

SUBARU believes that responding to the problems of the global environment is one of the important tasks of management. Based on its corporate philosophy, SUBARU has established an Environmental Policy, a policy for carrying out environmental conservation. SUBARU has also established guidelines for specific actions—the Operating Criteria for Environmental Conservation in order to promote the Policy. Involving all of the employees, SUBARU is moving its activities forward.

# **Environmental Policy (Established in April 1998)**

SUBARU recognizes the integral relationship between the environment and its business activities and strives to provide products that are friendly to the earth, society, and people. SUBARU is protecting the environment to ensure our future.

# Operating Criteria for Environmental Conservation

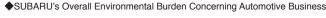
- (1) SUBARU is committed to environmental conservation and gives consideration to environmental impacts at every step of product development, design, manufacture, sales, service, and disposal.
- (2) SUBARU observes relevant laws, regulations and agreements with communities and industries, while also promoting voluntary activities in accordance with its own environmental objectives and targets as determined by the Company.
- (3) SUBARU recognizes the importance of continual improvement and efforts to prevent pollution and encourages every employee to act with self-awareness and responsibility.
- (4) SUBARU endeavors to raise environmental consciousness by providing educational opportunities for its employees according to their job status and job description.
- (5) SUBARU regularly performs audits and inspections to improve its environmental conservation activities.
- (6) SUBARU is committed to interacting within the community and engaging in joint activities to further environmental conservation.

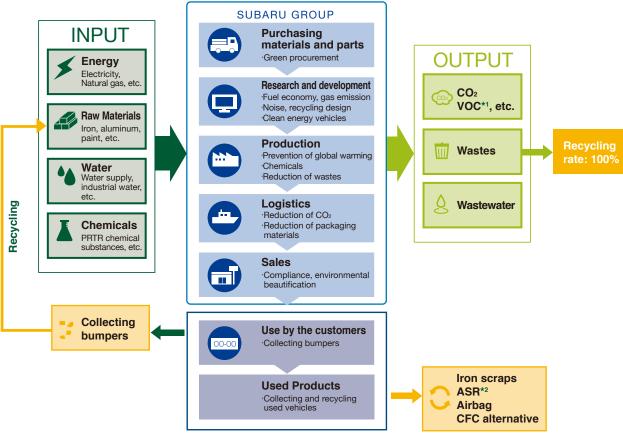
# **Corporate Activities and Environmental Impacts**

# Aiming for Fusion of the benefits of automobiles and the Global Environmental response.

SUBARU is a transportation manufacturer focusing on automobiles. Automobiles, which are a convenient and comfortable form of transportation, are now indispensable for living in a modern society. On the other hand, however, automobiles require limited global resources as materials and fuels. Consequently, they emit CO<sub>2</sub>, which causes global

warming, as well as other air pollutants. We believe that automobiles reflect an affluent society but fully understand that automobiles have such disadvantages, as well as advantages. With these in mind, we must work hard for a better future. SUBARU accepts the task to aim for fusion of the global environmental response (drastically improving fuel economy and reducing gas emission) and the benefits of automobiles (pleasant driving, comfort and reliance) by considering the environmental impacts and reducing the environmental burden through the lifecycle of development, production, use, disposal, and recycling of automobiles.





# Organization

We have a committee to achieve the objectives of the Environmental Conservation Program to embody the Operating Criteria for Environmental Conservation under the Environmental Policy. This committee chaired by an officer in charge of environment-related matters is a body run by representatives from all the business units. They met in May 29 and December 10 in 2008. In this committee we will proactively tackle issues to reasonably manage CSR and environmental conservation.

# Establishing an Environmental Management System

SUBARU already acquired ISO14001 certification for all of its businesses, including the head office, by FY2004.

We will proceed with activities for a more effective and reasonable management system. Meanwhile, the domestic SUBARU dealerships are gearing up for acquiring the "Eco-Action 21"\*3 authentication\*4.

#### \*1 VOC :

Volatile Organic Compounds which are volatile at normal temperature, including formaldehyde and toluene. They are recently viewed as a factor in sick house syndrome making people sick with irritation in eyes, nose and throat in newly built houses or buildings.

#### \*2 ASR : Automobile Shredder Residue

Residue after scrapped metals for recycling removed from shredded car body. It is also called Shredder Dust.

