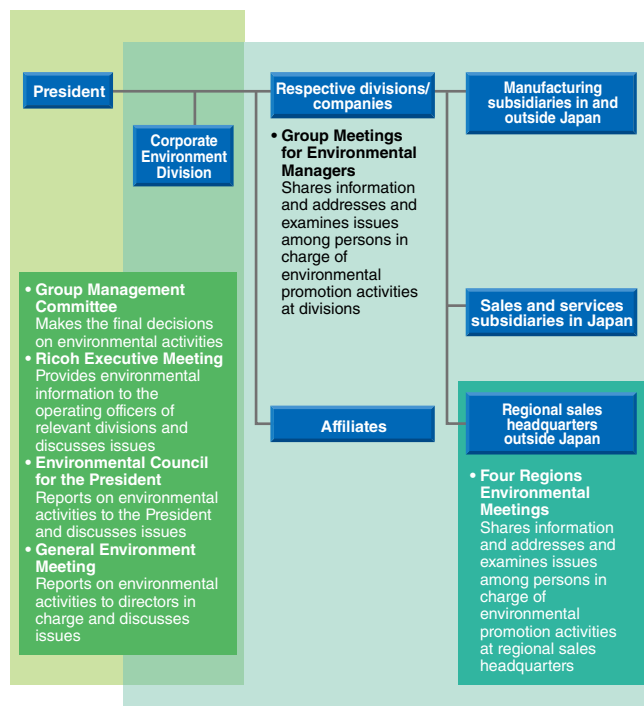


Under the environmental management system to promote our sustainable environmental management, decision-making efforts for environmental measures and those for business operations are inseparable.

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 promotes sustainable environmental management by incorporating the environmental management system (EMS) 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 organizations and provide feedback on the results of their actions to management. Under the system, the Group as a whole, and each of the organizations, promotes the plan-do-check-act (PDCA) cycle. In addition, we operate the Sustainable Environmental Management Information System, designed to identify and promote the progress of sustainable environmental management. The collected data are processed and analyzed to identify the integrated environmental impact¹ of overall operations; draw up environmental action plans²; support decision-making in sustainable environmental management; promote environmentally-friendly design; improve activities by each division; process Corporate Environmental Accounting³; and disclose information to the public.

1. See page 59. 2. See pages 19 to 20. 3. See page 59.

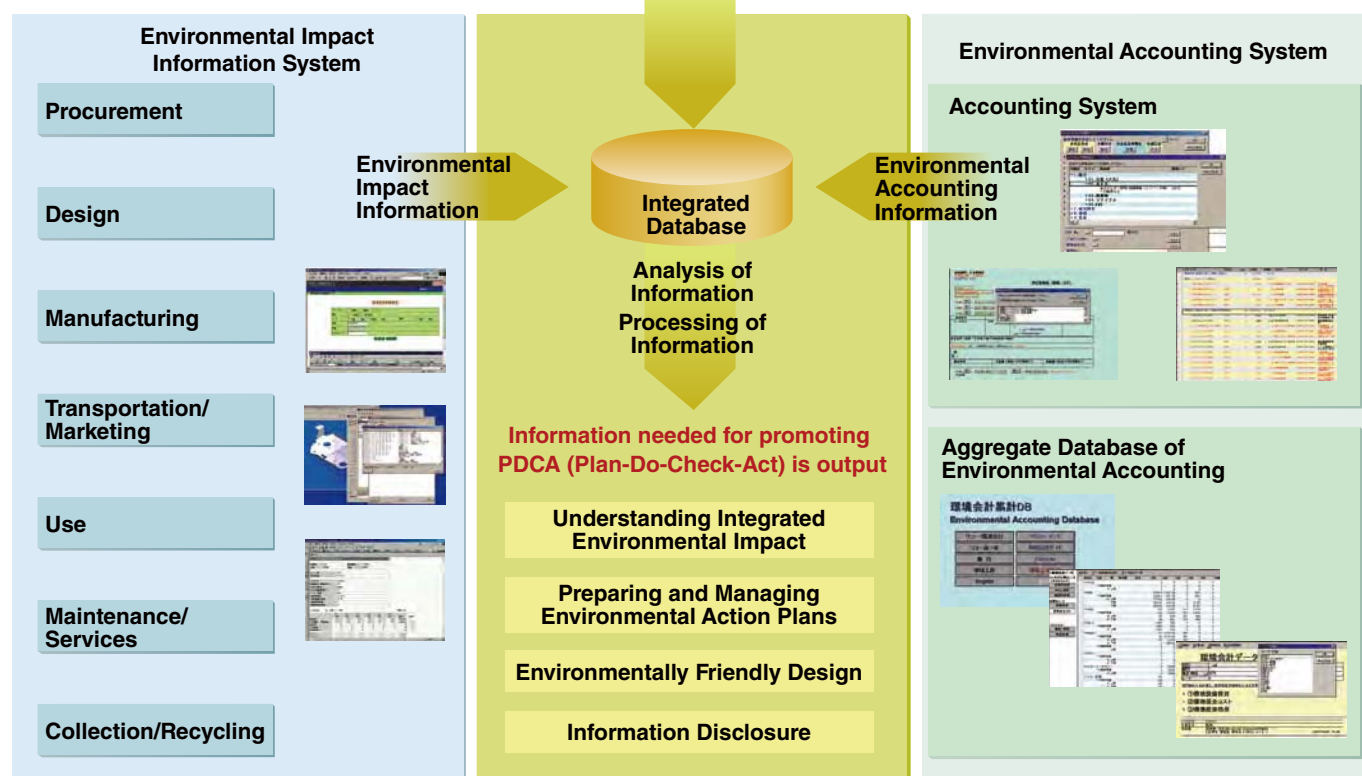
Chart of Ricoh Group's sustainable environmental management system



