

ESG
Briefing

Human Capital
Strategy and
Progress

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Global Talent Strategy



Main Key Performance Indicators for Boosting Earnings

- Reach four indicator targets below to transform into digital services company

Companywide initiatives	Direction	FY2025 targets for four main key performance indicators*
Reform business portfolio	Shift to digital services growth areas	1. Generate more than 60% of sales from digital services
Transform business model and boost profitability	Increase overall recurring revenue levels and expand recurring revenues in non-Office Printing areas	2. Boost recurring revenues by 18% 3. Raise non-Office Printing ratio to 54%
Maximize human capital potential	Build digital capability and leverage global resources	4. Increase profitability per employee by 70%

*Compared with FY2022 projections

Nine Strategic Theme Challenges for 21st Mid-Term Management Strategy

Challenge = Bridge gaps

People

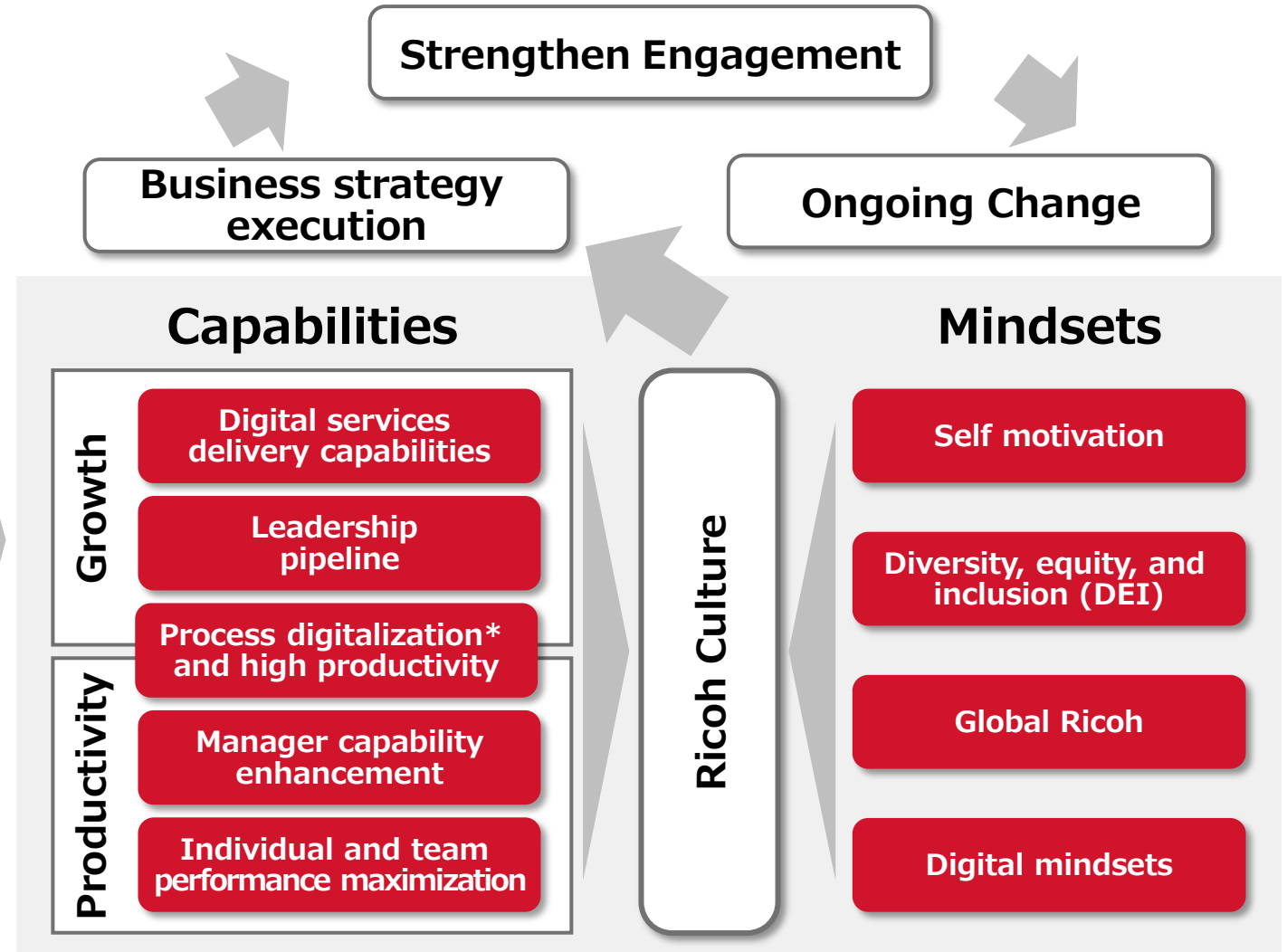
- **Subject matter experts and business specialists** for digital services
- **Business Leaders** with digital service creation capabilities
- Individuals who can **adapt to change and co-create**

