



Deutsche Telekom

Rigorous supply chain program helps Deutsche Telekom partner Ricoh Manufacturing Thailand reach Gold level in the sustainability best practice and benchmarking program 'Sustainable Development Program (SDP)'

CHALLENGE

High-profile international corporations are under intense environmental scrutiny. Shareholders seek value and growth, while consumers and governments question the impacts on the three pillars of sustainability: planet, people and prosperity.

Deutsche Telekom balances these demands by setting and achieving ambitious sustainability goals, which themselves drive efficiency and profitable growth.

Antonio Veloso, Senior Expert in Supply Chain Management at Deutsche Telekom, makes the commitment very clear: "We at Deutsche Telekom, are more than just another company that provides society with infrastructure. We play a leading role, both in terms of climate protection and in the field of sustainable supply chain management, by using a set of tools and methods to measure our own sustainability performance throughout the supply chain."

But while Deutsche Telekom can control its own operations, how could the company be certain that its global supplier network was able to meet its standards?

To assess, manage and improve partner performance, the company created the Sustainable Development Program in 2014. This program sets challenging, voluntary targets, designed to ensure that nominated Deutsche Telekom suppliers are able to meet its sustainability standards and develop long-term goals towards best practice sustainability.

For Ricoh, a key supplier and partner for the global group, the Deutsche Telekom program set a high bar. The requirements include mandatory elements, as well as detailed assessment and auditing stages for all three sustainability pillars.

How could Ricoh achieve these gold standards of corporate social responsibility?

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OBJECTIVES

Deutsche Telekom and Ricoh engaged in the Supplier Development Program in 2018, starting with the first assessment and scoring. Ricoh itself has an extended partner and supplier chain, also included in the review.

From the initial assessments, Ricoh qualified for Silver status, with a score of 64/100. While many areas performed well – for example, 94/100 for lifecycle thinking – in other categories there was work to be done. Addressing and improving Ricoh's sustainability score was the critical path to success.





SOLUTIONS

As a result of an online assessment and onsite audit at Ricoh Manufacturing Thailand, more than 15 areas were targeted for improvement.

Based on recommendations from this report and an assigned consultant, Ricoh defined an improvement action plan and directed its attention principally to manufacturing operations, covering diverse areas such as safe working with hazardous chemicals, gender equality, health and safety, and carbon emissions.

In addition, Ricoh established new corporate social responsibility assessment processes for its own suppliers. Ricoh created a Self-Assessment Questionnaire for its key suppliers in China and Thailand, asking 400 questions that would define at-risk areas and help identify areas for improvement.

Seven material issues were identified in alignment to the United Nations' Sustainable Development Goals (SDGs), with company-wide ESG targets and action plans implemented across all lines of business. Each year, employees are encouraged to promote the SDGs and take social and environmental actions to help their local communities.

This global program culminates in annual KAIZEN awards including SDGs for best practices and achievements, presented by Jake Yamashita, President and Chief Executive Officer, Ricoh.

BENEFITS

For Ricoh, committing to the Sustainable Development Program has delivered great business benefits, and significant corporate social responsibility results.

Looking at environmental impact, Ricoh Manufacturing Thailand set out ambitious reduction targets for carbon emissions. By the close of financial year 2019, Ricoh Manufacturing Thailand reduced its carbon emissions by 8,400 tonnes, the largest annual decrease in the Ricoh Group by any single company.

Additionally, Ricoh Manufacturing Thailand won the ASEAN Energy Award for 2018, validating both the corporate social responsibility program and the business benefits it delivers.

As a result of these efforts, Deutsche Telekom awarded Sustainable Development Program Gold status to Ricoh Manufacturing Thailand at the program closure meeting in September 2020, and by doing so recognized the dramatic improvements that resulted in an enhanced total score of 76/100. Progress included areas such as best-practice in circular economy, support for the sustainable development goals, social improvements, and science-based target initiatives.

ABOUT RICOH

Ricoh is empowering digital workplaces using innovative technologies and services enabling individuals to work smarter. For more than 80 years, Ricoh has been driving innovation and is a leading provider of document management solutions, IT services, communication services, commercial and industrial printing, digital cameras, and industrial systems.

Headquartered in Tokyo, Ricoh Group operates in approximately 200 countries and regions. In the financial year ended March 2020, Ricoh Group had worldwide sales of 19.06 billion USD.

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