Gunma Manufact

■ Outline for Each Plant(As of the end of March,2009)

Main Plant	Main Plant	Yajima Plant
Location	1-1, Subaru-cho, Ota City, Gunma Prefecture	1-1, Shoya-machi, Ota City, Gunma Prefecture
Site Area (m²)	585,521	549,845
Building Area (m²)	312,313	255,466
Number of Employees	3,088	2,555
Main Products Manufactured	STELLA, R1, R2, PLEO, and Samber models	LEGACY, EXIGA, IMPREZA and FORESTER models

Relationship with Local Committee

Communication with Local Committee

■ Active Participation in the Local Events

In order to contribute to creating a prosperous socienty in coexistence with local communities, the Gunma Manufacturing Division has been working

with local residents, offering friendship and community exchange events, accepting plant tours and participating in cleanup activities and local events. The major activities of FY2008 are introduced here.



Jul: 600 employees participated in carrying the SUBABLI Mikoshi at the Ota Summer Festival



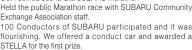
Aug: Held SUBARU Hands-on class inviting 221 pairs of parents and children who applied publicly



Sep: Promoted our electric vehicle "Plug-in STELLA" at "Ota city Industry Environmental Festival



Oct : Joined Joshu Ota SUBARU Marathon Held the public Marathon race with SUBARU Community Exchange Association staff.





Nov: Over 30,000 people enjoyed the SUBARU Appreciation Festival at Yajima Plant.



Concerts are staged free four times a year for the public. Homegrown performers are invited to play, and flowers, seeds and saplings are given away to the audience at these concerts to promote environmental activities. They have grown to be quarterly events, attracting an audience of

■ SUBARU Visitor Center

SUBARU Visitor Center is set on the core of Local communication, which mainly held Factory tours. Over 100,000 people of Customers, Local primary school students and others visited there every year.



SUBARU Visitor Center

■ SUBARU Delivery Class on Environment

Out of our hope to have the current status of environmental issues understood correctly by children who assume the role of making things in the future and to provide them with clues to recognize environmental issues and take actions by themselves through our on-going environmental protection activities, we are offering "SUBARU Delivery Class on Environment" to primary school children in the communities.

Under the theme "Let's Protect the Earth Together", we offer the "global warming reproduction experiment", using flasks and carbon dioxide, the "Environmental Quizzes" and other stimulating programs. They are







■ Outline for Each Plant(As of the end of March, 2009)

Main Plant	Ota North Plant	Oizumi Plant	Isesaki Plant
Location	27-1, Kanayama-cho, Ota City, Gunma Prefecture	1-1-1, Izumi, Oizumi-machi, Oura-gun, Gunma Prefecture	100, Suehiro-cho, Isesaki City, Gunma Prefecture
Site Area (m²)	43,750	376,038	177,422
Building Area (m²)	26,841	179,984	58,866
Number of Employees	74	1,535	80
Main Products Manufactured	Automotive parts	Automotive engines, transmission	Automotive repair parts

designed to make the children "think what they should and can do to protect the earth at present and in future for some specific actions of their own".

This Delivery Class program started with 16 schools in FY2004. It gradually grew and expanded to include all the 30 schools in Ota City and Oizumi Town, Ouragun and 1 school in Isesaki City for a total of 31 schools in FY2008.



"Global warming reproduction experiment" using flasks at the SUBARU Delivery Class.





Education and Enlightening Activities

The Gunma Manufacturing Division provides educational opportunities for its employees according to their job status and job description. The Division also provides education as part of its support for its affiliated and partner companies.







mental Education for new employees of affiliated and partner companies.

Jun: SUBARU Safety and Environmental conference RST(for foremen) education with 34 participants.

Environment Preservation Approaches

The Gunma Region's*1 Environmental Policies

The Gunma Region further created its own environmental policies in line with FHI corporate philosophy and company-wide environmental policy, from which it has been actively conducting various environmental conservation activities.





—The Gunma Region's Environmental Policies— [Revised in June 2002]

The FHI Gunma Region is determined to provide greener SUBARU from clean plants in its desire to create environmentally friendly automobiles to ensure preservation of our rich natural environment for generations to come.

- (1) We are committed to environmental conservation that takes into consideration all the repercussions our Automotive sector renders upon the environment.
- (2) Observing all the relevant laws and regulations, community agreements and industry standards, we will carry out our activities based on our independently determined environmental objectives and targets.
- (3) Through the understanding of the importance of continual improvement and early pollution prevention, every one of us can realize the responsibility we carry as we go about our work.
- (4) We will endeavor to raise environmental consciousness by providing educational opportunities for our employees according to their job status and job description.
- (5) We will regularly perform audits and inspections to improve our environmental conservation activities.
- (6) As a responsible member of society, we are committed to working with the community and engaging in joint activities to further environmental conservation.