Systems

- Platform that optimizes human capital **worldwide**
- **High internal and external human capital mobility** and related programs

Corporate culture

- **Self-direction** and **supportive environment**
- **People constantly redesigning their work and enhancing productivity**
- **Diverse and inclusive environment** fostering creativity



*Process digitalization: Redesigning work and processes with digital technology

Fulfillment through Work

The three pillars of our approach to human capital

①

Encourage employees to fulfill their potential

Self-disciplined mindsets and self-directed work approaches maximize performances of individual workers

②

Align personal and business growth

Unleash employee creativity and foster business growth by leveraging digital skills

③

Enable employees to experience Fulfillment through Work

Create a corporate culture that embraces Fulfillment through Work by globally offering the same employee experiences

Nine strategic themes

Three pillars	<p>① Encourage employees to fulfill their potential</p>	<p>② Align personal and business growth</p>	<p>③ Enable employees to experience Fulfillment through Work</p>	
Strategic elements	<p>Self motivation</p> <p>Individual and team performance maximization</p> <p>Manager capability enhancement</p>	<p>Process digitalization and high productivity</p> <p>Digital mindsets Digital services delivery capabilities</p> <p>Leadership pipeline</p>	<p>Diversity, equity, and inclusion (DEI)</p> <p>Global Ricoh</p> <p>Strengthen engagement</p>	
Employee experiences	<p>Learning and growth and career development</p> <p>Manager training Hybrid work policy</p>	<p>Design thinking/Agility</p> <p>Basic digital skills</p> <p>Process digitalization</p> <p>Global leadership program</p>	<p>Co-creation culture</p> <p>DEI activities</p>	<p>Ricoh Way</p> <p>Engagement surveys</p>
FY2025 key performance indicators	<p>Career development Internal job reassignment rate based on Individual Development Plan</p> <p>More than 60%</p>	<p>Digital training* completion rate</p> <p>100%</p>	<p>Female-held managerial position ratio</p> <p>Global: 20% Japan: 10%</p>	<p>Employee engagement score</p> <p>3.91 (Using Gallup scores)</p>

* Digital training: Generic term for training programs encompassing Ricoh Agile and process digitalization and digital basics

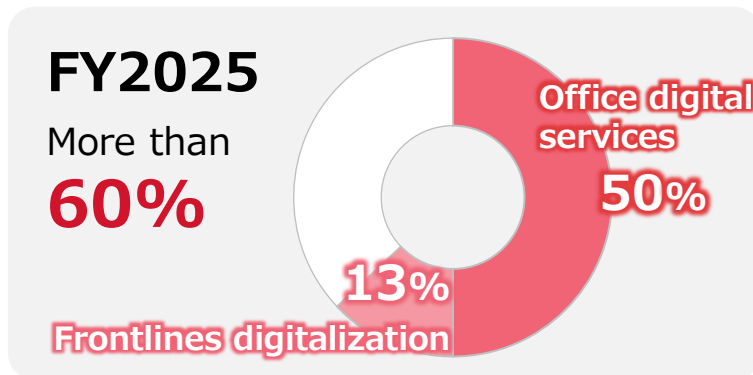
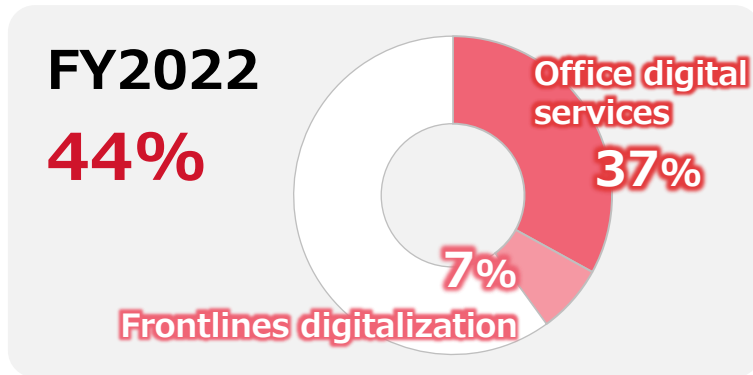
Strengthening Our Digital Capabilities



