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Corporate Governance Report

Last Update: June 25, 2026

Subaru Corporation
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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 UPDATED

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.

The Corporate Governance Guidelines are available in the "Corporate Governance" section of the Company's website.
(Japanese) URL: https://www.subaru.co.jp/ir/management/governance/
(English) URL: https://www.subaru.co.jp/en/ir/management/governance/

【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 discussions with the companies whose shares it holds as cross-shareholdings and the Board of Directors every year measures the benefits of holding them quantitatively using dividend yield and capital cost using WACC and compares and verifies them. Based on the result, it continues with the cross-shareholdings only when it judges that they would qualitatively contribute to the medium- to long-term management and business strategies.

(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 3 issues at the end of March 2026. At this point, the Company judges that retaining cross-shareholdings in the three issues is indispensable at this time for the reasons described below, and it will continue to hold discussions with these companies at least once a year and the Board of Directors will evaluate and examine the cross-shareholdings every year and judge whether or not to retain them.

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	5,879	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, the Company will continue to hold the bank's shares to promote fair and smooth financial transactions.

Mizuho Financial Group, Inc.	372,097	2,265	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 a broad 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	6	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.

(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>

As a result of the Company's ongoing efforts, the number of female managers as of March 31, 2026, was 50 out of a total of 1,151 (4.3%), and as of April 2026, after transfers and new promotions, this had increased to 53 female managers out of a total of 1,183 (4.5%).

The Company will continue to position women's empowerment as an important theme for sustainable corporate growth. It has set targets 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 153 foreign national employees in the Company as of the end of March 2026. There are three foreign national employees in managerial posts at manufacturing and engineering departments.

<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 2026, 4,895 were mid-career hires and 256 of them were in managerial positions.

As described above, we are striving to create an employee-friendly workplace environment, human resource allocation that puts the right person in the right place, and human resource development, including promotion to managerial positions, in order to facilitate active participation by all human resources, including female employees, foreign national employees, and mid-career hires.

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 Management Policy 2025

(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) Policies and procedures for use by the Board of Directors when determining compensation amounts for management team members and Directors

See “Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods, Director Remuneration, 1. Organizational Composition and Operation” in “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 compensation of the management team and Directors.

(4) Policies and procedures for use by the Board of Directors in the appointment and dismissal of management team members and the nomination of Directors

The Company nominates as candidates for Directors individuals who have abundant experience, superior abilities and knowledge, and high expertise appropriate for a Director of the Company in order to realize the Group vision, effective corporate governance, sustainable growth, and corporate value improvement for the medium and long term.

To ensure fairness and transparency in decisions on executive appointments, in response to inquiries from the Board of Directors, the Governance and Executive Nomination Committee (the name of which was changed from “Governance and Executive Nomination Meeting” by a resolution of the Board of Directors on June 24, 2026) submits to the Board of Directors proposals on the nomination of Directors that have been sufficiently deliberated on and approved by its members, a majority of which is accounted for by Independent Outside Directors, and which is chaired by an Independent Outside Director. In response to inquiries, the Committee briefs the Board of Directors in each case on the candidate’s biography, concurrent posts, knowledge, expected role in the Company, and reasons for nominating, based on which candidates for Director are determined by resolution of the Board of Directors.

The Company works to ensure that a majority of the Board of Directors consists of Independent Outside Directors, who are responsible for oversight of management from an independent standpoint to enhance the transparency of management and increase shareholder value, while paying close attention to the diversity of the Board of Directors as a whole.

When nominating Directors who are Audit and Supervisory Committee Members, the consent of the Audit and Supervisory Committee (prior to transition to a company with an Audit and Supervisory Committee, the Audit & Supervisory Board) is obtained.

Every fiscal year, in principle, the Board of Directors seeks advice from the Governance and Executive Nomination Committee on matters regarding the nomination of candidates for Director, matters regarding the diversity of the Board of Directors and the skills of Directors (including the adequacy of the skill matrix), matters regarding nurturing of officers, primarily the CEO, and other matters the Board of Directors perceives to be necessary, without the passing of individual resolutions by the Board of Directors.

The appointment and dismissal of the President, Chairman, CEO or COO, who are management team members, involves similar policies and procedures to those of nominations for candidates for Director. A Director may at any time convene a meeting of the Board of Directors for the purpose of appointing or dismissing the President, Chairman, CEO or COO.

(5) Explanations with respect to the individual appointments, dismissals and nominations of Directors by the Board of Directors

With regard to the appointment and nomination of Directors and Audit and Supervisory Committee Members, see the biography and reasons for appointment for each individual, which can be found in the “Notice of Convocation of the 95th Ordinary General Meeting of Shareholders.”

The Notice of the 95th Annual General Meeting of Shareholders is available in the "Shareholders Meeting" section of the Company’s website.

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

Supplementary Principle 3.1.3

<Concept of SUBARU Group’s Sustainability>

As it moves toward realizing its vision of becoming a company “delivering happiness to all,” the members of the Subaru Group have been working together globally to share awareness and promote sustainability based on the SUBARU Global Sustainability Policy by incorporating an approach that is aligned with the Six Priority Areas for Sustainability. It endeavors to realize both the sustainable growth of the SUBARU Group and an enjoyable and sustainable society by further evolving the value statement of “Enjoyment and Peace of Mind” to deepen the relationship with customers and other stakeholders.

<Climate change-related initiatives>

In order to contribute to a decarbonized society, Subaru has set long-term goals (a long-term vision) to be achieved by 2050 and medium-term goals (milestones) related to products (Scope 3) and plants and offices (Scope 1 and 2). It reviews these goals on an ongoing basis in response to rapid and discontinuous changes in the business environment.

With regard to products (Scope 3), taking into account changes in the business environment, such as heightened demand for hybrid vehicles and the reevaluation of ICEs, we believe that the point at which BEVs will account for 50% of sales will not come until beyond 2030. As part of medium- to long-term initiatives to achieve carbon neutrality, we are looking to the BEV business to become a mainstay of our operations in the future. In addition to continuing research and development on BEVs, we will also strengthen R&D on next-generation ICEs, including hybrids, in order to expand our product lineup in response to diverse customer needs.

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 SUBARU Group aims to achieve world-leading “Monozukuri Innovation” and “Value Creation.” We regard our people as the driving force behind realizing these goals and enhancing our competitiveness on a sustainable basis. In a rapidly changing business environment, we are committed to human capital management with a vision of achieving “truly competitive people and organization.”

