

Ricoh Europe
Sustainability
Report 2013



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Scope of this Report

The Ricoh Europe Sustainability Report covers the operations and employees of Ricoh Europe PLC within the region of Europe, Middle East and Africa (EMEA) and is produced annually. This report relates to the fiscal year from April 2012 to March 2013.

Ricoh Europe PLC is a wholly owned subsidiary of Ricoh Company Ltd. Ricoh Europe has more than 16,000 employees working in 21 countries in the EMEA region. Ricoh's manufacturing facilities in Europe and activities with partners are not included within the scope of this report. Further details of these activities can be found in the Ricoh Group Sustainability Report. Audited financial figures are published in the Ricoh Group Annual Report. Both reports can be downloaded from www.ricoh.com.

We have completed a self-assessment of this report against the Global Reporting Initiative (GRI) guidelines and have allocated a "B" rating. Further details of this assessment are available in the "Results Summary" section of this report, and full details are available on our website, www.ricoh-europe.com.

This report highlights Ricoh Europe's performance during the fiscal year ended 31st March, 2013 and previous periods. The Company makes every effort to ensure the accuracy of the data included herein, but undertakes no obligation to update this data subsequent to publication.

Your Feedback

If you have any comments, opinions or suggestions regarding this report, please contact Ricoh Europe's CSR Division at csr@ricoh-europe.com.

Chief Executive Officer's Statement



Akira Oyama
Chief Executive Officer
Ricoh Europe PLC

Welcome to the sixth Ricoh Europe Sustainability Report which highlights details of our economic, social and environmental achievements during the 2012 fiscal year.

It is a challenging and exciting time for business leaders. In addition to technology-led change, they must manage complex regulations and grow their businesses in a competitive landscape. They are also focused upon recovering from the global economic crisis, reducing environmental impacts and adding value in their communities.

At the heart of all the changes necessary for an organisation to manage these challenges and to succeed in the future, are its people. People will remain the single most important asset to an organisations success, a belief reflected in our brand and *imagine.change*. This view was also evident in Ricoh Europe sponsored research conducted by the Economist Intelligence Unit, titled *Humans and Machines The role of people in technology-driven organisations*. Business leaders across 20 different industries took part; including financial services, education, government/public sector, healthcare manufacturing and technology. They were positive about the impacts of technology-led change and its impacts on creativity and innovation but they are concerned about keeping up with the pace of change. Their challenges are focused on system and process issues exposing the need for European organisations to review the way they work and prepare to transform their traditional way of doing things.

At Ricoh we are ready to support businesses through better integration of their systems and creating more streamlined business processes that connect their people and their technology. They will in turn benefit from improved employee knowledge sharing, increased responsiveness to client needs and a more agile business infrastructure that is ready to meet the needs of the future.

In addition, Ricoh is energised by combining its innovative products and services with a sustainable approach to business. It is embedded into the way we work, right from the beginning when the company's founder, Kiyoshi Ichimura, nurtured a unique pool of thinkers, motivated by professional pride, who refused to be limited by tradition. They envisioned a world where information could be copied precisely and distributed at the touch of a button – a world where critical business knowledge was available anywhere, anytime.

At the same time, Ricoh views business, society and the planet as interconnected. It strives to be a company people are proud to work for, going beyond compliance to encourage responsible growth wherever possible. By linking its commitment to forward-thinking business strategies, it promotes development that is profitable and sustainable at customer sites as well as its own operations.

You can read more about our services, our awards, our strategy and our community activities inside this report.

Thank you for your interest.

Ricoh Europe’s Sustainability Strategy

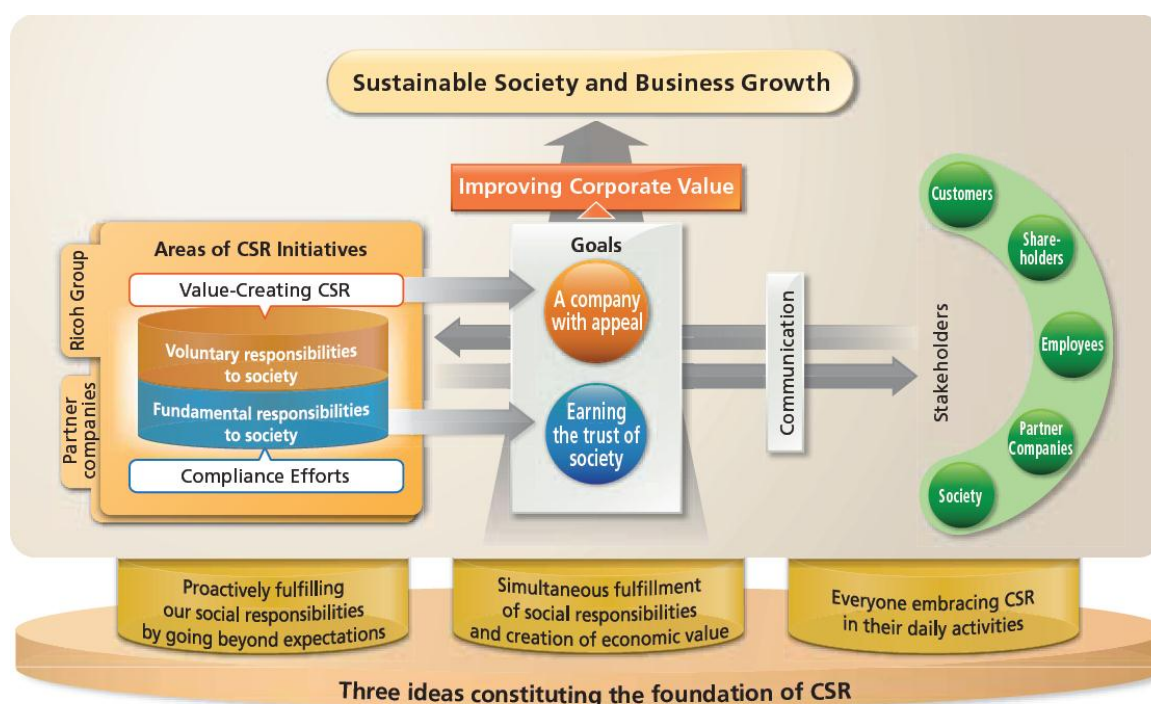
The origins of Ricoh’s sustainability strategy can be traced back to the Corporate Philosophy developed in 1930’s by our founder, Kiyoshi Ichimura, in his twin vision: ‘To innovate on behalf of our customers and to pursue sustainable business practices on behalf of every life we touch’. Today this vision remains an underlying principle in our business. We view business, society and the planet as interconnected. By linking our commitment to forward-thinking business strategies, we promote development that is profitable and sustainable for all stakeholders, including our own operations, enabling us to be a customer driven organisation that is innovative and profitable – both now and for future generations.

Ricoh is engaged in “two-tier” CSR activities based on the three ideas constituting the foundation of CSR specified in the chart below: the first tier involves basic social responsibilities and the second tier involves voluntary social responsibilities. We aim to build public trust through our first tier activities and enhance our attractiveness through second tier activities and by achieving these goals simultaneously to increase the value of the company. We develop and implement action plans focusing on the four key areas specified in our CSR Charter: integrity in corporate activities, harmony with the environment, respect for people, and harmony with society.

The Ricoh Group regards the promotion of CSR activities as a growth strategy which aims to solve social issues, while at the same time fostering its corporate growth. Therefore, we place particular focus on a concept we refer to as “value-creating CSR”. Utilising our resources such as technologies, products, services, and our employees, we aim to help solve a range of social issues.

To facilitate these efforts, Ricoh Europe has adopted globally accepted CSR guidelines, e.g. United Nations Global Compact, ISO 26000, etc. and has enhanced its activities accordingly. In Ricoh Europe, a working group has reviewed ISO26000 and provided guidelines which show how to apply the standard to the respective European businesses. We now fully recognise the standard within Ricoh Europe and use it as a framework to help guide our activities:

Ricoh recognises ISO26000 as a reference document that provides guidance for implementation of its CSR strategy and policies across the organisation. As such Ricoh Operating Companies across EMEA are committed to continually integrating the ISO26000 standard into our business operations.



Introduction

We develop solutions to produce reliable and innovative products and services for our customers that generate profit for our shareholders. This means we add value as a business partner, provide a secure future for our employees and preserve the resources of the communities around us.

For us, sustainability is about developing a business model that delivers lasting value for all stakeholders into the future. Our more recent products are designed to meet the ever changing needs of our populations, catering for all abilities with specific focus on the following:

- Operating accessibility
- Visual accessibility
- Wheelchair accessibility
- Aging accessibility

Our CSR Strategy is defined in the “Ricoh CSR Charter” that was established in 2003 and developed to integrate Ricoh’s core values and the ten principles defined in the UN Global Compact into our daily activities. We take a three ‘P’s’ approach to sustainability: People, Planet and Profit. This ensures our business model is maintained and continuously improved to support our CSR, business and environmental objectives.



Balance of “3 P’s”

For ten consecutive years, Ricoh has been recognised by FTSE4Good for its Corporate Social Responsibility activities. In addition to external recognition, we set tough targets for ourselves. We achieved our aggressive target to reduce our CO₂ emissions by 20% by the end of 2010 and we are on track to achieve our

long term vision to reduce environmental impact by 87.5% by 2050. Through our innovative services e.g. Total Green Office Solutions and certified remanufacturing capabilities we are also helping our customers achieve their own targets.

CSR Governance

Ricoh Europe has established a decision making authority which aims to provide clear direction to all Operating Companies within EMEA. It meets at least once per quarter, chaired by a Ricoh Europe board member and representation is made up of senior CSR managers and Corporate Communications.

The role of this CSR authority is to:

- Identify and deliver key CSR work streams which will enhance the Ricoh brand whilst delivering against the Ricoh Group CSR strategy
- Assign appropriate resources to make sure all agreed actions are delivered effectively
- Review, analyse and agree future direction for Ricoh Europe from a CSR perspective
- Identify and share good practice from within and outside of Ricoh Europe
- Align all Operating Companies’ CSR activities to ensure that a single image and message are communicated both internally and externally

Business Excellence

Ricoh recognises that being a customer-centric organisation requires an implicit understanding of the needs of customers and how we perform against customers’ expectations. We conduct self-reflection on a regular basis and as such are in the process of transforming ourselves into a customer focused business. This enables Ricoh to provide customer driven innovation and deliver value from the perspective of our customers.

Ricoh makes sure it is an efficient and effective organisation by using a number of world class frameworks, e.g. EFQM (European Framework for Quality Management), Investors in People, etc. These are embedded in the organisation at a regional and local level. These are used on a continuous basis in conjunction with process improvement tools based on Lean Six Sigma.

