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# Respect for Human Rights

## Our Approach

The Subaru Group puts people first and engages in people-oriented manufacturing. Based on the belief that respect for the rights and characteristics of individuals is an important management issue for SUBARU, the Subaru Group established its "Human Rights Policy" in April 2020. In this policy, the Group respects the human rights stipulated in international norms such as the Universal Declaration of Human Rights (UDHR), International Covenants on Human Rights, and the ILO Declaration on Fundamental Principles and Rights at Work. This policy was formulated with full consideration to stakeholders' expectations, incorporating discussions with outside experts and overseas subsidiaries. It was officially established after approval by the second meeting of the CSR Committee for FYE March 2020 and reporting to the Board of Directors in March 2020. This policy is run globally and appropriately, being ready to address future environmental changes.

## Human Rights Policy

### Principle of Respect for Human Rights

The Subaru Group, through its automotive and aerospace businesses, puts people first and engages in people-oriented manufacturing.

Respect for the rights and characteristics of individuals is an important management issue for realizing Subaru's corporate philosophy of promoting harmony between people, society, and the environment while contributing to the prosperity of society. Based on this policy, the Subaru Group clarifies its responsibilities to respect human rights based on the United Nations Guiding Principles on Business and Human Rights.

### 1. Compliance with Laws and Regulations to Respect for Human Rights

#### (Scope and Management Structure)

- This policy applies to the Subaru Group worldwide—SUBARU CORPORATION and its all subsidiaries, expects and encourages our business partners and other stakeholders associated with our operations, including those in the supply chain, to respect human rights in accordance with this policy. To realize these goals, we have appointed Representative Director, President and CEO as a director who is responsible for leading the process of developing this Policy and assigning resources as needed for its implementation and continued improvement.

#### (Related Laws and International Norms)

- We will comply with the relevant laws and regulations of each country, and respect the human rights stipulated in international norms such as The Universal Declaration of Human Rights (UDHR), International Covenants on Human Rights (International Covenant on Economic, Social and Cultural Rights, and International Covenant on Civil and Political Rights), and The ILO Declaration on Fundamental Principles and Rights at Work. If the standards set forth in the international norms exceed those set forth in applicable law, we will aim to adhere to the international norms.

### 2. Implementation of Human Rights Due Diligence (Response to Human Rights Risks)

- We will identify potential or actual human rights risks linked to our business and establish and continuously operate mechanisms to prevent or mitigate such risks.

#### (Corrective Actions)

- We will strive to remedy any adverse human rights impact that we have caused or are involved in. We will also establish and maintain our grievance mechanism to do so.

#### (Training)

- To ensure that this policy is understood and practiced by all the members of the Subaru Group, we conduct regular training and awareness-raising programs for executives, employees, and other stakeholders to respect for human rights.

#### (Dialogue and Consultation)

- We engage in dialogue and consultation with relevant stakeholders in order to improve our commitment to respect for human rights.

#### (Information Disclosure)

- We will annually report on our commitments and the actions we have taken to respect and promote human rights pursuant to this Policy.

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## Human Rights Policy Appendix

Priority Human  
Rights Issues in  
Subaru Group's  
Businesses

The Subaru Group's manufacturing is supported not only by our own factories, but also by an extremely large number of people working in the multilayered supply chains. We also have contact with a variety of people in areas such as marketing, sales, and after-sales service through distributors and dealers all over the world. In order to respect human rights, and the numerous irreplaceable lives of all those involved in the Subaru Group, we

will actively address the following as priority issues identified so far.

We will regularly review the priority issues in this Appendix based on changes in social demands, including laws and regulations, technical progress, and the business operations of the Subaru Group.

**(Respect for Rights to Human Life and Property)**

- In order to protect the basic rights of people and their families who interact with Subaru Group's products and services, such as drivers, passengers, and pedestrians, we aim to eliminate all traffic accident deaths that involve Subaru vehicles.
- We will promote the humanitarian use of the Subaru Group's various products and services, including disaster relief, and strive to avoid nonhumane use.

**(Respect for Individuals, Diversity and Inclusion)**

- We value the unique characteristics of our employees, our business partners, and the members of the communities in which we operate and strive to create an environment of diversity and inclusion.
- We will conduct our business activities with full respect for privacy, including protecting the personal information of not only our customers and employees, but also those involved with the Subaru Group.

**(Zero Tolerance for Discrimination and Harassment)**

- We do not tolerate any discrimination based on race, age, sex, gender identification or expression, sexual orientation, national origin, ethnicity, religion, creed, profession, disability, family relations, or any other status protected by applicable law among all persons involved in the Subaru Group. Moreover, we do not tolerate any harassment that harms human dignity.
- We will carefully consider potential human rights risks in our marketing and other communication activities, and do not tolerate expressions that are discriminatory or may adversely affect children.

**(Respect for the Workers' Rights in Subaru Group and Encouraging Our Supply Chains)**

- We do not tolerate child labor, forced labor, slave labor, and human trafficking.
- We do not expose young workers to hazardous work.
- We will give due consideration to the human rights of foreign workers and migrant workers.
- We respect freedom of association and the right to collective bargaining, which are fundamental workers' rights. We are committed to engagement with employees to ensure a positive

working environment.

- We will maintain a worthwhile, safe, and hygienic working environment.
- In order to promote the well-being of workers, we will pay appropriate wages more than the minimum and living wages, and manage working hours appropriately.
- We expect and encourage our supply chains to respect the rights of workers.

**(Respect for the Rights of Vulnerable People in Local Communities)**

- We engage in responsible procurement practices including those related to conflict minerals.
- We will give special consideration to respect for the human rights of women, children, disability, social minorities, ethnic minorities, indigenous peoples, and other vulnerable groups.

**(Contributions to Respect for Human Rights)**

- We will actively contribute to human rights protection worldwide through the Subaru Group's corporate citizenship activities.

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We have appointed Representative Director, President and CEO as a director who is responsible for leading the process of developing the Policy and assigning resources as needed for its implementation and continued improvement. At the Sustainability Committee\*, chaired by the Representative Director, President and CEO, we hold discussions on global human rights issues and initiatives. The results of these discussions are used in submissions and reports at the Board of Directors in order to take appropriate measures.

\* Renamed from "CSR Committee" in FYE March 2022.

**Initiatives**

Based on the belief that respect for the rights and characteristics of individuals is an important management issue for SUBARU, the CSR Committee decided to form the Human Rights Task Team in March 2019. The team was created in April 2019 and is comprised of members from the Human Resources Department, IR Department, Sustainability Promotion Department, and Procurement Planning Department. As a result of multiple discussions with outside experts and specialists, the Task Team formulated the Human Rights Policy in April 2020. It sets forth that the Subaru Group's universal sense of purpose in acting for the good of people not only applies to our customers and employees, but also extends across the entire value chain.

In consideration of this Human Rights Policy, the Subaru Group will continue managing its operations in line with respect for human rights.

**Activities to Raise Awareness of Human Rights**

We have been conducting SUBARU's new employee training and manager training on the theme of diversity. In FYE March 2021, we held training for manager-class employees in SUBARU's human resources departments and all employees in its procurement departments with the purpose of helping them obtain knowledge about business and human rights, a topic of substance for our businesses. Approximately 250 employees participated in this training, and when surveyed about the necessity of addressing human rights, almost all participants responded that they gained an understanding or a strong understanding of the concept.

**Human Rights Due Diligence**

The Subaru Group carries out human rights due diligence in accordance with the procedures stipulated in the United Nations Guiding Principles on Business and Human Rights.

In FYE March 2021, with cooperation from Lloyd's Register Japan K.K., we identified and conducted impact assessments for human rights risks in the domains of human resources (Gunma Plant) and procurement (Automotive Business). Through workshops, interviews, factory inspections, and other activities with stakeholders in each domain, we identified a number of particularly key risks. In the human resources domain, we identified forced labor among foreign workers, as well as long working hours and occupational accidents. In the procurement domain, meanwhile, we identified human rights violations among suppliers, harassment of suppliers, and responsible mineral procurement (e.g., conflict minerals, cobalt). Going forward, we will continue to mitigate risks by steadily implementing measures to combat them.

**Preventing Harassment**

The Subaru Group regards the prevention of discrimination and harassment as important issues, and this is expressed in the Human Rights Policy. Seeking to prevent all forms of harassment, we prohibit such behavior in our work regulations, and it is also mentioned in the Conduct Guidelines and the Compliance Manual. We have prepared the Power Harassment Explanatory Booklet, and ensure that all SUBARU employees are aware of its contents.

Also, we distribute the Power Harassment Prevention Handbook to all managers and supervisors, and make efforts to prevent harassment.

We have set up a Compliance Hotline and a Harassment Advice Line internally and externally to accept requests for consultations regarding harassment, creating an environment in which all employees, including those at group companies, can receive advice. By creating a management system in which it is easy to seek advice, we encourage carefree consultations, and attempt to detect and resolve problems at an early stage.

→ [Compliance Hotline](#)



# Quality: Automotive Business

## Our Approach

Quality is the foundation of “Enjoyment and Peace of Mind,” SUBARU’s core value, and delivering quality is one of our most fundamental responsibilities to our customers. Quality reforms are the most important theme in mid-term management vision “STEP,” and we are reviewing all business processes, from product planning and parts procurement by suppliers to production and shipping at our plants, and implementing reforms.

To ensure that we become a company that resonates with and inspires trust in our customers, under the banner of our new quality policy, all employees are making “quality first” their slogan as they work hard to provide high-quality products and services that will impress customers. SUBARU has also

established quality policies at affiliated companies in Japan and overseas in accordance with the business content of each company and regional characteristics, and affiliated companies practice quality control based on these policies.

In FYE March 2021, we established the Quality Assurance Management Office to supervise quality assurance across the entire Subaru Group, including the Aerospace Company. The roles of this office will include developing and managing the Subaru Group’s organizational structure and systems required to assure quality, maintaining their effectiveness, and continually improving them

## Quality Management System

1. Establish Quality Management System (QMS) based on the Quality Policy and ISO9001 Standard and put it into practice for orderly and effective operations.
2. Aim to improve customer satisfaction by assuring that products will comply with both customer requirements and applicable statutory and regulatory requirements.
3. Strive to continually improve the QMS through operational improvements.

With its QMS, SUBARU works to assure quality in each process from design and development to sales as well as creating a cycle to create even higher quality products. In addition, SUBARU strives to work through this cycle swiftly in order to meet customer needs without any delay.

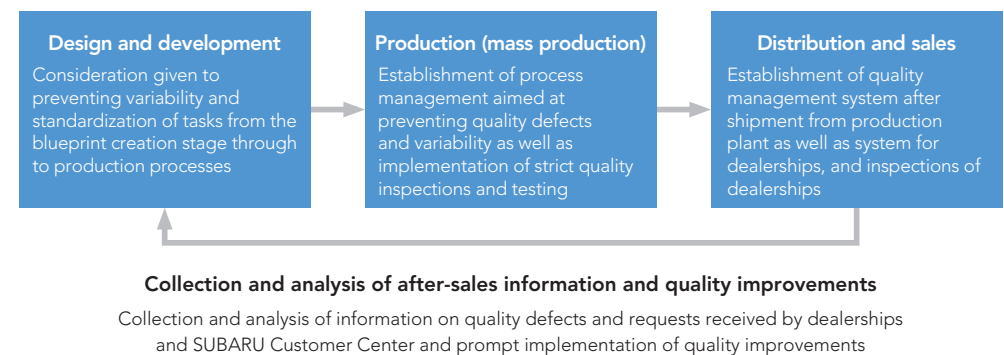
## Quality Policy

At Subaru, quality is our highest priority as we earn the trust of our customers.

1. We will deliver long lasting products that our customers can use with peace of mind.
2. We will continually improve our products and services by always listening closely to our customer’s voice.
3. We will be a good corporate citizen in all markets where we do business by ensuring compliance with all internal rules, local laws, regulations and social norms.

Revised in April 2019

## Quality Management Cycle



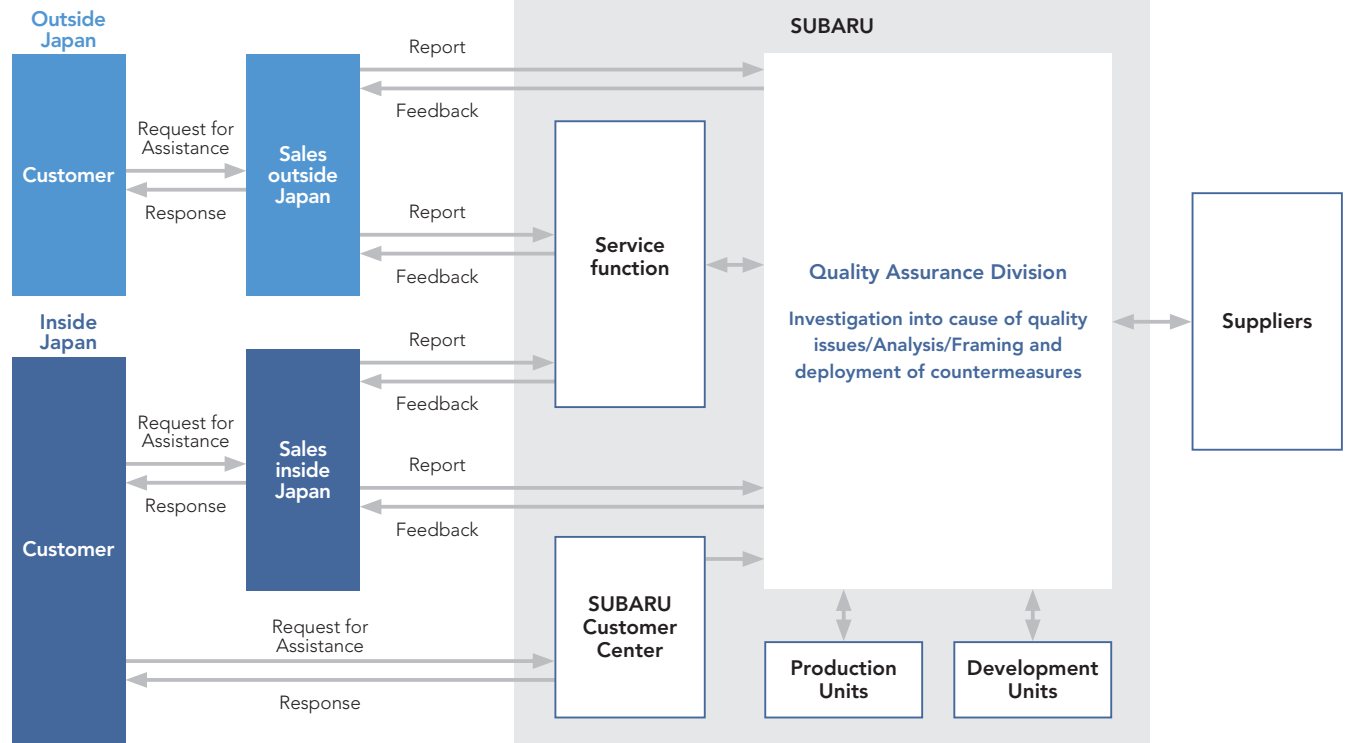
## Management System

SUBARU has established a quality improvement system with the Quality Assurance Division at the heart of efforts in order to analyze after-sales quality defects and customer requests to realize higher-quality development and production. Based on customers' opinions collected from around the world, SUBARU works with the relevant in-house departments and suppliers in identifying quality issues, investigating their cause, and planning countermeasures.

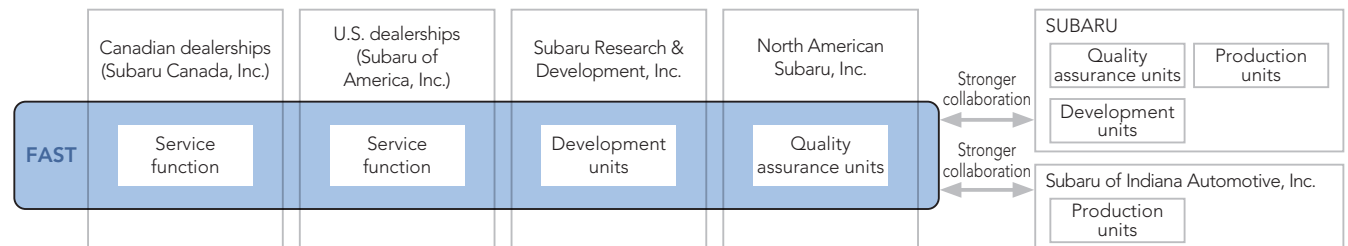
In January 2021, we established FAST\*, a North American quality improvement team where quality assurance and development units at local affiliated companies in the U.S. work together with service units at dealerships in the U.S. and Canada. By cutting across divisional borders and strengthening collaboration, we have been able to more rapidly and accurately obtain market information, launching activities to use these in resolving issues.

\* Fast Action & Solution Team

### Quality Improvement System



### Structure of the FAST North American Quality Improvement Team



## Initiatives

### Quality Control Training

We provide quality training as part of our employee training program to enable employees to learn basic QC<sup>\*1</sup> and problem-solving techniques tailored to their year of entry into the company and their qualification requirements.