^{*1} The Gunma region is a collective term subject to external assessment through the ISO14001 Environmental Management System. It consists of a group of car manufacturing sites centered around the Gunma Manufacturing Division, also including the SUBARU Engineering Division, an organization under direct control of Head Office which is located in the Gunma Manufacturing Division, the SUBARU Test & Development Center located in Sano City, Tochigi Prefecture, and the SUBARU Parts Distribution Center located in Asahi-cho, Ota City.

Major Environmental Conservation Achievements of FY2008

■ Curbing Global Warming

In FY2008, together with energy saving in paint process and minimizing fixed energy, the efficient working of the 4 natural gas cogeneration systems brought CO2 down by 23.4% compared to the FY1990 level

The use of water resources dropped by 52% compared to the FY1999 level.

■ Reducing Waste Material

We have been working hard to reduce the amount of

We introduced the trial management soft of waste generation as an approach toward the Electric Manifesto.

waste material we generate. In FY2008, we have reduced waste material (excluding scrap metal) by 3,224 tons compared to FY2007.

Also, we have launched approaches toward the Electric Manifesto.

■ Preventing Environmental Pollution

Complains, leak accidents of chemicals and cases where limits set in environmental-related laws were exceeded in FY2008 are shown on the list in P.46.In order to eliminate such problems completely, we will continue to promote environmental risk assessments and guidance for external companies.

We have met the target set in the Environmental Conservation Program concerning VOC discharged*1 in the painting process by using water-based paint etc.

We will take on actions to achieve the targets of the 4th Voluntary Plan for Environmental Preservation in all the environmental conservation activities.

Results of Environmental Audits

Results of the Internal Audits as part of the Environmental **Management System**

We classified all departments in Gunma region into 75 sections, and conducted internal audits at all the sections during the period from 4th July 2008 to 27th Oct, 2008. At the same time, we conducted an environment-related legal compliance audit with all nine sections in charge of handling environment-related laws and regulations.

As a result, 77 cases were identified for further corrective actions. We have been pressing ahead with both corrective and preventive actions in order to raise the standard of environmental activities across the entire

We will also continue to further improve the abilities of our internal auditors and the mechanisms involved with our internal audits.

■ Results of the ISO 14001 External Assessment

We received the ISO 14001 surveillance assessment during the period from 21 to 23 Jan, 2009, identifying two non-

conformities and a case deemed in need of further inspection. We took corrective actions for the two non-conformities immediately and our ISO 14001 certification was successfully continued.



The scene of Top interview in ISO14001 External Assessment

Environmental Data

■CO₂ emission

Item	FY2008 actual result
CO ₂ emission (tons-CO ₂)	159,687
Index (FY1990 = 100)	76.6

Total consumption of electricity and fossil fuels (heavy oil, diesel oil, kerosene, gasoline, urban gas and LPG) are converted. The CO_2 conversion factor is taken from JAMA (in some cases other conversion factors are used)

■Water consumption

Item	FY2008 actual result
Water consumption (m³)	2,417,893
Index (FY1999 = 100)	48.0

the goal of VOC reduction in the 4th Voluntary Plan for Environment: VOC emission per unit should be reduced at least 30% less comparing to its in FY2000

Waste materials and scrapped metals	(tons)
Item	FY2008 actual result
Scrapped metal	56,891
Amount of materials recycled within FHI	1,491
Waste materials directly landfilled	0
Waste materials externally treated	5,138
Waste materials landfilled after external treatment	0

Utsunomiya Manufacturing Division [Aerospace Company, Eco Technologies Company]

Relationship with Local Community

Communication with Local society

We at the Utsunomiya Manufacturing Division recognize the importance of coexisting with local communities as responsible members of society, and equally the importance of maintaining a prosperous society. In keeping

with these ends, we have been contributing to local communities through various activities, by offering friendship and community exchange events for local communities and actively cooperating in cleanup activities and fund-raising campaigns. A few essences of these efforts and activities from FY2008 are introduced here.



Apr: The site for the old spur tracks in the premise was opened as a trail exclusive for walkers and bicycle riders and the trail was named "SUBARU ROAD" by people in the communities. This tail is much welcome for residents who had to make detour before.



Jun: At the "Nice Heart-to-heart Sports Plaza" where people come in contact with the handicapped, we worked as volunteers to coordinate games and guide people.



Aug: In the "Fuji Heavy Industries Bon Dance Festival" which has been held since 1984, about 4,000 people took part from the local residents' associations, women's clubs, children's clubs and affiliated firms with much en



Oct : Fuji Heavy Industries Friendship Festival was held with 7,000 visitors including employee and neighborhood. At the festival site, we set an environment PR booth to publicize the "approaches to the CSR and environment by Utsunomiya Manufacturing Division" and "afforestation promotion and green fund-raising activities". Also, with the cooperation of Foundation Tochigi-ken Afforestation Promotion Committee, we distributed saplings of blueberry free to participants. This is the fourth distribution of the saplings. The giveaway event is always welcome enthusiastically by many people who make long lines even before it starts. We will keep working to expand the afforestation promotion activities.



