

Mizue Unno Managing Director So-Tech Consulting Inc.

# **Overview of CSR Initiatives**

The CSR Polices have been revised in 2009 to indicate explicitly not only the fundamental aspect of CSR, but also its strategic aspect which leads to proactive solution of social issues in the course of business. The fact that the direction to go was pointed is worth of special mention. I would expect that a specific shape will be given concretely to what kinds of issues are placed priorities as a car manufacturer in the time to come, in the CSR Voluntary Plan. What counts here is to make it easy for employees at worksites and stakeholders to understand and practical.

# Sorting CSR-related issues from fundamental and strategic perspectives

With the CSR Policies already set, placing issues specifically in order from the fundamental (defensive) CSR and strategic (offensive) CSR points of view is required, while clearly understanding the two-sidedness of CSR with inherent risk and chance.

Particularly, in building an awareness of the strategic nature of CSR, the point is how the strength can be applied to what people are interested in, while focusing on competitiveness in business.

I was explained that "high performance" is the advantage of Fuji Heavy Industries in the development of automobiles, but at the same time that this forte breeds negative image in environmental matters. In practice, technological development to achieve environmentally satisfactory performance has been pushed forward and this fact should be explained tenaciously and persuasively as before.

Besides, involvement of Fuji Heavy Industries in non-automotive areas such as wind power generation and eco technologies makes it stand apart from other automotive manufacturers. Furthermore, its development of durable engines is the business which can contribute to helping the future growth of developing countries. Thus, it will be effective to have the stance of dealing with social issues of global nature properly reflected in business including its niche operations.

# **Activities by Topic**

## **CSR** Procurement

Cascading CSR to suppliers is the time-consuming process which cannot be completed only with one-sided request from a manufacturer. In addition to green procurement, they have started moving ahead to work out common guidelines in the area of CSR in automotive and related industries. Fuji Heavy industries is also expected to proceed with CSR procurement based on inter-company cooperation keeping pace with such current outside.

#### Customer Support

The "Customer comes first" policy is gradually sinking into the mindset internally. Incorporation of such customer-oriented approaches for evaluation has produced good results, Positive introduction of dealerships in annual CSR reports is set in

Visited Utsunomiya Manufacturing Division this year, in addition to Gunma Manufacturing Division which has mainstay plants of Fuji Heavy Industries, I reviewed their activities related to environmental and social issues at the site while learning the development in aerospace business and eco technologies. I would advise to keep their on-going involvement in CSR to make all the employees of Fuji Heavy Industries including its overseas affiliates.

place, which is encouraged to be made most use of for horizontal spread among dealerships and nation-wide elevation of consciousness.

Also, it definitely calls for periodical education and trainings of dealerships and other sales outlets by SUBARU Customer Center. This Report gives us a glimpse of such efforts, but more needs be done. Revitalization of mechanism to encourage deepening awareness is required to involve domestic as well as overseas dealers in this endeavor.

#### Three pillars in CSR Initiatives

Fuji Heavy Industries has set three areas: environment, traffic safety and contribution to local communities, as common ground of the group including overseas affiliates. In the area of traffic safety, though, what approaches will give impact to stakeholders and be conductive to success is fuzzy. Since this is the field characteristically linked to automakers, such approaches are probably already built in anywhere in its activities. However, as long as three pillars are hoisted upward, the activities are expected to be staged more consciously.

#### Deployment of PDCA in CSR

Last year, the North American CSR Committee was incepted, moving global development one more step forward. It is meaningful to reposition the environmental and social activities at SIA so far in the group-wide global CSR spectrum. Although the first year was rather limited to sorting out the on-going activities, but what is needed from this time on in mapping out a new CSR voluntary plan is to have the process of planning through reviewing carefully followed, involving main sites oversea as well.

### Media and Contents of Reports

The means of reporting in this time was broken into two mediums; printed report and Web site, by the depth of coverage, showing a bit of creative efforts for readability with distinctions of these mediums into account. Nevertheless, there still remains much room for further studies as to whether the content in the printed report is narrowed down to major items sought by readers who have no other means than this printed report for assessment. Keep going, getting the most out of assessments by diversified stakeholders.

