



Human Resource Development (HRD) Philosophy

We offer a variety of training programs aimed at developing highly engaged, autonomous human resources, which is the human resources ideal based on our HRD Philosophy. Among our level-based training programs, the Startup Program helps all employees who have risen to a higher level adapt to their new responsibilities and focuses on logical problem solving. With the goal of helping employees obtain and enhance business skills, we also offer training programs for each type of position within the company. We offer support for employees to attend business school. With a view to accelerating our global HRD, we have also established programs to facilitate foreign language acquisition and training in companies overseas.

HRD Philosophy

We seek to realize the SUBARU human resources ideal of highly engaged and autonomous employees by helping employees develop the ability to identify and solve problems themselves.



A Scene from grade-specific training

Educational Organization Chart

Ability-based Grade	Company-wide Programs					Individual Programs at Each Site	
	Education by Grade		Education by Job Skill	Global-talent Development	Self-development Support		
Manager Class	New training at the time of promotion	Career plan training for manager class	Professional program Examples: -Logical thinking -Leadership -Presentation -Financial analysis, etc.	Education by job skill Examples: -Intellectual property -Financial accounting -Legal work	Educational program Variety of programs are available according to employees level. STEP 0-6	Correspondence education, etc.	Training at each business site Official certification support, etc.
Regular Employee		Performance review training					
New employees training							
New recruits training							

Initiatives to Transmit Skills

We opened the SUBARU Technical School (STS) in 2006 with the goal of training young technicians to become future leaders. By transmitting to the next generation technical expertise and work methods that are tailored to all skill levels and reflect the highest standards of safety and excellence, STS is helping to ensure the high quality of SUBARU products going forward.

We provide training that matches the skill levels of trainees, who consist of employees ranging from new graduates to those in their mid-twenties. In FY2014, 421 students took and completed courses, bringing the cumulative number of successful trainees to 2,087.



Basic Skills Training at STS

Comment from a Trainee

Training in Skills that Cannot be Learnt from Textbooks Alone

I learnt so much knowledge of immediate use on the job and skills that cannot be learnt from textbooks alone from veteran instructors. In training sessions, I tested my skills against fellow students who were both friends and rivals and was able to feel that every day was fulfilling. I want to utilize the knowledge, skills and valuable experience I gained at the SUBARU Technical School in my workplace.

Koji Watanabe, No. 1 Trim Section, No. 1 Manufacturing Department, SUBARU Manufacturing Division

Fair Evaluations and Support for Development of Skills

Mechanisms for the upgrading of skills aimed at growth based on fair personnel evaluations are essential to develop the autonomous human resources that FHI is aiming for.

To this end, FHI positions and utilizes its personnel system which is made up of occupational skill certification programs, performance assessment system, goal management system, personnel rotations, and the education and training systems as a tool for the development of human resources. In addition to objectively evaluating job outcomes and performance levels for skills through the operation of the personnel system, supervisors and their subordinates share the challenges necessary for growth. Under the goal management system, all FHI employees have an interview with their supervisors three times a year (goal setting, interim confirmation, outcome confirmation).

Promoting Work-Life Balance (Work-Life Balance Approach)

FHI aims to create a group of highly engaged, autonomous human resources, and we believe that it is important to establish an environment that allows each individual among our diverse employees to fully express their unique abilities.

We work on promoting diversity in work styles as well as enhancing our schemes in order to respect the diversity of our employees and achieve Work-Life Balance.

Supporting Each Employee's Work and Household

To support employees both at work and at home, we established our leave and short work-time systems, including the childcare leave system that can be extended to the first April after the child becomes two years old, the short work-time system available until children commence 4th grade in elementary school, and the leave or short-work time system for elderly care.

In FY2014, we expanded eligibility for special leave to care for a sick child and increased the period of short-time work while caring for a sick family member to enable even more employees to have flexibility in taking advantage of our schemes.