## \*3 ECO Action 21

The system to authenticate that the undertakings of a certain organization meet the Guidelines set by the Ministry of the Environment and register its authentication.

#### \*2

For more details on our ISO 14001 certification and ECO Action 21 registration status, please see P.62 in this report.

### **Environmental Accounting**

Working on efficient management by understanding environmental costs and effects in FY2000 we introduced environmental accounting. Our environmental costs in FY2008 were 15.7 billion yen, a decrease of 6.5 million yen compared to the previous fiscal year. This was due to a decrease in R&D spending.

On the other hand, economic benefits from our environmental activities totaled 1.8billion yen.

While there was a saving from energy reduction, the reduction in revenues form selling valuable resources offset the saving, resulting in a reduction in total by 150 million yen from last year.

## **Evaluation System of Environmental Performance**

We have been working to improve the environmental performance by introducing an Environmental Performance Evaluation System in FY2002.

The system was reviewed for evaluation items and method to make it more reasonable and effective.

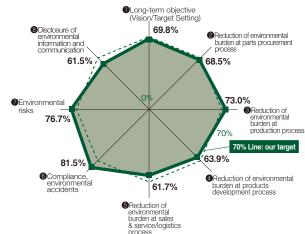
The evaluation result for FY2008 was 71.9% in total, 1.9% short against the targeted 70%.

The evaluation for each item was shown in the following chart.

The reduction of  $CO_2$  emission, energy consumption, industrial wastes discharge, etc. due to the operations shortened in the last half of last year much more than expected is behind the improvement in assessment, In this respect, our efforts must be continuously focused on an unit-based improvement.

"Reinforcement of EMS activities as SUBARU group" and "Reduction of environmental burden at products development process at higher level" were pointed as issues which need be addressed.

#### **♦**FY2008 Environmental Performance Evaluation



#### **Environmental Education and Enlightenment**

In FY2004, we prepared company-wide unified textbooks for environmental education. We have continued educating different levels of employees, ranging from new recruits to those receiving promotions every year.

In addition, we are trying to carry out activities according to the plan, including emergency drilling based on the Environmental Management System



Tokyo Office's general education using E-learning

(EMS) of each business area and company, general education on environment conservation for all the employees, Operations Improvement Case Study Presentation and educational support to business partners.





Gunma Manufacturing Division's Environmental class

# **Environmental Communication**

SUBARU has arranged contact channels to maintain communication with local residents in each business area, and distributed environmental information in a variety of ways. In the SUBARU Visitor Center in the Gunma Manufacturing Division (please refer to "Social Involvement" on P.40-42), we have a recycling lab to introduce our approaches to tackle environmental issues. Also, in Utsunomiya Manufacturing Division, we have an exhibition room introducing our activities to recycle wastes



<sup>\*</sup> For more details of cost data, please see P.48 in this report.

# The Status of Observing Environment-Related Laws

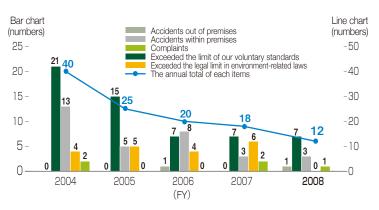
# Cases Where Limits Set in Environment-Related Laws Were Exceeded, Environmental Accidents, and Complaints

The right graph shows the trends of numbers of cases exceeded the legal limit in environment-related laws, and environmental accidents and complaints for the past 5years. The total numbers (on the graph) have been decreasing gradually every year.

The following tables show the number, in FY2008, of cases where the legal limits set in environment-related laws were exceeded (including cases where the limits from voluntary standards or limits agreed with the local area were exceeded) as well as the number of environmental accidents and environment-related complaints, plus all related detail.

In FY2008, we received none of Environmental advices and complaints by administration.

#### ◆Trends of numbers of cases exceeded the legal limit in environment-related laws, and environmental accidents and complaints



#### ◆FY2008 The Number of Environment-Related Complaints We Received and Details

| Name of<br>manufacturing<br>ivision:                      | Number of cases: | Details:   | Main corrective measures:   |
|---|------------------|--|---|
| Gunma<br>Manufacturing<br>Division                        | 2 (odor)         | 2 Complaints<br>on paint odor<br>received from<br>residents on<br>north side of<br>Yajima Plant. | After taking measures such as increasing the amount of deodorant application in the paint process and setting filters to capture mist, we explained what actions were taken to those concerned including the local administration and the heads of the affected local communities, which was accepted by them.              |
| Tokyo Office<br>(Utsunomiya<br>Manufacturing<br>Division) |                  | Complaint on<br>noise in mid-<br>night received<br>from resident<br>on south side<br>of Office.  | As for the noise, an investigation revealed that it came from the fan bearings of the cooling tower installed on the roof of a laboratory building. The fan was stopped immediately and repaired. After obtaining the understanding of the people concerned by explaining the situation, the fan was put back in operation. |

