

**RICOH Digital
Services Briefing**

**North
America**

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Carsten Bruhn

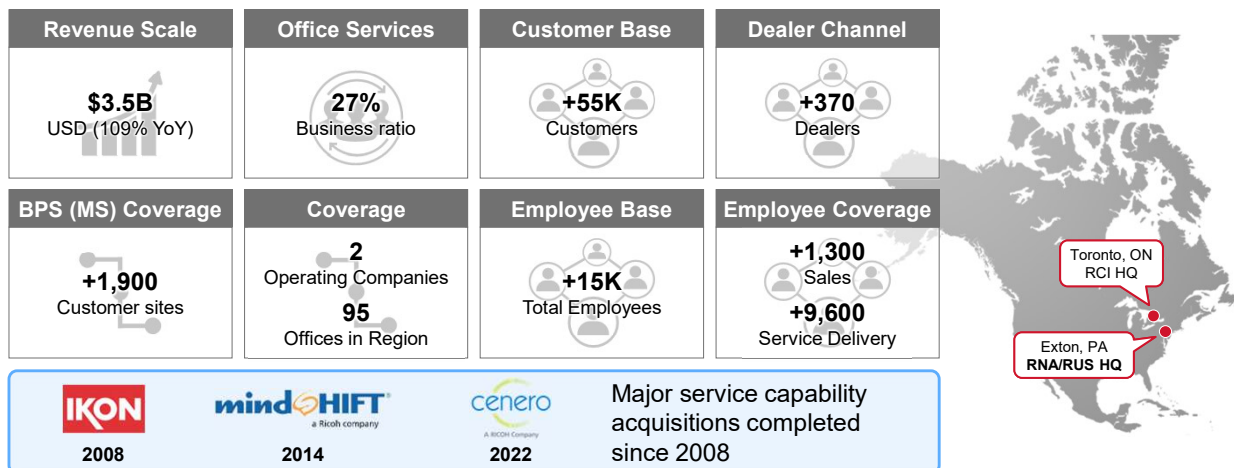
General Manager of North America Management Division,
Ricoh Digital Services Business Unit
President and CEO of Ricoh USA, Inc.

December 7, 2023

RICOH Digital Services

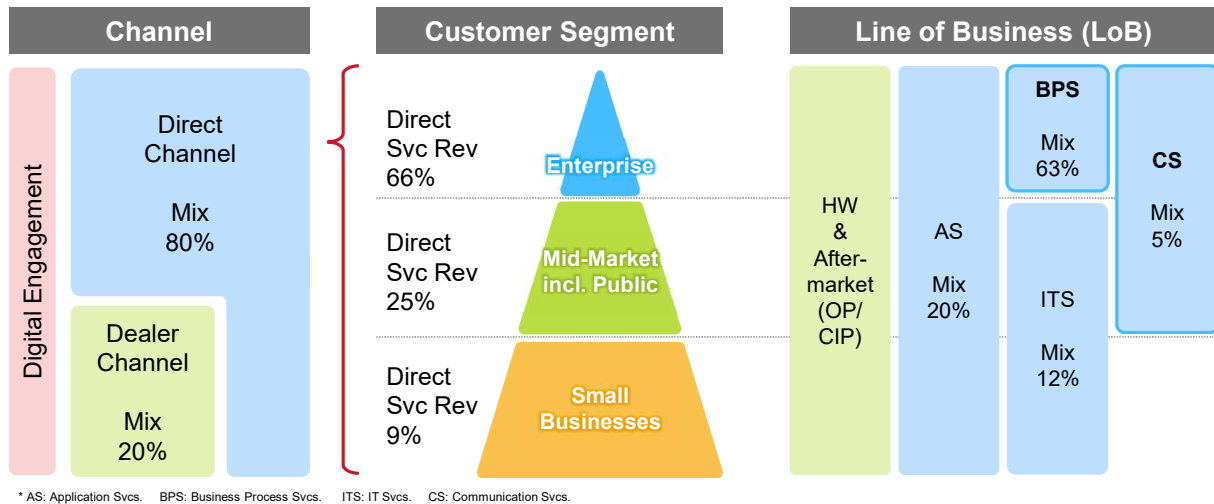
- Hello. I'm Carsten Bruhn. I'm the President and CEO here of Ricoh USA.
- I'll start with an overview of Ricoh North America's business, discuss our strategy for growth, and provide examples of our strategy in action.

