



Human Resource Development (HRD) Philosophy

We provide support for skill development through a variety of training programs centered on on-the-job training forms, aiming to develop highly engaged, autonomous employees, which are the human resources ideal based on our HRD Philosophy.

We promote initiatives at affiliated companies in Japan and overseas in accordance with the business content of each company and regional characteristics.

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.



A Scene from grade-specific training

Establishing the Training System

We have established diverse grade-specific and skill-specific training programs. Among our grade-specific training programs, we offer the Startup Program for all employees who have risen to a higher level and some mid-career recruits. In FY2017, approximately 1,600 employees took and completed the training. With the goal of helping employees obtain and enhance business skills, we also offer training programs for each type of position within the company. We offer support for employees to attend business school.

With a view to accelerating our global HRD, in addition to various programs in Japan, we have also established programs to facilitate foreign language acquisition and training overseas.

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 accounting, etc. -Support for attending business school	Education program There is a variety of programs to choose from depending on the level and goal of each employee.	Correspondence education etc.	Training at each business site Official certification support, etc.
Regular Employee						
New employee training						
New recruits training						

Initiatives to Transmit Skills

We opened the SUBARU Technical School (STS) in 2006 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.



Basic Skills Training at STS

We provide training that matches the skill levels of trainees, including new graduates to those in their mid-twenties. In FY2017, 641 employees took and completed the courses, bringing the cumulative total of successful trainees to 3,672.

I have learned a great deal of essential knowledge that can be used immediately at work and skills that are difficult to acquire through textbooks only from highly experienced lecturers. I would like to make best of knowledge, skills and precious experience I gained through Subaru Technical School in building cars that customers can drive with peace of mind.

Ayumu katou, No.3 Body Section, 2nd Production Department, Manufacturing Division

Fair Evaluations and Support for Development of Skills

Mechanisms for the upgrading of skills aimed at growth based on fair personnel evaluations are essential to develop the autonomous human resources that we are aiming for.

To this end, we position and utilize our personnel system which is made up of occupational skill certification programs, performance assessment system, goal management system, personnel rotations, and the education and training systems as a tool for the development of human resources. In addition to objectively evaluating job outcomes and performance levels for skills through the operation of the personnel system, supervisors and their subordinates share the challenges necessary for growth. Under the goal management system, all our employees have an interview with their supervisors three times a year (goal setting, interim confirmation, outcome confirmation).

Note that both men and women are treated properly and there is no gender gap in basic salary.



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

Subaru aims to create a group of highly engaged, autonomous human resources, and we believe that it is important to establish an environment that allows each individual among our diverse employees to fully express their unique abilities.

We work on promoting diversity in work styles as well as enhancing our schemes in order to respect the diversity of our employees and achieve Work-Life Balance.

We promote initiatives to support work-life balance at affiliated companies in Japan and overseas in accordance with the business content of each company and regional characteristics.

Supporting Each Employee's Work and Household

To support employees both at work and at home, we established systems equal to or greater than statutory requirements so that employees can balance their work with child/elderly care. Such systems include 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. We also conduct lectures on these systems as part of our grade-specific training as well as make available the Maternity Leave and Childcare Handbook on our intranet, with the aim of promoting awareness and utilization of these various programs.

In addition, in accordance with the Next Generation Education and Support Promotion Act, we formulated and implemented our corporate voluntary action plan.

As a result of achieving the targets in the action plan, we acquired certification by the Minister of Health, Labor and Welfare (the Kurumin Mark) three times. Also during the fifth phase of the action plan (April 2017 – March 2019), we promote efforts with the hope of winning the Platinum Kurumin Mark certification.



The Kurumin Mark

Terms of Each Action Plan

The First Phase of the Action Plan: April 2005 – March 2007

The Second Phase of the Action Plan: April 2007 – March 2010

The Third Phase of the Action Plan: April 2010 – March 2015

The Fourth Phase of the Action Plan: April 2015 – March 2017

The Fifth Phase of the Action Plan: April 2017 – March 2019

Now we are stepping up our support systems so that employees can balance childcare responsibilities with work while seeking career development at the same time.