# ◆FY2008 The Number of Cases Where Limits Set in Environment-Related Laws were Exceeded and Details

| Name of<br>manufacturing<br>division:                             | Number of cases:    | Details:  | Main corrective measures:   |
|---|---------------------|---|---|
| Aerospace<br>Company<br>(Utsunomiya<br>Manufacturing<br>Division) | 1 (water pollution) | Swage water discharged from Handa West Plant to river once exceeded the leagal limit. [35,000/ml of colon bacillus comparing to the legal limit level 3,000/ml] | Investigations for the cause could not identify the source of this abnormally high value. Nonetheless, the main wastes water was discharged after it was confirmed that the measured level of wastes water processed with bacteria reduction agent was within the standard. We have been watching the bacteria level since August, 2008 when the abnormality was detected. So far, nothing unusual has been observed with all measurements within the voluntary standard. |

SUBARU established voluntary standards, which are 20% stricter than environmentrelated laws and ordinances applied to each plant, and is working to achieve zero cases where these standards are exceeded.

Regrettably, in FY2008 a case exceeded the legal limit was showed as above table. However, we could much decrease the number of cases 7 in FY2008 comparing to 8 (including 2 cases of exceeded legal limit )in FY2007.

#### **♦**FY2008 The Number of Environmental Accidents and Details

| ı  | Name of<br>manufacturing<br>division: | Number of cases:   | Details:  | Main corrective measures:   |
|--|---------------------------------------|--|---|---|
|  |                                       | 1 spill out<br>of the<br>premises.   | discharge of about 20<br>liters of lubrication oil<br>overflowed on the east<br>side of water way at Ota<br>North plant.  | Upon detection, the leaked oil was immediately collected and the compressor was improved. Accidents are all reported to the authorities in details.   |
| Gunma<br>Manufacturing<br>Division                                 | 2 spills<br>within the<br>premises.   | Milky liquid (pH8.3) leaked from a ditch of cleaning Machine at Oizumi plant.  | The cleaning machine was inspected and repaired, while the work procedure was reviewed for improvement. All milky liquid which leaked into the ditch was absorbed and disposed properly.                                      |   |
|  |                                       | ②Because of the trouble of pomp in the main restaurant, the pollution water flowed out into the water way within premises.   | The pump was replaced, while the operating rules of the equipment was reconfirmed and revised by adding daily inspections as necessity. A warning device was also installed.  |   |
|  | Aerospace<br>Company<br>And Eco       | 2 spills   | ①Shorter than 10liters<br>Light oil leaked from<br>delivery track within the<br>premises.   | Upon detection, the light oil on the road surface was wiped out and sucked for collection, preventing it from leaking into a water channel. At the same time, we have strengthened supervision of the supplier. |
| Technology<br>Company<br>(Utsunomiya<br>Manufacturing<br>Division) | premises.                             | ②About 690 liters of hydraulic oil leaked out from the pipe of the suction pump of an underground tank for hydraulic oil. (The oil leak was limited to within the in-house water catchment tank without flowing outside. | The liquid in the water catchment tank was sucked up with vacuum for cleaning and the suction pump piping and oil sensor were repaired. In addition, the sensor warning will be interlinked to the security office in FY2009. |   |
|  | Tokyo Office                          | 3 spills within the premises.  | ①During delivering the waste oil by a cart, under 10liters waste oil over flowed because of rough road.   | Wastes oil was eliminated with oil absorption mats and the handling procedure of fats and oils was reviewed for strict observance.  |
|  |                                       |  | ②About 0.5liters Oil<br>leaked from a censer of<br>oil pressure of a run-<br>ning test vehicle.   | Wastes oil was eliminated with oil<br>absorption mats and the handling<br>procedure of fats and oils was<br>reviewed for strict observance.   |
|  |                                       |  | ③Discharge of about 10liters of coolant over-flowed from a testing vehicle.   | The section members were instructed to strictly conduct checkups before test running and to stop any test whenever they find any abnormality.   |

# **Environmental Management**

PRTR: Pollutant Release and Transfer Register

It is the system to grasp, sum up and show the data how much pollutant diversified chemicals was discharged or included and moved.

