

**Ricoh Australia  
Modern Slavery  
Statement  
2019/20**



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## About Ricoh

Ricoh is empowering digital workplaces using innovative technologies and services that enable individuals to work smarter. In Australia, Ricoh is a leading provider of document management solutions, IT services, communications services, and commercial and industrial printing.

Ricoh Australia Pty Ltd (**Ricoh Australia**) is a wholly owned and controlled entity of Ricoh Asia Pacific Operations Ltd (**RAPO**), a company incorporated in Hong Kong. Ricoh Australia's ultimate holding company is Ricoh Company Ltd (**Ricoh**) which has its head office in Tokyo, Japan and is listed on the Tokyo Stock Exchange. The Ricoh group of companies (**Ricoh Group**) operate in almost 200 countries and regions worldwide and each group company sources goods both locally and abroad. The Ricoh Group together employs approximately 90,000 people.

### Ricoh Way

Ricoh Way is our corporate philosophy and is our essential guide to each daily decision and activity.

Founding Principles

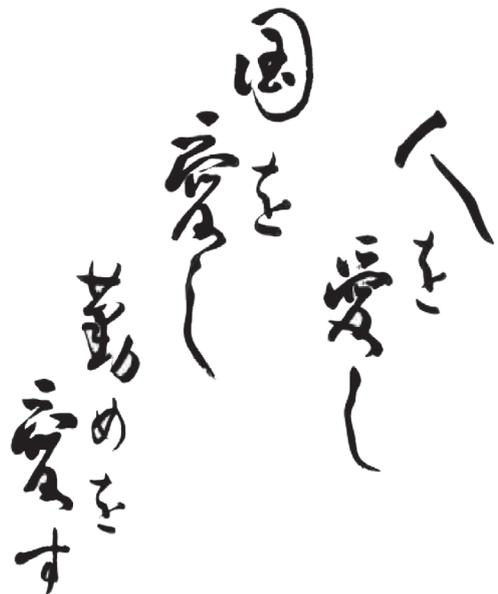
The Spirit of Three Loves, by Kiyoshi Ichimura, founder.

"Love your neighbor"

"Love your country"

"Love your work"

Kiyoshi Ichimura formulated the Ricoh Group's Founding Principles in 1946. They inform how we do business, encouraging us to constantly improve and contribute to the wellbeing of all stakeholders, including our families, customers, suppliers and society at large.



## Our Approach

The Ricoh Group is committed to upholding human rights and the achievement of the United Nations Sustainable Development Goals (SDGs) through its business activities.

At Ricoh respect for human rights is a fundamental corporate value. Beyond meeting regulatory requirements and social expectations in countries and regions in which we operate, we are committed to achieving the highest standards of ethical behaviour in the conduct of our business. To that end, Ricoh has made a firm commitment to human rights by proactively implementing international standards enunciated in the United Nations Global Compact and ISO 2600.

As well as maintaining close value-based relationships with our suppliers, Ricoh's worldwide commitment to human rights and fair labour practices within the global Ricoh Supply Chain is evidenced by the following:

- The UN Global Compact, launched in July 2000, advocates ten principles in the fields of human rights, labour, environment and anti-corruption. Ricoh Company Ltd. joined the compact in 2002 and is committed to ensuring these principals are observed in all areas and in all its operations.
- Ricoh Company, Ltd is a member company of the Responsible Minerals Trade Working Group, launched in May 2012 by the Japan Electronics and Information Technology Industries Association and the Japan Conflict-Free Sourcing Working Group. In 2017-18, Ricoh Company, Ltd participated in general meetings of both Working Groups.
- Ricoh Company Ltd joined the Responsible Business Alliance (RBA) in November 2019, the world's largest non-profit collaboration dedicated to corporate social responsibilities (CSR) in Global Supply Chains. The RBA sets out standards in the RBA Code of Conduct to help ensure that, in supply chains, work environments are safe, workers are treated with respect and dignity, and the manufacturing processes are responsible for their environmental impact. Ricoh complies with the RBA Code of Conduct in its business activities. Moreover, it is strongly committed to RBA's common goals and spirit and will continue to adopt and implement the RBA approach.

