



Gratitude for the Local Communities

FHI Group has focused on CSR activities with environmental, traffic safety and social contribution activities. We have established the Social Contribution Policy to promote social contribution activities more actively.

Social Contribution Policy

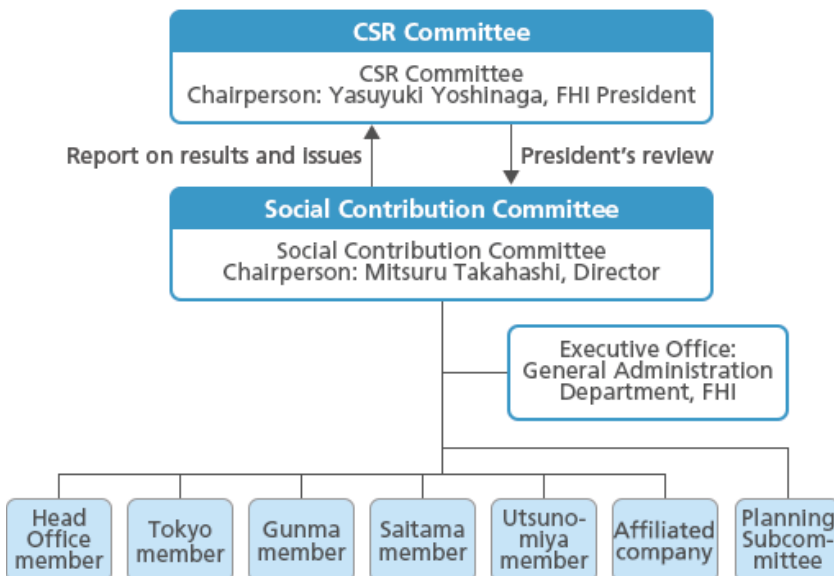
- We contribute to the development of science and technology and automobile culture and to the promotion of road safety.
- We contribute to the fostering of human resources who understand the pleasure, importance and preciousness of creative manufacturing.
- We contribute to the development of the communities in which we operate.
- We support each other in contributing to society as good citizens.

System for Promoting Social Contribution Activities

The FHI Group has established the Social Contribution Committee as a body to actively promote and maintain social contribution activities leveraging our technology and expertise.

The Social Contribution Committee is composed of the managers of each site and the executive in charge of FHI's General Administration Department serves as the chairperson. The committee meets every six months to compile activity results and issues and report to the CSR Committee. FHI's President, who also serves as chairperson of the CSR Committee, evaluates the reports, and the Social Contribution Committee strives to make further improvements accordingly.

Social Contribution Committee Organization Chart



Social Contribution Committee



Social Contribution: Efforts in Japan

Development of Automobile Culture and Road Safety

Holding Subaru Road Safety Workshop

In October 2015, we held the Subaru Road Safety Workshop at STAR SQUARE, our headquarters' showroom. The objective of the event was to deepen road safety awareness among children in the lower grades of elementary school. On the day, we ran a picture card video and four hands-on programs to make learning important points about safety fun.



Road safety class

Traffic Safety Campaign

Each of our business sites cooperates with the police and Safe Driving Supervisor Association to promote activities for traffic safety and road accident prevention, such as offering traffic safety guidance services in the school zones around the business sites and sticking reflective materials that help prevent nighttime traffic accidents to utility poles.



Left: Activity in Utsunomiya City to stick reflective materials that help prevent nighttime traffic accidents to utility poles
Right: Traffic safety support near schools next to the Saitama Manufacturing Division site

Traffic Safety Awareness Campaign

FHI has begun operating our "SUBARU Kids" to promote awareness of traffic safety among young people.

As a member of the traffic society we actively promote awareness among employees at each of our offices and plants by providing accident prevention meetings before long holiday seasons and other occasions.



"SUBARU Kids" site for children (Available only in Japanese)

<https://www.subaru.co.jp/kids/>

Donating to KOTSUIJI IKUEIKAI and the Foundation for Orphans from Automobile Accident

We donated the proceeds from the Subaru Motor Sport Auction held at our headquarters' showroom STAR SQUARE, the Subaru Thanksgiving held at the Gunma Manufacturing Division, and a charity bazaar held at the Tokyo Office to KOTSUIJI IKUEIKAI in September 2015 and to the Foundation for Orphans from Automobile Accident in March 2016. Our donations are mainly used to support the healthy development and education of children orphaned by automobile accidents.



