Achieving the Best Sustainable Environmental Management

With the global environment in crisis, the Ricoh Group's commitment to a sustainable society is stronger than ever.

Departing from a model of mass production and mass consumption to build a new business model

Climate change is having a disastrous impact around the world, leading to a number of severe events. Various problems associated with the global environment are now emerging as large-scale crises. In the markets, the depletion and price volatility of natural resources, as well as increasingly stringent environmental regulations being set in Europe, have had a critical influence on business. These radical changes in the business world are challenging the traditional principles society and economies are built on. We must now depart from current societal models built on mass production, mass consumption and mass disposal and move toward the creation of a new society innovated with new values and rules. The Ricoh Group's businesses, providing our customers with imaging equipment, such as copiers, printers, and solutions, are also facing a time of great change. We can no longer continue with the current business model that depends on mass consumption of resources and energy to realize mass trade of great numbers of products. The Ricoh Group believes we should look to a new business model where products can be easily recycled and software can be updated easily so that products may be used for longer periods.

Strengthening global environmental measures with environmental impact reduction and biodiversity conservation efforts

The Ricoh Group has been engaged in sustainable environmental management that realizes environmental conservation and profit creation at the same time. In 2005, the Ricoh Group set up the Year 2050 Long-Term Environmental Vision to express its belief that advanced nations need to reduce their environmental impact to one-eighth of the fiscal 2000 level by 2050. Based on this, we nominated specific actions we should take in an environmental action plan to be implemented for every three-year period. In March 2009, we issued the Mid- and Long-term Environmental Impact Reduction Goals, outlining specific steps to realize this vision. This is a "World First" in terms of articulating numeric targets for environmental impact reduction in three areas: energy

saving and global warming mitigation, resource conservation and recycling, and pollution prevention. To set these figures, we used 2020 and 2050 as standard years. The Goal has become a basis for more feasible activity plans that foresee the pathway to 2050. For global environmental conservation in particular, assisting the environment in maintaining and recovering its intrinsic capabilities to heal itself is as important as reducing the damage humans have imposed on the environment. To this end, the Ricoh Group set the Ricoh Group Biodiversity Policy in March 2009 and expressed specific biodiversity conservation policies to be integrated into our business activities. In addition to the conventional policies we have employed, such as procurement of paper products for better forest ecology conservation and biodiversity conservation projects we have been implementing in various parts of the world, we will implement a wider range of impact reduction initiatives across all business operations, including those upstream of the supply chain.

Stronger environmental management is even more necessary in times of recession as it helps improve our corporate values

In fiscal 2008, the Ricoh Group chose "intensification and acceleration of sustainable environmental management" as one the focus strategies for the new mid-term plan. To outline more specific activities for acceleration, targets have been set in the Mid- and Long-term Environmental Impact Reduction Goals in three areas: CO₂ emission reduction throughout the product lifecycle, promotion of resource conservation considering resource depletion, and management and reduction of chemical substances to minimize environmental risk. We will achieve these targets by developing technologies to improve the environmental conservation features of products (such as reduced electricity consumption) and to facilitate the application of such features. as well as technologies for innovative manufacturing processes that require less energy. In addition, we continue to work on production processes that use fewer minerals and fossil-based resources by more actively using recycled materials following the establishment of better programs for reuse and recycling



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as well as promoting smaller products with longer lifecycles. While reducing the use of major materials that are at a high risk of depletion or switching to alternative materials, we concurrently carry out risk management on the chemical substances contained in all our products, with regards to their influence on the global environment as well as on people's health. We are committed to continuing to reduce and substitute chemicals that carry high risks. We recognize that current business is in the midst of a once-in-a-century scale recession, and though we may not see the light at the end of the tunnel, we also believe that economic crises also represent business opportunities for us, as we have seen in the past. The Ricoh Group will take every opportunity to improve our corporate value by further pressing ahead with the sustainable environmental management we have built over many years.

As a player in the "Environmental industrial revolution," we will continue to contribute to a more sustainable society through the development of innovative environmental technologies.

Environmental technology development as carried out by the business sector is the driving force that will lead society and the economy from the turbulence of the early 21st century into the future with striking new values. Accordingly, such development must yield innovation on a scale that can match that of the Industrial Revolution. Achieving our own environmental goals is not the only challenge we face. As a member of an industry that brings about constant innovation toward an "Environmental industrial revolution," we must also take up the challenge of helping to build a sustainable society in which the environment and the social and economic activities of people can both prosper. However, efforts undertaken on our own are not sufficient. We will continue working together with stakeholders throughout the world, including our customers, suppliers, shareholders and investors, NGOs and NPOs, and the public, to realize a sustainable society. Our goal is to become a corporation that continues to grow by taking care of the global environment.