The Need for Digital Professionals

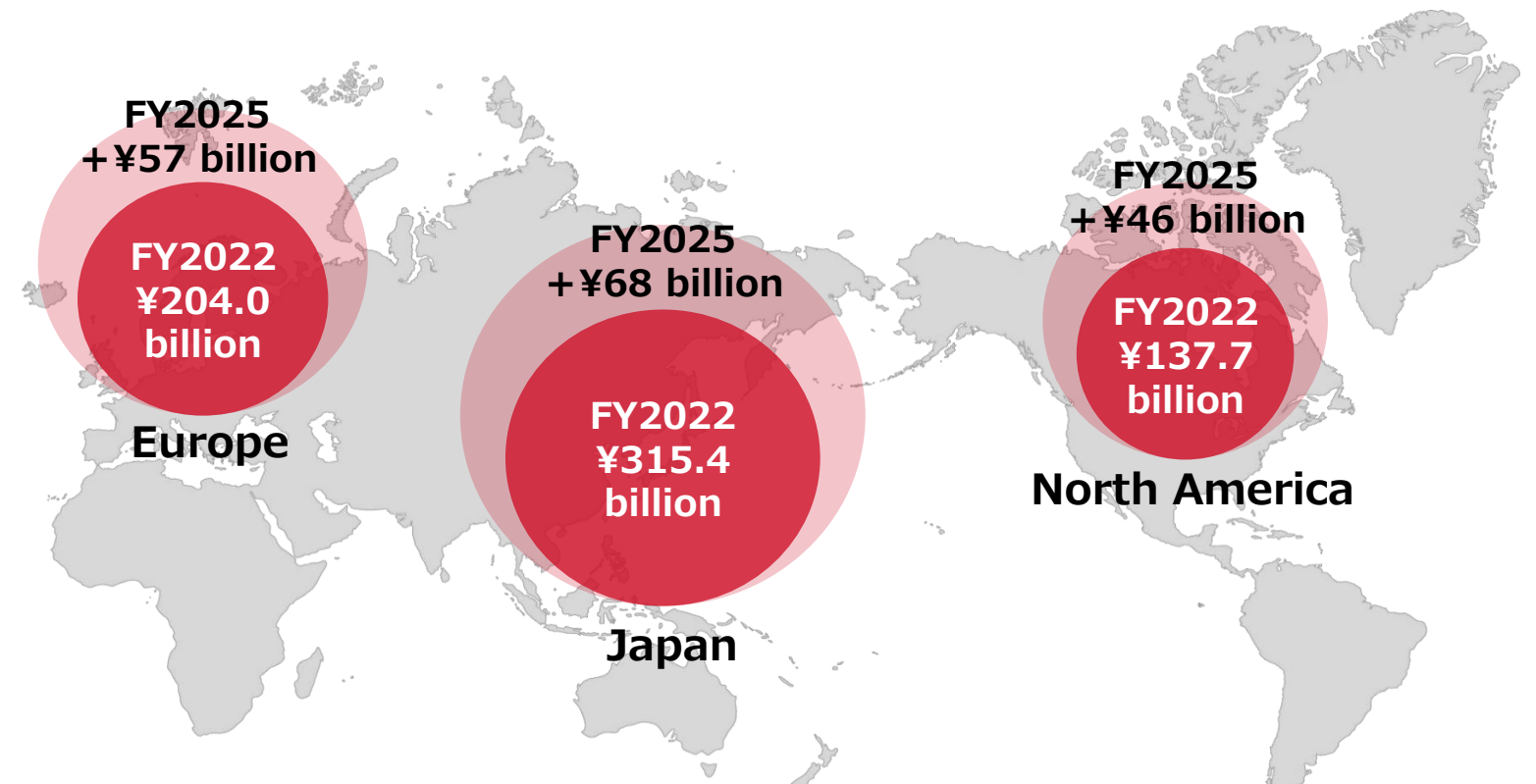
- Intensify efforts to bolster, train, and redeploy talent to expand Office Services business

Changes in digital services sales (excluding Other businesses)