Initiatives Aimed at Reducing Long Working Hours

In addition to the set hours days (no overtime days) that we had already established, we established a new "ultra-set hours day" in FY2016 when all employees, including managers, leave work at the set time throughout the entire company. This required the formulation and implementation of even more efficient operations plans than in the past. As a result of this initiative, employee awareness about working hours has increased, including the situation regarding leaving work on no overtime days.

Moreover, starting in FY2017, we are reducing the core time of flexi-time work from four to two hours to facilitate work styles that are more tailored to various fluctuations in work. This contributes to the fulfilment of employees' private life and reducing working hours, such as in cases where employees can go home early at times of low workload.

Work-life Balance Recommended Performance (Subaru non-consolidated)

Implementation	Overview	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	
Childcare leave (persons)	System that enables employees to obtain leave for childcare	Male	2	3	6	3	2	6	8
		Female	90	68	124	68	91	101	88
		Total	92	71	130	71	93	107	96
	Rate of returning to work after childcare leave	Male	-	-	-	100	100	100	100
		Female	-	-	-			98	
	Rate of returning to work after childcare leave	Male	-	-	-	98.5	100	100	87.5
Female		-	-	-	98.9		95	100	
Care leave (persons)	System that enables employees to obtain leave for family care with the necessary care conditions	5	6	3	5	5	9	4	
Paid vacation acquisition rate	Promotion of once per month	86.6%	88.2%	85.7%	86.9%	88.7%	84.2%	84.4%	
No overtime day	Two days set in the week for increasing work efficiency and fulfillment of private life	Implemented continually							



Promoting Diversity

For our company to continue offering customers value not found in competing products, each Subaru employee needs to be able to express his or her abilities as an individual with unique values. For this reason, Subaru values differences in gender, nationality, culture, and lifestyles of employees and strives to create workplace environments in which everyone finds it easy to work. We also promote initiatives related to diversity at affiliated companies in Japan and overseas in accordance with the business content of each company and regional characteristics.



The main building at the Gunma Main Plant provides accessibility with wheelchair ramps



Creating workplace environments in which diverse employees find it easy to work, regardless of gender, nationality or lifestyle

Establishment of Diversity Promotion Office

We established the Diversity Promotion Office in January 2015 in order to promote diversity at our company even more proactively.

Under the Diversity Promotion Office, we have designated “promoting active roles for female employees,” “employing people with disabilities,” “planning and promoting employment of non-Japanese,” and “promoting employment of the elderly” as priority themes. Among these themes, we have placed particular emphasis on efforts to promote active roles for female employees.

For our efforts to support female career development, in FY2017 we introduced “career up training for female team leaders” as a new initiative to systematically develop the next-generation female candidates for managers, in addition to the mentor system for female managers and candidates for manager.

In addition, we formulated an action plan aimed at promoting active roles for women under the Act on Promotion of Women's Participation and Advancement in the Workplace. In the action plan, under the system of promotion through merit based on demonstrated ability, we set a target for and are striving to increase the number of female managers by 2020 by five times that of the number in 2014 (4 managers → 20 managers).

In FY2018, we will continue to promote these initiatives in addition to working to further enhance quality.

Activities to Raise Awareness of Human Rights

Our Conduct Guidelines clearly state that we do not unfairly discriminate on grounds of gender, age, nationality, race, ethnicity, beliefs, religion, social status, physical disability or any other pretext.

In order to raise awareness regarding the respect for human rights, we have introduced lectures on the importance of diversity and our initiatives in the training course for new recruits and managers since FY2016. In FY2017, we held training 11 times with approximately 531 employees attending.

In addition, we have compiled rules and guidelines aimed at preventing all kinds of harassment. To prevent workplace bullying, we prepared a Workplace Bullying Explanatory Booklet, which we have distributed to all employees (except for nonpermanent employees) as well as posting it on our intranet. Also, we distributed the Workplace Bullying Prevention Handbook, which compiles points to note in order to create a workplace free from workplace bullying to all managers and supervisors.

As a contact in case of occurrence of harassment, we established the Compliance Hotline for Harassment, and Harassment Contacts at the headquarters and all offices and plants. By creating a contact that workers can easily get in touch, we try to resolve problems without delay.

Supporting Employees with Disabilities

At our company, 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, 2017, we have 253 employees with disabilities, mainly in manufacturing work, and the percentage of employees with disabilities was 2.16% as of April 1, 2017.