\*2 SUBARU's definition of zero

emissions:
The total amount of landfilled waste (waste materials directly landfilled + waste materials landfilled after treated intermediately) is less than 0.5% of the total amount of waste materials excluding scrap metal (industrial waste + industrial waste subject to special control + general waste from business operations).

1990

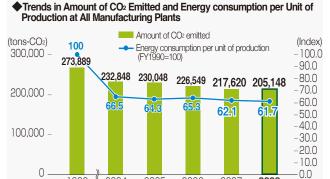
2004

#### **Environmental Performance**

# Reduce the Amount of CO<sub>2</sub> Emitted, Water Consumptions, and Emitted PRTR\*1 Chemical Substances.

The main aspects of our environmental performance in FY2008 are as shown in the followinggraphs. CO<sub>2</sub> emissions and emission of PRTR

chemical substances and the use of water were reduced. We have achieved zero emissions\*2 since FY2004 in terms of landfill waste.

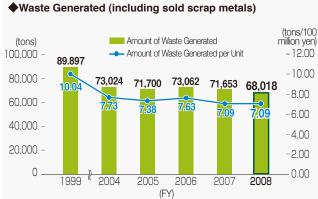


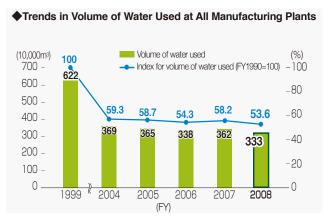
2005

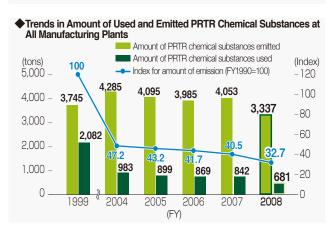
2006

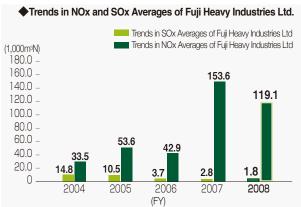
2007

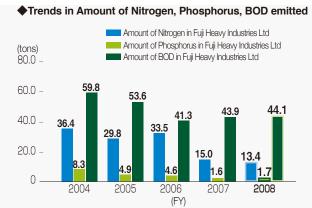
2008









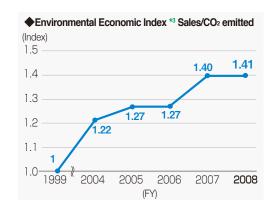


### ◆Environmental Accounting FHI Results in FY2008

( ) shows the results in EY2007 (million ven)

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|---|-----------------------|---|--------------------|
| Definition and<br>Categorization                            | Environmental<br>Cost | Investment cost<br>for environment-<br>related facilities | Economic<br>Effect |
| FHI (non-consolidated)                                      | 15,711<br>(16,359)    | 1,426<br>(2,800)  | 1,842<br>(1,992)   |
| Domestic Affiliated 5<br>Companies*1                        | 135<br>(144)          | 14<br>(95)  | 220<br>(226)       |
| Overseas Affiliated 5<br>Companies<br>[Experiment total] *2 | 703                   | 6   | 1,309              |

<sup>\*</sup> Experimented term: from April, 2008 to March, 2009 (from January to December, 2008 for Overseas Affiliated Companies)



# The 4th Voluntary Plan for the Environment

#### Performance of FY2008 and Plan for FY2009

Since 2006 SUBARU has started the Environmental Conservation Program, called the 4th Voluntary Plan for the Environment, covering the period from FY2007 to FY2011.

In this plan, in addition to setting higher environmental conservation goals, we set targets to make contributions to society through our products by offering our customers greener products through a system of environmentally clean plants, logistics networks and dealers and by carrying out appropriate environmental activities including compliance with laws, regulations and agreements and cooperation with the automotive industry.

Sharing the Plan as the guideline of not only Fuji Heavy Industries, but also the other group companies, we will positively cope with environmental issues continuously for their solution.

We are introducing the Performance of FY2008 and Plan for FY2009 with the items of activities on P.49-50 of this report.

