



**SWIFT**

*Start Up Days*

**HYBRID**

**IR Presentation**

February 21, 2024  
**SUZUKI MOTOR CORPORATION**

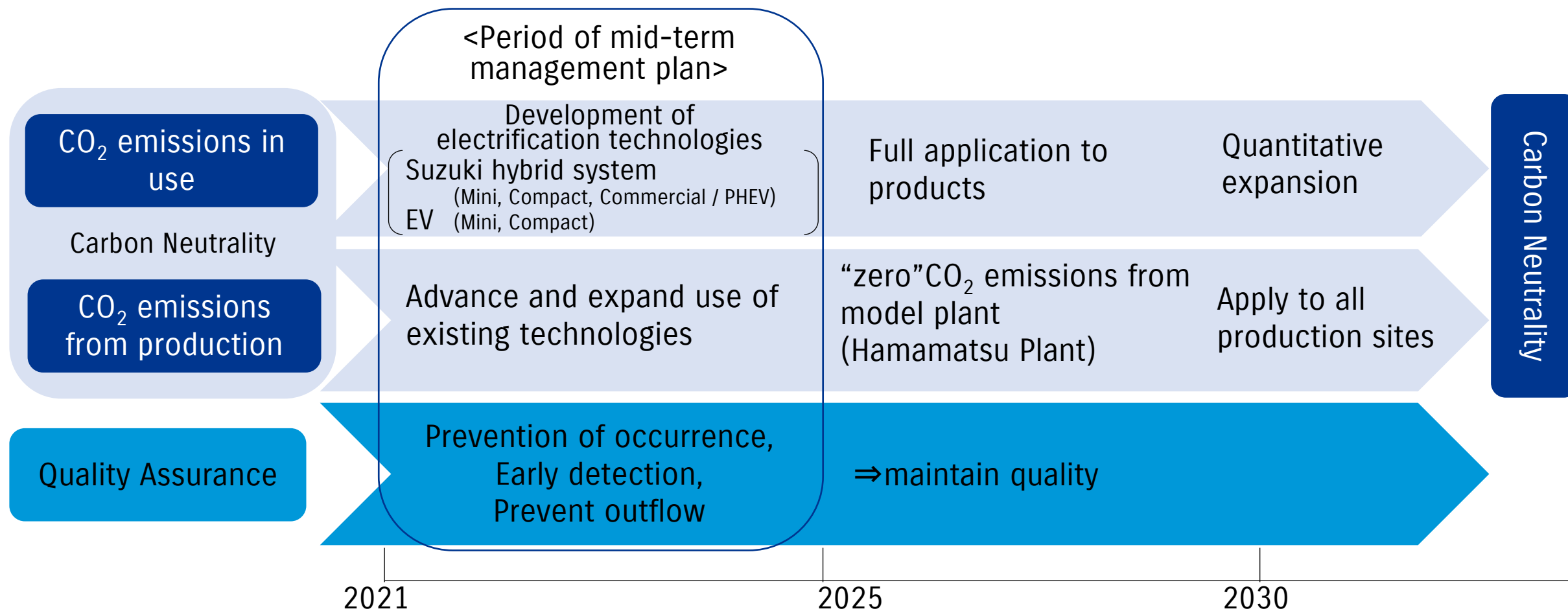
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# 1. Mid-Term Management Plan & Growth Strategy for FY2030

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# Medium- to long-term business image

- In the global trend toward carbon neutrality, we clarified our initiatives.
- Shift to electrification and software development requires greater emphasis on quality.
- Therefore, Suzuki puts top priority on the following three issues.



## Japan

- Maintain market share of 30%+ in mini segment
- Increase compact car sales by 50% (vs FY2020)

### Electrification

- Expand sales of models equipped with Suzuki Hybrid System
- Expand charging infrastructure to cope with future EV sales

### Strengthen sales capability

- Strengthen distributor function
- Update direct sales outlet, increase sales and service personnel
- Digitization for effective sales

### Enhance product lineup

- Enhance lineup of compact cars
- Strengthen preventive safety technology
- Continuous introduction of new models

### Production

- Flexible production operations to meet the changes in demand
- BCP administration of supply chain

## India

- Taking the initiative in promoting electrification required by society in response to environmental issues in India
- Maintain market share of more than 50% in passenger car segment

- Promote penetration of hybrids
- Introduce EV

- Increase number of rural small outlets, allocate circuit service car
- Develop demand in rural areas
- Increase sales efficiency through digitization

- Strengthen SUV segment
- Promote CNG cars

- Strengthen production capacity in line with the growth of the Indian market

# Alliance with Toyota Motor Corporation

## Deepening of alliances

### Cooperation in electrification

- Expand mutual supply of hybrid vehicles
- Promote use of batteries for hybrid vehicles produced in India
- Development of small EV platform

### Collaboration in Africa

- Market development
- Introduction of products from India and establishment of logistics and service systems

### Complementing products and components

- Enlarge mutual supply of vehicles and powertrain

Press Release July 21, 2021

News

Suzuki announced that the company joined the Commercial Japan Partnership (CJP) commercial vehicle project to accelerate their carbon neutrality initiatives in minivehicles through the dissemination of CASE technologies and services.

# Introducing EVs Globally

## ● EVs are one of the important solutions

- By leveraging alliance with Toyota, Suzuki will jointly develop compact platform exclusively for EVs.
- Timing and volume of actual launches will be determined by assessing market trends and the environment in each region.



From the left, eVX and eWX exhibited at the Japan Mobility Show 2023

## ● Differences in government policies and environmental regulations in major regions



**EU**

- Stricter CO<sub>2</sub> regulations from 2025
- ▼
- Aggressive introductions of EVs ahead of other regions.



**Japan**

- Thermal power generation is the mainstay
- Insufficient charging infrastructure
- Government declared 2050 carbon neutrality



**India**

- Unstable power supply
- Thermal power generation is the mainstay
- Insufficient charging infrastructure
- Government declared 2070 carbon neutrality

## Realization of mini EV with affordable price

### ● Slow EV penetration in the Japanese market

- People feel that EVs are more expensive than petrol cars
- Range anxiety
- Insufficient charging infrastructure

### ● Mini vehicle customers

- Used as daily means of commuting in the suburban areas
- Family owning several mini vehicles is very often observed in suburban areas

### ● Our company's policy on mini EVs

- It is important to balance cost with range and equipment to introduce mini EV that can be accepted by customers, instead of introducing in haste.
- As EV price depends upon battery cost, we are looking forward to the decrease of battery price in the future.



# Join Commercial Japan Partnership

## ● Commercial vehicle project “Commercial Japan Partnership(CJP)”

- Announced to join the CJP in July 2021.
- Collaboration among commercial vehicle industry members with the leadership of Toyota to solve transportation challenges, and to achieve carbon neutrality in logistics through the implementation of CASE.

## ● Main aims of CJP collaboration

- ① Improving logistics efficiency by building a connected-technology infrastructure that links the main arteries of logistics (truck logistics) with the capillaries of logistics (mini-commercial vehicles)
- ② Expanding from commercial vehicles to minivehicles the use of advanced safety technologies that contribute to safety and security
- ③ Cooperating on the use of technologies for the electrification of affordable, high-quality minivehicles that can be sustainably disseminated



## Mini-Commercial Van Electric Vehicles

- Suzuki, Daihatsu, Toyota, and Commercial Japan Partnership Technologies Corporation (CJPT) will introduce mini-commercial van electric vehicles (BEVs)
  - Contributing to last-mile electrification toward carbon neutrality
  - Since mini-commercial vehicles account for about 60% of the total commercial vehicle fleet, contributes significantly to the achievement of carbon neutrality if electrification advances.
  - Major issue in promoting the electrification of mini-commercial vehicles is the increasing burden on society as a whole, including the higher vehicle costs associated with electrification, the costs related to charging infrastructure, and the charging time (downtime: a period when vehicles and cargo are stopped).



- To realize an affordable mini-commercial van BEV, CJPT will participate in the planning, and Suzuki, Daihatsu, and Toyota will jointly develop a BEV system suitable for mini-commercial vehicles by combining Suzuki and Daihatsu's know-how in manufacturing mini vehicles with Toyota's electrification technology.
- The prototype of this mini-commercial van BEV was unveiled at an exhibition event to introduce initiatives by the Japan Automobile Manufacturers Association (JAMA) to achieve carbon neutrality in the automobile industry from May 18 to 21, on the occasion of the G7 Hiroshima Summit.

News



Exhibition Vehicle at the Japan Mobility Show 2023

# Motorcycles and marine businesses

## Motorcycles

**2 million sales units, Secure operating profit of 5% or more**

Commonization

- Commonization of platform
- Attractive and diverse lineup

Electrification

- Introduction of EV scooters

## Marine

**Net sales target ¥100 billion**

Earnings increase

- Increase sales of large 4-stroke models (leisure use)
- 2 stroke models → 4 stroke (business use)

Comprehensive brand recognition

- Promote Clean Ocean Project with customer participation

New technologies

- New technologies including electrification
- Integrated vessel controls



# Electrification of Motorcycles

## ● Battery Sharing Service for Electric Motorcycles



- Suzuki, ENEOS, Honda, Kawasaki Motors, and Yamaha Motor, established Gachaco Inc. to provide sharing services for common specification batteries for electric motorcycles and to develop infrastructure for sharing services.
- We will further contribute to the realization of a recycling-oriented society by providing a service for sharing common specification batteries for electric motorcycles.
- In October 2022, Gachaco launched a battery sharing service in Tokyo.
- In April 2023, Suzuki started a demonstration test using the e-BURGMAN electric scooter in Tokyo.



The e-BURGMAN electric scooter

## ● Electrification by utilizing the battery and powertrain units of e-bikes

- e-PO and e-choinori, utilizing the battery and powertrain units of e-bikes, were exhibited at JAPAN MOBILITY SHOW 2023.

News



e-PO



e-choinori

# Management performance targets

(Announced in February 2021)

		FY2020 Result	FY2021 Result	FY2022 Result	FY2025 Target
Performance	Net Sales	3.1782 trillion yen	3.5684 trillion yen	4.6416 trillion yen	4.8 trillion yen
	Operating profit margin	6.1%	5.4%	7.6%	5.5%
Shareholder return	ROE	9.2%	9.0%	11.2%	8.0%
	Payout ratio	29.8%	27.6%	22.0%	30%
Investment	R&D	146.2 billion yen	160.7 billion yen	205.6 billion yen	1.0 trillion yen/5 years (200.0 billion/year)
	Capital Investment	170.9 billion yen	189.4 billion yen	269.9 billion yen	1.2 trillion yen/5 years (240.0 billion/year)
Global sales	Automobiles	2.57 million units	2.71 million units	3.00 million units	3.7 million units
	Motorcycles	1.54 million units	1.63 million units	1.86 million units	2.0 million units

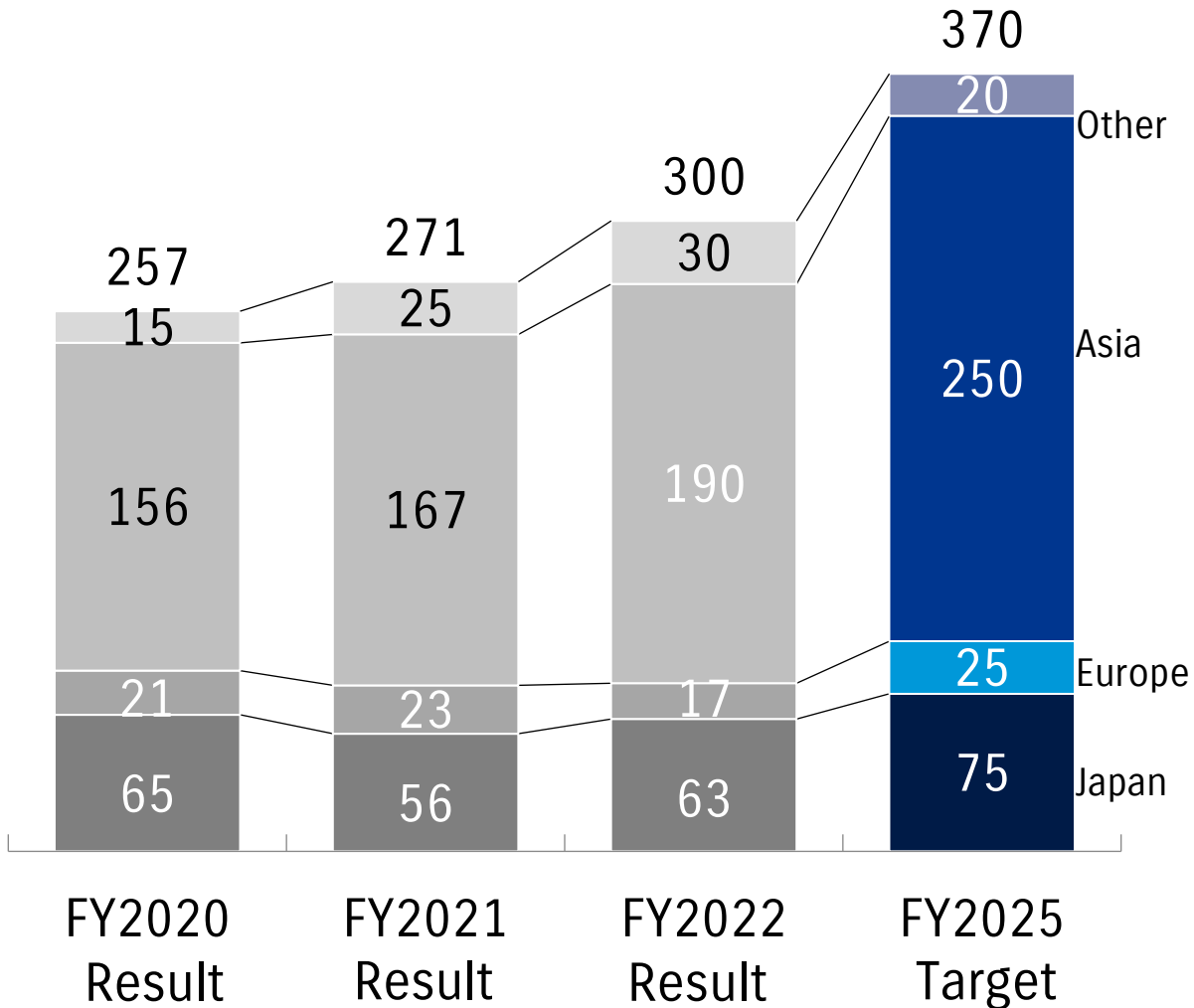
Note. Exchange rate assumptions ... US \$1 = 104 yen, 1 Euro = 124 yen, 1 INR = 1.42 yen

# Global sales target

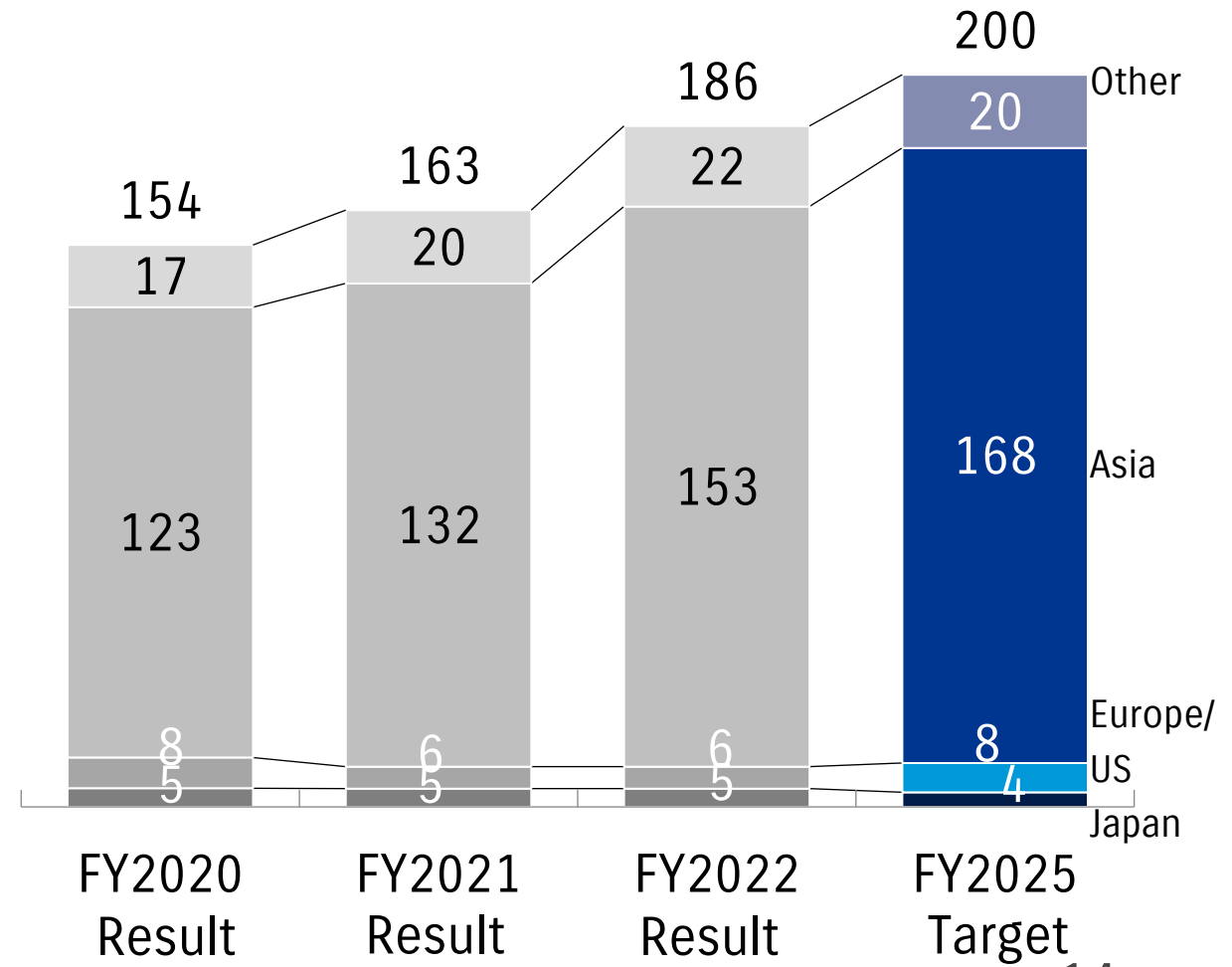


(Announced in February 2021)

<Automobiles> (10,000 units)



<Motorcycles> (10,000 units)





## Mission Statement

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

Three Actuals  
(Place, Thing,  
Situation)

社は  
一 お客様の立場になって  
価値ある製品を作ろう  
二 協働で致清新な会社を  
建設しよう  
三 自らの向上につとめ常に  
意欲的に前進しよう

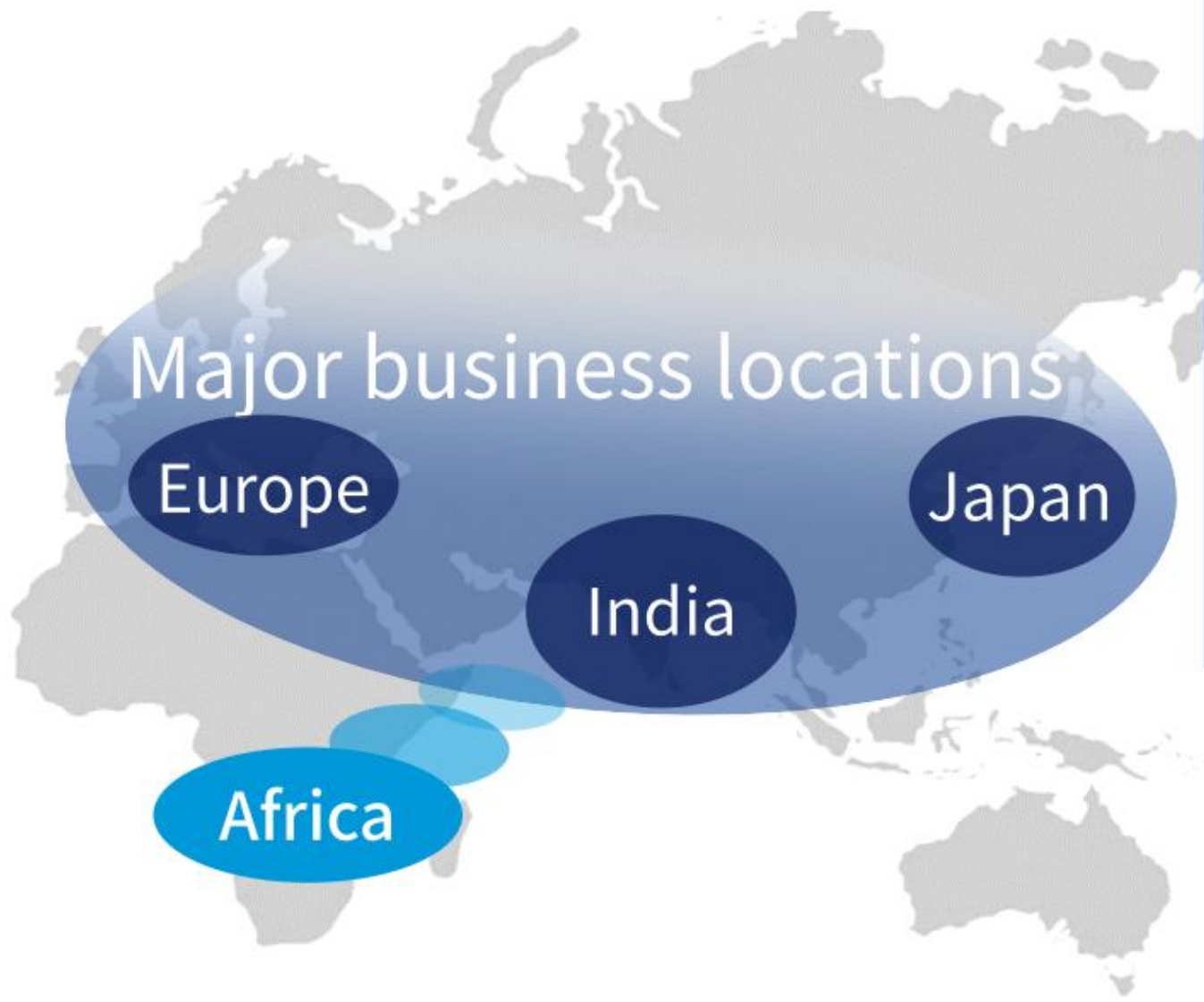


Lean  
Management

Sho-Sho-Kei-Tan-Bi  
(Smaller, Fewer,  
Lighter, Shorter,  
Beauty)

