

## In February 2005, the Kyoto Protocol Went Into Effect. The Ricoh Group aims to create new corporate value while assuming a leadership role

On February 16, 2005, the international community took the first crucial step in preventing global warming. The Ricoh Group set a goal, by the end of fiscal 2010, of reducing total CO<sub>2</sub> emissions by 12% from those of fiscal 1990. That is higher than the goal for Japan of 6% reduction set out in the Kyoto Protocol. Following the Kyoto Protocol, the Ricoh Group wants to take this opportunity to create new corporate value, as a leader in environmental management.

### Each Company's Attitude Challenged as the Kyoto Protocol Goes Into Effect

In recent years many Japanese corporations, especially those in the manufacturing industry, have been working on reducing CO<sub>2</sub> emissions; however, the reality is that most companies with excellent business performance have not been able to accomplish this goal. In contrast, the Ricoh Group has been steadily achieving results in its efforts to reduce total CO<sub>2</sub> emissions by 12% as compared with fiscal year 1990.

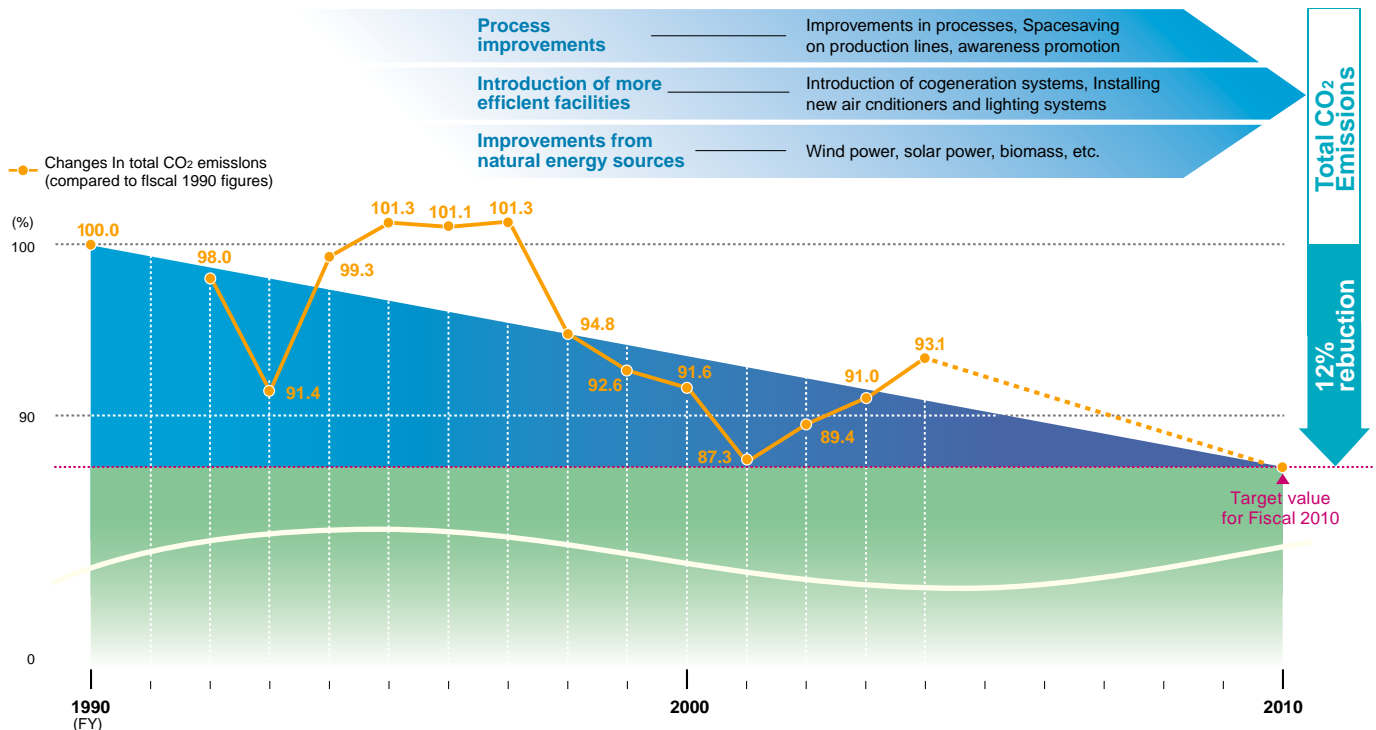
The goal of CO<sub>2</sub> emission reduction for the manufacturing industry, set by the Japanese government, is 9%, which was based on the overall 6% reduction set for Japan in the Kyoto Protocol.