In addition, in accordance with the Next Generation Education and Support Promotion Act, we formulated our corporate voluntary action plan in two phases and completed the plan, achieving the targets for the first phase (April 2005 through March 2007) and the second phase (April 2007 through March 2010), which led to the acquisition of Certification by the Minister of Health, Labor and Welfare Minister (the *Kurumin* Mark).

At present we are directing our efforts towards achieving the goals of the third phase of the action plan, which was formulated in April 2010.



The *Kurumin* Mark

Work-Life Balance Recommended Performance

Implementation	Overview		FY2010	FY2011	FY2012	FY2013	FY2014
Childcare leave (persons)	System that enables employees to obtain leave for childcare	Male	1	6	2	3	6
		Female	84	91	90	68	124
		Total	85	97	92	71	130
	Rate of returning to work after childcare leave		—	—	—	—	100
	Retention rate one year after returning to work		—	—	—	—	98.5
Care leave (persons)	System that enables employees to obtain leave for family care with the necessary care conditions		4	5	6	3	5
Paid vacation acquisition rate	Promotion of once per month		88.3%	86.6%	88.2%	85.7%	86.9%
No overtime day	Two days set in the week for increasing work efficiency and fulfillment of private life		Implemented continually				



Diversity Initiatives

Promoting Diversity

For our company to continue offering customers value not found in competing products, each FHI employee needs to be able to express his or her abilities as an individual with unique values. For this reason, FHI values differences in gender, nationality, culture, and lifestyles of employees and strives to create workplace environments in which everyone finds it easy to work.



The main building at the Gunma Main Plant provides accessibility with wheelchair ramps



Creating workplace environments in which diverse employees find it easy to work, regardless of gender, nationality or lifestyle

Supporting Employees with Disabilities

At FHI, we strive to create workplace environments in which people with disabilities can truly shine. To achieve this goal, we leverage the ideas and opinions of our employees with disabilities and their family members.

In FY2014, we established SUBARU Bloom Co., Ltd. as an initiative to increase employment of people with disabilities. The company plans to be accredited as a special subsidiary under the Act on Employment Promotion etc., of Persons with Disabilities.

As of March 31, 2014, FHI employed 168 persons with disabilities, mainly in manufacturing work. The percentage of employees with disabilities for FY2014 was 1.57%, which was below the legally mandated rate of 2.0%. Going forward, FHI and SUBARU Bloom will work to hire more people with disabilities and make our workplace environments even more conducive to their employment with the aim of meeting the legally mandated rate.



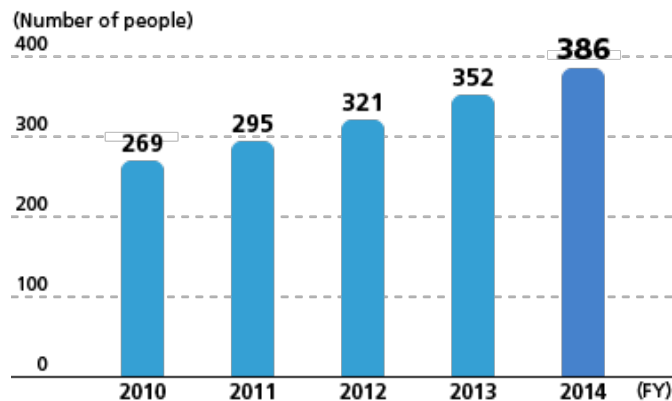
The height of automatic door switches and work stations is set at a level that is convenient for those using wheelchairs.

Senior Partner Program: Reemployment for Employees Over 60-year-old

We introduced the "Senior Partner Program" in 2003 to rehire employees after the 60-year-old retirement age. This reemploys the aged and better strengthens our human resources. In addition to meeting the demands of the "Revised Law Concerning Stabilization of Employment of Older Persons" since April 2013, we have revised the existing system so that retired workers can put their experience and skills to further use, and have devised a system whereby those who wish to work beyond retirement age can do so at FHI and at our associated group companies.