As a facet of our social responsibility, we comply with the legal requirement concerning employment of those with disabilities. We will continue to promote stable and ongoing employment, with a target of 2.2% for the percentage of employees with disabilities as of April 1, 2018.



Cleanup of Subaru Visitor Center at Yajima Plant done by SBC employees.



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

TOPICS

Initiatives at Specified Subsidiary Company SUBARU Bloom Co., Ltd.

SUBARU Bloom Co., Ltd. (SBC), which gained accreditation as a specified subsidiary company under the Act on Employment Promotion, etc., of Persons with Disabilities in FY2015, made active efforts to employ people with disabilities again in FY2017. As of April 2017, 56 employees and 14 instructors engaged in cleaning operations for Subaru dormitories and plants.

In FY2017, SBC has gone beyond simply employing people with disabilities to actively hosting people from the local areas for observation and tours. Also as a company actively and cooperatively promoting employment of people with disabilities, SBC aims further to reflect this fact in corporate management by registering as a “Supporter Company for Employment of People with Disabilities” sponsored by the Department of Employment Support for People with Disabilities of Gunma Prefecture and by sharing know-how and improving exchanges between corporations through expansion of the intra-corporate network related to employing persons with disabilities.



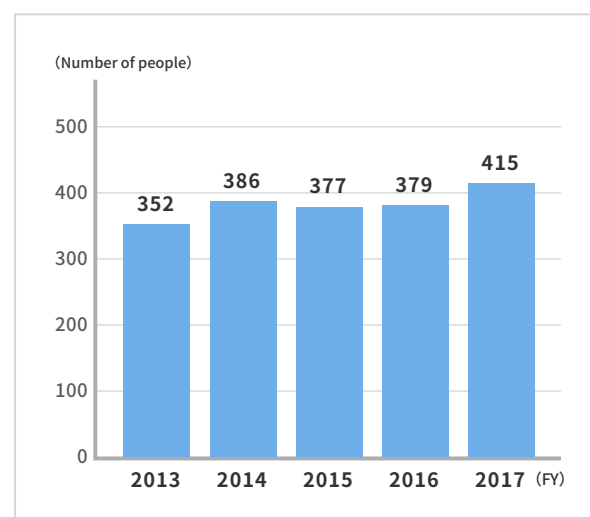
Certificate of Supporter Company for Employment of People with Disabilities issued by Gunma Prefecture

With many colleagues working at the company, we will from now on strengthen initiatives aimed at retention. We will not only strengthen our support systems and give guidance on work, but will also provide basic education on safety, compliance and other areas as well as creating programs that one can feel the joy of working by achieving results in the job experience. In addition, after employees join the company, we will repeat skill checks and interviews to help raise their motivation. We also create a forum for experiencing the happiness of spending time with friends met through work by using holidays to hold regular events, which in turn works to deepen communication among different plants and offices. In FY2018, we will continue striving for employment, retention, and community contribution with the aim of being a company that helps the individuality of every single employee to bloom.

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 our company and at our associated group companies.

Number of Workers Over the Age of 60



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.

In FY2017, the number of employees over 60 years old or more is 415.

After the implementation of the “Revised Law Concerning Stabilization of Employment of Older Persons (April 2013)”, we have hired all those wishing to be re-hired.

Re-employment Rate in FY2017

Retirees	Re-employment Applicants	Re-employment Rate for Applicants
114	98 (29 employed at an associated company)	100%

Global Human Resource Development Initiatives

We recruit recruits both new graduates and mid-career employees regardless of their nationality, and we employ non-Japanese nationals as permanent and temporary employees.

We also provide 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. The interaction of international human resources also paves the way to the internal revitalization of our company and stable supply of human resources.

Our overseas sites and affiliates each recruit human resources independently and make efforts to secure human resources that match the policies and business at each site.



Manual written in Portuguese

Program for Appointment of Contract Employees to Regular Employment

We have a program for appointing contract employees to regular employment. In the five years spanning FY2013 through FY2017, 624 contract employees have been appointed to regular employment.

We offer opportunities to take qualifying examinations based on comprehensive consideration of the individual's wishes, workplace recommendations and other factors, which leads to enhanced motivation and engagement among our contract employees.