“Truly competitive people and organization” refers to a state in which four elements function together at a high level: diverse individuals maximizing their respective abilities; a focus on essential work and speedy creation of results; the ability to act with a total optimization mindset beyond organizational boundaries; and a culture that encourages and supports employees in taking on challenges. Based on the concepts of “individual growth” and “organizational growth,” we are promoting initiatives centered on three pillars: encouraging autonomy, fostering a better organizational culture, and strengthening connections, which has been a key focus since FY2025.

“Encouraging Autonomy”

The driving force behind the sustainable growth of the SUBARU Group is the strength of each and every employee. We are committed to encouraging autonomy with the aim of developing people who are highly sensitive to change and capable of taking on challenges independently. Through providing diverse learning opportunities and creating an environment that enables employees to accurately understand external changes and translate them into action, we support autonomous career development.

“Fostering a Better Organizational Culture”

To transform the capabilities of employees who think and act autonomously into a source of corporate competitiveness, it is essential to create an environment in which every employee can thrive. We are therefore committed to fostering a better organizational culture aimed at realizing an organization where diverse individuals can play active roles and work together as One SUBARU. Through both mindset and skill development, we seek to maximize individual capabilities while enhancing empathy and a sense of fulfillment.

“Strengthening Connections”

We position strengthening connections as a key initiative to translate individual challenges into greater achievements and accelerate the development of people who take on challenges. We will deepen the connection between management’s vision and the efforts of individual employees, strengthen collaboration across departments, increase opportunities for employee interaction, and develop mechanisms that support and encourage challenges being undertaken throughout the Company.

<Initiatives Related to Intellectual Property>

In response to rapid changes in the business environment, the Company revised its Basic Intellectual Property Policy in June 2025 to achieve sustainable growth and enhance corporate value over the medium to long term.

■ Basic Intellectual Property Policy

1. We will strengthen efforts to plan and implement initiatives utilizing intellectual property to support the resolution of various issues related to management strategies, business activities, and product development.
2. To protect and enhance the SUBARU brand, we will strengthen efforts to create intellectual property through Monozukuri Innovation and Value Creation and appropriately manage our intellectual property portfolio.
3. We respect the intellectual property rights of others and will thoroughly conduct patent clearance activities in product development to avoid infringement of third-party intellectual property rights.
4. To protect customers from illegal counterfeit products and imitation activities and enable them to use our products and services with confidence, we will strengthen initiatives aimed at their eradication.

■ Intellectual Property Promotion Structure

In the Automotive Business, the Intellectual Property Strategy Committee, attended by the CTO and the heads of the planning, development, manufacturing, and other divisions, is held regularly.

At these meetings, intellectual property strategies based on the Basic Intellectual Property Policy are discussed and specific measures are determined. The outcomes are reported to the management meeting comprising all officers of the Automotive Business and are shared across the organization to promote company-wide coordination and collaboration.

In the Aerospace Company, a separate Intellectual Property Strategy Committee is held regularly to address issues specific to the business. Under the leadership of the Company President, intellectual property strategies are discussed and specific measures are determined.

<Policies and concepts>

Sustainability Policies and Guidelines
(Japanese) URL：https://www.subaru.co.jp/csr/policies/
(English) URL：https://www.subaru.co.jp/en/csr/policies/

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/

Principle 4.1 Roles and Responsibilities of the Board (1)
Supplementary Principle 4.1.1

At the 95th Ordinary General Meeting of Shareholders held on June 24, 2026, it was resolved that the Company shift its corporate governance system from a company with an audit & supervisory board to a company with an audit and supervisory committee.

The Board of Directors makes core business decisions, such as those involving basic management policy, and oversees the execution of business, while the Audit and Supervisory Committee audits the performance of duties by Directors.

To the extent permitted by laws and regulations particularly for companies with an audit and supervisory committee, the Company is delegating decisions on the execution of important business from the Board of Directors to Directors. By setting forth matters to be resolved by itself in the Regulations of the Board of Directors and delegating to Executive Officers those matters that do not fall under this category, the Board of Directors clarifies the separation between management decision-making and oversight functions on the one hand and business execution functions on the other hand. These measures are aimed at speeding up management decision-making, further enhancing deliberations by the Board of Directors, and strengthening oversight functions.

The Company established the Governance and Executive Nomination Committee and Executive Compensation Committee as voluntarily established committees, a majority of each of which are Independent Outside Directors, with the aim of strengthening the independence, objectivity, and accountability of Board of Directors functions pertaining to the nomination (including successor planning) and compensation, etc. of Directors, the CEO, and other members of the management team, thus enhancing the effectiveness of the corporate governance system.

The extent of delegation of and responsibility for business execution to Executive Officers (including Executive Directors) is made clear on the Company's corporate website under "Directors of the Board / Executive Officers."

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

Principle 4.3 Roles and Responsibilities of the Board (3)
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 Committee.
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 Committee 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 Committee, 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 Committee.

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
As shown below, the Company has set forth the requirements, including independence, for Outside Director candidates so as to ensure that its Outside Directors have the qualities required to fulfill their roles and contribute to realizing sustainable growth and medium- to long-term improvements in the corporate value of the Company. The Company has appointed six Independent Outside Directors who fulfill the requirements below (including three Directors who are Audit and Supervisory Committee Members), and a majority of the eleven members of the Board of Directors are Independent Outside Directors. This system is designed to enable sounder and more efficient operations by enhancing the effectiveness of functions for the oversight of business operations through the involvement of highly Independent Outside Directors, and other measures.
(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.

Principle 4.9 Independence Standards and Qualification for Independent Directors

The independence criteria for outside officers are set forth in the accompanying material to the Corporate Governance Guidelines, “Criteria for Independence of Outside Officers.”

The Corporate Governance Guidelines are available in the “Corporate Governance” section of the Company’s website.
(Japanese) URL: https://www.subaru.co.jp/ir/management/governance/
(English) URL: https://www.subaru.co.jp/en/ir/management/governance/

Supplementary Principle 4.10.1

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

To ensure transparency and effectiveness of the executive compensation determination process, the Governance and Executive Nomination Committee and Executive Compensation Committee shall, by a resolution of the Board of Directors, be structured so that the majority of its members are outside directors, and its Chairperson shall be an Independent Outside Director appointed by a resolution of the Board of Directors.

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

To ensure fairness and transparency in decisions on executive appointments as a voluntary committee, the Governance and Executive Nomination Committee sufficiently deliberates 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 Directors serving as Audit and Supervisory Committee Members approved by its members, more than half of them are Independent Outside Directors, as well as proposals on the appointment and dismissal of the President, Chairman, CEO and COO.

<Authority and roles of Executive Compensation Committee>

The Executive Compensation Committee, pursuant to 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 (excluding Directors serving as Audit and Supervisory Committee Members) and executive officers, and their payment schedule, following sufficient deliberation by the Committee, the majority of whose members are 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 Committee.