## Philosophy of Conduct

# Direction by Major Business Locations



## Japan/Europe

Create and brush-up technologies/products

## India

Meet expectations from society and customers by taking root widely, deeply, and thoroughly

## Africa

Market with promising future

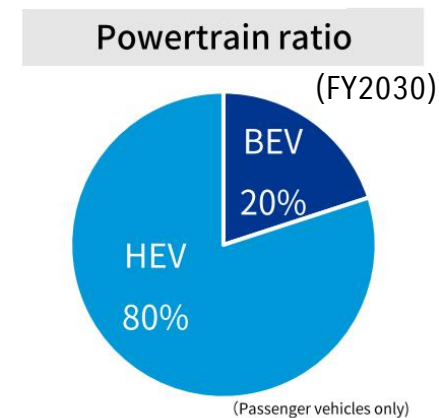
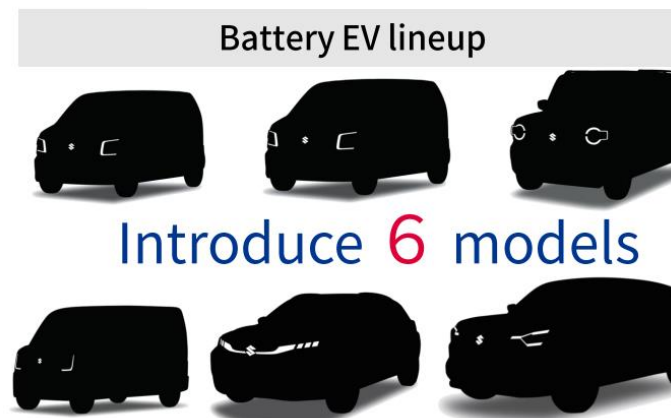


# Goals by Major Business Locations

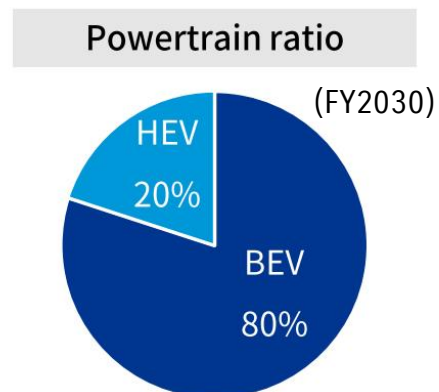
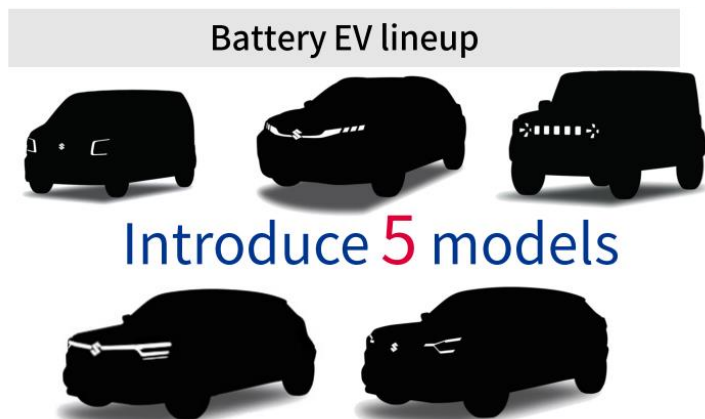
## Carbon neutrality achievement goals



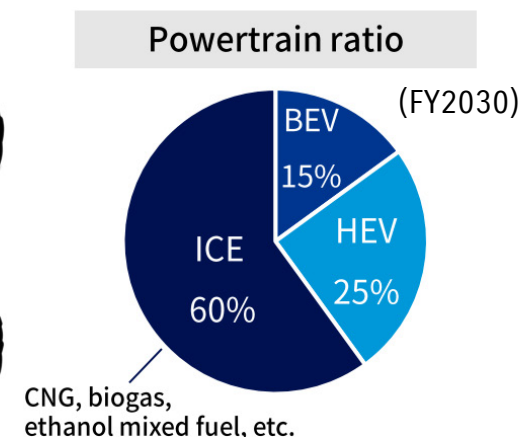
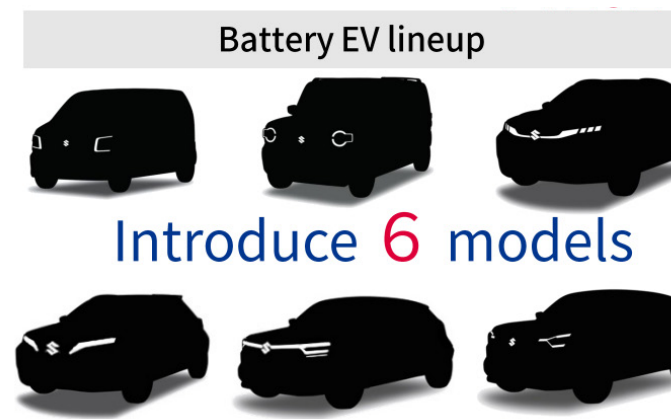
### Japan



### Europe




### India



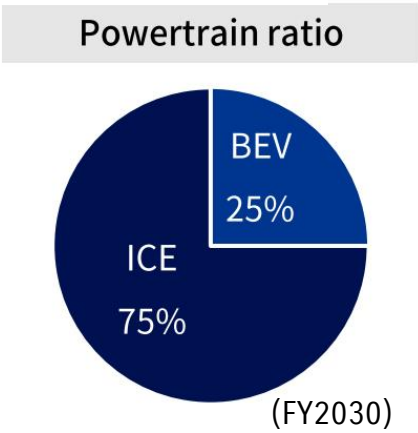
## Product plan until FY2030 (Global)

### Motorcycles

Battery EV lineup



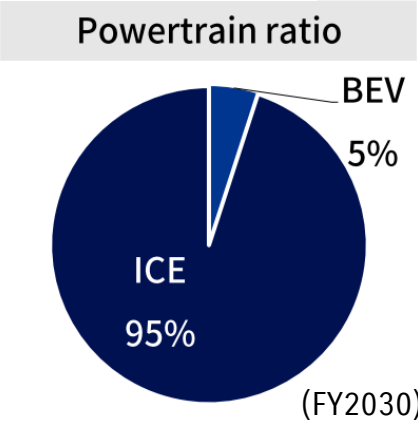
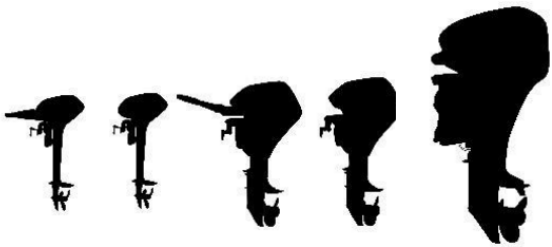
Introduce 8 models

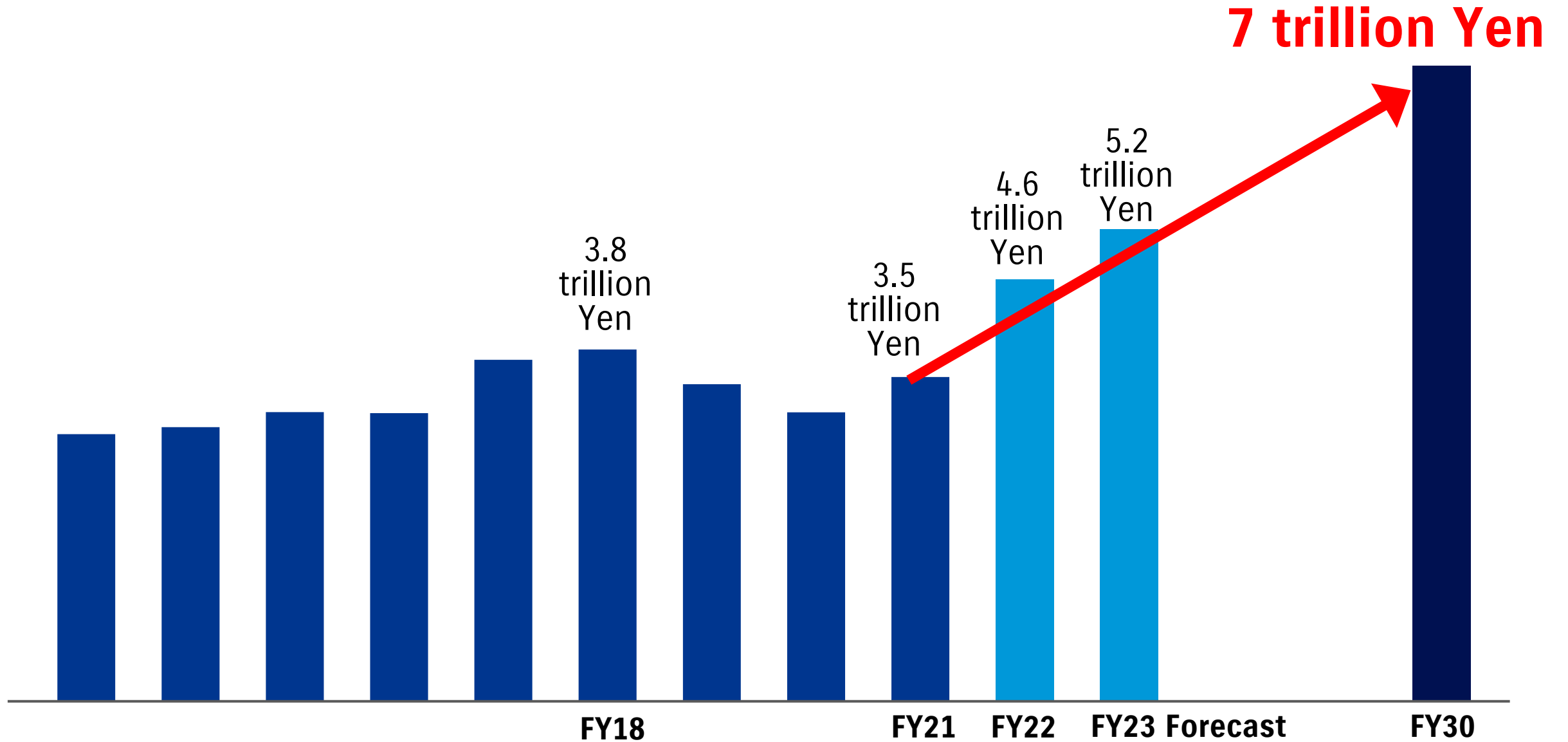


### Marine

Battery EV lineup

Introduce 5 models





Investment of resources from FY2023 to 2030

**R&D Expenses 2 trillion Yen**

Carbon neutrality, software

- Electrification, cow dung biogas, etc.
- Autonomous, advanced safety technologies development, etc.

**Capital Expenditures 2.5 trillion Yen**

- Construction of battery EV plant
- Renewable energy facilities, etc.

**4.5 trillion Yen**

(Of which electrification-related investment 2 trillion Yen (incl. batteries-related investment 0.5 trillion Yen))

## 2. ESG

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# Suzuki's Efforts for Solving Social Issues

**Penetration of environmentally friendly vehicles**  
Provide high-quality and inexpensive means of mobility



**Business in emerging countries**  
Contribute to social and economic development



**Penetration of welfare equipment**  
Provide mobility to wider range of customers



**Penetration of microplastics collecting system**  
Preserve the beautiful ocean



**Participation in CJP**  
(Commercial Japan Partnership)  
Solve transport sector issues  
Realization of a carbon-neutral society



**Advance preventive safety technology**  
Reduce number of victims of traffic accidents

**Evolution of Connected Technologies**  
A safer and more enjoyable driving experience





# Development of Next-generation Technologies

## ● Connected Cars

- In addition to Japan and India, Suzuki launched connected cars in Europe in August 2022
- We plan to expand the services to other countries and regions by 2030, while examining the needs of customers in each market, trends in local telecommunications infrastructure, and the viability of business cases.
- In March 2023, Suzuki and Smart Drive launched SUZUKI FLEET, a connected service for corporations.

## ● Hydrogen Engines

- In May 2023, Kawasaki Motors, Suzuki, Honda and Yamaha Motor received approval from the Ministry of Economy, Trade and Industry for the establishment of "Research Association for Small Hydrogen Mobility Engines (HySE: Hydrogen Small mobility & Engine technology)" with the purpose of basic research on hydrogen engines for small mobility.

[News](#)

## ● Capital Investment

- In order to enhance research and development facilities for next-generation mobility, Suzuki signed a basic agreement with Shizuoka Prefecture and Makinohara City on the development of an area next to the Sagara Plant.

## ● Autonomous Driving Technology

- Hamamatsu City, Enshu Railway, BOLDLY and Suzuki conduct a "Hamamatsu Autonomous Driving Yaramaika Project". We strive to realize an autonomous driving service that operates on regular schedule as an alternative mode of transportation to the discontinued bus routes in the Shonai district of Hamamatsu City.
- Participated in the fourth demonstration from November 28, 2023 to February 17, 2024. By conducting long-term demonstrations, we will examine how customers use the service for a long period of time and identify problems in the service operation system.



## Subscription Services

### ● Suzuki's Subscription Service

- In January 2022, Suzuki launched the “Suzuki Flat-Rate Car”, a subscription program of pre-owned Suzuki cars.
- Suggesting a new way to purchase products with a fixed monthly price, including car insurance, in an effort to capture a segment of online buyers that Suzuki has yet to catch
- In February 2023, Suzuki launched the “Suzuki Flat-Rate Car 7”, a subscription program of new Suzuki cars.



### ● Maruti Suzuki's Subscription Service

- Maruti Suzuki partnered with Miles Automotive Technologies to launch a subscription program called “Maruti Suzuki Subscribe” (<https://www.marutisuzuki.com/subscribe>)
- In February 2023, Maruti Suzuki Subscribe adds SMAS Auto Leasing as their 5th partner (Orix, ALD Automotive, Quiklyz by Mahindra Finance, Myles and SMAS Auto Leasing) News
- Providing mobility solutions that are easy to use and do not involve long-term spending for customers who want to shift from public transportation and shared mobility solutions to their own cars as the environment changes



Integrated Report is now available in English, and Sustainability Report will follow soon.

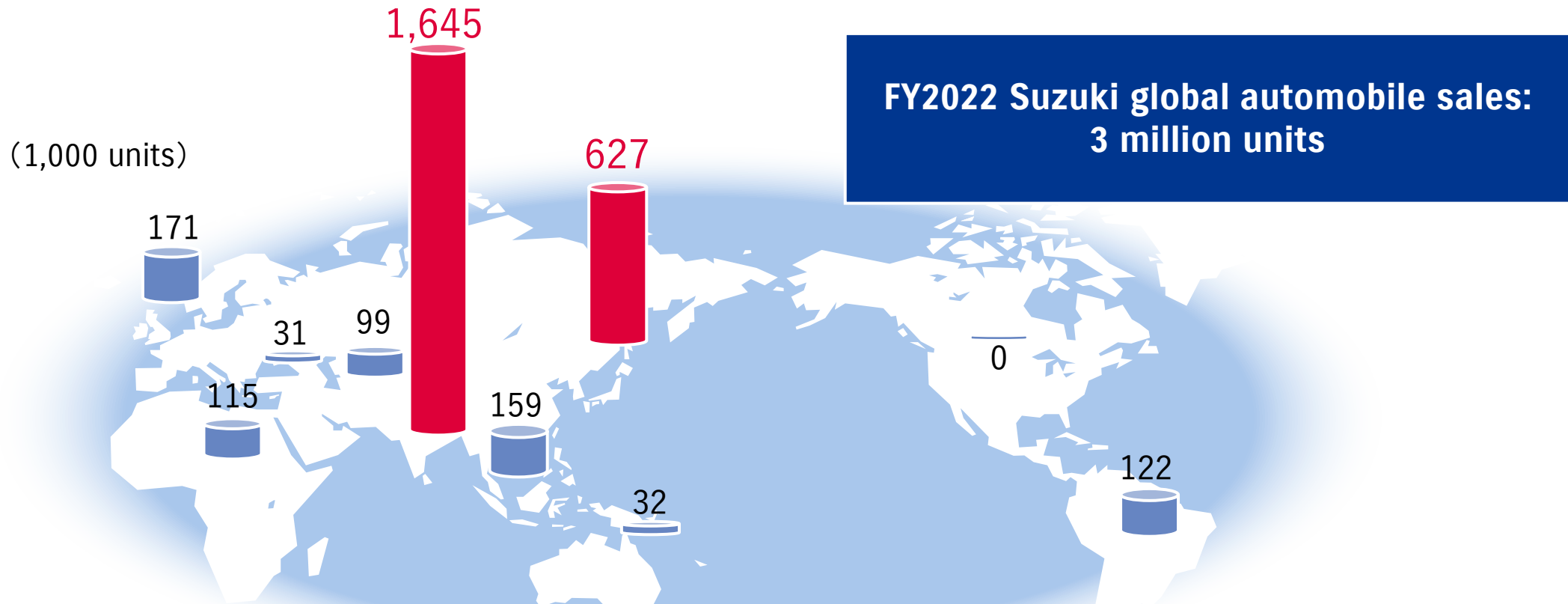


Material



Material

- **Compact cars make significant contribution to the environment** than larger cars\*
- Improvement of **fuel efficiency of compact cars widely accepted** in the emerging countries with **rapid population growth**, is the key to environmental issue



**Wide use of fuel-efficient compact cars ⇒ Solution to global environmental issue**

\* Less fuel consumption at the time of use, as well as less environmental load in raw material and production, and less use of parking space, less road load, etc.

- Toward achieving the Suzuki Environmental Vision 2050 and Milestone 2030, we will place our efforts to accomplish “Suzuki Environmental Plan 2025”. [News](#)
- Attention must be paid to the future movement of carbon pricing and carbon tax.



## ● Reducing CO<sub>2</sub> emissions in use of products

Reducing CO<sub>2</sub> emissions amount in use of products

Product	Plan 2025	Milestone 2030	Vision 2050
Automobiles ( Well to Wheel )	-30%	-40%	-90%
Motorcycles	-15%	-	-
Outboard motors	-15%	-	-

Note: Compared to FY2010

- Electrification (HEV, EV, etc.)
- Weight reduction
- Expanding sales of CNG vehicles
- Expanding sales of ethanol-blended fuel vehicles

## ● Reducing CO<sub>2</sub> emissions from business activities

Reducing CO<sub>2</sub> emissions from business activities

Product	Plan 2025	Milestone 2030	Vision 2050
Production	▲ 25% *1	▲ 45% *3	▲ 80% *3
Others	-		
Logistics	▲ 9% *2	-	-

Note: Compared to FY2016

\* CO<sub>2</sub> emission per \* 1 production \* 2 revenue \* 3 sales unit

- Promotion of energy conservation at plants and offices
- Visualization of CO<sub>2</sub> emissions
- Expansion of solar power generation
- Promotion of railway transportation (modal shift)
- Horizontal deployment in the supply chain



- In April 2020, Suzuki became a signatory to the Task Force on Climate-related Financial Disclosures (TCFD) in support of its intent.
- Suzuki identified business risks and opportunities.
- Identified anticipated impact and differences between the “4°C scenario” and the “1.5°C/2°C scenario”.