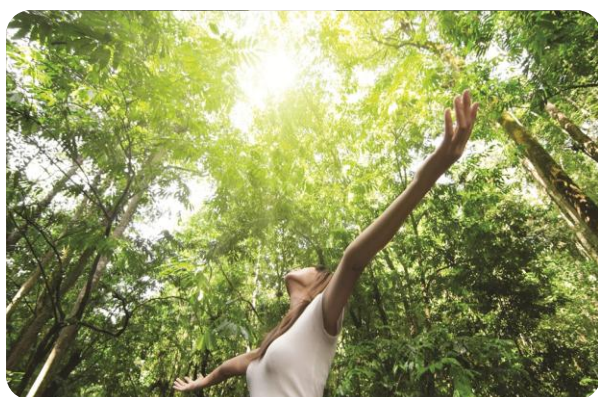
The Ricoh Way

“The Ricoh Way” is a global philosophy and set of values shared amongst all Ricoh Group companies, and is the foundation of Ricoh’s daily business operations. It consists of Founding Principles, Mission, Vision and Values. The Mission, Vision and Values demonstrate Ricoh’s drive to provide excellence, innovation, continuous improvement and value to its customers. They define Ricoh’s commitment, dedication and behaviour as one global company.

The Ricoh Founding Principles

The Spirit of Three Loves by Kiyoshi Ichimura, Founder:

“Love your neighbour”,
 “Love your country”,
 “Love your work”.



Global Mission

At the Ricoh Group, we are committed to providing excellence to improve the quality of living.

Global Vision

To be the most trusted brand with irresistible appeal in the global market.

Global Values

To be one global company, we must care about people, our profession, our society and our planet. We must dedicate our winning spirit, innovation and teamwork to sharpen our customer-centric focus, and we must also commit to the highest standards of ethics and integrity.

Employee Engagement

Ricoh continuously seeks to ensure employees are engaged. Ricoh incorporates “The Ricoh Way” values within its performance management process “Power to Perform” and recognises exceptional performance by awarding the Minori

Awards in the following categories: Achievement, Creativity, Education, Effort, Environment, Improvement and Social Contribution.

Supporting the UN Global Compact

Ricoh Company, Ltd. signed the UN Global Compact (see below) in 2002 and maintains its commitment to ensuring these principles are observed in all operations globally. To ensure this, Ricoh has defined the “RicoH CSR Charter” and the “RicoH Code of Conduct”. These have been communicated to all employees and are expected to be actively implemented and observed at all times. In December 2008, Ricoh Europe PLC signed the UN Global Compact to show Ricoh’s ongoing support and commitment to the development and promotion of a sustainable society.

*** The United Nations Global Compact (GC)**

The Global Compact is a framework for businesses that are committed to aligning their operations and strategies with ten principles.

The Ten Principles

[Human Rights]

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 make sure that they are not complicit in human rights abuses.

[Labour Standards]

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour;
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.

[Environment]

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.

[Anti-Corruption]

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The Ten Principles of the United Nations Global Compact

Corporate Social Responsibility (CSR) Charter

To enable us to grow as a respected enterprise, all companies within the Ricoh Group must plan their Corporate Social Responsibility (CSR) within a consistent global framework and throughout all operations. To ensure this, the following principles are to be observed, with the proper social awareness and understanding, compliant with both the letter and the spirit of national laws and the rules of international conduct.

Integrity in Corporate Activities

1. Every company in the Ricoh Group will develop and provide useful products and services, with high quality, safety, reliability and ease of use, while maintaining security of information and giving proper consideration to the environment.
2. Every company in the Ricoh Group will compete fairly, openly and freely, maintaining normal and healthy relationships with political institutions, government administration, citizens and organisations.
3. Every company in the Ricoh Group will take responsibility for managing and safeguarding its own information and that of its customers.

Harmony with the Environment

4. Every company in the Ricoh Group will take responsibility, as a citizen of the world, working voluntarily and actively to preserve the environment.
5. Every company in the Ricoh Group, and all employees of each company, will seek to implement technological innovations that reflect environmental concerns and will participate in ongoing activities to preserve the environment.

Respect for People

6. Every company in the Ricoh Group will maintain a working environment that is safe and that makes it easier for its staff to perform their duties, respecting their richly individual characteristics and encouraging their autonomy and creativity.
7. Every company in the Ricoh Group will respect the rights of all those connected with it, and will seek to create a cheerful working environment, free of discrimination.
8. No company in the Ricoh Group will permit forced labour or child labour, and none will tolerate the infringement of human rights.

Harmony with Society

9. Every company in the Ricoh Group will, as a good corporate citizen, actively engage in activities that contribute to society.
10. Every company in the Ricoh Group will respect the culture and customs of its country or region, and will operate so as to contribute to their development.
11. Every company in the Ricoh Group will engage in the fullest possible communications with society, seeking actively to provide proper and unbiased disclosure of corporate information.

For more information about Ricoh Global CSR strategy, please visit: www.ricoh.com/csr/

External Recognition

We are proud that Ricoh Europe's activities in Corporate Sustainability have received the following external recognition:

2013

- Ricoh was recognised by FTSE4Good Index for meeting high standards for the tenth consecutive year. The review criteria included environmental management, human and labour rights, supply chain labour standards, corporate governance and countering bribery
- Ricoh was selected as one of the World's Most Ethical Companies for the fifth year in a row by the Ethisphere Institute
- For the ninth consecutive year, Ricoh was rated as one of the "Global 100 Most Sustainable Corporations in the World" by Corporate Knights. The recognition is for companies that are best positioned to thrive in a 'clean capitalism' economy - which includes social, economic, ecological benefits and costs

2012

- Ricoh was recognised as one of the 2012 Top 100 Global Innovators list by Thomson Reuters, one of the world's leading sources of intelligent information for businesses and professionals
- Ricoh's Private Cloud wins 'Project of the Year' in Green IT Awards – 'Best Cloud / Virtualisation Project of the Year' awarded to the Ricoh and Infosys design and implementation team
- Ricoh won the Eco-Enterprise Innovation Award at the Oracle Excellence Awards, with recognition also given to business partner Infosys, and the 2012 Chief Sustainability Officer Award. Both awards recognise the efficient and sustainable way Ricoh has built a new IT infrastructure to support its operations in EMEA
- Ricoh was recognised by global consulting firm Deloitte as one of the top global organisations ready for a 'green and inclusive economy'

2011

- Ricoh won Sustainability Good Practice Competition 2011 organised by EFQM (European Foundation for Quality Management)
- Ricoh was awarded 'Prime' status by oekom research and recognised as one of the "World's Best Office Electronics Companies in Social and Environmental Performance"
- Ricoh Europe received Silver Award in the "Best Green Service Innovation" category organised by International Green Awards 2011
- Ricoh was selected as a Finalist in The Climate Week Award 2011 in the category "Best Initiative by a Large Business" for Ricoh Sustainability Optimisation Programme
- Ricoh Italy was awarded a 5 star "Recognised for Excellence" from EFQM

2010

- Ricoh Europe achieved a 5 star "Recognised for Excellence" award from EFQM. The application covered all our operations in EMEA
- Ricoh Netherlands was awarded a 5 star "Recognised for Excellence" from EFQM
- Ricoh European Service Parts Centre was awarded a 4 star "Recognised for Excellence" from EFQM
- Ricoh Germany was awarded the prestigious Ludwig-Erhard-Preis for business excellence. The accomplishment acknowledges the excellent results achieved by doing business the Ricoh way – an approach that combines economic, social and environmental thinking

For more information about Ricoh Awards, please visit: www.ricoh-europe.com/about-ricoh/our-principles/awards/

Corporate Activities



Corporate Activities



“Our goal is to achieve the highest standards of global citizenship and compliance, both internally and across our partners and suppliers. We adopt a highly ethical approach to all our business activities, defined in our Code of Conduct, with extensive awareness and training programmes to help all our people understand their role in ensuring we meet these standards. Internal and external audits are used to review and continually improve the processes and controls we have established, in line with changing requirements.”

Nicola Downing, Vice President, Legal Division

Our Strategy

Our strategy is to adopt the highest ethical standards across our business activities and our supply chain, as defined in the “Ricoh CSR Charter” and the “Ricoh Code of Conduct”. These define the standards, ethics and behaviours Ricoh Europe and our people should adopt in our daily business practices.

These are supported by awareness training programmes to ensure our people understand how standards apply to their specific role. In addition, we have a rigorous Compliance Management Strategy, based on relevant legislation, regulatory standards and industry best practice. Regular internal and external audits are used to monitor compliance, ensure the validity and robustness of our processes and ensure our Management System is continuously reviewed and improved.

Verification of Financial Results

Consolidated annual financial results for Ricoh Europe Holdings PLC are lodged with Companies House in the UK and comply with the requirements of the UK Companies Act. These are compiled in line with the UK Generally Accepted Accounting Principles (GAAP). Ricoh Company, Ltd. accounts are compiled in accordance with the US GAAP. Full details of the financial performance of Ricoh Company, Ltd. are available at

www.ricoh.com/IR/financial_data/financial_result

KPMG conducts an annual audit of Ricoh Europe companies and of the consolidated annual financial results for Ricoh Europe Holdings PLC. In addition, European quarterly results are reviewed by KPMG. To ensure the accuracy and reliability of our financial reporting, all Ricoh Europe companies document their financial processes and map these to meet the requirements of the Sarbanes-Oxley Act. Ricoh Europe has also established controls to effectively manage financial risks. These processes are externally audited by KPMG to ensure compliance with the Sarbanes-Oxley Act.



Ricoh Europe Headquarters, London

Customer Insight

Ricoh Europe markets and delivers products and services directly through its National Operating Companies (Direct Channel) and through a network of Distributors and Dealers (Indirect Channel). Our customers range from global accounts, e.g. Fortune Global 500 companies, to small businesses. In addition to our daily contact, we use a range of surveys to gather feedback from our customer groups to help us to understand how we are performing, what additional services we should develop and areas where we need to improve. We also ensure we ask the right questions to the right people. The key surveys include:

Specialist Surveys

Our Operating Companies conduct regular surveys to gain detailed feedback from IT Managers, Account Managers and our network of Dealers and Distributors. They can provide additional insight into how our products are working in practice. A range of research companies and tools are used to collect feedback, depending on the topic, target audience and country.

As Ricoh develops its relationships with major accounts, it is essential we understand our performance. An example of this is a recent survey sent out to our top accounts. The feedback from these customers will be used to help develop Ricoh's approach. Recent surveys focusing on a specific group of strategic accounts highlighted a number of key areas of development. This information is being used to develop added value solutions from a customer's perspective and ensure we continue to build on customer centric business

Event Driven Surveys

To fully understand the customer experience of a specific action, we use event driven surveys. One example is the Service Call Survey, conducted by Marketii, an external market research company, for all our Operating Companies. The survey is triggered when a customer calls one of our Service Centres and is completed within days of the call being made. This provides us with an accurate reflection of the customer experience.

Complaints Management

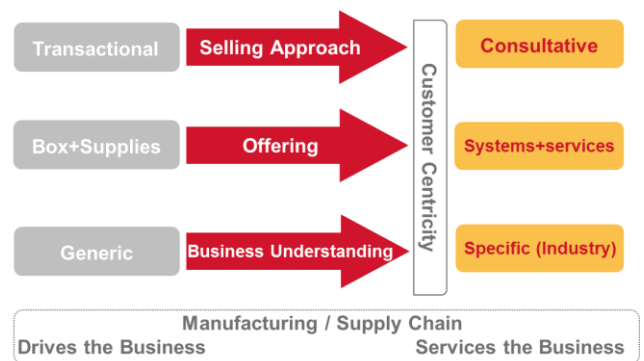
We understand that things do not always go right the first time, but we see this as an opportunity to learn and improve. We have processes in place to ensure any complaint is investigated and resolved as quickly as possible, firstly for the customer reporting the issue and secondly to ensure the same thing does not happen again. We have reviewed the performance of a number of our

Operating Companies and simplified the complaints processes.

