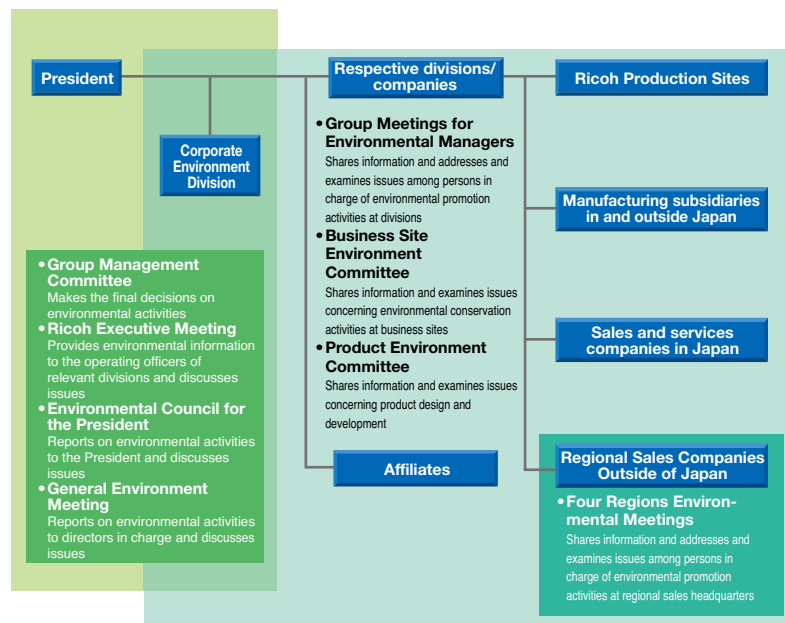


Ricoh promotes the harmonization of environmental preservation and the operation of business, aiming at the realization of sustainable environmental management.

The Ricoh Group's environmental management system (EMS) is an important tool in facilitating sustainable environmental management on a global scale. A system is established to reflect the environmental action plan set by management in the goals of respective divisions and provide feedback on the results of their actions to management. Under the system, the group as a whole, and each of its business sites and divisions, promotes the plan-do-check-action (PDCA) cycle. Furthermore, based upon the Group-wide Strategic Management by Objectives (SMO), which takes an environmental conservation perspective, the Ricoh Group continually evaluates the performance of respective divisions. Sustainable environmental management will be further promoted by incorporating EMS into the processes of respective businesses.

Organizational Chart for the Ricoh Group's Sustainable Environmental Management System