● 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	Policies, regulations, and technologies	(1) <u>More stringent CO2 and fuel efficiency standards for automobiles</u> (Payment of fines, loss of sales opportunities, etc.)	No change	➡	Increase	↗
		(2) <u>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) <u>More frequent and intensifying natural disasters</u> (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

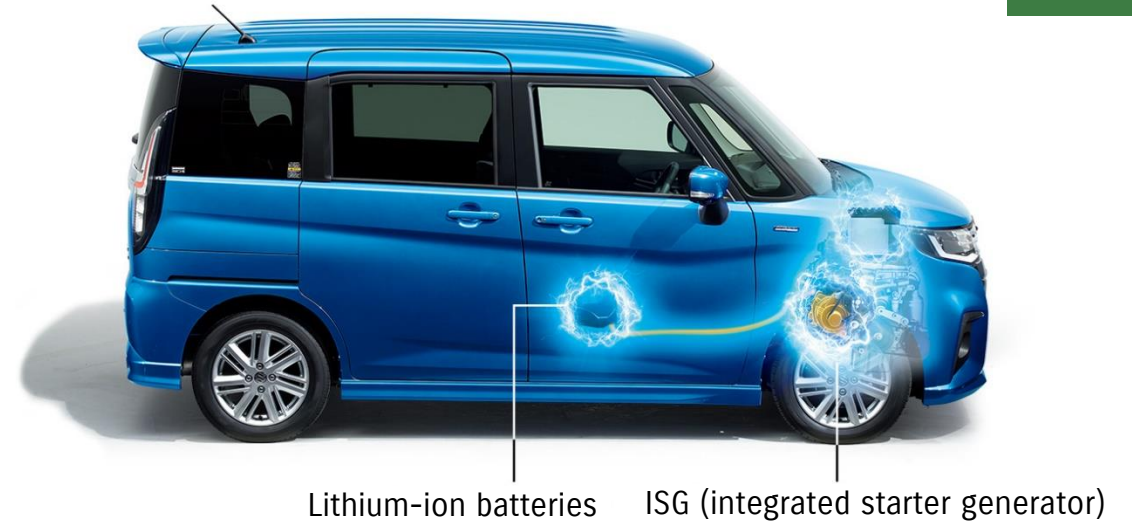
	Risks	Opportunities	Status of Suzuki's response
(1) More stringent CO2 and fuel efficiency standards for automobiles	<ul style="list-style-type: none"> <li>● Loss of market share due to being slow in adopting carbon neutral technologies (electrification and other) and responding in terms of costs</li> <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 CO2 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 CO2 reduction measures</li> <li>● Creating carbon neutral energy</li> <li>● Procuring renewable energy-derived electricity in India</li> <li>● Introduced "Shizuoka Green Denki" CO2-free electricity derived from renewable energy at the head office and plants in Shizuoka Prefecture (all Suzuki offices and group production facilities in Shizuoka Prefecture use CO2-free electricity, and CO2 emissions from electricity use are zero)</li> </ul>
(6) More frequent and intensifying natural disasters	<ul style="list-style-type: none"> <li>● Suspension of business activities due to damage to business locations</li> <li>● Disruption of parts procurement due to disaster damage at suppliers</li> </ul>	<ul style="list-style-type: none"> <li>● Increase in demand due to the use of electric vehicles as a lifeline during disasters</li> </ul>	<ul style="list-style-type: none"> <li>● Started financial impact analysis based on scenario analysis related to climate change. First, we conducted impact assessments on our own bases in Japan and India, as well as our domestic tier 1 suppliers. (Global assessment of the impact of natural disaster risks such as typhoons, floods, and storm surges due to rising temperatures, leading to risk reduction, avoidance, and business continuity)</li> </ul>



Strong hybrid system



48V SHVS mild hybrid system



Sales unit of automobiles equipped with hybrids\*

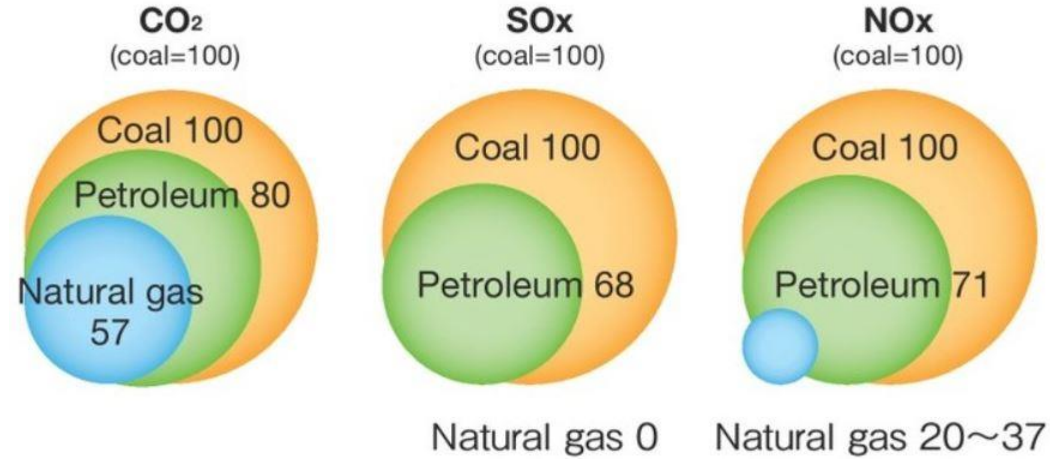
(Thousand units)

	FY2020			FY2021			FY2022			3Q FY2023		
		HEV*	HEV ratio		HEV*	HEV ratio		HEV*	HEV ratio		HEV*	HEV ratio
Japan	647	338	52.3%	561	290	51.7%	627	324	51.7%	469	241	51.3%
India	1,323	118	8.9%	1,365	135	9.9%	1,645	296	18.0%	1,304	239	18.3%
Europe	206	154	74.9%	225	194	86.2%	171	156	91.2%	168	152	90.7%
Others	395	5	1.3%	556	7	1.3%	557	24	4.3%	342	28	8.3%
<b>Total</b>	<b>2,571</b>	<b>615</b>	<b>23.9%</b>	<b>2,707</b>	<b>626</b>	<b>23.1%</b>	<b>3,000</b>	<b>800</b>	<b>26.7%</b>	<b>2,283</b>	<b>660</b>	<b>28.9%</b>

\*Hybrids include mild hybrid, S-Ene Charge, and SHVS. Hybrid sales in Others are units exported from Japan and India.

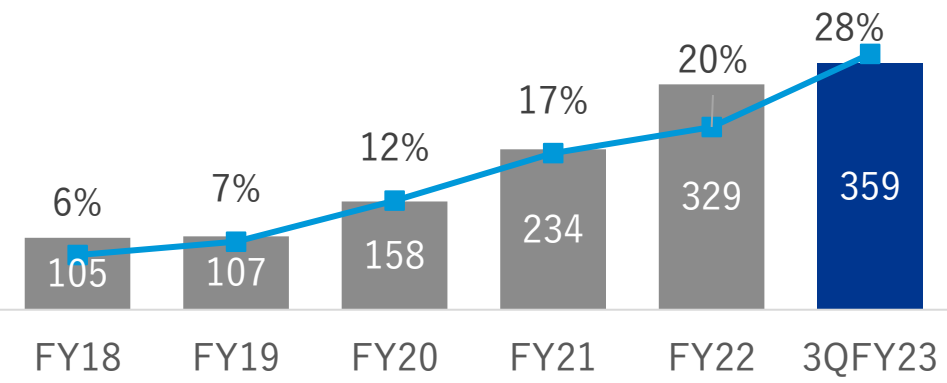
- Maruti Suzuki offers extensive lineup of affordable, low-CO<sub>2</sub> CNG models
- CNG are set for 17 out of a total of 20 models, including commercial vehicles (as of 29 Jan. 2024)
- Maruti Suzuki's share of CNG vehicles is **74%** (3QFY23)
- Ratio of CNG vehicles within models with CNG variants is **29%** (3QFY23)
- Government of India also advocates the use of CNG vehicles to achieve carbon neutrality
- Minister of Petroleum and Natural Gas & Housing and Urban Affairs Shri Hardeep S. Puri stated that as compared to 2014 when there were about 900 CNG stations, currently the number of CNG stations have crossed 4,500, and will be ramped up to 8,000 in the next two years.

## Comparison of Gas Generated during Combustion



Source: The Japan Gas Association ([https://www.gas.or.jp/pdf/en/Outline\\_of\\_the\\_JGA\\_20210707.pdf](https://www.gas.or.jp/pdf/en/Outline_of_the_JGA_20210707.pdf))

Sales of Maruti Suzuki CNG vehicles in India (1,000 units), CNG vehicle ratio among Maruti Suzuki vehicles (%)



Comparison of CNG and Gasoline Vehicles Wagon R LXI (O) 5MT

Variant	Price(Rs)	Fuel efficiency	Fuel Price	per 10,000km	
				Fuel cost(Rs)	CO <sub>2</sub> emission
Gasoline	554,500	24.35km/L	96.72Rs/L	39,721	974kg
CNG	644,500	34.05km/kg	76.59Rs/kg	21,612	805kg
Difference	90,000	-	-	-18,109	-169kg
			Change	-46%	-17%



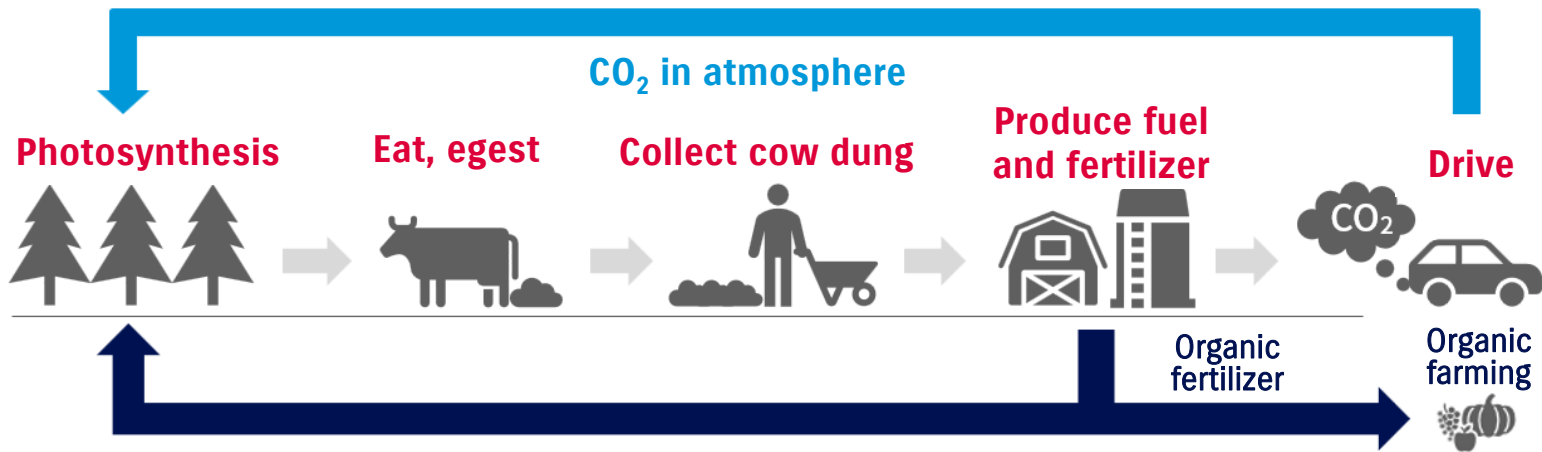
CNG Tank in the Wagon R trunk

Note. Price ... as of 29 Jan. 2024  
 Fuel price ... Delhi price as of 29 Jan. 2024  
 CO<sub>2</sub> emission ... Derived from the Fuel Consumption value as per equations from Ministry of Power SO 1072E dt 23rd April 2015.

- In Aug. 2022, Suzuki has signed a memorandum of understanding with the Indian government agency National Dairy Development Board (NDDDB), to start a Biogas Demonstration Project. News
- In Oct. 2022, Suzuki has invested in Fujisan Asagiri Biomass LLC.. Suzuki strives to contribute to the vitalization of the local community by using the cow dung to generate electricity and produce organic fertilizers. Suzuki will also utilize the knowledge and experience in our biogas demonstration project in India. News
- In Sep. 2023, Suzuki(SRDI), NDDDB, and Banas Dairy agreed to set up biogas production plant. The parties plan to establish 4 biogas production plants sequentially from 2025. (The total amount of planned investment: Rs2.3 billion) News



## Overview of Biogas Project



### Original

- CO<sub>2</sub> in atmosphere
- grass (photosynthesis)
- cow food
- manure
- release methane into the atmosphere
- methane has 28 times larger greenhouse effect than those of CO<sub>2</sub>

### Plan

- Collect cow dung (resources) and produce biogas
- use for automotive fuel



**Cow dungs from 10 cows in 1 day ≡ Fuel supply of 1 car for 1 day**





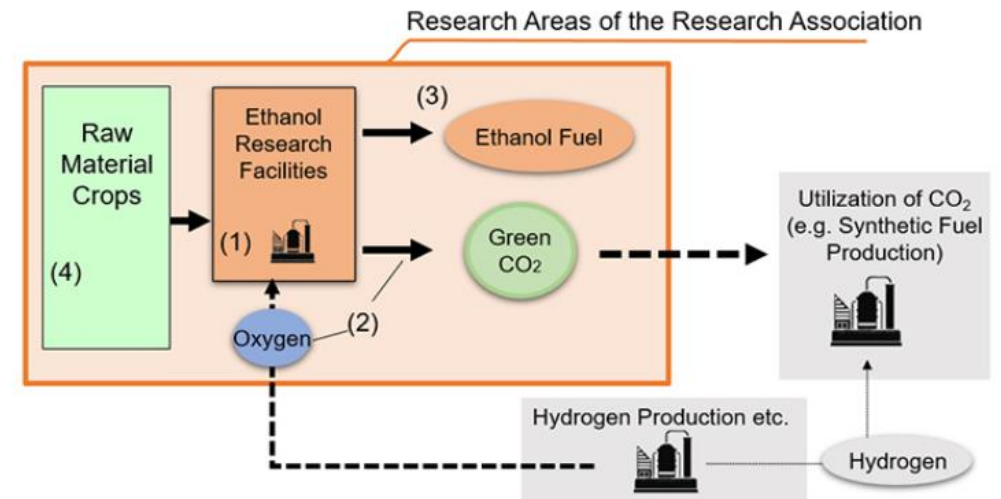


## ● Joining the Research Association of Biomass Innovation for Next Generation Automobile Fuels

- The research association established by ENEOS, Suzuki, Subaru, Daihatsu, Toyota, and Toyota Tsusho on July 1, 2022, to study ways to optimize the process of producing fuel. [News](#)
- The Research Association promotes technological research on the use of biomass, as well as the efficient production of bioethanol fuel for automobiles through the optimized circulation of hydrogen, oxygen, and CO<sub>2</sub> during production to achieve a carbon-neutral society.
- In October 2022, the research association signed a basic agreement with Okuma Town, Fukushima Prefecture on the location of businesses.
- In March 2023, Mazda joined this research association.

## ● Specific research areas

- (1) Research on Efficient Ethanol Production Systems
- (2) Research on Byproduct Oxygen, CO<sub>2</sub> Capture, and Utilization
- (3) Research on the Efficient Operation of the Overall System, including Fuel Utilization
- (4) Research on Efficient Raw Material Crop Cultivation Methods



## ● Japan

- In accordance with automobile Recycling Law enforced in January 2005, Suzuki has exercised its duty to collect and/or recycle shredder scraps (ASR\*), airbags, and freons of end-of-life vehicles.
- Vehicle recycling rate reached 99.4% in FY2022.
- Suzuki cooperates with other OEMs to establish mechanism to collect/properly dispose of used lithium-ion batteries.



## ● India

- Collection and recycling of used lithium-ion batteries is currently being promoted.
- Maruti Suzuki and Toyota Tsusho Group's vehicle scrapping and recycling unit commenced operations in India in Nov. 2021.
- Suzuki Motor Corp. signed MOU with the State of Gujarat, India in March 2022, to construct the second recycling plant, targeting the start of operation in 2025.
- Indian Government now examines scrap incentive scheme.

[News](#)

✘Scrap incentive scheme includes following initiatives

**Registration Fee** ...Waiver of new car registration fee, Increase in the renewal of registration fee for vehicles more than 15 years (Effective Apr. 1, 2022)

**Road Tax** ...Up to 25% reduction upon purchase of new car (proposal from MoRTH)



\*Automobile Shredder Residue

## ● Suzuki to Expand Use of Electricity from Renewable Energy Sources in India

News



- In May 2022, SMG\*<sup>1</sup> became the first Suzuki Group company to procure electricity from renewable energy sources by utilizing the Off-site Corporate PPA\*<sup>2</sup> scheme.
  - The power generation facility (generation output: 17.6MW), which is a hybrid of wind and solar power was installed exclusively for SMG by ReNew Power Private Limited, a major renewable energy company in India. With this initiative, SMG expects to reduce CO<sub>2</sub> emissions by approximately 59,000 tons per year.
- In September 2021, MSIL expanded the solar power generation Facility (20MW) on the premises of the Manesar Plant, increasing the generation output to 26.3MW. With this expansion alone, MSIL expects to reduce CO<sub>2</sub> emissions by approximately 20,000 tons per year.

PPA for SMG (Provided by ReNew Power Private Limited)



Solar panels established above the stock yard of Manesar Plant



## ● Adoption by NEDO\*<sup>3</sup> Project

News

- Yamanashi Hydrogen Company, Inc. and Suzuki Motor Corporation have announced that the project titled “Study on Conformity with Demonstration Requirements for Hydrogen Technology to Achieve Efficient Thermal Operation in Indian Factories (Haryana, India)” has been proposed and adopted as a feasibility study for “FY2022 International Demonstration Project on Japan's Energy Efficiency Technologies (Surveys of the Suitability of Demonstration Requirements)”, a public invitation by NEDO.
- The purpose of the project is to consider feasibility of structuring optimal thermal operation system in the plants through manufacturing hydrogen with Power-to-Gas (P2G) system by utilizing excess electricity in India.

\* 1 Suzuki Motor Gujarat Private Limited \* 2 Power Purchase Agreement \* 3 Japan's New Energy and Industrial Technology Development Organization



## ● SDGs Initiatives

-Worldwide "SUZUKI CLEAN OCEAN PROJECT" based on three concepts



### Global cleanup activities

- Accumulated participants since 2010 to Dec. 2023 are approximately 17,000 people

### Reduce use of plastic packaging

- Accumulated reduction of plastic packing materials since Oct. 2020 to Dec. 2023 is 56 ton

### Collect Micro-Plastic waste

- Developed the Micro-Plastic Collecting Device for outboard motors.
- Production began in July 2022 with standard equipment on 5 models: DF140BG, DF115BG, DF140B, DF115B and DF100C.
- Started joint research with Shizuoka University on microplastic identification technology, utilizing the adhering and coloring properties of proteins to plastics

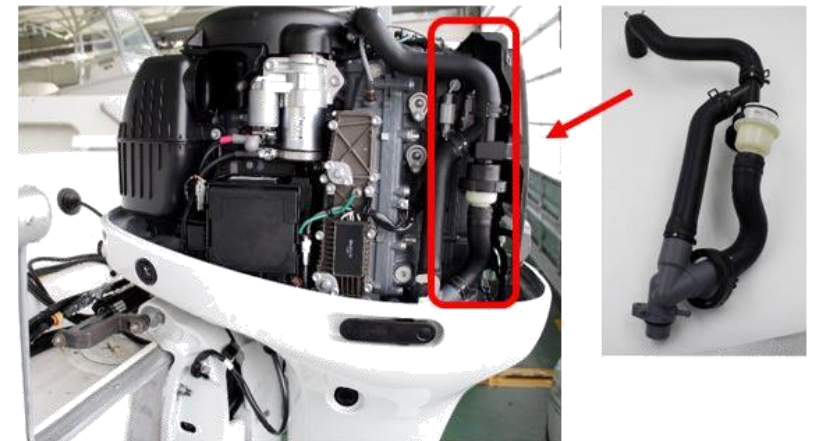
[News](#)

[News](#)

[News](#)



Micro-Plastic Collecting Device



- Safety Support Car S Wide certification (certified by Japan's Ministry of Land, Infrastructure, Transport and Tourism) was awarded to following domestic models, including commercial vehicles.
- Safety Support Car S accounted for 98% of Suzuki passenger car sales (3QFY2023).



Collision mitigation brake

Safety Support Car S Wide

	Dual camera brake support		Unintended start prevention		Lane departure warning
	Reverse mode brake support		Unintended start prevention (rear)		High beam assist
	Lane departure prevention		Adaptive cruise control		Preceding car departure notice
	Weaving alert function		Traffic sign recognition		Camera for 360° view



## ● About “Keitora Ichi”

- Open air market using cargo bed of Mini Truck to display and sell local specialty, foods and other goods.
- Began in Shizukuishi, Iwata in 2005, and today more than 120 “Keitora Ichi” are held nationwide.
- Organizers are usually local business associations.
- Market is held at shopping streets suffering from attracting customers.
- Why using Mini Truck?
  - Height of cargo bed is most suited to display and sell goods.
  - Ease of setup and withdrawal by using truck as stall.
  - Most of farmers already have Mini Truck which can be used for the event.

## ● Effect of “Keitora Ichi”

- Contribute to revitalization of rural areas amid the increasing concentration of population in urban areas.
- Well spoken about as each market reflects regional characteristics.
- Revitalization of the entire shopping district by increasing the number of visitors.
- Helping solve the succession issue through revitalization.



The 8<sup>th</sup> All Japan Kei-Truck Market in Hamamatsu, December 3, 2023

\* Keitora Ichi (Kei-truck Market): Open air market utilizing Mini Truck

- As part of CSR activities, MSIL, in partnership with Zydus Hospitals, announced a multi-speciality hospital equipped with state-of-the-art facilities at Sitapur, Gujarat on May 18, 2021.
- The hospital has been 100% funded by the Maruti Suzuki Foundation – a CSR initiative of Maruti Suzuki, with an amount of 1.26 billion rupees.



- In the past, there were no general hospitals in the area, but now it became possible to provide emergency and specialized medical services.
- Since opening, more than 60,000 patients have been treated and more than 2,000 surgeries have been performed.
- Provided medical care to more than 39,000 outpatients and 3,000 inpatients in FY2022.

## ● Human Rights Policy

- In December 2022, with advice from outside experts, Suzuki Group's basic policy regarding human rights has been established after a resolution by the Board of Directors.
- Suzuki upholds respect for laws, regulations and international norms regarding human rights, expresses commitment by top management to work on human rights due diligence.



## ● Initiatives for suppliers

### Responsible Mineral Procurement

- A survey is conducted to identify smelters by tracing the supply chain using the format of the RMI (Responsible Minerals Initiative), an international framework, in order to confirm whether certain minerals (Tin, Tantalum, Tungsten, Gold, Cobalt, Mica) used in our company products have not become sources of funding for armed groups in conflict areas.
- In 2022, the survey was expanded to cover all products, including automobiles (previously only motorcycles and outboard motors for North America were covered).
- We will reduce above risks through the survey.



### Building consensus on respect for human rights with business partners



- In addition to presenting CSR guidelines to suppliers, each Suzuki Group company is concluding memorandum that will incorporate human rights provisions into existing supply purchase agreements.

### Survey regarding status of Foreign Workers

- Suzuki recognizes the risk of human rights infringement in the course of accepting foreign technical interns in Japan.
- Since 2022, with support from human rights NGOs, the following initiatives have been implemented to cope with this issue:
  - Conduct a questionnaire survey on the employment status of foreign workers  
→It was identified that about 1/3 of our business partners accept foreign technical interns
  - Conducting a visiting survey of business partners with the NGO to check the situation in detail

● Employee communication

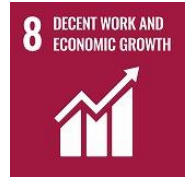
- Building harmonious relations based on mutual trust with labor unions
- We arrange frequent labor-management consultations to ensure that employee ideas are reflected in all of our departments, such as research and development, engineering, manufacturing, sales, etc.

Opportunities for meeting with unions and employees in Maruti Suzuki

Meeting	Frequency
Meeting between the president and union representatives	1 per month
Meeting between production and human resources executives and union representatives	1 per month
Meeting between production/human resources departments and union representatives	1 per month
Meetings between production/human resources departments and field employees	Continuously held
Hearing complaints from field employees through a specialized help desk	1 per week

● Initiatives by Maruti Suzuki India Limited

- Maintaining harmonious industrial relations to facilitate smooth plant operations and achieve competitive business goals, is the pivotal aspect.
- Holding periodical meetings between union, Managing Director, plant managers, human resources managers and other shop floor employees
- Organizing various initiatives where all employees participate such as a tour for the employee’s families, and sports tournaments, etc.
- Conducting training in Japan for union members of Maruti Suzuki
- Thanks to these efforts, harmonious relations have been maintained, and no similar problems have occurred since the outbreak of riots in 2012.