In 2001, the Ricoh Group set a goal of 12%, assuming that figure would be more appropriate for the environment. This figure was set while taking business growth into consideration, and Ricoh views this as a reasonable figure, even as our business grows. As the Kyoto Protocol goes into effect, the prevention of global warming is becoming a mission for the entire world. Ricoh has been enhancing its corporate value by building profitable recycling systems, and manufacturing environment-friendly products; we now see this is a great opportunity for the company to show its leadership in environmental management worldwide.

#### Target for Reduction in Total CO<sub>2</sub> Emissions for the Ricoh Group

		Target for fiscal 2004	Target for fiscal 2010
Japan	Ricoh and Ricoh Group manufacturing subsidiaries	2% reduction (compared to fiscal 2000 figures)	12% reduction (compared to fiscal 1990 figures)
	Ricoh Group non-manufacturing subsidiaries	2% reduction (company goals)	—
Outside Japan	Ricoh Group manufacturing subsidiaries	2% reduction (compared to fiscal 2000 figures)	10% reduction (compared to fiscal 1998 figures)

Scenario for Reduction of Total CO<sub>2</sub> Emissions for the Ricoh Group (production) in Japan, up to Fiscal 2010



## Achieving Both Corporate Growth and Environmental Goals

To achieve both corporate growth and the reduction of CO<sub>2</sub> emissions, the Ricoh Group has set the following specific policies: improving technologies, improving manufacturing processes, introducing high-efficiency equipment and natural energy systems. Among these policies, Ricoh places priority on improving technologies and manufacturing processes because they have the most impact on reduction of CO<sub>2</sub> emissions and corporate growth. Ricoh considers it absolutely necessary to pursue profits while changing over to more environmentally-friendly technologies in order to compete internationally.

In 1999, Ricoh developed an innovative technology for copiers called QSU\*. The reduction of CO<sub>2</sub> emissions while using digital multifunction copiers equipped with this technology is estimated at about 15,000

tons/year. As far as the reduction of CO<sub>2</sub> emissions from business activities is concerned, there is not much more to be done, as various activities are already being carried out. In order to reduce CO<sub>2</sub> emissions further, it is necessary to change the manufacturing process. In 2004, with an innovative production process for photo conductors, Ricoh was successful in making the process line more compact, and was able to reduce CO<sub>2</sub> emissions for each photo conductor by 69%. By combining this new production process with other low-key efforts to reduce CO<sub>2</sub> emissions, Ricoh is closer to achieving our goal of 12% and is preparing to take the next step in this effort.

\* QSU Technology  
Quick Start-Up (QSU) technology allows copiers to quickly recover from standby mode, requiring less electricity.

\* Production Process Innovation  
Refer to "Downsized production lines for photosensitive materials" (p. 35) of the 2005 RICOH GROUP SUSTAINABILITY REPORT (ENVIRONMENT).

## Economy with Emphasis on Environmental Friendliness

The Ricoh Group considers reforming the structure of corporate management, to be the key to environmental management. Promoting this reform can be expensive and place high demands on employees. However, Ricoh has placed new corporate value on environmental management, and is determined to promote reform while defying the trend to maintain the status quo.

Since the establishment of our Environment Promotion Office in 1976, Ricoh has been creating the right climate and gaining human resources for environmental management, and is now viewed as a leader in this area. As the world shifts toward an economy emphasizing environmental friendliness, and as the speed of change accelerates with the Kyoto Protocol going into effect, Ricoh will continue to promote our core values.