We have been improving the work environment so that the reemployed will be able to work more comfortably. We will promote re-hiring senior people after their retirement at 60 to use their experience and abilities for fostering a new generation of workers.

Number of Workers Over the Age of 60



Global Human Resource Development Initiatives

FHI recruits both new graduates and mid-career employees regardless of their nationality, and we employ non-Japanese nationals as permanent and temporary employees.

At our Gunma Manufacturing Division, we welcome employees from Brazil, Peru, China, and many other countries. Even people whose conversational Japanese is advanced may have difficulty with complex instructions about manufacturing processes or specialized vocabulary. For this reason, we produce manuals in a wide variety of languages and offer interpretation services as needed.

We also provide employees opportunities to receive language training and engage in extended training programs overseas, helping them enhance their communication with people from other countries and understand cultures different from their own. In FY2014 the Gunma Manufacturing Division accepted Chinese interns under the Foreign Trainee Internship Program. At the end of FY2014, 183 interns were actively involved, bringing energy to workplaces and helping in production activities.



Manual written in Portuguese

Universal Design Initiatives

With the goal of achieving the guidelines for a comfortable working environment,* we systematically plan continuous workplace improvements in the areas of work environment, work methods, and environmentally responsible facilities, among others. We practice universal design in our facilities, aiming to make break areas, toilets, smoking areas, and cafeterias as barrier-free as possible.

*Guidelines for a comfortable working environment: "guidelines for measures to be taken by employers for the creation of a comfortable working environment" in the Industrial Safety and Health Act.



Wheelchair ramp installed in the entrance of the main building of the Gunma Main Plant

Employee Data

		FY2010	FY2011	FY2012	FY2013	FY2014
Number of employees	Male	12,118	11,942	11,740	12,451	12,784
	Female	891	875	834	861	871
	Total	13,009	12,817	12,574	13,312	13,655
Male to female ratio (%)	Male	93	93	93	94	94
	Female	7	7	7	6	6
Average age		38.7	38.8	38.6	38.9	38.8
Average length of continuous employment (years)		17.7	17.7	18.0	17.3	16.6
Number of managers	Male	1,077	1,047	1,043	1,044	1,029
	Female	2	3	5	5	4



Philosophy of Occupational Health and Safety

In line with the Corporate Philosophy, we consider occupational health and safety to be a critical responsibility of management. Our Health and Safety Philosophy is, "We make health and safety the first priority in all of our work." Based on this philosophy, all managers and employees work to ensure health and safety in their workplaces while continuously striving to make a working environment more pleasant and comfortable for all.



Yajima Plant, Gunma Manufacturing Division

Health and Safety Philosophy

We make health and safety the first priority in all of our work.

