

Awareness Activities and Social Contribution Activities

Awareness Activities

In order to improve the environmental awareness of the employees, we have put up an environmental campaign poster at the Facilities and other places. The poster contains a slogan about environmental preservation activities, Basic Environmental Policy and major activity targets for the fiscal year. In June, which is designated as the month of environmental preservation, the chairman of the Central Committee for Environment Management delivered a message to

all the employees including the significance of the month of environmental preservation and encouragement of environment-related activities. In addition, each works carries out activities such as distribution of a leaflet informing about the environmental preservation month, installation of notice boards, calling for a catchphrase concerning the environment, implementation of the 5S activities in and around the Facilities' premises together with nighttime patrols.



Environmental Seminar for Executives

In order to further strengthen consciousness of managers towards the environmental activities, we held a seminar for managers of consolidated companies. We invited university professors and managers of the environmental divisions of Japan's leading companies, who are experts in environmental issues, as speakers. We held the first lecture titled "Outlook of Eco-econo-

my" and "Initiatives of Companies on Pro-environmental Management" in September 2003. A total of 102 top officials, including the President, executive directors, and members of the Central Committee for Environmental Management and personnel in charge of environmental management at Facilities of Furukawa Electric, and presidents and other managers of affiliated companies participated in the lecture.



Information Disclosure on Website

On our website, we disclose how Furukawa Electric is promoting its environmental preservation initiatives, and present past environmental reports in PDF format.

Furukawa Electric's website

<http://www.furukawa.co.jp/>

Social Contribution Activities

From fiscal 2002, Chiba Works actively participates in "Eco-Fair Ichihara" held at Ichihara Citizen Hall and engages in various interactions with local primary schools. The Chiba Works also donated to "the Chiba Environment Regeneration Fund". The other works also engage in cleaning activities near the premises.



Exhibit at Eco-Fair Ichihara



Organic fertilizer made from cafeteria garbage in Chiba Works are used for flower beds in the primary school



We invite primary school students to visit the works during the month of environmental preservation



Cleaning activities near Kambara Works



Cleaning activities near Shinagawa Works

Safety, Health and Human Resources

Furukawa Electric believes that its asset is "people". We are working on creating an environment where our people can work comfortably.

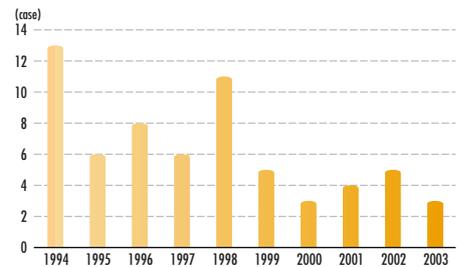
1. Organization for Safety and Health Activities

Five years have passed since the occurrence of a grave accident, which led us to establish the Safety, Environment and Health Promotion Dept that consists of experts in safety, health and environment, under the direct control of the President. In this new organization, the responsibility lies with the managers of business divisions, not with the managers of the works. Company-wide policies and measures are discussed at the Central Committee for Safety and Health in which a Director in charge of safety and health takes office as the chairman and

managers of business divisions as the members. Safety and health activities are promoted in the organizations where company-wide priority safety measures are proactively implemented.

In addition, we are promoting reform of entire employees' safety awareness program and elimination of unsafe activities by promoting safety and health education by experienced visiting lecturers to all works, and by standardizing on-the-spot and on-the-material safety investigation of plants, safety design and safety operation.

Number of accidents that led to cessation from work



2. Priority Safety Activities in Fiscal 2003

Items for Company-wide Priority Safety Activities

1. "Point and call" safety check for dangerous work"

Definition of around 5000 items of required and prohibited practices regarding dangerous work and 100% implementation of "point and call" safety check before starting work.

2. "Acquisition of safety and health qualification and worker education"

Enriching the work supervisor's duty through establishment of compliance management system (standardization) and management of system (daily management)

3. "Safety and health education for all workers"

Encouraging all employees to acquire systematic safety knowledge and eliminate unsafe work by providing one year intensive safety and health education by safety and health instructors trained in the course.

Company-wide Priority Safety Activities

Activities are carried out by focusing on the company-wide priority safety activities which are decided according to Safety Control Guidelines issued in fiscal 2003.

Safety Education

Training for safety and health instructors was carried out over three days for 112 employees. The

education course included acquisition of specialized knowledge, sharp foresight to danger, and training method of subordinates

A safety check of plants was carried out at 8 works over two days and training for the Plants design of safety and health was carried out at 4 works.

Development of standardization

We have been focusing on standardizing plant safety design in conformity with ISO12100 certification, and we are working on formulating safety design standards for individual plants which corresponds to C- specifications in 2003, following the formulation of A- and B- specifications of plant safety design in 2002.

