

Sustainability Report 2012

RICOH
imagine. change.



Sustainability through innovation

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Children involved in Ricoh's Big Green Day Out on Motuihe Island, Auckland



Mission – Vision – Values

Our Mission:

The supply and support of innovative and value-adding document solutions.

Our Vision:

To be the undisputed market leader in document solutions.

Vision in action

Ricoh New Zealand's vision is then translated into tangible short (12 months or less) and medium term (1-3 years) goals as part of our annual Strategic Planning Process (SPP). The foundation of the SPP is our corporate vision. This defines where we want our organisation to be in the future.

The monitoring of major shifts in technology, markets, competition and the regulatory environment is an integral part of the SPP.

To achieve our vision we strive to:

- Be a values-based organisation
- Be one team
- Be focused on innovation and reliability
- Have exceptional relationships with our customers and partners
- Be the document solutions provider of choice.

Our Values:

The five simple values demonstrated below are easily understood by all of Ricoh's people and enable staff to tell the story of our company to others.



**Remarkable
people**



**Innovation
everywhere**



**Customers
for life**



**Outstanding
performance**



**Harmony with
the environment**



Scope of the report

This report details Ricoh New Zealand's sustainability – economic, social and environmental – performance from 01 April 2011 to 31 March 2012.

The fourth full annual Sustainability Report provides our customers, staff, dealers, and other stakeholders with information about our performance during the reporting period. It contains some financial information, but its key purpose is to demonstrate the ways in which sustainability is an integral part of all our business activities.

Ricoh's business model focuses on constant innovation to provide customers with value-adding business solutions.

The content of this report was shaped in part by a stakeholder survey during its preparation. Wright Communications prepared the report on behalf of Ricoh New Zealand, gathering information from staff interviews, Ricoh documents, and data contributed by Ricoh New Zealand's Sustainability Adviser, Finance Manager, and HR Manager.

This report covers the activities of Ricoh New Zealand, including its head office, its sales team, and six branches throughout the country. The data does not include the activities or results of the 14 dealerships, although in some cases they are discussed as they are an integral part of the delivery of Ricoh's products and services in New Zealand.

This report applies the Global Reporting Initiative (GRI) 3.1 framework, which is considered the world's leading framework for corporate responsibility reporting.

Ricoh's business model focuses on constant innovation to provide customers with value-adding business solutions. Ricoh Consulting helps clients to increase productivity and reduce costs. Ricoh's energy-efficient multi-functional devices (MFDs) and its software solutions help reduce electricity consumption and paper use – features which have been important in helping New Zealand businesses reduce everyday office expenses.

Ricoh employees understand how they can contribute to our ambitious goals to reduce emissions and resource consumption, and their impact on the wider environment.

Our strategic objectives are defined every three years in a 'mid-term plan'. This report is for the second year of the current three-year cycle. Each division details its plans and strategies at the start of each three year period, and how they support Ricoh Japan's key objectives. Annual budgets and objectives are then agreed, so everyone in Ricoh New Zealand understands how their role fits into the bigger picture.

Progress towards objectives is reviewed, and annual objectives for employees are derived from this – ensuring Strategic Management Objectives are consistent across the company.

Re-statement

Ricoh New Zealand has re-stated two figures included in its Sustainability Report 2011. For accuracy, the new values are re-stated in this publication: the pre-tax profit in the 2011 report of \$6.17 million has been re-stated as \$6.4 million; and the 2011 report shareholder equity of \$18.3 million has been re-stated as \$20.3 million.

During the preparation of this report, we carried out a stakeholder survey to ensure Ricoh New Zealand's 2012 Sustainability Report addressed areas for improvement.

This involved an email questionnaire sent to 1287 stakeholders representing 42 staff, 15 dealer principals, and 1230 customers. 19.5 per cent completed the survey.

The survey consisted of five questions relating to Ricoh New Zealand's economic, environmental, and social performance. Stakeholders were also asked to list key issues which they felt had affected Ricoh New Zealand in the reporting period and that they expected us to include in our report.

On a rating scale of 1-10, stakeholders gave Ricoh New Zealand the highest average rating for its environmental responsibility performance (7.8 out of 10), and the lowest of 6.2 for its communications, whether that be to staff, dealers or customers. This is something we will look at in the coming year.

Stakeholders identified numerous material issues for the 2012 report to address, with key areas including:

- Competitive and industry pressure
- General industry trends away from paper towards mobile devices
- Implications from the All-of-Government contract
- Financial difficulties, particularly for smaller companies
- Recent earthquakes and other natural disasters.

The results of the survey were added to feedback received during our ongoing stakeholder engagement throughout the year, and these shaped the content of this year's report.

Stakeholder survey results

Staff survey – performance area	Rating average (out of 10)
Environmental responsibility	8.9
Level of community support	7.6
Brand and company profile in the market	8.2
Frequency and effectiveness of communication	7.0
Level of training and support	8.1

Dealer survey – performance area	Rating average (out of 10)
Environmental responsibility	8.1
Level of community support	7.5
Brand and company profile in the market	7.8
Frequency and effectiveness of communication	5.8
Level of training and support	6.8

Customer survey – performance area	Rating average (out of 10)
Environmental responsibility	6.3
Level of community support	6.0
Brand and company profile in the market	6.8
Frequency and effectiveness of communication	6.0
Level of training and support	5.3



2012 highlights

Revenue rises

Revenue increased 12 per cent to \$117.2 million for the year to March 2012, producing a record pre-tax profit of \$9.6 million.

Ricoh IT Services

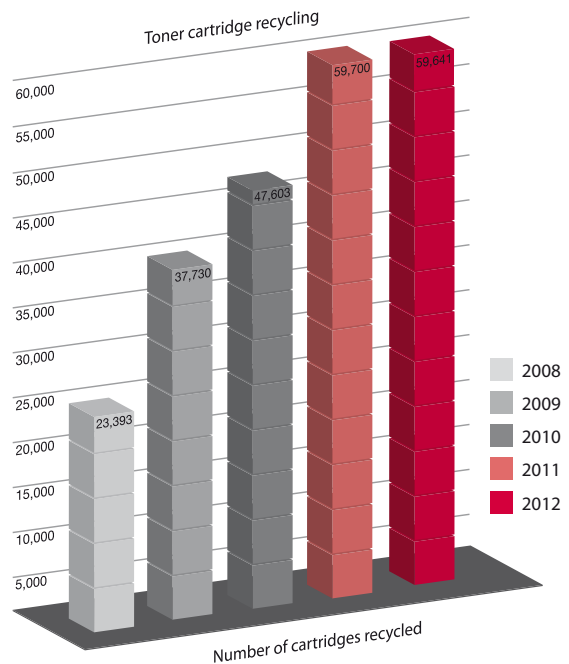
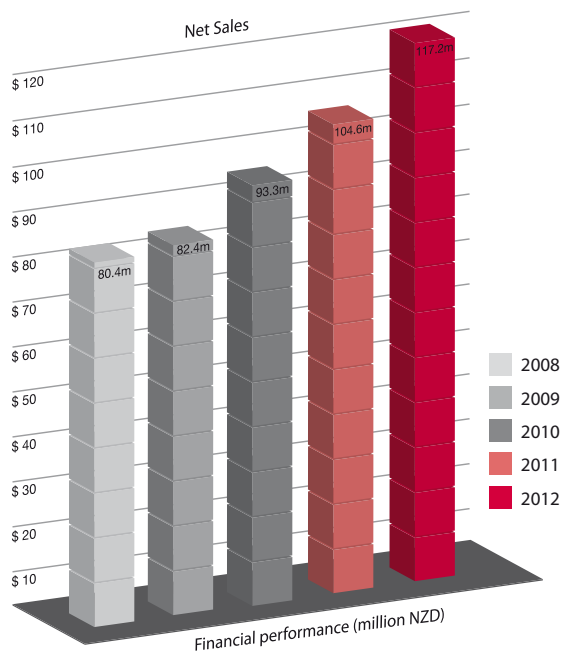
A key new division was formed within Ricoh Consulting, reflecting the ongoing expansion of Ricoh New Zealand's consultancy services to include expert IT support and procurement for small to medium enterprises.

World-class innovation

The National Service Division developed RIFLE (Ricoh's (Intelligent Fault Logging Engine), a unique locally developed online system which has improved service efficiency for both Ricoh New Zealand and its clients. This innovation has received praise and interest from within the Ricoh group globally.

Product stewardship

Ricoh collected and recycled more than 59,600 used toner cartridges from customers which diverted 13,345kg of waste from landfill.



Key concerns in 2012



An increase in greenhouse gas (GHG) emissions

Total GHG emissions for the year to March 2012 were 3,746 tonnes carbon dioxide equivalent (CO₂e), an increase of 396 tonnes CO₂e on the year earlier. Much of the rise resulted from the 20 per cent increase in new machines, which increased the emissions from machines in use by customers which Ricoh chooses to offset.



Stock supply

Serious flooding in Thailand for many months in mid-2011 caused major disruption to the supply of some of Ricoh's most popular machines and essential parts. Ricoh New Zealand sought solutions to ensure customers were not adversely affected.



All-of-Government contract

This year marked the start of the All-of-Government contract. This made the Government the single largest user of multi-functional devices in the country. Its focus on cost reduction, and competition from accredited suppliers including Ricoh put downward pressure on prices, further reducing margins.

Goals for 2013



Renew focus on emissions reduction

The reasons for the emissions increase during this period have been identified – particularly increased sales, the growth of the consultancy business and a change in the way dealer emissions are recorded. Ricoh will assess all contributing factors and put new reduction plans in place where necessary.



Continue sharp growth

Ricoh has an ambitious plan to double revenue between 2011 and 2014. The ongoing development of Ricoh Consulting is one driver, but senior management have also asked staff to find innovations and identify opportunities for increased efficiencies and cost savings.



Grow production print business

The partnership with global printing giant Heidelberg offers opportunities to help grow Ricoh's digital production print business, and this will be of value in the next year and beyond.

Businesses have had to re-invent themselves, becoming fitter, tighter and leaner. This requirement emphasises the true meaning of business sustainability.





From the Managing Director

There was a growing realisation in the reporting period that New Zealand business is not going to return to the heady days prior to the current phase of tough economic conditions – the operating environment has changed forever, it is the 'new normal'.

Businesses have had to re-invent themselves, becoming fitter, tighter and leaner. This requirement emphasises the true meaning of business sustainability. Organisations that can innovate and adapt to change will survive. Bluntly, those that are inefficient and can't deal with the technology revolution will fade or die.

I am pleased to report that the 2011/12 year was Ricoh New Zealand's most profitable – for the second period in a row. We are on-track to meet the goal set last year to double turnover by the end of the 2013/14 financial year. The company's ongoing profitability shows the economic pillar of our sustainability is built on strong foundations. That has been the goal of strategic plans put in place by senior management in recent years.

Faced with a rate of change in our industry that is faster than ever before – and a flattening market for multi-functional devices (MFDs) and page prints – an internal evolution has transformed all areas of the business.

Ricoh New Zealand's culture of innovation and continuous improvement has delivered operating costs which are significantly lower as a percentage of sales compared to our competitors. A fantastic example this year was a fault diagnosis system developed by our National Service team which results in major efficiencies and is likely to be adapted by Ricoh globally (see case study on p19).

The appointment of Ricoh's Global President and CEO Shiro Kondo five years ago marked the start of an exciting period which reached a milestone (just a day after this reporting period ended), with the announcement of Ricoh's new global brand: 'imagine.change'.

This global unification of what Ricoh stands for was the most significant company direction announcement in the past five years. The words 'imagine.change.' reflect long-term sustainability and recognise that Ricoh has changed dramatically in recent years – expanding from its traditional business of being a product and hardware-based supplier to become a full-service business consultancy partner.

We add value for customers by understanding their businesses, taking an objective view, helping them imagine future possibilities, and helping them transform using an array of document and IT solutions. Last year, we reported on the development of Ricoh Consulting, which helped customers become more efficient and more profitable through smart business processes – to take out costs, not capability, as we have done ourselves.

In this reporting period, we added to our growing consultancy momentum with the formation of Ricoh IT Services, which helps small to medium enterprises by managing and maintaining their networks – the glue which holds together a company's entire business system. We expand on this later in the report.

The 2011/12 period also contained some other significant milestones which impacted on Ricoh's business. Most important was our partnership with global offset printing giants Heidelberg, announced in January 2012. This showed the seriousness of Ricoh's move into the production print market, which has gained

momentum in the past year and reflects the improved quality delivered by high-speed, colour digital printers, at the same time as the price of the machines has fallen.

There are clear environmental benefits from the use of digital production printing; its on-demand capability providing less waste and energy use than traditional offset methods.

Through the New Zealand partnership, Heidelberg is offering its client base Ricoh's production print solutions, and our production printing business will grow strongly, as traditional page printing totals flatten out.

The year also marked the start of the All-of-Government contract for multi-functional devices. As the largest single user of MFDs and printers, the Government drove the market to a new low pricing model, and saw government agencies make up-front cost reduction paramount, rather than choose the best products, service and relationships.

Ricoh had planned for this contract's influence. I am confident we will remain as profitable in the future as we have been in the past two years, but the profit will increasingly come from new areas of the business.

The previous report covered the impact of two devastating natural disasters which affected Ricoh's Japan and New Zealand-based operations. Unfortunately, nature again challenged our business during this reporting period, with serious floods in Thailand. Along with many other technology-based companies, Ricoh was affected by the disruption the floods in Thailand caused to manufacturers based there, and this had an impact on profitability.

The greatest impact was a shortage of components used in machines. Globally, Ricoh was able to call on its manufacturing facilities in other regions to cover most of the shortfall. In New Zealand, the disruption to supply of parts and machines for several months meant we had to focus on alternative solutions to ensure customers' needs were met. Our technical staff were able to refurbish machines and re-condition components to cover until the supply of new parts resumed. This meant most customers were not affected.