- RNA covers the entire the U.S. and Canada with a direct sales and dealer network
- Our **very large customer base, BPS customer sites and last-mile footprint** are our strength as we seek to grow our service business

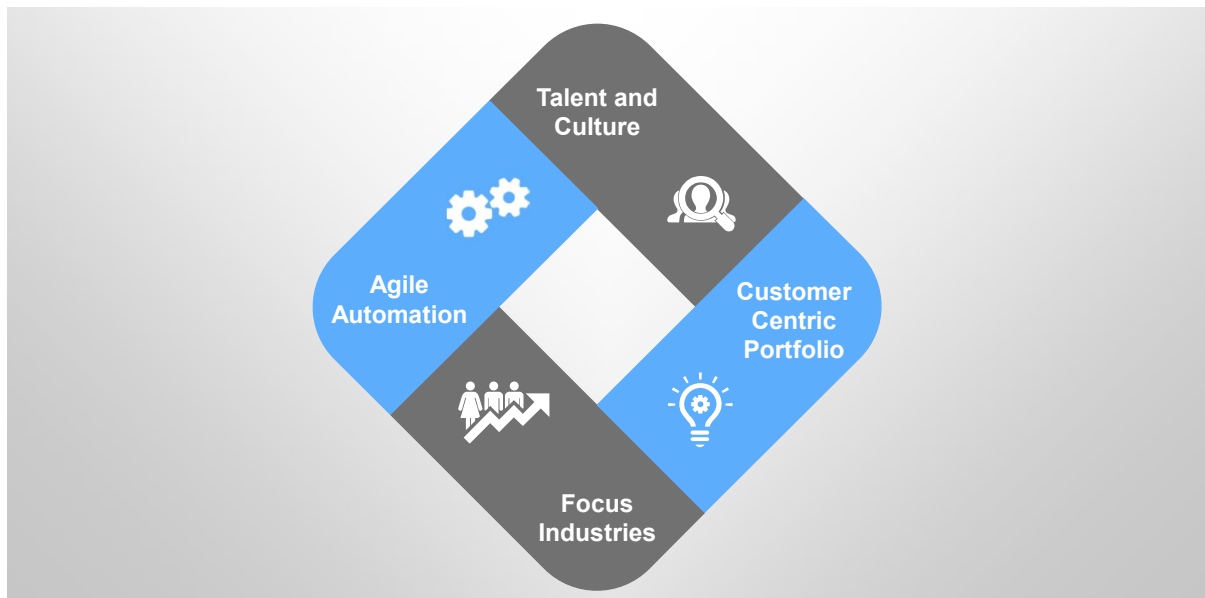


- First, let me give you an overview of our North American business.
- As pictured in the top left of the slide, our revenue has grown substantially to \$3.5 billion. Our strengths include:
 - Our large base of more than 55 thousand customers includes 84% of Fortune 500 companies,
 - More than 1,900 customer locations,
 - And our network of Ricoh employees who work directly with customers every day and deeply understand our customers' needs.
- As pictured at the bottom of the slide, we completed three strategic acquisitions that have contributed to our digital services transformation. These include:
 - IKON, which gave us Business Process Services coverage,
 - MindSHIFT, which grew our IT services business,
 - And most recently, Cenero, which significantly expanded our fast-growing communications services business, which I will discuss in detail later.