* Excluding the Other segment

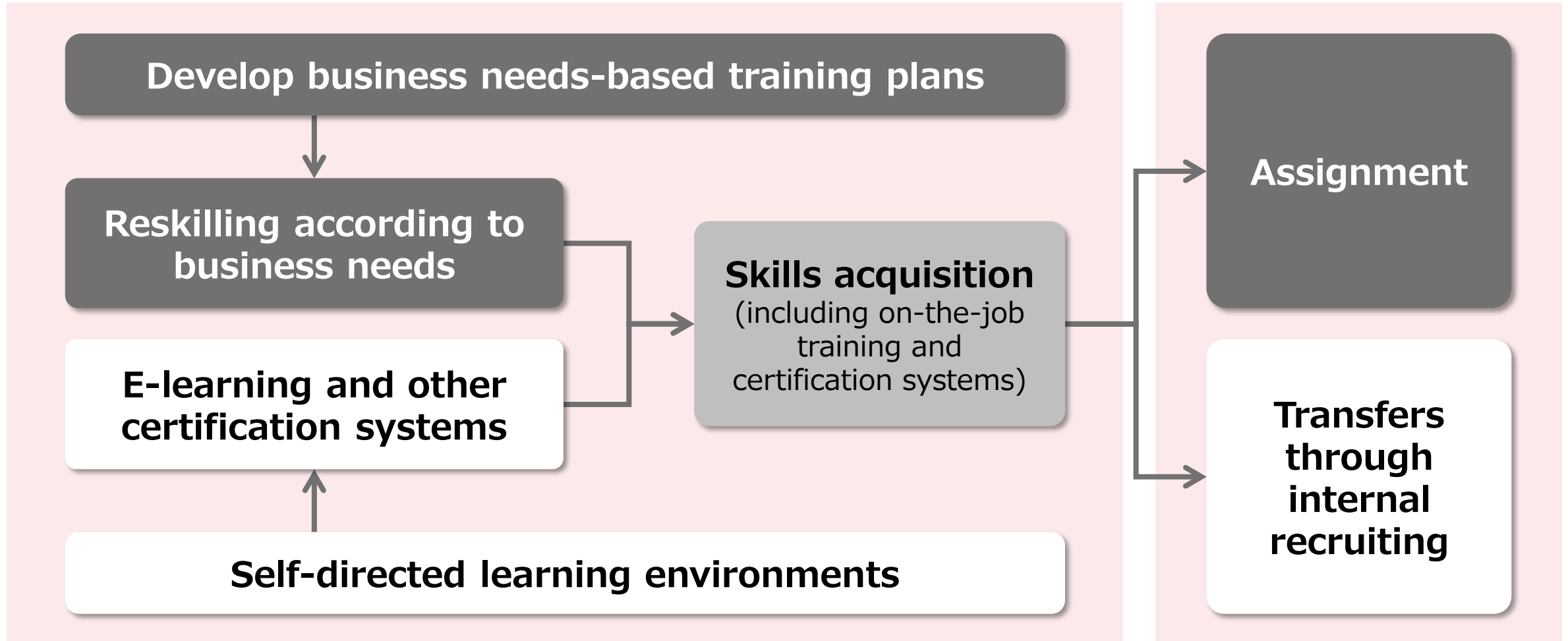
Office Services sales targets for Japan, Europe, and North America