Finally, a word about Christchurch. In the last report, I mentioned the incredible resilience of our staff and customers after the earthquakes. This year was a period of stabilisation for the region, and Ricoh's focus was on providing the solutions and technology to allow customers to get some sense of normality – while also being aware of the ongoing unique stresses and pressure being faced by both our staff and customers.

Ricoh recognised some time ago that the environment it operates in will continue to change at a rapid rate – I am confident we have the bedrock sustainability mind set to meet these challenges and thrive.

Mike Pollok
Managing Director
Ricoh New Zealand

Ricoh New Zealand was able to thrive despite the conditions, again increasing its revenue.



The bottom line

Increased sales

Revenue rose \$12.6 million to \$117.2 million for the year to March 2012; Ricoh New Zealand's 12 per cent revenue rise in the uncertain economic conditions was a stand-out among Ricoh operations globally.

Ricoh IT Services

This new division within Ricoh Consulting is expected to expand and contribute significantly to revenue from consulting (which should provide a third of total revenue within two years).

Machines in Field (MIF)

Ricoh's MIF base again rose markedly, a 20 per cent overall increase (printers by 32 per cent and MFDs by 16 per cent).

Partnership with Heidelberg

Ricoh's global deal with offset printing giant Heidelberg – signed in January 2012 – will allow major growth for Ricoh's digital production printer business.

Responding to a rapidly changing industry

The New Zealand economy struggled to emerge from recession and provided a challenging business environment. Ricoh New Zealand was able to thrive despite the conditions, again increasing its revenue, up \$12.6 million to \$117.2 million for the year to March 2012, producing a pre-tax profit of \$9.6 million.

“The formation of Ricoh IT Services, a new division within Ricoh Consulting, was a major milestone in the growth plan.”

In addition, we reached a record MFD market share by the end of the period (an industry agreement prohibits Ricoh from disclosing market share figures and rankings).

Ricoh is on an ambitious growth plan, with a target for 2014's revenue to be double that recorded in the 2011 year.

A key part of this is ongoing expansion of Ricoh Consulting. The formation of Ricoh IT Services, a new division within Ricoh Consulting, was a major milestone in the growth plan (see case study, p15).

All New Zealand businesses are looking to reduce costs, and the growth of the consultancy business reflects our ability to help them achieve their objectives.

The smart features in many of Ricoh's top selling printers and MFDs help streamline clients' document flow and make energy and paper use more efficient, leading to cost savings.

Sales of new MFDs were up 16 per cent in the reporting period, showing customers were prepared to invest in new technology if it will reduce their business costs.

Machines in Field (MIF)

Below, we report MFD MIF growth and printer MIF growth in percentage terms, which is a true reflection of retaining customers and winning new business.

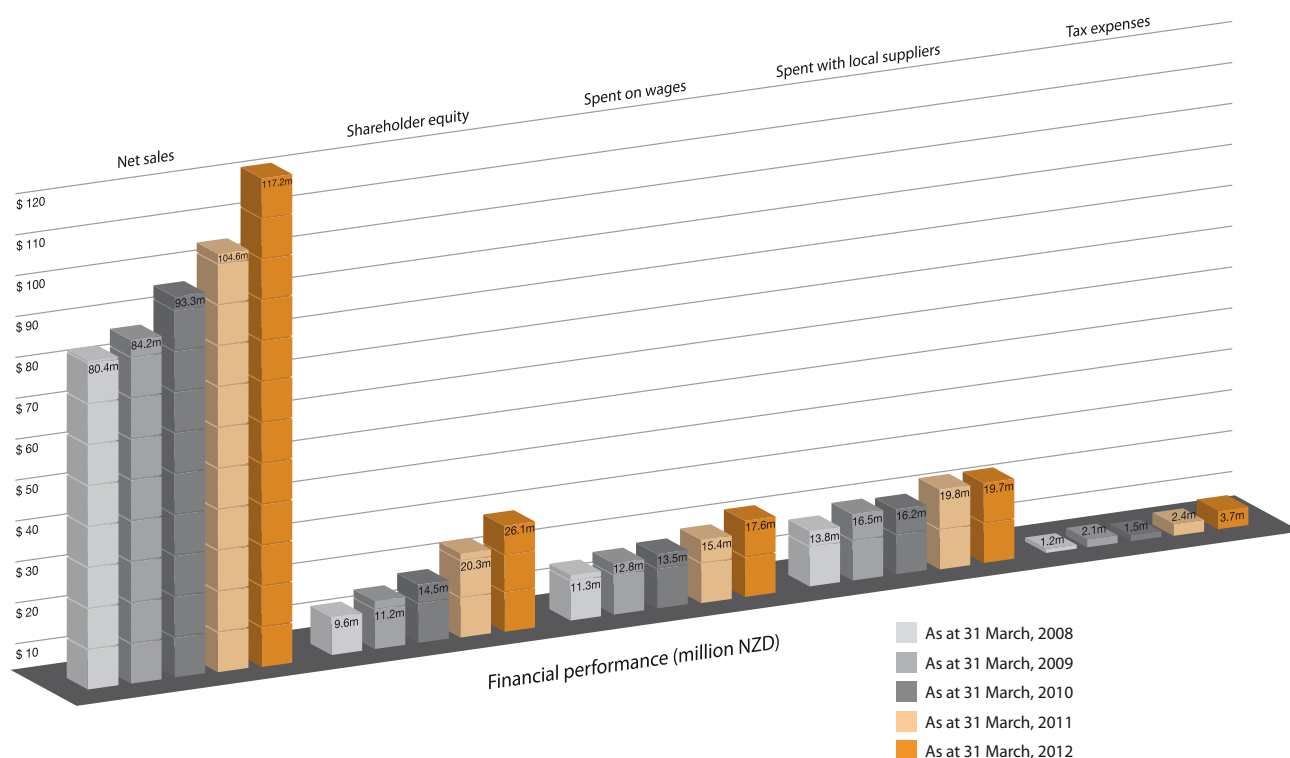
The data shows that even during a slow economic environment, Ricoh was still able to grow its overall MIF considerably.

During the 2011/12 reporting period, the average monthly retention rate of MIF contracts was 95 per cent each month, up from 88 per cent each month in the previous period – another sign of a strong business.

Changes to Ricoh Machines in Field numbers

Date	MFD % increase	Printer % increase	Total % increase
March 2012	16	32	20
March 2011	12	30	16
March 2010	4	26	9
March 2009	8	28	12
March 2008	12	93	22

The bottom line



Financial Performance – Ricoh New Zealand

	As at 31 March, 2011	As at 31 March, 2012
Net sales	\$104.6 million	\$117.2 million
Shareholder equity	\$20.3 million	\$26.1 million
Offices nationwide	6	6
Regional offices (dealers) nationwide	14	14
Percentage increase in Machines in the Field (MIF)	16	20.2
Employees	272	299
Spent on wages	\$15.4 million	\$17.6 million
Spent with local suppliers	\$19.8 million	\$19.7 million
Tax expenses	\$2.4 million	\$3.7 million

Financial Performance – Ricoh Group

	As at 31 March, 2011	As at 31 March, 2012
Net sales	¥1,942.0 billion	¥1,903.4 billion
Shareholder equity	¥929.8 billion	¥822.7 billion
R&D Expenditure	¥110.8 billion (5.7% of net sales)	¥119 billion (6.3% of net sales)
Number of employees worldwide	109,500	109,200

(Exchange rate at time of print: ¥100 = NZ\$1.58)

Responsible investing

Ricoh's commitment to sustainability has provided a point of difference for investors looking for sustainable companies to invest in. Ricoh is listed on the Tokyo Stock Exchange and disclosures show the stock is purchased by investors seeking businesses that are environmentally and socially responsible.

“In addition, Ricoh has been a constituent member of the Dow Jones Sustainability Indexes for six consecutive years.”

In 2012, Ricoh Company Ltd was selected as one of the Global 100 Most Sustainable Corporations in the World, for the eighth consecutive year, by Corporate Knights Inc. of Canada.

Ricoh Company Ltd has been included in the Morningstar Socially Responsible Investment Index since it was established in 2003, which provides an index of companies in Japan performing highly in the following five areas: corporate governance, employment, consumer services, the environment, and social contributions.

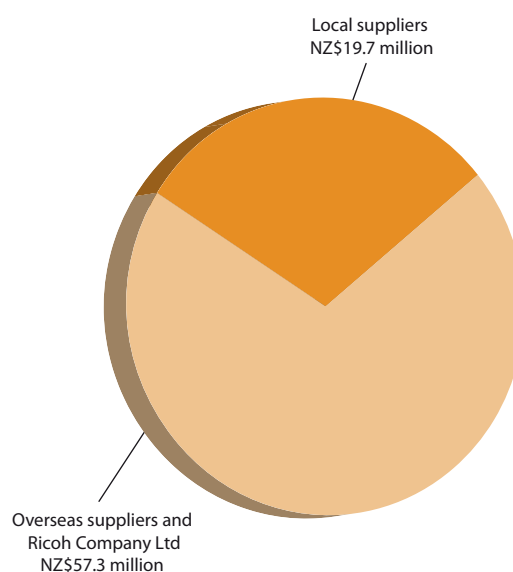
In addition, Ricoh has been a constituent member of the Dow Jones Sustainability Index (DJSI), which is provided by Dow Jones & Company (USA) and SAM Group (Switzerland) for six consecutive years.

Ricoh has also been a member of the FTSE4 Good Global Index for seven years in a row. This index is published by FTSE Group, a joint venture between The Financial Times (UK) and the London Stock Exchange.

Spending with local suppliers

Ricoh New Zealand spent NZ\$57.3 million purchasing products and services from overseas in the year to 31 March 2012, predominantly from our parent company as well as other overseas suppliers.

Spending with local suppliers totalled NZ\$19.7 million, a decline of NZ\$100,000 on the year earlier. This figure consists mostly of professional services and business expenses such as rent, utilities, travel, freight, logistics and warehousing, telecommunications and stationery.



Having the capability to offer IT services contributes strongly to Ricoh New Zealand's revenue growth and long-term sustainability.



John King, Claire Dixon and James MacKinnon, Ricoh Consulting - IT Services



Ricoh's evolution – becoming an innovative agent of change

Immediately after the reporting period ended, Ricoh Company Ltd in Japan announced the introduction of a new global brand tagline, 'imagine. change', to express the company's evolving brand presence around the world.

This has a significant material effect on Ricoh New Zealand, and is regarded by Ricoh globally as the key to its long-term sustainability, so it is explained in this report.

The new brand messaging reflects a general shift toward consulting and IT services for Ricoh globally, which can be seen in the company's ever expanding portfolio including managed document services, other advanced solutions and new types of devices.

Shiro Kondo, Ricoh Global President and CEO made the announcement on 2 April 2012: "The ability to change is a key element of a successful business today."

"Technology is changing at an unprecedented pace, and there is increasing pressure for customers to change along with it. Those who cannot keep up will be left behind."

"Technology is changing at an unprecedented pace, and there is increasing pressure for customers to change along with it. Those who cannot keep up will be left behind. At Ricoh, we are committed to helping our customers embrace change through innovation. That is what we mean by 'imagine. change.'"

Ricoh combines people, processes and technology to build information infrastructures which are faster, smarter and less expensive than customers envisioned.

Through cloud computing, remote monitoring and other innovations, the company is also making information more secure, mobile and personal. The net result is that organisations can collaborate and innovate like never before. The global roll-out of 'imagine. change.' highlights Ricoh's customer-centric philosophy: moving forward with new ideas and new ways of improving lives, driven by innovation.

Ricoh helps companies and individuals transform the way they work and harness their collective imagination; 'imagine. change.' is the essence of Ricoh's brand experience. The challenge for Ricoh New Zealand is to explain to the market that core historical hardware and camera product offerings now only make up part of the company's business. Ricoh New Zealand's new focus is to provide customer value in three areas:

- Document solutions
- IT services
- Communications

Ricoh's evolution expands to IT Services

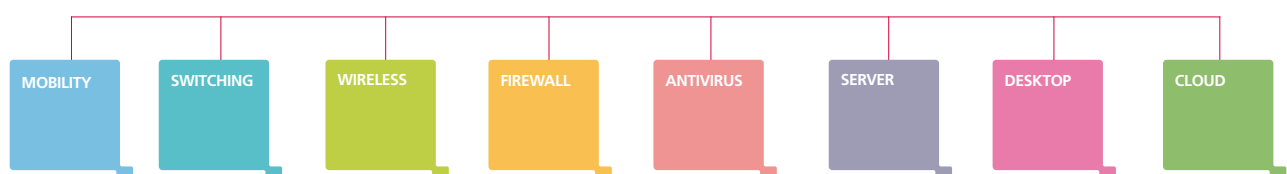
The development of Ricoh New Zealand's IT Services business in 2011, under the umbrella of Ricoh Consulting, was another significant milestone in future proofing the company against changes to Ricoh's core business, which has seen a reduction in profit margin from traditional sources such as printing and copying.

Essentially, with the establishment of Ricoh IT Services this period, (under Ricoh Consulting, which was developed in 2010), Ricoh New Zealand was already well down the path of a future-focused approach which would later be announced globally as 'imagine.change.'.

Within Ricoh Consulting, Ricoh Business Solutions helps to transform organisations' workflow, systems and processes such as document management, accounts payable automation, scanning, digitisation and data extraction using Ricoh software and hardware.

IT Services was added as a core component of Ricoh

Ricoh Ignite Fixed Price Components





Ricoh's evolution – becoming an innovative agent of change

Consulting. It focuses mainly on small to medium enterprises by providing streamlined solutions to run their IT functions and office environment in the most efficient, productive, secure and affordable way.

Ricoh now covers the full spectrum of office technology and can provide solutions which optimise a company's office environment – from MFDs to PCs and other networked devices.

“Having the capability to offer IT services contributes strongly to Ricoh New Zealand's revenue growth and long-term sustainability.”

John King has led the growth of IT Services within Ricoh Consulting and the development of its comprehensive fixed price, single-point-of-contact services, which include:

- IT consultancy
- Design and implementation
- Procurement (hardware/software)
- Ignite Managed Services (see diagram, page 15)
- Security consulting
- CloudReady
- Ongoing IT support.

