



# Integrated Report

2022

Suzuki Motor Corporation



## Integrated Report 2022

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### Editorial Policy

#### About this report

In order for the Suzuki Group to continuously grow for the next 100 years, the Company is promoting various initiatives. This report was published to help our stakeholders including shareholders, investors, and employees, to understand those initiatives. Financial and non-financial information are also available at our website.

#### Period covered

The period covered by this report is FY2021 (from April 1, 2021 through March 31, 2022). However, this report also contains descriptions of some activities which took place before or after that time period.

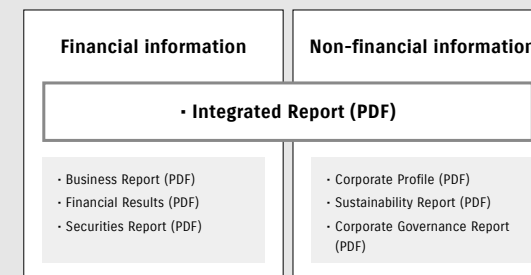
#### Information covered

This report covers information about not only Suzuki Motor Corporation, but also domestic and overseas Suzuki Group companies. (Unless "Group companies," "dealers," or "overseas" are indicated in each description, the information is related to Suzuki Motor Corporation alone.)

#### Referred guidelines

Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation by the Ministry of Economy, Trade and Industry International Integrated Reporting Framework by The International Integrated Reporting Council (IIRC) and other guidelines

#### Information disclosure system



#### Caution with respect to forward-looking statements

This report contains forward-looking statements based on the Company's judgments in line with current assumptions and information available at the time of publication. Therefore, these forward-looking statements involve risks and uncertainties. The Company does not guarantee that such forward-looking statements will be realized.

Please be advised that actual results may differ materially from those expressed or implied in the Company's forward-looking statements as a result of changes in a variety of factors.

Factors that may affect actual results include economic conditions and trends in demand in major markets, as well as volatility in foreign exchange rates (mainly the US dollar/yen, euro/yen, and Indian rupee/yen rates).

## Message from the President

# We will deliver products and services of superior value, with the aim of being a company that is essential to people and society



Toshihiro Suzuki  
Representative Director and  
President

### Reflections on Suzuki's strengths as it celebrates its 103rd anniversary

Suzuki was founded in 1920 with loom manufacturing as its first business. In 1952, Suzuki entered the motor-vehicle field with the launch of the Power Free 36cc, 2-cycle auxiliary bicycle engine. Since then, Suzuki has contributed to people's comfortable and fulfilling lives by providing user-friendly and affordable products, including motorcycles and automobiles. The Company has expanded its business not just throughout Japan, but also to international markets, providing people worldwide with a "means of mobility." We have continued to make every effort to improve the daily lives of our customers as well as promote economic and social development. We are proud that we will soon be celebrating our 103rd anniversary.

Suzuki's strengths include its extensive product lineup, which it has developed over many years, and its unique value chain, which enables it to deliver those products to customers around the world. Customers all across the world have

embraced our diverse product offerings, which include automobiles, motorcycles, outboard motors and electric senior vehicles. This has allowed us to establish a strong management platform that is adaptable to changes in the external environment. Furthermore, Suzuki will move beyond the development, production, and popularization of products and services that satisfy customers' diverse needs. Looking ahead, we will meet the challenge of creating innovative next-generation mobility services that have an impact on people's daily lives and transportation infrastructure.

### Changes in the automobile industry's environment and Suzuki's response

The global automobile industry is in the midst of a once-in-a-century transformation period. The industry must tackle priorities such as contributing to carbon neutrality through environmental technology and sophistication of autonomous technologies that lead to improved traffic safety. These priorities have emerged as the key issues that will determine the

future success of automakers.

Among the many challenges facing the automobile industry, we are placing special emphasis on electrification initiatives to achieve carbon neutrality. Numerous automakers around the world are making a profound shift from traditional gasoline and hybrid vehicles to electric vehicles (EVs). Customers who are thinking about buying a car are increasingly asking us about the EV strategies that Suzuki will employ. Although we are moving forward with development in order to launch an EV into the market as soon as possible, I believe that we must also assess the EV product's design and the timing of its introduction to the market with a level head. For example, numerous customers drive Suzuki's compact cars, an area where we excel, because they support the affordability of those cars. A rise in the product price following the transition to EVs could diminish these advantages that Suzuki has in compact cars. We must also be cautious about whether the EV usage environment will be sufficiently developed in the future, particularly the expansion of charging infrastructure, which has a direct impact on user convenience. Suzuki will develop the right EVs for the right place at the right time, so to speak, that fit customer needs and usage patterns by balancing cost, driving range, and equipment. Our policy is to introduce EVs to the market at the proper time.

### Aiming to be a company essential to people and society

The outlook for the automobile industry's environment remains unpredictable, primarily due to increased global geopolitical risk and supply chain disruptions, in addition to the change of the whole life-style of human beings as a result of the spread of COVID-19. Automobile production constraints caused by tight supplies of semiconductors have not yet been completely alleviated. Under these conditions, we will continue to be cognizant of structural transformation, risk minimization, and sowing the seeds for the future, as we go about our daily operations.



As part of our structural transformation efforts, we will focus on simplifying operations, improving our corporate culture, and developing human resources. To dedicate ourselves to new types of work in areas such as electrification, carbon neutrality, and connectivity, we will identify wasteful jobs and processes that do not add value, and simplify operations by ceasing, changing, and systematizing operations in that sequence. Rather than thinking like we always have, we will need to transform our own mindset to deal with disruptive changes in conditions, as we harness digital technologies and other resources as needed. Transforming our corporate culture is another priority. Here, we will reaffirm the principle to “Establish a refreshing and innovative company through teamwork,” which is laid out in Suzuki’s Mission Statement, and foster a lively organization and an ambitious corporate culture by encouraging thorough communication among employees. We are also devoting considerable effort to diversity programs. In order to make our workplaces comfortable and productive for both men and women, we have already begun revising various systems, such as childcare leave. Human capital management has recently emerged as a key perspective on human resource development, and through this lens we will view education and training programs as forward-looking investments in our personnel. We will develop human resources to ensure that all employees can implement our Mission Statement and create corporate value.

In an effort to minimize risk, we have developed a system that can assess the impact of semiconductor shortages on production early on and adapt flexibly. We have accomplished this by requesting that our business partners maintain sufficient inventory and by visualizing our supply chains based on

our trusting relationships with them. It is also crucial that we increase our efforts to enforce compliance. Suzuki inadvertently triggered two separate cases of misconduct relating to fuel efficiency and emissions tests in 2016 and final inspections in 2018. Since then, we have worked hard to restore trust by carefully adopting recurrence prevention measures and increasing compliance awareness among employees. These efforts are never-ending. We have commenced operations at the Kosai Plant’s new final inspection building, and have put in place a mechanism to ensure that tests are performed correctly using cutting-edge equipment. Moreover, we have continued to conduct Remember 5.18 activities, which are conducted annually with participation by all officers and employees, to ensure that the incidents of misconduct are not forgotten. We are determined to build a robust compliance system in terms of both tangible and intangible factors.

In terms of sowing the seeds for the future, we will work on carbon neutrality in India, Suzuki’s largest market. The Indian government aims to achieve carbon neutrality in 2070, which is far later than Japan’s target year of 2050. In India, there are still concerns about the supply of stable electricity, and fossil fuels play an important role in the power mix. Furthermore, the number of customers who can afford to buy expensive EVs is limited. In this context, Suzuki will need to collaborate with individuals to promote carbon neutrality so that India may strengthen its economy and its people can enjoy greater prosperity.

Specifically, we are focusing on the business of refining biogas obtained from cow dung. Cows are plentiful in India, and their dung produces methane, a gas with a high greenhouse gas effect. We are considering refining carbon neutral fuel for automobiles from this methane. This business is also expected to have other benefits, such as revitalizing farming communities, creating new jobs, and improving the energy self-sufficiency rate.

In terms of EVs, starting with the introduction of commercial mini-vehicle EVs in Japan in FY2023, we will then launch EVs in Europe and India in FY2024. Regarding Japanese mini-commercial vehicles, we are pursuing development while researching on-site usage patterns, driving characteristics and other factors, and coordinating our efforts with the Commercial Japan Partnership (CJP). For mini-EVs, we would like to explore questions such as “How do people truly use

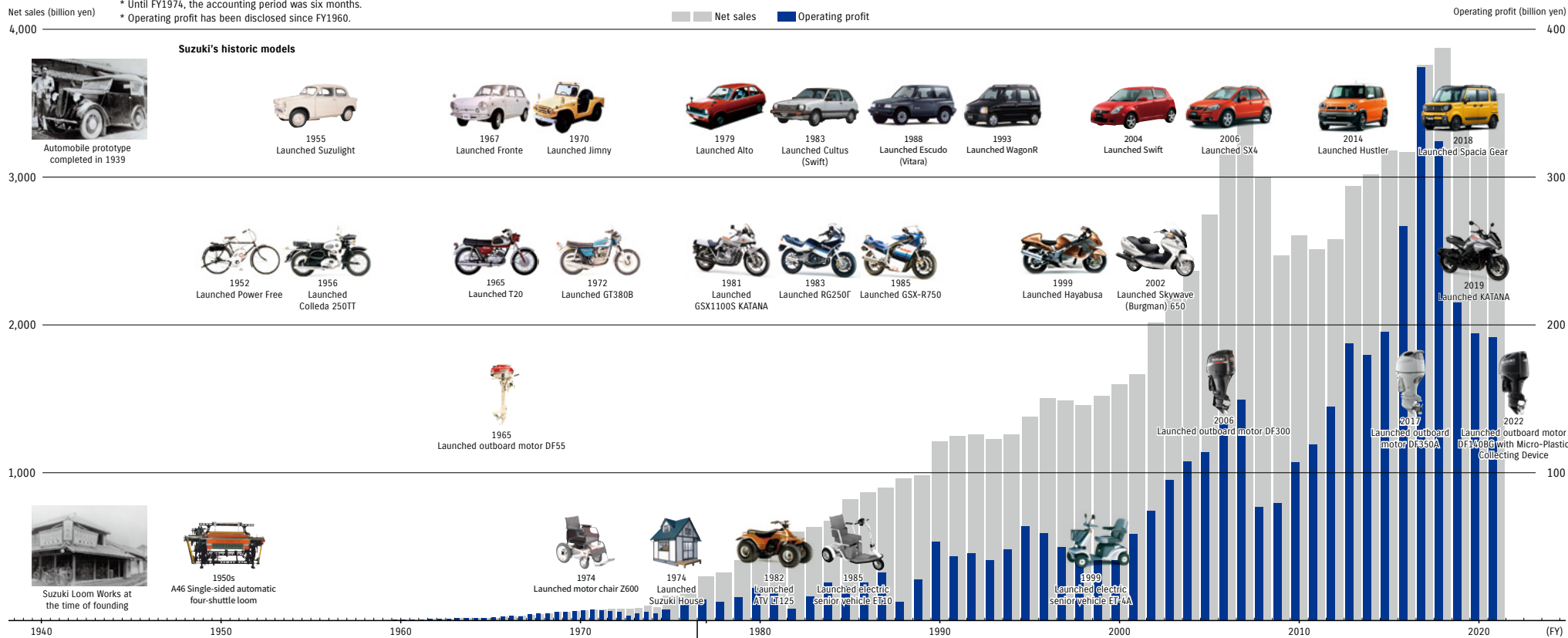
mini-vehicles as a means of mobility in regional areas of Japan?” and “What would an EV look like that customers who are now driving Suzuki vehicles could switch to without difficulty?” We will seek answers by confirming the “Three Actuals”—visiting the actual place, seeing the actual thing and understanding the actual situation, in order to develop the right EVs for the right place at the right time. We would like to develop products with value that only Suzuki can offer and that customers do not yet realize they need. Through our products, we want customers to say things like “This is the type of car I was looking for,” or “I really appreciate this service,” referring to their whole experience with Suzuki, including how products are sold and what kinds of services are provided.

Once again, I believe that the ideal profile of Suzuki for the future is to become a lifestyle infrastructure company that makes people happy and healthy and revitalizes the economy by resolving the daily mobility issues of numerous people through efforts such as the construction of infrastructure and the introduction of next-generation mobility services. We will continue to deliver products and services of superior value, with the aim of being a company that is essential to people and society. As we pursue sustained growth in our corporate value, we will also work diligently toward carbon neutrality and the realization of a sustainable society.



# Growth History

\* The graph below is based on non-consolidated figures until FY1976 and consolidated figures from FY1977.  
 \* Until FY1974, the accounting period was six months.  
 \* Operating profit has been disclosed since FY1960.



Growth History

## Major management topics

### Starting out as a loom manufacturer, ambition for cars

Year	Month	Topic
1909	Oct.	Michio Suzuki founded Suzuki Loom Works
1911	-	Invented an upper and lower shuttle device and developed a two-shuttle tread loom that can weave striped patterns
1912	-	Invented a warp regulator, thereby completing the development of the Suzuki Power Loom
1920	Mar.	Suzuki Loom Manufacturing Co. incorporated with Michio Suzuki as president
1929	-	Invented a card-saving device for the quad-shuttle loom, thereby completing the development of a sarong loom
1930	-	Started exporting a sarong loom to Southeast Asia
1936	Aug.	Commenced research on automobiles
1937	-	Succeeded in developing an engine prototype
1939	-	Completed a small four-wheel sedan prototype
1941	-	Halted research on automobiles

### Transformation to an automobile manufacturer

Year	Month	Topic
1952	Jun.	Announced the Power Free bicycle engine, entering the transportation equipment field
1954	Jan.	Commenced research on mini-cars
1955	Jun.	Company name changed to Suzuki Motor Co., Ltd.
1957	Oct.	Launched the Suzulight, blazing a trail for mini-cars
1957	Feb.	Shunzo Suzuki appointed as president
1962	Mar.	Mission Statement established
1965	Apr.	Entered the outboard motor field
1973	May	Jitsujiro Suzuki appointed as president
1974	Apr.	Entered the medical equipment field
1974	Aug.	Entered the housing field
1975	-	Suffered severe difficulties owing to delays in compliance with car emission regulations
1978	Jun.	Osamu Suzuki appointed as president

### Taking on the world: Growth as a global company

Year	Month	Topic
1981	Aug.	Entered into business tie-up with General Motors Corp. (GM)
1982	Sep.	Commenced automobile production at Pak Suzuki Motor Co., Ltd. in Pakistan
1983	Dec.	Commenced automobile production at Maruti Udyog Ltd. (currently Maruti Suzuki India Limited) in India
1990	Oct.	Company name changed to Suzuki Motor Corporation
1992	Oct.	Commenced automobile production at Magyar Suzuki Corporation Ltd. in Hungary
2000	Jun.	Masao Toda appointed as president Osamu Suzuki appointed as chairman and CEO
2003	Apr.	Hiroshi Tsuda appointed as president
2008	Nov.	Dissolved business tie-up with GM
2008	Dec.	Chairman and CEO Osamu Suzuki additionally appointed as president
2009	Dec.	Signed framework agreement with Volkswagen AG (VW) for a comprehensive partnership

### Working toward the next 100 years

Year	Month	Topic
2015	Jun.	Toshihiro Suzuki appointed as president
2015	Aug.	Announced the Mid-Term Management Plan SUZUKI NEXT 100
2015	Sep.	Acquired all the shares of Suzuki held by VW
2017	Feb.	Commenced automobile production at Suzuki Motor Gujarat Private Limited in India Concluded memorandum toward business partnership with Toyota
2017	Apr.	Reached basic agreement with Toshiba and Denso to establish a joint venture company for production of automotive lithium-ion battery packs in India
2019	Aug.	Entered into capital alliance agreement with Toyota
2020	Mar.	Celebrated 100th anniversary
2021	Nov.	Announced the Suzuki Environmental Vision 2050
2021	Feb.	Announced the new Mid-Term Management Plan (April 2021 to March 2026) "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)"
2022	Mar.	Invested approx. ¥150 billion in manufacturing of battery electric vehicles (BEVs) and automotive batteries in India

# Financial and Non-Financial Highlights

## Suzuki's strengths

Strength	Reference
<p><b>Penetration of hybrid vehicles</b></p> <p>Suzuki has been working to popularize hybrid electric vehicles (HEVs) as part of its efforts against climate change. In FY2021, HEVs accounted for 23% of Suzuki's global sales. HEVs accounted for over half of sales in Japan and more than 80% of sales in Europe. We plan to focus on promoting the widespread use of HEVs in India as well.</p> <ul style="list-style-type: none"> <li>Ratio of hybrid models (FY2021)                             <ul style="list-style-type: none"> <li>Japan ..... <b>51.7%</b></li> <li>India ..... <b>9.9%</b></li> <li>Europe ..... <b>86.2%</b></li> <li>Global ..... <b>23.1%</b></li> </ul> </li> </ul>	<b>P.28</b> Environmental
<p><b>Large market share in Japan and India</b></p> <p>Suzuki has also been working to popularize mini-cars in Japan and compact cars in emerging countries, which provide an indispensable means of mobility for local communities and people's daily lives. In FY2021, Suzuki's mini-car market share was 30.2% in Japan, and its passenger car market share was 43.4% in India. We will continue to aim for a mini-car market share of 30% or more in Japan and a passenger car market share of 50% or more in India.</p> <ul style="list-style-type: none"> <li>Market share (FY2021)                             <ul style="list-style-type: none"> <li>Japan (mini-cars) ..... <b>30.2%</b></li> <li>India (passenger cars) ... <b>43.4%</b></li> </ul> </li> </ul>	<b>P.17</b> Business Overview [Automobile Business]
<p><b>Sound financial condition</b></p> <p>Suzuki's consolidated profit has been positive for 71 consecutive years since the fiscal year ended November 1950. The shareholders' equity ratio was 45.2% as of March 31, 2022. We will continue working to improve the shareholders' equity ratio as an important management priority, while maintaining a healthy balance in securing funds.</p> <ul style="list-style-type: none"> <li>Consolidated profit</li> <li>Consecutive years of profits ..... <b>71</b></li> </ul>	<b>P.4</b> Growth Steps <b>P.59</b> Financial Review

## Countries where Suzuki has the No. 1 market share for automobiles (FY2021)

**12**  
countries

- Asia / Pakistan, India, Bhutan, Myanmar, Nepal
- Latin America / Barbados, Bolivia
- Africa\* / Côte d'Ivoire, Djibouti, Angola, Ethiopia
- Europe / Hungary

\* Source: Suzuki's research



Nepal

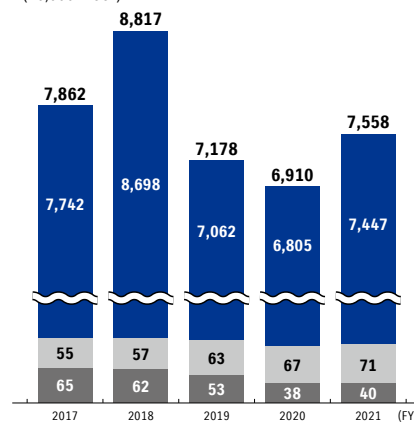


Bolivia

## Non-financial

### CO<sub>2</sub> emissions from the whole value chain

(10,000 t-CO<sub>2</sub>)



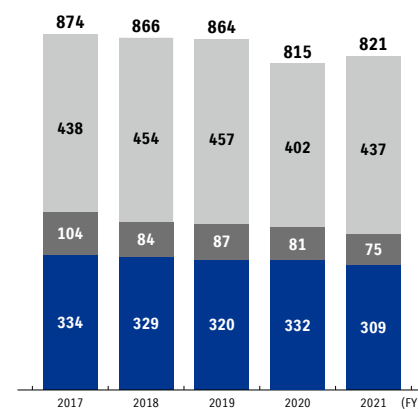
Whole value chain: Total of Scope 1, 2, and 3  
 ■ Scope 1: Direct emissions from corporate activities  
 ■ Scope 2: Indirect emissions from energy  
 ■ Scope 3: Other indirect emissions

\* Scope of aggregation: Suzuki Motor Corporation, 69 domestic manufacturing and non-manufacturing subsidiaries, and 31 overseas manufacturing and non-manufacturing subsidiaries

Historical data partially amended (Scope 1 and 2 emissions in FY2017 and Scope 2 and 3 emissions in FY2018)

### Amount of water used at plants in Japan and major overseas plants

(10,000 m<sup>3</sup>)

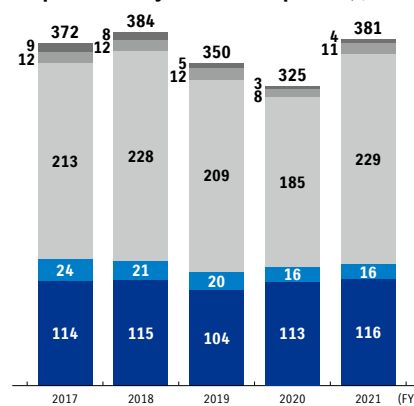


■ Overseas plants  
 ■ Domestic manufacturing subsidiaries  
 ■ Suzuki

\* Scope of aggregation: 8 plants of Suzuki Motor Corporation (Takatsuka and Toyokawa Plants included until July 2018), 4 domestic manufacturing subsidiaries, and 17 overseas manufacturing subsidiaries

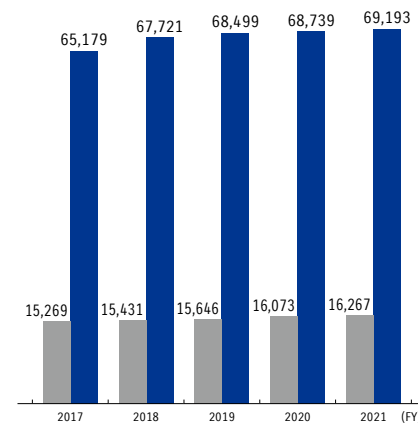
### Total waste discharge amount at plants in Japan and major overseas plants

(1,000 tons)



■ Thailand ■ Indonesia ■ India  
 ■ Domestic manufacturing subsidiaries ■ Suzuki

### No. of employees (Persons)

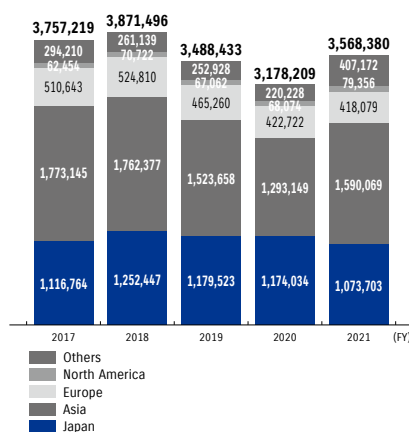


■ Non-consolidated  
 ■ Consolidated

## Financial

### Net sales by geographic region

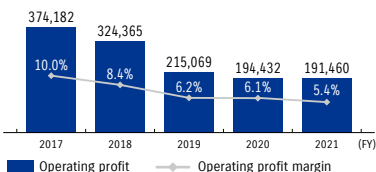
(Million yen)



Consolidated net sales amounted to ¥3,568.4 billion. Despite shortages in the supply of components, including semiconductors, net sales increased by ¥390.2 billion compared with the previous fiscal year when there was a serious impact from the global COVID-19 pandemic. In the automobile business, net sales surpassed the levels in the previous fiscal year and the fiscal year before that, while operating profit fell below the levels in the previous two fiscal years. In the motorcycle business, net sales increased due to factors such as the positive effect of introducing the all-new Hayabusa and structural improvements in the marine business, net sales increased as sales of outboard motors remained firm in North America. In terms of net sales by geographic region, net sales increased in Asia and Others, but declined in Japan and Europe.

### Operating profit

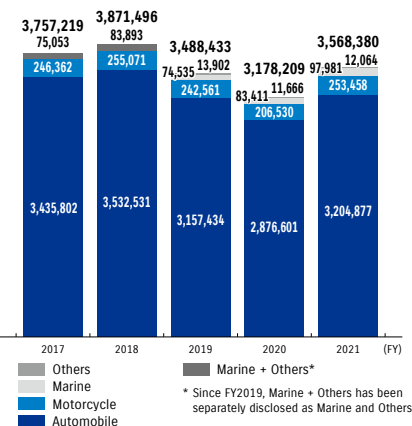
(Million yen)



Operating profit decreased ¥2.9 billion (1.5%) year on year to ¥191.5 billion, due mainly to soaring raw material costs.

### Net sales by segment

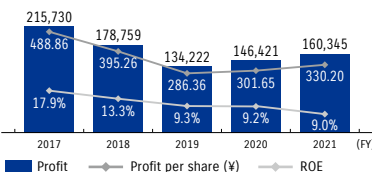
(Million yen)



\* Since FY2019, Marine + Others has been separately disclosed as Marine and Others.

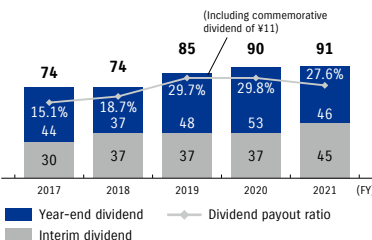
### Profit attributable to owners of parent

(Million yen)



Profit attributable to owners of parent increased ¥13.9 billion (9.5%) from the previous fiscal year to ¥160.3 billion.

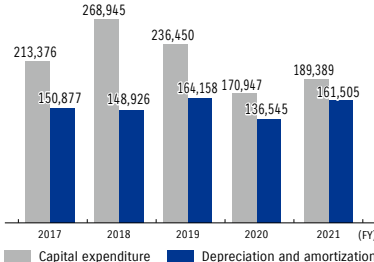
### Dividends (¥)



Difficult conditions, such as component supply shortages and soaring raw materials prices, are likely to continue. However, considering the importance of balancing growth investments in priorities such as CASE and carbon neutrality and returns to shareholders, annual dividends per share were set at ¥91 per share, an increase of ¥1 per share from the previous fiscal year.

### Capital expenditure / Depreciation and amortization

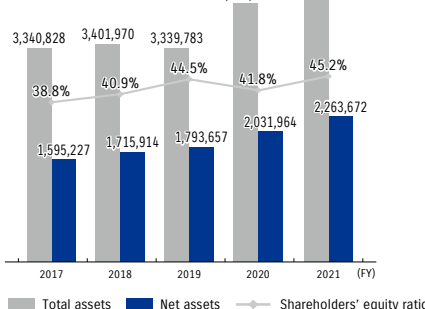
(Million yen)



In the automobile business, investments were made in quality improvements and new products at the Company and production capacity was ramped up at an Indian subsidiary. As a result, capital expenditure increased ¥18.4 billion for the entire Group.

### Total assets / Net assets / Shareholders' equity ratio

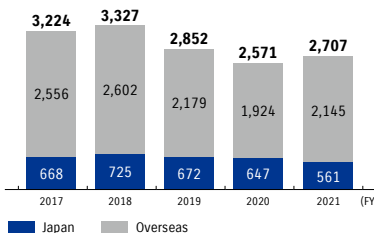
(Million yen)



Total assets were ¥4,155.2 billion (an increase of ¥118.8 billion from the end of the previous fiscal year). In terms of borrowings, the Company borrowed ¥400 billion in the consolidated first quarter of the previous fiscal year amid the global COVID-19 pandemic. Considering the uncertain outlook for the future business environment, including semiconductor shortages, the Company intends to maintain the current level of borrowings. The shareholders' equity ratio was 45.2% as of the end of the consolidated fiscal year ended March 31, 2022, recovering to the level at the close of the fiscal year ended March 31, 2020.

### Automobile sales

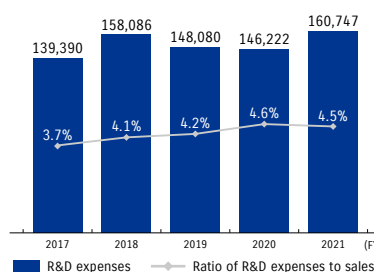
(Thousand units)



Global sales of automobiles increased year on year, with automobile sales increasing in regions other than Japan (such as Pakistan, India and certain other regions).

### R&D expenses

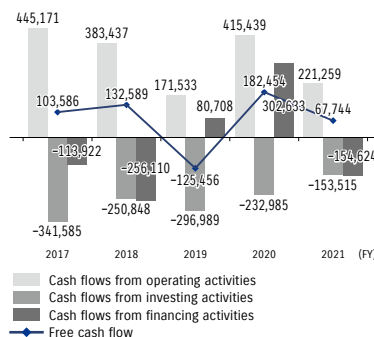
(Million yen)



R&D expenses for the entire Group were ¥160.7 billion. By segment, R&D expenses were ¥144.6 billion for automobiles, ¥12.1 billion for motorcycles, and ¥3.8 billion for marine and others.

### Cash flows

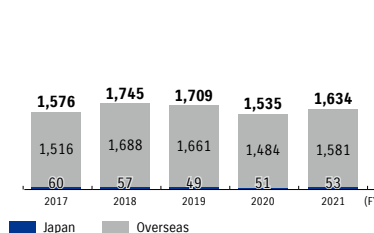
(Million yen)



Due to a decrease in cash flows from operating activities, free cash flow was held to positive ¥67.8 billion, a decline of ¥114.6 billion from positive ¥182.4 billion in the previous fiscal year.

### Motorcycle sales

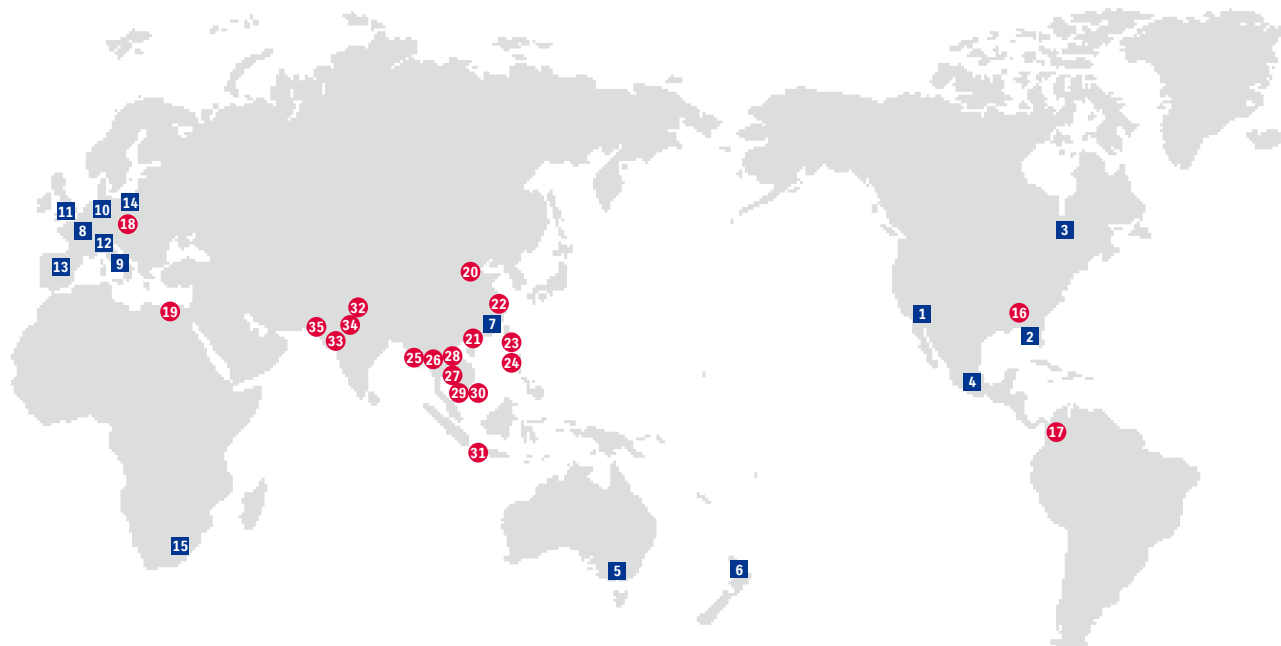
(Thousand units)



Global sales of motorcycles increased in countries such as India, China and the Philippines.