Main curriculum for quality

- Quality control training (Introduction/Intermediate/Advanced)
- Lectures to foster quality awareness

\*1 QC: Quality control

### Global Quality Meeting

Aiming to ensure that the customer-first mindset runs through our quality, SUBARU attaches great importance to dialogue with dealers, as they are responsible for dealing with customers across the globe. We participate in technical liaison meetings held twice a year for the Japanese market, while in overseas markets, we take part in twice-yearly main dealerships (G8) service meetings and block conferences held in six regions.<sup>\*2</sup> We take in the views of dealers expressed at these meetings to make decisions on the optimum means of addressing product issues that inconvenience our customers. (In FYE March 2021, these were held as web conferences both for Japan and overseas.)

\*2 Block conferences are held in a country in each of the six regions—the CIS, Central Europe, Northern Europe, Southern Europe, Oceania, and Central and South America. Their participants include representatives from dealerships and expatriates working in the region.

### Quality Caravan

Since FYE March 2019, we have been holding an event called the Quality Caravan at all our business sites to inform

participants of customer feedback and the quality status of SUBARU products. Our aim in doing so is to provide each and every employee with an accurate understanding of the current state of SUBARU and create an environment in which they are conscious of putting quality first at all times and approach their work in that mindset. In FYE March 2021, we also held online events to address COVID-19. In addition to employees, we also receive a large number of participants from suppliers. Subaru of Indiana Automotive, Inc., SUBARU's production base in the U.S. has also been organizing events to raise global awareness of quality.

Going forward, we will continue to engage in awareness activities, while enhancing the program and extending the duration, among other improvements.



At the Global Quality Meeting



At the Quality Caravan

### Response to Recalls

SUBARU is taking measures to cope with recalls in order to prevent accidents and to protect customers.

In the event of product defects that can infringe safety and the laws and regulations, SUBARU promptly establishes a committee structure of staff from departments involved in quality to investigate, and determines the specific details of our response based on the laws and regulations of each country. Moreover, SUBARU sends direct mails from our dealerships to affected customers to inform them that they can have their cars repaired free of charge.

As of April 2021, SUBARU had no cases of violating laws and inhouse regulations in regard to information provision on quality and safety.

[Recalls of SUBARU Cars \(for Japan only\)](#)

#### Number of Recalls and Improvements

Number of Cases	(FYE March)			
	2018	2019	2020	2021
Recalls <sup>*1</sup>	9 <sup>*4</sup>	11	13 <sup>*4</sup>	8
Corrective Action <sup>*2</sup>	1	1	1	0
Service Campaigns <sup>*3</sup>	3	6	3	6
Total	13	18	17	14

\*1 Corrective action implemented by automobile manufacturers, etc. for a specific range of automobiles, or tires or child car seats, of a similar type to bring the product in question into compliance with the Safety Regulations for Road Vehicles when vehicles, etc. are in a condition that suggests that they may cease to conform or do not conform to those safety regulations, and when the cause for such non-conformity lies in the design of the vehicles, etc. or their manufacturing process.

\*2 Corrective action implemented by automobile manufacturers, etc. in respect of matters which, although not specified in the Safety Regulations for Road Vehicles, cannot be overlooked from a safety or environmental conservation perspective in the event that a defect should arise, where the cause lies in the design or manufacturing process.

\*3 Corrective action relating to merchantability/quality in respect of a defect that is not subject to a notification of recall or corrective action.

\*4 The figure includes one recall relating to Takata airbags, in which a recall notification was submitted on the basis of individual model.

# Quality: Aerospace Business

## Our Approach

The Aerospace Company conducts SUBARU's aerospace business and its production activities are based on its policy of "Giving Safety and Quality Top Priority."

### Quality Management System

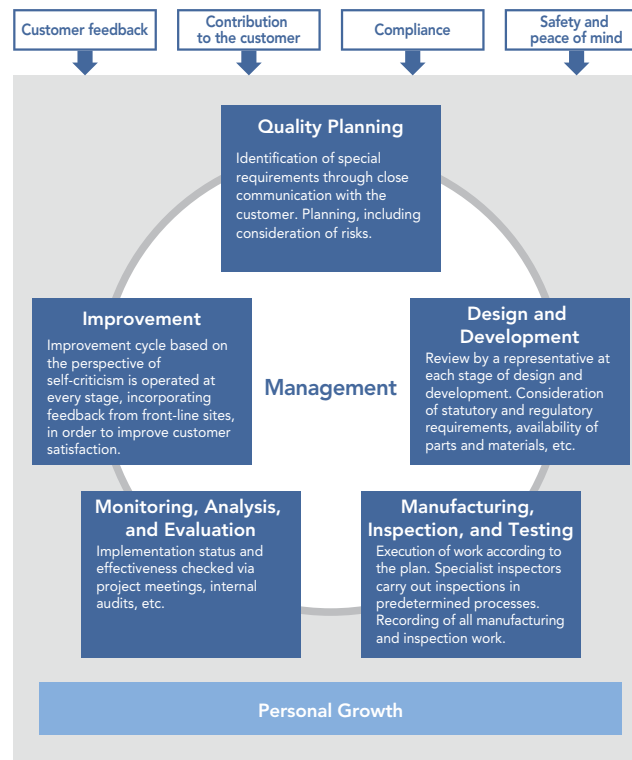
Based on its policy of "Giving Safety and Quality Top Priority," the Aerospace Company has built and acts under the quality management system that conforms to the latest JISQ9100:2016 quality management system requirements for Aviation, Space and Defense Organizations.

In addition, it incorporated the Supplements to JISQ9100 (SJAC9068) that are independently and jointly established by the Japanese aerospace and defense industries in order to prevent improper occurrences related to quality.

### Quality Management Cycle

SUBARU's Aerospace Company strives for quality assurance in every process from the clarification of requirements through to manufacturing in order to create safe, reliable products. In addition, it has established and operates a quality management cycle to enhance customer satisfaction.

Quality Management Cycle



## Management System

At SUBARU's Aerospace Company, the QMS Promotion Office maintains and promotes the quality management system (QMS), and also works on improving the system to enhance quality.

The Quality Assurance Department promotes the following quality assurance activities covering product manufacture, repair, sales, and service, and rolls them out to relevant company departments and suppliers.

- Gather customer feedback
- Identify quality-related issues
- Investigate the root causes
- Formulate measures to deal with them



## Initiatives

### Quality Assurance Training

We provide quality assurance training in each department as part of our employee training program. We also hold training programs aimed at cultivating experts in quality assurance.

#### Major Education Training Programs

	Course Topic	Target	Frequency
Quality Education	Basic manners training for inspectors	Inspectors	Once a year
	Quality refresher training	Mainly manufacturing employees	Twice a year
	Human factor training	Mainly employees in Civil Aeronautics Act certified workplaces	Once a year
	Aeronautical safety training	Mainly employees in Civil Aeronautics Act certified workplaces	Once a year
	Education for employees in certified workplaces	Mainly employees in Civil Aeronautics Act certified workplaces	Once a year
Basic Training for Inspectors	QMS consolidation training	All employees	Twice a year
	New accreditation/periodic renewal training	Inspectors	Upon accreditation / every 3 years
	Skills enhancement training for inspectors	Inspectors	Once a month
Skills Training for Inspectors	Techno-school	Inspectors	Ten times a year

### Four Rules Activity

To bring happiness to our customers, to carry out our social responsibilities, and to achieve growth, each member of the Aerospace Company remains aware of our work rules (procedures, basics). When we find that the rules are difficult to follow, unclear, or out of step with the times, we all work together to improve them, rather than leaving the burden to one person. Through this activity, we strive to increase the quality of our work.

#### The four rules

##### In the work you are doing today,

1. Are there any rules (procedures, basics)?
2. Are you following the rules?
3. Is there any room for improvement?
4. Are you discussing with someone about workplace improvements?

### Quality Month Events

The Aerospace Company holds periodic quality meetings. They hold discussions regarding customer satisfaction and product quality from various aspects. Also, every November is designated as Quality Month. There are awards for employees who have contributed to improving quality, and distribution of pamphlets to educate all employees on quality.

Also, we have established many kinds of systems such as the Improvement Proposal System, which aims to allow employees to display their creative abilities and build a culture of making improvements.

# Making Safe Vehicles

## Our Approach

Subaru Group believes that a car is more than just a means of transport, but rather a partner that enriches people's lives by understanding and meeting their expectations.

SUBARU's DNA comes from our origin as an aircraft manufacturer, and has a focus on people. We think about what is important to people who use cars, and develop products with the necessary functions and performance.

"Focus on people. Think about what is important to people who use cars. And create new value with cars." We believe that this is what SUBARU-ness means.

Having roots in the aircraft industry, we have, for more than half a century, consistently engaged in automotive manufacturing with maximum emphasis on safety performance, attaching particular importance to protecting lives in order to ensure that each and every one of our customers experiences "Enjoyment and Peace of Mind." In our pursuit of vehicle safety performance from all perspectives, we are honing our unique safety technologies in the four areas of Primary Safety, Active Safety, Preventive Safety, and Passive Safety, plus Connected Safety, based on SUBARU's overall safety philosophy, which focuses on delivering the world's highest standard of safety and peace of mind for all passengers. In the future, we will further evolve this intelligence and combine advanced sensing technologies with the judgment capability of AI, improving safety in all situations.

Our mid-term management vision "STEP" describes our efforts to enhance safety and peace of mind by setting a target of achieving zero fatal traffic accidents by 2030.\*<sup>1</sup> As such, we are engaged in the development of vehicles that will enable us to eliminate traffic accident deaths.

\*1 Reducing to zero the number of fatal accidents occurring while a driver or passenger in a SUBARU vehicle and the number of fatalities among pedestrians, cyclists, and the like arising from collisions with a SUBARU vehicle.

## Management System

In order to further accelerate its new technology development, including safety technology and electrification for making products more environmentally friendly, SUBARU has changed its development systems based on SUBARU's overall safety philosophy, which focuses on delivering the world's highest standard of safety and peace of mind for all passengers. In this change, it has pivoted from a system based on functional organizations (e.g. vehicle bodies and power units) to an organic combination along value and functional axes.

\* For more details regarding SUBARU's car manufacturing systems, please see Environmentally Friendly Automobiles: Management System.

→ [Environmentally Friendly Automobiles: Management System](#)

## Aiming for Zero Fatal Traffic Accidents by 2030

SUBARU has four safety areas. Primary Safety involves design that allows for a good field of vision and does not make the driver or passengers feel tired. Active Safety is controllability that allows a driver to avoid an obstacle that is in front of them, and to continue driving after avoiding it. Preventive Safety refers to pre-crash breaking, as represented by EyeSight. And Passive Safety involves damage mitigation to protect the driver and passengers in the event that an accident does occur. By polishing these four safety areas, we intend to achieve a low rate of fatal traffic accidents in the real world.

SUBARU's intention does not lie in changing everything automatic, but in "Respect what humans are good at and leave what humans are not good at to automobiles for safe transportation." With this idea, SUBARU has polished our driver assist technology.

Going forward, the evolution of Advanced Driver Assistance System (ADAS) will make it possible to slow down and avoid collisions in high-speed zones and on large bends, which is expected to be of further assistance in preventing and mitigating accidents. At the same time, we still face an issue that around 30% of fatal accidents primarily caused by the no-fault accidents are expected to remain under the current situation.

Facing these problems, SUBARU is aiming to achieve zero fatal traffic accidents by 2030 by applying our intelligence technologies in the fields of Primary Safety, Active Safety, Preventive Safety, and Passive Safety, plus Connected Safety.

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**Making Safe Vehicles**

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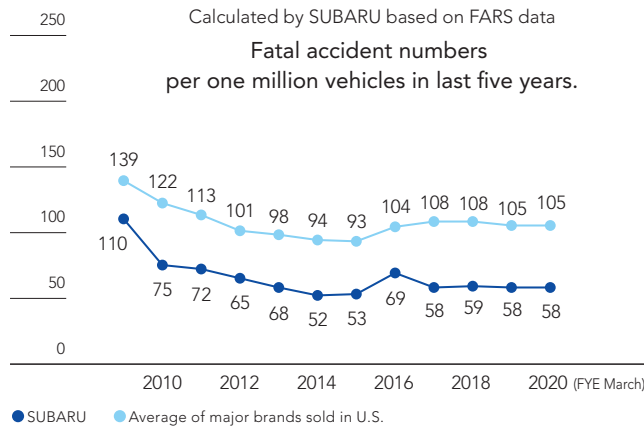
Community Engagement

## Achieving a Low Rate of Fatal Traffic Accidents in the U.S. and Japan

From FYE March 2009 to FYE March 2020, we carried out an investigation on the number of fatal traffic accidents involving SUBARU cars sold in the U.S. and domestically in Japan. In the U.S., SUBARU cars have maintained a rate of fatal traffic accidents that is lower than the average for major selling brands in the U.S. for 12 consecutive years.<sup>\*2</sup> Domestically in Japan, SUBARU cars also

### Facts about Fatal Traffic Accidents in the U.S.

(Number of accidents)



Calculated by SUBARU based on FARS data  
Fatal accident numbers per one million vehicles in last five years.  
Average of 13 major brands sold in U.S., including SUBARU (excluding trucks and large SUVs)

show a rate of fatal traffic accidents that is lower than the average for domestic auto manufacturers for 12 consecutive years.

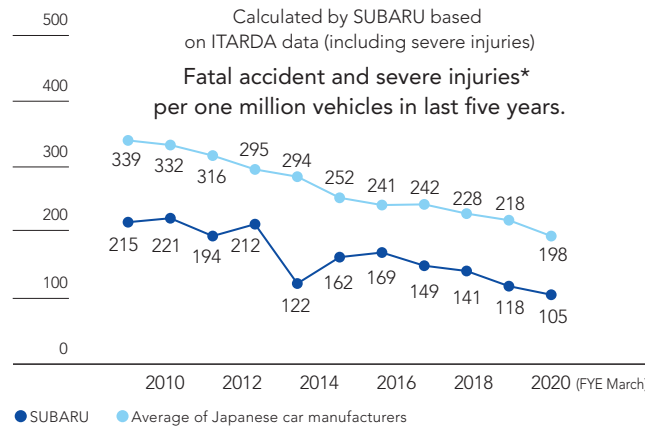
<sup>\*2</sup> These calculations were made independently based on data from the Fatality Analysis Reporting System (FARS) of the U.S. and the Institute for Traffic Accident Research and Data Analysis (ITARDA) of Japan.

[EyeSight for 2030 \(Japanese version only\)](#)

→ [Six Priority Areas for CSR: TOPICS 03 - Peace of Mind](#)

### Facts about Fatal Traffic Accidents in Japan

(Number of accidents)



Calculated by SUBARU based on ITARDA data (including severe injuries)  
Fatal accident and severe injuries\* per one million vehicles in last five years.  
Average of 8 Japanese car manufacturers, including SUBARU (including light vehicles but not trucks)

\* Fatal accidents: Incidences where the victim died within 24 hours of the initial event.  
Severe injuries: Includes general cases of severe injury.

## Initiatives

### Primary Safety

SUBARU's predecessor was an aircraft manufacturer. With aircraft, it is necessary to pursue "accident-free vehicle" design, as even a slight error in operation or judgement can cause a severe accident. Inheriting the philosophy of safety, SUBARU focuses on the primary design such as surface and operation, thereby we pursue clear, useful and comfortable space where the driver can concentrate on driving easily.

#### ■ Visibility Optimized for Every Condition

Early detection of danger can help avoid accidents. SUBARU has concentrated efforts on minimizing blind spots and improving visibility even under difficult conditions such as driving in rain or at night.

#### ■ Optimal Driving Position

Optimal driving position allows drivers to move naturally, reducing fatigue and helping to improve safety and comfort while driving. It also helps the driver to steer the car precisely for taking evasive action when the risk of an accident occurs. SUBARU's cockpit is designed to be adjusted so that every driver can find their optimal driving position.

#### ■ Intuitive Interface

Drivers can sometimes have a lapse in concentration when checking the navigation screen or adjusting the air conditioning. To prevent this from happening, SUBARU has designed an

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interface layout that is easy to use. For example, the navigation screen is placed so that the driver does not need to shift their line of vision too far, while the air conditioning system and audio controls use switches that allow for intuitive operation so that drivers do not have to take their eyes off the road.

[☐ Technology: Primary Safety \(Japanese version only\)](#)

## Active Safety

For SUBARU, “driving” means more than simply delivering enjoyment. It is an important factor in increasing safety.

To make it possible to avoid the situation safely if an accident occurs. To be able to drive safely in various weather conditions and road services, the same way as during normal conditions. SUBARU has fine-tuned all the basic functions of a vehicle—driving, turning and stopping—to develop vehicles that offer exceptional stability and predictable control in the most challenging conditions, which makes cars safer and more trustworthy.

### ■ Driving Stability

On the foundation of outstanding core performance, SUBARU tempers the body and suspension of its vehicles along with employing vehicle control devices that increase drivability, creating stable driving that provides peace of mind to drivers and passengers.

### ■ Traceability

Imagine being able to drive into a slippery corner on a snowy or rainy day without unpredictable car movement, turn exactly as intended through the corner, and head out of the corner smoothly. SUBARU includes a number of functions that make smooth cornering a reality.

### ■ Braking Performance

Braking performance is directly related to a car's safety, particularly its hazard avoidance capabilities. SUBARU goes beyond polishing such performance, also placing great focus on peace of mind. Brakes that provide peace of mind work as predicted every time. SUBARU repeatedly tests in all environments and on all road surfaces in our quest to deliver brakes that are easy to operate regardless of weather and that react quickly at the critical moment.