We are proactively setting plant standards for safety, quality and productivity in unison.

Comprehensive safety check to prevent grave industrial accidents

Considering the frequent occurrence of a number of grave accidents at major domestic companies since the summer of 2003, we are working hard to prevent such occurrences through comprehensive inspections on buildings and machinery equipment against fire and explosion.

3. Total Health Management from Both Mental and Physical Aspects

Advancing Mental Health Care

Furukawa Electric has been promoting company wide mental health measures since 2002, in line with "Guidelines for Mental Health in the Work Place" by the Ministry of Health, Labor and Welfare (former Ministry of Labor).

We provide mental health education with the themes and subjects decided every year in order to understand and deal with mental health appropriately. Following the guidelines, we provided "Care by Line" education for managers and supervisors and "Self Care" education for general employees in 2003, completing education for all employees. In 2004, the managers and supervisors will confirm the contents of these educational programs with their subordinates, the general employees.

Unlike the education delivered by medical-related lecturers, we aim at sharing knowledge regarding mental health at worksites between seniors and juniors through interaction.

Lifestyle Advice

We started unified management of medical check-up information in 2002, which enables us to analyze company wide data on medical check-up and lifestyles according to Works, or the age group and others from diversified viewpoints. In April 2004, with the help of medical institutes, we started Lifestyle Advice in order to make use of the data to prevent lifestyle related diseases such as ischemic heart disease or cerebral stroke.

Based on the graph in which employees data of BMI, blood pressure and cholesterol, with the aver-

age of company employees of the same generation or the average of data of 500,000 patients of medical institutes, we provide advice to prevent lifestyle-associated diseases tailored to each individual's condition. Based on population strategies, we aim to motivate as many employees as possible, not just employees with high risks of diseases, to change their lifestyles by advising them on alternative lifestyles.



Lifestyle Advice

4. Relations with Employees

Furukawa Electric's View on the Relationship Between the Company and Its Employees

Furukawa Electric is striving to build a sincere relationship with its employees based on trust and responsibility. In addition, through business and work, we aim to establish more constructive relations in which the company and employees enhance abilities and values of each other.

Placement, Evaluation and Job Conditions

We work to provide opportunities for placement and job assignment emphasizing individual motivation and abilities based on the concept of equal opportunity. As a part of the move, we implement various interview systems and provide opportunities to reflect on one's career goals.

For evaluation and incentives, we adopted an incentive program which realizes fair evaluation and treatment of employees according to their abilities and performance. We are also working on training managers for performance evaluation skills to improve the management of the system and win the trust of employees.

Education and Training Systems

We believe that the strength of a company is in the synergy of abilities exercised by each employee at the work site and that each employee's ability is enhanced through everyday work, pragmatically.

Furukawa Electric provides a place for individuals to grow through work and provides opportunities to support a proactive approach for development of skills by motivated employees. These opportunities include training, long distance education and support for acquisition of qualifications.

Support System Corresponding to Various Ways of Working

We respect our employee's lifestyle and establish various support systems that enrich each individual's personal life.



	Training by Position	Practical Training by Department Support	Self-enlightenment Training	Collaboration with Human Resource System Interview System
Key Employees	Training for managers Training for key employees	Various Education Programs hosted by Departments, Branches and Works Training for Top Level Intellectual Properties Educational Courses for Section Managers		Study Overseas and in Japan/Training Dispatch System/Participation in Conference/Publication of Papers Personal Affairs Investigation Chart
Mid-level	Mid level employees Training	Young Employee Work-Shop Training for Intermediate Level Intellectual Properties Quality Auditor Seminar	Promotion for Production Efficiency Safety and Health Business Promotion course Raw Material Trend lecture Healthcare Information theory Education Program Incentives System for Acquisition of Qualification Long Distance Education Course Language Education	Rotation/Temporary Transfer to Domestic or Overseas Affiliates Study-up Interview System
New Recruit	Research Presentation Group Education Program	Training for Basic Level Intellectual Properties Patent Search Practical Training SQC Basic Seminar Training for New University Graduate Recruits		Follow-up Education Plan

Various systems	Purpose/Content
Flexible Working Hours	We adopt flexible working hours system which enables employees to work efficiently according to the business demand. We support employees to have flexible working hours that suit their lifestyles.
Refresh Holiday	Employees are able to take three consecutive holidays once a year and five consecutive holidays every five years so that they can enjoy well-planned holidays and refresh their mind and body.
Holiday Accumulation	Maximum of 10 days out of the remaining regular annual holidays can be carried forward to accumulated holidays (effective for five years).
Maternity/Paternity Leave	Any employee who has a child under one year of age can take a maternity/paternity leave for whatever duration they desire until their child is one year old.
Nursing Care Leave	In case an employee's spouse, child or parents (including spouse's parents) need nursing care, that employee is able to take nursing care leave for less than one year if certain conditions are fulfilled.
Retirement Seminar	For union members who reach a certain age, labor and management jointly provide Retirement Seminars with the aim of enhancing life in their current position and supporting life after retirement.