# Global Network

Endearing, user-friendly, and high-quality Suzuki products have captured the hearts of customers in each country and area worldwide.



### Major overseas distributors

	★ Sales		
	Automobile	Motorcycle	Outboard motor
1 Suzuki Motor USA, LLC (USA)		★	
2 Suzuki Marine USA, LLC (USA)			★
3 Suzuki Canada Inc. (Canada)		★	★
4 Suzuki Motor de Mexico, S.A. de C.V. (Mexico)	★	★	★
5 Suzuki Australia Pty. Ltd. (Australia)	★	★	★
6 Suzuki New Zealand Ltd. (New Zealand)	★	★	★
7 Suzuki Motor (China) Investment Co., Ltd. (China)		★	★
8 Suzuki France S.A.S. (France)	★	★	★
9 Suzuki Italia S.p.A. (Italy)	★	★	★
10 Suzuki Deutschland GmbH (Germany)	★	★	★
11 Suzuki GB PLC (UK)	★	★	★
12 Suzuki Austria Automobil Handels GmbH (Austria)	★	★	
13 Suzuki Motor Iberica S.A.U. (Spain)	★	★	
14 Suzuki Motor Poland sp. z o.o. (Poland)	★	★	★
15 Suzuki Auto South Africa (Pty.) Ltd. (South Africa)	★	★	★

### Major overseas manufacturing companies

	★ Sales			○ Production		
	Automobile	Motorcycle	Outboard motor	Automobile	Motorcycle	Outboard motor
16 Suzuki Manufacturing of America Corporation (USA)					○ (ATV)	
17 Suzuki Motor de Colombia S.A. (Colombia)					○ ★	★
18 Magyar Suzuki Corporation Ltd. (Hungary)				○ ★	★	★
19 Suzuki Egypt S.A.E. (Egypt)				○		
20 Jinan Qingqi Suzuki Motorcycle Co., Ltd. (China)					○ ★	
21 Jiangmen Dachangjiang Group Co., Ltd. (China)					○ ★	
22 Changzhou Haojue Suzuki Motorcycle Co., Ltd. (China)					○ ★	
23 Tai Ling Motor Co., Ltd. (Taiwan)					○ ★	
24 Suzuki Philippines Inc. (Philippines)				★	○ ★	★
25 Suzuki (Myanmar) Motor Co., Ltd. (Myanmar)				○ ★	★	
26 Suzuki Thilawa Motor Co., Ltd. (Myanmar)				○ ★		
27 Suzuki Motor (Thailand) Co., Ltd. (Thailand)				○ ★		
28 Thai Suzuki Motor Co., Ltd. (Thailand)					○ ★	○ ★
29 Cambodia Suzuki Motor Co., Ltd. (Cambodia)				★	○ ★	
30 Vietnam Suzuki Corp. (Vietnam)				○ ★	○ ★	
31 PT Suzuki Indomobil Motor (Indonesia)				○ ★	○ ★	★
32 Maruti Suzuki India Limited (India)				○ ★		
33 Suzuki Motor Gujarat Private Limited (India)				○		
34 Suzuki Motorcycle India Private Limited (India)					○ ★	
35 Pak Suzuki Motor Co., Ltd. (Pakistan)				○ ★	○ ★	★

### Locations

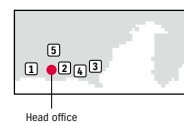
	Asia	Europe	North and Central America	South America	Africa	Middle East	Oceania	Total
Number of trading countries/regions	21	46	37	13	54	18	19	208
Number of manufacturing companies	19	1	1	3	1	1	0	26

### Domestic plants

	○ Production		
	Automobile	Motorcycle	Outboard motor
1 Kosai Plant			○
2 Iwata Plant	○		
3 Sagara Plant	○		
4 Osuka Plant		Foundry	
5 Hamamatsu Plant			○

### Number of domestic subsidiary distributors

56 companies | Sales of automobiles, motorcycles and outboard motors, etc.



18 Magyar Suzuki Corporation Ltd.



31 PT Suzuki Indomobil Motor (Cikarang Plant)



35 Pak Suzuki Motor Co., Ltd.



32 Maruti Suzuki India Limited (Gurgaon Plant)



32 Maruti Suzuki India Limited (Manesar Plant)



33 Suzuki Motor Gujarat Private Limited

The information, numerical values and other data on this page are as of March 31, 2022.



# Major Product Lineup

## Automobiles

104,000 units



**Spacia**

Sales market **J**  
Production site **J**

39,000 units



**Solio**

Sales market **J O**  
Production site **J**

375,000 units



**Alto**

Sales market **J I A O**  
Production site **J I O**

\* Global sales unit includes the overseas Alto and related models, besides the Japanese mini-car Alto (Photo: Japanese mini-car Alto)

284,000 units



**WagonR**

Sales market **J I A O**  
Production site **J I A O**

\* Global sales unit includes overseas WagonR, besides the Japanese mini-car WagonR (Photo: Japanese mini-car WagonR)

170,000 units



**Carry**

Sales market **J I A O**  
Production site **J I A O**

\* Global sales unit includes overseas Carry and related models, besides the Japanese mini-car Carry (Photo: Japanese mini-car Carry)

209,000 units



**Every**

Sales market **J I A O**  
Production site **J I A O**

312,000 units



**Swift**

Sales market **J I A E O**  
Production site **J I A O**

98,000 units



**Jimny / Jimny Sierra**

Sales market **J A E O**  
Production site **J I O**

\* Photo: Jimny Sierra

91,000 units



**Escudo (Vitara)**

Sales market **J A E O**  
Production site **E**

63,000 units



**SX4 S-CROSS**

Sales market **J I A E O**  
Production site **I E**

173,000 units



**Baleno**

Sales market **J I A E O**  
Production site **I**

168,000 units



**Dzire**

Sales market **I A O**  
Production site **I**

218,000 units



**Ertiga**

Sales market **I A O**  
Production site **I A**

121,000 units



**Brezza / Vitara Brezza**

Sales market **I A O**  
Production site **I**

## Motorcycles

6,000 units



**Hayabusa**

Sales market **J I A E N O**  
Production site **J O**

2,000 units



**KATANA**

Sales market **J A E N O**  
Production site **J O**

16,000 units



**GSX-S125/150/750/1000**

Sales market **J A E N O**  
Production site **J A O**

\* Global sales unit includes GSX-S1000F (Photo: GSX-S1000GT)

14,000 units



**GSX-R125/150/600/750/1000**

Sales market **J A E N O**  
Production site **J A O**

\* Global sales unit includes GSX-R1000R (Photo: GSX-R1000R)

31,000 units



**V-Strom 250/650/1000/1050**

Sales market **J I A E N O**  
Production site **J A O**

\* Global sales unit includes V-Strom 650XT/1000XT/1050XT (Photo: V-Strom 1050XT)

109,000 units



**GIXXER / GIXXER 250**

Sales market **J I A O**  
Production site **I A O**

\* Global sales unit includes GIXXER SF / GIXXER SF250 (Photo: GIXXER)

471,000 units



**Access 125 / Address 125**

Sales market **I A O**  
Production site **I O**

## Outboard motors



**DF350A**

Sales market **J A E N O**  
Production site **J**



**DF140BG**

Sales market **J A E N O**  
Production site **J**



**ET4D**

Sales market **J**  
Production site **J**

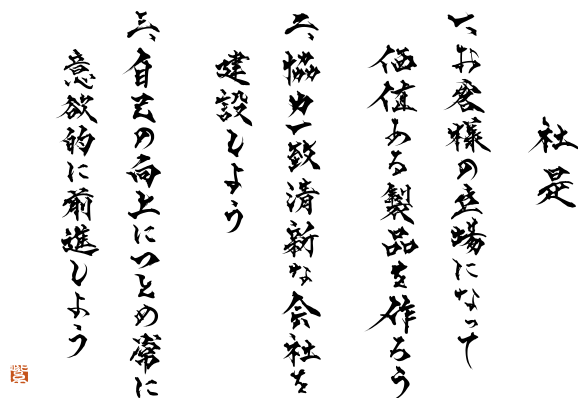
**J** Japan **I** India **A** ASEAN **E** Europe

**N** North America **O** Others

\* Units refer to global sales unit, while sales market and production site are based on FY2021 results. Photos are as of March 2022.

# Corporate Philosophy

## Mission Statement



In March 1962, Suzuki established the Mission Statement, which indicates the corporate policy of the Suzuki Group.

1. **Develop products of superior value by focusing on the customer**
2. **Establish a refreshing and innovative company through teamwork**
3. **Strive for individual excellence through continuous improvement**

The Mission Statement sets three goals for all employees of the Suzuki Group to understand and strive for: a goal toward carrying out a company's social missions (making products), a goal for the corporate organization that they belong to (building the company), and a goal for themselves (developing human resources), respectively.

With the motto "products of superior value," which is mentioned in the first paragraph of the Mission Statement, all employees of the Suzuki Group are making daily efforts as value creators.

(From "50 Years of Suzuki")

### Goal to strive for in making products

The highest goals of a company and its reason for existence are the continuous production of even better products and the development of products of superior value. We must always remember to "focus on the customer" during the process. This focus is the basis for research, and it must also be the basis for development, technology, manufacturing, and sales. This approach is founded on an awareness of factors such as quality, cost, and continuous improvement. Based on this foundation, we should consider how to incorporate these factors into our products (operations).

### Goal to strive for in building the company

The two major pillars of management are the emergence of scientific management and the democratization of management. This demonstrates the significance of human relationships in management. A company (worksite) is an organic body that has been organized into a whole from its parts. However magnificent an organization's formalisms and systems, it cannot deliver optimal overall performance unless it is managed vigorously as a functional, unified body at all times.

It follows that all employees must put their maximum effort into their jobs, thoroughly comprehend cross-organizational relationships, and engage in teamwork. They must pour their energy into developing a continually evolving, refreshing\* and attractive company (worksite).

Employees should also always maintain a Company-wide perspective so that operations do not become complacent and stagnant and are not hampered by self-righteous sectionalism. Employees should constantly strive to improve worksite morale.

\* Refreshing: A state of being energetic and lively, or having such an appearance.

### Goal to strive for in developing human resources

People have boundless potential. However, the development of their potential is entirely based on individual effort and responsibility. Continuous effort and self-improvement through training are the only ways to maximize your individual ability as a person and employee.

The Company's development can only be improved when the abilities of all employees are improved, and progress is made enthusiastically.

However, it is also the duty of each supervisor to foster employees' self-awareness as members of the organization and stimulate their motivation. It is important to keep in mind that exceptional human resources are produced through hard work and guidance.

## Philosophy of Conduct

### ■ “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)”

The phrase “Sho-Sho-Kei-Tan-Bi” is an abbreviated phrase that means “smaller, fewer, lighter, shorter, beauty” in Japanese. Suzuki’s basic policy of conducting efficient, high-quality manufacturing that eliminates waste was first expressed at its production sites using this phrase.

Thereafter, “Sho-Sho-Kei-Tan-Bi” became widely known as a motto for the entire Suzuki Group, reaching far beyond production to all manner of departments and situations, as well as its overseas operations.

The concepts highlighted by this motto are fully implemented in the manufacturing of Suzuki’s products. Over the years, the motto has become well established within Suzuki as words that simply express Suzuki’s Philosophy of Conduct.

- “Smaller” leads to enhanced efficiency by making things compact,
- “Fewer” optimally distributes resources to what is most necessary by omitting waste
- “Lighter” slims down for enhanced efficiency,
- “Shorter” speeds up decision-making, action and reporting, communication, and consultation processes.
- The meaning behind “beauty” is that all activities are for the best interest of our customers, and that our customers can only be satisfied for the first time once we meet all criteria of performance, quality, cost, reliability, safety and security, and compliance.

### ■ Actual place, actual thing, actual situation

We will go directly to the actual place, see and touch the actual thing, and make realistic decisions grounded in facts.

We will thoroughly eliminate theoretical discussions, and instead observe the actual things at the actual places, recognize the actual situation and appropriately capture the essence of things. Having done so, we will work to solve problems in a realistic manner.

### ■ Lean management

The ability to always maintain quick decision-making, close inter-personal relationships, and the flexibility required to address change is often cited as an example of lean management.

Even as the size of the Company grows, every employee will work hard to ensure that Suzuki does not succumb to big company disease. To fulfill our social missions, we will continue to boldly tackle challenges.

**Mission**  
Continue to be an indispensable presence by staying closely attuned to people’s lives and providing a means of mobility for local communities



Corporate Philosophy

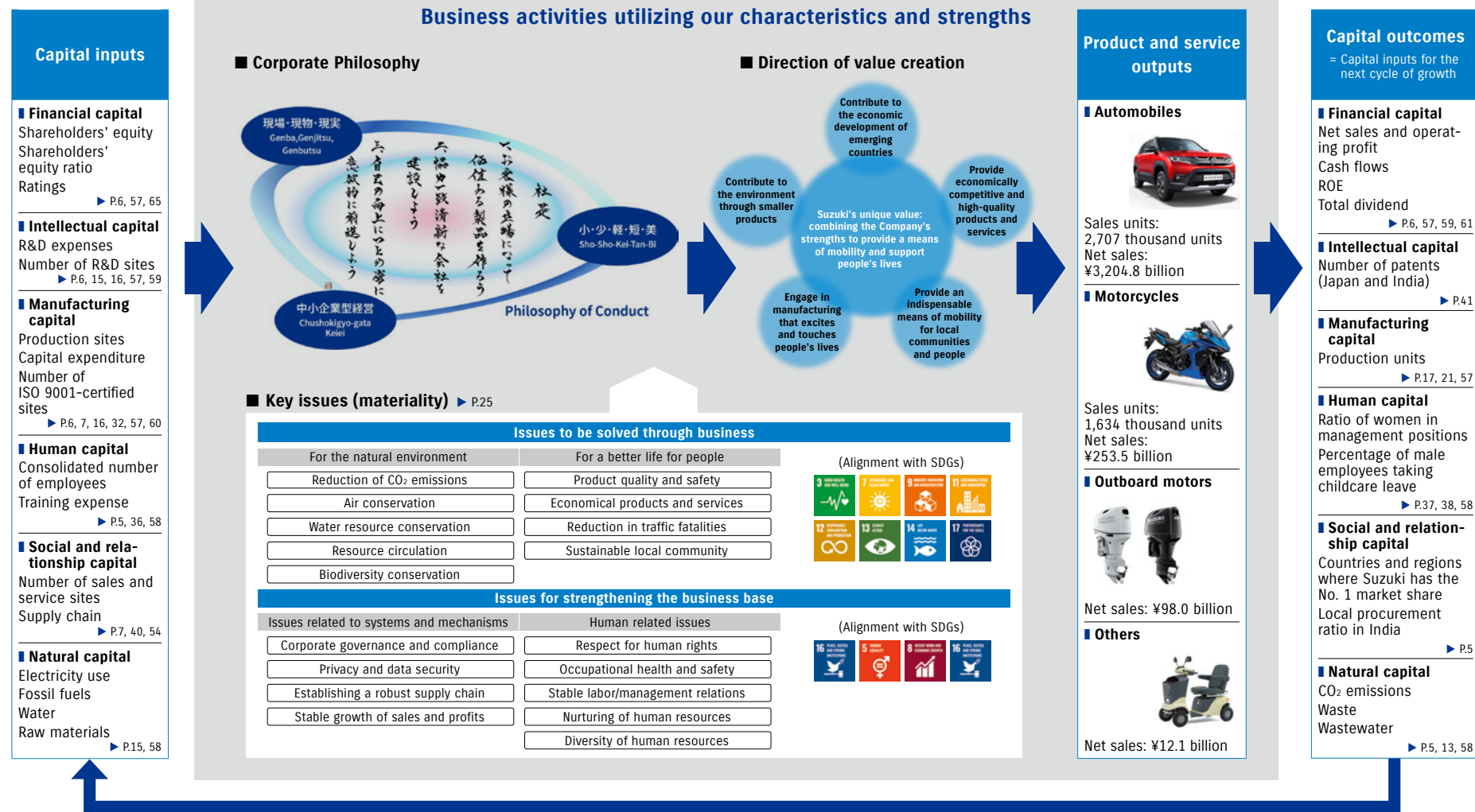
# Suzuki's Value Creation Process

Suzuki invests its capital and conducts business activities utilizing its characteristics and strengths, with the entire Company pulling together to fulfill Suzuki's mission.

**Mission**  
 Continue to be an indispensable presence by staying closely attuned to people's lives and providing a means of mobility for local communities

We will generate capital as outcomes from our activities and will reinvest that capital in our next stage of business activities, thereby paving the way for further growth.

Aim for sustainable growth by solving social issues through business activities ▶ P.12 (Growth Strategy)



Suzuki's Value Creation Process

## Special Feature Suzuki's Growth Strategy for FY2030

On January 26, 2023, Suzuki held a briefing on its Growth Strategy for FY2030.

With the motto to deliver “value-packed products” by focusing on the customer, Suzuki will carry out its unique Growth Strategy for FY2030 by operating under the principle of manufacturing “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty),” “Lean Management” which emphasizes flexibility, agility, and the challenging spirit, and the “Three Actuals” principle, which omits impracticality and focuses on the actual place, thing, and situation.

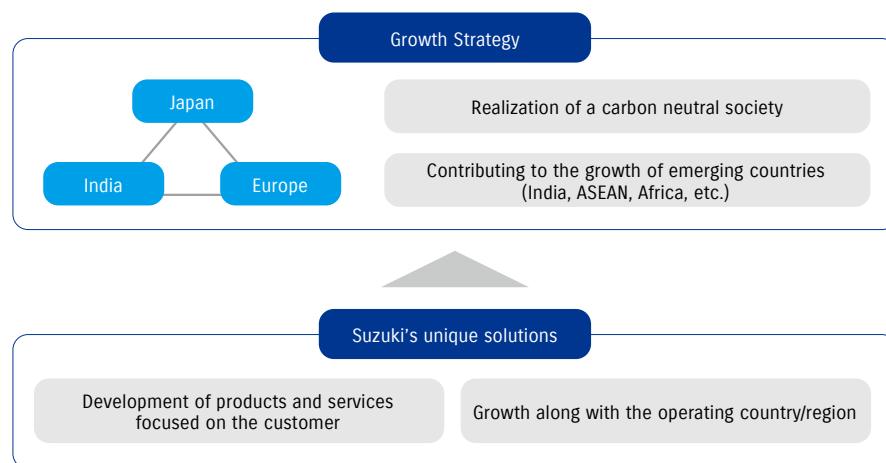


President Suzuki announces growth strategy (January 26, 2023)

### Outline of the growth strategy

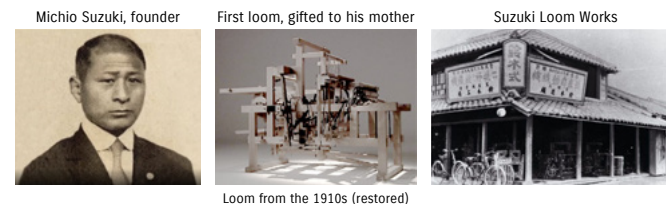
For FY2030, Suzuki will contribute to the realization of a carbon neutral society and the economic growth of emerging countries such as India, ASEAN, and Africa, with our main business regions, Japan, India, and Europe, as the core.

We will focus on creating solutions that are unique to Suzuki, which are to develop products and services focused on the customer, and grow along with the operating countries and regions.



### Suzuki's history

In 1908, founder Michio Suzuki made a loom by hand in order to make his mother's work easier, which led to the founding of Suzuki Loom Works. A desire to solve the problems of its customers is where Suzuki started. It began as a loom business and expanded into multiple businesses.



In 1952, the history of Suzuki motorcycles began with the launch of the Power Free bicycle with an attached engine, which delighted customers by enabling them to travel longer distances with ease.

Three years later, Suzuki entered the automobile sector with the launch of Suzulight, the first mass-produced mini-car in Japan, and ultimately expanded into its current business with the later addition of outboard motors and motorized wheelchairs.

In 1979, the Alto made its debut, reinventing a market for mini-cars in Japan. This led to a great leap forward in Suzuki's overseas expansion with the formation of a business alliance with General Motors. Moreover, we were able to establish a joint venture company in India because we were chosen as a partner for India's national car development initiative. Subsequently, Suzuki's reputation in India spread to Hungary, resulting in the expansion of plants into Europe.

In order to grow together with the countries and regions in which we operate, we have been contributing to economic development by expanding markets through local production overseas and by providing products and services that meet local needs.

We have also contributed to the cultivation of local industries and the creation of employment through the local procurement of parts.

We will continue to develop our mobility business centered on automobiles and provide products and services that are women-friendly and elderly-friendly and support our customers' lives and work.

### Provision of products and services that support our customers' lives and work



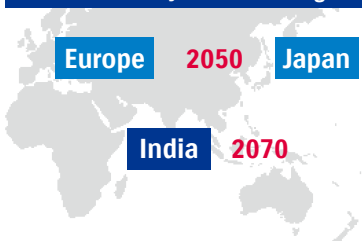
## Major Initiatives for FY2030

### Carbon neutrality

Based on the target date set by each government, Suzuki aims to achieve carbon neutrality in Japan and Europe by 2050 and in India by 2070.

We will continue to strive to achieve our carbon neutral goals for each region, based on our mindset to expand our customers' choices and deliver products and services that meet the needs of each region.

### Carbon neutrality achievement goals

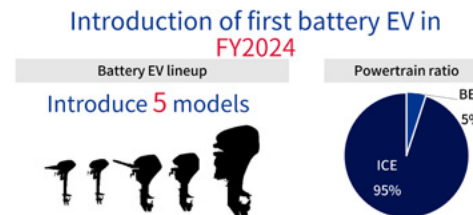
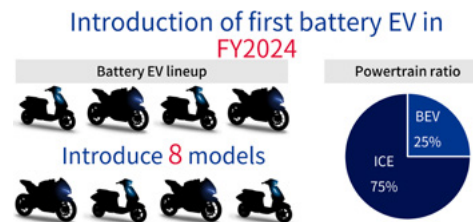
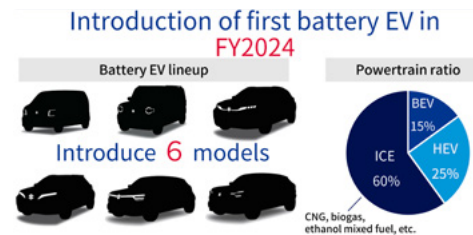
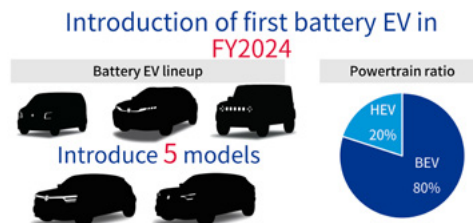
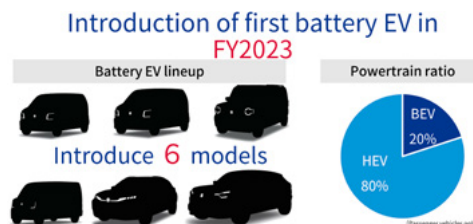


## Products

### Automobiles

In Japan, starting with the introduction of commercial mini-vehicle battery EVs in FY2023, we plan to introduce compact SUVs and passenger mini-vehicles, with 6 models to be launched by FY2030. In addition, we will develop new hybrids for mini and compact vehicles, and by combining them with battery EVs, we will offer various options for our customers.

In Europe, we will introduce battery EVs in FY2024, expand to SUVs and B-segments, with 5 models to be launched by FY2030. We will respond flexibly to environmental regulations and customer needs in each European country.



In India, we will introduce the SUV battery EV announced at the Auto Expo 2023 in FY2024, with 6 models to be launched by FY2030. To provide a full range of products and services, Suzuki will provide not only battery EVs but also carbon neutral internal combustion engine vehicles that use CNG, bio-gas, and ethanol mixed fuels.

### Motorcycles

For small and mid-sized motorcycles, which are used for daily transportation such as commuting to work, school or shopping, we will introduce a battery EV in FY2024. We plan to launch 8 models by FY2030 with a battery EV ratio of 25%. For large motorcycles for leisure purposes, we are considering adopting carbon neutral fuels.

### Outboard motors

For small outboard motors that are often used in lakes and rivers, we will introduce battery EVs in FY2024. We plan to launch 5 models by FY2030 with a battery EV ratio of 5%. For large outboard motors used in the ocean, we are considering adopting carbon neutral fuels.

### New electric mobility

Suzuki has proposed a variety of electric mobility options, including the electro senior vehicle, which is a new mode of transportation for people who have voluntarily returned their driver's licenses, the KUP0, which is an evolution of the senior vehicles, and the Mobile Mover\*, a multi-purpose robotic dolly being developed in collaboration with M2 Labo. We will take on the challenge of small mobility which supports our lives in new market segments created by the diversification of customer needs and changes in the environment.

\* Mobile Mover is a registered trademark of M2 Labo.

## Manufacturing

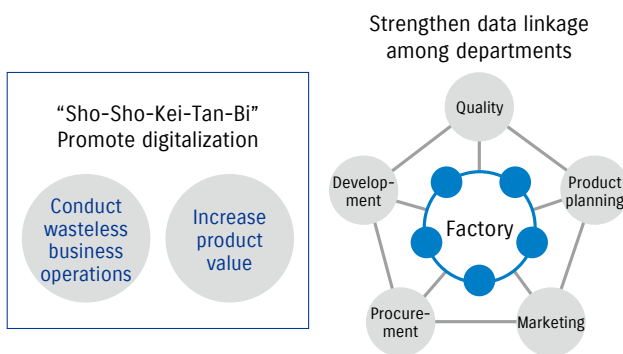
Suzuki will challenge to achieve carbon neutrality of domestic plants in FY2035.

### Carbon neutrality of domestic plants

FY2035

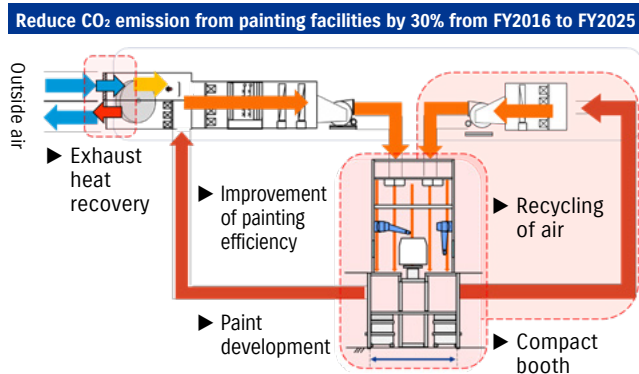
#### Suzuki Smart Factory Creation

We are promoting the Suzuki Smart Factory Creation by drawing out how manufacturing should be in 2030, so that we continue to become a company that secures people's means of mobility worldwide. By combining Suzuki's principle of manufacturing "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)" with digitalization, we will optimize, minimize, and simplify the flow of data, things, and energy. Through these initiatives, we will become lean and tackle for carbon neutrality.

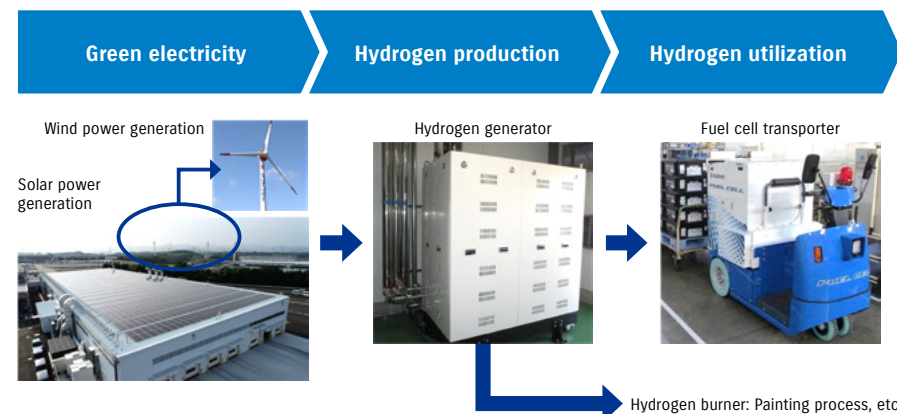


#### Initiatives by domestic plants

At the Kosai Plant, which is Suzuki's largest production hub in Japan, efforts are made to reduce CO<sub>2</sub> emission of painting facilities by 30% through renewal of painting facilities and improvement of painting technologies for efficient and optimal use of energy.

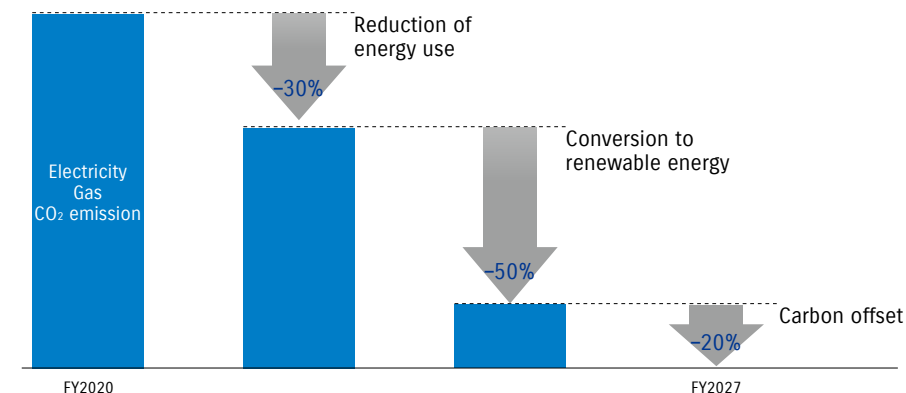


The plant also produces green hydrogen from renewable energies including solar power generation. The hydrogen is utilized for verification test of fuel cell transporter, which started from the end of 2022.



At the Hamamatsu Plant, which is the motorcycle production hub, through reduction of energy use and conversion into renewable energy including the expansion of solar power generation facilities, the plant will now target to achieve carbon neutrality in FY2027, earlier than its initial target of 2030. By utilizing the know-hows earned at the Hamamatsu Plant to other plants, we will make initiatives to achieve carbon neutrality of all domestic plants in FY2035.

#### Carbon neutrality of Hamamatsu Pant in 2030 → FY2027

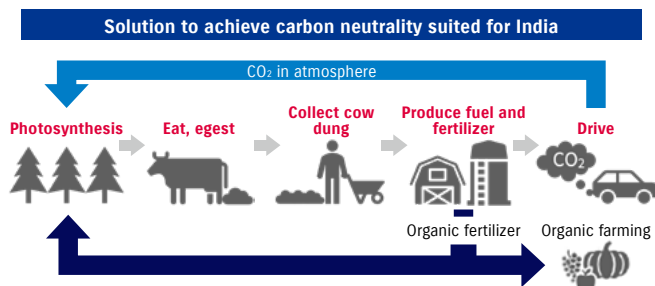


### Biogas business in India

While we expect the Indian market to grow toward FY2030, we also expect that increase in total CO<sub>2</sub> emission amount is unavoidable, regardless of reduction in CO<sub>2</sub> emission from products. We will challenge to strike a balance between increasing sales units and reducing total CO<sub>2</sub> emission amount.