[☐ Technology: Active Safety \(Japanese version only\)](#)

## Preventive Safety

Our ultimate goal is to eliminate traffic accidents. To achieve this goal, SUBARU has spent more than 20 years developing driver assistance systems. The inexpensive and highly practical EyeSight has become widespread in markets around the world, pioneering advanced safety technology. Last year, EyeSight was reborn to help aid our goal of zero fatal traffic accidents in 2030.

### ■ EyeSight Core Technology

We have revamped our stereo cameras at the core of EyeSight's driver assistance. In this upgraded system, viewing angles are wider and image recognition is improved, giving it better-than-ever capabilities to distinguish cars, pedestrians, road lines, and other elements while driving. Also, thanks to improved control performance, driving SUBARU cars is now smoother and safer than ever before. Furthermore, with these new stereo cameras as a core driver and combined with four radar sensors on the front and rear of the vehicle, plus rear sonar, our system can monitor the car's entire surroundings. This offers support to drivers in a greater variety of situations and a higher level of safety.

### ■ Collision Avoidance Support

Our next-generation EyeSight system greatly expands the usable scope of pre-crash braking. Now, it helps drivers avoid collisions at intersections with a high incidence of traffic accidents. It protects drivers and passengers in tense situations on the road, like oncoming vehicles, crossing pedestrians, or crossing bicycles during a turn, or vehicles approaching from the front. Approximately 40% of vehicle-to-vehicle accidents occur in situations like these. We believe our system will significantly mitigate these traffic accidents.

### ■ Reducing Operating Burden

SUBARU believes that reducing operating burden leads to greater safety.

In 2020, EyeSight X was born, an evolutionary advance from our EyeSight system. This new system combines high-precision 3D maps and satellite positional data to recognize road conditions well ahead of the vehicle, beyond the detection range of stereo cameras and radar. These high-precision 3D maps constitute an important element technology at the heart of next-generation driver assistance. SUBARU was one of the first among automotive companies to apply this technology and bring it to market. It helps reduce driver burden especially on long hauls, offering a luxurious touring experience. It does this through a variety of features, including speed control at optimal levels just before curves and toll booths, active lane change assistance, and assistance during traffic congestion, including hands-off and start-and-stop support.



Respect for  
Human RightsQuality:  
Automotive BusinessQuality:  
Aerospace Business**Making Safe  
Vehicles**Human  
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## ■ Support for Safe Driving

We have introduced a new Driver Emergency Support System. If the driver's hands come off the steering wheel for a long time while Active Lane Keep is active, or when the system detects a distracted or drowsy driver while hands-off congestion driving assistance is active, it will warn the user. If the driver's hands stay off the steering wheel even after the warning, the system determines that an emergency situation is underway, activating hazard lights and the car horn to inform nearby vehicles of the situation and gradually slowing the vehicle to a stop.

## ■ Improving Visibility

We have created a digital Multi-View Monitor reducing the size of blind spots around the vehicle. By displaying high-resolution video on a 11.6-inch monitor, drivers are given clearer visual information in situations like when reversing, pulling over at a curb, and at intersections with poor visibility. We have improved the size and resolution for our digital Smart Rear-View Mirror, offering support for safer rear-view confirmation.

 [Technology: Preventive Safety \(Japanese version only\)](#)

## Passive Safety

Since the time of "Subaru 360" when we launched mass production, SUBARU has positioned safety as one basic function that cars should have. Also, we have been performing our own original damage mitigation tests that include protecting pedestrians since the 1960s—a time before thinking regarding damage mitigation had yet to be fully instilled. SUBARU's damage mitigation functions take into consideration not only the driver and passengers, but also pedestrians. They have received high evaluations both in Japan and around the world.

## ■ New Ring-Shaped Reinforcement Frame

SUBARU has a uniquely safe body design. In the cabin, the pillar and frame combine to form a "cage." The purpose of this is to protect from deformation regardless of the angle from which the vehicle is struck. A relatively crushable zone is provided to disperse and absorb the shock of a powerful impact. This gives SUBARU vehicles high collision absorption performance against impacts from any direction.

## ■ Front-end/Rear-end Collisions

Even small components can become as deadly as weapons when receiving the powerful force of a collision. Based on that fact, SUBARU equips its vehicles with a horizontally-opposed engine, which has the advantage of being able to effectively absorb the energy from a collision. During a front-end collision, not only can it easily slip under the floor, but the frame that absorbs the shock can extend symmetrically as well as straight. Each component of the cabin is made of shock absorbing materials in order to protect lives.

## ■ Front-end/Offset Collision/Rollover

To protect the driver and passengers during a side collision, an extremely rigid side door beam is installed in the door. In addition to that, the new high-rigidity Ring-Shaped Reinforcement Frame protects the cabin space during a collision or rollover. Further, several kinds of airbags and energy absorption materials line the entire car, protecting every person inside the cabin.

## ■ Protecting Pedestrians

SUBARU strives to protect not only our drivers and passengers, but also pedestrians.

For example, our horizontally-opposed engines have a wide

energy absorption space between the front hood and engine unit. This reduces damage from being struck by the top of the hood, which is a highly probable head injury for pedestrians. Furthermore, our cars are designed to absorb the shock from components such as the hinge and hood stay. SUBARU's four safety areas, which take into consideration all forms of safety, can be found in all of our designs and initiatives, such as becoming the first Japanese automobile manufacturer to install Pedestrian Protection Airbags.

## ■ Safety Recognized around the World

SUBARU's damage mitigation features have received high evaluations in safety assessments from countries all around the world.

 [Technology: Passive Safety \(Japanese version only\)](#)

## Connected Safety

We use connection technology and data based on SUBARU's four safety areas of Primary Safety, Active Safety, Preventive Safety, and Passive Safety, and develop new technologies and services to further pursue safety. SUBARU's mass market car models are equipped with the Driver Monitoring System, which attentively watches over the state of the driver. It detects when the driver looks away or shows signs of sleepiness, and sends an alert. Going forward, we will couple it with various controls.

## Car Assessments

SUBARU undergoes safety performance testing and assessment of public organizations in and out of Japan including JNCAP in Japan, IIHS<sup>\*1</sup> in the U.S., Euro NCAP<sup>\*2</sup> in Europe, and ANCAP<sup>\*3</sup> in Australia, and has gained the highest rank of assessment in most of them.




In FYE March 2021, the new Levorg won the JNCAP Five Star Vehicle Safety Performance 2020 Award, the highest rating in the Japan New Car Assessment Program (JNCAP).

\*1 IIHS: The Insurance Institute for Highway Safety

\*2 Euro NCAP: European New Car Assessment Programme, a safety information disclosure program for automobiles in Europe

\*3 ANCAP: The Australasian New Car Assessment Program, a safety performance assessment program conducted since 1993 by an independent organization created by Australian and New Zealand transit authorities

### FYE March 2021 Commendations

Assessed Automobiles	Assessment Organization	Assessment
Levorg	 JNCAP, Japan	JNCAP Best Award 2020 JNCAP Five Star Award 2020
2021 models of the Crosstrek Hybrid, Forester, Legacy, Outback, and Ascent	 (U.S. models only) IIHS, U.S.	2021 TSP+ award*
2021 models of the Impreza (sedan and 5-door), Crosstrek, and WRX (all with optional EyeSight and specific headlights)	 (U.S. models only) IIHS, U.S.	2021 TSP award*

\* In the IIHS's publication of vehicle safety information, TOP SAFETY PICK (TSP) award is given to vehicles that earned the rating of "Good" in all test results including the Offset Frontal Test, the Driver-side Small Overlap Front Test, the Passenger-side Small Overlap Front Test, the Side Crash Test, the Rear Impact Test and the Rollover Test and the rating of "Acceptable" or higher in the Headlight Evaluation, as well as the rating of "Advanced" or higher in the vehicle-to-vehicle and vehicle-to-pedestrian tests. In addition to these ratings, vehicles which have been installed the headlights which earned the rating of "Acceptable" or higher in the Headlight Evaluation as a standard equipment are awarded the TOP SAFETY PICK+ (TSP+).

## Safety Is Our DNA

Since its founding, the core of the Subaru Group, an organization with roots in the aircraft industry, has been to put people first and to engage in people-oriented manufacturing. We believe that safety is the most critical basic function for cars. Since the launch of Subaru 360 more than half a century ago, we have passed this belief on as an element of our company DNA, making relentless efforts in every era to perfect the most essential functions of a car—driving, turning, and stopping—reflected in our unique engineering know-how, including all-around safety performance. Looking to the future, SUBARU will continue to engage in automotive manufacturing with a philosophy of "All-Around Safety" and maximum emphasis on safety performance.

### [ SINCE 1917 ]

#### Ensuring Safety for Pilots

**Our DNA of Safety is Inherited from Aircraft Development**  
At the core of SUBARU's safety development expertise lie traits acquired from developing aircrafts. With aircraft, the implementation of ideas and countermeasures within the vehicle's basic structure prevents the onset of danger. One indispensable safety feature of aircrafts is the ability for the pilot to be able to secure an all-around unobstructed line of sight. This approach to safety has not diminished even after SUBARU moved into automobile manufacturing.

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Quality: Aerospace Business

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[ SINCE 1960 ]

**Ensuring Safety for Drivers**

■ **Going ahead of the Times: Developing a Vehicle Body for Collision Safety Based on All-Around Safety**

Subaru 360 had played an important role in expanding the popularization of automobiles during the period of high economic development. SUBARU has dedicated itself to developing vehicle bodies for collision safety following the principle of All-Around Safety—effectively absorbing shock from collisions in all directions and protecting the driver and passengers with a cabin structure of robust strength—since that period. SUBARU pushed forward independent research on car body structure and how it affects human body, and pursued superior collision safety technologies ahead of the times.



Subaru 360

[ SINCE 1970 ]

**Ensuring Safe Driving, Turning, and Braking**

■ **Developing Proprietary Technologies for Enhanced Driving Safety**

Fundamental automobile performance in terms of driving, turning, and braking differs significantly depending on the location of the center of gravity and the type of drive train. A low center of gravity and a drive train that delivers power to all of the wheels give constant stability when driving.

In 1966, we launched the Subaru 1000—a FWD vehicle with a horizontally-opposed engine—and, in 1972, the 4WD Subaru Leone. Since that time, SUBARU has continued to pursue safe and stable driving performance with our proprietary technologies.



Horizontally-opposed engine (Boxer engine)



4WD Subaru Leone



Subaru 1000

[ IN THE 1980s & 1990s ]

**Ensuring Safety for Drivers and Passengers**

■ **Legacy Launched. Development of Driving Assistance Systems**

Our flagship Legacy model set a world speed record in January 1989 for 100,000 km of continuous driving, demonstrating both reliable driving performance and mechanical endurance. Furthermore, SUBARU commercialized Active Driving Assist (ADA), a driving assistance system using stereo cameras which was the predecessor of our current EyeSight technology.

[ IN THE 2000s & 2010s ]

**Ensuring Safety for Everyone**

■ **Commercialized EyeSight Made the Latest Advanced Safety Features Standard Equipment on All Vehicles**

SUBARU commercialized our EyeSight technology, featuring stereo cameras constantly surveying the area forward of the vehicle and warnings and pre-crash braking functions for mitigating damage from accidents. In 2017, we began fitting vehicles with the new Touring Assist function, extending the minimum speed at which Lane Keep Assist can operate from 60 km/h to 0 km/h.

Moving forward, SUBARU is engaging in development for even more leading-edge technologies.

■ **SGP (SUBARU GLOBAL PLATFORM)**

→ Six Priority Areas for CSR: TOPICS 01 - People-oriented Car Culture

[ FROM THE 2020s ]

■ **Next-Generation EyeSight, EyeSight X**


→ Six Priority Areas for CSR: TOPICS 01 - People-oriented Car Culture

## Initiatives in the Aerospace Business

In recent years, reduction of CO<sub>2</sub> emissions has become a major environmental issue on a global basis, and this also encompasses aircraft. At the same time, electrification has garnered attention as a way to reduce environmental burdens. The Aerospace Company is active as a Steering Committee member of the Electrification Challenge for Aircraft (ECLAIR) Consortium, spearheaded by the Japan Aerospace Exploration Agency (JAXA), a national research and development agency. The Company has also formulated a future vision for the electrification of aircraft and created a technology roadmap with the goal of developing electrification technology that will drastically reduce environmental burdens, such as CO<sub>2</sub> emissions. Also, with the "Roadmap toward Air Mobility Revolution" announced by the Ministry of Economy, Trade and Industry in December of 2018, Japan is increasing its momentum for a major advancement toward the development of flying



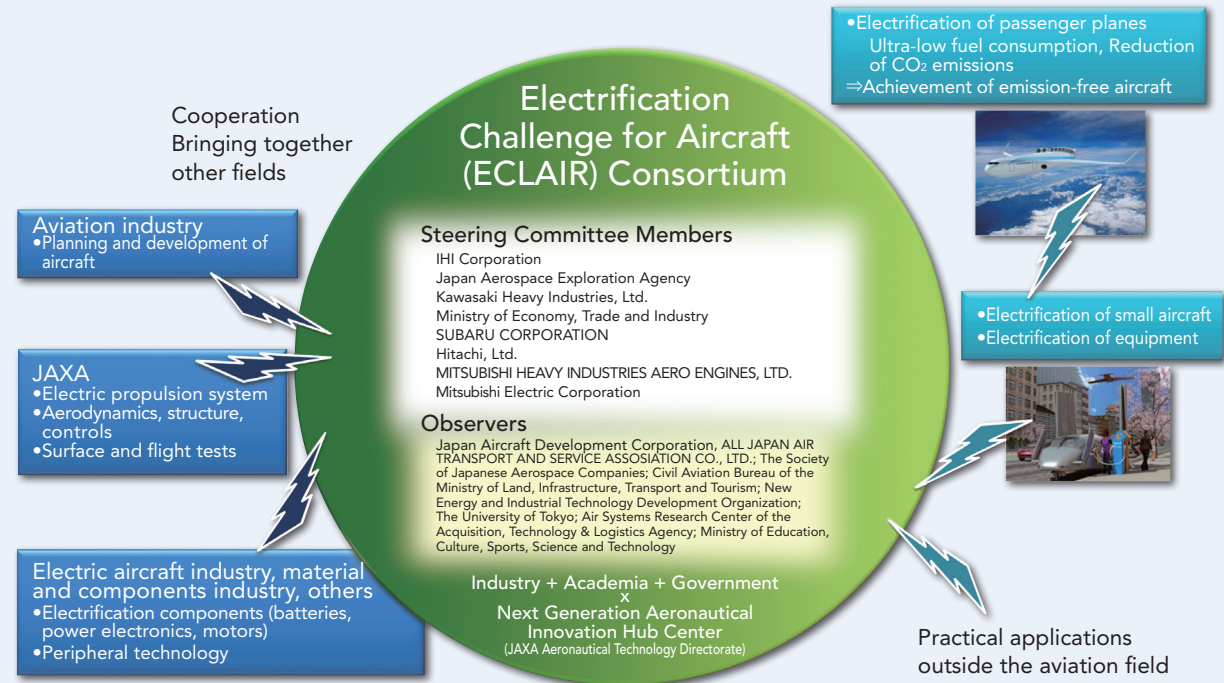
Flight demonstration for unmanned aircraft

 Test of technology that allows unmanned aircraft to automatically avoid danger (Japanese version only)

cars. However, it is necessary to generate rules, including a great deal of legislation, to ensure traffic safety in the sky. SUBARU is proposing a public and private sector conference to consider the creations of these rules.

Also, drones are seeing a remarkable rise in use recently. To further improve safety for these and other aircraft, we are working with the New Energy and Industrial Technology Development Organization (NEDO), a national research and development agency, and four other organizations. Also, we

succeeded in a flight demonstration for our technology that allows unmanned aircraft to automatically avoid danger, even in times of emergency. The test was conducted off the coast of Mikawa Bay in 2019, with cooperation from Aichi Prefecture, Toyokawa City, and Tahara City. Going forward, SUBARU will continue working on initiatives to ensure the safety of airspaces and to reduce its environmental burden.





# Human Resources

## Human Resource Development

### Our Approach to Human Resource Development

In order to achieve its mid-term management vision "STEP," SUBARU emphasizes helping each employee to voluntarily take on new challenges and to independently develop their careers. In talent development, we focus on the growth of the individual, offering them better opportunities for them to independently develop their careers, providing chances for learning that are in keeping with their own desired outcomes, and organically combining these with job rotation and other human resource policies. Through the growth of the individual, we enhance the appeal of the SUBARU brand as we continue to boost the Group's corporate value.

## Training and Education

### Our Approach

In order to achieve its mid-term management vision "STEP," SUBARU focuses on the growth of the individual, utilizing the talent development tools of challenge-oriented personnel systems, personnel rotation, and educational programs.

In addition, SUBARU's affiliated companies in Japan and overseas promote initiatives in accordance with the business domain of each company and regional characteristics.

### Regular Reviews and Career Development

Through the operation of the personnel system, each employee's job outcomes and performance levels for skills are objectively evaluated. In addition, under the goal management system, all SUBARU employees have an interview four times a year (for goal setting, interim confirmation, outcome confirmation, and evaluation sharing) and the supervisors and subordinates agree on the challenges necessary for growth.

