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Corporate Governance Report

Last Update: November 28, 2025

Subaru Corporation
Atsushi Osaki, Representative Director, President and CEO
Contact: Investor Relations Department
+81-3-6447-8825
Securities code: 7270
https://www.subaru.co.jp/en/

The corporate governance of Subaru Corporation (the "Company") is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Attributes, and Other Key Information

1. Basic Views

The Company has articulated the vision "Delivering Happiness to All" and works on the enhancement of corporate governance as one of the top priorities of management, in order to gain the satisfaction and trust of all its stakeholders by achieving sustainable growth and improving its corporate value in the medium and long term.

<Vision> Delivering Happiness to All
<Value statement> "Enjoyment and Peace of Mind"
<Corporate statement> We aim to be a compelling company with a strong market presence built upon our customer-first principle.

The Company clearly separates the function of decision making and the oversight of corporate management from that of the execution of business operations, and aims to realize effective corporate management by expediting decision making.

In addition, the Company seeks to ensure proper decision making and the oversight of corporate management and the execution of business operations, as well as enhance its risk management system and compliance system through the monitoring of its management and operations and advice provided by outside officers.

We also implement proper and timely disclosure of information in order to improve the transparency of management.

The Company has created and disclosed the Corporate Governance Guidelines with the objective of clarifying the basic concept, framework, and operating policy of its corporate governance. See the Company's website for the guidelines.

Corporate Governance Guidelines
(Japanese) URL: https://www.subaru.co.jp/outline/pdf/governance_guideline.pdf
(English) URL: https://www.subaru.co.jp/en/outline/pdf/governance_guideline_e.pdf

Reasons for Non-compliance with the Principles of the Corporate Governance Code

The Company, as a rule, complies with all principles of Japan's Corporate Governance Code based on the revised code as of June 2021 including the principles for the companies listed on the Prime Market.

Disclosure Based on each Principle of the Corporate Governance Code Updated

Principle 1.4 Cross-Shareholdings

(1) Policy for cross-shareholding

The Company holds listed stocks as cross-shareholdings and engages in dialogues with the companies in question. Each year, its Board of Directors quantitatively measures and compares benefits from holdings, using dividend yield, and the capital cost involved, using weighted average cost of capital (WACC), in order to verify each. The Company will maintain these holdings only if it deems, based on the results of this verification, that the shares will contribute to its medium to long-term management and business strategies in a qualitative manner.

(2) Verification details for cross-shareholding

Based on the above policy, the Company has steadily reduced the number of listed stocks held as cross-shareholding. As a result, 60 issues held at the end of March 2015 decreased to two issues at the end of March 2021. In the end of March 2025, the number of issues the Company holds as cross-shareholding increased by one to three issues, as a company that was unlisted listed its shares on the Growth Market of Tokyo Stock Exchange on March 27, 2025.We consider these three issues to be essential to hold at this time for the following reasons, but we will continue to hold dialogues with these companies at least once a year, and the Board of Directors will evaluate and scrutinize these issues annually to determine whether they should be held or not.

Issues	Number of shares	Amount reported on the balance sheet (millions of yen)	Purpose of holding the shares
The Gunma Bank, Ltd.	2,850,468	3,510	The Gunma Bank, a local bank of the area where the Company's main factory resides, is supporting not only the Company but also local supplier sites in Japan and abroad through its financial services. As the bank has been the Company's important partner, it will continue to hold the bank's shares to promote fair and smooth financial transactions.
Mizuho Financial Group, Inc.	372,097	1,507	The Mizuho Financial Group firms have been supporting the Company with financial transactions and other services. In particular, the Mizuho Bank has long been the Company's most important financial partner, providing support in abroad area of management. The Company will continue to hold the group's shares to promote fair and smooth transactions.
Dynamic Map Platform Co., Ltd.	10,000	15	The Company carries out research and pioneering development of autonomous driving and advanced driver assistance using high-precision 3D maps for automated driving offered by Dynamic Map Platform Co., Ltd. The Company will continue to hold the company's shares to promote smooth transactions. Dynamic Map Platform Co., Ltd. listed its shares on a stock exchange and therefore is subject to disclosure starting the fiscal year under review.

(3) Criteria for exercising voting Rights for cross-shareholding

With regard to the exercise of voting rights for listed stocks held as cross-shareholding, the Board of Directors deliberates on and determines the criteria for exercise with evaluation items such as whether the company is consistently exhibiting poor performance, whether a sufficient number of Independent Outside Directors are in place and if management is supervised appropriately, and whether there are any corporate governance issues present. Although these are our general principles, we hold dialogues at least once a year with companies whose stock we hold to avoid making blanket decisions. Accordingly, we exercise our voting rights appropriately in light of the performance, management policies, and medium to long-term management plans of the companies in question, as well as from the perspectives of corporate value enhancement, corporate governance, and social responsibility. In addition, we will continue to verify whether or not our criteria for exercise of voting rights warrant review.

Principle 1.7 Related Party Transactions

When a director of the Company intends to engage in conflict-of-interest transactions or competitive transactions stipulated by law with the Company, the director shall report it to the Board of Directors in advance and obtain its approval.

Supplementary Principle 2.4.1

<Concepts and initiatives regarding securing diversity of the core human resources.>

The Group believes that innovation is created through the full utilization of the abilities that all Group employees have developed based on their various personalities, values, experiences, and backgrounds as well as by bringing these diverse individuals together, thereby resulting in SUBARU's unique and sustainable value creation. The Group values all genders, nationalities, cultures, and lifestyles of employees, strives to create a comfortable workplace environment in order to encourage employees who possess different personalities to demonstrate their individual abilities to the full extent, and promotes offering of fair opportunities. Our subsidiaries and affiliates in Japan and abroad also are working on reflecting their respective business contents and characteristics of their regions.

<Promoting active roles for female employees>

At Subaru, we believe the empowerment of women is especially important among initiatives for promoting active participation of diverse human resources. We are implementing initiatives based on the four pillars of hiring, system, support for career development, and fostering of culture, while also developing an environment that supports female employees to continue with their careers through various life events and play active roles at the Company. The basic premise is that each and every female employee plays an active role in her own way. At the same time, the Company has set forth the number of female employees in managerial posts as one of the indicators upon driving forward female empowerment and has been promoting various initiatives.

・Women's Empowerment Promotion Meeting

In 2024, the Company launched the Women's Empowerment Promotion Meeting participated by all officers including the top management. As an important issue for realizing an organization that leverages diverse individual abilities to the maximum extent, the meeting aims to further utilize the potential of female employees and nurture human resources that have positive impact on management. It engages in discussions of issues and measures related to company-wide human resource development, based on which concrete initiatives at division levels are implemented.

・Women's Leadership Program

The program targets female employee aspiring to become managers and continuously offers guidance and education tailored to each individual. The target female employees, their superiors, and the human resource department work together and clarify the key development points for each employee. The program encourages motivated female employees by guiding them to take part in specific initiatives such as training programs.

In addition to the above efforts, the Company also conducts life-career training and female employees social meetups for raising awareness regarding the impact of life events on their careers and their unconscious biases. We are offering diverse programs to encourage female managers and employees to draw up lifestyle and career unique to each of them through interaction. From the aspect of workstyle also, the Company has traditionally positioned assistance for balancing work and childcare as an important initiative, and has been operating at a level higher than that required by laws with respect to various systems such as childcare leave and short working hours.

As a result of these continuous initiatives, the Company achieved the target of more than doubling the number of female employees in managerial positions (to 48 or more) by 2025 compared with the level in 2021: there were 42 (3.7%) females among 1,122 employees in managerial posts as of the end of March 2025 and 52 (4.5%) out of 1,168 as of April 2025 following new appointments. The Company will continue to position women's empowerment as an important theme for sustainable corporate growth. It has set forth a new target for the number of female employees in managerial posts at 100 or more by 2030 and will promote initiatives in a company-wide effort.

<Foreign national employees>

The Group has been hiring, regardless of their nationalities, human resources appropriate for each base with respect to their policy and business. There were 129 foreign national employees in the Company as of the end of March 2025. There are four foreign national employees in managerial posts at manufacturing and engineering departments.

<New mid-career hires>

We have been actively going ahead with mid-career recruitment in recent years to respond to environmental changes and achieve sustainable growth. Of the full-time employees as of the end of March 2025, 4,747 were mid-career hires and 240 of them were in managerial positions. The number of new mid-career hires reached 906 in total in the seven years starting April 2018.

In December 2020, the Company established SUBARU Lab, an AI development base, in Shibuya, which has a cluster of IT companies. In February 2025, it opened a second base of the lab in the same area and has been expanding its function to cover development of software in general. We have been enhancing initiatives for increasing hiring of wide-ranging human resources in software development in the CASE field in addition to human resources required for AI development. We will continue to promote mid-career hires and bring in new wisdom and values so as to improve the corporate value.

As described above, we are striving to develop an employee-friendly workplace environment, human resource distribution enabling the right person in the right place, and human resource development so as to facilitate active participation by all human resources including female employees, foreign employees, and mid-career hires and working on their promotion to managerial positions. To promote the development of an environment where all human resources can work enthusiastically, the Company has been continuously and regularly holding online training by external lecturers on themes such as L.G.B.T.Q.+ and employment of people with disabilities. In 2021, it also established an external consultation service regarding L.G.B.T.Q.+.

Principle 2.6 Roles of Corporate Pension Funds as Asset Owners

The Company's pension asset management policy is planned and drafted by the financial department, and the Pension Committee, made up of officers in charge of corporate planning, human resources, and financial departments, makes the final decision on the policy.

The financial department is in charge of pension asset management and it is constantly striving to improve the quality by leveraging external consultants and seminars.

In addition to selection of products based on quantitative evaluation and continuous periodic monitoring, the Company carries out comprehensive and objective evaluation in stewardship activities such as monitoring of entrusted pension asset management companies by also reflecting opinions of external consultants.

Principle 3.1 Full Disclosure

(1) Company objectives (e.g., business principles), business strategies and business plans

Message from the President"Delivering Happiness to All"

(Japanese) URL: https://www.subaru.co.jp/outline/about/vision/

(English) URL: https://www.subaru.co.jp/en/outline/about/vision/

SUBARU New Management Policy

(Japanese) URL: https://www.subaru.co.jp/outline/about/policy/

(English) URL: https://www.subaru.co.jp/en/outline/about/policy/

(2) Basic views and guidelines on corporate governance based on each of the principles of the Code

See "I. 1. Basic Views" of this report for the Company's basic views and guidelines on corporate governance.

(3) Board policies and procedures in determining the remuneration of the senior management and directors

See "Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods, Director Remuneration, 1. Organizational Composition and Operation, II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight" of this report for the Company's board policies and procedures in determining the remuneration of the senior management and directors.

(4) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of Directors and Audit & Supervisory Board Members candidates

The Board of Directors nominates candidates for Directors and Audit & Supervisory Board Members as well as appoints and dismisses executive officers including the CEO, from the perspective of whether or not they have abundant experience, superior abilities and knowledge, and high expertise appropriate for the Company's directors, Audit & Supervisory Board Members, and executive officers in order to realize sustainable growth of the SUBARU Group and corporate value improvement for the medium and long term.

The Board of Directors also appoints multiple Independent Outside Directors, who practice oversight of management from an independent standpoint to improve transparency of management and shareholder values while taking into consideration the diversity of the Board of Directors as a whole.

The Board of Directors has voluntarily set up the Governance and Executive Nomination Meeting, majority composed of Independent Outside Directors, to ensure fairness and transparency of the decision-making process for nomination of candidates for Directors and Audit & Supervisory Board Members as well as appointment and dismissal of executive officers

including the CEO. By a resolution of the Board of Directors on May 20, 2025, the meeting added matters pertaining to overall corporate governance to its consultation matters and changed its name to the Governance and Executive Nomination Meeting to serve as a place for prior discussions on governance-related matters, including significant matters to be discussed by the Board of Directors, so as to further advance separation of supervision and execution and improve effectiveness. The chair of the meeting is appointed by a resolution of the Board of Directors.

The Board of Directors, in every fiscal year as a rule, seeks advice from the Governance and Executive Nomination Meeting on matters regarding nomination of candidates for Directors and Audit & Supervisory Board Members as well as appointment and dismissal of executive officers including the CEO, matters regarding diversity of the Board of Directors and skills of directors (including the adequacy of the skill matrix), matters regarding nurturing of CEO and other officers, and other matters the Board of Directors perceives as necessary, without having individual resolutions by the Board of Directors. The Board of Directors then deliberate and make decision on them based on the report from the Governance and Executive Nomination Meeting.