Suzuki's unique initiative to tackle this challenge is the biogas business, in which biogas derived from cow dung, which are dairy wastes that can be seen mainly in India's rural area, will be produced and supplied.

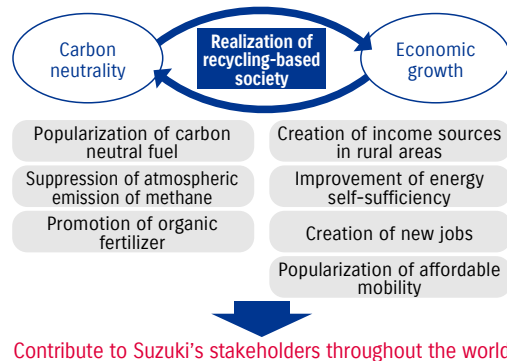
This biogas can be used for Suzuki's CNG models that account for approximately 70% of CNG car market in India.



Suzuki signed an MOU with the Indian government agency National Dairy Development Board and Banas Dairy, Asia's largest dairy manufacturer, to conduct verification of biogas. We also invested in Fujisan Asagiri Biomass LLC. that makes power generation from biogas derived from cow dung in Japan, and are beginning its study.

We believe that the biogas business in India not only contributes to carbon neutrality, but also promotes economic growth and contributes to the society of India. We are also in view of expanding the business to other farming areas in regions including Africa, ASEAN, and Japan in the future.

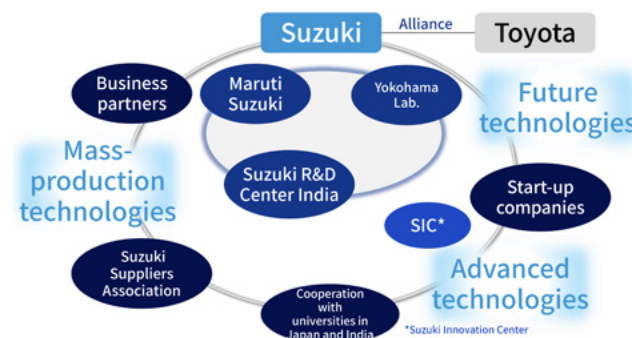
Suzuki, the market leader of India's automobile market, contributing to carbon neutrality and economic growth of emerging countries, is consistent with the intent of the Paris Agreement, which requires harmony between developed countries and emerging countries for reduction of CO<sub>2</sub> emission. We believe that we can contribute to our stakeholders throughout the world.



Contribute to Suzuki's stakeholders throughout the world

### <R&D structure and cooperation with outside partners>

Suzuki headquarters, Yokohama Lab., Suzuki R&D Center India, and Maruti Suzuki will cooperate for efficient development by sharing the development in each field of future technologies, advanced technologies, and mass-production technologies. Also, the Suzuki Innovation Center is exploring new connections and innovations for Suzuki to thoroughly take root in India. We will enhance our manufacturing strength by also cooperating with outside partners including start-up companies, Suzuki Suppliers Association, and cooperation with universities in Japan and India.



We will deepen our cooperation relationship with Toyota Motor Corporation while continuing to be a competitor, and aim for sustainable growth and conquer various issues surrounding the automobile industry. Through the cooperation, we will cooperate in development of advanced technologies including autonomous and battery of electrified cars, business expansion in promising emerging countries, efforts for carbon neutrality in India, as well as formation of a recycling-based society that considers the environment.

The Suzuki Global Ventures, a corporate venture capital fund established in 2022, is accelerating the co-creation activities with start-up companies by exceeding the framework of each company and their conventional businesses. We will make investments in areas that serve to solve customer and social issues, and contribute to development of ecosystem that grows with start-up companies.



Special Feature> Suzuki's Growth Strategy for FY2030



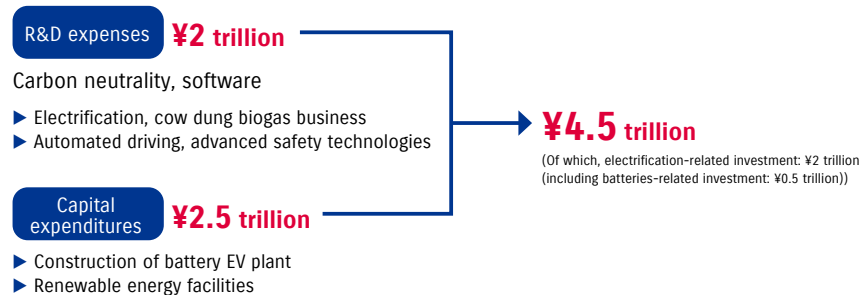
**<R&D expenses, capital expenditures>**

We will invest ¥2 trillion in R&D expenses and ¥2.5 trillion in capital expenditures, a total of ¥4.5 trillion by FY2030. Of the ¥4.5 trillion, ¥2 trillion will be electrification-related investments, of which ¥500 billion will be battery-related investments.

¥2 trillion is planned to be invested for R&D expenses in areas including carbon neutrality such as electrification and biogas, as well as autonomous.

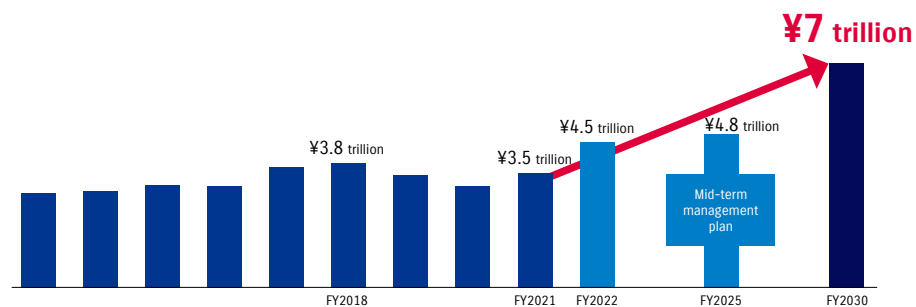
¥2.5 trillion is planned to be invested for capital expenditures in facilities including construction of BEV battery plant and renewable energy facilities.

**■ Investment of resources from FY2023 to FY2030**



**<Net sales target>**

Consolidated net sales forecast for FY2022 is ¥4.5 trillion, which is growing at a pace to exceed the ¥4.8 trillion target for FY2025 set in the mid-term management plan. We would like to grow in line with the emerging countries by contributing to their growth. We will challenge to double the FY2021 net sales result of ¥3.5 trillion to ¥7 trillion in FY2030.



In the midst of once in a hundred years of great transformation, Suzuki believes that it is important to have a sense of “excitement,” “energetic,” and “unique” in our products, even when we are challenging to strike a balance between carbon neutrality and contribution to growth of emerging countries. Our automobiles, motorcycles, outboard motors, and electro senior vehicles have always received enthusiastic support from our customers, by being practical yet having emotional characters.

Suzuki employees throughout the world will unite as one to continue our challenges so that we can deliver products and services that support the daily lives of customers worldwide while being eco-friendly, the one that’s always besides you to depend on, like a lifestyle partner.



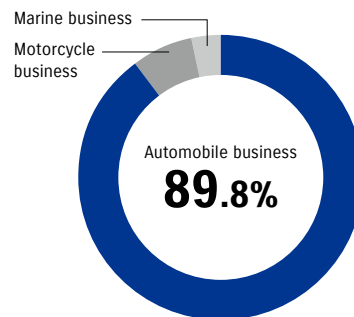
# Business Overview [Automobile Business]

## Business policy

In Japan, the Group will aim to maintain a market share of at least 30% in the mini-car segment and to increase sales of sub-compact and standard-sized vehicles by a factor of 1.5 (in comparison with FY2020). In addition to maintaining and strengthening our business sales network, we will also aim to strengthen our direct sales capabilities and expand sales of sub-compact and standard-sized vehicles by increasing the size of our sales outlets and securing human resources to accommodate this expansion. In terms of software development, we will promote the digitalization of sales operations.

In India, we will encourage the widespread adoption of hybrid vehicles, work to deploy CNG vehicles and introduce electric vehicles (EVs), and take the initiative in advancing electrification, which society is demanding as a response to environmental issues. We will also aim to increase our passenger car market share to at least 50% by enhancing our sales capabilities, boosting product appeal, and reinforcing the production structure.

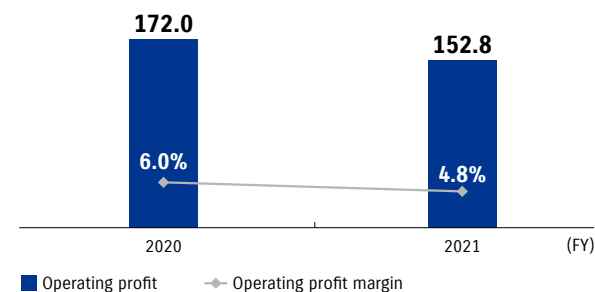
■ Sales composition ratio



## Overview of FY2021

Net sales increased by ¥328.2 billion (11.4%) year on year to ¥3,204.8 billion. Operating profit decreased by ¥19.2 billion (11.2%) year on year to ¥152.8 billion, mainly owing to soaring raw material prices.

■ Operating results of the automobile business (Billion yen)



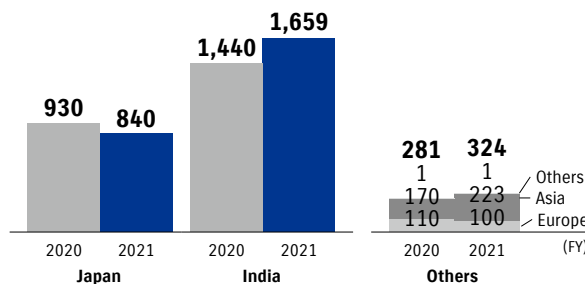
## Production units / Sales units

Total overseas automobile production for FY2021 surpassed the prior year's level, increasing by 15.2% year on year to 1,982,000 units. Worldwide production, including Japan, rose by 6.4% year on year to 2,822,000 units.

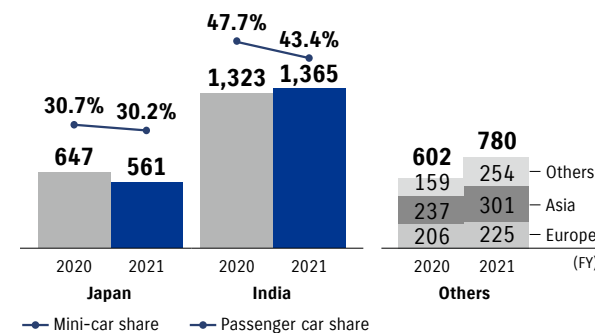
Sales of automobiles in overseas markets increased by 11.5% to 2,145,000 units from the previous fiscal year. Total global sales, including Japan, increased by 5.3% to 2,707,000 units.

\* Sales units are based on Suzuki's own research based on external data.

■ Automobile production (Thousand units)



■ Automobile sales (Thousand units)



## Market summary and Suzuki's business overview

### [Japan]

#### 1. Market trends and business environment

Total domestic automobile sales volume in FY2021 decreased by 9% to 4,216,000 units from the previous fiscal year, marking a third consecutive year on year decrease, reflecting the continued impact of global semiconductor shortages.

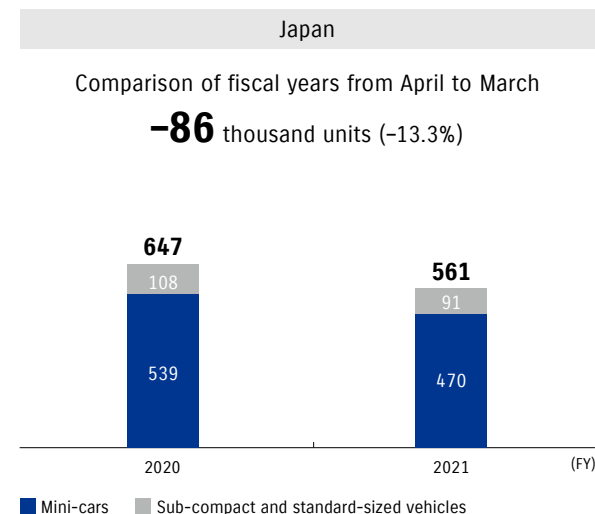
Suzuki's total domestic automobile sales volume also fell for the third consecutive year, as with overall market sales volume, down by 13% to 561,000 units. Our product strategy, which included the addition of the WagonR Smile, a derivative model of our key model WagonR, proved successful, and we achieved our target of capturing a share of at least 30% of sales in the mini-car market, Suzuki's main battleground.

#### 2. Suzuki's market advantage and strategies

Suzuki's key advantage lies in providing compact and affordable automobiles to customers in all regions of Japan to meet their day-to-day mobility needs. In addition to our lineup of low-cost, fuel-efficient products, we have built a business sales\* network to maintain sales and provide after-sales services to customers nationwide. Leveraging our unique advantage, we maintain more than 10 million vehicles owned by customers across Japan.

Looking ahead, we expect increasingly high product pricing due to the introduction of EVs and other advances in electrification as part of efforts aimed at achieving carbon neutrality. However, we will continue to provide products unique to Suzuki that are suited to the daily lifestyles of consumers, and we will work to strengthen our sales and service network, which allows customers to drive our cars with peace of mind.

\* Business sales: One of the sales systems by which Suzuki sells automobiles via Suzuki Motors, car maintenance shops, and other dealers that supply Suzuki products.



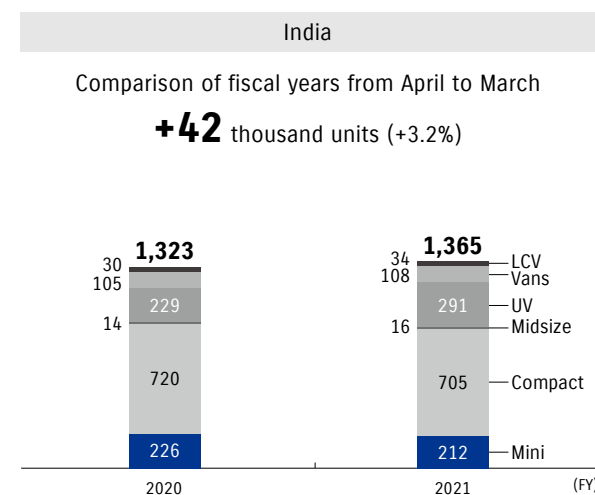
### [India]

#### 1. Market trends and business environment

New car sales (total market of passenger cars and commercial cars) in India increased in FY2021 by 506,000 units, or 15%, from 3,280,000 units in the previous fiscal year to 3,786,000 units. This increase followed a recovery trend in the Indian economy, despite the impact of constraints on production and sales activities as a result of the spread of COVID-19, a second wave of infections (the delta variant), and global supply shortages of semiconductor components. Suzuki's sales surpassed the prior year's level, totaling 1,365,000 units, an increase of 3% year on year. However, it will be necessary to continue to pay close attention to trends in FY2022, specifically concerns such as semiconductor shortages and soaring prices of raw materials and fuel. It will also be necessary to implement timely measures to address recent changes in customer preferences and purchasing behavior at sales sites as well as stricter regulations over fuel efficiency, exhaust emissions, and safety.

#### 2. Suzuki's market advantage and strategies

Currently, we are further strengthening our new vehicle sales network (3,357 locations as of March 31, 2022) and service network (4,254 locations as of March 31, 2022), which are the source of Suzuki's strength. Concurrently, in FY2022, we aim to increase sales by enhancing our lineup through the aggressive introduction of new models, including multiple SUV models. Based on 40 years of experience leading the Indian market, we are also working to swiftly identify market needs and actively introduce CASE (Connected, Autonomous, Shared & Services, Electric) and other new technologies to provide new value to our customers. At the same time, we will strive to enhance management efficiency by promoting digital transformation as part of efforts to strengthen our management base and improve earnings.



[ASEAN]

**1. Market trends and business environment**

New car sales in the ASEAN market in FY2021 increased by 14% year on year to 2,909,000 units. There were signs of recovery from the COVID-19 pandemic, with new car sales increasing by 72% year on year in Indonesia, our primary market.

Suzuki's sales units in ASEAN countries increased by 17% from the previous fiscal year to 155,000 units owing to growth in sales of Carry, which is an Indonesian-produced small truck, to small-lot delivery business operators in response to the expansion of the e-commerce business. Suzuki's market share was 5.3%, compared with 5.2% in the previous fiscal year.

**2. Suzuki's market advantage and strategies**

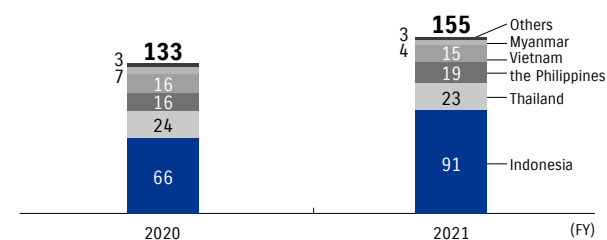
We will augment our model lineup with vehicles produced in India and Japan, with a focus on the Indonesian-produced Carry, Ertiga (3-row MPV) and XL7 (3-row SUV), and we will strengthen our online-based sales activities, in order to increase our sales units within the ASEAN region.

Additionally, in consideration of the electrification policies being advanced by the governments of each country, our first step will be to successively start supplying the Indonesian-produced Ertiga Mild Hybrid vehicle to ASEAN countries.

ASEAN

Comparison of fiscal years from April to March

**+22** thousand units (+16.6%)



\* ASEAN: Total of 10 countries, including Indonesia, Thailand, the Philippines, Vietnam, and Myanmar.

[Europe]

**1. Market trends and business environment**

Looking at market trends and the business environment in Europe (EU, EFTA, and the UK) in FY2021, new car sales decreased by 5% year on year to 11,427,000 units, marking the third consecutive year of declining sales due to the impact of the spread of COVID-19, which has continued since 2020, and product shortages caused by semiconductor shortages. Meanwhile, progress on vaccinations in each country alleviated the suspension of store operations due to lockdowns in the previous year. As a result, Suzuki posted automobile sales of 225,000 units, surpassing the prior year's level with an increase of 10% year on year. However, given the uncertainties in the future economic outlook due to semiconductor shortages and the Russia-Ukraine situation, as well as high fuel costs and general price levels, Suzuki will need to continue closely monitoring situations.

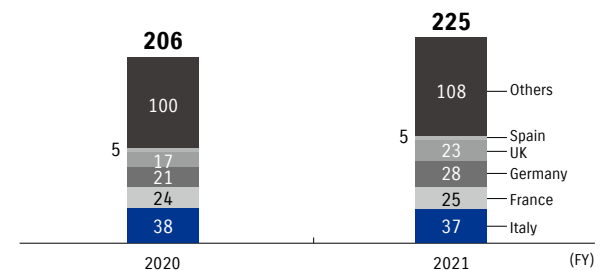
**2. Suzuki's market advantage and strategies**

In order to meet stricter CO<sub>2</sub> and exhaust emission regulations in Europe, Suzuki has been preparing to switch all of its passenger cars to hybrids and introduce EVs by FY2024. In addition, we have been working to address trends in the automobile industry such as CASE.

Europe

Comparison of fiscal years from April to March

**+20** thousand units (+9.6%)



**[Pakistan]****1. Market trends and business environment**

Overall market sales in Pakistan in FY2021 stood at 293,000 units (the sum of sales units announced by the Pakistan Automobile Manufacturers Association (PAMA) and estimated sales units of major non-PAMA member manufacturers\*), an increase of 70% year on year. This rise was caused by increased demand stimulated by a reduction in various taxes assessed when purchasing automobiles beginning in the middle of the year as the COVID-19 pandemic began to subside. Suzuki's automobile sales in Pakistan were 131,000 units, up 79% year on year, with sales unit growth led by the all-new Alto.

\* Beginning in FY2021, this figure includes major non-PAMA member manufacturers with large sales units.

**2. Suzuki's market advantage and strategies**

In FY2021, we remained the market share leader, with a share of 44.8% versus 42.7% in the previous year. By introducing the Alto, a passenger car that meets Japan's mini-car specifications, as an entry model, we have captured growing automobile demand in Pakistan. Furthermore, with the start of production of the all-new Swift in February 2022, we are making efforts to gain new customer segments. We will continue to introduce new models. Concurrently, we will strengthen our sales network by expanding our 172 sales locations and 156 service locations throughout Pakistan.

**[Other regions]****Oceania**

Overall market sales in Oceania increased by 14% year on year to 1,245,000 units in FY2021, with Australia and New Zealand both showing sales recovery trends, despite the lingering impact of COVID-19. Suzuki's sales exceeded the prior year's level, increasing by 12% year on year to 26,000 units. Suzuki's market share remained unchanged at 2.1% from the previous year.

**Middle East**

Overall market sales in the Middle East (excluding Iran) recovered in FY2021, increasing 21% year on year to 1,131,000 units. Suzuki's sales units rebounded as well, increasing 72% year on year to 19,000 units, aided by significant year on year sales increases in Saudi Arabia and the UAE. Suzuki's market share increased from 1.2% in the previous fiscal year to 1.7%.

**Latin America**

Overall market sales in Latin America recovered in FY2021, increasing by 11% year on year to 4,513,000 units. In many Latin American countries, Suzuki's sales have recovered. Sales increased by 46% year on year to a record 123,000 units, centered on Indian-produced models. Suzuki's market share increased from 2.1% in the previous year to 2.7%. By country, Suzuki improved its market share in Mexico, a core market, from 3.0% in the previous year to 3.3% and maintained top market shares in Bolivia and Barbados. In addition, Suzuki has been actively introducing hybrid vehicles in Latin America.

**Africa**

Overall market sales in Africa recovered in FY2021, increasing 21% year on year to 1,247,000 units. Suzuki's sales units increased sharply by 115% from the previous fiscal year to 86,000 units. This increase reflected all-time high sales units in South Africa for the fifth consecutive year, as well as contributions from significant sales unit growth in Egypt and Ethiopia. Suzuki's share increased from 3.9% in the previous fiscal year to 6.9%.

**FY2021 Topics****[December] Launched the all-new Alto**

Suzuki has launched the all-new Alto, which has undergone a full model change. The Alto was first introduced in May 1979 as a practical mini-car with features such as being easy to drive, user-friendly, and highly affordable. The Alto created an entirely new market.

Since its introduction, the Alto has been loved by customers. Cumulative sales of the Alto series have reached around 5,260,000 units\* in Japan, making the Alto a model that represents Suzuki's mini-cars.

\* The number of registered Alto passenger and commercial vehicles (excluding the Alto Lapin), based on research by Suzuki as of November 30, 2021, using data from the Japan Light Motor Vehicle and Motorcycle Association

**[February] Launched the all-new Baleno in India**

Suzuki has launched the all-new, full model-changed premium hatchback Baleno in India.

The all-new Baleno has received a 360-degree makeover, featuring popular vehicle packaging including flowing and elegant vehicle styling, a roomy interior, and generous luggage space. The Baleno also offers luxury interior appointments and cutting-edge features such as a head-up display. In addition, backseat comfort has been improved. Besides sales in India, Suzuki will successively begin to export the Baleno to markets such as Africa, Latin America and the Middle East.

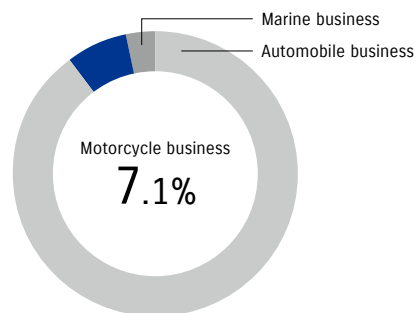


# Business Overview [Motorcycle Business]

## Business policy

In the motorcycle business, we will aim to achieve sales of 2 million units and an operating profit margin of 5% or more, as set forth in our mid-term management plan, by building a universal platform and a diverse, attractive lineup.

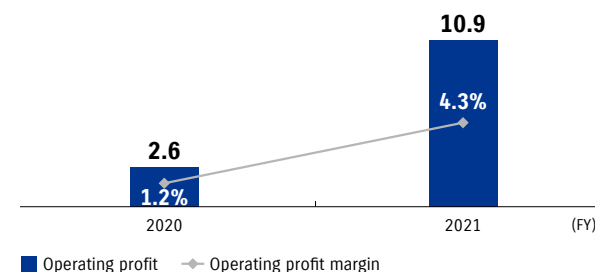
■ Sales composition ratio



## Overview of FY2021

Net sales increased by ¥47.0 billion, or 22.7% from the previous fiscal year to ¥253.5 billion, mainly owing to an increase in sales of upper range high-end models such as the all-new Hayabusa. Operating profit increased by ¥8.3 billion, or 321.6%, from the previous fiscal year to ¥10.9 billion.

■ Operating results of the motorcycle business (Billion yen)

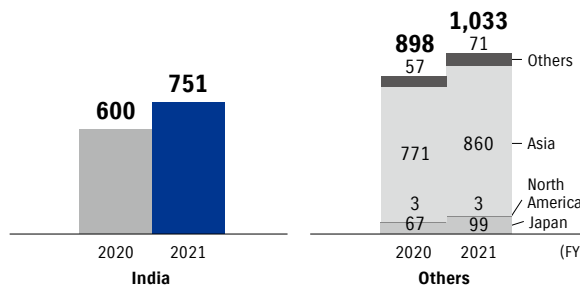


## Production units / Sales units

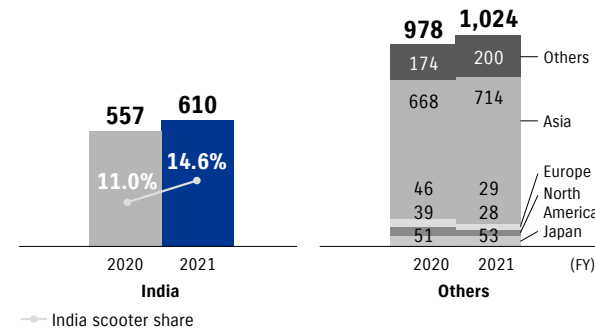
Total overseas motorcycle production (including ATVs) for FY2021 surpassed the prior year's level, increasing by 17.8% year on year to 1,685,000 units. Worldwide production, including Japan, increased by 19.2% year on year to 1,784,000 units. In addition, sales of motorcycles (including ATVs) in overseas markets increased by 6.6% year on year to 1,581,000 units, while total global sales, including Japan, rose by 9.5% year on year to 1,634,000 units.

\* Sales units are based on Suzuki's own research based on external data.

■ Motorcycle production (ATV included) (Thousand units)



■ Motorcycle sales (ATV included) (Thousand units)



## Market summary and Suzuki's business overview

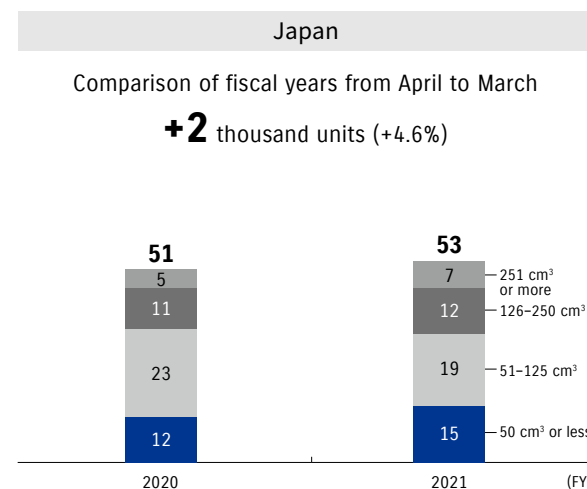
### [Japan]

#### 1. Market trends and business environment

Overall market sales in Japan in FY2021 were 426,000 units, increasing by 14% from the previous fiscal year and by 19% from the second preceding fiscal year. Looking at Suzuki's sales conditions, total sales units were 53,000 units, an increase of 5% from the previous fiscal year and 9% from the second preceding fiscal year. This was due to year on year sales increases of 12,000 units, or 11%, in motorcycles with engine displacements between 126 cm<sup>3</sup> and 250 cm<sup>3</sup> and 7,000 units, or 35%, in motorcycles with engine displacements of 251 cm<sup>3</sup> and above, reflecting a renewed awareness of the usefulness of motorcycles during the COVID-19 pandemic. Meanwhile, there was a year on year decrease to 19,000 units, a decrease of 17% from the previous fiscal year, in sales of models with engine displacements between 51 cm<sup>3</sup> and 125 cm<sup>3</sup> due to a contraction in the model lineup.

#### 2. Suzuki's market advantage and strategies

We will aim to expand our market share by continuing to increase sales of large displacement models, in addition to expanding sales of models with engine displacements between 51 cm<sup>3</sup> and 250 cm<sup>3</sup>, for which demand is growing. In the category of models with engine displacements between 51 cm<sup>3</sup> and 125 cm<sup>3</sup>, we will introduce Indian-produced scooters. In the category of large displacement models, we will seek to increase sales centered on Suzuki's flagship model Hayabusa, and the GSX-S1000GT, which has proven popular ever since its introduction to the market. Suzuki will also hold events for users, such as the KATANA Meeting and V-Strom Meeting, to satisfy users' pride in ownership of Suzuki motorcycles and to enhance their customer satisfaction.



### [India]

#### 1. Market trends and business environment

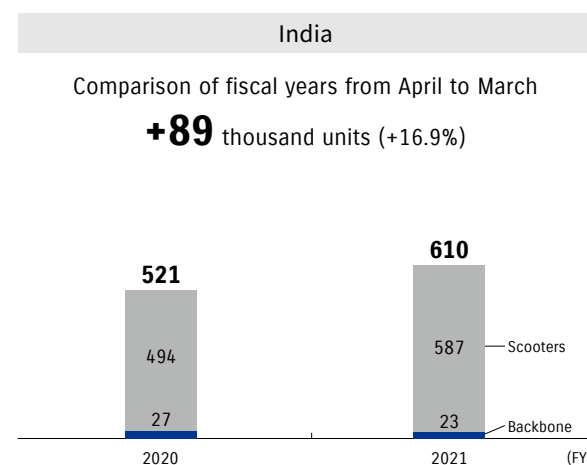
Overall market sales of motorcycles in India in FY2021 were 13,466,000 units, decreasing by 11% from the previous fiscal year and 23% from the second preceding fiscal year. Several combinations of factors weighed down on the market. Among them were lockdowns and job losses during the COVID-19 pandemic, continuous increases in vehicle prices caused by soaring raw material prices, increases in gasoline prices, and a downturn in production due to semiconductor shortages. As a result, overall market sales were sluggish, down by 11% year on year, decreasing for the third consecutive year.

Looking at Suzuki's sales results, Suzuki's sales were 610,000 units, a 17% increase from the previous fiscal year but an 11% decrease from the second preceding fiscal year. In FY2021, Suzuki was the only company in the Indian motorcycle industry to have higher sales than in the prior year. This increase in sales was primarily due to Suzuki's efforts to secure production units by

switching to motorcycle models and specifications that could be manufactured despite semiconductor shortages, as well as the effect of additional sales units from the introduction of the all-new scooter AVENIS in January. As a result, Suzuki's market share increased from 3.4% in FY2020 to 4.5%. Suzuki has surpassed Yamaha and Royal Enfield to take 5th place in India's motorcycle industry.

