Subaru to Reduce Direct CO₂ Emissions by Approximately 20,000 t-CO₂/year by Fiscal 2020

Tokyo, May 29, 2019 – Subaru Corporation has launched new initiatives aimed at reducing direct CO₂ emissions¹ of the Subaru Group. The new initiatives, together with the already launched other efforts, will contribute to reducing the Subaru Group’s direct CO₂ emissions by approximately 20,000 t-CO₂/year, equivalent to around 3% of annual emissions, by fiscal 2020 (FYE March 2021).

The new initiatives comprise three key efforts in Japan: installation of a captive-consumption solar power system for facilities² in Oizumi, Gunma; introduction of “Aqua Premium” hydroelectricity at the company’s Main Plant in Gunma, and its Tokyo Office in Mitaka, Tokyo; and utilization of the Green Power certification / Green Heat certification program at the company’s head office in Ebisu, Tokyo, and the Subaru Training Center in Hachioji, Tokyo.

The captive-consumption solar power system for facilities in Oizumi will be installed and operated by NTT Facilities, Inc.³ The system is scheduled for completion in fiscal 2019 (FYE March 2020), with an expected installation capacity of 1 MW (generating 1,145 MWh of electricity annually). Using this electricity within the facilities is expected to achieve an estimated CO₂ emission reduction of 330 t-CO₂, equivalent to around 40% of the facilities’ CO₂ emissions.

Subaru will also adopt the “Aqua Premium” program offered by TEPCO Energy Partner, Inc.,⁴ to meet part of the energy requirements of its Main Plant in Gunma and its Tokyo Office in Mitaka. The program supplies electricity from hydroelectric power generation, which produces no CO₂ emissions. The move is projected to reduce Subaru’s CO₂ emissions by approximately 10,000 t-CO₂ (equivalent to 21 GWh of electricity generation annually).

In addition, Subaru will utilize the Green Power certification / Green Heat certification program for electricity and heating consumed by its head office in Ebisu and the Subaru Training Center in Hachioji, in the aim of achieving zero-CO₂-emission offices.

< Breakdown of efforts for CO₂ emissions reduction of approx. 20,000 t-CO₂ by fiscal 2020 >

<table>
<thead>
<tr>
<th>Effort Description</th>
<th>CO₂ Reduction (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installation of captive-consumption solar power system at Gunma Oizumi Plant⁵</td>
<td>2,600 t-CO₂</td>
</tr>
<tr>
<td>Installation of captive-consumption solar power system at Subaru Accessory Center and Kanto PDI Center in Oizumi</td>
<td>330 t-CO₂</td>
</tr>
<tr>
<td>Introduction of zero-CO₂-emission electricity at Main Plant in Gunma and Tokyo Office in Mitaka</td>
<td>10,000 t-CO₂</td>
</tr>
<tr>
<td>Introduction of zero-CO₂-emission electricity at South Plant and 2nd South Plant of Aerospace Company’s Utsunomiya manufacturing site⁶</td>
<td>5,400 t-CO₂</td>
</tr>
<tr>
<td>Utilization of the Green Power certification / Green Heat certification program at Head Office in Ebisu and the Subaru Training Center in Hachioji</td>
<td>1,000 t-CO₂</td>
</tr>
</tbody>
</table>

*: Newly-launched initiatives

Subaru’s Action Plan for the Environment for fiscal 2021(FYE March 2022) and beyond sets the goal of reducing the Subaru Group’s direct CO₂ emissions¹ to 30% below fiscal 2016 (FYE March 2017) levels by fiscal 2030 (FYE March 2031) (on a total emissions volume basis).⁷ In advance of full-scale implementation of this plan, the company is embarking on practicable initiatives including the new efforts outlined above, as well as the installation of a captive-consumption solar power system at the Oizumi Plant⁵ and the introduction of the “Tochigi Furusato Denki” program⁶ already announced. Subaru will strive to significantly reduce CO₂ emissions throughout its business activities in the aim of contributing to environmental conservation and the creation of low-carbon societies at the regional level, as well as creating a sustainable society as set out in the Subaru Environmental Policies.

¹: CO₂ emitted directly by Subaru Group plants, offices, etc. (Scope 1 & 2)
²: Subaru Corporation’s Subaru Accessory Center and Subaru Logistics Co., Ltd.’s Kanto PDI Center
³: Head Office: Minato-ku, Tokyo; President and CEO: Atsushi Ichihoshi
⁴: Head Office: Chuo-ku, Tokyo; President: Nobuhide Akimoto
< Efforts to achieve CO₂ emissions reduction of approx. 20,000 t-CO₂ by Fiscal 2020 (FYE March 2021) >

- **Installation of captive-consumption solar power system**
  - Gunma Oizumi Plant (Reduction of 2,600t-CO₂)

- **Renewable energy system installation**
  - Facilities in Oizumi incl. Subaru Accessory Center (Reduction of 330t-CO₂)

- **Renewable energy electricity purchase**
  - Head office and training center in Tokyo (Reduction of 1,000t-CO₂)

- **Renewable energy certification utilization**
  - Tokyo Office in Mitaka (Reduction of 4,000t-CO₂)

- **Purchase of electricity from hydroelectric power generation**
  - Utsunomiya South Plant and 2nd South Plant (Reduction of 5,400t-CO₂)

- **Gunma Main Plant** (Reduction of 6,200t-CO₂)

< Road map for 30% emissions reduction by fiscal 2030 (FYE March 2031) >

- **Phase I: Preparation**
  - Formulation of the next Environment Action Plan
  - Implementation of voluntary CO₂ reductions ahead of schedule while continuing the current The Sixth Voluntary Plan.

- **Phase II: Approach**
  - In anticipation of a CO₂ increase accompanying an increase in production activities, active introduction of renewable energy and CO₂-free power sources in addition to advancing energy conservation.

- **Phase III: Challenge**
  - Consideration and implementation of all available measures of reducing CO₂ from a group-wide perspective, taking into consideration external factors such as technological innovation, markets, and regulations.

**Targeting direct CO₂ emissions reduction to 30% below FYE2017 levels**