

Human Resources

Human Resource Development

Our Approach to Human Resource Development

In order to achieve its mid-term management vision "STEP," SUBARU emphasizes helping each employee to voluntarily take on new challenges and to independently develop their careers. In talent development, we focus on the growth of the individual, offering them better opportunities for them to independently develop their careers, providing chances for learning that are in keeping with their own desired outcomes, and organically combining these with job rotation and other human resource policies. Through the growth of the individual, we enhance the appeal of the SUBARU brand as we continue to boost the Group's corporate value.

Training and Education

Our Approach

In order to achieve its mid-term management vision "STEP," SUBARU focuses on the growth of the individual, utilizing the talent development tools of challenge-oriented personnel systems, personnel rotation, and educational programs.

In addition, SUBARU's affiliated companies in Japan and overseas promote initiatives in accordance with the business domain of each company and regional characteristics.

Regular Reviews and Career Development

Through the operation of the personnel system, each employee's job outcomes and performance levels for skills are objectively evaluated. In addition, under the goal management system, all SUBARU employees have an interview four times a year (for goal setting, interim confirmation, outcome confirmation, and evaluation sharing) and the supervisors and subordinates agree on the challenges necessary for growth.

Both men and women are treated appropriately and there is no gender gap in the basic salary.

Training Programs

SUBARU offers a wide range of learning opportunities so that all employees can develop their skills in accordance with their career plans and levels. In order to support employee career development, we are introducing new programs in FYE March 2022, establishing a system and environment so that we, as a company, support the growth of the individual.

Structure of Training Programs

| | Sharing Philosophy* | Career Training* Career Support* | Business Skill Development Support* | Globally Focused Talent Development | Managerial Talent Development | Rank-specific Programs | Self-development Support |
|--------------------------------|---|-------------------------------------|---|---|-------------------------------|------------------------------------|---|
| Manager Class | Philosophy sharing program | Career management training | Business skill development support programs | Mindset/Communication/ Language skills | Programs for selected staff | Newly appointed personnel training | Training at each business site/Official certification support |
| Mid-level/ Regular Employee | | Age-specific career training | | | | | |
| New Hires | New employee training (after starting official employment) | | | | | | |
| | New employee training (before starting official employment) | | | | | | |

* New

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Philosophy Sharing Program

This program helps individual employees gain a deeper understanding of SUBARU's vision and the value it offers, helping them share a sense of togetherness with SUBARU through mutual dialogue between employees. It is designed to enable employees to independently be mindful of and act toward achievement of SUBARU's vision.

Career Training and Career Support

Career training is offered to employees as an opportunity for them to come face-to-face with their potential career paths so that they can develop their own careers independently. We also offer career management training and career consultations for managers so that employees' workplaces and superiors can support their career development.

Business Skill Development Support Programs

All employees, from managers to general staff, are offered a choice of various business skills development support programs in accordance with their level and goals. In skills development, we encourage employee independence and their voluntary selection of programs in accordance with their career plans and their own strengths and weaknesses. In addition, by actively utilizing public courses held at external institutions, employees gain more contact points outside the company and gain new awareness, providing opportunities to learn more about the outside.

Globally Focused Talent Development

In addition to improving language skills, we encourage employees to develop a wide range of capabilities with the goal of acquiring cross-cultural collaboration and leadership skills with a view to playing an active role on the global stage.

Managerial Talent Development

SUBARU offers training for selected mid-level and manager class employees with the aim of continually fostering the next generation of managerial talent.

Initiatives to Transfer Skills

The purpose of transferring skills at SUBARU is to create talent who have comprehensive abilities to adapt to change, standardize and sustain that standardization, and envision continuous improvement, and who can create high-quality products with safety and efficiency.

At the Gunma Plant, we are systematically cultivating technicians based on a program of skills education. In April 2021, we introduced a new basic training program that condenses the vocational training school and STS education programs previously available to employees. 294 employees attended courses in this program.

* At SUBARU Technical School, employees engage in specialized practical training and courses according to their occupation.



New basic training



Lathe work



Plastic molding



Automobile sheet metal



Award winners at the 2020 national competition

National Skills Competition

The National Skills Competition is designed to cultivate talent with advanced technical skills and who can lead in the workplace.

Each year, SUBARU employees compete to be the best in Japan in three categories—lathes, plastic molding, and automobile sheet metal. For about three years from when they join the company, competitors strive to hone their skills, concentration, and endurance in daily training so that they can do their best at this national competition.

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Diversity

Our Approach

For the Subaru Group to continue offering customers the unique value of the SUBARU brand, SUBARU employees need to be able to exert their unique talents informed by their own personal values and characteristics. This is why SUBARU values the differences in gender, nationality, culture, and lifestyle among its employees and strives to create workplace environments where everyone can make a meaningful contribution.

In addition, SUBARU's affiliated companies in Japan and overseas promote initiatives in accordance with the business domain of each company and regional characteristics.

Management System

The Diversity Promotion Office of SUBARU's Human Resources Department leads the efforts of the Subaru Group in relation to diversity. The office has designated "supporting female employees to take on more active roles," "promoting the employment of people with disabilities," "promoting the reemployment of post-retirement age workers," and "promoting the recruitment of non-Japanese workers" as priority themes. Among them, SUBARU has placed particular emphasis on efforts to support and empower female employees.

