

Employees

Human Resource Development

FY2013

Human Resource Development (HRD) Philosophy

We offer a variety of training programs to help each employee create a vision of his or her future self and make proactive efforts to realize this vision.

Among our level-based training programs, the Startup Program helps all employees who have risen to a higher level adapt to their new responsibilities and focuses on logical problem solving. With the goal of helping employees obtain and enhance business skills, we also offer training programs for each type of position within the company.

As a new initiative for FY2013, we established a program to help employees attend business school. With a view to accelerating our global HRD, we also established programs to facilitate foreign language acquisition and training in companies overseas.

HRD Philosophy

We seek to realize the SUBARU human resources ideal of highly engaged and autonomous employees by helping employees develop the ability to identify and solve problems themselves.



Educational Organization Chart

Ability-based Grade	Company-wide Programs				Individual Programs at Each Site		
	Education by Grade		Education by Job Skill			Global-talent Development	Self-development Support
Manager Class	New Training at the Time of Promotion	Career Plan Training for Manager Class	Professional Program Examples: -Logical Thinking -Leadership -Presentation -Financial Analysis, etc.	Education by Job Skill Examples: -Intellectual property -Financial accounting -Legal work -Quality specialty, etc.	Educational Program Variety of programs are available according to employees level. STEP 0-6	Correspondence Education, etc.	Training at each business site Official certification support, etc.
Regular Employee		Performance Review Training					
New Employees Training							
New Recruits Training							

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Human Resource Development

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SUBARU Technical School

We opened the SUBARU Technical School (STS) in 2005 with the goal of training young technicians to become future leaders. By transmitting to the next generation technical expertise and work methods that are tailored to all skill levels and reflect the highest standards of safety and excellence, STS is helping to ensure the high quality of SUBARU products going forward.



A scene from a machining training at STS

Employees

Work-life Balance Initiatives

FY2013

■ Promoting Work-life Balance (Work-life Balance Approach)

We believe that supporting work-life balance helps employees express their abilities at the highest level, and we therefore strive to create a work environment that allows employees to raise children and take care of family members in need. We believe that for employees to feel fulfilled and empowered in their work, they need to be able to enjoy family and community activities while choosing the values and lifestyles that are right for them. For this reason, we support work-life balance through a variety of initiatives.

Employees

Work-life Balance Initiatives

FY2013

Supporting Each Employee's Work and Household

In FY2013, to support employees both at work and at home, we continued our leave and short work-time systems, including the childcare leave system that can be extended to the first April after the child becomes two years old, the short work-time system available until children commence 4th grade in elementary school, and the leave or short-work time system for elderly care.

In addition, in accordance with the Next Generation Education and Support Promotion Act, we formulated our corporate voluntary action plan in two phases and completed the plan, achieving the targets for the first phase (April 2005 through March 2007) and the second phase (April 2007 through March 2010), which led to the acquisition of Certification by the Minister of Health, Labor and Welfare Minister (the *Kurumin* Mark).

At present we are directing our efforts towards achieving the goals of the third phase of the action plan, which was formulated in April 2010.



Work-life Balance Recommended Performance

Implementation	Overview	FY2009	FY2010	FY2011	FY2012	FY2013	
Childcare leave (persons)	System that enables employees to obtain leave for childcare	Male	1	1	6	2	3
		Female	112	84	91	90	73
		Total	113	85	97	92	76
Care leave (persons)	System that enables employees to obtain leave for family care with the necessary care conditions	8	4	5	6	3	
Paid vacation acquisition rate	Promotion of once per month	89.3%	88.3%	86.6%	88.2%	85.7%	
No overtime day	Two days set in the week for increasing work efficiency and fulfillment of private life	Implemented continually					

Employees

Diversity Initiatives

FY2013

Promoting Diversity

For our company to continue offering customers value not found in competing products, each FHI employee needs to be able express his or her abilities as an individual with unique values. For this reason, FHI values differences in gender, nationality, culture, and lifestyles of employees and strives to create workplace environments in which everyone finds it easy to work.



Employees

Diversity Initiatives

FY2013

Supporting Employees with Disabilities

At FHI, we strive to create workplace environments in which people with disabilities can truly shine. To achieve this goal, we leverage the ideas and opinions of our employees with disabilities and their family members. As of March 31, 2013, FHI employed 162 persons with disabilities, mainly in manufacturing work. The percentage of employees with disabilities for FY2013 was 1.62%, which was below the legally mandated rate of 2.0%. We are working to hire more people with disabilities and make our workplace environments even more conducive to their employment.



