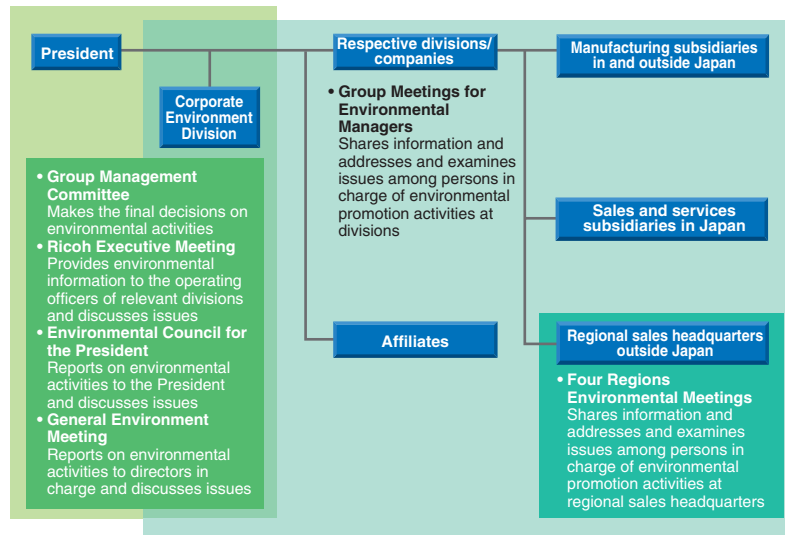


Under the new environmental management system to promote our sustainable environmental management, decision-making efforts for environmental measures and those for business operations are inseparable.

The Ricoh Group's environmental management system (EMS) is an important tool in facilitating sustainable environmental management on a global scale, and is therefore, incorporated as an essential process of each business activity. We established a system to reflect the environmental action plan set by the 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 divisions, promotes the plan-do-check-act (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.

Organizational chart for the Ricoh Group's sustainable environmental management system



More Group members joining the environmental management system

The environmental management system (EMS) of the Ricoh Group covers all of the group companies subject to the consolidated accounting*. New businesses

that are acquired through an M&A, for example, are also incorporated into the EMS. In fiscal 2008, we welcomed Yamanashi Electronics Co., Ltd. into the system.

* Please see [Page 76](#) for the scope of data collection for environmental impact and environmental accounting.

Views held
by a group
company

INTERVIEW

Yamanashi Electronics Co., Ltd.

Aiming for a sustainable environmental management with long-term perspective as a member of the Ricoh Group

Joining the Ricoh Group has had a positive impact on environmental activities

When we joined the Ricoh Group in November 2006 and subsequently adopted the Ricoh Group's environmental policies, our ideas and attitudes toward environmental conservation in undertaking business operations underwent great change. The Ricoh's policies were different from Yamanashi Electronics' original policies mainly in that "environmental conservation activities and business operation are implemented on the same axis," "environmental activities are carried out in co-operation with all stakeholders," and "environmental perspective is incorporated into manufacturing." Since then, we have been working on development of environmental technologies, energy conservation, Zero-Waste-to-Landfill activities, and management/activities for complete elimination of chemical substances in four working groups with different themes, namely "energy conservation," "waste reduction," "environmentally friendly products," and "measures against air pollutants."



Leaders of Special Committee for Environment,
Yamanashi Electronics Co., Ltd.



Kazuhito Toi
Chief, Quality
Assurance Division



Shigehiro Morozumi
Head, Environment and
Standards Promotion
Office, Quality
Assurance Division

Implementing environmental measures with longer-term goals

Joining the Ricoh Group changed the scope of our environmental goals from each year to three years. Also, to set mid-term goals, we now follow the back-casting method starting with long-term goals and long-term environmental visions. This method allows us to take rather radical action and implement innovative changes in production process and facilities as part of our business plan. As a result, we completed the transfer of energy sources for boilers in two factories* in 2007 and 2008, and we plan to discontinue the use of chlorine organic solvents in the near future. We will strive to continue activities to increase the quality of our sustainable environmental management.

* See page 35.