Both men and women are treated appropriately and there is no gender gap in the basic salary.

### Training Programs

SUBARU offers a wide range of learning opportunities so that all employees can develop their skills in accordance with their career plans and levels. In order to support employee career development, we are introducing new programs in FYE March 2022, establishing a system and environment so that we, as a company, support the growth of the individual.

### Structure of Training Programs

	Sharing Philosophy*	Career Training* Career Support*	Business Skill Development Support*	Globally Focused Talent Development	Managerial Talent Development	Rank-specific Programs	Self-development Support
Manager Class	Philosophy sharing program	Career management training	Business skill development support programs	Mindset/Communication/ Language skills	Programs for selected staff	Newly appointed personnel training	Training at each business site/Official certification support
Mid-level/ Regular Employee		Age-specific career training					
New Hires	New employee training (after starting official employment)						
	New employee training (before starting official employment)						

\* New

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### Philosophy Sharing Program

This program helps individual employees gain a deeper understanding of SUBARU's vision and the value it offers, helping them share a sense of togetherness with SUBARU through mutual dialogue between employees. It is designed to enable employees to independently be mindful of and act toward achievement of SUBARU's vision.

### Career Training and Career Support

Career training is offered to employees as an opportunity for them to come face-to-face with their potential career paths so that they can develop their own careers independently. We also offer career management training and career consultations for managers so that employees' workplaces and superiors can support their career development.

### Business Skill Development Support Programs

All employees, from managers to general staff, are offered a choice of various business skills development support programs in accordance with their level and goals. In skills development, we encourage employee independence and their voluntary selection of programs in accordance with their career plans and their own strengths and weaknesses. In addition, by actively utilizing public courses held at external institutions, employees gain more contact points outside the company and gain new awareness, providing opportunities to learn more about the outside.

### Globally Focused Talent Development

In addition to improving language skills, we encourage employees to develop a wide range of capabilities with the goal of acquiring cross-cultural collaboration and leadership skills with a view to playing an active role on the global stage.

### Managerial Talent Development

SUBARU offers training for selected mid-level and manager class employees with the aim of continually fostering the next generation of managerial talent.

### Initiatives to Transfer Skills

The purpose of transferring skills at SUBARU is to create talent who have comprehensive abilities to adapt to change, standardize and sustain that standardization, and envision continuous improvement, and who can create high-quality products with safety and efficiency.

At the Gunma Plant, we are systematically cultivating technicians based on a program of skills education. In April 2021, we introduced a new basic training program that condenses the vocational training school and STS education programs previously available to employees. 294 employees attended courses in this program.

\* At SUBARU Technical School, employees engage in specialized practical training and courses according to their occupation.



New basic training



### National Skills Competition

The National Skills Competition is designed to cultivate talent with advanced technical skills and who can lead in the workplace.

Each year, SUBARU employees compete to be the best in Japan in three categories—lathes, plastic molding, and automobile sheet metal. For about three years from when they join the company, competitors strive to hone their skills, concentration, and endurance in daily training so that they can do their best at this national competition.



Lathe work



Plastic molding



Automobile sheet metal



Award winners at the 2020 national competition

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## Diversity

### Our Approach

For the Subaru Group to continue offering customers the unique value of the SUBARU brand, SUBARU employees need to be able to exert their unique talents informed by their own personal values and characteristics. This is why SUBARU values the differences in gender, nationality, culture, and lifestyle among its employees and strives to create workplace environments where everyone can make a meaningful contribution.

In addition, SUBARU's affiliated companies in Japan and overseas promote initiatives in accordance with the business domain of each company and regional characteristics.

### Management System

The Diversity Promotion Office of SUBARU's Human Resources Department leads the efforts of the Subaru Group in relation to diversity. The office has designated "supporting female employees to take on more active roles," "promoting the employment of people with disabilities," "promoting the reemployment of post-retirement age workers," and "promoting the recruitment of non-Japanese workers" as priority themes. Among them, SUBARU has placed particular emphasis on efforts to support and empower female employees.

### Initiatives

#### ■ Empowerment of Female Employees

SUBARU is promoting initiatives for the empowerment of female employees, mainly by supporting employees in their efforts to balance work and childcare and in their pursuit of career development.

SUBARU set itself the target of increasing the number of female managers by five times the 2014 level in 2020, and achieved this goal in 2019, a year ahead of schedule. SUBARU is further

strengthening its efforts aimed at developing female managers by setting a new target to increase the number of female managers to two times or more the 2021 level by 2025.

To support career development, SUBARU has conducted a wide range of initiatives, including the mentor system and the career development training for female team leaders. We believe that sharing development plans with supervisors of female employees is indispensable for the career development of female employees, and we provide opportunities for the supervisors to discuss such plans with human resources personnel. Recently in FYE March 2020, sessions to share development plans were held for general managers in all development-related departments, where the participants confirmed the promotion of a training-based development policy. In FYE March 2021, we introduced a new career vision training program for female employees in their 20s to foster career awareness among women at an early stage of their careers. Going forward, we will continue to further strengthen our efforts to create a workplace environment in which they can plan their own career paths and make a meaningful contribution on a level playing field.

[Second Action Plan based on the Act on Promotion of Female Participation and Advancement in the Workplace \(Japanese version only\)](#)

#### Status of Female Employees (Non-consolidated)

		FYE March 2021
Proportion of female employees		7.2%
Proportion of female managers		1.9%
(Breakdown)	General managers and equivalent positions	1.3%
	Managers and equivalent positions	2.1%

→ [Supporting Balance between Work and Childcare](#)

#### ■ Supporting Reemployment

SUBARU has also established a reemployment support system for employees who resigned for reasons beyond their control, such as the relocation of their spouse.

From the introduction of the system in 2009 to March 2021,

11 employees have returned to work at SUBARU using this system.

#### ■ Employment of People with Disabilities

SUBARU strives to create workplace environments in which people with disabilities can truly shine. To achieve this goal, SUBARU leverages the ideas and opinions of our employees with disabilities and their family members.

As of April 2021, SUBARU has 306 employees with disabilities, mainly engaged in manufacturing work, and the percentage of employees with disabilities is 2.36%\*1.

In FYE March 2021, we also held training programs for supervisors in departments where people with disabilities are employed, and for personnel in charge of hiring people with disabilities at our affiliates in Japan. These programs helped instill a better understanding of the importance of hiring people with disabilities and their particular characteristics, as well as key points on labor management and other information.



The height of automatic door switches and work stations is set at a level that is convenient for those using wheelchairs

\*1 Including the number of employees with disabilities at SUBARU's specified subsidiary company.

#### Employment of People with Disabilities

	April 2017	April 2018	April 2019	April 2020	April 2021
Number of employees with disabilities (person)*	261	269	280	291	306
Employment rate of people with disabilities (%)	2.17	2.28	2.30	2.30	2.36

\* According to the method of calculation specified in Act on Employment Promotion etc. of Persons with Disabilities, one person with severe disabilities is counted as two persons with disabilities.

• Universal Design Initiatives

In order to ensure compliance with the Guidelines for the Creation of Comfortable Working Environment<sup>\*2</sup>, SUBARU makes improvements to the working environment, work methods, environmental facilities and others in an organized and planned manner. We also proactively adopt universal design for our facilities, aiming to make the breakrooms, restrooms, smoking areas and cafeterias barrier-free, thereby providing all employees with comfortable workplaces.

SUBARU has adopted universal design for the entry/exit gates, restrooms and other facilities of the West Main Building of the Gunma Plant, as was done at the head office.

\*2 "Guidelines for the Creation of Comfortable Working Environment" as stated in the Industrial Safety and Health Act of Japan



Entry/exit gates through which people in wheelchairs can also pass (West Main Building, Gunma Plant)



Parking for wheelchair users (West Main Building, Gunma Plant)

• Specified Subsidiary Company SUBARU BLOOM Co., Ltd.

SUBARU BLOOM Co., Ltd. (SBC) proactively employs people with disabilities. As of April 2021, 79 employees and 19 instructors engage in the cleaning service provided by SBC to SUBARU's dormitories and plants. As a company proactively employing people with disabilities, SBC has registered with the "Supporter Company for Employment of People with Disabilities" program implemented by Gunma Prefecture's Department of Employment Support for People with Disabilities.

In FYE March 2021, SBC widely accepted study visits by local people and also introduced its initiatives to those in charge of the employment of students by companies at two

neighboring special education schools. In November, SBC received the Organization Chairman's Effort Award from the Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers (JEED), in recognition of being a special subsidiary employing the highest number of people with disabilities in Gunma Prefecture. This achievement was made possible by the company's business activities and support from affiliated organizations. SBC will continue to expand its network for the employment of people with disabilities while working to stabilize the management of the company and improve its operational quality. As a company that helps individual employees to "bloom like flowers," SBC will strive for the stability of management, foster employment, and make local contributions.

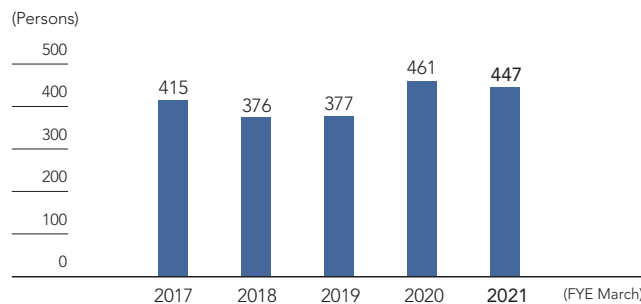


Certificate of Supporter Company for Employment of People with Disabilities issued by Gunma Prefecture

■ Reemployment of Retirees

SUBARU has implemented its Subaru Business Staff Program and Subaru Partner Program after revising its re-employment programs for employees after retiring at the mandatory age of 60. This revision and these programs are designed to not

Number of Employees Aged 60 and Older



Reemployment Rate (Non-consolidated)

FYE March	Retirees (Persons)	Applicants for Reemployment (Persons)	Reemployed (Persons)	Reemployment Rate
2017	114	98	98 (29)*	100
2018	108	83	83 (21)	100
2019	107	86	86 (27)	100
2020	164	130	130 (40)	100
2021	97	72	72 (19)	100

\* Figures within parentheses indicate the number of rehired employees at Group companies.

only help energize employees and senior citizens with valuable skills, but to also be tailored to individuals with a variety of capabilities and support their active participation. We operate our programs so that all those who want to be reemployed can work for SUBARU and other Group companies.

The number of rehired employees (aged 60 or older) in FYE March 2021 was 447.

■ Employment of Non-Japanese Employees

SUBARU employs non-Japanese new graduates and mid-career workers as regular and temporary employees regardless of their nationality.

In order to help non-Japanese employees to deepen their understanding of their work, we prepare our safety and quality policy-related documents, work manuals, and other documents in multiple languages. At the Gunma Plant, where we employ a particularly large number of non-Japanese employees, we have stationed interpreters in English, Portuguese, Tagalog, Spanish, Chinese and other languages at each of the facilities to foster communication between Japanese and non-Japanese employees.

Moreover, we provide Japanese employees with opportunities to receive language training and engage in overseas training, thereby helping them to enhance their



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ability to communicate with people from other countries and understand cultural differences. These initiatives contribute to revitalizing the company and securing human resources in a stable manner.

As for foreign trainee workers, we basically provide them with education on safety and quality under the Technical Intern Training Program and also implement other measures to develop them into human resources who can utilize their abilities for their own countries after returning home.

Our overseas subsidiaries and affiliated companies independently employ human resources and work to secure human resources in line with their own policies and business details.

**Regular Employment System for Temporary Workers**

SUBARU has a regular employment system for temporary workers. We offer an opportunity to sit for an examination for regular employment to temporary workers who want to become regular employees and whom we have comprehensively judged to be qualified to take the examination based on the recommendations from their workplaces and other information. This system contributes to increasing the motivation and vigor of temporary workers. For 10 years from FYE March 2012 to FYE March 2021, a total of 1,601 temporary workers became regular employees under the system.

**Number of Temporary Workers Who Became Regular Employees**

FYE March	Number of Those Who Became Regular Employees (Persons)
2017	112
2018	113
2019	205
2020	223
2021	267

**Occupational Health and Safety**

**Our Approach**

SUBARU regards occupational health and safety as a critical management issue, and our Health and Safety Philosophy is “Subaru makes health and safety the first priority in all our work.” Further, in addition to our Basic Health and Safety Policy, each of the Subaru Group companies in Japan and overseas establishes their own occupational health and safety policies in line with their business details, regional characteristics, and local laws and regulations, and implements initiatives based on the policies.

**安全衛生 基本理念**  
 安全衛生はすべての業務に優先する  
 当社は企業理念に基づき、安全衛生を重要な経営課題と位置づけ、「安全衛生はすべての業務に優先する」ことを安全衛生基本理念とする。  
 すべての管理者と従業員はこの安全衛生基本理念のもと、職場の安全と衛生を確保するとともに、より快適に働ける職場環境の改善に努める。



Yajima Plant, Gunma Plant

Health and Safety Philosophy

**Basic Health and Safety Policy**

With the aim of reducing industrial accidents, traffic accidents, diseases, and fires and other disasters to zero, every individual will strive to create a safe, comfortable workplace through efforts to improve facilities, environments, and work methods, and to enhance management and awareness, based on a shared recognition of the importance of health and safety.

Central Health and Safety Committee

Established April 2002

**Management System**

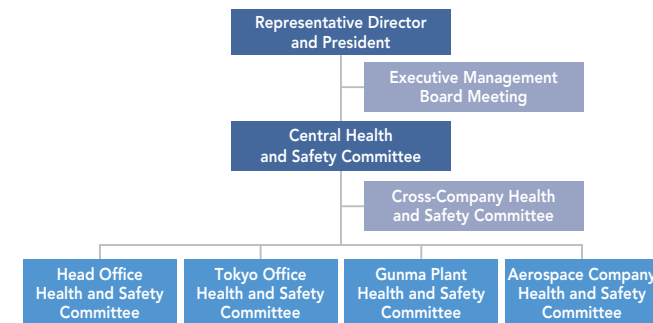
SUBARU established the Central Health and Safety Committee, which is composed of members from management (executive officer in charge of health and safety and the manager in charge

of onsite health and safety) and from the labor union, with a view to protecting employees (including non-regular employees) and our affiliates from industrial accidents and illness and improving the working environment. The committee, which meets for deliberations three times a year, is chaired by an executive officer and its vice-chairperson is elected from the Company's labor union's membership. Its deliberations primarily include occupational safety, occupational health, traffic safety, and fire and disaster prevention.

At the committee's first meeting, participants check the fiscal year's activities, including the year's Basic Health and Safety Policy. At its second meeting, the committee summarizes the first half of the year by quantifying items from each business site and shares actions for the second half. At the third meeting, the committee summarizes the fiscal year based on numerical data and discusses health and safety policies (occupational safety, occupational health, traffic safety, and fire and disaster prevention) for the following fiscal year.

As for affiliated companies under the control of the Site Health and Safety Committee, we provide them with related information, as necessary for the promotion of their occupational health and safety activities.

**Health and Safety Organization Chart**





## Initiatives

At the start of every fiscal year, each of our sites holds the Health and Safety Kickoff Meeting, where the head of the site communicates the health and safety policies for the fiscal year to workplace leaders so that all employees can share the health and safety activity targets and plans as a unified team and raise their awareness about the prevention of industrial accidents, road safety and health management.

### Prevention of Industrial Accidents

#### Wearing of the safety declaration badge

In order to elevate safety awareness among SUBARU employees, all employees of SUBARU and its affiliated companies wear the safety declaration badge, on which it is clearly stated, "I always check for safety before performing any action."



Safety declaration badge

#### Promoting the practice of pointing and calling

For the prevention of mistakes and human error, we urge employees at all our sites to practice pointing and calling at the crosswalks and other places on the premises as the basis for occupational health and safety, thereby raising their awareness about the importance of safe behaviors and increasing the accuracy of their safety checks.

### Road Safety

In order to prevent employees from getting involved in any traffic accidents while working, commuting or spending their private time, we are implementing a range of measures as follows:

- Conduct awareness-raising activity, including introducing the cases of past accidents and showing a video on road safety, before the start of a long vacation, targeting all employees of the Automotive Business and the Aerospace Company, many of whom commute by car.

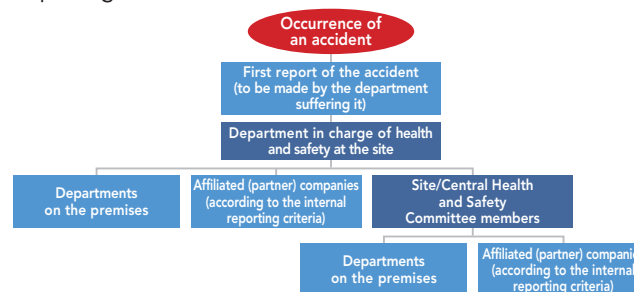
- Organize a lecture by the chief of the local police station to improve employees' driving manners.
- Provide new employees with hands-on education using training institutions.
- Conduct psychological driving aptitude tests and use a driving recorder to help employees recognize their driving habits.

