

Domestic & Overseas

Activities of Affiliated Companies-Both Domestic and Overseas Companies

POINT

- (1) The six companies in the Domestic Affiliated Company Subcommittee reduced both CO₂ emissions and the volume of landfilled waste.
- (2) Yusoki Kyogo K.K. and the Utsunomiya Manufacturing Division integrated their efforts and started joint Environmental Management System activities.
- (3) Subaru Canada Inc. (SCI) reduced CO₂ emissions from its dedicated delivery trucks.

Activities of Domestic Japanese Affiliated Companies

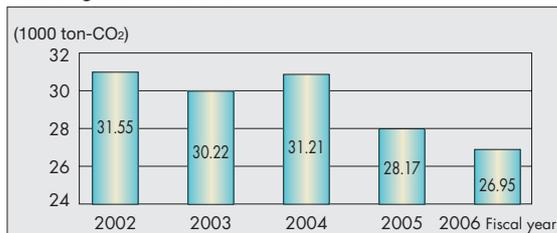
We would like to introduce the activities of our six affiliated manufacturing companies in Japan: Fuji Robin Industries Ltd., Yusoki Kyogo K.K., Fuji Machinery Co., Ltd., Ichitan Co., Ltd., Kiryu Industrial Co., Ltd., and Subaru Logistics Co., Ltd. Details of these companies' activities are shown here on this page as well as on our website, in the Supplementary Volume for Data related to the 2007 Social & Environmental Report.

Environmental Impact

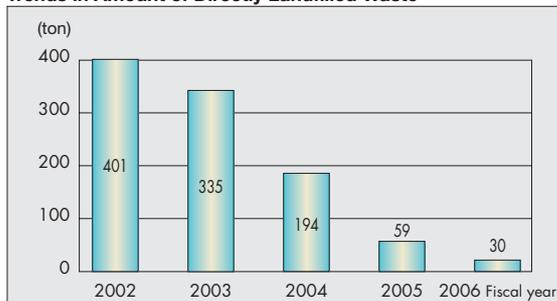
Reducing Both CO₂ Emissions and Landfilled Waste

These six companies have reduced their CO₂ emissions to 26,950 tons, a 4.3% reduction compared to fiscal 2005 levels, and have cut landfilled waste 30 tons, a 49% reduction compared to fiscal 2005.

Reducing CO₂ Emissions



Trends in Amount of Directly Landfilled Waste



Ichitan significantly reduced the amount of landfilled waste (by approximately 19 tons) by boosting separation of waste materials and increasing use of recyclable materials. All six companies have been conducting thorough energy-saving activities and have reduced their CO₂ emissions compared to fiscal 2005.

For more information about the energy-saving logistics activities conducted by Subaru Logistics, please refer to p. 43.

Cases in which Environmental-Related Laws were Violated, Environmental Incidents and Complaints

Taking Immediate Measures to Respond to Cases in which Environmental-Related Laws were Violated, Environmental Incidents and Complaints

Regarding cases in which environmental-related laws were violated, two noise-related cases occurred at Ichitan. In both cases, the company made improvements by ensuring that the doors of buildings in which the noise was being generated were kept closed and replaced equipment responsible for causing the noise.

Regarding environment-related accidents, one oil leak occurred in the sewage discharge on the premises of Yusoki Kogyo. The company immediately took countermeasures and revised work procedures in order to prevent any recurrences.

Ichitan received one complaint about air pollution. The company took countermeasures by replacing the filters of equipment that generates dust, and revised its work procedures to clarify the period within which filters should be replaced so as to prevent any recurrences.

Returning ISO14001 Certification

Commencing Integrated Environmental Management System Activities

On August 25, 2006, Yusoki Kogyo returned its ISO14001 certification to the certification organization (TÜV Rheinland Japan). The company returned the certification in order to be able to become a member participating in the Environmental Management System activities conducted by FHI's Utsunomiya Manufacturing Division. Since October 2006, the company has been preparing for ISO14001 recertification in July 2007 as part of the investigation that will be conducted for the Utsunomiya Manufacturing Division to update its ISO14001 certification.

