

Relationship with our Customers

Quality Control Policy

At every stage of our operations, from research and development to manufacturing, sales, customer service and management, in all sections and all hierarchies, we always strive to adhere to a PDCA management cycle based on actual facts, maintain and improve our products, customer service and the quality of our operations and put our management policies into practice.

A Brief History of Quality Control Activities

Furukawa Electric established a Quality Control Committee in 1949 and commenced educational activities to raise employees' awareness of statistical methods and other aspects of quality control at all our plants. This enabled us to significantly increase quality levels, as well as increasing operational stability and efficiency.

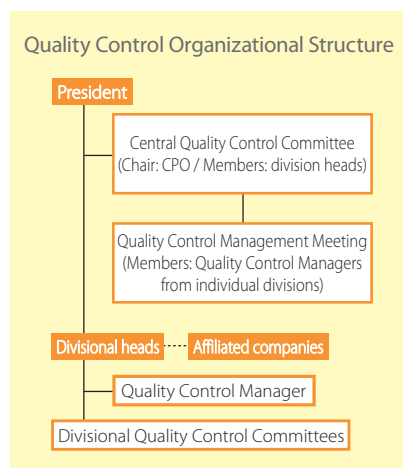
Our quality control initiatives were recognized in 1952 as Furukawa Electric was awarded the Deming Application Prize for achieving distinctive performance improvement through the application of TQM.

In an effort to maintain and improve quality levels, we have obtained ISO 9001

quality management system certification in each of our manufacturing divisions, and standardized operations. We continue to make efforts to improve efficiency and other core aspects of our operations and promote activities designed to improve levels of quality and customer satisfaction.

The Organization for Improved Quality Levels

To guarantee quality at every level throughout the company, we have established a Central Quality Control Committee with direct links to the President to oversee the companywide promotion of quality control activities. We have also set up Divisional Quality Control Committees with direct links to the heads of each division and make every effort to maintain and improve the quality of our products, services and operations so as to offer continual quality assurance.



Quality Improvement Activities

In accordance with our basic policy of putting quality first and implementing uniform companywide quality control, we formulate a companywide quality control policy each year. This then forms the basis for divisional quality control policies in each division.

For fiscal 2008, we have set out a companywide quality policy geared towards eliminating all defects through "DAN-TOTSU" (unrivalled) quality activities. To put this policy into practice, we are promoting quality improvement activities in each division, revolving primarily around preventive activities and efforts to cut costs resulting from in-house failings.

We are also implementing a range of support initiatives, including FR proposal and QC Circle activities.

Taking their name from the "F" of Furukawa Electric and the "R" of renewal, reform and rationalization, FR proposal activities involve employees submitting ideas on how to improve operations. Proposals are then implemented and improvements made in an effort to fundamentally strengthen the company's business. Such activities continue to yield substantial results each year.

QC Circle activities are small group-based activities that involve all employees and harness QC techniques in an effort to make ongoing improvements in the workplace. Debriefing sessions are held at individual works and on a companywide basis to report back on the results of activities. Such sessions have grown substantially in scale in recent years due to the inclusion of overseas affiliated companies.

The Flow of Companywide Quality Control Policy

Fiscal 2008 companywide quality control policy
Eliminating all defects through "DAN-TOTSU (unrivalled) quality activities"

- Preventive activities
- Honest onsite implementation based on real products and real situations



Preventive activities to eliminate defects
careless mistake prevention,
new product audits

Efforts to cut costs resulting
from in-house failings

Improvement activities
FR proposal activities, QC circle activities

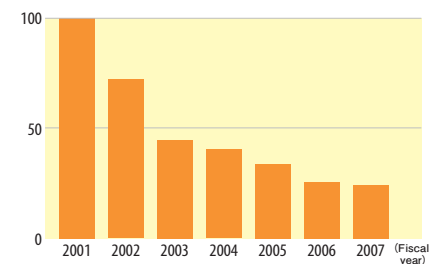
Progress with Quality Improvement Activities

As part of the ongoing range of quality improvement activities we are currently undertaking, we have managed to significantly reduce customer complaints. We have successfully reduced complaints to 27% of levels in fiscal 2001 (as of fiscal 2007). In response to an array of increasingly sophisticated, diverse and complex customer needs, Furukawa Electric com-

bines a wide range of technology, products, services and expertise to help its customers to generate value.

We have received glowing feedback from our customers and have even received awards from numerous clients, including the special award for weight reduction technology from Toyota Motor Corporation.

Customer Complaints (fiscal 2001 = 100)



Furukawa Innovation Expo '07

A comprehensive Furukawa Electric Group technology exhibition based around the theme "sowing the seeds of value creation", Furukawa Innovation Expo '07 was held on October 3 and 4, 2007 at Tokyo International Forum. The event saw 34 Group companies and four Furukawa Electric companies joining forces to extensively showcase the breadth of the Group's business, the depth of the Group's material technology capabilities and the strength of the Group's ability to drive technology forward into the future. A total of 6,309

people visited the event over the two days, with a great many also attending the accompanying special seminars and technical presentations. Despite



being the first such comprehensive technology exhibition in the Group's 123 year history, the event was a huge success.