Charity bazaar

SUBARU Visitor Center

First open to the public on July 15, 2003, the Subaru Visitor Center welcomes people who visit the Yajima Plant for tours of the facility and other reasons. Inside, visitors can view historic SUBARU models and cars that set world records, as well as learn more about SUBARU's unique technologies and environmental initiatives. In FY2016, 91,249 people came to see the facilities.



SUBARU Visitor Center



For a Plant Tour application (10 to 200 people) and detailed information on the Visitor Center, please refer to the link below. (Available only in Japanese)

 <https://www.subaru.co.jp/csr/factory-tour/>

Making Things, Fostering Human Resources

Visiting Environmental Classes

Utsunomiya Manufacturing Division offers visiting environmental classes to local elementary schools to deepen pupils' understanding of the environment. The classes target grade 5 pupils in the elementary school, and our employees visit the class as teachers to raise awareness about global warming and other environmental issues through experiments and talks. In FY2016, classes for 1,152 pupils were held at 15 schools.

In addition, starting in FY2014, we have widened the activities to elementary schools in Handa, Aichi Prefecture, where the Handa Plant is located. We held classes at ten schools for 565 pupils in FY2016 that included environmental workshops, lectures on how aircraft fly, FHI's aircraft manufacturing history, introductions to products, and hands-on experience of aircraft materials.

Since commencing in 2006, the activities have been held at a cumulative total of 172 schools in the Utsunomiya and Handa areas for 12,003 pupils, becoming firmly established in the regions.



A class on the environment at an elementary school in Utsunomiya

Helping with Work Experience

The Saitama Manufacturing Division helps with the Career Challenge (work experience) that Kitamoto City runs as part of social studies. The pupils all undergo a three-day experience that includes engine assembly and parts production. In FY2016, the manufacturing division hosted 11 pupils.



Work experience

Running Ethics Classes for Junior High School Pupils

In February 2016, FHI employees ran ethics classes for 315 pupils at Tana Junior High School, Yokohama.

The classes, which were entitled “International Understanding Workshop,” were held in light of the school’s request to create “an opportunity to think about the state of daily life in Japan” by communicating to pupils experiences of life in Africa from employees who took part in the Subaru Rally Team Japan. Apart from the differences between African and Japanese culture and living environments, the employees talked about “What is a team leader?” “The Importance of Communication” and other topics, and the pupils listened with great interest.



SUBARU’s Contribution in the Local Area

SUBARU Community Exchange Association

SUBARU Community Exchange Association is an organization which consists of our Gunma Manufacturing Division and its business associates with the purpose of promoting communication with Ota City and local residents to make the community a better place to live through local development.

FY2016 Major Activities

- At “Flower-full Activity,” flower saplings were distributed (June, September, December) SUBARU Community Exchange Association member companies purchased and planted flower saplings in this activity. In September, flower saplings were distributed to elementary schools in Ota City, and we held an elementary school flower bed competition. In January, we commended the outstanding flower beds.
- Charity Concert
Jazz concert (Nitta Airys) in June, Christmas concert (Oizumi Bunka Mura) in December,
- Charity and Friendship Golf Competition
Held in July at Jobu Golf Club by member company volunteers

Charity Concert

At the “Friendship Concert” sponsored by the SUBARU Community Exchange Association, customers bring in their unneeded towels, soaps and other daily necessities for donations to the Welfare Council in the region.



Charity concert

For details, please access the website of the SUBARU Community Exchange Association. Ichitan Co., Ltd., Kiryu Industrial Co., Ltd. and Subaru Logistics Co., Ltd. are the member of the Association. (Available only in Japanese)

<http://www.chiiki-kouryuukai.com/>

Local Area Cleaning

FHI is conducting clean-and-beautify your neighborhood activities by employees in the vicinity of each of our offices and plants. In FY2016, a cumulative total of approximately 4,800 employees took part.