Initiatives

■ Empowerment of Female Employees

SUBARU is promoting initiatives for the empowerment of female employees, mainly by supporting employees in their efforts to balance work and childcare and in their pursuit of career development.

SUBARU set itself the target of increasing the number of female managers by five times the 2014 level in 2020, and achieved this goal in 2019, a year ahead of schedule. SUBARU is further

strengthening its efforts aimed at developing female managers by setting a new target to increase the number of female managers to two times or more the 2021 level by 2025.

To support career development, SUBARU has conducted a wide range of initiatives, including the mentor system and the career development training for female team leaders. We believe that sharing development plans with supervisors of female employees is indispensable for the career development of female employees, and we provide opportunities for the supervisors to discuss such plans with human resources personnel. Recently in FYE March 2020, sessions to share development plans were held for general managers in all development-related departments, where the participants confirmed the promotion of a training-based development policy. In FYE March 2021, we introduced a new career vision training program for female employees in their 20s to foster career awareness among women at an early stage of their careers. Going forward, we will continue to further strengthen our efforts to create a workplace environment in which they can plan their own career paths and make a meaningful contribution on a level playing field.

[Second Action Plan based on the Act on Promotion of Female Participation and Advancement in the Workplace \(Japanese version only\)](#)

Status of Female Employees (Non-consolidated)

| | | FYE March 2021 |
|--------------------------------|---|----------------|
| Proportion of female employees | | 7.2% |
| Proportion of female managers | | 1.9% |
| (Breakdown) | General managers and equivalent positions | 1.3% |
| | Managers and equivalent positions | 2.1% |

→ [Supporting Balance between Work and Childcare](#)

■ Supporting Reemployment

SUBARU has also established a reemployment support system for employees who resigned for reasons beyond their control, such as the relocation of their spouse.

From the introduction of the system in 2009 to March 2021,

11 employees have returned to work at SUBARU using this system.

■ Employment of People with Disabilities

SUBARU strives to create workplace environments in which people with disabilities can truly shine. To achieve this goal, SUBARU leverages the ideas and opinions of our employees with disabilities and their family members.

As of April 2021, SUBARU has 306 employees with disabilities, mainly engaged in manufacturing work, and the percentage of employees with disabilities is 2.36%*1.

In FYE March 2021, we also held training programs for supervisors in departments where people with disabilities are employed, and for personnel in charge of hiring people with disabilities at our affiliates in Japan. These programs helped instill a better understanding of the importance of hiring people with disabilities and their particular characteristics, as well as key points on labor management and other information.



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

*1 Including the number of employees with disabilities at SUBARU's specified subsidiary company.

Employment of People with Disabilities

| | April 2017 | April 2018 | April 2019 | April 2020 | April 2021 |
|---|------------|------------|------------|------------|------------|
| Number of employees with disabilities (person)* | 261 | 269 | 280 | 291 | 306 |
| Employment rate of people with disabilities (%) | 2.17 | 2.28 | 2.30 | 2.30 | 2.36 |

* According to the method of calculation specified in Act on Employment Promotion etc. of Persons with Disabilities, one person with severe disabilities is counted as two persons with disabilities.

• Universal Design Initiatives

In order to ensure compliance with the Guidelines for the Creation of Comfortable Working Environment^{*2}, SUBARU makes improvements to the working environment, work methods, environmental facilities and others in an organized and planned manner. We also proactively adopt universal design for our facilities, aiming to make the breakrooms, restrooms, smoking areas and cafeterias barrier-free, thereby providing all employees with comfortable workplaces.

SUBARU has adopted universal design for the entry/exit gates, restrooms and other facilities of the West Main Building of the Gunma Plant, as was done at the head office.

*2 "Guidelines for the Creation of Comfortable Working Environment" as stated in the Industrial Safety and Health Act of Japan



Entry/exit gates through which people in wheelchairs can also pass (West Main Building, Gunma Plant)



Parking for wheelchair users (West Main Building, Gunma Plant)

• Specified Subsidiary Company SUBARU BLOOM Co., Ltd.

SUBARU BLOOM Co., Ltd. (SBC) proactively employs people with disabilities. As of April 2021, 79 employees and 19 instructors engage in the cleaning service provided by SBC to SUBARU's dormitories and plants. As a company proactively employing people with disabilities, SBC has registered with the "Supporter Company for Employment of People with Disabilities" program implemented by Gunma Prefecture's Department of Employment Support for People with Disabilities.

In FYE March 2021, SBC widely accepted study visits by local people and also introduced its initiatives to those in charge of the employment of students by companies at two

neighboring special education schools. In November, SBC received the Organization Chairman's Effort Award from the Japan Organization for Employment of the Elderly, Persons with Disabilities and Job Seekers (JEED), in recognition of being a special subsidiary employing the highest number of people with disabilities in Gunma Prefecture. This achievement was made possible by the company's business activities and support from affiliated organizations. SBC will continue to expand its network for the employment of people with disabilities while working to stabilize the management of the company and improve its operational quality. As a company that helps individual employees to "bloom like flowers," SBC will strive for the stability of management, foster employment, and make local contributions.