- \*1 Domestic 5Companies: Yusoki Kogyo K.K., Fuji Machinery Co., Ltd., Ichitan Co., Ltd., Kiryu industrial Co., Ltd., Subaru Logistics Co., Ltd.,
- The results of Experiment total in 5 North American Affiliated companies; SIA, SOA, SRD, SCI, RMI
- The eco-efficiency of business activities is defined as the ratio of sale divided by environment load. Using the environment load of the production stage for the denominator, the efficiency is calculated and compared with that for the baseline fiscal year of 1999 to figure out the index.

## **Outline of the Fourth Voluntary Plan for the Environment**

#### We are making every effort to prevent global warming

- $\bigcirc \text{ We will continue working to improve fuel economy with every full vehicle model change and annual model change.}$
- We will reduce CO₂ emissions at manufacturing plants by 15% compared to FY1990 levels by FY2010.
- Regarding logistics, we will reduce energy consumption per sales by 5% compared to FY2006 levels by the end of FY2011.
- We will promote the development and marketing of products that use clean energy, such as electric vehicles and wind turbine systems.

#### We will address various environmental issues by making continuous improvements throughout all stages

- We will make further progress in reducing emissions produced by our automobile lineup and promote popularization of low emissions vehicles.
- O We aim to achieve a 95% recycling ratio in 2015 by taking recyclability into account in new model designs.
- We will reduce emissions of volatile organic compounds (VOCs) per painted surface area of bodies (g/m²) in vehicle production lines by 30% compared to FY2000 levels by the end of FY2010.
- We will reduce the amount of landfilled waste by controlling sources of waste and continuing zero emissions at all
  manufacturing plants
- We will promote green procurement, which requires suppliers in and out of Japan to establish Environmental Management Systems and reduce substances with environmental imapct.
- We will support the environmental activities of dealers.
- $\bigcirc$  We will conduct social action programs and disclose environment-related information.