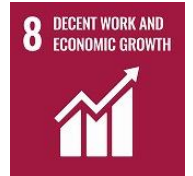


### ● Efforts to reduce working hours

- Stricter control of overtime hours based on total working hours
- Introduced flexible working hours to reduce late-night overtime
- Introduced interval norms to ensure rest time within working hours
- Set a day leaving without overtime for work-life balance

### ● Support system for work-life balance

- Introduced shorter working hours for employees who need childcare or family care
- Childcare leave and nursing care leave  
Percentage of men taking childcare leave in FY2022 was 43.5%, that should be raised in the future.
- In addition to the existing "spousal leave," a new "birth leave" that can be taken at the time of the birth of a child, has been introduced.
- Seminar to support return of employees on childcare leave  
Held regular meetings for parents to exchange information on returning to work
- 98.0% return from childcare leave in FY2022 (male: 99.1%, female: 96.8%)
- In 2022, Suzuki was certified "Kurumin\*" by the Minister of Health, Labour and Welfare as a childcare support company.



### ● Efforts to create a better work environment

- Introduced "Obstetrics, Gynecology and Pediatrics Online" in April 2023 for the first time in the automotive industry, a service provided by Kids Public to promote the creation of an environment where employees can work with peace of mind.

### ● Participated in Health Management Alliance

- Promoting health management activities with the phrase "Happy customers are created by happy employees!"

\*The Ministry of Health, Labour and Welfare's program to recognize companies that actively support balancing work and childcare

# ESG | Actions to promote participation by women

## ● Action Plan based on the Act on Promotion of Women's Participation and Career Advancement in the Workplace



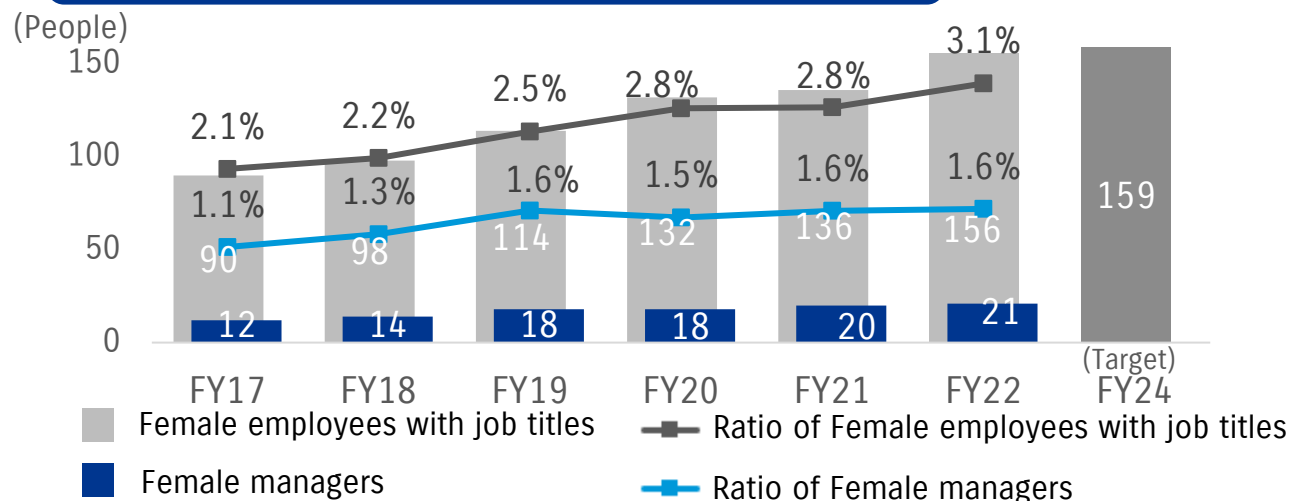
### ■ Target (From 1 April 2020 to 31 March 2025)

- ① Triple the number of female employees with job titles in 2025 compared to FY2015, before the enforcement of the Act on the Promotion of Female Participation and Career Advancement in the Workplace. (FY2015 Female Employees with job titles  $53 \times 3 = 159$ )
- ② Improve rate of paid annual leave taken by all employees, including managers, by 10% compared to FY2018 in 2025

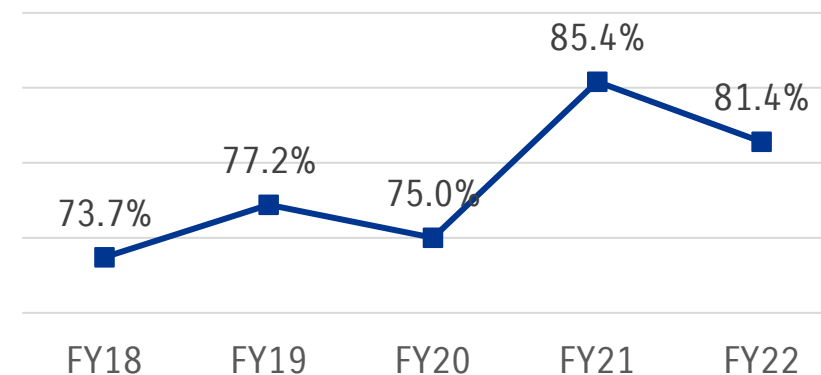
## ● Target for the Ratio of Female managers

- The ratio of women to all employees (12.4% in FY22) is set as the future target for the ratio of female managers to be achieved, and the FY25 target is set at 2.0%.

Number and Ratio of Female employees with job titles or managers



Paid Leave Utilization Rate



## Efforts to improve human resources

- Elimination of age restrictions on promotions and appointments
- Proper management span for some departments
- Review of the re-employment contract employee system
- Introduce a flexible personnel system and create an environment where employees can work with a sense of fulfillment

## Non-Territorial Office

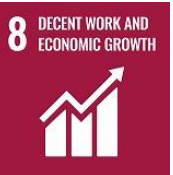
- Trial introduced in some workplaces as part of work style reform
- Aim for effects such as increased communication, PJ optimization, space saving and cost reduction

## Introduction of the selectable benefits program

- Introduction of cafeteria plans from Oct.2023
- Suzuki provides fair and diverse benefits.

## Review employee stock ownership

- Increase the incentive grant rate from 5.6% to 100% (maximum 10,000 yen/month)
- Special incentive grant of 50,000 yen (temporary measure)
- In addition to expanding employee benefits, holding stock is expected to foster a sense of management participation, motivate employees, and in turn, encourage company growth.



## Provide diverse meals

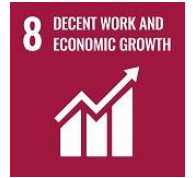
- Trial introduction of food trucks at head office, etc. as part of work style reform
- TORIZEN Co., Ltd. and Suzuki start collaboration, and serve authentic Indian vegetarian food to the Suzuki employee cafeteria



News



- Since June 2021, we have introduced a company-wide problem-solving method to identify the real cause of problems and improve the ability to solve them, thereby improving the problem-solving ability of each employee.
- We have sent young employees to start-up companies with the aim of broadening their horizons and knowledge and enhancing the external antenna of each employee.
- New fields, including CASE, are being worked on mainly in Japan, while existing fields are being transferred to India. For the purpose of advancing education of Indians even more than before, by having both Indian talents such as Maruti Suzuki and Japanese talents work together in their tasks, we are striving to improve the development ability in India and the overall competitiveness for Suzuki.
- We started sending employees to Silicon Valley in Sep. 2017 with the aim of learning the "venture spirit" of trying without fear of failure by learning the problem-solving method "design thinking". A total of 173 people have been sent 16 times so far.  
(Since the COVID-19 outbreak, we have conducted 10 more training sessions online for a total of 103 people.)
- The following initiatives are implemented to equip all employees, including executives and general managers, with digital objectives, literacy, knowledge and skills.
  - Management changes behavior rather than awareness (e.g., from paper materials to digital materials)
  - 50% reduction in indirect work using digital technology under the slogan "Simple Work!"
  - Renovation of line-of-business systems for data-driven management (introduction of ERP)
  - Conduct company-wide education to promote data utilization
  - Connect with our company at every customer point to meet customer needs
  - To speed up digitalization, we actively cultivate and assign internal digital talents to our organization







News1 News2 News3  
News4



News

The CVC Fund was established in Oct. 2022 [News](#)

Suzuki Global Ventures



News



Find out how you can own a vehicle and drive with our partner's address in just five days.

GET STARTED



Apply to Move Discover Rent Start driving

News



News



News



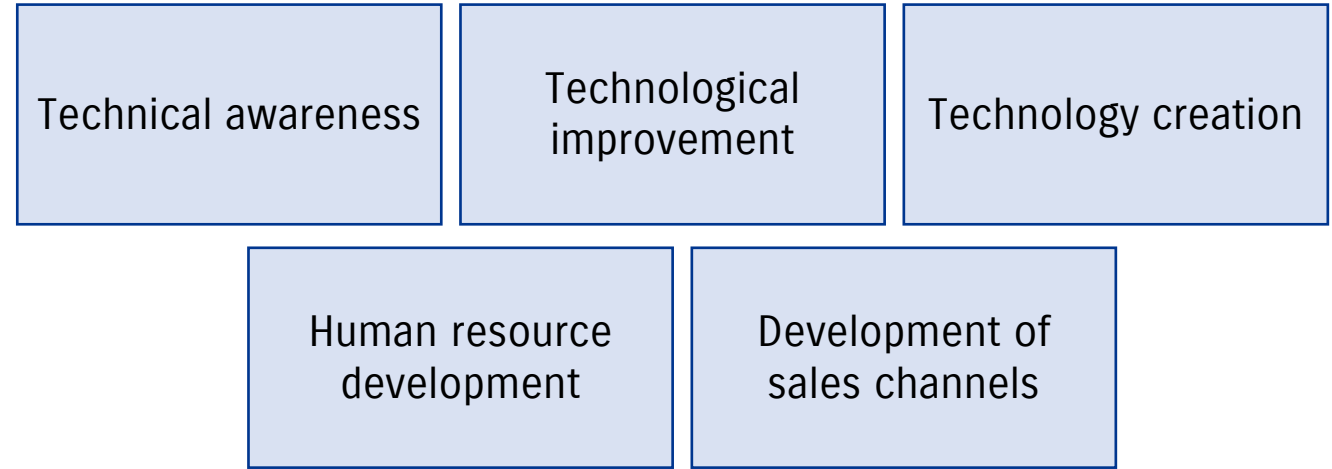
News

## ● Suzuki Suppliers Association

- Strengthening collaboration with co-op of Suzuki's Tier 1 suppliers

## ● Next Generation Automobile Center Hamamatsu

- Established within Hamamatsu Agency for Innovation in 2018
- This organization helps local small and medium parts manufacturers prepare for the CASE revolution.
- They have 5 ways to help develop components for next-generation vehicles.
- Suzuki cooperates with this center and other agencies to help build a backup system for local SMEs to enter the next generation industries.



5 ways to help develop components for next-generation vehicles

Suzuki takes steps to restructure the auto industry collaborating with local suppliers based in Hamamatsu



Suzuki Manner Improvement Activities



Workshop to investigate the environment of Lake Hamana



Forest conservation activities



Conducting events for students by sales dealers



“Monozukuri (Art of Manufacturing)” Workshop



Track and field training program for children by the Suzuki Athlete Club



Accepting elementary school field trips (Suzuki Plaza)



Motorized Wheelchair Safe Driving Training Program



Subsidies by Suzuki Foundation to engineering research activities



Scholarships by Suzuki Education and Culture Foundation



Management assistance for the Mundo de Alegria School for Japanese-South Americans



Support and dissemination of aerobics





# ESG | Social contribution activities overseas



Maruti Suzuki Podar Learn School (India)



JIM: Japan-India Institute for Manufacturing (India)



Donations for flood relief assistance (Pakistan)



Support for educational institutions (Pakistan)



Distribution of relief supplies to victims of the Chiang Jul earthquake (Indonesia)



Plant tours for students (Indonesia)



Support for Parasport (Austria)



Support for kindergartens (Hungary)



Providing vehicles to refugee support groups (Hungary)



Support for charity organizations (France)



Providing vehicles to a project to protect endangered ecosystems in the Kalahari Desert (South Africa)



Support program for obtaining a driving license (South Africa)



		pre FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23~	
Mid-Term Management Plan		Mid-Term Management Target (FY10~FY14)	Mid-Term Management Plan SUZUKI NEXT 100 (FY15~FY19)						Mid-Term Management Plan "Sho-Sho-Kei-Tan-Bi"			
Growth Strategy		Growth Strategy for FY2030 ←									~FY30	
Chairman		Osamu Suzuki Chairman and President from 2008 to 2015										
President		Toshihiro Suzuki										
Board of Directors	Term	Term of board members shortened to 1 year from 2002										
	Supervision Exec	Introduced executive officers system in 2006										
	Outside directors, total directors	Appointed 2 outside directors among 9 total	2/8			2/7		3/9		2/8		3/8
	Supporting div.	Secretarial Office (Corporate Governance Dept. until Aug. 2021) / Secretariat of Audit & Supervisory Board										
	Seats	Not more than 30 from 1989				Reduced to 15						
Committees		Committee on Personnel and Remuneration, etc. (Advisory Committee on Personnel and Remuneration, etc. until Jun. 24, 2021)										
		Corporate Governance Committee										
		Suzuki Environmental Committee										
		Committee for Carbon Neutrality ←										
Vision	Corporate mission	Drafted "Mission Statement" in 1962									Revised	
	Philosophy of Conduct	Sho-Sho-Kei-Tan-Bi*, Lean Management, Three Actuals (Place, Thing, Situation) ←								Philosophy of Conduct		
	Human Rights Policy	Suzuki Group's basic policy regarding human rights ←								Human Rights Policy		
	Tax Policy	Tax policy of the Suzuki Group ←								Tax Policy		
	Code of conduct	Drafted Suzuki Activity Charter, Suzuki employees Activity Charter in 2003				Suzuki Group Code of Conduct (Feb. 2020 distributed the compliance handbook to employees)						

\*Sho-Sho-Kei-Tan-Bi = Smaller, Fewer, Lighter, Shorter, Beauty

Directors and Auditors

as of 2024/1/31

	Current members			Concurrent positions (Responsibilities of Directors)
	Name	Age	Position	
Directors	Toshihiro Suzuki	64	Representative Director and President	Chairman of Suzuki Foundation, Chairman of Suzuki Education and Culture Foundation
	Naomi Ishii	58	Representative Director and Executive Vice President	Executive Vice President, Assistant to President Responsible for Corporate Planning Office, New Mobility Service, BEV Solutions, Human Resources Development, Legal/IP, Global IT, and Product Planning Executive General Manager, Corporate Planning Office
	Masahiko Nagao	66	Director and Senior Managing Officer	(Government and Industry Relations, Responsible for Public Relations and Corporate Communications)
	Toshiaki Suzuki	65	Director and Senior Managing Officer *1	(Executive General Manager, Domestic Marketing, Responsible for Domestic Marketing and Spare Parts and Accessories)
	Kinji Saito	65	Director and Senior Managing Officer	(Executive General Manager, Global Automobile Marketing, Responsible for Global Automobile Marketing, Marine Operations, and Motorcycle Operations)
	Hideaki Domichi	75	Director *2	
	Shun Egusa	66	Director *2	Guest Professor, Future Innovation Institute, Research Organization for Nano & Life Innovation, Waseda University
	Naoko Takahashi	51	Director *2	Chariman of Para-Sports Development Network of Japan, Outside Director of Starts Corporation Inc.
Auditors	Taisuke Toyoda	66	Audit & Supervisory Board Member	
	Masato Kasai	68	Audit & Supervisory Board Member	
	Norio Tanaka	72	Audit & Supervisory Board Member *3	Certified Public Accountant, Outside Audit & Supervisory Board Member of ENSHU TRUCK CO., LTD.
	Norihisa Nagano	74	Audit & Supervisory Board Member *3	Attorney
	Mitsuhiro Fukuta	61	Audit & Supervisory Board Member *3	Dean, Faculty of Engineering, National University Corporation Shizuoka University

\*1 Mr. Toshiaki Suzuki is not a relative of Mr. Toshihiro Suzuki. \*2 Outside Director \*3 Outside Audit & Supervisory Board Member



## ● Characteristics and operation of the Board of Directors

**Takahashi:** I was expecting a more formal atmosphere, but in fact it was friendly, and seeing the Directors' express various opinions and give thoughtful responses made it easy for me to join the discussions.

**Domichi:** The information necessary for such discussions is shared very thoroughly, even among us Outside Directors. I think sharing information is crucial for effective discussions. I appreciate Suzuki's stance in this regard.

**Egusa:** Because there is a culture of openness, we are allowed to point out Suzuki's weaknesses and bring in information from the outside.

## ● Suzuki's shareholder return and capital policy

**Domichi:** Until now, Suzuki has focused more on investment for growth and strengthening its business base than on its stock price, but recently it has begun to pay more attention to dividends to investors, returns to employees, compensation to officers, and its stock price. The cost of capital is the risk taken by shareholders, and if the company does not provide returns for this risk, the stock price will fall. I believe that the Western view of stock price as a performance evaluation for management may become stronger in Japan. This is a very harsh assessment of management, but Japan seems to gradually be moving in that direction. The Company has begun to buy back treasury shares, but I believe that it needs to consider its dividend payout ratio as well for a total return approach.

**Egusa:** Suzuki's management needs to be more aware of its stock price. For example, for the biogas business using cow dung, India is not the only country that has cows. There are many cows in Europe and the United States as well. But if Suzuki can communicate in a way that suggests that it can change the world, then it can appeal to foreign shareholders coming from an ESG perspective. I think Suzuki deserves more recognition, and there are ways to leverage its communication more to achieve this.

## ● Assessment of the Growth Strategy for FY2030

**Egusa:** It is better to set goals that are as ambitious as possible such as net sales of ¥7 trillion and global sales of 5 million automobiles. However, implementation and execution are more important. Suzuki needs to leverage India as well. Also, marketing is important.

**Domichi:** I think it was good that Suzuki announced its growth strategy. With the shift to EVs accelerating worldwide, we were all worried about what would happen to Suzuki, and whether it would lose its competitive edge due to its delay.

**Takahashi:** While it is important to set numerical business targets, it is also necessary to set goals for solving social issues, such as achieving carbon neutrality. I think it is important for a company to make well-rounded efforts over the mid-to long-term, not just to achieve numerical targets, and I feel that Suzuki is putting this into practice effectively.

### Roundtable Discussion with Outside Directors



Naoko Takahashi  
Outside Director  
(new appointment)

Hideaki Domichi  
Outside Director  
(fourth year in office)

Shun Egusa  
Outside Director  
(second year in office)

Full text is in pages 53~56 of the Integrated Report  
<https://www.globalsuzuki.com/ir/library/annualreport/pdf/2023/2023.pdf>

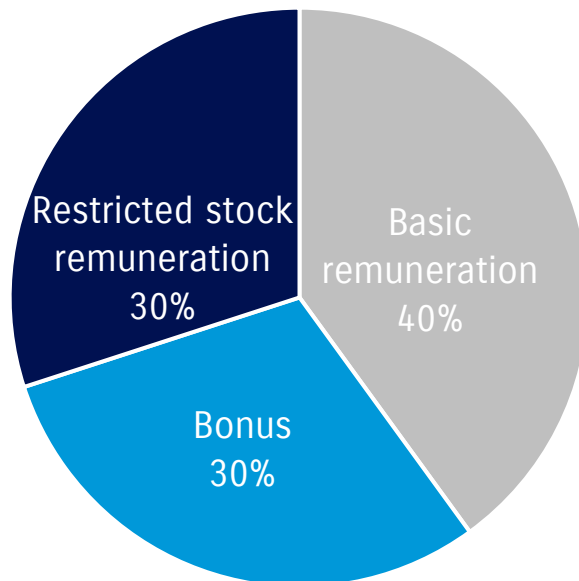
### ● Remuneration of Directors

- Regarding the decision-making policy for individual remuneration of Directors, 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 specific details of individual basic remuneration is delegated to the Committee on Personnel and Remuneration, etc. from the Board of Directors. Outside Director’s remuneration shall be solely basic remuneration.

### ● Remuneration of Auditors

- Basic remuneration only. Individual remuneration is determined through discussions between Auditors.

Remuneration ratio for Directors excluding Outside Directors



#### Bonus (performance-linked remuneration)

- The performance indicator is consolidated operating profit from the perspective of corporate profitability.
- The specific amount of remuneration for individual is calculated by the Board of Directors using performance target and the multiplication rate by position predetermined by the Board of Directors.

#### Restricted stock remuneration

- Restricted stock remuneration is delivered to Directors excluding Outside Directors in order to function as an incentive for sustainable improvement of corporate value and to further promote shared value with shareholders.

# ESG | Implementation Status of Preventive Measures regarding the Improper Conducts of the Final Vehicle Inspection in the Plants

Company-wide innovation of consciousness and improvement of corporate climate for thorough compliance to laws and regulations are led by the management. Continuously conduct initiatives for further improvements. (Submitted third report to MLIT on June 1, 2020)

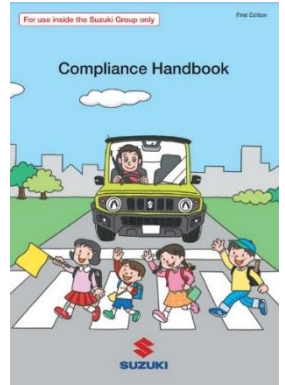
## ● Commitment and action by the management

- Sending out the president’s message toward all employees on compliance to laws and regulations
- Implemented innovation of organization (established Inspection Head Department and Inspection Innovation Committee, and structured a three-layer audit system)
- Conducted roundtable dialogue hosted by president at all departments, as a part of "remember 5.18 initiative" \*

\*A company-wide initiative not to forget improper incidents of the past.

## ● Company-wide innovation of consciousness and improvement of corporate climate

- Establishment of permanent exhibit area to study improper conducts
- Handing out Compliance Handbook to all employees (right)
- In-house training aimed for innovation of consciousness such as thorough action of “Report, Communicate, and Consult”
- President announced the “Attitude toward working”
- Conduct “Everyday Compliance Quiz” at the start of work



## Everyday Compliance Quiz 毎コンクイズ

## ● For conducting more secure and correct inspection

- Initiatives to collect problems from inspectors and feedback for improvement of work  
 [ Placing consultants, memos to write down worrying factors, collecting opinions from foremen and supervisors, individual interview, group meetings, etc. ]
- Increase inspectors
- Maintenance of dedicated line for education (Photo(1))
- Improvement of inspection facility (Photo(2))
- Improvement of inspection lines (Photos(3)(4))
- Newly completed inspection building, Kosai No.1 East (Photos(5)–(7))



(3) Monitor entry and exit



(4) Biometric authentication



(5) New inspection building



(1) Dedicated education line



(2) Side slip inspection



(6) Inspection line



(7) Rest area and study space

### Basic principles

- Objective...sustainable growth, increase enterprise value in the mid and long term
- Standard...following criteria is applied
  - Create business opportunity
  - Business partnership
  - Establish, maintain or strengthen stable transaction and cooperation
- Holdings...Appropriateness of individual shareholdings (enhancement of corporate value, capital costs) is examined by the BoD every year. Advance reduction of stocks to be sold.

