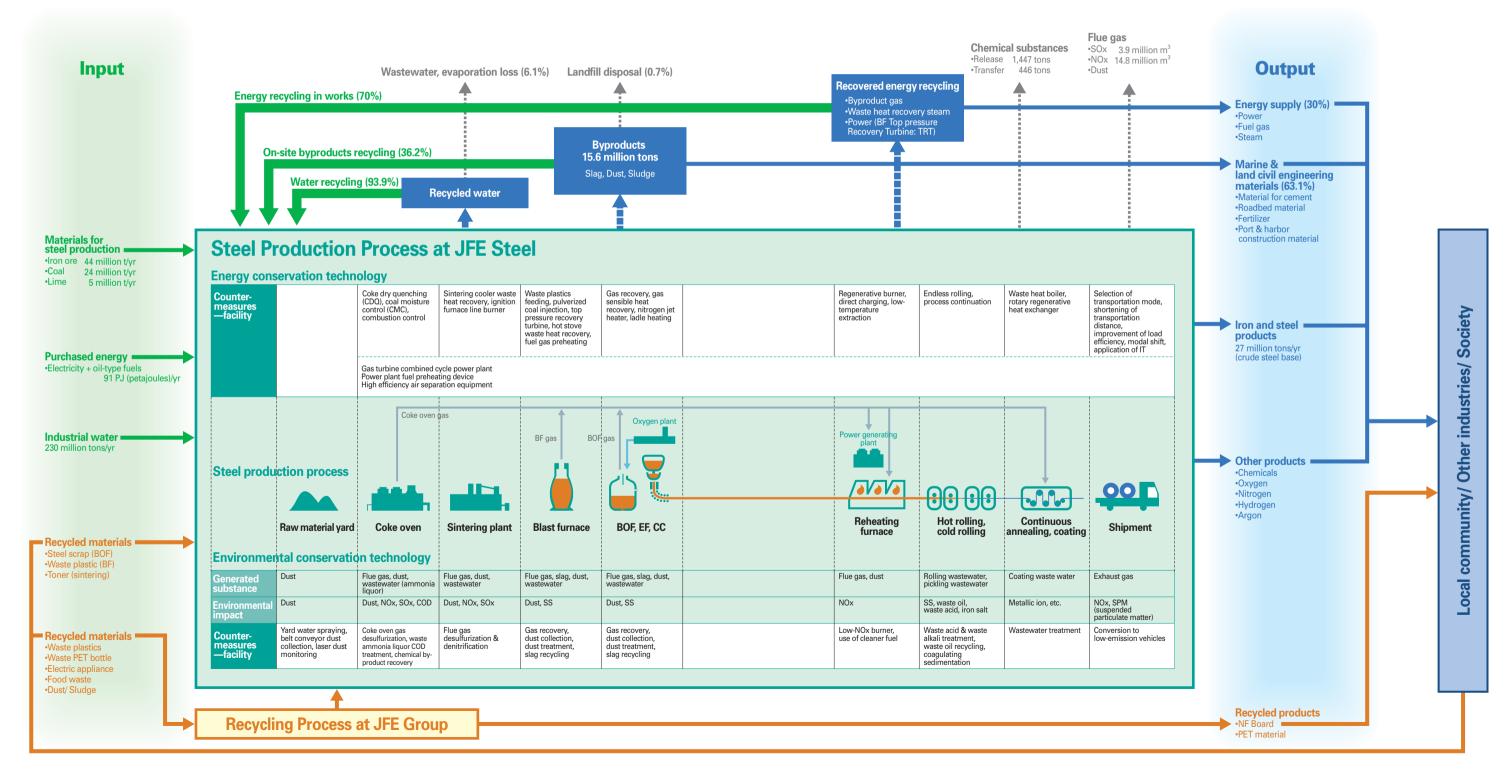
JFE Steel is using the world's most advanced energy saving and environmental protection technologies to realize a truly environment-friendly steel manufacturing process while contributing to the creation of a recycling-oriented society.

The steel manufacturing process requires huge amounts of energy and natural resources such as iron ore, coal, and water. For many years, JFE Steel has endeavored to reduce environmental loads through R&D on energy saving and environmental protection technologies and aggressive investment in facilities.

Our steel manufacturing process now boasts the world's highest energy efficiency and recycling rates, but we are continuing to conduct R&D and introduce equipment to further reduce environmental loads in each steel manufacturing process. The main inputs/outputs in FY 2003 are shown below. Details are presented in the section on JFE Steel in "Environmental Performance I: Reducing Environmental Loads in Pro-

duction Activities," beginning on p. 20.

In addition to efforts in the manufacturing process, the JFE Group is actively involved in recycling and reuse of wastes received from society and other companies using the steelworks' infrastructure and unique JFE recycling technologies. With the remaining capacity of landfill sites steadily decreasing, reducing the amount of waste requiring landfill disposal has become an urgent necessity. In this area as well, JFE Steel and the JFE Group are helping to build a recycling-oriented society by receiving and recycling waste plastic, discarded appliances, food waste, and industrial and municipal waste. Details can be found in "Environmental Performance III: Recycling Solutions," beginning on p. 45.



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