Service modules are available on a remote basis, as well as on site. Ricoh IT Services grew strongly in the reporting period, and is already popular with clients which do not have an internal IT capability and need cost effective support from technical experts.

After the reporting period ended, Ricoh signed a deal with Avaya, a global provider of business collaboration and communications solutions. Ricoh is now an accredited Avaya Connect Networking Channel Partner for New Zealand.

Manager IT Services, John King says the division was specifically designed to provide clients with certainty around their IT costs, and to increase their operating efficiencies.

“IT issues can cause organisations to have ballooning budgets, unscheduled downtime, lost productivity, even non-delivery of products or services to customers. Ricoh IT Services is able to eliminate those kinds of issues through expert solutions.”

“Having the capability to offer IT services contributes strongly to Ricoh New Zealand's revenue growth and long-term sustainability.”

IT Services case study: Olympus Pacific Minerals



Having hundreds of PC users operating in five countries, often out in the field, was a systems issue for Olympus Pacific Minerals, which has offices in Canada and New Zealand, mining plants in Vietnam, and exploration sites in Malaysia and the Philippines. It expects major growth in staffing levels in the next 2-3 years.

“We decided to centralise our IT operations in New Zealand with the help of Ricoh,” says Peter Tiedermann, CIO at Olympus Pacific Minerals.

Ricoh now remotely manages the company's international IT operations from New Zealand, and co-ordinates its IT requirements with key suppliers such as Microsoft and Kaseya.

The benefits which resulted include:

- IT consistency across the company's operations
- Fewer in-house IT administration staff required (from seven down to two)
- Greater reliability, and systems more securely backed up
- The company can adapt quickly as staff numbers increase
- Cost savings from sharing expensive software licences between users.

“We get advanced warning reports before things go wrong, and we can upscale quickly thanks to Ricoh,” says Peter Tiedermann.



**Claire Dixon –
Major Account
Manager, Ricoh IT
Services**

When did you join Ricoh?
In January 2012.

**What are the key focus
areas of your role?**

To work with Ricoh clients in all sectors, to make them aware that Ricoh Consulting's offering now extends to a wide range of IT services which can deliver tangible efficiencies to their IT platforms – in turn, driving cost out of their IT budget.

How important are expert IT services to the sustainability of businesses?

I believe that no part of any business has changed as much as technology has in the last three years. It's on course to continue changing at this rate, if not faster.

Fortunately, most businesses now view technology as an enabler for their business goals, and those businesses will out-do their competitors pretty quickly. I'm fortunate to be in a role where I can help my customers align what technology can offer to their business strategy.

It's enormously gratifying to work closely with key stakeholders of enterprise and see them benefit from a solution that we've designed and implemented.

What do you enjoy about working at Ricoh?

I'm continually impressed by the level of loyalty our customers have to Ricoh. It's clear to me that the reason for this is our customers benefit from an extremely efficient service provider built on business excellence and fronted by superb people.

This trust-based forum allows customers to be very open about specific business pain points, and my team has the best resources available to tackle these issues and build strong business relationships with our customers through delivering valuable gains up front.

What do you enjoy away from work?

Outside of work, my family is the focus and with a 2-year-old daughter and 5-year-old son, it's pretty intense but very rewarding. The kids are at wonderful ages and there's never a dull moment in our house!

Also, my husband and I are very social and we make sure we get a babysitter and get out for dinner and drinks with friends a couple of times a month.

**IT Services case study:
Young New Zealanders Foundation**



This national charity helps children deal with bullying and abuse, and helps to prevent suicides. Its programmes are available through schools, mostly aimed at 10-12 year olds.

The Foundation did not have an IT manager and needed support from an IT provider which really understood its requirements – particularly the critical importance of IT for fundraising – and was affordable for a not-for-profit. The solution needed to cover the Foundation's head office, as well as several remote users across the country.

The Foundation's primary driver was to have available a quick response to any IT issues. They chose Ricoh's Ignite service as the best fit for their needs.

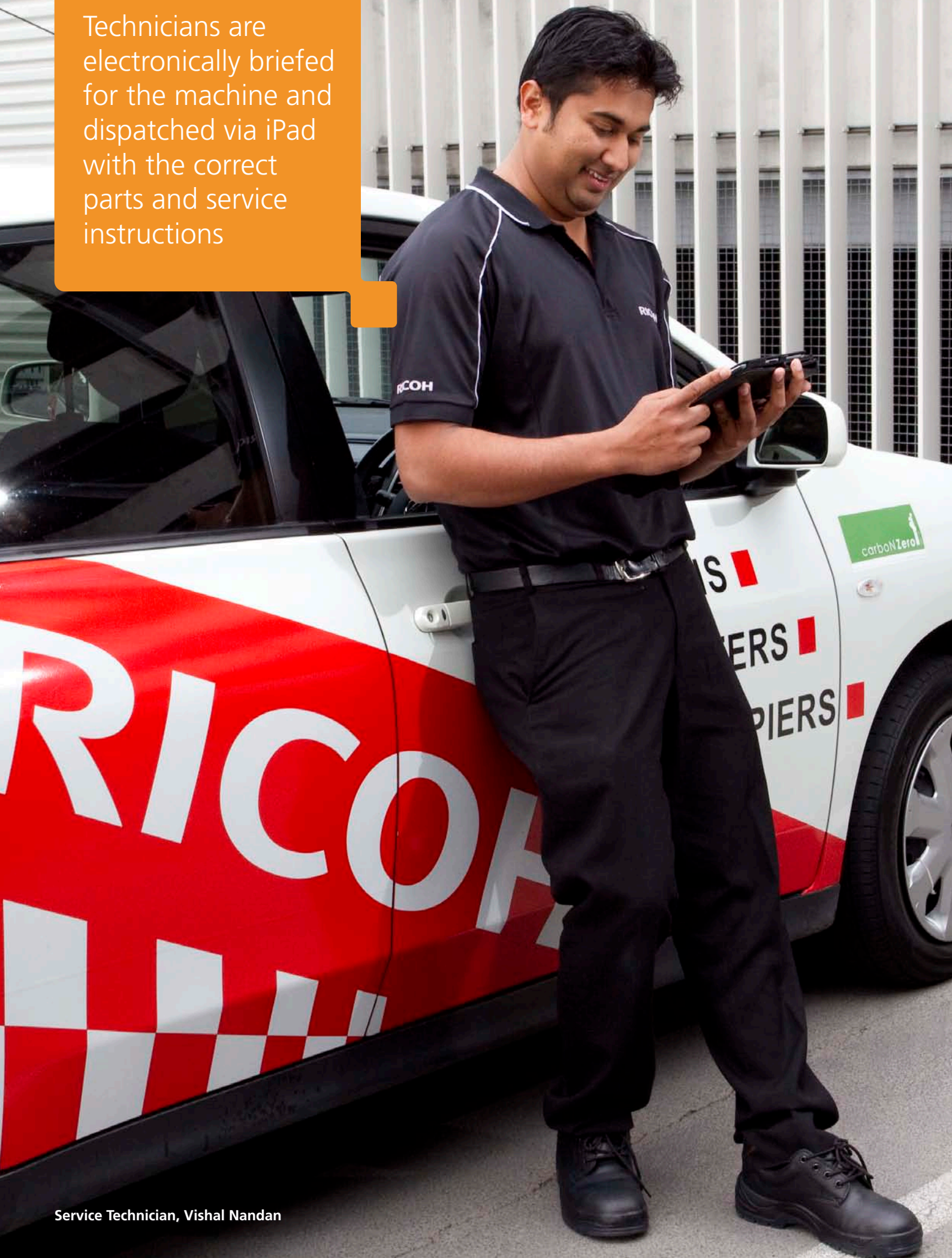
Colin May, Operations Manager at Young New Zealanders Foundation, says: "Every hour of downtime costs us around \$1,000 in missed charity calling, and with Ignite we can minimise downtime as much as possible."

The benefits for the Foundation include:

- Increased availability of the network
- Predictable and scalable IT costs

Colin May says Ricoh's team is pragmatic and solutions-focused: "They've helped us deal with a range of IT issues and with future-proofing our IT infrastructure."

Technicians are electronically briefed for the machine and dispatched via iPad with the correct parts and service instructions



Service Technician, Vishal Nandan

Case Study: RIFLE hits target for customers

Ricoh New Zealand's culture of encouraging innovation uncovered a gold nugget in the reporting period, with the National Service team developing a superb upgrade to our machine fault-logging system.

Launched in June 2011, Ricoh's Intelligent Fault Logging Engine (RIFLE) is a real-time reporting tool used by the Ricoh Contact Centre team in conjunction with our field technicians, and has led to an even more efficient call-out service for customers.

RIFLE has been extremely successful in reducing the amount of on-site service calls required. Prior to the introduction of Ricoh's help desk and RIFLE, all service calls required a technician to visit customers' premises.

"Now, about 24 per cent of all incoming service calls are resolved without the need for a technician to visit."

Now, about 24 per cent of all incoming service calls are resolved without the need for a technician to visit. This has led to a significant reduction in service costs, as well as reduced carbon emissions and improved customer satisfaction through greater machine uptime. These results – and the level of innovation – have impressed Ricoh globally and RIFLE is likely to be introduced into other regions.

RIFLE provides the Contact Centre operator with a screen of progressive drop-down menus which help them to diagnose the problem and potentially remove the need for a technician to visit.

When a customer rings to report an issue with a machine, the first step is to ask the customer their serial number, then to explain the issue and work through potential solutions while they are on the phone using the drop-down menus and information fed back by the system.

Where RIFLE has really hit the target of increasing efficiency is in the next level of outcomes. If a technician is definitely required, RIFLE calls on information provided

by Ricoh's proprietary @Remote system, which provides a vast array of data from MFDs and printers in the field – such as parts which are approaching the end of their service life so should be replaced soon. This information is downloaded for all customers' machines in the field every night to update the database accessed by RIFLE.

So RIFLE allows Ricoh New Zealand to combine fault call-outs with regular machine maintenance and toner or parts replacement due on any machine in the field.

General Manager Operations, Mike Buczkowski, says RIFLE lets Ricoh deliver even greater efficiencies to customers: "It is great to be able to resolve about a quarter of calls at the Contact Centre stage."

"Now, for faults which can't be resolved without a technician, our on-the-road team members are also electronically briefed on any other requirements for the machine concerned, and dispatched via iPad with the correct parts and service instructions. So they not only repair the fault, but also attend to any other updates or preventative maintenance, all in the one visit."

RIFLE has:

- Reduced the need for repeat visits by Ricoh technicians to replace parts requiring maintenance-based updates within the near future
- Increased the uptime of the customers' machines through more efficient fault diagnosis and pre-empting other maintenance issues
- Delivered a wider sustainability benefit in the reduction of emissions from technicians' vehicles, as they spend less time on the road.



Ricoh New Zealand partners with the Toner Recycling Centre (TRC), the country's largest collector and recycler of all printer waste.



Toner cartridge recycling

59,641 used toner cartridges were collected and recycled from customers.

Carbon emissions

An increase in total CO₂e emissions to 3,746.15 tonnes (11.8 per cent increase)

Ricoh toner used in revolutionary paint

Ricoh's recycling partner TRC worked with Enviropaints to develop a world first – specialised paint incorporating waste toner – which has been released to market.

Toner cartridge recycling

Ricoh New Zealand partners with the Toner Recycling Centre (TRC), the country's largest collector and recycler of all printer waste including inkjet cartridges, laser cartridges and MFD cartridges. In the 12 months ended March 2012, TRC recycled 59,641 toner cartridges used in Ricoh machines (95 fewer than the previous year) diverting more than 13,345kg of waste from landfill.

All cartridges are dismantled locally by TRC, where 99.2 per cent of each cartridge is then recycled.

This equates to an average of 4,970 cartridges a month, which was 51 per cent of all toner cartridges used by customers for the period – meeting our 50 per cent target.

We encourage all our customers to use this service by offering to provide them with boxes for convenient cartridge collection. When full, the boxes are collected free-of-charge to the customer. The distribution and collection of these boxes is managed by TRC, which has collection centres right around New Zealand.

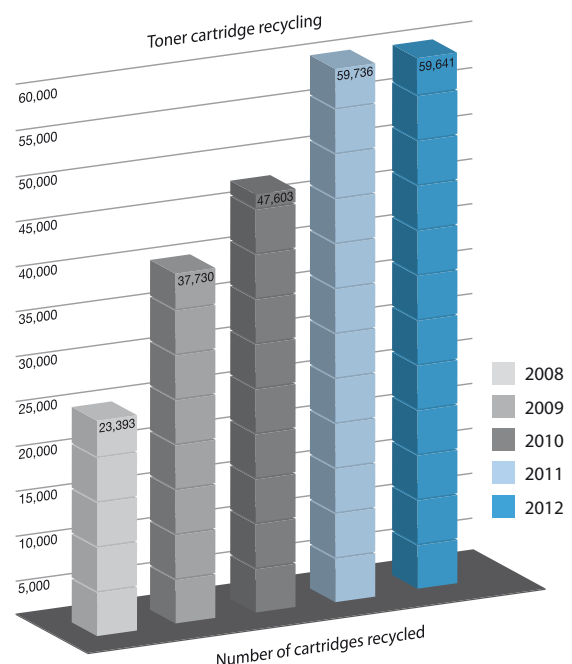
At the TRC Auckland depot cartridges are sorted according to plastic types. They are then dismantled and cleaned using an extraction machine. Some plastic is supplied to an Auckland company that manufactures products such as coat hangers, ends for electrical cable reels and end caps for postal tubes. The rest is exported through a broker for remanufacture.

All cartridges are dismantled locally by TRC, where 99.2 per cent of each cartridge – including components such as plastic casing, steel and aluminium – is then recycled.

Ricoh supports TRC's research into ways residue toner

recovered from recycled cartridges can be re-used and is pleased to note the innovation involving Enviropaints (See Case Study overleaf).