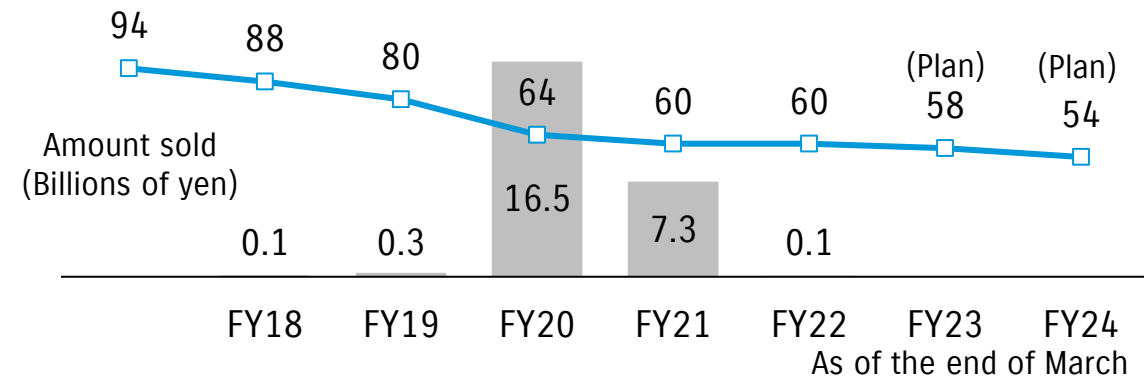
### Exercise of voting rights

- Decision is to be made by respecting management policy of the investment company and in view of our mid-and long-term enterprise value

### Disposal of shares

- Policy for the sale of listed shares decided by the Board of Directors for FY23
  - Dispose of 3 brands in FY23 (Reduction will be 2, as one unlisted company went public.)
  - 4 brands will be sold in FY24
- Use proceeds from sale effectively to fund startup companies (refer to P47)

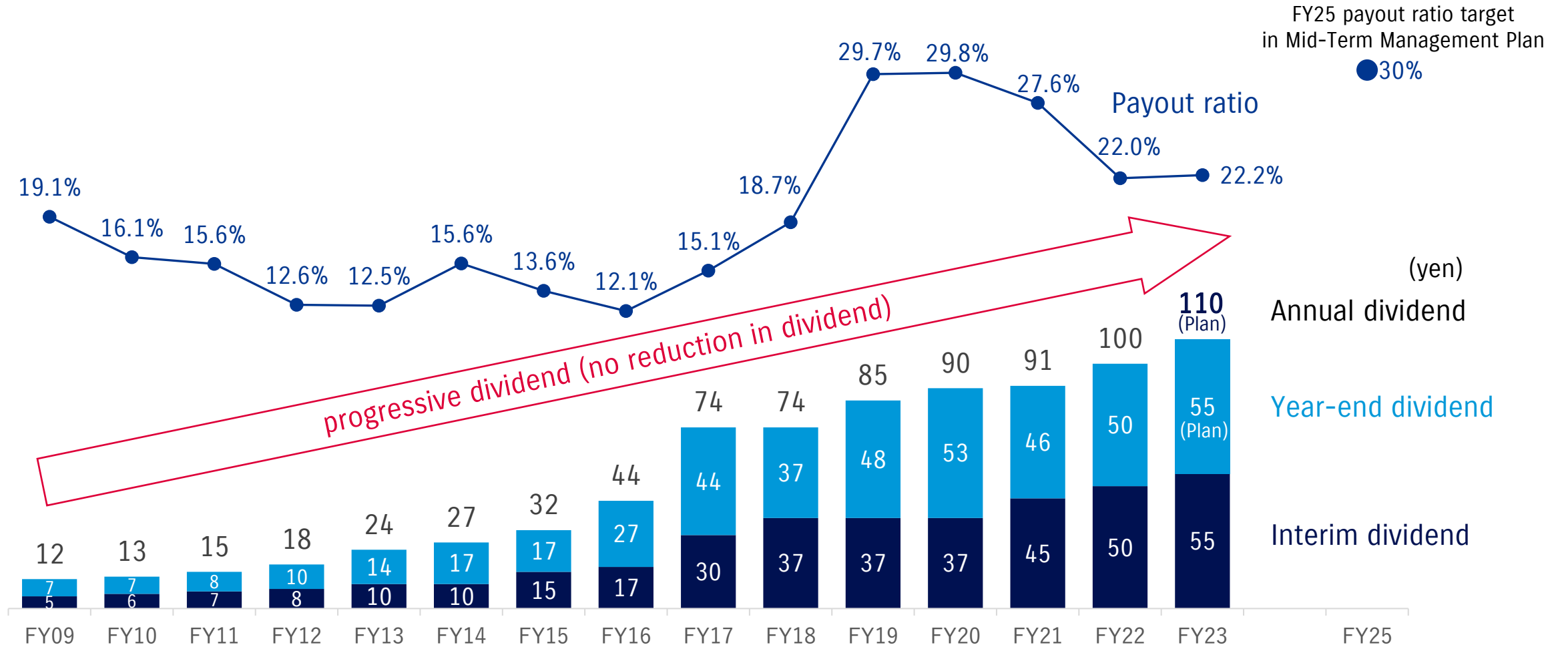
(Progress of number of shareholdings)





# ESG | Shareholder Return (Dividend per share)

Dividend : **Annual dividend (planned) 110 yen** (up 10 yen from FY2022) : Record-high  
 Acquisition of Treasury Shares : Acquired 20 billion yen (3,768 thousand shares) (equivalent to 8.3% return ratio)



# 3. Business Update

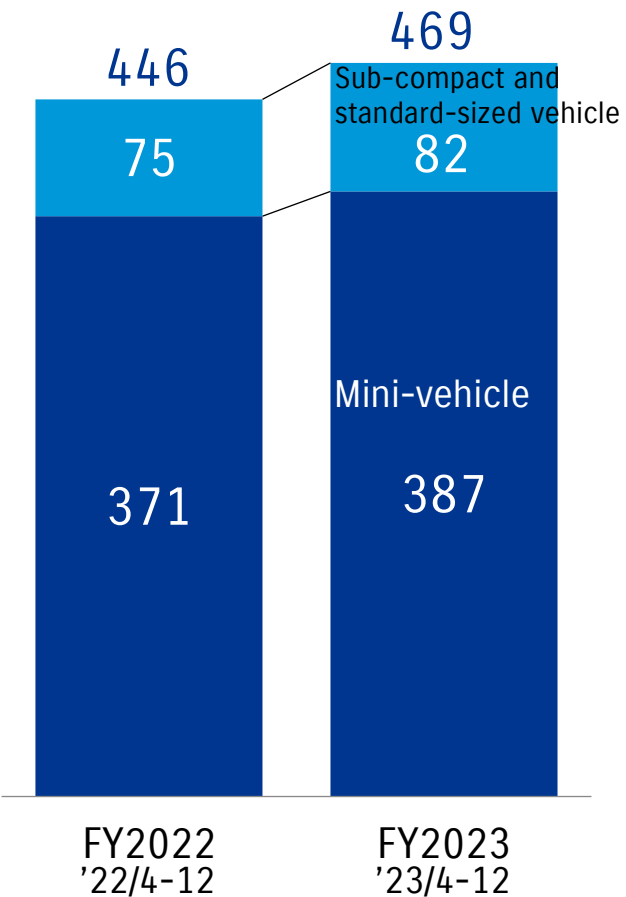
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## Sales Result

+23 (+5.2%)

(Thousand units)



### ● Launched new models of the flagship mini and compact vehicles

- Launched the new Spacia in November and the new Swift in December
- Orders for both models were strong. In particular, the Spacia Custom has performed well, and the strong sales of the higher-grade Swift models have contributed to an improved mix.



New Spacia, Spacia Custom



New Swift

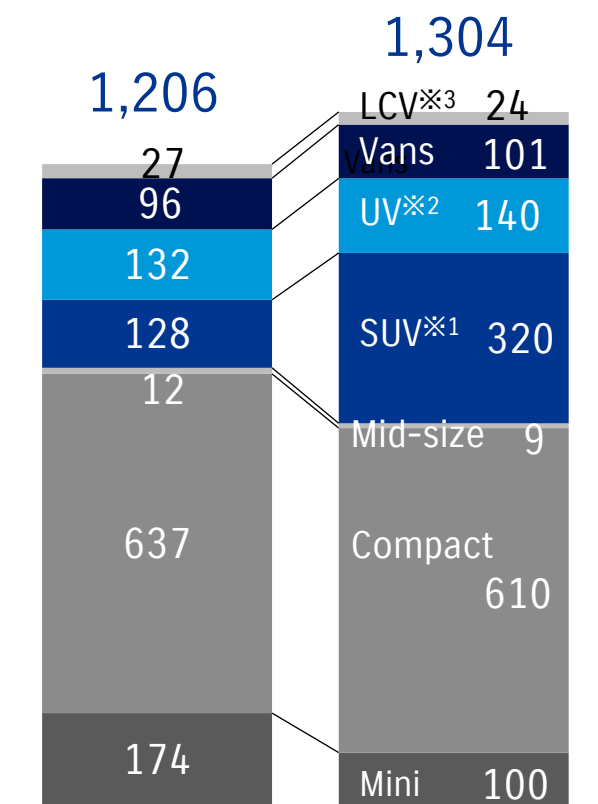
### ● Price Revision

- From this fiscal year, we have been revising prices in line with specification changes.
- Reflected higher raw material prices, in addition to higher costs due to improved specifications and equipment.

# Sales Volume of Automobiles | India

## Sales Result

+98 (+8.1%)  
(Thousand units)



FY2022  
'22/4-12

FY2023  
'23/4-12

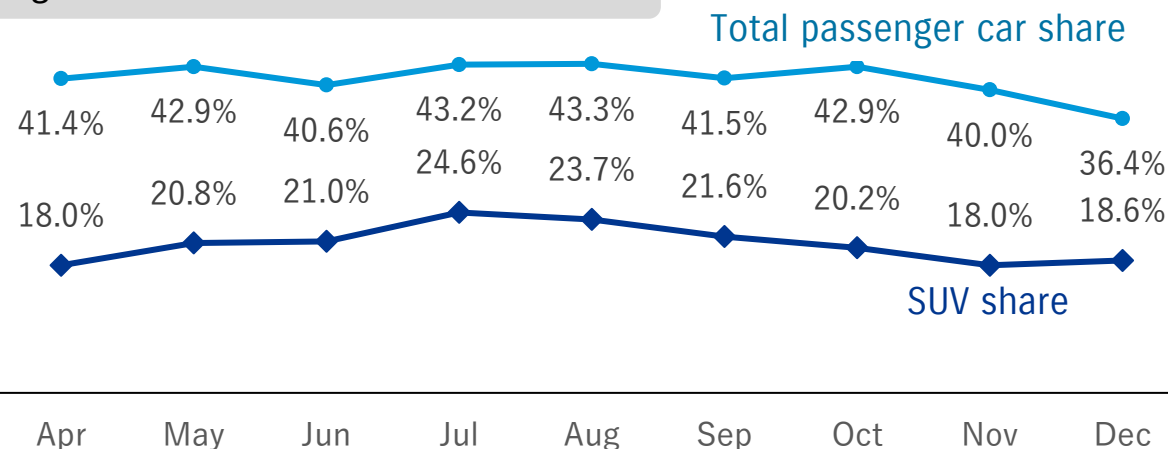
## 3Q Sales in India

- Suzuki's record shipments, net sales and operating profit for the April-December period
- Increased SUV and UV to improve mix
- India's overall market was the third largest in the world in calendar year 2023

## SUV Sales

- Actively introduce SUV models to increase overall passenger car market share
- The flagship Brezza is the top-selling SUV model in calendar year 2023

Changes in Suzuki's Market Share in India



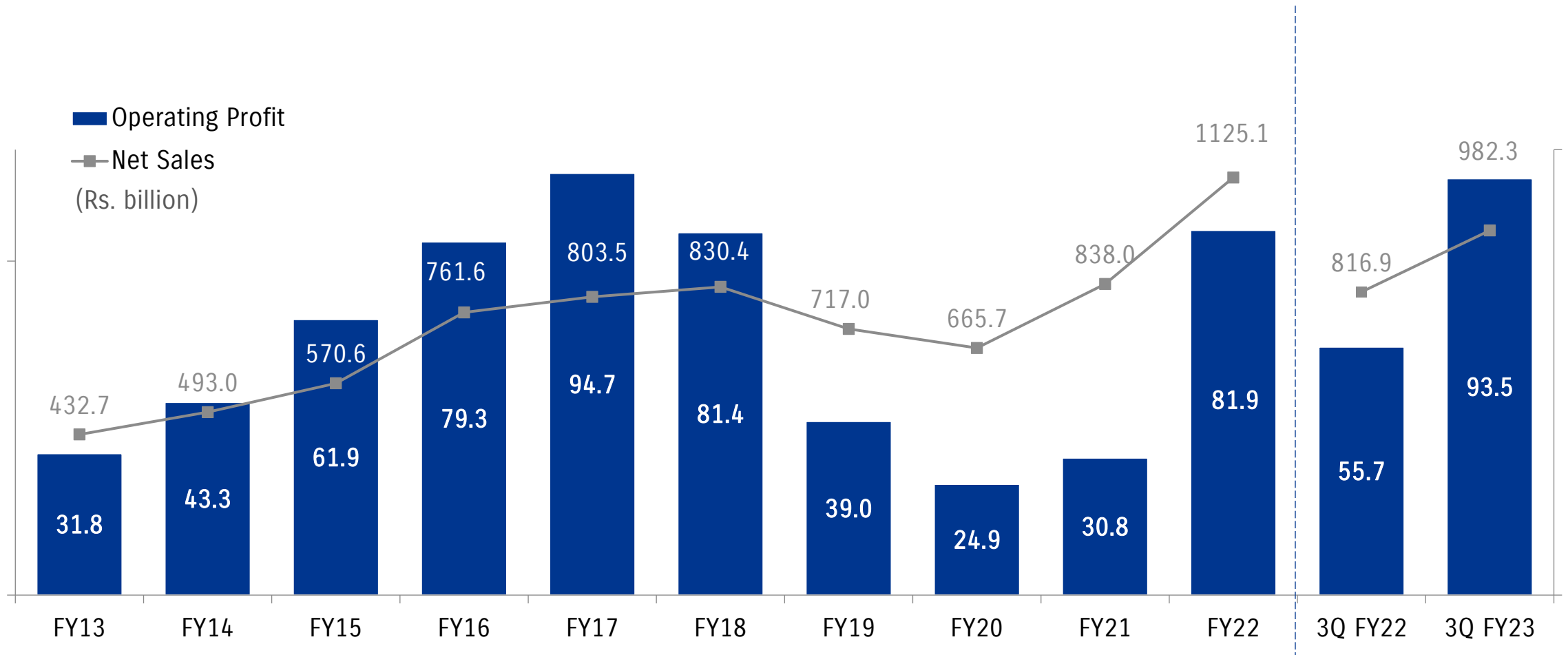
Brezza

Note. The left graph shows wholesale sales including commercial vehicles, excluding OEMs

\*1 SUV are 4 models (Brezza, Fronx, Grand Vitara, Jimny). FY2022 results include 3 models (Brezza, Grand Vitara, S-Cross)

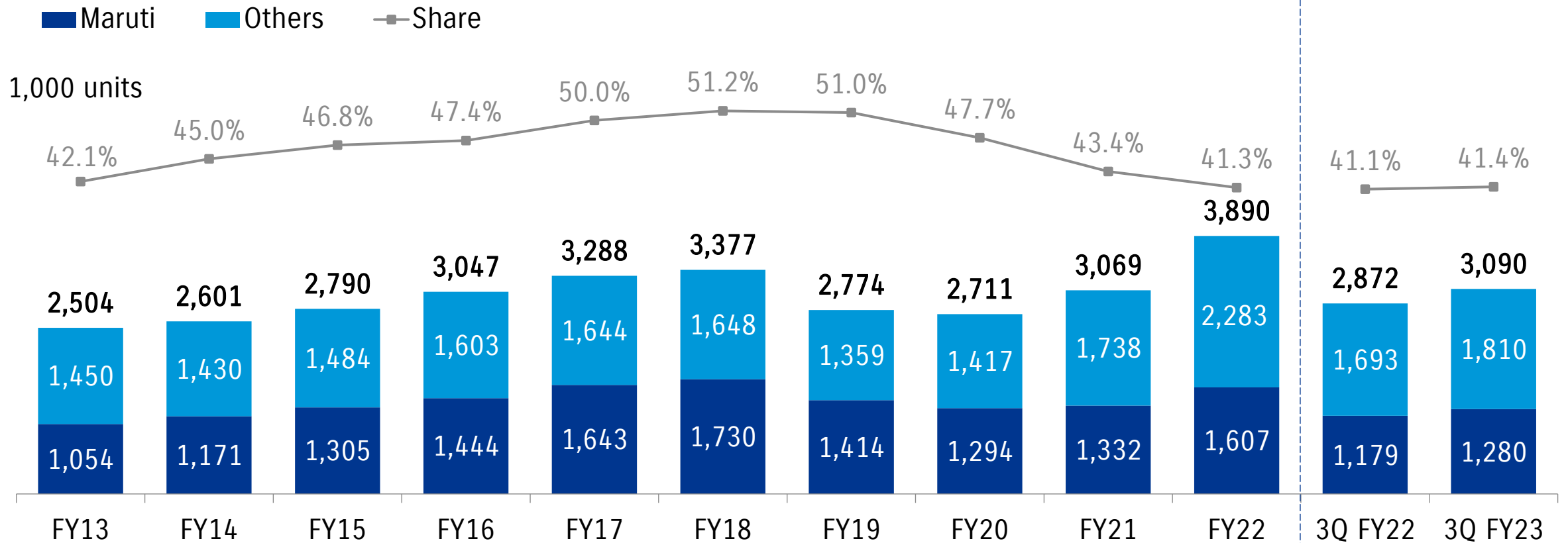
\*2 UV=Utility Vehicles \*3 LCV=Light Commercial Vehicles

### Maruti Suzuki financial performance



- Consolidated figures. Figures post FY15 are based on IndAS (Indian IFRS)
- Operating Profit is calculated by using the following formula: Sales of product + Other operating revenues - Total Expenses + Finance costs

### Wholesales of Maruti and overall market

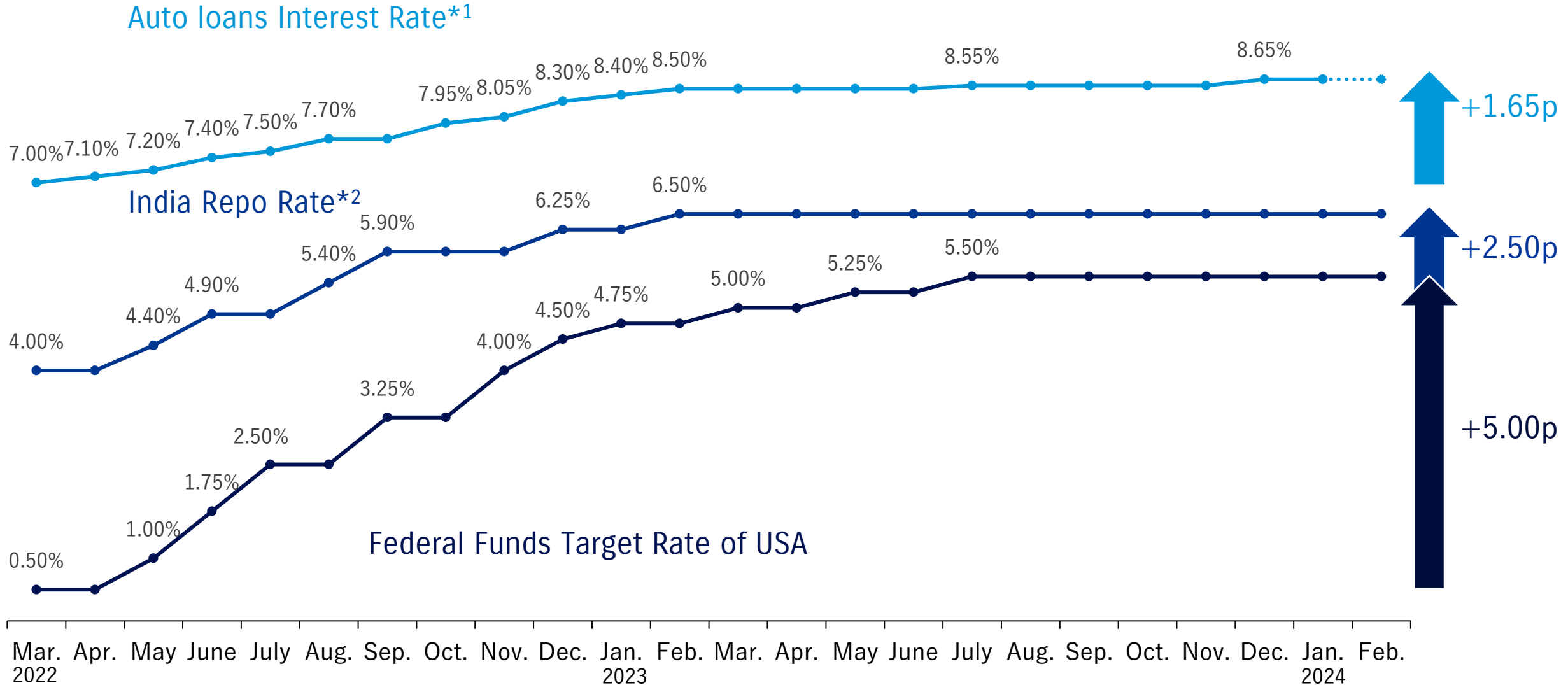


\* Wholesale volume excluding commercial vehicles

# India | Interest Rate Progress



(As of 9 Feb. 2024)



