Feature Article

Global Network for Sustainable Environmental Management @ Collaborating with Suppliers in CO₂ Emission Reductions



Our green procurement activities aim to make the operations of the Ricoh Group and our suppliers leaner and meaner.

The Ricoh Group is promoting its green procurement activities in partner-ship with suppliers. Green procurement refers to the purchasing of raw materials, parts, and products that are manufactured in environmentally-responsible factories and have low environmental impact. Through green procurement, we aim to reduce our overall environmental impact throughout the product lifecycle, to reduce procurement costs by effectively using resources and energy, and, ultimately, to make the operations of both the Ricoh Group and suppliers leaner and meaner. In 1998, we began supporting suppliers in developing their environmental management systems. By the end of 2003, 1,089 suppliers worldwide had this system in place. In 2006, 734 suppliers around the world completed implementing their chemical substance management systems.

In addition to its own production process, the Ricoh Group's CO₂ reduction activities take place in the parts manufacturing processes.

Our analysis on greenhouse gas (GHG) emissions throughout the lifecycle of Ricoh products has revealed that a large portion of the emissions come from the manufacturing processes for raw materials and product parts. To mitigate global warming, which is one of the most important agendas of business communities, reducing GHG emissions at the supplier level is quite an effective measure in lowering the environmental impact of society as a whole. We at the Ricoh Group therefore began providing an effective reduction tool and piloted a $\rm CO_2$ reduction support program for suppliers in 2007, leveraging our experience and the expertise obtained from our longstanding $\rm CO_2$ reduction efforts in our own production processes. Full-scale operation of this support program started from 2008.

activities

Voice of the staff in charge

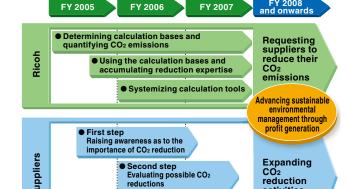
Providing an effective tool for suppliers to support their effective reduction activities

As measuring CO_2 emissions accurately is a difficult task, it posed a major hurdle for suppliers to take CO_2 emission reduction steps. To overcome this problem, we developed our original emission calculation tool, $RICO_2RET^*$, which enables the visualization of CO_2 emissions per process



Minoru Kanno Manager of Procurement Strategy Office, Procurement Control Center

and facility, and helps identify specific measures to reduce the emissions effectively. With this tool, suppliers do not require expertise to obtain their CO₂ emission data: all they need to do is to enter basic information such as power consumption and raw material weights. In fiscal 2007, the initial 69 suppliers started using this tool. During fiscal 2008, RICO₂RET



Key Steps in Supplier CO₂ Reduction Activities

will be introduced to major Japanese suppliers in stages to help their endeavors to meet their voluntary CO_2 reduction targets.

■ Third step

Beginning CO₂ reduction activities

* RICO2RET: Ricoh CO2 Reduction & Evaluation Tool



64 suppliers attended the RICO₂RET briefing session.

On December 5, 2007, 64 suppliers attended our RICO₂RET briefing session to receive explanations from Ricoh staff on how to use the new tool, to analyze the emission values calculated, and to explore specific reduction measures. In the following January, we set up a three-day follow-up session to meet with the suppliers individually and provided tailor-made advice to them.

Voice

Supplier's voice

Ricoh's tool has enabled more accurate assessment of our CO₂ emissions.

We are a global supplier of soft press products such as parts for OA equipment and PCs. RICO2RET first came to our attention when we attended the Ricoh Group's Green Procurement Meeting. Soon after that, we offered to become an initial member to introduce the tool. The timing was opportune for us as we became ISO 9001+14001 certified in 2006 and were just about to take that opportunity to reevaluate our group-wide CO2 emissions and implement more aggressive reduction measures. When we actually used the tool to evaluate our emissions, we were able to obtain important findings, such as different emission causes from different product parts. We were also able to identify target areas for improvement at a glance and easily discover possible actions, thanks to the tool's graphically presented analysis results. As the next step, we are planning to establish a groupwide emission target with the help of RICO2RET while continuously working to demonstrate our environmental performance to our stakeholders.