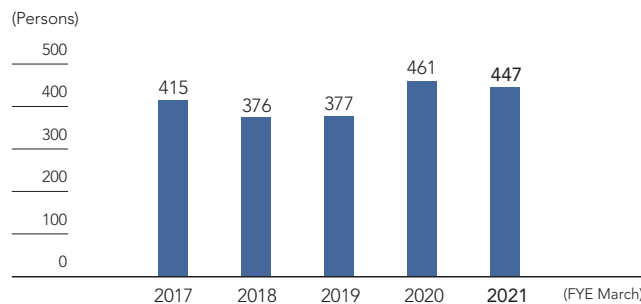


Certificate of Supporter Company for Employment of People with Disabilities issued by Gunma Prefecture

■ Reemployment of Retirees

SUBARU has implemented its Subaru Business Staff Program and Subaru Partner Program after revising its re-employment programs for employees after retiring at the mandatory age of 60. This revision and these programs are designed to not

Number of Employees Aged 60 and Older



Reemployment Rate (Non-consolidated)

| FYE March | Retirees (Persons) | Applicants for Reemployment (Persons) | Reemployed (Persons) | Reemployment Rate |
|-----------|--------------------|---------------------------------------|----------------------|-------------------|
| 2017 | 114 | 98 | 98 (29)* | 100 |
| 2018 | 108 | 83 | 83 (21) | 100 |
| 2019 | 107 | 86 | 86 (27) | 100 |
| 2020 | 164 | 130 | 130 (40) | 100 |
| 2021 | 97 | 72 | 72 (19) | 100 |

* Figures within parentheses indicate the number of rehired employees at Group companies.

only help energize employees and senior citizens with valuable skills, but to also be tailored to individuals with a variety of capabilities and support their active participation. We operate our programs so that all those who want to be reemployed can work for SUBARU and other Group companies.

The number of rehired employees (aged 60 or older) in FYE March 2021 was 447.

■ Employment of Non-Japanese Employees

SUBARU employs non-Japanese new graduates and mid-career workers as regular and temporary employees regardless of their nationality.

In order to help non-Japanese employees to deepen their understanding of their work, we prepare our safety and quality policy-related documents, work manuals, and other documents in multiple languages. At the Gunma Plant, where we employ a particularly large number of non-Japanese employees, we have stationed interpreters in English, Portuguese, Tagalog, Spanish, Chinese and other languages at each of the facilities to foster communication between Japanese and non-Japanese employees.

Moreover, we provide Japanese employees with opportunities to receive language training and engage in overseas training, thereby helping them to enhance their

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ability to communicate with people from other countries and understand cultural differences. These initiatives contribute to revitalizing the company and securing human resources in a stable manner.

As for foreign trainee workers, we basically provide them with education on safety and quality under the Technical Intern Training Program and also implement other measures to develop them into human resources who can utilize their abilities for their own countries after returning home.

Our overseas subsidiaries and affiliated companies independently employ human resources and work to secure human resources in line with their own policies and business details.

■ Regular Employment System for Temporary Workers

SUBARU has a regular employment system for temporary workers. We offer an opportunity to sit for an examination for regular employment to temporary workers who want to become regular employees and whom we have comprehensively judged to be qualified to take the examination based on the recommendations from their workplaces and other information. This system contributes to increasing the motivation and vigor of temporary workers. For 10 years from FYE March 2012 to FYE March 2021, a total of 1,601 temporary workers became regular employees under the system.

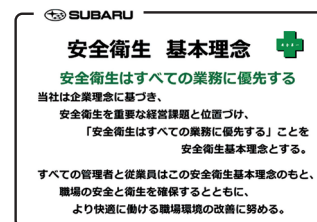
Number of Temporary Workers Who Became Regular Employees

| FYE March | Number of Those Who Became Regular Employees (Persons) |
|-----------|--|
| 2017 | 112 |
| 2018 | 113 |
| 2019 | 205 |
| 2020 | 223 |
| 2021 | 267 |

Occupational Health and Safety

Our Approach

SUBARU regards occupational health and safety as a critical management issue, and our Health and Safety Philosophy is “Subaru makes health and safety the first priority in all our work.” Further, in addition to our Basic Health and Safety Policy, each of the Subaru Group companies in Japan and overseas establishes their own occupational health and safety policies in line with their business details, regional characteristics, and local laws and regulations, and implements initiatives based on the policies.



Yajima Plant, Gunma Plant

Health and Safety Philosophy

Basic Health and Safety Policy

With the aim of reducing industrial accidents, traffic accidents, diseases, and fires and other disasters to zero, every individual will strive to create a safe, comfortable workplace through efforts to improve facilities, environments, and work methods, and to enhance management and awareness, based on a shared recognition of the importance of health and safety.

Central Health and Safety Committee

Established April 2002

Management System

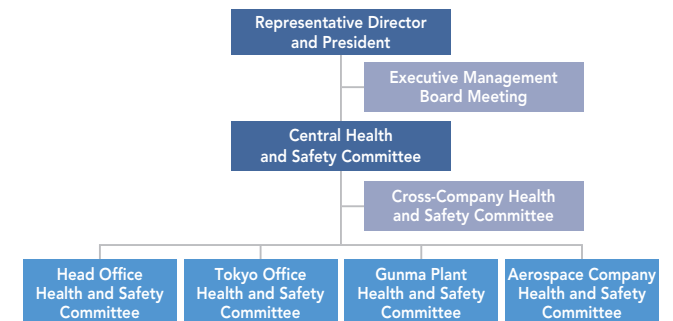
SUBARU established the Central Health and Safety Committee, which is composed of members from management (executive officer in charge of health and safety and the manager in charge

of onsite health and safety) and from the labor union, with a view to protecting employees (including non-regular employees) and our affiliates from industrial accidents and illness and improving the working environment. The committee, which meets for deliberations three times a year, is chaired by an executive officer and its vice-chairperson is elected from the Company's labor union's membership. Its deliberations primarily include occupational safety, occupational health, traffic safety, and fire and disaster prevention.