As a reflection of our need to recognise the needs of customers, it is part of the process to discuss the complaints at the highest level between Operating Company Managing Directors and the Ricoh Europe Board of Directors. This is done on a monthly basis and also at the half year and full year business reviews.

Enhancing Client Value

Ricoh is engaged in a series of transformation activities in order to become more customer centric and to deliver enhanced customer value. There are a number of strategic change projects across the EMEA region which are aimed at creating new organisational capabilities to deliver growth and efficiency during the 17th and 18th mid-term plans.



Three inter-woven journeys towards customer-outcome centricity

The over-riding theme which underpins these change projects is the transformation of Ricoh Europe. In addition to our core technologies, we are expanding our service portfolio to help our clients better manage their documents and information. As a result, our clients can be more agile, responsive to client needs and ready for the workplace of the future.

Under these transformation projects Ricoh Europe has also built specialist vertical marketing teams who focus on identifying opportunities for Ricoh to develop targeted customer value propositions that can be deployed on a pan-European basis.

These newly developed value propositions will bring together a range of product and service offerings from an integrated services menu to provide high value industry solutions which incorporate combinations of hardware, software, professional and technical services from across all of Ricoh's lines of business, Office Solutions, IT Services, Production Print, Managed Document Services and Outsourcing. The way in which

Corporate Activities

these elements are combined is driven by an “outside-in” view of what the market requires.

At the same time, other change projects are standardising and aligning key business areas to enable the organisation to function consistently across European Operating Companies to ensure that value propositions can be delivered and supported effectively.

The main areas undergoing transformation are Sales, Marketing, Solutions Development, European Technology Centre and Customer Service and Support.

These projects will create a new operating model for the Ricoh Europe organisation, defining how we will establish ways of working in terms of Processes, People, Organisation, Tools and Geography.

To achieve the overall objectives for the organisation, the commercial business transformation teams are working closely with the IT and HR Transformation programmes, which are each addressing associated aspects of the target operating model we intend to establish for Ricoh.

Total Risk Management

To ensure we meet the needs and expectations of our stakeholders, Ricoh has developed a number of policies and strategies to manage its corporate integrity. This includes legal compliance, maintaining ISO standards, managing business risks and upholding the Ricoh values and ethics, defined in our CSR Charter and Code of Conduct. To coordinate our compliance and risk management approaches, Ricoh Group operates Total Risk Management on a global scale with Ricoh Europe contributing to an annual programme of risk management and reporting. The major risk areas covered in this programme are:

- Violation of compliance (fraudulence in relation to business operations, bribery and corruption, insider trading, etc.)
- Natural disasters (earthquakes, typhoons, deluge, etc.)/serious accidents
- Human rights issues
- Serious Quality Problem (violation of laws, product liability, etc.)
- Information security (personal information protection, leakage of trade secrets, etc.)
- Violation of export and import related legislation
- Administrative disposition, claim for damages, etc.
- Others (harmful rumours, brand devaluation, etc.)

The annual Risk Management programme brings together the specialist skills, experience and

expertise from across Ricoh Europe. This process enables us to annually review the effectiveness of our policies and strategies, minimise risk and ensure our practices are continuously reviewed, in line with the changing business environment.

Ricoh Europe is committed to delivering an end-to-end service to its customers which includes consulting, ongoing process optimisation, services and technologies. To ensure a best-practice approach, we have developed comprehensive Quality Management Systems. All Ricoh Group factories and major Operating Companies have gained the internationally recognised ISO9001 standard for quality management and Ricoh is unique in having all Operating Companies certified to ISO27000, Information Security Management, ensuring all dealings with Ricoh are to the highest possible standards. Having reliable products is just one factor within the overall customer experience. We provide consultancy, delivery, installation and after-sales services to ensure our customers get the right products and services at the right time to meet their needs.

Legal Compliance

To ensure our employees fully understand the requirements of European legislation, over the past five years we have rolled out a comprehensive training package for managers and sales personnel, specifically focused on Competition and Contract Law. Our Legal team from across Europe has run workshops on-site to explain our obligations under this legislation, with scenarios and case studies used to illustrate some of the points in more detail. In 2010, we ran more than 75 workshops across our European operations, with over 1000 people attending.

The workshops have been supported by the Ricoh Training Academy through a web-based programme. At the end of the training, participants must complete a test to ensure they have understood the legal requirements and can apply those in a number of scenarios. So far, 2000 employees have received legal training.

New laws governing bribery and ethical dealing and data protection are now in force and they have a wide-reaching impact in all territories where Ricoh operates. These and other existing pieces of legislation were a key focus for Ricoh in FY2011 as part of our ongoing compliance training programme. We have rolled out policy and processes to ensure our staff are aware of the new laws and are able to continue to build strong relationships with our customers within

acceptable parameters. By the end of FY11, our training programme had captured all relevant employees in all territories.

As part of our commitment to global compliance, we will audit our policies and standards across our group and our company's adherence to them.

Information Security

With the development of core capabilities in Managed Document Services, Production Printing, Office Solutions and IT services, Ricoh is increasingly trusted with the custody of our customers' business information.

In order to provide assurance of our good information security performance, Ricoh has achieved a unique global certification to ISO27001, "Information Security Management". Ricoh's certification was established in Japan in 2004 (certificate number IS85241). A world-wide audit programme is conducted every year to confirm continuation of certification for Ricoh Group.

Ricoh Europe, in partnership with our Accredited Certification Body, British Standards International (BSI), is continually engaged in maintaining and improving our Information Security Management System across the region. This involves change management activity to ensure that we continue to protect information as our business evolves. The annual audit programme in EMEA is conducted as a coordinated operation, with every Operating Company being audited either by BSI or a certified Lead Auditor from Ricoh Europe PLC.



Every company within Ricoh Europe is now registered to the ISO27001 certificate. All Operating Companies and the distribution operation, Ricoh Europe Supply Chain Management, have a nominated manager responsible for developing, maintaining and continually improving the ISMS, in line with Ricoh Group policy. We have deployed common policies, risk management tools and security management techniques to achieve consistent practice

throughout the region. The central team, based in our London Head Office, supported and managed the roll-out programme and is now focused on ensuring the consistent application of Ricoh policy through programmes of continual improvement, change management, audit and best practice sharing.

Our activities for 2013 are:

- Achieve greater efficiencies and effectiveness in deploying Business Continuity Planning across the region
- Ensure renewal of BS27001 certification during the external audit programme completing in December 2013
- Develop harmonised processes to help integrate the management systems for Information Security (ISO27001)
- Environmental Management (ISO14001) and Quality Management (ISO9001) across the EMEA region.

Product Safety and Security

The health and safety impacts of our products are assessed in all life cycle stages, from the development of product concept, through manufacturing, marketing, distribution, customer use and finally collection and recycling. Ricoh Europe has developed a "Product Safety Issue Handling Manual" and has distributed it to all its Operating Companies. A self-assessment survey was issued to make sure the manual was received, studied, understood and applied by all Ricoh Companies. It is the responsibility of Ricoh Europe, its Operating Companies and Distributors to ensure that this policy is applied by local operations and any third party organisations that provide services on our behalf.



In February 2010, Ricoh obtained the world's first Common Criteria (CC) authentication, conforming to the IEEE 2600.1 Protection Profile, with its imagio MP 5000 SP/4000 SP (released in February 2008). IEEE 2600.1 is an international standard for security functions of hardcopy devices, including multifunction devices and printers. To assure our customers of the security of our products, we offer a broad line of CC-authenticated products that comply with IEEE 2600.1. For more information, see the [Ricoh Products Authenticated with CC \(ISO/IEC 15408\)](#).

Procurement

We aim to minimise risk and maximise benefit when undertaking central procurement for the benefit of Ricoh. We adhere to Ricoh's core values set out in our Environmental, Ethical and Corporate Social Responsibility policies during all procurement activity. We work closely with our key suppliers to create relationships of mutual trust and respect for the combined benefit of our respective organisations.

The Ricoh Affinity Scheme builds on our supplier network to ensure that the benefits of negotiated competitive rates are passed onto our employees through employee purchasing schemes where possible.

We have developed a central procurement toolkit containing key processes, template documents and checklists for procurement activity. It ensures that we are meeting our stated procurement objectives throughout the procurement process from initial recognition of customer needs through to post contract award, contract management and benefits reporting. We report activity and benefits to our business through a quarterly newsletter.

During the coming year we plan to focus on:

- Expanding the categories of commodity falling under group procurement arrangements to realise savings and quality products and services for our business and to support our customers
- Negotiating the best deals for Ricoh using existing partners and customers where possible and appropriate which drive clear benefits for Ricoh employees and customers
- Expanding our Affinity offering for our employees.

Whistle-blowing

A whistle-blowing policy has been developed, giving all employees of Ricoh Europe access to a whistle-blowing hotline. This was developed in order to further comply with Sarbanes-Oxley Act regulations which require companies to provide an anonymous whistle-blowing service for all employees to aid the prevention of fraud.

All employees must have access to at least one method of reporting allegations of malpractice anonymously.

Ricoh Europe's whistle-blowing hotline reporting procedure is available to all Ricoh employees via the Intranet. It enables employees to report any instances of alleged fraud, financial malpractice or other issues that could affect the financial statements of the Company.

Environment



Environment



“At Ricoh, we are committed to enhancing the financial benefits and reducing the environmental impacts for our customers through our innovative technologies and services. Our lifecycle approach and Eco Balance measurement ensure we consider all aspects of product and business activities. This, in turn, minimises resource use and maximises the reuse, recycle and reduction of raw materials.”

Yasunori Naito, Environmental Group Manager, CSR Division

Our goals and strategy in EMEA

To become a trusted business partner for our customers is our first priority, supporting their growth and increasing efficiency while also reducing environmental impacts.

To fulfil this commitment we have set mid- and long-term environmental impact reduction goals in three areas worldwide:

- Energy conservation and prevention of global warming
- Resource conservation and recycling
- Pollution prevention

All Ricoh operations play an important role to achieve the following targets:

Ricoh Global Targets	2020	2050
Energy Conservation (from FY2000 level)	- 30%	- 87.5%
Resource Conservation (from FY2007 level)	- 25%	- 87.5%
Pollution Prevention (from FY2000 level)*	Minimise risks of chemical substances throughout the product life cycle by 2020 in compliance with the Strategic Approach to International Chemicals Management (SAICM)	- 87.5%

* In March 2012, we revised the previous goal for pollution prevention, namely, “reducing the impact of chemical substances on the environment by 30% by 2020,” as we achieved this goal earlier than planned, mainly due to faster progress in reducing the use of lead and other substances having a relatively high environmental hazard level. Specifically, we have attained the targets of a 90% reduction (from the fiscal 2000 level) in environmental impact of chemical substances contained in products, as well as 78.5% and 94.8% reductions in PRTR-target substances used at and discharged from production sites, respectively.