Ricoh spent \$117,500 in the last year on toner cartridge recycling, a reduction on 2011 because TRC can now access cheaper courier rates. We believe this is an important investment in assuming responsibility for the environmental impact of our products and to encourage meaningful product stewardship among our customers.



Case Study: Waste toner in paint adds splash of recycled colour



In a global first, waste toner from Ricoh New Zealand customers' used printer cartridges is being used by its long-term partner Toner Recycling Centre (TRC) and Enviropaints to create specialised paint which provides a viable revenue stream for waste toner.

Following a six-month trial, the first re-created specialised paint incorporating the toner was produced at Enviropaints' Otaki plant. The unique paint can be used for a wide range of applications, including buildings, fencing and covering over graffiti.

The toner in the paint is a by-product of 50,000 used printer toner cartridges sent every month from TRC's 14,000 national collection points – about 10 per cent come from Ricoh customers. TRC focuses on finding innovative ways to continue its objective of zero waste to landfill.

As reported in the 2011 Sustainability Report, Ricoh has also previously worked with TRC and Downer to trial ways waste toner could be used in roading asphalt.

Now TRC Manager Wayne Grieve says the Enviro-Mark® Diamond-certified company's collaboration with Enviropaints has resulted in an exciting breakthrough in helping New Zealand's environment: "At the moment, TRC processes enough waste toner from original equipment manufacturers such as Ricoh to fill a thousand one litre milk bottles a month."

"It has been fantastic to work with Enviropaints, which has the technical expertise and vision to think outside the square and produce quality paints incorporating

all kinds of materials which would otherwise go to landfill."

Wayne Grieve says that without the intervention of companies such as TRC, commercially viable product, which includes waste toner, is not readily available and is often sent to landfill, causing harm to the environment.

TRC dismantles all used cartridges received and extracts the toner. Other components are recycled.

Waste toner is a mix of all colours, and to the human eye is predominately grey. TRC has developed processes which separate black, cyan, magenta and yellow toner. This is prepared and sent to Enviropaints for further processing.

Enviropaints General Manager Peter Reid says the inclusion of waste toner adds another component to the company's products, which are re-created from recycled paint, and a variety of recycled oxides, pigments, solvents, resins and emulsions.

"This is an exciting innovation. It wasn't an easy process to perfect, so it was a matter of coming up with the secret formula using our innovative technology to achieve the right results."

"We are able to use the various toner colours to their maximum advantage, and have achieved our goal of creating a new-life paint through innovation. This of course has definite cost savings on our raw material, resulting in a sharper price to the end user without affecting the quality."

The recycling process uses waste paint, combined and formulated with virgin raw materials, creating a totally new quality paint product suitable for exterior and interior use. Enviropaints' re-created paints are used extensively by councils and schools throughout New Zealand, along with the general public.

Enviropaints only uses modern enviro-friendly chemicals, and is truly a zero waste company, Peter Reid says. "All of the pallets, wrapping and containers used to transport toner to Otaki are recycled, nothing goes to landfill."

Managing waste to landfill

Ricoh sent 82.43 tonnes of waste to landfill, a reduction on the 92.2 tonnes in 2011. Our emissions from waste to landfill fell by 25 per cent to 52.26 CO₂e, reversing last year's rise which was the first in four years.

The Auckland distribution centre at Penrose installed two compactor/baler machines in May 2011 for processing cardboard and polyethylene plastic (wrap and bags).

This baled material is a saleable commodity, which provided an incentive for the team to retrieve waste for recycling.

Polystyrene, which previously formed half of our landfill volume, has largely been eliminated as recyclers have been found in each region. The final step was taken in November 2011, when the Dunedin branch sourced a recycler. In the months since, Dunedin branch recorded an average monthly reduction in waste to landfill of 65 per cent.



Managing our carbon footprint

Ricoh's carbon footprint is made up of a range of activities, with the biggest source of emissions coming from fuel use.

Reducing this footprint is an ongoing part of the business plan throughout the company, with key steps to cut emissions outlined in the Greenhouse Gas (GHG) Emissions Reduction Plan.

Total GHG emissions for the year to 31 March 2012 were 3746 tonnes CO₂e, an increase of 396 tonnes CO₂e on the year earlier (11.83 per cent).

Ricoh's burgeoning success, and its ongoing emphasis on improving its emissions reporting and capturing all business aspects in the reduction plans, account for much of the increase in this period.

Polystyrene, which previously formed half of our landfill volume, has largely been eliminated as recyclers have been found in each region.

The single highest contributor to the company's emissions was petrol, though emissions from this fell 2.24 per cent. Ricoh New Zealand measures and offsets the petrol used by its sales and service fleet.

It is also our policy to offset the emissions of all leased machines which have energy efficient technology, and this is one of our top four emissions sources. This total was up 26 per cent on the previous period due to:

- Ricoh selling more new multi-functional devices to lease customers. This has the environmental benefit of removing older, less-energy efficient models from the lease fleet. But as only models with energy-efficient technology are included in the offsetting for carboNZero^{Cert™}, this means the number of MFDs covered has increased
- The All-of-Government tender, and other new business, similarly has increased the emissions from new machines
- The success of Ricoh's production print devices, which are much larger energy users than MFDs (may use 20 times more energy in a day if used at full capacity).

Taking responsibility for Ricoh New Zealand's impact on climate change

carboNZero^{Cert™}

This is Ricoh's fourth year of measuring and offsetting its carbon footprint with the carboNZero^{Cert™} programme.

Ricoh was the first office equipment and document solutions company in New Zealand to gain this level of certification, enabling the company to formally demonstrate how it is actively reducing GHG emissions and to put in place a robust reduction plan to reduce emissions where possible.

We offset our GHG emissions by purchasing credits from renewable energy sources. This period, 2,979 Voluntary Emissions Reductions (VERs) were purchased from the Burwood Landfill Gas Project near Christchurch.

We offset emissions generated through the operations of our head office and national branch network, and electricity use associated with leased machines – a voluntary move to help customers reduce their carbon footprint.



Our world (environment)

From April 2008, we began incorporating our national dealer network into our carbonZero^{Cert™} programme; we're delighted to report that more than 90 per cent of our fleet of machines in the field is carbon neutral because they use energy efficient technology. All of our dealers now have GHG reduction plans in place.

We have worked closely with Landcare Research to develop an accurate and streamlined process to measure emissions, using monthly meter readings from Ricoh machines.

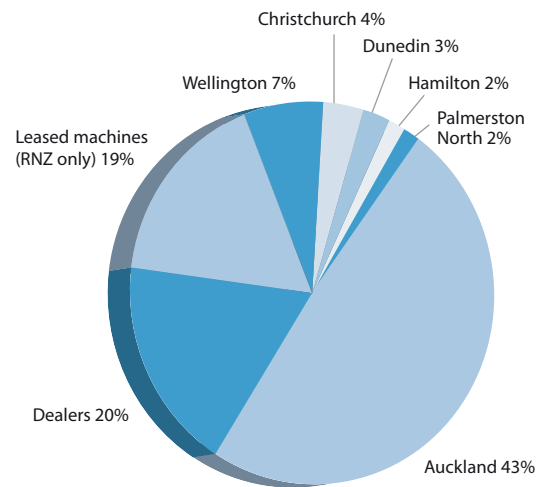
The Auckland office contributed 43 per cent of Ricoh's GHG emissions. This is where the majority of our staff and the largest number of our customers are based. All our freight, courier and taxi emissions are attributed to this office.

Freight costs

Business activities that require fuel consumption, including freight and also that of company-owned and leased vehicles, account for the highest percentage of emissions.

Emissions from freight were the same as in the previous period. The consolidation of Auckland warehousing to the Penrose site continues to show efficiencies in trucking goods around the city. The on-site workshop means multiple movements of machines have been eliminated, particularly in Auckland.

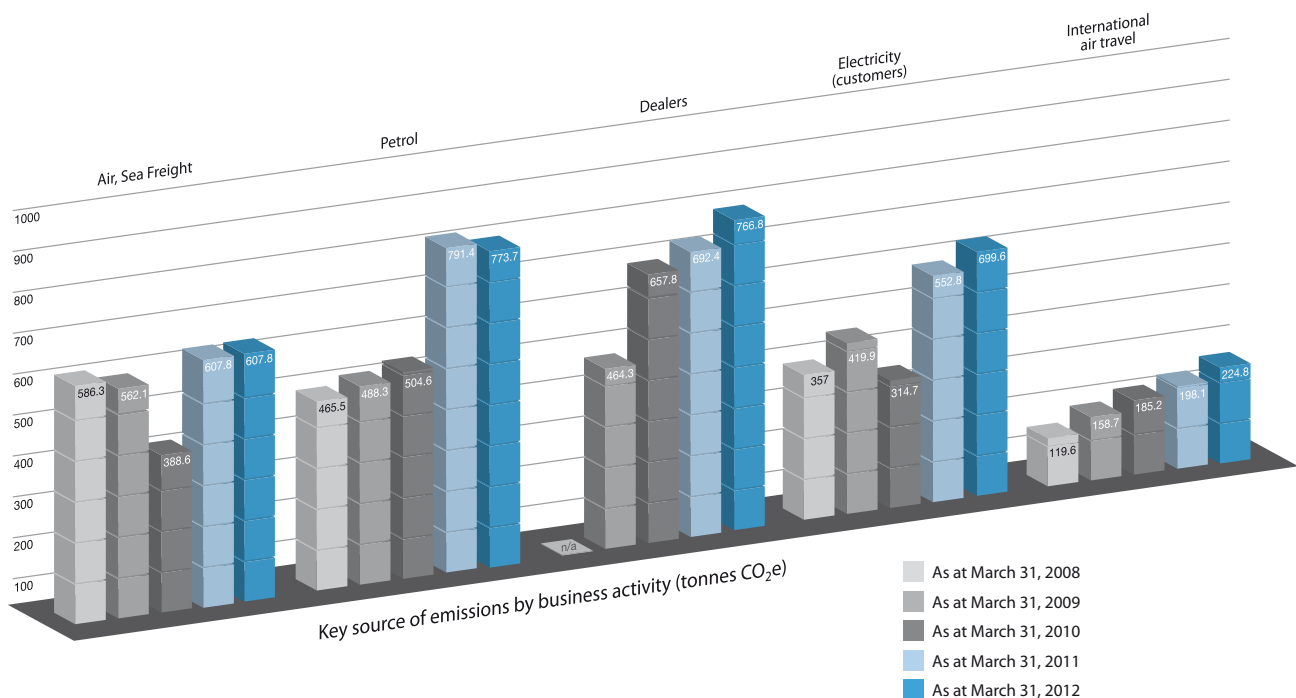
Key sources of emissions by business location



Travel

There was an increase in GHG emissions related to travel, with international air travel emissions up 13.5 per cent and domestic air travel emissions up 34.8 per cent.

Ricoh is acutely aware of the physical impact of air travel by its senior management, and its impact on the company's emissions profile. Staff use teleconferencing where possible,



But with more staff, and two new consulting teams which are customer-focused, there is more travel required.

and new staff based outside Auckland receive a DVD rather than being flown to head office for induction.

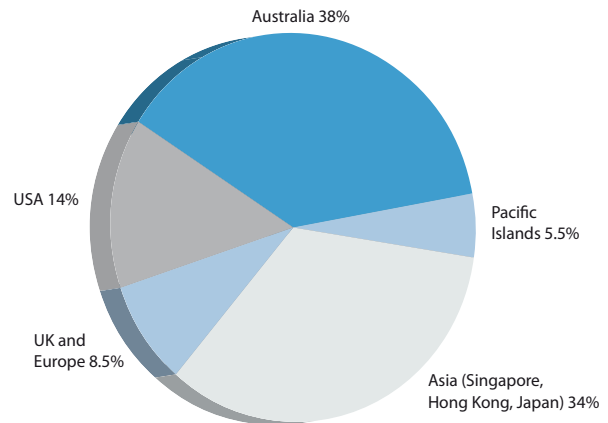
But with more staff, and two new consulting teams which are customer-focused, there is more travel required. The growth of the production printing business means specialists based in Auckland need to visit customer sites around the country.

The National Training Coach, employed in 2011, needs to travel to branches from Auckland. He works mainly with sales staff and technicians in all branches. Though the travel has an impact on emissions, the coaching helps to improve performance through staff development – contributing to Ricoh's sustainability through improved customer service and staff retention.

There has been a focus on trying to reduce the number of visits by the Wellington-based National Sales Manager and a national high volume sales specialist to Auckland. The

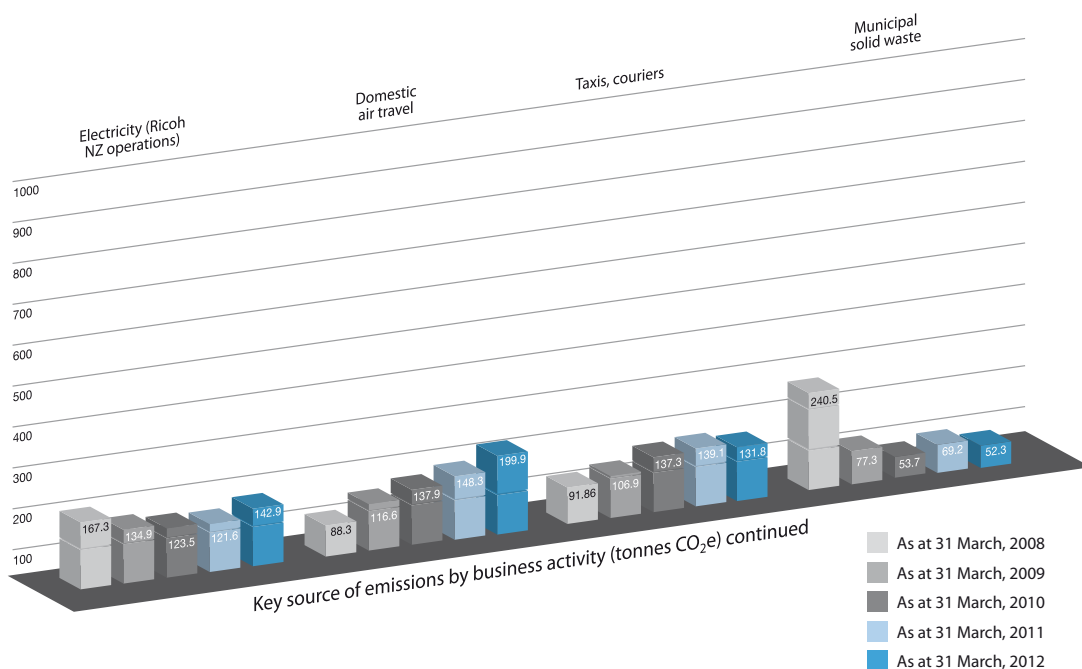
Travel destinations

Ricoh staff made 186 unavoidable international trips during the year, to a range of destinations.