#### 2. Suzuki's market advantage and strategies

Production is being affected by shortages of semiconductors and unstable supplies of other parts (such as ABS). In response, Suzuki will make production adjustments in tandem with considering the use of alternative semiconductors. Through these efforts to stabilize production volume, we will lay the groundwork for sales growth. We will maintain the industry's top share for 125 cm<sup>3</sup> class scooters, which is our key focus. We will also work to strengthen our sales network for backbone type models, as part of efforts to increase the sales volume.



[ASEAN]

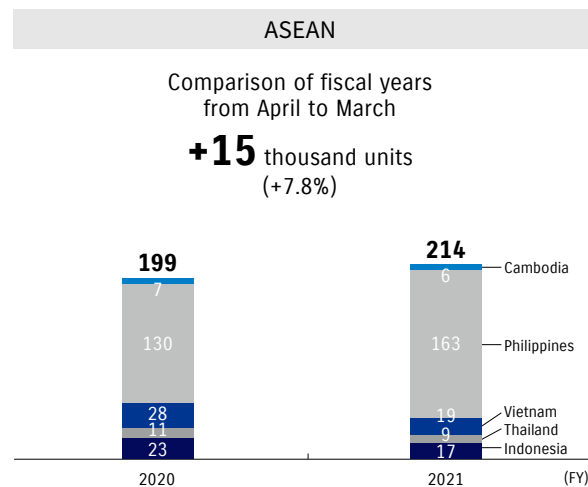
**1. Market trends and business environment**

Overall market sales of motorcycles in five ASEAN countries in FY2021 were 10,784,000 units, an increase of 20% from the previous fiscal year but a decrease of 18% from the second preceding fiscal year. In Vietnam, sales were below the prior year's level, decreasing by 5% year on year to 2,519,000 units. However, sales in Indonesia, Thailand, the Philippines, and Cambodia showed a recovery trend in comparison with the prior year, when they were heavily impacted by the COVID-19 pandemic.

Suzuki's total sales in the five ASEAN countries in FY2021 were 214,000 units, an increase of 8% from the previous fiscal year but a decrease of 31% from the second preceding fiscal year. Sales were lower than in the previous year in all countries except the Philippines, specifically Indonesia, Thailand, Vietnam, and Cambodia, due in part to the introduction of new products by other companies.

**2. Suzuki's market advantage and strategies**

Suzuki has continued to be impacted by decreased production in connection with supply shortages of parts by suppliers. In response, we have been working to stabilize production by gaining the cooperation of suppliers, along with working to develop, reorganize and otherwise modify our sales networks in each country, with the goal of driving a recovery in sales. In addition to growth in scooters, we will work to expand sales volume in the market for underbone frame type models, for which there is firm demand, by strengthening sales promotions.



[Europe / North America]

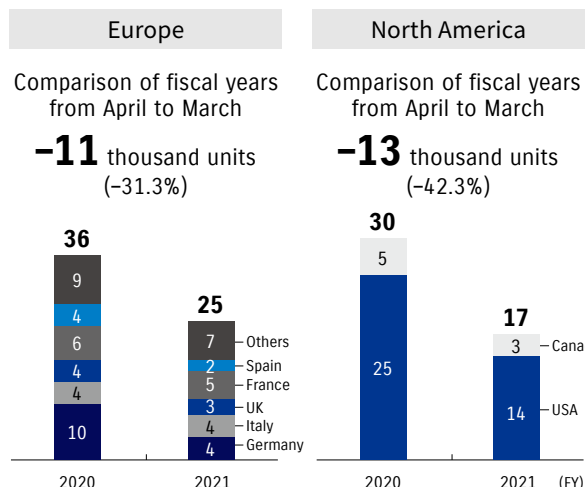
**1. Market trends and business environment**

Overall sales units in the North American market for motorcycles in FY2021 were 620,000 units, an increase of 2% from the previous fiscal year and 22% from the second preceding fiscal year. Suzuki's sales were 17,000 units, a decrease of 42% from the previous fiscal year and 28% from the second preceding fiscal year, due to supply shortages of certain products caused by semiconductor shortages in addition to logistics disruptions. However, since its introduction in June, the all-new Hayabusa has proven popular, selling more units than initially planned.

Overall market sales in Europe were 1,211,000 units, increasing by 6% from the previous fiscal year and by 14% from the second preceding fiscal year, in step with the recovery from the COVID-19 pandemic. Suzuki's motorcycle supply was unable to catch up with demand due to production adjustments associated with semiconductor shortages as well as shipping container shortages. As a result, Suzuki's sales units were 25,000 units, decreasing by 31% from the previous fiscal year and by 33% from the second preceding fiscal year.

**2. Suzuki's market advantage and strategies**

In North America, we will strive to increase sales and improve our brand image with a focus on the new GSX-S1000/GT and the sports/offroad models that we were able to supply in large numbers at the end of FY2021. In Europe, we will strive to restore motorcycle supply, while expanding sales with a focus on the new GSX-S1000/GT and the GSX-S125/R125, which meet Euro 5 emissions regulations.



[China]

**1. Market trends and business environment**

Overall market sales in China for FY2021 were 5,967,000 units, a 6% decrease from the previous fiscal year and a 3% decrease from the second preceding fiscal year. Suzuki's sales were 432,000 units, up by 11% from the previous fiscal year and 56% from the second preceding fiscal year, outperforming the overall market. This increase in Suzuki's sales was due to increased sales of 125 cm<sup>3</sup> scooters.

**2. Suzuki's market advantage and strategies**

In the overall market, sales of scooters and 150 cm<sup>3</sup> and larger backbone frame type models have been growing. Accordingly, Suzuki will strive to expand sales with a focus on 125 cm<sup>3</sup> scooters (UU125, UY125, UE125) and 150/250 cm<sup>3</sup> backbone frame type models (GIXXER 150, GL 150, GSX250R, V-Strom 250).

FY2021 Topics

**[February] Launched the all-new sports tourer GSX-S1000GT**

Suzuki has successively started sales of the all-new sports tourer GSX-S1000GT around the world. Based on an entirely new concept, the GSX-S1000GT is a completely redesigned version of the fully-faired street bike GSX-S1000F. The GSX-S1000GT was launched in Japan in February.

It is a sports tourer with enhanced touring capabilities that has inherited the DNA of a super sports bike. At the same time, the GSX-S1000GT embodies Suzuki's pursuit of daily handling ease, as well as high-speed stability for comfort long-distance touring.



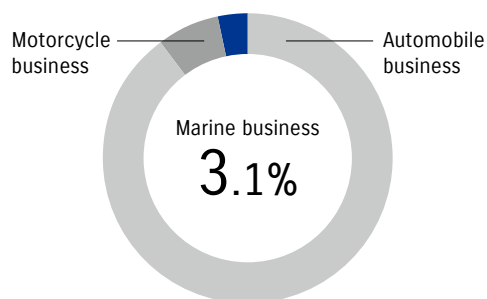


# Business Overview [Marine Business]

## Business policy

The Group will work with the aim of achieving the sales target of ¥100.0 billion set forth in the mid-term management plan under the brand slogan “THE ULTIMATE OUTBOARD MOTOR.” We will also continue to advance the Suzuki Clean Ocean Project and engage in global activities to protect the Earth’s beautiful oceans.

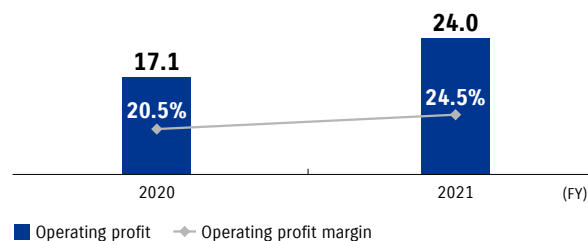
### Sales composition ratio



## Overview of FY2021

Net sales increased by ¥14.6 billion, or 17.5%, year on year to ¥98.0 billion, and operating profit increased by ¥6.9 billion, or 40.5%, year on year to ¥24.0 billion as sales of outboard motors in North America remained firm. Net sales and operating profit both reached all-time highs.

### Operating results of the marine business (Billion yen)



## Market summary and Suzuki’s business overview

### 1. Market trends and business environment

In FY2021, amid the ongoing COVID-19 pandemic, boats were recognized as a leisure activity that enables avoidance of the “Three Cs” (closed spaces, crowded places, and close-contact settings) and the outboard motor market expanded rapidly.

To keep up with this market expansion, we ramped up our production capacity and saw significant growth in sales, primarily in North America. As a result, both net sales and operating profit reached all-time highs.

### 2. Suzuki’s market advantage and strategies

We began the Suzuki Clean Ocean Project activity in 2020. This project is based on the Clean-Up the World Campaign that is waterside cleanup activities which has been conducted since 2010. Now, these activities are included in the Suzuki Clean Ocean Project activity, and the total number of participants in them surpassed 10,000 people in 2021. In addition, an activity to reduce plastic packaging for outboard motors and spare parts was started in 2020 as the second activity of the Suzuki Clean Ocean Project activity. Subsequently, an activity to develop a Micro-Plastic Collecting Device for outboard motors was added, which has been installed as standard equipment on certain outboard motor models produced since July 2022.

By providing a better marine lifestyle while stimulating customer empathy for a cleaner environment, Suzuki will seek to differentiate the Suzuki outboard motor brand from the competition and further strengthen its business.

## FY2021 Topics

### [September] Unveiled new marine products at the Cannes Yachting Festival

We unveiled new marine products at the Cannes International Boat Show in France. We specifically announced the new Suzuki Precision Control, a device that electronically controls throttle opening and shift position; the new Keyless Start System, which allows users to start the engine without inserting a key simply by having a key-fob nearby; and the Suzuki Multi-Function Gauge, an LCD color display that displays critical information for operating boats.



# Mechanisms for Enhancing Value Creation

## Sustainability Policy

### Structure for promoting sustainability

At the Executive Committee meetings attended by Representative Directors and Directors and Officers concerned, issues, policies, and measures concerning sustainability are discussed. Issues of particular importance are discussed by the Board of Directors. Along with the management, the Company as a whole aims to promote viable sustainable activities.

The dedicated department established within the Corporate Planning Office to promote sustainability takes the lead in promoting cross-organizational initiatives to solve social issues.

### Defining materiality (key issues)

Following the formulation of the mid-term management plan announced in February 2021, we performed a review of the materiality (key issues) specified in 2015 by giving consideration to changes in the environment surrounding our business.

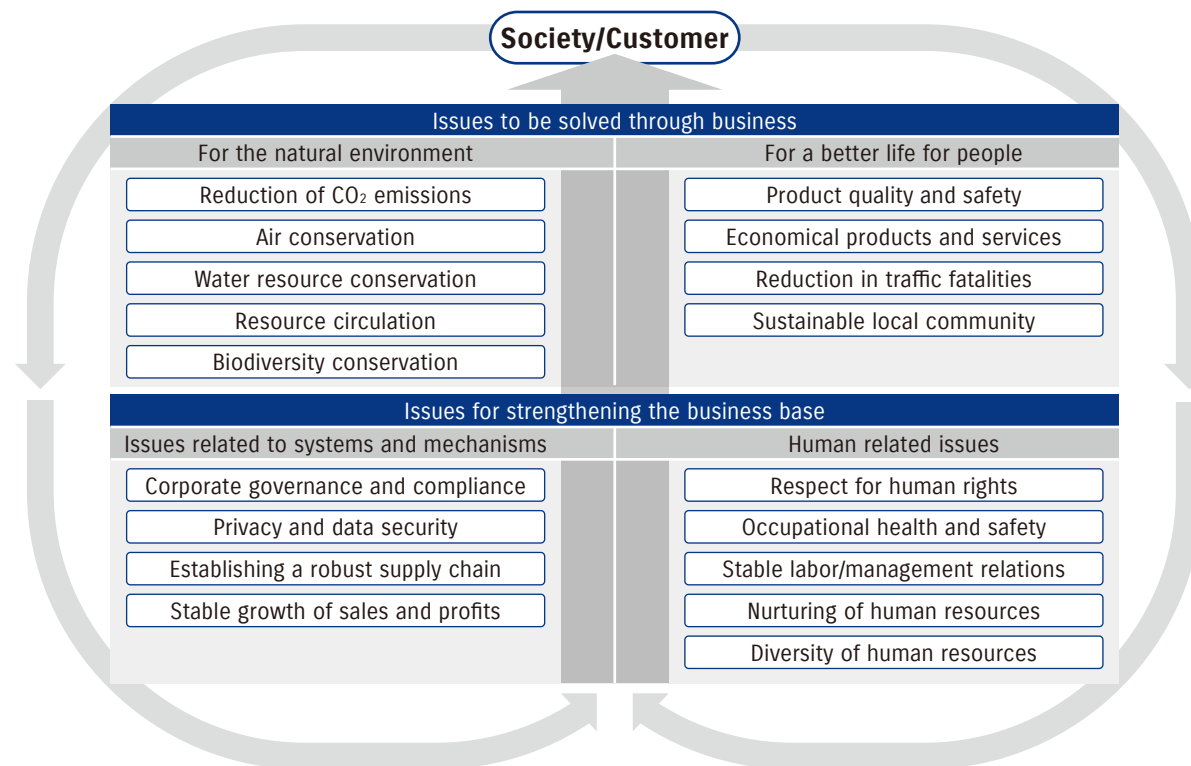
#### Steps in defining materiality

<b>Step 1</b>	Identify issues by using as reference various indices specified in the ESG guidelines, such as the GRI Standards and SASB Materiality Map.
<b>Step 2</b>	Check their alignment with the issues specified in the mid-term management plan at the Corporate Planning Office and other sustainability-related departments.
<b>Step 3</b>	Check their adequacy and completeness by examining their significance from the perspective of stakeholders through engagement with ESG investors, environmental NGOs, and ESG rating agencies.
<b>Step 4</b>	Specify materiality by discussing the adequacy and completeness of the identified issues at the Executive Committee, verify the significance of these issues depending on the nature of each, and confirm the appropriate method of disclosure.
<b>Step 5</b>	Discuss and approve the materiality at the Board of Directors.

### Materiality matrix

While “focusing on the customer” as stated in our Mission Statement and remaining mindful of how to contribute to society and customers by solving issues, we have divided the identified materiality (key issues) broadly into two groups: Issues to be solved through business and Issues for strengthening business base.

We will promote our future initiatives by using the newly identified and verified materiality as the basis of Suzuki’s sustainability policy. We will also review each topic periodically in accordance with changes in the surrounding business environment.



## Efforts for SDGs

The Suzuki Group supports the SDGs\* and will actively fulfill its responsibility to address issues where it can help to achieve goals through its business activities.

Suzuki has contributed to developing and popularizing environmentally friendly compact cars and creating jobs in emerging countries. Through business activities that take advantage of Suzuki's strengths, Suzuki will help to solve social issues in tandem with generating profits. Suzuki aims to contribute to a sustainable society and achieve profit growth in a well-balanced manner.

\* SDGs (Sustainable Development Goals): adopted by the United Nations in 2015.



## Through our business



### For the natural environment

- Reduction in the amount of CO<sub>2</sub> emitted
- Air conservation
- Water resource
- Resource circulation
- Biodiversity
- Suzuki Clean Ocean Project

### For a better life for people

- Product quality
- SUZUKI Safety Support
- Alliance with Toyota Motor Corporation, CJP collaboration

## Through strengthening the business base



### Issues related to systems and mechanisms

- Corporate governance
- Compliance

### Human related issues

- Respect for human rights
- Occupational health and safety
- Health care
- Human resources development
- Diversity of human resources

## Through our community contribution activities



- Traffic safety activities
- Educational support
- Disaster relief activities
- Forest conservation activities
- Other social contribution activities

## Basic policy regarding human rights

As stated in the Suzuki Group Code of Conduct, we strive to rigorously implement respect for human rights as we believe that it is the base for all corporate activities. In December 2022, we established the Suzuki Group's new

basic policy regarding human rights. Guided by this policy, we will advance human rights initiatives together with all stakeholders.

### Suzuki Group's basic policy regarding human rights

#### (Basic policy)

Suzuki Motor Corporation (hereinafter, Suzuki) has been placing the motto "Develop products of superior value by focusing on the customer," as the first paragraph of its Mission Statement, and strives to make truly valuable products to satisfy customers (established in 1962).

In keeping with the spirit of the Mission Statement, Suzuki has formulated the Suzuki Group Code of Conduct (hereinafter, the Code of Conduct) as a set of rules for enabling all officers and employees working in the Suzuki Group (Suzuki and its consolidated subsidiaries) to dedicate themselves to their duties healthily, efficiently and energetically (formulated in 2016). The Code of Conduct clearly establishes respect for human rights as an important guiding principle and states that the Suzuki Group will remain aware of international norms concerning human rights and respect fundamental human rights in accordance with the laws and regulations of each country or region.

The Suzuki Group has no intention of taking part in any action that would lead to infringement of human rights. We believe that respect for human rights is the foundation of all of our global corporate activities, and therefore we will thoroughly implement respect for human rights.

#### 1. Governance

##### (1) Respect for laws, regulations, and international norms concerning human rights

The Suzuki Group will respect the human rights stipulated in international rules (freedom of association, approval of collective bargaining rights, prohibition of forced labor, prohibition of child labor, elimination of discrimination, etc.), such as The Universal Declaration of Human Rights (UDHR); International Covenant on Economic, Social and Cultural Rights (ICESCR); International Covenant on Civil and Political Rights (ICCPR); and The ILO Declaration on Fundamental Principles and Rights at Work (ILO Core Labor Standards). The Suzuki Group will work to implement respect for human rights, referring to guidelines such as the Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and Japan's Guidelines on Respect for Human Rights in Responsible Supply Chains.

Furthermore, the Suzuki Group will comply with local laws and regulations regarding human rights in every country where it conducts business. If there are discrepancies between international norms on human rights and the laws and regulations of each country or region, the Suzuki Group will strive to respect the higher standard of human rights.

##### (2) Scope of application

This policy applies to all officers and employees (including dispatched employees). Companies in the Suzuki Group will strive to thoroughly inform their officers and employees about this policy to ensure their compliance.

The Suzuki Group also expects all of its business partners involved in its operations, including suppliers and dealers, to understand this policy and make efforts to respect human rights. We will actively encourage such efforts and cooperate with our business partners to advance activities.

##### (3) Suzuki's management structure

At the Executive Committee, which is attended by Executive Officers and divisional responsible persons (Executive Officers and divisional general managers), issues, policies and measures concerning sustainability, including human rights, are discussed. Issues of particular importance are discussed by the Board of Directors. Along with the management, the Company as a whole aims to promote viable activities.

Respect for human rights was discussed as part of the process of defining the Company's materiality (key issues). It was defined as one of the "Issues for strengthening the business base," and confirmed by the Board of Directors in October 2021.

#### 2. Response to human rights risks (human rights due diligence)

##### (1) Defining human rights risks

The Suzuki Group will define potential or actual human rights risks linked to its business and establish mechanisms to prevent or mitigate such risks. Notably, the Suzuki Group will conduct these activities based on the awareness that emerging countries where it actively conducts business have relatively high human rights risks, such as the risks of forced labor and child labor.

##### (2) Remediation and remedy

If it is found that we have caused or are involved in any adverse human rights impacts, we will take appropriate steps to remediate such impacts.

As part of these efforts, the Suzuki Group will set up a consultation desk that can be used by the relevant affected parties.

##### (3) Education

We will provide appropriate human rights-related education and awareness-raising for all officers and employees working at the Suzuki Group to ensure that they understand and implement this policy.

##### (4) Dialogue and discussion with stakeholders

We will continuously conduct dialogue and discussion about impacts on human rights with relevant stakeholders both within and outside the Company.

In addition, we will consult with third-party organizations with expertise in human rights to ensure the effectiveness of our efforts.

##### (5) Disclosure of information

We will periodically disclose information regarding our human rights efforts and strive for transparency, while also fulfilling our accountability to stakeholders.

The Board of Directors approved this policy in December 2022. It will be amended as needed based on the circumstances.

December 2022

Toshihiro Suzuki

Representative Director and President

#### Priorities for human rights

1. Prohibiting discrimination and harassment
2. Prohibiting forced labor
3. Prohibiting child labor
4. Engaging in dialogue and discussion with employees

# Environmental

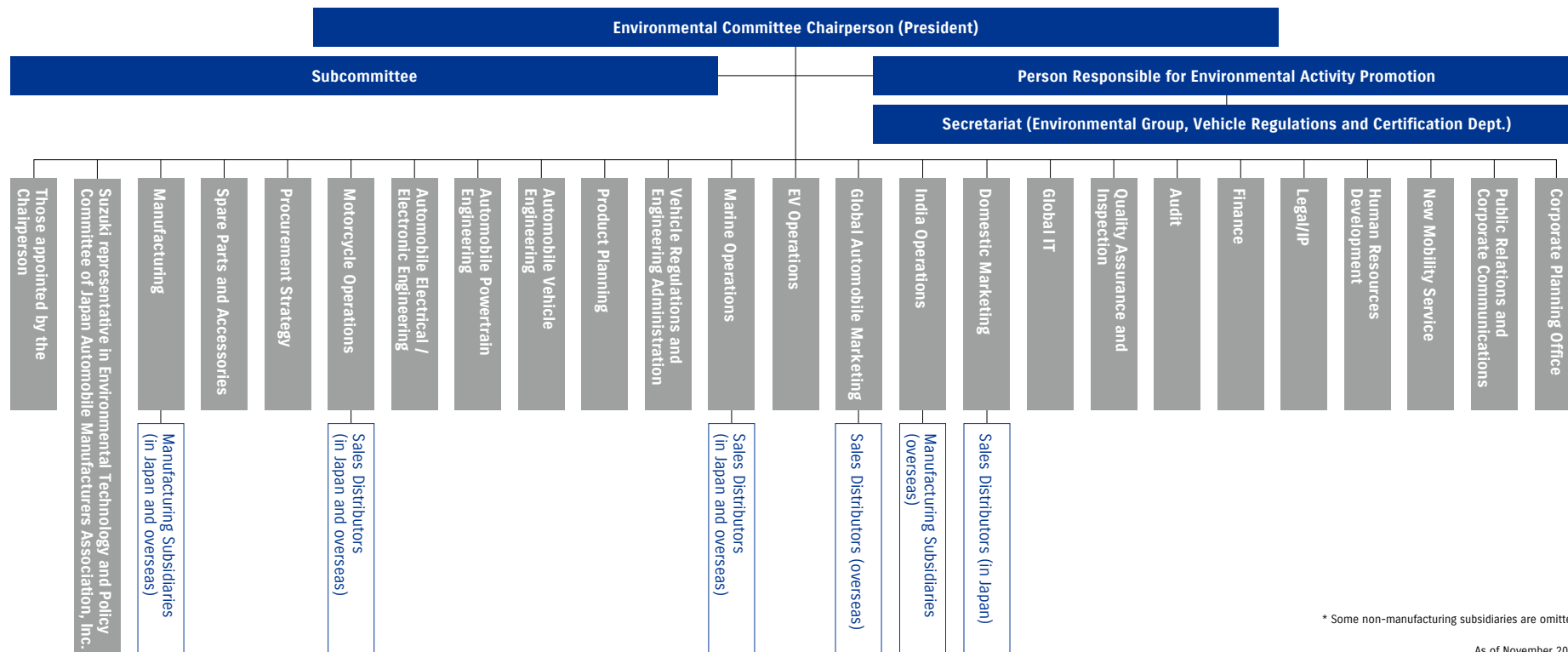
## Suzuki Group Environmental Organization

In April 2001, Suzuki established the Suzuki Environmental Committee as the top decision-making body of the environmental management system for the entire Group. Meetings by the Suzuki Environmental Committee are held twice a year to determine our environmental policies and mid- to long-term environmental targets, check the progress of existing issues, and decide on policies for handling urgent problems. The Executive Committee and the Board of Directors discuss and report on important

issues such as environmental policies and mid- to long-term environmental targets.

In addition to the regular meetings held twice a year, subcommittees have been established for the purpose of making critical decisions swiftly, creating a structure that allows for more flexible management of meetings. Recently, the Carbon Neutral Subcommittee was held to accelerate decision-making through intensive discussions on decarbonization.

### ■ Suzuki Group Environmental Organization



\* Some non-manufacturing subsidiaries are omitted.

As of November 2022

## Suzuki Environmental Vision 2050 –Smaller, Fewer, Lighter, Shorter, Beauty–

“Smaller, fewer, lighter, shorter, beauty”: these are the words which Suzuki has held since the early 1990s to express the basis of its manufacturing.

In manufacturing, this maximizing the value offered to customers while making products that are as small, light and beautiful as possible, using the fewest resources and the shortest times and distances.

We believe that this “smaller, fewer, lighter, shorter, beauty” concept also applies to the initiatives toward tackling global environmental issues including climate change, water shortages, and resource depletion.

On the occasion of the Company’s 100th anniversary, we have set the Suzuki Environmental Vision 2050 as a compass toward 2050, in order to “contribute to society and become a company loved and trusted throughout the world” for the next 100 years.

Based on the “smaller, fewer, lighter, shorter, beauty” concept, Suzuki will aim to realize our ideal future.

That is, to make the environmental impact from our business activities smaller and fewer, make the environmental load lighter, shorten the time it takes to tackle various environmental issues, and keep the earth bountiful and beautiful.

- Carbon neutrality in the field of products → P.13
- Carbon neutrality in the field of manufacturing → P.14

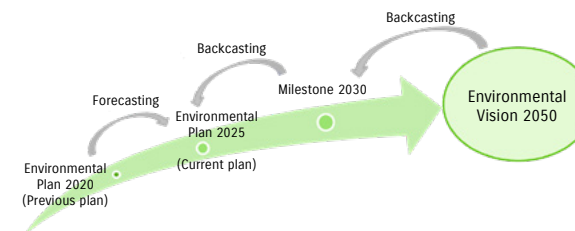
Theme	Suzuki Environmental Vision 2050	Milestone 2030
Climate change	CO <sub>2</sub> emitted from products	● Reduce CO <sub>2</sub> emitted from new automobiles by 90% on a Well-to-Wheel basis compared to FY2010 by 2050
	CO <sub>2</sub> emitted from business activities	● Reduce CO <sub>2</sub> emitted from new automobiles by 40% on a Well-to-Wheel basis compared to FY2010 by 2030
Air conservation	● Reduce CO <sub>2</sub> from business activities per sales unit by 80% compared to FY2016 by 2050	● Reduce CO <sub>2</sub> from business activities per sales unit by 45% compared to FY2016 by 2030
	● Minimize air-polluting substances emitted from business activities and products by 2050	● By 2030: – Reduce use of fossil fuels in business activities and expand use of renewable energies – Contribute to improving air pollution in each country/region by promoting development of clean products – Reduce volatile organic compounds (VOCs) from production and products
Water resource conservation	● Realize use of sustainable water resources through minimizing load on water environment by 2050	● Implement reduction of water withdrawal and purification of discharged water at all production sites through specifying water risks surrounding Suzuki by 2030
Resource circulation	● Promote reducing, recycling, and proper treatment of wastes from production activities and products through globally expanding recycling technologies and systems developed in Japan by 2050	● By 2030: – Globally expand automobile recycling system – Promote recycling, rebuilding, and reusing of secondary (rechargeable) batteries used for propulsion of electric vehicles – Mitigate waste generation volume at global production sites – Reduce plastic packaging materials

## Suzuki Environmental Vision 2050 –Smaller, Fewer, Lighter, Shorter, Beauty–



**Overall image of Suzuki’s environmental strategy**  
Suzuki has formulated a Suzuki Environmental Plan every five years to promote environmental initiatives and ensure continuous improvement through the plan-do-check-action (PDCA) cycle.

Toward achieving the Suzuki Environmental Vision 2050 and Milestone 2030, we will continue to promote our initiatives by setting short-term targets through backcasting.



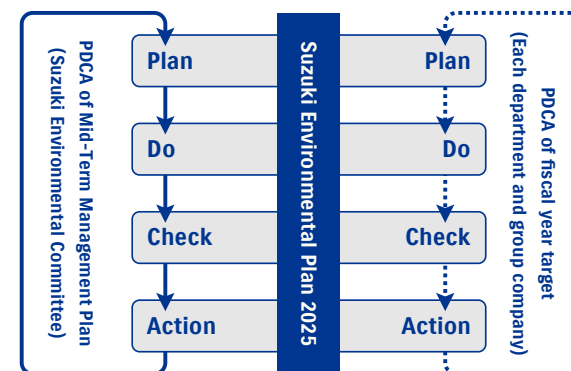
## Environmental plan

### Suzuki Environmental Plan 2025

In order to hand over our beautiful earth and affluent society to the next generations, Suzuki established the Suzuki Environmental Plan 2015 in FY2012 and the Suzuki Environmental Plan 2020 in FY2016 and has been striving to accomplish them based on the Suzuki Global Environment Charter. We have established the new Suzuki Environmental Plan 2025 from FY2021 and are working

towards the realization of the Suzuki Environmental Vision 2050 and Milestone 2030.

Suzuki takes the environmental impact of its business and other activities very seriously. We consider it a top priority to develop eco-friendly products and promote business activities that reduce environmental impact. For the next 100 years, we will continue to contribute to society and strive to accomplish the Suzuki Environmental Plan 2025 as Team Suzuki, which includes both domestic and overseas affiliates, in order to continue as a sustainable company.



Category	Subcategory	Concrete implementation/target	Major achievements in FY2021
Climate change	Reducing CO <sub>2</sub> emissions from products	[Automobiles] Reduce by 30% compared to FY2010	Reduced by 23.7% compared to FY2010
		[Motorcycles] Reduce by 15% compared to FY2010	Reduced by 12% compared to FY2010
		[Outboard motors] Reduce by 15% compared to FY2010	Reduced by 13% compared to FY2010
	Reducing CO <sub>2</sub> emissions from business activities	[Production activities] Reduce by 25% compared to FY2016	[Overall] Reduced by 4.8% compared to FY2016 (0.352 t-CO <sub>2</sub> per unit) [Overseas] Reduced by 16.0% compared to FY2016 (0.327 t-CO <sub>2</sub> per unit) [Japan] Reduced by 10.4% compared to FY2016 (0.420 t-CO <sub>2</sub> per unit) • In overseas production activities, which have a large emission factor accounting for more than half of CO <sub>2</sub> emissions, production volume decreased and operating rate declined due to the COVID-19 pandemic and semiconductor shortages, leading to increased CO <sub>2</sub> emissions per unit. • In Japan, some production lines at the Iwata Plant were suspended and processes were rationalized at the Hamamatsu Plant, resulting in lower energy consumption compared to FY2016, which in turn led to reduced CO <sub>2</sub> emissions per unit. • From FY2022 and beyond, in order to prevent CO <sub>2</sub> emissions per unit from increasing even if production volume decreases, we will further evolve and implement the FY2021 initiatives, such as reducing the defect rate, reducing equipment failure downtime, consolidating equipment due to improved productivity, and reducing standby energy consumption during weekends and night hours. We will also systematically implement energy conversions, such as the shift from LPG to city gas and electricity.
[Development, sales, and other activities] Proactively promote energy-saving activities toward achieving carbon neutrality, including introduction of energy-saving equipment and solar panels	• Under the common environmental goal to “Aggressively promote energy-saving activities toward suppressing global warming by introducing electricity savings and energy-saving facilities,” 55 domestic sales distributors and 5 non-manufacturing subsidiaries* are constantly working to save energy and water and reduce waste in business activities. • Each of the 54 domestic automobile sales distributors has introduced an Environmental Management System and is promoting Company-wide improvement efforts to reduce environmental impact, recycle resources, and comply with environmental laws and regulations. * • Domestic sales distributors: Suzuki Motor Sales Tokyo Inc., Suzuki Motor Sales Kinki Inc., Suzuki Motorcycle Sales Inc., and others • Non-manufacturing subsidiaries: Suzuki Business Co., Ltd., Suzuki Transportation & Packing Co., Ltd., Suzuki PDC, Suzuki Engineering Co., Ltd., and Suzuki Marine Co., Ltd.		
	[Logistics and other activities] • Improve transportation efficiency by reviewing transportation routes and packing style • Introduce eco-drive support equipment and improve fuel efficiency of transportation vehicles • Promote the use of transportation by rail • Reduce CO <sub>2</sub> emissions from Suzuki’s entire transportation activities in Japan Reduce CO <sub>2</sub> emission per sale by 9% compared to FY2016	• Reduced the number of transportation trips by expanding storage space for products at motorcycle production plants and maximizing the quantity of finished vehicles transported per transportation vehicle • Reduced the volume of parts transported from Japan by locally procuring some of the parts for products assembled overseas • Continued to use transportation by rail for a portion of finished vehicle transportation in India • Reduced CO <sub>2</sub> emissions per sale by 14.0% compared to FY2016	

Please refer to the Sustainability Report 2022 for other targets and major achievements in FY2021 related to air conservation, water resources, and resource circulation.