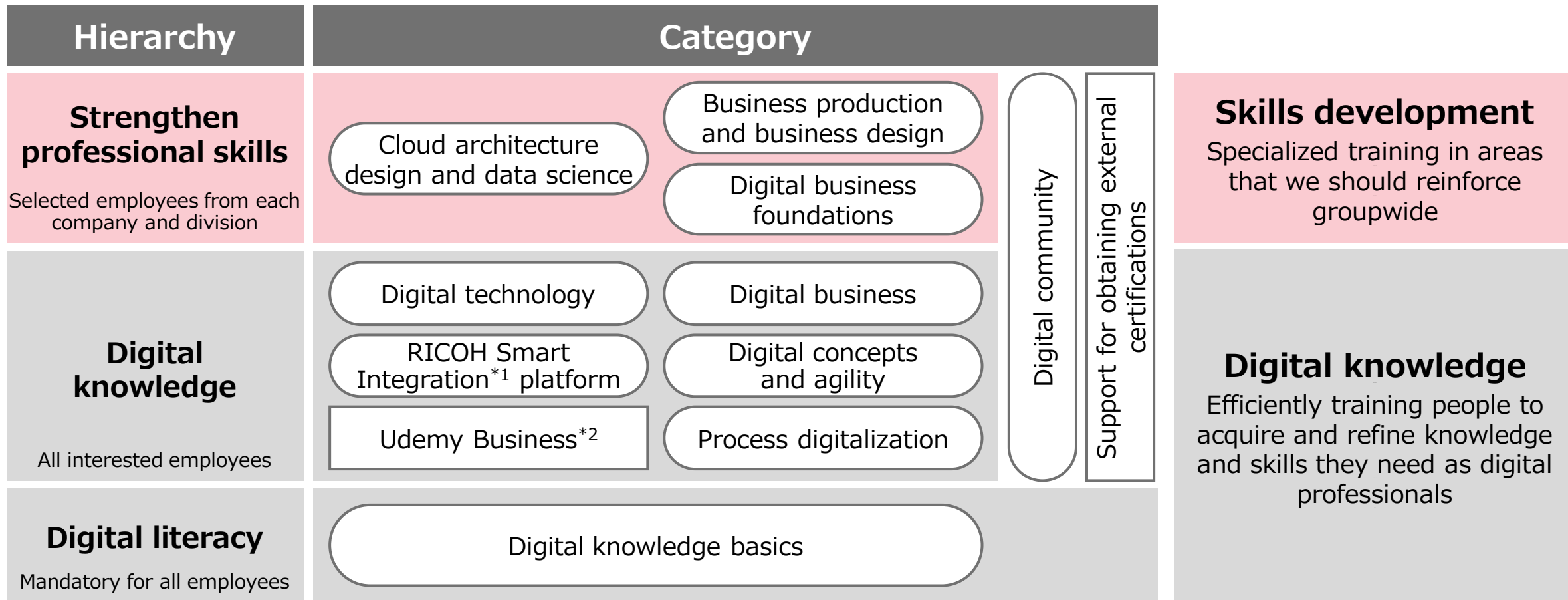
* FY2022 figures are from the full-year financial results announced on May 8, 2023, before recategorizing the PFU business and some common expenses

Developing and Redeploying Digital Professionals

- Take top-down and bottom-up approaches worldwide
- Regionally customize training and redeployment platforms



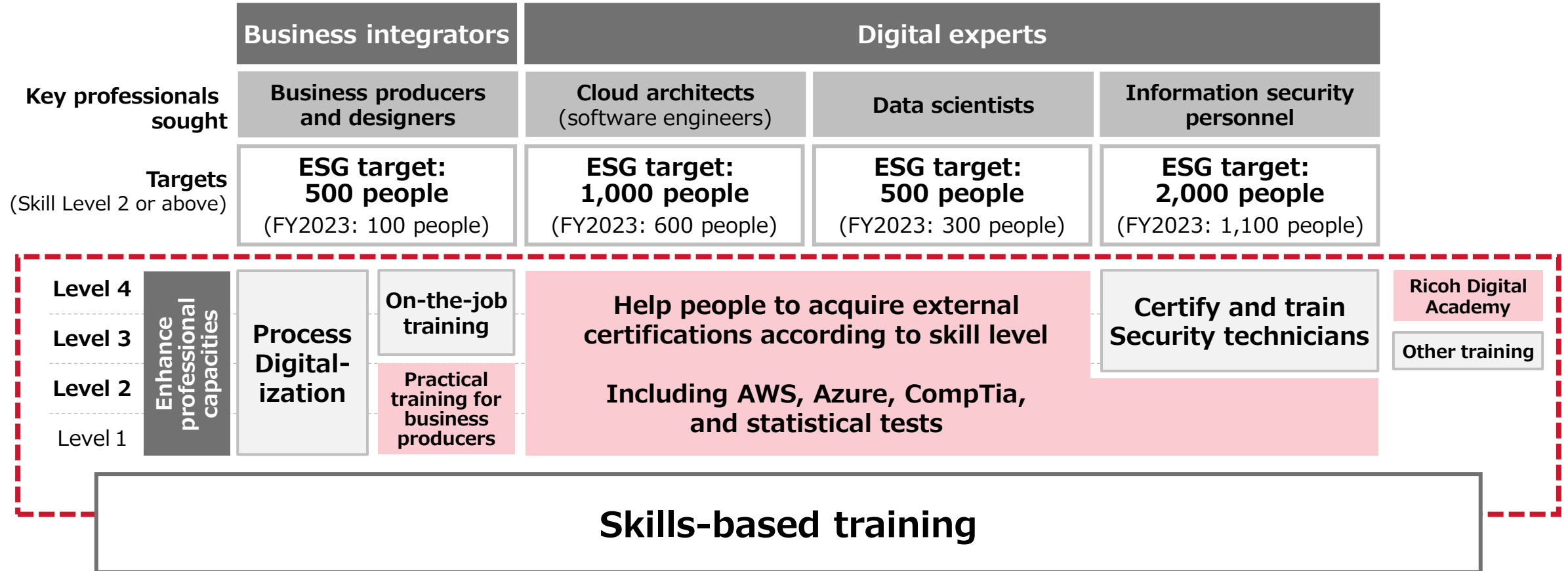
- Maintain two-tiered structure to develop professional skills and enhance digital knowledge of all employees



