

Subaru Corporation Establishes Sustainability Finance Framework - Toward the Creation of an Enjoyable and Sustainable Society -

Tokyo, October 30, 2023 – Subaru Corporation has established a Sustainability Finance Framework based on the Green Bond Principles 2021, Social Bond Principles 2023, and the like (“the Principles, etc.”) as defined by the International Capital Market Association (ICMA).

In formulating this framework, the company has obtained second party opinion from Rating and Investment Information, Inc. (R&I), third-party evaluation agency, as to its conformity with the Principles, etc., as well as support from Mizuho Securities Co., Ltd. as structuring agent.

Subaru's vision is "Delivering Happiness to All. To achieve this, Subaru aims to fulfill its social role as a company and provide "Enjoyment and Peace of Mind" to customers and other stakeholders by adopting the concepts of the Six Priority Areas for CSR, which are "People-Centered Car Culture," "Resonance and Coexistence," "Peace of Mind," "Diversity," "Environment," and "Compliance," and by implementing initiatives based on the SUBARU Global Sustainability Policy.

Specifically, in the area of "Peace of Mind," Subaru has set the goal of "aiming for zero fatal road Accidents in 2030" (zero fatal road accidents among occupants of Subaru vehicles and people involved in collisions with Subaru vehicles, including pedestrians and cyclists), and is working relentlessly to achieve advances in safety performance in areas such as preventive safety and passive safety.

As for "Environment," in August 2023, Subaru raised its electrification target to "50% of total global sales to be battery electric vehicles (BEVs) in 2030," and is advancing efforts to achieve this goal.

Funds procured under this framework will be allocated primarily to the development of advanced safety technology and the development and production of BEVs to further accelerate these initiatives.

Subaru will continue to strive for sustainable growth while contributing to the creation of an enjoyable and sustainable society.

Corporate website on sustainability finance:

<https://www.subaru.co.jp/en/ir/library/sustainability-finance.html>

Use of Proceeds:

Green projects

Eligibility criteria	Examples of eligible projects
Zero emissions vehicles	<ul style="list-style-type: none">• R&D, capital investment, and manufacturing costs related to the development and manufacture of zero emissions vehicles (ZEV) and their components such as batteries• Investments in and loans to battery manufacturers and other expenditures
Charging infrastructure	<ul style="list-style-type: none">• R&D and capital investment related to charging facilities for the aforementioned ZEVs
Loans, etc. in amounts matching sales financing receivables	<ul style="list-style-type: none">• Loans in amounts matching credit and lease receivables for ZEVs held by sales finance subsidiaries• Interest rate incentive expenses to promote BEVs
Introduction of renewable energy	<ul style="list-style-type: none">• Investment in renewable energy (solar power, wind power, etc.) in manufacturing and sales activities• Purchase costs for electricity and other energy derived from renewable energy sources
Green building	<ul style="list-style-type: none">• Acquisition and construction of facilities to be used in the company's business activities where it will obtain (or plans to obtain) environmental certifications<ul style="list-style-type: none">(i) LEED certification: Silver or higher(ii) CASBEE assessment certification: A rank or higher(iii) BELS certification: 5 stars or higher(iv) DBJ Green Building Certification: 3 stars or higher

Social projects

Eligibility criteria	Examples of eligible projects
Advanced safety technology	<ul style="list-style-type: none">• R&D for advanced safety technologies to achieve the goal of "zero fatal road accidents in 2030"• Manufacturing costs for equipping EyeSight, Advanced Automatic Collision Notification System, etc.

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