We plan to continue these clean-and-beautify activities from now on.

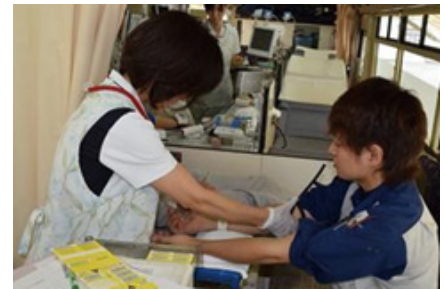


Left: Utsunomiya Manufacturing Division "Clean Campaign"

Right: Saitama Manufacturing Division "Fresh-clean Kitamoto, Leave It to Us" program

Blood Donation

FHI holds regular blood donation drives at each of our business sites. In FY2016, a total of 1,251 employees from our business sites took part. We will continue to help as many people as possible with blood donation in the future.



Blood donation at the Utsunomiya Manufacturing Division

Fire Fighting Unit Performance Assessment

The FY2016 performance assessment of the firefighting units set up by the Fire Fighting Training Assessment Committee was conducted in the grounds of the Tokyo Office. The Fire Fighting Assessment Committee is a meeting where the fire fighting units formed at work sites over a certain size to fight fires and prevent disasters showcase the results of their routine training and activities.

By participating in the assessment at the Tokyo Office every year, the company aims to cultivate trainees and their speedy response in the event of a disaster.



Fire Fighting Unit Performance Assessment

Supporting Activities to Maintain the Environment

TOPICS

Cooperating in environmental maintenance activities around the Fuji Subaru Line

In September 2015, the Mt. Fuji Beautification Foundation (Kofu City, Yamanashi Prefecture) held the Mt. Fuji Clean up Campaign that works to clean up Mt. Fuji and raise awareness about beautification. FHI's employees participated in the activity. We also donated ¥500,000 in activity funds as we did last year. In addition, we distributed original garbage bags that do not release toxic substances even when incinerated to local governments in the Fuji Hokuroku area.

Going forward, we will continue to work on this program as one of the core components of FHI's social contribution activities.



Clean up activities



Original garbage bags that we distributed

Support of Volunteer Activities

The social contribution policy sets forth clearly the participation of each employee in social action programs as a citizen. The policy is intended to make employees conscious of the need for their proactive social contributions so that a culture to do something for society remains firmly rooted in the entire company.

As a specific example, an award system to honor employees who contribute to the community and society by actively volunteering was established in 2006. The 11th award ceremony was held in June 2016 and two employees were honored with the volunteer award.



The two employees who received the award (third and fourth from the left) and FHI officers



Social Contribution: Efforts at Each Site

Development of Automobile Culture and Road Safety

Traffic Safety Campaign

Traffic Safety Guidance (Utsunomiya Manufacturing Division)

As part of employee activities to improve traffic manners, we provided traffic safety guidance on roads near the manufacturing division site during commuting hours. As there are many different roads along which children commute to school in the vicinity of the division, employees carried out the activity twice yearly in April when new pupils start school and in September when pupils might be a little too carefree after the summer vacation.



Safe Motorcycle Driving Class (Tokyo Office)

The Tokyo Office held another safe motorcycle driving class in 2015 in cooperation with Mitaka Police Department. Forty trainees, including participants from outside the company, received instruction from police motorcyclists and instructors and worked enthusiastically to improve their driving techniques.



Efforts for Traffic Safety (Saitama Manufacturing Division)

Based on our philosophy that, “Strongly aware of our responsibility as a manufacturer of transportation equipment, we will work to reduce traffic accidents and strive for zero traffic infringements and traffic accidents,” the Saitama Manufacturing Division endeavors to raise our employees’ awareness of road safety and makes efforts to prevent traffic accidents. Moreover, the plant engages in such initiatives as announcement of the road safety activities that the Industrial Products Company is working on in the local area. These activities were recognized and received a commendation from the Saitama Prefecture Association for Safe Driving Supervisors in January 2014.



Furthermore, starting in FY2016, as the Industrial Products “town watcher,” we have been conducting traffic safety awareness activities and a greeting campaign twice a month at hazardous locations such as intersections on public highways alongside the Kitamoto Plant and the Okegawa Plant in order to prevent traffic accidents, raise awareness of safe driving and establish safety and peace of mind in the community.