Ricoh Europe's environmental management approach

At Ricoh Europe all environmental activities fall into one of the two categories:

1. activities designed to reduce our customers' environmental impact through Total Green Office Solutions (TGOS), e.g. GreenLine resource re-circulation, Sustainability Optimisation Programme, Carbon Balanced Printing, i-Invoicing, etc.
2. activities designed to reduce our own environmental impact through Environmental Management System (EMS), e.g. Green Office Certification Programme, Environmental Sustainability Management Index, Cloud Computing, etc.

At Ricoh we strongly believe that it is our responsibility to minimise the environmental impact from our own operations across Europe, and also to ensure that our products and services contribute to the reduction of the environmental impact by our customers throughout every phase of a product life cycle, i.e. Pre-use, In-use, and Post-use. Working together with our customers we develop mutually sustainable business.

Resource re-circulation

Smart usage of precious resources is a key area for every industry. One of Ricoh's answers to this challenging issue is to offer resource re-circulation products as highlighted in Ricoh's Comet Circle™ concept (see Figure 1). The Comet Circle™, established in 1994 as a catalyst for change, shows how Ricoh reduces its environmental impact throughout the entire lifecycle of its products and services. It incorporates a cradle-to-cradle approach to recycling. Ricoh believes that all product parts should be designed and manufactured in a way that they can be recycled or re-used. As a result, Ricoh established the GreenLine series as one of its "resource smart" offerings.



Ricoh products re-entering the market under a GreenLine label are rigorously tested and updated to ensure that every GreenLine certified device delivers a reliable and efficient service that a customer would expect from a brand-new Ricoh device. GreenLine products are 100% revitalised, they have the same high quality and durability as

new Ricoh products. GreenLine devices not only extend the material's lifecycle, but also give a higher return on the energy initially spent on its manufacture. They are an extremely effective form of environmental impact reduction.



Ricoh GreenLine fuser unit for MFP

Ricoh GreenLine products feature as an industry best practice in the McKinsey report "Towards the circular economy. Economic and business rationale for an accelerated transition".

McKinsey, a global management consulting firm, has developed the fact base and analytics for the concept of a circular economy, the type of resource re-circulating economy that decouples sales revenues from new material input.

To download the full report, visit www.thecirculareconomy.org

Environment

Resource Smart Return Programme

Offering our customers a smart and easy-to-use collection programme for our toners, cartridges and spare parts is a key element to achieve our resource re-circulation objectives and to support the global pursuit to a Circular Economy. Only an efficient collection and sorting programme for our products ensures our ability to recover our materials preferably for inner-loop re-use. At Ricoh we clearly recognise that “efficiency” in this perspective means that it is preferred to sort returns as close to the source (our customers) as possible. This avoids unnecessary CO₂ emissions generated by avoidable reverse logistics and ensures that we comply with local recycling regulations. The challenge we face is to combine the wide variety of country specific legislation and collection methods into one uniform end-to-end programme. This requires a “think global, act local” approach.

The Ricoh Resource Smart Return Programme meets this requirement. This web portal provides a customer convenient user-interface where customers in most European countries have the ability to request a non-warranty return service. The return service portfolio can be adapted to meet customer needs. The back-office is a smart and constantly

reviewed platform that combines centrally and locally managed reverse logistic programmes. The web portal is designed to offer the most appropriate return label or alternative return service for each specific request.



Ricoh ensures that all materials that are returned via this programme will be treated according to our zero-waste-to-landfill policy, and our efforts aim to go beyond this elementary goal. Continuous feasibility studies to recover our products for inner-loop re-use are evolving.

For our Resource Smart Return Programme, visit www.ricoh-return.com

Concept of a Sustainable Society: The Comet Circle™

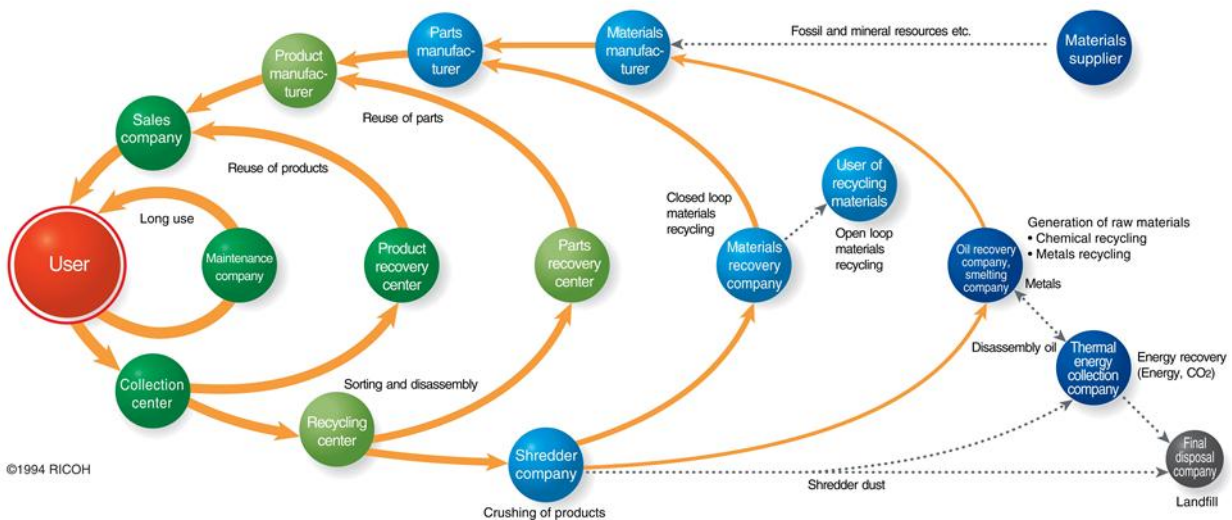


Fig.1 The Comet Circle™

Sustainability Optimisation Programme

Many organisations place the reduction of environmental impacts high on their business agenda. The Ricoh Sustainability Optimisation Programme is designed to help businesses in their efforts to reduce environmental impact and improve the efficiency of their document workflows by offering a 'zero carbon footprint' in printing, while at the same time reducing Total Cost of Ownership (TCO).

The largest share of environmental impact of printing is when machines are being used by customers, accounting for 62% of the total life cycle impact. Ricoh Sustainability Optimisation Programme focuses on the 'in use' phase where normally product manufacturers have limited control (see Fig. 2).

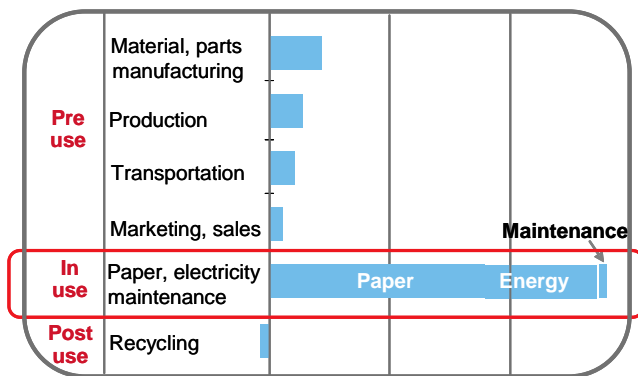


Fig.2 Impact per life cycle phase

The Sustainability Optimisation Programme is a continuous improvement cycle consisting of five

stages (see Fig. 3). First, Ricoh analyses a business's existing document workflows and fleet, to understand the baseline TCO and CO₂ energy consumption. Second, a plan is designed to reduce TCO and CO₂ emissions from paper and energy consumption, setting clear objectives including optimising the fleet, workflows and end-user behaviour. Third, the plan is implemented, devices with Eco Mode energy-saving settings installed, workflows optimised, and end users educated to enhance their environmental awareness and to understand how to use the devices in the most sustainable way. The fourth stage of the programme involves continuous tracking of actual carbon emissions versus goals set in the second step. By analysing this data Ricoh can identify how each printing device is being used and implement improvements to drive further reductions in carbon emissions. The final step is to neutralise the remaining unavoidable carbon emissions that businesses can offset through carbon credits generated by Clean Development Mechanism under Kyoto Protocol projects in which Ricoh has invested. On average, reductions of TCO by 23% and CO₂ by 36% are achieved through this programme.

The Sustainability Optimisation Programme has won several prestigious awards and has also renewed its accreditation by the British Standards Institution (BSI).

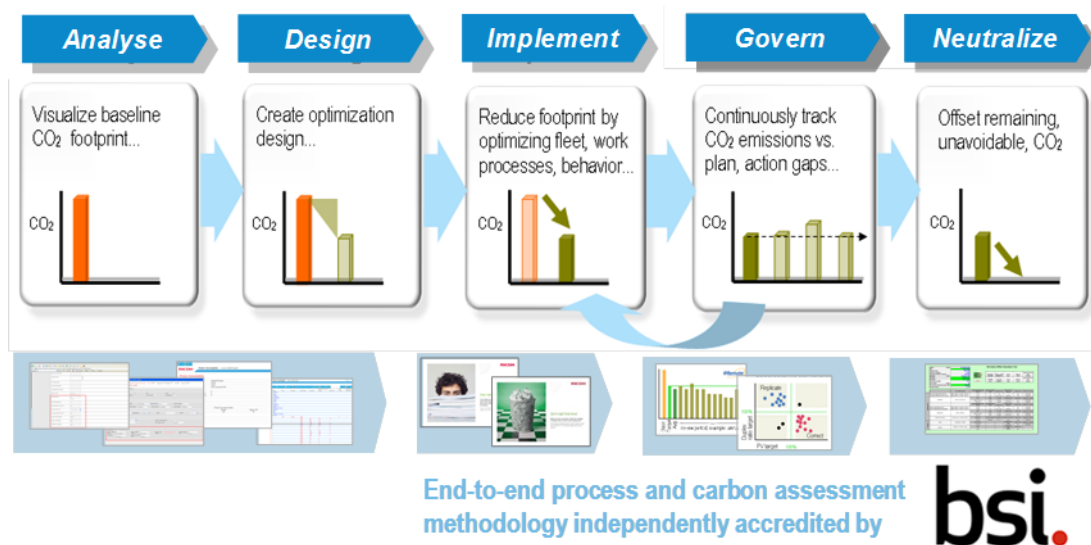


Fig.3 Five-step process to reduce impact 'in-use' phase

Environment

Total Green Production Printing

Since launching the Carbon Balanced Printing Programme early last year, Ricoh has continued to introduce new initiatives with a common goal to improve the sustainability of our customers' print services by enabling them to offer carbon neutral printing and reduce their impact on the environment.

Through increased knowledge and an improved sustainable print offering, we enable our customers to gain a competitive advantage and give them the confidence to provide expert advice to their clients about making sustainable print choices.

We are constantly enhancing our offering to print service providers and have now created a suite of tools and services available under the "Total Green Production Printing" banner.