Environmental

## Alignment with the TCFD's recommendations

In April 2020, Suzuki became a signatory to the Task Force on Climate-related Financial Disclosures (TCFD)\* in support of its intent. Along with promoting information disclosure in a manner easily comprehensible to stakeholders, we will work to improve the level of sophistication of our scenario analysis and enhance the content of information to be disclosed in order to further increase our resilience against climate change.



\* Established in 2015 by the Financial Stability Board (FSB), an international organization to ensure the stability of the financial market.

## Climate-related risks and opportunities, scenario analysis

Suzuki has been identifying business risks and opportunities to promote business activities in a sustainable manner. Since the impact of climate change, in particular, is intrinsically uncertain, we believe that it is crucial to assess the degree of its impact on risks and opportunities from a broader future perspective and respond appropriately.

Based on this recognition, we have evaluated differences in the impact of climate change on risks and opportunities by using two scenarios. One is the "4°C scenario" in which climate change causes marked physical effects, and the other is the "1.5°C/2°C scenario" in which mitigation measures are being implemented at an accelerated pace toward the realization of the Paris Agreement. In assuming these scenarios, we have referred to externally developed scenarios that are based on the scientific knowledge of the IEA\*<sup>1</sup>, IPCC\*<sup>2</sup>, and other organizations.

\*1 IEA: International Energy Agency  
\*2 IPCC: Intergovernmental Panel on Climate Change

## Climate-related risks and opportunities for Suzuki

As more stringent laws and regulations, including emission gas, CO<sub>2</sub>, and fuel efficiency regulations, are being adopted as mitigation measures against climate change, the resulting increase in development expenses needed to comply with these regulations may greatly impact Suzuki's business performance. On the other hand, small cars, which are a strength of Suzuki, require less materials and energy

to produce and emit less CO<sub>2</sub> while in use. We believe that we can create opportunities by leveraging such a unique strength of Suzuki and by handling risks appropriately.

We will continue to hold careful discussions to reduce or avoid risks caused by climate change, capture opportunities for the future, and increase our competitive edge, and we will incorporate the outcomes of these discussions into our business strategies.

### Suzuki's climate-related risks and differences in impact by scenario

Key risks (examples of anticipated impact) *Underlined items represent particularly significant risks		Differences in impact	
		4°C scenario	1.5°C/2°C scenario
Transition risks	<u>(1) More stringent CO<sub>2</sub> and fuel efficiency standards for automobiles</u> (Payment of fines, loss of sales opportunities, etc.)	No change →	Increase ↗
	<u>(2) Implementation or reinforcement of carbon tax and other systems</u> (Increase in operating costs, etc.)	No change →	Increase ↗
	Reputation (3) Changes in consumer preference and investor behavior (Decline in corporate value, etc.)	No change →	Increase ↗
Physical risks	Chronic (4) Rise in the average temperature (Increase in energy costs, etc.)	Increase ↗	No change →
	(5) Changes in water resource risk (Disruptions in the supply chain, increase in production costs, etc.)	Increase ↗	No change →
	Acute (6) More frequent and intensifying natural disasters (Business sites sustaining disaster damage, suspension of business activities, etc.)	Increase ↗	No change →

### Details of particularly significant risks, creation of opportunities, and status of Suzuki's response

	Risks	Opportunities	Status of Suzuki's response
(1) More stringent CO <sub>2</sub> and fuel efficiency standards for automobiles	<ul style="list-style-type: none"> <li>Loss of market share due to being slow in adopting carbon neutral technologies (electrification and other) and responding in terms of costs</li> <li>Increase in investment in development of carbon neutral technologies</li> <li>Increase in investment in production facilities for carbon neutral technologies (batteries, etc.)</li> <li>Payment of fines and loss of sales opportunities due to regulatory non-conformance</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining and reinforcing competitiveness and enhancing corporate value through small cars that emit less CO<sub>2</sub> throughout their life cycle</li> <li>Capturing sales opportunities by developing electrified vehicles and carbon-neutral fuel-compatible vehicles at affordable prices</li> <li>Contributing to sustainable economic development by leading electrification and carbon-neutral fuel compatibility in India and emerging countries</li> </ul>	<ul style="list-style-type: none"> <li>Intensively developing electrification technologies, increasing the number of models equipped with a hybrid system, and promoting development of mini and compact EVs</li> <li>Promoting electrification in India (releasing electrified vehicles, investing in a battery plant, etc.)</li> <li>Deepening alliance with Toyota Motor Corporation</li> <li>Launching a biogas demonstration project in India</li> </ul>
(2) Implementation or reinforcement of carbon tax and other systems	<ul style="list-style-type: none"> <li>Increase in investment in production facilities that implement carbon neutral technologies</li> <li>Increase in operating costs due to carbon tax, emissions trading, Carbon Border Adjustment Mechanism, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Extending energy-saving technologies that leverage the benefits of "Sho-Sho-Kei-Tan-Bi" to Group companies and business partners</li> <li>Contributing to sustainable economic development by leading the use of renewable energy in India and emerging countries</li> </ul>	<ul style="list-style-type: none"> <li>Promoting ongoing CO<sub>2</sub> reduction measures</li> <li>Creating carbon neutral energy</li> <li>Procuring renewable energy-derived electricity in India</li> </ul>

\* Please refer to page 5 of Financial and Non-Financial Highlights and page 57 of 11-Year Financial / Non-Financial Data for details on CO<sub>2</sub> emissions from the whole value chain.



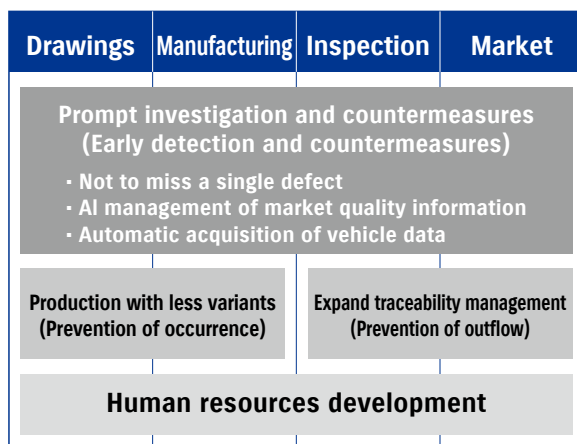
Social

## Efforts for Product Quality

As a manufacturer, Suzuki has been taking on the challenge of developing new technologies. No matter how good a technology is, however, it will not be recognized by customers as a product unless it is of good quality and an affordable price. Suzuki’s business is viable only when customers buy and use its products to their satisfaction. We therefore work to create high-quality, valuable products at an affordable price from the customer’s point of view.

### High-quality products

In its Mid-Term Management Plan (April 2021 to March 2026) “Sho-Sho-Kei-Tan-Bi,” Suzuki has set “maintaining high quality” as one of three priority issues and has been taking measures accordingly. (“Sho-Sho-Kei-Tan-Bi” is an abbreviation of Japanese terms meaning “smaller,” “fewer,” “lighter,” “shorter,” “beauty.”) We will work, focused on the customer, to create products of high



quality, value-packed and at an affordable price. In addition, regarding quality problems, we will strive to prevent their occurrence and outflow, or detect them early, by promptly investigating the causes and taking countermeasures, production with reduced variants, and expanded traceability management.

### Quality management system

The Suzuki Group has adopted the international standard ISO 9001 as its quality-management system. In addition to five plants in Japan and major overseas plants in India, Indonesia, Thailand, Hungary, etc., that have also adopted the ISO 9001, TDS Lithium-Ion Battery Gujarat Private Limited, which is an Indian subsidiary for production of lithium-ion batteries, also newly acquired the certificate in FY2021.

As a result, the ratio of production at plants certified under the ISO 9001 series against the entire global production of automobiles in the Suzuki Group in FY2021 (2,822,000 vehicles) reached approximately 99.9%. We will promote quality management in the entire Suzuki Group, and continue to make efforts to realize quality improvement.

### ■ Acquisition of ISO 9001 series certification by major production sites

	Country/Region	Plant
1		Suzuki Motor Corporation: Kosai Plant
2		Osuka Plant
3	Japan	Sagara Plant
4		Iwata Plant
5		Hamamatsu Plant
6		Maruti Suzuki India Limited
7	India	Suzuki Motor Gujarat Private Limited
8		Suzuki Motorcycle India Private Limited
9		TDS Lithium-Ion Battery Gujarat Private Limited
10	Pakistan	Pak Suzuki Motor Co., Ltd.
11	Indonesia	PT Suzuki Indomobil Motor
12	Thailand	Suzuki Motor (Thailand) Co., Ltd.
13		Thai Suzuki Motor Co., Ltd.
14	Vietnam	Vietnam Suzuki Corp.
15	Philippines	Suzuki Philippines Inc.
16	Hungary	Magyar Suzuki Corporation Ltd.
17	USA	Suzuki Manufacturing of America Corporation
18	Colombia	Suzuki Motor de Colombia S.A.
19	China	Jinan Qingqi Suzuki Motorcycle Co., Ltd.
20		Changzhou Haojue Suzuki Motorcycle Co., Ltd.
21	Taiwan	Tai Ling Motor Co., Ltd.

\* ISO 9001 series includes IATF 16949

## Efforts for safety technologies

Suzuki reinforces efforts for safety technologies and actively improves safety so that every single road user, including pedestrians, cyclists, motorcyclists and automobile drivers can co-exist in a safe mobility society with each other.

### ■ SUZUKI Safety Support

Suzuki's safety technology has been developed based on the concept to provide optimum support in daily driving and it provides big peace of mind in small cars.

Providing cars which not only help drivers drive with safety and peace of mind but also that everyone can drive and control easily is our basic safety design philosophy, such as including larger front and rear windows to ensure clear and wide visibility, easily recognizable displays and switches controlled by a simple operation. SUZUKI Safety Support is a preventive safety technology that keeps near-miss accidents to a minimum or prevents them from happening in the first place. In order to protect people's lives, the structure such as body and components that absorb the energy from a collision is incorporated into our cars as Passive Safety.

The numerous safety technologies we have continued to develop and refine always support day-to-day peace of mind and provide big peace of mind in small cars. Suzuki will continue to evolve safety technologies to have everyone daily enjoy their cars safely and aim to realize zero traffic accidents.



### ■ Products installed with SUZUKI Safety Support

(As of January 2023)

Installed model	 Alto	 Lapin	 WagonR	 Escudo	 XBEE	 Solio
Collision-mitigation braking	Dual camera brake support	Dual camera brake support	Dual camera brake support	Dual sensor brake support	Dual camera brake support	Dual camera brake support
Back-up brake support	○	○	○		○	○
Unintended start prevention function	Front/Rear	Front/Rear	Front/Rear	Front	Front/Rear	Front/Rear
Lane departure prevention function			○	○		
Lane departure warning function	○	○	○	○	○	○
Weaving warning function	○	○	○	○	○	○
Adaptive cruise control			○ (Follows at safe distance between vehicles in all speed ranges)	○ (Follows at safe distance between vehicles in all speed ranges)	○ (Follows at safe distance between vehicles in all speed ranges)	○ (Follows at safe distance between vehicles in all speed ranges)
Road sign recognition function	○	○		○		○
Head-up display	○		○			○
High beam assist	○	○	○		○	○
Preceding car departure announce function	○	○	○	○	○	○
Blind spot monitor				○		
Rear cross traffic alert				○		
Camera for all-direction monitor	○	○	○		○	○
Lane keeping assist function					○	

\* Each system functions under certain conditions. For details, please see our official website.

\* Systems vary depending on model, variant, and specification. For details, please see our official website.

# With Our Employees

Under the mission statement “Develop products of superior value by focusing on the customer,” Suzuki takes actions to accomplish the mission that every single employee thinks and acts by themselves and provides customers with products that will enrich their life.

We give the highest priority to assurance of stable employment. Also, we try to improve work conditions in order to build a healthy and better working environment. Employees mutually help each other and try to be a person who can contribute to the society with the spirit of Team Suzuki, and management and employees band together and build a refreshing and innovative company.

In addition, we strive to create systems and environments, focusing on the following points, in order to cultivate a corporate climate where employees aim for a bright future with motivation and ambition.

Create a safe and healthy workplace for our employees

Create a system that fairly evaluates and supports human resources who take on the challenge of aiming for higher goals

Create a good and stable employer-employee relationship

## Initiatives for safety and health and to improve traffic safety awareness

### Basic Safety Concept

Suzuki is promoting safety and health management activities through our Basic Safety Concept.

### Basic Safety Concept

- Make safety the first priority. (Safety First)**  
 The basis of corporate activities is “people.” The first priority must be always given to safety that protects “people.”
- All accidents are preventable.**  
 Managers must lead the workplace, having the strong belief that “all accidents are preventable.”
- Safety is everyone’s responsibility.**  
 While the Company conducts what it should do, every single person must take responsible actions to protect themselves.  
 Let’s make the culture where everyone follows the rules and mutually warns each other in the workplace.

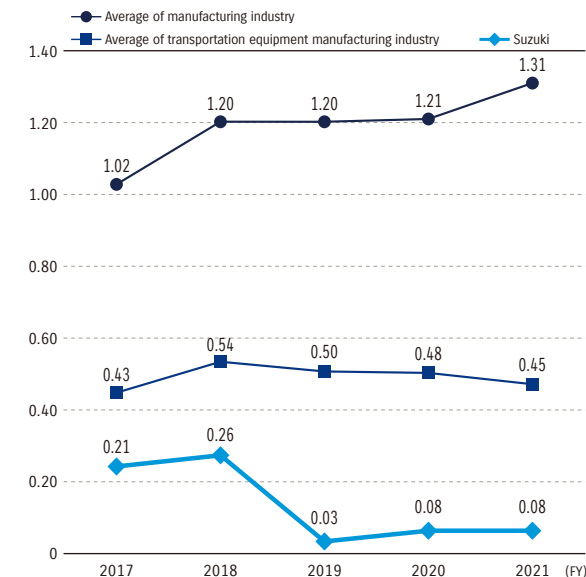
### Safety and health control system

The Central Safety and Health Committee to which representatives from plants, offices and labor unions attend is held twice a year to determine basic policies related to corporate work safety, labor health and traffic safety.

In addition, the Central Safety and Health Committee conducts a central safety patrol once a year to raise safety awareness within the Company through cross-functional safety activities by inter-department crosschecks. A departmental health committee is established at each office and constantly conducts activities related to safety and health based on the policy of the Central Safety and Health Committee.



### Trends in occupational accident frequency rate



### Risk assessment activities

Suzuki implements risk assessments mainly for prevention of risks as preemptive safety activities. Through these activities, we try to improve safety by identifying potential risks in operations and promoting countermeasures to prevent them. We introduced risk assessment for the close call cases in 2001 and have been working on risk assessment in regular operations since 2013. Moreover, risk assessments for chemical substances have been carried out since 2016. Risk assessment methods were reviewed in 2017, and based on the reviews, we reassess risk levels and work to advance various measures to reduce risks.

## Health management

Health management slogan: Happy customers are created by happy employees!

### Health Declaration

The Suzuki Group will aim toward making an open working environment where all employees can work happily and with enthusiasm by helping each other. To promote the safety and health of all employees, who are tasked with daily corporate activities, the Company will take on health initiatives as Team Suzuki.



- Promotion structure

Headed by the Representative Director and President, the Human Resources Department takes the lead in promoting employee health. Accordingly, the department will proactively take opinions from experts, including health promoting industrial physicians, public health nurses, and nurses, and carry out activities through labor management cooperation.

- Focused initiatives

1. Creating a working environment where employees stay healthy at work: Early detection, early treatment  
The Company has been making efforts in early detection and early treatment by calling for periodical health checks and the 100% achievement of thorough examinations.  
The Company will work toward maintaining and enhancing the working environment by preventing lifestyle-related diseases while employees are still young.
2. Improving mental health  
In addition to conducting stress checks, the Company is proactively making efforts in treating employees' mental health after stress checks to realize a better working environment.
3. Undertaking efforts toward realizing a mentally and physically healthy body  
The Company will address health promotion issues so that employees can proactively do so by aiming to create opportunities for developing exercise habits for a healthy body.
4. Raising health literacy  
In order to encourage employees to maintain their health in their daily lives, the Company will make its utmost efforts to raise the health literacy of employees and their families.

Representative Director and President

鈴木 俊宏

### Health indicators

Category	FY2020	FY2021	Target
Percentage of employees who received regular health checks	100.0%	100.0%	100%
Percentage of employees who underwent a thorough examination after a regular health check	74.2%	71.3%	100%
Specific health guidance implementation rate	47.1%	53.1%	55%
Stress check response rate	95.6%	95.2%	100%
Smoking rate	26.6%	24.8%	22% or less by FY2026

### Health and productivity management initiatives (examples) Initiatives to promote health management within the Company

Under the health management slogan of “Happy customers are created by happy employees!,” the President sent a message to all employees imploring them to work together in unity as a company to promote health management.

### Initiatives to improve employees' health literacy

Group discussion was held on the theme of health management between the President and employees. The topic of the President's own health management was communicated through the Company to promote better health literacy among employees.



### Initiatives for women's health-related issues

We have established a health consultation service run by an obstetrician-gynecologist where women can seek health-related consultations or male employees can do so for their partners.

In addition, we also conduct training related to women's health. By applying this training to all employees, it promotes an understanding of women's health among men, too.

## Efforts for career advancement

Suzuki believes that setting high goals is an excellent way to grow one's self and that such a trail in itself is the DNA of Suzuki. In order to cope with rapid changes in the market environment, every single employee must set higher goals and strive to acquire higher technical capabilities. Suzuki implements a human resource development program that supports such individual challenging spirit.

### ■ Goal Challenge System

Suzuki believes that not simply following various instructions from supervisors but voluntarily setting goals and striving to accomplish them is an excellent way to achieve self improvement. Our Goal Challenge System was introduced to allow employees to set and achieve higher goals. In this system, employees confer with their supervisors every half period and set specific goals to be achieved over the course of six months. Through this process, employees can clarify their own contribution to the goals of the organization and improve motivation toward them. In addition, this can be expected to have the effect of supervisors being able to appropriately evaluate employees' goal attainment levels and recognize the training points required to further improve their capabilities.

Suzuki's personnel system places greater emphasis on occupational ability than seniority. Intended to develop professional human resources who will lead Suzuki's further growth, it is based on an objective and fair personnel evaluation system according to types of work, roles, responsibilities and results of individual employees. The performance-based personnel system and the Goal Challenge System enable the Company to support employees' intentions to step up each rung of the corporate ladder.

### ■ Self-assessment system

This system is to grant employees with opportunities to review their work and capabilities once a year, reconfirm their own strength and weakness, and lead them to further improvement in capabilities. In addition, they can clarify jobs and departments that they want to try as a career plan, and submit it to their supervisors and the Human Resources Department. The submitted contents are effectively utilized as basic data for development and optimal assignment of human resources.

### ■ Rotation system

Suzuki implements systematic rotations of human resources by preparing the Company-wide personnel change plan in order to improve employees' knowledge and technical skills and revitalize our organizations. The goal we set in this system is to have all young employees of technical jobs, office jobs and sales jobs experience the transfer to different departments within 10 years of joining the Company.

### ■ International training program

Since FY2015, we have been implementing a six-month international training program that sends young employees to overseas Group companies, aiming to develop global human resources.

(FY2015–2019: total 31 persons, FY2020 and FY2021: not implemented due to COVID-19)

### ■ Foreign language training program

To improve language skills of employees, we have introduced a system for young employees to take a TOEIC test for free (examination fees are paid by the Company).

In addition, we support improvement of language skills by introducing online seminars and correspondence courses for English, Indonesian, Chinese, Hindi, etc. provided by external educational organizations. Suzuki provides employees who have completed such programs with a subsidy for a part of the expenses.

## In-house education system

Suzuki's education system is comprised of three pillars, which are group training, in-house workplace training, and voluntary skill development. At the Training Center (Suzuki Juku), the department in charge of education provides Company-wide, cross-functional education, including rank-based training, based on the philosophy of our mission statement. The Training Center also cooperates with engineering and manufacturing departments to conduct job-specific training (basic) seminars for knowledge and abilities needed for execution of operation.

### (1) Training to enhance the basic abilities of new recruits through to younger employees

- Provide stage-based learning opportunities for younger employees in their second through to seventh year in the Company based on the year of entry and on subjects from basic behaviors of a working adult through to team building.

### (2) Training planned to develop employees with job titles

- Training for newly appointed employees with job titles and follow-up seminars will provide continuous learning opportunities.

### ■ FY2021 training data

Number of training participants*1	66,900
Annual training expense per employee*2	¥17,800

\*1: Total for Suzuki Group in Japan (total number of people)

\*2: Excludes costs for on-the-job training, in-house personnel expenses and facility operations, etc. (Suzuki Motor Corporation standalone).

## Secure and comfortable working environment

### Initiatives for shortening overtime working hours

Initiatives are made to shorten working hours by introducing various systems as appropriate to prevent employees becoming ill due to long working hours.

- Strict management of overtime working hours based on total working hours
- Introduction of flexible time system to reduce late-night overtime
- Introduction of interval norms between working hours to ensure rest time within working hours
- Setting a day with no overtime work aimed for work and life balancing

### System for supporting work and family balancing

We are creating a working environment where employees with motivation and ability can continue working through a system that enables employees to choose from various working styles. We are enhancing awareness of work and family balancing in the entire workplace and promoting an employee-friendly working atmosphere.

#### Short hours system (childcare and family-care shortening hours)

We have adopted a system to shorten daily working hours based on application by employees raising children in the third grade or younger, or employees with family members in need of nursing care. In FY2021, 298 employees used this system. The employees applying for this system are exempt from work over proscribed working hours in principle.

### Acquired 2022 Kurumin accreditation

In accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, Suzuki has been certified by the Minister of Health, Labour and Welfare (Kurumin certification) as a company that supports child raising and satisfies certification requirements such as formulating and implementing a general business owner action plan regarding balancing work and child raising for workers.



### Leave of absence system (childcare and family-care leave)

Many employees, both men and women, who need to concentrate on childcare or nursing care even though they have the will and ability to work use the leave of absence system.

Employees are allowed to take family-care leave for up to 365 days in total per subject family member. Besides paid vacations, we introduced a nursing and medical leave system applicable for caring for parents and children in April 2015.

From April 2022, to create an atmosphere in which it is easier for men to take part in child-raising, the newly established birth leave for childcare of up to five days can be taken upon the birth of a child, in addition to the existing two days of spouse child birth leave.

		FY2017	FY2018	FY2019	FY2020	FY2021	
Childcare	Number of employees using the reduced work hour system for childcare	Male	3	3	5	7	9
		Female	201	229	251	278	289
		Total	204	232	256	285	298
	Number of employees using the childcare leave system	Male	7	13	23	63	90
		Female	84	91	94	80	96
		Total	91	104	117	143	186
	Male rate of taking childcare leave		-	-	-	-	17.72%
	Reinstatement rate of employees using the childcare leave system	Male	100.0%	100.0%	100.0%	100.0%	100.0%
		Female	97.1%	95.9%	97.8%	96.6%	98.7%
Total		97.3%	96.3%	98.1%	97.4%	99.3%	
Family-care	Number of employees using the reduced work hour system for family-care	Male	1	1	1	0	0
		Female	3	4	4	4	4
		Total	4	5	5	4	4
	Number of employees using the family-care leave system	Male	1	4	0	3	3
		Female	1	2	1	2	3
		Total	2	6	1	5	6
	Reinstatement rate of employees using the family-care leave system	Male	100.0%	25.0%	-	66.7%	33.3%
		Female	100.0%	100.0%	100.0%	50.0%	33.3%
		Total	100.0%	50.0%	100.0%	60.0%	33.3%

## Diversity (variety of human resources)

The Suzuki Group Code of Conduct, which applies to all those working in the Suzuki Group, addresses to make a workplace that does not have any discrimination or harassment due to gender, age, nationality, race, religion, etc. A variety of human resources regardless of gender, age and nationality are active in various departments.

We will maintain and improve our working environment so that a wide variety of human resources can work actively.

## Initiatives to promote participation by women

To further create workplaces where women can demonstrate their abilities and work successfully, since FY2020 the Company has raised as issues to increase the number of female employees with job titles from assistant manager and higher. Meanwhile, the Company also encourages all employees to take paid leave to build better working environments. Based on these issues, our targets for 2025 are to triple the number of female employees with job titles compared to FY2015, before the Act on the Promotion of Female Participation and Career Advancement in the Workplace was enforced, as well as to improve the rate of paid annual leave taken by all employees, including managers, by 10% compared to FY2018 in 2025.

## Employment of people with disabilities

Suzuki strives to create a working environment people with disabilities can continue to work at ease. We appoint a specialist in charge of employing people with disabilities, as well as a psychiatric social worker in the Human Resources Department to provide individual consultations periodically and also assign a vocational life consultant for persons with disabilities to each workplace to care for their problems.

### Business development of special subsidiary Suzuki Support

Suzuki Support Co., Ltd., a special subsidiary company established in February 2005, has been conducting business activities for 17 years. As of the end of July 2022, 73 employees with disabilities, including those with severe intellectual disabilities, are performing janitorial services at Suzuki's head office, employee dormitories and related facilities and stationery management services, as well as farm work at Suzuki's farm together with supervisors.

Their sincere and cheerful attitude toward work greatly encourages all the people in Suzuki.

Suzuki will, through Suzuki Support, continue to actively employ people with disabilities for them to feel happiness through working and to grow as people through social participation in line with the philosophy behind the establishment of Suzuki Support, which is to contribute to society.



### [Summary of Suzuki Support]

1. Company name Suzuki Support Co., Ltd.
2. Location 300 Takatsuka-cho, Minami-ku, Hamamatsu, Shizuoka
3. Establishment February 2005
4. Business category Janitorial services, stationery management, farming production
5. Number of employees 120 (incl. 73 employees with disabilities)

		FY2017	FY2018	FY2019	FY2020	FY2021
Employees	Male	13,711	13,808	13,932	14,220	14,326
	Female	1,558	1,623	1,714	1,853	1,941
	Total	15,269	15,431	15,646	16,073	16,267
Employees with job titles	Male	4,243	4,339	4,403	4,577	4,695
	Female	90	98	114	132	136
	Total	4,333	4,437	4,517	4,709	4,831
Managers	Male	1,037	1,066	1,121	1,185	1,248
	Female	12	14	18	18	20
	Total	1,049	1,080	1,139	1,203	1,268
Percentage of employees with disabilities		2.02%	2.14%	2.20%	2.23%	2.35%
New recruits	Male	541	445	569	651	451
	Female	101	118	139	168	144
	Total	642	563	708	819	595
College graduates	Male	396	396	413	474	285
	Female	60	79	81	103	67
	Total	456	475	494	577	352
Turnover rate		4.20%	3.90%	3.10%	2.21%	2.85%
Paid leave utilization rate		—	73.7%	77.2%	75.0%	85.4%

## Employee relations

Through mutual trust, we have developed a good relationship with the Suzuki Labor Union, which represents Suzuki employees. Among the labor union's goals are stable employment and maintaining and improving work conditions. In order to meet these conditions, stable development of the Company is essential. When negotiating salaries, bonuses, labor hours, etc. as distributions of the results of corporate activities, we share the same basic vector of trying to develop the Company in a stable manner while having discussions from the standpoints of the Company and the labor union.

The number of labor union members is 17,004 as of the end of FY2021, and the unionization rate of full-time employees (excluding managers and non-union members defined in the labor agreement) is 100%.

### Employee communication

We arrange frequent labor-management discussions (labor-management meetings) to ensure that employee ideas are reflected in all of our departments, such as research and development, design, manufacturing, sales, etc.

In addition to discussing requirements (salaries, bonuses, labor hours, etc.), labor-management meetings involve monthly discussions that regularly cover a wide range of issues such as management policies, production planning, working hours, welfare, safety and health, etc., and earnestly exchange ideas on what Suzuki and the labor union can do to deliver quality products to the customer.

	Frequency
Central Labor-Management Consultation	Monthly
District Labor-Management Consultation	Monthly

### Building a stable relationship with the labor union in the Suzuki Group

The Suzuki Group has 126 member companies (manufacturers, non-manufacturers, sales distributors) at home and abroad. It is our hope that those 126 member companies are individually trusted by the local residents, society, and customers.

At Suzuki, seminars are given to union officials and human resource management personnel of overseas companies to make them understand the importance of trusting relationships and smooth communication between labor and management, as well as the need for a fair and equal personnel management system, etc. We also work with the Suzuki Labor Union to promote global personnel exchanges both domestically and abroad, and we strive to establish a work climate which allows our 68,000 employees in 126 companies to enjoy working with a highly creative and stable labor-management relationship.

#### Initiatives by Maruti Suzuki India Limited

Maruti Suzuki India respects the right of its employees to form and join labor unions. The company officially recognizes the labor unions at all three of its plants (Gurgaon Plant, Manesar Plant for automobile production and Manesar Powertrain Plant). The unions are independent organizations within the company, and elections are held in accordance with union regulations. Each union assumes the role of a negotiating representative by communicating regularly with the company through constructive dialogue and collective bargaining. Wage revisions are made every three years, based on the labor union charter. Almost 100% of employees are members of a union.



Trust and transparency are the foundation of the relations between the company and employees. Through ongoing communication between both parties and grievance hearings, the company has established a firm connection with employees at a grass roots level.



Meeting	Frequency
Managing Director meeting with labor union representatives	Monthly
Directors in charge of production and human resources meeting with labor union representatives	
Production and human resources department meeting with labor union representatives	Held continuously
Production and human resources department meeting with front line employees	
Front line employee grievance hearings held through a dedicated help desk	Weekly



## With Our Business Partners

Suzuki believes its role is to work in mutual cooperation and build relationships on equal footing with business partners so that both parties may prosper to “Develop products of superior value,” the first item in the Suzuki Mission Statement. Those business partners are selected through an impartial procedure based on the six principles of quality, cost, delivery deadline, technical development capabilities, risk management, and past track record. The Company also has an open-door policy, which offers the chance of teaming up with Suzuki regardless of size, track record, or countries/regions.