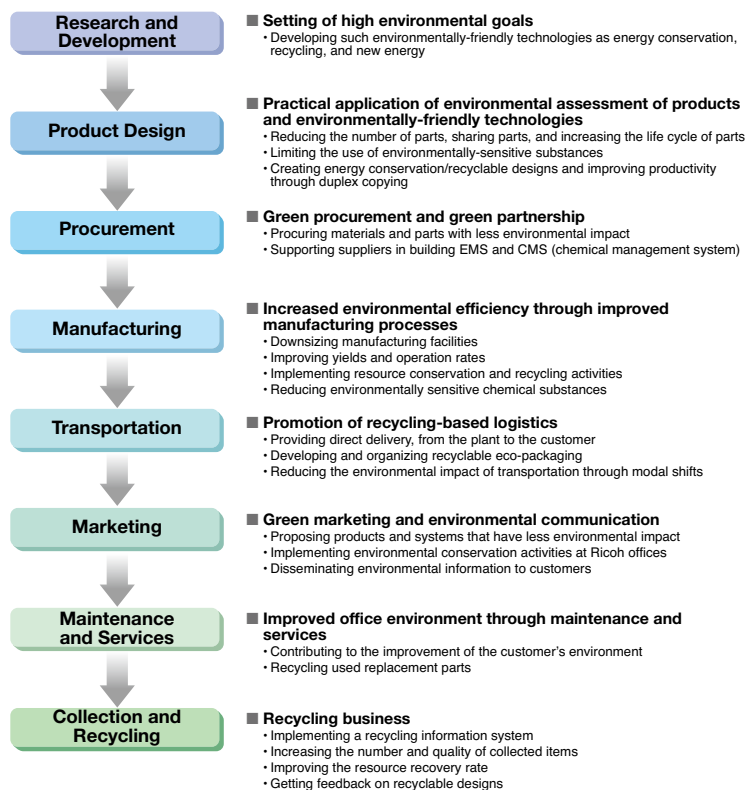


Participatory Approach by All Employees

The Ricoh Group is making an effort to improve sustainable environmental management based on a "all-employee participatory approach." This "all-employee participatory approach" means that all employees in all divisions, such as R&D, product design, materials procurement, manufacturing, transportation, sales, maintenance/services and collection and recycling, participate in environmental activities. These activities are regarded as just as important as "QCD activities,"* which involve pursuing profitability. To improve environmental activities, internal benchmarks and know-how are provided to all employees from time to time to make them more environmentally aware.

* QCD means activities to improve the management of Quality, Cost, and Delivery.

Sustainable Environmental Management Activities Participated in by All Employees



Acquisition of ISO 14001 Certification

Environmental perspectives need to be incorporated into business to realize sustainable environmental management instead of carrying out business and environmental preservation activities separately. The Ricoh Group has traditionally promoted the acquisition of ISO 14001 certification by each business site and division, aiming to fortify its environmental management system. Starting with Ricoh Gotemba Plant, which received ISO/DIS 14001 certification in 1995, all major Ricoh production sites in the world were ISO 14001 certified as of March 2000. In 2001, the sales group in Japan as a whole was ISO 14001 certified. Sales companies other than those in Japan are also making every effort to acquire ISO 14001 certification. Thus, the Group has promoted the creation of a climate for sustainable environmental management by all employees through the acquisition of ISO 14001 certification. In this climate, the Group carries out various business activities that incorporate environmental viewpoints. At present, the Group is promoting the integration of management systems aiming at further harmonizing business and the environment. The range of system integration is expected to continue expanding in the future.

* For the status of the Ricoh Group's ISO 14001 acquisition, please visit <http://www.ricoh.com/environment/base/iso.html>.

EMS of the Ricoh Group

SMO

Divisional evaluation under the Strategic Management by Objectives

ACTION

Review of the Company's EMS

CHECK

Achievements under environmental action plans
Eco-Balance
Environmental accounting

PLAN

General principles on the environment
Environmental action plans

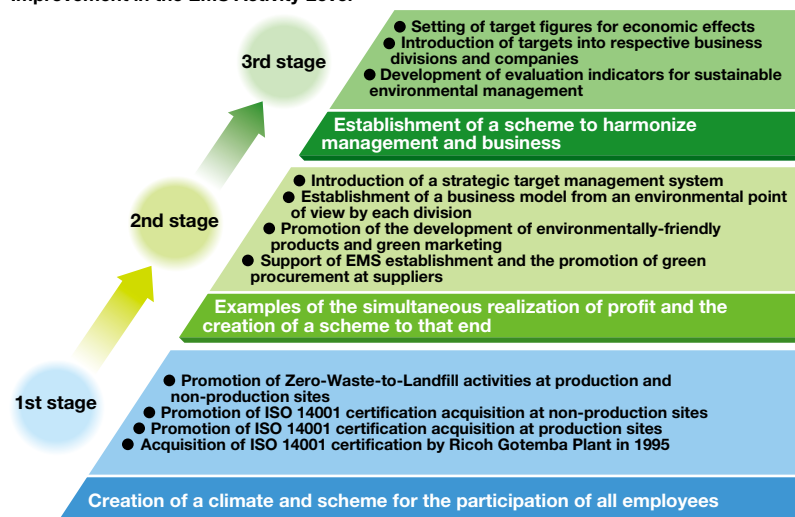
DO

Company regulations, environment training and promotion of awareness, and development of environmental technologies

EMS of the Group as a whole

EMS at business sites/divisions

Improvement in the EMS Activity Level



Strategic Management by Objectives (SMO)

Ricoh introduced SMO in 1999 to clarify evaluation standards for environmental conservation activities that are used in divisional performance evaluations. This system is based on the Balanced Scorecard system, a performance management system developed in the 1990s in the United States and characterized by the use of four perspectives. Ricoh has added a specific environmental conservation perspective to the system and is promoting SMO for global sustainable environmental management.

The Ricoh Group's SMO