\*SBI 1 Year MCLR...Marginal Cost Lending Rates, Original Release : <https://sbi.co.in/web/interest-rates/interest-rates/mclr-historical-data>

Auto loans Interest rate is updated on the 15th of every month



## SUV

NEXA



BREZZA (1500cc) HEV CNG



GRAND VITARA (1500cc) HEV CNG

NEXA



Jimny 5-Door (1500cc)

NEXA



FRONX (1200cc) HEV CNG

## MUV

NEXA



XL6 (1500cc) HEV CNG

NEXA



ERTIGA (1500cc) HEV CNG



INVICTO (2000cc) HEV

## Mid-Size

NEXA



CIAZ (1500cc)

## VAN



EECO (1200cc) CNG

## Mini



S-PRESSO **CNG**  
(1000cc)



ALTO K10 **CNG**  
(1000cc)



Tour H1 **CNG**  
(1000cc)

## Commercial



Super Carry **CNG**  
(1200cc)

## Compact



CELERIO **CNG**  
(1000cc)



**CNG**  
WAGON R  
(1000cc, 1200cc)



**NEXA**  
IGNIS  
(1200cc)



**CNG**  
SWIFT  
(1200cc)



BALENO **CNG** **NEXA**  
(1200cc)



DZIRE **CNG**  
(1200cc)



TOUR-S (1200cc) **CNG**



## Strengthen Dealer Network ... 4 sales channels

- Maruti Suzuki Arena
  - Urban (Large dealer facilities)
  - Rural (Small/Mid-size dealer facilities, Service on wheels)
- NEXA
  - Premium car dealership
- Commercial
  - Commercial vehicle dealership

NEXA



ARENA - MAIN OUTLET



ARENA - E OUTLET



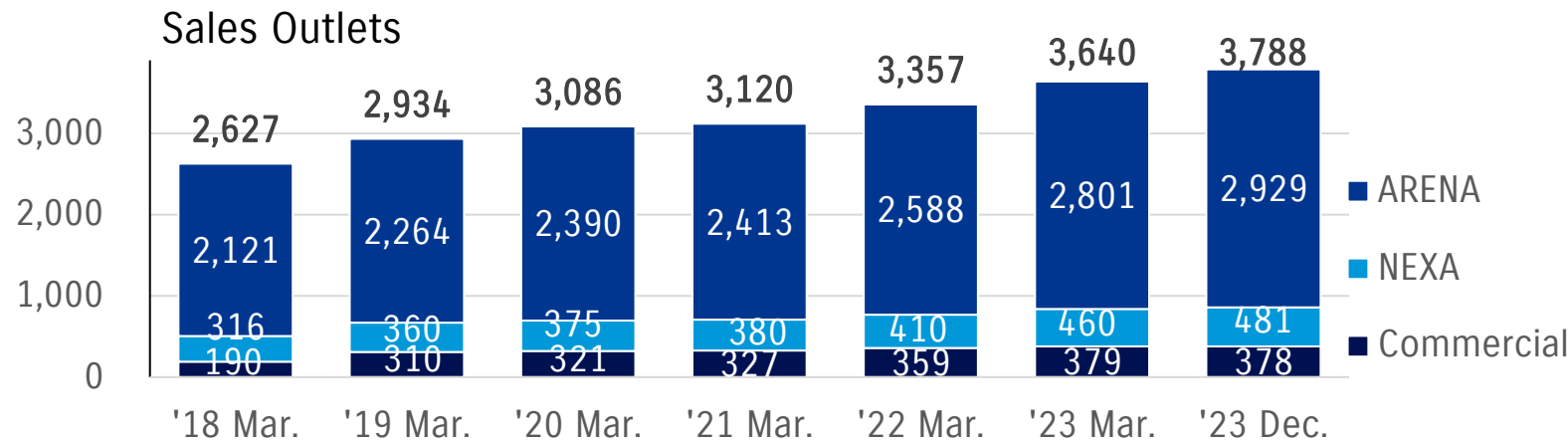
ARENA - R OUTLET



TRUE VALUE



Mobile Workshop

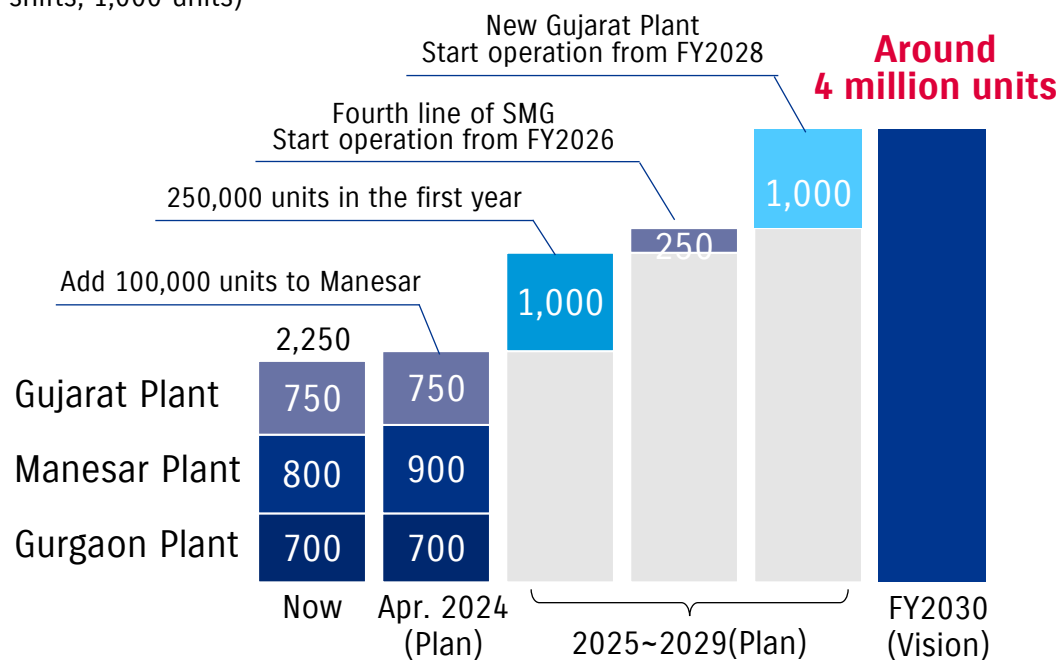


- True Value
  - 558 pre-owned car dealerships as of 11 Jan. 2024

# India | Strengthen Production Base

## Production Capacity

Production capacity in India  
(2 shifts, 1,000 units)



Gurgaon Plant



Manesar Plant



Gujarat Plant



New Kharkhoda Plant

- Maruti Suzuki purchased land for new plant in Kharkhoda
- Start of operation 2025
- Production capacity 250,000 units (to start with)
- Investments: 110 billion rupees (First Phase)

## Production of lithium-ion batteries in India

- Started mass production of battery modules for Suzuki Hybrid in October 2021 for exports and Mild Hybrid in December 2021
- JV with Toshiba and Denso
- Constructed in supplier park next to Gujarat Plant
- Penetration of Hybrid vehicles will contribute to address environmental issues in India

TDS Lithium-Ion Battery Gujarat Pvt. Ltd.





Jan. 2024 Announcing the following projects at Vibrant Gujarat, India's largest investment attraction event

## New plant in Gujarat

- Maruti Suzuki has reached an understanding with the State of Gujarat for the construction of the 2<sup>nd</sup> plant in the state
- The new plant is aimed to start operation in **FY2028-29**
- In the future, annual production capacity is expected to become **1 million units** with total investment amount of **350 billion rupees (Approx. 600 billion yen)**

## Fourth production line of SMG

- Set up a fourth production line at Suzuki Motor Gujarat (SMG) with a view to increasing BEV production
- The line is aimed to start operation from **FY2026**
- Production capacity will be **250,000 units** with investment amount of **32 billion rupees (Approx. 55 billion yen)**



Indian Prime Minister Mr. Narendra Modi (right), and Toshihiro Suzuki, President, Suzuki



- Suzuki Motor Gujarat (SMG), a 100% Suzuki subsidiary, terminates the contract manufacturing agreement with Maruti Suzuki India Limited (MSIL).
- MSIL acquires all SMG shares and SMG will become a subsidiary of MSIL.
- The transfer scheme of SMG to MSIL is that it would issue its shares to Suzuki by way of a preferential allotment.
- This deal has been completed in November 2023.

## Background of SMG as a separate company

### Purpose of the establishment

- Set up capacity in a short period of time
- Increase quality and efficiency by competing with existing plants

### Results

- 750,000 units in less than 6 years
- Total SMG production: 2 million units
- Quality became stable and accomplished its objective.

## Benefits of a share exchange

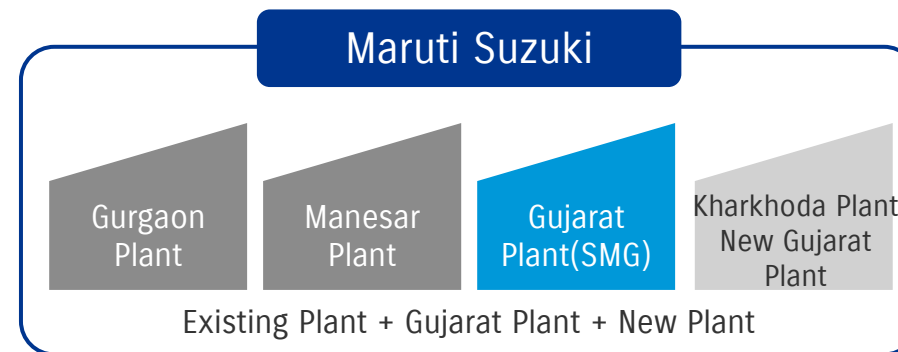
### Maruti Suzuki

- Use funds for mass-production expansion investments

### Suzuki

- Increase in consolidated profit and dividend income due to increase in ownership (56.48%→58.19%)

## Future division of roles



Unifying production operations

Improve efficiency and competitiveness

Increase in profitability

### Maruti Suzuki

**Mass production expansion investment towards 4 million units**

### Suzuki

**Investment in the development of advanced technologies for electrification and carbon neutrality**

## Establishing framework to support strengthening competitiveness and strengthening the development of technical personnel

- Suzuki announced the establishment of Suzuki R&D Center India Private Limited (SRDI) in Delhi in August 2022 at an event to commemorate Suzuki's 40th anniversary of its Indian business. [News](#)
- During the event, Suzuki's President Toshihiro Suzuki said, "Through making technology development in new fields by establishing R&D center in India wholly owned by Suzuki, we will strengthen our competitiveness and R&D capabilities not only in the Indian market but also globally."

### Objectives of SRDI establishment

- Suzuki will establish a framework to support the strengthening of Suzuki's competitiveness by efficiently linking the development departments of Japan and India, thereby developing technologies needed by society together with the rich technical talent in the country.
- In preparation for this, SRDI will begin recruiting in India.

Suzuki will work to create an environment conducive to the growth of diverse technical talent by building relationships with Indian universities and start-up companies, and enhancing exchanges with faculty and researchers

- Suzuki has signed agreements with the Indian Institute of Management, Ahmedabad (IIMA) and Kozhikode (IIMK), respectively in the current situation where we are globally facing urgent issues of environmental initiatives including carbon neutrality. News
- In addition to relationship with IIT Hyderabad (IITH) which was established in 2008, we will also deepen exchanges with faculties and students of IIMA and IIMK.

## Indian Institute of Management, Ahmedabad (IIMA)



IIMA was established in 1961 and is India's premier management school with a global reputation for excellence and leadership in business management research and education.

IIMA and Suzuki will collaborate to conduct research on strategic business diversification, business portfolio restructuring, and new market entry strategies.

## Indian Institute of Management, Kozhikode (IIMK)



IIMK was established in Kerala in 1996 and has strengths in corporate culture research and striving for global excellence in the field of higher education.

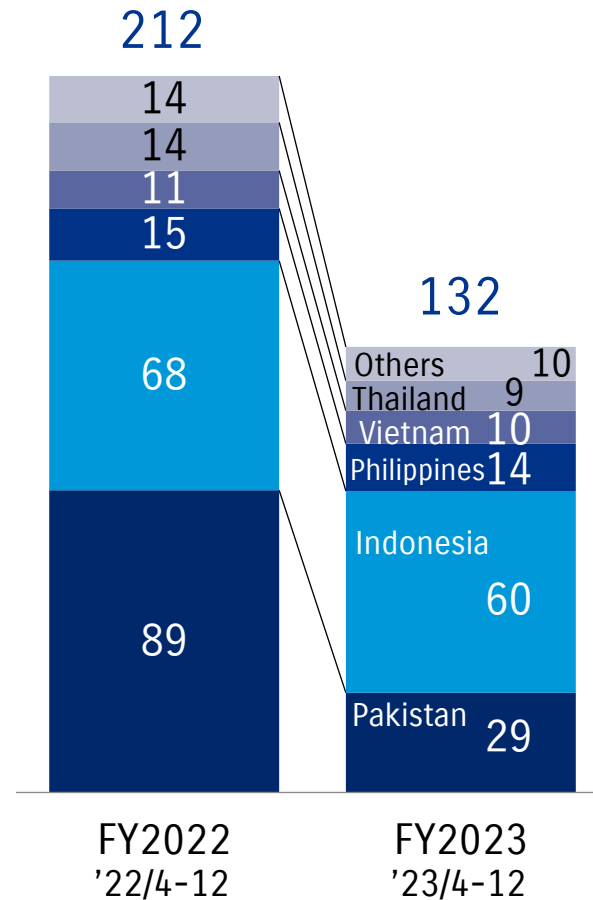
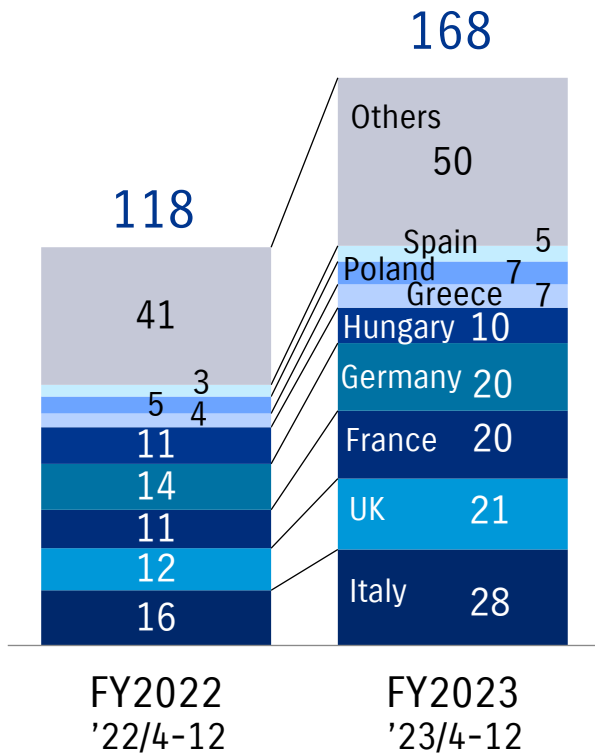
IIMK and Suzuki will analyze Suzuki's 40-year history in India, clarify its strengths, and study the future direction of Suzuki's business in the country, from a long-term perspective.

## Europe

+ 50 (+42.6%)  
(Thousand units)

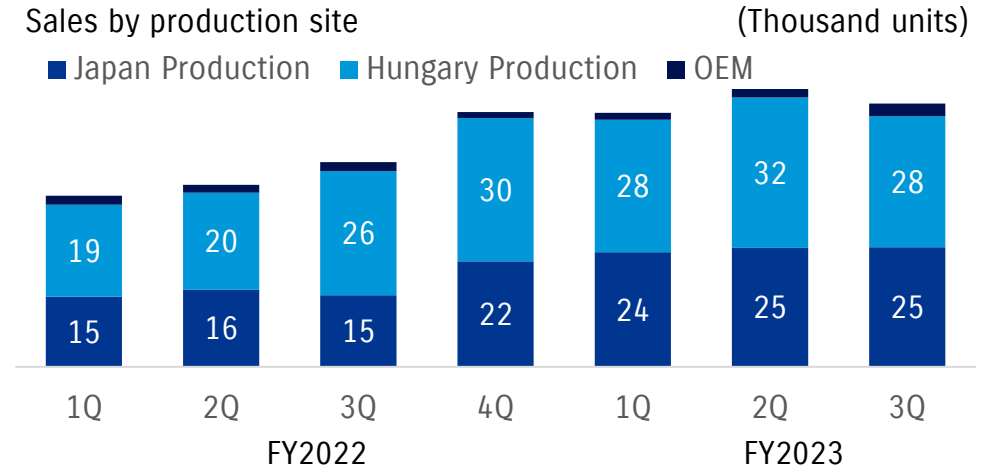
## Asia (excluding India)

-80 (-37.8%)  
(Thousand units)



## ● Topics of Europe

- Supplies from Japan recovered.



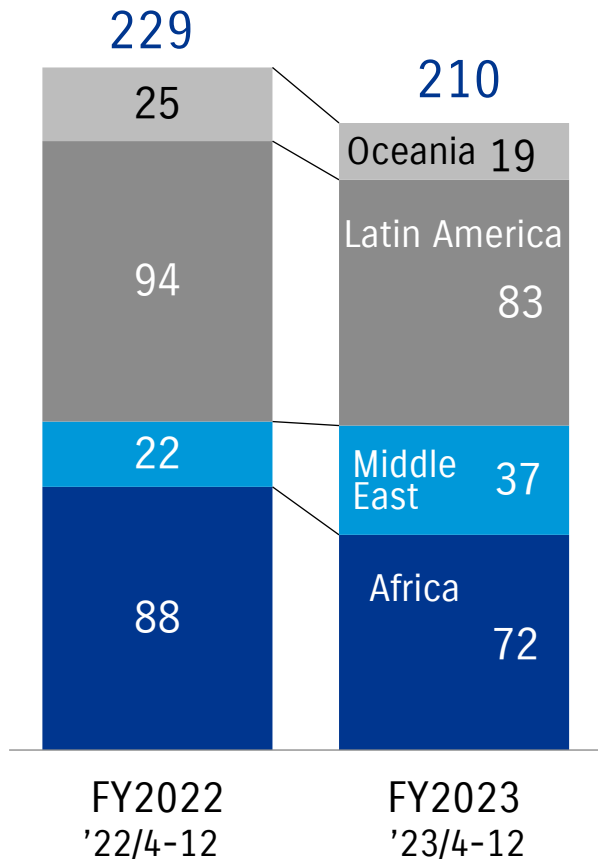
- The new Swift will be rolled out sequentially to various countries starting from around spring.



## Sales Result

-19 (-8.1%)

(Thousand units)



## FY2023 Third Quarter sales

(Thousand units)	Volume	Year-on-year	
Africa, Middle East	109	-1	-1.2%
Africa	72	-16	-18.2%
South Africa	37	-0	-0.8%
Egypt	4	-7	-60.9%
Ethiopia	3	-9	-77.4%
Middle East	37	+15	+67.2%
Saudi Arabia	21	+13	+149.8%
Oceania	19	-6	-22.9%
Latin America	83	-12	-12.4%
Mexico	28	-4	-11.2%
Chile	13	-1	-9.7%

## Middle East Topics

- Sales especially strong in Saudi Arabia on the back of economic development
- Mainly sells vehicles made in India that are geographically close to each other
- With many people from India, Suzuki has a strong brand image. We will continue to expand sales





## Production Result

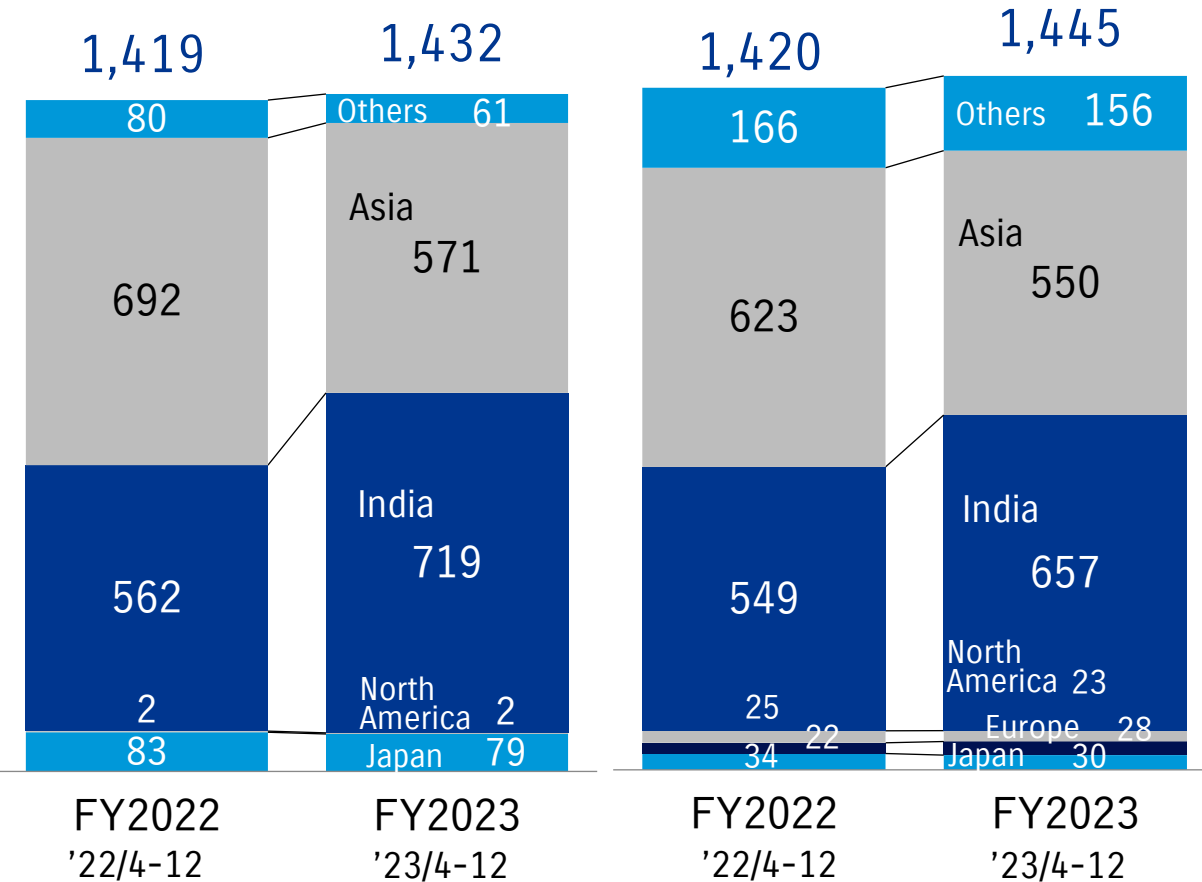
+13 (+0.9%)

(Thousand units)

## Sales Result

+25 (+1.7%)

(Thousand units)



## FY2023 Third Quarter global sales

(Thousand units)	Volume	Year-on-year	
Global Sales	1,445	+25	+1.7%
Japan	30	-3	-10.3%
Europe	28	+6	+27.9%
North America	23	-2	-9.7%
India	657	+108	+19.7%
Asia (excl. India)	550	-73	-11.7%
China	316	-20	-6.1%
Phillipines	125	-26	-17.3%
Others	109	-26	-19.5%
Others	156	-11	-6.4%
Latin America	140	-9	-6.2%
Others	15	-1	-8.3%

## Efforts to improve the motorcycle business structure

- Developed from the product planning stage with the goal of achieving an operating margin of 5%.
- Building an attractive and diverse lineup from common platform.