### ■ Sustainable relationships

In creating trusting relationships with our business partners, we aim to establish sustainable relationships. For that purpose, we regard mutual communication as the most important factor, and make efforts for mutual understanding by holding the Procurement Policy Presentation once a year to enable our business partners to share and understand Suzuki’s policy, product and production plans, as well as to inform them of our procurement policy based on those plans.

Also, we share ideas not only between top and middle management, but also among management and individuals responsible for daily business operations.

### ■ Global procurement

We will accelerate global procurement activities by working with worldwide production sites. Previously, procurement activities were carried out mainly at individual production sites, but we have shifted to an approach with a greater global basis to obtain the most suitable parts at competitive prices. That benefits not only Suzuki, but also our business partners who can stably receive orders and accumulate various technologies. By sharing those merits, we can build relationships with even greater trust.

### ■ Efforts for compliance with laws and regulations, respect for human rights and environmental conservation

Suzuki complies with the laws and regulations of each country and region in which it does business (for example, compliance with the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors and business operations according to the five principles for procurement in the Automotive Industry Appropriate Transaction Guidelines in Japan), respects human rights and strives for environmental conservation. Also, we have established the Suzuki CSR Guidelines for Suppliers and ask our business partners to strive for compliance with laws and regulations, respect for human rights and environmental conservation.

#### ■ Additional efforts regarding respect for human rights

Suzuki decided to intensify efforts to respect human rights in 2021 and conducted the following initiatives in 2022 as one aspect of human rights due diligence.

#### ● Establishment of Suzuki Group Human Rights Policy

Suzuki established the Suzuki Group’s basic policy regarding human rights in December 2022 after receiving advice from outside experts and the approval of the Board of Directors (→ P.27). To ensure suppliers are aware of this policy, we plan to make a revised version of the Suzuki CSR Guidelines for Suppliers containing the relevant policy available to all primary suppliers of the Suzuki Group.

#### ● Reaching agreement with suppliers on respect for human rights

Each company in the Suzuki Group (including overseas subsidiaries) is in the process of adding a clause on respect for human rights to the basic purchasing agreements that they have concluded with suppliers.

#### ● Survey of foreign workers

We are aware that there is a risk of human rights violations in Japan when accepting foreign technical intern trainees and in the working and living environment after accepting them. In 2022, with support from a human rights NGO, we held a seminar on the theme of foreign workers issues for our business partners in Japan and conducted a survey on such matters as the employment situation of foreign workers. As a result, we learned that about one-third of our business partners are accepting foreign technical intern trainees, and to confirm the details of their situation, started on-site surveys of suppliers together with the NGO.



Interviewing each foreign technical intern trainee

#### ● Conflict minerals survey

Suzuki traces back the supply chain and identifies smelters using a survey form provided by the Responsible Minerals Initiative (RMI), an international framework, to confirm whether certain minerals (tin, tantalum, tungsten, and gold) used in Suzuki products are not a source of funding for armed groups in conflict zones and other areas. Up until now, the survey had covered motorcycles and outboard motors in the North American business, but from 2022 it has been expanded to cover all products, including automobiles.

# Initiatives Related to Intellectual Property

Suzuki will place importance on investment in intellectual properties as a source of corporate value.

In the new Mid-Term Management Plan (April 2021 to March 2026) formulated in February 2021, the Company plans to invest ¥1 trillion over five years (¥200 billion a year) in R&D. It will create, accumulate, and utilize intellectual property that maintains and boosts Suzuki's strengths.

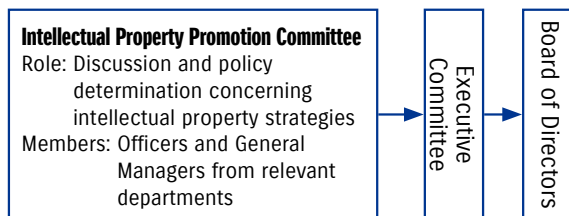
The core of these intellectual property strategies lies in "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," which is the root of Suzuki's philosophy and culture and also contributes to carbon neutrality. Each employee will adopt the customer's perspective and incorporate creativity and ingenuity into "Sho-Sho-Kei-Tan-Bi" which are more likely to be sought by customers and are easier to use, and continue to generate intellectual property going forward.

## Organization

### Intellectual Property Promotion Committee

In March 2022, the Company newly established the Intellectual Property Promotion Committee. This committee, which is attended by Officers and General Managers from relevant departments, holds Company-wide discussions on intellectual property strategies, and will continue this activity in the future (held seven times between March and October 2022).

The contents discussed and determined at this committee are reported to the Executive Committee and the Board of Directors for approval. In this way, the Company establishes an appropriate governance organization for intellectual property and promotes the execution of intellectual property strategies.



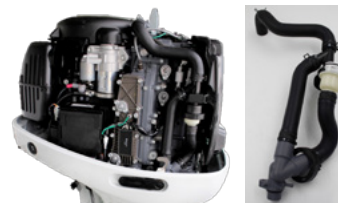
### Strengthening intellectual property activities on site

Based on discussions at the Intellectual Property Promotion Committee, a committee member will enter a site in an advanced development field where attention must be given, such as electrification, next-generation mobility, or the realization of customers' desires, and additionally, collaborates with a staff member called the patent coordinator dispatched to the site side as a mediator between the site and the department in charge of intellectual property, thereby crafting the insight and ideas at the frontline of work into the shape of a patent with a competitive edge.

## Achievements of "Sho-Sho-Kei-Tan-Bi"

### Micro-Plastic Collecting Device

The Micro-Plastic Collecting Device fits into small spaces, has few components, is lightweight, has a highly efficient and short water pathway, and is useful for ocean beautification. We have been applying for patents both in Japan and overseas associated with this technology which is filled with the unique traits of Suzuki (three rights registrations completed as of the release of this report).



## Various initiatives concerning intellectual property

### Enhancing patent applications in India

We have been enhancing patent applications in India, which is one of the primary markets of Suzuki. We have currently acquired and maintain more than roughly 1,600 patents\*.

\* Approximately 3,800 in Japan

### Periodic provision of the latest patent-related information

As one benchmark, we promote viewing technological information by providing the latest patent-related information about business inside and outside the Company in an easy-to-view format, and support manufacturing and the realization of customers' desires.

### Conducting systematic intellectual property training

We also concentrate on intellectual property training, and implement stratified training with a focus on patent and copyright laws, and promote the importance of preserving and utilizing intellectual property throughout the entire company.

### Enhancing incentives to create intellectual property through a reward system

In the past, we established a reward system related to intellectual property, and have been increasing incentives for employees who create intellectual property. However, initiatives to address social issues that are common around the world, such as addressing the accelerating CASE and SDGs, are currently becoming urgent tasks. Therefore, we are considering reevaluations in order to create a system more appropriate for a period of reform occurring once in a century so that we can grant more incentives for creating intellectual property which will help to solve these issues.

# Social Contribution Activities

The Suzuki Group carried out the following support for the local community in FY2021.

Japan	Suzuki Motor Corporation	Support for the July 2021 Kyushu floods	Donated ¥5 million through the Japanese Red Cross Society Shizuoka Chapter and loaned five vehicles to Atami City (donations as of the end of March 2022)
		Development of Iwata City seawall	Donated a portion of land (21,270 m <sup>2</sup> ) for the Ryuyo Proving Grounds to construction of a seawall being developed by Iwata City
India	Maruti Suzuki India	Construction of a general hospital	A 100-bed hospital was constructed in Sitapur, Gujarat. The facility covers an area of 30,000 m <sup>2</sup> . (The hospital opened in April 2021.)
		Establishment of a school	A school was constructed in Sitapur, Gujarat, equipped with modern classrooms, laboratories, libraries, and other facilities. (The school opened in April 2021.)
		Measures against COVID-19 infection	<ul style="list-style-type: none"> <li>• Donated and installed 14 oxygen generators in multiple hospitals</li> <li>• Donated 1,004 oxygen tanks and 305 ventilators in cooperation with Suzuki Motor Corporation</li> </ul>
Pakistan	Pak Suzuki Motor	Measures against COVID-19 infection	<ul style="list-style-type: none"> <li>• Donated medical goods and goods to prevent the spread of infection for medical personnel to three medical organizations providing medical care free of charge</li> <li>• Donated goods to prevent the spread of infection to Koohi Goth Women's Hospital (Karachi)</li> </ul>
Indonesia	PT Suzuki Indomobil Motor	Measures against COVID-19 infection	Donated 70 oxygen concentrators to Indonesia's Ministry of Industry in cooperation with Suzuki Motor Corporation
Vietnam	Vietnam Suzuki Corp.	Measures against COVID-19 infection	Donated four vehicles to the Ministry of Health in Dong Nai
Ukraine	Suzuki Motor Corporation	Support for the crisis in Ukraine	Donated €300,000 through the UN Refugee Agency

Social

## Suzuki Foundation

The Suzuki Foundation was established in 1980 through a donation of funds together with affiliates as one project to commemorate the 60th anniversary of Suzuki's establishment. The foundation carries out activities for giving research grants, promotional grants, and overseas grants to universities and research institutes, and is useful for new research. It engages in dynamic activities such as establishing the "Yaramaika Grand Prize" and "Yaramaika Special Prize" as award projects to commemorate the 40th anniversary of its establishment.

- Overview of foundation (As of June 14, 2022)
  - Foundation name: Suzuki Foundation
  - Address: 2-2-8 Higashishinbashi, Minato-ku, Tokyo
  - Chairman: Toshihiro Suzuki (Representative Director and President of Suzuki Motor Corporation)
  - Total assets: ¥9,789.08 million (As of March 31, 2022)
  - Number of grants since establishment: 1,924
  - Total amount of grants: ¥2,394.26 million



## Suzuki Education and Culture Foundation

The Suzuki Education and Culture Foundation was established in October 2000 to commemorate the 80th anniversary of Suzuki's establishment. The Suzuki Education and Culture Foundation conducts activities aimed at the healthy development of youths, including scholarship grants for young people in Shizuoka Prefecture who are unable to focus on studies due to economic reasons, support for children and students' sports and educational learning activities, and support for special-needs schools and schools for foreigners, etc.

- Overview of foundation (As of March 31, 2022)
  - Foundation name: Suzuki Education and Culture Foundation
  - Address: 300 Takatsuka-cho, Minami-ku, Hamamatsu City, Shizuoka
  - Chairman: Toshihiro Suzuki (Representative Director and President of Suzuki Motor Corporation)
  - Total assets: ¥4,154.84 million
  - Total amount of grants: ¥593.03 million



# Directors, Auditors and Officers (As of January 1, 2023)

## Representative Directors



**Toshihiro Suzuki**  
Representative Director and President



**Osamu Honda**  
Representative Director and Senior Technical Executive  
Responsible for Quality Assurance and Inspection, Procurement Strategy, and Manufacturing, and in charge of Technology and Logistics Strategy

## Directors

\* Mr. Hideaki Domichi and Mr. Shun Egusa have been reported to the Tokyo Stock Exchange as independent officers.



**Masahiko Nagao**  
Director, Senior Managing Officer  
Responsible for Public Relations and Corporate Communications, and in charge of Public Relations



**Hideaki Domichi**  
Outside Director

- Resume
- Apr. 1972 Joined Ministry of Foreign Affairs
  - Aug. 2003 Director-General, Middle Eastern and African Affairs Bureau of Ministry of Foreign Affairs
  - Jun. 2004 Ambassador of Japan to Iran
  - Sep. 2007 Ambassador of Japan to India and Kingdom of Bhutan
  - Feb. 2011 Ambassador in charge of Economic Diplomacy
  - Apr. 2012 Executive Senior Vice President, Japan International Cooperation Agency
  - Oct. 2016 Senior Managing Officer, Hotel Management International Co., Ltd.
  - Jun. 2017 External Audit & Supervisory Board Member, Konoike Transport Co., Ltd.
  - Jun. 2020 Outside Director of the Company (Current)



**Toshiaki Suzuki**  
Director, Senior Managing Officer  
Responsible for Domestic Marketing and Spare Parts and Accessories, Executive General Manager, Domestic Marketing, in charge of Domestic Marketing I, and Representative Director and President, Suzuki Finance Co., Ltd.



**Kinji Saito**  
Director, Senior Managing Officer  
Responsible for Global Automobile Marketing, Marine Operations, and Motorcycle Operations, Executive General Manager, Global Automobile Marketing



**Shun Egusa**  
Outside Director

- Resume
- Apr. 1985 Joined Toshiba Corporation
  - Jul. 2017 Director, Toshiba Infrastructure Systems & Solutions Corporation
  - Apr. 2019 General Manager, Battery Division, Toshiba Corporation
  - Apr. 2020 Executive Officer, Toshiba Corporation, and Corporate Vice President, Battery Division, Toshiba Corporation
  - Apr. 2021 Fellow, Toshiba Corporation
  - Apr. 2022 Guest Senior Researcher / Guest Professor, Future Innovation Institute, Research Organization for Nano & Life Innovation, Waseda University (Current)



**Yukihiko Yamashita**  
Director, Senior Managing Officer  
Responsible for Vehicle Regulations and Engineering Administration, Automobile Vehicle Engineering, Automobile Powertrain Engineering, and Automobile Electrical/Electronic Engineering, Chief Technology Officer, Executive General Manager, Automobile Electrical/Electronic Engineering

## Audit & Supervisory Board Members

\* Mr. Norio Tanaka, Mr. Norihisa Nagano and Mr. Mitsuhiro Fukuta have been reported to the Tokyo Stock Exchange as independent officers.



**Taisuke Toyoda**  
Audit & Supervisory Board Member



**Norio Tanaka**  
Audit & Supervisory Board Member (Outside)



**Mitsuhiro Fukuta**  
Audit & Supervisory Board Member (Outside)



**Masato Kasai**  
Audit & Supervisory Board Member



**Norihisa Nagano**  
Audit & Supervisory Board Member (Outside)

## Officers

### Executive Vice Presidents

- Kenichi Ayukawa** Chief Marketing Officer, and Executive General Manager, India Operations
- Naomi Ishii** Supporting President, and Executive General Manager, Corporate Planning Office

### Managing Officers

- Shinichi Imaizumi** Executive General Manager (Domestic Marketing Administration), Domestic Marketing, and Department General Manager, Domestic Marketing Administration Department
- Kazunobu Hori** Executive General Manager, Global R&D Project, and Managing Director, Suzuki R&D Center India Private Limited
- Katsuhiro Kato** Executive General Manager, Quality Assurance and Inspection, and Chief Officer, Inspection Reform Committee
- Shigeo Yamagishi** Executive General Manager, Vehicle Regulations and Engineering Administration, and Deputy Chief Officer, Inspection Reform Committee
- Yasuharu Osawa** Executive General Manager, Marine Operations, and Managing Officer in charge of USA
- Shigetoshi Torii** In charge of manufacturing in India, and in charge of carbon neutrality in India, and Joint Managing Director, Maruti Suzuki India Limited, and in charge of Manufacturing and Purchasing, Maruti Suzuki India Limited, and Senior Vice President, Suzuki Motor Gujarat Private Limited
- Masayuki Fujisaki** Executive General Manager, Product Planning, and in charge of CJP Promotion
- Yutaka Kikukawa** Executive General Manager, Legal/IP, and Committee, Inspection Reform Committee
- Masahiro Ikuma** Executive General Manager, Procurement Strategy
- Hisanori Takashiba** Managing Director, TDSG (Lithium-Ion Battery Plant)
- Hisashi Takeuchi** Managing Director & CEO, Maruti Suzuki India Limited
- Kenichiro Toyofuku** Supporting CEO, Maruti Suzuki India Limited
- Masayoshi Ito** Executive General Manager, Motorcycle Operations
- Tatsuro Takeuchi** President, Suzuki Motor Sales Kinki Inc.
- Kenichi Goto** In charge of Parts Center and PDI Operations Reform, and Executive General Manager, Spare Parts and Accessories
- Yoshihiro Ugai** Executive General Manager, Global IT
- Ryo Kawamura** Executive General Manager, Finance
- Koichi Suzuki** Executive General Manager, Middle East/Africa Automobile Marketing (based in Maruti Suzuki India Limited), and in charge of Global Marketing, Maruti Suzuki India Limited
- Kazuo Ichino** Executive General Manager, Manufacturing, and in charge of Painting Plant in Manufacturing, and Deputy Chief Officer, Inspection Reform Committee

# Corporate Governance

## Basic policy on corporate governance

Through fair and efficient corporate activities, the Company aims to earn the trust of our shareholders, customers, suppliers, local communities, employees, and other stakeholders, and to make further contribution to the international community in order to continue to grow and develop as a sustainable company. To achieve this goal, the Company recognizes that continuous improvement of corporate governance is essential, and as a top priority management issue, we are actively working on various measures.

Also, in order to be trusted further by society and stakeholders, we will disclose information immediately in a fair and accurate manner prescribed in laws and regulations and actively disclose information that we consider is beneficial to deepen their understanding of the Company. Thus, we will further enhance the transparency of the Company.

Corporate Governance Report  
<https://www.globalsuzuki.com/jr/library/governance/pdf/report.pdf>

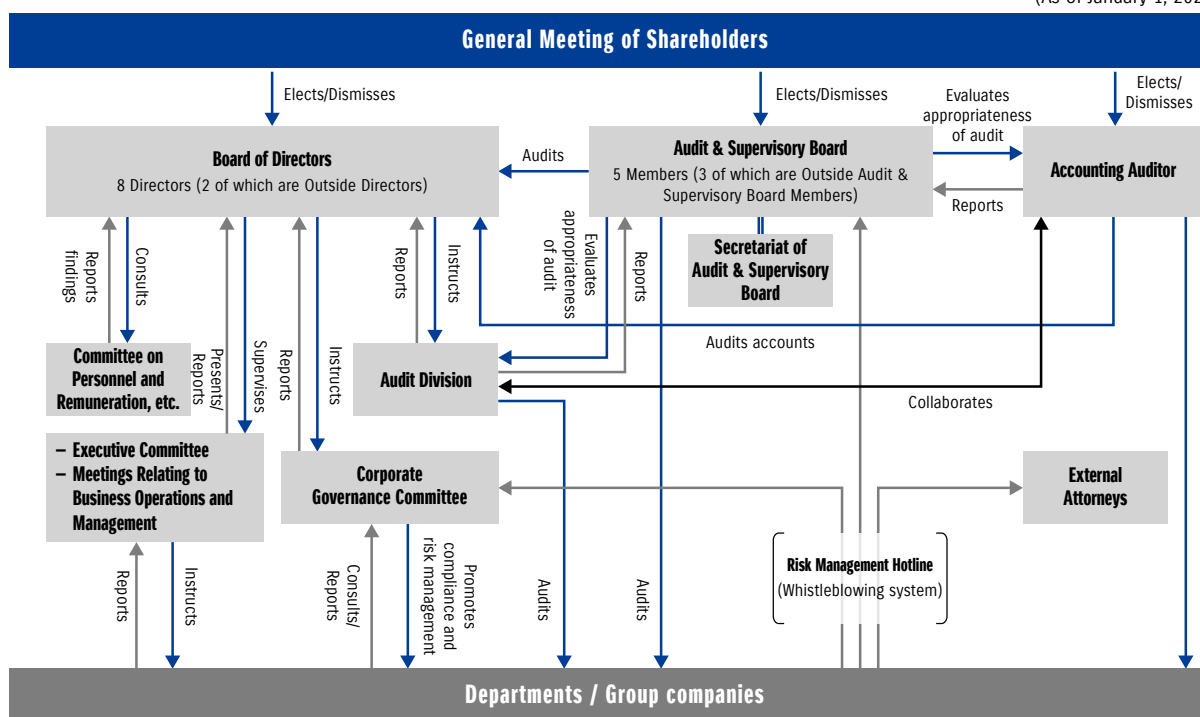
## Outline of the Corporate Governance System

The Company has adopted the current system with the idea that a company auditor system is the foundation and that the establishment of an optional committee for

the appointment of highly independent Outside Directors, election of candidates for Directors, and decisions regarding remuneration will enable the improvement of governance.

### Corporate Governance System

(As of January 1, 2023)



## Status of corporate governance

	Up until FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	From FY2021	
<b>Mid-term management plan</b>	Mid-term management targets (April 2010 to March 2015)	Mid-Term Management Plan SUZUKI NEXT 100 (April 2015 to March 2020)							Mid-Term Management Plan “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)” (April 2021 to March 2026)
<b>Chairman</b>	Osamu Suzuki 2008 to 2015 Chairman and President	Osamu Suzuki							
<b>President</b>		Toshihiro Suzuki							
<b>Term</b>	1-year terms as directors since 2002								
<b>Supervision / execution</b>	Introduced a managing officer system in 2006								
<b>Outside Directors (Outside Directors / Total)</b>	Since 2012, 2 of 9	2 of 8			2 of 7		3 of 9	2 of 8	
<b>Support system, etc.</b>	Secretarial Office (Corporate Governance Office prior to August 2021) / Secretariat of Audit & Supervisory Board								
<b>Number of members</b>	Since 1989, up to 30			Up to 15					
<b>Committees</b>	Committee on Personnel and Remuneration, etc. (Advisory Committee on Personnel and Remuneration, etc. until June 25, 2021)								
	Corporate Governance Committee								
<b>Corporate Philosophy</b>	Formulated the Suzuki Group Mission Statement in 1962								
<b>Code of Conduct</b>	Suzuki Activity Charter, Suzuki employees Activity Charter in 2003	Suzuki Group Code of Conduct (Distributed Compliance Handbook in February 2020)							

## Board of Directors

The Company adopted a managing officer system in 2006 with the aim of speeding up decision-making at the Board of Directors, executing business flexibly and clarifying who is accountable, and has made progress in slimming the composition of the Board of Directors. Currently, there are eight Directors, and out of them, two Outside Directors are elected so that the Company can strengthen the Board's function to supervise business management and have Outside Directors offer useful advice, suggestions, etc. on the Company's business management, based on their respective experience and knowledge and from their diverse perspectives.

In principle, the Board of Directors meets once a month and also as needed to strengthen supervision by making decisions on basic management policies, important business execution matters, matters authorized by the General Meeting of Shareholders to the Board of Directors, and other matters stipulated by law and regulations and the Articles of Incorporation based on sufficient discussion, including from the perspective of legal compliance and corporate ethics, as well as receiving reports on the execution of important business operations as appropriate.

In order to clarify managerial accountability for individual Directors and flexibly respond to the changing business environment, the term of each Director is set to one year.

## Audit & Supervisory Board

The Audit & Supervisory Board is comprised of five members: two Full-time Audit & Supervisory Board Members and three Outside Audit & Supervisory Board Members.

Mr. Taisuke Toyoda, Full-time Audit & Supervisory Board Member, has operational experience in the financial and audit divisions, and Mr. Norio Tanaka, Outside Audit & Supervisory Board Member, has ample experience as Certified Public Accountant. They have sufficient knowledge and experience in relation to finance and accounting. Mr. Masato Kasai, Full-time Audit & Supervisory Board Member, has considerable knowledge in the fields of technology, quality control, environment, etc., Norihisa Nagano, Outside Audit & Supervisory Board Member, has extensive knowledge in law as a solicitor, and Mr. Mitsuhiro Fukuta, Outside Audit & Supervisory Board Member, has considerable knowledge in the fields of technology, human resources development, etc.

In addition, to assist the Audit & Supervisory Board Members in their duties, we have established the Secretariat of Audit & Supervisory Board as a full-time staff division independent of the chain of command of the Directors and others. There are three staff members with expertise and experience in accounting and finance, auditing, overseas assignment, technology divisions, etc.

Audit & Supervisory Board Members' audit procedures conform to the auditing standards of the Audit & Supervisory Board, and according to the auditing policy and division of duties, which are formulated after the General Meeting of Shareholders, Audit & Supervisory Board Members audit the proper execution of corporate management and communicate their opinions by attending meetings of the Board of Directors, Executive Committee and other important meetings, inspecting important approval documents, etc., and receiving reports and interviews from directors and employees on the status of operations. In addition, Audit & Supervisory Board Members review and discuss the audit plan and topics formulated by the Audit Division, which is an internal audit division, and the results of operational audits conducted by the Audit Division.

The following are the main matters to consider, resolve, and report at the Audit & Supervisory Board meetings.

### <Major matters to consider>

- Audit policy and audit plan
- Items to be submitted to Board of Directors meetings
- Status of development and operation of an internal control system
- Appropriateness, etc. of audit methods and results of Accounting Auditors

### <Main issues to resolve>

- Audit policy, audit plan and division of duties
- Consent to proposals for election of Audit & Supervisory Board Members
- Evaluation, election and dismissal of Accounting Auditors
- Consent to auditing fees for Accounting Auditors
- Preparation of audit reports

### <Main matters to report>

- Audit status and findings from each Audit & Supervisory Board Member

- Status of accounting audit of quarterly financial results, etc., and audits on business report and financial statements, etc.
- Audit plans from Accounting Auditors, report on results of quarterly review, status of implementation of annual audit, and initiatives for quality control of audit
- Discussions with Accounting Auditors on Key Audit Matters (KAM)
- Status of audits conducted by the Audit Division, which is an internal audit division, about the head office, major business sites, and subsidiaries
- Status of financial reporting from the Finance Division

Audit & Supervisory Board Members strive to share information based on the audit policy, audit plan and division of duties resolved at Audit & Supervisory Board meetings. In addition to the activities at Audit & Supervisory Board meetings, Audit & Supervisory Board Members are mainly engaged in the following activities.

- Communication with Directors, internal audit divisions, other employees, etc.
- Attendance at Board of Directors meetings and other important meetings
- Inspection of important approval documents, etc.
- Attendance at the meetings of the Committee on Personnel and Remuneration, etc., the Inspection Reform Committee, the Corporate Governance Committee, the Quality Assurance Committee, the Environment Committee, etc.
- Investigation of the status of operations and assets at the head office and major business sites
- Communication and exchange of information with directors, audit & supervisory board members and others of subsidiaries, etc., and verification of business reports from subsidiaries as necessary
- Attendance at accounting audits conducted by Accounting Auditors
- Exchange of opinions with Representative Directors and Outside Directors

After the end of the fiscal year, Audit & Supervisory Board Members evaluate the effectiveness of the Audit & Supervisory Board and detects issues therein to improve the effectiveness of the Audit & Supervisory Board for the following fiscal year.

### Committee on Personnel and Remuneration, etc.

To enhance transparency and objectivity in electing candidates for Directors and Audit & Supervisory Board Members, as well as deciding remuneration of Directors, the Company has established the Committee on Personnel

and Remuneration, etc. as an optional committee. The Committee discusses issues such as election standards and adequacy of candidates for Directors and Audit & Supervisory Board Members, as well as the adequacy of the system and level of Directors' remuneration. The Board

of Directors decides based on their results. Also, the decisions on some matters are delegated to the Committee.

Decisions made by the Board of Directors for the election and remuneration of Senior Managing Officers are also based on the results of the Committee's deliberation.

### ■ Directors and Audit & Supervisory Board Members and their respective experience, knowledge, and specialization

Corporate management

\*1 ⊙: Experience as president, ○: Experience as executive officer

Overseas business / International experience \*2 ⊙: Experience in India / emerging countries

Composition of the Board of Directors, Audit & Supervisory Board, and Committee on Personnel and Remuneration, etc.  
⊙: Chairperson ○: Member attending

	Status and role in the Company	Date of birth	Career ○: Outside experience	Corporate management* <sup>1</sup>	Technology / R&D / Procurement / Manufacturing / Quality	Sales / Marketing	Finance / Accounting	Legal / Risk management	ESG / Sustainability	HR development / Labor relations / HR	Overseas business / International experience* <sup>2</sup>	IT / Digital	Board of Directors	Audit & Supervisory Board	Committee on Personnel and Remuneration, etc.
Toshihiro Suzuki	Representative Director and President	March 1, 1959	○ (Other company)	⊙	○	○			○		○		⊙		⊙
Osamu Honda	Representative Director and Senior Technical Executive, and in charge of Technology and Logistics Strategy	October 6, 1949		⊙	○							○	○		○
Masahiko Nagao	Director and Senior Managing Officer, and in charge of public relations	January 4, 1958	○ (Government agency)					○	○		○		○		
Toshiaki Suzuki	Director and Senior Managing Officer Executive General Manager, Domestic Marketing, and in charge of Domestic Marketing I, and Representative Director and President, Suzuki Finance Co., Ltd.	June 7, 1958		⊙		○							○		
Kinji Saito	Director and Senior Managing Officer Executive General Manager, Global Automobile Marketing	July 22, 1958		⊙		○					⊙		○		
Yukihiro Yamashita	Director and Senior Managing Officer Chief Technology Officer, and Executive General Manager, Automobile Electrical/Electronic Engineering	September 26, 1967	○ (Other company)		○							○	○		
Hideaki Domichi	Outside Director	December 14, 1948	—	○				○	○	○	⊙		○		○
Shun Egusa	Outside Director	January 20, 1958	—	○	○						○		○		○
Taisuke Toyoda	Full-time Audit & Supervisory Board Member	August 6, 1957					○	○	○				○	⊙	
Masato Kasai	Full-time Audit & Supervisory Board Member	December 12, 1955			○			○	○				○	○	
Norio Tanaka	Outside Audit & Supervisory Board Member	February 10, 1951	—				○	○					○	○	○
Norihisa Nagano	Outside Audit & Supervisory Board Member	December 29, 1949	—					○					○	○	○ (Observer)
Mitsuhiro Fukuta	Outside Audit & Supervisory Board Member	February 13, 1962	—		○					○			○	○	○ (Observer)

Following the resignation of one Outside Director in September 2022, the number of Outside Directors elected at the Annual General Meeting of Shareholders held in June 2022 decreased from three (one female, two male) to two (two male). Considering the ratio of Independent Outside Directors, the diversity of the Board of Directors, and the independence of the composition of the Committee on Personnel and Remuneration, etc., the Company is proceeding with the selection of candidates for Independent Outside Directors for the General Meeting of Shareholders to be held in June 2023.



### Executive Committee and other various meetings relating to business operation and management

In order to speedily deliberate and decide on important management issues and measures, the Company holds the Executive Committee, attended by Executive Directors, Managing Officers, Executive General Managers, and Audit & Supervisory Board Members, as well as meetings to report and share information on management and business execution on a regular and as-needed basis.

Also, various meetings are held periodically and whenever necessary to deliberate business plans, etc. and to receive reporting on operation of the Company, enabling the Company to appropriately plan, identify administrative issues at an early stage, and grasp the situation on execution of operation.

In such a way, the Company is enhancing the efficiency of decision-making at the meetings of the Board of Directors and the supervision of execution of operations.

### Corporate Governance Committee

The Corporate Governance Committee has been established to examine matters to ensure compliance and risk management, as well as to promote the implementation of measures and policies for the Suzuki Group's sustainable growth and the mid- to long-term enhancement of corporate value. The Committee also verifies the results of the effectiveness evaluation of internal controls over financial reporting in accordance with Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act.

The Committee is chaired by the Managing Officer in charge of Corporate Planning and consists of Executive General Managers who serve as members. Further, one Full-time Audit & Supervisory Board Member attends as an observer.

### Internal auditing

As an organization under the direct control of the President, staff members with expertise in various areas of the Company's operations regularly audit the Company's departments and domestic and overseas Group companies in accordance with the audit plan.

Operational audits include on-site, remote, and paper audits to confirm the appropriateness and efficiency of overall operations, compliance with law and regulations and internal rules, and the development and operation of internal controls, such as the management and maintenance of assets. The operational audit results are reported to the President, the head for relevant divisions and Full-time Audit & Supervisory Board Members each time an audit is conducted, along with proposals for improvement of matters pointed out. The results of audits are also reported to the Audit & Supervisory Board on a regular basis and opinions are exchanged there, as well as to the Board of Directors once every six months. Advice and guidance are provided until improvements are completed to solve issues at an early timing.