Reception for invited guests



Welcome lobby



Thematic theater



The Group network



The Advanced Zone: photonic and network technology



The Advanced Zone: electronics



The Future Zone



Special seminar venue

Relations with our Shareholders and Investors

Based on two-way communication with our shareholders and investors, we engage in IR (investor relations) activities in an effort to contribute to society and help enhance our value as a company. We set out specific objectives for sustainable growth in March 2006 in the form of our 2006-2009 Medium-Term Business Plan, Innovations 09, and are currently implementing a range of measures geared towards meeting the targets outlined therein, including consolidated sales of ¥1.25 trillion and operating profit of ¥70 billion in fiscal 2009.

Information Disclosure Policy and IR Framework

The Furukawa Electric Group Action Guidelines state that we will “maintain and improve upon solid, friendly relationships with all of our stakeholders.” Regulations on the Timely Disclosure of

Corporate Information meanwhile set out a framework for the disclosure of appropriate information at the appropriate time.

All IR activities are overseen by the

Chief Financial Officer (CFO) and are managed by the Investor & Public Relations Unit of the Corporate Strategy Planning Department.

Relations with Institutional Investors and Securities Analysts

In addition to holding management briefings (covering interim and year-end results and medium-term plans) for institutional investors and securities analysts, both domestic and international, we actively organize meetings all year round. Through results briefings, overseas roadshows and other activities, we engaged in communication with a total of 899 institutional investors and securities analysts over the course of fiscal 2007 (an increase of 100 compared to fiscal 2006). As of the end of March 2008, the percentage of company shares held by overseas investors stood at 22.64%.

Main IR Activities in 2007

January	
February	Third quarter earnings announced
March	Tours of overseas plants
April	
May	Annual earnings announced; Roadshows in US and Europe
June	General Shareholders Meeting
July	
August	First quarter earnings announced
September	Roadshows in Asia; Conference in US and Europe
October	Furukawa Innovation Expo '07
November	Interim earnings announced; Roadshows in Asia
December	Tours of overseas plants



End of year briefing session

Relations with Individual Investors

In fiscal 2007, we substantially upgraded the Furukawa Electric website (<http://www.furukawa.co.jp/zaimu>). We improved the shareholder and investor information section of the website in particular by incorporating a Quick Guide to Furukawa Electric and a Frequently Asked Questions feature to help people get to know the company a little better and uploading a range of documents and the latest information for individual investors. Please feel free to take a look.

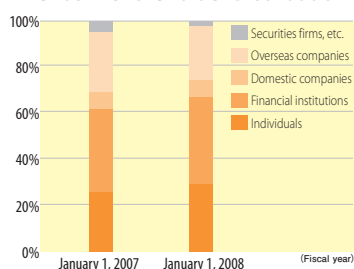
We have also put in place a system to enable the timely disclosure of important information, including through a registration-based email IR newsletter service. In recognition of our efforts, the Furukawa Electric website was ranked number one in the nonferrous metal category of the 2007 ranking of listed company websites published by Nikko Investor Relations. As of the end of March 2008, we had a total of 67,698 individual shareholders (an increase of 2,572

on the previous year), accounting for 28.7% of company shares.



The shareholder and investor information (IR) section of the website

Trends in Shareholder Distribution



Returning Profits to Shareholders

In addition to operating a stable dividend policy, we also aim to pay out dividends in line with the medium- to long-term growth strategy set out under our 2006-2009 Medium-Term Business Plan: Innovation 09.

During fiscal 2007, we paid out interim and end of year dividends of 3.5 yen per share apiece, making a total of 7.0 yen per share, representing a year-on-year dividend increase of 0.5 yen per share.

Relations with our Suppliers

Striving to ensure optimum purchasing on a steady, ongoing basis

Our purchasing policy here at Furukawa Electric is to “establish strategic relationships with suppliers to ensure optimum purchasing on a steady, ongoing basis.” Although we have always placed a great deal of importance on

cooperative relationships with our suppliers, we believe that supplier relations are becoming even more important in terms of making sustainable development a reality. We therefore introduced a supplier evaluation scheme and started

to hold Supplier Meetings in fiscal 2006 in an effort to select suppliers based on more strategic, transparent criteria.

Supplier Meetings and Supplier Evaluation Scheme

Following on from the first meeting in fiscal 2006, we held our second Supplier Meeting in October 2007. We used the event, which was attended by approximately 400 of our major suppliers, to provide an overview of the company and outline our purchasing policy, as well as giving a presentation on the history of technical development at Furukawa Electric in an effort to help our suppliers develop a better understanding of our unique technology. We also explained

details of our supplier evaluation scheme.

Our supplier evaluation scheme covers areas such as quality, price, speed of delivery and the reliability of individual suppliers. In fiscal 2007 we were able to strengthen mutual understanding and establish a clearer picture of the current situation by providing each supplier with feedback based on their evaluation results and exchanging opinions. We plan to continue to hold Supplier Meetings and evaluate our suppliers in order to

strengthen cooperation with individual suppliers and establish relationships that are conducive to mutual sustainable development.

