© Concept of Environmental Report

The Ricoh Group's environmental report aims at presenting the Group's purpose, goals, activities, and results of environmental conservation activities in an easy-to-follow format. We assume that the readers of this report are our customers, suppliers, neighboring communities, employees, NGOs, students, investors, those in charge of environmental issues at other companies, and environmental specialists.

Editing Policy for the 2000 Issue

- 1. We systematically explain the environmental conservation activities of the Group based on the Comet Circle concept for easier understanding. The contents are neatly classified into such sections as the Group's concepts and goals, basic activities, and specific activities involving products or business sites and the outcome of such activities. We limited the use of technical terms to a minimum, added supplementary explanations, and compiled as many figures and charts as possible to communicate information more efficiently and effectively.
- 2. It is important that this environmental report provide information accurately and completely. Therefore, we disclose a variety of information, including such negative ones as penalties.
- 3. The Ricoh Group believes in the importance of reducing the environmental impact of Group activities and that of the industry as a whole. In line with this belief, the information we disclose is presented in an easy-to-understand manner so that other people and other companies who wish to carry out environmental conservation activities of their own will be able to use it.
- 4. According to the Global Reporting Initiative (GRI), there are three areas that a company needs to concentrate on if it wishes to survive in the 21st century: environmental functions, social functions, and economic functions. With this in mind, the *Ricoh Group Environmental Report* focuses on the social activities, including economic benefits of environmental accounting; so-

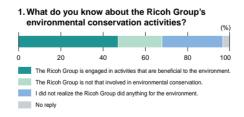
cial contributions; and environmental conservation activities of the Ricoh Group. To guarantee the factual accuracy of this information, we asked Asahi & Co. to conduct an independent review.

Questionnaires from the 1999 Issue

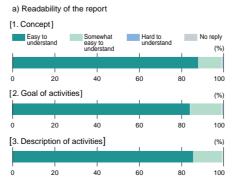
Beginning with the 1998 issue, questionnaires have been included in the *Ricoh Group Environmental Report* to gather ideas from the readership on creating a better environmental report. We received 335 replies from September 1999 to June 10, 2000, with most of the replies describing the report as being easy to understand and evaluate. We appreciated your enthusiastic encouragement and the honesty that was shown in your answers as well as in your expectations for the Ricoh Group's responsibility to the global environment.

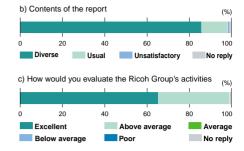
Questionnaire Results

Most of the people who answered our questionnaire were students as a result of our visits to universities to explain our environmental conservation activities and to our direct request to have the questionnaire answered. On the other hand, most replies we received by fax were from employees in charge of environmental issues at their companies.



2. What do you think about this report?







- A Few Readership Opinions of the 1999 Issue and Our Response in the 2000 Issue
- "Good reference on obtaining ISO 14001certification."
 "Good reference on environmental accounting."
- ➤ We added more detailed information to the description of our environmental management system and the application of environmental accounting.
- "Site reports should be issued."
- Ricoh Fukui, Ricoh Unitechno, and Tohoku Ricoh have issued their site reports in 1999.
- "The size of the font made it difficult to read."
- ► The 2000 issue has larger fonts for easier reading.
- "There was basically no difference in content between the 1999 issue and the 1998 issue."
- ▶ Drastic changes have been made in the 2000 issue.
- "How accurate are the benefits reported through environmental accounting?"
- ➤ We had an independent review to ensure that the information has been calculated correctly, based on the Ricoh Group's definition, for the 2000 issue.
- "The report was too long."
 "The report should be easy enough for anyone to understand."
 "I want to know more."
- ▶ We have significantly increased the number of pages in the 2000 issue and strove to make the text easier to read and the layout easier to follow.

Number of Copies of the 1999 **Environmental Report Issued**

- Japanese edition: 45.150 copies (from September 1999 to June 12, 2000)
- English edition: 8,375 copies

Apologies and Corrections for the 1999 Issue

While editing the 2000 issue, a number of mistakes in the 1999 issue were found. The page in the 1999 issue on which the mistake was found followed by the correct information are given below with our sincerest apologies.

