

Activities of the Furukawa Electric groupworking on the realization of "sustainable society"

Furukawa Electric has proactively engaged in activities aiming to realize a sustainable society that reduces environmental impact and increases resource capabilities in order to realize a "resource-recycling society", and has continuously disclosed the outcomes of such activities to society.

We finally began seeing bright signs in the overall domestic economy as a result of the receding financial crisis and deflationary concerns in fiscal 2003. Meanwhile, although the Company's business environment has significantly improved since the year before last, IT investment in Japan and overseas has not yet smoothly expanded and thus the business situation still remains harsh. However, one of the most important assignments on the management agenda is actively striving to solve various issues related to preservation of the environment with the aim of achieving a sustainable society. This is being undertaken by Furukawa Electric's parent company, working in cooperation with all our corporate groups. In terms of concrete actions related to the environment, we specified target levels and time frames that must be achieved in each target group.

Furukawa Electric and its group are involved in a number of core businesses including Telecommunications, Plastic, Cables and Wires, Nonferrous Products, Electronics-related Products and others. We have a long time involvement in proactive recycling of copper and aluminum, and recovery and reuse of plastics, while focusing on developing environmentally friendly products.

From fiscal 2003, in particular, we developed a number of new environmentally friendly products under the name of ECOLINK, such as environmentally friendly optical cables that are halogen- and lead- free, new type of cable troughs for which disposed cables were recycled, and partial-stripe precious metals for which the use of these precious metals are minimized. We also intend, through development of sophisticated recycling technologies and environmentally friendly products, to make a contribution to preserve the global environment and conserve its resources.

For promoting the procurement of green supplies, we believe that we have also won our customers' trust by meeting their requirements for environmental investigations and plant audits. Meanwhile, we have clearly specified company-wide standards in order to purchase products for which greenness is well assured.

In fiscal 2002, we acquired ISO14001 certification, which had been an important objective in the area of environmental preservation, for 11 works, that are all production bases of Furukawa Electric. 33 out of 40 affiliated companies, which participate in consolidated environmental management, acquired certification in fiscal 2003. We will continue pursuing active programs on environmental preservation through co-sharing environmental preservation data, exchanging information regarding concrete environmental actions, and holding seminars, targeting the acquisition of ISO14001 certification by all affiliated companies.

We had promoted environment preservation activities based on each operational base in the past. However, recently we have received a variety of requests in broader areas from society, including customers and local communities. We intend to further strengthen our activities to improve these environmental issues.

Here we present a report summarizing our environmental preservation actions in fiscal 2003. It is our hope that readers will reach some understanding of the activities of Furukawa Electric and its associated group of companies and that you will pass onto us your frank opinions and suggestions.



Hiroshi Ishihara, President