Furukawa Electric Purchasing Policy (outline)

- We will establish strategic relationships with suppliers to ensure optimum purchasing
- We will guarantee the reliability and safety of materials and supplies and their steady procurement
- We will employ purchasing methods closely linked to production methods
- We will implement global procurement
- We will engage in green procurement and enforce compliance



This year's Supplier Meeting

Promoting CSR Activities in Relation to Procurement

Furukawa Electric promotes compliance initiatives as part of the procurement of materials and supplies in accordance with the Furukawa Electric Group Action Guidelines. We have also added a new section to the supplier screen on our purchasing system to encourage indi-

vidual suppliers to provide details of their latest CSR initiatives. We intend to promote CSR-oriented procurement whilst maintaining cooperative relationships with individual suppliers in the future.

Relations with our Employees

Relations with our Employees

Personnel Management Policy

Our basic personnel management policy is geared towards creating human resources who are capable of putting five principles set out in the Furukawa Electric Group Credo into practice.

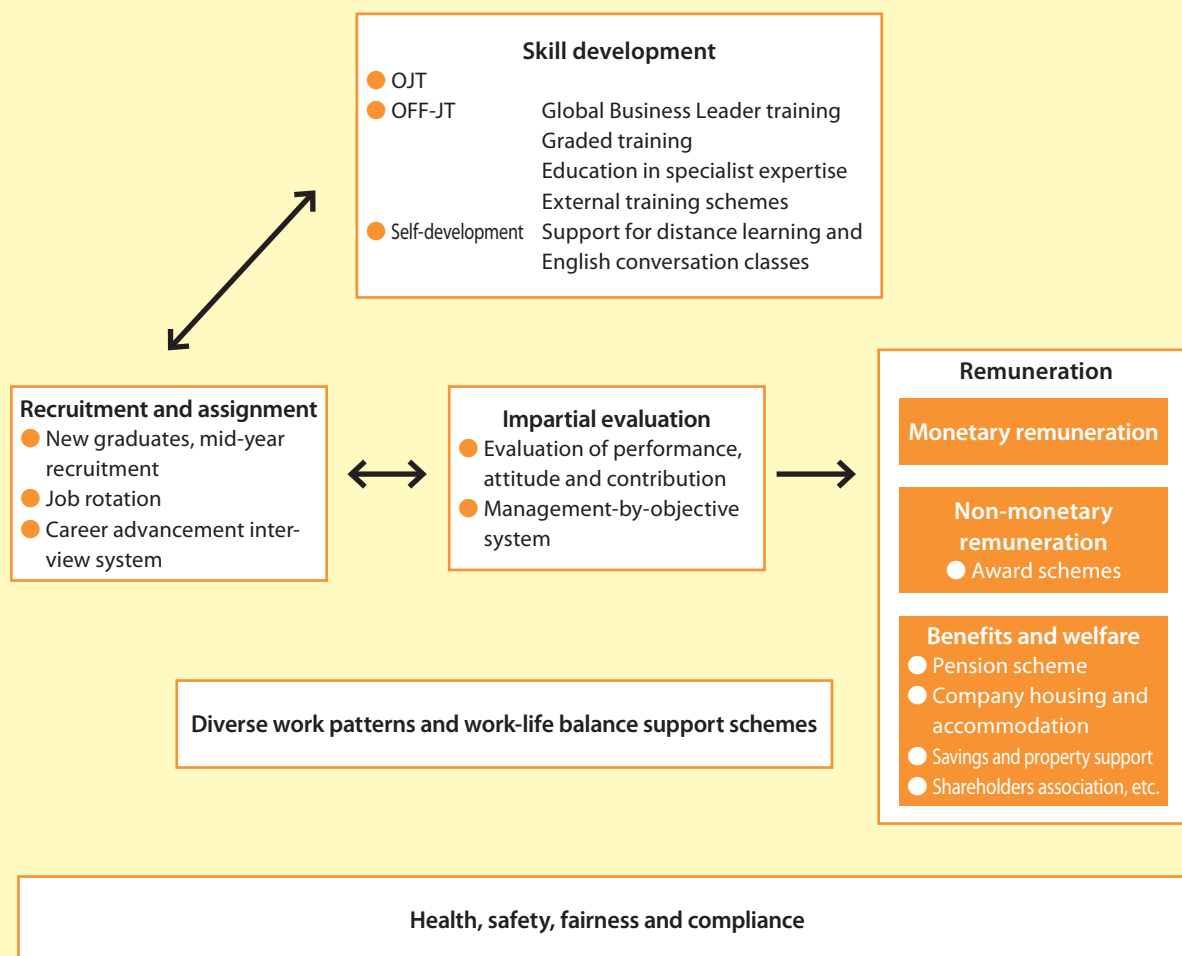
If individual employees abide by applicable laws and rules, act in accordance with their social and moral responsibilities and interact with others fairly and honestly, we will be able to establish safe, healthy working environments and work-

places that are free from irrational discrimination and harassment. We believe that this is crucial in order to get the most out of the abilities that our employees have to offer. Based on these foundations, we are aiming to bring out employees' creativity by devising a personnel system that will harness employees' various abilities and individual personalities, through initiatives such as equal treatment irrespective of age or gender and support

schemes to enable employees to achieve a work-life balance.

