

# **Sustainability Report**

2022

**Suzuki Motor Corporation** 

#### Suzuki Sustainability Report 2022

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#### About this report

Suzuki Sustainability Report 2022 introduces various ESG (Environmental, Social and Governance) initiatives conducted by the Suzuki Group. For this fiscal year, we have further enhanced its contents, aiming to deepen understanding of the Group's initiatives among our stakeholders.

#### Suzuki website

This report can be viewed in its HTML version at Suzuki's corporate website. https://www.globalsuzuki.com/corporate/csr\_environment/intro/
An ESG index is also available at this page, which enables easy access to ESG information for each category.

#### 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.

#### Date of publication

#### March 2023

(Date of previous publication: January 2022, Scheduled date of next publication: Autumn 2023)

#### Referred guidelines

Environmental Reporting Guidelines 2018 by the Ministry of the Environment GRI Standards (Global Reporting Initiative), etc.

#### 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.)

"Domestic plants" in this report refers to five plants in Japan: Kosai Plant, Iwata Plant, Sagara Plant, Hamamatsu Plant, and Osuka Plant.

#### Disclaimer

- Please note that the website addresses indicated in this report may be changed without notice.
- Forecasts and plans covered in this report are judged by the Company, based on currently available information and assumptions. Please note that the actual results may greatly vary due to changes in various factors.

#### Publisher

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#### **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.

Social



Introduction

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.



# **Special Feature** Suzuki's Growth Strategy for FY2030

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

Introduction

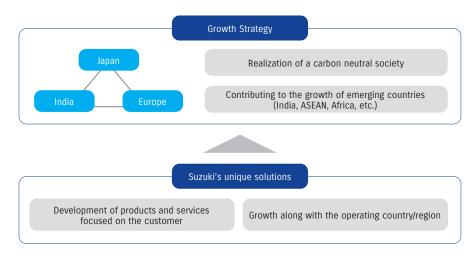
With the motto to deliver "value-packed products" by focusing on the customer, Suzuki will carry out its unique Growth Strategy for FY2030 by operating under the principle of manufacturing "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," "Lean Management" which emphasizes flexibility,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



#### 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.







Loom from the 1910s (restored)

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.



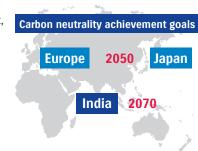
#### ■ Major Initiatives for FY2030

#### **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.

Introduction

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.

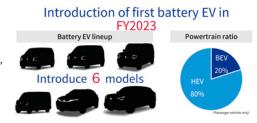


#### **Products**

#### **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, biogas, 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.

# Introduction of first battery EV in FY2024 Battery EV lineup Powertrain ratio Introduce 6 models CNG, biogas, ethanol miked fuel, etc.

# Introduction of first battery EV in FY2024 Battery EV lineup Powertrain ratio



#### Introduction of first battery EV in

Battery EV lineup
Introduce 5 models



#### 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 KUPO, 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.

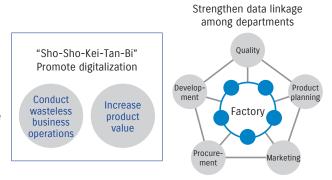
\* Mobile Mover is a registered trademark of M2 Labo.



#### **Suzuki Smart Factory Creation**

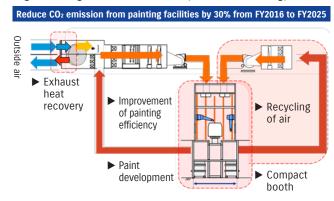
We are promoting the Suzuki Smart Factory Creation by drawing out how manufacturing should be in 2030, so that we continue to become a company that secures people's means of mobility worldwide. By combining Suzuki's principle of manufacturing "Sho-Sho-Kei-Tan-Bi (Smaller,

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.

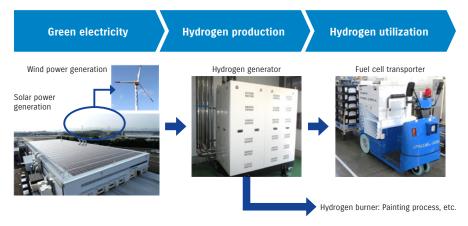


#### Initiatives by domestic plants

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.

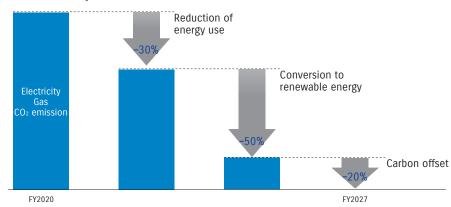


The plant also produces green hydrogen from renewable energies including solar power generation. The hydrogen is utilized for verification test of fuel cell transporter, which started from the end of 2022.



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



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#### Biogas business in India

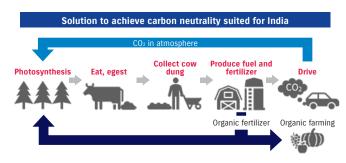
While we expect the Indian market to grow toward FY2030, we also expect that increase in total  $CO_2$  emission amount is unavoidable, regardless of reduction in  $CO_2$  emission from products. We will challenge to strike a balance between increasing sales units and reducing total  $CO_2$  emission 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.

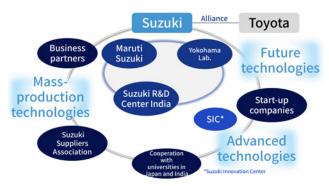


#### <R&D structure and cooperation with outside partners>

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.



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

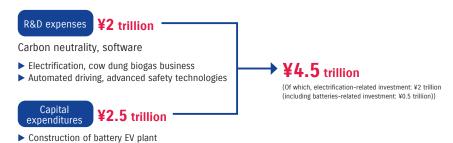
Introduction

We will invest \(\xi\)2 trillion in R&D expenses and \(\xi\)2.5 trillion in capital expenditures, a total of \(\xi\)4.5 trillion by FY2030. Of the \(\xi\)4.5 trillion, \(\xi\)2 trillion will be electrification-related investments, of which \(\xi\)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>

► Renewable energy facilities

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.



#### Suzuki Mid-Term Management Plan



#### Assure people's "means of mobility"

Mini-cars in Japan function as local transportation and are an indispensable means of living.

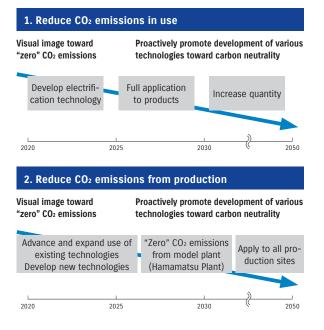
As a mobility company, Suzuki contributes to the environment providing small products worldwide.

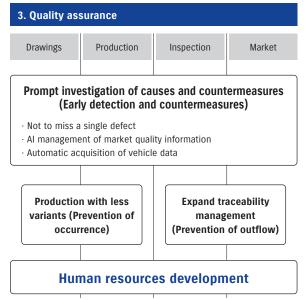
#### Emerging economies continue to be a pillar of growth

Providing economical and quality products and services to customers in emerging countries.

Emerging economies are seen as a pillar of Suzuki's future growth, anticipating their mid- to long-term development.

#### ■ Top priority on the following three issues



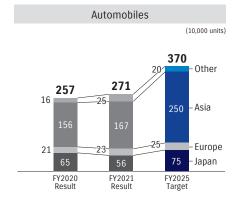


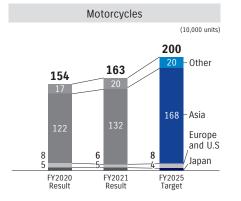
#### ■ Management performance targets

		FY2020 Result	FY2021 Result	FY2025 Target
Dorformonoo	Net sales	¥3.1782 trillion	¥3.5684 trillion	¥4.8 trillion
Performance	Operating profit margin	6.1%	5.4%	5.5%
Shareholder	ROE	9.2%	9.0%	8%
return	Payout ratio	29.8%	27.6%	30%
Investment	R&D	¥146.2 billion	¥160.7 billion	¥1 trillion/5 years (¥200 billion/year)
investment	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
uiuual SaleS	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

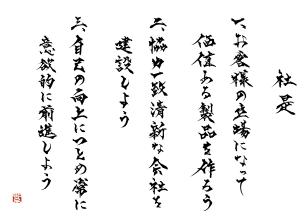
#### ■ Global sales target





# **Corporate Philosophy**

#### **Mission Statement**



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

- 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



Introduction

## Suzuki Group Code of Conduct

In April 2016, Suzuki reviewed the conventional Suzuki Activity Charter, Standards of Behavior, etc. and established the Suzuki Group Code of Conduct, which is a new code of conduct for officers and employees of the Suzuki Group to healthily implement their operation.

The code of conduct is important in promoting the sustainability-related activities of the Suzuki Group, and to spread and adopt the code throughout each company of the Suzuki Group, we are distributing portable booklets, posting the code on our internal website, conducting employee training, etc.

#### ■ Suzuki Group Code of Conduct (excerpt)

	(1) Realization of products and services of superior value	The Suzuki Group will provide customers with products and services exceeding their expectation, as in line with the spirit to "Develop products of superior value by focusing on the customer," which is listed as the first item in our Mission Statement.
For our customers	(2) Activities on quality	The Suzuki Group will develop and produce high quality products that customers can use with peace of mind and will provide after-sales services, while giving first priority to customers' safety and security. If by any chance a quality-related problem occurs, the Suzuki Group will devote its sincere efforts to address customers' feedback, grasp the problem at an early stage and take measures based on a thorough investigation into the causes, so that the customer can continue using Suzuki products with peace of mind.
	(3) Respect for human rights	The Suzuki Group will be aware of international norms pertaining to human rights and respect fundamental human rights with reference to laws and regulations in each country or region.
For a better	(4) Occupational safety and traffic safety  The Suzuki Group will review the workplace environment to create a safe workplace traffic safety  The Suzuki Group will thoroughly carry out education on safety to prevent occurre of occupational injury.	
working environment	(5) Promoting Kaizen activities and observing basic business rules	The Suzuki Group encourages employees to come up with inventive ideas to improve the workplace. Suggestions from employees on Kaizen will be evaluated and effective measures will be adopted and spread widely among Suzuki Group companies to lay the groundwork for the growth of the entire Group. The Suzuki Group will create basic rules on our work for the employees to follow.
For shareholders and all other stakeholders	(6) Compliance	While acknowledging the existence of differences in laws and regulations related to competition such as antitrust law, those related to fair trading, and societal norms in each country or region, the Suzuki Group will grasp the differences and provide training to employees to ensure that they observe laws and regulations and societal norms in their respective countries and regions.
	(7) Environmental activities	In order to hand over a beautiful earth and affluent society to the next generations in accordance with the Suzuki Global Environment Charter, we must all realize that the actions of each and every one of us have a large effect on our earth's future. Based on this realization, the Suzuki Group will make every effort to preserve the global environment.
	(8) Refusing relations with antisocial forces	The Suzuki Group will thoroughly refuse any relationships with antisocial forces and organizations which are threatening the order and safety of civil society.

# **Sustainability Policy**

Introduction

#### ■ 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

Step 1	Identify issues by using as reference various indices specified in the ESG guidelines, such as the GRI Standards and SASB Materiality Map.
Step 2	Check their alignment with the issues specified in the mid- term management plan at the Corporate Planning Office and other sustainability-related departments.
Step 3	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.
Step 4	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.
Step 5	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.

#### Society/Customer

#### Issues to be solved through business For the natural environment For a better life for people Reduction of CO<sub>2</sub> emissions Product quality and safety Air conservation Economical products and services Reduction in traffic fatalities Water resource conservation Resource circulation Sustainable local community Biodiversity conservation Issues for strengthening the business base Issues related to systems and mechanisms Human related issues Corporate governance and compliance Respect for human rights Privacy and data security Occupational health and safety Establishing a robust supply chain Stable labor/management relations Nurturing of human resources Stable growth of sales and profits Diversity of human resources

#### **■ 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.

# SUSTAINABLE GOALS



#### **■** Through our business

For the natural environment

Suzuki Clean Ocean Project

Air conservation

Water resource

Biodiversity

Resource circulation







Reduction in the amount of CO₂ emitted → P.37, 42, 44, 45, 47, 53





→ P.53, 57, 59, 75

→ P.63, 68, 72, 74

→ P.60, 61, 62

→ P.29

→ P.33







#### For a better life for people

- Product quality
   SUZUKI Safety Support
   → P.83
- Alliance with Toyota Motor Corporation, CJP collaboration → P.3, 7

#### ■ Through strengthening the business base









#### Issues related to systems and mechanisms

- Corporate governance → P.127
- Compliance → P.134

#### **Human related issues**

- Respect for human rights → P.15, 85, 137
- Occupational health and safety
   → P.87, 92, 98
- Health care  $\rightarrow$  P.88
- Human resources development
   → P.91, 97
   Diversity of human resources
   → P.94

#### ■ Through our community contribution activities

















- Traffic safety activities
- → P.82, 84, 107, 111, 112

- Educational support
- → P.102, 105, 107, 111, 112, 124
- Disaster relief activities

- → P.101, 112, 138
- Forest conservation activities

- → P.31, 112
- Other social contribution activities
- → P.100, 107, 111, 112

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

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#### ■ 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

#### ■ Policy for stakeholders

Introduction

■ Policy for stake Target stakeholders	Policy	Ways of dialogue and communication
Customers	For customer satisfaction 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 aftersales services in order to enhance customer satisfaction.	<ul> <li>Marketing activity (sales and after-service)</li> <li>Customer Relations Office</li> <li>Customer events</li> <li>Safety driving lectures, etc.</li> </ul>
Business partners	For prosperous coexistence 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.	Presentation of procurement policy Procurement activity Co-development Trading of opinions between the management or persons in charge, etc.
Employees	For comfortable and worthwhile workplaces 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.	<ul> <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>
Shareholders and investors	For improvement of corporate value 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.	Annual General Meeting of Shareholders     Presentation meetings with institutional investors     IR events for individual investors     Publication of various reports, etc.
Local community	For a community-friendly company 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.	<ul> <li>Local contribution activities in each domestic and overseas office</li> <li>Educational support activity</li> <li>Suzuki Plaza, etc.</li> </ul>
Environment	For global environmental conservation 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.	Establishment, promotion, and reporting of Suzuki Environmental Plan 2025     Holding of and participation in various environment events     Environment education and lectures, etc.

#### ■ Stakeholder engagement and examples of communication initiatives

Data

Target stakeholders	Examples of initiatives		
Customers	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.		
Business partners	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.		
Employees	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.		
Shareholders and investors	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.)		
Local community	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.		

# **Environmental**

#### **Environmental brand**

#### **SUZUKI GREEN**

Suzuki has introduced the environmental brand SUZUKI GREEN, with the aim of realizing the Suzuki Global Environment Charter, which sets forth Suzuki's philosophy and basic policy toward the environment. SUZUKI GREEN clearly defines Suzuki's environmental policy, next-generation eco-friendly technologies and efforts such as environmental activities, and it is promoted widely both internally and externally. SUZUKI GREEN has three categories: SUZUKI GREEN Policy, which represents Suzuki's environmental policy; SUZUKI GREEN Technology, which represents its next-generation eco-friendly technologies; and SUZUKI GREEN Activity, which represents its environmental activities.

018 —	- Environmental Initiatives
035	- Climate Change
056 ———	- Air Conservation
060 ———	- Water Resource
063 ———	- Resource Circulation
075 ———	- Chemical Substances

#### **SUZUKI GREEN Policy**

SUZUKI GREEN Policy represents Suzuki's environmental doctrine and policy

#### SUZUKI GREEN Technology

SUZUKI GREEN Technology represents next-generation ecofriendly technologies developed and utilized by Suzuki

#### **SUZUKI GREEN Activity**

SUZUKI GREEN Activity represents Suzuki's effort and activity on realizing the environmental policy

#### **Environmental Initiatives**

Introduction

#### Suzuki Global Environment Charter

Suzuki Global Environment Charter (Established in 2002 and revised in 2006)

#### [Environmental Concept]

In order to hand over our beautiful earth and affluent society to the next generations, we must all realize that the actions of each and every one of us have a great effect on our earth's future, so we must make every effort to preserve our environment.

#### [Basic Environmental Policies]

- Strictly observe environmental laws and also follow our own standards.
- Actively reduce the environmental impact resulting from our business activities and products.
- Maintain and continually improve upon our environmental management system.
- Actively promote environmental communication.



# **Suzuki Group Environmental Organization**

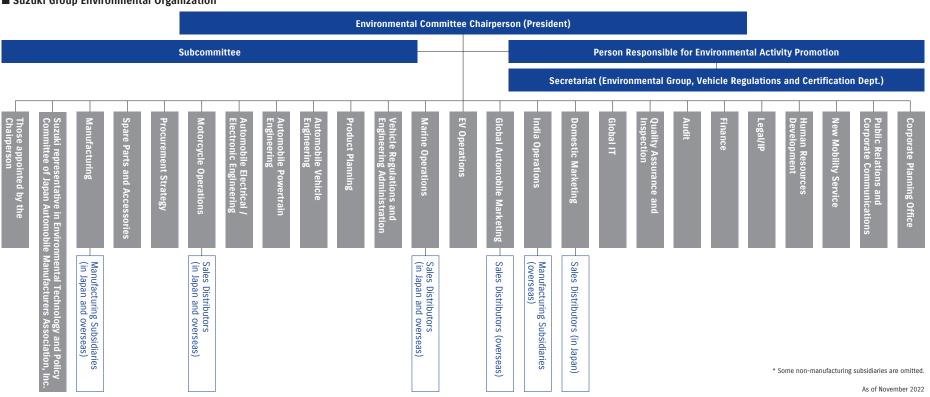
Introduction

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



#### 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.

Introduction

In manufacturing, this means 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.

