons	7	8	8	8	
	Average attendance rate of directors	%	100	100	100	100	Directors who were in office during the fiscal year (April–March)
Audit & Supervisory Committee*	Number of meetings held	Times	18	22	23	23	Fiscal year (April–March)
	Number of directors who concurrently serve as Audit & Supervisory Committee members	Persons	3	3	3	3	Number of directors who were Audit & Supervisory Committee members after the Ordinary General Meeting of Shareholders
	of which number of independent outside directors	Persons	2	3	3	3	
	Average attendance rate of Audit & Supervisory Committee members	%	100	100	100	100	Audit & Supervisory Committee members who were in office during the fiscal year (April–March)
Actual officer remuneration paid	Million yen	259	228	228	219	Fiscal year (April–March)	
Number of inquiries to the internal whistle-blowing and consultation desk	Cases	3	2	2	7	Fiscal year (April–March)	
Rate of participation in e-learning about compliance	%	100	100	100	100		
Rate of participation in e-learning about information security	%	100	100	100	100		

\* Effective June 24, 2020, the Company has transitioned from a company with a board of corporate auditors to a company with an audit and supervisory committee. The number of (independent outside) directors and the number of directors who are Audit & Supervisory Committee members displayed for fiscal 2020 are as of after this transition. The number of meetings of the Audit & Supervisory Committee and the average attendance rate for fiscal 2020 include those of the Board of Corporate Auditors. Please refer to our website for detailed data. [https://www.r-lease.co.jp/en/sustainability/esg\\_data/](https://www.r-lease.co.jp/en/sustainability/esg_data/)

# Corporate Information and Stock Information (As of March 31, 2024)

## Corporate overview

Trade name	RICOH LEASING COMPANY, LTD.
Share capital	7,896 million yen
Market	Tokyo Stock Exchange Prime Market (Securities Code: 8566)
Number of employees	1,641 (on a consolidated basis)
Founded	December 1976
Business description	Leases & Finance Business Services Business Investment Business

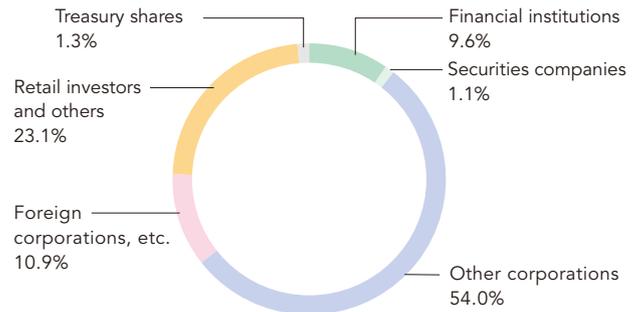
## Sales bases

Hokkaido	Sapporo
Tohoku	Sendai and Morioka
Kanto	Tokyo (head office, Chiyoda-ku, and Koto-ku), Tachikawa, Yokohama, Chiba, Saitama, Utsunomiya and Mito
Chubu	Nagoya, Shizuoka and Kanazawa
Kansai	Osaka, Kobe and Kyoto
Chugoku/ Shikoku	Hiroshima, Okayama and Takamatsu
Kyushu	Fukuoka, Kumamoto and Naha
Group companies	Techno Rent Co., Ltd. Enplus Inc. Welfare Suzuran Co., Ltd. Tokyo Business Rent Co., Ltd.

## Status of stock

Total number of issuable shares	120,000,000 shares
Total number of issued shares	31,243,223 shares
Number of shareholders	63,091
Number of shares per unit	100 shares

### Shares held by shareholder category



### Ten largest shareholders

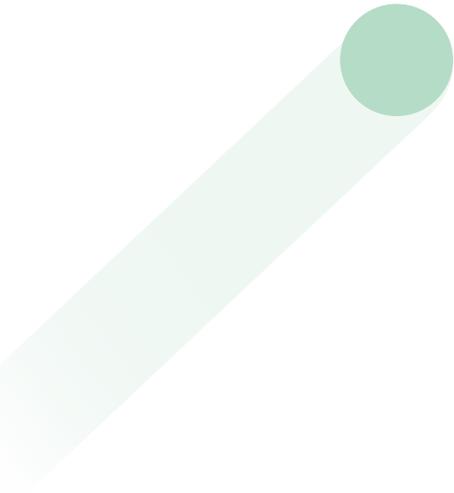
Name of shareholder	Number of shares held (1,000 shares)	Shareholding ratio (%)
Ricoh Company, Ltd.	10,380	33.7
Mizuho Leasing Company, Limited	6,160	20.0
The Master Trust Bank of Japan, Ltd. (Trust account)	2,034	6.6
Custody Bank of Japan, Ltd. (Trust account)	788	2.6
STATE STREET BANK AND TRUST COMPANY 505001	328	1.1
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	280	0.9
BNYMSANV RE BNYMIL RE LF MORANT WRIGHT NIPPON YIELD FUND	275	0.9
STATE STREET BANK AND TRUST COMPANY 505223	251	0.8
BNYMSANV RE BNYMIL RE LF MORANT WRIGHT JAPAN FUND	220	0.7
Ricoh Leasing Employee Shareholding Association	178	0.6

#### Notes:

- Treasury stock held by the Company (418,649 shares) is excluded for the purposes of determining the ten largest shareholders above
- The shareholding ratio is calculated by subtracting the number of treasury stock from the total number of issued shares

## Credit ratings

	Long-term	Short-term
Japan Credit Rating Agency, Ltd. (JCR)	AA-/stable	J-1+
Rating and Investment Information, Inc. (R&I)	A+/stable	a-1
S&P Global Ratings Japan Co., Ltd.	BBB/stable	A-2



Ricoh Leasing Company, Ltd.

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