FURUKAWA ELECTRIC GROUP PHILOSOPHY

CORPORATE PHILOSOPHY

Drawing on more than a century of expertise in the development and fabrication of advanced materials, we will contribute to the realization of a sustainable society through continuous technological innovation.

MANAGEMENT PHILOSOPHY

With an eye to the future, we at the Furukawa Electric Group pledge to:

- · Live up to the expectations and trust invested in us by society, with fairness and integrity.
- Apply the sum total of our expertise to satisfy our customers and grow with them.
- Continuously strive to achieve world-class technological innovation, and transform ourselves in every area of endeavor.
- Nurture human resources at every level, so that we can become a more diverse and creative organization.

THE FURUKAWA ELECTRIC GROUP CREDO

- 1. Maintain high ethical standards, and value honesty and integrity above all.
- 2. Continually improve, innovate, and lead, in every area of endeavor.
- 3. Take a hands-on approach that addresses the reality of every situation-in the office, at the factory, and on site.
- 4. Be proactive-take the initiative and work with others, persevering until a solution is found.
- 5. Maintain open channels of communication between departments and divisions, so that we can share ideals and help each other grow.

FURUKAWA ELECTRIC GROUP ACTION GUIDELINES

The officials and employees of the Furukawa Electric Group will perform their duties in accordance with the following action guidelines. We, the Company officials and employees of the Furukawa Electric Group, will:

- 1. Fully recognize the responsibilities of the Furukawa Electric Group to society and strive to maintain and improve on solid, friendly relationships with all of our stakeholders and contribute to the sustainable development of society through corporate, environmental and social activities.
- Aim to create a company that is useful to society by developing products designed to aid the development of society and by providing reliable products and services.
- Comply with domestic and international laws and regulations and act in accordance with internal regulations and other rules such as social norms and ethics.

- **4.** Properly display and adequately disclose financial statements and other corporate information.
- 5. Deal with antisocial groups in a resolute manner.
- **6.** Strive to act with consideration for the protection of the global environment.
- Respect human rights, cultures and traditions as a member of the international community.
- 8. Create a company whose employees feel motivated, comfortable and fulfilled.
- 9. Continuously strive to undertake social contribution activities based around the core aims of nurturing future generations, promoting sport and culture and living in harmony with local communities, as well as business-related activities, in order to maintain and strengthen community ties built up over centuries and create a better tomorrow for future generations.

Editorial Policy

Following organizational reforms in February 2007, the Furukawa Electric Group established a CSR Division to step up its CSR management activities. We consequently changed the name of the publication titled, "Environmental and Social Report," in 2007 to "CSR Report," and we have expanded the range of information covered by the report to include both social and financial aspects. This 2010 report features initiatives aimed at realizing a recycling-oriented society implemented by the Furukawa Electric Group over many years. At the same time, the report highlights those new eco businesses that the Group plans to pursue over the next three years.

Scope of This Report

Organizations Covered

This report covers Furukawa Electric Co., Ltd. and all members of the Furukawa Electric Group, including affiliated companies.

Scope of Themes Covered

This report covers Furukawa Electric Co., Ltd. and its 106 consolidated subsidiaries. Exceptions to the scope of the data collected have been clearly stated.

Period Covered

From April 1, 2009 to March 31, 2010 Includes selected information on past initiatives and *activities during fiscal 2010.

Source Guideline

Environmental Reporting Guidelines (fiscal 2007 version) published by the Ministry of the Environment

Website

http://www.furukawa.co.jp/english/csr/index.htm

Inquiries

Administration Department, CSR Division Furukawa Electric Co., Ltd.

TEL: +81-3-3286-3044 FAX: +81-3-3286-3920



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