Basic Policy of Health and Safety

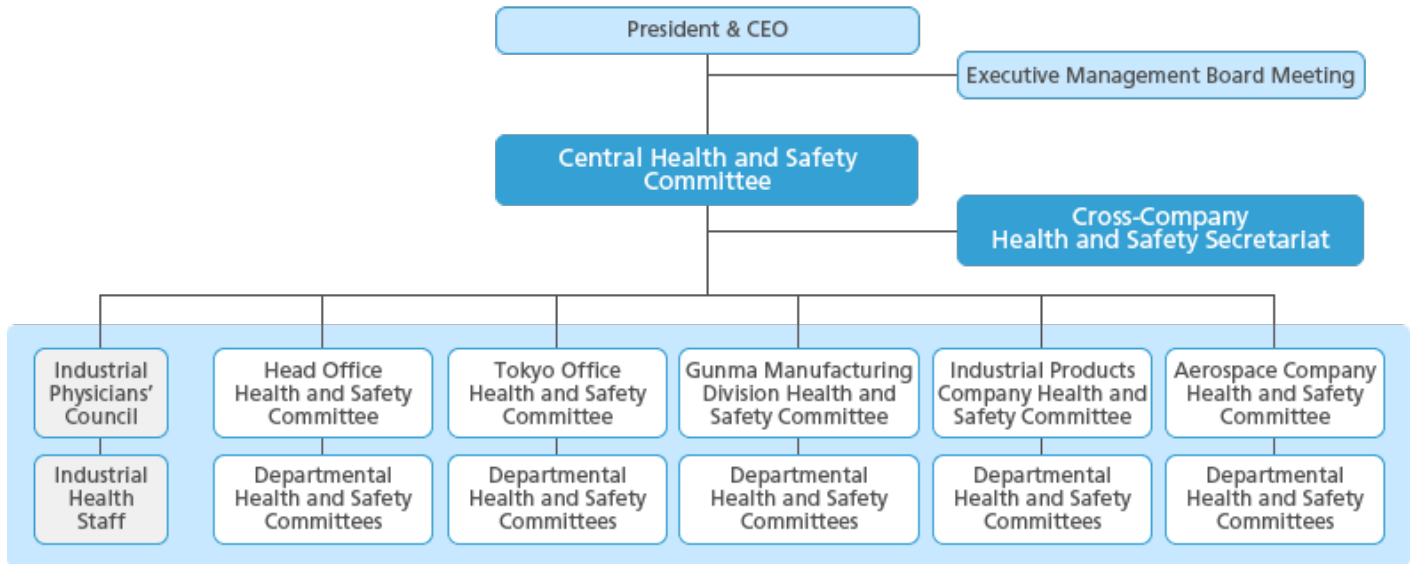
Aiming for zero incidents of occupational accidents, traffic accidents, diseases, and fire disasters, all employees recognize the importance of health and safety and strive to improve equipment, environments, and work methods, while raising the level of management and awareness in order to create safe and comfortable workplaces.

Health and Safety Management System

FHI established the Central Health and Safety Committee composed of an equal number of members from the company and the labor union for the purpose of preventing employee accidents and diseases and improving the working environment.

In addition, site Health and Safety Committees have been set up at each of the companies to deliberate on the policies issued by the Central Health and Safety Committee as well as basic issues. Furthermore, Health and Safety Committees at plants, departments and section have been established where necessary as sub-organizations.

Health and Safety Organization Chart



Aiming for Zero Industrial Accidents

At the start of each fiscal year, each FHI business site conducts a Health and Safety Kickoff Meeting that aims to raise awareness about preventing industrial accidents, road safety, and health management. With the ultimate goal of zero industrial accidents for the year, the general manager of each site talks to workplace leaders about the health and safety policies and initiatives for the fiscal year.

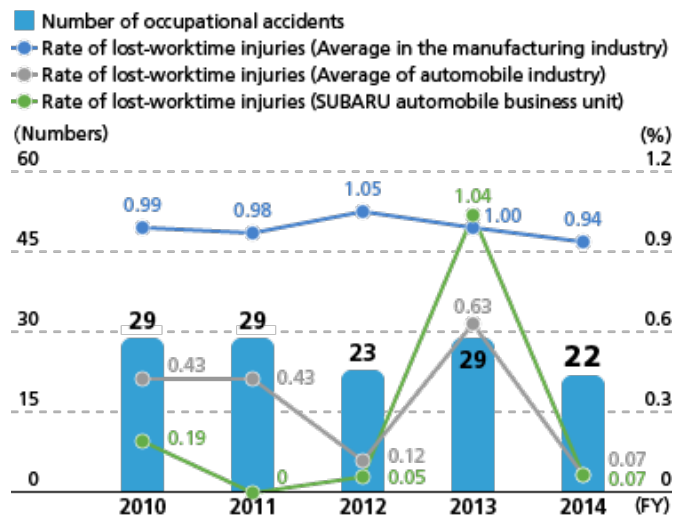
In addition, each site establishes activity targets and plans and promotes initiatives to achieve them so that employees constantly maintain awareness about preventing accidents while going about their day-to-day work.