Making Things, Fostering Human Resources

Gunma Prefecture Karakuri Innovation Fair

The 8th Gunma Prefecture Karakuri Innovation Fair was held at the Gunma Prefectural Office. A Karakuri Improvement Device manufactured by the Industrial Products Company at Fuji Heavy Industries was exhibited and demonstrated. The exhibit was enjoyed by many of the visitors to the fair from children to adults.



Cooperation with Community Learning and Local Exploration

We cooperated with community learning for 12 third graders from Niragawa Nishi Elementary School, Oda City next to the Gunma Manufacturing Division. The pupils toured the press plant observing the production process close up to the press machines, allowing them to experience how amazing the plant is.



Machi no Sensei Trade Fair

The 6th Machi no Sensei Trade Fair organized by the Ota Machi no Sensei Trade Fair Promotion Association was held at Yabuzuka Honmachi Elementary School. At the FHI booth, visitors were able to experience finishing work for the plate that shapes the Subaru marque while deburring with sandpaper. The venue was overflowing with the children's enthusiasm as not only the children but also their parents and carers were engrossed in the work.



SUBARU's Contribution in the Local Area

Holding and Participating in Events

Ota Shibazakura (Moss Phlox) Festival (SUBARU Community Exchange Association)

The SUBARU Community Exchange Association conducted public relations activities at the Ota Shibazakura (Moss Phlox) Festival held in Ota City. We ran family-friendly events, including a raffle and bingo, and vehicle displays. Funds collected were donated to the city's welfare facilities through the Social Welfare Council.



Ota City Sports and Recreation Festival (SUBARU Community Exchange Association)

The Community Exchange Association ran activities in a tent, including games for children and vehicle exhibits. We also supported the Subaru Marathon.



SUBARU Appreciation Festival (Gunma Manufacturing Division)

The SUBARU Appreciation Festival 2015 was held at the Yajima Plant of Gunma Manufacturing Division. The event attracted around 28,000 visitors, including family members of our staff, local area residents, associated companies and others. The festival staged various events, which included refreshment stands run by each workplace, a plant tour, and EyeSight experiences.



Friendship Festival (Utsunomiya Manufacturing Division)

In October 2015, we opened the South Plant in the Utsunomiya area to the public and held a Friendship Festival. Around 4,000 people took part, and we were able to deepen our interaction with local residents. As part of this, we carried out public relations for the CSR and environmental activities of the Utsunomiya Manufacturing Division in addition to distributing blueberry saplings in cooperation with Tochigi Environment and Green Promotion Organization to promote activities to expand the serenity of greenery.



Furthermore, we have held the Handa Friendship Festival in the Handa area since 2013. The objective is to gain understanding and appreciation for the Aerospace Company through the craftsmanship involved in the Boeing 777 and 787 center wings that the Handa Plant has produced. Around 1,800 people took part in the festival, including family members of our staff, government organizations from Handa and nearby corporations, as well as local residents.

Summer Evening Bon Dance Festival (Utsunomiya Manufacturing Division)

A grand Summer Evening Bon Dance Festival was held with an attendance of some 1,500 people, including people from local residents' associations, women's associations, children's clubs and affiliated companies. This year marked the 29th time for the Bon Dance, which has been held since 1984, and it is an event that makes a major contribution to the community.



Summer Festival (Tokyo Office)

Starting with a parade by the Samba Club from the neighboring International Christian University, the Summer Festival in 2015 featured fun events including the annual lottery and presents for children, which were popular among visitors accompanied by children, and we were able to mingle with a great many people from the local area again this year.



Plant Tours

Subaru Community Exchange Association Plant Tour (Subaru Community Exchange Association)

The Subaru Community Exchange Association held a Traffic Safety Lecture and Plant Tour at the Subaru Visitor Center. 215 people attended and shown round the Yajima Plant and the visitor center after a traffic safety lecture by Ota Police Department.