### Industrial Accidents

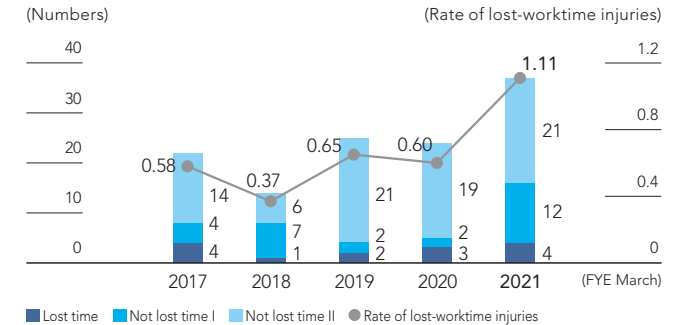
As for industrial accidents and close calls that happened at our sites and affiliated companies, we comply with the following rule for the prevention of similar incidents at the sites: the department that has faced the incident shall disclose related information to other departments on the premises and affiliated companies via the department in charge of health and safety at the site.

For FYE March 2021, we had 37 industrial accidents, of which four were lost time accidents and none were fatal accidents. The accident frequency rate was 1.11. These figures were significantly greater than those from FYE March 2020, and given this, we are taking action toward stronger daily prevention. Our policy here is to use analyses of accidents per site to enforce more rigorous rule compliance to standardized work across the Group, have workers wear appropriate protective gear, ensure appropriate signaling and callouts, and other "rigorous compliance to basic matters (back to basics)."

### Reporting Line for Industrial Accidents



### Occurrence of Work Related Accidents and Accident Frequency Rate (Non-consolidated)



## MESSAGE

### Aiming to provide employees with safe and comfortable workplaces

As the Secretariat of the Central Health and Safety Committee, the organization responsible for overseeing safety at SUBARU, I work in partnership with on-site safety coordinators and the Health Promotion Group newly established within our head office's Human Resources Department, with the goal of creating workplaces that are safe and comfortable each and every day, and with the constant mindset toward enabling them to cheerfully leave home for work and also cheerfully return home after work.

**Takayuki Hino**  
Safety Planning Coordinator  
Human Resources Department  
Secretariat of the Central Health and Safety Committee



## Health Management

### Our Approach

SUBARU is fostering health management measures along with occupational health and safety activities so that all employees can work healthily, soundly and vigorously, take on challenges and achieve growth. SUBARU takes these actions in the belief that the health of employees and their families is essential for all its business operations. SUBARU works with the relevant units within the Human Resources Department to support the physical and mental health of its employees as well as to build a healthy organization and promote flexible working styles, and more. By doing this, it creates the underpinnings of a more comfortable working environment necessary for greater employee engagement.

### Subaru Health Declaration

#### Purpose

In pursuit of becoming a company “delivering happiness to all” and based on our Global Sustainability Policy of “striving to maintain and advance the workplace environment so that employees can work safely in peace, and with a sense of satisfaction,” SUBARU CORPORATION, the Subaru Labor Union, and the Subaru Health Insurance Association jointly released the Health Declaration in October 2020 with the intent that the three parties work in unison toward health.

#### Health Declaration

To build happiness for our employees and their families, we need a foundation of mental and physical health. SUBARU works with its employees to promote health and preventive care, taking on the challenge of building workplaces full of smiles and enabling growth.

Tomomi Nakamura  
Representative Director of the Board,  
President and CEO, SUBARU CORPORATION

Minoru Yamagishi  
Executive Chairman, Subaru Labor Union

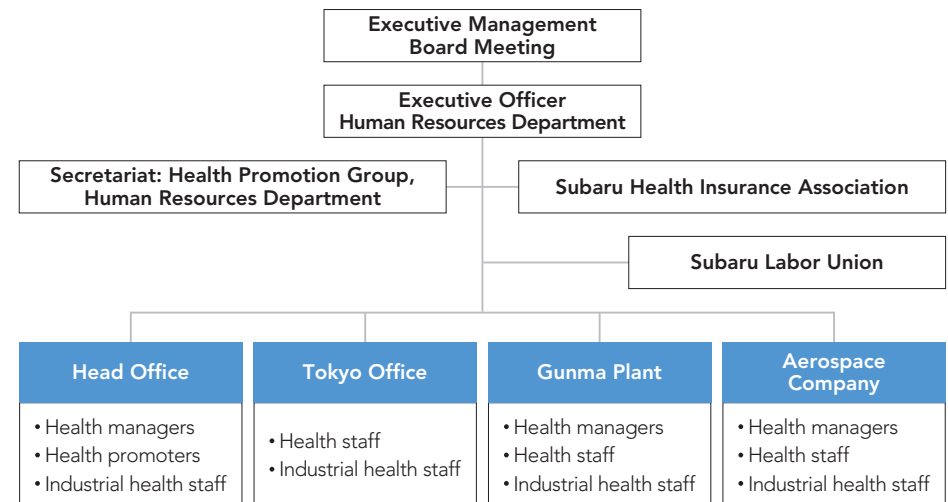
Tatsuro Kobayashi  
President, Subaru Health Insurance Association

Established October 2020

### Management System

SUBARU considers health promotion activities to be a management issue, and as of FYE March 2021, SUBARU has discussed and operated a PDCA cycle regarding its health management issues and measures at the Executive Meeting. SUBARU has also established the Health Steering Committee to serve as a promotion framework, advancing collaborative health with partnership from SUBARU, its labor union, and its health association. On the operational side, the Health Promotion Group has served as a core driver of our company-wide, unified health promotion measures since 2021. This dedicated organization within the Human Resources Department coordinates weekly regular meetings with stakeholders such as health promotion managers at our sites, industrial physicians, and other staff in charge of industrial health.

Health Promotion Framework Diagram



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## Initiatives

SUBARU is engaged in activities to visualize and improve health issues, divided into the two categories of physical health and mental health.

### ■ Physical Health

By encouraging employees to undergo regular health checkups, we are striving to promote early detection of lifestyle-related diseases among employees and help those suffering from the diseases to recover. We also collect data about employees with some signs of these diseases, including numerical data, to help them improve their lifestyles and prevent the onset of the diseases.

#### • Initiatives for regular health checkups and reexaminations

We ensure that all of our employees undergo health checkups, and we share a portion of the cost for those who need to take reexaminations. We also provide those determined to be at high health risk with advice from public health nurses and give them necessary instructions to raise their health awareness.

#### • Activities encouraging employees to exercise and improve their dietary habits

We have implemented a total health promotion plan (THP), visualizing physical fitness and proposing a variety of physical exercise programs for employees derived from this information, while also holding seminars to help them improve their dietary habits.

#### • Measures against smoking

We are implementing measures to completely separate smoking areas from non-smoking areas at our sites, and we are taking action to reduce the ratio of smokers to 28% by 2025. We have established internal clinics on our sites' premises to help smokers stop smoking, and are cooperating with the health insurance association to encourage smoking employees to meet the challenge of

quitting smoking. Moreover, we give financial support to employees who visit external clinics to stop smoking.

#### • Increasing employees' health awareness at the canteens

At all our canteens, we provide healthy dishes prepared under the supervision of registered dietitians so that employees can enjoy meals rich in vegetables. We also provide low-salt, low-fat, high-protein and low-sugar dishes alternatively from day to day, with a view to helping employees raise their health awareness by eating at the canteens.



Healthy dishes prepared under the supervision of registered dietitians

### ■ Mental Health (Prevention of Mental Illness)

We are implementing "self-care" and "line care" measures for the prevention and early detection of mental illness among employees. We have also set up a consultation service so that employees can receive follow-ups from industrial health staff.

For employees who took leave due to mental illness, we proactively support them when they return to their workplaces.

#### • Self-care

We utilize self-care training and stress checks so that participants can learn how to self-manage their mental health, and new employees are provided with training on internet-based cognitive behavioral therapy (iCBT).

#### • Line care

We include line care training in the collective training for managers, and use the results of collective analysis of employees' stress checks to take improvement actions at the workplace level for those workplaces found to have high health risk. For

the departments engaging in technological development, we foster workplace improvement activities in which employees themselves voluntarily work to revitalize their workplaces, promote management systems that increase their work motivation, and enhance bidirectional communications between managers and their subordinates. These measures are contributing to preventing the onset of mental illness and mitigating the lengths of these illnesses among employees.

#### • Return to work program (for return to work on a trial basis and gradual return to full-time work)

We have implemented a program to support the smooth return to the workplace for employees who have taken leave. In this program, employees can return to work on a trial basis and gradually step up their hours as they return to full-time work.



"Ii-neko (good cat)," which won the grand prize in the employees' competition for a health promotion mascot character held as part of the workplace improvement activity

### ■ Certified as a Health & Productivity Management Outstanding Organization for 2021

SUBARU has been recognized as a Certified Health & Productivity Management Outstanding Organization for 2021 (large enterprise category) by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Council).

Going forward, we will continue to accelerate a variety of health promotion activities with the purpose of improving the health of our employees—the people who bring happiness to our customers—and their families.



## Work-Life Balance

### Our Approach

As a precondition to making our customers happy, the Subaru Group believes it is vital to provide employees with workplaces where they can work with vigor and peace of mind and demonstrate their abilities to the fullest. In order to help diverse employees to maintain their work-life balance, we are diversifying work style options and expanding the relevant systems.

Moreover, our affiliated companies in Japan and abroad are fostering initiatives suitable for local business conditions and regional characteristics.

### Initiatives

#### Work Style Reforms

SUBARU's response to the Act on the Arrangement of Related Acts to Promote Work Style Reform\*

Item	Details
Accurate calculation of employees' working hours	In July 2018, introduced a company-wide attendance management system for the central management of all electromagnetic records (computer logs and clock-in and clock-out records) for the accurate calculation of employees' working hours.
Encouraging employees to take at least five paid days off per year	In FYE March 2020, began implementing measures for all employees, including an initiative to encourage employees who are newly entitled to take 10 or more paid days off to take at least five days off within seven months after the entitlement. Also established operational rules to ensure that all employees can take at least five paid days off per year.
Imposing an upper limit on overtime working hours	Has been limiting the number of overtime work hours to 590 hours and below annually and to 79 hours and below monthly, setting the criteria stricter than those stipulated by law.
Raising the premium pay rate for overtime work exceeding 60 hours per month	Has been implementing necessary measures since FYE March 2011.
Equal pay for equal work	Began reviewing the amount of allowances granted to non-regular employees in FYE March 2021.
Work-from-home system	Conducted a test implementation starting in FYE March 2021, with full rollout to all sites beginning in FYE March 2022.
Abolishing mandatory core hours in the flex-time system	Full rollout to all sites beginning in FYE March 2022.

\* This law was enacted in June 2018 to revise the labor-related laws to foster work style reforms.

#### Appropriate Management of Working Hours

SUBARU implemented a new attendance management system in FYE March 2019. This system enables exact time management down to the minute, allowing employees and their supervisors to check attendance records entered by the employee, and differences versus building entry/exit times and computer log times.

#### Reduction of Long Working Hours

SUBARU established in FYE March 2016 "ultra no-overtime day," on which all managers and general employees leave work on time across its sites. Moreover, mainly targeting the staff of the development and administrative departments of the Gunma Plant and the development department of the Tokyo Office, we make it a rule to lock the doors on the office floor at 10:00 p.m., thereby making all those working on the floor leave before the doors are locked. By clearly imposing limits on overtime work, we are helping employees to be more conscious about their working hours.

#### Flex-time System

SUBARU introduced the flex-time system in FYE March 1999. In FYE March 2022, we abolished mandatory core working hours, building an environment where employees can work more flexibly and independently. Employees now have more greater discretion than before in their work hours, contributing to improved productivity and richer private lives.

#### Work-from-Home System

SUBARU began introducing its work-from-home system to all sites as of FYE March 2022. By offering employees the choice of their work location in accordance with the particular characteristics of their duties, we are contributing to improved productivity through adjusting how they work, and to stronger management capabilities capable of promoting appropriate delegation of authority.

#### Paid Leave

SUBARU grants employees annual paid leave in the number of days commensurate with their length of service. At each of our sites, labor and management cooperate to encourage employees to take the leave.

Annual Paid Leave Utilization Rate\* (Non-consolidated)  
(FYE March)

	2017	2018	2019	2020	2021
Encourage employees to take at least five paid days off per year	84.4	86.2	85.7	86.4	95.4
Proportion of paid days off taken by employees (%)					

\* Percentage of the number of days off taken by employees of the total number of annual paid days off granted to them.

### ■ Support for the Maintenance of Balance between Work and Elderly Care

At SUBARU, we believe that for employees to continue working with peace of mind, it is important to help mitigate the concerns and burdens of employees and their families concerning the care of the elderly family members. Based on this belief, SUBARU has distributed the copies of the Elderly Care Support Handbook to all employees of SUBARU to inform them of the related systems available internally and externally and of the contacts through which they can ask for advice. We have also established a specific long-term care support system to help reduce the burdens imposed on employees.

#### Number of Employees Who Took Long-term Care Leave (Non-consolidated)

		2017	2018	2019	2020	2021
System for employees to take leave to take care of the family member in need of long-term care	Number of employees who took this leave (persons)	4	5	9	30	3

### ■ Support for the Maintenance of Balance between Work and Childcare

It is also important to provide employees with an environment that allows them to continue developing their careers while raising their children. Accordingly, we formulated a voluntary action plan in line with the Act on Advancement of Measures to Support Raising Next-Generation Children.\* At present, SUBARU has received three stars in the "Kurumin" certification from the Japanese Minister of Health, Labour and Welfare, and is taking action based on our 7th Action Plan.



[7th Action Plan \(Japanese version only\)](#)

\* This law was enacted for the provision of an environment where people can have and raise children, who are the next generation of leaders, in a sound manner.

As a result of establishing a support system based on criteria that are stricter than the legal obligations, the number of employees who quit their jobs for childcare has decreased to almost zero at our administrative departments. We are now stepping up the measures to support employees in achieving career advancement while raising their children.

For the production departments of the Gunma Plant, we have been fostering measures to help employees to return to their shift work smoothly. Specifically, in FYE March 2019, we began making the conference rooms available for the children of employees, where they can wait until their nursery schools are opened. We also started to provide employees with an early-morning childcare service by qualified nursery teachers on a trial basis. Then, in FYE March 2020, we conducted a full rollout of these measures at sites neighboring the plant. In FYE March 2022, we plan to open early-morning childcare facilities on plant premises, and are making preparations to that end.

Separately, we are working to raise awareness and promote usage of the various systems available to employees, such as making the Maternity Leave and Childcare Support Handbook available on our intranet.

#### • Childcare leave system

#### Number of Employees Who Took Childcare Leave (Non-consolidated)

		2017	2018	2019	2020	2021
System for employees to take leave for childcare	Number of employees who took leave	Male: 8	Male: 10	Male: 21	Male: 42	Male: 65
		Female: 88	Female: 88	Female: 80	Female: 80	Female: 93
		Total: 96	Total: 98	Total: 101	Total: 122	Total: 158
Rate of employees who returned to work (%)	Male	100	100	100	100	100
	Female	100	100	97.5	95	100
Rate of employees who belong to the company one year after returning to work (%)	Male	87.5	83.3	100	85	97
	Female	100	97.2	90	95	93

SUBARU's employees can extend the period of childcare leave to the end of the first April after the child becomes two years old.

#### • Childcare leave taken by male employees

In FYE March 2021, 65 male employees took childcare leave. Also, under the Special Childcare Leave system, which allows employees to take up to five days off at the birth of their children, 82.5% of male employees eligible for this leave took at least one day of leave. We will continue to provide workplaces where employees can take this leave in addition to childcare leave.

Average number of days off taken by male employees under the childcare leave system:	48 days
Largest number of days off taken by a male employee:	364 days

Special Childcare Leave taken by employees (Non-consolidated)	
Number of employees who took leave (up to five days):	479 persons
Average number of days off taken under the system:	2.6 days
Rate of employees who took the Special Childcare Leave or Childcare Leave (excluding annual paid days off):	83.9%

#### • Short working hours system for childcare

Employees can use this system until their children become fourth graders at elementary school and can also concurrently use the flex-time system.



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## Employee Attitudes Survey

SUBARU conducts the Employee Attitudes Survey with an eye to increasing employees' motivation and revitalizing the organization. The survey results are reported to the management team and are also utilized to identify problems and formulate the countermeasures at each of our workplaces.

In the FYE March 2021 survey, 15,853 employees or about 93% of the total number of regular employees replied to the questionnaire, and 67% of the respondents answered, "Feeling proud of being a SUBARU employee."

### Results of the Employee Attitudes Survey Rate of Respondents Who Gave Positive Answers (%) to the Questions (FYE March)

Question	2020	2021
Communication and openness	56	59
Work-life balance	59	64
Sympathy with the corporate philosophy	70	73
Work satisfaction	56	58
Pride in the company	63	67

## Labor-Management Communication

### Our Approach

SUBARU and its labor union have been on good terms with each other based on mutual understanding and trust. The company acknowledges that the union has the right to unite and engage in collective bargaining and other collective actions, while the union recognizes that the company has the right to manage the business, and the two parties respect the legitimate use of their mutual rights.

The Labor and Management Council regularly holds meetings for smooth corporate management and mutual communication. Specifically, participants exchange opinions regarding the management policies, outline of the business results, and production and sales, and also discuss issues such as labor conditions, challenges concerning work styles, and the occupational health and safety policies. In the labor-management negotiations on the revision of wages (salaries and bonuses) and other labor conditions, the two parties work to reach an agreement for revision or the establishment of new rules. For issues that might have a significant impact on employees, the parties discuss them fully before informing employees of the results.