Upgrading the level of the environmental management system

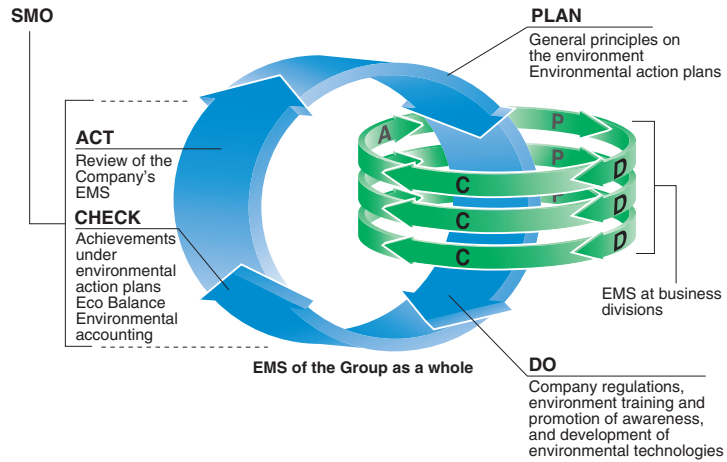
To realize sustainable environmental management, it is essential to pursue environmental conservation and business operations under a united decision-making scheme instead of implementing two separate, sometimes incompatible missions. The Ricoh Group first promoted the acquisition of ISO 14001 certification for each business site to fortify its environmental management system (EMS). Starting with Ricoh Gotemba Plant, which received ISO/DIS 14001 certification in 1995, all major Ricoh production sites worldwide were ISO 14001 certified as of March 2000. Then in 2001, the sales group in Japan as a whole gained ISO 14001 certification. Sales subsidiaries other than those in Japan are also making every effort to acquire ISO 14001 certification. The Group has thus promoted the creation of a climate for sustainable environmental management by all employees through the acquisition of ISO 14001 certification. In addition, in February 2007, Ricoh and its sales subsidiaries in Japan acquired integrated ISO 14001 certification, aiming to harmonize business activities and the environment and provide leadership to the business unit. As of fiscal 2008, each business division now sets its own targets and takes the initiative in environmental measures from various angles under the 16th Environmental Action Plan.

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

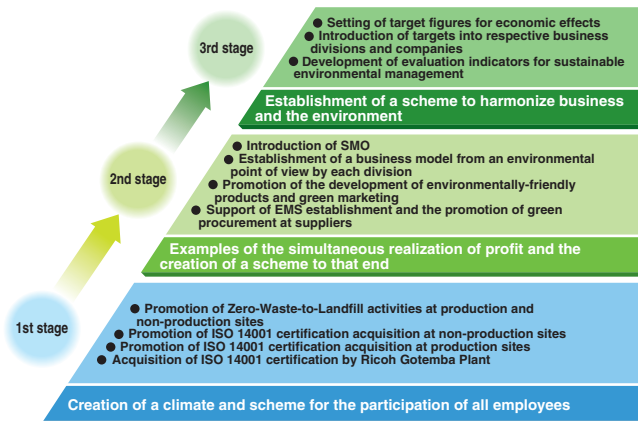
Strategic Management by Objectives

Ricoh introduced Strategic Management by Objectives (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.

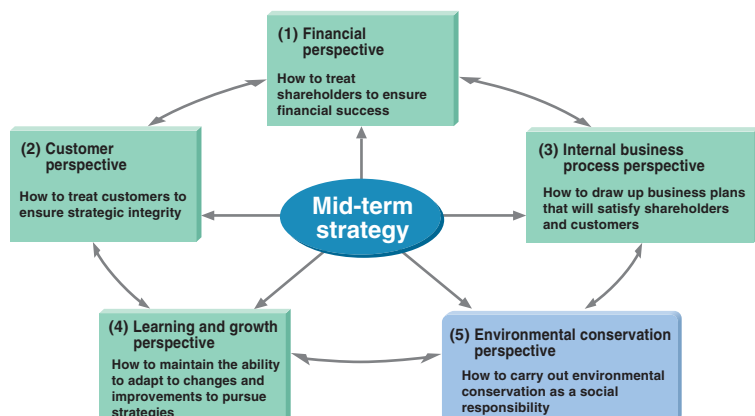
EMS of the Ricoh Group



Improvement in the EMS activity level



SMO of the Ricoh Group



Concept

Feature Article

Products

Business Activities

Basis

Basis

	FY 2006	FY 2007	FY 2008
No. of cases	0	0	0
Amount	0	0	0

	FY 2006	FY 2007	FY 2008
No. of cases	0	0	0
Amount	0	0	0