# The 4th Voluntary Plan for the Environment

# Promoting the Environmental Conservation Program

### **♦**The 4th Voluntary Plan for the Environment

#### 1.Green Products

Ev.: Evaluation, O: Achieved, x: Not Achieved

| b.   |  |   |     | tion, O: Achieved, X: Not Achieved   |
|--|--|---|-----|--|
| Items  | Goals and Actions  | FY2008 Results  | Ev. | FY2009 Plans   |
| Improving fuel economy [Automobiles]                                 | Continue to improve fuel economy (FE) for every full model change and annual model change.   | ◆All grade of EXIGA models achieved the FY2010 FE Standards.  | 0   | FE to be improved continuously on any fully or annually changed models.  |
|  | Increase models that achieve FY2010 FE Standards.  | ◆Cars meeting the FY2010 Standards upped to 92% of their total production. ◆The FY2010 Standards achieved in all weight categories. *1  | 0   | The scope of vehicles which meet the FY2010 Standards by over 15% imprived to be expanded.   |
|  | Promote improvement of FE toward for FY2015 FE standard.   | ◆Going on improving toward the FY2015 FE Standards.   | 0   | FE to be improved continuously to meet the FY2015 FE Standards.  |
| Cleaner exhaust<br>emission<br>[Automobiles]                         | Improve on technology which has already achieved a 75% reduction on the 2005 Standard for exhaust emissions in order to further reduce exhaust emissions and promote the use of low exhaust emission vehicles. | ◆Cars with emissions down 75% from the 2005 Standards (☆☆☆☆) upped to 70% of the total production. ◆Cars with emissions down 50% from FY2006 Standards (☆☆☆) upped to 94% *² beyond 90%.  | 0   | Cars with emission down 75% from the 2005<br>Standards to be further upped.  |
| Developing products using clean energy                               | Hybrid vehicles: Develop a new hybrid system etc. in collaboration with new alliance partner. [SUBARU Automotive Business]   | ◆A new hybrid system in collaboration with new alliance partner under development.  | _   | Development of a new hybrid system to be continued.  |
|  | Electric vehicles: Develop vehicles for launch<br>on the market in addition to business use.<br>[SUBARU Automotive Business]   | ◆The Plug-in STELLA CONCEPT was completed and put in service at the Lake Toya Summit in Hokkaido and verification tests of the model are still going on in collection and delivery of mail articles by JAPAN POST SERVICE Co. Ltd. of JAPAN POSTAL GROUP.   | 0   | Development to be promoted for its marketing in FY2009.  |
|  | Continue development of wind turbine systems and market expansion. [Eco Technologies Company]  | Mass production line for 2,000kW large wind turbine<br>system (SUBARU80/2.0) started and set for entering a<br>market next year.  | 0   | Sell the large wind turbine system to be promoted, while improving further the performance.  |
|  | Expand market for applied products which use LPG/CNG engines. [Industrial Products Company]  | ♦We have embarked on the work to develop LPG/GNG engines for general-purpose application, which will add to production.   | 0   | Production of CNC engines to be expanded.  |
| Improving recyclabillity [Automobiles]                               | Improve design to increase recyclabillity in new models to achieve a recycling rate of 95% in 2015.  | ◆Recycling rate of shredder residue (ASR) met the 2015 Standards with 77.7%.  ◆Recycling rate of air bags met the legal standards with 94.4%.  ◆Added to open the "All recycling" information ,for removing the parts including coppers(IMPREZA, FORESTER). We have organized information on recycle parts of mainstream model year vehicles to be scrapped.  ◆Recycle-efficient olefin resin used for most of resin materials for new cars, Its wide use to continue after 2009. | 0   | Recycling rate to be further upped.  Recycle-oriented new car design to be further enhanced.   |
| Reducing substances<br>with environmental<br>impact<br>[Automobiles] | Enhance management of substances with environmental impact and further reduce the use of such substances.  | ◆The adhesive for elastomer in the power trains was changed to be the one lead-free. ◆Lead-free solder is used now in some navigation units, remote controls, relays and others and its application will be expanded step by step. ◆The use of mercury-free navigation liquid crystal panels was expanded.  | 0   | Replacement of lead compounds with the non-lead will be promoted step by step.   |
| Reducing exterior noise  | Continue to promote development of technology to reduce noise that is compatible with both fuel economy improvement and exhaust emissions reduction.   | ◆Further reduction in size and weight was realized on the noise reduction device.   | 0   | Technical development for noise reduction will be promoted with the driving mode on city streets in mind.  |
| Curbing global warming regarding air                                 | Promote futher reduction in the amount of refrigerant (HFC134a) per vehicles.  | ◆An energy-saving device was installed on the new models to reduce the use of refrigerant.  | 0   | The use of refrigerants will be further reduced.   |
| conditioning refrigerants  | Advance the development of air conditioner with low GWP refrigerant.   | ◆The development of low warming potential refrigerant air conditioners is in progress.  | 0   | The development of air conditioners using low warming potential refrigerants will further pushed for.  |
| Research on traffic<br>environments<br>[Automobiles]                 | Work further on Intelligent Transport Systems (ITS) that realize a safe and comfortable motorized society.   | ♦We took part in the open demonstration "ITS-Safety 2010" promoted by ITS Promotion Association"2.  ♦We took part in the Advance Safety Vehicles Project by the Ministry of Land, Infrastructure and Transport and conducted verification tests on public roads.  | 0   | Involvement in the Intelligent Transport System (ITS)will be further promoted.   |
| Developing<br>environment-related<br>products and businesses         | Advance environment-related businesses such as development of refuse collection vehicles and environmental equipment and devices. [Eco Technologies Company]   | ♦Working on "environment-conscious design", the loading control of the 4-tons class press vehicle was reviewed, which resulted in increasing the cardboard loading by 8 percent. ♦ A model was developed with the noise level reduced by about 2d6 over its previous model by reviewing the oil pump and the hydraulic pressure pulsation.  | 0   | "Eco conscious design" to be continued -Improvement of loading efficiency and Energy Conversion of engine to be continuously pursued -Noise level reduction to be continued and commercialized |
|  | Advance robot-related businesses for conservation of power,labor and energy. [Robot Dept. Strategy Development Div.]   | ◆A new articulated transfer robot system was introduced by developing running motion technology using a CCD camera jointly with Tsumura & Co  ◆A new elevator-linked cleaning robot system developed jointly with Sumitomo Corporation was introduced.  | 0   | Keeping on spreading the service robots business further.  |

<sup>\*1</sup> This is one of the goals of the 3rd Volntary Plan for the Environment (FY2002 through FY2006) and has been achieved in FY2007.
\*2 ITS Promotion Association which is organized by some Ministries who promote safety drive with ITS and delegations of Industrial market.