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 Articles of Incorporation provide that the total number of Directors shall not exceed 15, of whom no more than five may be Directors serving as Audit and Supervisory Committee Members.

See “Notice of Convocation of the 95th Ordinary General Meeting of Shareholders” for the skill matrix of Directors and Directors serving as Audit and Supervisory Committee Members.

The Notice of the 95th Annual General Meeting of Shareholders is available in the "Shareholders Meeting" section of the Company’s website.
(Japanese) URL: https://www.subaru.co.jp/ir/stock/meeting.html
(English) URL: https://www.subaru.co.jp/en/ir/stock/meeting.html

Supplementary Principle 4.11.2

The significant concurrent positions held by the Company's directors are disclosed in the Notice of the 95th Annual General Meeting of Shareholders.

The Notice of the 95th Annual General Meeting of Shareholders is available in the "Shareholders Meeting" section of the Company’s website.
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(English) URL: https://www.subaru.co.jp/en/ir/stock/meeting.html

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 2026.

The Notice of the 95th Annual General Meeting of Shareholders is available in the "Shareholders Meeting" section of the Company’s website.
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Supplementary Principle 4.14.2

The Company shall continuously provide Directors and Directors serving as Audit and Supervisory Committee 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 corporate statement, 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 Directors serving as Audit and Supervisory Committee Members to fulfill their roles.

Principle 5.1 Policy for Constructive Dialogue with Shareholders

(1) Basic Policy

The Company strives to build long-term relationships of trust with shareholders, investors, and analysts through constructive dialogue in order to achieve sustainable growth and enhance corporate value over the medium to long term.

(2) Internal Promotion Structure

Under the overall supervision of the CEO and CFO, management promotes constructive dialogue with shareholders and investors. To further enhance such dialogue, the IR Department plays a central role and works closely with relevant departments, including Corporate Planning, the Board of Directors Secretariat, Finance & Accounting, Legal, Human Resources, Sustainability, Intellectual Property, and Internal Audit.

(3) Record of Dialogue

In addition to various events and interviews attended by management, the Company engages in dialogue with a wide range of shareholders, investors, and analysts in Japan and overseas through product and technology briefings and other activities designed to deepen understanding of the Company's business. The record of dialogue is as follows.

Results of dialogue with shareholders and investors (FYE March 2026)

Engagement Event	FY2024	FY2025	Main Participants in FYE March 2026 Dialogue Activities*
Financial Results Briefings	4	4	Representative Director, President and CEO; Director, Managing Executive Officer and CFO; Senior Managing Executive Officer, Chief General Manager of Corporate Planning Division
Small Meetings	6	7	Representative Director, President and CEO; Representative Director and Executive Vice President; Director, Senior Managing Executive Officer and CTO; Director, Managing Executive Officer and CFO; Senior Managing Executive Officer, Chief General Manager of Corporate Planning Division
Securities Firm-Sponsored Conferences	8	8	Director, Managing Executive Officer and CFO; IR Department
Product & Technology Briefings and Plant Tours	6	5	Director, Senior Managing Executive Officer and CTO; Senior Managing Executive Officer, Chief General Manager of Corporate Planning Division; Managing Executive Officer and Chairman & CEO of Subaru of America, Inc.; Executive Officer, CDCO, Senior General Manager of Engineering Division and Chief General Manager of SUBARU Lab; Executive Officer, Senior General Manager of Engineering Division; personnel from the Product Business Division, Engineering Division, Corporate Planning Division, and other relevant departments

Meetings with Investors and Shareholders	FY2024	FY2025	Main Participants in FYE March 2026 Dialogue Activities*
Meetings with Investors and Shareholders (including overseas investors and shareholders)	248 (176)	274 (192)	Representative Director, President and CEO; Director, Managing Executive Officer and CFO; IR Department; and others
Meetings with Analysts	87	97	Director, Managing Executive Officer and CFO; IR Department

* The job titles of the main participants are those held at the time each dialogue was conducted.

Principal Topics Discussed in Dialogue

- Business performance-related topics, including sales trends, the impact of U.S. tariffs, the impact of raw material prices and market conditions, and costs related to environmental regulations
- Progress of initiatives under the SUBARU Management Policy 2025
- Business-related topics, including U.S. market strategy, SDV strategy, and growth strategies for the Aerospace Company
- Capital policy, including growth investments, shareholder returns, and cash holding levels
- ESG-related topics, including the Company's approach to carbon neutrality, the promotion of human capital management, the reinforcement of corporate governance, and the strengthening of cybersecurity

The opinions and requests of shareholders and investors obtained through dialogue are reported to management, as well as to meetings attended by executive officers and other relevant executives, on a regular and timely basis. Depending on the nature of the matters raised, such information is also reported to the Board of Directors.

Feedback to Management	Frequency	Content
Overseas Roadshow Reports	3	Reports on areas of interest, opinions, and requests from overseas institutional investors, as well as the future direction of IR activities
SR Engagement Activity Report	1	Reports on trends in revisions to proxy voting guidelines and opinions and requests directed to the Company, primarily from ESG perspectives
Quarterly IR Activity Reports	4	Reports on institutional investor trends, share price developments, and other key topics related to IR activities

Analysis of Voting Results at the General Meeting of Shareholders	1	Reports on analyses of voting results, including voting approval and opposition trends
Others	As needed	Timely reports on shareholder composition, institutional investor ownership trends, IR activity plans, and other relevant matters

(4) Management of Insider Information

To prevent the disclosure of undisclosed material information (insider information) during dialogue with shareholders, the Company thoroughly manages information in accordance with its internal rules for the prevention of insider trading.

Furthermore, based on the Disclosure Policy described in "V. Other, 2. Matters Regarding Other Corporate Governance Systems, etc.," the Company engages in appropriate dialogue with shareholders in accordance with the principles of fair disclosure.

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

Content of Disclosure	Disclosure of Initiatives (Update)
Availability of English Disclosure	Available
Date of Disclosure Update	June 25, 2026

Explanation of Actions UPDATED

The Company announced the Action to Implement Management That Is Conscious of the Cost of Capital and Stock Price on March 15, 2024, toward sustainable growth, and has been promoting initiatives to put it into practice. The progress and current status of these initiatives are reviewed and analyzed by the Board of Directors and other relevant bodies, and periodic updates are provided.

In a highly uncertain business environment, the Company will steadily promote the internal and external dissemination of the initiatives and future strategies set out in the SUBARU Management Policy 2025 announced in November 2025, while pursuing its targets, set with an eye to 2030, of industry-leading profitability and an ROE of 10% or higher.

The latest update on these initiatives was compiled and posted on the Company's website on June 25, 2026.