Social

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.5
- Carbon neutrality in the field of manufacturing → P.6

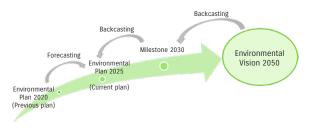
	Theme	Suzuki Environmental Vision 2050	Milestone 2030
Climate	CO₂ emitted from products  ■ Reduce CO₂ emitted from new automo by 90% on a Well-to-Wheel basis comp to FY2010 by 2050		<ul> <li>Reduce CO<sub>2</sub> emitted from new automobiles by 40% on a Well-to- Wheel basis compared to FY2010 by 2030</li> </ul>
change	CO <sub>2</sub> emitted from business activities	● Reduce CO₂ from business activities per sales unit by 80% compared to FY2016 by 2050	<ul> <li>Reduce CO<sub>2</sub> from business activities per sales unit by 45% compared to FY2016 by 2030</li> </ul>
Air conservation		Minimize air-polluting substances emitted from business activities and products by 2050	<ul> <li>By 2030:</li> <li>Reduce use of fossil fuels in business activities and expand use of renewable energies</li> <li>Contribute to improving air pollution in each country/region by promoting development of clean products</li> <li>Reduce volatile organic compounds (VOCs) from production and products</li> </ul>
Water resource conservation		<ul> <li>Realize use of sustainable water resources through minimizing load on water environment by 2050</li> </ul>	<ul> <li>Implement reduction of water withdrawal and purification of discharged water at all production sites through specifying water risks surrounding Suzuki by 2030</li> </ul>
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	<ul> <li>By 2030:</li> <li>Globally expand automobile recycling system</li> <li>Promote recycling, rebuilding, and reusing of secondary (rechargeable) batteries used for propulsion of electric vehicles</li> <li>Mitigate waste generation volume at global production sites</li> <li>Reduce plastic packaging materials</li> </ul>

# Suzuki Environmental Vision 2050 -Smaller, Fewer, Lighter, Shorter, Beauty 4 Fields of Initiatives by Suzuki Climate change Water resource Resource circulation

#### 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**

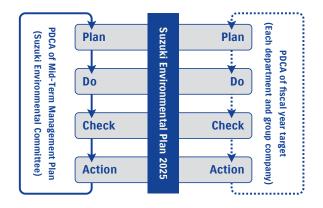
#### ■ Suzuki Environmental Plan 2025

Introduction

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
		[Automobiles] Reduce by 30% compared to FY2010	Reduced by 23.7% compared to FY2010
	Reducing CO <sub>2</sub> emissions from products	[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
Climate change	Reducing CO <sub>2</sub> emissions from business activities	[Production activities] Reduce by 25% compared to FY2016	[Overslat] 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 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	<ul> <li>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</li> <li>Reduced the volume of parts transported from Japan by locally procuring some of the parts for products assembled overseas</li> <li>Continued to use transportation by rail for a portion of finished vehicle transportation in India</li> <li>Reduced CO<sub>2</sub> emissions per sale by 14.0% compared to FY2016</li> </ul>

Introduction

Data

Category	Subcategory	Concrete implementation/target	Major achievements in FY2021	
	Increasing the use of renewable energy [Production activities / Non-production activities / Promote the introduction of renewable energy, solar power		[Production]  • A plan to introduce 51.32 MW of solar power at domestic plants over five years is currently underway.  • Partial power generation started at the lwata Plant. [Non-production] Introduction of renewable energy at non-production sites is currently under consideration.	
Air a		[Automobiles / Motorcycles / Outboard motors] Contribute to the improvement of air quality through the introduction and diffusion of clean products suited to each country and region's situation	[Automobiles]  - Worked to make several models compatible with new BS6-2 regulation in India and obtained approval, and systematically promoting compliance with the regulation for other models  - Completed preparation for mass production by making direct-injection gasoline engines in compliance with the particulate matter (PM) regulations in Japan	
	Controlling air pollution		[Motorcycles] - Efforts are made to reduce emission gas, and the Company is meeting Euro 5 restrictions introduced in Europe from 2020 and the 2020 exhaust gas regulations in Japan The new GSX-S1000GT, launched in February 2022, complies with the 2020 exhaust gas regulations in Japan by improving the cam profile and optimizing spark timing and catalyst specifications.	
conserva- tion			[Outboard motors]  • All four-stroke outboard motors have satisfied the U.S. EPA*¹ regulations, U.S. CARB*² regulations, and EU RCD*³ regulations, as well as the voluntary emission regulations of the Japan Marine Industry Association.  • Obtained three-star rating under the U.S. CARB regulations  *1: Environmental Protection Agency  *2: California Air Resources Board  *3: Recreational Craft Directive	
		[Automobiles] Reducing VOCs in car interiors	Achieved lower vehicle interior VOC concentration than the target value voluntarily set by Japan Automobile Manufacturers Association, Inc. in the new Alto as well as models that underwent minor changes, namely the Escudo	
	Reducing VOCs	[Production activities] Reduce VOCs in the painting process at plants in Japan Reduce VOC emissions per painted area by 50% or more compared to FY2000	Reduced by 40.3% compared to FY2000	
Water resource	Water resource conservation	[Production activities] <mater consumption=""> Reduce water consumption while giving consideration to the water environment of each country and region Reduce water consumption per unit of global automobile production by 10% compared to FY2016 Identify water risks of our domestic production sites and implement countermeasures  <mater quality=""> Continue to manage wastewater using voluntary standards that are more stringent than regulatory requirements Conduct biodiversity assessment on rivers near our domestic production sites that discharge wastewater into these rivers</mater></mater>	<ul> <li>Increased water consumption per unit of global automobile production by 4.3% compared to FY2016</li> <li>Conducted water risk assessments at our domestic production sites</li> <li>Continued to manage wastewater using voluntary standards that are more stringent than regulatory requirements</li> </ul>	

Introduction

Data

Category	Subcategory	Concrete implementation/target	Major achievements in FY2021	
	Promotion of environmentally conscious	[Automobiles / Motorcycles / Outboard motors] Continue to undertake development and design that give consideration to recycling ronmentally — Improve ease of dismantling	[Automobiles] <exterior parts=""> - Used easily recyclable thermoplastic resin for the front and rear bumper and radiator grille of the new Alto and WagonR Smile - Made the front and rear bumper of the new Alto and WagonR Smile thinner <interior parts=""> - Used easily recyclable thermoplastic resin for the instrument panel, door trim, interior trim, and seats of the new Alto and WagonR Smile - Used recycled material for the luggage floor cover of the Spacia</interior></exterior>	
	design	Designs using recycled materials     Designs aimed at reducing materials     Adopt more thermoplastic resin components     Adopt more materials with easy recyclability	[Motorcycles]  - Used easily recyclable thermoplastic resin for the meter panel, lower bracket cover, front frame cover, rear frame cover, and rear fender of the new GSX-S1000GT  - Used easily recyclable thermoplastic resin for resin covers and cowlings used in motorcycle engines	
			[Outboard motors] Made disassembly and recycling of the new DF140B and DF115B easier by fixing the engine cover using either screws or bolts and nuts	
	Promotion of automobile recycling	[Automobile recycling system] - Work to create a scheme for proper disposal of end-of-life vehicles (ELVs) suited to each country's circumstances - Operate a model facility in India for proper disposal of ELVs	- Currently promoting disposal of ELVs (collection and recycling) in accordance with the laws, regulations, and conditions of each country - In India, Maruti Suzuki India established Maruti Suzuki Toyotsu India Private Limited, a joint venture with the Toyota Tsusho Group for the dismantling and recycling of ELVs, ahead of its legislation in India.	
Resource circula- tion	Promotion of 3Rs (reduce, reuse, and recycle) for batteries	[Used lithium-ion batteries] - Build a safe and efficient scheme to collect and recycle batteries in anticipation of widespread use of electrified vehicles globally - Conduct field testing on the reuse of small batteries for automobiles and promote their safe and efficient reuse	Currently promoting the establishment of a collection network for used lithium-ion batteries in accordance with the laws, regulations, and conditions of each country     Developed technology for reuse of small lithium-ion batteries collected from ELVs for use in solar streetlights for promoting wider use of them as our new business	
	Waste reduction	[Production activities] Promote recycling of waste Promote reduction of waste generation volume	Continued proper disposal of industrial wastes	
	Reduction of plastic packaging materials	[Logistics, sales, and other activities] <packaging materials=""> Promote reduction of the use of plastic packaging materials, especially for outboard motors, to prevent discharge of plastics into ocean Reduce use of plastic in outboard motor-related materials by 12 tons compared to FY2020  <marine> Promote the three pillars of the Suzuki Clean Ocean Project (waterside cleanup activities, activities to eliminate the use of plastic packaging materials, and activities to collect marine microplastics) globally in the field of outboard motors</marine></packaging>	<packaging materials=""> Reduced by 11 tons compared to FY2020  <marine> Implemented the three pillars of the Suzuki Clean Ocean Project: waterside cleanup activities, activities to eliminate the use of plastic packaging materials for outboard motors and spare parts, and activities to collect marine microplastics (equipment monitoring test)</marine></packaging>	

## **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 stake-holders, 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\*1, IPCC\*2, 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		Difference	es in impact		
Key I	key risks (examples of anticipated impact) Funderlined items represent particularly significant risks		4°C scenario	1.5°C/2°C scenario	
	Policies, (Payment of fines, loss of sales opportunities, etc.)		No change	Increase	
Transition risks	regulations, and technologies	(2) Implementation or reinforcement of carbon tax and other systems (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	
		(4) Rise in the average temperature (Increase in energy costs, etc.)	Increase	No change 🗪	
Physical risks	Chronic	(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: and fuel efficiency standards for automobiles	Loss of market share due to being slow in adopting carbon neutral technologies (electrification and other) and responding in terms of costs     Increase in investment in development of carbon neutral technologies     Increase in investment in production facilities for carbon neutral technologies (batteries, etc.)     Payment of fines and loss of sales opportunities due to regulatory non-conformance	Maintaining and reinforcing competitiveness and enhancing corporate value through small cars that emit less CO <sub>2</sub> throughout their life cycle     Capturing sales opportunities by developing electrified vehicles and carbon-neutral fuel-compatible vehicles at affordable prices     Contributing to sustainable economic development by leading electrification and carbon-neutral fuel compatibility in India and emerging countries	Intensively developing electrification technologies, increasing the number of models equipped with a hybrid system, and promoting development of mini and compact EVs     Promoting electrification in India (releasing electrified vehicles, investing in a battery plant, etc.)     Deepening alliance with Toyota Motor Corporation     Launching a biogas demonstration project in India
(2) Implementation or reinforcement of carbon tax and other systems	Increase in investment in production facilities that implement carbon neutral technologies     Increase in operating costs due to carbon tax, emissions trading, Carbon Border Adjustment Mechanism, etc.	Extending energy-saving technologies that leverage the benefits of "Sho-Sho-Kei-Tan-Bi" to Group companies and business partners     Contributing to sustainable economic development by leading the use of renewable energy in India and emerging countries	Promoting ongoing CO <sub>2</sub> reduction measures     Creating carbon neutral energy     Procuring renewable energy-derived electricity in India

Tambun I PlantTambun II PlantCikarang Plant

# Introduction of Environmental Management System

Introduction

Suzuki is promoting the introduction of environmental management systems including ISO 14001 as part of environmental conservation efforts by the Group's manufacturing divisions. The ISO 14001 is an international standard for environmental management systems. By obtaining ISO 14001 certification, Suzuki intends to comply with laws and regulations and reduce environmental impact. Also, through periodical environmental audits, we verify the effectiveness of our environmental management system. Suzuki has already completed acquiring ISO 14001 certifications at sites that account for over 99% of its CO<sub>2</sub> emissions from global production. We will introduce the concept of environmental management at all plants, and promote ISO 14001 at plants that have not yet acquired the certification.

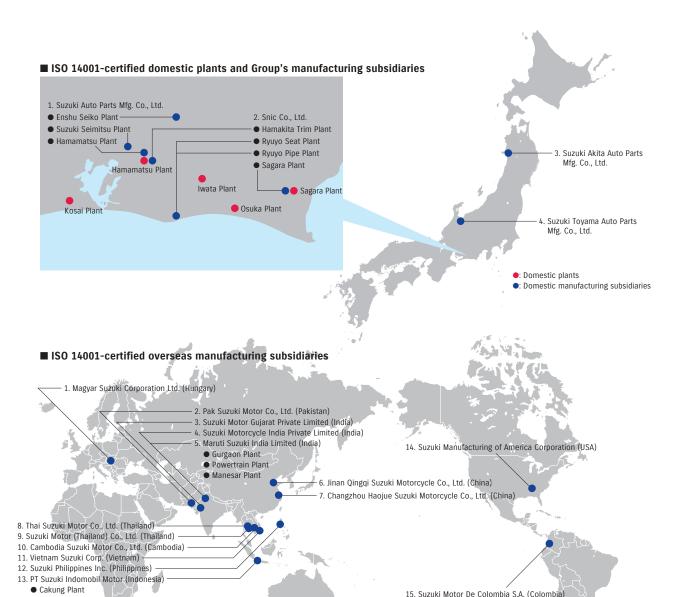
#### **■** Efforts of manufacturing divisions

Status of efforts at plants in Japan and domestic and overseas manufacturing subsidiaries

In April 1998, Magyar Suzuki became the first in the Suzuki Group to acquire ISO 14001 certification.

By March 2003, all domestic plants of Suzuki had acquired ISO 14001 certification.

Among domestic manufacturing subsidiaries, nine plants of four companies have acquired ISO 14001 certification as of the end of April 2022. Among overseas manufacturing subsidiaries, 20 plants of 15 companies have acquired ISO 14001 certification as of the end of April 2022.



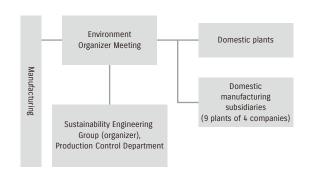
**Environmental** 

Data

#### Manufacturing: Environment Organizer Meeting

Introduction

Suzuki holds the Environment Organizer Meeting in order to improve the environmental management of domestic plants and manufacturing subsidiaries. At this meeting, engineering managers and members of domestic plants and manufacturing subsidiaries (nine plants of four companies) get together to discuss matters related to domestic plants and manufacturing subsidiaries. Decisions made and matters discussed at the meetings are rolled out to domestic plants and manufacturing subsidiaries, contributing to environmental management activities.

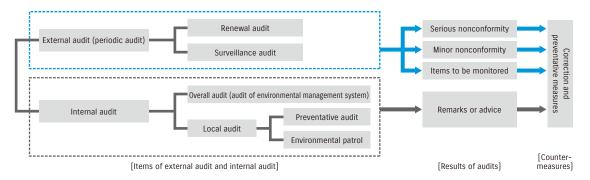


#### **Environmental audit**

At Suzuki's domestic plants and manufacturing subsidiaries, an external audit is conducted once every year by an external auditing agent. In addition, an internal audit is conducted to double-check our environmental management system.

Social

#### **■** Environmental management auditing system



#### **■** Efforts of non-manufacturing divisions

Introduction

# Status of introduction at offices and development facilities

In order to facilitate environmental conservation activities as the Suzuki Group, we have also been promoting the acquisition of ISO 14001 certification in departments other than manufacturing departments, such as engineering departments.

#### **■** Efforts of domestic sales distributors

In order to roll out environmentally-friendly initiatives to Group companies, we introduced the Suzuki Environmental Management System from April 2017 to affiliate automobiles sales distributors in Japan. This environmental management system unique to Suzuki is part of our initiative in reducing environmental load (energy consumption and waste volume) and complying with environmental laws and regulations through the PDCA cycle. Sales distributors at which the system was introduced are actively promoting it under the leadership of appointed environmental managers and secretariat.

#### **Environmental education/awareness**

#### **Employee education**

As part of our employee education program, we integrate basic environmental education on Suzuki's Environmental Concept and policies, environmental issues, and promotion of eco-driving into new employee education. We also provide environmental education according to respective operations and positions. Each of our domestic plants works to prevent environmental accidents by providing various types of education on their own, mainly for employees in charge of environmentally important processes, as well as introductory education for new employees and education for management-level employees and all employees.

#### Education to obtain qualifications

We also encourage employees to obtain qualifications. Employees with leading environmental qualifications include 145 Pollution Control Managers, 38 Qualified Persons for Energy Management, and 380 internal environment system auditors.

#### Training for those in charge of procurement

In order to raise environmental awareness and perform procurement operations appropriately, we conduct training for new employees in the procurement department and employees transferred from other departments. We promote procurement activities that comply with environmental laws and regulations and make sustainable development possible.

#### **Emergency training**

At domestic plants and domestic and overseas manufacturing subsidiaries, we anticipate locations and operations that are at risk of causing environmental accidents\* and hold emergency drills conducted by employees and other related suppliers.

\* Environmental accidents refer to accidents that affect the environment such as leakage of chemical substances.

# Situation concerning environmental laws and regulations

In FY2021, there were 15 cases of significant spills\* and 4 cases of complaints concerning the environment, all of which were properly taken care of. There was no administrative guidance or payment of penalty due to these significant spills.

\* Significant spills: Spills that are recorded as spills from an organization, such as wastewater, emission gas, odors, chemical substances (including oil), and wastes that exceed law and regulation limits as well as soil and groundwater contamination.

#### **Communication with business partners**

Introduction

# Communication and briefing sessions with business partners

In managing substances of concern for automobiles consisting of many parts, it is important to communicate information on chemical substances in products and regulated substances throughout the supply chain.

