We are carrying out activities in cooperation with our customers aiming to reduce environmental impact.

■ Concept

The Ricoh Group believes that the Group should make positive efforts for reducing not only the environmental impact caused by its business activities but also, in cooperation with our customers, the impact generated when our products are used by our customers. Based upon this concept, the Group has upgraded and expanded functions to control energy consumption and the volume of paper used and striven to upgrade the environmental efficiency of our products. We, however, believe it essential that these features are fully utilized so that environmental impact reduction efficiency can be raised even further. Accordingly, we are promoting activities to propose ideas while visualizing the environmental impact caused by use of our products. Such proposals are not limited to those related to the use of Ricoh products. We also introduce and propose various efforts for reducing

environmental impact as carried out in Ricoh's offices.

■ Target for Fiscal 2010

 Understand how far energy-saving features and double-sided printing are used and improve usage rates.

■ Review of Fiscal 2010

In Japan, active efforts to encourage ideas for raising the usage rate of energy-saving modes at our customer's sites, started by Ricoh Technosystems Co., Ltd. (RTS) in 2008, have continued, mainly by RTS. Also, we use our @Remote maintenance service tool to propose effective ways to use our products. This is done by taking data collected by the environmental impact (CO₂ emissions equivalent) tool when the customer uses our products, and providing them with visual environmental impact data. This proposal-making approach has

become a fixed part of our sales activities. We began to make similar proposal-making efforts outside of Japan in 2009. Using @Remote or other tools for the visualization of environmental impact data as in Japan, we proactively make proposals and recommendations to help customers to improve environmental impact reduction at their sites. With the new products with enhanced energy-saving functions launched in 2010, we will step up our efforts to help our customers globally to reduce their environmental impact.

■ Future Activities

We will continue activities for raising the use rates of energy-saving modes and double-sided printing functions by customers both inside and outside Japan, while continuing to make efforts to deliver products and services that are even more user and environment-friendly.

Supporting sustainable environmental management of our customers through the Total Green Office Solution <Ricoh Group (Global)>

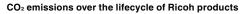
Our assessment of the impact of our products on global warming shows that more greenhouse gases (GHG) are emitted from energy consumption and paper use as a result of product use by customers than by Ricoh Group manufacturing operations. Therefore it is essential that we help our customers to efficiently control paper use and reduce electricity consumption of equipment while it is in use.

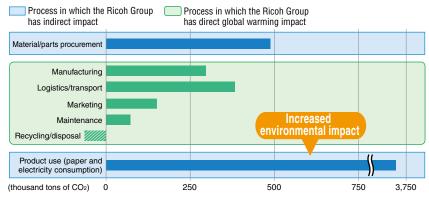
The sales and service divisions of the Ricoh Group share their experience in sustainable environmental management activities with customers around the world to help them establish their own systems. They do this at points of customer contact, such as when making sales proposals

and when negotiating or closing sales contracts.

These activities are organized into the Total Green Office Solution (TGOS), under which the environmental impact of customers' actions related to the use of our office equipment is assessed in three phases—purchase, use and return for recycling—and the assessment data is used to support customer efforts to reduce their environmental impact. TGOS aims to simultaneously achieve an improved workflow and lower cost at customer sites.

http://www.ricoh.com/tgos/top.html





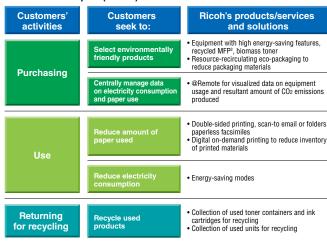
Environmental impact reduction activities in cooperation with customers

<Ricoh Group (Global)>

The Ricoh Group supports customers in their reduction of environmental impact through its sales activities in three key areas: (1) offering products/services with less environmental impact, such as recycled copiers, and kitting* products in plants in Japan ("purchasing"); (2) visualizing CO₂ emissions and proposing ways to reduce the environmental impact of the use of Ricoh products as well as offering, through sales subsidiaries, our know-how for environmental impact reduction based on our Group's internal efforts and experience ("use"); and (3) offering an end-of-life product and packaging recovery service to achieve effective use of resources and reduce environmental impact ("returning for recycling").

 Products are shipped from plants in Japan after being customized with options ordered by customers, and delivered directly to them. See page 32.

Products and services that support customers in their efforts to reduce environmental impact (TGOS¹)



2. Multifunction printer

1. Total Green Office Solution See page 51.

Sustainability Optimization Programme aiming at zero carbon footprint for document workflow

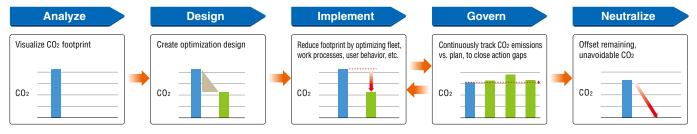
<Ricoh Europe PLC (Europe)>

Ricoh Europe PLC (RE), the European sales headquarters within the Ricoh Group, has introduced the Sustainability Optimization Programme (SOP), in line with Total Green Office Solution (TGOS), the Group's strategy to provide customers with solutions to reduce their costs and environmental impact. This program aims to help users of Ricoh products to minimize the Total Cost of Ownership (TCO) and the carbon footprint related to document workflow, by collecting relevant data to assess the current situation before creating and implementing an improvement plan, followed by continuous effectiveness monitoring for further improvement. Behind the launch of RE's new program is the increasing focus placed by business managers on the importance of conserving the environment while simultaneously pursuing business growth. Under ever-intensifying competitive pressure, companies are striving to further streamline operations to enhance business efficiency while, amid the globally rising concerns over climate change, they are expected to assume greater responsibility for reducing the impact of their activities on the environment. In a bid to offer a solution to this challenge, RE has developed SOP, consisting of five steps. The first step is analyzing in detail the document output environment of the customer's office, focusing on quantifying costs and CO₂ emissions, to establish accurate baselines. The assessment results provide the basis for an improvement plan, including fleet optimization design and TCO/CO₂ reduction targets. In the implementation phase, to ensure the new design will work to raise document output efficiency as planned, RE offers various forms of support, including staff training to raise environmental awareness and providing know-how to make