• Action to Implement Management That Is Conscious of the Cost of Capital and Stock Price
(Japanese) URL: https://www.subaru.co.jp/outline/pdf/governance_action.pdf
(English) URL: https://www.subaru.co.jp/en/outline/pdf/governance_action_e.pdf

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	21.46
The Master Trust Bank of Japan, Ltd. (trust account)	106,524,200	14.88
Custody Bank of Japan, Ltd. (trust account)	31,701,600	4.43
STATE STREET BANK AND TRUST COMPANY 505001	13,490,729	1.88
JP Morgan Securities Japan Co., Ltd.	10,857,643	1.52
Mizuho Bank, Ltd.	10,078,909	1.41
JP MORGAN CHASE BANK 385781	8,211,153	1.15
NSL DTT CLIENT ACCOUNT 1	7,544,363	1.05
THE BANK OF NEW YORK MELLON 140042	7,340,179	1.03
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	7,156,176	1.00

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 March 31, 2026, 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 : 30,384,389 Shares (Holding Ratio of Share Certificates, etc.:3.95%)

2. The Change Report for Large Shareholders made available for public inspection on September 19, 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 September 15, 2025. However, as the Company cannot confirm the substantive number of shares owned as of March 31, 2026, 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. : 14,624,300 Shares
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 March 31, 2026, 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 March 31, 2026, 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%)

5. The Change Report for Large Shareholders made available for public inspection on February 18, 2026, states that Norges Bank owned the shares shown below as of February 13, 2026. However, as the Company cannot confirm the substantive number of shares owned as of March 31, 2026, 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.

Norges Bank: 31,026,791 Shares
Total: 31,026,791 Shares (Holding Ratio of Share Certificates, etc.: 4.33%)

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

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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.

To ensure fairness and transparency in decisions on executive appointments, the Governance and Executive Nomination Committee, a majority of whose members are Independent Outside Directors, sufficiently deliberates the nomination of candidates for executives, in accordance with inquiries from the Board of Directors. Personnel matters related to Directors, the President, the Chairman, and the CEO and COO, are amply deliberated by the Governance and Executive Nomination Committee, which approves a proposal for personnel changes that is submitted to the Board of Directors, and determined by a resolution of the same. Furthermore, no Directors or Executive Officers from Toyota were serving at the Company as of the date of submission of this report.

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 an Audit and Supervisory Committee

【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 UPDATED	Eleven
Election of Outside Directors	Elected
Number of Outside Directors UPDATED	Six
Number of Independent Directors UPDATED	Six

Outside Directors' Relationship with the Company (1) UPDATED

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Fuminao Hachiuma	From another company											
Shigeru Yamashita	From another company											
Kayako Omura	From another company											
Yuri Furusawa	Other											
Yasumasa Masuda	From another company											
Yukiko Mitsuhashi	Attorney-at-Law											

* 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) UPDATED

Name	Audit and Supervisory Committee Member	Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
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. Since his appointment as independent Outside Director in June 2023, he has presented honest opinions regarding the Company’s management. Particularly in the fiscal year under review, he provided comments on the importance of risk management in an increasingly challenging business environment for the Company. We expect him to continue to provide sufficient advice and supervision regarding management in general from an independent position as Outside Director of the Company, and thus proposed him again as a candidate for Outside Director. <Reasons for designating as independent director> Mr. Fuminao Hachiuma has been designated as an Independent Officer, as the Company considers that he is unlikely to have any conflicts of interest with general shareholders in light of his career history and other qualifications.
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. Since his appointment as independent Outside Director in June 2024, he has presented honest opinions regarding the Company’s management in general based on his deep insight regarding social responsibilities of businesses. Particularly in the fiscal year under review, he provided comments on the need to further promote management that is conscious of the cost of capital. We expect him to continue to provide sufficient advice and supervision regarding management in general from an independent position as Outside Director of the Company, and thus proposed him again as a candidate for Outside Director. <Reasons for designating as independent director> Mr. Shigeru Yamashita has been designated as an Independent Officer, as the Company considers that he is unlikely to have any conflicts of interest with general shareholders in light of his career history and other qualifications.

Kayako Omura		○	———	Ms. Kayako Omura researched information systems technology on the front line of production at Kobe Steel, Ltd. and IBM Japan, Ltd., and was involved in strategic consulting services centered on manufacturing. She subsequently went on to drive steady growth at OB Kogyo, Ltd. (now Mabuchi OB Gear System Co., Ltd.), where she served as Representative Director and President. She has extensive experience of both IT and digital technology as well as management in manufacturing, and a high level of specialist knowledge and insight. Taking the above into account, we are nominating her as a candidate for Outside Director, expecting her to provide sufficient advice and supervision regarding management in general from an independent standpoint, mainly in the areas of IT and digital technology. <Reasons for designating as independent director> Ms. Kayako Omura has been designated as an Independent Officer, as the Company considers that she is unlikely to have any conflicts of interest with general shareholders in light of her career history and other qualifications.

Yuri Furusawa	○	○	———	Ms. Yuri Furusawa has a broad perspective and a high level of insight she gained through holding key positions in the Ministry of Land, Infrastructure, Transport and Tourism, and having 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. She was appointed Outside Audit & Supervisory Board Member in June 2022, and has conducted audits from a viewpoint that combines breadth with expertise. Based on this track record, going forward the Company expects her to contribute to ensuring fair and proper decisions and the soundness of management as an Audit and Supervisory Committee Member working from a standpoint independent of business execution, and although she has no experience of direct involvement in corporate management other than as an Outside officer, we are nominating her as a candidate for Outside Director who is an Audit and Supervisory Committee Member. <Reasons for designating as independent director> Ms. Yuri Furusawa has been designated as an Independent Officer, as the Company considers that she is unlikely to have any conflicts of interest with general shareholders in light of her career history and other qualifications.
Yasumasa Masuda	○	○	———	Mr. Yasumasa Masuda has experience in important roles such as Vice President, Corporate Finance & Control, and CFO of Astellas Pharma Inc., and has a deep knowledge of management in general with a particular focus on finance and accounting. He has also previously served as an Independent Non-Executive at the Deloitte Tohmatsu Group and as Outside Director and Chairperson of the Audit Committee at Olympus Corporation, and has a broad perspective and a high level of insight. He was appointed Outside Audit & Supervisory Board Member in June 2023, and has conducted audits from a viewpoint that combines breadth with expertise. Based on this track record, going forward the Company expects him to contribute to ensuring fair and proper decisions and the soundness of management as an Audit and Supervisory Committee Member working from a standpoint independent of business execution, and we are nominating him as a candidate for Outside Director who is an Audit and Supervisory Committee Member. <Reasons for designating as independent director> Mr. Yasumasa Masuda has been designated as an Independent Officer, as the Company considers that he is unlikely to have any conflicts of interest with general shareholders in light of his career history and other qualifications.