Universal Design Initiatives

With the goal of achieving the guidelines for a comfortable working environment,* 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.

We have made universal design a reality for entry and exit gates, toilets, and other facilities at our new West Main Building in Ota City, Gunma Prefecture completed in April 2016 as we did at our head office in Shibuya-ku, Tokyo.

*Guidelines for a comfortable working environment: "guidelines for measures to be taken by employers for the creation of a comfortable working environment" in the Industrial Safety and Health Act.



Entry and exit gates through which people in wheelchairs can also pass at the new West Main Building at the Gunma Manufacturing Division



Toilet that can be easily used by people in wheelchairs at the new West Main Building at the Gunma Manufacturing Division

Employee Data (SUBARU non-consolidated)

		FY2013	FY2014	FY2015	FY2016	FY2017
Number of employees ※Numbers do not include officers and advisors, but include those loaned from other companies.	Male	12,451	12,784	13,511	13,858	14,229
	Female	861	871	901	929	988
	Total	13,312	13,655	14,412	14,787	15,217
Male to female ratio (%)	Male	94	94	94	94	94
	Female	6	6	6	6	6
Average age		38.8	38.7	38.3	38.4	38.3
Average length of continuous employment (years)		16.9	16.5	15.9	15.8	15.7
Number of managers (persons)	Male	1,044	1,029	1,028	1,032	1,028
	Female	5	4	4	7	11
Number of new graduate recruits (persons)	Male	418	418	426	483	479
	Female	40	30	41	36	69
Number of mid-career recruits (persons)	Male	487	303	594	267	397
	Female	5	8	10	23	23
Total number of separated employees (persons/%)		-	-	159/1.1	189/1.3	258/1.7



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.

We also establish occupational health and safety policies at affiliated companies in Japan and overseas in accordance with the business content of each company, regional characteristics, and the laws and regulations in each area and promote initiatives based on these policies.



Yajima Plant, Gunma
Manufacturing Division

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.