Sustainable Environmental Management Information System

Data to process information collected

- Number of units produced (by process)
- Weight of products
- Value of sales
- Allocation information (relations between divisions/facilities and products)



* For more information, visit <http://www.ricoh.com/environment/base/02.html>

Upgrading the level of the environmental management system

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 all business units. Based on the 16th Environmental Action Plan commencing in fiscal 2008, each business division has set its own targets and is implementing a variety of measures to meet them. In fiscal 2009, our sales-related EMS was expanded to include Ricoh Technosystems Co., Ltd. (RTS) and Ricoh IT Solutions Co., Ltd. As a result, the integrated certification mentioned above is held by approximately 37,000 employees of Group companies in Japan. Outside of Japan, Ricoh India Ltd. in the Asia-Pacific region has also obtained the ISO 14001 certification.

* 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

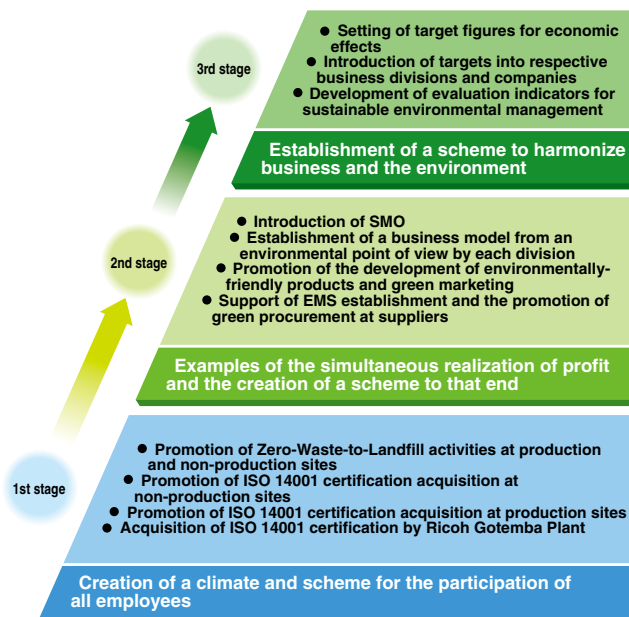
Ricoh introduced Strategic Management by Objectives (SMO) in 1999 to clarify evaluation standards for environmental conservation activities that are used in divisional performance evaluations. This system is based on the Balanced Scorecard system, a performance management system developed in the 1990s 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.