Yukiko Mitsuhashi	○	○	―――	Ms. Yukiko Mitsuhashi has specialist knowledge and extensive experience of the law in general as an attorney at law, with a particular focus on corporate legal affairs. As well as providing neutral and objective advice as a legal expert, and auditing and supervising the execution of business by Directors from an independent standpoint, she is expected to contribute to the functions of the Board of Directors, and so although she has no experience of direct involvement in corporate management other than as an Outside officer, we are nominating her as a new candidate for Outside Director who is an Audit and Supervisory Committee Member. <Reasons for designating as independent director> Ms. Yukiko Mitsuhashi has been designated as an Independent Officer, as the Company considers that she is unlikely to have any conflicts of interest with general shareholders in light of her career history and other qualifications.

【Audit and Supervisory Committee】

Composition of the Committee and Attributes of the Chairperson UPDATED

	All Members	Full-time Total Members	Internal Directors	Outside Directors	Chairperson
Audit and Supervisory Committee	4	1	1	3	Internal Director

Presence of Directors and Employees to Assist the Audit and Supervisory Committee UPDATED	Yes

Matters Related to the Independence of Said Directors and Employees from Executive Directors UPDATED

An Audit and Supervisory Committee Office has been established to assist the Audit and Supervisory Committee in the performance of its duties, and dedicated supporting staff are assigned to the Office. The Company also makes it widely known among its officers and employees that such supporting staff are subject to the direction and orders of the Audit and Supervisory Committee. Personnel matters relating to such supporting staff (including transfers and evaluations) are implemented with the consent of the Audit and Supervisory Committee.

Status of Cooperation among the Audit and Supervisory Committee, Independent Auditor, and Internal Audit Department UPDATED

The Audit and Supervisory Committee receives explanations and reports from the Accounting Auditors regarding the status of accounting audits and other matters in connection with each quarterly financial closing. In addition, Audit and Supervisory Committee Members accompany Accounting Auditors on visits to business sites and other locations, and the Audit and Supervisory Committee and the Accounting Auditors exchange views on audit plans at the beginning of each fiscal year and on other occasions, thereby strengthening coordination in audit activities.

The Company has established the Audit Department as the organization responsible for internal audits, which conducts planned operational audits of internal departments and domestic and overseas group companies. The Audit Department formulates its annual internal audit plan after aligning its risk awareness with that of the Audit and Supervisory Committee. It regularly reports the results of internal audits and the status of its activities to the Audit and Supervisory Committee and collaborates with the Audit and Supervisory Committee through measures such as exchanging views on internal control matters as appropriate.

【Voluntary Committees】

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 UPDATED

	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 Committee	6	2	2	4	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Executive Compensation Committee	6	2	2	4	0	0	Outside Director

Supplementary Explanation for Applicable Items UPDATED

1. Following the Company's transition of its organizational composition from a company with an audit & supervisory board to a company with an audit and supervisory committee, the Board of Directors passed a resolution on June 24, 2026, to change the names of the previous Governance and Executive Nomination Meeting and the Executive Compensation Meeting to the Governance and Executive Nomination Committee and the Executive Compensation Committee, respectively. In accordance with the resolution of the Board of Directors of that date, both of these committees consist of four members who are Outside Directors and two members who are internal Directors, with Outside Director Shigeru Yamashita serving as Chairperson.

2. To ensure the fairness and transparency of decisions on executive appointment, the Governance and Executive Nomination Committee, based on ample deliberation by its members, a majority of which are Independent Outside Directors, determines and submits proposals to the Board of Directors regarding policies for the nomination of Director candidates and the composition of the Board of Directors, the nomination of candidates for Directors in accordance with said policies, and the appointment or dismissal of the President, Chairman, CEO, and COO. By a resolution of the Board of Directors on May 20, 2025, the Executive Nomination Meeting that was the predecessor to the Committee 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.

3. In FYE March 2026, the Governance and Executive Nomination Meeting met 9 times, with the main matters deliberated being as follows.
• Consideration of successor planning for the management team, including the CEO
• Human resource development through the implementation of 360-degree evaluation of officers using the skills matrix for executives, and other means including non-Director Executive Officers
• Improving the transparency of the officer evaluation process by sharing their performance results of Executive Officers
• Reports on the Company's officer structure, personnel matters and the division of duties, as well as on executive appointment proposals for major subsidiaries, and other matters
• Discussions on which organizational design should be selected to contribute to improvements in corporate value over the medium to long term, achieved through deliberations on the concept of a distinctively Subaru corporate governance, and discussion of the Board of Directors concept after changes in organizational design, including delegation of decisions on execution of important business

4. The Executive Compensation Committee, on the basis of delegation by the Board of Directors, determines compensation amounts for Directors and Executive Officers after taking into account properly comparable compensation levels for executives at other companies, compensation levels for its own employees, social situations, and other factors. In FYE March 2026, the Executive Compensation Meeting met 8 times, with the main matters deliberated being as follows.
• Consideration of executive compensation levels and reasonableness of performance-linked compensation using external survey data
• Determination of individual performance-linked compensation amounts for Directors (excluding Outside Directors) and Executive Officers based on their evaluation results
• Consideration of compensation for Outside Directors following the change in organizational design
• Determination of individual base amounts, etc., for restricted stock compensation

【Matters Related to Independent Officers】

Number of Independent Officers UPDATED	Six

Other Matters Relating to Independent Officers

The independence criteria for outside officers are set forth in the accompanying material to the Corporate Governance Guidelines, "Criteria for Independence of Outside Officers."

The Corporate Governance Guidelines are available in the "Corporate Governance" section of the Company's website.

(Japanese) URL: https://www.subaru.co.jp/ir/management/governance/

(English) URL: https://www.subaru.co.jp/en/ir/management/governance/

【Incentives】

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

Supplementary Explanation for Applicable Items UPDATED

Performance-linked compensation and non-monetary compensation are as follows:
Annual performance-linked bonuses and restricted stock compensation are not granted to Outside Directors or internal Directors serving as Audit and Supervisory Committee Members 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 Committee 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 variable 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 UPDATED	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

With regard to the policy concerning the determination of details of compensation, etc. for individual Directors (excluding Directors who are Audit and Supervisory Committee Members), this was deliberated and decided by the Board of Directors based on a proposal approved by the Executive Compensation Committee (the name of which was changed from "Executive Compensation Meeting" by a resolution of the Board of Directors on June 24, 2026). Recently, a proposal approved by the Executive Compensation Committee was deliberated and approved at a meeting of the Board of Directors held on March 6, 2026. The Board of Directors has judged that the content of the compensation for individual Directors for the fiscal year under review adheres to the determination policy (including the determination policy before it was revised by a decision of the Board of Directors on March 6, 2026, to the extent applicable to the fiscal year under review), as the Executive Compensation Committee has been delegated the authority by the Board of Directors to determine the specific details of compensation, etc. which has been decided after sufficient deliberations by the Meeting members, including Outside Directors.