- Enterprise is a key segment of focus, supporting our Digital Services growth strategy
- BPS and CS are key areas of emphasis aligned to our regional and global strategy



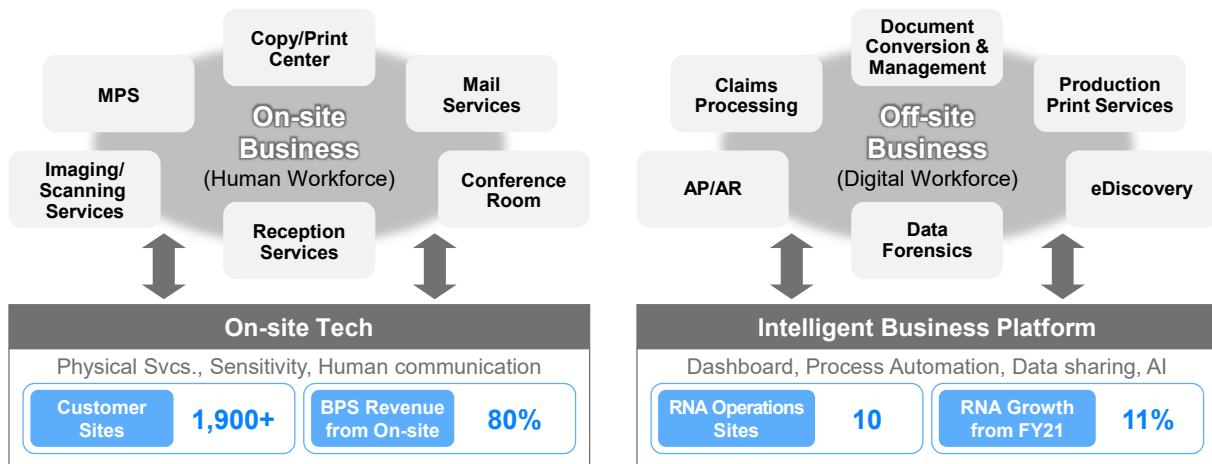
- To go a little deeper into our North American market, let me share an overview of our channels, customer segments and lines of business. We have a nice split in our channel approach with 20% coming from our dealer channel and 80% driven by our direct business.
- When we look at our customer segments, the top of the pyramid represents enterprise customers. They are essential to our growth strategy. This is because they provide the most opportunity for complex, strategic, and value-added sales. As we go down the pyramid, the services we deliver to mid-market and small businesses become more standardized and allow for higher levels of self-service. This translates into higher sales volumes, which in turn, allows us to invest back into our portfolio development.
- Moving over to the lines of business column, you will notice two highlighted boxes. These represent the focus areas that will drive our digital transformation. Business Process Services, or BPS, is a large and growing mix of our business. Within our workplace experience portfolio, Communication Services, or CS, is a small but fast-growing and very complementary business that is critical to our growth.
- We are on the forefront of workplace innovation. We enable our customers to unleash the power of trapped information to unlock their business' full potential. We believe having access to the right information translates to better business agility and the ability to thrive in today's age of hybrid and borderless work.
- Our services-driven approach includes:
 - End-to-end hardware and software solutions that address every aspect of enterprise information flow,
 - Integrated services that connect solutions into automated systems,
 - And Ricoh employees on the ground that operate, manage, and service solutions.
- This is what allows us to make sure we're speaking the language of our customers – we listen to them, co-develop solutions with them, and remain agile as we adapt to deliver on their needs.



- Our strong foothold in North America positions us to drive sustainable, long-term growth. We are guided by four key strategies.
- First of all, we are very focused on our Talent Strategy and our Culture.
 - This is the foundation of everything we are doing. We believe the right culture and the right people are critical to our success.
 - We are seeing it translate into higher productivity and employee retention, which leads to better customer satisfaction and higher earnings.
- Second, we are also transforming our go-to-market strategy and developing a customer-centric portfolio.
 - We are no longer selling products as a vendor to our customers; we are delivering solutions and solving real business challenges as a partner to our customers.
 - We're building a more relevant, customer-centric portfolio of services through co-innovation.
 - And, we are investing in process automation growth areas, such as Business Process Services, and workplace experience, like Communication Services, to transform the company.
- Third, we are focused on key customers and industries.
 - We've identified four key industries as high-growth areas for North America – healthcare, retail, financial services, and manufacturing.
 - And to support our most strategic growth accounts, we structured a highly skilled, unique salesforce for focused coverage in those vertical industries.
- Finally, we are digitizing and modernizing with automation.
 - This is all about being agile to create a digital-first, customer-focused approach to delivering value and enabling customers to automate their business.