By combining all of our employees' individual abilities, creating jobs suited to current needs and providing safe products, we are striving to contribute to a sustainable society and create a company that both motivates its employees and fills them with pride.

Outline of Furukawa Electric's Personnel System





Diverse Work Patterns and Work-Life Balance Support Initiatives

In addition to operating a number of schemes in support of employees' diverse working patterns, we also continue to review areas such as labor management and personnel systems to enable them to reflect a similar approach in light of Japan's dwindling birth rate and aging society. As well as striving to enhance our employees' working lives, we also work together with our employees to actively support their personal lifestyles and help them stay in good health through educational and other initiatives.

In recognition of measures implemented as part of our first phase plan (fiscal 2005-06) in accordance with the Law for Measures to Support the Development of the Next Generation, in fiscal 2007 we were accredited as a company that actively supports the development of the next generation. As part of our second phase action plan (fiscal 2007 onwards) meanwhile, we have significantly relaxed requirements to make it easier for male employees to take paternity leave. We have also established a system for the provision of financial support whereby

employees will be able to use carried-over leave in place of maternity/paternity leave of for the purposes of looking after

their children. As it stands, we are now entering the implementation stages of our second phase action plan.

Diverse Work Pattern and Work-Life Balance Support Schemes

Scheme/educational initiative	Purpose and details
Flexible working hours	We provide lifestyle support to enable employees to work efficiently in line with business demand and strike a work-life balance.
Annual paid leave	We provide employees with up to 25 days annual paid leave (e.g. if an employee has been with the company for 11 years or longer)
Consecutive leave	We allow all employees to take three days consecutive leave every year providing that it does not exceed their annual paid leave entitlement. Employees can obtain an additional two days every five years (up to a maximum of five consecutive days).
Half-day paid leave	Paid leave may be taken in half-day units to enable employees to take care of minor personal errands on week days.
Congratulatory or condolence leave	We operate a congratulatory and condolence leave scheme whereby, for example, an employee can take five days paid leave if their wife gives birth to a child.
Carried-over leave	Up to ten days of annual paid leave can be carried over, for up to five years, and can be used if an employee is ill, providing nursing care, on maternity/paternity leave or looking after their children.
Maternity/paternity leave (and reduced working hours)	We provide support over and above legal requirements to enable employees to strike a work-life balance, including partial pay during maternity/paternity leave and the option for employees to work reduced hours thereafter until their child reaches elementary school age.
Nursing care leave (and reduced working hours)	We provide support over and above legal requirements to enable employees to strike a work-life balance, including enabling employees to take nursing care leave (or the option of working reduced hours) for up to a year at partial pay.
Reemployment after retirement	We operate a reemployment scheme for any employees aged 60 or over who are in good health and wish to remain in work. The duration of reemployment is being increased in phases, with employees ultimately entitled to be reemployed up to the age of 65 (in response to revised legislation in 2006).
Retirement seminars	We, labor and management, jointly organize seminars every year to provide support to help middle-aged and older union members (those aged 50 or older as a rule) to make the most of their time in work and plan for their life after retirement.
Middle-age seminars	We, labor and management, jointly organize seminars every year to provide individual support to help middle-aged employees (those aged 40 or older as a rule) to stay fit and healthy, including measures to prevent illness.

Recruitment

The table on the right shows figures for the number of employees recruited over the last five years. As we continue to expand our business in line with society's needs, we intend to continue to secure person-

nel to act as the driving force enabling us to sustain and develop our business in the future, particularly fair-minded, enthusiastic personnel with high ethical standards who are willing to take on new challenges.

Recruitment Figures

	(People)				
Fiscal year	2004	2005	2006	2007	2008
New graduates	34	32	53	71	85
(Female new graduates)	3	2	6	8	10
Mid-year recruits	0	1	10	14	Unknown
Clerical staff	1	2	0	10	Unknown
Professional staff	0	0	47	50	29

* Figures for fiscal 2008 refer to numbers of new

Employment for People with Disabilities

Although we currently exceed the 1.8% statutory target rate of employment for people with disabilities (1.84% as of March 2008), we continue to actively promote employment

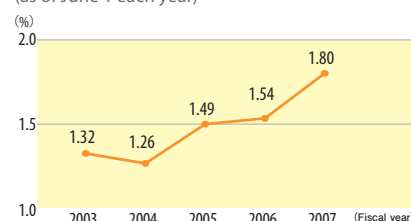


A group of Furukawa New Leaf workmates share a smile (Chiba Works)

for people with disabilities. Furukawa New Leaf, a special subsidiary established in 2004, handles cleaning operations at our Hiratsuka Works on a subcontract basis and has a workforce that includes ten employees with disabilities. Operations were expanded even further in fiscal 2007, with eight people with disabilities now employed at our Chiba Works as well.