Suzuki regularly holds online briefings for its business partners on how to enter information on chemical substances into IMDS (International Material Data System), a tool for communicating such information, and on global trends for substance regulations.

The accurate entry of data into IMDS is necessary to check for the presence of regulated substances. In addition, when flame retardants and plasticizers contained in parts are regulated, it is important to communicate information on regulations before they take effect because it takes time to conduct development tests to substitute alternative substances.

Please refer to page 75 of Chemicals for details on IMDS.

# Request for cooperation in continuously reducing risk

To continuously undertake transactions with business partners and deepen mutual understanding with them in implementing green procurement, Suzuki requires both new and existing business partners to submit the SOC Control System Self-Check Sheet (a survey form on the status of establishing a management system for substances of concern).

We also ask new business partners to make improvements if we find any issues based on their responses on the check sheet for selecting partners. We ask existing business partners to implement a yearly self-check and submit the results when requested by Suzuki. For business partners we deem to be not meeting the standards based on their responses, as well as those who could be in violation of the Suzuki Green Procurement Policy, Suzuki performs audits on the status of establishing

management systems for substances of concern. If any items are cited, Suzuki requests that they take corrective or preventative measures to reduce the risk.

Note: Audits of business partners are systematically implemented regardless of whether there are any problems.

#### Measures against violation of laws and regulations

If a violation of laws and regulations occurs in the business activities of our business partners that is expected to affect Suzuki or society, we request an immediate report to Suzuki, an investigation into the cause, and a report on the investigation results. In addition, we also request they submit measures to prevent recurrence.

### **Community information exchange meeting**

We carry out an information exchange meeting with local residents to ask their views and opinions to reduce environmental impact. In FY2021, we canceled the meeting at each office due to the COVID-19 pandemic. Keeping an eye on situations in society, we plan to resume the meeting when safety is ensured.

#### Information disclosure

In order to spread awareness and understanding of our environmental initiatives among our stakeholders, we disclose our environmental technologies online, in booklets and other media, and through participation in environment-related exhibitions and events.





The event

#### Participation in outside associations, etc.

# Cooperation with various economic and industry associations

Suzuki is a member of associations such as the Japan Business Federation and the Japan Automobile Manufacturers Association and cooperates with each organization to tackle problems and achieve a sustainable society.

Suzuki dispatches committee members to various committees, subcommittees, and working groups at the Japan Automobile Manufacturers Association for comprehensive activities. In particular, the Japan Automobile Manufacturers Association commits to reducing CO<sub>2</sub> emissions by improving fuel efficiency, developing next-generation vehicles, improving traffic flow, and promoting eco-driving. Suzuki, recognizing climate change as a critical issue, shares the same view with the Association and is working closely with them.

#### Support for the TCFD\*

As a supporter of the TCFD\*, Suzuki has endorsed and signed the TCFD recommendations and is promoting information disclosure that is easy for stakeholders to understand. In order to further strengthen our resilience to climate change, we are working to enhance the sophistication of our scenario analysis and information to be disclosed.

\* TCFD: Task Force on Climate-related Financial Disclosures Web: https://www.fsb-tcfd.org/supporters/ **Environmental** 

#### **Efforts for biodiversity**

Suzuki introduced the environmental brand **SUZUKI GREEN** to realize the philosophy of the Suzuki Global Environment Charter and announced the Suzuki Biodiversity Protection Guidelines as the environmental policy in the Charter.

Introduction

The Suzuki Biodiversity Protection Guidelines will be the guiding principle for us to recognize the possibility of business activities etc. giving unavoidable influences on biodiversity, which has provided our life with enormous natural blessings (ecosystem service) since the birth of humanity, as well as for us to try to reduce such influences, and make efforts to ensure sustainable usage.

Suzuki has conducted many actions to reduce influences on biodiversity in its business and social contribution activities and endorses the Declaration on Biodiversity by Keidanren.

Through the release of the Guidelines, we aim to raise awareness about biodiversity throughout the entire Suzuki Group, and to develop a sustainable society that can coexist with nature, while keeping good relations with our business partners and the local communities.

#### Suzuki Biodiversity Protection Guidelines

https://www.globalsuzuki.com/corporate/environmental/green\_policy

#### [Basic concept]

Under the slogan of "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," the Suzuki Group thoroughly conducts wasteless, efficient business operations and promotes production of small cars by pursuing environmental technologies in order to reduce influences on biodiversity and contribute to sustainable usage of resources in future.

Based on such activity philosophy, the Suzuki Group will strive to cooperate with various stakeholders as a member of society and to develop a society harmonized with our beautiful natural environment.

#### [Emphasized efforts for biodiversity]

Reduction of environmental loads generated through business operations and products

- Promote energy saving, resource saving, and 3Rs at business steps from product development to recycling.
- (2) Promote improvement in fuel efficiency and R&D of next-generation vehicles in order to reduce greenhouse gas.
- (3) Work on reducing the use of substances of concern through the supply chain.

Expansion of environmental communication

 Promote environmental beautification and environment conservation activities in cooperation with local communities.

- (2) Work on instilling appropriate understanding and behavior in relation to biodiversity among all employees.
- (3) Work on announcing environmental information and self-conservation activities widely to society.



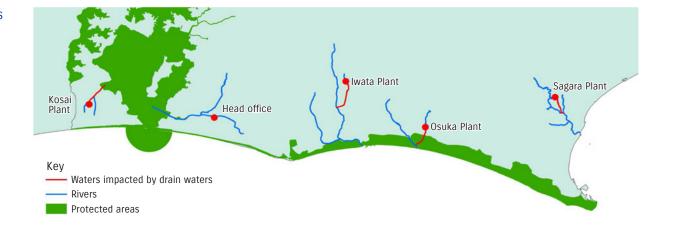
#### [Specific actions]

Reduction of environmental loads generated through business operations and products		Expansion of environmental communication	
(1)	Internal publication of energy conservation results for individual offices Effective utilization of resources through recyclable design Continuation of zero-level of landfill waste and enhancement of water saving consciousness Improvement of transportation efficiency and reduction of packing materials Increase in the recycling rate of end-of-life products Promotion of solar power generation	(1)	Participation in local community cleanup activities Cleanup activities around plants and offices Suzuki's Forest volunteer planting project Shimokawa Proving Grounds: Continuation of FSC certification program Participation in Corporate Forest Preservation Program Research and publication of Suzuki's forest environmental contribution
(2)	Global improvement of average fuel efficiency Development of next-generation vehicles suitable to small cars Development of a lightweight and low-cost air-cooled fuel cell Compliance with Fluorocarbon Emissions Control Act Compliance with various countries' emission regulations	(2)	Improvement of in-house environmental awareness through internal website Education about global warming and SUZUKI GREEN Policy in introductory workshops and on-the-job training for new employees Continuation of in-house seminar on eco-driving Participation in and cooperation with local community environmental education events organized by NPOs
(3)	Compliance with various countries' regulations for usage of substances of concern  Development of technology for VOC reduction in car cabin and painting process  Promotion of alternatives for substances of very high concern  Close cooperation with suppliers based on the Suzuki Green Procurement Guideline  Consideration for the environment around office locations, etc.	(3)	Publication of the Suzuki Sustainability Report Publication of various environmental information about production and products Participation in and opening booths at environment-related fairs and events Presentation of our eco-friendly production process through plant tours Friendship with local residents around plants through exchange parties or meetings Setting up an environmental section in Suzuki Plaza

#### Environment and ecosystem of the surrounding areas

Introduction

Following 2018, in 2020, we conducted research on waters as well as creatures and plants living in and around rivers of which more than 5% of their water comes from water released from our five domestic offices. As a result, we confirmed that there are 213 species of creatures and plants living in this habitat, of which 12 are endangered species.



■ Destination of waters released and waters impacted					
Base	Releasing river	Impacted waters*1	Endangered species, etc. confirmed*2		
Head office	Horidome River	None	None (there are no impacted waters)		
Kosai Plant	Kasago River	Kasago River → Confluence point with Lake Hamana	Total of 10 species Ruddy crake (Aves), Sparrowhawk (Aves), Red-rumped swallow (Aves), Rustic bunting (Aves), Japanese brown frog (Amphibia), Japanese eel (Pisces), Lefua echigonia (Pisces), Japanese rice fish (Pisces), Japanese hard clam (Shellfish), Potamogeton panormitanus (Plantae)		
Iwata Plant	Akuro River	Akuro River  → Confluence point with Imanoura River	Total of 3 species Sparrowhawk (Aves), Japanese eel (Pisces), Japanese rice fish (Pisces)		
Osuka Plant	Confluence point with Benzaiten River	Nishi-Otani River  → Confluence point with Benzaiten River	Total of 2 species Peregrine falcon (Aves), Red-rumped swallow (Aves)		
Sagara Plant	Hirugaya River	Hirugaya River → Confluence point of Hagima River and Shirai River	Total of 5 species Ruddy crake (Aves), Grey-faced buzzard (Aves), Red-rumped swallow (Aves), Japanese eel (Pisces), Japanese rice fish (Pisces)		
Hamamatsu Plant	Not released in rivers	None	None (not released in rivers)		



<sup>\*2</sup> Species that are listed as endangered in the red lists of International Union for Conservation of Nature and Natural Resources and the Ministry of the Environment, as well as red lists and regulations of prefectures and cities.



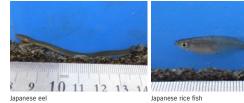




Ruddy crake

Red-rumped swallow

Japanese brown frog







Potamogeton panormitanus

#### Forest conservation activities

#### Suzuki's Forest (Hamamatsu)

Suzuki concluded a Volunteer Forest agreement with the Tenryu Forest Administration Department of the Forestry Agency and started forestry preservation activities in March 2006 at Suzuki's Forest located in Inasa-cho, Kita-ku, Hamamatsu. Our employees and their families conduct forestry activities every year, such as planting trees, clearing away the undergrowth, and fungus planting/harvesting operations.

Introduction

This activity was conducted 30 times in total (14 planting sessions and 16 undergrowth clearing sessions) and attended by approximately 1,500 volunteers in total.







Suzuki's Forest planting project

#### Participation in tree planting project at storm surge barrier

On November 29, 2015, members of the Suzuki Green Club began participating in a storm surge barrier tree planting project in the coastal zone of Enshu held by Shizuoka Prefecture and the cities of Hamamatsu and Iwata. A total of 8 activities were held with 287 participants, and 930 nursery trees of pines and other types of trees were planted. The Suzuki Green Club will continue forest conservation and greening activities through its activities in Suzuki's Forest and at the storm surge barrier.







#### Forest of Suzuki Shimokawa Proving Grounds (Hokkaido)

Suzuki Shimokawa Proving Grounds are located in the town of Shimokawa (Kamikawa County) in northern Hokkaido, where the forest accounts for about 90% of the total land area. In 2003, Shimokawa acquired the international FSC® Forest Management Certificate (FSC®C015134; Shimokawa Forest Owners' Cooperative, Shimokawa Town, and Northern Kamikawa Forest Management Office) as the first forestry cooperative in Hokkaido, and in 2011, it was designated as an Environmental Future City\* featuring effective utilization of abundant natural resources. Now it aims to become a "future city with best harmonization between people and forests."

Moreover, a forest of approximately 300 ha located in the proving grounds was also recognized as satisfying the strict forest stewardship standards of the FSC® certification program, so the area was additionally registered in the FSC® Forest Group Certificate for Shimokawa Town in 2006 (FSC®C015134). At the same time, Suzuki will continuously promote co-existence and co-prosperity with local communities, which take great care of nature, through participation in events and sales of agricultural products.

\* The "Environmental Future City" is a governmental project to create the world's most ideal city where everybody wishes to live. Under this program, high potential regions are selected and financially supported for realizing such an ideal city.



Suzuki Shimokawa Proving Grounds (Hokkaido)

#### Participation in Corporate Forest Preservation Program (Hokkaido)

As part of environmental preservation and social action programs. Suzuki has endorsed the purport of the Corporate Forest Preservation Program\*, which utilizes national forests. We have been supporting forest development activities through a Profit-Sharing Afforestation agreement concluded with the Japanese government (Forestry Agency) for the period from 1996 to 2028. For an approximately 4.3-ha national forest (containing approximately 3,000 trees) in Shimokawa Town, Suzuki conducts profit-sharing afforestation by entrusting the work to the local forestry cooperative through the Hokkaido Regional Forest Office. Also, for many years, we have contributed to the preservation of national land through watershed conservation, sediment discharge prevention and CO<sub>2</sub> absorption and fixation. The shared profits coming from the program will be used for further afforestation activities.

https://www.rinya.maff.go.jp/j/kokuyu\_rinya/kokumin\_mori/katuyo/kokumin\_sanka/hojin\_mori/index.html
Suzuki's environmental contributions through these forests in FY2021 are evaluated as follows.

#### Suzuki's environmental contribution through forest conservation (FY2021)

· · · · · · · · · · · · · · · · · · ·				
Measurement item	FSC® Forest Group Certificate for Forests of Suzuki Shimokawa Proving Grounds (FSC®C015134)	Corporate Forest Preservation Program, Regional Forest Office of Forestry Agency		
(1) Contribution to water yield	155,609 m³/year	1,409 m³/year		
(2) Contribution to prevention of sediment discharge	5,557 m³/year	51 m³/year		
(3) Contribution to absorption/fixation of carbon dioxide	1,695 t-CO <sub>2</sub> /year	17.3 t-CO <sub>2</sub> /year		

<sup>\*</sup> Calculated using the project evaluation method employed by the Forestry Agency. The data listed above for the Forests of Suzuki Shimokawa Proving Grounds and the Corporate Forest Preservation Program are equivalent to the figures below.

<sup>\*</sup> Forestry Agency's Corporate Forest Preservation Program and Profit-Sharing Afforestation (Japanese language only)

<sup>(1) 78.51</sup> million bottles of 2-L PET bottles

<sup>(2) 1,020</sup> truckloads of 10-ton dump trucks (5.5 m³/truck)

<sup>(3)</sup> Annual CO<sub>2</sub> emissions from 5,295 people based on per-person emissions (tons/year)

# Participation in and cooperation with the environmental activities of an NGO – Planting mangroves

Introduction

On December 11, 2021, PT Suzuki Indomobil Motor participated in and cooperated with the planting of mangroves by Pandu Laut Nusantara, a local NGO, in the beach resort of Pangandaran in West Java, Indonesia. Mangroves are said to have a higher CO<sub>2</sub> storage capacity (absorption amount) on a per area basis than other plants and are an effective plant in measures to fight global warming. On the day of the event, staff from PT Suzuki Indomobil Motor took part in environmental preservation activities, planting approximately 700 mangroves. The staff also released horseshoe crabs, an endangered species, into the local waters.



#### Cleanup activities

#### **Suzuki Manner Improvement Activities**

Suzuki was registered in the "Hamamatsu City Road/River Foster-parent System"\* in September 2004, and has been conducting cleanup activities under the banner of "Suzuki Manner Improvement Activities," with the aim of improving the manners and environment/beautification awareness of employees. For those activities, in-house volunteers clean roads around the head office and the Takatsuka underpath every month. A total of approximately 14,900 participants have conducted the cleanup activities 207 times through March 2022, and they have collected 84 mini-truck loads of flammable and non-flammable garbage. In 2017, this activity was acknowledged by Shizuoka Prefecture, and the Company received the FY2017 Governor's Award as a stewardship organization for rivers, coasts, and roads.







Suzuki Manner Improvement Activities

# CLEAN-UP THE WORLD CAMPAIGN (waterside cleanup activities)

Suzuki waterside cleanup activities marked the 13th year in 2022. The activities originally started in Japan in 2010 and were subsequently launched in 2011 as a global initiative of the Suzuki Group under the name of CLEAN-UP THE WORLD CAMPAIGN. Every year, the event takes place in more than 25 countries and draws many participants. In FY2021, the event was attended by a total of 1,717 participants in 27 countries and regions. The participants contributed to their local communities through waterside cleanup activities.

Additionally, the cumulative number of participants since the start of these activities reached 10,000 in FY2021.











<sup>\*</sup> Groups that hope to be "foster-parents" decide their cleanup areas and what kinds of activities they will carry out, report them to the Mayor, and conduct cleaning of roads and related activities.

Corporate Governance

#### Activity to collect marine microplastics using Suzuki's Micro-Plastic Collecting Device for outboard motors

Introduction

In addition to conventional waterside cleanup activities, Suzuki launched an activity to collect marine microplastics drifting around the ocean. This collection activity uses a Micro-Plastic Collecting Device for outboard motors developed by Suzuki to collect microplastics floating on and near the water surface. This device has been installed as standard equipment on certain outboard motor models produced since July 2022 and is sold globally.

#### Suzuki Clean Ocean Project

The Suzuki Clean Ocean Project is an environmental initiative of Suzuki comprising: 1. CLEAN-UP THE WORLD CAMPAIGN (waterside cleanup activities), which has continued since 2011; 2. Activity to reduce plastic packaging for outboard motors and service parts, which was started in 2020; and 3. Activity to collect marine microplastics using Suzuki's Micro-Plastic Collecting Device for outboard motors. The Suzuki Clean Ocean Project is also a specific initiative of Suzuki to solve issues represented by

the United Nations' Sustainable Development Goals (SDGs) and shows the commitment by Suzuki Marine business to pursue its brand slogan of "THE ULTIMATE OUTBOARD MOTOR" in terms of the environment as well. Under these three activities, we will team up with our partners around the world, including outboard motor users, dealers, boat builders, business partners, Suzuki Group companies, employees, and their families, to clean up the oceans worldwide.

