



Third-party Opinions



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Chair and member of various committees of the Ministry of the Environment, including Eco Action 21 Guideline Revision Review Committee (Member), Environmental Information Disclosure Foundation Development Working Group (Chair), Environmental Communication Award (Juror), Eco-CRIP Program Review Committee (Chair), and Tripartite Roundtable on Environmental Business (TREB) of the Tripartite Environment Ministers Meeting Among China, Japan and Korea (Head). ISO/TC207 Expert. Former GRI Board Member. Graduate of The University of Tokyo Faculty of Law.

■ Reading “SUBARU’s Approach to the Environment 2016”

Many corporations started to incorporate environmental management around the time of the 1996 publication of ISO14001. In the midst of this trend, the Environmental Management System (EMS) at Subaru is now being managed with what could be called a final version.

However, human society underwent a paradigm shift with the adoption of the United Nation’s “the 2030 Agenda for Sustainable Development Goals (SDGs)” in September 2015, followed by the Paris Agreement at the United Nations Framework Convention on Climate Change COP 21 in December 2015.

The paradigm shifted from “progress and growth” with the presumption of “limitless” that has been in play since the beginning of the modern era to “sustainable development” that presumes “limited,” that is limitations on CO2 emissions as well as the imminent environmental limitations of the depletion of metal resources other than iron.

Japan is targeting an 80% reduction of CO2 by 2050, and the Paris Agreement calls for a goal of net zero emissions from human activity by the latter half of the 21st century.

Under these circumstances, I anticipate that the creation of Subaru’s next voluntary plan will involve first creating long-term goals that presume the new paradigm, such as “Goals and Aspirations” for the 150th founding anniversary, and then creating mid-term goals for 2030 – 2040 using the backcasting approach from these.

I believe this would involve creating road maps in 3-5 year intervals for the mid-term goals. In that, I believe, the first step, as in the past, would be similar to “commitments (mandatory goals)” determined largely by accumulation, and the next steps would be full of innovation including technical innovation as well as changes in business models.

While Japanese corporations in general are said to be unresponsive to the fact that the Paris Agreement was ratified less than 11 months from its adoption, some major corporations in the automobile industry had already set challenges prior to the Paris Agreement. I believe that deciding on a long-term course of action and formulating innovative strategies are urgent issues for Subaru as well.

Subaru has already applied ISO14001, ISO9001, and ISO50001. I believe that the ISO14001:2015 revision is an excellent tool. It has a high affinity with CSR and is effective for value chain management (VCM). I believe this is a great opportunity to review EMS from the foundation and advance to management control system.

Although Subaru is involved in VCM, future issues will include how to introduce a due diligence process (environmental and CSR audits of transaction partners) and what to do about management of secondary suppliers and after. The revised 14001 sets a course to manage 14001, Eco Action 21 and environmental risk management together as a unit in terms of “risk and opportunity.” I believe this requires consideration.

In terms of editing, a little more effort would make the report better.

Editing with a story line in mind would be favorable for ESG investors.

In addition, explanations of technical terminology should be added in footnotes or setting up a link to a glossary. Furthermore, it is essential to ensure that the voluntary action plan attached as a resource is easily searched online.

◎ Receiving the Third Party Opinion

Thank you for your opinions on our “SUBARU’ s Approach to the Environment 2016.”

We will take into consideration the valuable opinions we received as we continue to face the challenges to achieve our goals. We would be grateful if you would continue to give suggestions regarding our environmental activities.

When the Paris Agreement entered into force in November 2016, corporate commitment to the environment underwent a major change due to earnest efforts to reduce greenhouse gas starting on a global scale, and this is considered a major prerequisite for the promotion of businesses.

Subaru has been worked in various environmental activities and has disclosed information about them, but we recognize that the environmental activities of the past, by themselves, are insufficient for the initiatives that are demanded from the corporations of today. In our Environmental Committee last year, we reaffirmed our involvement in environmental activities that tie into sustainable growth for the future of our company and society, and we resolved to plan and promote environmental activities appropriate for Subaru so that we can further contribute to social sustainability. Based on this resolution, we are now beginning to consider in various fields how we can contribute, respecting the global consensus of the Paris Agreement, toward reaching its long-term goals.

Before the release of the next report, we will further clarify our contributions to sustainability in our environmental policies and we will work to be able to report on specific activities in line with the policies including the indicated items for consideration.

In addition, we are planning further revisions to the editing of this report in regard to the highlighted points so that our audience can continue to enjoy reading our more easy-to-understand report.

On April 1, 2017, we will change our name to “Subaru Corporation.” Focusing the power of all Subaru Group members, we are aiming for further sustainable growth. In that, we are working to resolve environmental issues through our business activities by further accelerating the “Enhancing the Subaru Brand” initiative and continuing to provide our customers with our unique values of “Safety and Enjoyment” even more than we have in the past.

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