We plan to continue to expand employment for people with disabilities via special subsidiaries and at Furukawa Electric in the future, with an eye to substantially exceeding statutory targets.

Number of Employees with Disabilities (as of June 1 each year)



* In April 2004, the exclusion rate set out when the rate of employment was calculated was lowered, reducing the rate of employment.

* Average rate of employment for people with disabilities on the first of each month from April to the following March.

Relations with our Employees

Employee Assignment, Evaluation and Treatment

We make every effort to assign employees and place them in specific positions based on their individual motivation and abilities based on the concept of equal opportunities. As part of such efforts, we operate a range of consultation schemes and give employees opportunities to reflect on their career goals.

In terms of employee evaluation and treatment, we have introduced a personnel incentive scheme to enable employees to be evaluated and treated fairly depending on the abilities that they display and their performance. We are also training managers in performance evaluation and are working on ways for improving the way in which the system is run.

Education and Training

We believe that our strength as a company stems from the synergy of the abilities of each and every one of our employees and that their abilities improve on a practical level through their day to day work duties.

In addition to giving individuals the chance to grow and develop through their work, we also encourage enthusiastic employees to independently develop their skills by providing opportunities such as training, distance learning and support to help them obtain qualifications.

In fiscal 2006, we launched the Global Business Leader training program to aid the development of personnel to carry our business forward into the future.

It is through these training opportunities that we are trying to establish a wider awareness of the Furukawa Electric Group Philosophy formulated in fiscal 2007. We also focus on training designed to improve manufacturing capabilities, compliance-related education and human rights education aimed at raising awareness of the importance of respecting human rights and run a number of other training schemes, including training for new recruits and employees being promoted to management positions.

Health Initiatives

Mental Health Education

Based on the Guidelines for Promoting Mental Health Care in the Workplace issued by the Ministry of Health, Labor and Welfare, measures revolve primarily around annual mental health courses.

Following on from courses for management staff in fiscal 2002 and regular employees in fiscal 2003, a management-led course aimed at sharing expertise with regular employees in fiscal 2004 and

advanced practical courses for management staff in fiscal 2005 and 2006, in fiscal 2007 we organized a stress management course for employees aged between 30 and 35.

Responding to Asbestos-Related Health Issues

During the period from fiscal 2005 to 2006, we once again investigated workplaces that have previously been used to handle asbestos products and organized special medical examinations for all relevant employees. We also sent out notices urging retired employees who worked at the relevant sites to undergo special

medical examinations. Symptoms were detected in one current employee and eight retired employees (for health card applications). Also a retired employee who had worked laying underground cables died from mesothelioma, and in 2006, this was confirmed to be an industrial accident. We have notified retired

employees who worked at the relevant site regarding changes to the requirements for issuing health cards in the wake of revisions to Occupational Health and Safety Regulations in October 2007 and will continue to monitor the situation.

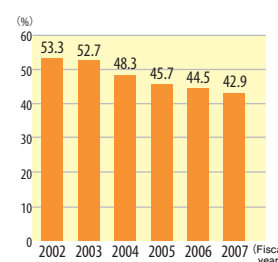
Healthcare for Employees Working Long Hours

In line with the Labor Standards Bureau's guidelines, "Measures to be Taken by Employers to Prevent Health Impairment Due to Overwork," we are focusing on efforts to ensure that any of our employees working long hours stay in good health, through measures such as (1) enforcing strict work restrictions based on the results of medical examinations and (2) operating a consultation system whereby employees working long hours are seen by a medical officer.

Promoting Separate Smoking Areas

In accordance with a 2003 notification "Concerning the Guidelines for Measures on Smoking in the Workplace," issued by the Director-General of the Labor Standards Bureau, we designated more than 70 smoking rooms in fiscal 2004 in an effort to isolate smoking areas. As a result, the percentage of smokers amongst male employees on a companywide basis fell from 53.3% in fiscal 2002 to 42.9% by fiscal 2007. We intend to continue to make every effort to prevent passive smoking in the future, as well as actively promoting nonsmoking.

Smoking Rate (Male Employees)



Safety Efforts

We operate according to a set of Companywide Health and Safety Management Guidelines at each of our premises and companies and continue to implement a wide range of safety activities in an effort to eliminate occupational accidents and illnesses.

Furukawa Electric Group Safety Activities

We established the Safety Management Liaison Meeting in July to oversee safety issues at Furukawa Electric Group manufacturing companies and have since started to implement groupwide accident prevention activities. In addition to holding two meetings, during fiscal 2007 we also organized a tour of the Furukawa Electric Mie Works to assist with the lateral implementation of safety measures. We are aiming to improve

overall safety levels through a combination of preventive measures, such as sharing details of accidents and safety measures and lateral implementation, safety education and full inspections of our works.