Directors may request a meeting of the Board of Directors any time for the appointment or dismissal of executive officers including the CEO.

Based on the Board of Directors' resolution as of June 25, 2025, the Governance and Executive Nomination Meeting is comprised of three outside directors and two internal directors, with its chairman being Director and Chairman Tomomi Nakamura. At the Board of Directors Meeting held on May 20, 2025, the Company resolved to add an Outside Audit & Supervisory Board Member as an observer to raise subjectivity and transparency of the meeting body.

The Company will continue to consider the composition of the Governance and Executive Nomination Meeting and the functions of the chair along with the composition of the Board of Directors. Consent is obtained from the Audit & Supervisory Board for nomination of candidates for Audit & Supervisory Board Members.

When nominating candidates for Directors and Audit & Supervisory Board Members as well as appointing/dismissing executive officers including the CEO, the Meeting briefs the Board of Directors on biography, posts and main fields of responsibilities in the Company, significant positions concurrently held, and reasons for nominating the candidates for each nomination.

(5) Explanations with respect to the individual appointments/dismissals and nominations

See "Notice of Convocation of the 94th Ordinary General Meeting of Shareholders."

Policy and Procedures on Nomination of Candidates for Directors and Audit & Supervisory Board Members of "Directors and Audit & Supervisory Board Members" in p. 44.

(Japanese) URL: https://www.subaru.co.jp/ir/stock/pdf/meeting/mtg_94_convocation.pdf

(English) URL: https://www.subaru.co.jp/en/ir/stock/pdf/meeting/mtg_94_convocation_e.pdf

Supplementary Principle 3.1.3

<Concept of SUBARU Group's Sustainability>

Under the corporate statement of "We aim to be a compelling company with a strong market presence built upon our customer-first principle," the SUBARU Group envisions becoming a company "delivering happiness to all." To achieve this, we are promoting sustainability based on the SUBARU Global Sustainability Policy by incorporating the concepts of the Six Priority Areas for Sustainability. To make each and every employee into the driving force for growth, the Group invests in human resources to link the growth of the individual to the growth of the organization, further evolve the value statement of "Enjoyment and Peace of Mind," and deepen the relationship with customers in its endeavor to realize both sustainable growth of the SUBARU Group and an enjoyable and sustainable society.

<Climate change-related initiatives>

The Company recognizes that climate change is a pressing global issue. About 80% of the SUBARU Group's CO2 emissions (Scope 1, 2, and 3) are from the use of sold products. SUBARU Group's efforts to respond to electrification by strengthening its BEV business and HEV products, as well as its use of carbon neutral fuels, will lead to a reduction in CO2 emissions during product use, ultimately contributing to the mitigation of climate change. Although CO2 emissions directly attributable to SUBARU Group business activities (Scope 1 and 2) account for only a small percentage of total CO2 emissions, we believe that taking the initiative in reducing direct CO2 emissions will lead to the enhancement of activities throughout the entire value chain through an all-SUBARU approach.

Based on this concept and toward its target of achieving carbon neutrality by 2050, the Company has set long-term goals and medium-term goals as its intermediate milestones, and will reduce CO2 emissions from its products, factories, and offices to help decarbonize society, working to mitigate climate change.

The Company discloses risks and opportunities associated with climate change and related initiatives based on the framework of Task Force on Climate-Related Financial Disclosures (TCFD) in its Annual Securities Report and Integrated Report as well as on its website.

TCFD Content Index
(Japanese) URL: https://www.subaru.co.jp/csr/tcfd/
(English) URL: https://www.subaru.co.jp/en/csr/tcfd/
GRI Content Index
(Japanese) URL: https://www.subaru.co.jp/csr/iso26000.html
(English) URL: https://www.subaru.co.jp/en/csr/iso26000.html

< Human resource development>

The Company believes that the world-leading Monozukuri and Value Creation it aims to achieve is realized by truly competitive people and organization, which it is currently strengthening. In its view, truly competitive people and organization are where human resources are demonstrating varying abilities to the maximum extent, are focusing on essential operations and producing results swiftly, and have awareness of optimization and can take actions going beyond organizational boundaries easily, and the organization has a culture that encourages and supports them to take on challenges. The Company has been implementing various measures to realize this.

In promotion of human resource development for growth of the individual, we have in place the basic mechanism where the workplace and superiors support employees' autonomous career plan development, and further, as measures to encourage them to take on challenges, offer open-call job rotation as well as a system where they find learning opportunities on their own with the Company providing all-out support. In addition, we have developed diverse training programs for all employees to choose from depending on their levels and goals as part of efforts to realize career development tailored to each individual. Development of autonomous human resources has been steadily bearing fruits through establishment of the mechanism to support the growth of the individuals and the continuation of various measures.

For the growth of the organization, the manufacturing departments are promoting activities to strengthen workplace skills by giving authority to the frontline with the participation of all employees, while administrative departments are trying to improve productivity through promotion of DX based on business efficiency improvement and mechanization. In the field of IT and AI utilization, we have established the IT Academy for all SUBARU employees in addition to the Software Human Resource Development Project built by the engineering departments.

From the perspective of aiming for further growth, we will position strengthening of the connections as the item with the utmost priority and focus on it. We will lead the individual challenges into even greater successes by deepening the connection between the management's vision and the initiatives of individual employees, strengthening the collaboration and cooperation between departments, developing a mechanism for supporting and encouraging employees to take on challenges, and increasing contacts between employees. At the same time, we will raise the speed at which we develop human resources who take on challenges. As one of measures for strengthening connections, we are implementing a large-scale training program for all of our about 4,000 employees with titles to learn how to go beyond the organizational boundaries and strengthen the organizational ability.

We will strongly promote initiatives for realizing truly competitive people and organization so that we, "one SUBARU," can sustainably produce the maximum results by leveraging the passion and individuality of each of our autonomous human resources.

Regarding intellectual properties, the Company has strengthened technology trend analysis using IP landscape as a measure to promote development of technologies that increase brand competitiveness and is promoting acquisition of rights for technologies that offer "Enjoyment and Peace of Mind" in the age of electrification and pursue benefits for customers as well as "Retaining Value" and "Continuing to Deliver New-Car Feel." While enhancing the brand in anticipation of the age of electrification, the Company is reinforcing its activities for ensuring patent clearance to reduce the risks associated with changes in the development field. In the SUBARU New Management Policy and Updates announced in May 2024, it will strengthen the portfolio by focusing on key technologies for differentiation in the five fields positioned as the core priority themes (Monozukuri Innovation, Battery Business, Digital Car, Connected Business, and Cost Reforms).

<Policies and concepts>

Six Priority Areas for Sustainability
(Japanese) URL: https://www.subaru.co.jp/csr/subaru_csr/sixpriority/
(English) URL: https://www.subaru.co.jp/en/csr/subaru_csr/sixpriority/
Subaru Global Sustainability Policy
(Japanese) URL: https://www.subaru.co.jp/outline/plan.html
(English) URL: https://www.subaru.co.jp/en/outline/plan.html

SUBARU Environmental Policies
(Japanese) URL: https://www.subaru.co.jp/outline/Environmental_Policies.pdf
(English) URL: https://www.subaru.co.jp/en/outline/Environmental_Policies.pdf
Human Rights Policy
(Japanese) URL: https://www.subaru.co.jp/outline/Humanrights_Policies.pdf
(English) URL: https://www.subaru.co.jp/en/outline/pdf/HumanRightsPolicy.pdf
Basic Intellectual Property Policy
(Japanese) URL: https://www.subaru.co.jp/csr/governance/risk/ip.html
(English) URL: https://www.subaru.co.jp/en/csr/governance/risk/ip.html

Supplementary Principle 4.1.1

The Company has adopted an Audit and Supervisory Board system. The Board of Directors and the Audit & Supervisory Board respectively engage in decision-making, oversight, and audit of important business operations.

In regard to the business operation system, the Company has adopted an executive officer system and delegates directors' business execution authority to vice presidents. By doing this, the Company clearly separates the function of decision making and the oversight of corporate management from that of the execution of business operations, expediting decision making.

The rules of the Board of Directors stipulate matters for resolution for the Board of Directors and the Board of Directors delegates decision of matters that do not fall under the matters for resolution to executive directors and executive officers. The scope of responsibility of business execution of executive officers and the delegation status are clarified also in "Directors of the Board / Executive Officers" of the Company's website.

The Company has established the Governance and Executive Nomination Meeting and Executive Compensation Meeting, both majority consisting of Independent Outside Directors, to strengthen independence and objectivity as well as accountability of the Board of Directors' functions related to nomination of the CEO and other top management members (including the succession plan) and their compensation, etc. At the Board of Directors Meeting held on May 20, 2025, the Company resolved to add an Outside Audit & Supervisory Board Member as an observer to raise subjectivity and transparency of the meeting body.

Directors of the Board / Executive Officers
(Japanese) URL: https://www.subaru.co.jp/outline/profile.html
(English) URL: https://www.subaru.co.jp/en/outline/profile.html

Supplementary Principle 4.3.2

The Company's Board of Directors believes that specific initiatives for formulation and implementation of CEO succession plan may differ depending on the situation of each company, corporate culture, and status of candidate human resources and that it is important to continuously discuss necessary initiatives and repeatedly devise initiatives through trial and error to ensure a successful succession at the right timing. For that reason, the Company has formulated the CEO Succession Plan, which forms the base of discussion, as well as Abilities Required of the SUBARU Group's CEO and the five key qualities required of the Group's CEO, taking into consideration the objective of ensuring objectivity and transparency of the process for nominating successors.

CEO Succession Plan

- The Company recognizes that decision making regarding top management changes (e.g., the CEO) and successor selection may have a critical influence on corporate value. Therefore, in order to ensure a successful succession at the right timing, we invest substantial time and resources to carefully develop and implement succession plans.
- In order to hand over the business to the right person, the Board of Directors, as part of its essential duties, develops succession plans that can convince all stakeholder groups. To ensure objectivity and transparency in the process for deciding on the replacement and selection of the CEO, the Board of Directors appropriately supervises the preparation of proposals by the current CEO through discussions at the Governance and Executive Nomination Meeting.
- To be able to implement succession plans appropriately, the CEO begins to prepare for selection and development of their successor candidates independently upon assuming office. Key processes for this purpose include providing information on candidates to Independent Outside Directors on an ongoing basis, particularly by enabling the directors to monitor the candidates in person continuously in day-to-day business settings, as a measure to ensure appropriate and timely evaluation and selection down the road.
- The Board of Directors and Governance and Executive Nomination Meeting meet on a regular basis to review the list of essential qualities and skills required of the CEO, which may include removing and adding items, in consideration of perception of current trends, changes in the business environment surrounding the Company, and the future direction of the Group's business strategies.

- To ensure the objectivity of the successor selection process and increase the effectiveness of its supervision by the Board of Directors and Governance and Executive Nomination Meeting, it is important to have effective selection criteria in place, particularly for use by Independent Outside Directors. To this end, the Company discloses two sets of criteria: "Abilities required of the SUBARU Group's CEO" and "Five key qualities required of the SUBARU Group's CEO." These criteria serve as a guide for evaluating candidates in light of quality, competency, experience, track record, specialized expertise, personality, and other factors, which have been discussed and decided on by the Board of Directors and Governance and Executive Nomination Meeting.

Abilities Required of the SUBARU Group's CEO

The SUBARU Group's CEO must be able to: properly understand the business environment surrounding SUBARU, its corporate culture and philosophy, business growth stages, and medium- to long-term management strategies and challenges; facilitate collaboration appropriately with various stakeholders; and lead all executives and employees to work together to maximize corporate value.

Five key qualities required of the SUBARU Group's CEO

1. Integrity
2. Broad perspective
3. Character
4. Tireless spirit or revolutionary leadership skills
5. Person of action

Principle 4.8 Effective Use of Independent Directors; Supplementary Principle 4.8.3

The Company has set forth the requirements, including independence, below for outside director candidates so as to ensure that its outside directors have the qualities for contributing to and fulfilling their roles for realizing sustainable growth and medium to long-term improvement in corporate value of the Company. The Company has appointed three Independent Outside Directors who fulfill the requirements below for a structure that enables to achieve more sound and efficient business operations through increased effectiveness of management monitoring, by involving highly Independent Outside Directors.