Environmental Activities of the Works

The Works of Furukawa Electric engage in activities to harmonize with the local community as a good corporate citizen.

Nikko Works

Seeking to Coexist with Beautiful Nature

The Nikko Works is the mainstream works for Furukawa Electric's wrought copper division. It has also advanced in areas such as research on power transmission cables and superconductivity wires, one of the most advanced technologies. Nikko Works has the largest copper melting plant in Japan located inside Nikko National Park surrounded by magnificent and beautiful nature. Therefore, we take initiatives to preserve the environment, reducing environmental impact as the most important objective. In concrete terms, Nikko Works strives to succeed in environmental preservation through proactive environmental activities for reduction of environmental risk, reduction of industrial waste, conservation of energy and reduction of hazardous chemical substances.



Primary students often visit our works



Garbage collection



With regard to reduction of industrial waste, we promoted recycling of garbage from daily life. We carried out thorough education to encourage employees to patrol garbage stations in the works and re-sort the garbage. As a result, we have almost halved the garbage to be incinerated.

With regard to reducing hazardous chemical substances, we promoted alternative substances to replace chlorine organic solvent used for cleansing superconductive wires and attained total elimination of hazardous substances.

Meanwhile, in the Sheet Plant that is engaged in aluminum production, energy needed for aluminum casting, is shifted from crude oil to LNG (liquid natural gas), improving energy saving in the environment in terms of CO₂ emission.

Electric power for the Nikko Works is supplied by our 100% subsidiary, Furukawa Nikko

Power Generation Inc., a hydropower station that uses abundant waterways in Nikko. Nikko Works takes full advantage of clean energy resources and seeks for co-existence with rich nature, by always aiming to reduce the environmental impact.

Nikko Works



Location : 500 Kiyotaki Town, Nikko City, Tochigi
Floor Space : 466,000.

Number of employees : 1,405 (as of March 25, 2004)

*Sheet Plant is a part of Nikko Works



Manager of Nikko Works
Toshihisa Tagashira

Looking forwards to reform environmental awareness of each employee

Nikko Works acquired ISO14001 certification in 2002. I honestly feel that our employees' environmental awareness is just about to grow from now on. Safety, Health and Quality has become the theme taken for granted and we have just started carrying out activities including environmental issues.

The Nikko Works is very different from other works because of its location, which is inside a national park.

We must strive to coordinate with the richness of nature and carry out our mission to pass it on to the next generation in its entirety. Awareness for environmental preservation will not be acquired overnight but we, together with the local community, would like to protect the precious nature through improved and coordinated activities. The cleaning activities that we started implementing 2 years ago inside our premises during the month of environmental preservation have now extended to cleaning activities outside our premises. The scope of these environmentally friendly activities is still expanding.

Hiratsuka Works

Prominent Development of Environmentally Friendly Products and Technology

Hiratsuka Works, which acquired ISO14001 certification in 2000, has a wide range of product line-ups such as networks, electronics, industrial equipment, electrical appliances and three layered insulated electric wires that boast the top global market share. The works largely features the development of environmentally friendly products in its Ecology and Energy Laboratory, which opened in 2000. Many of Furukawa Electric's environmentally friendly products and technologies were created here and a number of projects are still ongoing.

As with other environmental preservation initiatives, all of the employees pursue zero-emissions activities, reduction of greenhouse gases



Cleaning activities



Hiratsuka City Environmental Fair (City Hall)



Furukawa booth

and reduction of hazardous chemical substances. Particularly, in zero-emissions activities, we attained results significantly exceeding the targets for fiscal 2003. Although we have many different departments within the works, the manager and the EMS secretariat visit each department twice a year to monitor the progress in achieving the environmental performance goals and provide follow-ups to resolve challenges. We are working together to improve environmental preservation activities continuously by exchanging and sharing information.

The works interacts with neighboring companies doing things like visiting the companies that have already achieved zero-emissions targets to learn from their experiences. Based on such relations, we have launched "Clean-up Hiratsuka city" activities. These are cleaning activities for pedestrian walkways near the

plant, which are carried out with neighboring companies once a month. We intend to expand these activities to the whole community by encouraging cooperation in the City Government, Chamber of Commerce, and Industry in working with us.