Our activities are aligned with the purport of the Plastics Smart program being advanced by Japan's Ministry of the Environment. For this reason, we have registered with this program since 2018, and Suzuki's activities are presented on the website of the Ministry of the Environment.



Countries where monitoring surveys were conducted in 2021



Symbol mark of the Suzuki Clean Ocean Project

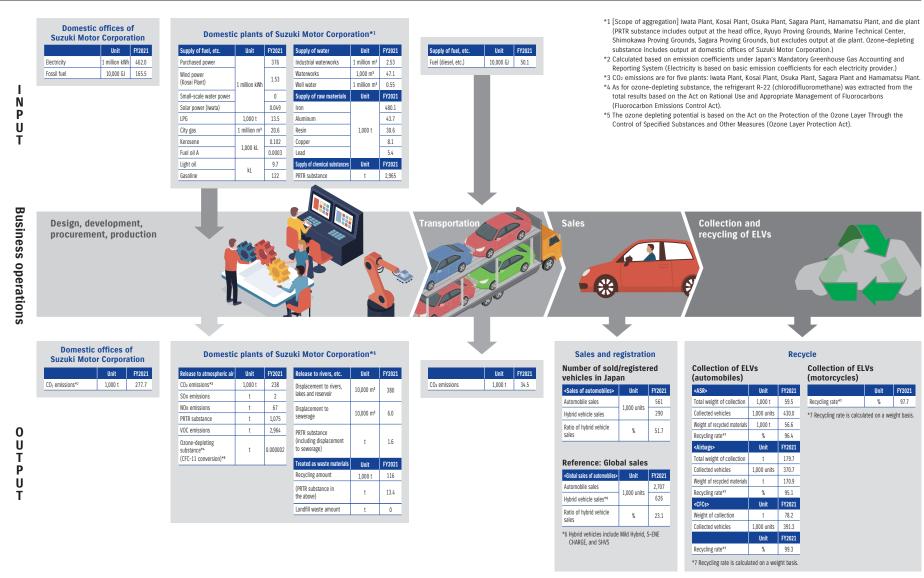


http://plastics-smart.env.go.jp/ (Japanese language only)





#### **Environmental impact and efforts in business operations**



# **Climate Change**

Introduction

		Suzuki Environmental Vision 2050	Milestone 2030
Climate	CO <sub>2</sub> emitted from products	Reduce $CO_2$ emitted from new automobiles by 90% in Well-to-Wheel base compared to FY2010 by 2050.	Reduce $CO_2$ emitted from new automobiles by 40% in Well-to-Wheel base compared to FY2010 by 2030.
change	CO <sub>2</sub> emitted from business activities	Reduce $CO_2$ from business activities by 80% in terms of carbon intensity per sales unit compared to FY2016 by 2050.	Reduce CO <sub>2</sub> from business activities by 45% in terms of carbon intensity per sales unit compared to FY2016 by 2030.

#### Basic policy

Recently, abnormal weather events said to be caused by global warming have been occurring frequently. To mitigate these climate change effects, the Paris Agreement was adopted to attain net zero greenhouse gas emissions in the second half of this century, with the aim of limiting the rise in global average temperature to less than 2°C relative to pre-industrial levels. Based on the principles of "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," Suzuki has long manufactured products with low CO2 emissions using manufacturing methods that emit low CO2 emissions. We acknowledge that we must now strive to reduce CO2 emissions further in order to meet the so-called 2°C target. With this in mind, Suzuki will establish emissions reduction targets aligned with climate science and push ahead with related efforts.

#### Carbon neutrality achievement targets

Japan	Europe	2050
India		2070

Suzuki aims to achieve carbon neutrality by 2050 in Japan and Europe and by 2070 in India, based on the target dates set by the governments of each country.

We will continue our efforts to achieve carbon neutrality targets for each region, based on the concept of expanding customer choices and delivering products and services that meet local needs.

## **Efforts when using products**

## Disclosure of GHG emissions occurred in the entire value chain

Introduction

Suzuki believes that for reducing greenhouse gas (GHG) emissions released through overall business activities, including procurement of materials/parts, manufacturing of vehicles and sale of final products, it is important to know and disclose the emissions from those activities. Therefore, we have been making efforts to quantify the emissions of GHG not only resulting from major business activities, but also from a wider scope of the value chain\*1 since FY2013.

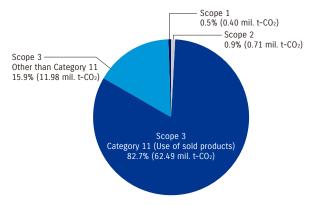
CO<sub>2</sub> emissions generated through the entire value chain during FY2021 stood at 75.58 million t-CO<sub>2</sub>, of which the emissions falling under Scope 3 (indirect emissions from other activities)\*1 were 74.47 million t-CO<sub>2</sub> that include 62.49 million t-CO<sub>2</sub> classified into Category 11 (Use of products sold by Suzuki)\*2 accounting for 82.7% of the total emissions through the overall value chain.

Recognizing that it is very important to reduce the  $CO_2$  emissions released through the use of our products for reducing the total GHG emissions in the entire value chain, we will make continuous efforts to emphasize improvement of fuel efficiency during product development and improvement.

- \*1 Value chain: A method of systematizing how a series of business activities go into the creation of its ultimate value. Calculations are composed of Scope 1, Scope 2, and Scope 3 in accordance with the calculation standard, GHG Protocol\*3. The business activities in a value chain include parts and materials procurement, manufacturing, delivery, sales and customer services, as well as administrative work and engineering development work that support these activities. We have been participating in Green Value Chain Platform\*4 operated by the Ministry of the Environment and the Ministry of Economy, Trade and Industry since FY2014 and introducing our efforts in quantifying GHG emissions.
- \*2 Category 11: This indicates the life cycle GHG emissions from Suzuki's products sold in the fiscal year.
- \*3 GHG Protocol: This is a method to develop calculation and reporting standards for greenhouse gases (GHG) led by the World Resources Institute (WRI), a global environmental think tank based in the U.S., and the World Business Council on Sustainable Development (WBCSD), a conglomeration of companies aiming for sustainable development.
- \*4 Green Value Chain Platform: This is an information platform related to value chain emissions operated by the Ministry of the Environment and the Ministry of Economy, Trade and Industry to provide various kinds of information such as domestic and overseas trends and calculation methods, etc. regarding global warming.

Website: http://www.env.go.jp/earth/ondanka/supply\_chain/gvc/en

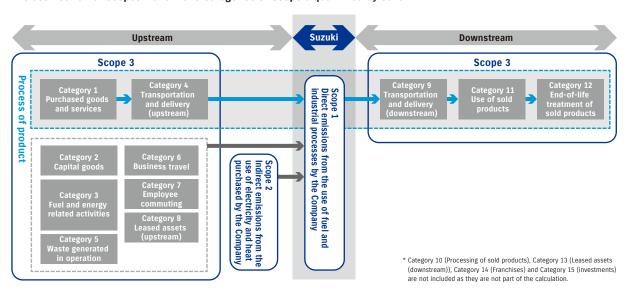
#### ■ Breakdown of FY2021 GHG emissions



Total GHG emissions released from the value chain: 75.58 mil. t-CO<sub>2</sub>

[Calculation range] Suzuki Motor Corporation and 67 domestic and 32 overseas manufacturing and non-manufacturing subsidiaries [Calculation period] From April 2021 to March 2022

#### ■ Classification of Scopes 1 and 2 and categories of Scope 3 quantified by Suzuki

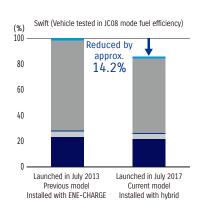


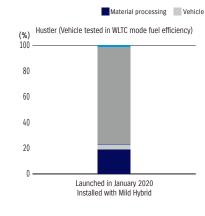
## ■ Calculation of CO<sub>2</sub> emissions of products using Life Cycle Assessment (LCA)

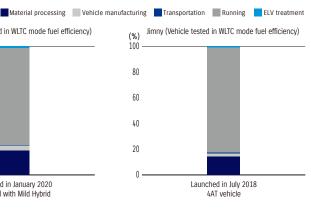
In order to understand the environmental impact of our products, Suzuki adopts the Life Cycle Assessment (LCA)\*1 that assesses products with specific figures not only during their running stage but throughout their whole life cycle from raw material production to disposal. The Company is promoting reduction of environmental load by utilizing their results\*2 for product development and business activities.

- \*1 Life Cycle Assessment is a method to calculate and evaluate the overall potential environmental impact of a product at each stage of its life cycle, from raw material production to disposal.
- \*2 Evaluation results are shown as an index in order to check the relative environmental improve-

#### ■ Ratio of CO<sub>2</sub> emissions of Suzuki vehicles by lifecycle stages



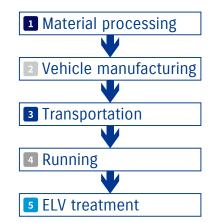




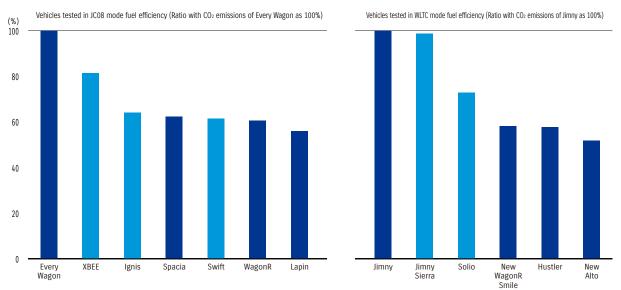
Standard and small vehicle Mini-vehicle (As of March 2022)

- \* Since fuel efficiency testing mode was changed from JC08 to WLTC in October 2018, Hustler and Jimny only show the results of new models.
- \* Result of a vehicle's lifetime running distance of 110,000 km (13 years) driven in each mode
- \* Running stage takes production of replacement parts into consideration, including tires, engine oil, and batteries.

#### ■ Suzuki LCA Stages



#### ■ Ratio of CO<sub>2</sub> emissions by each model (%)



<sup>\*</sup> Result of a vehicle's lifetime running distance of 110,000 km (13 years) driven in JC08 mode and WLTC mode.

## **■** Efforts for design and development

Introduction

#### Efforts for next-generation vehicles Development of electric vehicles

Suzuki signed a memorandum of understanding with the Indian state of Gujarat to invest approx. ¥150.0 billion (approx. 104.4 billion rupees) in Indian manufacturing of battery electric vehicles (BEVs) and automotive batteries for BEVs to achieve carbon neutrality. In addition, in India fleet runs are using prototypes that are closer to mass production than ever before and testing continues on function and performance to make them acceptable among customers for commuting and holiday use. Suzuki is working with partner companies to develop electric vehicles for the market.



#### **TOPICS**

Suzuki, Daihatsu, Toyota, and CJPT to Introduce Mini-Commercial Van Electric Vehicles in FY2023 —Contributing to last-mile electrification to achieve carbon neutrality—

Tokyo, Japan, July 19, 2022–Suzuki Motor Corporation (Suzuki), Daihatsu Motor Co., Ltd. (Daihatsu), Toyota Motor Corporation (Toyota), and Commercial Japan Partnership Technologies Corporation (CJPT) announced that they have agreed to work towards the market introduction of mini-commercial van electric vehicles (BEVs) in FY2023 to achieve carbon neutrality.

Mini-commercial vehicles cover areas accessible only to them because of their small size and are important in supporting last-mile logistics. They have become widespread accounting for about 60% of the total commercial vehicle fleet, making them a type of vehicle capable of contributing significantly to the achievement of carbon neutrality if electrification advances.

However, a 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).

It is under these circumstances, to realize an affordable mini-commercial van BEV that meets the usage needs of commercial customers, 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 mini-commercial van BEV developed by these four companies will be used by partners in social implementation projects in Fukushima Prefecture and Tokyo.

Suzuki, Daihatsu, Toyota, and CJPT will continue to promote efforts to practically achieve carbon neutrality through the provision of sustainable means of transportation.

#### **TOPICS**

Suzuki signs MOU with the state of Gujarat for electric vehicles and batteries manufacturing in India, to invest approx. ¥150.0 billion toward carbon neutrality

Suzuki signed a memorandum of understanding (MOU) with the state of Gujarat, India, to invest approx. ¥150.0 billion (approx. 104.4 billion rupees) for local manufacturing of battery electric vehicles (BEV) and BEV batteries to achieve carbon neutrality. The MOU was signed on March 19, 2022 at India-Japan Economic Forum held in New Delhi, India.

Introduction

The forum was held to coincide with the visit to India by Japanese Prime Minister Fumio Kishida and was attended by Kishida, Indian Prime Minister Narendra Modi, government personnel from both countries, as well as Toshihiro Suzuki, Representative Director and President of Suzuki, and Kenichi Ayukawa, Managing Director and CEO of Maruti Suzuki India Limited.

President Toshihiro Suzuki said, "Suzuki's future mission is to achieve carbon neutrality with small cars." He added, "We will continue active investment in India to contribute to realizing 'Self-reliant India.'"





#### ■ Overview of MOU

	Signees of MOU with the state of Gujarat	Description	Investment	Planned year
(1)	Curulii Matay Cuiayat Drivata Limitad	Increasing production capacity for BEV manufacturing	31 billion rupees	2025
(2)	– Suzuki Motor Gujarat Private Limited	Construction of plant for BEV batteries (land neighboring SMG)	73 billion rupees	2026
(3)	Maruti Suzuki Toyotsu India Private Limited	Construction of vehicle disassembly and recycling plant	450 million rupees	2025

Social

#### **TOPICS**

## Six private companies establish 'Research Association of Biomass Innovation for Next Generation Automobile Fuels' Start research on bioethanol fuel production to achieve carbon neutral society

The six companies of ENEOS Corporation (ENEOS), Suzuki, Subaru Corporation (SUBARU), Daihatsu, Toyota and Toyota Tsusho Corporation (Toyota Tsusho) established the Research Association of Biomass Innovation for Next Generation Automobile Fuels (Research Association) on July 1, 2022, to study ways to optimize the process of producing fuel.

It is crucial to provide diverse energy options to meet the needs of many different regions and customers to achieve carbon neutrality. Hydrogen and synthetic fuels based on electricity from renewable energy sources, as well as bioethanol fuel able to reduce CO<sub>2</sub> emissions through photosynthesis in plants are promising options, and their effectiveness has been

#### (1) Research on efficient ethanol production systems

Introduction

With the aim of improving production technology for second-generation bioethanol fuel that does not compete with food, the Research Association will design, install, and operate production facilities, identify issues with production, research solutions and study ways to improve the efficiency of production systems.

#### (2) Research on byproduct oxygen, CO2 capture and utilization

The Research Association will study how to use the high concentration of oxygen generated as a byproduct during hydrogen production as well as the CO<sub>2</sub> generated during bioethanol fuel production.

#### (3) Research on the efficient operation of the overall system, including fuel utilization

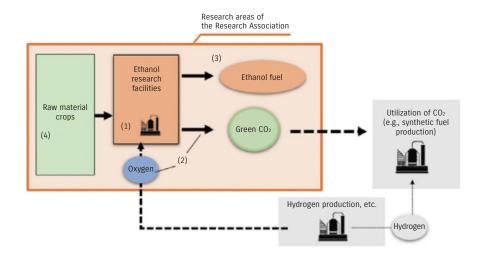
The Research Association will clarify the issues associated with using bioethanol fuel obtained in (1) to automobiles and other vehicles, and explore solutions. It will also study model formulas that can make predictions of both raw material cultivation production volumes and fuel production volumes.

#### (4) Research on efficient raw material crop cultivation methods

The Research Association will develop a system that proposes optimal cultivation methods for maximizing yield and optimizing crop components to secure raw materials for bioethanol fuels. It will aim to improve the prediction accuracy of crop yield productions through soil composition surveys and other methods.

confirmed by the Intergovernmental Panel on Climate Change (IPCC). However, it is essential to clarify the issues and search for a solution regarding  $CO_2$  emission reduction and social implementation throughout the manufacturing process, in addition to raw material procurement for any of these fuels.

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  $CO_2$  during production to achieve a carbon-neutral society. Specific research areas are as follows.



#### Overview of Research Association of Biomass Innovation for Next Generation Automobile Fuels

Date of establishment July 1, 2022	
Chairman of the Board	Koichi Nakata (Head of Carbon Neutral Development Div., Toyota Motor Corporation)
Members Daihatsu, ENEOS, Subaru, Suzuki, Toyota, Toyota Tsusho (in alphabetical order)	
Location of headquarters	Fukushima Okuma Incubation Center, Shimizu-230 Shimonogami, Okuma, Futaba District, Fukushima Prefecture
Business overview Research on improving the efficiency of carbon neutral technology	

#### **TOPICS**

Introduction

Suzuki starts biogas demonstration project in India MOU signed with Indian government agencies Contribute to the formation of a carbon neutral and recycling-oriented society in India

Suzuki signed an MOU with the Indian government agency National Dairy Development Board (NDDB) to start a biogas demonstration project that will accelerate the achievement of carbon neutrality in India. Suzuki and NDDB will work toward the future commercialization of biogas and demonstrate the feasibility of its widespread use with a view toward establishing a joint venture.

In India, there are many cows whose dung contains methane with a greenhouse gas effect 28 times greater than that of CO<sub>2</sub>, which is emitted into the atmosphere. The project will consider how to suppress the atmospheric emission of methane and how to refine fuel for automobiles using methane from cow dung.