A tour of our Mie Works

Furukawa Electric Safety Activities

Health and Safety Management System

Furukawa Electric has a Central Health and Safety Committee chaired by the company's Chief Social Responsibility Officer (CSRO), the officer in charge of safety, and promotes health and safety activities on a companywide basis. We also have individual Health and Safety Committees at each works, chaired by the head of the relevant works, and implement both standardized companywide activities and independent works activities.

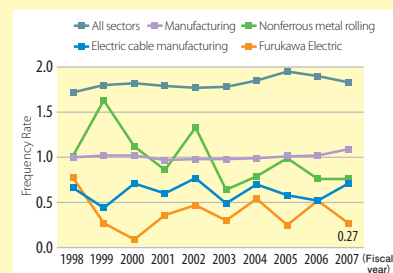
Companywide Priority Safety Activities

We have formulated a number of standardized companywide priority safety targets and are working to prevent industrial accidents in an effort to improve safety levels at all Furukawa Electric works.

Companywide Priority Safety Targets for fiscal 2007

- Reduction of accidents due to unsafe practices
- Promotion of operational standardization
- Comprehensive health and safety education for transferred personnel and temporary workers

Frequency of accidents resulting in the suspension of operations



Frequency of accidents resulting in the suspension of operations = (number of deaths or injuries/total working hours) × 1,000,000

Companywide Health and Safety Group Presentation Meeting

We undertake health and safety improvement activities at each of our manufacturing sites and individual workplaces. 11 groups selected by individual works then attend a meeting at our Osaka Works to present the results of their activities.



Companywide Health and Safety Group Presentation Meeting

Forklift Truck Safety Skills Competition

We hold companywide competitions aimed at promoting and improving safe and steady forklift truck driving skills. A total of 18 drivers from individual works and affiliated companies competed in this year's competition.



Forklift Truck Safety Skills Competition

Involvement with Society and Local Communities

Formulating a Basic Policy on Social Contribution Activities

In May 2008 we set out the Furukawa Electric Group Basic Policy on Social Contribution Activities.

Although the Furukawa Electric Group has long since been involved in a range of community-based social contribution activities, we intend to step up activities

even further and fulfill our responsibilities as a member of society in the future, focusing primarily on three newly determined targets; nurturing future generations, promoting sport and culture and living side by side with local communities.

Furukawa Electric Group Basic Policy on Social Contribution Activities

The Furukawa Electric Group will uphold and strengthen the bonds built up with local communities over more than a century and consistently and tirelessly undertake social contribution activities, focusing on nurturing future generations, promoting sport and culture and living side by side with local communities as well as contributing to society through its core operations, to help create a better world for future generations.

Support and Assistance

We provide support and assistance for victims of natural disasters and through environmental foundations and other such organizations.

Description	Details of support/assistance
Donations in support of the Sichuan earthquake	¥20 million
Donations in support of the Niigataken Chuetsu-oki earthquake	¥3 million
Chiba Environmental Restoration Fund	¥336,000

*We are also involved in and provide support for soil pollution funds and various other environmental organizations.

In other areas, we are engaged in activities such as providing support for welfare facilities and to enable people with disabilities to be a part of and reintegrate themselves into society.

We organize a charity golf tournament for employees at our Chiba Works every year and donate the proceeds to causes such as the Ichihara Social Welfare Council and earthquake victims.

Awards from Outside Sources

Honda Award for the Development of Recycling Technology

At the 2007 National Convention of the Institute of Electrical Engineers of Japan, we received the 12th Honda Award for the Development of Recycling Technology from the Clean Japan Center for the development of recycled insulated OC wire made from cross-linked polyethylene, announced as part of a three-way joint venture with Tokyo Electric Power Company and VISCAS Corporation. The award is open to domestic researchers and engineers who have published outstanding results relating to the development of 3R (reduce, reuse and recycle) technology and came in recognition of our achievement in becoming the first company in the world to recycle cross-linked polyethylene (XLPE) into wire sheathing material.



The award ceremony for the 12th Honda Award for the Development of Recycling Technology

Special Award for Weight Reduction Technology at the Toyota Global Supplier Meeting

At the Toyota Global Supplier Meeting at the Nagoya Congress Center in February 2008, Toyota Motor Corporation outlined its 2008 global procurement policy to 441 assembled suppliers and held an award ceremony for suppliers receiving awards during fiscal 2007. We received the special award for weight reduction technology, which were presented to President Hiroshi Ishihara by Toyota President Katsuaki Watanabe.



President Ishihara is presented with a shield by Toyota President Katsuaki Watanabe

Kanagawa Prefectural Government Community-Oriented Factory Award

In December 2007, our Hiratsuka Works received the Community-Oriented Factory Award from Kanagawa Prefectural Government. Presented to

factories, research institutions and other facilities actively striving to contribute to and coexist alongside their local communities, awards were given to a total of six facilities in Kanagawa prefecture.