Below is a summary of the policy concerning the determination of details of compensation, etc. for individual Directors.

<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 variable 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[*1]	0.9[*2]
Non-monetary Compensation			●	●	0.7[*1]	0.6[*2]

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 Chairperson of the Executive Compensation Meeting shall be appointed by a resolution of the Board of Directors.

The Executive Compensation Meeting, pursuant to 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.

*1: Performance-linked and non-monetary compensation each include restricted stock (PSU) of 0.5.
*2: Performance-linked and non-monetary compensation each include restricted stock (PSU) of 0.3.

<Matters concerning resolutions of the General Meeting of Shareholders regarding Directors' compensation, etc.>

At the 95th Annual General Meeting of Shareholders held on June 24, 2026, it was resolved that the total amount of compensation, etc. payable to Directors (excluding Directors serving as Audit and Supervisory Committee Members) shall not exceed ¥1.2 billion per year, of which no more than ¥200 million shall be payable to Outside Directors. The number of Directors (excluding Directors serving as Audit and Supervisory Committee Members) as of the conclusion of the said Annual General Meeting of Shareholders was seven, including three Outside Directors.

In addition, at the 95th Annual General Meeting of Shareholders held on June 24, 2026, it was resolved that the total amount of monetary compensation relating to restricted stock compensation shall not exceed ¥200 million per year within the above limit. The number of Directors eligible for such compensation as of the conclusion of the said Annual General Meeting of Shareholders was four, excluding Outside Directors, internal Directors serving as Audit and Supervisory Committee Members, and Directors residing outside Japan.

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

The Company has established the Executive Compensation Committee (the name of which was changed from Executive Compensation Meeting by a resolution of the Board of Directors on June 24, 2026) and, based on a delegatory resolution by the Board of Directors, the Committee's members, who include Outside Directors, fully deliberate specific details of the compensation amounts for individuals before making decisions.

Its authorities include the determination of specific amounts of basic compensation, annual performance-linked bonuses, and restricted stock compensation, and their payment schedules. For restricted stock compensation, the number of shares allotted to individual Directors is determined by a resolution of the Board of Directors based on the decisions of the Executive Compensation Committee. With regard to revisions of the compensation system and other matters pertaining to compensation overall, proposals approved by the Executive

Compensation Committee are deliberated and decided on by the Board of Directors.

The Executive Compensation Meeting for FYE March 2026 consisted of three Outside Directors (Miwako Doi, Fuminao Hachiuma, and Shigeru Yamashita), two internal Directors (Tomomi Nakamura and Atsushi Osaki), and one Outside Audit & Supervisory Board Member as an observer member, with Director and Chairman Tomomi Nakamura serving as Chairperson. To ensure the transparency and effectiveness of the executive compensation determination process, the Executive Compensation Committee shall, by a resolution of the Board of Directors, be structured so that the majority of its members are Independent Outside Directors, with its Chairperson being appointed by a resolution of the Board of Directors.

For details of the activities of the Committee in FYE March 2026, see "Voluntary committees, 1. Organizational Composition and Operation, II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight."

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

By a resolution of the Board of Directors on June 24, 2026, the name was changed to Executive Compensation Committee, with the membership consisting of three Outside Directors (Fuminao Hachiuma, Shigeru Yamashita, and Kayako Omura), one Outside Director who is an Audit and Supervisory Committee member (Yasumasa Masuda), and two internal Directors (Fumiaki Hayata and Atsushi Osaki), with Outside Director Shigeru Yamashita serving as Chairperson.

<Matters regarding performance-linked remuneration for FYE March 2026>

The table below shows the results of key performance indicators (KPIs) used to calculate the annual performance-linked bonus amounts and the number of PSUs granted corresponding to the financial results for the fiscal year under review. (The calculation method is as described in [1] 2 (2) above.)

The Company decides the annual performance-linked bonuses for individual Directors based on the consolidated profit before tax 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 and 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 and internal Directors serving as Audit and Supervisory Committee Members in view of their roles of fulfilling monitoring and oversight functions of corporate management from an independent position.

Performance indicators(KPI)	Results
Consolidated profit before tax	107.5 billion yen
ROE	3.3%
Relative TSR (compared to the TOPIX growth rate including dividends)	61.7%
Employee engagement score improvement points	Up 3 points

【Support System for Outside Directors】 UPDATED

Adequate information is provided in advance and as required to Outside Directors, such as via participation in executive meetings and through the provision of explanations on agenda items to be proposed to the Board of Directors. Outside Directors who are Audit and Supervisory Committee Members are provided with information as appropriate by internal Directors who are Standing Audit and Supervisory Committee Members, while staff supporting the Audit and Supervisory Committee provide assistance with the performance of duties.

The Company provides Outside Directors with sufficient information through participation in executive meetings, advance briefing sessions on matters to be submitted to the Board of Directors, and the prior distribution of Board materials. In addition, Outside Directors who serve as members of the Audit and Supervisory Committee receive timely information from full-time Audit and Supervisory Committee members through Audit and Supervisory Committee meetings and audit activities. Furthermore, dedicated staff assigned to support the duties of the Audit and Supervisory Committee assist all Audit and Supervisory Committee members, including Outside Directors, in the performance of their responsibilities.

【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. UPDATED

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
Tomomi Nakamura	Special Corporate Advisor	Provide advice, etc. in response to requests from the management team	Part-time, remunerated	June 21, 2023	1 year

Number of Persons Holding Advisory Positions (Sodanyaku, Komon, etc.) After Retiring as Representative Director and President, etc. UPDATED	1

Other Related Matters UPDATED

The main role of Special Corporate Advisors and Corporate Advisors is to come to work at a certain frequency and provide business advice as requested, and they do not attend any of the meetings or have any involvement in management. Their term, in principle, is set to one year. 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) UPDATED

At the 95th Ordinary General Meeting of Shareholders held on June 24, 2026, it was resolved that the Company shift its corporate governance system from a company with an audit & supervisory board to a company with an audit and supervisory committee.