CO<sub>2</sub> in the atmosphere is taken into pasture grass through photosynthesis and cows feed on this grass. Methane in the dung that cows produce is emitted into the atmosphere, so by collecting cow dung and refining it to use as fuel for automobiles in the form of artificially generated biogas, it suppresses the methane emitted into the atmosphere. As this fuel derives from CO<sub>2</sub> emitted into the atmosphere, this is a carbon neutral fuel. In addition, residue from the biogas can also be used as organic fertilizer, which contributes to the Indian government's policy to promote organic fertilizers.

By expanding this initiative throughout India, we believe we can contribute not only to suppressing the release of methane into the atmosphere and achieving carbon neutrality but also to revitalizing farming communities, creating new jobs, recycling waste, improving energy self-sufficiency and forming a recycling-oriented society.

Suzuki Representative Director and President Toshihiro Suzuki said, "While aiming to realize carbon net zero in India, Suzuki will also contribute to revitalizing farming communities and improving energy self-sufficiency."

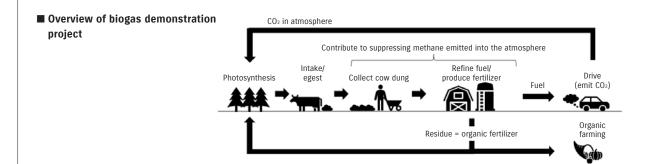
## Efforts to produce automobile batteries domestically in India

In India, addressing the environment is a crucial issue and there needs to be a spread of electrical vehicles affordable for customers. The three companies of Suzuki, Toshiba Corporation, and DENSO CORPORATION established the lithium-ion battery manufacturing company, TDS Lithium-Ion Battery Gujarat Private Limited (TDSG), to build India's first dedicated automobile lithium-ion battery cell and pack production plant at a supplier park adjacent to Suzuki Motor Gujarat's automobile plant in Gujarat. Production started in 2021 and supplies are being provided to Suzuki vehicle plants within and outside of India, including Maruti Suzuki India Limited.

In addition, the plant receives part of its necessary electricity from solar power generated through solar panels installed on its roof as one effort to address the pursuit of carbon neutrality.

Going forward, Suzuki will contribute to improving the environment and to sustainable development in India by expanding battery production in the state of Gujarat, ensuring a stable supply of lithium-ion batteries in India, and promoting the spread of electric vehicles (HEVs\* and EVs).

\* HEV is an acronym of hybrid electric vehicle.





**Environmental** 

Social

#### Efforts for products

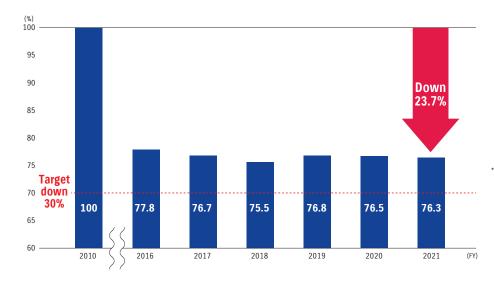
#### Automobiles

#### Global average CO2 emissions of new models\*1

Introduction

- Suzuki has set a new target for the reduction of CO<sub>2</sub> emissions, which are considered a factor in climate change, by 30% of the global average CO<sub>2</sub> emissions from new vehicles (compared to FY2010 results) for automobile products under the Suzuki Environmental Plan 2025. We continue our environmental conservation efforts.
- The result for FY2021 was a reduction of 23.7% compared to FY2010.
- In promoting the Suzuki Environmental Plan 2025, we aim to further develop and spread electrification technologies and aim to contribute to the reduction of CO<sub>2</sub> emissions by achieving the Suzuki Environmental Vision 2050.

#### ■ Trends in reduction of global average CO<sub>2</sub> emissions of new models



\*1 Global average CO<sub>2</sub> emissions for new models are calculated according to internal regulations based on CO<sub>2</sub> emissions (fuel efficiency) measured by the methods specified in each country.

#### Global new models

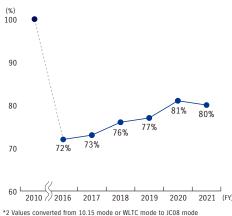
Applies to all new cars Suzuki sells globally

Co2 emissions

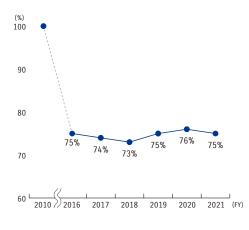
Consideration given to Well-to-Wheel

#### Status of average CO2 reductions in main markets

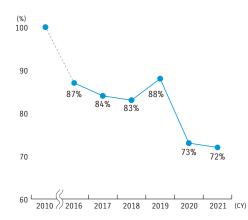
## ■ Status of average CO<sub>2</sub> reductions in Japan\*<sup>2</sup> (passenger cars)



## ■ Status of average CO₂ reductions in India



#### ■ Status of average CO<sub>2</sub> reductions in Europe



#### [Japan]

In FY2021, the average  $CO_2$  reduction rate in Japan was 1% lower than in FY2020. Improvements in fuel efficiency of the Jimny, Jimny Sierra and Every contributed to this reduction.

#### [India]

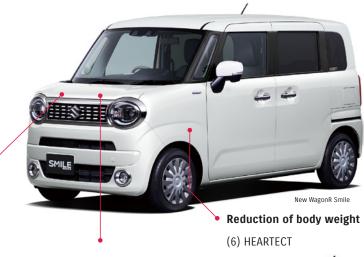
In FY2021, the average CO<sub>2</sub> reduction rate in India was 1% lower than in FY2020 due to the market launch of the new models for Celerio and Baleno and improved fuel efficiency from the new model engine in the WagonR.

#### [Europe]

In CY2021, the average CO<sub>2</sub> reduction rate in Europe improved 1% compared to CY2020 due to an increase in sales of low CO<sub>2</sub> emission vehicles such as the ACROSS and Swift.

Social

## Major fuel efficiency improvement technology

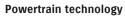


#### Others

(4) Cool-storage air conditioning system(ECO-COOL)(5) IDLING STOP



(7) TECT



- (1) Hybrid system
- (2) ENE-CHARGE
- (3) Fuel-efficient engine





	imp	Fuel efficiency rovement technology	Outline	Major new models launched in FY2021	
(1)	Hybrid system	Hybrid system	Compact system that realizes motor assistance and EV driving, and both high fuel efficiency and strong driving. https://www.suzuki.co.jp/car/technology/hybrid/ (Japanese language only)	SWIFT HYBRID SZ	
	system	Mild Hybrid system	Hybrid system that realizes high fuel efficiency by generating electricity during deceleration and assisting the engine with such electricity upon acceleration. <a href="https://www.suzuki.co.jp/car/technology/mildhybrid/">https://www.suzuki.co.jp/car/technology/mildhybrid/</a> (Japanese language only)	New Baleno (India)	
(2)		ENE-CHARGE	Energy generated during deceleration is used to generate electricity with an alternator (generator) to charge the lead battery and lithium-ion battery. The system achieves high fuel efficiency by supplying that power to electric components. https://www.suzuki.co.jp/car/technology/ene-charge/ (Japanese language only)	New Alto L	
(3)	High fuel effi	DUALJET engine	Engine that realizes both power and environmental performances by increasing thermal efficiency through adopting two injectors per cylinder and homogenizing the air-fuel mix.  Main engines: K12D, R06D <a href="https://www.suzuki.co.jp/car/technology/dje/">https://www.suzuki.co.jp/car/technology/dje/</a> (Japanese language only)	New Celerio (India)	
	High fuel efficiency engine	BOOSTERJET engine	Direct-injection turbo engine that realizes high output and torque.  Main engine: K14D <a href="https://www.suzuki.co.jp/car/technology/bje/">https://www.suzuki.co.jp/car/technology/bje/</a> (Japanese language only)	X BEE HYBRID MZ	
(4)		Cool-storage air conditioning system (ECO-COOL)	System that freezes the freezable substance built in the air conditioning unit with cold air emitted while operating the air conditioner, and maintains cold wind even while sending air in idle-stop mode. <a href="https://www.suzuki.co.jp/car/technology/eco-cool/">https://www.suzuki.co.jp/car/technology/eco-cool/</a> (Japanese language only)	New WagonR Smile	
(5)		IDLING STOP	System that stops the engine automatically when the vehicle speed decreases to a specific level or lower. https://www.suzuki.co.jp/car/technology/idling_stop/ (Japanese language only)		
(6)		HEARTECT	New platform designed by totally changing the major structure and component layout, realizing an improvement in the basic performance and weight reduction. <a href="https://www.suzuki.co.jp/car/technology/heartect/">https://www.suzuki.co.jp/car/technology/heartect/</a> (Japanese language only)	New Alto HYBRID X	
(7)		TECT	A lightweight shock-absorbing body that achieves both high safety and lighter vehicle weight by using high-strength and lightweight materials. It contributes to high fuel efficiency by reducing the burden on engines through lighter weight.  https://www.suzuki.co.jp/car/technology/tect/ (Japanese language only)	-	

Technologies and efforts for fuel efficiency improvement

Main new models launched

in FY2021

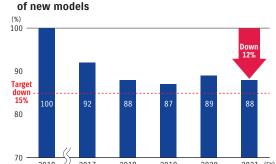
## Motorcycles

### Global average CO2 emissions of new models

Introduction

We are striving to improve fuel efficiency and reduce  $CO_2$  emissions through the improvement in combustion, reduction of friction loss, and weight reduction.

In FY2021, we achieved 12% reduction (compared to FY2010).



■ Trends in reduction of global average CO<sub>2</sub> emissions



(1)		SEP engine	Engine that realized low fuel consumption without reducing power through high fuel efficiency and reducing friction loss.	Address125
(2)	Powertrain	Dual-spark technology	Mechanism equipped with two spark plugs per cylinder that contributes to smooth output characteristics, high fuel-efficiency performance, and reduction of exhaust gas emissions by high combustion efficiency.	BURGMAN 400ABS
(3)		Injection system	Injection system equipped with six sensors* and designed to realize optimum control under various conditions and realize both powerful performance and high fuel efficiency.  * O2 sensor, water-temperature sensor, intake air-temperature sensor, throttle position sensor, intake air-pressure sensor, and crank position sensor	New GSX-S1000GT
(4)		Open-type rectifier	Realized high fuel efficiency with reduced mechanical losses by generating the minimum necessary amount of electricity with magneto.	V-Strom1050
(5)		Improvement in frame	Optimized wall thickness and cross- sectional shape.	New GSX-S1000GT
(6)		Eco-driving assistance system	Eco-drive indicator allows the rider to check fuel-efficiency indicator and fuel-efficient driving at a glance.	BURGMAN 400ABS
(7)		LED headlight LED tail lamp	Aimed to reduce power consumption and increase service life.	New GSX-S1000GT

Outline

#### **Outboard motors**

### Main fuel efficiency improvement technology

Introduction



## **Engine technology**

(1) Lean burn control system



(2) Higher compression ratio

	Technologies and efforts for fuel efficiency improvement	Outline	Main new models launched in FY2021
(1)	Lean burn control system	System to improve fuel efficiency by automatically producing lean air-fuel mixture in accordance with the engine output so that high-efficiency combustion can be achieved.	New DF140B
(2)	Higher compression ratio	Efforts for improving the cooling of the combustion chamber, reducing the temperature of air flow into the combustion chamber, increasing the compression ratio, and improving thermal efficiency.	New DF140B

#### Global CO<sub>2</sub> emissions per unit output

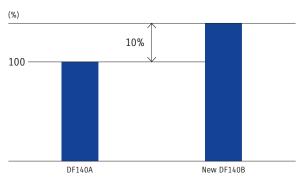
## ■ Trends in reduction of global CO<sub>2</sub> emissions per unit output



### Improved fuel efficiency of new models

The new DF140B, which went on sale in December 2021, achieves up to 10% better fuel efficiency than the previous model through such measures as the adoption of a lean burn control system and higher engine compression ratio.

## Fuel efficiency improvement ratio (when previous model is set at 100)



<sup>\*</sup> The graph shows a comparison based on Suzuki's internal measurement data. There could be differences depending on conditions (weather, sea conditions, type of boat on which mounted, personnel, etc.).

#### Other efforts

#### Introduction of CNG\*1 vehicles

In recent years, India is encountering air pollution concerns due to causes such as global warming in urban areas. Natural gas, which fuels CNG vehicles, is mainly composed of methane (CH<sub>4</sub>) that emits less CO<sub>2</sub> and NOx during combustion compared to oil and coal\*2, so it is expected to suppress expansion of global warming and air pollution.

Introduction

As of June 1, 2022, Maruti Suzuki India offers CNG variants on eight passenger car models including Alto, WagonR, and S-PRESSO, and one type of commercial vehicle is set as a CNG vehicle.

- \*1 CNG (Compressed Natural Gas)
- \*2 Reference: FY 2014 Petroleum Industry Structure Study on the Expansion of Natural Gas Utilization in Light of Recent International Situation, etc. (March 2015), Institute of Energy Fronomics, Janan (Translation)

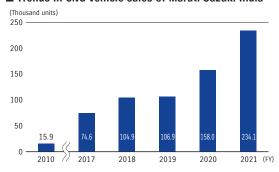




Alto K10 (CNG vehicle)

Grand Vitara (CNG vehicle)

#### ■ Trends in CNG vehicle sales of Maruti Suzuki India



## Converting to refrigerant with low global warming potential

Since HFC-134a refrigerant currently used in car air conditioners has a high global warming potential, we are now developing an air conditioning system using HFO-1234yf refrigerant that has an extremely low global warming potential. We are also promoting the introduction of models that meet restrictions of air conditioning refrigerants in each country and region. In Japan, starting with the Hustler launched in FY2019, Suzuki began installing air conditioners that use HFO-1234yf refrigerant, which is also used in air conditioners installed in the new WagonR Smile and new Alto launched in FY2021.

## **Efforts in business activities**

## **■** Efforts in manufacturing

#### Reduction of CO<sub>2</sub> emissions

The Paris Agreement, which is an international framework aimed at reducing greenhouse gas to limit global warming, has been enacted, and governments of various nations and companies worldwide are promoting actions to reduce the emission of greenhouse gases in order to realize the target of limiting the rise of the global average temperature to less than 2°C.

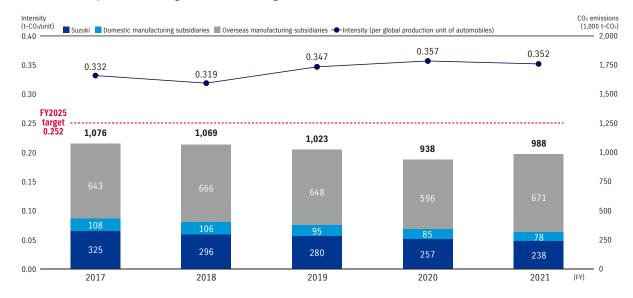
We consider that it is important to globally promote a reduction of  $CO_2$  emissions from plants in order to reduce the effects of greenhouse gas emissions, and make efforts to reduce the amount of  $CO_2$  emissions per production unit (automobile production units) of Suzuki's global manufacturing units by 25% (compared to FY2016) by FY2025 in accordance with the Suzuki Environmental Plan 2025.

The total amount of  $CO_2$  emissions from manufacturing activities in FY2021 was 988,000 t- $CO_2$ /year at Suzuki overall on a global scale, 317,000 t- $CO_2$ /year in Japan, and 671,000 t- $CO_2$ /year overseas. The amount of  $CO_2$  emissions per manufacturing unit was 0.352 t- $CO_2$ /unit.

As reduction initiatives, aside from activities for saving energy and eliminating waste, Suzuki is working to expand solar power generation and purchase CO<sub>2</sub>-free electricity both in Japan and overseas.

Furthermore, manufacturing units have decreased due to external factors such as the global semiconductor supply shortage, and as a result, we have been unable to fully make up for the degradation of production efficiency. We will further promote the effective use of energy and work to reduce intensity.

#### ■ CO<sub>2</sub> emission performance at global manufacturing bases



[Scope of aggregation]

Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), and former Toyokawa Plant (until July 2018)), 4 domestic manufacturing subsidiaries, and 15 overseas manufacturing subsidiaries

[CO<sub>2</sub> conversion factor]

Fuel (excluding city gas) conforms to 2006 IPCC guidelines and city gas conforms to the values published by Chubu Gas.

Electric power conforms to the Act on Promotion of Global Warming Countermeasures (base emission factors among the values published by power companies) in Japan and varies depending on the values of each year from 2010 to 2019 of IEA 2021 overseas.

#### ■ CO<sub>2</sub> emissions by plant

	CO <sub>2</sub> emissions (1,000 t-CO <sub>2</sub> )
lwata Plant	29.6
Kosai Plant	93.1
Osuka Plant	36.9
Sagara Plant	71.3
Hamamatsu Plant	7.7

#### **Energy-saving activities at plants**

All employees participate in daily activities such as reducing air leaks, turning off lights during breaks, and switching off power when plants are not in operation. These efforts are steadily producing results each year.

Introduction

Also, when upgrading the deteriorated production equipment or introducing new equipment for production of new models, we work on building more effective energy-saving plants than ever before by utilizing gravity. downsizing and reducing the weight of equipment, and adopting high-efficiency devices such as LED lights and top-runner devices (motors, transformers).

Furthermore, as one of Suzuki's efforts to reduce CO<sub>2</sub>, we are reconfiguring our supply of energy, such as by converting fuels from LPG to city gas at the Osuka Plant and Kosai Plant. Extending this conversion to the Iwata Plant and Sagara Plant is also under consideration.

The amount of CO2 reduction at domestic and overseas plants and reduction according to activities are shown on the right.

#### Promoting the use of renewable energy

Suzuki promotes the use of renewable energy as an integral part of its global warming countermeasures.