National Sales Manager relocated to Auckland after the end of the reporting period. We have increased the use of teleconferencing as a cost-cutting initiative in some areas.

Internationally, there is a level of unavoidable travel by senior staff. Ricoh's Asia-Pacific region senior management meetings are held in Singapore, Hong Kong or Bangkok as the most central locations for the majority of attendees.



Our world (environment)

Three Ricoh Business Solutions staff attended two business-critical software vendor conferences in the USA in January 2012, which involved one return flight for each.

Electricity

Total kilowatt power use from business operations (excludes leased machines) rose by 8.3 per cent. This was due to the addition of three new sites: Ricoh Business Solutions' office in Parnell; a warehouse in Wellington; and additional storage in Christchurch required as part of the post-earthquake recovery logistics. Emissions from operating electricity rose 17.5 per cent (this figure is calculated by carboNZero^{Cert™} and differs from actual usage increase due to the emissions factor which is influenced by the amount of electricity generated in New Zealand by renewable versus coal power stations during the year).

Environmental management

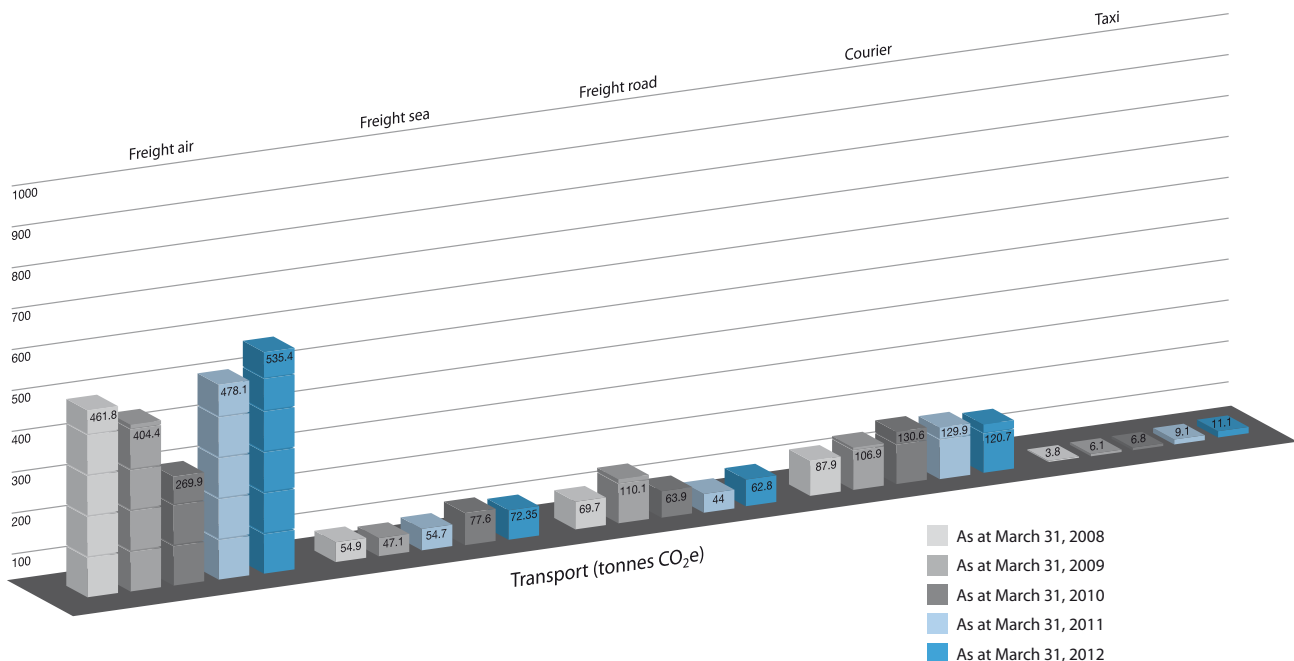
Printing and photocopying documents are some of the most common activities that occur within the modern office environment. And with key inputs including electricity, paper and toner – they are also resource intensive.

Ricoh is working to reduce the environmental impact of everyday document flow within organisations by providing tools to help our customers send and view information electronically, print smarter and minimise waste.

Our product stewardship scheme sees us take responsibility for the full life cycle of our products, with our commitment to recycling extending to product packaging, used toner cartridges and used machines.



We are also proud to be the first in the document solutions industry to measure and offset our carbon footprint with the carboNZero^{Cert™} programme. Right from the outset we strove to go further, by offsetting the electricity used by our customers when operating our leased machines that have energy-efficient technology.



The recycling rate in 2012 for branches outside Auckland was 61 per cent, a large increase on the 40 per cent recorded in 2011.

Recycling and product stewardship

Ricoh New Zealand is careful to ensure the environmental impact of our products is as small as possible and our product stewardship scheme sees us take care of products and components for their full life cycle.

Ricoh sends end-of-life machines to Sims Recycling Solutions (SRS), where up to 98 per cent of each machine is recycled. This organisation manually dismantles our Auckland machines and then recycles used parts, and some consumables, such as drums, circuit boards and other components.

Toner cartridges are separately sent to TRC for recycling. TRC also recycles the stretch polyethylene wrap that machines are covered with during transportation to customers.

Ricoh instructed its freight company to remove the wrap at customer sites and return it to the distribution centre for recycling.

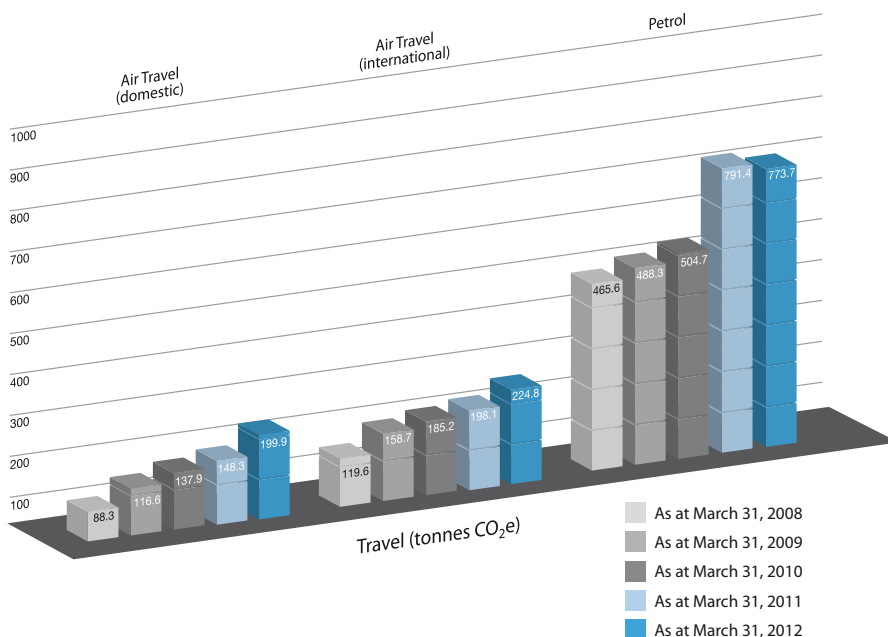
Christchurch branch sends machines to E-Scrap Recycling which also will recycle up to 98 per cent of each machine by breaking them down into materials and parts to sell as commodities. E-Scrap Recycling also processes plastic panels removed from Dunedin branch machines, which were previously sent to SRS in Auckland.

Panels from North Island machines outside of Auckland are stripped and sent to SRS for recycling. The remainder of these machines are sent to either Sims Pacific Metals in Wellington or Hamilton, or Strong Metals in Palmerston North, for processing. The recycling rate in 2012 for branches outside Auckland was 61 per cent, a large increase on the 40 per cent recorded in 2011. Our goal is 100 per cent recovery in New Zealand.

Used machines and e-waste

As the disposal of unwanted electronic appliances or e-waste continues to grow, Ricoh is careful to ensure we are disposing of unwanted machines responsibly.

Ricoh provides a no-cost service to retrieve machines from customers when they are no longer in use. Ricoh will also remove competitor machines where a new Ricoh contract has been put in place.



Our world (environment)

Where possible, we refurbish and resell pre-used machines. In the last year we re-sold 1,475 machines, a decrease of 370 machines on the previous year.

There was a huge increase in the number of machines sent for recycling: 2,698 compared to 991 units in the previous year (which in turn was a significant increase on the prior period). The drop in demand for refurbished machines – and the increase in machines sent for recycling – reflects a reduced demand for second hand machines.

This, and the 32 per cent increase in new machine sales reflects a drive to get older, less energy efficient, machines out of the market. In addition to the energy aspect, it is more difficult to get parts for servicing.

Particulate emissions from printers

Printers and MFDs are generally known to emit substances such as ozone, dust and volatile organic compounds.

There are no known adverse health risks from particulate emissions associated with Ricoh machines installed and used in accordance with the operating instructions and regularly serviced by trained technicians.

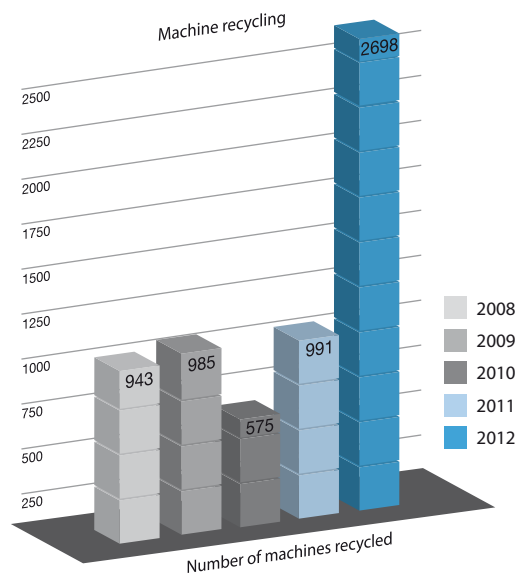
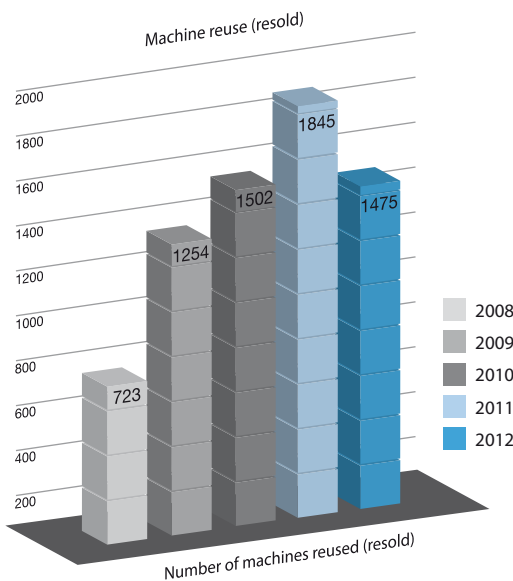
We subject our products to a rigorous series of tests to make certain they fully satisfy our own strict standards. This includes meeting the requirements of leading environmental labels; the Eco Mark in Japan and Blue Angel Mark in Germany, which are considered to be the standard for environmental labels worldwide.



Emissions from Ricoh machines, such as ozone, styrene or dust, are zero, or very low. To ensure this, the machines are fitted with an ozone filter which is changed as part of their regular maintenance and replaced, when necessary, by our technicians.

Ricoh machines on a full maintenance service contract receive regular, preventative servicing to ensure the necessary cleaning and replacement of filters is carried out.

In New Zealand, Ricoh's machines comply with all required industry laws and standards including electrical safety standards.



Features of Ricoh machines which save resources

Our modern MFDs have a number of features that can make a significant difference to the consumption of electricity and paper. As standard practice, all Ricoh machines are installed with the following energy-saving features fully enabled:

Paper reduction

Ricoh incorporates time-saving, productive double-sided technologies into our devices at both the input (scanning) and output (printing) stages to directly reduce environmental impact.

Energy efficiency

All of Ricoh's MFDs, and most printers and faxes, are qualified for the ENERGY STAR version 1.1 label which identifies qualifying machines as 14 per cent more energy efficient than the previous version. A product must meet all of the identified programme requirements if it is to be registered with the New Zealand ENERGY STAR programme and carry the ENERGY STAR mark. This version supersedes Version 1.

Quick Start-UP (QSU) technology

Means faster warm-up times from low power mode and lower energy consumption.

Quick recovery from energy-saving mode

Takes less than 10 seconds and means users can make copies whenever they need to. Setting a machine to energy-saving mode, rather than maximum operating mode, reduces energy consumption by close to 95 per cent, depending on the model.

24/7 timer switch

Enables Ricoh machines to be programmed to switch on and off when not in use for longer periods, for example nights and weekends.

Green product design and manufacturing

Ricoh products are designed for maximum recyclability. Parts and plastics are standardised in order to recover the maximum amount of material when the product reaches its end-of-life. These materials are put back into the general supply chain via the de-manufacturing process. Ricoh products are also designed to restrict and prohibit the use of environmentally-sensitive substances that would have the potential of harming the environment

at end-of-life and maintain air quality in the office environment with low emissions of Volatile Organic Compounds, in compliance with standards set by green certification programmes such as Germany's Blue Angel Mark. Additionally, all of Ricoh's major production sites are zero-waste-to-landfill facilities that are ISO 14001 certified for environmental management.

