

2005

Environmental & Social Report



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TOPICS 2004

Activities in Affiliated Companies—overseas- (p.50)



SCI (Subaru Canada, Inc., a Subaru sales base in Canada) and SOA (Subaru of America, Inc., a U.S. Subaru sales base) each strove to establish an environmental management system. These efforts led to their acquisition of ISO 14001 certification in January and February of 2005, respectively.

Production Stage (p.36)



The Utsunomiya Manufacturing Division (Eco Technologies Company and Aerospace Company) started to operate the 6000 kW class natural gas engine cogeneration system in February 2005 to further promote our endeavors toward prevention of global warming.

Development Phase/Products (p. 22)



In January 2005, FHI launched the new Subaru R1 mini car, in which the best environmental performance in the class (24 km/L) and excellent running performance were simultaneously realized. The Subaru R1 achieved exhaust emissions 50% less than required by the 2005 standards and 5% above the 2010 fuel economy standards of the Ministry of Land, Infrastructure and Transport.

Social Involvement (p. 65)



On July 6, we convened the Subaru Environmental Exchange Meeting as a part of the class for fifth grade students from Ohta City Niragawa Nishi Elementary School. The meeting included a film screening, experiment, and quiz, which were very popular with the students.

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◆ In this 2005 Environmental & Social Report, the following items have been added to the existing contents of the 2004 report:

1. For sustainable development, corporate activities for social responsibility (CSR) are increasingly required. We summarized our approach to CSR activities.
2. We summarized major topics in fiscal 2004 in the contents page.

Introduction

◆ About This Environmental & Social Report

● Range of the report

This report mainly contains the achievements of environmental conservation and social activities (compliance, relationship with customers, relationship with employees, social involvement, etc.) carried out in fiscal 2004 (April 2004 through March 2005). Achievements in early fiscal 2005 are also included for informational purposes.

This report mainly covers the activities of FHI's business operations in Japan. To introduce its group activities, the performances of six domestic consolidated manufacturing and logistics companies, which are considered to have greater environmental impacts, are also mentioned. Activities of the North American Environment Committee, which are composed

of five affiliated companies in North America, are also noted.

● Guidelines referenced

- "Environmental Report Guidelines (2000 and 2003)" by the Ministry of the Environment
- "Environmental Accounting Guidelines (2000, 2002 and 2005)" by the Ministry of the Environment

● Next Issue

- Our previous Environmental Report was issued in June 2004. The next report will be published in the summer of 2006.