### Number of Employees Belonging to the Labor Union (as of October 1, 2020)

The following shows the data for FYE March 2021.

- Members of the Subaru Labor Union: 15,610 persons  
(Total number of employees: 16,853 persons, excluding managers)
- Confederation of Subaru Affiliated Labor Unions Number of members: 28,056 persons

## Employee Data

### Number of Employees

		(FYE March)				
		2017	2018	2019	2020	2021
Number of employees (Consolidated) (Persons)	Total	32,599	33,544	34,200	35,034	36,070
	Male <sup>*1</sup>	14,229	14,477	14,774	14,823	15,376
Number of employees (Non-consolidated) (Persons)	Total	15,217	15,530	15,885	16,318	16,964
	Female <sup>*1</sup>	988	1,053	1,111	1,139	1,189
Excluding directors and advisors but including those seconded to other companies	Part-time <sup>*2</sup>	—	—	—	356	399
	Number of temporary employees (Non-consolidated) <sup>*2</sup> (Persons)	—	—	—	6,328	5,801

\*1 Regular employees

\*2 Has been disclosed since FYE March 2020

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## Composition of Employees (Non-consolidated)

		(FYE March)				
		2017	2018	2019	2020	2021
Male to female ratio (%)	Male	94	93	93	93	93
	Female	6	7	7	7	7
Average age		38.5	38.6	38.5	37.4	39.0
Average length of service (Years)		15.8	15.9	15.8	15.8	16.0
Number of managers (Persons)	Male	1,028	1,020	1,030	1,051	1,062
	Female	11	13	14	20	21
Number of new graduate hires (Persons)	Male	479	494	473	498	561
	Female	69	80	74	68	71
Number of mid-career hires (Persons)	Male	397	221	317	161	182
	Female	23	15	15	24	13
Number of employees who quit the company (Persons)		258	249	339	329	354

Composition of Employees by Age  
(for FYE March 2021 on a non-consolidated basis)

Age	Male	Female	Total
Younger than 30	4,478	464	4,942
30 to 39	3,960	235	4,195
40 to 49	4,020	353	4,373
50 to 59	2,918	137	3,055

Breakdown of New Graduate Hires by Job Category  
(for FYE March 2021 on a non-consolidated basis)

Category	Male	Female	Total
Career-track employee (in technological fields)	208	22	230
Career-track employee (in other fields)	32	6	38
Clerk	52	17	69
Skilled worker	269	26	295

Composition of Mid-career Hires by Age  
(for FYE March 2021 on a non-consolidated basis)

Age	Male	Female	Total
Younger than 30	47	5	52
30 to 39	91	7	98
40 to 49	21	1	22
50 and older	23	0	23

Comparison of Fixed Wages between Male and Female Employees  
(for FYE March 2021 on a non-consolidated basis)

Fixed Wages	Male:Female
Managers	1 : 0.93
General employees	1 : 0.89

\* The same salary system is adopted for both male and female employees. Differences in fixed wages are due to age- and job grade-related differences.

# Customers

## Our Approach

The Subaru Group strives to put Customers First in all business activities. SUBARU is promoting customer satisfaction (CS) activities across the Group, particularly at dealerships, so that customers continue to choose our brand for "Enjoyment and Peace of Mind," with the aim of achieving our mid-term management vision "STEP."

## Initiatives

### SUBARU Customer Center: SUBARU Call

SUBARU seeks to deliver "Enjoyment and Peace of Mind" by adopting closeness to customers, and sincerely addressing their inquiries and difficulties as our basic principles of conduct in dealing with customers. We also feed our customers' valuable opinions, requests, and comments back to relevant departments, which reflect them in quality and product improvements, as well as making good use of them to enhance solutions and after-sales service.

### SUBARU Customer Center: SUBARU Call

SUBARU Call



Calls are recorded to improve the quality of SUBARU's services. Thank you for your understanding.

The SUBARU Customer Center will ask you for the following information:

1. Your opinions/impressions
2. Details (catalog, dealership, change of address, others)
3. Inquiries/consultations

(For inquiries about your personal vehicle, please have any related documentation, including serial or certification numbers, ready for quicker support.)

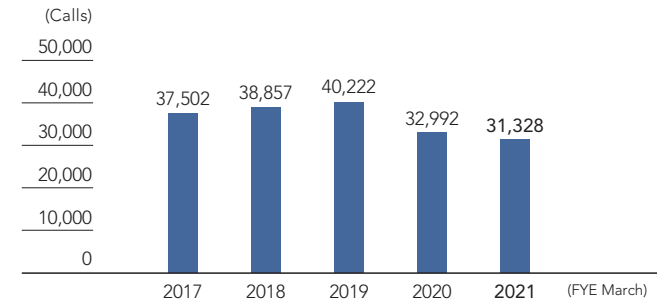
#### Hours of operation:

9:00 a.m. to 5:00 p.m. (Weekdays)

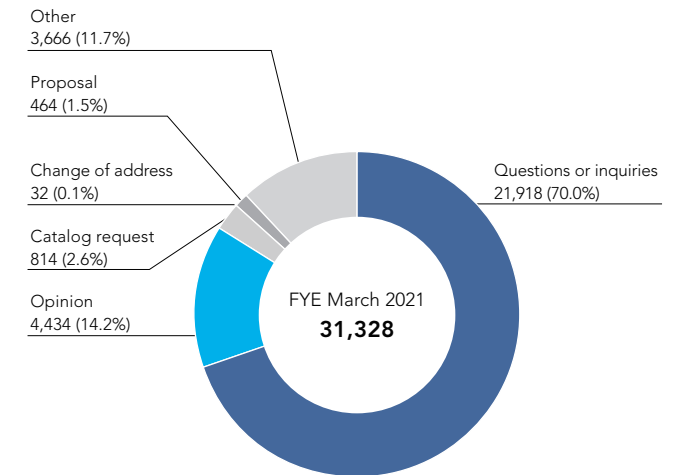
9:00 a.m. to noon, 1:00 p.m. to 5:00 p.m. (Saturdays, Sundays and holidays)

\* On Saturdays, Sundays and holidays and from noon to 1 p.m. on weekdays, only the information service for 1 and 2 is available.

## Annual Number of Customer Consultations



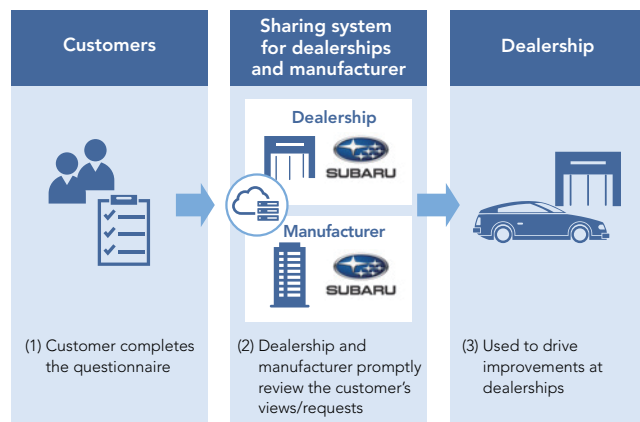
## Breakdown by Type of Consultation



## Customer Satisfaction Survey

Seeking to offer ever better service at our sales outlets, SUBARU conducts the SUBARU Customer Questionnaire directed at customers who bought a SUBARU vehicle at our dealerships. In order to take the customers' comments and requests learned from the survey results seriously, we have established a system in which our dealerships share those comments and requests so that they can respond to customer expectations, leading to improvements.

### Customer Satisfaction Survey



\* We started use of the sharing system in FYE March 2018

### Number of Valid Responses

In FYE March 2021, we once again received many opinions.

Number of Valid Responses	(FYE March)				
	2017	2018	2019	2020	2021
No. of responses	98,127	107,350	102,571	74,148	47,970

### Evaluation of Achievements in FYE March 2021

We have expanded our survey to incorporate opinions from a broader segment of our customers, adopting a method to not only use evaluations of our achievements in FYE March 2021 and our new car owner surveys three and five years after their purchase, but also random samplings from customers who have purchased their vehicle six or more years previous. We received favorable evaluations from around 80% of respondents, as well as a variety of opinions. SUBARU and SUBARU dealerships take the views of our customers seriously and will work together on activities aimed at achieving further improvements.

### Human Resource Training at Dealerships

SUBARU's vision is to "Have Customers Say 'Let's Choose SUBARU Again' through Our Customer Service." We are working to develop human resources that can deliver "Enjoyment and Peace of Mind" to customers.

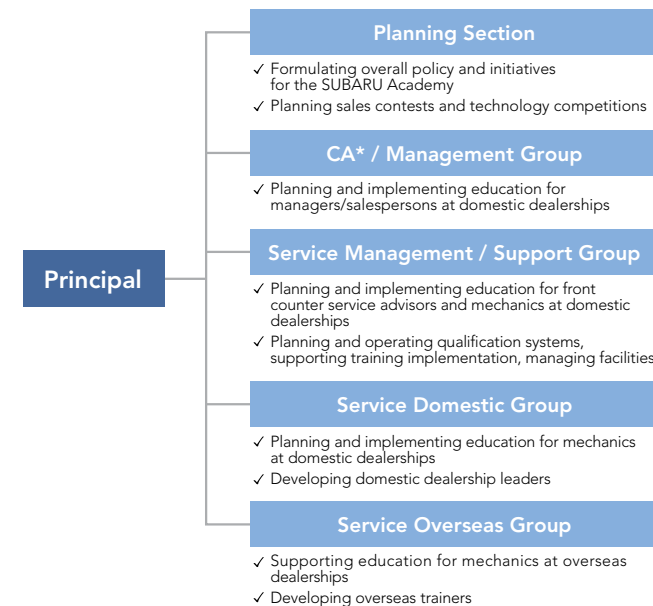
We have established the SUBARU Academy, which is dedicated to training human resources at our domestic and overseas dealerships. For dealerships in Japan, it provides training for managers, sales departments, and service departments. For overseas service staff, it provides programs meeting specific regional needs. Also, we have a Subaru Training Center in Hachioji, Tokyo, with training rooms, a test drive course, maintenance drill equipment, and accommodations for up to 135 people. Beginning in FYE March 2022, we will be changing this into an organization that can achieve both cross-functional collaboration and stronger functions, clarifying the functions, roles, and chain of command for each section and



The Subaru Training Center

group with the purpose of improving the after-sales service capabilities of our domestic and overseas dealerships, as well as the planning capability and operational quality of the Academy. From FYE March 2023, we will also be promoting efforts to transform this into an online learning system.

### Organizational Structure of SUBARU Academy



\* CA: Car Life Advisor

### Number of Trainees (Including training trips)

	FYE March 2021
Managers, sales staff, service staff	644 (approximately one-quarter of usual figures due to training cancellations during the COVID-19 pandemic)

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## ■ STARS Sales Professional Certification Program

To demonstrate that staff have the ability to propose “Enjoyment and Peace of Mind” to customers and support them, SUBARU has established the STARS,\*1 a sales professional certification program.

\*1 SUBARU Staff's Training and Rating System, which helps salespersons develop themselves through repeated Off-JT (study), OJT (practice) and qualification tests (challenge).

### 【 Sales STARS (as of March 2021) 】

To determine salespersons' certification levels, SUBARU runs tests covering areas such as knowledge, techniques, and customer service skills based on their performance on sales.

Level 1 – 45 salespeople, Level 2 – 715 salespeople,  
Level 3 – 1,051 salespeople

### 【 Service STARS (as of May 2021) 】

For the service staff, the certification levels are determined based on the tests on service operation knowledge, customer service skills, and technical capabilities.

Mechanical levels:

Level S – 20 mechanics,  
Level 1 – 889 mechanics, Level 2 – 1,156 mechanics,  
Level 3 – 997 mechanics, Level 4 – 4,069 mechanics

Front counter service levels:

Level S – 16 persons, Level A – 486 persons, Level B – 703 persons,  
Level C – 2,587 persons



Online Training (Lecturer Side)



## International CS Initiatives

At SUBARU, the Customer Service Division cooperates with overseas distributors on “service staff training” and “dealership support,” enabling distributors around the world to provide uniformly high-level after-sales service that meets customers' needs through dealers.

### ■ Service Staff Training

To improve the technical skills of our service staff, SUBARU develops trainers who provide training to our service staff worldwide and trains service staff to be able to handle increasingly sophisticated automobile technology. We offer the Advanced Technical Training (ATT)\*2 and STEP Trainer Training (STT)\*3 technical programs for dealership trainers.

For service staff at dealerships, we also offer the STEP\*4 training program and use skill certification testing to motivate learning.



ATT

These technical training programs, in addition to on-site training for all SUBARU employees, offer online training, increasing opportunities for employee participation. Moreover, SUBARU assigns external trainers certified by us to countries with annual sales of at least 1,000 cars with the aim of further enhancing service.

\*2 A periodic training program held for the purpose of increasing the skills of certification trainers overseas. It provides education on topics such as SUBARU's new technology and high-level control technology.

\*3 A training program for certification trainers who teach the Subaru Technical Education Program (STEP).

\*4 A system that establishes three levels of mechanic (technician) engineering / technical skill and certifies them based on these levels. The three levels, from the beginner qualification, are Subaru Technician, Subaru Senior Technician, and Subaru Master Technician.

## ■ Supporting Dealerships

In order to respond to the rapid environmental changes in the automobile industry, SUBARU is making dramatic changes in its overseas markets as well, including introducing vehicles equipped with new technologies, such as electric vehicles, and launching vehicle software update support using wireless communication. The Customer Service Division provides support so that overseas dealerships can smoothly address these changes. Though close communication with dealerships is essential, the regular face-to-face meetings held up through FYE March 2020 (twice-annual meetings in Japan and locally with the eight leading countries of the U.S., Canada, Germany, Switzerland, Russia, Chile, Australia, and China) were no longer possible starting in FYE March 2021 due to impact from the global COVID-19 pandemic. We therefore utilized web conferencing in each region to ensure that quality and quantity of information sharing and discussions did not deteriorate. In December 2020, we were able to overcome time zone differences and hold a two-hour conference with simultaneous participation from nine countries, including Japan.



Web conference with overseas dealerships in our eight leading countries



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Engagement

## Responding to Emerging Market Needs

At SUBARU, we will offer cars and services that deliver “Enjoyment and Peace of Mind” in the so-called emerging markets, such as China, Asia, and South America. In China, the world's largest market, we have organized our dealerships into a group, creating a business system extending as far as services and building trust relationships with our customers in China. In addition, we have launched sales of the three-row mid-size Evoltis SUV (U.S. market product name: Ascent) in some emerging markets, meeting strong needs for the vehicle in South America and Asia.

## Developing/Popularizing Welfare Vehicles

SUBARU aspires toward sharing the happiness and freedom of living through cars for everybody. SUBARU is working to develop and increase the popularity of welfare vehicles so that people with physical handicaps and the elderly can travel by car in comfort and with peace of mind.

SUBARU started producing and selling welfare vehicles in 1980 and now they are well known as the “TRANSCARE series.” It offers a wide range of options, from standard-sized cars to mini cars. SUBARU aims to develop vehicles that provide comfortable driving for both people who are in care and for care providers.

In FYE March 2021, we introduced Wing Seats with side airbags to the Forester. Going forward, we will continue to take action in a variety of areas so that we can provide even more “Enjoyment and Peace of Mind” to more of our customers.



SUBARU XV (with Wing Seat)



Forester (with Wing Seat)

[See videos for the TRANSCARE series here. \(for Japan only\)](#)

## Initiatives for Customers in the Aerospace Business

In the aerospace business, we continue to solve issues with customers after product delivery in order to maintain the continued operating condition of the aircraft we supply to Japan's Self-Defense Force, Coast Guard, National Police Agency, and others. We periodically visit customers and take questionnaires in order to confirm the effectiveness of this initiative. The questionnaire covers items such as product quality, service, emergency response, and visitor response, evaluated on a five-step scale. We received 3.8 in FYE March 2019, and 3.9 in FYE March 2020, and 4.0 in FYE March 2021. We are continuing with our aim of increasing customer satisfaction.

Also, SUBARU's maintenance staff involved in manufacturing visit the land, sea, and air units of the Self-Defense Force that use our products. They exchange information on use and maintenance, develop a better understanding of the operations, and communicate extensively, leading to the improvement of their work.

Going forward, we will move ahead with initiatives to understand customers' requests in detail and to earn customer satisfaction with SUBARU's products and services through maintenance and operations.

# CSR Procurement

## Our Approach

The modern global society faces a variety of environmental and social issues, including global warming and human rights violations. In order for companies to tackle issues like these, they must not only take action within their own organizations, but also press for action in the entire supply chain, including their business partners.

To contribute to building a sustainable society, the Subaru Group strives to procure high quality, environmentally friendly parts, materials, and equipment that offer excellent cost performance. To realize this goal, it is necessary for us to establish relationships with our business partners based on equality, trust, mutual benefit, and dedication to continuous improvement.

### Fundamental Procurement Policy

The Subaru Group has been promoting activities for sustainable procurement under the following basic policy.

#### 1. CSR Procurement

We engage in procurement activities in a way to harmonize people, society and the environment, and carry out our corporate social responsibility in such ways as conducting transactions paying due care to observe legal and societal rules and to protect human rights and the environment.

#### 2. Establish Best Partnership

We establish "WIN-WIN" relationships with suppliers through transactions based on mutual trust under the doctrine of good faith.