Accelerating automation with Business Process Services

- BPS generates **63% of the services revenues** in North America
- We deliver strategic automation and digitization of customers' businesses through our Intelligent Business PlatformSM, creating new customer value



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- As I noted, Business Process Services is a very important component of our digital transformation strategy. It comprises 63% of services revenues in North America.
- This is a prime example of where North America is driving digital transformation for Ricoh. Our customers are asking to digitize their business. Our on-site presence gives us a unique understanding of our customers' needs and gives us the ability to work with them to co-create solutions.
- Essentially, Business Process Services bridge from manual processes to automated workflows by capturing and converting them to a digital form. From there, we can automate and integrate the information into a workflow.
- On-site, we create value for our customers with our last-mile capabilities to provide an enhanced experience.
- Our Off-site Business approach, which has seen double-digit growth since fiscal year 21, is to provide a digital workforce to supplement knowledge workers, provide critical insights, and connect data to create a complete value-based service.
- Looking ahead, Business Process Services is well-positioned to drive sustainable, profitable business growth. We see many opportunities to build on our strong heritage and process automation services. We are not selling products; we are delivering solutions that address customers' challenges while also contributing higher profits through annuity services. With our strong customer relationships and track record of delivering value, we look to drive continued growth in this important line of business.

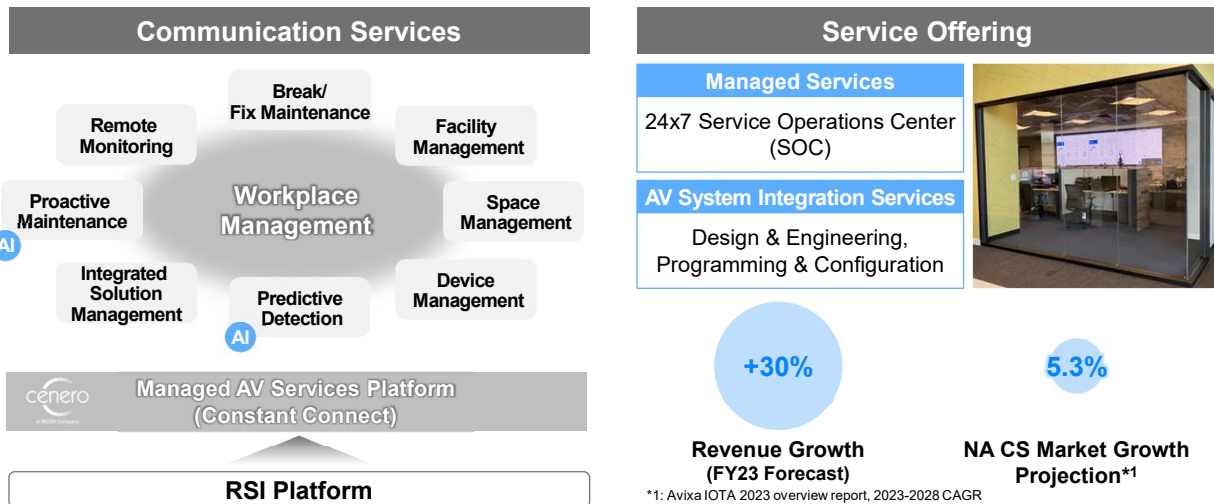
- Fortune 500 Managed Care and Healthcare Solutions company sought an automation solution to streamline its processing for open enrollment, disputes, appeals, and other correspondence to better meet regulatory requirements for its 28 million members