(1) Persons who play a leadership role in the fields of company management, law, accounting, public administration, consulting, education, etc., and have extensive experience and expert knowledge.
(2) Persons who are deeply interested in the Company's business, understand the essence of the issues faced by the Company from the position of observing the overall management of the Company and have the ability to express opinions and provide guidance and oversight to the management team in a timely and appropriate manner.
(3) Persons who meet the independence requirements set forth by stock exchanges, as well as criteria for independence prescribed by the Company.

The SUBARU Group, by no means a large automaker, is implementing a business model of selection and concentration of management resources, adding values, and thorough differentiation. Under such management environment, the Company has adopted an Audit and Supervisory Board system. It is steadily improving decision-making of key business operations and effectiveness of management oversight function in a balanced manner by having independent directors account for a third of the Board of Directors to raise effectiveness of monitoring of management and adopting an executive officer system to clarify responsibilities and for expediting execution. The Company will continue to make progress toward realizing a system that enables it to further improve soundness and efficiency of the business.

Principle 4.9 Independence Standards and Qualification for Independent Directors

Accompanying material for the Corporate Governance Guidelines <Criteria for Independence of Outside Officers>

(Japanese) URL: https://www.subaru.co.jp/outline/pdf/governance_guideline.pdf
(English) URL: https://www.subaru.co.jp/en/outline/pdf/governance_guideline_e.pdf

Supplementary Principle 4.10.1

<Independence of Governance and Executive Nomination Meeting and Executive Compensation Meeting>

To ensure transparency and effectiveness of the executive compensation determination process, the Governance and Executive Nomination Meeting and Executive Compensation Meeting shall, by a resolution of the Board of Directors, be structured so that the majority of its members are outside directors, and its chairman shall be appointed by a resolution of the

Board of Directors. At the Board of Directors Meeting held on May 20, 2025, the Company resolved to add an Outside Audit & Supervisory Board Member as an observer to raise subjectivity and transparency of the meeting body.

<Authority and roles of the Governance and Executive Nomination Meeting>

To ensure fairness and transparency in decisions on executive appointments as a voluntary committee, the Governance and Executive Nomination Meeting sufficiently deliberate the matter in accordance with inquiries from Board of Directors. It then submits to the Board of Directors proposals on the nomination of candidates for Directors and Audit & Supervisory Board Members approved by its members, more than half of them are Independent Outside Directors, as well as proposals on appointment/dismissal of executive officers including the CEO.

<Authority and roles of Executive Compensation Meeting>

The Executive Compensation Meeting, by a resolution by the General Meeting of Shareholders and that by the Board of Directors, is delegated by the Board of Directors to determine specific amounts of basic compensation, annual performance-linked bonus, and restricted stock compensation (for non-residents, phantom stock, instead of restricted stock) for directors and executive officers, and their payment schedule, following sufficient deliberation by its members including Independent Outside Directors.

With regard to revisions of the executive compensation system and other matters pertaining to compensation overall, the Board of Directors deliberates and makes decision taking into consideration the content of proposal approved by the Executive Compensation Meeting.

Supplementary Principle 4.11.1

The Company believes that the composition and scale of the Board of Directors should strike a right balance of knowledge, experience, and ability as a whole necessary for the Company's sustainable growth and improvement of medium to long-term corporate values. We also believe that the composition of the Board of Directors should ensure substantial diversity by taking into consideration gender and internationalization.

As for the nomination policy for directors, internal directors are nominated based on comprehensive evaluation and judgment of experience, knowledge, and expertise in light of requirements for officers derived from the Company's corporate philosophy and management strategy. Multiple outside directors are nominated from business executives and experts taking into account their experience, knowledge, and expertise. The number of directors is no more than 15 persons for internal and outside directors combined, as set forth by the Articles of Incorporation.

See "Notice of Convocation of the 94th Ordinary General Meeting of Shareholders" for the skill matrix of Directors and Audit & Supervisory Board Members.

Skill matrix in p.18 to 19.

(Japanese) URL: https://www.subaru.co.jp/ir/stock/pdf/meeting/mtg_94_convocation.pdf

(English) URL: https://www.subaru.co.jp/en/ir/stock/pdf/meeting/mtg_94_convocation_e.pdf

Supplementary Principle 4.11.2

See "Notice of Convocation of the 94th Ordinary General Meeting of Shareholders" for significant concurrent positions of Directors and Audit & Supervisory Board Members.

Outside Directors and a new Audit & Supervisory Board Member in p. 6 to 16 and Non-elected Audit & Supervisory Board Members in p. 45.

(Japanese) URL: https://www.subaru.co.jp/ir/stock/pdf/meeting/mtg_94_convocation.pdf

(English) URL: https://www.subaru.co.jp/en/ir/stock/pdf/meeting/mtg_94_convocation_e.pdf

Supplementary Principle 4.11.3

In accordance with the Corporate Governance Guidelines, the Company's Board of Directors, analyzes and evaluates the effectiveness of the Board of Directors and considers and implements measures to improve any issues identified. See the Company website for the evaluation results of the effectiveness of the Board of Directors in FYE March 2025.

(Japanese) URL: https://www.subaru.co.jp/outline/governance.html

(English) URL: https://www.subaru.co.jp/en/outline/governance.html

Supplementary Principle 4.14.2

The Company shall continuously provide Directors and Audit & Supervisory Board Members with information and knowledge on its business activities necessary for the oversight of corporate management so that they can adequately fulfill their responsibilities. The Company shall provide outside officers with opportunities to obtain reports on business operations from operating departments and for plant tours, etc., with the aim of continuously providing information on the Company's management philosophy, corporate culture and business environment, etc. The Company shall also cultivate an environment for enhancing information sharing and exchanging opinions between officers. The Company shall bear the costs necessary for Directors and Audit & Supervisory Board Members to fulfill their roles.

Major results in FYE March 2025

- Newly appointed directors and executive officers participated in external seminar programs
- Held a total of three classroom lectures by invited experts on management issues
- Held a total of three discussions with Directors and Audit & Supervisory Board Members on management issues

Executive Officer Training

(Japanese) URL: https://www.subaru.co.jp/outline/governance.html#a07

(English) URL: https://www.subaru.co.jp/en/outline/governance.html#a07

Principle 5.1 Policy for Constructive Dialogue with Shareholders

(1) Basic concept

The Company strives to build long-term relationships of trust with our shareholders, investors, and analysts through constructive dialogue in order to contribute to sustainable growth and medium to long-term enhancement of corporate value

(2) Internal promotion system

All aspects of constructive dialogue with shareholders shall be supervised by the CEO and CFO and handled by the investor relations department. The relevant departments, including corporate planning, the Board of Directors secretariat, finance & accounting, legal affairs, human resources, sustainability, intellectual property, and internal auditing, shall cooperate organically to enhance the dialogue.

(3) Dialogue results

In addition to various events and interviews attended by management, we engage in dialogue with shareholders, investors, and analysts of various types in Japan and overseas through product and technology briefings aimed at deepening understanding of our business. The results of dialogue are as follows.

Results of dialogue with shareholders and investors (FYE March 2025)

Dialogue events	FYE March 2024	FYE March 2025	Major participants*
Financial results briefings	4 times	4 times	President and CEO; Executive Vice President; Senior Managing Executive Officer and CFO; Senior Managing Executive Officer and Chief General Manager of Corporate Planning Division
Small meetings	9 times	6 times	President and CEO; Executive Vice President; Director; Senior Managing Executive Officer and CFO; Executive Officer and General Manager of Investor Relations Department
Securities houses' conferences	6 times	8 times	Senior Managing Executive Officer and CFO; Executive Officer and General Manager of Investor Relations Department; Investor Relations Department members
Product/technical briefings, factory hours	3 times	6 times	President and CEO; Senior Managing Executive Officer and CTO; Managing Executive Officer and CTO, Chief General Manager, Engineering Division, Chief General Manager, Technical Research Center ; Chief General Manager, Monozukuri Division and Gunma Plant; Members of Engineering Division, Product & Portfolio Planning Division, Monozukuri Division, and Investor Relations Department, etc.

*Major participants' positions are as of the event in question.

Individual dialogue	FYE March 2024	FYE March 2025	Major participants*
Dialogue with investors/shareholders (of which, dialogue with overseas investors/shareholders)	211 times (114 times)	248 times (176 times)	President and CEO; Senior Managing Executive Officer and CFO; Executive Officer and General Manager of Investor Relations Department; Investor Relations Department members, etc.
Dialogue with analysts	87 times	87 times	Executive Officer and General Manager of Investor Relations Department; Investor Relations Department members

*Major participants' positions are as of the event in question.

Major topics in dialogue
- Business performance-related: U.S. market conditions, pricing policies, improvement in productivity, etc.
- Initiatives for electrification: The SUBARU Difference in BEV/HEV, profitability of BEV/HEV, outlook of responses to environmental restrictions, amount of investment and its timing, etc.
- ESG-related topics: Carbon neutrality, human capital management, further strengthening of governance, etc.
- Progress in the New Management Policy
- Optimum fund level and shareholder returns

The Company reports the opinions and requests of shareholders and investors obtained through dialogue with them to the management as well as meeting bodies participated by executive officers, etc. on a regular basis or whenever appropriate and then to the Board of Directors as necessary, depending on the details of the opinions and requests.

Feedback to the management team	Frequency	Details
Implementation reports on overseas presentation events	3	Reports on interests, opinions, requests, etc. of overseas institutional investors as well as the direction of future IR activities
Reports on SR engagement activities	1	Reports on the trend of revisions to criteria for exercising voting rights as well as opinions, requests, etc. to the Company from the ESG perspective
Reports on quarterly IR activity status	4	Reports on major topics in IR activities, including the institutional investor trends and stock price
Reports on analysis of the results of the exercise of voting rights at General Meetings of Shareholders	1	Reports on analysis of approval and disapproval of the results of the exercise of voting rights
Other	Each time	Reports on the shareholder composition and institutional investors' shareholding trends

(4) Managing insider information

The Company rigorously enforces information management in accordance with regulations against insider trading, in order to prevent the leakage of undisclosed important internal information (insider information) during dialogue with shareholders. In addition, the Company holds appropriate dialogue with shareholders through fair disclosure in accordance with the disclosure policy described in 2. Other Matters Concerning the Corporate Governance System, V. Other.

Principle 5.2 Establishing and Disclosing Business Strategies and Business Plans; Supplementary Principle 5.2.1

The SUBARU Group is committed to delivering "Enjoyment and Peace of Mind," striving to be an organization that resonates with and earns the trust of customers. In light of the recent changes in the auto industry that have been taking place non-linearly and at an unprecedented pace, the Company announced the SUBARU New Management Policy on August 2, 2023, which has been updated as required. Since the announcement of this policy, our business environment has undergone substantial changes, and given these circumstances, we announced the SUBARU Management Policy 2025 on November 10, 2025.

We will strive to continue to be a compelling company with a strong market presence, and to become an indispensable company for people, communities and society as a whole, by continuously delivering the best Enjoyment and Peace of Mind to every single customer. For SUBARU to be chosen in any age, we will drive the Subaru Difference, and to this end we will build on our underlying principle of flexibility and expandability to continuously work on "Monozukuri Innovation" and "Value Creation." Furthermore, by leveraging the outcomes of our past initiatives, we will carry out cost innovation, strengthen the revenue foundation, and optimize the implementation of investments in order to make our management foundation more resilient and enhance our corporate value.

SUBARU Management Policy 2025
(Japanese) URL:https://www.subaru.co.jp/outline/about/policy/
(English) URL:https://www.subaru.co.jp/en/outline/about/policy/

Action to Implement Management That Is Conscious of the Cost of Capital and Stock Price

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update Updated	November 28, 2025

Explanation of Actions Updated

As a step toward achieving sustainable growth, the Company announced the Action to Implement Management That Is Conscious of the Cost of Capital and Stock Price on March 15, 2024, and has promoted initiatives to turn this action into reality. The Board of Directors and other organs have been checking the progress of these initiatives and analyzing their status.

The values of indexes calculated based on the business results for FYE March 2025 are as follows. Cost of capital (WACC* on a CAPM basis) increased to the mid-7% level in tandem with an upward trend of the domestic interest rates, but ROE stood at 12.8%, exceeding the level of cost of capital. After the announcement of our Q2 financial results on November 10, 2025, PBR was about 0.9 times, and PER about 15 times.

Additionally, the business environment surrounding the Company is changing significantly. Though the United States, the most important market for us, has reduced its tariff on Japanese automobiles to 15%, the tariff still continues to have a big impact on our business performance. As to vehicle electrification, the pace of transition to BEVs has become slower than earlier releases, while demand for HEVs has been on the rise. Under the SUBARU Management Policy 2025 announced on November 10, 2025, we will promote initiatives to enhance our corporate value over the medium to long-term.