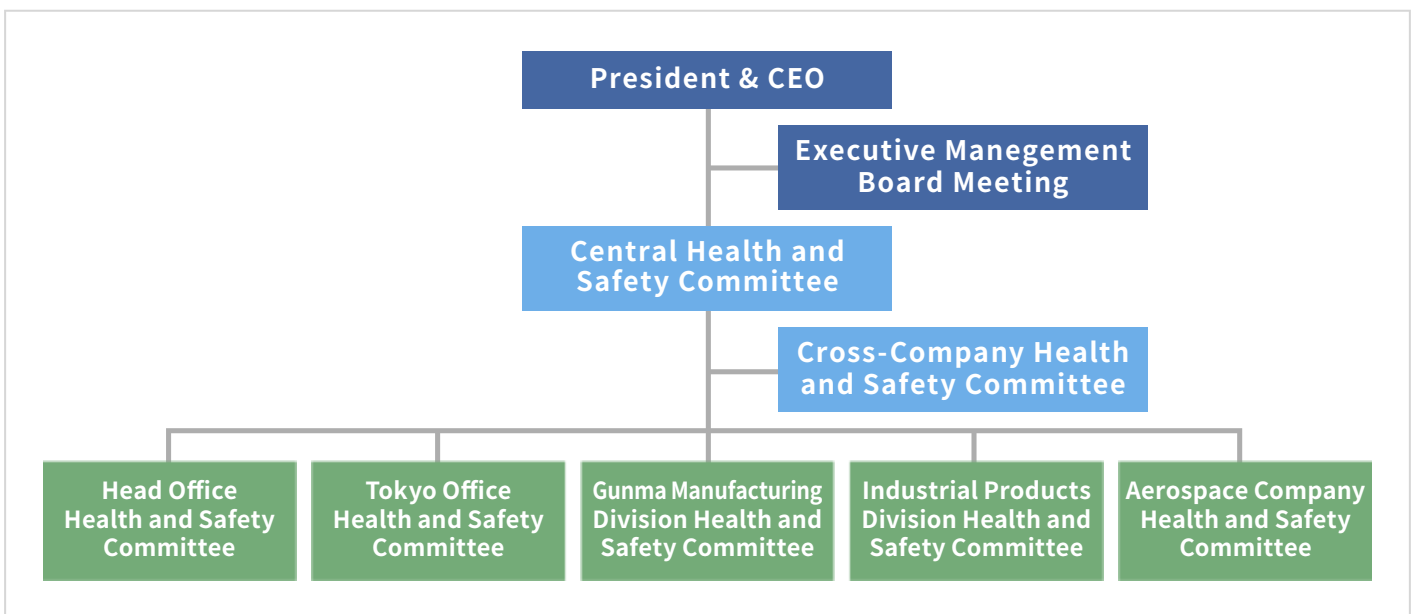
Health and Safety Management System

Subaru established the Central Health and Safety Committee composed of an equal number of members (7 each) from the company and the labor union for the purpose of preventing employee accidents and diseases and improving the working environment. The committee has one chairperson elected from the company and one vice-chairperson elected from the labor union.

The Central Health and Safety Committee engages in extensive discussion on themes that include the basic policy concerning occupational health and safety, investigations into the causes of industrial accidents and diseases and countermeasures to them, improvement of the working environment, health and safety education, road safety, fire prevention and other topics.

In addition, Site Health and Safety Committees have been set up at each business site to deliberate on the policies issued by the Central Health and Safety Committee as well as basic issues. Furthermore, Health and Safety Committees at plants, departments and section have been established where necessary as sub-organizations.

Health and Safety Organization Chart



Aiming for Zero Industrial Accidents

At the start of each fiscal year, each of our business sites conducts a Health and Safety Kickoff Meeting that aims to raise awareness about preventing 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 policies and initiatives for the fiscal year.



FY2018 Safety and Health Kick-off Meeting at Utsunomiya Manufacturing Division

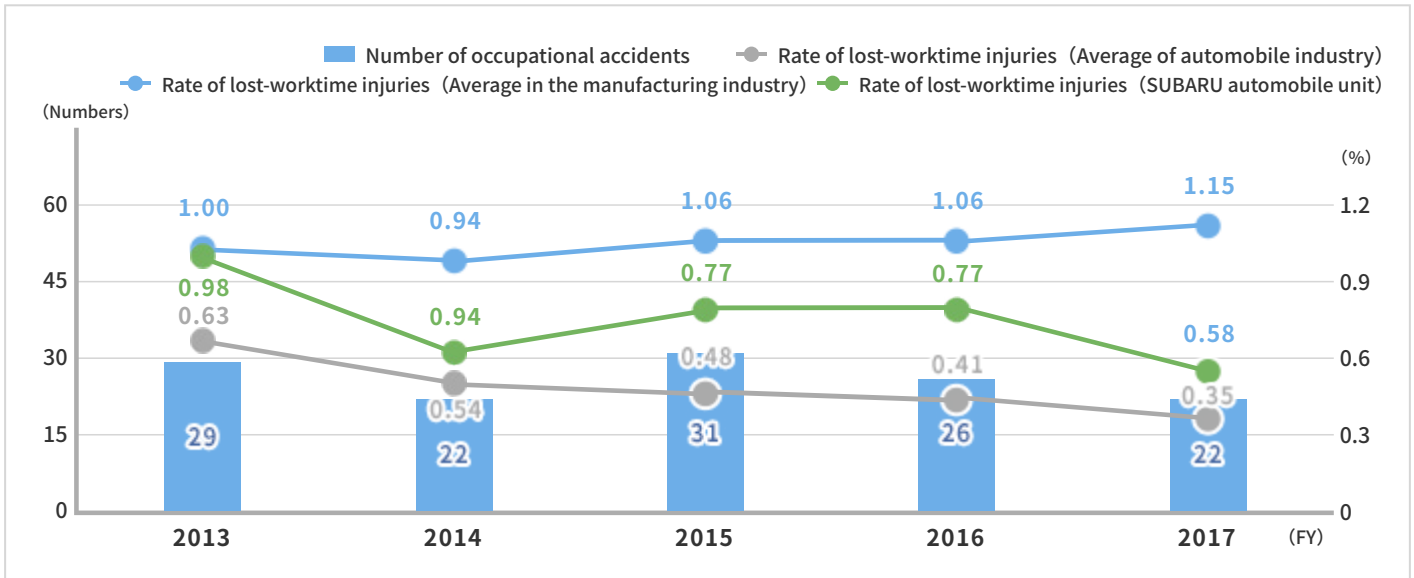
At the FY2018 Safety and Health Kick-off Meeting, we established activity targets and plans for each business site so that employees can maintain constant awareness of disaster and accident prevention during daily work and we are working toward achieving those goals.