V-STROM 250SX  
May 2022 launch



V-STROM 1050DE  
Jan. 2023 launch



V-STROM 800DE  
Feb. 2023 launch



GSX-8S  
Mar. 2023 launch



HAYABUSA 25<sup>th</sup>  
Anniversary Model  
July 2023 launch



V-STROM 800  
Oct. 2023 launch



GSX-S1000GX  
Dec. 2023 launch



GSX-8R  
Jan. 2024 launch

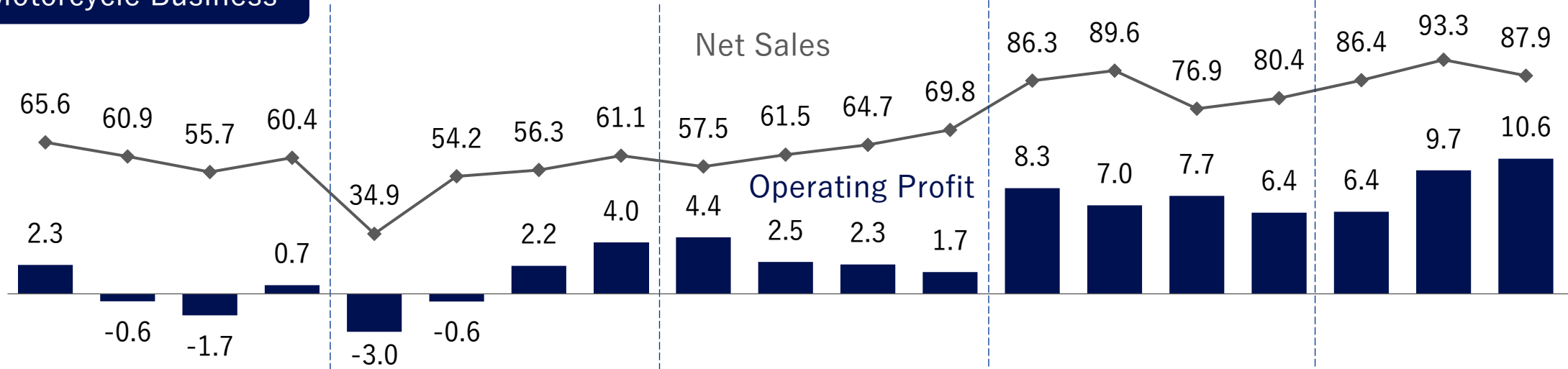


# Motorcycle & Marine Business | Trends in Operating Results by Quarter

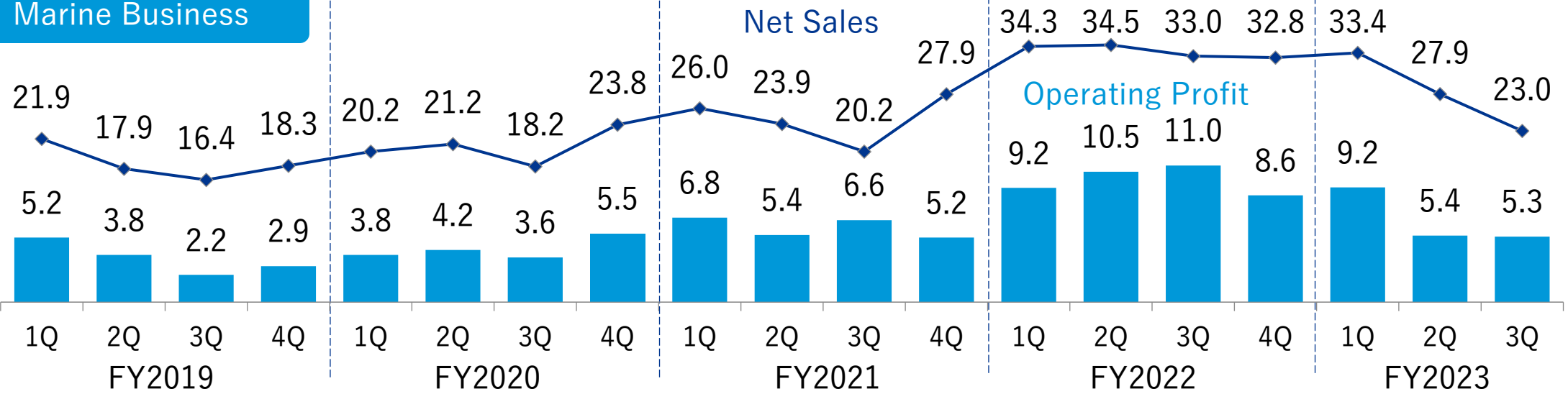


(Billions of yen)

## Motorcycle Business



## Marine Business



# FY2023 Third Quarter Results | Highlights



(Billions of yen)		FY2023 ( '23/4-12)	FY2022 ( '22/4-12)	Change		Record* <sup>1</sup>
					Ratio	
Consolidated Financial Results	Net Sales	3,847.5	3,412.8	+434.7	+12.7%	Record-high, increased for the 3rd consecutive period
	Operating Profit (Margin)	346.6 (9.0%)	267.0 (7.8%)	+79.7	+29.8%	Record-high, increased for the 3rd consecutive period
	Ordinary Profit (Margin)	360.7 (9.4%)	298.6 (8.7%)	+62.2	+20.8%	Record-high, increased for the 3rd consecutive period
	Profit* <sup>2</sup> (Margin)	198.1 (5.1%)	183.4 (5.4%)	+14.7	+8.0%	Record-high, increased for the 3rd consecutive period
FX Rates	US Dollar	143 yen	137 yen	+7 yen	+5.0%	
	Euro	155 yen	141 yen	+15 yen	+10.4%	
	Indian Rupee	1.74 yen	1.72 yen	+0.02 yen	+1.2%	
Global Sales Volume (Thousand units)	Automobile	2,283	2,210	+73	+3.3%	
	Motorcycle	1,445	1,420	+25	+1.7%	

\*1 Record comments refer to the nine months evaluation    \*2 Profit attributable to owners of parent

# FY2023 Third Quarter Results | Net Sales



(Billions of yen)	Automobile			Motorcycle			Marine			Others			Total			Factors of Change	
	FY23	FY22	Change	FY23	FY22	Change	FY23	FY22	Change	FY23	FY22	Change	FY23	FY22	Change	FX rates	volume
Japan total	890.2	845.9	+44.3	15.2	17.7	-2.5	2.6	2.7	-0.1	8.5	9.0	-0.5	916.5	875.3	+41.2		+39.5
Suzuki brand	815.1	776.1	+39.0	15.2	17.7	-2.5	2.6	2.7	-0.1	8.5	9.0	-0.5	841.3	805.4	+35.9		
OEM	75.1	69.9	+5.3										75.1	69.9	+5.3		
Overseas total	2,596.9	2,203.4	+393.5	252.4	235.0	+17.4	81.7	99.1	-17.4				2,931.0	2,537.5	+393.5	+88.5	+114.0
Europe	452.8	277.6	+175.1	32.9	28.2	+4.7	13.0	18.7	-5.7				498.7	324.6	+174.1	+47.1	+139.6
N. America	0.4	0.5	-0.1	35.7	38.0	-2.2	42.8	57.1	-14.3				78.9	95.6	-16.6	+3.5	-7.4
Asia	1,731.7	1,534.8	+196.9	134.8	124.9	+9.8	10.7	8.0	+2.7				1,877.2	1,667.7	+209.5	+14.6	+24.5
India	1,524.9	1,248.2	+276.6	86.7	66.3	+20.4	0.6	0.6	+0.1				1,612.2	1,315.1	+297.1	+18.4	+105.2
Others	206.8	286.5	-79.7	48.1	58.7	-10.6	10.1	7.4	+2.7				265.0	352.6	-87.6	-3.9	-80.7
Others	411.9	390.5	+21.4	49.0	43.9	+5.2	15.2	15.3	-0.1				476.2	449.7	+26.5	+23.3	-42.7
Grand total	3,487.1	3,049.3	+437.7	267.6	252.8	+14.9	84.3	101.8	-17.5	8.5	9.0	-0.5	3,847.5	3,412.8	+434.7	+88.5	+153.5
of which effect of FX rates			+75.0			+9.9			+3.6						+88.5		

Note:

FY23 : 2023 Apr.-Dec.      FY22 : 2022 Apr.-Dec.

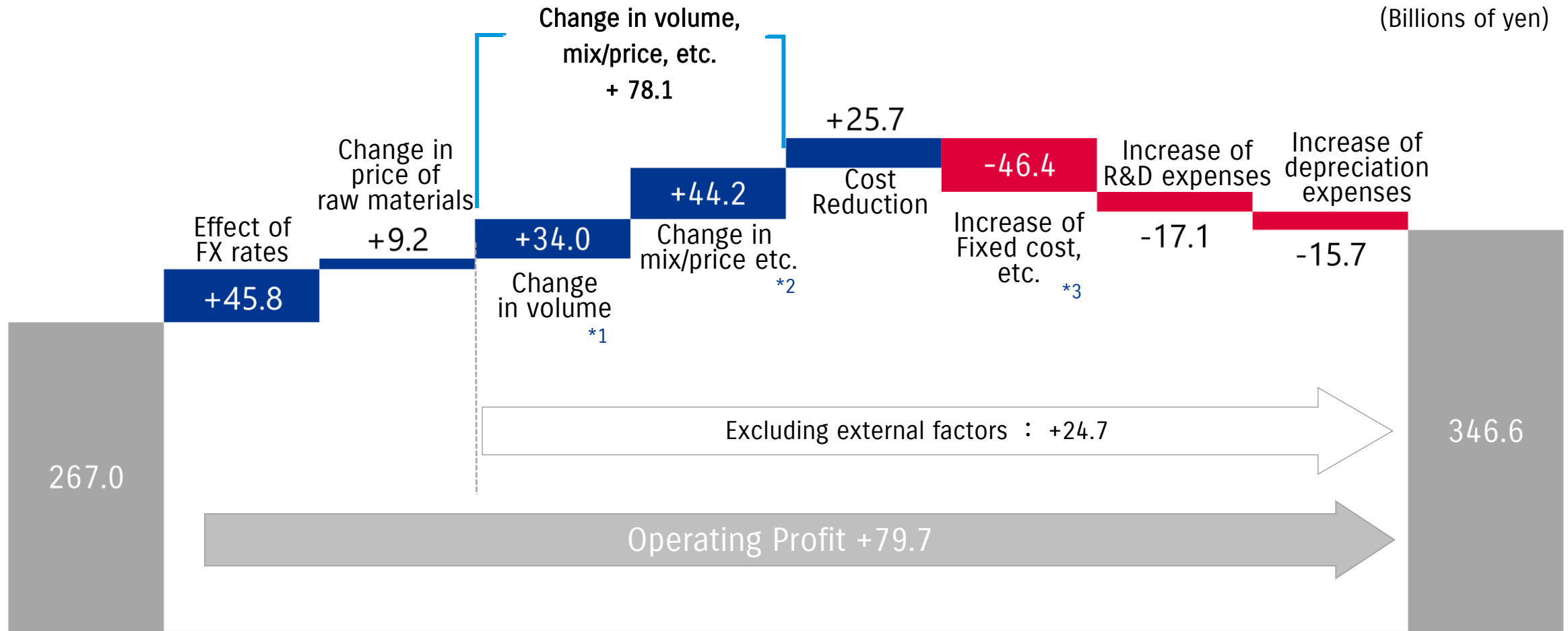
North America : United States and Canada      Automobile in North America : Sales of parts and accessories



# FY2023 Third Quarter Results | Factors of Change in Operating Profit: 9 months (Apr.-Dec. period)



(Billions of yen)



FY2022  
'22/4-12

\*1 Breakdown for Change in volume

- Non-Consolidated + 26.1
- Maruti Suzuki India + 13.6

\*2 Breakdown for Change in mix/price etc.

- Non-Consolidated + 35.2
- Maruti Suzuki India + 29.6

\*3 Breakdown for Fixed cost, etc.

- Labor costs -19.6
- Marketing costs - 8.6
- Quality-related costs + 3.9

FY2023  
'23/4-12

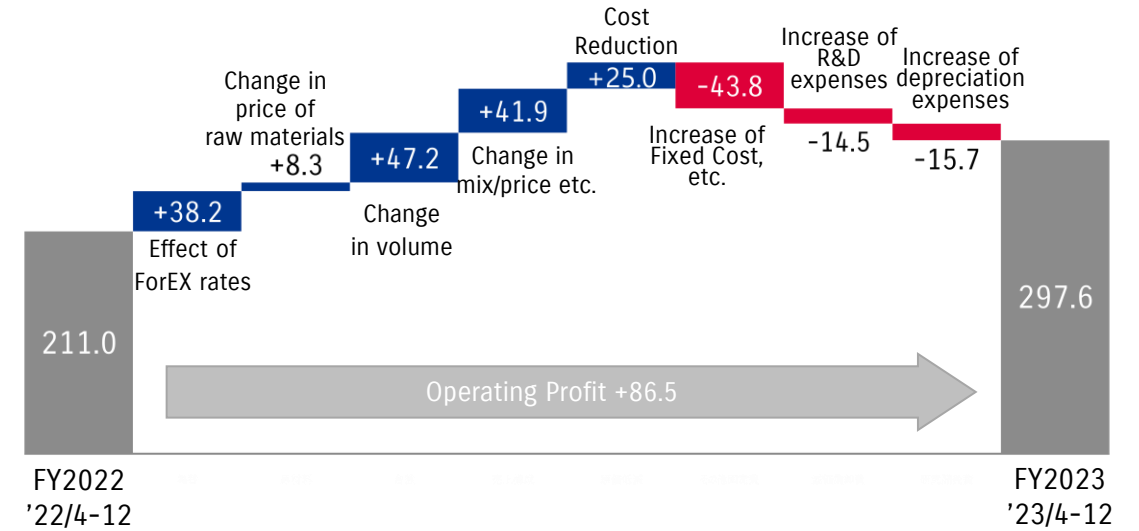
# FY2023 Third Quarter Results | Operating Results by Segment



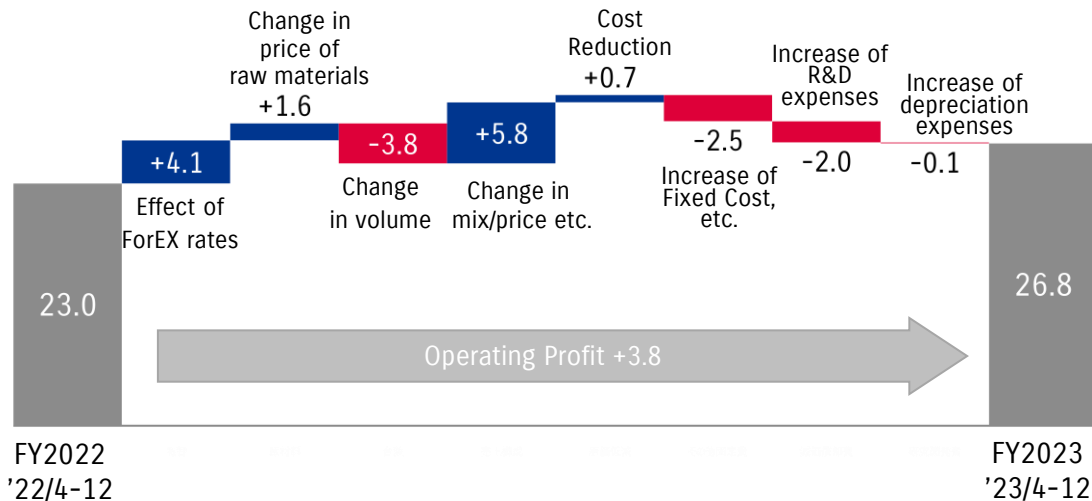
(Billions of yen)

	'23/4-12					'23/10-12				
	Sales		Operating profit			Sales		Operating profit		
		YoY		YoY	Margin		YoY	YoY	Margin	
Auto.	3,487.1	+14%	297.6	+41%	8.5%	1,169.2	+8%	100.4	+21%	8.6%
Moto.	267.6	+6%	26.8	+17%	10.0%	87.9	+14%	10.6	+38%	12.1%
Marine	84.3	-17%	19.9	-35%	23.6%	23.0	-30%	5.3	-52%	23.0%
Others	8.5	-6%	2.4	+12%	28.7%	3.0	-9%	0.9	-2%	30.1%
<b>Total</b>	<b>3,847.5</b>	<b>+13%</b>	<b>346.6</b>	<b>+30%</b>	<b>9.0%</b>	<b>1,283.1</b>	<b>+7%</b>	<b>117.2</b>	<b>+14%</b>	<b>9.1%</b>

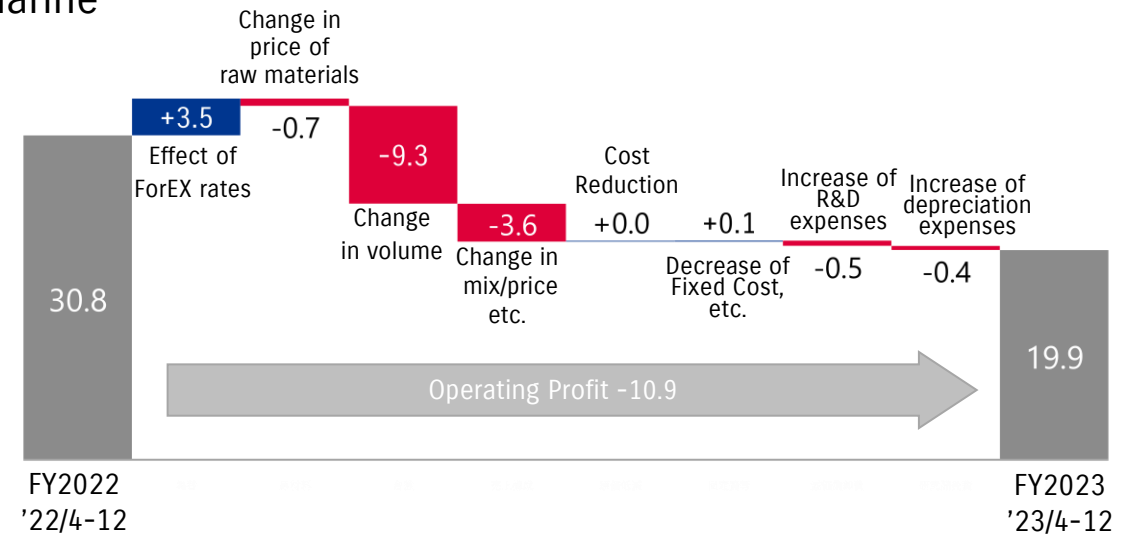
## Automobile



## Motorcycle



## Marine



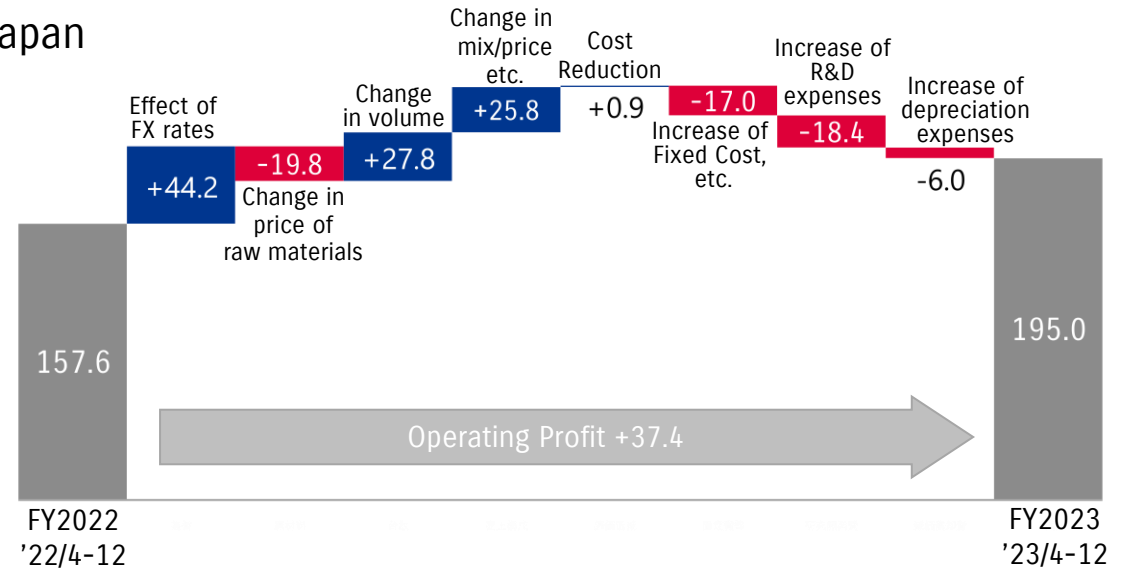
# FY2023 Third Quarter Results | Operating Results by Geographic Region