In addition, the effectiveness evaluation of internal controls over financial reporting in accordance with Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act is conducted by the Corporate Governance Committee, and the results are reported by the Corporate Governance Committee to the Board of Directors and the Audit & Supervisory Board.

For subsidiaries with internal audit divisions, the Company's internal auditing checks their activities, receives reports on their audit plans and results, and provides advice and guidance as necessary.

Furthermore, audit results are shared with the Accounting Auditor as needed, and regular meetings are held to share information, enhance communication, and maintain close cooperation.

### Policy on Directors' and Audit & Supervisory Board Members' remuneration

#### a. Remuneration, etc. of Directors

Regarding the decision-making policy for individual remuneration of Directors (hereinafter referred to as the "Decision-making Policy"), the Committee on Personnel and Remuneration, etc., with a majority of the members as Outside Directors, is consulted on the appropriateness of the proposed policy. The Board of Directors deliberates and makes a resolution based on the report. The following is a summary of the Decision-making Policy as of the publication of this report.

Remuneration of Directors (excluding Outside Directors) consists of basic remuneration, bonuses linked to the Company's performance of each fiscal year, and restricted stock remuneration to function as an incentive for continuous improvement of the Company's corporate value resulting in the mid- to long-term stock price. The ratio is roughly 40% basic remuneration, 30% bonuses, and 30% restricted stock remuneration. Outside Directors' remuneration shall be solely basic remuneration, given their duties.

Basic remuneration for Directors is fixed monthly remuneration, which is determined and paid in consideration of duties and responsibilities, remuneration levels at other companies, and employee salary levels. Bonuses are calculated based on a formula for each position linked to consolidated operating profit and are paid at a certain time each year. In addition, the content of restricted stock remuneration is determined based on the criteria for each position and is delivered at a certain time every year.

The Decision-making Policy for remuneration, etc. for FY2021 was established by a resolution of Board of Directors meeting held on June 10, 2021, after a consultation with the Committee on Personnel and Remuneration, etc. on the same day.

The determination of specific details about basic remuneration for each individual for FY2021 was delegated to the Committee on Personnel and Remuneration, etc., in accordance with a resolution of the Board of

Directors meeting held on June 10, 2021. The reason for this delegation was to increase the transparency of the process for determining remuneration. Specific calculation methods to decide on FY2021 bonuses for each position were resolved at the Board of Directors meeting held on the same day, and specific details about payment of restricted stock remuneration for each individual were resolved as of July 15, 2021 by a so-called written resolution of the Board of Directors meeting under Article 370 of the Companies Act, after an outline was explained in advance at the Board of Directors meeting. Based on the above, the Board of Directors has determined that the individual remuneration, etc. for Directors in FY2021 is in line with the Decision-making Policy.

#### Bonus (performance-linked remuneration)

Bonuses are paid to Directors (excluding Outside Directors) in order to raise awareness of improvement of each fiscal year's performance. The specific amount of remuneration for each individual is calculated by multiplying the performance indicators predetermined by the Board of Directors by a stipulated percentage and the multiplication rate by position predetermined by the Board of Directors. The performance indicator is consolidated operating profit from the perspective of company profitability.

#### Restricted stock remuneration (non-monetary remuneration, etc.)

It is paid to Directors (excluding Outside Directors) in order to function as an incentive for continuous improvement of corporate value and to further promote shared value with shareholders. Eligible Directors receive ordinary shares of the Company by paying all remuneration paid based on the resolution of the Board of Directors (monetary remuneration rights) as contribution in kind. The transfer restriction period is until the date of retirement from the position of Director. If a Director falls under certain grounds, such as the Director retiring for any reason other than that deemed reasonable by the Board of Directors, the Company shall acquire the shares allotted for no fee.

#### b. Remuneration, etc. of Audit & Supervisory Board Members

The remuneration of Audit & Supervisory Board Members shall be limited to monthly fixed remuneration and is determined and paid based on consultations with Audit & Supervisory Board Members.

#### ■ Amount of remuneration, etc. for Directors and Audit & Supervisory Board Members in FY2021

Officer classification	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (Millions of yen)			Number of eligible officers
		Basic remuneration (fixed remuneration)	Bonus (performance-linked remuneration)	Restricted stock remuneration (non-monetary remuneration, etc.)	
Directors (excluding Outside Directors)	434	214	106	113	8
Outside Directors	36	36	—	—	3
Total	470	250	106	113	11
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	59	59	—	—	3
Outside Audit & Supervisory Board Members	36	36	—	—	3
Total	95	95	—	—	6

Notes: 1 The above performance-linked remuneration (bonus) and non-monetary remuneration, etc. (restricted stock remuneration) for Directors (excluding Outside Directors) are the amounts recorded as expenses in FY2021.

2 The above remuneration for Directors (excluding Outside Directors) includes the amount paid to two Directors who retired as of the conclusion of the 155th Annual General Meeting of Shareholders held on June 25, 2021.

3 The above remuneration for Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members) includes the amount paid to one Audit & Supervisory Board Member who retired as of the conclusion of the 155th Annual General Meeting of Shareholders held on June 25, 2021.

4 In addition to the above, the Company paid a retirement benefit of ¥1,136 million to one Director who retired as of the conclusion of the 155th Annual General Meeting of Shareholders held on June 25, 2021, based on the resolution of the 140th Annual General Meeting of Shareholders held on June 29, 2006 (payment of termination benefits due to the abolishment of the retirement benefit system for Directors). The retirement benefit in question was paid for the period of 42 years and 8 months from the Director's appointment in November 1963 to the abolishment of the system in June 2006.

**Independence of Outside Directors and Outside Audit & Supervisory Board Members**

As to the independence from the Company with regard to the election of Outside Directors and Outside Audit & Supervisory Board Members, the Company judges their independence under the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company" based on independence criteria set by the Tokyo Stock Exchange. Suzuki reports all the elected Outside Directors and Outside Audit & Supervisory Board Members to the Tokyo Stock Exchange as independent officers.

**Board evaluation**

The Company carried out analysis and evaluation in order to further improve the effectiveness of the Board of Directors. The outline is as follows.

**(1) Method of evaluation**

- In this evaluation, the Company focused on agenda-setting for Board of Directors meetings and issues with operating the meetings in order to further enhance the Company's competitiveness.
- From March to May 2022, exchanges of opinions and interviews were held on a group or individual basis with officers in order of Outside Audit & Supervisory Board Member, Full-time Audit & Supervisory Board Member, Outside Director, Representative Director and Executive Officer. Through this process, the Company confirmed future initiatives at Board of Directors meetings in line with discussions at the Executive Committee that took place after the interviews.

**(2) Outline of results**

The following opinions and suggestions were made concerning agenda-setting for Board of Directors meetings and their operation.

- 1) Agenda-setting should be further strengthened to discuss the direction that the Company should take.
- 2) Explanatory materials should be clearer about key points for decision-making.

- 3) More reporting on progress in business execution should be made.
- 4) Explanations of materials should be shorter and done more efficiently to allocate more time to deliberation.
- 5) Members attending Board of Directors meetings should have separate meetings to discuss and exchange opinions without formality.

**(3) Future initiatives**

- In the course of this evaluation, the Company identified agenda items related to 1) at (2) above. They will be discussed one by one at Board of Directors meetings in the future.
- The Company will steadily improve matters referred to in the opinions and suggestions mentioned at 2) to 5) in (2) above, and will further enhance the effectiveness of the Board of Directors meetings by conducting evaluations on a continuous basis.

**Support structure for Outside Directors**

Suzuki provides each Outside Director with dedicated support staff (Board of Directors Secretariat staff) in addition to comprehensive support at the Board of Directors Secretariat. In this way, the Company builds a system that enables timely, prompt, and accurate access to internal information necessary for actively expressing opinions and fully participating in decision-making at the Board of Directors.

**Training for Directors and Audit & Supervisory Board Members**

The Company implements trainings that allow Directors and Audit & Supervisory Board Members to deepen their understanding of their respective roles, responsibilities, etc. We intend to make the training an opportunity in which Directors and Audit & Supervisory Board Members take part together in principle, so that they can share information on their respective roles, responsibilities, etc.

When a new Outside Director or a new Outside Audit & Supervisory Board Member assumes post in the Company, the Company will explain to the person the corporate

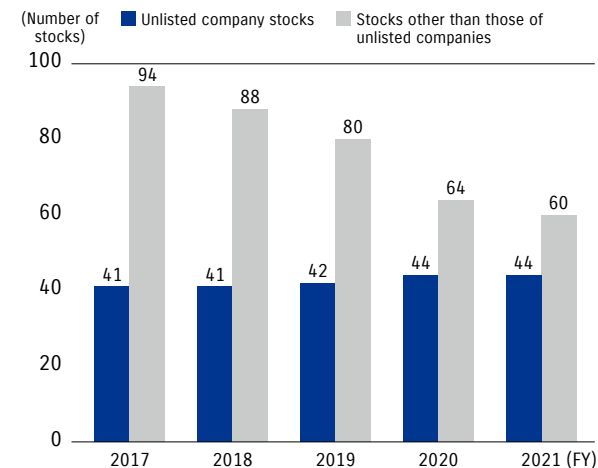
philosophy, lines of business, finances, organizations, etc. In addition, the Company will prepare opportunities, such as interaction with Directors, Managing Officers and employees in the Company, attending various meetings related to business operation and management, and joining factory inspections, to ensure that the person can deepen their understanding of the Company.

**Situation of cross-shareholdings**

Appropriateness of individual cross-shareholdings is examined by the Board of Directors every year. The Company makes a comprehensive judgment on the accompanying benefits, risks, and other factors of holdings, taking into consideration the nature, scale, and other factors of transactions and setting qualitative criteria, including aspects of enhancement of corporate value, as well as quantitative criteria including comparison with capital costs. The Company will then reduce cross-shareholdings in the stocks it has decided to sell.

The trends in the number of cross-shareholdings are as follows.

**■ Trends in the number of cross-shareholdings**



## Message from Outside Directors



Hideaki Domichi

When I served as an ambassador of Japan to India, I was sure that India would emerge as a major economic power that would rival the U.S. and China. However, this type of attitude was not strongly held in Japan. The reason I joined JICA after retiring from the Ministry of Foreign Affairs is that I wanted to eliminate bottlenecks through the establishment of infrastructure and other means within India, and to strengthen the correlation between India and the Japanese economy. In that sense, Suzuki's existence is symbolic. I firmly believe that Suzuki's future development will occur in step with India's growth.

A little more than two years have passed since I was appointed as a Director at Suzuki. Internal discussions prior to the Board of Directors meetings have come to be shared with Outside Directors as well, and I highly commend that transparency. In addition, I believe that our role is to broaden viewpoints and information inside and outside the Company, and through

interactions with management, also examine whether management's major strategies are the best choices in the context of a major transformation occurring once in a hundred years. The Board of Directors, an organization in which the President is at the center, is unified in its intention to successfully realize the mid-term management plan. Furthermore, I appreciate the effort being made to enhance the strategic nature of discussions through Board evaluations.

Right now, one of the most critical issues is an effort toward carbon neutrality, which will become more and more closely linked to corporate value going forward. Suzuki's strengths lie in the technology of compact cars it has been cultivating in Japan, and specialization in emerging markets around the world. Suzuki can use that technology and its Corporate Philosophy to contribute to efforts towards carbon neutrality in emerging countries. In particular, Suzuki should fulfill the role of a

driving force as a market leader in India. I believe that is definitely important to make this point clear.

However, to be honest, Suzuki has fallen behind when it comes to electric vehicles (EVs). There is an ongoing search to figure out the ideal form of EV as a means of transporting people. Suzuki has maintained a consistent stance of creating cars that assist the lives of the people and are enjoyable, and I expect that it will incorporate such a message in promoting EV to the public. Both carbon neutrality and SDGs question how companies will contribute to society, and I believe that Suzuki's Corporate Philosophy should be helping to improve corporate value.

I believe that Suzuki's lifeline is already shifting overseas, and that this trend will likely accelerate. For that reason, it is important to carry out human resource development from a global perspective.



Shun Egusa

I left my job at a major electronics manufacturer at the end of March 2022, assumed a position as a visiting research professor at a university in April of the same year, and then was appointed Outside Director at the General Meeting of Shareholders in June. During the span of roughly 15 years until I left my job at the major electronics manufacturer, I worked as a manufacturing and technical leader of the lithium-ion battery business and as a member of management.

The automobile industry is currently facing a period of major transformation that occurs once in a hundred years, and the central piece of that is the electrification of vehicles. It goes without saying that the rechargeable batteries which are an energy source are a particular large technical challenge, and it is no exaggeration to say, "Whoever controls rechargeable batteries controls electrification." I will harness

the technical knowledge related to rechargeable batteries and experience with managerial decisions I have accumulated up to this point and supervise the promotion of Suzuki's strategy for electrification.

Even though modern companies will continue to change their products and businesses, they must transform compliance into something that does not waver as a foundation. In the past, there was an incident where Suzuki falsified production vehicle inspections. And at a company where I previously worked, a single internal complaint from an employee to the Securities and Exchange Surveillance Commission led to repeated discoveries of fraudulent accounting and other issues, resulting in a management crisis that shook the company to its core. It was truly a case of "a small leak sinking a great ship," and made me realize how vulnerable corporate compliance is.

I intend to use this experience to help maintain and develop Suzuki's compliance system.

Suzuki must overcome market changes, and must expand its business and produce suitable profits to meet the expectations of stakeholders including shareholders. This requires strong leadership from the top level, and occasionally challenges, although top-down challenges can sometimes lead to improper conduct when communication with employees is eliminated. It has been roughly six months since I came to Suzuki, and I have a good feeling about the atmosphere and attitudes that enable opinions to be exchanged without top-bottom divisions at various meetings such as the Board of Directors meetings which I attend. I will maintain this ease of communication with the actual workplace as the foundation of compliance, while helping to utilize it as the driving force that will overcome major market changes.

# Compliance System and Risk Management System

## Compliance

### Basic policy

For the Suzuki Group to achieve sustainable growth and development, it must be trusted by society and its activities need to be supported and understood. For this purpose, Suzuki recognizes that it is essential to not only comply with laws and internal regulations, but also adhere to social norms and carry out activities based on high ethical standards.

On the basis of the tradition and spirit passed down since the Company's founding, in 1962 Suzuki established the Mission Statement that expresses the corporate philosophy of "what kind of company we seek to become" with the aim of sharing values throughout the Suzuki Group. (Please refer to page 10 of Corporate Philosophy for details.)

In keeping with the spirit of the Mission Statement, in 2016 Suzuki formulated the Suzuki Group Code of Conduct (hereinafter, the Code of Conduct) as a set of rules for enabling all persons working in the Suzuki Group to dedicate themselves to their duties healthily, efficiently, and energetically. This Code of Conduct has been made into a booklet so that all Suzuki Group employees can carry it at all times. Besides a Japanese version, English and Portuguese versions have been created and distributed to non-Japanese employees working in Japan. Also, at overseas subsidiaries, booklets written in the respective local native languages are distributed to employees.

Furthermore, based on the Code of Conduct, in 2020 Suzuki created and distributed the Compliance Handbook to all employees in Japan. This handbook specifically summarizes what people working in the Suzuki Group must and must not do from the perspective of compliance. Along with a Japanese version, Suzuki also created

English and Portuguese versions of the handbook to enable employees to confirm and review their conduct at any time in their daily work.

### Compliance system

#### Corporate Governance Committee

Suzuki established the Corporate Governance Committee, chaired by the Managing Officer in charge of Corporate Planning, under the Board of Directors. The Corporate Governance Committee rolls out measures to ensure thorough compliance and promotes efforts to address cross-sectional challenges in coordination with the relevant departments.

The Corporate Governance Committee engages in enhancement of compliance awareness by employees and urges caution for individual legal compliance throughout the Company. Furthermore, if compliance issues arise, the Committee deliberates each issue, formulates required measures, and reports the details to Directors and Audit & Supervisory Board Members as appropriate.

#### Whistleblowing system

##### (Suzuki Group Risk Management Hotline)

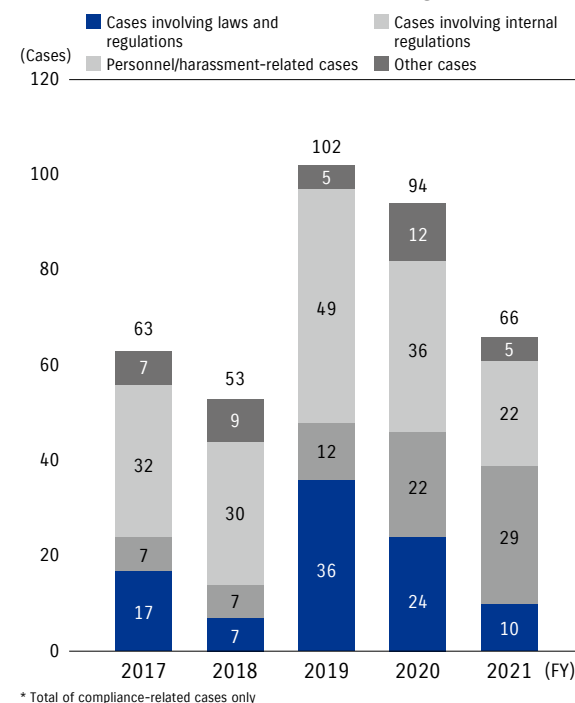
With the aim of preventing and promptly addressing non-compliance matters, Suzuki has established an whistleblowing system (Suzuki Group Risk Management Hotline) that enables violations of laws and regulations or possible violations to be reported without consequentially being subject to disadvantageous treatment. All Suzuki Group executives and employees (including temporary employees, fixed-term contract employees, and retired employees), whether in Japan or overseas, can report to the hotlines (two internal hotlines and one external hotline (law firm)). Suzuki also accepts reports from external parties such as business partners.

In the wake of the amended Whistleblower Protection Act enacted in June 2022, Suzuki has reviewed the system and operations and revised internal regulations to make the whistleblowing system more effective, using guidelines and explanations based on the Act as a reference.

Suzuki has also conducted a survey on awareness and use of the whistleblowing system and conducts initiatives to ensure employees' opinions lead to improvements.

The number of whistleblowing cases in the past five years (FY2017-FY2021) is as follows:

#### Trends in the number of whistleblowing cases\*



### Status of measures to prevent recurrence of improper conduct during final vehicle inspections

“Remember 5.18,” an initiative for activities so that we never forget the improper sampling inspection of fuel consumption and exhaust gas in 2016 as well as the improper conduct regarding final vehicle inspection in 2018, is conducted in a way that all employees and officers, including the President, can take part, and we strive to foster a workplace culture where improper conduct does not occur due to compliance awareness and enhanced communication.

We hold worksite discussions in which the President personally visits all divisions, plants, and sites of Suzuki Motor Corporation and exchanges views with employees on legal compliance and new operational measures.



Remember 5.18 activities (worksite discussions with the President)

## Risk management

### Risk management system

The Company has established a system in which issues occurring or recognized in any department are deliberated on promptly by the Executive Committee or the Corporate Governance Committee, depending on their urgency and severity. The Company checks concerns of the impact and measures from each division every week at the Executive Committee to quickly grasp the impact on the business and make necessary management decisions on issues related to product quality, homologations, final vehicle inspections, as well as COVID-19, and issues of shortages of semiconductors and other parts or raw materials.

### Response to quality issues

The Company is working to strengthen its system for prompt investigation of causes and swift implementation of countermeasures to avoid situations where the prolonged response to quality issues causes major inconvenience to customers and an increase in the cost of countermeasures. The Company constantly keeps track of the latest status of quality issues at weekly and monthly meetings such as the Executive Committee. Market actions such as recalls are decided after deliberation by the Quality Assurance Committee, which is composed of related officers, Executive General Managers, General Managers, etc.

### Response to COVID-19

Centered around the COVID-19 Response Headquarters established in March 2020, the Company is thoroughly implementing infection prevention measures for Suzuki Group employees by frequently exchanging updated information with all domestic and overseas bases. In addition, the Company is working to reduce the risk of infection for its customers by adopting customer service and sales methods in which representatives do not directly interact with customers in on-site sales.

## Establishing a tax policy

We established the Suzuki Group Tax Policy in December 2022 as the basic policy for thorough tax compliance and to conduct appropriate tax payments.

### Tax Policy of the Suzuki Group

The Suzuki Group (hereinafter referred to as ‘we’) shall conduct business by placing utmost importance on our motto and mission of developing products and providing services of superior value by focusing on the customer. Simultaneously, we understand the importance of being tax compliant, by duly fulfilling our obligations as a taxpayer and returning our profits to society by way of payment of taxes and strive to contribute to society.

#### (Legal Compliance)

We shall comply with all relevant tax regulations including the tax laws of individual countries, the OECD Transfer Pricing Guidelines, the BEPS Action Plan as well as tax treaties, and at the same time, we shall not engage in unjust acts of tax avoidance.

#### (Governance)

We have established appropriate management reporting systems to deal with tax risks as part of an internal control mechanism. The management strives to resolve tax risks that are crucial and/or require immediate attention by taking various measures including deliberations at appropriate meeting as necessary. Timely inhouse training and tax compliance awareness programs are conducted for employees across various departments to promote tax literacy and cognizance of applicable tax laws and regulations.

#### (Relationship with Tax Authorities)

We shall take every possible opportunity to foster a trustworthy relationship with tax authorities. In addition, if there is lack of mutual understanding with the tax authorities, we shall promptly communicate with the tax authorities. Furthermore, we shall sincerely make transparent tax payments and deal with tax audits appropriately in accordance with the basic policy and guidelines.

#### (Prevention of Double Taxation)

We are well aware about the applicable double taxation risks arising on account of international taxation, including transfer pricing. We follow the international transfer pricing guidelines as well as local regulations of the respective countries of operation when determining the prices of its inter-company transactions. Furthermore, as a group, we shall strive to eliminate any presence of double taxation by consultation with tax experts, negotiation with relevant tax authorities, and implementation of applicable remedies.

## ■ Efforts for information security

To properly manage personal and confidential information, based on the Suzuki Basic Policy for Information Security, an information security officers' committee was established under the Corporate Governance Committee to deal with information security in general including cybersecurity, and the Company is promoting the Suzuki Group's information security measures.

### Suzuki Basic Policy for Information Security (Excerpt)

- 1) Legal compliance
- 2) Initiatives for information security and product security
- 3) Building of information security management system
- 4) Establishment of internal regulations
- 5) Establishment of audit system
- 6) Implementation of information security measures
- 7) Implementation of education
- 8) Management of outsourced contractors
- 9) Implementation of continuous improvements

## ■ Protecting personal information

We fully recognize that personal information (information regarding our customers, business partners, shareholders, investors, employees, etc.) is an important and valued asset that we receive from individuals, and it is our obligation under the law and our accountability to society, to handle this information properly and with care. In response to this, we establish the "Suzuki Motor Corporation basic policy on protection of personal information" and work hard for protection of personal information. Details on the handling of personal information are released on the Suzuki corporate website:

For Japan:

[http://www.suzuki.co.jp/privacy\\_statement/index.html](http://www.suzuki.co.jp/privacy_statement/index.html)

For overseas:

<https://www.globalsuzuki.com/cookies/index.html>

We establish the in-house rules and revise them as required according to revision of related laws etc. to handle personal information appropriately, and to familiarize our employees with these rules, Suzuki provides education so that all employees thoroughly become aware of protection and appropriate handling of personal information. In addition, the basic policy on protection of personal information is followed also at Suzuki Group companies to thoroughly ensure protection of personal information. We will continuously review and improve the personal information protection system.

## ■ Efforts for preventing bribery

Suzuki makes efforts to prevent bribery. The Suzuki Group Code of Conduct explicitly prohibits the bribery of public officials while the Compliance Handbook cites examples of specific prohibited acts (e.g., making facilitation payments, providing entertainment for public officials who have an influence on corporate activities, etc.).

Additionally, to build and maintain fair and proper relationships with all our business partners, Suzuki has prescribed internal regulations regarding entertainment received from our business partners and requires all executives and employees to obey these rules.

## ■ Efforts for preventing anti-competitive behavior

Within the Suzuki Group Code of Conduct, Suzuki calls for compliance with laws and regulations, including competition laws, and provides thoroughgoing education in this area.

Moreover, Suzuki is working to raise the level of understanding among employees such as by citing specific prohibited behavior in an easily comprehensible manner in the Compliance Handbook.

## ■ Efforts for compliance with laws and regulations, respect for human rights and environmental conservation in the supply chain

In step with the global development of Suzuki's business activities, its business partners and other stakeholders are increasingly multi-nationalized and diversified. As such, there are rising expectations for Suzuki to not only comply with the laws and social norms of each country but also fulfill its corporate social responsibilities (CSR) while giving consideration to the culture and history of each region.

Based on such social demands, Suzuki summarized in its CSR Guidelines for Suppliers its basic policy on the social responsibilities it must fulfill and the matters it must put into practice together with its business partners. Accordingly, Suzuki and its suppliers work as one team in promoting CSR activities.

Moreover, Suzuki newly established the Suzuki Group's basic policy regarding human rights in December 2022. We are confident that respect for human rights should be the basis for all corporate activities and are rigorous in this pursuit. We are moving forward on initiatives to respect human right together with all of our stakeholders. → Please refer to page 27 for details on the Suzuki Group Basic Policy on Respect for Human Rights.

## ■ Business continuity plan (BCP)

The Company has formulated a BCP assuming the occurrence of Nankai Trough megathrust earthquakes, and based on this, secures the necessary cash on hand and lines of credit as one aspect of measures to prepare for natural disasters.

# Risks and Countermeasures

	Risks to business, etc.	Countermeasures
<b>Particularly large risks</b>	Impacts from natural disasters, epidemics, pandemics, conflicts, terrorism, strikes, etc.	Increases to inventory, long-term contracts, construction of systems to visualize supply chains, cost reduction
	Dependency on certain suppliers	
	Fluctuations in product prices and supply prices	
<b>Market-related risks</b>	Changes in economic conditions, fluctuations in market demand	<b>Automobile business</b> Japan: Maintaining and enhancing a distributor network, strengthening direct sales capability (increasing scale of sites and securing personnel), increased sales of sub-compact and standard-sized vehicles, digitalization of sales India: Promoting penetration of hybrid vehicles, introducing EV, enhancing sales capabilities, enhancing production capabilities, establishing a production system
	Intensification of competition with other companies	
<b>Business-related risks</b>	New product development and introduction capabilities	<b>Alliance with Toyota</b> Collaboration on electric vehicles, collaboration in Africa, deepening ties including by supplementing products and units <b>Motorcycle business</b> Unifying platforms, creating a fascinating and diverse lineup
	Quality assurance	<b>High-quality products</b> In order to prevent quality problems and their outflow, detecting them early by promptly investigating the causes and taking countermeasures, production with reduced variants, and expanded traceability management, we will work, focused on the customer, to create products of quality that are value-packed and at an affordable price
	Dependency on information technology	Enhancing information security (ISO 27001 obtained in 2020), securing and training human resources who will lead the next generation and human resources with specializations
	Concentration on particular business or market	<b>Alliance with Toyota</b> Collaboration in Africa (promoting market development, including introducing products from India, promoting construction of logistics and service structures)
	Compliance	Continuing along with implementation of measures to prevent recurrence of improper conduct
	Tie-ins with other companies	<b>Alliance with Toyota</b> Collaboration on electric vehicles, collaboration in Africa, deepening ties including by supplementing products and units
	Information leaks	Enhancing information security (ISO 27001 obtained in 2020)
<b>Financial and economic risks</b>	Fluctuations in exchange rates and interest rates	Hedging through exchange contracts, etc., dispersion and global optimization of production sites, diversification of procurement methods
<b>Risks related to politics, regulations, legal procedures, disasters, etc.</b>	Government regulations, etc.	Carbon neutrality of CO <sub>2</sub> emissions in use and CO <sub>2</sub> emissions from manufacturing
	Protection of intellectual property	Making products distinct from those by competitors (accumulation and protection of intellectual property such as technology and know-how, measures to prevent violation of third-party intellectual property rights)
	Legal procedures	Collaborating with outside experts and handling legal procedures quickly and appropriately
	Business development in countries around the world	Hedging through exchange contracts, etc., dispersion and global optimization of production sites



# Stakeholder Engagement

## ■ Policy for stakeholders

Target stakeholders	Policy	Ways of dialogue and communication
<b>Customers</b>	<p><b>For customer satisfaction</b> While keeping in step with the times and taking the opinions of the public into full consideration, use our technologies and sincerity to create useful products of real value that satisfy the customer. Do our best to provide quick, reliable, and stress-free sales and after-sales services in order to enhance customer satisfaction.</p>	<ul style="list-style-type: none"> <li>• Marketing activity (sales and after-service)</li> <li>• Customer Relations Office</li> <li>• Customer events</li> <li>• Safety driving lectures, etc.</li> </ul>
<b>Business partners</b>	<p><b>For prosperous coexistence</b> Cooperate with our business partners on even ground to maintain confidential and prosperous relationships for making truly valuable products while practicing initiatives for compliance to laws and regulations, respect for human rights, and preservation of the environment.</p>	<ul style="list-style-type: none"> <li>• Presentation of procurement policy</li> <li>• Procurement activity</li> <li>• Co-development</li> <li>• Trading of opinions between the management or persons in charge, etc.</li> </ul>
<b>Employees</b>	<p><b>For comfortable and worthwhile workplaces</b> Create a workplace based on the following points that allows for employee self-improvement and advancement. 1. Create a safe and healthy workplace for employees. 2. Create a system that fairly evaluates and supports those who want to take the initiative in advancing their careers. 3. Create a good and stable employer-employee relationship.</p>	<ul style="list-style-type: none"> <li>• Safety and health committee</li> <li>• Consultation desk</li> <li>• Goal Challenge System</li> <li>• Self-actualization system</li> <li>• In-house education and training program</li> <li>• Worksite discussions (The President visits all divisions.)</li> <li>• Labor-management consultations, etc.</li> </ul>
<b>Shareholders and investors</b>	<p><b>For improvement of corporate value</b> Disclose information promptly, appropriately, and fairly while seeking communication with shareholders and investors, and strive to reinforce the management base and improve our corporate value.</p>	<ul style="list-style-type: none"> <li>• Annual General Meeting of Shareholders</li> <li>• Presentation meetings with institutional investors</li> <li>• IR events for individual investors</li> <li>• Publication of various reports, etc.</li> </ul>
<b>Local community</b>	<p><b>For a community-friendly company</b> Contribute to the development of local communities through positive communications with local communities and social action programs, and act as a responsible member of society.</p>	<ul style="list-style-type: none"> <li>• Local contribution activities in each domestic and overseas office</li> <li>• Educational support activity</li> <li>• Suzuki Plaza, etc.</li> </ul>
<b>Environment</b>	<p><b>For global environmental conservation</b> Acknowledge that activities in environmental conservation are the most important part of business management. Promote environmental conservation in accordance with our Suzuki Global Environment Charter through our business activities and products in order to achieve a society with sustainable development.</p>	<ul style="list-style-type: none"> <li>• Establishment, promotion, and reporting of Suzuki Environmental Plan 2025</li> <li>• Holding of and participation in various environment events</li> <li>• Environment education and lectures, etc.</li> </ul>

## ■ Stakeholder engagement and examples of communication initiatives

Target stakeholders	Examples of initiatives
<b>Customers</b>	Customer opinions, suggestions and other feedback received by the Customer Relations Office are communicated to the relevant departments in order to develop better products and improve manufacturing, quality, sales and after-sales services. We have established a system enabling such information to be promptly fed back to the relevant departments in charge depending on the criticality of the information. Also, we fully examine the collected information, and in some cases we identify and summarize potential customer needs and inform the relevant divisions.
<b>Business partners</b>	We make efforts to promote mutual understanding by holding a Procurement Policy Presentation once a year for our business partners. The goal of this presentation is to share Suzuki's policy and product/production plans, as well as to convey our procurement policy.
<b>Employees</b>	Beginning with the annual Shunto labor-management wage negotiations in 2022, we have changed the format of these negotiations to a style of discussion in which labor and management directly debate their respective opinions in order to find common ground for the development of the Company. Every month, information exchange meetings are held between the three labor union leaders and the President and Executive Vice Presidents, and the minutes of those meetings are distributed to all employees.  We also hold worksite discussions in which the President personally visits all divisions, plants and sites of Suzuki Motor Corporation and exchanges views with employees on legal compliance and new operational measures.
<b>Shareholders and investors</b>	Financial briefings for analysts are held every quarter of the year. In addition, investors' conferences and other presentation meetings and domestic/international IR meetings are held. We also invite analysts to events such as new model announcements, plant tours, and technology presentations whenever possible. The COVID-19 pandemic has made it difficult to hold face-to-face meetings. In response, we have worked to maintain communication with investors by utilizing online tools.  We also periodically hold presentation meetings for individual investors. Since the Annual General Meeting of Shareholders held in 2008, we have been inviting shareholders to the Suzuki Plaza for tours, after the meeting. (We canceled the event for 2021 due to COVID-19.)
<b>Local community</b>	At domestic automobile assembly plants, we accept students from local schools as part of their field trips for social studies. We also hold social events with the local community to exchange information, and an Autumn Festival to promote friendship among employees, their families and local residents. Through these events, we strive to promote a deeper mutual understanding with the local community.