As a result of these efforts, Ricoh has been recognised for its corporate social responsibility:

- Ricoh Company Ltd. has received the highest Gold rating in the sustainability survey conducted by EcoVadis. Since receiving the first Gold rating in 2014, Ricoh has consistently received the highest rating in the survey. EcoVadis assesses corporate policies, initiatives and achievements in areas concerning Environmental, Labour Practices, Fair Business Practices and Supply Chain.
- Ricoh continues to be recognised in the FTSE4Good Index Series and FTSE Blossom Japan Index.
- Ricoh was awarded Bronze Class in sustainability ratings of RobecoSAM, a basis for inclusion in Asia Pacific Index of Dow Jones Sustainability Indexes.

# Our Operations and Supply Chain

Ricoh Australia operates directly in all states and territories within Australia. We have a wide network of metropolitan, regional and remote independent dealerships. The dealerships distribute and sell Ricoh product and services, in addition to being Ricoh Australia subcontractors for the delivery of services to our direct customers.

## Ricoh developed Products and Services

Ricoh Australia obtains Ricoh developed products and services from its parent company, Ricoh Asia Pacific Operations, Ltd (**RAPO**). RAPO is based in Hong Kong and is the centralised distributor of Ricoh products designed, developed and produced by Ricoh companies in China, Japan and Thailand. Our first-tier suppliers for these products are also in these countries. 53% of Ricoh Group suppliers are located in Japan, 32% in China, 9% in Thailand and 6% in other locations globally.

## Non-Ricoh developed Products and Services

In addition to selling its own proprietary products and services, Ricoh resells several products and services developed by third parties (**Third Party Products and Services**). Ricoh Australia sources Third Party Products and Services both locally and through global, group-wide supply agreements. Procurement specialists within relevant divisions of Ricoh Australia source and manage suppliers of Third Party Products and Services.

## Modern Slavery Risks in our operations and supply chain

The Ricoh Group takes steps to identify the areas of its business and its supply chains that are most at risk in relation to modern slavery and human trafficking through its Group Risk Management framework. Ricoh Australia has identified the following key modern slavery risks in its operations and supply chain:

- Human rights violations – Ricoh Australia recognises that human rights violations may occur in the Ricoh Group's supply chains overseas as well as in Ricoh Australia's local supply chains.
- Forced labour and child labour – Ricoh Australia is aware that there is a risk that the production of Ricoh products in countries outside Australia may involve the use of forced labour and child labour.
- Sourcing of conflict minerals – Ricoh Australia recognises that the Ricoh Group's production processes may involve procurement of minerals from states in conflict areas and other high-risk areas, which in turn give rise to potential for human rights abuses, underpayment of workers, and other labour abuses.

## Actions to assess and address modern slavery risks

In order to assess and address modern slavery risks in our operations and supply chain, Ricoh undertakes supplier due diligence before engaging new suppliers and requires employee compliance with Ricoh's Business Conduct Guidelines and supplier compliance with Ricoh's Supplier Code of Conduct. Ricoh requires suppliers to periodically undertake self-assessments in respect of their compliance with the Supplier Code of Conduct and to implement associated remediation where non-compliance is identified. In addition, Ricoh engages third party auditors to conduct audits of its supplier's operating in regions in which modern slavery risks are considered to be high.

## Major international standards and regulations implemented by the Ricoh Group

- Universal Declaration of Human Rights
- The 10 principles of the United Nations Global Compact (Recognized as an Advanced Level)
- Human rights guidelines based on the United Nations Guiding Principles on Business and Human Rights (the Ruggie Framework)
- Children's rights and business principles
- ISO 26000 (social responsibility standard)
- OECD Guidelines for Multinational Enterprises
- ILO international labour standards

## Our Policies and Procedures

Ricoh Group has developed and implemented global policies to combat modern slavery and human trafficking and to ensure consistency throughout its operations.

### Ricoh Business Conduct Guidelines and the Ricoh Supplier Code of Conduct

The Ricoh Business Conduct Guidelines establish the basic standards to ensure that all companies, executives and employees of the Ricoh Group, when engaging in corporate activities, act in accordance with social ethics and applicable laws.