Plant Tours to Link Children in with the Community

These activities began in FY2015 with a request from the Mayor and Board of Education of Kitamoto City for us to provide plant tours to line up with lessons being provided for third-grade elementary school pupils in Kitamoto City about work and life using the Saitama Manufacturing Division as a theme. In FY2016, we hosted 274 pupils from four schools in the city. The pupils, who had studied the process up to the finished engine in their textbooks beforehand, asked a lot of questions and could be heard saying that they would like to actually try the work.



Local Area Cleaning

The Subaru Community Exchange Association sponsored the 21st Kanayama Cleanup Volunteer Activity. In heat reminiscent of early summer, volunteers from Ota City and the city's junior high schools took part in weeding around Kanayama Waterside Park and a cleanup in the area in cooperation with members of Subaru Community Exchange Association. Approximately 850 people took part on the day.



Blood Donation

Blood donations are conducted within Saitama Manufacturing Division twice a year in spring and autumn in cooperation with the blood donation drive promoted by Kitamoto City. In July 2013, we were selected by the Japan Red Cross Society as a company with over 15 years of continuous activities, and we received the only Silver Order of Merit in Kitamoto City. We will continue our efforts to enable contributions to society in the future.



Counter-terrorism and Anti-Disaster Measures

We held the Mitaka Partnership Workshop organized by the Mitaka Police Department at the Tokyo Office. The objective was to strengthen collaboration between FHI and the Mitaka Police Department, raise awareness of terrorism and natural disasters, and to promote counter-terrorism and anti-disaster measures. 65 people, including some from outside of FHI, attended, and we succeeded in sharing an awareness of crisis.



Sponsored and Supported Events

13th Subaru Gunma Prefecture Schoolchildren's Rubber Ball Baseball Championship

We held the Subaru Gunma Prefecture Rubber Ball Baseball Championship in which junior baseball teams in each area of Gunma Prefecture participated. An intense competition unfolded among the children, and the venue brimmed with excitement.



Thespakusatsu Gunma All Subaru Special Match (Gunma Manufacturing Division)

We supported the opening game for soccer J2 League team Thespakusatsu Gunma with the title Gunma Manufacturing Division of Fuji Heavy Industries Presents the Gunma Prefecture All Subaru Special March, and specially produced blue club T-shirts were distributed to all the spectators. We were lucky with the weather on the day, and the Shoda Shoyu Stadium venue was filled with blue.



JAPAN CUP Cycle Road Race (Utsunomiya Manufacturing Division)

We have continuously supported the JAPAN CUP Cycle Road Race, Asia's top cycle race, which is hosted by Utsunomiya City, as the main sponsor since 1990. We provide LEGACY and other models as team support cars for the event, which is held over two days and draws a crowd of approximately 125,000 spectators from inside and outside the prefecture.



Supporting Activities to Maintain the Environment

Green Fundraising

In November, contributions collected from employees working at the Utsunomiya Manufacturing Division were donated to the Prefecture Green Promotion Committees of Tochigi and Aichi Prefectures (cumulative donations: 5.61 million yen). First launched in 2000, this drive marked its 16th anniversary and was honored with the Minister of Agriculture, Forestry and Fisheries Award in FY2008 and a second Executive Director's Award by the National Land Afforestation Promotion Organization in FY2012.



Sports Activities

Intercity Baseball Tournament

The 86th Intercity Baseball Tournament was held in July 2015, and our many years of community contribution, including baseball lessons were recognized at the opening ceremony with the receipt of the Minister of Internal Affairs and Communications' Minna no Genki Award.

We won an impressive victory 6-4 in the first round game against Nippon Express with 12,500 cheering supporters. Going on to the second round, we suffered a regrettable 0-2 defeat to Osaka Gas.



New Year Long Distance Relay Race

The New Year Long Distance Relay Race was held on New Year's Day 2016. A hotly contested race in Gunma Prefecture unfolded between 37 teams from across Japan, and our track and field club met its goal, ranking 25th overall. On the day, many people waved Subaru flags roadside and cheered us on warmly.