The Carbon Balanced Printing Programme which is still core to this offering helps print service providers reduce the environmental impact of printing using Ricoh Pro™ production printing systems and provides a carbon neutral service to their clients. It follows a three step process, enabling print service providers to:

1. analyse the carbon footprint of each print job
2. optimise it by improving the way they work
3. neutralise the remaining, unavoidable emissions through carbon credits.

It also includes an online Carbon Calculator for customers to use on Ricoh's Business Driver Programme™ portal. The Ricoh Business Driver Programme is an online source of practical information and tools on production printing, and is designed exclusively for Ricoh production printing customers to help make their business more successful. A wide range of business development services and informative materials are available to help boost production printing business and efficiency. In addition, it provides a unique set of tools to help production printing customers manage and minimise their environmental impacts.

Certified Ricoh Carbon Balanced Printing customers can use the Carbon Calculator to determine the carbon generated per print job, optimise new print requests, reduce CO₂ emissions of individual print jobs and also generate a certificate for their client to confirm that printed jobs are carbon balanced through the Ricoh programme.

In addition to the Carbon Calculator, we have also added a Digital or Offset Calculator. This new tool, free and exclusive to all members of the Ricoh Business Driver Programme identifies which print production process is most appropriate for a particular job. Using the Digital or Offset Calculator, printers can ensure that their offset and digital presses are used in the optimal and most profitable way. It helps develop and validate on demand digital printing against offset press. It also helps the customer optimise run lengths and reduce print inventory and waste.

We are also providing the Ricoh Resource Smart Return Programme to production printing clients across Europe, extending the services previously available for our office based clients. The programme is commencing initially with the recovery and recycling of the Ricoh Pro C series toner bottles, which will be collected, cleaned and refilled to go back into the supply chain. The Ricoh-returns online portal has been set up and will allow customers to request their toner bottle return box and arrange courier collection, free of charge.

During customer consultations, we also provide a "Certified Print Provider Optimisation Guide". It offers a structured way to introduce key improvements in printing processes, and reduce overall environmental impact and CO₂ emissions.



Ricoh's cloud computing

Cloud Computing is universally considered one of the biggest enablers of business growth in Europe today. So much so that Neelie Kroes, Vice-President of the European Commission, who is responsible for the Digital Agenda for Europe, said that she wanted Europe to be 'cloud active' rather than simply 'cloud friendly'.

Ricoh Europe began its cloud journey in 2011. Our vision was to create a single pan-European environment to manage all our information securely, while also enabling our employees to access enterprise applications securely from anywhere across the region. Our aim was to centralise our IT infrastructure and to reduce duplication of data through the provision of a more efficient IT and business process environment. Furthermore, at its heart was our drive to contribute towards the company's sustainability goals of reducing its carbon emissions by 87.5 per cent by 2050 compared with 2000 levels.



The success of Ricoh's Private Cloud in Europe saw it win two Oracle Excellence Awards in 2012, the Eco-Enterprise Innovation Award - with recognition also given to business partner Infosys, and the 2012 Chief Sustainability Officer Award, presented to Ian Winham, CIO and CFO at Ricoh Europe. Both awards recognise the efficient and sustainable way we have built a new IT infrastructure to support our operations in EMEA. Our new ERP Platform and Private Cloud implementation resulted in the removal of approximately 1,600 servers, and a related 85% reduction in our carbon footprint and energy consumption - equivalent to taking 3,500 cars off the road each year.

Case Study: Sustainable print solution drives efficiency savings

Nextprint, a commercial print and communications company based in Rosmalen, The Netherlands, offers its clients a range of carbon neutral print services. The company uses advanced, energy efficient technology supplied by Ricoh and is a certified 'Ricoh Carbon Balanced Printer'. Efficiency savings are shared with clients, helping Nextprint win new business.

Responding to an increased demand for short run colour, Nextprint decided to invest in a digital printing system. The team conducted a detailed study, which considered the productivity of competing systems on the market. The study took into account downtime related to maintenance and replenishment, as well as outright production speeds. The weighted 'real productivity' of each machine was calculated, and Ricoh's Pro™ C901 Graphic Arts Edition production printer was the clear winner. The Ricoh press has a fast throughput speed, large paper capacity, uses high yield consumables and has a long service interval. Productivity is supported by Ricoh using its @Remote service management utility.

As part of its Carbon Balanced Production Printing Programme, Ricoh analysed Nextprint's CO₂ emissions and helped implement improvements to reduce emissions from Nextprint production process. Energy hungry servers were, for example, replaced, paper from sustainable sources introduced and toner cartridges recycled. The remaining - unavoidable - CO₂ emissions were offset with Certified Emission Reductions (CERs).

As a participant in Ricoh's Carbon Balanced Printing Programme, Nextprint is now differentiating itself as an environmentally responsible business.

Environment

Green Office Certification Programme

To support our environmental reduction activities at Ricoh, we developed an internal Green Certification Project in 2009. We award a “Green Office Certificate” to our Operating Companies across EMEA when they improve document workflow efficiency, through good print management. To date, 85% of all operating companies and two Head Office locations have been certified. In 2013, we began the re-certification of all current certificates with increased criteria. This programme will be implemented over the next 3 years.

Our sites in Europe followed the methodology of the Sustainability Optimisation Programme. Each site was independently audited by Ricoh Europe to assess the changes made, evaluate the benefits and share best practice.

In addition to overall improvements in document workflow efficiency and security, optimisation at these sites means that each month in Europe, Ricoh is on average:

- Using 54% less electricity
- Emitting 35% fewer carbon emissions
- Printing more than a million fewer pages
- Using 37% less paper
- Saving 27% in energy and paper costs
- Using 512 fewer print devices
- Printing duplex 32% more often
- More secure, thanks to locked print solution
- Using electronic document storage instead of filing hard copies.



Example of Green Office Certificate

Environmental Sustainability Management Index

As part of our internal Environmental Management, we are certified to ISO14001, comply with legal requirements (RoSH, REACH, WEEE, etc) and measure our own environmental impact through our unique Environmental Accounting System and Self-Sustainability Assessment Programme.

In order to promote activities to reduce environmental impact internally, Ricoh senior management can gain a full understanding of our focus areas and the current level of environmental management and create new plans for continuous improvement. To provide detailed insights, we have developed our own internal index scheme, Environmental Sustainability Management Index (ESMI) that has been deployed across our Operating Companies in EMEA as well as Head Office locations. ESMI consists of the following eight key criteria:

- Sustainability Management Leadership
- Environmental Communication
- Resource Recovery and Recycling
- CO₂ Reduction and Eco Mode of the device
- Sustainability Optimisation / TGOS
- Biodiversity and Pollution Prevention
- Environmental Accounting
- Training and Education

All Operating Companies across EMEA as well as all Head Office locations complete an annual index assessment, and areas for improvement are highlighted for the following year. This provides an objective view of ‘as is’ status as well as give an opportunity to measure, benchmark and improve the environmental management level of each organisation. Fiscal year 2011 showed a 22% improvement over FY2010.

i-Invoicing

Ricoh Europe encourages businesses to switch from paper to electronic invoicing (e-invoicing). It is a sustainable option that can bring potential cost savings of €243 billion¹ for businesses and €40 billion² for the public sector if the majority of paper invoices were replaced with electronic ones.

Ricoh intelligent invoicing (i-Invoicing) is a Document Process Outsourcing service that allows customers to outsource the receipt and production of all invoices to Ricoh, allowing them to focus on their core business. This leads to

productivity gains, enhanced customer experience and improved business performance.

Ricoh i-Invoicing takes e-invoicing a step further by providing customers with a complete service, not just a software solution. By mapping customer's current processes, developing a transition plan and implementing a service delivery platform, Ricoh steps in to completely manage the invoicing process allowing businesses to make better use of their human resources.

Customers do not need to invest in equipment to implement Ricoh i-Invoicing and can therefore avoid upfront technical costs and on-going service fees.

For details, visit

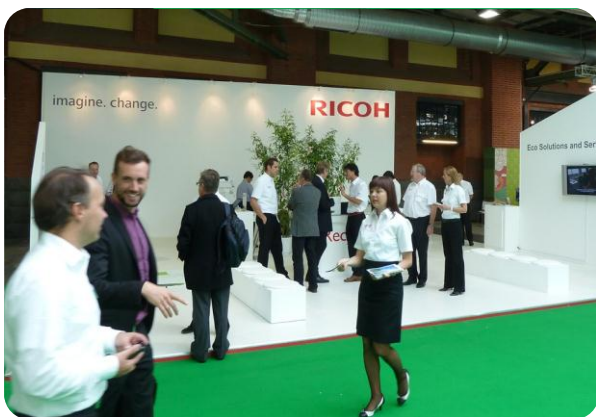
www.ricoh-europe.com/i-invoicing

¹The European Association of Corporate Treasurers project CAST (Corporate Action on Standards)

²E-Invoicing/E-Billing: The catalyst for AR/AP automation, Billentis, <http://www.ricoh-europe.com/services-solutions/document-outsourcing/document-process-outsourcing/e-invoicing-report/index.aspx>

EcoPrint 2012

Ricoh's portfolio of Eco solutions and services for improving the sustainability and printing of document workflows was showcased at EcoPrint Live 2012 in Berlin. Among the technologies and services highlighted were the Carbon Balanced Printing Programme, the GreenLine initiative, the Ricoh Pro™ L4000 large format printer and the Print & Share Eco printer driver.



Ricoh stand at EcoPrint 2012

Visitors to Ricoh's stand learnt about our approach to *Reduce, Reuse, Recycle*. We are helping clients to *Reduce* by taking advantage of our Carbon Balanced Printing services to minimise carbon emissions, *Reuse* by embracing

the GreenLine remanufactured printer initiative and *Recycle* through the refurbishment of parts and the recovery of consumables.

We showcased some of our growing eco-based technology including the Ricoh Pro L4000 which features next generation piezo-electric print heads and durable aqueous latex ink that ensures minimal environmental impact. We also showcased our Aficio™SG 3110DN GelSprinter fast-drying Liquid Gel™ printer that uses the latest technology for sharp image quality.

Ricoh's Print & Share Eco printer driver helps reduce paper use, avoid waste and reduce CO₂ emissions with one click. It also helps to eliminate unwanted prints, such as pages that contain only a URL, optimise line spacing, and to remove unnecessary content such as email signatures or disclaimers, all with the purpose of condensing print to fewer sheets. The Print & Share Eco printer driver is compatible with all Ricoh MFPs and printers.

Ricoh's EcoPrint presence was carbon neutral, with reductions made where possible, and any carbon generated by travel from visitors that are registered with Ricoh were offset.