*1 Ricoh Smart Integration: Ricoh Group common platform

*2 Udemy Business: An employee online learning platform of Udemy, Inc., of the United States

Overall Goals for Japan: Four Focus Areas



Including for system engineers, business producers, and internal IT specialists

Ricoh Japan Clarifying Requirements by Job Role

- Professional certifications across all positions by job types and roles

Job Type	Job Role	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements	Requirements
Sales	Account SA	AA-SA	LA-SA	MA-SA	GE-SA									
	Channel SA	BP-SA	OR-SA	AP-SA										
	Inside SA	Field and inside	PASS	DMC	Digital marketing									
	ICT-SA	Finance	Non-finance											
	Product SA	IT infra-structure	Applications	COM	Workplaces	Imaging	PP	Industrial	Smart & Energy	Imaging	MDS	Multi-role support		
SE*	Customer engineer	DSE	H-DSE	ICTE	H-ICTE	MAE	DPE	CEX						
Technology	Sales engineer	Systems architect	Project manager	Software development	Applications SE	Managed services SE	Platform SE	Document specialist	Product specialist	Strategist				
	Consultant	Consultant												
	Producer	Producer												
	IT facilities engineer	Design	Construction management											
	Technical support engineer	Regional DS/SW	Headquarters DS/SW	ICT	PP/information	S&E								
Support	Sales and service support	Process support	ASC	MDS services (site operations)	MDS services (SDM)	MDS services (IT-BPO)								
	Operations	Site operations	Shared services											
	Staff	Planning and strategy	Corporate	Sales promotion	Product service planning	Digital marketing	Internal SE *SE professional certification	Call *communicator						

Defining different skills for each customer target

Legend

- Requirements according to duties and details
- Common staff role requirements
- Product service planning job requirements
- Currently reviewing or preparing jobs and role definitions

*Sales engineering

- Aligning external and internal certification levels job grades and compensation

Ricoh Japan's System Engineer Professional Certification Levels

3Rings* ¹ assessment (ITSS* ² Career Level)	Ricoh Japan professional certification levels		
Level 6	8	Corporate changer	<ul style="list-style-type: none"> ● Top-tier expertise in Japan ● Influential in industry and regional circles
Level 5	7	Business changer	<ul style="list-style-type: none"> ● High-end player in-house ● Highly influential in-house and with partners
Level 4	6	Value creator	<ul style="list-style-type: none"> ● Top-tier players in-house ● Well-known throughout company
Level 3	5	Agent of change	<ul style="list-style-type: none"> ● Outstanding skills and results in region (bloc) ● Well-known and influential across region
Level 2	4	Performance driver	<ul style="list-style-type: none"> ● Contributes to branch and business unit progress
Level 1	3	Cornerstone	<ul style="list-style-type: none"> ● Contributes to business unit progress
	2	Fully capable	<ul style="list-style-type: none"> ● Can leverage basic skills in independently handling tasks ● Achieving consistent results
	1	Handling tasks independently	<ul style="list-style-type: none"> ● Meets minimum skills requirements

*1 3Rings: Ricoh Group's domestic online skills visualization platform

*2 ITSS: Japan's Ministry of Economy, Trade and Industry published the Skill Standards for IT Professionals (ITSS) indices to identify IT skills

Ricoh Europe's Reskilling and Upskilling Programs

- Continue to train and shift highly experienced workforce to support growing Office Services
- Program graduates deploying and integrating services of acquired firms

RICOH Europe's Digital talent development Initiative



Digital Academy

- **Digital Talent Programme**
 - Develop digital skills to meet with future business demand

Trained Talent *as of H1 FY2023*

470 employees

Shift upskilled talent to growing areas



Technical Academy

- **Cross-Skilling Programme**
 - Cross-skill all field engineers to provide support across Office Services business

Trained Talent *as of H1 FY2023*

1,000 engineers

Enhance engineers' capabilities



Sales Academy

- **Selling Value Programme/partner portal**
 - Enable sales and partners to sell value with whole integrated portfolio