Ricoh Group is a member of the Responsible Business Alliance (RBA), the world's largest industry coalition dedicated to corporate social responsibility in global supply chains. As a member of the RBA, the Ricoh Group has implemented a Supplier Code of Conduct which is based on the social, environmental and ethical industry standards agreed in the RBA Code of Conduct. The Supplier Code of Conduct takes a strong stance on human rights violations including forced and child labour, environmental compliance, and strict import and export controls. By signing up to the Supplier Code of Conduct, Ricoh requires its suppliers to operate in accordance with the code and all laws and regulations that require them to treat workers fairly and provide a safe and healthy work environment.

Ricoh Group's procurement team in Japan is responsible for ensuring all Ricoh developed products and services meet the requirements of the Supplier Code of Conduct and all business activities are carried out in accordance with Ricoh's Business Conduct Guidelines.

Within Ricoh Australia, the board and the Executive Leadership Team (ELT) are responsible for ensuring compliance with the Ricoh Business Conduct Guidelines. The Managing Director and the National Manager People & Purpose are responsible for investigating and managing the risk of modern slavery in the local business and supply chains; and ensuring that local employment and work health and safety laws are met. The investigation of reports of modern slavery will be undertaken by trained internal auditors. Looking ahead, Ricoh Australia will be working to continuously improve its local sourcing practices and embed the Ricoh Supplier Code of Conduct in its approach to procurement including consulting, sharing and seeking ethical sourcing commitments from local suppliers.

## Training of Staff

Mandatory employee training on Ricoh Business Conduct Guidelines is undertaken as part of Ricoh Australia's suite of Induction Training courses. Refresher training is undertaken annually as part of Ricoh Australia's mandatory compliance training program. All records of completed training are held within Ricoh Australia's Learning Management System.

## **Ricoh Whistle-blowing Policy**

Ricoh Group has in place a whistle-blowing policy which sets out the process for our employees to raise any concerns they may have in relation to compliance with our legal obligations, including in relation to modern slavery and human trafficking, and to ensure that there is adequate protection for employees who make protected disclosures.

## **Addressing human rights issues**

Risks associated with human rights are an emerging supply chain management issue. To deal with this concern, Ricoh Group insists that its suppliers comply with the Ricoh Group Supplier Code of Conduct. This includes the prohibition of human rights abuses, such as child labour and forced labour. Ricoh Group monitors compliance through periodical CSR Self-Assessment Program and by requesting improvement as necessary.

## **Addressing child labour issues**

Child labour is one of the priority issues of Ricoh Group's Total Risk Management efforts, and relevant departments have been engaged in various projects to address child labour issues. The Ricoh Group has surveyed the compliance with labour laws by our manufacturing sites worldwide. Survey results confirmed there have been no violations in the reporting period. CSR self-assessments have confirmed no reports of child labour violations within our tier-one suppliers.

## **Addressing the conflict minerals issue**

The Ricoh Group Supplier Code of Conduct was revised in 2014 to incorporate responsible sourcing of minerals. Ricoh pays attention to human rights issues associated with obtaining minerals from conflict-affected areas and high-risk areas. Through its Supplier Code of Conduct, Ricoh requires suppliers to utilise transparent and sustainable mineral supply chains. Sustainable supply chains are those which enable countries to benefit from their natural mineral resources whilst preventing the extraction and trade of minerals from becoming a source of conflict, human rights abuses, and insecurity.

Ricoh conducts an annual conflict minerals survey targeting suppliers of raw materials and components to be used in the production of Ricoh Group products. As a result of this work, Ricoh has identified that its toner products are conflict-free.

## **Monitoring risks through the conflict minerals survey**

In the reporting period, Ricoh's Conflict Minerals Survey was completed by 93% of suppliers. Upon analysis, it was confirmed there was a possibility that some products contain parts or materials which originate in the Democratic Republic of Congo or an adjoining country, accordingly we conducted due diligence on our relevant first-tier suppliers. The survey identified 271 smelters and refiners have acquired the certification of Responsible Minerals Assurance Process (RMAP).