Ricoh at EcoPrint 2012

People



People



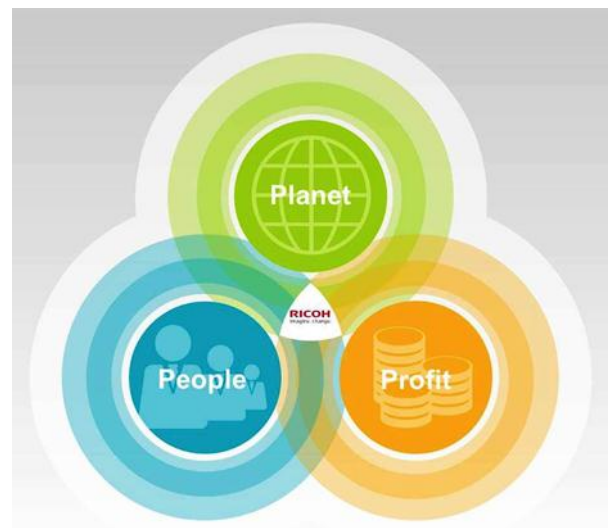
“Ricoch Europe’s human resources policies and practices reflect the principles of the Ricoh brand *imagine.change.* and its values which we communicate internally as the Ricoh Way. It includes our focus upon customer centricity, innovation, teamwork, ethics and integrity, and a “winning spirit”. We embrace change and diversity, offering a challenging environment where employees can collaborate, be innovative, create value for our customers, have a sense of achievement and grow through their work. Learning opportunities are only limited by people’s imagination. Ricoh’s Academy has been consistently recognised by The Institute of IT Training (IITT).”

Greg Holder, Vice President, HR Division

Our Strategy

Our employees make Ricoh a unique company. Ricoh views business, society and the planet as interconnected, and strives to be a company people are proud to work for, where innovation, teamwork and collaboration promote responsible growth.

Ricoh’s vibrant culture provides the opportunity for us to build on our strengths, and continually develop skills to anticipate and provide for the changing needs of our customers. Ricoh employees are encouraged to achieve their full potential, and to have personal development plans that link directly to the organisation’s goals. Through an open culture which embraces diversity and encourages innovative thinking and sharing of ideas, our people are empowered to play their part in transforming Ricoh’s business, and the business transactions of our customers.

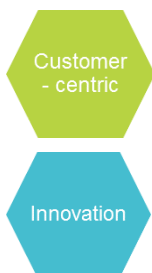


“**The Ricoh Way**” provides a framework and principles to promote an inclusive work environment where everyone’s contribution is recognised and valued, and where employees feel supported, developed and motivated.

This is Ricoh’s global philosophy and it includes our focus upon customer centricity, innovation, teamwork, ethics and integrity, and a “winning spirit”. Embracing difference enhances our capabilities to meet the needs of an increasingly diverse global environment. The elements of The Ricoh Way form the leitmotif of what we do.

Promoting a holistic approach to learning and development

As a truly international company, Ricoh employees bring a diverse range of skills and experiences to provide the innovation and ideas to anticipate and deliver on customer requirements. To maintain our strength and leadership, we offer our people a learning culture where they can access learning and development opportunities to support their continued professional development. Training, networking and various open forums encourage employees to share ideas openly and work collaboratively to drive change for the future. Ricoh employees have access to multiple ways of learning and development. By freeing employees to think creatively and making institutional wisdom more readily available, Ricoh promotes business transformation that is profound and lasting. Through our relationships with leading edge thinkers and institutions and the power of technology, Ricoh employees have a wealth of information to inform and stimulate innovation and creativity in both work and personal lives.



- develop new techniques, knowledge and skills in their specialist field, and anticipate trends in the broader environment
- undertake appropriate training and developmental assignments to fulfil their potential.

Through the Ricoh Academy, we offer an integrated approach to learning and development, which includes online and classroom-based training courses across the EMEA region. Electronic learning platforms allow employees to work at their convenience to develop skills and knowledge. These learning programmes can also help employees achieve internationally recognised certifications through:

- dedicated self-learning and online training packages for our technical specialists and service engineers to develop their knowledge on the latest products, technology and software
- delivery of focused online service and sales skills interventions to develop product knowledge, interpersonal and other skills

We recognise the importance of appropriate learning and development as a means of improving employee contribution to Ricoh's goals, and we actively encourage continuous improvement and personal development of our employees to help them achieve their immediate and longer-term career objectives. We support employees to:

- obtain appropriate professional qualifications and experience to enhance performance and grow in their current role, or for their further development

Online platforms and tools allow us to address a much larger audience with the most current information in a very short time in comparison to traditional classroom learning. A blended learning approach reduces the need for travel and therefore the overall CO₂ footprint. Our eLearning platforms are also available to Ricoh distributors and dealers to ensure that their service engineers can provide the same level of expertise as our own employees.



People

Ricoh's Learning and Development professionals have a broad range of external accreditation and qualifications to ensure that the highest standards of development and delivery are maintained. To keep pace with the opportunities provided by technological change and innovation, our Learning and Development professionals work closely with professional organisations to meet the changing needs and demands of our business, employees and customers. We have been working in partnership with the IITT in developing our standards and have accreditation, as well as other professional organisations to provide qualifications in services management, consulting, project management and change management.

Ricoh Academy's blended-learning approach, including online and classroom based training for our people and partners, has been recognised by the Institute of IT Training (IITT) as amongst the best in the industry.

“Power to Perform”

Our “Power to Perform” programme is being rolled out to all Ricoh Europe employees across the EMEA region. Based on the principles and values of The Ricoh Way, the Power to Perform programme links the activities and behaviours required to drive Ricoh's vision, strategy and business goals. Through reviews and discussions with their managers, employees can plan for activities and continued professional development through integrated learning and development programmes, work assignments, and social activities.



Engaging our employees through multiple channels

A variety of communication activities help us to inform and engage with each other, and with our customers and communities. This includes sharing of ideas and innovation via many channels including town hall meetings, face-to-face briefings, intranet updates and blogs, collaborative web portals such as the iEngage platform, and social media such as Facebook and Twitter. As well as supporting organisational change programmes across the RE group, our communications aim to increase engagement through greater communication and understanding of our values, sharing of information and ideas, and by recognising the contribution employees make to our commercial success.



Embracing “The Ricoh Way”

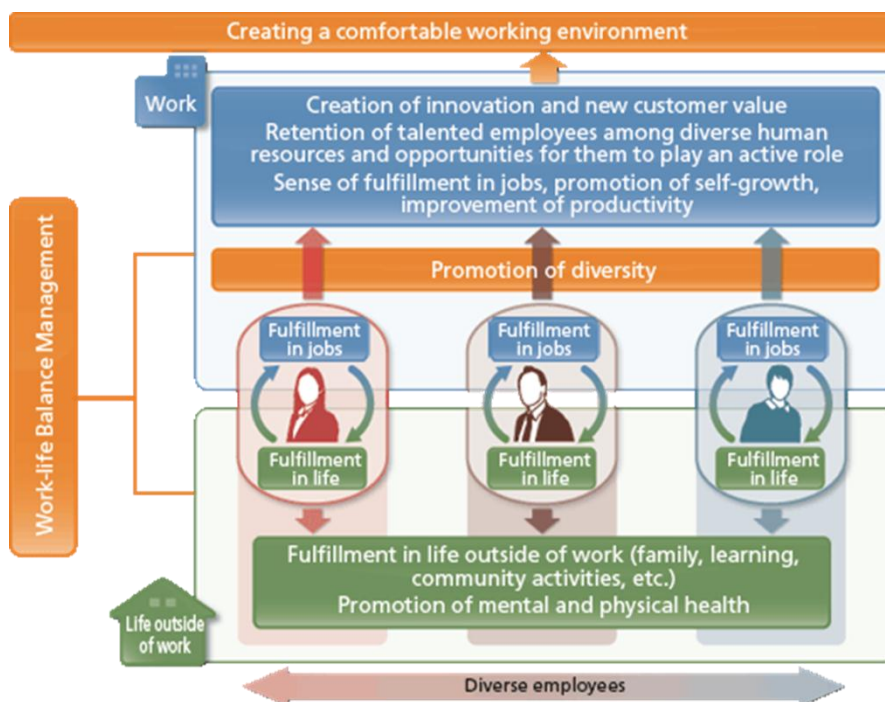
To be one global company, our approach embraces our people, our profession, our society, and our planet. By dedicating a **winning spirit**, **innovation** and **teamwork** to sharpen our

customer centric focus, and Ricoh people commit to the highest standards of **ethics and integrity**.

Winning Spirit	Ricoh must lead globally in every endeavour it undertakes. Each Ricoh person is constantly challenged to passionately pursue innovation.
Innovation	We strive to identify the most demanding needs of the market and to provide customers the highest level of experience. We devote our resources to improving quality and exceeding customer satisfaction.
Teamwork	All Ricoh people are part of a global team. Our team is dedicated to continuously improving Ricoh’s products, services and processes by cooperating with, learning from, and respecting each other.
Customer - centric	Although we are a global company, we must not lose sight of our entrepreneurial spirit to understand each customer’s needs from their “eye-level”, which brings new value to those we serve.
Ethics and Integrity	Each one of us commits to act with integrity and honesty in all situations, and we will take personal responsibility for our actions

In addition to recognising the value of meaningful work, Ricoh supports work-life balance and community activities, providing opportunities for employees to pursue these through the company

and independently. You can see the correlations between Diversity Promotion and Work-Life Balance Management in the illustration below.



Attracting and Developing Talent

Through acquisitions and other strategic consolidations that expand its business, the Ricoh Group has become a corporate group with 100,000 employees, with over 16,000 in the Ricoh EMEA region. With the development of “one Ricoh”, and since October 2011, through its global Ricoh Group Human Resources Management Policy, the company has been implementing measures on a global basis to provide opportunities for each Group employee to grow, particularly those with higher capabilities and motivation. In addition, a global business leadership programme was initiated with the goal of defining a global pool of leaders, and a talent and leadership development programme through the organisation. Priority themes for promoting the management of global human resources are: 1) wide dissemination of The Ricoh Way, 2) training for global top talent, 3) promotion of global mobility, 4) visualisation of global human resources, and 5) adoption of a global common system of personnel management.



To help promote and foster our business goals, maintain our competitive edge and move progressive ideas forward, we are always looking for creative, innovative and talented people by providing opportunities for our employees to apply for internally advertised roles through the pan-European job posting process, and through the development of talent through country apprenticeship programmes and graduate schemes where available. As Ricoh drives business transformation, we will seek and develop people who are:

- Driven by the desire to move ideas forward
- Motivated by sharing ideas and knowledge
- Optimistic when faced with new challenges and opportunities
- Creative when finding new solutions and ways to do business better
- Mindful about the environment and adopt a socially responsible attitude

Ricoh Europe Employee Forum

We promote an open dialogue with our people, through forums like our European Employee Forum and Employee Survey, and use this input to actively engage our people in continuously reviewing and improving our people management strategies and processes. To encourage an open dialogue with our employees and their representatives, Ricoh Europe



established the European Employee Forum in 1996 under the 1994 European Works Council Directive. This allows senior management to share the plans for the future, and ensure our people understand Ricoh’s business strategy and goals. It gives our employees an opportunity to share their views and concerns through qualitative feedback directly to European senior management. This approach underpins our overall objective of being “an employer of choice” and to attract and retain talented and motivated people.

Employees are nominated or elected by their peers to become members of the local Employee Forum or Works Council, based on local requirements, meeting a minimum of twice per year. In the majority of EU-based Operating Companies, this provides a forum for dialogue and consultation between senior management and employees. Employee representatives from each country are invited to sit on the European Employee Forum, which meets annually with senior management. As Ricoh Europe has expanded, newly acquired companies have been invited to establish local arrangements – or continue with existing arrangements – and to also join the European Employee Forum.