SUBARU Management Policy 2025
(Japanese) URL:https://www.subaru.co.jp/outline/about/policy/
(English) URL:https://www.subaru.co.jp/en/outline/about/policy/

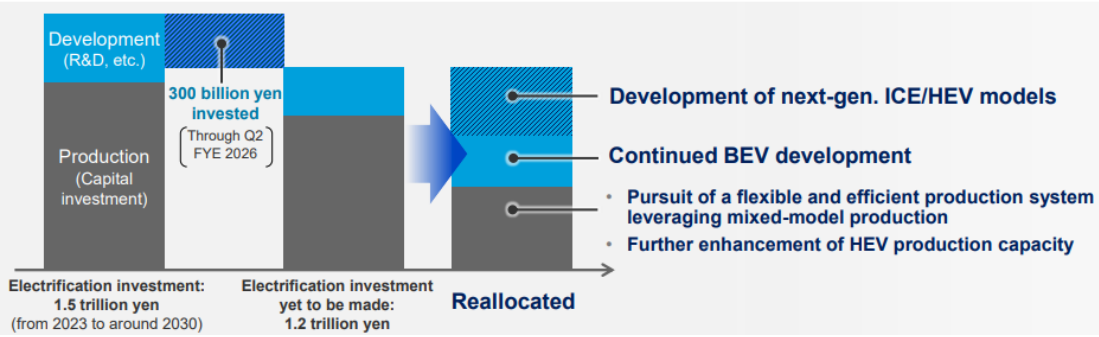
In the Action to Implement Management That Is Conscious of the Cost of Capital and Stock Price, the initially disclosed policies and targets remain unchanged; as the long-term targets toward 2030, industry-leading profitability and an ROE of 10% or higher are maintained as they are, and so are the four key initiative themes ("improve ROE," "optimally allocate capital / increase value per share," "improve PER" and "strengthen effectiveness"). Meanwhile, measures to realize these targets have been adjusted flexibly according to changes in our business environment and other factors.

In order to "improve ROE," we will strive to counteract the impact of the changing business environment and achieve healthy growth and industry-leading profitability. In addition to steadily implementing "Monozukuri Innovation" and "Value Creation," we will make the most of the capabilities we have accumulated in our past initiatives. To meet the diverse needs of markets and customers, we will significantly expand the lineup of our products, including HEVs and ICE vehicles as well as BEVs, aiming to achieve a global sales goal of 1.2 million units in the first half of the 2030s. We have also launched a new project called "Cost Innovation 20-30" designed to cut costs by about 200 billion yen by 2030. In addition, we will build on our value statement of Enjoyment and Peace of Mind to enhance our brand value, seeking to drive the Subaru Difference and increase profits across the entire value chain.

In order to "optimally allocate capital / increase value per share," we will continue to strive for the integrated achievement of financial soundness and stability, growth investment, and shareholder returns. For growth investment, we previously planned to spend up to about 1.5 trillion yen for vehicle electrification by around 2030. In view of the recent situation, however, we have decided to delay the timing of full-scale investment in BEV mass production and strengthen R&D in ICE/HEV models to flexibly respond to diversifying needs.

Growth Investment

- No change to the premise that BEVs will play a central role in the medium- to long-term.
- Based on the increasing demand for HEVs and a reassessment of internal combustion engines, the timing of full-scale BEV mass production investment is expected to be delayed.
- The previously planned 1.5 trillion yen electrification investment is to be thoroughly reevaluated and flexibly reallocated beyond BEVs, including enhancement of development and production of ICE/HEV models.



As to shareholder returns, changes were made to our shareholder return policy as shown in the figure below, which were announced together with the financial results for the third quarter of FYE March 2025 on February 7, 2025. Under the highly uncertain business environment, we will focus more on improving capital efficiency and continuously work to improve shareholder returns, regarding them as an important element of sustainable corporate management.

Returns Policy

Based on comprehensive assessment of business performance, investment plans, and the business environment,

- Position dividends as the basis for shareholder returns and aim for progressive dividends by setting **DOE at 3.5%**[2].
- Target **total returns ratio of 40%** or more
- Implement share buybacks according to business performance and market conditions

2. Exclude "other components of equity" that fluctuates due to foreign exchange rates change, etc.
DOE = annual dividends / (equity attributable to owners of parent - other components of equity)

Our shareholder return program for FYE March 2025 includes a share buyback plan on which a decision for implementation was put on hold because of the uncertainty over the impact of U.S. tariffs. Since the U.S.-Japan tariff negotiations have gained a certain footing, we have put the plan into force in accordance with our shareholder return policy. The plan was launched on August 8, 2025, and is scheduled to be completed by December 23, 2025.

In order to "improve PER," we will continue to increase opportunities for dissemination of information and dialogues about the vision, strategy, and strengths of the Company, so as to gain the understanding and sympathy of stakeholders. The details of dialogues held in FYE March 2025 are described in (3) Dialogue results, Principle 5.1 Policy for Constructive Dialogue with Shareholders of this report.

Moreover, the Company will promote initiatives aimed at further improving the effectiveness of the Board of Directors, so as to realize sustainable growth and improve its medium to long-term corporate value.

2. Capital Structure

Foreign Shareholding Ratio	30% or more

Status of Major Shareholders Updated

Name or Company Name	Number of Shares Owned	Percentage (%)
Toyota Motor Corporation	153,600,000	21.16
The Master Trust Bank of Japan, Ltd. (trust account)	112,481,300	15.49
Custody Bank of Japan, Ltd. (trust account)	33,985,500	4.68
JPMorgan Securities Japan Co., Ltd.	19,630,849	2.70
STATE STREET BANK WEST CLIENT - TREATY 505234	13,696,734	1.89
STATE STREET BANK AND TRUST COMPANY 505001	13,054,921	1.80
NSL DTT CLIENT ACCOUNT 1	10,475,200	1.44
BNYM AS AGT/CLTS 10 PERCENT	10,289,937	1.42
Mizuho Bank, Ltd.	10,078,909	1.39
GOVERNMENT OF NORWAY	8,429,185	1.16

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	-
Name of Parent Company, if applicable	None

Supplementary Explanation Updated

1. The Change Report for Large Shareholders made available for public inspection on April 7, 2021, states that Mizuho Bank, Ltd. and joint owner Asset Management One Co., Ltd. own the shares shown below as of March 31, 2021. However, as the Company cannot confirm the substantive number of shares owned as of September 30, 2025, except for the shares held by Mizuho Bank, Ltd., this information is not included in the above stated Status of Major Shareholders. The details of the Change Report for Large Shareholders are as follows.
   Mizuho Bank, Ltd. : 10,078,909 Shares
   Asset Management One Co., Ltd.: 20,305,480 Shares
   Total : 30,384,339 Shares (Holding Ratio of Share Certificates, etc.:3.95%)

2. The Change Report for Large Shareholders made available for public inspection on September19, 2025, states that Sumitomo Mitsui Trust Asset Management Co., Ltd. and joint owner Amova Asset Management Co., Ltd.own the shares shown below as of September15, 2025. However, as the Company cannot confirm the substantive number of shares owned as of September 30, 2025, this information is not included in the above stated Status of Major Shareholders. The details of the Change Report for Large Shareholders are as follows.
   Sumitomo Mitsui Trust Asset Management Co., Ltd. : 18,815,892 Shares
   Amova Asset Management Co., Ltd. : 14,624,300Shares
   Total : 33,440,192 Shares (Holding Ratio of Share Certificates, etc.:4.56%)

3. The Change Report for Large Shareholders made available for public inspection on December 5, 2024, states that BlackRock Japan Co., Ltd. and joint owners BlackRock Advisers, LLC, BlackRock Financial Management, Inc., BlackRock Investment Management (Australia) Limited, BlackRock (Netherland)BV, BlackRock Fund Managers Limited, BlackRock Asset Management Ireland Ltd., BlackRock Fund Advisors, BlackRock Institutional Trust Company N.A., and BlackRock Investment Management (UK) Limited own the shares shown below as of November 29, 2024. However, as the Company cannot confirm the substantive number of shares owned as of September 30, 2025, this information is not included in the above stated Status of Major Shareholders. The details of the Change Report for Large Shareholders are as follows.
   BlackRock Japan Co., Ltd. : 12,868,700 Shares
   BlackRock Advisers, LLC : 770,146 Shares
   BlackRock Financial Management, Inc.: 1,254,800 Shares
   BlackRock Investment Management (Australia) Limited : 785,200 Shares
   BlackRock (Netherland)BV : 1,429,760 Shares
   BlackRock Fund Managers Limited : 1,647,758 Shares
   BlackRock Asset Management Ireland Ltd. : 4,208,847 Shares

BlackRock Fund Advisors : 11,693,988 Shares
BlackRock Institutional Trust Company N.A. : 8,717,273 Shares
BlackRock Investment Management (UK) Limited : 780,321 Shares
Total : 44,156,793 Shares (Holding Ratio of Share Certificates, etc.:6.02%)

4. The Change Report for Large Shareholders made available for public inspection on May 20, 2022, states that Nomura Securities Co., Ltd. and joint owners Nomura International PLC and Nomura Asset Management Co., Ltd. own the shares shown below as of May 13, 2022. However, as the Company cannot confirm the substantive number of shares owned as of September 30, 2025, this information is not included in the above stated Status of Major Shareholders. The details of the Change Report for Large Shareholders are as follows.
   Nomura Securities Co., Ltd.: 1,274,414 Shares
   Nomura International PLC: 185,100 Shares
   Nomura Asset Management Co., Ltd.: 32,020,600 Shares
   Total : 33,480,114 Shares (Holding Ratio of Share Certificates, etc.: 4.35%)

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market, Tokyo Stock Exchange
Fiscal Year-End	March
Business Sector	Transportation Equipment
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	50 or more but fewer than 100

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

-

5. Other Special Circumstances Which May Have a Material Impact on Corporate Governance

The Company has a business and capital alliance with Toyota Motor Corporation (hereinafter referred to as "Toyota"). While Toyota falls under the other affiliates category, the Company formulates its own management policy.

Further, in order to ensure fairness and transparency of decisions on executive appointment, the Company has established an Governance and Executive Nomination Meeting, with Independent Outside Directors accounting for a majority of its members, based on consultation with the Board of Directors. In appointment of executives including executive officers, the proposals for executives, approved after ample deliberations by the meeting, are submitted to the Board of Directors. The decision on the appointments will then be made by a resolution of the Board of Directors. Further, as of the date of submission of this report, the Company does not have any executive from Toyota.

In order to survive and prosper in this once-in-a-century period of major transformation in the automotive industry, the Company will continue to effectively leverage the business and capital alliance by bringing together the strengths of both companies such as in electrification and connected fields while respecting the uniqueness of both companies' brands.

II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board

Directors

Number of Directors Stipulated in Articles of Incorporation	15
Directors' Term of Office Stipulated in Articles of Incorporation	One year
Chairperson of the Board	Chairperson (excluding those concurrently serving as President)
Number of Directors	Eight
Election of Outside Directors	Elected
Number of Outside Directors	Three
Number of Independent Directors	Three

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Miwako Doi	From another company											
Fuminao Hachiuma	From another company											
Shigeru Yamashita	From another company											

* Categories for "Relationship with the Company."

* Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past.