Profile

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Unno Established So- lech Consulting Inc. In 1996 after working for management consulting firms. Taking a global management standpoint, she offers management advices that support practical business solutions, to Japanese businesses in the environment and CSR field with detailed insights of her own. She is also a lecturer in the graduate school of the University of Tokyo. Publications include "Global CSR Procurement" (provisional translation from the original Japanese) (2006, in collaboration with another author) and "SRI and New Corporation/Finance" (provisional translation from the original Japanese) (2007, in collaboration with other authors). "The book for deep understanding of Corporate Social Responsibility I CSRI" (2008) Social Responsibility [ CSR]"( 2008)

## Thoughts on the Independent Evaluation

Following last year, Ms. Mizue Unno of So-Tech Consulting Inc. provided us with her objective review on SUBARU(FHI)'s social aptitude and environmental activities through her interviews to our Corporate Executive Vice President Director of the Board Okuhara, Chairman of the CSR and Environmental Committee, Corporate Vice President Takahashi, Vice Chairman of the Committee and a secretariat of the CSR and Environmental Committee at Utsunomiya Manufacturing Division (Aerospace Company and Eco Technologies Company).

Taking her remarks to heart, we will be stepping up our activities.

#### (1) Overview of CSR Initiatives

We have clearly set the CSR Policies with "the fundamental CSR which mainly focuses on the corporate code of conduct and priority-based approach" and "the strategic CSR which mainly focuses on contribution to solution of social issues through business activities" as major components. We will move forward with working out a CSR voluntary plan with both offensive and defensive sides properly balanced to meet effectively constantly-changing social challenges.

#### (2) Individual CSR issues ①CSR Procurement

It takes collaboration not only within the group but also with the industrial circle for efficient promotion of CSR in supply chains. We will be pressing ahead to work a CSR guideline with infiltration of activities within the company and affiliates of the group.

#### ②Customer comes first

We will get the "Customer comes first" approach permeated in the minds of all members of the SUBARU group, through reinforcement of education and trainings for further understanding, motivating and practicing of the "Customer comes first" and grasp and spread of best practices.

## **③Three pillars in CSR activities**

We have been expending efforts to commonly act for "environment, traffic safety and contribution to local communities" since last year, taking it our social responsibilities as a manufacturer of transport equipment including automobiles. Particularly, in the area of traffic safety, since there are many undertakings going on, they will be sorted out by areas related to, local communities and direct harnessing of our resources with their aims clearly defined.

#### **4** Deployment of PDCA in CSR

The North American CSR Committee was incepted in FY2008. In dissemination of the CSR Policies which clarified both fundamental and strategic aspects of CSR and drawing up a CSR voluntary plan, PDCA management will be forged ahead, while carefully coordinating within the group.

#### (3) Media and Contents of Reports

We reviewed the positioning of Web and pamphlet version on the occasion of issuance of the report under the name of "the CSR Report, and, as a result, refined the Web version for full-fledged reporting and the pamphlet for digest reporting. The content of the pamphlet version will be improved on a continual basis, reflecting the input from reader responding to questionnaires.

In June 2005, we created the FHI Group's

**Environmental symbol Logo** 

environment logo. The environment logo has a leaf at the center, with "green earth" and "blue sky" to represent the globe. Into this logo, we incorporated our determination to actively work on providing product that are friendly to the earth, society, and people, which is stated in the FHI Environmental Policy.

SUBARU participates "Team minus 6%" -a national campaign against global warming

Stop Global Warming Team minus 6%



#### **The Cover Design**

We have charged the promotion of CSR activities through our line of business with significance in releasing the report the first time under the name of "the CSR Report". Contribution to the society and environment through the course of business is expressed by connecting the "SUBARU's CSR" to the plug-in electric vehicle STELLA which is running about in a city.

 $\sim$ Editors and Issuance $\sim$ 

CSR and Environmental Affairs Promotion Office, General Administration Department, Fuji Heavy Industries Ltd.

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