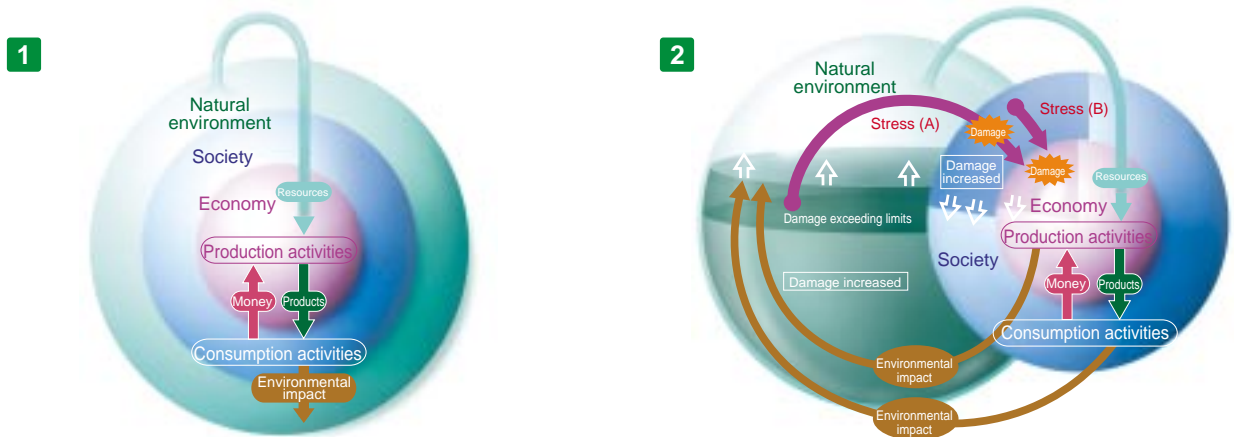


We need to reduce the environmental impact of society to a level that the Earth's abilities to recover can deal with.

Three P's Balance™: Representing the Relationship between the Global Environment and Society



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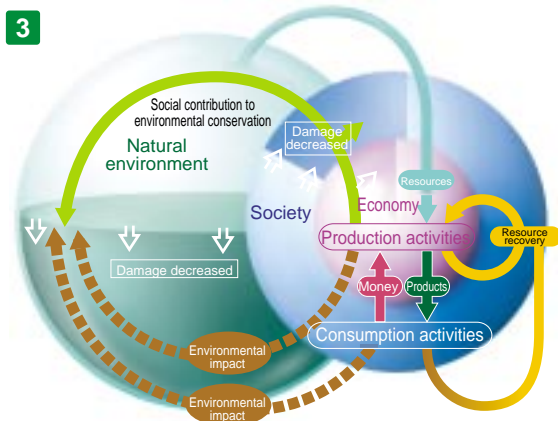
Until now, the environmental impact of economic activities has been small enough for the natural environment to recover unaided. However, our societies' impact on the environment has grown rapidly and steadily since the Industrial Revolution. Companies hold the key to restoring the environment to health. The reason companies should be more serious about environmental conservation becomes clear if we consider how the three P's (planet, people, and profit) in environmental, social, and economic activities have changed over time since the Industrial Revolution. In doing this, the kind of world we should pursue becomes clear as well.

1 Environmental impact was smaller before the Industrial Revolution.

The environmental impact of economic activities was smaller before the Industrial Revolution and small enough for the natural environment to recover from unaided.

2 Since the Industrial Revolution, damage to the natural environment has continued to increase.

The Industrial Revolution, which began in the United Kingdom, quickly spread throughout the rest of the world and opened an era of mass production, mass consumption, and mass disposal. As shown in Figure 2, people began acting as if they were not a part of the natural environment, and the damage caused by society to the natural environment drastically increased. In recent years, the environmental impact of human activity has increased beyond the Earth's ability to recover, and that has led to global warming, the depletion of the ozone layer, the submersion of land due to the rising sea level, epidemic diseases making their way northward from southern regions, and an increase in the number of people suffering skin cancer caused by strong ultraviolet light. These problems placed stress (A) on society and the economy, and society at a standstill, in turn, placed stress (B) on the economy. Currently, environmental conservation is a global issue, and companies, which are major economic players in society, are required to be serious in their commitment to environmental conservation. Without showing commitment to environmental conservation, companies will not be able to gain support from society at large.

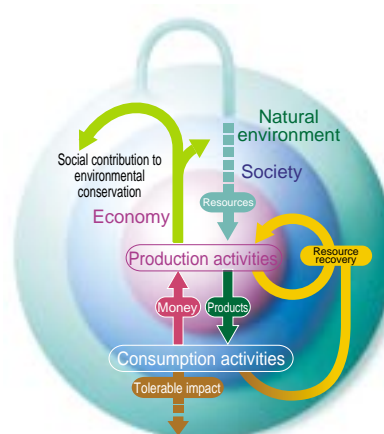


3 At present, the establishment of a resource-recirculating society is underway and being carried out in phases.

People are paying more attention to activities that reduce the amount of damage being done to the natural environment, including the sorting of waste, recycling, and energy conservation. Reducing the amount or resources consumed and the amount of waste discharged is possible if we endeavor to recycle resources instead of disposing of them. There is a growing need for manufacturers to promote energy conservation, resource recycling, and smaller products with longer lifecycles to provide the maximum benefit to society and companies with minimum resources. Not only are global companies asked to take into account social responsibilities in the countries and regions where they engage in business activities, but they are also asked to support and promote the awareness of environmental conservation activities of companies and regions that are expected to make significant economic progress in the future and to achieve their goals with minimum environmental impact. In addition, it is important to improve the self-recovery capability of the natural environment with such efforts as improving forest ecosystem conservation.

Pursuing the Ideal Society

4



4 Our aim is to build a society whose environmental impact is within the abilities of the natural environment to restore itself.

To preserve the global environment for future generations, people need to recognize that they are part of nature and should strictly limit their environmental impact to a level that is within the abilities of the natural environment to restore itself. It is therefore important to set clearer goals to prevent global warming and pollution and to save resources. The Ricoh Group will establish “the Year 2010 Long-Term Environmental Goals*” as a milestone on the path to its long-term vision of the ideal sustainable society. We need to face new challenges with a totally new recognition in order to overcome the most serious threats to our own existence.

* See page 13.