Mar: "Bus Tours for Work-site Experience through Plant Visit" Responding to the requests for a work-site experience bus tour program, the first attempt of this kind in Utsunomiya City, we received students from high schools, colleges and universities including undergraduates and graduates in the city for plant tours with a menu to give them opportunities to feel closely work-site operations of the aircraft industry.

Education and Enlightening Activities

The Utsunomiya Manufacturing Division systematically implements several kinds of education, correlated to job title, etc, environmental education, internal auditors' education and follow-up education. In addition, as part of the support extended to its local affiliated and partner companies, it has been actively conducting an environmental patrol and other such activities.

The Environmental Improvement Case Study Presentations are held periodically every year, presenting all the activities and achievements involved in some of the best examples of environmental improvement from individual workplaces. In addition, emergency drills are held frequently at every workplace in order to ensure proper management for preventing accidents, and minimize environmental damage that may occur in the event of an environmental accident.

Introduce of Site Report in Utsunomiya Manufacturing Division

The Utsunomiya Manufacturing Division issues Site Report (Environmental & Social Report) every year to show our overview to local communities and to use it for deepening exchange with then.



Utsunomiya Manufacturing Division Environmental & Social Report 2008

Utsunomiya Manufacturing Division







■ Outline for Each Plant (As of the end of March,2009)

Main Plant	Main Plant (Aerospace Company)	South Plant (Aerospace Company)	South No.2 Plant (Aerospace Company)
Location	1-1-11, Yonan, Utsunomiya City, Tochigi Prefecture	1418, Kamiyokota town, Utsunomiya City, Tochigi Prefecture	2-810-4, Miyanouchi, Utsunomiya City, Tochigi Prefecture
Site Area (m²)	337,457		
Building Area (m²)	176,895		
Number of Employees	2,035		
Main Products Manufactured	Aircraft, unmanned aircraft, space-related equipment	Aircraft	Aircraft

Approaches for Environmental preservation

The Utsunomiya Manufacturing Division's Environmental Policies

The Utsunomiya Manufacturing Division further created its own environmental policies in line with FHI corporate philosophy and company-wide environmental policies, from which it has been actively conducting various environmental conservation activities.

— The Utsunomiya Manufacturing Division's "Environmental Policies — (Revised in June 2008)

Through positive environmental conservation that aims to bring about harmony between industry and environment, and for a prosperous and healthy society, we (the Aerospace Company, the Eco Technologies Company, Yusoki Kogyo KK, Fuji Aero Space Corporation) have decided on the following plans of action.

- (1) We will endeavor to reduce the environmental impact in all areas from development, design, production, logistics, to service and waste disposal, as our contribution to creating a less polluted, resource recycling society through the assessment of Environmental effects by our own business.
- (2) In our corporate activities, observing all the relevant laws, community regulations and other agreements needs, we will further determine our own voluntary standards, based on which we will organize our environmental activities.
- (3) Through conducting voluntary activities with our own environmental conservation objectives and targets, with regular reviews we will continue to improve for the better and promote the prevention of environmental pollution.
- (4) To protect the beautiful earth environment, we will promote the reduction of CO₂ emission, serving energy and resource, reduction of electric substances' emission, reduction and reuse of Industrial waste generation.
- (5) As a responsible member of society, we are committed to working with the community and engaging in joint activities to further environmental conservation.
- (6) Through the promotion of environmental education for every person working in or working with our organizations, we will accelerate to make a spiritual climate of Corporation which everyone of us can consider the environment.
- (7) We will make the Environmental Policies documentation styles, carry out, maintain, and make known to all the people who work at our Manufacturing or work for our Manufacturing. At the same time, we will open it to the public as occasion demands.

Major Environmental Conservation Achievements of FY2008

■ Curbing Global Warming Aerospace Company

The CO₂ emission in FY2008 totaled 22,104tons-CO₂ achieving the target. The amount is reduced 14% comparing to its in FY2007. The reduction resulted from such down-to-earth measures as intermittent operations of gas heaters, reviewing the pressurization time control of clean rooms and switching to city gas for the South Plant boiler. We will take actions mainly to reduce these wastes while taking cost factor into account.

Eco Technologies Company

As a result of taking continuous actions for energy saving through such measures as the installation of automatic energy-saving operation unit, stopping the agitation motors due to non-agitating electro deposition paint and the use of inverter cooling motors, the CO₂ emission was reduced to 2,394tons-CO₂, achieving the target. It is reduced 14.3% comparing to its in

FY2007, and more, reduced 69.1% comparing to its in FY1990. We will continue to manage energy more effectively by renewing aging instruments and reviewing operational methods for further CO₂ reduction.