Toner efficiency and recycling

Ricoh's polymerised toner made from polyester resin is designed to fuse at a temperature of 20°C, lower than office air temperature and that of its predecessor while achieving higher image quality with fine and uniform particles. This lower fusing temperature means the MFD/printer consumes less energy when in use. Produced by chemical polymerisation rather than by crushing carbon, the manufacturing process uses 30 per cent less energy.

Ricoh's black-and-white MFDs feature internal toner re-circulating mechanisms, extending the lifetime of a cartridge and minimising toner going to waste.

Low toner function

Greatly reduces wastage by delaying the warning for low-toner until the cartridge is close to empty.



Test function

Helps to prevent paper waste when printing mass quantities, by providing an automatic test copy to allow the user to check for errors first.

The 'Big Green Day Out' gives the company's Auckland staff and customers an opportunity to make a real environmental difference in a fun way.



Children enjoying Ricoh's 2011 Big Green Day Out at Duder Regional Park, Auckland

'Bug Man' brings star power to 'Big Green Day Out'



Ricoh New Zealand's annual 'Big Green Day Out' this year focused on restoring habitat for the endangered New Zealand dotterel / turiwhatu on shoreline south east of Auckland.

Renowned naturalist Ruud Kleinpaste – known as 'The Bug Man' (pictured above) – brought some celebrity power to the day, which took place at Duder Regional Park in September 2011.

The dotterel, a small wading bird, was once widespread – but the Department of Conservation estimates there are only about 1,700 birds left.

True to form, he managed to find a friendly weta or two in the coastal forest to show the many children who took part.

The 'Big Green Day Out' gives the company's Auckland staff and customers an opportunity to make a real environmental difference in a fun way.

Since it began the Big Green Day Out initiative in 2004, Ricoh has planted more than 14,500 trees on the Waitemata Harbour's Motuihe Island, which is also an

important habitat for rare native wildlife. This year, weather events led to a change of plans.

After travelling from their head office to the park in the 'Bug Bus', a council ranger supervised Ricoh's dozens of volunteers as they weeded in dotterel nesting and roosting areas which are often damaged by people, animals, and invasive pest plants.

The plight of the dotterel in many ways sums up the impact people have on New Zealand's precious native birdlife. Ricoh's team was keen to do its bit to help.

Located on the pohutukawa-fringed Whakakaiwhara Peninsula, which juts out into the Tamaki Strait south east of Maraetai, Duder Regional Park is a 162ha coastal farm park.

The dotterel, a small wading bird, was once widespread – but the Department of Conservation estimates there are only about 1,700 birds left due to a combination of habitat loss, predation by introduced mammals and disturbance during breeding.

Ricoh was delighted Ruud agreed to help contribute to our efforts to save the dotterel's habitat so close to the country's biggest city. His unique personality inspired the team when tiredness set in.

As usual, it wasn't all hard work for this year's volunteers – Ricoh provided a barbecue lunch and lolly scramble for the children.

See www.ricoh.co.nz/about/environment for more on Ricoh New Zealand's focus on the environment.





Our world (environment)

Reducing our impact

Looking ahead

Ricoh has identified and prioritised cost-effective opportunities for the ongoing reduction of Greenhouse Gas (GHG) emissions throughout our operations.

These are set out in the Ricoh New Zealand GHG Emissions Reduction Plan, and are based on requirements of Landcare Research's carboNZero^{Cert™} programme.

Reduction management plan				
Initiative	Objective	Action	Responsibility	Status/target date
Customer supplied machines				
Electricity use in financed customer machines	Reduce the amount of electricity consumed during day-to-day use	Ensure that prior to leaving Ricoh's premises, all machines have energy save and auto timer modes activated.	Workshop staff	Ongoing – now standard practice
	Reduce the amount of: 1. Electricity consumed during day-to-day use 2. Technician visits when customers mistake ES setting times with machine faults	For existing machines at customer sites where energy save (ES) modes are not activated, technicians completing a service call will leave a form so customers can request to have the setting changed to ES modes when the technician next visits.	Technicians	Ongoing
Operations - travel and transport				
Fuel: To promote awareness of better driving habits in all staff, including fleet vehicles and privately owned vehicles	Reduce fuel consumption through more efficient driving practices and correct vehicle tyre pressures	On Ricoh Eco Action Day promote the importance of correct tyre pressures and fuel use. Digital tyre pressure gauges with an information card detailing efficient driving techniques given to all Ricoh staff.	Branch service managers	Ongoing
Fuel: Reduce fuel consumption by the use of energy saving tyres	Having lower rolling resistance tyres fitted to fleet and company owned cars e.g. Bridgestone Ecopia or similar	Where practical replace fleet and company owned cars with tyres that are proven to be more energy efficient than ordinary car tyres, as required.	Ash Garrett	Ongoing
Fuel: Monitor fuel usage in fleet vehicles	Reduce fuel consumption of fuel card users	Monitor monthly fuel reports to ensure prevention of incidences if fuel card misuse.	Ash Garrett	Ongoing
Fuel: New fuel supplier	More accurate measurement of fuel used in privately owned vehicles	Change to Rural Fuel Services. Improved reporting for fuel used in non-Ricoh NZ company vehicles for Ricoh NZ business inc. sales and dealers, through fuel card system.	Murray Clark	Completed
Fuel: Ricoh Annuity Programme	Reduce the number of older model machines that have a higher electricity usage and require more service callouts	Push to remove older machines models from customer sites by upgrading to energy efficient models.	Mike Buczkowski	Ongoing

Fuel: Ricoh RIFLE	To reduce fuel consumption of customer technician visits	Develop and implement Ricoh RIFLE, an interactive service response tool that can streamline service requirements and therefore reduce the amount of technician callouts or repeat calls. Part 1 complete, part 2 progressing to further improve effectiveness.	Mike Buczkowski	Ongoing
Road freight	Reduce GHG emissions	Where practical for large shipments to branches/dealers goods to be sent by rail in shipping containers.	Neil Johnston	Ongoing
Freight couriers	Reduce GHG emissions	Investigate which parts are moved by courier and reassess efficiency.	Neil Johnston	Ongoing
Air freight	Reduce GHG emissions	Investigate what cargo is shipped by air freight and consider other options.	Neil Johnston	Ongoing
Air Travel: Annual incentive trips	Reduce the amount of air travel applicable to incentive trips overseas	Limit distances travelled to within the Pacific region.	Murray Clark	In practice and ongoing
Operations - offices and buildings				
Reduce waste to landfill at Auckland distribution centre	To reduce the amount of waste sent to landfill and improve accuracy of volumes reported	Installation of compactors/balers for cardboard, and polyethylene recycling and compactor for landfill waste. Cardboard and polyethylene baled is a saleable commodity, so there is more incentive to stop this going to landfill. Landfill waste is managed through a system of smaller bins, which are only emptied as needed and means it is more accurately estimated.	Neil Johnston	Ongoing. This initiative has reduced the amount of waste to landfill by an average of 68%
Reduce waste to landfill	Reduce quantity of waste sent to landfill from Ricoh's Head Office, Stanley Street Auckland	Divert compostable waste, i.e. food waste and paper hand towels, from landfill by working with the office cleaners to implement a system for collecting this waste from lunchrooms and washrooms and organise disposal through a supplier for compostable waste collections.	Margie Barriball	31st March 2013
Operations – culture change				
Staff culture - knowledge	Increase staff knowledge of sustainability	Internal induction information to include sustainable policies and activities. Sustainability messages are included on an induction DVD.	Margie Barriball, David Luttig	Ongoing
Staff culture - buy-in	Increase buy-in to sustainability	Reward staff who suggest energy saving ideas that can be implemented. Collection process is via the Submit Ideas portal on the Ricoh Intranet.	Margie Barriball	Ongoing

Sustainability initiatives

Internally

Ricoh New Zealand has formalised its commitment to sustainable business practices with the following documents, which are incorporated into the company's induction manual:

- **CSR Charter**
This is our statement of commitment to corporate social responsibility, particularly customers and employees.
- **Environmental Policy**
Our Environmental Policy was brought into practice in 2001 through our ISO 14001 certification and recognises environmental sustainability as an integral part of all our business activities. In order to continually foster improvement and innovation the management team, with the help of employees, review and update this policy annually.

Externally

To help share what we're learning on our journey towards sustainability and to learn from others, Ricoh New Zealand is proud to be a member of the Sustainable Business Network (SBN) and fosters the growth and celebration of sustainable practises through the annual SBN Awards and Sustainable 60 Awards competition.

Our environmental credentials

We've worked hard and invested heavily to achieve increasingly sustainable business practices and we're pleased to have this recognised with the following national and international environmental credentials.



carboNZero^{CertTM}

Ricoh is proud to be New Zealand's first carbon neutral office equipment and document solutions company.

Achieving carboNZero^{CertTM} certification in 2008 was an important step in Ricoh's journey towards environmental sustainability; enabling us to formally demonstrate how we are reducing our greenhouse gas (GHG) emissions and to put in place a robust reduction plan that aims to reduce emissions, where possible, through all practical methods available.

We offset our GHG emissions by purchasing verified carbon units (VCUs) or credits from renewable energy sources. As well as offsetting the emissions from the operations of all six Ricoh branches in New Zealand, we also offset the emissions associated with the electricity used by Ricoh's leased machines

that have energy-efficient technology. Our 14 nationwide dealers also offset their emissions.

Participating in the carboNZero^{CertTM} programme is a significant financial commitment, amounting to \$123,770 for the year to 31 March 2012. However, we believe the value it creates for the business, for the community and for the planet more than justifies the cost.



ISO14001

In 2001, Ricoh New Zealand became the first company in the office equipment industry to achieve the global environmental certification ISO 14001 for all its branch offices nationally. Ricoh Group has achieved ISO 14001 certification for all major production sites and its sales group globally. Specifying the requirements for an environmental management system, ISO 14001 is also a commitment to continuous improvement.



Environmental Choice

Ricoh was also New Zealand's first office equipment supplier to be accredited with the Environmental Choice eco label. This tick of approval from the New Zealand Ecolabelling Trust recognises genuine moves made by manufacturers to reduce the environmental impact of their products and provides a credible and independent guide for consumers who wish to purchase products that are better for the environment.



Energy Star

ENERGY STAR® is an international quality standard, awarded to the most energy efficient products. The independent Energy Star standards have been developed for office equipment such as printers, MFDs, fax machines and PCs. Only those products that meet the high standard that is Energy Star can carry the mark.

Ricoh has been an International Energy Star partner since announcing its first Energy Star qualified products in October 1995. In New Zealand, Ricoh has partnered the Energy

Efficiency and Conservation Authority (EECA) to promote Ricoh's Energy Star qualified products.

Most Ricoh office products available in New Zealand meet the Energy Star guidelines for energy efficiency.



Working with others for sustainable business

Ricoh New Zealand is a member of the Sustainable Business Network (SBN). SBN provides practical advice and support to assist businesses facing the challenge of sustainability.



Ricoh has been a member of the SBN for a number of years now and since 2010 I have been on the Regional Advisory Board for the northern region. The SBN provides excellent sustainability support for all members and the more involvement you have with them the more you get out of it. The networking opportunities are really valuable for creating partnerships with like-minded organisations.

Ricoh is a main sponsor of the SBN's annual national awards for the category of Trail-blazer Award for Large and Corporate Business.

Case Study: Eco Action Day pumps it up

Ricoh New Zealand and Tony's Tyre Service joined forces on 3 June 2011 – Ricoh Eco Action Day – to educate New Zealand drivers about how correct tyre pressure can save on-road running costs and reduce carbon emissions.

Ricoh gave away 1,000 digital tyre gauges to customers who took up the offer of a free tyre pressure check at Tony's Tyre Service outlets nationwide plus its own staff and customers.

Eco Action Day is an annual event held globally by Ricoh as close as possible to World Environment Day. The company tries to draw attention to environmental sustainability and the importance of energy conservation in a way ordinary Kiwis can relate to.

The Friday before the Queen's Birthday long weekend was the perfect time to focus on tyre pressure.

Driving on correct pressure will conserve fuel, causing fewer greenhouse gas emissions, and less tyre wear, along with reducing fuel costs for motorists.

Many people are unsure about the correct pressure their car tyres should be inflated to and do not check them regularly. A survey by the Automobile Association found nearly half of motorists drive on under-inflated tyres.

All gauges included a card outlining fuel-economy tips. Hundreds more cards were handed out to people who had their tyres checked.

Ricoh also has an internal focus on tyre pressure for its vehicle fleet and staff vehicles which will assist the company to reduce its carbon footprint and cost.



It's not possible to build a sustainable society in isolation; we need the help of all our stakeholders.





Our people and customers

Staff growing

Ricoh New Zealand continues to build its staff, about to reach the 300-person level for the first time.

Training programme strengthens

Full effect of in-house training and customised coaching programmes, led by the National Training Coach.

Health and safety

Continued excellence in health and safety – for the second year in a row, no days lost due to work-related injury.

It's not possible to build a sustainable society in isolation; we need the help of all our stakeholders. Working with our employees, customers, local suppliers and communities has been an important focus for Ricoh New Zealand this year, as we recognise sustainability as an integral part of all of our business activities.

“We added 27 employees to our total staff numbers in the year to March 2012 as the company expanded its business and grew revenue.”

Our people

Ricoh New Zealand employs 299 people throughout the country, from a diverse range of backgrounds. We added 27 employees to our total staff numbers in the year to March 2012 as the company expanded its business and grew revenue. Employees were added across all departments and especially for the growth of Ricoh IT Services and Ricoh Business Solutions.

The largest proportion of our staff remain involved in directly selling or servicing Ricoh equipment. As a result, these divisions saw the greatest volume of staff turnover during the year, with the resignation of 44 staff (16 of those were women). The total comprised 16 service staff, 11 sales staff, nine customer service centre employees, four finance and administration staff, two Ricoh Consulting employees, and one each in IT and Logistics.

This represents a turnover of about 16 per cent – a slight reduction on the 2010/2011 year.