the most of the energy-saving mode, double-sided printing and other green functions. The performance of the newly optimized fleet and process will be monitored to help achieve continuous sustainability improvement, particularly by comparing actual CO2 emissions against the set targets on an ongoing basis, aimed at allowing for interventions to be made where appropriate. The final phase of SOP offers Carbon Balanced Printing, a new option for taking an additional step toward environmental contribution, specifically, neutralizing the minimal carbon emissions that unavoidably remains after all possible steps taken under SOP, using carbon credits obtained by Ricoh1. This carbon offset scheme covers primarily power and paper use of each device operated for office document output. RE's SOP makes it easier for its customers to meet their environmental goals and fulfill their social responsibility at reduced cost. The program has been employed by a number of major companies, who provided generally favorable feedback, including "This is an outstanding program that can achieve both optimal business management and environmental contribution," or "a viable and effective option that help achieve environmental targets." The calculation method and other systems incorporated in the program have been assessed and accredited by the British Standards Institution (BSI). In recognition of this initiative, RE was selected from among 21 candidates to win the EFQM Sustainability Good Practice Competition 2011, hosted by European Foundation for Quality Management.² RE will work to evolve SOP to enhance process optimization functionality, and offer industryspecific improvement proposals, seeking to expand employment of the program by a diverse range of customers.

- The carbon credits used for offsetting are certified emission reduction (CER) credits earned for investing in UNFCCC registered CDM projects. See page 42.
- For more details, please visit the web site at:
 https://sites.google.com/site/efqmgoodpracticecompetition/

Five steps of Sustainability Optimization Programme



Our managed document service being used at COP 10 <Ricoh Co., Ltd. (Japan)>

Ricoh provided outsourced document output management services during COP 10 (the Tenth meeting of the Conference of the Parties to the Convention on Biological Diversity) and COPMOP 5 (the Fifth meeting of the Conference of the Parties serving as the meeting of the Parties to the Cartagena Protocol on Biosafety) held in Nagoya in October 2010. Ricoh was selected to provide outsourced services because of the high quality of its global managed document services (MDS)*, and the following endeavors by the Group to be environmentally responsible: 1) significant efforts to reduce environmental impact in line with its sustainable environmental management strategy and concurrent efforts over many years to conserve biodiversity to improve the Earth's capabilities to recover and 2) efforts to reduce environmental impact not only by improving the environmental performance of its products but also through various measures at every stage of the lifecycle. We provided 114 copiers and other equipment for these meetings, including multifunctional digital copiers and printers equipped with energy-saving technology. Cooperation between Ricoh, Ricoh Japan, Ricoh Technosystems and Ricoh Logistics System, enabled us to install equipment in locations that would allow documents to be output efficiently with the least number of units. Maintenance support was provided around the clock to assist the smooth operation of COP 10. Our services included collection and destruction of classified documents to ensure security. The Ricoh Group will make good use of the experience and expertise gained in these large-scale conferences to build networks and expand its business to IT services so that it can contribute to the effective running of conferences and meetings both in Japan and abroad and to reducing environmental impact.

* Managed Document Services (MDS) is a service that advises companies on how to improve the efficiency of their document printing services, including a document workflow solution: Based on a detailed analysis of how customers input and output documents at their offices, proposals for the optimum locations of devices and the most effective workflow are made; and operation and management of the proposed printing environment as a whole are handled by the service provider The Ricoh Group provides MDS globally.



Demonstrating Ricoh's own efforts toward work style innovations in our demonstration offices, "ViCreA" <Ricoh Japan Corporation (Japan)>

We at the Ricoh Group propose a wide range of ideas to improve our customers' operational efficiency, to make their offices more environmentally friendly, and to optimize their work style, etc., based on our own practices and experiences. To demonstrate how we "walk the talk," our demonstration offices, "ViCreA," are open to customers. In these offices, we present examples of our own practices in sustainable environmental management and seven other focus areas. In addition, a tour of our actual office is offered to visitors to ViCreA, providing real-life examples of how our solution ideas can work in their offices. We have also started to share our energy-saving ideas and measures as many customers have developed a greater interest in energy conservation in the wake of the tight power supply situation caused by the earthquake and resulting nuclear plant accident in Japan. In fiscal 2010, about 8,000 people visited our ViCreA locations in the Kanto area (the region including Tokyo and its environs) alone.

Categories of internal practice examples presented at ViCreA

- Risk management: Reducing a wide range of risks to become a stronger organization.
- Effective use of information: Enhancing operational efficiency by sharing and effectively using information across the company.
- Cost reduction: Eliminating waste in operations and optimizing costs.
- Enhancing customer and employee satisfaction: Increasing customer satisfaction and becoming the company most valued and admired by customers. Creating a vibrant, fulfilling workplace.
- Strengthening compliance efforts and social contribution activities: Fulfilling our responsibility to society and achieving business goals to enhance our corporate value. Conducting activities that will make a positive contribution to society.
- Work style innovations and operational efficiency improvement:

 Creating a comfortable, motivating workplace. Improving operational efficiency to enhance the quality of each employee's performance.
- Sustainable environmental management: As a global citizen, operating our business in an environmentally responsible way.
- Improving employee morale and performance: Offering working conditions in which employees can develop their capabilities to motivate them to achieve even better performance.



New type of office that enables work style innovations