# 11-Year Major Financial / Non-Financial Data

	Unit	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Automobile	Production unit	2,803	2,878	2,857	3,043	2,951	3,074	3,338	3,394	2,964	2,651	2,822
	Domestic production	1,020	1,044	998	1,055	861	871	971	1,011	944	930	840
	Overseas production	1,782	1,834	1,859	1,988	2,090	2,203	2,367	2,383	2,020	1,721	1,982
	India	1,134	1,169	1,153	1,308	1,424	1,585	1,781	1,850	1,577	1,440	1,659
	Sales unit	2,560	2,661	2,709	2,867	2,861	2,918	3,224	3,327	2,852	2,571	2,707
	Domestic sales	596	672	728	756	630	639	668	725	672	647	561
	Overseas sales	1,964	1,989	1,981	2,111	2,231	2,279	2,556	2,602	2,179	1,924	2,145
	India	1,006	1,051	1,054	1,171	1,305	1,445	1,654	1,754	1,436	1,323	1,365
Sales unit of hybrid models*1	Thousand units	–	–	–	55	249	389	461	539	489	615	626
Motorcycle	Production unit	2,574	2,269	2,033	1,799	1,480	1,370	1,627	1,747	1,729	1,497	1,784
	Domestic production	174	169	180	154	122	141	152	115	95	67	99
	Overseas production	2,400	2,100	1,852	1,645	1,358	1,229	1,475	1,632	1,634	1,430	1,685
	Sales units	2,589	2,312	2,022	1,764	1,501	1,367	1,576	1,745	1,709	1,535	1,634
	Domestic production	78	76	74	67	61	62	60	57	49	51	53
	Overseas production	2,511	2,236	1,948	1,697	1,440	1,305	1,516	1,688	1,661	1,484	1,581

\*1 Hybrid models include Mild Hybrid, S-ENE CHARGE, and SHVS

	Unit	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
		25,122	25,783	29,383	30,155	31,807	31,695	37,572	38,715	34,884	31,782	35,684
Automobile		22,090	22,978	26,157	27,020	28,785	28,956	34,358	35,325	31,574	28,766	32,048
Motorcycle		2,548	2,303	2,666	2,505	2,339	2,063	2,464	2,551	2,426	2,065	2,535
Marine		–	–	–	–	–	–	–	–	745	834	980
Other		–	–	–	–	–	–	–	–	139	117	121
Marine + Other		484	502	560	630	683	676	750	839	884	951	1,101
Domestic sales	¥100 million	9,868	10,409	11,327	10,946	10,479	10,375	11,167	12,524	11,795	11,740	10,737
Overseas sales		15,254	15,374	18,056	19,208	21,328	21,320	26,405	26,191	23,089	20,042	24,947
Europe		3,509	2,865	3,989	3,720	4,047	4,253	5,106	5,248	4,653	4,227	4,181
North America		1,053	956	651	660	670	561	625	708	670	681	794
Asia		8,863	9,854	11,120	12,145	13,947	13,930	17,732	17,623	15,237	12,932	15,901
Others		1,829	1,699	2,297	2,683	2,663	2,576	2,942	2,612	2,529	2,202	4,071
Operating profit		1,193	1,446	1,877	1,794	1,953	2,667	3,742	3,244	2,151	1,944	1,915
Ordinary profit	¥100 million	1,306	1,556	1,978	1,943	2,091	2,867	3,828	3,795	2,454	2,483	2,629
Profit*2		539	804	1,075	969	1,167	1,600	2,157	1,788	1,342	1,464	1,603
Capital expenditures		1,267	1,693	2,136	1,945	1,715	1,988	2,134	2,689	2,364	1,709	1,894
Depreciation and amortization	¥100 million	1,031	937	1,172	1,344	1,683	1,634	1,509	1,489	1,642	1,365	1,615
R&D expenses		1,098	1,193	1,271	1,259	1,310	1,315	1,394	1,581	1,481	1,462	1,607
Interest-bearing debt balance		4,398	4,275	4,453	5,547	5,293	6,399	5,779	3,754	4,042	7,708	6,742
Total assets	¥100 million	23,024	24,876	28,741	32,528	27,020	31,160	33,408	34,020	33,398	40,364	41,552
Net assets		11,118	12,986	14,944	17,014	11,877	13,870	15,952	17,159	17,937	20,320	22,637
Shareholders' equity ratio	%	42.9	46.1	46.2	45.6	35.4	35.9	38.8	40.9	44.5	41.8	45.2
Profit per share	¥	96.06	143.31	191.60	172.67	234.98	362.54	488.86	395.26	286.36	301.65	330.20
Cash dividends per share (annual)		15.00	18.00	24.00	27.00	32.00	44.00	74.00	74.00	85.00	90.00	91.00
ROE	%	5.5	7.5	8.7	6.9	9.6	15.4	17.9	13.3	9.3	9.2	9.0

\*2 Profit attributable to owners of parent (from FY2015 onwards)

	Unit	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Number of employees		14,389	14,405	14,571	14,751	14,932	15,138	15,269	15,431	15,646	16,073	16,267
Male	Person	13,147	13,140	13,260	13,347	13,467	13,603	13,711	13,808	13,932	14,220	14,326
Female		1,242	1,265	1,311	1,404	1,465	1,535	1,558	1,623	1,714	1,853	1,941
Employees with job titles*1		–	–	–	–	4,184	4,232	4,333	4,437	4,517	4,709	4,831
Male	Person	–	–	–	–	4,131	4,162	4,243	4,339	4,403	4,577	4,695
Female		–	–	–	–	53	70	90	98	114	132	136
Ratio of female	%	–	–	–	–	1.27	1.65	2.08	2.21	2.52	2.80	2.82
Managers		–	–	–	926	965	1,014	1,049	1,080	1,139	1,203	1,268
Male	Person	–	–	–	921	957	1,004	1,037	1,066	1,121	1,185	1,248
Female		–	–	–	5	8	10	12	14	18	18	20
Ratio of female	%	–	–	–	0.54	0.83	0.99	1.14	1.30	1.58	1.50	1.58
Employment rate of people with disabilities	%	–	–	–	2.09	2.08	2.04	2.02	2.14	2.20	2.23	2.35
New employees		306	427	588	571	635	794	642	563	708	819	595
Male	Person	268	364	496	496	532	674	541	445	569	651	451
Female		38	63	92	75	103	120	101	118	139	168	144
College degree or above		280	367	446	462	472	585	456	475	494	577	352
Male	Person	247	328	404	425	412	523	396	396	413	474	285
Female		33	39	42	37	60	62	60	79	81	103	67
Turnover rate	%	–	–	–	4.3	4.1	3.8	4.2	3.9	3.1	2.2	2.9
Number of employees (consolidated)	Person	54,484	55,948	57,749	57,409	61,601	62,992	65,179	67,721	68,499	68,739	69,193
Rate of paid leave taken*2	%	–	–	–	–	–	–	–	73.7	77.2	75.0	85.4

\*1: Manager, assistant manager, supervisor, and foremen (including expert and technical master)

\*2: Includes managers

	Unit	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
CO <sub>2</sub> emissions in the entire value chain		–	–	–	–	–	7,188	7,862	8,817	7,178	6,910	7,558
Scope1	10,000 t-CO <sub>2</sub>	–	–	–	–	–	61	65	62	53	38	40
Scope2		–	–	–	–	–	50	55	57	63	67	71
Scope3		–	–	–	–	–	7,077	7,742	8,698	7,062	6,805	7,447
Global average CO <sub>2</sub> emissions of new automobile models	km/L g/km	20.1	22.0	24.9	26.4	27.2	27.4	27.1	25.9	25.6	24.5	24.6
Average fuel efficiency in Japan		130.9	128.8	125.3	126.1	119.4	118.6	114.9	113.9	120.7	100.2	98.3
Average CO <sub>2</sub> emissions in Europe		–	120.3	118.5	117.5	112.1	111.1	109.9	108.7	111.2	112.9	111.1
Average CO <sub>2</sub> emissions in India		413	434	782	780	772	818	874	866	864	815	821
Amount of water used globally	10,000 m <sup>3</sup>	329	342	347	330	314	319	334	329	320	332	309
Suzuki (domestic plants)		84	92	99	106	116	104	104	84	87	81	75
Domestic subsidiaries		–	–	336	344	342	395	438	454	457	402	437
Overseas plants		136	130	281	290	297	315	372	384	350	325	381
Total global waste discharge amount	1,000 tons	114	110	102	102	93	93	114	115	104	113	116
Suzuki (domestic plants)		22	20	22	20	18	18	24	21	20	16	16
Domestic manufacturing subsidiaries		–	–	130	147	166	186	213	228	209	185	229
India		–	–	21	17	13	10	12	12	12	8	16
Indonesia		–	–	6	4	7	8	9	8	5	3	4
Thailand		–	–	–	–	–	–	–	–	–	–	–

Please refer to Sustainability Report 2022 for details on non-financial data.

# Financial Review

## ■ Business segments and scope of consolidation

The Group consists of the Company, 121 subsidiaries, and 34 affiliates. The main businesses are the manufacturing and marketing of automobiles, motorcycles, outboard motors, and motorized wheelchairs, as well as logistics and other services related to the respective operations.

### [Significant notes that are fundamental in making the consolidated financial statements]

- Note regarding scope of consolidation  
Consolidated subsidiaries ————— 119 companies
- Note regarding scope of equity method  
Affiliates accounted for  
using equity method ————— 32 companies

### Management results of FY2021

The business environment surrounding the Group during FY2021 was severe due to a shortage of parts supplies, including semiconductors, soaring raw material prices, and the impact of COVID-19. Under these circumstances, we have tried to deliver as many cars as possible to customers by securing parts and reviewing production plans. In addition, we have implemented measures such as sales efforts and an austerity budget throughout the year as part of our efforts to improve earnings. For FY2021, net sales increased by ¥390.2 billion (12.3%) to ¥3,568.4 billion year on year, when the business performance declined due to the COVID-19 pandemic. Operating profit decreased by ¥2.9 billion (1.5%) to ¥191.5 billion year on year, mainly owing to an increase in raw material prices. Ordinary profit increased by ¥14.6 billion (5.9%) to ¥262.9 billion year on year, mainly owing to an improvement in financial account balance. Profit attributable to owners of parent increased by ¥13.9 billion (9.5%) to ¥160.3 billion year on year.

### R&D expenses

The lead in R&D activities for the entire Group is mainly conducted by the Company. Proactive efforts are being made to provide unique and competitive products that respond to environmental issues and customers' diversifying needs.

In its Mid-Term Management Plan (April 2021 to March 2026) "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," Suzuki has declared its commitment to assuring people's means of mobility as one tenet under the plan's basic philosophy. While focusing on this tenet, the production, engineering, purchasing, and IT departments of Suzuki are working in concert and taking up the challenge of quality improvement and assurance using AI and strengthening our data utilization infrastructure in order to deliver valued products and services to customers. In addition, for product electrification and response to CASE technology aimed at

global carbon neutrality, we have established a new organization to accelerate product development and build manufacturing technologies. To reduce CO<sub>2</sub> emissions from manufacturing processes, we are working toward curbing energy use through energy saving and better production efficiencies, as well as utilizing renewable energy.

In FY2021, R&D expenses of the entire Group amounted to ¥160.7 billion, and the breakdown of activities by segment is as shown below.

Segment	R&D expenses (Billion yen)
Automobile business	144.6
Motorcycle business	12.1
Marine business	3.8
Other	0.2
Total	160.7

### Capital expenditures

Capital expenditures for FY2021 were ¥189,389 million, which were used for production, R&D, and marketing facilities, etc.

Breakdown by segment is as per below.

Segment	Capital expenditures (Million yen)	Facilities	Financing
Automobile business	179,675	Production, R&D, and marketing facilities, etc. of automobiles	Self-financing and outside financing
Motorcycle business	6,947	Production, R&D, and marketing facilities, etc. of motorcycles	"
Marine business	2,398	Production, R&D, and marketing facilities, etc. of outboard motors	"
Other	367	Business facilities	"
Total	189,389	-	

Note 1. Capital expenditures are the total of the Company and its subsidiaries.

2. Investments in each segment are as per below.

In the automobile business, the Company made capital expenditures of ¥53,634 million, which includes improvement of production quality and production facilities for new models. Maruti Suzuki India Limited also made capital expenditures of ¥57,226 million, which includes expansion of production ability, production facilities for new models. Suzuki Motor Gujarat Private Limited made capital expenditures of ¥18,920 million, which includes expansion of production ability.

In the motorcycle business, the Company made capital expenditures of ¥2,787 million, mainly in production facilities.

In the marine business, the Company made capital expenditures of ¥1,738 million, mainly in production facilities.

## Liquidity and source of funds

### (Financial position)

With respect to the financial position at the end of FY2021, total assets were ¥4,155.2 billion (increased by ¥118.8 billion year on year). Total liabilities were ¥1,891.5 billion (decreased by ¥112.9 billion year on year). Total net assets were ¥2,263.7 billion (increased by ¥231.7 billion year on year).

As for borrowings, ¥400.0 billion in borrowings were made in the April-June period of FY2020 in response to COVID-19, and we intend to maintain the current borrowing level owing to the uncertainty of the future business environment, including semiconductor shortages.

The shareholders' equity ratio at the end of FY2021 recovered to the level at the end of FY2019, to 45.2%.

### (Capital resources, liquidity of funds, and cash flows)

The balance of cash and cash equivalents at the end of FY2021 amounted to ¥858.0 billion (decreased by ¥66.4 billion year on year). Cash flows for FY2021 are as follows.

#### (1) Cash flows from operating activities

Net cash provided by operating activities for FY2021 amounted to ¥221.3 billion. Although profit before income taxes increased year on year, this was partially offset by a decrease in trade payables, resulting in a decrease of ¥194.1 billion compared to inflows of ¥415.4 billion in the same period of the previous fiscal year.

#### (2) Cash flows from investing activities

Net cash used in investing activities for FY2021 amounted to ¥153.5 billion, an increase of ¥79.5 billion compared to outflows of ¥233.0 billion in the same period of the previous fiscal year. This was mainly caused by an increase in proceeds from the sale of property, plant and equipment, such as the former Toyokawa Plant site, partially offset by purchases of property, plant and equipment. As a result, free cash flow amounted to ¥67.8 billion, a decrease of ¥114.6 billion compared to inflows of ¥182.4 billion in the same period of the previous fiscal year.

#### (3) Cash flows from financing activities

Net cash used in financing activities for FY2021 amounted to ¥154.6 billion, a decrease of ¥457.2 billion compared to inflows of ¥302.6 billion in the same period of the previous fiscal year, mainly caused by financing in light of the spread of COVID-19.

## Basic dividend policy and dividends

As for dividends, our basic policy is to pay dividends continuously and stably with a target payout ratio of 30% as announced in our Mid-Term Management Plan (April 2021 to March 2026) "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)."

Under this dividend policy, we increased the annual dividend per share by ¥1 over the previous fiscal year to ¥91 in FY2021, with a year-end dividend of ¥46 per share.

The Company places shareholder return as one of the most important management issues and will continue working towards improving capital efficiency.

The Company's basic policy is to pay dividends from surplus twice a year in the forms of interim and year-end dividends. The Articles of Incorporation permit the Company to pay an interim dividend on the basis of a resolution of the Board of Directors, with September 30 of each year as the record date. The interim dividend and year-end dividend are based on resolutions of the Board of Directors and the General Meeting of Shareholders, respectively.

### ■ Suzuki Mid-Term Management Plan (April 2021 to March 2026)

		FY2020 Result	FY2021 Result	FY2025 Target
Performance	Net sales	¥3.1782 trillion	¥3.5684 trillion	¥4.8 trillion
	Operating profit margin	6.1%	5.4%	5.5%
Shareholder return	ROE	9.2%	9.0%	8%
	Payout ratio	29.8%	27.6%	30%
Investment	R&D	¥146.2 billion	¥160.7 billion	¥1 trillion/5 years (¥200 billion/year)
	Capital expenditures	¥170.9 billion	¥189.4 billion	¥1.2 trillion/5 years (¥240 billion/year)
Global sales	Automobiles	2.57 million units	2.71 million units	3.7 million units
	Motorcycles	1.54 million units	1.63 million units	2 million units

Note: Exchange rate assumptions: US \$1 = ¥104, 1 Euro = ¥124, 1 INR = ¥1.42

# Consolidated Financial Statements

## ■ Consolidated balance sheets

(Million yen)

	FY2020 (As of March 31, 2021)	FY2021 (As of March 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	1,024,553	964,315
Notes and accounts receivable-trade	448,601	—
Notes receivable-trade	—	783
Accounts receivable-trade	—	433,222
Securities	201,549	122,314
Merchandise and finished goods	246,567	214,471
Work in process	46,298	66,619
Raw materials and supplies	63,045	88,358
Other	132,315	167,924
Allowance for doubtful accounts	(4,138)	(6,790)
<b>Total current assets</b>	<b>2,158,793</b>	<b>2,051,219</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	202,409	219,897
Machinery, equipment and vehicles, net	270,729	317,333
Tools, furniture and fixtures, net	61,065	78,427
Land	317,813	337,326
Construction in progress	126,897	84,989
<b>Total property, plant and equipment</b>	<b>978,916</b>	<b>1,037,975</b>
Intangible assets	2,351	3,396
Investments and other assets		
Investment securities	704,305	852,269
Long-term loans receivable	545	1,245
Retirement benefit asset	4,261	8,366
Deferred tax assets	140,922	143,346
Other	46,825	57,808
Allowance for doubtful accounts	(329)	(301)
Allowance for investment loss	(232)	(174)
<b>Total investments and other assets</b>	<b>896,298</b>	<b>1,062,563</b>
<b>Total non-current assets</b>	<b>1,877,566</b>	<b>2,103,934</b>
<b>Total assets</b>	<b>4,036,360</b>	<b>4,155,153</b>

(Million yen)

	FY2020 (As of March 31, 2021)	FY2021 (As of March 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	330,522	287,724
Electronically recorded obligations-operating	78,663	14,911
Short-term borrowings	287,577	95,246
Current portion of long-term borrowings	281,277	87,019
Current portion of bonds with share acquisition rights	—	8,560
Accrued expenses	228,726	201,841
Income taxes payable	32,138	55,155
Provision for product warranties	254,076	227,559
Provision for bonuses for directors	83	138
Other	195,397	278,360
<b>Total current liabilities</b>	<b>1,688,462</b>	<b>1,256,517</b>
Non-current liabilities		
Bonds with share acquisition rights	8,560	—
Long-term borrowings	193,413	483,333
Deferred tax liabilities	5,802	6,602
Provision for retirement benefits for directors	17	17
Provision for disaster	358	336
Provision for product liabilities	4,217	3,192
Provision for recycling expenses	12,363	13,144
Retirement benefit liability	62,081	64,449
Other	29,120	63,888
<b>Total non-current liabilities</b>	<b>315,932</b>	<b>634,963</b>
<b>Total liabilities</b>	<b>2,004,395</b>	<b>1,891,481</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	138,262	138,318
Capital surplus	143,400	143,369
Retained earnings	1,519,826	1,638,726
Treasury shares	(21,027)	(20,877)
<b>Total shareholders' equity</b>	<b>1,780,462</b>	<b>1,899,536</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	121,133	111,078
Deferred gains or losses on hedges	(484)	88
Foreign currency translation adjustment	(193,295)	(112,138)
Remeasurements of defined benefit plans	(20,337)	(20,337)
<b>Total accumulated other comprehensive income</b>	<b>(92,984)</b>	<b>(21,309)</b>
Share acquisition rights	115	41
Non-controlling interests	344,371	385,403
<b>Total net assets</b>	<b>2,031,964</b>	<b>2,263,672</b>
<b>Total liabilities and net assets</b>	<b>4,036,360</b>	<b>4,155,153</b>

## ■ Consolidated statements of income

(Million yen)

	FY2020 (April 1, 2020–March 31, 2021)	FY2021 (April 1, 2021–March 31, 2022)
Net sales	3,178,209	3,568,380
Cost of sales	2,311,592	2,711,947
Gross profit	866,617	856,433
Selling, general and administrative expenses	672,184	664,972
Operating profit	194,432	191,460
Non-operating income		
Interest income	36,221	66,872
Dividend income	5,282	4,285
Foreign exchange gains	7,196	1,693
Share of profit of entities accounted for using equity method		
Other	7,900	9,244
Total non-operating income	68,543	94,364
Non-operating expenses		
Interest expenses	4,935	5,954
Expenses related to discontinuation of development	–	9,670
Other	9,784	7,282
Total non-operating expenses	14,720	22,907
Ordinary profit	248,255	262,917
Extraordinary income		
Gain on sale of non-current assets	741	19,507
Gain on sale of investment securities	14,173	1,521
Total extraordinary income	14,914	21,028
Extraordinary losses		
Loss on sale of non-current assets	1,238	1,067
Loss on sale of investment securities	1	913
Impairment losses	5,323	*2 7,686
Loss on COVID-19	*1 15,542	–
Total extraordinary losses	22,106	9,668
Profit before income taxes	241,064	274,278
Income taxes-current	50,772	78,949
Income taxes-deferred	20,869	(4,428)
Income taxes	71,641	74,520
Profit	169,422	199,757
Profit attributable to non-controlling interests	23,000	39,411
Profit attributable to owners of parent	146,421	160,345

\*1 Loss on COVID-19 FY2020 (April 1, 2020–March 31, 2021)

A total of ¥15,542 million, equivalent to fixed expenses related to production suspension due to lockdowns in countries including India and Hungary to prevent the spread of COVID-19, was recorded as extraordinary losses.

\*2 Impairment losses FY2021 (April 1, 2021–March 31, 2022)

The Group recorded impairment losses in the following asset groups.

(Million yen)

Use	Location	Classification	Impairment losses
Assets for rent	Japan	Land	7,404
Idle assets	Japan	Land	282
			7,686

## ■ Consolidated statements of comprehensive income

(Million yen)

	FY2020 (April 1, 2020–March 31, 2021)	FY2021 (April 1, 2021–March 31, 2022)
Profit	169,422	199,757
Other comprehensive income		
Valuation difference on available-for-sale securities	47,078	(22,644)
Deferred gains or losses on hedges	(44)	637
Foreign currency translation adjustment	75,167	109,090
Remeasurements of defined benefit plans, net of tax	2,737	(169)
Share of other comprehensive income of entities accounted for using equity method	927	2,505
Total other comprehensive income	125,865	89,419
Comprehensive income	295,287	289,176
Comprehensive income attributable to:		
owners of parent	243,469	232,881
non-controlling interests	51,817	56,294

## ■ Consolidated statements of cash flows

(Million yen)

	FY2020 (April 1, 2020–March 31, 2021)	FY2021 (April 1, 2021–March 31, 2022)
Cash flows from operating activities		
Profit before income taxes	241,064	274,278
Depreciation and amortization	136,545	161,505
Impairment losses	5,323	7,686
Increase (decrease) in allowance for doubtful accounts	801	2,264
Increase (decrease) in retirement benefit liability	(6,799)	1,997
Increase (decrease) in provision for product warranties	(62,750)	(19,255)
Interest and dividend income	(41,503)	(71,158)
Interest expenses	4,935	5,954
Foreign exchange losses (gains)	(7,146)	(1,801)
Share of loss (profit) of entities accounted for using equity method	(7,900)	(9,244)
Loss (gain) on sale of property, plant and equipment	496	(18,439)
Loss (gain) on sale of investment securities	(14,172)	(607)
Decrease (increase) in trade receivables	(5,547)	66,893
Decrease (increase) in inventories	22,145	9,521
Increase (decrease) in trade payables	63,593	(124,132)
Increase (decrease) in accrued expenses	15,451	(33,042)
Other, net	75,861	(36,964)
Subtotal	420,400	215,454
Interest and dividends received	41,826	71,223
Interest paid	(5,021)	(6,172)
Income taxes paid	(41,766)	(59,245)
Net cash provided by operating activities	415,439	221,259
Cash flows from investing activities		
Payments into time deposits	(128,363)	(179,709)
Proceeds from withdrawal of time deposits	97,598	181,099
Purchase of securities	(561,233)	(814,655)
Proceeds from sale and redemption of securities	463,488	906,824
Purchase of property, plant and equipment	(171,706)	(190,472)
Proceeds from sales of property, plant and equipment	3,188	22,475
Other, net	64,042	(79,078)
Net cash provided by investing activities	(232,985)	(153,515)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	153,355	(193,996)
Proceeds from long-term borrowings	285,118	379,001
Repayments of long-term borrowings	(80,166)	(282,992)
Purchase of bonds with share acquisition rights	(2,970)	–
Dividends paid	(41,254)	(47,589)
Dividends paid to non-controlling interests	(11,490)	(9,045)
Other, net	41	(1)
Net cash provided by financing activities	302,633	(154,624)
Effect of exchange rate changes on cash and cash equivalents		
	18,912	20,483
Net increase (decrease) in cash and cash equivalents	503,999	(66,396)
Cash and cash equivalents at the beginning of period	420,392	924,392
Cash and cash equivalents at the end of period	924,392	857,996



## Company Information

<b>Company name</b>	Suzuki Motor Corporation	
<b>Date of incorporation</b>	March 1920 Incorporated as Suzuki Loom Manufacturing Co. June 1954 Name changed to Suzuki Motor Co., Ltd. October 1990 Name changed to Suzuki Motor Corporation	
<b>Representative</b>	Representative Director and President Toshihiro Suzuki	
<b>No. of employees</b>	[Consolidated] 69,193	[Non-consolidated] (As of March 31, 2022) 16,267
<b>Net sales</b>	[Consolidated] ¥3,568,400 million	[Non-consolidated] (FY2021) ¥1,690,800 million
<b>Head office</b>	300 Takatsuka-cho, Minami-ku, Hamamatsu, Shizuoka 432-8611 Japan Website address: <a href="https://www.globalsuzuki.com">https://www.globalsuzuki.com</a>	
<b>Fiscal year-end</b>	March 31	
<b>Public accounting firm</b>	Seimei Audit Corporation	
<b>Main products</b>	Automobiles, motorcycles, outboard motors, motorized wheelchairs, etc.	
<b>Main facilities</b>	Head office	Hamamatsu, Shizuoka
	Kosai Plant	Kosai, Shizuoka
	Iwata Plant	Iwata, Shizuoka
	Osuka Plant	Kakegawa, Shizuoka
	Sagara Plant	Makinohara, Shizuoka
	Hamamatsu Plant	Hamamatsu, Shizuoka
	Tokyo Branch Office	Minato-ku, Tokyo
	Yokohama Lab.	Yokohama, Kanagawa
	Marine Technical Center	Kosai, Shizuoka

### Suzuki Group companies (As of March 31, 2022)

Consolidated subsidiaries	119 companies
<Japan>	
Consolidated subsidiaries in Japan	67 companies
Manufacturing companies including Suzuki Auto Parts Mfg. Co., Ltd., Snic Co., Ltd., etc.	
Sales distributors including Suzuki Motor Sales Tokyo Inc. Suzuki Motor Sales Kinki Inc. etc.	
<Overseas>	
Overseas consolidated subsidiaries	52 companies
Manufacturing companies including Maruti Suzuki India Ltd. (India), Pak Suzuki Motor Co., Ltd. (Pakistan), PT Suzuki Indomobil Motor (Indonesia), Thai Suzuki Motor Co., Ltd. (Thailand), Magyar Suzuki Corporation Ltd. (Hungary), etc.	
Sales distributors including Suzuki Deutschland GmbH (Germany), etc.	

# Stock and Other Information

## Capital and stock (As of March 31, 2022)

<b>Capital</b>	¥138,318 million
<b>Total number of authorized shares</b>	1,500 million
<b>Total number of shares issued</b>	491,122,300
<b>Number of shareholders</b>	31,736
<b>Stock listing</b>	Tokyo Stock Exchange
<b>Securities code</b>	7269
<b>Ordinary General Meeting of Shareholders</b>	June
<b>Record dates</b>	<ul style="list-style-type: none"> <li>Ordinary General Meeting of Shareholders: March 31</li> <li>Year-end dividend: March 31</li> <li>Interim dividend: September 30</li> </ul>
<b>Shareholders' register manager</b>	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo

## Rating

<b>Name of rating agency</b>	Rating and Investment Information, Inc. (R&I)
<b>Rating</b>	A [Rating outlook: Stable]

## <Top 10 largest shareholders>

Name of shareholders	Number of shares (1,000 shares)	Percentage of shareholding (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	89,635	18.5
Custody Bank of Japan, Ltd. (Trust Account)	28,733	5.9
Toyota Motor Corporation	24,000	4.9
Tokio Marine & Nichido Fire Insurance Co., Ltd.	17,961	3.7
MUFG Bank, Ltd	16,000	3.3
Resona Bank, Ltd.	13,000	2.7
The Shizuoka Bank, Ltd.	11,600	2.4
Sompo Japan Insurance Inc.	7,761	1.6
Nippon Steel Corporation	7,546	1.6
SSBTC CLIENT OMNIBUS ACCOUNT	7,459	1.5

Note 1. The number of shares is rounded down to the nearest 1,000 shares.

2. Percentage of shareholding is calculated excluding treasury stock (5,566 thousand shares).

	Unit	FY2017	FY2018	FY2019	FY2020	FY2021
Total shareholder return	%	125.6	109.2	61.0	115.7	100.1
(TOPIX Net Total Return Index)	%	(115.9)	(110.0)	(99.6)	(141.5)	(144.3)