Males still make up the majority of our staff, at nearly 83 per cent of our total workforce. While this is the case with most other companies in the printing and copying industry, Ricoh New Zealand recognises its lack of gender diversity is a challenge that needs to be addressed.

Ricoh's 52 female employees tend to be concentrated within roles providing customer service and business support, with no direct reporting lines to the leadership team.

The greatest numbers of Ricoh staff are employed in the Auckland region, where 185 staff or 62 per cent of Ricoh's workforce is based. The next largest branch is Wellington, employing 45 staff. Palmerston North is the smallest office with 10 employees.

Human resources

Ricoh New Zealand has a Human Resources Manager, based in the Auckland head office, who oversees the management of all aspects of the employment relationship including: conditions of employment, formal training, health and safety, performance management systems, recruitment and employment relations matters.

Policies and systems

Ricoh New Zealand has a Code of Conduct, which sets out the social, ethical and environmental behaviour applicable throughout the company.

Code of Conduct

The Code of Conduct outlines Ricoh's expectations for behaviour and attitudes in four areas:

1. Company integrity
2. Environmental sustainability
3. Respect for people
4. Social synergy

Our people and customers

The Code of Conduct is distributed to all new staff members when an offer of employment is made and is also shared with staff via Ricoh's intranet, InterCom. All new staff declare in writing in that they have read, understood and agree to meet the requirements of the Code of Conduct. The declaration is kept in their personnel file.

Recruitment

The recruitment of new staff is delegated to the hiring manager, and the Human Resources Manager is responsible for administration and contractual functions. All job vacancies are advertised in various publications and internet platforms in the area where the appointment will be made. Ricoh New Zealand does not have any specific procedures regarding hiring senior management from the local community – our branches are located in the CBDs of major urban centres.

The terms and conditions of employment are outlined in individual employment agreements. No employees are covered by collective bargaining agreements.

Induction

Ricoh New Zealand has a comprehensive staff induction programme, managed by the human resources department.

New staff are shown a 20-minute audio visual presentation within the first three months of employment, providing background on the Ricoh Group and the operations of Ricoh New Zealand.



Ricoh's induction process requires that new employees are informed of Ricoh's zero tolerance of all forms of harassment in the workplace.

In addition, employees in the sales team are briefed by the sales manager on commercial law.

Training

Ricoh is committed to ensuring the professional development of our staff. Ricoh has a trainee programme designed to boost the number of our service technicians. This initiative in the Penrose warehouse lifted the skill levels of junior technical staff to the level of qualified customer service engineers. There were seven trainees enrolled in the scheme at the end of the reporting period.

Employee profile – as at 31 March 2012										
Categories:	Staff		Diversity						Service	
Sub-category:	Total		Male %		Female %		Average age		Average years	
Year	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Sales	114 (38%)	92 (33%)	94	96	6	4	41	39	4	6
Service technicians	109 (36%)	85 (31%)	100	100	0	0	36	34	5	5
Other customer facing	30 (10%)	26 (10%)	73	54	27	46	35	34	5	4
Support (non customer facing)	46 (16%)	69 (26%)	20	58	80	42	36	34	5	4
Total	299	272	83	80	17	20	37	35	4.75	4.8

We keep a record of technician training and the average training hours per technician is 19.5 hours each year.

A National Training Coach leads Ricoh's internal ongoing training initiatives.

Phase one of the programme was to develop and design the sales programme modules and deliver these through workshops which focused on facilitated learning.

Commendations from customers are on the increase, and we are looking at instituting a survey of customer perception.

Follow up review workshops ensured retention of ideas. Phase two of the programme was customised one-to-one coaching with the sales teams and managers – the missing link when outsourcing a generic sales training programme.

In this period, the focus was on developing the Ricoh New Zealand Customer Service Programme, which was rolled out to the service teams nationally through 2011 and early 2012 – alongside the continuation of the Sales Training and Coaching Programme. This ensured a high degree of buy-in from the team members.

Commendations from customers are on the increase, and we are looking at instituting a survey of customer perception in terms of the overall customer service experience with Ricoh in New Zealand.

A leadership/management programme for line managers has been developed. It was scheduled to start in August 2012. It followed the same successful roll-out format as the sales training and coaching programme.

Occupational health and safety

Health and safety remains a central focus, and initiatives are outlined in the Ricoh New Zealand Health and Safety Manual. Our Health and Safety policy specifies health and safety performance criteria for all employees and work areas.

In addition to receiving information about health and safety practises during induction, employees receive ongoing guidance about health and safety from the designated health and safety representative.

Each branch which employs more than 10 staff has an established health and safety committee. These committees



Steve Owen – National Training Coach

When did you join Ricoh?

In January 2011.

What are the key focus areas of your role?

Apart from the ongoing coaching and development of the sales and service teams, the key focus now is to develop the managers in the organisation.

Later in 2012, we will embark on a management programme which will involve initial workshops and then ongoing one-on-one coaching for the managers. This is seen as essential to attracting and retaining talented people in the organisation.

How important is training and development to the sustainability of businesses?

Training and development is important for the ongoing engagement of people in the organisation. As I've mentioned, the development of line managers particularly is the key to this engagement.

Ricoh New Zealand understands this and knows that sustainability works when everyone in the organisation is involved daily in making it successful.

What do you enjoy about working at Ricoh?

Apart from working with a great bunch of people who are passionate about their roles and the company, I am really encouraged that Ricoh New Zealand is committed to developing its people and genuinely sees this as a key path to the organisation's ongoing success.

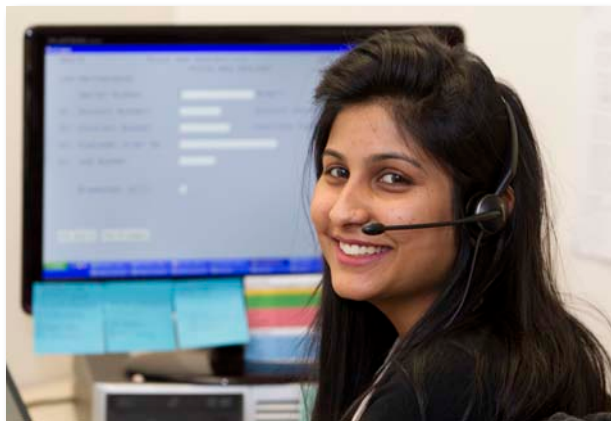
What do you enjoy doing outside work?

I really enjoy long walks on remote beaches or in forests with my black Labrador Boston. If I'm not doing that, I'm usually writing, playing and recording music.

Our people and customers

are responsible for discussing new initiatives and serious incidents, or to communicate major changes in health and safety practises.

We're proud of our health and safety record. In the year to 31 March 2012 there were no days lost due to work-related injury. There were 10 health and safety incidents across Ricoh New Zealand's six branches.



Health and safety initiatives include:

- Hazard identification and reporting on any workplace accidents.
- The understanding that employees are responsible for the health and safety of themselves and their colleagues.
- An alcohol and drug-free workplace policy.
- We have access to a discounted group health care scheme.
- Annual evacuation drills take place at all branches. These are facilitated by external consultants who assess and report on the process and identify any problems.
- First Aid kits are maintained and kept accessible on site, with trained First Aid representatives in every branch.
- Annual flu injections are provided for all staff.
- Health and safety information is provided on the company intranet

Employee Assistance Programme

Ricoh New Zealand provides free, confidential counselling services through its Employee Assistance Programme to all staff. The counselling is offered to staff coping with issues such as stress, marriage break-up, family disputes and substance abuse. The programme is administered by an external, independent company and all counselling is paid for by Ricoh New Zealand.

Remuneration and benefits

Full-time employees qualify, from their first day of employment, for five days sick leave per annum. Temporary and fixed-term contract employees qualify for this leave after

six months service, as per the Holidays Act.

The minimum notice period regarding operational changes for Ricoh New Zealand employees is four weeks, or as agreed during consultation about a restructure.

Ricoh New Zealand has no differentiation between gender groups when it comes to remuneration. Each employee's remuneration is based on merit.

Personal employee information

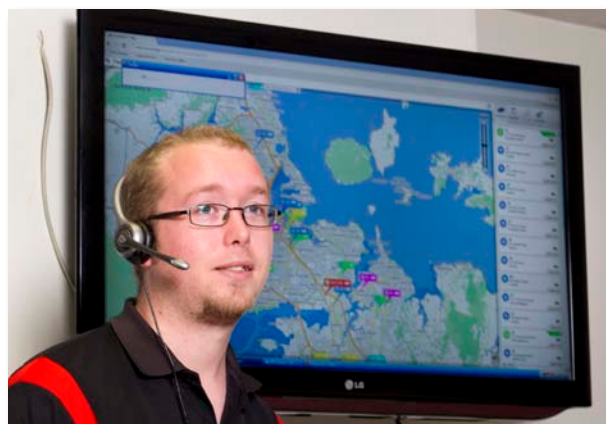
All information about employees is collected for its intended purpose only, is stored securely and is not disclosed to third parties. Employees have access to review any information held by Ricoh New Zealand about them.

Staff feedback

The primary way we receive feedback about what our employees think is through line managers, who relay staff needs to senior managers.

Exit interviews and questionnaires are also conducted with all staff who leave Ricoh. All feedback is taken into account in Ricoh's human resources strategy along with observations, SWOT analysis, latest market research, key stakeholder and management interviews and our strategic intent as a company.

In the past, we have participated in the independent national 'best workplace' survey conducted by Kenexa (formally known as JRA). We did not take part in the survey in this reporting period, but will participate in the 2012/2013 survey.



Our customers

Our major customer groups include those in the commercial, educational and government sectors as well as non-profit organisations and charities.

A growing proportion of Ricoh's New Zealand business

continues to benefit from our sustainability focus, a trend we project will continue in the long-term.

Customer service

Our national customer service centre is based in Auckland and the team is the primary point of customer contact with Ricoh. Receiving up to 500 telephone calls a day, our customer service team is the hub for all customer queries and orders

The customer service team also processes web-based orders and automated orders placed via Ricoh machines. They then follow up with an ETA for customer support engineers.

Our customer service team members are encouraged to work towards the NZQA accredited National Certificate in Contact Centre Operations.

IPSOS Benchmarking survey

From August to October 2011, consulting firm IPSOS carried out the Ricoh Customer Satisfaction Benchmarking Study, commissioned by Ricoh Asia-Pacific. The resulting report, in November, compared Ricoh's performance to a large number of document solutions providers, and highlighted areas of good performance, and areas needing to be improved.

The phone survey was of business decision makers on office equipment purchases, or users of office equipment, with a total sample of 452. They were a variety of business sizes. Of those, 151 were Ricoh users or purchasers. They were asked for evaluations on a 1-10 satisfaction scale.

Customer satisfaction

Ricoh overall brand satisfaction fell from 95 per cent to 87 per cent (either 'satisfied' or 'very satisfied'), placing it just below three other major providers which it led in the 2010 survey.

But Ricoh performed strongly in the in-depth interviews and finished first in four of the 12 brand perception categories (socially and environmentally responsible company, fast and efficient after-sales service, expert in field of document management, and deliver value for money), and first equal in a further two (customer oriented, and provides professional advice). It was ranked second or second equal in three other categories.

The survey showed 81 per cent of Ricoh users would be 'very likely' or 'likely' repurchase from the company (second place, but down from the 87 per cent recorded in 2010).

Key areas for Ricoh to note and review were the 7 per cent falls in satisfaction about product and solution, and sales representatives – two of the nine business service categories surveyed each year. All of the other category results were

either increased or decreased slightly.

Ricoh New Zealand uses a comprehensive Customer Value Management System and Complaints Management System to help us determine and record the factors affecting customer satisfaction. These systems are standardised within our industry so they also provide useful comparisons with our competitors.

Technical support

The performance of our machines is critical to our customers and is therefore a key priority for us. Ricoh has more than 100 service technicians and eight team leaders nationally who work to keep thousands of machines running at peak performance. Our technicians listen to their customers to ensure their expectations are continuously met and if possible, exceeded.



Business partners

Dealers

Ricoh's core business partners are our 14 dealers based throughout the country. They represent Ricoh in the following centres: Whangarei, Auckland (Export to Pacific Islands), Tauranga, Rotorua, Taupo, Gisborne, Hawke's Bay, New Plymouth, Whanganui, Nelson, Blenheim, Timaru, Queenstown and Invercargill.

We provide our dealers with quality Ricoh products, competitive pricing and support across technical training, sales and marketing.

Suppliers

Ricoh New Zealand has strong relationships with our key suppliers who provide support across revenue stream planning, implementation and documentation, inventory management, business management and new business support.

Ricoh New Zealand
also sponsors a
number of elite
sportspeople
including
representative
mountain biker
Kate Fluker



Mountain biker, Kate Fluker

Community support and sponsorships

Ricoh New Zealand believes in contributing to the strength of the communities in which it operates, and the nation as a whole. It does this by supporting, making charitable contributions, or sponsoring a variety of organisations involved in community health, the arts, education and sports.

Case study: Blood, sweat and laughter

Getting right behind community sporting events has long been a part of Ricoh New Zealand's annual sponsorship philosophy, helping to engender community spirit, celebrate participation and healthy exercise.

Some sponsorships are financial, or involve Ricoh products required by the event, while others involve the provision of services such as multi-functional devices, which help with the volume of administration required for large events.

Ricoh New Zealand also sponsors a number of elite sportspeople including representative mountain bikers Kate Fluker and Karen Hanlen, cyclist Joe Cooper, triathletes James and Mark Bowstead, and skier Taylor Rapley. Without the support of companies such as Ricoh, multi-sport athletes struggle to find the resources they need to compete at the elite level.

Ricoh staff around the country enjoy taking part in the diverse range of events supported by Ricoh, fostering a real team spirit in our work places. Following are several examples:

Motatapu adventure races

The Motatapu adventure races are a classic Kiwi event, with a variety of mountain bike, running and multi-sport races held amid stunning South Island scenery near Wanaka.

Ricoh has supported the events for five years. The 2012 races took place on 10 March, and Ricoh again had strong participation, with about 60 clients and staff entering either the 47km Speights Summit mountain bike event – which attracted a field of 2100 keen cyclists – the Miners Trail walk, or the marathon.