At the committee's first meeting, participants check the fiscal year's activities, including the year's Basic Health and Safety Policy. At its second meeting, the committee summarizes the first half of the year by quantifying items from each business site and shares actions for the second half. At the third meeting, the committee summarizes the fiscal year based on numerical data and discusses health and safety policies (occupational safety, occupational health, traffic safety, and fire and disaster prevention) for the following fiscal year.

As for affiliated companies under the control of the Site Health and Safety Committee, we provide them with related information, as necessary for the promotion of their occupational health and safety activities.

Health and Safety Organization Chart



Initiatives

At the start of every fiscal year, each of our sites holds the Health and Safety Kickoff Meeting, where the head of the site communicates the health and safety policies for the fiscal year to workplace leaders so that all employees can share the health and safety activity targets and plans as a unified team and raise their awareness about the prevention of industrial accidents, road safety and health management.

Prevention of Industrial Accidents

Wearing of the safety declaration badge

In order to elevate safety awareness among SUBARU employees, all employees of SUBARU and its affiliated companies wear the safety declaration badge, on which it is clearly stated, "I always check for safety before performing any action."



Safety declaration badge

Promoting the practice of pointing and calling

For the prevention of mistakes and human error, we urge employees at all our sites to practice pointing and calling at the crosswalks and other places on the premises as the basis for occupational health and safety, thereby raising their awareness about the importance of safe behaviors and increasing the accuracy of their safety checks.

Road Safety

In order to prevent employees from getting involved in any traffic accidents while working, commuting or spending their private time, we are implementing a range of measures as follows:

- Conduct awareness-raising activity, including introducing the cases of past accidents and showing a video on road safety, before the start of a long vacation, targeting all employees of the Automotive Business and the Aerospace Company, many of whom commute by car.

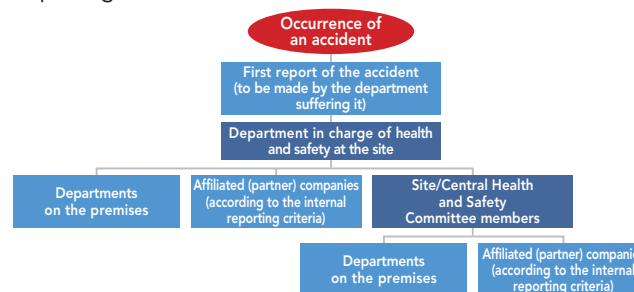
- Organize a lecture by the chief of the local police station to improve employees' driving manners.
- Provide new employees with hands-on education using training institutions.
- Conduct psychological driving aptitude tests and use a driving recorder to help employees recognize their driving habits.

Industrial Accidents

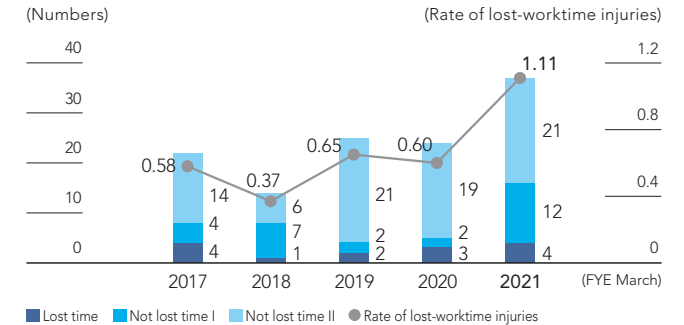
As for industrial accidents and close calls that happened at our sites and affiliated companies, we comply with the following rule for the prevention of similar incidents at the sites: the department that has faced the incident shall disclose related information to other departments on the premises and affiliated companies via the department in charge of health and safety at the site.

For FYE March 2021, we had 37 industrial accidents, of which four were lost time accidents and none were fatal accidents. The accident frequency rate was 1.11. These figures were significantly greater than those from FYE March 2020, and given this, we are taking action toward stronger daily prevention. Our policy here is to use analyses of accidents per site to enforce more rigorous rule compliance to standardized work across the Group, have workers wear appropriate protective gear, ensure appropriate signaling and callouts, and other "rigorous compliance to basic matters (back to basics)."

Reporting Line for Industrial Accidents



Occurrence of Work Related Accidents and Accident Frequency Rate (Non-consolidated)



MESSAGE

Aiming to provide employees with safe and comfortable workplaces

As the Secretariat of the Central Health and Safety Committee, the organization responsible for overseeing safety at SUBARU, I work in partnership with on-site safety coordinators and the Health Promotion Group newly established within our head office's Human Resources Department, with the goal of creating workplaces that are safe and comfortable each and every day, and with the constant mindset toward enabling them to cheerfully leave home for work and also cheerfully return home after work.