Social Contribution Activities

All Companies Conducted Their Own Individual Social Contribution Activities



In December 2006, Subaru Logistics, in cooperation with other affiliated companies, made a charity donation of approximately 470,000 yen for children of traffic victims. The photo shows Mr. Nakahara, the then-current president of Subaru Logistics, handing the donation to Mr. Shimizu, mayor of Ota City (left).



Kiryu Industrial Co., Ltd. conducts annual cleaning activities in the areas surrounding its plant and on school routes. (June)



Subaru Logistics Co., Ltd. cleans the area surrounding its plant once a week.

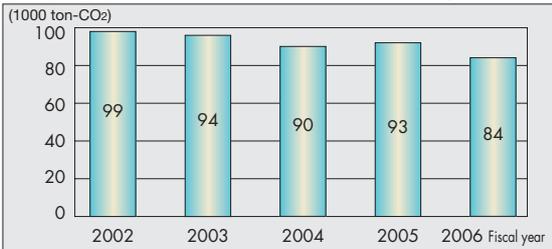
Activities of Overseas Affiliated Companies

We would like to introduce the activities of five companies, the members of North American Environment Committee*1 (SIA, SOA, RMI, SCI, and SRD)*2.

For the activities of SIA, please refer to the featured article on pp. 15-16.

Environmental Impact of the five companies (amount of CO₂ emission and landfilled waste)*3

Trends in Amount of CO₂ Emitted at the Five Companies



Trends in Amount of Landfilled Waste at the Five Companies



Efforts for Global Warming Prevention

Reduced CO₂ Emission by Delivering with Dedicated Trucks

SCI, the dealer of Subaru in Canada, has started DDS (Dedicated Delivery Service) program. The program has a dedicated Subaru truck, which leaves the SCI warehouse and delivers their shipments directly to the dealers during the night. The direct and overnight delivery by-passing rush hour traffic and traffic congestion has reduced CO₂ emissions.

Also, the program has reduced packaging by using their own shipping bins for DDS repeatedly.



Subaru Dedicated Delivery Service Parts Truck

Efforts for Waste Reduction

Reduced Recycling by Reusing Design Model

SRD, the development site of Subaru's vehicles in North America, has worked on reusing form design model vehicles built for research clinics and succeeded in reduction of 1200kg recycling by reusing 100% of metal and wood and 35% of plastic foam. Recycling of disposal plastic foam was 85%. These reusing activities reduce the use of new plastic foam to 65%.

RMI, the production site of Robin Engines in North America, has been replacing shipping boxes for knockdown parts to returnable pallets. They have currently replaced 65% of boxes and will promote to complete replacing in the future.



Foam design model vehicle that SRD reuses

Social Contribution Activities

Develop Social Contribution Activities at Each Region

SOA, Subaru dealer of the US, is a long-time sponsor of arts in the community. They have awarded a grant to the Perkins Center for the Arts in Collingswood, New Jersey so that the facility can transform into an environmentally sensitive "green" building. The plans include the building with solar panels, recycling rainwater and maximizing the benefits of natural light.



Perkins Center for the Arts supported by SOA



Polaris Ranger Utility Vehicle with RMI's financial support

RMI has negotiated a special purchase price with Polaris and helped the town of Spring Valley, Wisconsin (home to several of their employees), to obtain a Polaris Ranger Utility Vehicle modified for emergency response work.

The Results of the Environmental Accounting in Fiscal 2006

Please refer to the pp. 12-13 in the Supplementary Volume for Data related to the 2007 Social and the Environmental Report on our Web site for the results of Environmental Accounting for domestic and overseas affiliated companies.

*1 SIA=Subaru of Indiana Automotive, Inc.; SOA=Subaru of America, Inc.; RMI=Robin Manufacturing U.S.A., Inc.; SCI=Subaru Canada, Inc.; SRD=Subaru Research & Development, Inc.

*2 For the details of the activities of NAEC member companies, please refer to the Web site at <http://www.subaru-earth.com/staging/> (English only)

*3 For fiscal 2002, the following companies do not include the actual achievement into the graph because they did not have the data.

[CO₂ emission: SOA, SCI] [Landfilled waste: SOA, SCI, RMI]