* Use "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.

a. Person who executes business for the Company or its subsidiary
b. Person who executes business for or a non-executive director of the Company's parent company
c. Person who executes business for a fellow subsidiary
d. Person/entity for which the Company is a major client or a person who executes business for said person/entity
e. Major client of the Company or a person who executes business for said client
f. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to executive compensation
g. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
h. Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

Outside Directors' Relationship with the Company (2)

Name	Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Miwako Doi	○	-	Ms. Miwako Doi worked for Toshiba Corp. for many years as researcher and supervisor in the area of information technology. As an expert of the area, she has made many achievements. In recognition of her high expertise and abundant experience and knowledge, she has been appointed to governmental advisory bodies. As she has served as an Independent Outside Director since June 2020 and made beneficial proposals to the Company's management for the generation of new innovation, we expect her to provide sufficient advice and supervision regarding management in general from an independent position as an Outside director. The Company appointed her as an Outside director as it believes that she continues to be appropriate for the position. <Reasons for designating as independent director> Ms. Miwako Doi, in light of her background, etc., is designated as an independent director as there is no risk of a conflict of interest with general shareholders of the Company and it believes she is suitable for the position.
Fuminao Hachiuma	○	-	Mr. Fuminao Hachiuma has abundant experience and insights acquired through his involvement in management in a broad range of fields including overseas business at Ajinomoto Co., Inc. and its group companies as well as promotion of strengthening of corporate governance and management reform of J-OIL MILLS, INC. as Representative Director and President. As he has served as an Independent Outside Director since June 2023 and presented honest opinions regarding the Company's management, we expect him to provide sufficient advice and supervision regarding management in general from an independent position as an Outside director. The Company appointed him as an Outside director as it believes that he continues to be appropriate for the position. <Reasons for designating as independent director> Mr. Fuminao Hachiuma, in light of his background, etc., is designated as an independent director as there is no risk of a conflict of interest with general shareholders of the Company and it believes he is suitable for the position.
Shigeru Yamashita	○	-	Mr. Shigeru Yamashita has abundant experience and knowledge acquired through his involvement in management in a broad range of fields including overseas business at Pigeon Corporation and its group companies and, once he was appointed the representative director of the Company, he strived to promote management reform, strengthen corporate governance, and led initiatives for maximizing corporate values. As he has served as an Independent Outside Director since June 2024 and presented honest opinions and beneficial proposals regarding the Company's management with the high level of insight on corporate social responsibility, we expect him to provide sufficient advice and supervision regarding management in general from an independent position as an Outside Director. The Company appointed her as an Outside Director as it believes that she continues to be appropriate for the position. <Reasons for designating as independent director> Mr. Shigeru Yamashita, in light of his background, etc., is designated as an independent director as there is no risk of a conflict of interest with general shareholders of the Company and the it believes he is suitable for the position.

Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee	Established

Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Governance and Executive Nomination Meeting	5	0	2	3	0	0	Inside Directors
Voluntarily Established Committee Equivalent to Remuneration Committee	Executive Compensation Meeting	5	0	2	3	0	0	Inside Directors

Supplementary Explanation

1. Governance and Executive Nomination Meeting and Executive Compensation Meeting were established by a resolution of the Board of Directors on June 25, 2025, and are composed of three outside directors and two internal directors, with Director and Chairman Tomomi Nakamura as the chairperson. At the Board of Directors Meeting held on May 20, 2025, the Company resolved to add an Outside Audit & Supervisory Board Member as an observer to raise subjectivity and transparency of the meeting body.

2. To ensure the fairness and transparency of decisions on executive appointment, the Governance and Executive Nomination Meeting, based on ample deliberation by its members including Independent Outside Directors, submits proposals to the Board of Directors regarding policies for the composition of the Board of Directors, the appointment or dismissal of the CEO and other top management members, and the nomination of candidates for Directors and Audit & Supervisory Board Members. It also determines and makes proposals for appointment, dismissal, and nomination for the same. The Executive Nomination Meeting was held six times in FYE March 2025, and deliberated on matters such as nurturing of human resources for CEO and other officers by effectively using the successor plan for CEO and other officers, a 360-degree evaluation, and skill matrix of officers, including non-executive officers, as well as improving the transparency of the officer evaluation process by sharing their performance results. It also deliberated on matters such as the Company's executive structure and appointments, the division of duties of the executives, and the appointment of representatives of major consolidated subsidiaries.

3. The Executive Compensation Meeting, delegated by the Board of Directors, determines the amount of compensation for directors and executive officers considering the compensation levels at other comparable companies as well as the salaries and social situations of the employees in the Company. The Executive Compensation Meeting was held five times in FYE March 2025 and discussed executive compensation levels using external survey data, determined individual performance-linked compensation amounts for directors (excluding outside directors) and executive officers based on their evaluations, and decided individual base amounts, etc. for restricted stock compensation.

Audit and Supervisory Board Member

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	Five
Number of Audit and Supervisory Board Members	Four

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The Company's Audit & Supervisory Board Members receive explanations and reports regarding the auditing status, etc. from the Accounting Auditors in conjunction with the quarterly financial results. The Audit & Supervisory Board Members strive to enhance collaboration in auditing operations by accompanying accountants during on-site audits of offices and exchanging opinions as needed regarding the audit plan at the beginning of the fiscal year.

The Company has established Audit Department as an organization that performs internal audits, and performs periodic business audits for internal departments and group companies in and outside Japan. The Audit Department explains the internal audit annual plan at the beginning of the fiscal year to the Audit & Supervisory Board and ensures close collaboration through measures such as reporting the results of the internal audit and activity status to all Audit & Supervisory Board Members including Outside Audit & Supervisory Board Members on a monthly basis and exchanging opinions with them regarding internal control.

Appointment of Outside Audit and Supervisory Board Members	Elected
Number of Outside Audit and Supervisory Board Members	Two
Number of Independent Audit and Supervisory Board Members	Two

Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes			Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k	l	m
Yuri Furusawa	Other													
Yasumasa Masuda	From another company													

* Categories for "Relationship with the Company."

* Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past.

* Use "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.

a. Person who executes business for the Company or its subsidiary
b. A non-executive director or an accounting advisor of the Company or its subsidiaries
c. Person who executes business for or a non-executive director of the Company's parent company
d. An Audit and Supervisory Board Member of a parent company of the Company
e. Person who executes business for a fellow subsidiary
f. Person/entity for which the Company is a major client or a person who executes business for said person/entity
g. Major client of the Company or a person who executes business for said client
h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to executive compensation
i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
j. Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor him/herself only)
k. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
l. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
m. Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2)

Name	Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Yuri Furusawa	○	-	Ms. Yuri Furusawa has held key positions in the Ministry of Land, Infrastructure, Transport and Tourism, and has been involved in the promotion of workstyle reform, active participation by women and diversity in the Cabinet Secretariat, as well as in the overseas business development in the private sector, giving her a broad perspective and a high level of insight. Based on her background, broad experience and high-level insight as described above, we expect that she will appropriately perform her duties as an Outside Audit & Supervisory Board Member of the Company from an independent standpoint. The Company appointed her as an Outside Audit & Supervisory Board Member as it believes she is appropriate for the position. <Reasons for designating as independent director> Ms. Yuri Furusawa, in light of her background, etc., is designated as an independent director as there is no risk of a conflict of interest with general shareholders of the Company and it believes she is suitable for the position.
Yasumasa Masuda	○	-	Mr. Yasumasa Masuda has served as CFO at Astellas Pharma Inc. and has deep insight in overall management with focus on financing and accounting. He has also served as Independent Non-Executive at Deloitte Tohmatsu LLC and Outside Director and Chairman of the Audit Committee at Olympus Corporation, giving him a broad perspective and a high level of insight. Based on his background, broad experience, and high-level insight as described above, we expect that he will appropriately perform his duties as an Outside Audit & Supervisory Board Member of the Company from an independent standpoint. The Company appointed him as an Outside Audit & Supervisory Board Member as it believes he is suitable for the position. <Reasons for designating as independent director> Mr. Yasumasa Masuda, in light of his background, etc., is designated as an independent director as there is no risk of a conflict of interest with general shareholders of the Company and it believes he is suitable for the position.

Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members	Five

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

See the attachment Criteria for Independence of Outside Officers at the end of the Corporate Governance Guidelines for details of criteria for determining the independence of Outside Officers.

Corporate Governance Guidelines

(Japanese) URL: https://www.subaru.co.jp/outline/pdf/governance_guideline.pdf

(English) URL: https://www.subaru.co.jp/en/outline/pdf/governance_guideline_e.pdf

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme / Other

Supplementary Explanation for Applicable Items

Performance-linked compensation and non-monetary compensation are as follows:

Annual performance-linked bonuses and restricted stock compensation are not granted to outside directors in view of their roles of fulfilling monitoring and oversight functions of corporate management from an independent position.

<Performance-linked compensation>

Directors, excluding outside directors, shall receive annual performance-linked bonus by cash at a certain time of the year. The specific amount is determined according to a compensation table by position prepared based on the consolidated profit before tax for the current fiscal year as a key performance indicator (KPI).

In addition, in order to facilitate the achievement of the Group's medium and long-term strategy targets, a portion of the restricted stock compensation to be granted as non-monetary compensation (described in <Non-monetary compensation>) will be set as Performance Share Units (PSUs), in which the number of shares granted is linked to the degree to which target business results are achieved. Consolidated ROE, a key financial indicator in the medium-term strategy, and TSR (compared to the TOPIX growth rate including dividends), an indicator regarding the enhancement of corporate value, are adopted as KPIs for these PSUs, while employee engagement is adopted as a non-financial KPI.

The KPIs for annual performance linked bonuses and PSUs shall be reviewed by the Board of Directors based on the proposals by the Executive Compensation Meeting as needed based on changes in the environment.

<Non-monetary compensation>

The Company grants restricted stock units to directors (excluding outside directors) for the purpose of providing them an incentive for sustained improvement of the Company's corporate value and further value sharing with the shareholders.

A portion of the restricted stock compensation shall be granted as fixed compensation and the remainder as variable compensation, both of which shall be prohibited from being transferred during the term of office and the restriction on transfer shall be lifted upon retirement.

Restricted stock compensation in the form of fixed compensation (RS) shall be granted as shares of the Company's common stock that are equivalent to a standard amount determined by taking into consideration the Company's business performance, the scope of each director's responsibilities, and various other circumstances at a certain time of the year.

At a certain time of the year, the Company shall grant restricted stock compensation in the form of fixed compensation (PSU) in a number of units (1 unit = 1 share) that are equivalent to a standard amount determined by taking into consideration the Company's performance, the scope of each director's responsibilities, and various other circumstances. After the evaluation period, shares of the Company's common stock shall be granted in a number calculated by multiplying the number of units by a payment ratio that is determined in conjunction with the degree to which the target business performance indicators have been achieved.

Compensation for a director who is a non-resident at the time of granting shares will be paid in the form of a phantom stock equivalent to the said stock compensation instead of restricted stock compensation, thereby being treated in accordance with the restricted stock allotment agreement.

Persons Eligible for Stock Options	

Supplementary Explanation for Applicable Items

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Director Remuneration

Status of Disclosure of Individual Director's Remuneration	Disclosure for Selected Directors

Supplementary Explanation for Applicable Items

The Company discloses the names of directors, limited to those whose total consolidated compensation is 100 million yen or more, in its Annual Securities Report. The Annual Securities Report is posted on the Company's website.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Company's Board of Directors deliberates and decides on the policy for determining details of compensation for individual directors approved by the Executive Compensation Meeting.

<Policy for Determining Details of Compensation for Individual Directors for the 95th Fiscal Period (FYE March 2026)>

1. Basic policy

As a basic policy, compensation for directors of the Company is determined in view of the following items:

(1) Compensation is at a level commensurate with the roles and responsibilities of directors and is appropriate, fair, and balanced.

(2) The compensation structure is determined by giving consideration to providing motivation for sustained improvement in corporate performance and corporate value and securing excellent human resources.

Specifically, compensation for directors, excluding outside directors, will consist of base compensation, annual performance-linked bonus, and compensation in restricted stock (for non-residents, phantom stock instead of restricted stock).

For outside directors, the Company pays only basic compensation in view of their roles of fulfilling monitoring and oversight functions of corporate management from an independent position. The total amount of compensation for individual directors and the levels of each compensation item are set for every position depending on difference in responsibility by utilizing the research data compiled by outside specialized agencies.

2. Policy for determining the amount of monetary compensation excluding performance-linked compensation (hereinafter, the "Fixed Monetary Compensation"), performance-linked compensation, and non-monetary compensation (including the policy for determining the timing or conditions for granting such compensation)

(1) Policy for the Fixed Monetary Compensation

Directors receive the Fixed Monetary Compensation monthly as basic compensation. The amount for individual directors is determined based on their positions, taking into consideration elements such as the business environment.

(2) Policy for performance-linked compensation

Directors, excluding outside directors, shall receive annual performance-linked bonus by cash at a certain time of the year. The specific amount is determined according to a compensation table by position prepared based on the consolidated profit before tax for the current fiscal year as a key performance indicator (KPI).

In addition, in order to facilitate the achievement of the Group's medium and long-term strategy targets, a portion of the restricted stock compensation to be granted as non-monetary compensation (see (3) below) will be set as Performance Share Units (PSUs), in which the number of shares granted is linked to the degree to which target business results are achieved. To set KPIs for PSUs, the Company will adopt consolidated return on equity, a key financial indicator in the mid-term strategy, and total shareholder return, which contributes to improvement in corporate value in the medium to long term, as financial indicators as well as employee engagement as a non-financial indicator.

The Board of Directors at its meeting deliberate and decide annual performance-linked bonus and KPIs for PSUs and composition ratio of each KPI in response to changes in the environment based on the proposal approved by the Executive Compensation Meeting.