Minister of Health, Labor and Welfare Award

In conjunction with an adjoining facility for the disabled, Asahi Electric Works' Nagai Plant (Nagai, Yamagata prefecture) has been running workplace training schemes aimed at helping people with disabilities to reintegrate themselves into society for around 30 years now. At a national mental health and welfare event in October 2007, the plant received a Minister of Health, Labor and Welfare Award in recognition of its local community and welfare activities.



Local Community Clean-up Activities

We actively engage in clean-up activities in and around the local communities in the vicinity of each of our works and plants, as well as nearby coastal, riverside and other locations.



Clean-up campaign along the Inukamigawa River (Furukawa Automotive Systems)



A joint patrol around the area in the vicinity of Kanda station (Furukawa Logistics)



Volunteer clean-up activities on the Usuiso coast in Iwaki (Furukawa Battery)



Clean-up campaign at Suzukatoge (Mie Works)

Communicating with the Community

We play an active part in community events and also invite the likes of employees' families and local residents to festivals and other events held on company premises in an effort to strengthen communities and promote exchange.



Our exhibit at Eco Fair Ichihara (Chiba Works)



Our exhibit at the Hiratsuka Environmental Fair (Hiratsuka Works)



Our exhibit at Techno Fair (Hiratsuka Works)



Taking part in sports day at a school for disabled children (Furukawa Circuit Foil)



Nikko Waraku Odori Dance (Nikko Works)



Summer Festival (Mie Works)

We invite students and teachers from local elementary and junior high schools and employees' families to come and take tours of our works and also actively participate in work experience schemes for junior and senior high school students.



A tour for elementary school students (Chiba Works)



A family tour (Mie Works)



A work experience scheme for junior high school students (Shodensha)

As part of a company spirit training scheme at our Chiba Works, we took on a teacher from Goshogawara Industrial High School in Aomori prefecture for a period of one year from April 2007. The aim of this scheme is to enable teachers to experience the workings of a private company for themselves so that they can provide students with better career guidance and help prevent job mismatches when new recruits join the company.

The teacher experienced work in four areas of the works (the shop floor, maintenance, development and site management) and gave a presentation summarizing his experiences at the end of the year.



Measurement experience (Production Technology Development Center)



With the Site Manager

Involvement with Society and Local Communities

Social Contribution Activities Overseas

We continue to actively promote social contribution activities at Furukawa Industrial S.A. Produtos Eletricos (FISA) in Brazil. Activities during 2007 included the following.

1 Child Development Program for the Future

The main aim of this program is to teach local children aged between 10 and 15 who live in potentially dangerous, poverty stricken areas the basic skills they need as members of society, to motivate them and encourage self-development.

Stage I (started in 2004)

Children come to the FISA workers' union for half a day three times a week for classes in subjects such as English, math, music and computer skills, taught by volunteers from FISA. Seventeen children participated in 2007, receiving a total of 340 hours of education.

Stage II (started in 2006)

Children who have taken part in Stage I (above) over the last three years come in on Saturday afternoons for classes in subjects such as handicrafts, karate, athletics, dance and singing, again taught by volunteers from FISA. 52 children participated in 2007, receiving a total of 100 hours of education.

2 Support for local municipal elementary and junior high schools

Children from local schools are invited to take part in events organized by the FISA workers' union and presents are given to 500 students twice a year (at Christmas and Easter).

3 Blood donation program (started in 2004)

A total of 62 bags of blood were donated over the course of 2007.

4 Donations to public hospitals (equivalent to 1% of income tax)

The company donated 65,000 real in 2006 and 67,000 real in 2007 in an effort to help increase the number of children's bed available.

5 Food and clothing donations

Clothing and 400kg of food were donated to hospitals over the course of 2007.



English class



Computer class



Singing class



Dance class



Karate class



Handicrafts class

Social Contribution Activities at Individual Works

Chiba Works Working together to put an end to global warming



Toru Kumabe
Manager, Chiba Works

We are working to reduce CO₂ emissions at the Chiba Works based on the slogan “putting an end to global warming.” We are tackling this issue in various different ways, from major improvements to our facilities, including switching fuel from heavy oils and LP gas to city gas (natural gas) and replacing old equipment with new energy-saving technology, to improvements on a day to day level, including diligently turning off lighting, computers and other equipment when not in use and introducing “Cool Biz” and “Warm Biz” schemes to conserve energy from air conditioners.

As a result of our efforts to create a “beautiful natural environment” last year, we have now completed our Welcome Garden. We hope that this will send out a clear environmental message not only to our employees but also our customers and local residents, acting as proof that we

have made our works into a green environment that exists in harmony with the community. Please feel free to stop by and have a look next time you visit the Chiba Works.

In an effort to contribute to and work in harmony with the local community, we are also actively involved in a range of ongoing initiatives, including environmental education as part of tours for local elementary school children and employees’ families, participating in Eco Fair Ichihara,

schemes aimed at making the area more beautiful and taking part in the Yawata Seaside Festival.