In FY2014, there were 22 incidents of industrial accidents. The lost-worktime injury rate, which indicates the severity of accidents, was 0.07, equal to the average for the automobile manufacturing industry as a whole. In FY2015, we are aiming for zero industrial accidents with a focus on “Compliance with rules on standard working hours” and “Implementing hazard prediction for non-routine work.”



FY2015 Safety and Health Kick Off Meeting

Occurrence of Industrial Accidents and Rate of Lost-Worktime Injuries



Risk Assessment Activities

In order to create safer workplace environments, FHI carries out risk assessment activities that identify potential risks within the workplace and attempt to prevent them. The results of assessments are reflected in annual health and safety activities in an effort to reduce risk systematically.

Road Safety Support Activities

In order to prevent all traffic accidents whether they be during work, commuting or private time, FHI conducts driving aptitude testing that incorporates psychological testing for all employees of the Automotive Business, the Aerospace Company and the Industrial Products Company, in which commuting by car is popular. We inform the employees concerned about the results of aptitude testing and strive to promote safer driving.

Promoting Healthy Bodies and Minds

We are aggressively promoting employee health management. Our approach is not only to prevent health problems, but also to systematically maintain and promote mental and physical health.

Specifically, we are working to prevent diseases and administer healthcare by assigning staff at each division for health checkups and specialized health guidance (e.g. remedies to avoid metabolic syndrome, exercise guidance, mental healthcare, nutritional guidance), health consultations to those diagnosed with a cautionary concern in a medical checkup, counseling and other healthcare services.

Comments from an Industrial Physician

A Stronghold Defending the Health of Working People

Technological innovation and the diversification of needs has given rise to the phenomenon of workers being forced to adapt to the job, which subjects them to mental and physical stress and is believed to be involved exacerbating lifestyle diseases, mental health issues and musculoskeletal disorders to name a few. Therefore, at FHI, the Health Support Office is central in running health support activities for employees from the perspective of preventing health problems as well as early detection and treatment.

Among these activities, the Health Support Office focuses on providing health advice and follow-up treatments after medical checkups, smoking cessation advice, mental health plans, and advice concerning work methods and the work environment. Moreover, the Office also disseminates seasonal alerts on issues such as heatstroke and influenza countermeasures and information on familiar hot topics such as measures to address lifestyle diseases via the in-house intranet and safety and health committees, working to promote awareness and spread knowledge. It also provides advice at the planning stage for healthy menus at the employee canteen. In addition, the Office supports health management that includes primary diagnosis and treatment of disease and referrals to specialist healthcare institutions as well as playing a role as a general health consultation service. We hope to help maintain and promote the health of employees through our health support activities as a stronghold defending the health of working people into the future.



Hiroataka Fujita
Industrial Physician, Tokyo Office

Commitment to Mental Health

We work in cooperation with industrial physicians, clinical psychologists and health and safety staff (public health nurses and nurses) attached to the Health Support Office to conduct mental health measures. At the same time we are involved in providing mental health workshops and the like at each division for regular workers and managers. In FY2013, we created the "Mental Health Dealing Manual for Managers" in-house booklet and introduced the "Return to Work Program Schemes" (trial return to work, gradual return to work), a system effective from FY2014 that enables smooth resumption of work after a period of absence, among other measures to create a work environment in which employees are able to work with peace of mind.



Building Positive Labor–Management Relations

FHI and its labor union hold a Labor and Management Council at least once a month for smooth corporate management and mutual communication, discussing issues such as management policy and overviews of business results, production, matters to do with sales and workers' conditions. Changes to operations that will have a significant impact on employees are discussed in advance.

Labor-management relations in recent years have remained positive with the establishment of a relationship based on mutual understanding and trust through close communication.