#### 3. Fair and Open Way of Selecting Suppliers

In selecting suppliers, the door is wide-open to all firms, domestic and overseas, for fair and equitable business to procure goods and services most excellent from seven perspectives: quality, cost, delivery, technical development, management, environment and society (QCDDMES).

Revised in April 2020

## Management System

At SUBARU, the Procurement Departments of the Automotive Business and Aerospace Company participate in the Purchasing Committee, which promotes SUBARU's CSR procurement initiatives.

The action policy of the Purchasing Committee is to facilitate fair procurement practices and encourage CSR at suppliers, thereby helping to ensure fair trade between SUBARU and its business partners and cooperative CSR-based procurement throughout the supply chain.

## Initiatives

### Promoting Fair Trade

SUBARU maintains compliance with laws and regulations such as the Antimonopoly Act and the Act against Delay in Payment of Subcontract Proceeds, Etc., to Subcontractors. SUBARU also carries out fair trade promotion initiatives based on Automobile Industry Fair Trade Guidelines. As part of our efforts, SUBARU has set up a consultation service targeting at suppliers in SUBARU's supply chain. In 2020, we took the Partnership Formation Oath for the purpose of coexistence and prosperity of both large companies and small to medium-sized enterprises.

For employees, we provide legal and regulatory training and other programs for those in charge of procurement to elevate their understanding of proper business practices.

#### Employee Training on Fair Trade in FYE March 2021

##### Automotive Business

- Training for new recruits (9 employees)
- Training for transferees (22 employees)
- Comprehension tests for compliance (226 employees)
- CSR education (170 employees)

##### Aerospace Company

- Training for new recruits (4 employees)
- Training for transferees (8 employees)
- CSR education (89 employees)

 [Consultation service for promoting fair-trade \(Japanese version only\)](#)

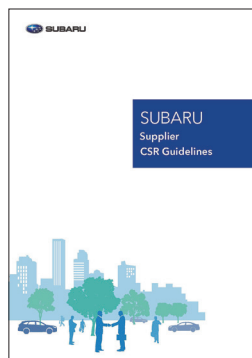
 [Partnership Formation Oath \(Japanese version only\)](#)

## SUBARU Supplier CSR Guidelines

To promote SUBARU CSR procurement and help our suppliers conduct CSR activities, we created, and in FYE March 2012 began application of, the SUBARU Supplier CSR Guidelines. They are based on the CSR Guidelines for Suppliers of the Japan Automobile Manufacturers Association, Inc. (JAMA), and incorporate our CSR policy.

In FYE March 2014, these guidelines were made company-wide, including all suppliers of the Aerospace Company, and in FYE March 2016, Subaru revised the content to incorporate the non-use of raw materials that engender social problems, such as conflict minerals.\*1 In the same year in FYE March 2016, SUBARU revised the guidelines in the form of a joint edition with Subaru of Indiana Automotive, Inc. (SIA), our local production plant in the U.S., confirming the integration of the procurement policy. We incorporated the SUBARU Global Sustainability Policy that was enacted in April 2020 as well as our Human Rights Policy.

At SUBARU, compliance to these Guidelines is one of the criteria of our supplier selection. SUBARU asks not only our suppliers but also their suppliers as well to develop and promote CSR.



SUBARU Supplier CSR Guidelines

\*1 Conflict minerals: Minerals for which there is concern regarding participation in unjust acts, such as support for non-governmental armed groups, human rights violations, or illegal acts. In Dodd-Frank Act of the U.S., tin, tantalum, tungsten, and gold are specified as minerals for which there is concern that they may be a source of funding for armed groups in the Democratic Republic of the Congo and surrounding countries.

## Five Topics in the SUBARU Supplier CSR Guidelines

SUBARU promotes our procurement activities based on the following basic approach.

<p><b>(1) Safety and Quality</b></p> <ul style="list-style-type: none"> <li>• Providing products and services that meet consumer and customer needs</li> <li>• Providing appropriate information concerning products and services</li> <li>• Ensuring safety of products and services</li> <li>• Ensuring quality of products and services</li> </ul>	
<p><b>(2) Human Rights and Labor Issues</b></p> <ul style="list-style-type: none"> <li>• Striving to avoid discrimination</li> <li>• Respecting human rights</li> <li>• Prohibiting child labor</li> <li>• Prohibiting forced labor</li> <li>• Non-use of raw materials that engender social problems</li> <li>• Compliance with the law on remuneration</li> <li>• Compliance with the law on working hours</li> <li>• Practicing dialogue and consultation with employees</li> <li>• Ensuring a safe and healthy working environment</li> <li>• Providing human resource training</li> </ul>	
<p><b>(3) Environment</b></p> <ul style="list-style-type: none"> <li>• Implementing environmental management</li> <li>• Reducing greenhouse gas emissions</li> <li>• Preventing air, water, and soil pollution</li> <li>• Conservation of the eco system</li> <li>• Saving resources and reducing waste</li> <li>• Managing chemical substances</li> </ul>	
<p><b>(4) Compliance</b></p> <ul style="list-style-type: none"> <li>• Compliance with laws</li> <li>• Compliance with competition laws</li> <li>• Preventing corruption</li> <li>• Managing and protecting confidential information</li> <li>• Managing export trading</li> <li>• Protecting intellectual property</li> </ul>	
<p><b>(5) Information Disclosure</b></p> <ul style="list-style-type: none"> <li>• Disclosing information to stakeholders</li> </ul>	

## Business Partner CSR Briefing and CSR Survey

At the Business Partner CSR Briefing, we present corporate policies such as our SUBARU Supplier CSR Guidelines in keeping with OECD Due Diligence Guidance for Responsible Business Conduct. In our annual Business Partner CSR Survey, we assess negative impact on our business partners and work with them to correct any issues discovered.

In FYE March 2021, we took the following actions with a scope of approximately 550 automobile-related business partner companies (including approximately 360 in parts and raw materials, and approximately 190 in equipment and jig tools).

- We held the Business Partner CSR Briefing online via video distribution to help prevent the spread of COVID-19. In this briefing, we presented the importance of promoting CSR, details about the Subaru Group's CSR activities, and made specific requests to business partners (such as compliance with the SUBARU Supplier CSR Guidelines).
- We investigated business partners' CSR systems, CSR initiatives for their suppliers, and compliance with the SUBARU Supplier CSR Guidelines, referencing the results in supplier selection. In FYE March 2021, we found no issues with compliance among our business partners.
- We conducted questionnaires about non-Japanese employees at our business partners, and in FYE March 2021 we found no human rights violations regarding non-Japanese employees or technical training interns.

We plan to continue conducting these initiatives in FYE March 2022 and onward.

Respect for  
Human RightsQuality:  
Automotive BusinessQuality:  
Aerospace BusinessMaking Safe  
VehiclesHuman  
Resources

Customers

CSR  
ProcurementCommunity  
Engagement

## Responsible Mineral Procurement

The Subaru Group has no intention of colluding in the infringement of human rights and environmental destruction by procuring and using conflict minerals. In FYE March 2021, upon request from our customers, SUBARU continued to conduct a conflict mineral survey targeting about 210 suppliers of parts and materials.

In this survey, we referenced the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, using the Conflict Minerals Reporting Template (CMRT), a questionnaire provided by the Responsible Minerals Initiative (RMI). We used this to trace through the supply chain and identify smelters, checking whether or not we are colluding in the infringement of human rights or contributing to sources of funding for armed groups.

In FYE March 2022, we will expand the scope of our conflict mineral survey to all suppliers of automotive components and raw materials. We will also work to roll out surveys regarding minerals other than conflict minerals (tin, tantalum, tungsten and gold) such as cobalt.

Going forward, SUBARU's policy is to work toward "No use of materials engendering social problems" in partnership with our customers and suppliers as our social responsibility in procurement activities.

## Green Procurement Guidelines

The SUBARU environmental policies state that "Our purchasing activities reflect consideration for biodiversity and other aspects of environmental protection." We promote the procurement of parts, materials, and services from business partners who implement business activities that consider the environment. In addition, SUBARU has expressed in the "SUBARU Green Procurement Guidelines" its expectations for business partners regarding environmental initiatives. The guidelines primarily request cooperation in the following ten areas:

### 【 Requirements for Suppliers 】

#### Requirements concerning Suppliers' Environmental Management

1. Compliance with environmental laws and regulations
2. Establishment of Environmental Management System (EMS)
3. Submission of Environment Manager registration forms
4. Improved environmental performance

#### Requirements for Activities Considering the Entire Lifecycle

5. Reduction of greenhouse gases
6. Utilization of recycled resource materials
7. Appropriate management of water resources
8. Addressing biodiversity

#### Requirements for Parts, Materials, and Services Supplied to SUBARU

9. Management of substances of concern
10. Reduction of CO<sub>2</sub> emissions and packaging and wrapping materials in logistics

Compliance to these guidelines is considered a necessary criterion for selecting business partners, and we recommend new business partners to formulate an environmental management system with the acquisition of ISO 14001<sup>\*2</sup> third-party certification at its base. Currently, all of our Tier 1<sup>\*3</sup> business partners have already acquired ISO 14001 certification. In case our new business partners have difficulty acquiring ISO 14001, we review their compliance status by having them submit voluntary assessment reports based on our environmental management system, while supporting them with the acquisition of Eco Action 21<sup>\*4</sup>.

To those business partners who have passed our voluntary examination, SUBARU makes inquiries or performs audits as necessary and requests them to continue efforts toward early acquisition of third-party certification for environmental management.

\*2 International standard for environmental management systems (EMS) established by the International Organization for Standardization (ISO). It is a management system standard to certify that an organization considers the environment and has built a system for continuously reducing environmental impact.

\*3 Companies that directly supply parts to car manufacturers. They are primary business partners. Tier 2 business partners are companies that supply Tier 1 with those parts that make up the Tier 1 company parts.

\*4 Environmental conservation activity promotion program for small- and medium-size enterprises formulated by the Ministry of the Environment, Japan. It is an environmental management system that addresses three areas: environmental management systems, environmental efforts, and environmental reporting, based on the guidelines.

 [SUBARU Green Procurement Guidelines<sup>\\*5</sup>](#)

 [Green Procurement Guidelines Aerospace Company Edition<sup>\\*5</sup>](#)

\*5 The SUBARU Green Procurement Guidelines and the Green Procurement Guidelines Aerospace Company Edition are concrete forms of the item "(3) Environment" in the SUBARU Supplier CSR Guidelines.

Respect for  
Human RightsQuality:  
Automotive BusinessQuality:  
Aerospace BusinessMaking Safe  
VehiclesHuman  
Resources

Customers

CSR  
ProcurementCommunity  
Engagement

## Management and Reduction of Environmentally Hazardous Substances Contained in Parts

SUBARU complies with laws and regulations concerning substances of concern in each country, including the REACH regulation<sup>\*6</sup> and ELV Directive<sup>\*7</sup>. We perform usage surveys regarding chemical substances contained in parts to our business partners as necessary and continue to perform management of those substances. In addition, we are sequentially switching from materials that are prohibited by laws, regulations, or self-regulations such as industrial norms to alternative materials, and are working to reduce environmentally hazardous substances.

In addressing the REACH Regulation, we disclose information about substances of very high concern (candidate substances for regulation) on our homepage for users of SUBARU vehicles in Europe.

<sup>\*6</sup> European regulation on chemical substances, requiring all chemical substances to be subject to management or restriction measures commensurate to the risk that they pose to humans and the environment.

<sup>\*7</sup> The End-of-Life Vehicles Directive: European Union (EU) directive brought into force in 2000 to reduce the environmental impact from the scrapping of used vehicles in the EU. It aims to prohibit the use of hazardous substances and promote a reduction in waste products by encouraging the reuse or recycling of used vehicles and their parts.

## Procurement with Consideration for Biodiversity

SUBARU surveys the usages of the biological resources of leather and plant-derived materials to make sure that there is no negative impact on biodiversity during the procurement of raw materials.

We are also taking measures to conserve resources, such as switching to recycled copy paper with 100% recycled paper pulp not derived from new plant resources and providing payment documents for our business partners online. As of FYE March 2022, we have switched our envelopes used in mailing

payment documents to those using recycled paper for those customers who require documents via mail.

## Communication with Suppliers

In our Automotive Business Unit, we had been hosting Policy Briefings every spring to share policies on development, quality, procurement, and production with our business partners. The Policy Briefing to be held in the spring of FYE March 2021 was postponed due to the spread of COVID-19; in early autumn, when the situation had stabilized, this was integrated with and held alongside the Cooperation Meeting and business partner award events with thorough infection control measures in place. Going forward, we will bring new forms of information exchange in collaboration with the Cooperation Meeting, reconstructing forms of communication with our business partners with the premise of adapting to such environmental changes.

The Aerospace Company held the SUBARU Status Report Meeting with business partners in November 2020, followed by the 77 Business Partner and Company President Web Dialogue in January 2021.



Policy Briefing and General Cooperation Meeting (joint) held with Automotive Business Unit business partners



SUBARU Status Report Meeting held with Aerospace Company business partners



# Community Engagement

## Our Approach

The Subaru Group has developed its social contribution policy in the hope of ingraining the practice of social contribution into corporate culture and to foster sincere commitment to such practice. In accordance with the policy, we promote social contribution activities in the four fields—activity in the community, environment, road traffic safety, and sports and culture—which we have selected as befitting a socially responsible transportation equipment manufacturer.

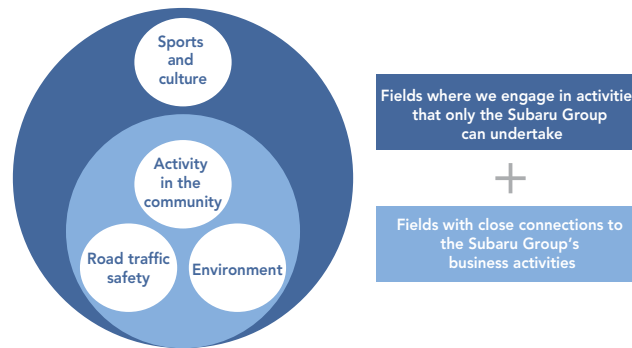
In FYE March 2020, we established a community engagement vision for 2025, in addition to a set of 2025 visions for the Group's Six Priority Areas for CSR. Aiming at this vision, we will pursue social contribution initiatives based on the decision to become a company "delivering happiness to all," as described in the mid-term management vision "STEP."

### Social Contribution Policy

1. We contribute to the development of science and technology and automobile culture and to the promotion of road safety.
2. We contribute to the fostering of human resources who understand the pleasure, importance and preciousness of creative manufacturing.
3. We contribute to the development of the communities in which we operate.
4. We support each other in contributing to society as good citizens.

Established in March 2005

## The Four Fields of Community Engagement Initiatives



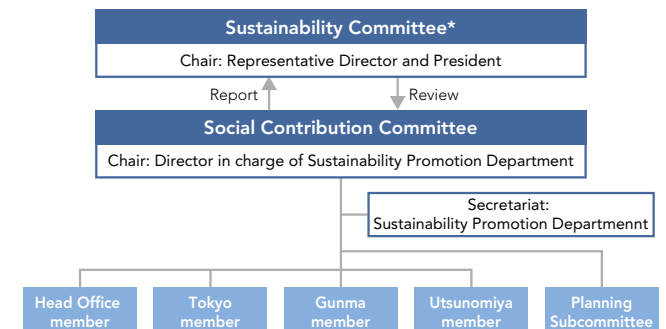
### Vision for 2025

1. The background and reasons that the four fields were selected for social contribution initiatives are fully understood and ingrained across the Subaru Group.
2. The Subaru Group is developing activities in consideration of the four fields.
3. The Subaru Group's entire workforce is fully aware of the importance of community engagement

## Management System

SUBARU has established the Social Contribution Committee to actively promote and continue community engagement activities that make use of our technology and expertise. With participation of business site directors, the Committee works to advance community engagement initiatives. Under the Committee, the cross-organizational Planning Subcommittee has been created to discuss issues related to companywide activities, ranging from planning and preparation to implementation, evaluation and review. The Committee meets every six months to compile reported activity results and issues, and discuss improvement plans to invigorate efforts.

### Social Contribution Committee: organization chart



\* Renamed in FYE March 2022 from the CSR Committee.



Social Contribution Committee meeting

## Initiatives

### Activity in the Community: in Japan

#### Communication with Local Residents (Gunma Plant, Utsunomiya Plant)

SUBARU strives to communicate with people living in districts where its offices, plants and company housing facilities are located, aiming to become a corporate citizen open to the community.

At the Gunma Plant, we send representatives to town council member homes every month to exchange information and explain the company's current situation and its environmental activities. Our annual factory tours for local residents were canceled in FYE March 2021 to help prevent the spread of COVID-19. However, in the event of potential noise or vibration caused by construction work, we work to make neighbors aware of the situation in advance, visiting their homes to provide explanations and issuing postings in the area. We also make regular visits during the construction period and check up on the situation.

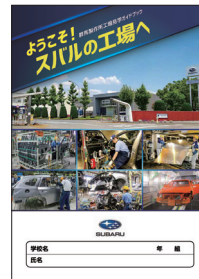
The Utsunomiya Plant organizes community events in a bid to increase communication with local residents. In addition, when conducting construction work that may generate noise and vibration, we visit the relevant community associations in advance to explain and ask for understanding from local residents. We also distribute related information directly, as appropriate, to the individual households concerned.