■ Reducing Waste Material Aerospace Company

In FY2008, the amount of waste material was 2,267tons and we could meet the target. It was reduced 1% comparing to its in FY2007. This is the product of our efforts for reduction of expired wastes and paperless operations through expanded electric browsing. In FY2009, we will pushing forward in cooperation with the procurement department to further reduce expired wastes as part of controlling processing expenses.

Eco Technologies Company

The amount of wastes in FY2008 was 576.5tons and met the target level. It was decreased 6.4% comparing to the previous year. This resulted from measures taken such as the reduction of sludge discharge due to revamping the drainage treatment facilities in the 16th Building and the review of materials most suited





■ Outline for Each Plant (As of the end of March,2009)

Main Plant	Handa Plant (Aerospace Company)	Handa West Plant (Aerospace Company)	Main Plant (Eco Technologies Company)
Location	1-27, Shiohi-cho, Handa City, Aichi Prefecture	102, Kamihama-cho, Handa City, Aichi Prefecture	1-1-11, Yonan, Utsunomiya City, Tochigi Prefecture
Site Area (m²)	49,041	49,244*1	171,816
Building Area (m²)	11,227	13,809	51,633
Number of Employees	196	25	198
Main Products Manufactured	Aircraft	Aircraft	Refuse collection vehicles, wind turbine system, robots ² , etc

to the blanking in practice.

From this point on, we will proceed with a plan to introduce the static electro-deposition method to cut paint sludge for further reduction of wastes.

■ Preventing Environmental Pollution

We achieved the target to reduce environment-related complaints to zero in FY2008 for the first time since we have started taking statistics. We will keep on making effort to the prevention environmental pollution to achieve "zero" complaints from now on.

Nevertheless, we had 1 case each of exceeding a legal environmental limit and accident reported. We instructed and guided the contractor concerned to prevent the recurrence for stricter water quality management and expanded the scope of education on environment-related issues designed tor suppliers. We will further promote Environmental Risk Assessment and education for constructor aiming at "all zero" cases.

Results of Environmental Audits

Results of the Internal Audits as part of the **Environmental Management System**

We conducted an internal audit at all 59 sections of the Utsunomiya Manufacturing Division in May and June, October and November 2008. As a result, 70 non-complying cases and 74 cases subject to monitoring were identified. As for some departments pointed out of the non-complying case, we have taken proper actions right away and improved the EMS performance.

In FY2008, new 15 auditors were added to increase the number of registered auditors to a total of 147 to respond to the needs for fostering internal auditors and their increase as pointed out at the last year's external audit. The internal auditors are fostered on the condition that they have already taken a training for internal auditors by an outside organization or an internal training course. They are not allowed to audit the department or section to which they belong to secure independent execution of audits.

We will continue working to improve the audit system.

■ Results of the ISO 14001 External Assessment

We underwent ISO 14001 renewal assessment review from 16 through 19 June, 2008. There was no nonconformity pointed out including any minor one, thus the renewal of certification was granted. As a result of

the audit review this time, the expanded application of the certification to Fuji Aero Space Corporation, Heavy Industries' 100% subsidiary, was approved.

Waste materials and scrapped metals

Item

Amount of materials recycled within FHI Waste materials directly landfilled

Waste materials landfilled after external treatment

Scrapped metal



A scene of the ISO 14001 External Assessment

Environmental Data

CO₂ emission (tons-CO₂)

Item	Company Division	FY2008 actual result	Index (FY1990 = 100)
CO ₂ emission	Aerospace Company	22,104	81.0
	Eco Technologies Company	2,394	30.9
	Total of Utsunomiya Manufacturing Division	24,498	69.9

Total consumption of electricity and fossil fuels (heavy oil, diesel oil, kerosene, urban gas and LPG) are converted. The CO2 conversion factor is taken from JAMA (in some cases other conversion factors are used)

Water consumption

(m³)

<u> </u>		
Company Division	FY2008 actual result	Index (FY1990 = 100)
Aerospace Company	735,892	84.7
Eco Technologies Company	40,759	25.7
Total of Utsunomiya Manufacturing Division	776,651	75.6

Eco Technologies Company	40,759	25.7
Total of Utsunomiya Manufacturing Division	776,651	75.6

The Area of Handa West Plant is 49,244 m², which was enlarged 7,267m² by borrowing land. *2 Note that robots / cleaning robots are manufactured and sold by FHI's Robot Department

(tons)

FY2008 actual result

751 2.092

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More details about cases where limits set in environment-related laws exceeded and accidents within premise are shown on P.46.

Fuji Heavy Industries Ltd.