Hiratsuka Works



Location : 5-1-9 Yawata, Hiratsuka City, Kanagawa
 Floor Area : 283,000fl
 Number of employees : 968 (As of March 25, 2004)



Manager of Hiratsuka Works
Toshio Kikuta

Realizing environmental preservation rooted in local community

We have significantly reduced disposed waste for landfills in fiscal 2003 compared to fiscal 2002. This was mainly achieved by recycling and converting disposed plastics and others to fuel. We have set even higher targets for fiscal 2004. According to the companies that have achieved zero emission targets, thorough and detailed sorting is the most effective measure for zero-emissions.

Therefore, I, myself, visit the disposal collection sites with the section manager of the workplace and emphasize on-site education, while checking each item for the possibility of recycling. I am not only working with employees on environmental preservation activities, but also putting my qualifications in health engineering to use by committing myself to support improvement in safety and health, while scientifically evaluating the work environment.

Fukui Works

A Multi-dimensional Approach to Environmental Preservation Activities

Fukui Works, which is located in the Fukui Coastal Industrial Region on the shore adjacent to scenic TOJINBO, provides aluminum products to many industrial areas, from thick sheets with the largest width in Japan of 4,000 mm which are used for LNG tanks to thin sheets for beverage cans and foil materials.

The works is the largest aluminum rolling plant to be located near a tourist area. Ever since 1983, when we launched this works, we have been actively engaged in pollution prevention activities in order to comply with pollution thresholds regarding wastewater and gas emissions which we concluded with the local government.

We acquired ISO14001 certification in April 2002, and are continuously pursuing improvement of environmental preservation activities based on an environmental management system.

We have greatly succeeded in recycling industrial waste in fiscal 2003: we have recycled sewage discharged from the works to cement materials, recycled disposed wooden pallets as square timber inside the works and recycled disposed plastics and paper waste and waste fiber to RPF raw materials.

We are also proactively reducing packaging materials. We are promoting the use of iron pallets as they can be used many times compared to wooden ones and have an advantage in terms of safety and health, so we are shifting from paper to iron pallets with the cooperation of customers.

As part of an awareness campaign for all employees, we held various events during the environmental preservation month. For starters, we made a leaflet with event information encouraging active participation during the month under the authority of the works manager, and distributed them to employees when they came to the office.

Offering a catchphrase concerning the environment and having environmental quizzes won favorable reactions as employees could have

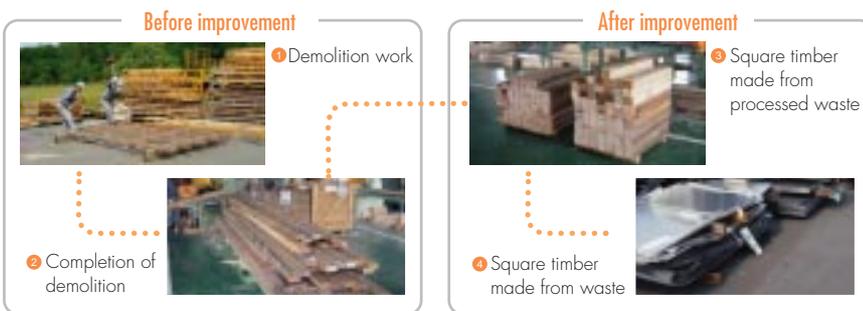


Planting commemorative trees

fun learning about the environment.

The works had its 20th anniversary in 2003 and all employees planted 112 cherry saplings in commemoration of the anniversary in November.

The Name of the employee who planted each seedling is placed at its base. We hope that all employees will nurture environmental preservation activities as the trees grow.



Fukui Works

Location : 21-1 Kurome, Mikuni Town, Sakai County, Fukui
 Floor Space : 850,000.
 Number of employees : 470 (As of March 25, 2004)



Furukawa-Sky Aluminum Corp.
 Manager of Fukui Works
Suketoki Ooya

A company striving to lead the local community

The Fukui Works is an aluminum rolling plant, engaged in material production business, which has a large impact on the environment. Therefore, since its foundation, we have been pursuing environmental preservation activities aiming to harmonize the works with the surrounding environment, which becomes more important when taking into account its location which is adjacent to TOJINBO, representing Echizen Coast State Park.

In fiscal 2002, when we acquired ISO14001 certification, we further recognized the importance of environmental preservation activities accompanied by sustainable improve-

ment following an event that the prefecture owned soccer ground next to our plant was selected as a training camp for the Mexican team in the World Cup.

I view acquisition of ISO14001 certification as a 'hop', planting commemorative trees for the 20th anniversary of company inauguration as a 'step', and hope for a 'jump' to be more environmentally friendly works through environmental preservation activities that are actively pursued by all employees.

Our efforts for preserving the environment draw attention in the local community as it is a major works in the Fukui Coastal Industrial Zone.

We intend to further pursue activities which can help us to lead the local community.