Takayuki Hino
Safety Planning Coordinator
Human Resources Department
Secretariat of the Central Health and Safety Committee



Health Management

Our Approach

SUBARU is fostering health management measures along with occupational health and safety activities so that all employees can work healthily, soundly and vigorously, take on challenges and achieve growth. SUBARU takes these actions in the belief that the health of employees and their families is essential for all its business operations. SUBARU works with the relevant units within the Human Resources Department to support the physical and mental health of its employees as well as to build a healthy organization and promote flexible working styles, and more. By doing this, it creates the underpinnings of a more comfortable working environment necessary for greater employee engagement.

Subaru Health Declaration

Purpose

In pursuit of becoming a company “delivering happiness to all” and based on our Global Sustainability Policy of “striving to maintain and advance the workplace environment so that employees can work safely in peace, and with a sense of satisfaction,” SUBARU CORPORATION, the Subaru Labor Union, and the Subaru Health Insurance Association jointly released the Health Declaration in October 2020 with the intent that the three parties work in unison toward health.

Health Declaration

To build happiness for our employees and their families, we need a foundation of mental and physical health. SUBARU works with its employees to promote health and preventive care, taking on the challenge of building workplaces full of smiles and enabling growth.

Tomomi Nakamura
Representative Director of the Board,
President and CEO, SUBARU CORPORATION

Minoru Yamagishi
Executive Chairman, Subaru Labor Union

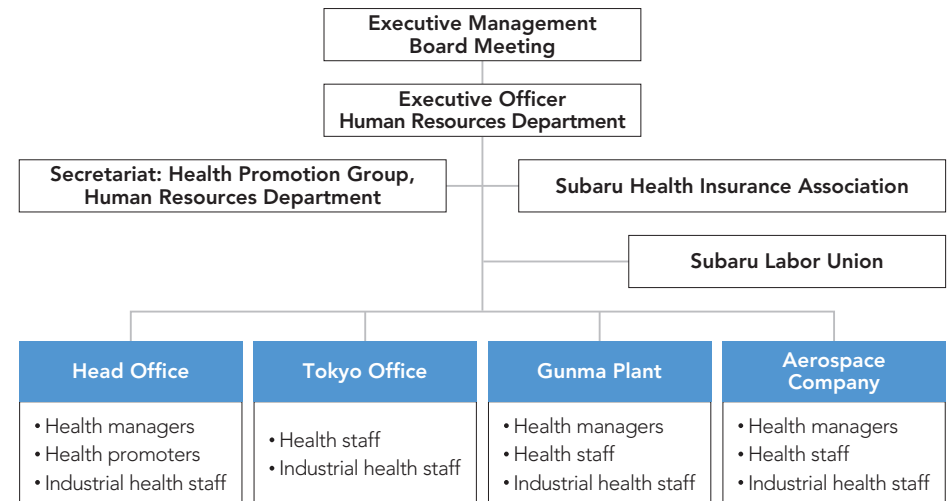
Tatsuro Kobayashi
President, Subaru Health Insurance Association

Established October 2020

Management System

SUBARU considers health promotion activities to be a management issue, and as of FYE March 2021, SUBARU has discussed and operated a PDCA cycle regarding its health management issues and measures at the Executive Meeting. SUBARU has also established the Health Steering Committee to serve as a promotion framework, advancing collaborative health with partnership from SUBARU, its labor union, and its health association. On the operational side, the Health Promotion Group has served as a core driver of our company-wide, unified health promotion measures since 2021. This dedicated organization within the Human Resources Department coordinates weekly regular meetings with stakeholders such as health promotion managers at our sites, industrial physicians, and other staff in charge of industrial health.

Health Promotion Framework Diagram



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Initiatives

SUBARU is engaged in activities to visualize and improve health issues, divided into the two categories of physical health and mental health.

■ Physical Health

By encouraging employees to undergo regular health checkups, we are striving to promote early detection of lifestyle-related diseases among employees and help those suffering from the diseases to recover. We also collect data about employees with some signs of these diseases, including numerical data, to help them improve their lifestyles and prevent the onset of the diseases.

• Initiatives for regular health checkups and reexaminations

We ensure that all of our employees undergo health checkups, and we share a portion of the cost for those who need to take reexaminations. We also provide those determined to be at high health risk with advice from public health nurses and give them necessary instructions to raise their health awareness.

• Activities encouraging employees to exercise and improve their dietary habits

We have implemented a total health promotion plan (THP), visualizing physical fitness and proposing a variety of physical exercise programs for employees derived from this information, while also holding seminars to help them improve their dietary habits.

• Measures against smoking

We are implementing measures to completely separate smoking areas from non-smoking areas at our sites, and we are taking action to reduce the ratio of smokers to 28% by 2025. We have established internal clinics on our sites' premises to help smokers stop smoking, and are cooperating with the health insurance association to encourage smoking employees to meet the challenge of

quitting smoking. Moreover, we give financial support to employees who visit external clinics to stop smoking.

• Increasing employees' health awareness at the canteens

At all our canteens, we provide healthy dishes prepared under the supervision of registered dietitians so that employees can enjoy meals rich in vegetables. We also provide low-salt, low-fat, high-protein and low-sugar dishes alternatively from day to day, with a view to helping employees raise their health awareness by eating at the canteens.