### 2. Clean Plants

| Items   | Goals and Actions   | Results in FY2008   | Ev. | Plans in FY2009   |
|---|---|---|-----|---|
| Curbing global warming                                  | Aim to reduce CO <sub>2</sub> emissions by 15% from manufacturing plants compared to FY1990 level by FY2010.  | ◆CO₂ emissions reduced by 25% against FY1990.   | 0   | $CO_2$ emissions to be reduced by 13% against FY1990. Add-on challenge: We will proceed with carbon dioxide reduction by 22 percent against FY1990 by FY 2010.              |
| Control and reduction of substances with                | Continue reducing emissions of PRTR chemical substances to the environment.   | ◆Reduced emissions by 67.3% against FY1999.   | 0   | Further efforts for reduction will be made, while meeting the revision of the Pollutant Release and Transfer Registers (PRTR) Law (to be effective in October, 2009).       |
| environmental impact at manufacturing plants            | Reduce volatile organic compound (VOC) emissions (g/m²) in vehicle production lines by 30% compared to the FY2000 level by the end of FY2010.   | ◆Emissions reduced by 38.4% in g/m² against FY2000.   | 0   | The reduction level of 30% or higher in g/m² against FY2000 to be maintained.   |
|   | Reduce environmental rinks throuth Environmental Risk Assessment and totally eliminate the occurrence of incidents, claims and cases where voluntary standards are exceeded.  | ♦ In FY 2008, the following complaints and problems were reported:<br>3 environment-related complaints, 1 case exceeding a legal<br>standard, 1 incident of leaking outside the premise and 7<br>incidents of leaking within the premise. There was no case<br>exceeding the voluntarily set standards. | ×   | Activities to eliminate any accidents, complaints and cases of exceeding voluntary standards will be promoted.  |
| Reducing wastes<br>generated at<br>manufacturing plants | Reduce the amount of waste materials by controlling sources of waste including increasing yield ratio, reducing removal stock, increasing coating efficiency and improving packaging.   | ◆Wastes in FY2008 totaled 68,019 tons, a reduction by 25% against FY1999 and 5% against FY2007.   | 0   | Because of the production increase, the emissions in g/m² is expected to increase by 8 percent against FY 2008. Additional measures will be taken to control the emissions. |
|   | Continue zero emissions (zero level of landfilled waste both directly and indirectly).  | ◆Zero emissions for both directly or indirectly landfilled kept (including incineration sludge after thermal recycling).  | 0   | Zero emission to be continued.  |
| Saving water resources                                  | Aim to reduce amount of water used at manufacturing plants by 45% compared to the FY1999 level by FY2011.   | ◆Reduce water used by 46.4% compared to FY1999.<br>[Target of FY2007: Cut by 41.6% compared to FY1999]  | 0   | Water used to be reduced by 46.3% compared to FY1999.   |
| Green purchasing activities                             | Request domestic and overseas suppliers to reduce substances with environmental impact and to establish an Environmental Management System (EMS). The following are the targets for establishing EMS.  - Automotive Business Unit and Industrial Products Company: Maintain the completed system.  - Eco Technologies Company and Aerospace Company: Aiming to completed establishment of the system. | ♦ 100% of our suppliers (536) now have EMS.  -All the suppliers in Automotive (357 inc. 19 overseas) and Industrial Products (104) maintained their EMS status.  -All the suppliers in Eco Technologies (40) set EMS.  -All the suppliers in Aerospace(60) set EMS.                                     | 0   | Keep 100% EMS status even if we have new suppliers.   |
|   | To reduce substances with environmental impact, adhere to the schedule of laws, regulations and agreements such as the EU directive.  | ◆ Changeover of the parts as regulated by EU directives was completed. ◆The preliminary REACH registration was completed.   | 0   | Preparations will be made to meet Revision of ANNEX II of EU Directive, while taking actions to meet the REACH requirements.  |
|   | Set CSR procurement guideline, and spread to the suppliers.   | ◆A global green procurement guideline was released and posted on our website.   | 0   | Preparations will be made to set a new CSR procurement guideline.   |

