

Partnerships

Contributing to environmental impact reduction through better relationships with business partners

From the standpoint of global environmental conservation, we must abandon the idea of winners and losers in business because this creates inequality between the rich and poor, and results in destruction of nature, such as deforestation in developing countries. The Ricoh Group, in developing its global business activities, works to reduce its environmental impact on society as a whole by promoting awareness of sustainable management and supporting its partners in every stage of business: from suppliers, to logistics companies, to recycling companies.

Suppliers

The Ricoh Group provides sustainable management support to suppliers around the world through green procurement*. The Ricoh Group has drawn up ethics guidelines for purchasing and trains personnel in managerial positions at 15 production sites in Japan. Periodic audits are carried out by internal auditors at each supplier to ensure compliance with the Law on the Prevention of Delay in the Payment of Subcontracting Charges and Related Matters. These audits have been praised by the Fair Trade Commission and the Small and Medium Enterprise Agency.

* See page 45.

Logistics Companies

Ricoh Logistics System Co., Ltd., which is responsible for the Ricoh Group's logistics system, consigns about 70% of its domestic delivery and collection business to subcontractors. The company holds seminars on safe and economical driving and encourages drivers at its partner companies, as well its own drivers, to participate. The company also monitors the vehicles of major partner companies through a global positioning system (GPS). This ensures

safer transportation and reduces environmental impact.

Recycling Companies

In 1999, Ricoh Logistics System and Ricoh's Recycling Business Division began producing joint annual audits at 10 recycling centers and a secondary treatment company in Japan. These audits deal with such matters as compliance of treatment processes with relevant laws and regulations, health and safety management of employees' work environment, the effects of noise on the surrounding environment, and manifest traceability. The audits help improve business procedures at recycling centers and establish the environmental management system. As a result, all the recycling centers had acquired ISO14001 certification in June 2002.

Earnest Efforts on Patent Disclosure

Encouraging more people to use products equipped with environmentally friendly technologies, including energy conservation technologies, can make a contribution to society. Ricoh's disclosure policy regarding its environment-oriented patent is geared toward such a contribution. To protect its sustainable management concept and to actively promote the concept in society, Ricoh has applied for a patent of its business model*.

*The patent application was filed in 2001 in the name of its inventor, Masamitsu Sakurai, the president of Ricoh. The concepts of sustainable management (see page 13) and the IT system-driven environmental accounting (see page 25) were combined in the patent application.

Shareholders and Investors

Given the emergence of eco funds and socially responsible investment (SRI), corporate evaluation in the stock market should be based on profit, environmental conservation, social responsibility, and other performance indicators. Ricoh is now listed on six stock exchanges including Tokyo, Amsterdam, Frankfurt, and Paris. To facilitate better communications with investors, Ricoh holds shareholders' meetings in Japan, issues Japanese-language business reports, English-language annual reports, and sustainability reports in both Japanese and English. In fiscal 2001, Ricoh received the Information Disclosure Award for Listed Companies from the Tokyo Stock Exchange for its easy-to-understand information disclosure. In light of the changes in securities markets, it is increasingly important to communicate effectively with individual investors. In fiscal 2002, Ricoh Leasing Company Ltd. received an award from the Tokyo Stock Exchange in recognition of its efforts to expand the number of individual investors in the company.

Change in Ricoh's Share Price and Transactions