The Board of Directors makes core business decisions, such as those involving basic management policy, and oversees the execution of business, while the Audit and Supervisory Committee audits the performance of duties by Directors.
The delegation by the Board of Directors of decisions on the execution of important business to individual Directors is aimed at speeding up management decision-making, further enhancing deliberations by the Board of Directors, and strengthening oversight functions.
The Company established the Governance and Executive Nomination Committee and Executive Compensation Committee as voluntarily established committees, a majority of each of which are Independent Outside Directors, with the aim of strengthening the independence, objectivity, and accountability of Board of Directors functions pertaining to the nomination and compensation, etc. of Directors, the CEO, and other members of the management team, thus strengthening the effectiveness of the corporate governance system.

Regarding the system for the execution of business operations, we employ an executive officer system to delegate the business execution authorities of Directors to Executive Officers so as to clearly separate management decision-making and oversight functions from those of business execution and thus increase the speed of decision-making by the Board of Directors.

The Company seeks to strengthen its governance system by having highly Independent Outside Directors account for the majority (six) of its Board of Directors, which has 11 members in total (including Directors who are Audit and Supervisory Committee Members). Outside Directors (including those who are Audit and Supervisory Committee Members) provide sound advice on important decision-making, and monitor overall management functions based on their extensive knowledge and experience in such specialist areas as business management, IT and digital technology, finance, and legal affairs. The Company appoints Outside Directors who are Audit and Supervisory Committee Members in the expectation that they will perform management oversight functions from a position independent of the management team, and fulfill their auditing role from a viewpoint that assesses legality and appropriateness and is based on a wide range of sophisticated knowledge. To leverage the abilities of Audit and Supervisory Committee Members, the Company allocates staff to support Audit and Supervisory Committee Members and has developed a system whereby Audit and Supervisory Committee Members can receive advice from external experts, such as lawyers and certified public accountants, on request.
When appointing Outside Directors (including Directors who are Audit and Supervisory Committee Members), the Company selects 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.

The independence criteria for outside officers are set forth in the accompanying material to the Corporate Governance Guidelines, "Criteria for Independence of Outside Officers."
The Corporate Governance Guidelines are available in the "Corporate Governance" section of the Company's website.
(Japanese) URL: https://www.subaru.co.jp/ir/management/governance/
(English) URL: https://www.subaru.co.jp/en/ir/management/governance/

The Company has executed a contract for limitation of damages under Article 423, Paragraph 1 of the Companies Act pursuant to the provisions of Article 427, Paragraph 1 of the act with its Directors (excluding those who are Executive Directors, managers or other employees of the Company or its subsidiaries) and Audit & Supervisory Board Members (including those who were Audit & Supervisory Board Members). The maximum liability for damages pursuant to such a contract shall be the amount prescribed in Article 425, Paragraph 1 of the Act.

3. Reasons for Adoption of Current Corporate Governance System UPDATED

The Company is always considering the development of the optimum corporate governance structure in order to obtain the satisfaction and trust of all stakeholders. As a result, at the 95th Ordinary General Meeting of Shareholders held on June 24, 2026, it was resolved that the Company shift its corporate governance system from a company with an audit & supervisory board to a company with an audit and supervisory committee, with the aim of speeding up management decision-making, further enhancing deliberations by the Board of Directors, and strengthening oversight functions.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	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 95th Ordinary General Meeting of Shareholders held on June 24, 2026, the Company posted the notice of convocation on its website and Tokyo Stock Exchange website on May 27, 2026, prior to sending the notice on June 3, 2026.
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: Takuma Noguchi, 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

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The SUBARU Group believes that its sustainability initiatives must place importance on relationships with stakeholders and that disclosing information to stakeholders, engaging in dialogue with them, and reflecting their opinions and requests in management are all essential. In order to realize its vision of becoming "A Compelling Company with a Strong Market Presence," as stated in its corporate statement, the SUBARU Group will continue striving to earn the trust of stakeholders, contribute to the development of society, and enhance its corporate value. <Policies and concepts> Sustainability Policies and Guidelines (Japanese)URL : https://www.subaru.co.jp/csr/policies/ (English) URL : https://www.subaru.co.jp/en/csr/policies/ 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 Structure> The Sustainability Committee serves as a forum for discussing all sustainability initiatives of the SUBARU Group and meets twice a year. The Chairperson of the Sustainability Committee is appointed by the Board of Directors and is currently the Representative Director, President and CEO. In addition, all Executive Officers participate as members of the Committee, where business activities are considered from a social perspective and initiatives are strengthened. <Environmental Promotion Structure> The Company has established a cross-functional environmental management structure centered on two pillars: the Environment Committee and the environmental management system. Through this structure, the SUBARU Group promotes environmental management activities, including the formulation of medium- to long-term environmental targets and initiatives to achieve them, compliance with environmental laws and regulations, and the aggregation of environmental performance data. <Social Contribution Promotion Structure> The Company has established the Social Contribution Committee to promote social contribution activities with the aim of embedding social contribution as part of the SUBARU Group's corporate culture and becoming a company trusted by stakeholders. Business site managers participate in the Committee to promote social contribution initiatives. In addition, a cross-functional planning subcommittee has been established to discuss and examine the planning, preparation, implementation, evaluation, and review of company-wide activities.
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 (SUBARU CORPORATION and all consolidated subsidiaries) introduces its sustainability concepts, targets, and initiatives. The website aims to promote communication with stakeholders, including customers, shareholders, business partners, local communities, and employees, and to further enhance the Group's sustainability initiatives through such communication. - Scope of reporting: In principle, the SUBARU Group - Reporting period: In principle, the most recent fiscal year (April to March), including certain information outside the reporting period - Guidelines referenced: - GRI Sustainability Reporting Standards - ISSB (International Sustainability Standards Board) Standards - SSBJ (Sustainability Standards Board of Japan) Climate-related Disclosure Standards 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 UPDATED

The Subaru Group views the internal control system as part of the platform for achieving its vision of becoming a company "delivering happiness to all," and in order to ensure the appropriateness of the business of the Group, it has set out the following policy in relation to establishing the internal control system, and in conformance with the Companies Act and the Regulations for Enforcement of the Companies Act.

By conforming to laws and regulations, speeding up decision-making through the delegation of authority, and taking appropriate risks, the Company seeks to use this policy to establish and operate a platform for the sound and efficient operation of its business, to which end it constantly inspects the policy and makes timely and appropriate improvements.

(Includes domestic and overseas subsidiaries; hereafter referred to as the "Group")

[Appropriate Performance of Duties/Compliance]

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

The Company shall put the following frameworks in place as a preventive measure to forestall violations of laws, regulations and other rules by Directors.