Trained Talent *as of H1 FY2023*

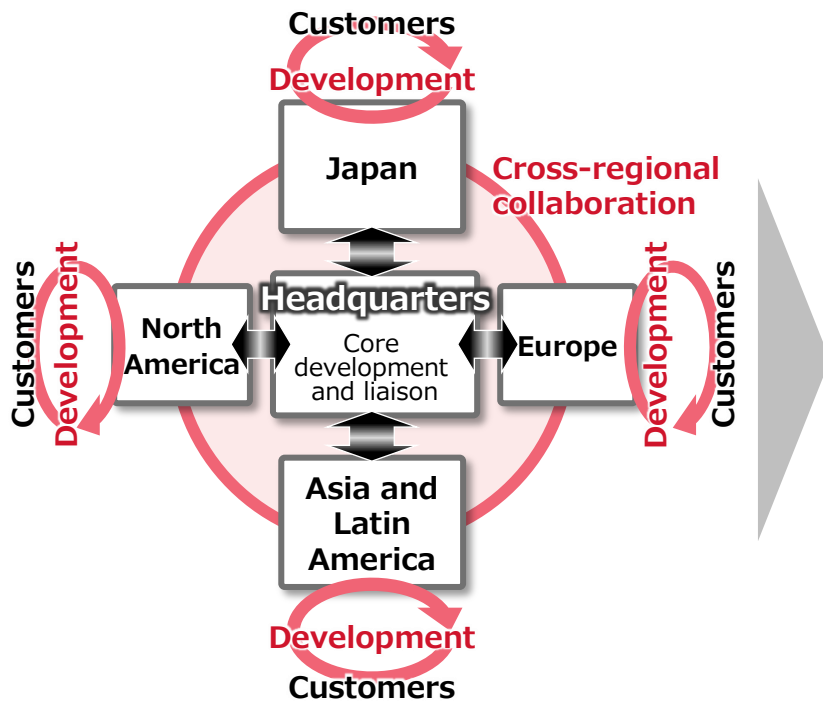
+3,000 sales
870 activated Partners

Drive value-added sales via all channels

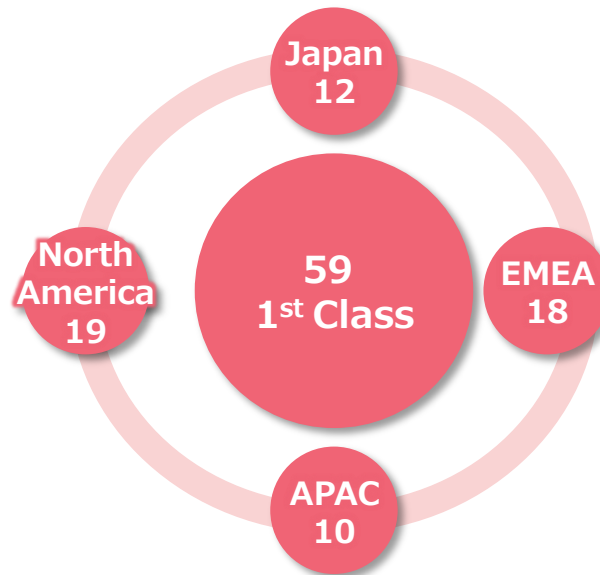
Strengthen Leadership Pipeline

- Develop leaders through MIRAI leadership program

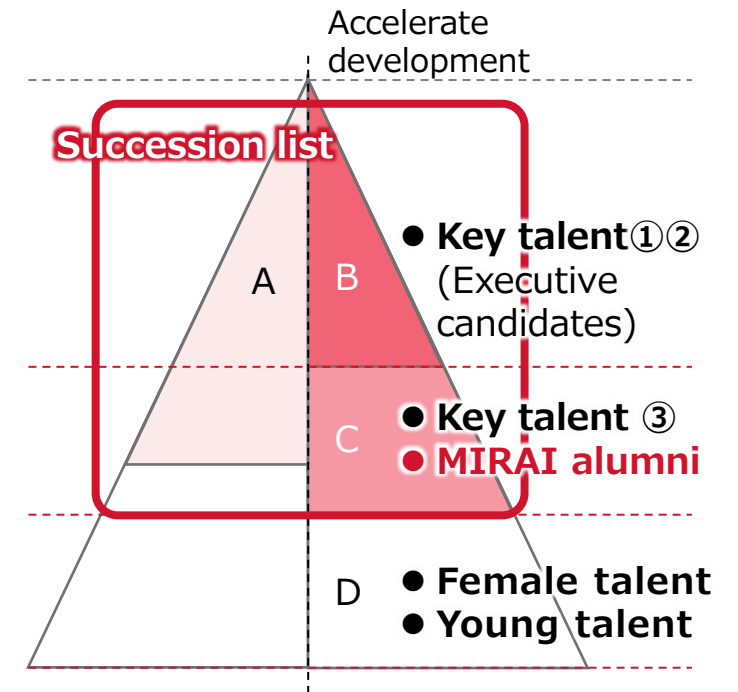
8 months



Bolster regional strategies and evolve Group management



Number of MIRAI program participants by region



Overview of leadership development framework

Enhancing the Work Culture



Bolstering Self-Direction and Engagement Worldwide

- Taking shared and differing approaches

	Work style	Career	Education		Culture	DE&I
Japan	Our Normal— Ricoh’s new hybrid work approach	Ricoh-style job-based personnel system	Creating self-learning plans to compile and visualize skills and experience	Manager training— from supervision to support	RICOH Way Values Award* ²	Japan Council
		Job postings			Ricoh Way	Global Council
Overseas	Hybrid work and virtual employees	Career support measures using LMS* ¹			New business	Employee Resource Group



*1 LMS: Online learning management system