The Welcome Garden

Nikko Works Running on over 90% natural energy



Hiroyuki Kamishiro
Manager, Nikko Works

The origins of the Nikko Works can be traced back to the nationalized production of electrical cables required for the industrial revival during the Meiji era (1868-1912). Crude copper had to be extracted from Ashio Copper Mine and mass produced to make electrical copper pure enough to be used in wiring. At that time, the only option was to secure the large volumes of water and electricity required to manufacture electrical wiring directly. Hydraulic power plants were therefore built to harness the power of the Daiyagawa River and other river systems. This provided a supply of industrial water and led to the establishment of the Nikko Works.

Despite the fact that the works has always consumed a massive amount of energy, from its establishment right through to the present day, over 90% of that energy is covered by hydraulic power, making it an environmentally friendly works that

doesn't even use much regular or tap water. Faced with the pressing worldwide challenge of combating global warming, we undoubtedly owe a debt of gratitude to our ancestors' foresight. We fully intend to preserve this approach to contributing to society for future generations as well.

Water conduit pipes



During the Taisho era (1912-1926)



Now

Hiratsuka Works Small-scale full-participation social contribution campaign



Hiroyuki Yokotachi
Manager, Hiratsuka Works

Thanks to advances in health care, medical and welfare services in Japan in line with the country's rapid postwar growth, the number of infant mortalities has fallen substantially. Although we are fortunate enough to lead a peaceful existence here in Japan, we must not forget that a great many children the world over lose their lives because they require just a little bit more medical care or support. In August 2007, we at the Hiratsuka Works launched a small-scale full-participation social contribution campaign whereby employees collect used plastic bottle tops, which are then converted into vaccines to immunize children around the world against polio courtesy of the NPO Re-Lifestyle.

As vaccines cost approximately ¥20 per person, it takes roughly 400 bottle tops (around 1kg) to save the precious

life of one child. As of March 2008, our activities here at the Hiratsuka Works have saved the lives of around 270 children.

I was really moved upon hearing about this campaign just after joining the Hiratsuka Works and put up a bag to collect bottle tops in my kitchen at home immediately so as to do my bit to help out with the works' small-scale social contribution activities.



Social Contribution Activities at Individual Works

Mie Works Environmentally friendly, well balanced management



Nobuo Arai
Manager, Mie Works

Looking at the scenery along my walk from home to work as it changes through the seasons always reminds me just how blessed Kameyama is in terms of its natural surroundings. Ever since the Mie Works was first established in the city of Kameyama (Mie prefecture) as Furukawa Electric's manufacturing base in western Japan in 1971, we have continued to run operations in a well balanced manner, placing top priority on protecting and contributing to the environment, not least in the form of securing ISO 14001 certification in 1998. We make every effort to make a social contribution too, including engaging in voluntary clean-up activities and raising environmental awareness amongst our employees.

It goes without saying that we have a duty to prevent pollution. We therefore rigorously control air and water

quality on a daily basis and make sure that we take appropriate action in response to the various forms of pollution that continue to be brought to light by advances in science. We aim to actively promote initiatives geared towards preserving the natural beauty of Kamei in our capacity as a company of which the area can be proud.



Clean-up activities in the vicinity of the works



Drainage tanks

Osaka Works Safety and peace of mind right from the front gate!



Tatsuo Yoshisue
Manager, Osaka Works

The only entrance to the Osaka Works accessible to pedestrians and cyclists can use is the main gate. Generally referred to as the West Gate, the main gate faces onto a road and a sidewalk.

As a number of major manufacturers and haulage companies have moved into the nearby area recently, the number of drivers, pedestrians and cyclists passing in front of the West Gate has increased. The fact that both our employee and visitor car parks are located inside the main gate means that there is always a large volume of traffic coming and going through the West Gate. Moreover, drivers' view has always been partially obstructed by fencing when they exit onto the road, forcing them to cut across in front of the West Gate and making it difficult to see approaching cyclists and pedestrians. Eager to take preemptive action to ensure that there are no accidents,

we have therefore made some changes to the fencing in question so as to improve the view of the road. As a result, the West Gate has been transformed and now benefits from full visibility in both directions.

We will continue to strengthen the Osaka Works' reputation for safety and peace of mind, maintaining the utmost respect and consideration for all those who pass our front gate and live in the local area.



Before



After

Yokohama Works Promoting activities that enable us to contribute to society



Hisaharu Yanagawa
Manager, Yokohama Works

In our sixth year since obtaining ISO 14001 certification, this year the Yokohama Works underwent its second renewal inspection.

We continue to promote activities in line with the individual characteristics of the various components that make up the Yokohama Works, namely our research center, affiliated companies and head office.

In terms of our research operations, we strive to develop new products capable of reducing environmental impact and have a hand in new products through indirect support to help minimize risks during the research and development process (harmful chemicals, nanomaterials, etc.), increase yield, save energy and reduce waste. In addition to directly saving energy and reducing waste, we are also continuing to work on

reducing paper consumption on a priority basis at our head office and other administrative divisions.

Our other social contribution activities include the recycling of plastic bottle tops, which we started last year as part of a campaign to send vaccines to children around the world.



Plastic bottle cap recycling activities