Green purchasing

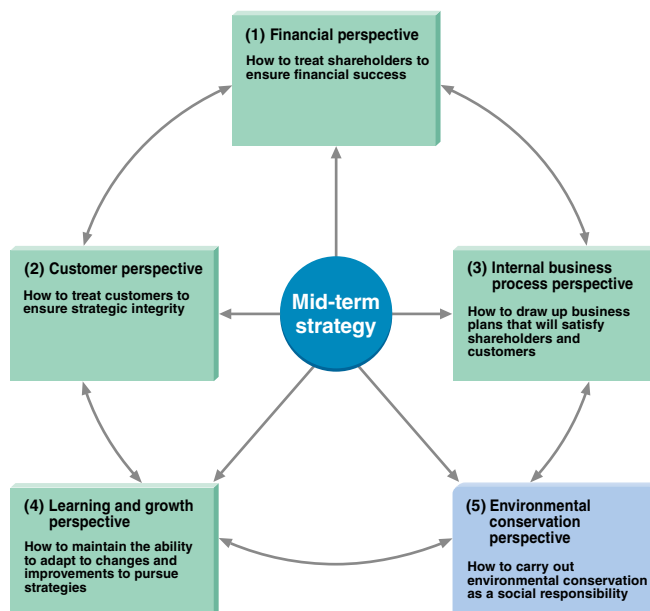
<Ricoh Group (Global)>

The Ricoh Group is promoting green purchasing, which promotes the active use of environmentally-friendly products, as a user of paper, stationery, office equipment, etc. In April 2002, the Ricoh Group formulated Green Purchasing Guidelines in Japan for eight categories: paper, stationery, office equipment, OA equipment, home appliances, work gloves, work uniforms, and lighting. Production and non-production sites outside of Japan are also promoting green purchasing by establishing their own standards.

Improvement in the EMS activity level



SMO of the Ricoh Group



Participatory approach by all employees

The Ricoh Group is making an effort to improve sustainable environmental management based on an “all-employee participatory approach.” This “all-employee participatory approach” means that all employees in all divisions—such as R&D, product design, materials procurement, manufacturing, transportation, sales, maintenance/services and collection and recycling—participate in environmental activities. These activities are regarded as just as important as “QCD activities*,” which involve pursuing profitability. To improve environmental activities, internal benchmarks and know-how are provided to all employees from time to time to make them more environmentally aware.

* QCD activities improve the management of Quality, Cost, and Delivery.

Risk management

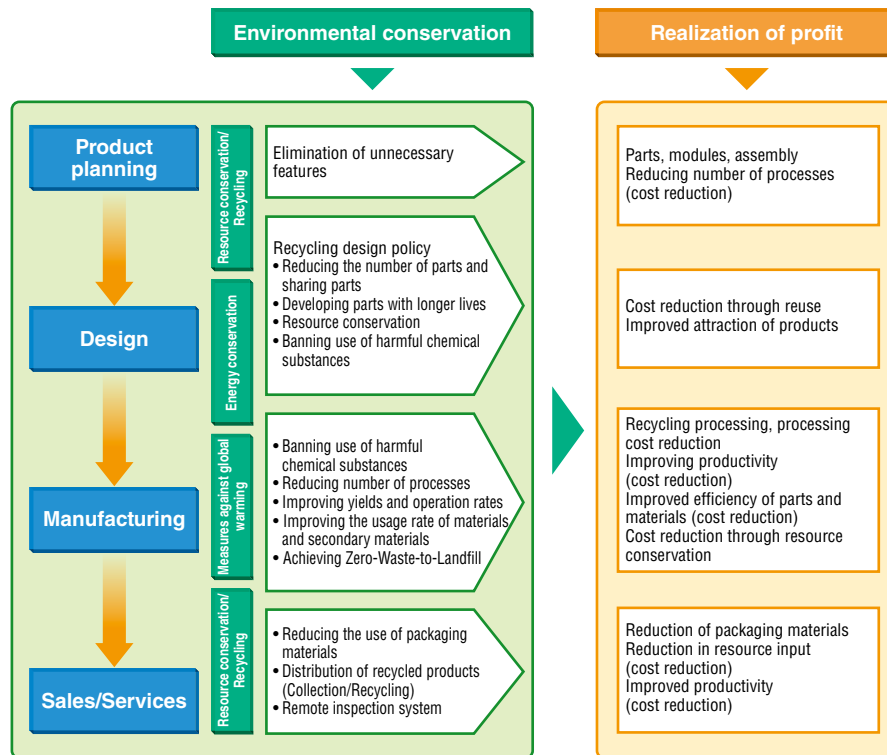
The Ricoh Group carries out risk management as an inner control function using the PDCA cycle based on the Ricoh Group's Total Risk Management Basic Rules. For initial measures taken in case of crises*, the Rules clearly define the sections in charge and reporting levels according to the different crisis categories. In line with the Rules, pertinent incidents are reported to the president and relevant officers, then necessary measures are taken based on the president's policies. When an environmental crisis or an incident that seemingly will lead to an environmental crisis occurs, initial actions, including reporting and reception of information, instruction, actions and discussion, will be carried out as indicated in the accompanying flow chart.

* Crisis: an incident with a risk that continues and/or increases in size to the level at which the corporate operation of the Ricoh Group is severely affected.

Penalties and fines concerning the environment (Ricoh Group)

	FY 2007	FY 2008	FY 2009
No. of cases	0	0	0
Amount	0	0	0

Sustainable environmental management activities participated in by all employees



Action flow for environmental crises