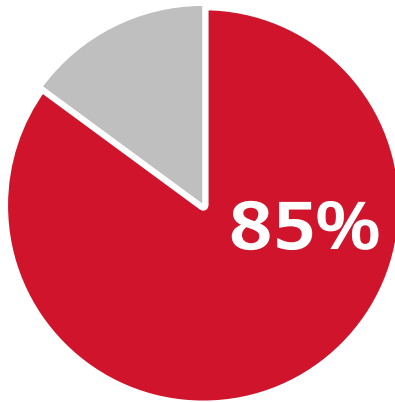
*2 The Ricoh Way Values Award: Award system that recognizes global initiatives that embody our values

Key Performance Indicator Progress

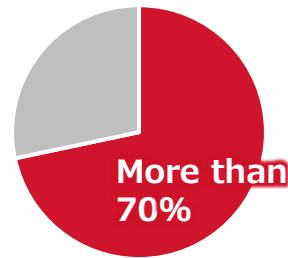
Career self-direction

(Survey of 14,000 domestic Group employees)

As of October 2023



Percentage updating career sheets

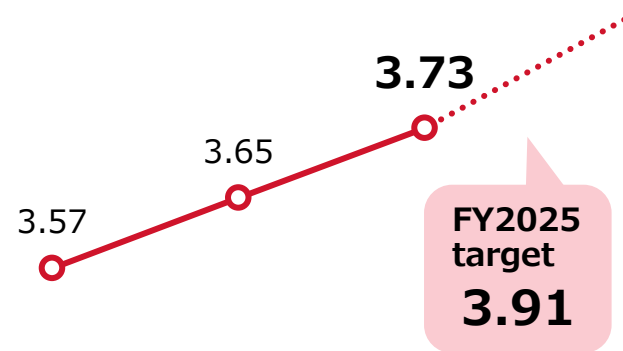


Percentage updating Individual Development Program goals

- Significant growth in number of employees using career tools seven months after deployment
- High percentages of employees updating Individual Development Plan goals and career sheets

Employee engagement score

(Using Gallup scores)



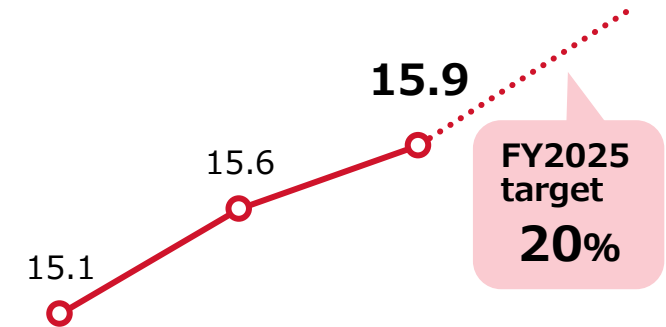
FY20 FY21 FY22

Steady improvements since FY2020

	FY2020	FY2022
Japan	3.40 →	3.51
North America	3.83 →	4.00
Europe	3.53 →	3.83
Other regions	3.86 →	4.24

Female-held managerial position ratio

(Global)



FY20 FY21 FY22

- Women now head overseas production sites and domestic sales branches
- All eligible men in Japan have taken paternity leave

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