Customer Profile	The Challenge
<p>Customer name: Managed Care & Healthcare Solutions</p> <ul style="list-style-type: none"> ● Industry: Insurance ● Foundation: ~1980 ● Employees: 65,000+ 	<ul style="list-style-type: none"> ● Automate and manage high volume of inbound and outbound communications to members ● Implement intelligent software to split and redact information from complex files for federal compliance purposes ● Reduce the amount of undelivered mail ● Improve member experience
<p>Our Solution</p> <ul style="list-style-type: none"> ● Offsite Business Information Services ● Customized Workflows ● Business Process Automation ● Digital Mail Services ● External Member Correspondence 	<p>Post Implementation</p> <ul style="list-style-type: none"> ● Process more than 1 million pieces of mail annually ● Automated 12% of documents that go through manual redaction processes, which reduced manual labor ● Designed and automated 30 reports to support CMS regulatory requirements that previously were not being generated
<p>Reason for Selecting Ricoh</p> <ul style="list-style-type: none"> ● Long-term partnership with Ricoh predicated on trust, integration capabilities, and technology stack ● Required a secured environment to manage their data ● Differentiated co-innovation process that addresses complex requirements and supports ability to meet SLA mandates 	

- Now I want to highlight an example that demonstrates how our four key strategies are delivering results.
- In this case, we worked with an existing customer that is a health insurance carrier, and we built upon strong relationships and institutional knowledge to create meaningful solutions.
- Our client was looking for a way to securely automate member communication and information processing. They required a solution that could manage complex workflows, as well as sensitive inbound and outbound communication with a high level of accuracy and in compliance with complex federal regulatory requirements.
- To achieve these goals, we implemented our Business Information Services suite, including business process automation with customized workflows, digital mail services, and management of their member correspondence. This implementation successfully delivered a complete solution that met their needs.
- With Ricoh's partnership, the customer's volume and efficiency of document processing has increased exponentially. We've digitized and automated 12% of documents that previously required manual censoring for information security.
- We also designed and developed 30 new automated reports that meet and support regulatory requirements. This has allowed our customer to report information more accurately and, importantly, remain in regulatory compliance. In the U.S. market, non-compliance can lead to significant fines and loss of ability to operate.
- Since beginning implementation 18 months ago, Ricoh's revenues from this customer increased threefold.
- We've only begun to realize the full potential of this partnership. We expect to see continued growth with ongoing deployment of this technology.

Expanding customer-centric portfolio with Communication Services

- Supporting the global strategy of accelerating the Communication Services domain, Cenero acquisition contributed significant service growth and profitability



- Now I'd like to move to a key service I mentioned earlier. There is a significant revenue growth opportunity in the communication services business. And with last year's acquisition of Cenero, we not only expanded our digital workplace experience services portfolio, we also created new synergies that strengthened our existing offerings for our customers.
- Cenero's portfolio complements Ricoh's suite of remote and hybrid workplace services to solve the challenges of enterprise leaders, including the need to improve digital agility, increase innovation, and engage high-performing teams across fluid workspaces.
- You can see the image of our Cenero Operating Center on this slide, which gives you an idea of how we remotely deliver to our clients.
- While the North American communication services market is projected to grow at 5.3%, we forecast revenue growth in this area by more than 30% in FY2023. This growth demonstrates the power of combining our heritage businesses with Cenero's offerings. Working in tandem, we can provide even more service and value to our existing customers.

- Global pharmaceutical company has been a long-term customer for nearly 15 years
- With multiple office locations, they required a Managed Services partner for better continuity and collaboration between communication platforms

