

## Messages from the CQO, CTO, and CIO

### CQO (Chief Quality Officer)



Senior Vice President

**Atsushi Osaki**

SUBARU defines "Enjoyment and Peace of Mind" as the value we deliver to customers. The foundation of this core value is quality, and we consider quality to be one of our most fundamental responsibilities to our customers. Quality can be broadly defined to include everything from product quality to customer service quality, the quality of the day-to-day work of individual employees, and the quality of corporate activities, and I realize that it's important to steadily improve these dimensions of quality. I am determined to play a leading role in creating a quality standard by which all Group employees make quality the highest priority above all else.

Airbag defects and other problems that lead to recalls and service campaigns have continued to occur, and I deeply regret that we have caused concern and inconvenience to customers and many other stakeholders. Although we have seen steady improvement in the results of third-party quality assessments for the U.S. market, our relative quality ratings in competition with other automakers have regrettably declined, and I consider this a critical issue.

In response to these problems and issues, in new vehicle development we aim to eliminate recalls and service campaigns by further reinforcing milestone management at each stage of development and systematically working to prevent any reoccurrence of past defects. Taking into account customer usage conditions, we will make high-quality products that are easy for customers to understand and use, and simultaneously work to minimize vehicle downtime and increase customer satisfaction by undertaking call center expansion, building a system for the smooth provision of replacement parts and repair parts, and improving efficiency in service operations.

We acknowledge that quality reforms are the top-priority issue in the new mid-term management vision. To achieve reforms, we will review all existing processes for achieving quality, from product planning to production. In conducting this review, to ensure that the business units involved in these processes do not waver in the philosophy that quality is key, we will strengthen the authority of the CQO and rigorously reinforce quality management systems across all product development and manufacturing functions.

We will also invest in facilities for quality-related technology development, in simulators and other control-related evaluation facilities, and in facilities with modifiable temperature and atmospheric pressure control for environmental and durability evaluation. In manufacturing, whereas until now we have made capital expenditures mainly for the purpose of increasing capacity, from now on we will invest heavily in renewal of aging facilities and traceability enhancement to raise the level of quality. We will actively invest in areas that contribute to quality improvement, including human resources investment, and aim to be No. 1 in the kind of quality that makes our products suitable for long-term use with peace of mind.

## CTO (Chief Technology Officer)



Director of the Board  
Executive Vice President

**Tetsuo Onuki**

Even in a time of industry transformation, when what people value in cars is said to be changing, SUBARU intends to place the utmost importance on delivering “Enjoyment and Peace of Mind.” I want to be able to provide support for the enjoyment of driving, the enjoyment of freely traveling by car whether in youth or old age, and the enjoyment of a car lifestyle—in other words, the enrichment of people’s lives—with SUBARU cars and related services. As we continue to evolve the Subaru Global Platform over time, major challenges are safety and environmental response. We will further enhance all-around safety technologies and aim to eliminate fatal accidents involving SUBARU cars by adding connected car technologies. To comply with local environmental regulations, we will introduce electric vehicles and hybrids and engage in tireless technological development. We want to create and propose products that combine environmental consideration with “Enjoyment and Peace of Mind.”

In April 2018, SUBARU established the Engineering Management Division. For an automaker the size of SUBARU to maintain a presence in the global market even at a time when automobiles are undergoing transformation, I want to give the Engineering Management Division the capability to increase the mobility of the resources of our engineering departments so that we can speedily create and propose products and services that are unique to SUBARU and different from those of other automakers.

## CIO (Chief Information Officer)



Representative Director of the Board  
Executive Vice President

**Masaki Okawara**

Information (and IT) connects individuals to each other and one division to another, and I want to support improvement of management quality from an IT perspective by activating those connections. These days, this is called digital transformation (DX), which we define as 1) business process transformation and 2) new business creation. To realize DX at a high level, we are examining from various perspectives matters such as the use and application of scattered data and the suitability of services for the specific needs of SUBARU’s customers. The development of our IT infrastructure going forward must rest on a foundation of information security enhancement and the creation of an IT-conscious culture with the participation of all employees. To establish a firm footing, beginning this year we will gradually realize initiatives in which we have engaged since last year.

Although there are probably various contributing factors behind the inappropriate incidents that have occurred since last year, I consider improvement of poor communication and insufficient mutual understanding a matter of urgent importance. Creation of workplaces where people are considerate of one another is essential for this, and we will deploy IT tools as a means of compensating for deficiencies in communication and mutual understanding. I intend to continue to play a part in activities to deepen connections with customers, enhance the SUBARU brand, and bring smiles to the faces of customers.