Healthy dishes prepared under the supervision of registered dietitians

■ Mental Health (Prevention of Mental Illness)

We are implementing "self-care" and "line care" measures for the prevention and early detection of mental illness among employees. We have also set up a consultation service so that employees can receive follow-ups from industrial health staff.

For employees who took leave due to mental illness, we proactively support them when they return to their workplaces.

• Self-care

We utilize self-care training and stress checks so that participants can learn how to self-manage their mental health, and new employees are provided with training on internet-based cognitive behavioral therapy (iCBT).

• Line care

We include line care training in the collective training for managers, and use the results of collective analysis of employees' stress checks to take improvement actions at the workplace level for those workplaces found to have high health risk. For

the departments engaging in technological development, we foster workplace improvement activities in which employees themselves voluntarily work to revitalize their workplaces, promote management systems that increase their work motivation, and enhance bidirectional communications between managers and their subordinates. These measures are contributing to preventing the onset of mental illness and mitigating the lengths of these illnesses among employees.

• Return to work program (for return to work on a trial basis and gradual return to full-time work)

We have implemented a program to support the smooth return to the workplace for employees who have taken leave. In this program, employees can return to work on a trial basis and gradually step up their hours as they return to full-time work.



"Ii-neko (good cat)," which won the grand prize in the employees' competition for a health promotion mascot character held as part of the workplace improvement activity

■ Certified as a Health & Productivity Management Outstanding Organization for 2021

SUBARU has been recognized as a Certified Health & Productivity Management Outstanding Organization for 2021 (large enterprise category) by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi (Japan Health Council).

Going forward, we will continue to accelerate a variety of health promotion activities with the purpose of improving the health of our employees—the people who bring happiness to our customers—and their families.



2021 Certified Health & Productivity Management Outstanding Organization (large enterprise category)

Respect for Human Rights

Quality: Automotive Business

Quality: Aerospace Business

Making Safe Vehicles

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CSR Procurement

Community Engagement

Work-Life Balance

Our Approach

As a precondition to making our customers happy, the Subaru Group believes it is vital to provide employees with workplaces where they can work with vigor and peace of mind and demonstrate their abilities to the fullest. In order to help diverse employees to maintain their work-life balance, we are diversifying work style options and expanding the relevant systems.

Moreover, our affiliated companies in Japan and abroad are fostering initiatives suitable for local business conditions and regional characteristics.

Initiatives

Work Style Reforms

SUBARU's response to the Act on the Arrangement of Related Acts to Promote Work Style Reform*

| Item | Details |
|---|---|
| Accurate calculation of employees' working hours | In July 2018, introduced a company-wide attendance management system for the central management of all electromagnetic records (computer logs and clock-in and clock-out records) for the accurate calculation of employees' working hours. |
| Encouraging employees to take at least five paid days off per year | In FYE March 2020, began implementing measures for all employees, including an initiative to encourage employees who are newly entitled to take 10 or more paid days off to take at least five days off within seven months after the entitlement. Also established operational rules to ensure that all employees can take at least five paid days off per year. |
| Imposing an upper limit on overtime working hours | Has been limiting the number of overtime work hours to 590 hours and below annually and to 79 hours and below monthly, setting the criteria stricter than those stipulated by law. |
| Raising the premium pay rate for overtime work exceeding 60 hours per month | Has been implementing necessary measures since FYE March 2011. |
| Equal pay for equal work | Began reviewing the amount of allowances granted to non-regular employees in FYE March 2021. |
| Work-from-home system | Conducted a test implementation starting in FYE March 2021, with full rollout to all sites beginning in FYE March 2022. |
| Abolishing mandatory core hours in the flex-time system | Full rollout to all sites beginning in FYE March 2022. |

* This law was enacted in June 2018 to revise the labor-related laws to foster work style reforms.

Appropriate Management of Working Hours

SUBARU implemented a new attendance management system in FYE March 2019. This system enables exact time management down to the minute, allowing employees and their supervisors to check attendance records entered by the employee, and differences versus building entry/exit times and computer log times.

Reduction of Long Working Hours

SUBARU established in FYE March 2016 "ultra no-overtime day," on which all managers and general employees leave work on time across its sites. Moreover, mainly targeting the staff of the development and administrative departments of the Gunma Plant and the development department of the Tokyo Office, we make it a rule to lock the doors on the office floor at 10:00 p.m., thereby making all those working on the floor leave before the doors are locked. By clearly imposing limits on overtime work, we are helping employees to be more conscious about their working hours.

Flex-time System

SUBARU introduced the flex-time system in FYE March 1999. In FYE March 2022, we abolished mandatory core working hours, building an environment where employees can work more flexibly and independently. Employees now have more greater discretion than before in their work hours, contributing to improved productivity and richer private lives.

Work-from-Home System

SUBARU began introducing its work-from-home system to all sites as of FYE March 2022. By offering employees the choice of their work location in accordance with the particular characteristics of their duties, we are contributing to improved productivity through adjusting how they work, and to stronger management capabilities capable of promoting appropriate delegation of authority.

Paid Leave

SUBARU grants employees annual paid leave in the number of days commensurate with their length of service. At each of our sites, labor and management cooperate to encourage employees to take the leave.