(3) Policy for non-monetary compensation

The Company grants restricted stock units to directors (excluding outside directors) for the purpose of strengthening the incentive for sustained improvement of the Company's corporate value and further value sharing with the shareholders.

A portion of the restricted stock compensation shall be granted as fixed compensation and the remainder as variable compensation, both of which shall be prohibited from being transferred during the term of office and the restriction on transfer shall be lifted upon retirement.

Restricted stock compensation in the form of fixed compensation (RS) shall be granted as shares of the Company's common stock that are equivalent to a standard amount determined by taking into consideration the Company's business performance, the scope of each director's responsibilities, and various other circumstances at a certain time of the year.

At a certain time of the year, the Company shall grant restricted stock compensation in the form of fixed compensation (PSU) in a number of units (1 unit = 1 share) that are equivalent to a standard amount determined by taking into consideration the Company's performance, the scope of each Director's responsibilities, and various other circumstances. After the evaluation period, shares of the Company's common stock shall be granted in a number calculated by multiplying the number of units by a payment ratio that is determined in conjunction with the degree to which the target business performance indicators have been achieved.

The total number of shares of the Company's common stock to be allocated to directors as restricted stock compensation as part of RS and PSUs shall be limited to 150,000 shares per year. In addition, the Company and Directors shall enter into a restricted stock allotment agreement that includes an overview and provisions that state (1) Directors shall not, for a set period of time period during his/her term of office as an officer of the Company, transfer, create a security interest on, or otherwise dispose of the shares of the Company's common stock that have been allotted to them, and (2) the Company may acquire the said shares of its common stock without compensation if certain events occur. In the event of a director engaging in certain acts of misconduct and certain events occur by the day on which three years elapse after the expiration of the restricted transfer period, the Board of Directors, based on a resolution taking into account the deliberation and decision at the Executive Compensation Meeting, may demand he/she return all or part of the said shares in common stock or pay the equivalent fair value of the said shares (clawback).

Compensation for a Director who is a non-resident at the time of granting shares will be paid in the form of a phantom stock equivalent to the said stock compensation instead of restricted stock compensation, thereby being treated in accordance with the restricted stock allotment agreement.

3. Policy for determining the proportion of the Fixed Monetary Compensation, performance-linked compensation, and non-monetary compensation to the total amount of compensation, etc. for individual directors

The Company shall appropriately determine the proportion of compensation by type of directors excluding outside directors in reference to the compensation levels and compensation mix of companies of a similar scale to the Company or industry peers obtained through an external research company, and in consideration of factors such as the Company's overall salary level and social situations. The following proportions are generally used as rough standards (for performance-linked compensation, the proportions are those of the base amount).

	Breakdown				Rate	
	Basic compensation	Annual performance-linked bonuses	Restricted stock compensation		President	Average of directors other than the president
			PSU	RS		
Fixed Monetary Compensation	●				1	1
Performance-linked Compensation		●	●		1	0.9
Non-monetary Compensation			●	●	0.7	0.6

The Company shall appropriately review the compensation level and compensation mix in consideration of the Company's business environment, as well as the situation of companies of a similar scale to the Company or industry peers, and other circumstances based on the contents of the proposal approved by the Executive Compensation Meeting.

4. Matters concerning the determination of details of compensation, etc. for individual directors

To ensure fairness and transparency of the executive compensation determination process, the Board of Directors shall establish the Executive Compensation Meeting, a voluntary committee which is structured so that the majority of its members are Independent Outside Directors. The chairman of the Executive Compensation Meeting shall be appointed by a resolution of the Board of Directors.

The Executive Compensation Meeting, by a resolution by the General Meeting of Shareholders and that by the Board of Directors, is delegated by the Board of Directors to determine specific amounts of basic compensation, annual performance-linked bonus, restricted stock compensation, etc. for directors, and their payment schedule, following sufficient deliberation by its members including Independent Outside Directors. For restricted stock units, the number of shares allotted to individual directors is determined by the resolution of the Board of Directors based on the standard amount decided by the Executive Compensation Meeting.

With regard to revisions of the executive compensation system and other matters pertaining to compensation overall, the Board of Directors deliberates and makes decision taking into consideration the content of proposal approved by the Executive Compensation Meeting.

<Matters concerning the resolutions of the General Meetings of Shareholders on compensation, etc. for directors>

By a resolution passed at the 85th Ordinary General Meeting of Shareholders, held on June 28, 2016, the maximum total amount of annual compensation, etc., for directors is 1.2 billion yen (including 200 million yen for outside directors). The number of directors was eight (including two outside directors) at the end of the meeting. By a resolution passed at the 93rd Ordinary General Meeting of Shareholders on June 19, 2024, the total amount of monetary compensation related to restricted stock units is required to be within the above maximum total and up to 200 million yen annually. The number of directors (excluding outside directors and non-resident directors) pertaining to the provisions of the said resolution was five.

<Matters concerning the delegation of authority on determining the details of compensation, etc. for individual directors>

The Company has voluntarily set up an Executive Compensation Meeting in order to enhance the effective governance structure based on the existing organizational design. The Executive Compensation Meeting, by a resolution of delegation by the Board of Directors, determines the specific amounts of compensations, etc. of individual directors following sufficient deliberations by its members including outside directors.

Its authorities include the determination of specific amounts of basic compensation, annual performance-linked bonuses, and restricted stock compensation, and their payment schedule. For restricted stock compensation, the number of shares allotted to individual directors is determined by the resolution of the Board of Directors based on the decision by the Executive Compensation Meeting. With regard to revisions of the compensation system and other matters pertaining to compensation overall, the Board of Directors deliberates and decides on the proposal approved by the Executive Compensation Meeting.

The Executive Compensation Meeting for FYE March 2025 comprised of three outside directors (Miwako Doi, Fuminao Hachiuma,and Shigeru Yamashita) and two internal directors (Tomomi Nakamura and Atsushi Ozaki) and Director and Chairman Tomomi Nakamura served as its chair. To ensure transparency and effectiveness of the executive compensation determination process, the Executive Compensation Meeting shall, by a resolution of the Board of Directors, be structured so that the majority of its members are outside directors, and its chair shall be appointed by a resolution of the Board of Directors. The Executive Compensation Meeting was held five times in FYE March 2025 and made recommendation on a revision proposal of the director compensation system and the policy for determining the details of remuneration, etc., for individual directors, discussed executive compensation levels using external survey data, determined individual performance-linked compensation amounts for directors (excluding outside directors) and executive Officer based on their evaluations, and decided individual base amounts, etc. for restricted stock compensation.

As the compensation for individual directors is determined by establishing such measures and following the said procedures, the Board of Directors has judged that the contents are in accordance with the determination policy.

Based on a resolution by the Board of Directors meeting held on June 25, 2025, the Executive Compensation Meeting currently is comprised of three outside directors (Miwako Doi, Fuminao Hachiuma, and Shigeru Yamashita) and two internal directors (Tomomi Nakamura and Atsushi Ozaki) and Director and Chairman Tomomi Nakamura served as its chair. At the Board of Directors Meeting held on May 20, 2025, the Company resolved to add an Outside Audit & Supervisory Board Member as an observer to raise subjectivity and transparency of the meeting body.

<Matters regarding performance-linked remuneration for FYE March 2025>

The Executive Compensation Meeting, delegated by the Board of Directors, decides the annual performance-linked bonuses for individual directors based on the consolidated profit before tax for FYE March 2025 by setting a compensation table in which the higher his/her position is, the more closely his/her compensation is linked to annual performance. In addition, in order to facilitate the achievement of the Group's medium and long-term strategy targets, the Company has adopted the Performance Share Units (PSU), in which the number of shares granted is linked to the degree of achievement of the targets for key financial

indicator (ROE, Relative TSR (compared to the TOPIX growth rate including dividends)) and non-financial indicator (employee engagement), for a portion of the restricted stock compensation to be granted as non-monetary compensation. Annual performance-linked bonuses and restricted stock compensation are not granted to outside directors in view of their roles of fulfilling monitoring and oversight functions of corporate management from an independent position. The table below shows the results of key performance indicators (KPIs) used for the annual performance-linked bonus amounts and the number of PSUs granted corresponding to the financial results for the fiscal year under review.

Key Performance Indicators (KPI)	Results
Consolidated profit before tax	448.5 billion yen
ROE	12.8 %
Relative TSR (compared to the TOPIX growth rate including dividends)	86.4%
Employee engagement indicator improvement points	+2 points

Support System for Outside Directors (and/or Outside Audit and Supervisory Board Members)

Adequate information is provided to outside directors, such as through participation in executive meetings and by giving explanations on agenda items to be proposed to the Board of Directors. Outside Audit & Supervisory Board Members are provided information as appropriate by Standing Audit & Supervisory Board Members and staff assisting the auditing operation provide support.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) after Retiring as Representative Director and President, etc.

Name	Job title/position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/CEO ended	Term
-	-	-	-	-	-

Number of Persons Holding Advisory Positions (*Sodanyaku*, *Komon*, etc.) After Retiring as Representative Director and President, etc.	0

Other Related Matters

The main role of advisors is to come to work at a certain frequency and provide business advice as sought, and they do not attend any of the meetings or involve in management. Their term, in principle, is set as one year. The Company currently has no advisors. The Company has abolished the advisory system.

2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System)

The Company has adopted an Audit & Supervisory Board system as a corporate governance system, in which Board of Directors performs decision making and oversight of execution of important business operations, and at the Audit & Supervisory Board, Audit & Supervisory Board Members audit the performance of duties by directors.

In regard to the business operation system, the Company has adopted an executive officer system and delegates directors' business execution authority to vice presidents. By doing this, the Company clearly separates the function of decision making and the oversight of corporate management from that of the execution of business operations, expediting decision making. The Company has established the Governance and Executive Nomination Meeting and Executive Compensation Meeting, both majority consisting of Independent Outside Directors, to strengthen independence and objectivity as well as accountability of the Board of Directors' functions related to nomination of the CEO and other top management members (including the succession plan) and their compensation, etc.

The Company has enhanced its governance system by having three highly Independent Outside Directors in its Board of Directors, which is comprised of eight members. Outside Directors provide sound advice on decision-making of important business operations and monitor the overall management functions based on their extensive knowledge and experience in business management. The Company appoints Outside Audit & Supervisory Board Members on expectations that they would perform a management oversight function independent from the management team and undertake their role of auditing from the viewpoint of legality and appropriateness on the basis of broad and advanced knowledge. To make use of the ability of Audit & Supervisory Board Members, the Company allocates staff to assist the auditing operation and it has developed a system where the Audit & Supervisory Board Members, on request, can receive advice from external experts such as lawyers and certified public accountants.

Upon appointing Outside Directors and Outside Audit & Supervisory Board Members, the Company appoints those who meet its own criteria for independence of outside officers in addition to the criteria for independence of independent officers established by the Tokyo Stock Exchange.

See the attachment Criteria for Independence of Outside Officers at the end of the Corporate Governance Guidelines for details of criteria for determining the independence of Outside Officers.