1) Page 8

Environmental Action Plan

- ©Resource Conservation and Recycling (Business Sites)
- Achieve a 70% resource recovery rate at all domestic nonproduction sites by the end of fiscal 2000.

"Fiscal 2000" should read "fiscal 2001." The oversight was due to a correction made to the action plan in 1999.

2) Page 13

Eco Balance of Overall Corporate Activities (diagram)

"Tentative" should have been added to the diagram title since the environmental impact information system was still being developed.

3) Page 25

Shifts in Discharge of Substances Subject to Pollution Prevention in the Ricoh Group: Water BOD (right bar graph)

The amount of water discharged with sewage was not included in some of the data. The graph on page 53 of the 2000 issue reflects the corrected data.

4) Page 28

Work Environment Measurement (graph)

A few errors were made in the production of the graph. The graph on page 26 of the 2000 issue has been corrected.

Summary of Asahi & Co.'s **Review Report**

The Ricoh Group received an independent review by Asahi & Co. to ensure the accuracy of the data on environmental performance and environmental accounting used in the environmental report. Asahi & Co. pointed out the areas below. Among others, we shall carefully review "Items that Expect to Be Reexamined" in Article 2 below to improve the items mentioned in the future.

1) Good Points

The Ricoh Group Environmental Report:

• The report is well-arranged and its presentation on the concept of the Comet Circle is consistent in idea and representation.

 Specific approaches are shown in detail and accompanied by diagrams and charts, making them useful references for a variety of stakeholders.

Environmental Accounting:

 The environmental accounting system enables automatic, prompt, and accurate calculations to be made. The system is well-designed and is more readily available as a management tool.

2) Items that Expect to Be Reexamined

- The practice of inter- and intra- company notification within the Ricoh Group is requested in cooperation with relevant divi-
- To improve the accuracy of environmental accounting, a follow-up system, such as internal audit reports, will need to be established
- The Ricoh Group Environmental Report needs to be easier to follow and more focused



Asahi & Co

Independent Review Report on the "RICOH GROUP ENVIRONMENTAL REPORT 2000'

To the Board of Directors of Ricoh Co., Ltd

1. Purpose and Scope of our Review
We have reviewed the "RICOH GROUP ENVIRONMENTAL REPORT 2000" (the "Environmental Report") of Ricoh Co., Ltd. (the "Company") for the year ended March 31, 2000. The review consisted of performing certain procedures as described below in relation to the collection, compilation and calculation of the information included in the Environmental Report. As this is the first year of our review, any indicators for years prior to the year ended March 31, 2000 were not exhibited to the procedure. Our work does not constitute an audit or examination. We therefore subject to these procedures. Our work does not constitute an audit or examination. We therefore do not express an opinion on the accuracy or completeness of the indicators or data bases used to compile the information or the representations made by the Company in the Environmental Report. We therefore

- 2. Procedures Performed
- 2. Procedures retrormed
 We have performed the following review procedures agreed to by the Company's management;
 1) Obtained the environmental information supporting the environmental performance indicators and
- the environmental accounting indicators for the purpose of understanding the processes and the procedures of the Company for collecting the data information used to compile the Environmental Report.
- 2) With respect to the environmental performance indicators and the environmental accounting indicators in the Environmental Report, tested quantitative accuracy of the indicators on a sample basis and compared them on a sample basis with the supporting data compiled from the information collected by the Company.
- 3) With respect to the descriptive information in the Environmental Report other than the indicators referred to in the above procedures, interviewed the Company's responsible personnel, made an on-site inspection of a factory and compared such descriptive information with the data collected by the Company or the data found in certain published materials.
- 3. Results of the Procedures performed
- As a result of the procedures performed;
- We are not aware of any material modifications that should be made to the environmental performance indicators, or the environmental accounting indicators in the Environmental Report in order for them to comply with the Company's policies and procedures for gathering and reporting such information
- 2) We are not aware of any material modifications that should be made to the descriptive information other than the indicators in the Environmental Report in order for it to be consistent with the information the Company collected and other information we obtained.

asali & Co.

Tokyo, Japan July 17, 2000