Social Contribution: Efforts Outside of Japan

Efforts by Subaru of America Inc. (SOA)

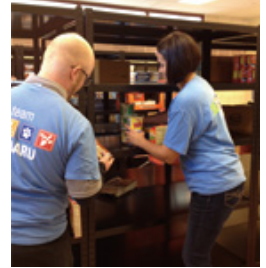
Assistance with Meals for People in Need

SOA, in partnership with the Salvation Army Kroc Center in Camden, NJ, created the Subaru Choice Food Pantry, to provide emergency food and services to people in need.

In 2015, the Subaru Choice Food Pantry provided more than 60,500 pounds, or around 27.4 tons, of food, equating to 42,462 meals for 1,311 families, including more than 1,900 children.



From right: Tom Doll, SOA president and COO; Major Terry Wood, Salvation Army Kroc Center Administrator; Sandy Capell, SOA philanthropy and corporate responsibility manager.



SOA employees help to stock food

Donating Books and School Supplies to Children

In August 2015, SOA headquarters and employees from each of its business sites along with Subaru retailers donated more than 16,000 children's books and school supplies to more than 200 schools across the United States.



Employees packing more than 2,000 backpacks with books and school supplies

Commencing Joint Program to Reduce Landfill from National Parks

SOA has commenced a joint program with the National Park Service to assist the Parks with reduction of waste sent to landfills. The goal is to help the parks achieve zero landfill within the next five years. SOA works with the National Parks to engage its partners in achieving the goal.

The large concessioners that operate the hotels, restaurants, and stores on the Park property have also joined the efforts to Reduce, Reuse and Recycle waste that is generated in the course of their operations. A pilot program has commenced operating in three Parks which are Yosemite in California, Grand Teton in Wyoming and Denali in Alaska.

Using the principles honed and the procedures used at SIA in Indiana, the Parks will enter into the next 100 years poised to be sustainable for generations to come.



Canada's Biggest Show for Enthusiasts Toronto Subaru Club Hyper Meet (August 22, 2015)

In August 2015, we held the 12th HyperMeeting at our headquarters. It is the largest enthusiast show held at a corporate head office in Canada, and is held once a year. Each year, the HyperMeeting raises funds which are donated to Ronald McDonald House* in Toronto. In 2015, more than 1,000 people gave their support, raising approximately \$20,000. SCI matched this amount dollar-for-dollar, raising a grand total of \$40,000.



* Ronald McDonald House is a charitable organization that provides a "home away from home" to allow children who have to be admitted to hospital far away from their own homes for the treatment of serious diseases and their families to spend time relaxing together.

Ontario Subaru Dealer Association Charity Golf Tournaments

In July 2015, the Ontario Subaru Dealers Association's third charity golf tournament was held with 90 participants from Subaru dealers, business partners and SCI. The tournament raised \$36,000 in support of Ronald MacDonal House Toronto.



In August 2015, the Quebec Subaru Dealer Association held its 6th benefit golf tournament with 120 participants attending from Subaru dealers, business partners and SCI. The event raised \$66,000 in support of la Fondation les petits trésors de l' Hôpital Rivière-des-Prairies, which deals with the mental health of Quebec children and teenagers.



Third Season of 31 Forest Stars Tours

At the end of 2012, Subaru of China, Ltd. (SOC), Beijing launched the SUBARU Forest Ecology Conservation Project with the State Forestry Administration and the China Wildlife Conservation Association to which Subaru donates 1 million yuan every year. Based on the project, SOC developed the 31 Forest Star Tour activity in 2013 to foster SUBARU Ecology Conservation Forests in China's 31 nature reserves in addition to providing 31 Foresters and forest conservation-related goods for each of the nature reserves.



In the Third Season of 31 Forest Stars Tours in 2015, SOC promoted conservation related to the natural environment and forest ecosystems at the national level in partnership with Guang Ming Daily, China's third biggest newspaper, and Forests China, a public interest project. Even more Chinese customers took part in natural environment conservation activities through interactive eco-experiences, which included tree planting, supporting health checkups and treatment for people living in nature reserves, and the collection of painting materials and sketching, to disseminate the importance of ecosystem conservation.

For these efforts, SOC received the Public Interest Partner award at Forests China's 1st China Eco-Hero selection ceremony event. Going forward, SOC will continue contributing to conservation of China's natural environment through the 31 Forest activity.