#### Factory Tours (Gunma Plant, Utsunomiya Plant)

##### Gunma Plant

The Gunma Plant welcomes general visitors to factory tours, and also hosts elementary school field trip programs. In FYE March 2021, though we halted new applications for factory tours as a countermeasure against COVID-19, we launched remote factory

tours and simulated factory tours at schools in November, with participation from 6,273 children across 125 schools. Since each of these are conducted at the participating schools, they offer a safe way for students to experience social studies tours in their ordinary learning environment, earning high praise from teachers. Going forward, we will also invite students from distant schools to take part in our remote factory tours, showing more people SUBARU vehicle manufacturing style.



Factory tour leaflet



Remote factory tour



Simulated factory tour

##### Utsunomiya Plant

Since FYE March 2018, the Utsunomiya Plant has been accepting 50 school children each year to go on Environmentally Friendly Factory Tours, an environmental education program sponsored by the Utsunomiya City government. The tour introduces a number of the plant's environmental initiatives, such as the promotion of recycling, the use of solar power and technologies for fuel efficient vehicle manufacturing. Through this activity, SUBARU hopes to help children become more aware of environmental issues.

#### Advancing SDGs Alongside Communities (Utsunomiya Plant)

In March 2021, the Utsunomiya Plant registered for Tochigi Prefecture's Tochigi SDGs Promotion Company Registration System. In the Tochigi SDGs Promotion Company Registration System, the prefectural government maintains a registry of declarations made by companies doing business in the prefecture in the topics of the environment, society, and economy. This system is designed to promote independent company actions toward the achievement of the SDGs. Going forward, we will be proactive in our actions here, linking growth at our business sites with growth of the region.



Registration Logo for Tochigi SDGs Promotion Companies

#### Community Cleanup Activities (Gunma Plant, Tokyo Office, Utsunomiya Plant, Head Office)

As part of its social contribution initiatives, SUBARU carries out cleanup activities on a regular basis in districts where its offices and plants are located.

In FYE March 2021, these events were either canceled or reduced in scope; events held were given the utmost consideration for prevention of the spread of COVID-19. At the Utsunomiya Plant, we picked up garbage and conducted cleanup activities at the employee dormitory and surrounding areas.

As a responsible community member, we will continue with these beautification activities to help conserve local environments.



Employees engaged in cleanup activities



**■ Hosting Local Community Events (Gunma Plant, Tokyo Office, Utsunomiya Plant)**

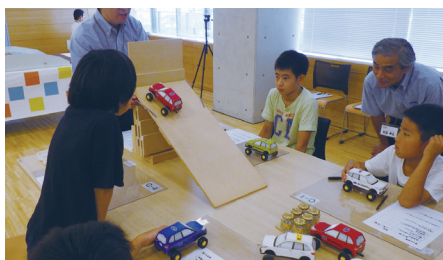
In order to build good relationships with the communities in which SUBARU's offices and plants are located, we host events on our premises. We invite local residents, as listed below, while participating in various regional community events.

In FYE March 2021, we canceled many events as a result of prioritizing the safety of local residents and employees, but we will continue to promote efforts to contribute to regional development.

**■ Mono-zukuri Classes (Tokyo Office)**

In cooperation with Subaru Techno Corporation, SUBARU holds Subaru Mono-zukuri Classes for elementary school students in Mitaka City, where SUBARU has an office. These classes teach students how SUBARU makes its vehicles, offering them the opportunity to model and run their own cars. Participants get hands-on experience, learning things like the differences between two-wheel drive (2WD) and four-wheel drive (4WD) vehicles, such as their design and handling.

In 2020, though we canceled these classes as a result of prioritizing student safety, we will continue our activities to bring the joy and importance of manufacturing to as many children as possible.



Learning about the difference between two- and four-wheel drive vehicles (FYE March 2020)

**Activity in the Community: Overseas**

**■ Factory Tours (Subaru of Indiana Automotive, Inc.)**

For several years, Subaru of Indiana Automotive, Inc. has hosted factory tours that offer an opportunity to see the car manufacturing processes firsthand and increase public understanding of SUBARU's products. SIA runs several tour courses, including hands-on programs for students using state-of-the-art robotics, 3-D printing, VR and other technologies.



Children participating in a factory tour (FYE March 2020)

**■ Participation in Manufacturing Week (Subaru of Indiana Automotive, Inc.)**

Subaru of Indiana Automotive, Inc. participates in Manufacturing Week, a manufacturing event for local children held by a local commerce association. It is designed to help students from kindergarten to high school age learn about careers available in manufacturing industries. In FYE March 2021, events were held online to help prevent the spread of COVID-19.

**■ Employee Volunteer Activities (Subaru of Indiana Automotive, Inc.)**

Subaru of Indiana Automotive, Inc. provides employee volunteer programs in collaboration with local non-profit

groups. Employees can choose from among various projects, including for food banks, environmental protection, science museums for children, and support for the homeless.



Campsite cleanup activities



Support for local non-profit adoption support organizations

**■ Participating in Local Government Trash Pickup Activity (Subaru Canada, Inc.)**

Subaru Canada, Inc. contributes to local environmental beautification through government projects. Since 2005, SCI has participated in a trash pickup campaign run by the City of Mississauga on Earth Day every year, together with other local companies. While SCI could not participate in FYE March 2021 in consideration of the state of COVID-19's spread, it has also taken part in the city's road beautification initiatives for a number of years, working on the assigned areas three times annually.



Earth Day cleanup event (FYE March 2020)



SCI employees participating in cleanup activities (FYE March 2020)



## Environment: in Japan

### Subaru Forest Project

Launched in 2017, Subaru Forest Project symbolizes an essential mission of SUBARU as an automotive business and aerospace company: protecting its fields of business—the global environment comprising earth, sky and nature—to ensure the sustainability of both SUBARU and society as a whole.

SUBARU is working with Bifuka-cho in Hokkaido, Gunma Prefecture, and Utsunomiya City in Tochigi Prefecture, where SUBARU has close ties with local communities. We promote forest protection activities, such as for supporting forest management, tree planting and use of thinned wood obtained from forest management work. Bifuka-cho is in discussions and preparations for purchasing credits for environmental schemes, with purchase expected in 2021 or thereafter.

### Teaching a School Class (Utsunomiya Plant)

Starting from FYE March 2007 Utsunomiya Plant sends employees to local elementary and junior high schools to teach classes designed to increase children's interest in the field of aerospace and the environment, seeking to raise their environmental awareness and present a future career option. Our programs contain lectures and experiments planned to learn about global warming, primarily major causes and the significance of stopping the phenomenon, as well as the principles of aircraft flight and the structure's environment-friendly designs. In FYE March 2021, we made utmost efforts to refrain from school visits in the interest of the children's safety. Having taught 20,624 students in total at 307 schools in Utsunomiya and Handa Districts over years, this project has become an essential local community activity.



Teaching a school class

## Environment: Overseas

### On-premise Crop Cultivation (Subaru of America, Inc.)

Subaru of America, Inc. cultivates crops on fields established on the company's premises. Company employees maintain the fields themselves, harvesting an average of around 270 kg of crops per year and donating them to local NPOs. FYE March 2021 marked the 13th year since the start of the initiative. The company harvested 184 kg of crops during this year.



SOA on-premise fields

### Employee Awareness Activities for Beijing City Waste Separation (Subaru of China, Ltd.)

With new separated waste collection in Beijing City as of May 1, 2020, Subaru of China, Ltd.'s labor union conducted a Waste Separation Quiz Show over social media to help raise awareness of the practice. Quiz questions asked participants about separation methods, distributing sorting trash cans as gifts for those answering the quiz.



Quiz details

## Road Traffic Safety

### Traffic Safety Guidance (Utsunomiya Plant)

In September 2020, the Tochigi Prefecture Traffic Safety Association sponsored the Traffic Safety Fair, a community-wide traffic accident prevention event for children and the elderly. SUBARU's participation included providing parking lots for visitors from the community.



Traffic safety guidance

### Activities of the Association of Driving Safety Supervisors (Utsunomiya Plant)

At the Utsunomiya Plant, SUBARU serves as the president of the southern Utsunomiya branch of the Tochigi Prefecture Association of Driving Safety Supervisors. We work with community associations located around the plant and the Utsunomiya Minami Police Department to promote local road traffic safety activities in order to raise awareness in the southern Utsunomiya district.



Association of Driving Safety Supervisors in session

Respect for Human Rights

Quality: Automotive Business

Quality: Aerospace Business

Making Safe Vehicles

Human Resources

Customers

CSR Procurement

Community Engagement

### ■ Installing Traffic Safety Signs (Gunma Plant)

In FYE March 2018, we started an initiative to install traffic safety signs on utility poles on Ota City's school roads. As of April 2021, a total of 29 signboards have been installed in an effort to prevent traffic accidents for local residents.



School road utility poles

### Sports and Culture: in Japan

#### ■ SUBARU's Baseball, Track-and-Field Team Players Coach Children



Running clinic



In November 2020, the "How to Run Faster" Class was held at the Subaru Sports Park in Oizumi Town, coached by 10 SUBARU's track and field team members. Around 30 local elementary school children participated in the event, learning basic movements in running and studying practical training methods ahead of long-distance races in autumn.

In December 2020, the Gunma Prefectural High School Baseball Skills Training Course was held at the Shikishima Baseball Stadium, with 22 players from SUBARU's baseball team serving as instructors. Despite the many restrictions in consideration of the state of COVID-19's spread, such as alcohol disinfection, mask-wearing, and temperature checks for all participants, the high school students attended with sincere demeanor.



Baseball clinic



#### ■ Providing "Lifesaving Cars" to the Japan Lifesaving Association

In supporting the JLA\*1 in its goal of zero water accidents, we provided a total of 12 Subaru Lifesaving Cars to the organization, holding a handover event on July 2020 at SUBARU's head office (Shibuya Ward, Tokyo). These 12\*\*2 Subaru Lifesaving Cars, including Forester models, were used as mobile lifesaver units from July to August 2020 on coastlines in Kanagawa, Chiba, and Shizuoka Prefectures where beaches had not been opened. The units were loaded with equipment such as rescue boards, AEDs, and first aid kits. These vehicles were also used to tow rescue watercraft, as emergency care stations, and in a variety of other capacities.

\*1 The Japan Lifesaving Association (Headquarters: Minato Ward, Tokyo, Representative: Takuya Iritani, Chairman), <https://jla-lifesaving.or.jp/>

\*\*2 11 units were provided by SUBARU CORPORATION and one unit provided by Kanagawa Subaru Inc.



Vehicle handover event



Subaru Lifesaving Car

#### ■ Sponsoring a Christmas Concert (Head Office)

In December 2020, the Takofes Christmas Concert was held by the Higashi Ebisu Store Association at the EBIS303 (Ebisu Subaru Building). This concert, celebrating its fifth year since launching in 2016, was held with the joint support of local residents and companies, including SUBARU as a local corporate sponsor. The concert was held with rigorous measures taken to prevent COVID-19 infection. The 178 attendees enjoyed a powerful and splendid performance from the professional orchestra.



Christmas concert performance



## Sports and Culture: Overseas

### ■ Drive-in Movie Event (Subaru Canada, Inc.)

Subaru Canada, Inc. held a drive-in movie viewing for SUBARU owners. Due to the COVID-19 pandemic, the event was held with due caution; participants were provided with masks and alcohol disinfectants. Guests expressed their thanks for being able to attend a safe, fun event even during the difficulties of the COVID-19 pandemic.



Drive-in movie event

## Response to the Spread of COVID-19 (Domestic)

### ■ Donating Specially Designed Anti-Droplet Vehicle

In September 2020, SUBARU donated a specially designed vehicle for transporting patients infected with COVID-19 to Ota Memorial Hospital, developed by the Engineering Division. This transport vehicle's driver's seat and rear seats are separated by a special transparent film, and the driver's seat area is constantly pressurized in order to prevent secondary infection from the patient riding in a rear seat. This design allows drivers to transport sick patients with peace of mind.



The Forester transport vehicle

### ■ Production/Donation of Medical-Use Face Shields (Gunma Plant, Tokyo Office)

In cooperation with our corporate business partners, SUBARU has produced 13,600 medical-use face shields with a team of around 500 people.

These shields have been delivered to medical institutions in Gunma, Tochigi, Aichi, Tokyo, and Hokkaido, where SUBARU has business locations. Shields were also provided to boards of education in some regions. Through our efforts, medical and educational sites have had better access to face shields.



Medical-use face shield

### ■ Donation of Disinfection Stands and Volunteer Activities in Handa City, Aichi Prefecture (Handa Plant)

SUBARU created a number of foot-operated disinfection stands using aluminum materials from dollies and shelves used in-house, donating 100 stands to the City of Handa, where SUBARU has an office. These donated stands have been installed in major public facilities around the city, such as hospitals, kindergartens, schools, and the city hall.

After a number of discussions with the city about how to make local contributions amid the spread of COVID-19, we also helped in cleaning gutters, pruning trees, and painting playsets and gates at twelve elementary schools and six kindergartens in the city.



Disinfection stand donation



Letters of appreciation for SUBARU's cleanup activity

### ■ Distributing Training Videos for Those Spending Time at Home

In May 2020, SUBARU athletic teams released a series of videos on our official YouTube channel. The videos offer easy ways to exercise at home for those who are not quite exercising enough due to staying indoors.

The track and field team published videos on exercising and stretching, while the baseball team published videos on exercising and defensive fielding techniques. These were created with the hope that people will be able to stay healthy in both body and mind even while they stay indoors.



YouTube video (Japanese version only)

## Response to the Spread of COVID-19 (Overseas)

### ■ Donating Vehicles to Local University Hospital (Subaru of America, Inc.)

Subaru of America, Inc. donated an Ascent SUV to Cooper University Health Care, a local university hospital in New Jersey. In the U.S., university hospitals field more than 40,000 requests for emergency medical services annually, a number expected to increase further amid the spread of COVID-19. The Ascent provided will be used as an auxiliary vehicle for these emergency medical services.



Donated vehicle



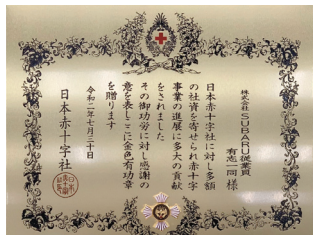
## Donation, Volunteer Activities, etc.: in Japan

### Voluntary Employee Donation System

SUBARU has implemented a system where employees can easily use the company welfare program to donate to important causes. In the event of a disaster, we also offer easy donation through temporary special contact points to support the affected areas.

In addition to using the company welfare program to donate in the event of a disaster, we have expanded options for employee participation as of FYE March 2021 to include our SUBARU Online Donation BOX.

In December 2020, SUBARU's employees were awarded the Golden Order of Merit\*3 by the Japanese Red Cross Society for their donations.



\*3 The Golden Order of Merit is awarded by the Japanese Red Cross Society to companies and organizations for donating operating funds that exceed a determined amount.

The Golden Order of Merit

### East Japan Reconstruction Support Sales Events (Head Office)

We hold special sales events in-house with participation from the three prefectures of Iwate, Miyagi, and Fukushima, all of which were severely damaged by the Great East Japan Earthquake. These events are held under the theme of direct employee action. In addition to helping with the sale of special products from each prefecture, these events also offer a place where they can provide information about recovery status and tourist attractions.

In FYE March 2021, we canceled in-person sales events,

altering them to an online format where employees pre-order goods. We will continue to support the recovery of these regions while adapting how these events are held in keeping with the situation.



Sales event at a SUBARU conference room (FYE March 2020)



### Donations to Charitable Organizations through Bazaars Utilizing Commercialization Rights

Since 2014, the Intellectual Property Department has been holding charity bazaars utilizing commercialization rights at local community events and in-house bazaars. At these bazaars, SUBARU sells free samples received from manufacturers selling its minicars. Proceeds from sale are donated to organizations supporting children orphaned by traffic accidents. In FYE March 2021, though bazaars were canceled since their hosting local community events were canceled, SUBARU will continue to provide support going forward.



In-house bazaar (FYE March 2017)

## Donation, Volunteer Activities, etc.: Overseas

### Blood Drive (Subaru of Indiana Automotive, Inc.)

Subaru of Indiana Automotive, Inc. (SIA) has been running a blood drive twice a year since 1991. In 2020, around 750 employees in total donated blood at sessions taking place in the company in June and December. Over the last 30 years, SIA has donated approximately 15,000 units of blood to over 80 hospitals in

Indiana. This achievement was recognized by the Versiti Blood Center of Indiana.



Employees making a blood donation



### Donation of Recycled Clothing to Economically Disadvantaged Regions (Subaru of China, Ltd.)

Subaru of China, Ltd.'s (SOC) labor union facilitated a donation program, sending unused clothing to people living in economically disadvantaged regions. A total of 436 items of clothing were collected from 23 SOC employees and donated.



Donation certificate



Employees making a clothing donation

### Donation to the Japan Business Society of Detroit (Subaru Research & Development, Inc.)

Subaru Research & Development, Inc. made donations to the Japan Business Society of Detroit (JBSD), a Japanese business organization in the state of Michigan. Donations are used for scholarships and cultural activities. While Subaru Research & Development, Inc. had made four donations for a number of years, the company only donated three times due to voluntary restrictions on activities from COVID-19 in FYE March 2021.