Corporate Governance Guidelines

(Japanese) URL: https://www.subaru.co.jp/outline/pdf/governance_guideline.pdf

(English) URL: https://www.subaru.co.jp/en/outline/pdf/governance_guideline_e.pdf

3. Reasons for Adoption of Current Corporate Governance System

The Company is always considering development of optimum corporate governance structure in order to obtain the satisfaction and trust of all stakeholders. The Company has voluntarily set up Executive Nomination Meeting and Governance and Executive Compensation Meeting, voluntary committees, both majority consisting of Independent Outside Directors, in order to enhance the effective governance structure based on the existing organizational design. This system is designed to ensure soundness and efficiency of operations by enhancing effectiveness of monitoring of business operation through the involvement of highly Independent Outside Directors and Outside Audit & Supervisory Board Members.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize General Meeting of Shareholders and Facilitate Exercise of Voting Rights

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The Company sends out the notice of convocation about one week earlier than the statutory deadline. For the 94th Ordinary General Meeting of Shareholders held on June 25, 2025, the Company posted the notice of convocation on its website and Tokyo Stock Exchange website on May 28, 2025, prior to sending the notice on June 4, 2025.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The Company holds it before the peak day so that it will be attended by as many shareholders as possible.
Electronic Exercise of Voting Rights	The Company has been adopting exercise of voting rights via the internet starting with the 78th Ordinary General Meeting of Shareholders held on June 24, 2009. Moreover, starting with the 88th Ordinary General Meeting of Shareholders held on June 21, 2019, the Company enabled shareholders to vote by reading QR Code, which enables them to log on to the website for exercising the voting rights without entering the Voting Code and the Password, facilitating smooth exercise of voting rights for individual shareholders.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company has made available exercising voting right via electronic voting platform starting with the 78th Ordinary General Meeting of Shareholders held on June 24, 2009.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The Company prepares the full text of the convocation notice in English and posts it on its website as well as the website of Tokyo Stock Exchange.
Other	The Company makes available the video recording of part of the general meetings of shareholders on its website. (Japanese) URL: https://www.subaru.co.jp/ir/stock/meeting.html The Company has been live streaming the Ordinary General Meeting of Shareholders starting with the 89th meeting held on June 23, 2020.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The Company discloses them on its website. (Japanese) URL: https://www.subaru.co.jp/ir/disclosure.html (English) URL: https://www.subaru.co.jp/en/ir/disclosure.html	
Regular Investor Briefings held for Individual Investors	The Company holds briefings for individual investors jointly with securities companies (irregular). It also disseminates information to individual investors in an easy-to-understand manner on the Individual Investors page on its website.	Not held
Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds briefings by its CEO and CFO on the day of announcement of quarterly financial results. In addition to small meetings, it also conducts various events (plant tours, technology briefing, test drive, etc.) on a regular basis to help its stakeholders deepen their understanding of its business activities.	Held
Regular Investor Briefings held for Overseas Investors	The Company holds individual meetings by CEO and CFO with investors in North America, Europe, and Asia. It also participates in conferences hosted by securities companies several times a year.	Held
Online Disclosure of IR Information	The Company posts quarterly earnings materials, stock information, integrated report, and contents for individual investors in Japanese and English. (Japanese) URL: https://www.subaru.co.jp/ir/ (English) URL: https://www.subaru.co.jp/en/ir/	
Establishment of Department and/or Placement of a Manager in Charge of IR	Department in charge of IR: Masayuki Miyamoto, General Manager of Investor Relations Department	
Other	The Company describes its disclosure of implementation status of dialogue with shareholders under Principle 5.1 Policy for Constructive Dialogue with Shareholders in Disclosure Based on each Principle of the Corporate Governance Code.	

3. Status of Measures to Ensure Due Respect for Stakeholders

Updated

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	SUBARU Group believes that its Sustainability initiatives must place importance on the relationship with stakeholders and that disclosing information to stakeholders, engaging in dialogue with them, and reflecting this in the management of the business are all essential. In order to realize our vision of becoming "A Compelling Company with a Strong Market Presence" as stated in our management philosophy, SUBARU Group will continue to make efforts to gain trust from our stakeholders, and to make useful social contributions while at the same time increasing our corporate value. <Policies and concepts> Subaru Global Sustainability Policy (Japanese) URL: https://www.subaru.co.jp/outline/plan.html (English) URL: https://www.subaru.co.jp/en/outline/plan.html Human Rights Policy (Japanese) URL: https://www.subaru.co.jp/outline/Humanrights_Policies.pdf (English) URL: https://www.subaru.co.jp/en/outline/pdf/HumanRightsPolicy.pdf SUBARU Environmental Policies (Japanese) URL: https://www.subaru.co.jp/outline/Environmental_Policies.pdf (English) URL: https://www.subaru.co.jp/en/outline/Environmental_Policies.pdf Stakeholder Engagement (Japanese) URL: https://www.subaru.co.jp/csr/subaru_csr/stakeholder/ (English) URL: https://www.subaru.co.jp/en/csr/subaru_csr/stakeholder/
Implementation of Environmental Preservation Activities and CSR Activities, etc.	<Sustainability Promotion System> The Sustainability Committee, established as a forum for discussing all kinds of sustainability initiatives by the SUBARU Group, meets twice a year. The Sustainability Committee's chair is selected by the Board of Directors and is currently the President and Representative Director. All of SUBARU's executive officers are members of this committee, which considers business issues from a social perspective and works to strengthen sustainability efforts. The committee discusses important sustainability issues and checks and reviews the PDCA status of each committee and department. This information is shared and coordinated with specialized departments and committees responsible for quality, risk management, compliance, and other areas, thereby establishing a cross-departmental promotion system. In addition, the results of the committee's discussions and deliberations are submitted and reported to the Board of Directors, which oversees the Sustainability Committee. The Board of Directors reviews these in the context of their contribution to enhancing medium- to long-term corporate value. <Environmental promotion system> The Company has established a cross-organizational environmental management system centered on two pillars, the Environment Committee and the environmental management system, to comprehensively manage the direction and progress of its environmental measures. Leveraging this structure, we promote various environmental management activities across

	the entire SUBARU Group, including formulating and implementing measures to achieve medium- to long-term environmental targets, ensuring compliance with environmental laws and regulations, and aggregating environmental performance data. The Company has established the Environment Committee, which discusses measures (e.g., targets) from broad and medium- to long-term perspectives that accommodate future environmental standards required by society, and evaluates the progress of related implementations and achievements. In addition, the Environment Committee is chaired by the Executive Officer in charge of the Sustainability Division appointed by the Board of Directors. Details of discussions by the Environment Committee are reported to the Sustainability Committee. Important matters are also brought to the attention of and reported to the Board of Directors, which oversees the Sustainability Committee. <Social Contribution Promotion System> The Company has established the Social Contribution Committee to advance community engagement activities with the aim of making these activities an integral part of the SUBARU Group's corporate culture and becoming a company that is trusted by stakeholders. With participation of business site directors, the committee works to advance community engagement initiatives. Under the committee, the cross-organizational Planning Subcommittee has been created to discuss issues related to company-wide activities, ranging from planning and preparation to implementation, evaluation, and review. The committee meets every six months to compile reported activity results and issues for the SUBARU Group, and discuss improvement plans to invigorate efforts. In addition, the contents of discussions held by the Social Contribution Committee are reported to the Sustainability Committee, and important issues are submitted and reported to the Board of Directors, which oversees the Sustainability Committee.

Formulation of Policies, etc. on Provision of Information to Stakeholders	<Editorial policy of the sustainability website>
	Based on the SUBARU Global Sustainability Policy established in April 2020, the SUBARU Group will introduce the concept, goals, and initiatives of the Group (the Company and all subsidiaries) with respect to sustainability and promote communications with stakeholders such as customers, vendors, local community, and employees and further enhance the content of the initiatives.
	- Scope of reporting: SUBARU Group, in principle
	- Reporting period: From April 2024 to March 2025, in principle (including some information outside of the period)
	- Guidelines referenced:
	  - GRI Sustainability Reporting Standards
	  - Environmental Reporting Guidelines 2018 by Ministry of the Environment
	  - Items recommended for disclosure by Task Force on Climate-Related Financial Disclosures (TCFD)
	
	Sustainability website
	(Japanese) URL: https://www.subaru.co.jp/csr/
	(English) URL: https://www.subaru.co.jp/en/csr/

IV. Matters Related to Internal Control System, etc.

1. Basic Policy on Internal Control Systems and Status of Improvement

The Company's Board of Directors has adopted a resolution regarding the basic policy of the internal control system, and the Company has established the following systems.

1. Framework to ensure that the performance of duties by the directors comply with the laws and articles of incorporation

(1) Directors shall establish a framework for effective supervision of performance of duties by other directors and effective audits by the Audit & Supervisory Board Members, through activities such as attendance of various meetings, review of approval forms, and receiving business reports from corporate vice presidents and employees by the Directors and Audit & Supervisory Board Members.

(2) Establish rules regarding compliance and a framework for ensuring that Directors comply with laws, articles of incorporation, and internal and other rules.

(3) Establish whistle blowing system (Compliance Hotline) as internal reporting framework where violation of laws/articles of Incorporation by directors in performing their duties have been identified by executive officers/employees.

(4) Conduct compliance related trainings by external experts for directors as necessary.

(5) A director who identifies violation of laws/articles of incorporation by another director shall immediately report such violation to the Audit & Supervisory Board and Board of Directors, and implement corrective measures.

2. Establishment of other systems prescribed by the applicable Ordinance of the Ministry of Justice as systems necessary to ensure the properness of operations of a Stock Company and the business of the corporate group comprising of the stock company and its subsidiaries

(1) Structure concerning storage and management of information related to performance of duties of directors

i. Establish internal rules on storage and management of minutes of the Board of Directors, approval forms, other documents related to performance of duties by directors, and other information, and appropriately store and manage such information in accordance with such rules and laws.

(2) Rules and other frameworks on management of risk of loss

i. The Company shall work out rules regarding risk management and establish rules, manuals and guidelines corresponding to the business of each division to prevent risks from materializing or increasing.

ii. Business-related risks shall be scrutinized by the directors and corporate vice presidents in accordance with certain approval rules, along with management by each division/company and company-wide management by involved divisions led by the Corporate Planning Department.

iii. Establish a company-wide emergency communication network to ensure prompt response to emergencies and prevent spreading of losses.

iv. To promote risk management, establish a risk management and compliance committee to deliberate/discuss, decide, exchange/communicate information on significant matters pertaining to compliance.

(3) Framework to ensure efficient performance of duties by Directors

i. An executive officer system shall be implemented to delegate the business execution authorities of directors to corporate vice presidents. Chief Operating Officer (COO), or CEO if there is no COO, shall supervise the business execution. Chief Executive Officer (CEO) shall supervise the overall management.

ii. Directors shall supervise the business execution of corporate vice presidents and employees by attending meetings and receiving regular business reports.

iii. Discuss projects to be deliberated at the Board of Directors meeting in advance at Management Meetings (a preliminary consultation body for the Board of Directors to deliberate on company-wide business projects) and Executive Meetings (decision making body for each executive unit) to clarify issues for efficient deliberation at the Board of Directors meeting.

iv. Board of Directors shall establish the medium to long-term management goals, promote sharing of such goals, and periodically review the progress.

v. Board of Directors shall periodically conduct self-evaluation and analysis, to ensure effective performance of roles and obligations of the directors both in terms of decision making and supervision over business execution.

(4) System to ensure conformity of execution of operations of executive officers and employees with laws and articles of incorporation

i. Establish rules on compliance and a framework to ensure that executive directors and employees comply with laws, articles of incorporation and internal rules.

ii. To promote compliance, establish a risk management and compliance committee to deliberate/discuss, decide, exchange/communicate information on significant compliance matters.

iii. Structured education shall be conducted for executive directors and employees such as compliance lectures, to promote compliance awareness.

iv. Establish a whistle blowing system (Compliance Hotline) as an internal reporting framework in case executive officer or employees identify wrongdoing, etc. for early detection and correction of wrongdoing, etc.

v. Establish an independent audit department as an internal audit entity.

(5) Framework for securing appropriateness of business in corporate group

In order to enhance the Group's brand value and its overall potential through sound operation of group subsidiaries, establish rules on subsidiary management, and manage/support subsidiaries mainly through the Company's department in charge of management of business or management of each subsidiary pursuant to such rules.

i. Framework for reporting matters regarding execution of duty by a director of a subsidiary to the said company The Company shall receive regular reports from its subsidiaries on business performance, financial status, and other significant matters and as needed on required matters pursuant to the rules on subsidiary management.

ii. Framework regarding rules for risk management of loss incurred by subsidiaries and other matters The Company shall encourage its subsidiaries to establish rules on risk management, other internal rules, manuals, guidelines, etc. corresponding to the nature, scale, etc. of each subsidiary's business and build risk management systems to prevent risks from materializing or increasing.

iii. Framework to ensure efficient performance of duties by directors of subsidiaries The Company shall ensure efficiency of performance of duties by directors of subsidiaries by receiving business reports from subsidiaries pursuant to the rules on subsidiary management, and conducting preliminary discussions on business for significant matters, etc.

iv. Framework to ensure conformity of execution of operations of directors and employees of subsidiaries with laws and articles of incorporation

The Company shall seek subsidiaries to carry out periodic inspection regarding the establishment and status of the framework for compliance with laws, articles of incorporation, and internal rules as well as reports on the results of such inspections, and shall verify the results at the Company's risk management and compliance committee.

The Company shall establish a whistle blowing system (Compliance Hotline) as an internal reporting framework for itself or subsidiaries in case executive officers or employees identify illegal business acts, etc. and make efforts for early detection and correction of wrongdoing, etc.

v. Other frameworks for securing appropriateness of business in corporate group

The Company shall establish Audit Department as an organization that performs internal audits, and perform periodic business audits for subsidiaries and affiliated companies, and extraordinary audits for necessary matters as required.

The Company shall periodically convene Audit & Supervisory Board Members of domestic subsidiaries and affiliated companies and exchange opinions with the Company's Audit & Supervisory Board Members to enhance their audit functions.