Ricoh was delighted by the performance of Kate Fluker, a Ricoh-sponsored national mountain bike representative who won the Women's Elite category of the Speights



Summit in a new race record time.

The weekend warriors – including staff from Heartland Ricoh's dealers in Queenstown, Cromwell, Ashburton and Timaru, and Ricoh New Zealand Managing Director Mike Pollok and Dealer Manager Mike Nugent – all had good performances which gave talking points well into the night, once everyone had the obligatory rub-down in the Ricoh tent.

Laurie Martin of Heartland Ricoh says Ricoh's sponsorship is greatly appreciated by the event organisers, and has helped Motatapu to grow stronger every year.

"It is fantastic for Ricoh to support Motatapu adventure races. There is a lot of pride in what the races bring to the region, including a real economic injection from the large number of participants.

"Ricoh is able to strengthen the relationship with our customers who we invite to take part, and also of course it's great for our internal team spirit. Heartland Ricoh enjoys welcoming colleagues from around the country who take part, and celebrate being part of Ricoh."

Mike Nugent says the tough mountain bike race quickly finds out anyone who has not done the training and preparation, with major hills and tricky descents – especially at the end when competitors are tired.

The scenery is stunning, but most participants don't really have the chance to enjoy it as they stay focused on what is directly in front of their bike, and on staying upright.

Ricoh is committed to supporting the 2013 event.

Continued on page 45...

Ricoh New Zealand was proud to support Team Gallagher's environmental cause, and their incredible mentally and physically gruelling row of 3,321km.



Team Gallagher crew on Auckland Harbour



Our people and customers

Case study: Blood, sweat and laughter

SRAM Tour de Ranges 2012

After the success of previous sponsorship in 2011, the SRAM Tour de Ranges cycle ride – held in scenic countryside at Clevedon, south of Auckland – was once again presented by Ricoh during this reporting period.

The event appealed to Ricoh, as it is designed for all ages, levels of fitness and bike-riding abilities, although it also attracts some of the top names in cycling.

More than 900 entrants competed in the 110km and 30km races on 21 January 2012. The weather was fantastic, with only some wind to challenge the cyclists as they wound their way through the tree-lined country roads and rolling hills of the Hunua Ranges, as well as taking in incredible views of the Hauraki Gulf.

The Ricoh team, made up of 46 employees and clients, was led by Managing Director Mike Pollok, and all finished with impressive times. Organiser Frank Clarke, from First Tier Sports Productions said it was impressive to have a sponsor which also supports the event with “bums on seats” in the way Ricoh does.

Ricoh-sponsored cyclist Joe Cooper won the elite men's race, and Ricoh-sponsored elite triathlete James Bowstead won the open division. In a meritorious effort, Mike's daughter Amy Pollok came third in the women's 30km open division.

Team Gallagher

Ricoh was a key supporter of Team Gallagher's efforts to raise money for an artificial reef off the coast of Indonesia, which involved four rowers – Nigel Cherrie, Martin Berka, Andrew McCowan and James Blake – crossing the Tasman Sea in 55 days from Sydney to Auckland Harbour Bridge.

Ricoh New Zealand was proud to support the team's environmental cause, and their incredible mentally and physically gruelling row of 3,321km. Ricoh staff joined the flotilla which welcomed the team home on 21 January 2012.

Other organisations which Ricoh has sponsored, or made annual charitable contributions to in the reporting period, include:

Environment

- Restoration of Duder Regional Park, Auckland (see case study p31)

Sustainability

- Sustainable 60 Awards 2011
- Sustainable Business Network Awards 2011
- Green Corridors, Palmerston North

Community health and support

- Stuttering Treatment and Research Trust (START)
- Cure Kids (Walk on the wild side)
- Halberg Disability Sport Foundation (formerly Halberg Trust)
- The Hearing House (Loud Shirt Day)
- Auckland Diabetes Association
- Mayoress' Charity Gala Ball (in support of the Mayoress Fund for Youth)

Education

- New Zealand School Trustees Association
- Otago Primary Principals' Association
- Neonatal Nurses College Aotearoa – 2011 National Conference

The arts

- 2012 New Zealand International Arts Festival
- Museum of New Zealand Te Papa Tongarewa
- Fortune Theatre, Dunedin

Adventure sport

- The Team Gallagher Trans-Tasman Row
- Motatapu Summit mountain bike ride, Queenstown

Sports

- SRAM Tour de Ranges bike ride, Auckland
- North Shore Grand Prix Cycle Race
- The Blues Rugby Union franchise
- Auckland Rugby Football Union
- Manawatu Rugby Football Union
- Wellington Rugby Football Union
- Canterbury Rugby Football Union
- Crusaders Rugby franchise
- Wynton Rufer Soccer School of Excellence
- Cambridge Football Club
- Manawatu Jets basketball team
- The New Zealand National Laser Sailing Championships 2012
- Netball Otago

Ricoh also supports many schools and community sports clubs. Staff can apply to have Ricoh New Zealand sponsor their child's sports team.

To innovate on behalf
of our customers; and
to pursue sustainable
business practices on
behalf of every life we
touch.



Many cycling events throughout New Zealand are sponsored by Ricoh



Getting to know us

Part of a global group

Ricoh New Zealand is part of the Ricoh Group, a leading global manufacturer of office automation equipment, services and solutions.

Ricoh Company Ltd was founded in Japan in 1936 by Kiyoshi Ichimura, producing the world's first mass-produced twin-lens reflex camera in 1950.

Today, the company operates in five regions around the globe (Americas, Europe, Asia-Pacific, China and Japan) with more than 200 consolidated companies which employ about 109,000 people (as at year end 31 March 2012).

Ricoh Group holds true to the origins and visions of its Founder: to innovate on behalf of our customers; and to pursue sustainable business practices on behalf of every life we touch.

Ricoh Group's commitment to sustainability

Ricoh Group was again ranked as one of the Global 100 Most Sustainable Corporations in the World, an honour awarded to the 100 companies which best demonstrate the ability to identify and effectively manage environmental, social and governance factors that impact opportunity and risk in their business.

Ricoh New Zealand

Ricoh New Zealand's core business includes the sales, distribution and service of Ricoh MFDs, printers and through Ricoh Consulting, providing innovative solutions which assist with information management (Ricoh Business Solutions) and computer and network solutions (Ricoh IT Services).

Ricoh New Zealand has 299 employees, with the company's corporate headquarters in central Auckland and branch offices in the five main regional centres including Hamilton, Palmerston North, Wellington, Christchurch and Dunedin. In addition, we have a national network of dealers to provide sales, service and support in all areas of the country.

Our products and solutions: document and information management

The movement of information is a core activity for most organisations, whether that's internally within the office or externally to customers and various company stakeholders.

Ricoh products enable our customers to effectively use, manage, store and distribute information and business documents.

Our consultants provide a full range of services to ensure customers have in place the most efficient document solutions system, or IT network.

Ricoh New Zealand has six main centre offices and 14 regional offices to provide nationwide coverage.



Our MFDs and printers assist with information management, monitoring, archiving, form creation, organisation, securing and scanning which, in turn, help our customers streamline the information flows within their organisation and reduce operating costs.

Ricoh products include: multifunctional devices (MFDs), digital production print machines, cameras, CD-Recordable and CD-ReWritable drives and media, and related supplies and service.

Structure and governance

Ricoh New Zealand is a wholly-owned subsidiary of Ricoh Company Ltd, Japan. The company was incorporated in New Zealand in 1970.

Well defined governance systems with clear reporting relationships link Ricoh New Zealand with its Singapore (regional) and Japan (global) headquarters.

Directors

Ricoh New Zealand has five directors, two based in New Zealand and three offshore. All directors are employed by Ricoh and are appointed by the existing Board.

The New Zealand-based directors are Ricoh New Zealand's Managing Director Mike Pollok and Finance Director Haroon Mohammed.



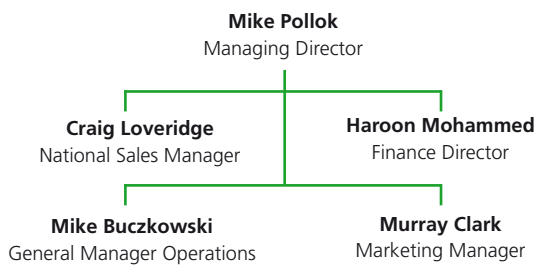
Getting to know us

Organisational structure

Ricoh New Zealand has a flat organisational structure which provides all staff a direct employment relationship with their manager or team leader.

Unlike many of its competitors in the document solutions industry, Ricoh has no collective or union activity, and less than 2 per cent of our workforce are contractors.

Ricoh New Zealand senior management



Our vision and values

Ricoh uses the Baldrige Award Criteria for Performance Excellence as a framework to guide how we conduct our business.

As part of this process, we review our company mission, vision and values annually.

Mission

“The supply and support of innovative value-adding document solutions.”

Values:

1. **R**emarkable people
2. **I**nnovation everywhere
3. **C**ustomers for life
4. **O**utstanding performance
5. **H**armony with the environment.

Sustainability initiatives

Internally

Ricoh New Zealand has formalised its commitment to sustainable business practices with the following documents, which are incorporated into the company's induction manual:

- CSR Charter
This is our statement of commitment to corporate social responsibility, particularly customers and employees.
- Environmental Policy
Our Environmental Policy was brought into practice in 2001 through our ISO 14001 certification and recognises environmental sustainability as an integral part of all our

business activities. It outlines our actions and commitments to sustainability. In order to continually foster improvement and innovation, the management team, with the help of employees, review and update this policy annually.

Stakeholders

We define our stakeholders to be all those groups who interact with Ricoh New Zealand, as outlined in the diagram below.

Communication with stakeholders is important and there are a number of ways we gather and distribute information to our stakeholders.



Stakeholder groups		Activities in 2011/2012
Employees		
299 staff working from seven offices and two warehouses across the country.		<ul style="list-style-type: none"> • Department meetings with direct supervisors • Ricoh's intranet – InterCom • Half-yearly 'Communicator' magazine • Monthly newsletters • Quarterly company update from the managing director • Annual performance reviews for staff • Exit interviews • Daily market trends and industry information • Staff social events
Customers		
Thousands of customers ranging from small businesses to large corporates, education providers and Government organisations.		<ul style="list-style-type: none"> • Multiple touch points for customer engagement include: account managers, technicians, the customer service centre and online via email and the Ricoh website • Ricoh also conducts ongoing online customer surveys • Annual IPSOS customer satisfaction survey and market survey • CSR/environmental events e.g. tree-planting days
Dealers		
National network of 14 dealers		<ul style="list-style-type: none"> • Bi-annual dealer conference • Regular dealer visits • Day-to-day communication via phone and email • Review meetings • Ad hoc meetings as and when required • Invitation to environmental and social activities
Suppliers		
Local suppliers for goods and services ranging from travel through to telecommunications.		<ul style="list-style-type: none"> • Invitations to environmental conservation and social activities
Ricoh Group and shareholders		
Ricoh New Zealand's parent company Ricoh Company Ltd is based in Japan.		<ul style="list-style-type: none"> • Annual financial forecast meeting • Half-yearly review • Managing director Mike Pollok attends quarterly managing director's meetings • International product conferences • Visits from Ricoh group staff • Daily email and phone communication
Government		
Part of the All-of-Government contract for document solutions.		Ricoh is a supplier to a large number of government departments and local councils
Industry groups		
Ricoh New Zealand is a member of a number of industry groups.		Ricoh continues to be a member of the Sustainable Business Network
Community		
Ricoh New Zealand is involved in a number of community activities, events and environmental activities.		Annual contributions to charitable groups



Indicator	Description		Page No.	Comment
1.1	Statement from the CEO	Y	9	
2.1	Name of organisation	Y	4	
2.2	Primary brands, products and/or services	Y	47	
2.3	Operational structure of organisation	Y	48	
2.4	Location of organisation's headquarters	Y	37, 47	
2.5	Number of countries where the organisation operates	Y	47	
2.6	Nature of ownership and legal form	Y	47	
2.7	Markets served	Y	47	
2.8	Scale of the reporting organisation	Y	4, 11, 12, 37	
2.9	Significant changes during the reporting period	N		Not applicable
2.10	Awards	Y	47	
3.1	Reporting period	Y	4	
3.2	Date of most recent previous report	Y	4	
3.3	Reporting cycle	Y	4	
3.4	Contact point for the report	Y	OBC	
3.5	Process for defining report content	Y	42	
3.6	Boundary of the report	Y	4	
3.7	Limitations on the scope or boundary of the report	Y	4	
3.8	Reporting on joint ventures and other entities	N		Not applicable
3.10	Explanation of re-statements	Y	4	
3.11	Significant changes from previous reporting periods	N		Not applicable
3.12	Table of standard disclosures	Y	51	
4.1	Governance structure	Y	48	
4.2	Chair of the highest governance body	Y	48	
4.3	Independent and/or non-executive board members	Y	48	
4.4	Mechanisms to provide recommendations or direction to the board	Y	48	
4.14	List of stakeholder groups	Y	50	
4.15	Basis for identification and selection of stakeholders	Y	49	
Performance indicator	Description			Comment
EN3	Direct energy consumption by primary energy source.	Y	25	
EN4	Indirect energy consumption by primary source.	Y	24, 25	
EN22	Total weight of waste by type and disposal method.	Y	23	
EN28	Fines and sanctions for non-compliance with environmental laws and regulations	N		Not applicable
LA1	Total workforce by employment type, contract, and region.	Y	38	
LA2	Total number and rate of employee turnover by age, gender, and region.	Y	37	
LA7	Rates of injury, occupational diseases, lost days, absenteeism, and work related fatalities by region.	Y	40	
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Y	40	
LA10	Average hours of training per year per employee by employee category.	Y	38, 39	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations, and other community investments, retained earnings, and payments to capital providers and governments.	Y	12	



Enjoying a Ricoh tree planting event.



For more information or to provide feedback please contact:

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