Outputs of the employee forums are shared with employees through a range of communication channels, including the Ricoh Europe intranet.

Senior management appreciates the opportunity and the value of appropriate consultation, and the two-way dialogue is encouraged. As a result, there are many examples where initial plans have been improved following employee feedback.

Ricoh Code of Conduct

The Ricoh Code of Conduct provides basic standards to ensure that officers and employees of the company shall act in accordance with social ethics and in full compliance with the law when conducting business on behalf of Ricoh. It defines the behaviours, values and ethics required of all Ricoh employees in their day to day activities, and governs how we, as a business, manage our global activities in a sustainable and responsible manner, in accordance with the universal principles defined in the UN Global Compact. Respect for human rights on the basis of mutual understanding and inclusiveness is a foundational principle, and Ricoh will not tolerate any form of discrimination on the basis of race, religious faith, gender, social position, citizenship, sickness, handicaps, nor any actions either of its employees



Our responsibilities:

- Maintain high ethical standards in our organisation and those of our suppliers
- Treat our employees fairly and help them develop their talent
- Communicate transparently with our employees, and comply with local, regional and global requirements

or suppliers that ignore human rights such as discriminatory language, violence, sexual harassment, power harassment, etc.

Employees joining the company are introduced to the Code of Conduct through their induction. All employees are regularly reminded of its importance as a way of doing business through the intranet and employee handbooks. To reinforce Ricoh's commitment to ethical business and employment activity, a question is included in the Employee Survey to check that people understand how the Code of Conduct applies to their job. Any infringement of the Code of Conduct is dealt with through our disciplinary process, in line with local legislation.

Ricoh employees can feel proud of their work in this regard, as for the fifth year in a row, Ricoh has been honoured for promoting high ethical standards by Ethisphere, a leading international organisation dedicated to the creation, advancement and sharing of best practices in business ethics, governance, anti-corruption and sustainability.

Employee Engagement

Research shows that employees can be satisfied without being engaged. The term "satisfaction" implies a level of contentment with the current situation; a passive state. The term "engagement" implies active involvement. Employees who are "engaged" with the organisation will actively contribute new ideas, innovative ways of working and drive the business forward. They want to learn and improve; both themselves and their surroundings. At Ricoh we are focused on generating a culture of continuous improvement

within a company and we recognise that it is important to actively engage our people in these activities.

Our employee survey includes topics such as leadership, communications, working conditions and personal development, focusing on what it feels like to work for Ricoh. The online questionnaires are distributed in 14 different languages to ensure everyone is able to participate in their native language.

Rewards and Benefits

We celebrate and reward successful employee contributions and results through competitive benefits and rewards programmes. Ricoh offers a competitive total compensation approach, including benefits that ensure the wellness of employees and their families, and create a positive working environment. Whilst recognising country variations, Ricoh aims to provide for variable health coverage, gym/fitness centre memberships, volunteering leave, retirement savings and more. Total benefits packages depend on position, location and years with the company. The range of benefits available includes:

- Company-sponsored health insurance
- Life and accident insurance
- Long-term illness protection
- Retirement savings plan with a company contribution
- Product discounts
- Gym / fitness centre discounts
- Transportation allowance/discount

Health and Safety

We promote and manage a healthy and safe working environment for employees. We offer employee-benefit plans, sponsorship for gym memberships, wellness programmes, and life/work flexibility, according to local country practices. We provide health and safety training to employees based on the type of job they do and the level of risk associated with their job function.

If you would like more information about working at Ricoh, please visit: <http://www.ricoh-europe.com/about-ricoh/ricoh-overview/careers/>

Society





"People have always been at the centre of our brand - employees, customers, members of society - all of us working in common cause to achieve something greater than a single project goal. We also understand that our employee time can add great value within the regions where we operate. Every year Ricoh people allocate some of their working time to share their skills and expertise to contribute to local communities. During 2012, more than 20% of our employees were involved in community projects all around Europe."

Hank Sakai, Executive Vice President, CSR Division

Our Strategy - contributing to solving social challenges

Our society faces an increasing number of challenges on a global scale that are diverse in nature, across various aspects of society, the economy and the global environment. These issues are too intertwined by multiple factors to be addressed by the public sector alone, including national governments, international organisations and the social sector. Against this background, expectations are rising for private companies that possess a wide range of global resources to contribute to solving these complicated social concerns.

The Ricoh Group works to meet these social challenges, clarifying its stance under two principles: "contribution to resolution of social issues through business activities" and "commitment to and responsibility for social contribution".

The contribution to resolution of social issues through business activities constitutes a pillar of our "value-creating CSR", a concept promoted as our growth strategy aimed at simultaneously achieving both social contribution and corporate growth. More specifically, we intend to accurately understand factors involving global issues, and identify new business opportunities for providing effective solutions. We are utilising our technology, products, services and other resources as well as organising cooperation with related parties. With these efforts, we expect to tap into new markets, find new customers and drive innovation that can resolve or alleviate global concerns as part of our ongoing and future business activities.

We place importance on commitment to and responsibility for social contribution. This represents our firm determination that we will continue social contribution activities in a steady responsible manner, within or outside of our business functions. These activities include initiatives led by the Group and its employees as well as support to social non-profit organisations. To facilitate these efforts, we encourage our employees to volunteer to raise awareness and sensitivity toward social issues, thereby fostering a corporate culture that can contribute to solving social challenges.

Global Policy for Social Contribution Activities

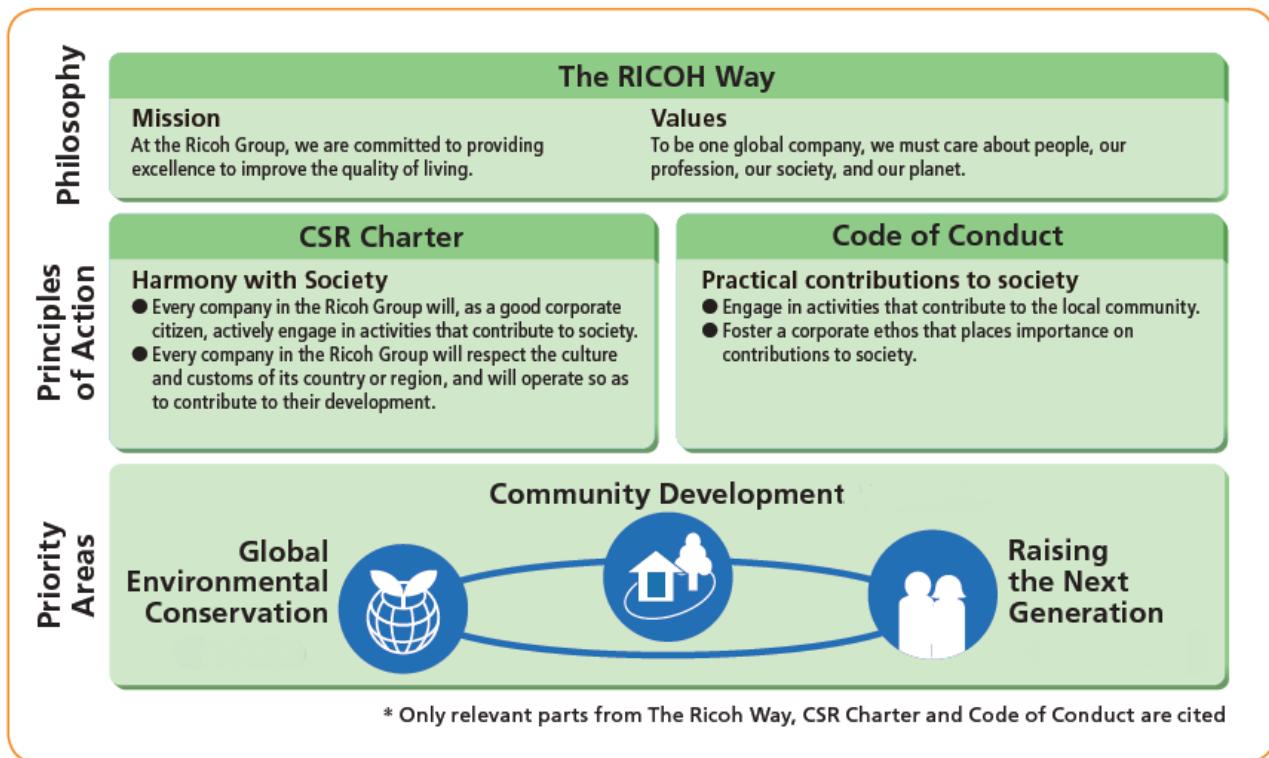
The Ricoh Group has set fundamental principles on social contribution by which all Ricoh companies around the world abide. We believe that by conducting social contribution activities based on a common concept, we can maximise the effects of our contributions toward solving social challenges. The Global Policy for Social Contribution Activities ensures that all Ricoh

companies globally have a more consistent approach to CSR activities, focusing more towards our business activities and less to unfocused areas of interest.

The Ricoh Group, mindful of its responsibility as a corporate citizen, respects the cultures and customs of all countries and regions, joining in active partnership with like-minded people and inspiring employees to contribute to the development of a sustainable society and planet.

Reflecting a deep understanding of social issues in various parts of the world, Ricoh companies carry out social activities focusing on the following

priority areas: Raising the Next Generation, Community Development and Global Environmental Conservation.



Employee involvement

Ricoh takes a proactive approach to encouraging its employees to become involved in the community. As a result, Ricoh Operating Companies and Head Offices are engaged in local projects that allow employees to use their skills to make a noticeable difference in the local area. By involving our people we are also increasing employee engagement and team working. We have worked for a number of years with local and national partners across Europe on projects that benefit the local community. We encourage our people to use their skills, energy and ideas to make an active contribution to society through these projects and activities. While we also provide funding for many community projects, we recognise that the involvement and engagement of our people has a far greater impact on the local community than financial contribution alone.

Global Eco Action Month 2012

For the eighth time Ricoh supported the annual United Nations World Environment Day to raise awareness of its commitment to reducing its environmental impacts and to encourage positive change behaviour among employees, suppliers, and customers. Global Eco Action Month activities planned around Europe throughout June focused upon conserving natural resources, reducing CO₂ emissions, supporting biodiversity, and encouraging behavioural change. Ricoh also celebrated the first birthday of its European Eco-Board. The eco-board is located on the M4 motorway which runs from London to Heathrow



Society

airport. It is powered by 96 solar panels and 5 individual wind turbines and forms a key part of Ricoh's overall commitment to raising environmental awareness in the region. Travellers across Europe journeying into the heart of London will pass the eco-board which carries Ricoh's Managed Document Services message – the company's sustainable approach to streamlining business processes and document workflows. Its aim is to also remind passers by to act in a sustainable way and think beyond the obvious when it comes to protecting natural resources.



Ricoh eco board in London

Global Eco Action Month activities fully align with Ricoh's environmental commitment to reduce CO₂ emissions by 1% per employee per year. All Ricoh companies across Europe organised their own environmental initiatives designed to save energy and promote environmental awareness among employees and their families, such as switching off the lights, lifts, air-conditioning, biodiversity volunteering, etc.

