

recent efforts to promote human rights, and executes well-defined due diligence for human rights and has conducted training on “business and human rights” for all employees in relevant departments. As with quality issues, SUBARU displays a conscientious commitment to employee involvement in new challenges and the high level of awareness that enables that. SUBARU is focusing on diversity and creating a more diverse organization, and would do well to emphasize this unseen strength at some point.

As mentioned above, SUBARU’s disclosure system is likely to change significantly in the future, so I would like to share three suggestions for SUBARU to consider in connection with that. The first is a structural technique for efficiently conveying the vast amount of information in latter parts to readers. I would suggest aligning information in latter parts with the Six Priority Areas for CSR to seamlessly guide readers from the first part to related content. Next, I would once again suggest a more systematic disclosure of human capital, which was emphasized in value creation as “individual growth.” The progress of SUBARU’s initiatives in this area are readily apparent, as evidenced by the “Subaru Health Declaration,” but disclosure should go a step further and focus on the quality of human capital. Similarly, I would like to ask SUBARU to continue considering the appropriateness of KPIs for managing progress in the Six Priority Areas for CSR.

The disclosure of sustainability information has entered a new stage with the transition to an Integrated Report, and I look forward to further evolution in the future.

Response to the Third-Party Opinion

Thank you for your opinion concerning our Sustainability Report 2021.

We upgraded our existing disclosure system in FYE March 2022. Sustainability Report is the new name for our former CSR Report, and our integrated report is its core. The Subaru Group will fulfill its social responsibilities as it works to earn the trust of society. Aiming for sustainable growth, we will more clearly communicate our desire to contribute to a happy and sustainable society.

In addition, the Subaru Group aims to deliver happiness to all by evolving the value we provide in the form of “Enjoyment and Peace of Mind” to help achieve a happy and sustainable society. We would like all stakeholders to deepen their understanding of the Subaru Group’s unchanging values, its strengths, and the business model that backs our ideals, and we have formulated a new value creation diagram that includes financial and non-financial elements to tell our story of long-term value creation. It appears in this report as a conceptual diagram titled “Subaru Group’s CSR” and shows that employee growth will be the driving force of the Subaru Group’s CSR initiatives in tandem with the mid-term management vision “STEP.” We have also incorporated the idea of developing people who can think and act on their own in response to various changes. This has included introducing a new personnel system that actively supports people who take on challenges.

The Subaru Group is promoting the Six Priority Areas for CSR globally, centered on the SUBARU Global Sustainability Policy formulated in April 2020, and we are inculcating the relevant ideas and mindset throughout the Group. Therefore, we do not need to deepen the Six Priority Areas for CSR as a discussion of materiality, and each employee can take a bird’s-eye view of how their work impacts society and Group profits. Thus, we are enhancing our ability to flexibly respond to contemporary issues from the perspective of the Six Priority Areas for CSR.

I am encouraged that you evaluated SUBARU as providing easily understood information about the development of its information disclosure system and the thoughts and initiatives related to the Subaru Group’s value creation. In addition, I am pleased that you think we have a specific and detailed message about the pursuit of SUBARU-ness when it comes to improving safety performance through the next-generation EyeSight, aiming for zero fatal traffic accidents* in 2030 and strengthening our dynamism while working to achieve carbon neutrality in 2050.

On the other hand, you gave us suggestions for the future, such as examining the appropriateness of KPIs, more systematic disclosure of human capital, and structural ideas for efficiently transmitting vast amounts of information. While discussing goals and plans within the PDCA cycle, we will enhance the quality of information provision including the progress of the new personnel system. We will also improve the information disclosure system to facilitate reader understanding and access to the report.

The Subaru Group wants to deliver happiness to all. We want to make our customers smile, and we also want to make our stakeholders, society, and the entire planet smile. It has been some time since it was first said that the automobile industry is in the middle of a once-in-a-hundred-year transformation. While this is a period of major change, we will continue to take feedback from our stakeholders seriously and actively promote CSR initiatives with SUBARU-ness at the center.

* 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.

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SUBARU CORPORATION