# Measuring the effectiveness of our actions

GEMBA – learning and improving from facts – is a core value of the Ricoh Way.

The Ricoh Group has taken steps to identify, assess, and monitor potential areas of risk of modern slavery in our supply chain by requiring our first tier suppliers of Ricoh developed products to periodically undergo Corporate Social Responsibility (CSR) self-assessments. The CSR self-assessments seek to assess supplier compliance with the Ricoh Group Supplier Code of Conduct, and include specific questions relating to human rights, forced labour, child labour and human trafficking. The CSR self-assessments are used by Ricoh's procurement team in Japan to identify and assess modern slavery risks.

Based on the results of CSR self-assessments, Ricoh classifies the risk of suppliers into three categories: high, middle and low risk supplier. For suppliers that are marked as high risk, Ricoh conducts interviews and discusses ways to improve their situation. Where a supplier is not compliant with a specific area of the Ricoh Group Supplier Code of Conduct, that section of the assessment is highlighted to the supplier and they are informed they must take immediate action or implement countermeasures to address the issue.

All potential new suppliers of Ricoh developed products and services must complete our CSR self-assessment questionnaire early in the procurement process and will not progress through the procurement process if they fail to complete the questionnaire or if their assessment indicates that they are unable to adequately satisfy the requirements of the Supplier Code of Conduct. It is mandatory for all new suppliers to confirm they have read and understood the Ricoh Group Supplier Code of Conduct and that they currently comply and will continue to comply with the code.

Each year, Ricoh's Global Procurement Division is required to meet a number of Key Performance Indicators, which are designed to ensure ongoing implementation of the CSR self-assessments and to year on year, increase the number of 3rd party audits in Thailand and China during the reporting period for high-risk suppliers. In 2018 Ricoh conducted audits of suppliers in Thailand and third-party independent audits of suppliers in China. These audits identified non-compliances with the RBA Code of Conduct and corrective action required of a number of suppliers. In 2019, Ricoh expanded the number of supplier audits in Thailand and China, including a number of audits conducted by RBA appointed auditors, with corrective actions being required of a number of suppliers. Follow-up audits were conducted in 2019 on a number of suppliers to confirm that corrective actions had been implemented. During the reporting period (1 April 2019 to 31 March 2020), Ricoh Group conducted site audits at suppliers located in China and Thailand. Responses to Ricoh's CSR Self-Assessment criteria was 100% for the targeted suppliers in Japan, China and Thailand.

## Looking Ahead

Ricoh Australia will continue to assess the efficacy of consultation, policy and action in identifying and addressing modern slavery risks in our operations and supply chains.

Our short term goals are to:

- Further develop and promote staff training on Modern Slavery and ethical sourcing;
- Adopt the Ricoh Group Supplier Code of Conduct across the local supply chain;
- Identify and consult with key suppliers on Modern Slavery issues, and update key supplier contracts to include ethical sourcing guidelines, including the verification and management of ethical sourcing claims.

Our mid-term goals are to:

- Form a cross-divisional project team to implement Ethical and Sustainable Supply Management at a local level within Ricoh Australia and establish meaningful KPIs for further measuring the effectiveness of the program;
- Develop and publish procurement guidelines that address the requirement to continuously improve measuring and monitoring of Modern Slavery risks;
- Implement periodic Supplier self-assessment questionnaires addressing CSR and partner with Suppliers to make meaningful improvements.

## Consultation and approval

The foregoing statement is made pursuant to s.13 of the Modern Slavery Act 2018 (Cth) and in compliance with s.16 of that Act and constitutes the Modern Slavery Statement for Ricoh Australia Pty Ltd for the financial year ending 31 March 2020.

Ricoh Australia Pty Ltd does not own or control any entities. Ricoh Company Ltd, our ultimate parent, plays a crucial role in our supply chains as the principal manufacturer of Ricoh developed products and services.

Approved on 23 December 2020 by the Board of Directors of Ricoh Australia Pty Ltd and signed by:



**Chris Blows**

Director and Chief Financial Officer  
Ricoh Australia Pty Ltd.