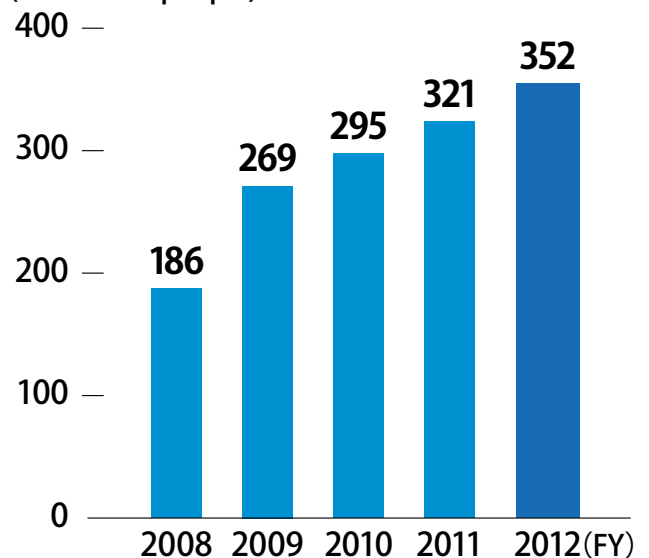
The height of automatic door switches and work stations is set at a level that is convenient for those using wheelchairs.

Senior Partner Program: Reemployment for Employees over 60-year-old

We introduced the "Senior Partner Program" in 2003 to rehire employees after the 60-year-old retirement age. This reemploys the aged and better strengthens our human resources. In addition to meeting the demands of the "Revised Law Concerning Stabilization of Employment of Older Persons" since April 2013, we have revised the existing system so that retired workers can put their experience and skills to further use, and have devised a system whereby those who wish to work beyond retirement age can do so at FHI and at our associated group companies.

We have been improving the work environment so that the reemployed will be able to work more comfortably. We will promote re-hiring senior people after their retirement at 60 to use their experience and abilities for fostering a new generation of workers.

■ Number of Workers Over the Age of 60 (Number of people)



Global Human Resources Initiatives

At our Gunma Manufacturing Division, we welcome employees from Brazil, Peru, China, and many other countries. Even people whose conversational Japanese is advanced may have difficulty with complex instructions about manufacturing processes or specialized vocabulary. For this reason, we produce manuals in a wide variety of languages and offer interpretation services as needed. We also provide Japanese employees opportunities to receive language training and engage in extended training programs overseas, helping them enhance their communication with people from other countries and understand cultures different from their own.



Manual written in Portuguese

Universal Design Initiatives

With the goal of establishing more comfortable workplaces, we systematically plan continuous workplace improvements in the areas of work environment, work methods, and environmentally responsible facilities, among others. We practice universal design in our facilities, aiming to make break areas, toilets, smoking areas, and cafeterias as barrier-free as possible.



Employee Data

		FY2009	FY2010	FY2011	FY2012	FY2013
Managers and sales people (persons)	Male	11,968	12,118	119,42	11,740	12,451
	Female	875	891	875	834	861
	Total	12,843	13,009	12,817	12,574	13,312
Male to female ratio (%)	Male	93%	93%	93%	93%	94%
		7%	7%	7%	7%	6%
Average age		38.8	38.7	38.8	38.6	38.9
Average length of continuous employment (years)		18.0	17.7	17.7	18.0	17.3
Number of managers (persons)	Male	1,068	1,081	1,051	1,049	1,049
	Female	2	2	3	5	5

Employees

Occupational Health and Safety

FY2013

Philosophy of Occupational Health and Safety

In line with the Corporate Philosophy, we consider occupational health and safety to be a critical responsibility of management. Our Health and Safety Philosophy is, "We make health and safety the first priority in all of our work." Based on this philosophy, all managers and employees work to ensure health and safety in their workplaces while continuously striving to make a working environment more pleasant and comfortable for all.



Health and Safety Philosophy

We make health and safety
the first priority in all of our work.

Basic Policy of Health and Safety

Aiming for zero incidents of occupational accidents, traffic accidents, diseases, and fire disasters, all employees recognize the importance of health and safety and strive to improve equipment, environments, and work methods, while raising the level of management and awareness in order to create safe and comfortable workplaces.

Employees

Occupational Health and Safety

FY2013

Aiming for Zero Industrial Accidents

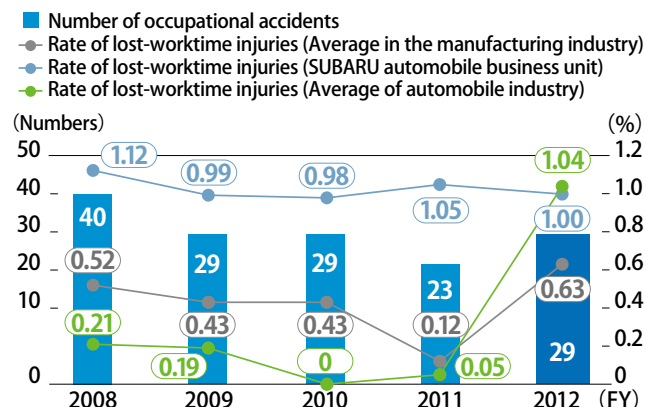
At the start of each fiscal year, each FHI business site conducts a Health and Safety Kickoff Meeting that aims to raise awareness about industrial accidents, road safety, and health management. With the ultimate goal of zero industrial accidents for the year, the general manager of each site talks to workplace leaders about the health and



Safety and Health Kick Off Meeting

safety policies and initiatives for the fiscal year. All FHI sites strive to continuously improve their health and safety management systems and risk assessment activities so as to prevent industrial accidents and raise the overall level of health and safety in the workplace.

