We discovered cases of improper conduct at our Gunma plant, involving final vehicle inspections being conducted by individuals who were not yet certified as final inspectors. In addition, we identified inappropriate conducts during vehicle sampling inspections for fuel economy and emissions and in other operations associated with final vehicle inspections. We would like to offer our sincerest apologies for causing so much concern and trouble to all our stakeholders.

The report on the investigation conducted by a team of external experts mentions the background to the prolonged, diverse, and wide-ranging nature of these incidents of inappropriate conduct, commenting that they did not stem solely from innate problems with the corporate culture or issues with compliance awareness among employees, but rather were also due to the executive team’s lack of awareness of and involvement in final vehicle inspection work. We therefore regard our responsibility as managers extremely seriously. The other members of the executive team and I have a responsibility to steadily implement measures to prevent recurrence and achieve solid outcomes in this regard, so we intend to spearhead efforts to regain everyone’s trust, step by step.
Development of STEP, the New Mid-term Management Vision

In July 2018, Subaru published STEP, our new mid-term management vision covering the period to 2025. The decision to develop a new vision was inspired by the need to set out the direction that the company’s management should take with a view to changes in the external environment as the automobile industry stands on the threshold of an epochal transformation. Another factor was the strains and challenges that have emerged as a result of the recent rapid growth. We will contribute to the increasingly diverse range of social needs and fulfill our responsibility as a company without deviating from our brand principle of providing enjoyment and peace of mind to our customers and restoring trust by cultivating our fundamental corporate strength as soon as possible. Working as a cohesive whole, we will move forward with our initiatives, motivated by the firm intention of making Subaru a company that is trusted by, and resonates with, our customers. In terms of specific initiatives, we have positioned corporate culture reforms as Subaru’s top priority. “Change the Culture” is the powerful phrase that we have adopted as our slogan to express our determination and resolve. We will accelerate efforts to strengthen compliance, governance, and management, with the aim of becoming a company that can respond swiftly and flexibly to change by being more sensitive to the times and the outside world, while preserving the good DNA that Subaru has nurtured over the years. At the same time, we will seek to reform our corporate culture and human resources/organization, review our CSR initiatives, and promote the adoption of IT throughout our business activities.

Selecting 6 Priority Areas for CSR

To ensure that the Subaru Group becomes a truly global company in which society can trust and for which every employee can feel proud to work, we reviewed our existing CSR initiatives based on STEP, our new mid-term management vision, and defined six priority areas for CSR. The six priority areas for CSR have been chosen on the basis of the potential that they offer for both meeting the demands of society and contributing to society by tapping into our business strengths: People-oriented Car Culture; Resonance and Coexistence; Peace of Mind; Diversity; Environment; and Compliance.

We believe that a car is more than just a means of transport. In working to create a People-oriented Car Culture, we will aim to foster a sustainable mobility culture by providing customers with added value in the form of products and services which make the car a partner that enriches people’s lives and minds, while cherishing the human emotions of enjoyment and peace of mind. Taking the views of the customer and society seriously at all times is a fundamental principle for us.
In focusing on Resonance and Coexistence, we intend to undertake business activities through person-to-person communication, so that we become a company that is trusted by customers and local communities, and which resonates and can coexist with them.

Then there is Peace of Mind, which could be described as Subaru’s obsession. While delivering the peace of mind that cars must offer, we will aspire to become a company that provides customers, local communities, employees, and all other stakeholders with the utmost peace of mind: the sense that they can rely on Subaru. Attaching particular importance to protecting lives, we will work to achieve our self-imposed target of zero fatal road accidents* by 2030.

* Reducing to zero the number of fatal accidents occurring while a driver or passenger in a Subaru and the number of fatalities among pedestrians, cyclists, and the like arising from collisions with a Subaru.

In the arena of Diversity, we believe that respecting diverse forms of market value and increasing options for our customers will result in Subaru’s own sustainability. Achieving this requires diversity of perspective among all those who work for the Subaru Group. We take the view that we can achieve Subaru’s own unique brand of diversity by pursuing two key aspects: diversity in products, which involves tapping into our business strengths to resolve social issues, and diversity of employees, through which we aim to accommodate the requests of society.

When it comes to the Environment, with the automotive and aerospace businesses as the pillars of Subaru’s operations, our fields of business are the earth, the sky and nature. We must consistently demonstrate consideration for the environment throughout our corporate activities to preserve the environment of our planet – the earth, the sky and nature – for future generations. Our environmental policies position climate change as the most important focus for our initiatives and we are working to tackle the problem through efforts to meet our self-imposed target of achieving by FYE2031 a 30% reduction (total amount, compared with FYE2017) in CO2 emissions directly generated by the Subaru Group, to keep the rise in global temperatures below 2°C.

Finally, in the realm of Compliance, we are keenly aware that we need to foster a strong emphasis on compliance in all operations to achieve root-and-branch transformation in our corporate culture.
In light of the recent cases of improper conduct, we at Subaru have positioned the practice of compliance as one of the most important tasks in the company’s management and are implementing a variety of initiatives in this area.
The senior management will spearhead efforts that bring all executives and employees together to address the task of compliance, with the aim of ensuring that our focus on compliance as a priority permeates throughout and is practiced by all employees of the Subaru Group.
We are committed to regaining the trust of all stakeholders as soon as possible, so that we can transition from being a company making things, to a company making people smile.

Representative Director of the Board, President and CEO