(1) Directors shall establish a framework for effective supervision of performance of duties by other Directors and effective audits by the Audit and Supervisory Committee Members, through activities such as attendance of various meetings, review of approval forms, and receiving business reports from Executive Officers and employees by the Directors.
(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 an internal reporting system as internal reporting framework where violations of laws/Articles of Incorporation by Directors in performing their duties have been identified by Executive Officers/employees.
(4) A Director who identifies violations of laws/Articles of Incorporation by another Director shall immediately report such violations to the Audit and Supervisory Committee and Board of Directors, and implement corrective measures.
(5) Conduct compliance related trainings by external experts for Directors as necessary.

2. Structure concerning storage and management of information related to performance of duties of directors

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

3. Framework to ensure efficient performance of duties by Directors

(1) An executive officer system shall be implemented to delegate the business execution authorities of Directors to Executive Officers. Chief Executive Officer (CEO) shall supervise the overall management.
(2) Directors shall supervise the performance of duties by Executive Officers and employees by attending various meetings and by receiving operational reports requested by Directors or the Board of Directors.
(3) Discuss projects to be determined 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.
(4) The Board of Directors shall establish medium- to long-term management goals to enhance corporate value, promote sharing of such goals, and regularly review progress.
(5) Board of Directors shall regularly conduct self-evaluation and analysis, to ensure effective performance of roles and duties of the Directors both in terms of decision-making and supervision over performance of duties.

4. Framework to ensure that performance of duties by executive officers and employees conforms with laws and articles of incorporation

(1) Establish rules on compliance and a framework to ensure that Executive Officers and employees comply with laws, Articles of Incorporation and internal rules.
(2) To promote compliance, the Company shall establish a Risk Management and Compliance Committee to deliberate/discuss, decide, exchange/communicate information on significant compliance matters.
(3) Establish and maintain an internal reporting system as an internal reporting framework in case Executive Officer or employees identify wrongdoing, etc. for early detection and correction of wrongdoing, etc.
(4) Establish an independent Audit Department as an internal audit entity.
(5) Provide systematic education such as compliance lectures to Executive Officers and employees in order to promote compliance awareness.

[Risk Management]

5. Rules and other frameworks on management of risk of loss

(1) The Company shall work out rules regarding the management on various operational risks and establish rules, manuals and guidelines corresponding to the business of each division to prevent risks from materializing or increasing.
(2) Business-related risks shall be scrutinized by the Executive Officers in accordance with certain approval rules, with the Board of Directors supervising management by each division/company and company-wide management led by corporate departments.
(3) Based on risk management regulations and in accordance with the basic emergency response policy, the Company shall establish an emergency communication system and a business recovery system to ensure a prompt response at times of emergency and to prevent spreading of losses.
(4) To promote risk management, establish a Risk Management and Compliance Committee to deliberate/discuss, decide, exchange/communicate information on significant matters pertaining to risk management.
(5) The Company shall establish an internal control system for financial reporting to ensure the trustworthiness of financial reports.

[Group Governance]

6. Framework for securing appropriateness of business in corporate group

The Company is responsible for the core management of the Group, and as well as establishing a governance system that ensures conformance with the strategy from an overall optimization perspective and taking the lead in sound management. It also seeks to continuously enhance corporate value and the unity of the Group by supplying timely and appropriate control and support that is aligned with the policies of the Company, while respecting local characteristics and the autonomous and sound business management of each subsidiary.

(1) For matters related to the performance of duties by Directors of subsidiaries, 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.
(2) To manage the risk of losses by subsidiaries, the Company shall formulate risk management regulations tailored to the nature and scale of the subsidiary's business, provide manuals, guidelines, and other documents, as well as having subsidiaries build risk management systems and submit reports on important matters.
(3) The Company shall ensure efficient 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.
(4) The Company shall build a framework to ensure that the performance of duties by Directors and employees of subsidiaries conforms with laws, regulations, and the articles of incorporation, and shall request regular inspections and receive reports on the results.
(5) The Company shall establish and maintain an internal reporting system as an internal reporting framework for itself or subsidiaries in case Executive Officers or employees identify illegal business acts, etc. in subsidiaries and make efforts for early detection and correction of wrongdoing, etc.
(6) The Company shall set up an Audit Department as an organization for internal audits, and shall perform systematic audits of the business operations of the Group.

[Audit and Supervisory Committee]
7. Framework to ensure that audits by the Audit and Supervisory Committee are performed effectively.
(1) An Audit and Supervisory Committee Office shall be set up as an organization to assist the Audit and Supervisory Committee in its duties, and the Company shall allocate dedicated staff to this Office from among its employees.
(2) In addition, the Company shall make it widely known among executives and employees that supporting staff are to obey the instructions of the Audit and Supervisory Committee.
(3) Appointment of such supporting staff shall require the consent of the Audit and Supervisory Committee.
(4) A system shall be established to ensure that the Company's Audit and Supervisory Committee can receive regular reports on performance of duties from the Directors, Executive Officers and employees of the Company or its subsidiaries.
(5) A system shall be established to ensure that the Audit and Supervisory Committee can collect information on the status of performance of duties relating to each business division, etc. by the Directors, Executive Officers and employees of the Company and its subsidiaries.
(6) Directors of the Company or its subsidiaries shall report to the Company's Audit and Supervisory Committee when matters that may cause significant damages to the Company, material violations of laws/Articles of Incorporation, or other material compliance matters occur.
(7) The Audit and Supervisory Committee shall have Audit and Supervisory Committee Members or supporting staff attend important meetings as necessary, with the aim of gaining an understanding of the process for making important decisions and of the state of business execution.
(8) At the request of the Audit and Supervisory Committee, the Representative Directors or Directors of the Company or its subsidiaries shall attend meetings held by the Audit and Supervisory Committee to exchange opinions.
(9) The Audit and Supervisory Committee shall put in place a framework to enable it to share appropriate information in a timely manner and achieve mutual understanding with the Audit & Supervisory Board Members, etc. of subsidiaries.
(10) The Audit and Supervisory Committee shall work closely with the Accounting Auditors, proactively exchanging opinions and information, and working for efficient performance of audits.
(11) A framework shall be established to ensure that the person reporting to the Company's Audit and Supervisory Committee Members shall not receive disadvantageous treatment for the reason of making the report in the preceding Item.
(12) A framework shall be established with respect to procedures for advance payment or repayment of expenses arising from performance of duties of Audit and Supervisory Committee 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 and Supervisory Committee Members.

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 UPDATED

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

Following the resolution adopted at the 95th Annual General Meeting of Shareholders held on June 24, 2026, the Company's corporate governance structure and the composition of the Board of Directors, the Audit and Supervisory Committee, the Governance and Executive Nomination Committee, and the Executive Compensation Committee are as follows.