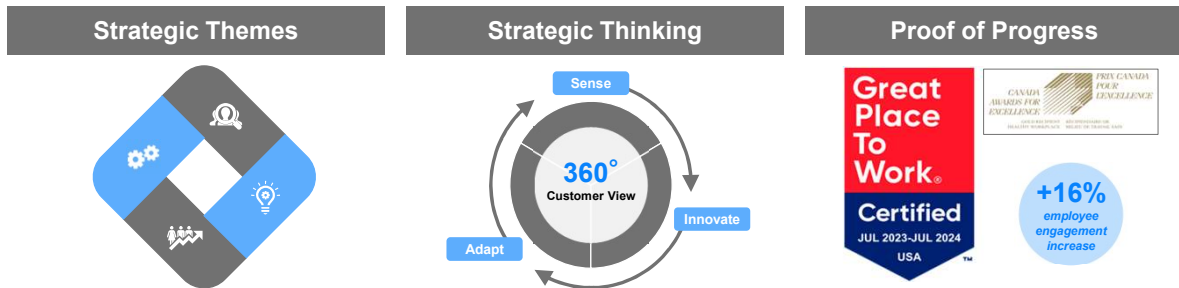
Customer Profile	The Challenge
<p>Customer name: Global Pharmaceutical Manufacturer</p> <ul style="list-style-type: none"> ● Industry: Pharmaceutical Industry ● Foundation: ~1870 ● Employees: 40,000+ 	<ul style="list-style-type: none"> ● Easily connect remote and in-office employees ● Improve the poor user experience being caused by disparate technology systems ● Decrease downtime experienced in meetings, which was resulting in loss of time and money
<p>Our Solution</p> <ul style="list-style-type: none"> ● Consistent technology implemented across different room types and offices ● Ongoing service and support programs established ● Comprehensive AV Analytics Dashboard demonstrates system performance, room usage, and support trends 	<p>Post Implementation</p> <ul style="list-style-type: none"> ● 99.5% uptime for proactive conference spaces ● Enterprise-wide AV standards simplified interactions ● 75% of downtime in meetings regained
<p>Reason for Selecting Ricoh</p> <ul style="list-style-type: none"> ● Established industry expert at developing smart, strategic collaborative solutions for large, multi-office corporations ● Provided a consultative approach to understand the specific use cases and business challenges ● Considered the entire meeting lifecycle and strategized to effectively design, deploy and manage AV solutions for a global organization 	

- Now, I'd like to highlight the long-term growth potential in Communications Services with a customer example.
- This global pharmaceutical company needed solutions that allowed all employees to easily connect and collaborate – across multiple offices and remote locations. Each of their office locations was set up with different technology, and employees had trouble connecting and communicating. Meeting spaces did not include the right audio visual solutions, resulting in poor audio and video quality and confusing workflows. Their technology issues resulted in frequent meeting downtime and user frustration, wasting time and money.
- With Cenero's offerings we were able to implement more sophisticated meeting space standards. We established a consistent, familiar, and intuitive interface and easy-to-use collaborative technology across different room types, providing the same experience in every office and location. Services include an on-demand 24-hour Help Desk and proactive monitoring and testing of all technology to ensure all systems are fully functional.
- We also implemented a comprehensive audio visual analytics dashboard to provide detailed reporting and AI-informed data on system performance that eliminated technology issues and enabled more informed business planning.
- Today, our customer is benefitting from improved collaboration and communication among remote teams. This has resulted in 99.5% uptime for conference spaces. In addition, proactive monitoring and testing of all meeting space technology, along with on-demand support, reduced meeting downtime across the organization by 75%.

- Through the establishment of our Culture of Excellence in FY21, we have been building an inclusive and diverse culture
- Driving an “outside-in” customer focus through an aspirational mindset for growth, which drives employee engagement

Achieving Fulfilment Through Work

We have a passion to serve our customers, unlocking the power of information so we can unlock the full potential of our people to create more meaningful human experiences for Ricoh and our customers.

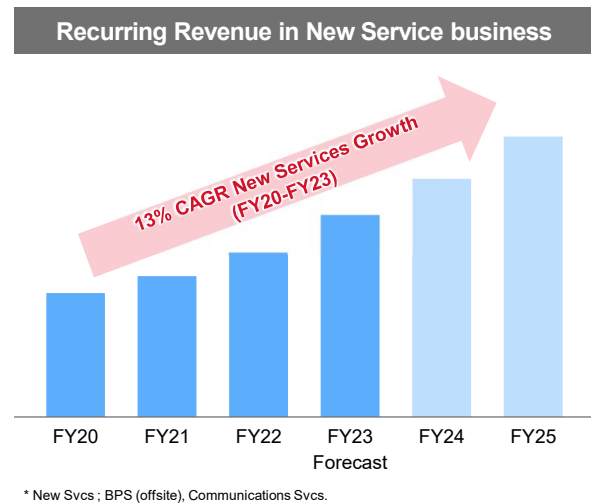
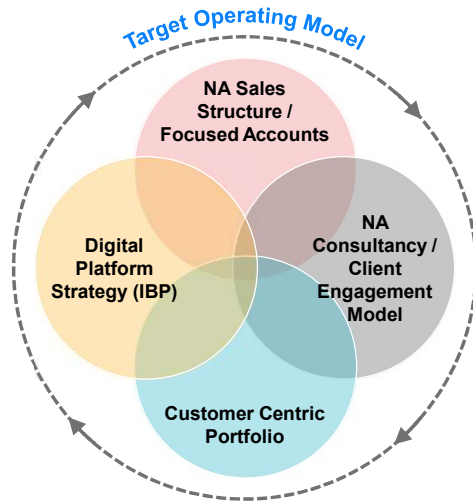