Annual Paid Leave Utilization Rate* (Non-consolidated)

| | | (FYE March) | | | | |
|--|--|-------------|------|------|------|------|
| | | 2017 | 2018 | 2019 | 2020 | 2021 |
| Encourage employees to take at least five paid days off per year | Proportion of paid days off taken by employees (%) | 84.4 | 86.2 | 85.7 | 86.4 | 95.4 |

* Percentage of the number of days off taken by employees of the total number of annual paid days off granted to them.

Support for the Maintenance of Balance between Work and Elderly Care

At SUBARU, we believe that for employees to continue working with peace of mind, it is important to help mitigate the concerns and burdens of employees and their families concerning the care of the elderly family members. Based on this belief, SUBARU has distributed the copies of the Elderly Care Support Handbook to all employees of SUBARU to inform them of the related systems available internally and externally and of the contacts through which they can ask for advice. We have also established a specific long-term care support system to help reduce the burdens imposed on employees.

Number of Employees Who Took Long-term Care Leave (Non-consolidated)

| | | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|---|------|------|------|------|------|
| System for employees to take leave to take care of the family member in need of long-term care | Number of employees who took this leave (persons) | 4 | 5 | 9 | 30 | 3 |

Support for the Maintenance of Balance between Work and Childcare

It is also important to provide employees with an environment that allows them to continue developing their careers while raising their children. Accordingly, we formulated a voluntary action plan in line with the Act on Advancement of Measures to Support Raising Next-Generation Children.* At present, SUBARU has received three stars in the "Kurumin" certification from the Japanese Minister of Health, Labour and Welfare, and is taking action based on our 7th Action Plan.



[7th Action Plan \(Japanese version only\)](#)

* This law was enacted for the provision of an environment where people can have and raise children, who are the next generation of leaders, in a sound manner.

As a result of establishing a support system based on criteria that are stricter than the legal obligations, the number of employees who quit their jobs for childcare has decreased to almost zero at our administrative departments. We are now stepping up the measures to support employees in achieving career advancement while raising their children.

For the production departments of the Gunma Plant, we have been fostering measures to help employees to return to their shift work smoothly. Specifically, in FYE March 2019, we began making the conference rooms available for the children of employees, where they can wait until their nursery schools are opened. We also started to provide employees with an early-morning childcare service by qualified nursery teachers on a trial basis. Then, in FYE March 2020, we conducted a full rollout of these measures at sites neighboring the plant. In FYE March 2022, we plan to open early-morning childcare facilities on plant premises, and are making preparations to that end.

Separately, we are working to raise awareness and promote usage of the various systems available to employees, such as making the Maternity Leave and Childcare Support Handbook available on our intranet.

Childcare leave system

Number of Employees Who Took Childcare Leave (Non-consolidated)

| | | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|------------------------------------|------------|------------|------------|------------|------------|
| System for employees to take leave for childcare | Number of employees who took leave | Male: 8 | Male: 10 | Male: 21 | Male: 42 | Male: 65 |
| | | Female: 88 | Female: 88 | Female: 80 | Female: 80 | Female: 93 |
| | | Total: 96 | Total: 98 | Total: 101 | Total: 122 | Total: 158 |
| Rate of employees who returned to work (%) | Male | 100 | 100 | 100 | 100 | 100 |
| | Female | 100 | 100 | 97.5 | 95 | 100 |
| Rate of employees who belong to the company one year after returning to work (%) | Male | 87.5 | 83.3 | 100 | 85 | 97 |
| | Female | 100 | 97.2 | 90 | 95 | 93 |

SUBARU's employees can extend the period of childcare leave to the end of the first April after the child becomes two years old.

Childcare leave taken by male employees

In FYE March 2021, 65 male employees took childcare leave. Also, under the Special Childcare Leave system, which allows employees to take up to five days off at the birth of their children, 82.5% of male employees eligible for this leave took at least one day of leave. We will continue to provide workplaces where employees can take this leave in addition to childcare leave.

| | |
|--|----------|
| Average number of days off taken by male employees under the childcare leave system: | 48 days |
| Largest number of days off taken by a male employee: | 364 days |

| | |
|---|-------------|
| Special Childcare Leave taken by employees (Non-consolidated) | |
| Number of employees who took leave (up to five days): | 479 persons |
| Average number of days off taken under the system: | 2.6 days |
| Rate of employees who took the Special Childcare Leave or Childcare Leave (excluding annual paid days off): | 83.9% |

Short working hours system for childcare

Employees can use this system until their children become fourth graders at elementary school and can also concurrently use the flex-time system.

Respect for
Human RightsQuality:
Automotive BusinessQuality:
Aerospace BusinessMaking Safe
VehiclesHuman
Resources

Customers

CSR
ProcurementCommunity
Engagement

Employee Attitudes Survey

SUBARU conducts the Employee Attitudes Survey with an eye to increasing employees' motivation and revitalizing the organization. The survey results are reported to the management team and are also utilized to identify problems and formulate the countermeasures at each of our workplaces.

In the FYE March 2021 survey, 15,853 employees or about 93% of the total number of regular employees replied to the questionnaire, and 67% of the respondents answered, "Feeling proud of being a SUBARU employee."