Some examples of Global Eco Action Month activities include:

- Ricoh's neon billboards in Brussels, Barcelona, Warsaw and Vienna were switched off for the day of 5th June.
- Ricoh Europe Supply Chain in the Netherlands organised a bike to work campaign, and in cooperation with "Green Garage" tyres of all vehicles on Ricoh premises in Schiphol-Rijk and Bergen op Zoom were checked.
- Ricoh Russia increased its air-con temperature during summer months to 25C in order to use less energy and minimise CO₂ emissions. Keeping the inside temperature closer to the outside temperature requires less energy from the air handling units.
- Ricoh Italy carried out "Km 0 Day" campaign during which a special menu including only seasonal products from local suppliers was

introduced in the canteen. An "Eco Drive" manual was produced to promote efficient driving to save fuel, money and minimise impact on the environment. 39 employees participated in the "Ricoh Italy Olympic Games 2012" which were organised to encourage people to cycle or walk to work.



Ricoh Italy Olympic Games 2012

- Ricoh Belgium stopped the lifts and encouraged everyone to take the stairs on 5th June. Also a 'tyre pressure' checking service was offered to the employees. In cooperation with Natuurpunt, a national non-profit organisation, Ricoh volunteers created a bee hotel, a flower field and a butterfly garden in the Millennium Park located next to the office in Vilvoorde.



The newly created bee hotel in the Millenniumpark

- In Germany, various environmental activities took place, e.g. free bicycle safety check up, a three-month "cycle to work" campaign during which 70 employees cycled to work every day, etc.
- Ricoh Norway held an Eco Quiz every Friday during the month of June in order to increase awareness about environmental issues among its employees.
- Ricoh Europe organised a visit to the local recycling facility that treats all waste from the London office during which employees learnt how to best manage waste both in the office

and at home. Also a Team Day was organised when 28 volunteers worked together to help regenerate a community playground in East London. Some of the activities included: gardening, painting benches, assembling bird boxes.



Gardening in the community playground

- Ricoh France organised a collection of electric, electronic or household waste as well as a collection of glasses, bottle caps and cork for various charities. Also organic products from the local farm were sold to increase awareness among the employees. During “Clean the Forest” activity twelve Ricoh volunteers collected 550kg of litter from the Forest of Verrières.



Ricoh France “Clean the Forest” activity

Some of other projects carried out across the EMEA region include:

Copiers for Kabul, Ricoh Netherlands

Over ten years ago, Ricoh started supporting educational bodies in Kabul by donating copiers and printers to schools and Ministry of Education. This project was initiated by Ricoh employee, Mohammed Wasseli, who moved from Afghanistan in 1993 and wanted to help his war-torn hometown. A few hundred Ricoh machines

were donated and reprographic centres were set up to help schools deal with the shortage of educational materials. To create local employment opportunities, in 2007 a service company was set up with support of Ricoh Netherlands, which became an official Ricoh distributor in 2012.



Mohammed Wasseli, Ricoh employee in a school in Kabul

Educational project, Ricoh Switzerland

Since 2010, Ricoh has supported YES, Young Enterprise Switzerland, a non-profit organisation that develops economic education programmes for students with the aim to connect the economy with schools. Ricoh employees volunteer at schools to teach children about the community and economy. Once a year YES students from all over Switzerland spend one day working at Ricoh headquarters and meet the Management Board.



Annual “Management meets future generation” event

Solidarity month, Ricoh Spain

At the end of 2012, Ricoh Spain organised a Solidarity Month and held a number of activities in support of a charity project selected by employees, “Social Aid Kit” by Red Cross, which focuses on family nutrition and baby needs. Activities included a solidarity race, food and toy collection, etc. In total, over €16,000 was raised for charity

Society



Solidarity race in Spain

Supporting orphans, Netherlands

Ricoh companies in the Netherlands organised a collection of clothes and mobile phones in support of SOSA Foundation (Support Orphans in Southern Africa) which helps orphaned children affected by HIV virus / AIDS. SOSA was established by a Ricoh employee, JP Skinner, and provides food, care, education and demand-driven assistance such as psychiatric consultation. In total, 2,995kg of clothes and mobiles were collected.



Pick-up of collected clothes from Ricoh Netherlands in Den Bosch

Supporting children, Ricoh Sweden

Ricoh Sweden raised funds for the Children Cancer Association through various fundraising activities, e.g. handball matches, "Spin of Hope" cycling event in which 37 employees in four offices participated cycling for 53 hours.

Support for the Krasnodar Region Flood, Ricoh Russia

Following the flash floods which devastated Krasnodar region of Russia in July 2012, Ricoh Russia donated over 50 printers, MFPs and digital duplicators to support the charity organisations

which helped the affected population in Krymsk, Gelendzhik and Novorossiysk.

Social Day, Ricoh Germany

Over 100 employees from Ricoh offices across Germany participated in "Social Day", volunteering for various charities in support of the local community and environment.

Biodiversity Team Day, Ricoh Hungary

53 volunteers from Ricoh Hungary participated in the cleaning of Geyser Cones of Tihany, removing overgrown plants from rocks preserving these unique geological sites.



Preserving Hungarian geyser cones

Tree planting, Ricoh UK

Over the course of two days, 71 Ricoh employees planted nearly 2,000 trees on land owned by the Marston Vale trust in order to create new green spaces for people and wildlife in Bedfordshire, turning the land back into its natural habitat to help increase biodiversity within the local area.



Planting trees

To find out more about our social actions globally, please visit:

www.ricoh.com/csr/activity/soc_harmony/index.html

Results Summary



Results Summary

Key Sustainability Indicators

The following results are the key indicators used by Ricoh Europe to measure the progress of our sustainability strategies and the initiatives described in this report.

Integrity in Corporate Activities	2007	2008	2009	2010	2011	2012	GRI
Turnover (€ Billion)	3.5	3.3	3.4	3.5	3.6	3.7	EC1
Committed customers	47%	51%*	-	56%**	45%	-***	PR5
Customers who would repurchase from Ricoh	59%	62%*	-	67%**	68%	-***	PR5
Customers who would recommend Ricoh	62%	61%*	-	68%**	67%	-***	PR5
Overall customer satisfaction (TRIM Index) ****	60	61	-	68	68	-***	PR5

* The study included 9 countries

** The study included 10 countries

*** As a result of strategic business transformation projects, which are aimed at adapting Ricoh for the future, it was decided not to conduct a pan-European customer survey. However, specialist and local surveys are ongoing in order to assess our developing relationships with our customers. An example being a survey in the UK, France and Germany, conducted by IPSOS, focusing on specific segments of the market. These will continue in order to provide Ricoh customer insight in the most efficient and effective manner.

**** TRIM Index is a composite measure of: 1. customers' intention to repurchase, 2. customers' recommendation, 3. customers' competitive advantage in using Ricoh's products and services, 4. customers' overall rating of Ricoh's products and services.

Harmony with the Environment	2007	2008	2009	2010	2011	2012	GRI
Total recycled & reused items (parts + toners)	210,427	228,692	247,576	297,049	410,148	302,539	EN26
Paper used at RE offices (Reams)	137,340	161,578*	147,005	147,087	181,824	131,749	EN1
General waste (tons)	1,247	1,288*	1,291	953	1,748	965	EN22
Toner cartridge – recycling ratio	94.0%	94.3%	95.26%	95.02%	96.3%	97.38%	EN2
Copiers / MFPs – recycling ratio	97.0%	97.8%	93.53%	97.64%	93.68%	96.11%	EN2
Total CO ₂ emissions (tons)	56,530	63,819*	53,423	57,503*	61,190*	59,901*	EN16
Year on year reduction of CO ₂ (tons)	2,939	-7,289	10,396	-4,080	-3,687	1,289	EN18

* 2008 figures have been updated following the integration of Infotec

* 2010 figure has increased due to Ricoh acquisitions

*2011: our global CO₂ reduction of 1% per FTE achieved

*2012: our global CO₂ reduction of 1% per FTE achieved

Respect for People	2007	2008	2009	2010	2011	2012	GRI
Employees satisfied working for Ricoh	-	70%	68%	67%	- *	- **	-
Employee resignations	12%	2%	6%	8%	6%	7%	LA2
Staff receiving appraisal	91%	56%	64%	90%	81%	85%	LA12
Training days per FTE	4.4	3.6	2.8	3.4	2.6	2.8	LA10
Accident rate	-	1.0%	1.4%	1.3%	1.08%	1.3%	LA7
Registered LMS users (direct)	4,614	5,259	5,889	6,338	11,014***	15,815	LA11

* Delayed

** Ricoh Company Ltd is developing a global employee engagement survey that will be published in the future

*** Numbers reported for 2010 and before relate to technical training database only. 2011 numbers show all Learning Management System users.

Harmony with Society	2007	2008	2009	2010	2011	2012	GRI
Number of employees involved in community volunteering	-	1,660	2,861	3,478	3,887	3,626	-
Total volunteer hours spent in the community (during working hours)	-	6,702	9,983	10,591	13,354	11,942	EC8
Total charitable donations	-	€424,715	€683,737	€590,591	€1,053,401	€470,494	EC8

GRI Assessment

This report has been self-assessed by Ricoh Europe's CSR Steering Committee and meets the "GRI B" criteria, as it includes more than 20 relevant indicators. Full details of this assessment are available in the CSR section on our website, www.ricoh-europe.com/about-ricoh/our-principles/csr/sustainability-reporting/

	Level C	Level B	Level A
Self-Declared		Yes	
Third Party Checked		No	
GRI Checked		No	

About Our Brand

RICOH
imagine. change.

Every day, all over the world, Ricoh helps people harness the power of collective imagination to enjoy a more productive, fulfilling and sustainable quality of life. We are always moving forward with new ideas and new ways of improving lives. Change is driven by imaginative thinking. That is the proposition of the Ricoh brand.

For those who want to transform their business and leverage the collective knowledge and imagination of their people, the solution is as simple as *imagine.change*.

These two words describe the way we work with each other, the way we bring value to our customers' businesses, the way we interact with the market. They express our belief in the creative potential of individuals and organisations, our emphasis on forward thinking and positive results.

It is more than just a new tagline. It's the essence of the Ricoh brand experience.
www.ricoh-europe.com

Feedback

If you have any comments or questions about this report, please contact Ricoh Europe's CSR Division at csr@ricoh-europe.com

About Ricoh

Ricoh is a global technology company specialising in office imaging equipment, production print solutions, document management systems and IT services. Headquartered in Tokyo, Ricoh Group operates in about 200 countries and regions. In the financial year ending March 2013, Ricoh Group had worldwide sales of 1,924 billion yen (approx. 20 billion USD).

The majority of the company's revenue comes from products, solutions and services that improve the interaction between people and information. Ricoh also produces award-winning digital cameras and specialised industrial products. It is known for the quality of its technology, the exceptional standard of its customer service and sustainability initiatives.

Under its corporate tagline, *imagine.change*. Ricoh helps companies transform the way they work and harness the collective imagination of their employees.

For further information visit www.ricoh-europe.com



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