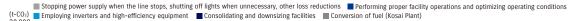
Suzuki is proceeding with the installation of solar power facilities at its domestic plants, which it has been working on from before, and has introduced these facilities on land adjacent to the Sagara Plant (Makinohara) as well as at the Hamamatsu Maisaka-Nishi Solar Power Plant, and Hamamatsu Plant. In 2021, we also began partly using the Iwata Plant for solar power generation, and intend to continue installing solar power facilities at other plants in the future.

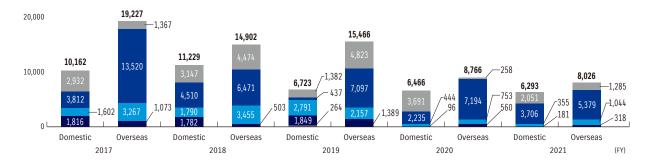
Suzuki has also installed two wind power generation facilities at the Kosai Plant and one at its training center.

At overseas plants, Maruti Suzuki India Limited, Suzuki Motor Gujarat Private Limited, and Suzuki Motorcycle India Private Limited have introduced and are further expanding solar power generation facilities.

We will actively promote the use of renewable energy, both in Japan and overseas.

#### ■ Amount of CO<sub>2</sub> reduction according to activities globally

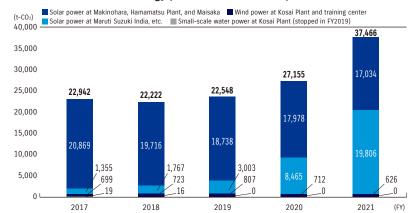




[Scope of aggregation]

Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), and former Toyokawa Plant (until July 2018)) and 15 overseas manufacturing subsidiaries

#### ■ Amount of renewable energy (amount of CO<sub>2</sub> reduced)



#### ■ Electric power generated by renewable energy

	Electric power generation (MWh)
Wind power generation (Kosai Plant, training center)	1,542
Solar power generation (Maruti Suzuki India, Suzuki Motor Gujarat, etc.)	27,417
Solar power generation (Makinohara, Hamamatsu Plant, Maisaka, Iwata Plant)	41,955

#### **TOPICS**

### Suzuki to expand use of electricity from renewable energy in India

Introduction

To achieve carbon neutrality, Suzuki will increase the use of electricity from renewable energy at its automobile plants in India. Suzuki Motor Gujarat Private Limited (SMG), an Indian manufacturing subsidiary of Suzuki, became the first Suzuki Group company to begin procuring electricity from renewable energy by utilizing an off-site corporate PPA\* scheme in which SMG purchases electricity from power generation facilities installed by an energy company outside SMG premises in May 2022.

The power generation facility, which is a hybrid of wind power and solar power (generation output: 17.6 MW), 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.

Furthermore, the solar power generation facility installed by SMG on its premises in 2018 generates 0.5 MW.

Suzuki's Indian subsidiary Maruti Suzuki India Limited (MSIL) has been using electricity from renewable energy sources since 2014, when it installed a solar power generation facility on the premises of its Manesar Plant.

We expanded the solar power generation facilities (20 MW) within the grounds of the Manesar Plant in September 2021 and increased the generating output to 26.3 MW.

With this expansion, MSIL expects to reduce CO<sub>2</sub> emissions by approximately 20,000 tons per year.

In the mid-term management plan, Suzuki aims for zero CO<sub>2</sub> emissions from production in 2050.

We will continue to reduce CO<sub>2</sub> emissions by expanding the use of renewable energy, promoting energy conservation, and implementing daily improvement activities.

\* PPA standards for Power Purchase Agreement





Power generation facility for SMG (provided by ReNew Power Private Limited)





Solar panels installed above the stock yard of Manesar Plant

#### TOPICS

## Adoption by the "Study on Conformity with Demonstration Requirements" for NEDO's International Demonstration Project

Yamanashi Hydrogen Company, Inc. (YHC) and Suzuki Motor Corporation submitted a proposal through a public invitation to the New Energy and Industrial Technology Development Organization (NEDO) for the 2022 International Demonstration Project on Japan's Energy Efficiency Technologies (a study on conformity with demonstration requirements). The proposal titled "Study on Conformity with Demonstration Requirements for Hydrogen Technology to Achieve Efficient Thermal Operation in Indian Factories (Haryana, India)" was adopted.

The project involves considering the feasibility of structuring optimal thermal operation systems in plants through the production of hydrogen with a Power-to-Gas (P2G) system by utilizing excess electricity in India, where the introduction of renewable energy is being

promoted. Research on potentiality in India as well as research on the volume of hydrogen demand and cost, etc. at the Manesar Plant at Maruti Suzuki India Limited\* will be conducted. The project period lasts until March 2023.

YHC and Suzuki will take on the project together to achieve the optimal process for energy conversion in overseas plants where fossil fuels are consumed through Japan's excellent water electrolysis technology in a place with a different meteorological environment to achieve carbon neutrality.

\* Automobile production and sales subsidiary of Suzuki in India

#### **TOPICS**

## Suzuki invests in Fujisan Asagiri Biomass —Contribute to the formation of a recycling-based society—

Introduction

Suzuki Motor Corporation (Suzuki) has invested in Fujisan Asagiri Biomass LLC. (Headquarters: Fujinomiya, Shizuoka, Japan, hereinafter Fujisan Asagiri Biomass).

Fujisan Asagiri Biomass was established in 2021, and owns the Asagiri Biomass Plant. The Asagiri Biomass Plant is scheduled to be operational and start sales of electricity by March 2023.

Fujisan Asagiri Biomass generates electricity at the Asagiri Biomass Plant by fermenting cow dung collected from local dairy farmers and farmers and refining it into biogas for fuel. The generated electricity will be supplied to the area via a local electricity company. The residue (digestive fluid) produced in the fermenting process will be sold as organic fertilizer.

Suzuki aims to contribute to the vitalization of the local community through the investment to Fujisan Asagiri Biomass by using the local resources (cow dung) to generate electricity and produce organic fertilizers. We will also utilize the knowledge and experience that we earn from Fujisan Asagiri Biomass in our biogas demonstration project in India.

Suzuki will contribute to the formation of a recycling-oriented society through the Fujisan Asagiri Biomass and the biogas demonstration project in India.



## ■ Efforts in office activities, etc.

#### Efforts at data centers

At Suzuki's data center, energy-saving facilities are being introduced to reduce the amount of power consumption which increases every year.

#### Transition to high-efficiency air conditioners

Four units of a FMACS®-V hybrid (LL), indirect, outside air-cooling air conditioning system were introduced, thereby reducing annual power consumption by 602,154 kWh compared to FY2021 (an air conditioning facility power reduction rate of 31.43%).

In FY2022, we will continue to update air conditioning facilities while engineering aisle containment\* to improve cooling efficiency.

\* Aisle containment: A method that involves closely sealing a row of racks and separating hot and cool air, thereby lowering the required cooling performance and saving energy

#### Efforts at offices

We determined the guidelines for energy saving action in FY2008, and promote energy saving at offices and the reduction of  $\text{CO}_2$  emissions through a group effort involving all employees.

#### **Guidelines for energy saving action**

We have established a guideline for energy saving action as a part of In-house Cost Cutting Activities, which covers a wide range of activities, for the purpose of promoting energy saving ( $CO_2$  reduction) by individual employees.

## [Guidelines for In-house Cost Cutting Activities (Excerpt)]

- Follow the predetermined temperature settings of air conditioners (cooling at 28°C and warming at 20°C)
- (2) Turn off unnecessary lights
- (3) Save electricity of electrical appliances
- (4) Implement eco-driving
- (5) Computerize documentary forms and minimize printouts of electronic data

#### Introduction of energy-saving facilities

We have been promoting the introduction of LED lighting since FY2012 to promote energy saving at offices. So far, we have changed up to approximately 80% of the lights in offices to LED.

#### Other efforts

#### Reduction of traveling by utilizing IT

We are making efforts in reducing energy consumption from traveling by proactively utilizing a TV conference system, web conference system, and remote work environment.

Suzuki expanded the scope and scale of its remote work environment for partner companies, and enabled employees at partner companies to engage in their tasks without having to come to work at Suzuki, which helped reduce energy consumption from PCs and air conditioners, etc.

Reduction of the number of people traveling: Monthly average number of users: 4,826 people Average number of people per work day: 205 people

#### Promotion of eco-driving

We started eco-driving education in FY2007 as part of our environmental education programs, and since FY2009, we have held seminars focusing on eco-driving at the head office and each plant/office on an as-needed basis. So far, 12,183 people in total have participated in the seminar.

<sup>\*</sup> The above figures are based on results from March 2022

## ■ Efforts at non-manufacturing subsidiaries

Introduction

Our 56 domestic sales distributors and 4 non-manufacturing subsidiaries\* work to save energy in business activities under a common energy-saving goal to "Aggressively promote energy-saving activities toward suppressing global warming by introducing electricity savings and energy-saving facilities." Also, each of our 54 domestic automobile sales distributors have introduced the Environmental Management System. These companies carry out efforts aimed at saving energy and water, reducing waste through a PDCA cycle, and adhering to environmental laws and regulations.

Goal: Aggressively promote energy-saving activities toward suppressing global warming by introducing electricity savings and energy-saving facilities

\* 56 domestic sales distributors: Suzuki Motor Sales Tokyo Inc., Suzuki Motor Sales Kinki Inc., Suzuki Motorcycle Sales Inc., Suzuki Marine Co., Ltd., etc. 4 non-manufacturing subsidiaries: Suzuki Business Co., Ltd., Suzuki Transportation & Packing Co., Ltd., Suzuki PDC, and Suzuki Engineering Co., Ltd.

#### **Promoting energy savings**

We maintain an active awareness of energy savings on a daily basis, such as by efficiently using the air conditioners, lighting and information equipment within stores, and by promoting eco-driving through travel between store locations or to business partners using company-owned cars and commercial vehicles.



Suzuki Motor Sales Okinawa Inc.



Visualization of electricity usage Suzuki Motor Sales Miyagi Inc.



Participation in Cool Earth Day 2021 Suzuki Motor Sales Kvoto Inc.

#### Efforts using IT

We use IT such as the internet as a communication tool in business discussions with customers and talks among employees. We make effective use of customers' and employees' time and reduce the burden of travel, while working to reduce energy consumption and CO2.



Conducting online business discussions Suzuki Motor Sales Okinawa Inc.

Holding online meetings Suzuki Motor Sales Tottori Inc.



Establishing an online sales location Suzuki Motor Sales Tokai Inc.



#### **Environmentally friendly store designs**

We promote the installation of energy-saving devices such as LED lighting equipment and high-efficiency air conditioners at stores. We work to create environmentally friendly stores by, for instance, greening the roofs and installing solar panels on some stores.





Installing LED lights Suzuki Motor Sales Hokuriku Inc.

nstalling LED lights Suzuki Motor Sales Yamagata Inc.



Installing solar power generation equipment Suzuki Motor Sales Keiyo In-



Rooftop greening Suzuki Motor Sales Shiga Inc.



## Efforts in the supply chain, etc.

Introduction

## **■** Efforts in procurement

#### Efforts in the supply chain toward carbon neutrality

To achieve carbon neutrality (net zero  $CO_2$  emissions) by 2050, it is essential to reduce  $CO_2$  emissions in the supply chain, which accounts for approximately 90% of the  $CO_2$  emissions from manufacturing.

Suzuki has been working toward carbon neutrality in its supply chain since 2021. In 2022, we established a dedicated department and began trials to calculate the  $CO_2$  emissions of each business partner by fiscal year and by component in order to gain a detailed understanding of their  $CO_2$  emissions.

In addition, we have begun activities to reduce CO<sub>2</sub> emissions, such as visiting our business partners' manufacturing sites to confirm on-site examples of improvement efforts, introduce Suzuki's goals and examples of improvement, identify issues, and listen to their problems.

## Promotion of environmental conservation with our business partners

# Understanding the situation of CO<sub>2</sub> emissions and information on water risks of our business partners (Japan)

Since 2016, Suzuki has been conducting research on information regarding climate changes and water risks of our domestic business partners with large purchasing amounts. Through the research, we keep track of their Scope 1, 2, and 3 emissions, long-term reduction targets and initiatives, water consumption trends, and status of water risk evaluation. In the FY2021 survey, business partners aware of climate change risks accounted for 94%,

while for water risks, those evaluating physical risks including overflow and drought within the company were 88%, and those evaluating restriction and reputation risks concerning restrictions for water usage and company reputations were 81%. We will continue making efforts in the research while expanding it to overseas business partners as well.

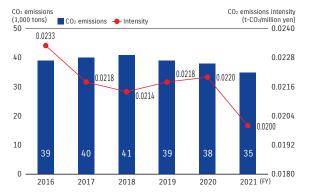
### **■** Efforts in transportation

We are trying to reduce transportation distance, improve transportation efficiency, promote modal shift, increase fuel efficiency of transportation vehicles, etc. in order to reduce CO<sub>2</sub> emissions in domestic transportation.

CO<sub>2</sub> emissions in FY2021 were reduced by 12% compared to FY2016 and by 8% compared to the previous year, to 34,504 t-CO<sub>2</sub>.

 $CO_2$  emissions per sales were improved by 14% compared to FY2016.

#### ■ Trends in CO<sub>2</sub> emissions from domestic transportation



# Reducing the number of transportation trips by improving the loading efficiency of transportation trucks for shipping motorcycle products

By expanding space for motorcycle products awaiting shipment, we increased the loading capacity per shipping truck, thus reducing the number of transportation trips.

Introduction

Corporate Governance

#### **TOPICS**

Suzuki receives the highest ranking "Minister of Economy, Trade and Industry Award" in the 2022 Japan Packaging Contest

-Improved securing material for exported seats by changing to all-cardboard-

Suzuki Motor Corporation received the "Minister of Economy, Trade and Industry Award," the highest ranking in the Japan Star Award of the 2022 Japan Packaging Contest sponsored by the Japan Packaging Institute, for its efforts to improve securing material for exported seats by changing them to all-cardboard.

This packaging was jointly developed with Oji Container Co., Ltd. and was submitted for the award. It was recognized for "changing the securing material from steel to all-cardboard, contributing to weight reduction and carbon neutrality."

Until now, steel securing materials were used for exporting seats overseas, and there was room for improvement in the high cost and the time required for packaging due to the use of bolts for assembly and product fixation. By changing the securing materials to all-cardboard, the following improvements were made.

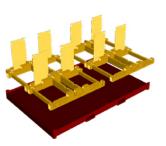
	Improvements	Effect
1. Improved capacity	Increased capacity from 6 to 8 seats per case by changing the packing layout	33% increase
2. Improved workability	Shortened fixing work time by using cardboard securing material, which does not require bolts	83% decrease in fixing the materials (per case) 15% decrease in fixing the seats (per seat)
3. Reduced weight	Reduced securing material weight by 107 tons per year by using lighter materials	77% reduction
4. Reduced cost	Reduced ¥30 million per year in material cost alone	46% reduction

Suzuki will continue to practice "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," conducting its business with economic and environmental considerations in mind.

### **Outline of the Japan Packaging Contest**

The Japan Packaging Contest, sponsored by the Japan Packaging Institute, is held every year to determine the best packaging overall and the best from each award category in terms of everything from design to logistics.

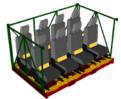
 ${\it Japan Packaging Institute\ website:}\ \underline{\it https://www.jpi.or.jp/english/index.htm}$ 





teel securing material used until now (image)





Improved cardboard securing material (image)

#### **TOPICS**

#### Efforts of Magyar Suzuki Corporation Ltd.

Introduction

Transporting goods by rail or ship is considered more effective than truck transportation in reducing resource consumption and CO<sub>2</sub>.

Magyar Suzuki Corporation transports automobiles by rail from Esztergom, Hungary, where its headquarters are located, to the Port of Zeebrugge in Belgium and uses barges on the Danube River to trans-

port them from Nyergesújfalu to Kelheim, Germany, about 500 km away. By promoting the diversification of transportation methods to include land, rail, and river, it has enabled efficient transportation of automobiles, not only in terms of cost but also in terms of the environment.







#### **TOPICS**

#### Efforts of Maruti Suzuki India Limited

Although truck transportation is the dominant method for transporting finished automobiles in India, Maruti Suzuki India is actively promoting rail transportation. Rail transportation is a method of transportation that allows many vehicles to be transported in a stable manner at one time over long distances. It emits lower amounts of greenhouse gases compared to truck transportation, which makes it effective in global warming prevention.

Maruti Suzuki India uses rail freight cars dedicated to transporting finished vehicles that allow for double stacking to transport approximately 270 finished vehicles per train. It started rail transportation in FY2014, and in FY2021 it transported 233,000 units, or about 15% of all transported finished vehicles, by rail. In the past eight years, it has transported a total of approximately 1.1 million vehicles by rail, resulting in the reduction of 4.8 billion tons of CO<sub>2</sub> in total.

The company will continue to proactively use rail transportation in India. It is currently

constructing railway sidings at its two main automobile production plants, and plans to increase transportation efficiency by loading vehicles directly from the plant premises. In addition, it will expand transportation capacity by increasing the number of freight cars and destinations in order to increase the proportion of rail transportation to 30% by FY2026.





## **Air Conservation**

Introduction

	Suzuki Environmental Vision 2050	Milestone 2030
Air conservation	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

### Basic concept

Suzuki has been promoting air conservation initiatives, including the introduction of low-emission gas vehicles suited to each country's situation. As our main markets are in emerging countries such as India and Southeast Asian countries, we would like to make a larger contribution. For example, by promoting activities to generate and procure electricity derived from renewable energy sources on our own, we will not only reduce global CO<sub>2</sub> emissions

but also contribute to the conservation of the atmospheric environment in the regions in which we operate. In addition, we will introduce powertrains that are suited to the energy and infrastructure situations of each sales country and region from the perspective of product life cycles, as well as strive to reduce volatile organic compounds (VOCs) from production and other processes.