The Company shall concurrently appoint executive officers and employees as Audit & Supervisory Board Members of some of the domestic subsidiaries and affiliated companies to enhance the audit function.

Overseas subsidiaries are to comply with the local laws, and follow a framework pursuant to this policy to the extent possible depending on the prevailing situations and conditions of the respective countries.

(6) Matters concerning an employee where Audit & Supervisory Board Members request for an employee to support his/her duties

i. In response to request by Audit & Supervisory Board Members, one or more staffs shall be allocated from the Company's employees to support the duties of the Audit & Supervisory Board Members.

(7) Matters related to securing independence of the employee from directors and effectiveness of instruction to the employee from Audit & Supervisory Board Members

i. In case such supporting staff is to be concurrently appointed to a position involving business execution, directors and executive units shall not intervene with the staff's performance of tasks supporting the Audit & Supervisory Board Members; ensure the staff's independence from directors; and notify the Company's officers and employees that such supporting staff is to follow the instructions and orders of the Audit & Supervisory Board Members.

ii. Appointment of such supporting staff shall require consent by the Audit & Supervisory Board.

(8) Framework for reporting by directors, executive officers, and employees of the Company and its subsidiaries to the Company's Audit & Supervisory Board Members; frameworks for other reports to the Company's Audit & Supervisory Board Members; and the framework for securing effective audit by the Company's Audit & Supervisory Board Members

i. A system shall be established to ensure that the Company's Audit & Supervisory Board Members can receive periodic reports on performance of duties from the directors, executive officers and employees of the Company or its subsidiaries.

ii. A system shall be established to ensure that the Company's Audit & Supervisory Board Members can collect information on the status of performance of obligations relating to each business division, etc. by the directors, executive officers and employees of the Company and its subsidiaries.

iii. Directors of the Company or its subsidiaries shall report to the Company's Audit & Supervisory Board Members where matters that may cause significant damages to the Company, material violation of laws/articles of incorporation, or other material compliance matters occur.

iv. Audit & Supervisory Board Members of the Company may attend the Compliance Committee, which is an organizational body that deliberates/discusses, determines, exchange/communicate information on, important matters regarding risk management and compliance.

v. The Company and its subsidiary's Representative Directors, Directors, or Accounting Auditors shall attend meetings to exchange opinions held by the Company's Audit & Supervisory Board Member at the request of such Audit & Supervisory Board Member.

vi. A framework shall be established to ensure that the person reporting to the Company's Audit & Supervisory Board Members shall not receive disadvantageous treatment for the reason of making the report in the preceding Item.

vii. A framework shall be established with respect to procedures for advance payment or repayment of expenses arising from performance of duties of Audit & Supervisory Board Members and processing or repayment of other expenses arising from performance of such duties, to enable smooth processing in accordance with the invoice, etc. from the Audit & Supervisory Board Members.

At the Company, Chief Risk Management Officer (CRMO) is leading the corporate group-wide efforts to enhance risk management, working closely with Corporate Planning Department, which performs division-encompassing functions, and different divisions and companies, with professional support from company-wide shared corporate operations departments such as Risk Management & Compliance Office and Legal Department. Audit Department audits execution of tasks by each division and subsidiary in a planned manner.

The overview of the operation status of the structure for securing appropriateness of business is as follows.

<Situation of efforts to compliance>

To ensure all executives and employees of the Group comply with laws and regulations, the articles of incorporation, and internal rules, and act in accord with social ethics and norms, the Company is working to maintain and enhance the group-wide compliance system by establishing the Corporate Code of Conduct, Conduct Guidelines, and other rules, while setting up and operating various committees.

As a concrete framework for promoting compliance, the Risk Management and Compliance Committee, headed by the CRMO appointed by the Board of Directors, deliberates, discusses, decides, and exchanges/communicates information on significant compliance matters such as formulation of various policies, status of company-wide compliance activities, and operation status of the whistle blowing system. The Company and its subsidiaries appropriately and proactively operate their respective whistle blowing systems to detect and solve problems that cannot be grasped with reporting lines of regular operations and keep in check the occurrence of problems with the purpose of improving self-cleaning and effectiveness of compliance.

The Risk Management & Compliance Office manages these company-wide activities and works to promote compliance awareness throughout the Group including officers, by creating and providing Compliance Manual and other tools and conducting trainings in cooperation with relevant departments.

Key efforts to enhance the compliance management system

Clarifying laws and regulations with which all SUBARU divisions and domestic group companies comply: We clarify laws and regulations which each division should comply with, thereby improving transparency.

Reinforcement of implementation of PDCA cycle of global compliance system: We autonomously evaluate the compliance system throughout the Group and carry out initiatives for implementing effective PDCA cycle.

Improvement of literacy: With the increase in social awareness regarding harassment, we have been implementing continued video-based and discussion-based trainings to develop a sense of ownership towards the issue.

Multiple language service for the whistle blowing system and improvement in trustworthiness. We have developed an environment where employees feel at ease utilizing the whistle blowing system by making the service available also in English, Chinese, Portuguese, and Spanish. This is also contributing to prevention and early detection of wrongdoings.

< Risk management >

The Company stipulates rules regarding risk management to appropriately manage the risks of the entire Group. As for business risks, the directors and executive officers verify the contents in accordance with the rules for the Board of Directors and various meetings, and for approvals. The Company has appointed risk management officers (job grade of General Managers) for each department for normal times, and sets up a taskforce suitable for the situation during emergencies. It has also established the Risk Management & Compliance Committee, headed by the CRMO appointed by the Board of Directors, to formulate the risk management policy and the risk map for the entire group, based on which it promotes risk control activities. Moreover, it conducts a third-party evaluation of its risk management activities for improving and revitalizing their effectiveness. The Company has developed the Safety Confirmation System and other means based on the Emergency Response Basic Manual as the company-wide emergency contact system in preparation for information sharing in the event of a disaster.

Key efforts regarding enhancement of risk management system

The Company is implementing company-wide risk management activities using the risk map as a compass. The risk map was updated with the priority issues based on the SUBARU New Management Policy announced in August 2023 and updated in May and November 2024.

Toward reduction of key risks faced by the SUBARU Group, the risk owners are taking initiatives in carrying out cyber incident training, thorough promotion of proper transactions by affiliated companies, and enhancement of the BCP measures for natural disasters. The Risk Management Compliance Committee is following them up on a regular basis.

The Company is conducting trainings to improve risk management methods and risk management literacy of employees in charge of promoting risk management activities at various departments.

It is promoting risk management activities with enhanced collaboration with key subsidiaries overseas.

<Securing efficient performance of duties>

The Company employs an executive officer system to delegate the business execution authorities of directors to executive officers and at the same time directors supervise the status of the businesses and accelerate their business execution by attending various meetings and receiving business reports from executive officers on a regular basis.

We position the president and other executive roles as executive officers, rather than as directors, to further clarify the roles and responsibilities assigned to directors and executive officers.

Significant matters that need to be submitted to the Board of Directors are discussed in depth at the Management Meeting to sort out discussion points and direction so as to clarify the points that should be discussed intensively at the Board of Directors meeting. Deeper and efficient discussions at the Board of Directors meeting are being promoted by, for example, early distribution of meeting materials and providing preliminary explanations when necessary.

Documents regarding performance of duties by the directors and other information are being stored and managed appropriately in accordance with the internal rules.

<Securing appropriateness of business by the corporate group comprising of the Company and its subsidiaries>

The Company appoints executive directors and employees of the Company to concurrently work as directors or Audit & Supervisory Board Members of subsidiaries to enhance the audit and supervisory functions. The Company receives periodic and ad hoc reporting from subsidiaries and has discussions where necessary. Issues that have significant impact on the Company are reported to the Management Meeting.

In accordance with the Company-wide Subsidiary Management Rules, the subsidiaries' projects are divided into those requiring preliminary discussions with the Company and those to be determined at the discretion of subsidiaries, and the Company confirms the information communication routes from subsidiaries to the Company. Further, the Company constantly confirms the status of establishment of rules at subsidiaries.

To further reinforce these operations, departments responsible for business management, which support business operation and establishment of management foundation at subsidiaries, voluntarily carry out administration of company organization of the subsidiaries.

Furthermore, the Company's internal audit division performs business audits for the Company and its subsidiaries in accordance with the Company-wide Internal Audit Rules. Their results are reported at the Board of Directors meeting semi-annually and at the Joint Meeting consisting of executive officers quarterly, and corrective measures are implemented where necessary.

2. Basic Views on Measures for Eliminating Anti-Social Forces and Status of Development

<Basic concept toward elimination of anti-social forces>

The Company shall maintain a resolute attitude against anti-social elements and groups, which threaten the social order and safety.

<Status of preparation for elimination of anti-social forces>

The Company has set forth the Compliance Guidelines as a code of conduct for officers and employees to practice compliance and act accordingly.

The guidelines also stipulate the basic concept toward elimination of anti-social forces, concrete actions to be taken, and laws and regulations for reference, which are explained in the Compliance Manual, which officers and employees have. The departments in charge at the Company are also gathering information in collaboration with specialized organizations outside the group.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items

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2. Other Matters Concerning the Corporate Governance System

The Company has set forth the Disclosure Policy to improve trust of stakeholders including shareholders and investors. See the Company's website for the guidelines.

Disclosure Policy

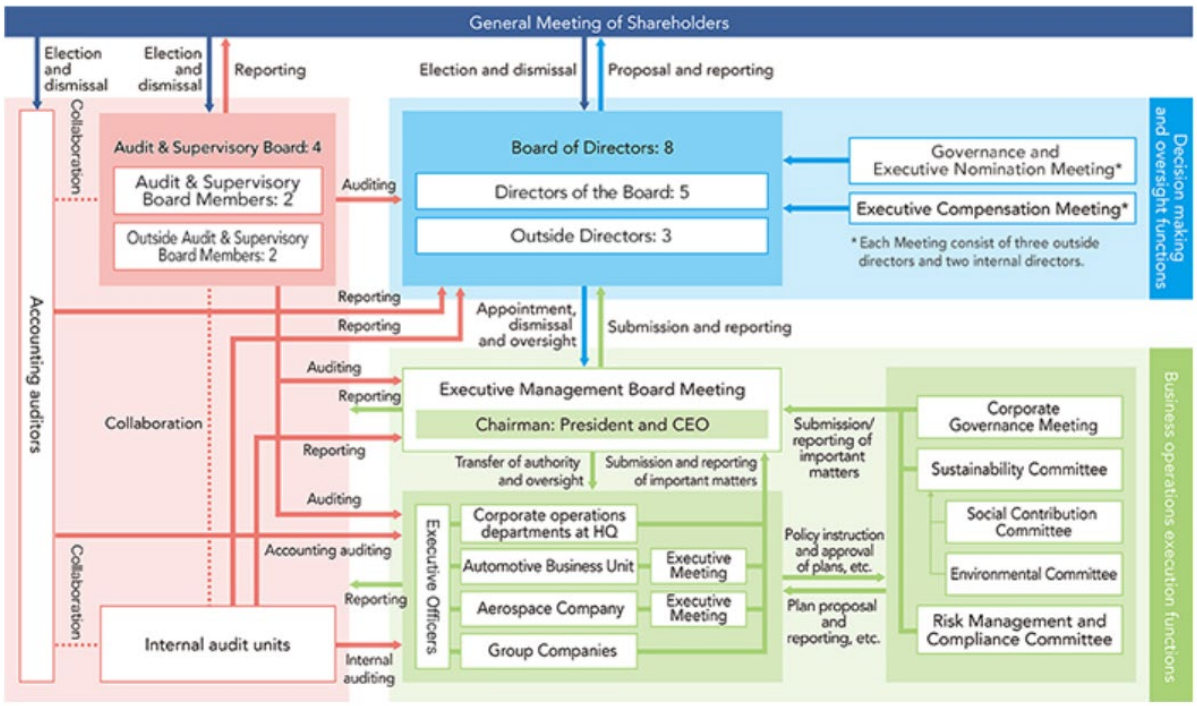
(Japanese) URL: https://www.subaru.co.jp/ir/disclosure.html

(English) URL: https://www.subaru.co.jp/en/ir/disclosure.html

Corporate Governance Structure

The Company's corporate governance structure and composition of the Board of Directors, Audit & Supervisory Board, Governance and Executive Nomination Meeting, and Executive Compensation Meeting as of the resolution by the 94th Ordinary General Meeting of Shareholders held on June 25,2025.

Corporate Governance Structure



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