

To whom it may concern

Sumitomo Mitsui Trust Bank, Limited



Notice regarding the Conclusion of a Positive Impact Finance (with unspecified use of funds)
Loan Agreement (with Ricoh Leasing Company, Ltd.)




Sumitomo Mitsui Trust Bank, Limited (President: Masaru Hashimoto; hereinafter “SuMi TRUST Bank”) and Ricoh Leasing Company, Ltd. (President and CEO: Tokuharu Nakamura; hereafter “RicoH Leasing”) concluded a “Positive Impact Finance (with unspecified use of funds)” loan agreement (hereinafter “this agreement”) that is in line with the Principles for Positive Impact Finance (*1) released by the United Nations Environmental Programme Finance Initiative (hereinafter “UNEP FI”) (*2).

Positive Impact Finance (hereinafter “PIF”) is intended to support corporations’ activities of which we comprehensively analyze and evaluate the impacts (both positive and negative) related to the environment, society and economy. The most notable feature of PIF is that the degree of contribution from corporate activities, products and services in achieving corporates’ Sustainable Development Goals (SDGs) is used as evaluation indicators and monitored based on publicly disclosed information.

RicoH Leasing is a member of the Ricoh Group with Ricoh Company, Ltd. as a main company. RicoH Leasing provides comprehensive financial services, including the leasing and finance business, service business, and the investment business. RicoH Leasing has a mid-to-long-term vision of “Become a Circulation Creating Company”, that was established in its Three-Year Mid-Term Business Plan launched in FY2020. RicoH Leasing works towards creating common values in the society through integrity and reliable business activities, and aims for a sustainable society by practicing “management centered on individuals’ values.”

In concluding this agreement, SuMi TRUST Bank assessed the following initiatives of RicoH Leasing both qualitatively and quantitatively as initiatives that particularly have impact on achieving SDGs.

Theme	Content	Goals and Indicators (KPI)	SDGs
Mitigation of Climate Change	<ul style="list-style-type: none"> a. Abating global warming through reduction of CO₂ emissions in business activities b. Reduction of negative environmental impact through expansion of environment-related business. 	<p>Goals:</p> <ul style="list-style-type: none"> a. Reduce CO₂ emissions from business activities (Scope 1 and 2) to 774 t-CO₂ (30% reduction from the FY2015 level) by FY2022, 410 t-CO₂ (63% reduction from the FY2015 level) by FY2030, and zero by 2050 b. Achieve a carbon-free society through the promotion of energy-creation and energy-saving <p>Indicators (KPI):</p> <ul style="list-style-type: none"> a. CO₂ emissions b. ① Disclosure of targets for environment-related business transactions 	 

		<p>② Establishment of a system to monitor the amount of electricity generated by leasing business related to renewable energy</p> <p>③ Disclosure of CO2 reduction through leasing business and business investment related to renewable energy</p>	
Resource Recycling	Contributing to resource recycling by promoting 3R (Reduce, Reuse and Recycle) and increasing the number of collection sites for leased equipment	<p>Goal: Conservation of resource and reduction of waste materials through appropriate collection and disposal with further promotion of 3R</p> <p>Indicator (KPI): The ratio of disposal assets of the leased assets to total assets shall be 2.00% or less per year</p>	
Diversity and Inclusion	Implementation of personnel measures to increase the happiness of employees	<p>Goal: Foster a corporate culture where employees work healthy and are proud of the culture</p> <p>Indicator (KPI): Reach the ratio of women in managerial positions to be 20% by end FY2020 (a target for FY2021 and beyond to be disclosed soon)</p>	 

This agreement has obtained a third-party opinion (*3) from Japan Credit Rating Agency, Ltd. (President: Shokichi Takagi) regarding compliance of the procedures related to this agreement's evaluation to the Principles as well as the rationality of the evaluation indicators.

Through providing PIF and other solution for sustainability businesses, we will continue to support clients' business activities that contribute to the achievement of the SDGs and to contribute to the enhancement of their corporate value over the medium to long term.

End

(*1) The Principles for Positive Impact Finance

The Principles for Positive Impact Finance was developed by UNEP FI in January 2017 as a financial framework for achieving the SDGs. Companies disclose the level of contributions to achieving SDGs through KPIs. Banks then provide funding by evaluating the positive impact observed from these KPIs that is intended to guide the borrowers to increase positive impact and reduce negative impact.

The lending bank, as a responsible financial institution, will check if the impact is continuing or not by monitoring the indicators.

(*2) The United Nations Environment Programme Finance Initiative (UNEP FI)

The United Nations Environment Programme (UNEP) is an executive body for implementing the “Human Environment Declaration” and the “International Environmental Action Programme”, established in 1972 as a subsidiary body to the United Nations system. UNEP FI represents a broad as well as close partnership between UNEP and more than 200 global financial institutions. Since its establishment in 1992, UNEP FI has been working in concert with financial institutions, policy/regulatory authorities to transform itself into a financial system that integrates economic development and ESG considerations.

(*3) For the independent opinion from Japan Credit Rating Agency, Ltd., please visit:

<https://www.jcr.co.jp/en/>