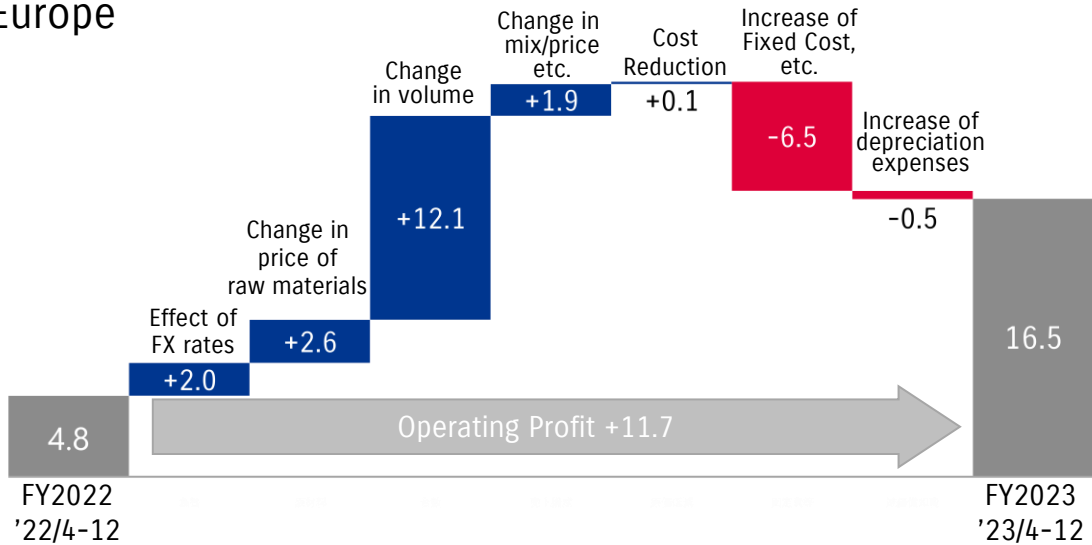
(Billions of yen)

	'23/4-12					'23/10-12				
	Sales		Operating profit			Sales		Operating profit		
		YoY		YoY	Margin		YoY		YoY	Margin
Japan	2,046.7	+15%	195.0	+24%	9.5%	704.2	+10%	72.4	+22%	10.3%
Europe	672.0	+54%	16.5	+241%	2.5%	230.4	+40%	2.7	+90%	1.2%
Asia	2,130.7	+12%	181.5	+70%	8.5%	707.9	+8%	57.6	+38%	8.1%
Others	294.6	-1%	9.5	-48%	3.2%	96.6	+3%	2.1	-61%	2.2%
<b>Total</b>	<b>3,847.5</b>	<b>+13%</b>	<b>346.6</b>	<b>+30%</b>	<b>9.0%</b>	<b>1,283.1</b>	<b>+7%</b>	<b>117.2</b>	<b>+14%</b>	<b>9.1%</b>

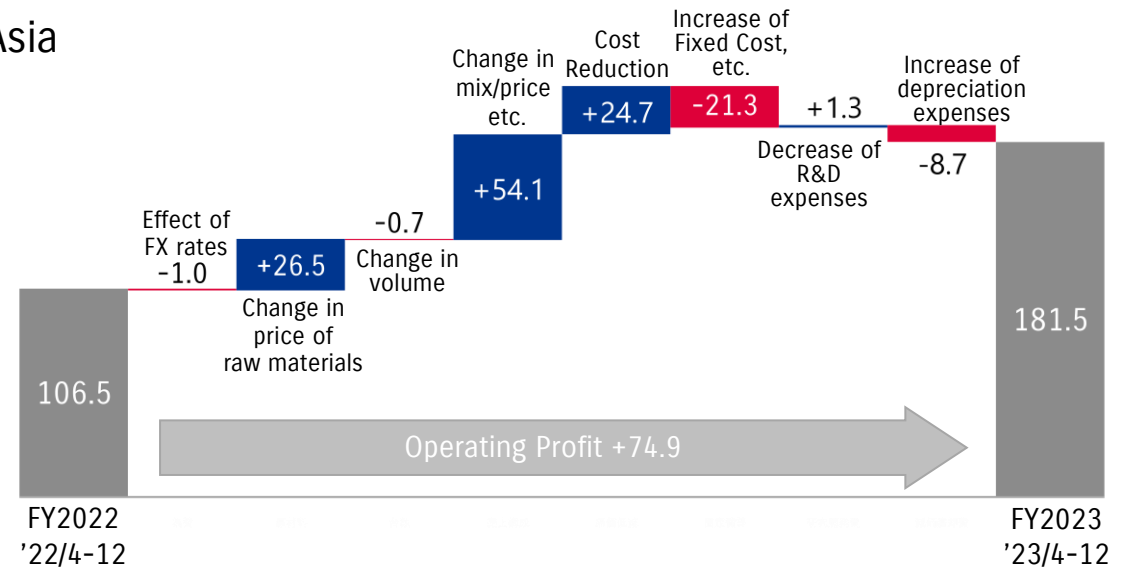
## Japan



## Europe



## Asia



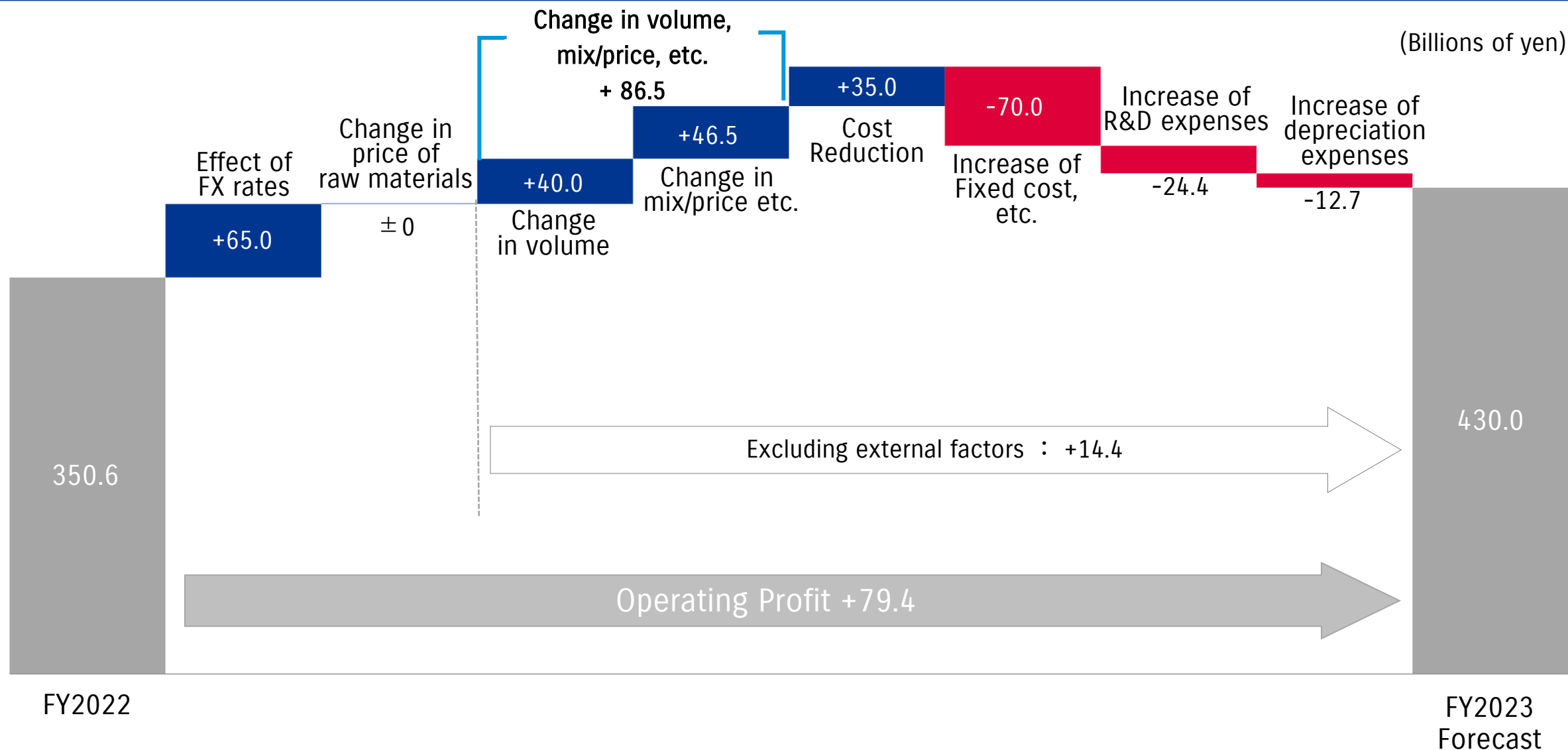
# Full Year Forecast | Highlights



(Billions of yen)		FY2023 ( '23/4-'24/3)	FY2022 ( '22/4-'23/3)	Change		Record	Comparison with previous forecast (Nov.)	
					Ratio		FY2023	Change
Consolidated Financial Results	Net Sales	5,200.0	4,641.6	+558.4	+12.0%	record-high increase for the 3rd consecutive period	5,200.0	-
	Operating Profit (Margin)	430.0 (8.3%)	350.6 (7.6%)	+79.4	+22.7%	record-high increase for the 2nd consecutive period	430.0 (8.3%)	-
	Ordinary Profit (Margin)	450.0 (8.7%)	382.8 (8.2%)	+67.2	+17.6%	record-high increase for the 4th consecutive period	450.0 (8.7%)	-
	Profit* (Margin)	240.0 (4.6%)	221.1 (4.8%)	+18.9	+8.5%	record-high increase for the 4th consecutive period	240.0 (4.6%)	-
FX Rates	US Dollar	143 yen	136 yen	+7 yen	+5.5%		141 yen	+2 yen
	Euro	156 yen	141 yen	+15 yen	+10.4%		152 yen	+4 yen
	Indian Rupee	1.74 yen	1.70 yen	+0.04 yen	+2.4%		1.72 yen	+0.02 yen
Global Sales Volume (Thousand units)	Automobile	3,143	3,000	+142	+4.7%		3,188	-46
	Motorcycle	1,899	1,867	+32	+1.7%		1,880	+20
Cash Dividends	Annual cash dividends per share	110 yen	100 yen	+ 10	-	record-high	100 yen or more (initial forecast)	-

\*Profit attributable to owners of parent

# Full Year Forecast | Factors of Change in Operating Profit - Compared with FY2022



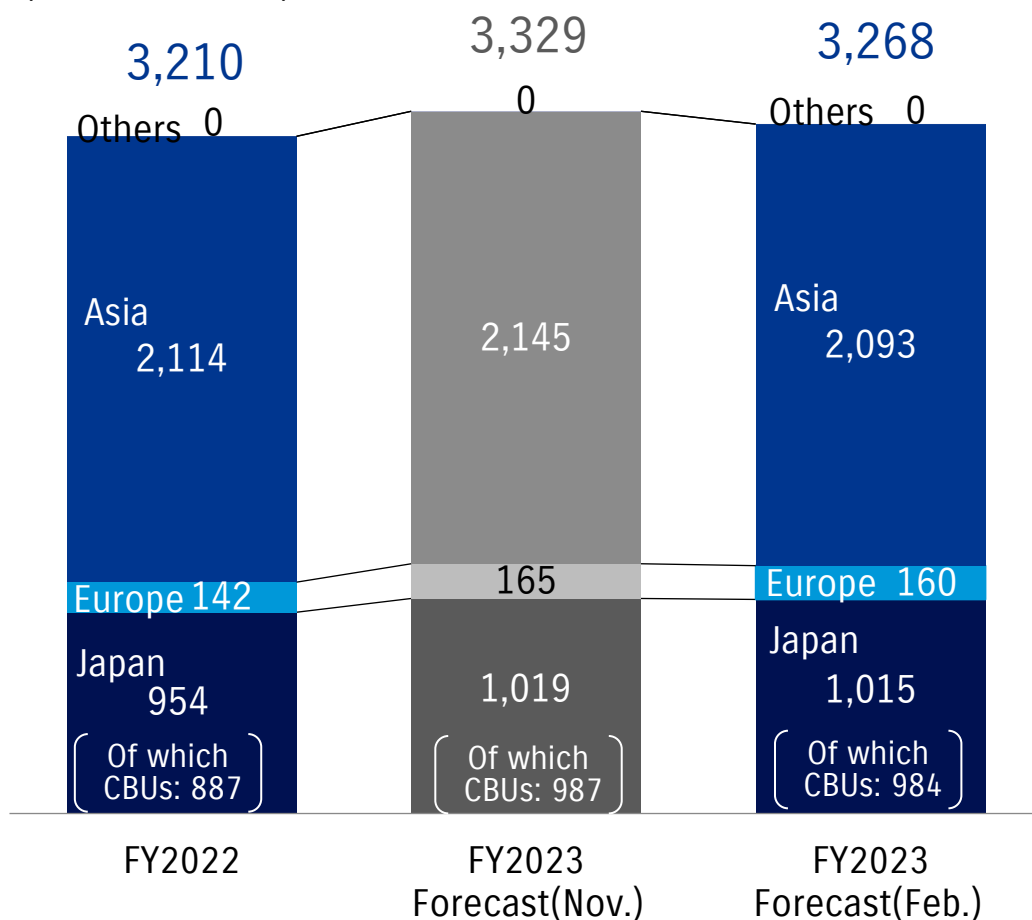


# Full Year Forecast | Production and Sales Volume of Automobiles

## Production

3,268 YoY +58 (+1.8%)  
vs Previous Forecast -61 (-1.8%)

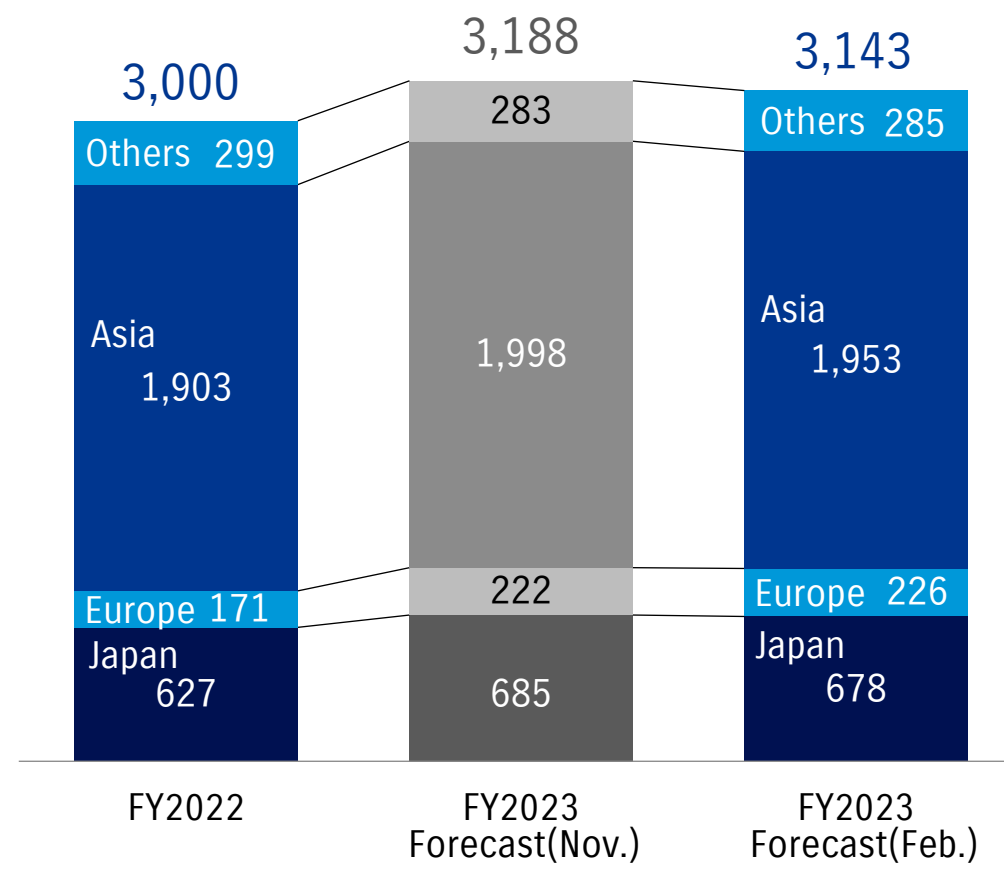
(Thousand units)



## Sales

3,143 YoY +142 (+4.7%)  
vs Previous Forecast -46 (-1.4%)

(Thousand units)

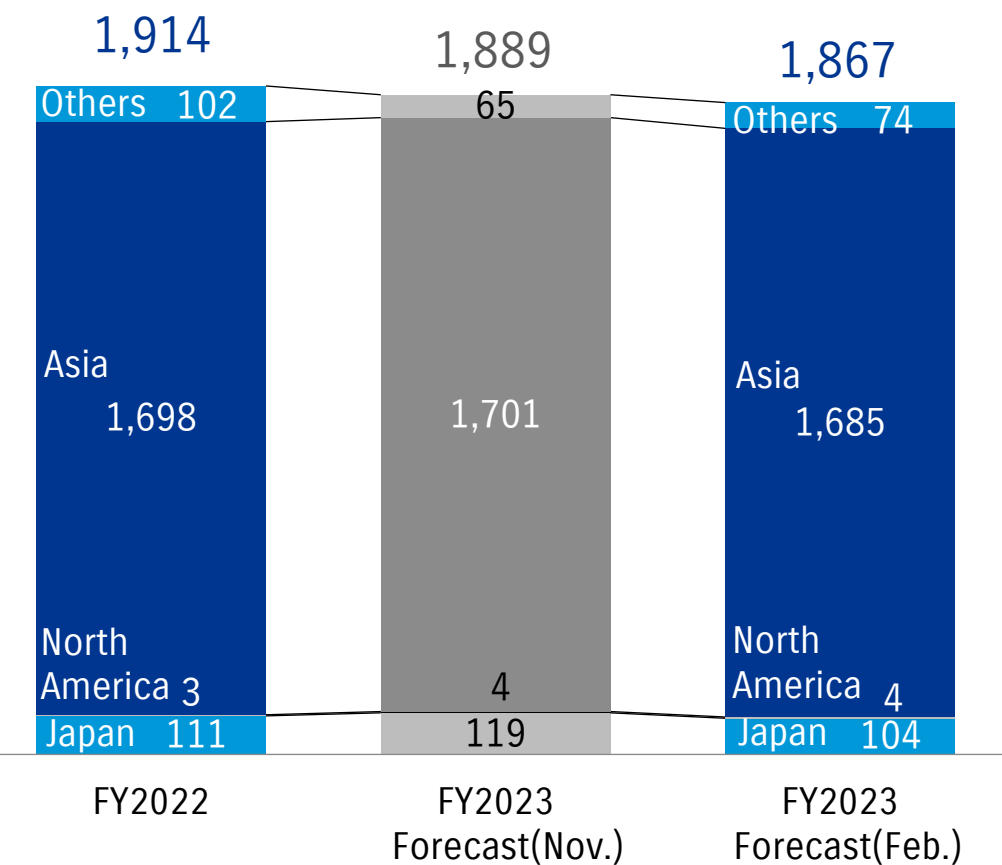


# Full Year Forecast | Production and Sales Volume of Motorcycles

## Production

1,867 YoY -47 (-2.5%)  
vs Previous Forecast -22 (-1.2%)

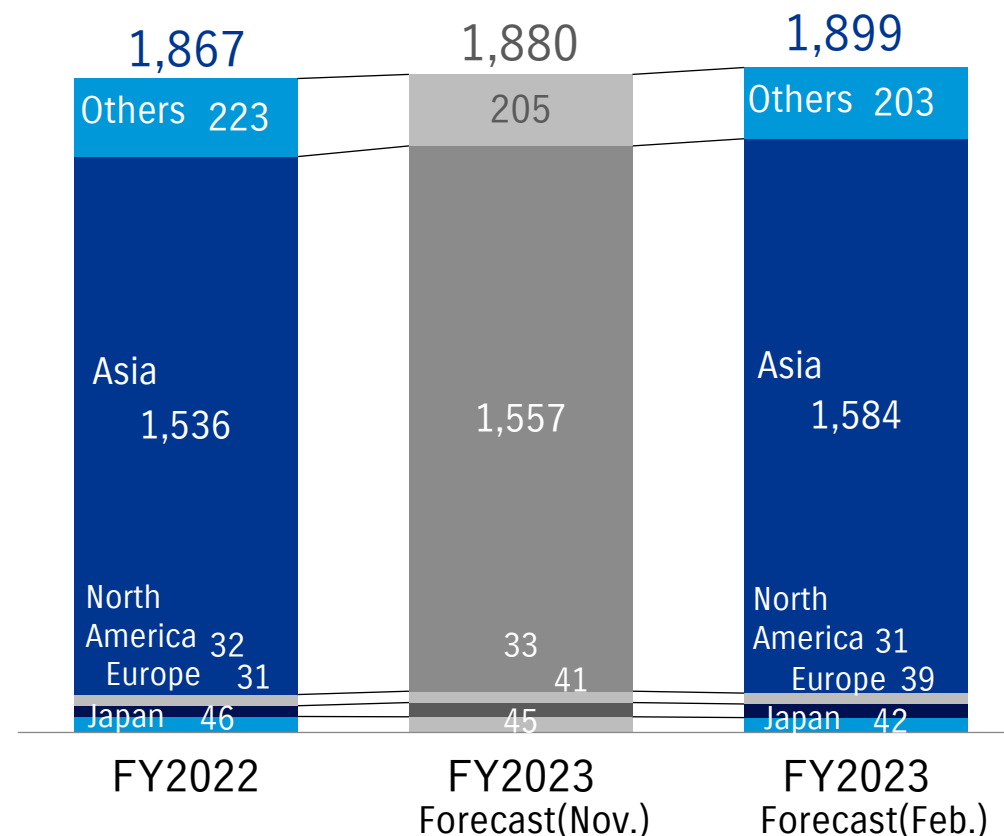
(Thousand units)



## Sales

1,899 YoY +32 (+1.7%)  
vs Previous Forecast +20 (+1.0%)

(Thousand units)





#### Caution with respect to Forward-Looking Statements

- The forward-looking statements mentioned in this presentation are based on currently available information and assumptions, contain risks and uncertainty and do not constitute guarantees of future achievement.
- Please note that the future results may greatly vary by the changes of various factors.
- Those factors, which may influence the future results, include economic conditions and the trend of demand in major markets and the fluctuations of foreign exchange rates (mainly U.S. dollar/Yen rate, Euro/Yen rate, Indian Rupee/Yen rate).