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- The final key strategy I will discuss today, and what has allowed us to build an agile model, are the talent and culture initiatives we have been working on for the past 2 and a half years. We know that culture is crucial to success – and clearly translates into higher value and bottom-line results.
- What we are driving here is our global mission and vision – *Fulfillment Through Work*. By providing a clear sense of purpose to every employee, they can see how they are contributing to our strategy and growth. What we’ve seen from this is higher levels of motivation, innovation, and satisfaction, which are proven by our consistently increasing levels of employee productivity and engagement YoY.
- Since I assumed leadership of North America, our employee engagement has increased by 16%, which is a significant change. This tells us that our strategy is working to deliver strong returns.
- The way we have gotten here is by transforming our mindset – our approach to how we work – to become agile.
 - We start by sensing what’s happening in the market, and what our customers and employees need.
 - Then we innovate to ensure we’re solving challenges with current and relevant solutions.
 - And finally, we adapt to transform and grow our business.
- This shift in our mindset has paid off in the ways our employees innovate and implement with speed for our clients.
- As proof of this, this year, in the United States we earned Great Place To Work Certification for the first time. This certification is the most respected global recognition program with research-backed verification for employers who provide a great employee experience. This translates into Ricoh attracting the best talent to transform our business, serve our customers, and ultimately, deliver profits.
- Likewise, in Canada, we earned the Excellence Canada Healthy Workplace Gold Award this year, which recognizes the safety, wellbeing, and overall environment we have developed for our employees to thrive.

- Our Digital Service Portfolio and Platform strategy will continue to create new services, recurring revenue, and growth



- In conclusion, we are very proud of the work we have done the last two and a half years. We've made significant strides in transforming the North American business. You can see on the chart how we have achieved steady growth in our highly profitable, recurring service revenue and anticipate this growth to continue.
- We've done this by focusing on our four key strategies:
- One, our unwavering commitment to talent and fostering a fulfilling culture provides the foundation for everything we do.
- Two, our approach to our go-to-market strategy and service portfolio ensures that we evolve in tandem with our customers' needs.
- Three, our focus on key customers and industries reaffirms our dedication to delivering tailored solutions where they matter most.
- Four, our relentless drive to optimize and modernize through automation ensures a digital-first approach, aiding both our clients' businesses and our results.
- Together, these strategies represent our dedication to innovation, adaptability, and customer-centricity, propelling us towards continued growth and success.
- Thank you for your time and attention today.

The plans, prospects, strategies and other statements, except for historical events mentioned in these materials are forward-looking statements with respect to future events and business results. Those statements were based on the judgment of Ricoh's Directors from available information. Results may differ materially from those projected or implied in such forward-looking statements and from historical trends. Refrain from judgments based only on these statements with respect to future events and business results. The following important factors, without limiting the generality of the foregoing, could affect future results and cause those results to differ materially from those expressed in the forward-looking statements:

- a. General economic conditions and business trends
- b. Exchange rates and fluctuations
- c. Rapid technological innovations
- d. Uncertainty as to Ricoh's ability to continue to design, develop, produce and market products and services that achieve market acceptance in intensely competitive markets

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Note: These materials define fiscal years as:
FY2023 (or fiscal 2023) = Fiscal year ended March 31, 2024, etc.

Note:

The financial data in this document are figures managed by each regional sales company.
The definition is different from the figures of the financial announcement.

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