# 3. Green Logistics

| Items   | Goals and Actions  | Results in FY2008   | Ev.     | Plans in FY2009  |
|---|--|---|---------|--|
| Reducing the environmental burden caused by logistics | Be certain of meeting the Revised Energy<br>Saving Law.<br>• Try to reduce energy used per sales by 5%<br>compared to FY2006 by the end of FY2011. | against FY2006 and by 6.6 percent against FY2007.   |         | Energy used per sales to be further reduced by 1% against FY2008.  |
|   | Offer support and cooperation to environmental activity groups.  | ◆The total amount of packing and packaging materials was reduced by about 150 tons against FY2006 and by about 350 tons against FY2007. | $\circ$ | Further reduction will be pursued by such measures as applying returnable packaging materials to more items. |

#### 4. Green Dealers

| Items  | Goals and Actions   | Results in FY2008  | Ev. | Plans in FY2009   |
|--|---|--|-----|---|
| Promoting environmental conservation activities at dealers | Support environmental conservation activities by dealers. | ◆Supported to receive the certification of ECO Action 21. *3 (in FY2008, all outlets of Tokyo SUBARU(59) and all outlets of Saitama SUBARU(34) received it. ◆Completed to develop the PRTR low, the revised energy conservation low and the other information, and follow them individually.   | 0   | Keep on promoting the support of ECO Action 21 certification.                     |
|  | Continue to collect used bumpers.                         | ◆41,000 used bumpers were collected.   | 0   | Collecting used bumpers to be continues.  |
|  | Continue to collect changed warning flares.               | ◆108,000 changed warning flares were collected.  | 0   | Collecting changed warning flares to be continued.                                |
|  | Continue to comply with the ELVs Recycling Law.           | ◆FY2008 recycling achievements based on the ELVs Recycling Law  Shredder dust recycling rate reached 77.7%, exceeding the legally required 70%.  **CFC's collected from 154,429 vehicles (46,970kg) and processed properly.  **Airbags from 60,287vehicles (12,359kg) delivered to recycling facilities, and 11,667kg recycled with a recycling rate of 94.4%, exceeding the legally required 85%. | 0   | Compliance with the ELVs Recycling Law to be continued for higher recycling rate. |

# 5. Improving Environmental Management

| Items   | Goals and Actions  | Results in FY2008   | Ev. | Plans in FY2009  |
|---|--|---|-----|--|
| Implementing actions contributing to socienty                           | Continue to join environmental events, communicate with local residents at plants, and welcome visitors to plant tours.  Continue to join cleaning and tree-planting activities in local communities around plants.  Offer support and cooperation to environmental activity groups.   | Visitors for plant tours exceeded 110,000. Eco Class Delivery Service provided to about 3,600 pupils at 45 local elementary schools.     A total of more than 200,000 people mobilized for continual local cleaning around plants.  | 0   | More people planned to be accepted.  Cleaning activities around plants to be continued.  |
| Disclosing<br>environment-related<br>information                        | Continue to publish social and environmental (S&E) reports, and aim at releasing S&E information through publicity channels from time to time. Improve and upgrade the contents of S&E reports (e.g., compliance with guidelines, and reports including affiliates).   | ◆The 2008 S&E Report issued in July (Japanese) and Sept. (English). ◆Efforts made to improve the contents including the Supplementary for Data, showing them on website. ◆The Report also includes activities of affiliates.  | 0   | Change the Report name to CSR Report 2009 and to be issued in beginning of Aug.(Japanese) and Oct. (English).  |
| Implementing<br>environmental education<br>and educational<br>campaigns | Continue to incorporate social and environmental education into the company education system and put it into practice. Continue to implement educational campaigns through company education newsletters and various media. Continue to implement lectures and presentations of operation improvement case studies at worksites. | ◆ The education on environment-related matters was conducted as before to employees by skill level and type of job.     ◆ Environmental education promoted through in-house magazines and intranet.     ◆ Operations Improvement Case Study Presentations held at each business unit. | 0   | Trainings, education and presentation meetings to be further promoted.   |
| Establishing<br>Environmental<br>Management System                      | Continue to improve the EMS at all business sites with ISO 14001. Continue to improve cooperation with affiliates and establish consolidated EMS.  | ◆All business units continued with the external ISO 14001 certification and conducted internal audits for further improvement. ◆Domestic Affiliated Company Subcommittee and North America Environmental Committee each held twice to promote environmental activities as a group.    | 0   | External certification and internal audits to be continued and start the approaches to receive the ISO 14001 certifications. Establishment of consolidated EMS to be promoted. |

\*3 ECO Action 21:
The system to authenticate that the undertakings of a certain organization meet the Guidelines set by the Ministry of the Environment and register its authentication