## **Efforts in product use**

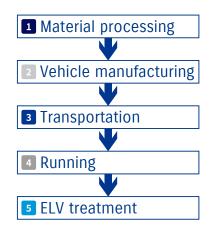
## Calculation of air-polluting substance emissions of products using Life Cycle Assessment (LCA)\*1

Suzuki is promoting the reduction of environmental load throughout product life cycle by calculating the LCA of not only  $CO_2$  but also of air-polluting substances other than  $CO_2$ .

Through promoting electrification, weight reduction, and an increase in the thermal efficiency of engines, they especially contribute to the reduction of air-polluting substances during the running stage.

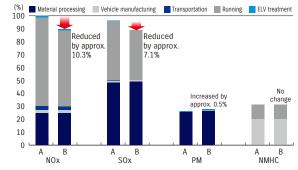
- \*1 Life Cycle Assessment: A method of evaluating a product as a whole by calculating its potential environmental impact at each stage of its life cycle, from raw material processing to disposal.
- \*2 Evaluation results are shown as an index in order to check the relative environmental improvement effect.

#### ■ Suzuki LCA Stages



#### ■ Ratios of air-polluting substance emissions (%)

Example: Swift (ratio of NOx emissions with the previous model as 100%)



- A: Previous model installed with ENE-CHARGE (launched in July 2013)
- B: New model installed with Mild Hybrid (launched in July 2017)
- NOx: Nitrogen Oxide SOx: Sulfur Oxide
- PM: Particulate Matter
- NMHC: Non Methane Hydrocarbons

## ■ Efforts in design and development

### Efforts in emission gas reduction

## (Automobiles) Reduction of hazardous elements within emission gas

In order to satisfy emission gas control regulations that are getting more stringent all over the world while improving combustion technologies of engines, we have been promoting improvement in the performance of emission gas purification. Also, from the view of preserving resources, we are making efforts to reduce the precious metals and rare earths used for catalysts.

We are making efforts to clean emission gas throughout the world by adopting purification technologies that meet the needs of each market, such as a zone-coated catalyst that concentrates precious metals effective for the purification performance in cold engine starts at the front section of the catalyst, a catalyst that suppresses heat deterioration, and a gasoline particulate filter (GPF) that removes PM (particulate matter) from direct-injection turbo engines.



Cleans emission gas by collecting PM (particulate matter) contained in exhaust gas

#### (Motorcycles) Reducing emission gas

We are striving to reduce emission gas by complying with the Euro5 standards and the 2020 domestic emission gas regulations.

The new GSX-S1000GT, launched in February 2022, complies with the 2020 domestic emission gas regulations by improving the cam profile and optimizing spark timing and catalyst specifications.



#### (Outboard motors) Reducing emission gas

Suzuki's four-stroke outboard motors satisfy the 2008 emission gas regulation values set by the California Air Resources Board (CARB), the secondary regulation values set by the U.S. Environmental Protection Agency (EPA), and the 2011 marine engine emission voluntary regulation values (secondary regulation) set by the Japan Marine Industry Association.

## Efforts in reducing chemical substances

Introduction

#### Reducing VOCs (volatile organic compounds)\*1 in the cabin

In order to provide safe and secure products to customers, we are making efforts in reducing cabin VOCs by using materials, bonding agents, etc. that emit less VOCs for automobile interior parts. For all new domestic automobile models sold since January 2006, we have successfully achieved lower cabin VOC levels than the target set by the automobile industry\*2. In FY2021, we achieved the target for models including the new Alto and the Escudo. We are also taking the lead in responding to new regulations that are being considered in Europe for the future.

In addition, we are making efforts in reducing odors from interior parts and reducing cabin odor to promote a more comfortable cabin environment.

- \*1 VOCs are deemed to be a cause of sick building syndrome (bringing about a headache and/or sore throat) and has been gaining attention for its impact on health.
- \*2 Japan Automobile Manufacturers Association (JAMA) has been making voluntary efforts to satisfy the guideline values for vehicle cabin VOCs on substances defined by Japan's Ministry of Health, Labour and Welfare, on new passenger car models sold from April 2007 and new commercial vehicle models sold from April 2008.





VOC measurement in the cabin (the new Alto)

## Efforts in reducing noise

#### (Motorcycles) Reducing noise

Suzuki motorcycles meet noise regulations, such as the 2016 regulation in Japan, UN R41-04 in Europe, and 40 CFR Part 205 in the United States.

#### Product example -

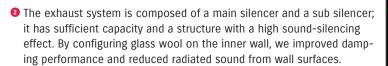
The following describes our noise regulation efforts, taking the new GSX-S1000GT as an example.

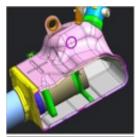
To comply with the latest domestic noise regulations, the new GSX-S1000GT adopts many structures with high noise reduction while also being designed to minimize weight increase.

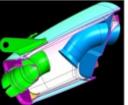
1 The air cleaner has sufficient capacity and reduces intake noise; ribs configured on the upper case increase rigidity to reduce radiated sound from wall surfaces.











## **Efforts in business activities**

Introduction

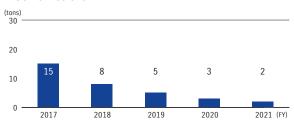
## **■** Efforts in production

### Efforts in reducing emission gas

#### Control of SOx and NOx emissions

In order to prevent air pollution, we are making efforts to maintain and control SOx (sulfur oxides) and NOx (nitrogen oxides) emissions from boilers, etc. by setting voluntary standards that are higher than the regulation values.

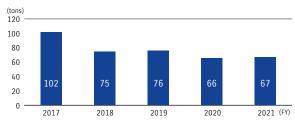
#### ■ S0x emissions\*



\* SOx emissions are calculated based on fuel consumption from January to December. [Scope of aggregation]

Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), former Toyokawa Plant (until July 2018), and the die plant

#### ■ NOx emissions



[Scope of aggregation]

Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), former Toyokawa Plant (until July 2018), and the die plant

### Efforts in reducing chemical substances

Social

#### **VOC** reduction in the painting process

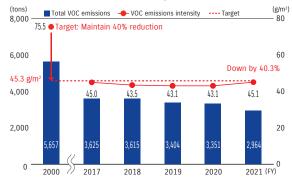
We are working to reduce emissions of VOC solvents used in the painting process.

In Suzuki Environmental Plan 2025, we set a target of reducing VOC emissions per painting area in domestic plant painting processes by 50% or more compared to FY2000. We will maintain emissions at 40% compared to FY2000 and aim to achieve the target of Suzuki Environmental Plan 2025 by expanding the use of water-based paint during the renewal of paint plants.

The total emissions in FY2021, including painting of automobile bodies, bumpers, and motorcycles, were 2,964 tons/year. VOC emissions intensity was  $45.1~g/m^2$ , down by 40.3%, achieving the target to maintain 40% reduction compared to FY2000.

We will continue to improve the painting method and take other measures to reduce VOC emissions.

#### ■ VOC emissions in the painting process



[Scope of aggregation]

Domestic plants with each painting process of automobile body, motorcycle, and bumpers (Iwata Plant, Kosai Plant, former Toyokawa Plant (until FY2018), Hamamatsu Plant, and Sagara Plant)



#### Efforts in reducing odor and noise

Although we strictly follow the relevant regulations and laws, odors and noises may still make local residents uncomfortable. Compliance with the laws and regulations, which is the basis of sustainability, is the minimum responsibility. Aiming for plants that are trusted by the local community, we will continuously promote necessary measures for the prevention of noise and odor and the elimination of their potential sources.

**Environmental** 

## **Water Resource**

Introduction

	Suzuki Environmental Vision 2050	Milestone 2030
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

#### Basic concept

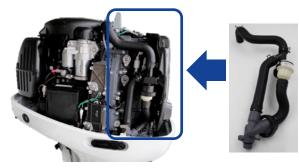
Water resources are the source of all life and the foundation of human economic activities. However, only 0.01% of the earth's water is freshwater that humans can use. Furthermore, due to recent climate change and population growth, the supply and demand of water resources is expected to be strained in the future. Especially in India and Southeast Asia, Suzuki's main markets, rapid industrialization has led to excessive water withdrawal and water pollution. In light of these regional characteristics, Suzuki will assess the water risks of each of its sites and suppliers and promote water resource management according to the risk situation. In addition, to achieve sustainable use of limited water resources, we will promote the thorough reduction of water withdrawal and purification of discharged water at production sites that use large amounts of water.

## **Efforts in product use**

## **■** Efforts in design and development

Efforts in the development of a device that collects marine plastic waste: Developed the world's first Micro-Plastic Collecting Device for outboard motors

Marine plastic waste has become a significant environmental issue in recent years, and a huge amount of such waste that has not been gathered correctly flows into the ocean. This waste is then broken down into microplastics in the natural environment, and its impact on the ecological system is becoming a concern. To tackle this issue, we focused on the structure of the outboard motor, which pumps up a large volume of seawater to cool the engine and then returns it to the ocean. We developed a filter-type collecting device which can be attached to the hose for return water. Through this device, microplastic waste near the water's surface can be collected just by running the boat. The device does not affect the engine's performance since it only utilizes the returning water that has already been used to cool the engine.



Outboard motor installed with the Micro-Plastic Collecting Device

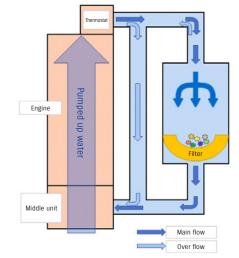


Diagram of the Micro-Plastic Collecting Device

## **Efforts in business activities**

Introduction

## **■** Efforts in production

#### Efficient use of water resources

#### Reduction of water consumption

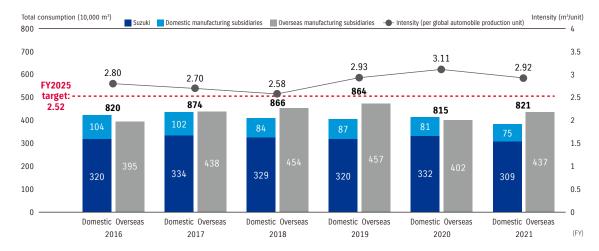
Under the Suzuki Environmental Plan 2025, Suzuki is working to reduce water consumption by setting a target of a 10% reduction in water consumption intensity by FY2025 compared to FY2016, using the global automobile production volume as the denominator for water consumption intensity.

The Suzuki Group is making efforts to reduce the

amount of water used through water-saving and reusing wastewater in domestic and overseas plants. Specifically, we are adopting airtight cooling towers, utilizing aircooled systems for compact air conditioners, and using cooling water. Maruti Suzuki India and Suzuki Motor Gujarat, which have a particularly severe water shortage problem, achieved zero drainage discharge to the outside by reusing wastewater, using it for gardening on their premises and introducing water-saving air-cooling systems for their facilities.

The amount of water used in FY2021 in Japan decreased by 7% compared to the previous year, resulting in 3.84 million m<sup>3</sup>. At overseas manufacturing subsidiaries, it increased by 9%, resulting in 4.37 million m<sup>3</sup>.

#### ■ Trends in global water consumption



[Scope of aggregation]

Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), former Toyokawa Plant (until July 2018), and the die plant), 4 domestic manufacturing subsidiaries, and 15 overseas manufacturing subsidiaries

The intensity decreased by 6% compared to the previous year from 3.11 m³/unit to 2.92 m³/unit.

In order to achieve our targets for FY2025, we will promote facility upgrades and water-saving. We plan to introduce production equipment that uses less water at newly established plants and old plants that have been updated.

#### Efforts to prevent sewage spills

For the purpose of water quality management and maintenance, our environmental analysis department periodically conducts environmental measurements of plant effluent, groundwater, water used in factory processes, and industrial water to check the possibility of sewage spills from any plant. If any abnormality should be found in the water quality, a system is in place to inform the relevant department and take immediate and proper measures.

We were registered as an "Environmental Measurement and Certification Business (Concentration)" under the Measurement Act in 1994. Since then, we have continued to conduct measurement and certification of wastewater and industrial waste from the business sites of Suzuki Group companies, thereby promoting Group-wide activities for the prevention of contaminant outflow.



Environmental analysis

#### **Purification of plant effluent**

Industrial wastewater and sewage generated from plants are purified at our wastewater treatment facility before being released to rivers or public sewerage. In discharging wastewater, we strive to reduce substances of concern by setting voluntary standards stricter than the wastewater standards specified in laws and restrictions.

Introduction

Under the Suzuki Environmental Plan 2025, we are working to reduce water consumption and regularly monitor the intensity of wastewater per global automobile production unit.

We will continue striving to reduce water consumption while maintaining the quality of discharged water.

#### Efforts to prevent soil and groundwater contamination

## Efforts for prevention of the proliferation of soil contamination

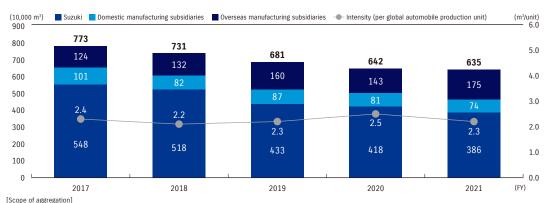
From FY2015 to FY2016, all 16 domestic plants and domestic manufacturing subsidiaries conducted an investigation of the history of the land in order to record information about the risks of soil contamination due to chemical substances, etc., used in the past. Based on this investigation, we conduct soil surveys when making changes to the character of land that is at risk of soil contamination and are making efforts in purifying and removing contamination appropriately when soil contamination is found.

In FY2021, we conducted soil surveys five times at our domestic plants, and soil contamination was found in two out of five cases. We removed the soil contamination by excavation.

#### • Efforts for cleanup of groundwater

Since the organic chlorine compounds (trichloroethylene and cis-1, 2-dichloroethylene) were discovered in the ground water at the head office and the former Takatsuka Plant in January 1999, we have continued the groundwater cleanup efforts and have conducted measurements along the plant's site boundaries. In addition, we started

#### ■ Trends in global wastewater volume



Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), former Toyokawa Plant (until July 2018), and the die plant), 4 domestic manufacturing subsidiaries. and 15 overseas manufacturing subsidiaries

bioremediation in March 2015 for groundwater cleanup using microorganisms to complete the purification as early as possible. Through the effects of bioremediation, we aim to complete the cleanup of groundwater contamination.

## **■** Efforts in office activities, etc.

## Thorough water-saving at offices and employee dormitories

In order to aggressively reduce water consumption, we are making efforts in raising awareness of water-saving such as by announcing specific measures and posting water-saving awareness posters in restrooms and kitchens. We are also making efforts in reducing water consumption, such as by installing automated faucets for hand washing and introducing water-saving equipment.

## **Resource Circulation**

Introduction

	Suzuki Environmental Vision 2050	Milestone 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

#### Basic concept

The consumption of natural resources is increasing globally due to worldwide population growth and economic growth of emerging countries. If this continues, resource depletion caused by large-scale mining and environmental pollution due to increased waste from mass consumption may become more serious. In particular, there is great concern regarding the future depletion of useful resources such as rare metals used in secondary (rechargeable) batteries for propulsion of electric vehicles, and there is a need to recycle these resources.

Furthermore, for regions that do not have adequate systems for the disposal of end-of-life vehicles, there are concerns that this could easily lead to illegal dumping and improper disposal of vehicles and parts, which would cause various problems such as environmental pollution and health hazards due to the leakage of dangerous substances. In light of this situation, Suzuki will focus not only on its own products, but also on creating a system to safely collect and process recyclable resources from end-of-life vehicles without impacting the environment.

Corporate Governance

## **Efforts in product use**

## **■** Efforts in design and development

## Efforts in reducing

#### Continuation of designs aimed at reducing materials

Introduction

Among the 3Rs, the first priority should be reducing (emission reduction). Under the policy of "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," Suzuki is promoting reduction of emissions by thoroughly reducing materials used and reducing weight.

For example, exterior parts such as the front and rear bumpers and front and rear fender linings of the new Alto launched in December 2021 have been slimmed.

#### Adopting plant-derived resin (bio polycarbonate)

Suzuki is adopting bio polycarbonate resin (bio PC), which

is primarily made of plant-derived isosorbide, for automobile parts. In doing so, we are contributing to efficient use through the adoption of petroleum-free raw materials. Bio PC produces great color, and by coloring the resin material, it creates an appearance equivalent to that of painted resin, thereby enabling the reduction of  $\text{CO}_2$  and VOCs by eliminating the painting process.

Bio PC was first adopted for the interior color panels of the first-generation Hustler in 2014, and since then, it has been adopted for interior parts of the Lapin, Spacia, WagonR, Jimny, Swift, XBEE, and the second-generation Hustler. After adopting bio PC for the first-generation Hustler, we developed the second-generation bio PC with improved shock resistance, and the third-generation bio PC with improved shock resistance and appearance, and we expanded the number of models using them. In 2021, it was adopted on the front grille (exterior part) of the S-CROSS launched in Europe, and the total amount used

in all models in 2021 was 155 tons/year.

Suzuki will continue to expand the adoption of bio PC by using these materials and technologies for forming and molding pre-colored resin materials.



Second-generation Hustler



The new S-CROSS



## Efforts in recycling

## Adoption of recyclable resin materials

Automobile manufacturing that takes recycling into account (recyclable design) is an important initiative in vehicle design.

Introduction

Suzuki always tries to create eco-friendly vehicles, such as by employing easy-to-recycle materials for exterior and interior resin parts.