Results of the Employee Attitudes Survey Rate of Respondents Who Gave Positive Answers (%) to the Questions (FYE March)

| Question | 2020 | 2021 |
|--|------|------|
| Communication and openness | 56 | 59 |
| Work-life balance | 59 | 64 |
| Sympathy with the corporate philosophy | 70 | 73 |
| Work satisfaction | 56 | 58 |
| Pride in the company | 63 | 67 |

Labor-Management Communication

Our Approach

SUBARU and its labor union have been on good terms with each other based on mutual understanding and trust. The company acknowledges that the union has the right to unite and engage in collective bargaining and other collective actions, while the union recognizes that the company has the right to manage the business, and the two parties respect the legitimate use of their mutual rights.

The Labor and Management Council regularly holds meetings for smooth corporate management and mutual communication. Specifically, participants exchange opinions regarding the management policies, outline of the business results, and production and sales, and also discuss issues such as labor conditions, challenges concerning work styles, and the occupational health and safety policies. In the labor-management negotiations on the revision of wages (salaries and bonuses) and other labor conditions, the two parties work to reach an agreement for revision or the establishment of new rules. For issues that might have a significant impact on employees, the parties discuss them fully before informing employees of the results.

Number of Employees Belonging to the Labor Union (as of October 1, 2020)

The following shows the data for FYE March 2021.

- Members of the Subaru Labor Union: 15,610 persons
(Total number of employees: 16,853 persons, excluding managers)
- Confederation of Subaru Affiliated Labor Unions Number of members: 28,056 persons

Employee Data

Number of Employees

| | | (FYE March) | | | | |
|--|--|-------------|--------|--------|--------|--------|
| | | 2017 | 2018 | 2019 | 2020 | 2021 |
| Number of employees (Consolidated) (Persons) | Total | 32,599 | 33,544 | 34,200 | 35,034 | 36,070 |
| | Male ^{*1} | 14,229 | 14,477 | 14,774 | 14,823 | 15,376 |
| Number of employees (Non-consolidated) (Persons) | Total | 15,217 | 15,530 | 15,885 | 16,318 | 16,964 |
| | Female ^{*1} | 988 | 1,053 | 1,111 | 1,139 | 1,189 |
| Excluding directors and advisors but including those seconded to other companies | Part-time ^{*2} | — | — | — | 356 | 399 |
| | Number of temporary employees (Non-consolidated) ^{*2} (Persons) | — | — | — | 6,328 | 5,801 |

*1 Regular employees

*2 Has been disclosed since FYE March 2020

Respect for
Human RightsQuality:
Automotive BusinessQuality:
Aerospace BusinessMaking Safe
Vehicles**Human
Resources**

Customers

CSR
ProcurementCommunity
Engagement

Composition of Employees (Non-consolidated)

| | | (FYE March) | | | | |
|--|--------|-------------|-------|-------|-------|-------|
| | | 2017 | 2018 | 2019 | 2020 | 2021 |
| Male to female ratio (%) | Male | 94 | 93 | 93 | 93 | 93 |
| | Female | 6 | 7 | 7 | 7 | 7 |
| Average age | | 38.5 | 38.6 | 38.5 | 37.4 | 39.0 |
| Average length of service (Years) | | 15.8 | 15.9 | 15.8 | 15.8 | 16.0 |
| Number of managers (Persons) | Male | 1,028 | 1,020 | 1,030 | 1,051 | 1,062 |
| | Female | 11 | 13 | 14 | 20 | 21 |
| Number of new graduate hires (Persons) | Male | 479 | 494 | 473 | 498 | 561 |
| | Female | 69 | 80 | 74 | 68 | 71 |
| Number of mid-career hires (Persons) | Male | 397 | 221 | 317 | 161 | 182 |
| | Female | 23 | 15 | 15 | 24 | 13 |
| Number of employees who quit the company (Persons) | | 258 | 249 | 339 | 329 | 354 |

Composition of Employees by Age
(for FYE March 2021 on a non-consolidated basis)

| Age | Male | Female | Total |
|-----------------|-------|--------|-------|
| Younger than 30 | 4,478 | 464 | 4,942 |
| 30 to 39 | 3,960 | 235 | 4,195 |
| 40 to 49 | 4,020 | 353 | 4,373 |
| 50 to 59 | 2,918 | 137 | 3,055 |

Breakdown of New Graduate Hires by Job Category
(for FYE March 2021 on a non-consolidated basis)

| Category | Male | Female | Total |
|---|------|--------|-------|
| Career-track employee (in technological fields) | 208 | 22 | 230 |
| Career-track employee (in other fields) | 32 | 6 | 38 |
| Clerk | 52 | 17 | 69 |
| Skilled worker | 269 | 26 | 295 |

Composition of Mid-career Hires by Age
(for FYE March 2021 on a non-consolidated basis)

| Age | Male | Female | Total |
|-----------------|------|--------|-------|
| Younger than 30 | 47 | 5 | 52 |
| 30 to 39 | 91 | 7 | 98 |
| 40 to 49 | 21 | 1 | 22 |
| 50 and older | 23 | 0 | 23 |

Comparison of Fixed Wages between Male and Female Employees
(for FYE March 2021 on a non-consolidated basis)

| Fixed Wages | Male:Female |
|-------------------|-------------|
| Managers | 1 : 0.93 |
| General employees | 1 : 0.89 |

* The same salary system is adopted for both male and female employees. Differences in fixed wages are due to age- and job grade-related differences.