There were 22 work related accidents in FY2017d. Of those, 4 resulted in loss of time at work, and there were no fatal accidents. The overall accident frequency rate for our company was 0.58, and the lost-worktime incident rate, which indicates the severity of accidents, was 0.10.

From FY2018, the phrasing and shape of the safety declaration badge worn by all employees since 2013 was renewed. The phrasing states “I will always check for safety before performing any action” and is meant to remind employees to pause before performing any action. As Subaru employees providing “enjoyment and peace of mind,” we aim to work safely and to avoid embarrassing behavior.



Occurrence of Industrial Accidents and Accident Frequency Rate



※ The number of accidents is calculated based on fiscal year while the frequency of accidents is calculated based on calendar year.

Risk Assessment Activities

In order to create safer workplace environments, we carry out risk assessment activities that identify potential risks within the workplace and attempt to prevent them. The results of assessments are reflected in annual health and safety activities in an effort to reduce risk systematically.

Road Safety Support Activities

In order to prevent all traffic accidents whether during work, commuting or private time, we conduct driving aptitude testing that incorporates psychological testing for all employees of the Automotive Business, in which commuting by car is popular, the Aerospace Company, and the Industrial Products Division. Moreover, at some sites we have launched an initiative using driving recorders to identify employees' driving habits. Through these activities, we are striving for further awareness about safe driving.



Our Approach to Health Promotion

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, and nutritional guidance), individual health consultations to those diagnosed with a cautionary concern in a medical checkup, counseling and other healthcare services.

Comments from a Public Health Nurse

Supporting health promotion as a friendly face

For employees to be able to work with healthy bodies and minds is the source of a company's vitality as well as an asset. In terms of support for employees to be healthy, mental health measures are mentioned first. We not only promote self-care through workshops and so on but also the creation of a workplace in which employees care for each other.

In the area of health guidance, we naturally provide support and build systems to prevent lifestyle diseases and so that people receiving treatment can also be healthy, and we sometimes adjust menus in the employee canteen and the canteens in the dormitories for unmarried workers as well as sending letters to the families of employees about lifestyle improvements.



Michiko Suzuki
Public health nurse,
Gunma Manufacturing
Division

Health is something that you manage yourself, but family support and the environment are also important. We try to provide support that is closely matched to the individual, including the background of employees, and are committed to always being a friendly face for employees. Going forward, we will also continue providing support that enables employees to be healthy in their work as well as spend a healthy retirement.

Commitment to Mental Health

We work in cooperation with industrial physicians, clinical psychologists and health and safety staff (public health nurses and nurses) attached to the Health Support Office to conduct mental health measures. Mental health workshops and the like for regular workers and managers are provided at each division. In FY2013, we created the Mental Health Dealing Manual for Managers in-house booklet, and since FY2014 have introduced the Return to Work Program Schemes (trial return to work, gradual return to work), a system 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.

Moreover, based on the results of Stress Check carried out in FY2017, we will further strive to improve our work environment.



Building Positive Labor-Management Relations

Our employees belong to the Fuji Heavy Industries Labor Union. Out of a total of 15,208 employees, 14,010 employees belong to the labor union (as of October 1, 2016). There are also labor unions at sales companies and affiliates in Japan, and the Confederation of Fuji Heavy Industries Affiliated Labor Unions (Fuji Rouren), which includes all these unions, has 25,438 members (as of October 1, 2016).

Our company and its labor union hold a Labor and Management Council at least once a month for smooth corporate management and mutual communication, discussing issues such as management policy and overviews of business results, production, matters to do with sales, labor conditions, issues concerning work styles and other topics. Changes to operations that will have a significant impact on employees are, after due deliberations, communicated in advance to employees by both labor and management.

Labor-management relations in recent years have remained positive with the establishment of a relationship based on mutual understanding and trust through close communication.