Occurrence of Industrial Accidents and Rate of Lost-worktime Injuries



In FY2013, the number of incidences of occupational accidents was 29, resulting in a rate of lost worktime, indicating the extent of damage, of 1.04, which is above the average value.

In FY2014, we are implementing preventive measures against accidents at work, and further bolstering efforts to share occupational accident information, in an effort to achieve zero occupational accidents and reduce the rate of lost worktime.

Improving the Work Environment

Since taking out a panel, which weighed 7 to 10 kg and had the width of 2 to 2.4 m, by bending over used to easily cause backaches, an assist device was set up to ease the work burden.



Working by using an assist device

Encouraging Employees to Be More Aware of Traffic Safety

We conduct a range of activities to raise employees' awareness of traffic safety, wanting to prevent them from getting involved in traffic accidents both in their business and private lives. At the Gunma Manufacturing Division, we provide hands-on training using actual vehicles as part of our voluntary traffic safety activities in the workplace. Training includes right turns with the correct timing, entering a garage and other maneuvers, not only from the driver's viewpoint but also from others' viewpoints.

At the Handa Plant of the Utsunomiya Manufacturing Division, employees attend the "school for night traffic safety" to learn how to drive safely at night. For example they learn differences in visibility between day and night, as well as the effects on visibility of distant and nearby headlights, colors of pedestrians' clothes, and the use of reflective jackets by pedestrians.



Hands-on Training

Employees

Healthcare

Promoting Healthy Bodies and Minds

We are aggressively promoting employee health management. Our approach is not only to prevent health problems, but also to systematically maintain and promote mental and physical health.

Specifically, we are working to prevent diseases and administer healthcare by assigning staff at each

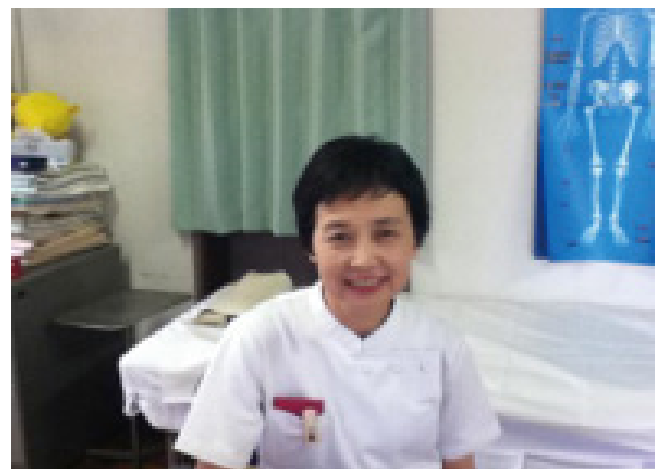
division for health checkups and specialized health guidance (e.g. remedies to avoid metabolic syndrome, exercise guidance, mental healthcare, nutritional guidance), health consultations to those diagnosed with a cautionary concern in a medical checkup, counseling and other healthcare services.

Approaches to Health Support

At FHI, the Health Support Office at each division implements a variety of health support measures matched to the nature of the particular workplace. Post-diagnostic measures, mental health measures, prevention of heat stroke in hot environments and non-smoking guidance are positioned as important activities, and implementation is ongoing while obtaining external support. In addition, based on the results of workplace inspections and medical checkups, the Office provides advice to work environment management and work management. Other than these industrial healthcare activities, the Health Support Office considers the convenience of employees, and while connecting with local medical organizations for diagnoses of acute and chronic diseases, provides a consultation service for employees suffering from health problems.

In the treatment for infections such as new strains of influenza required by crisis management, the Health Support Office provides information and enlightened

opinions on diseases at any time, but in future will make a special effort to implement speedy and accurate measures, and with "Health in body and mind is the basis of doing a good job" in mind, endeavors to further promote the health of employees in cooperation with other departments.



Commitment to Mental Health

From the past, we have worked in cooperation with industrial physicians, clinical psychologists and health and safety staff to conduct mental health measures. At the same time we are involved in providing mental health workshops and the like at each division for regular workers and managers. In FY2013, we issued the "Mental

Health Dealing Manual for Managers" in-house booklet and introduced a system effective from FY2014 that enables smooth resumption of work after a period of absence, among other measures to create a work environment in which employees are able to work with peace of mind.

Employees

Communication with Labor Union

Communication with Labor Union

FHI and its labor union have a Labor and Management Council for smooth corporate management and mutual communication. Both have established a solid relationship

based on mutual understanding and trust through close communication. The council helps labor and management maintain a good relationship.