■ Major components using recyclable resin materials (Example: Exterior of the new Alto)



■ Major components using recyclable resin materials (Example: Interior of the new Alto)



#### Design with consideration for recycling

We consider recyclability from the design and development stage for new vehicles, and we are working to create vehicles that are simple to dismantle and disassemble.



Weather strip

Structure that allows for easy removal without using tools

**Door glass run** Structure that allows for easy removal without using tools

Structure that allows for removal without removing other parts such as rear combination lights



Instrument panel center garnish

Structure that allows for easy removal with clip joints

#### Development and design with consideration for weight reduction

Introduction

The seat rail on the frame of the new GSX-S1000GT has a straight pipe line and optimum pipe size that provide rigidity and strength required for sport riding with high engine power and load from the installed genuine pannier case, while maintaining the same weight as previous models.

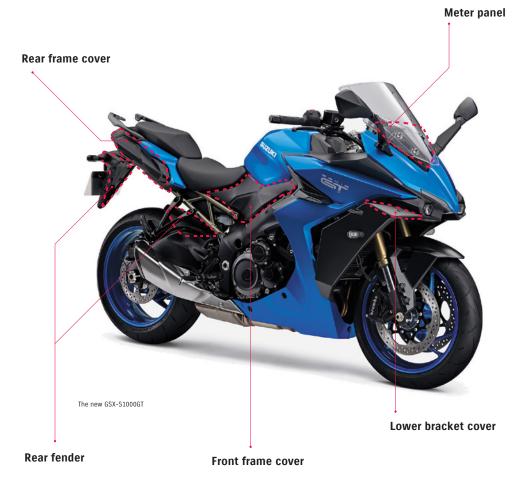




The new GSX-S1000GT

#### Adoption of recyclable resin materials

Suzuki is making efforts to incorporate recycling in the design and development of motorcycles. We use easily recyclable PP resin materials in the exterior parts of the new GSX-S1000GT shown below.



## **Efforts for end-of-life vehicles**

## Efforts in end-of-life vehicle collection and recycling

Introduction

## Efforts in reusing

#### Rebuilt parts (reused parts) for repair\*

In order to use natural resources effectively and reduce the financial burden on customers, Suzuki deals with rebuilt parts for automatic transmission, including CVT.

\* Rebuilt parts are parts that are removed and collected at the time of repair; the parts are refurbished by replacing any damaged or worn sections, and then undergo final inspections.

## Development of reuse technology for used lithium-ion batteries

We have developed technology for secondary use (reuse) of small used lithium-ion batteries collected from end-of-life vehicles to be used as power sources for solar streetlights.

Lithium-ion batteries have been adopted for the WagonR (launched in September 2012), which was equipped with ENE-CHARGE as a low fuel consumption technology, and have since been used in S-ENE CHARGE, Mild Hybrid, and Hybrid models.

Until now, we have disposed of small used lithium-ion batteries that have some life remaining, but now it is possible to reuse the batteries from 10 end-of-life vehicles to power a solar streetlight. This technology paves the way for effective utilization of small used lithium-ion batteries, which will be generated in increasing quantities in the future.

This development of this technology was undertaken over a three-year period from FY2019 to FY2021 under the Advanced Auto Recycling Project, which utilizes funds from the automobile recycling surplus balance.

The lithium-ion batteries used for solar streetlights are the same lithium-ion batteries used in Mild Hybrid vehicles.









#### Efforts in recycling

#### Efforts to comply with recycling laws in Japan

Introduction

Efforts to comply with the Automobile Recycling Law
 In accordance with the Automobile Recycling Law\*1
 enacted in January 2005, we collect and recycle shredder scraps (ASR\*2), airbags, and CFCs from end-of-life vehicles.
 Implementation in FY2021 (from April 2021 to March 2022) is as follows.

#### Collection and recycling of ASR

Our ASR recycling rate was 96.4% in FY2021, and since FY2008, we have continuously achieved the legal standard enacted in FY2015 (70% or higher). We have achieved a vehicle recycling rate of 99.3%\*3.

We are promoting the collection and recycling of ASRs through ART\*4 formed by 13 automobile manufacturers, etc. (as of March 31, 2022), including Nissan Motor Co., Ltd., Mazda Motor Corporation, and Mitsubishi Motors Corporation, working together with recycling companies nationwide for the purposes of complying with regulatory requirements, properly disposing of waste, increasing recycling rates, and reducing disposal costs.

#### Collection and recycling of airbags and CFCs

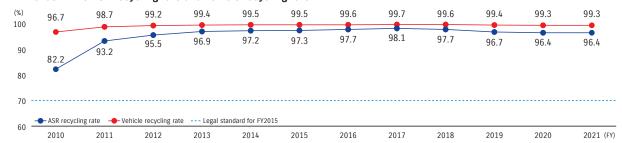
In FY2021, our airbag recycling rate was 95.1%, and since FY2004, we have continuously achieved or fulfilled the legal standard (85% or higher). The amount of CFCs that we collected and disposed of was 78.2 tons. For the collection and recycling of airbags and collection and disposal of CFCs, Suzuki and all manufacturers organized the Japan Auto Recycling Partnership for working together with recycling companies throughout the nation. In order to make continuous efforts to further promote end-of-life vehicle recycling, we will design easy-to-recycle products, conserve and effectively use resources, reduce waste, reduce the cost of recycling, and establish a stable recycling system.

- \*1 Automobile Recycling Law: Formal name "Act on Recycling, etc. of End-of-Life Vehicles"
- \*2 ASR: Automobile Shredder Residue
- \*3 Calculated as the percentage recycled up to the dismantling and shredding processes (approximately 83%, quoted from the May 2003 joint council report), plus the remaining ASR ratio of 17% multiplied by the ASR recycling rate of 97%
- \*4 Abbreviation for Automobile shredder residue Recycling promotion Team

Please refer to the following website concerning our automobile recycling initiatives (language only)

http://www.suzuki.co.jp/about/csr/recycle/index.html

#### ■ Trends in the ASR recycling rate and vehicle recycling rate



#### Efforts for recycling overseas

In India, Maruti Suzuki India established Maruti Suzuki Toyotsu India Private Limited, a joint venture with the Toyota Tsusho Group for proper dismantling and recycling of ELVs, ahead of legislation being passed, and started operation of a model facility for proper disposal of ELVs in October 2021. It aims to reduce illegal dumping of vehicles and parts and also tackle environmental issues including global warming and soil and water contamination.

In the European Union, according to the End-of-Life Vehicles Directive (ELV Directive: 2000/53/EC), and the Batteries Directive (2006/66/EC), we are promoting the collection and recycling of ELVs and batteries, etc. in accordance with the laws, regulations, and conditions of each country.

In addition, we provide information on the dismantling of new automobile models to disposal companies in a timely manner through the International Dismantling Information System (IDIS), which is jointly organized by automobile manufacturers. Moreover, in accordance with the EU's Reusability. Recyclability, and Recoverability Directive (RRR Directive: 2005/64/EC), it is required that new vehicles shall be recyclable to a minimum of 95% as a condition for receiving the type-approval of motor vehicles. To satisfy the requirements of the directive, we were audited by an authorized auditing agency on our systems and structures for collecting material data and verifying substances of concern. As a result, we acquired a Certificate of Compliance (COCom) in August 2008 and RRR Directive approval for all of our vehicles sold in Europe. Then, due to the revision of the European RRR Directive (2009/1/EC), we were audited again by an authorized auditing agency and obtained a new COCom in October 2011, which has been renewed every other year since then, and our new models have received type-approval based on the revised Directive.

#### Voluntary recycling efforts

#### Efforts for recycling of bumpers

Introduction

In an effort to use resources more effectively, we have been collecting and recycling used bumpers that have been removed from automobiles by distributors at the time of repair or replacement. Initially, used bumpers were collected from distributors in their original form. Since 2000, however, they have been collected after being shredded by bumper shredding machines, which have been installed at distributors nationwide (with some exceptions). Additional bumper shredding machines were introduced or added in FY2012. As a result, the volume of the bumpers at the time of transportation was reduced to one-sixth of the previous volume, allowing for a reduction of logistics-related CO<sub>2</sub> emissions due to efficient transportation. At present, collected bumpers are recycled and reused to produce automotive parts such as fuel filler hose covers, side deck insulator covers, battery holders, engine undercovers, and foot rests. In FY2021, approximately 74,000 used bumpers were collected.

#### **Recycling of batteries**

## Collection and recycling of used lithium-ion batteries in Japan

Lithium-ion batteries are employed by models using the low fuel consumption technologies ENE-CHARGE, S-ENE CHARGE, Mild Hybrid, and Hybrid. Since launching the WagonR equipped with ENE-CHARGE in 2012, Suzuki has been working to recycle used batteries by establishing a system to collect and properly dispose of used lithium-ion batteries when disposing of those vehicles equipped with lithium-ion batteries. In October 2018, in conjunction with the start of a free collection system for lithium-ion batteries with the Japan Auto Recycling Partnership as the point of contact, Suzuki joined the collection system. By FY2021, a total of 13,370 batteries were collected. For more details of collection and recycling of used lithium-ion batteries, access the following website. (Japanese language only)

http://www.suzuki.co.jp/about/csr/recycle/battery/index.html

## Collection and recycling of used lithium-ion batteries overseas

In Europe (the EU and EFTA), we launched the Ignis, Swift, Vitara, and the new S-CROSS equipped with the SHVS Mild Hybrid system that uses lithium-ion batteries, and the Vitara equipped with a strong hybrid system.

We have built a system for collecting and recycling used lithium-ion batteries according to the EU's Batteries Directive (2006/66/EC), and the laws, regulations, and conditions of each country.

In India, we have launched SHVS-equipped models such as Ciaz, Ertiga, and XL6, and Maruti Suzuki India has established a collection and recycling system for used lithium-ion batteries.

#### Examples of parts using recycled materials derived from replaced bumpers



Fuel filler hose cover of the Carry



Side deck insulator cover of the Carry

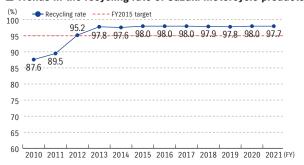
#### Regarding voluntary motorcycle recycling efforts

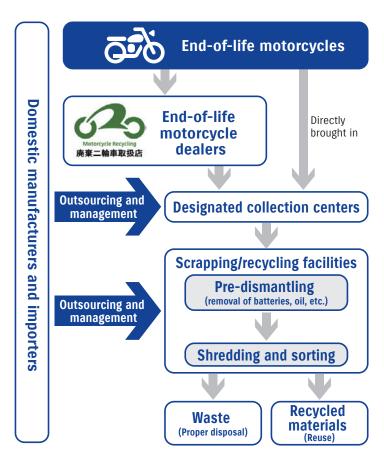
Introduction

Our voluntary motorcycle recycling efforts were launched in October 2004, with the participation of four domestic motorcycle manufacturers and three importers (as of October 2022). These efforts have established a recycling system that is in line with the actual distribution of motorcycles in Japan and involves the disposal, scrapping, and recycling of used motorcycles. In October 2011, we began the collection of motorcycles at the time of disposal free of charge. End-of-life motorcycles are taken back at end-of-life motorcycle dealers and designated collection centers throughout the nation for the convenience of our customers. These motorcycles are then collected at 13 scrapping/recycling facilities nationwide, where they are dismantled, shredded, and sorted. Those that can be used as recycled materials are reused, while other waste materials are properly disposed of. Suzuki's recycling rate in FY2021 was 97.7% on a weight basis, achieving the recycling rate target of 95%.

For more details, access the following websites.
For more details on Suzuki's voluntary motorcycle recycling efforts, access the following website. (Japanese language only) <a href="http://www1.suzuki.co.jp/motor/recycle/index.html">http://www1.suzuki.co.jp/motor/recycle/index.html</a>
For details of the Japan Automobile Recycling Promotion Center, access the following website. (For motorcycle recycling) <a href="https://www.jarc.or.jp/en/motorcycle/">https://www.jarc.or.jp/en/motorcycle/</a>

#### ■ Trends in the recycling rate of Suzuki motorcycle products (from FY2010 to FY2021)





#### Voluntary efforts for recycling FRP\* boats

Introduction

Suzuki actively participates in a program called the "FRP Boat Recycling System" voluntarily promoted by the Japan Marine Industry Association together with six other major manufacturing companies.

The "FRP Boat Recycling System" has been developing nationwide since 2007 in order to prevent inappropriate scrapping of boats due to their product characteristics (such as large size, long life, and used nationwide yet small in volume) and to facilitate such scrapping for users. In the "FRP Boat Recycling System," scrapped FRP boats collected at a designated collection center are roughly disassembled. Then, FRP scraps are transported to an intermediate processing plant, further scrapped, sorted, and finally baked to make cement, thereby carrying out recycling (material thermal recycling). This system is certified by verification tests conducted by the Ministry of Land, Infrastructure, Transport and Tourism, and realizes a recycling system at low cost by collecting, disassembling, and scrapping FRP boats over a wide area.

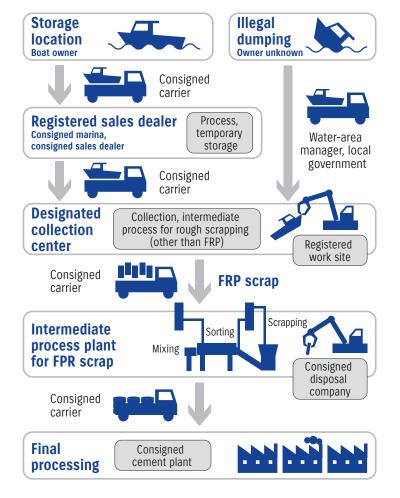
\* FRP (Fiber-reinforced plastic)

For details, please see the following websites (Japanese language only).

Suzuki Voluntary Efforts for FRP Boat Recycling System <a href="http://www1.suzuki.co.jp/marine/marinelife/recycle/index.html">http://www1.suzuki.co.jp/marine/marinelife/recycle/index.html</a>

Japan Marine Industry Association (Guide for FRP Boat Recycling System)

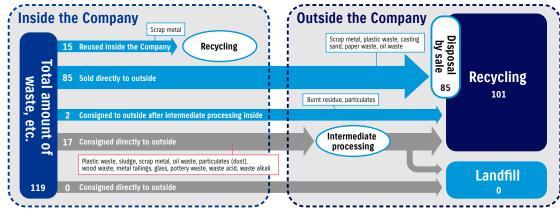
<a href="http://www.marine-ibia.or.jp/recycle/index.html">http://www.marine-ibia.or.jp/recycle/index.html</a>



#### **Efforts in business activities**

#### **■** Efforts in production

■ Flow of waste, etc.\* (1,000 tons/year)



<sup>\*</sup> Waste, etc.: Combination of waste and recyclable materials

Note: The scope of aggregation is domestic plants

#### Reduction of waste materials

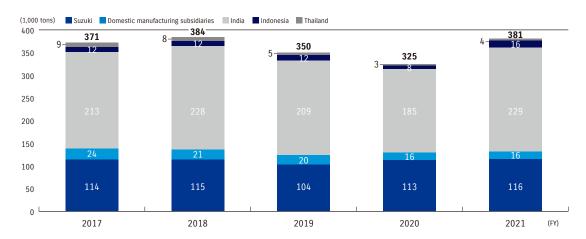
#### Total waste discharge amount

The total amount of waste discharge at Suzuki and domestic manufacturing subsidiaries was 132,000 tons (up 2% from the previous year), and the global total of generated waste including Japan was 381,000 tons. Also, there are no exports/imports of hazardous wastes as specified in the Basel Convention.

[Scope of aggregation]

Suzuki (lwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), and a die plant), 4 domestic Manfacturing subsidiaries, and 6 overseas manufacturing subsidiaries (in India, Indonesia, and Thailand)

#### ■ Trends in total global waste discharge amount



Data

#### **Reduction of landfill amount**

In FY2021, while Suzuki and domestic manufacturing subsidiaries achieved a zero-level\*1 landfill amount, the global landfill amount\*2 was 321 tons (up 23% from the previous year).

Introduction

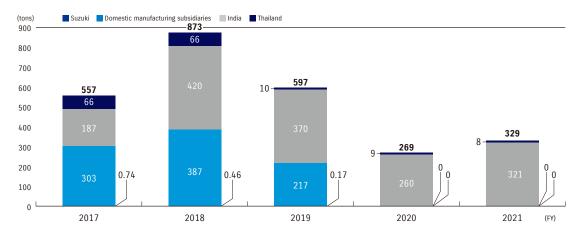
Looking ahead, we will maintain zero-level landfill waste amounts in Japan and promote a conversion to recycling at our overseas bases.

- \*1 Definition of the zero-level
- Plants and die plant in Japan: The total amount of landfill waste is less than 0.5% of the amount in FY1990 (24,675 tons).
- Domestic manufacturing subsidiaries: The total amount of landfill is less than 0.5% of the amount in FY2002 (1,370 tons).
- \*2 As a result of revising the aggregation method in FY2018, results before FY2017 were also amended.

[Scope of aggregation]

Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, former Takatsuka Plant (until July 2018), former Toyokawa Plant (until July 2018), and die plant), 4 domestic manufacturing subsidiaries, and 5 overseas manufacturing subsidiaries (in India and Thailand)

#### ■ Trends in global landfill amount



#### **■** Efforts in office activities, etc.

At Suzuki's head office, generated paper waste was previously burned for thermal recycling (reused as heat energy). Since July 2005, however, material recycling has been conducted, instead of thermal recycling, through separate collection of office documents, newspapers and magazines, cardboard boxes, etc. In FY2021, 353 tons of paper waste were recycled.

Social

# Resource Circulation

#### Efforts in the supply chain, etc.

Introduction

#### **■** Efforts in transportation

#### Efforts to reduce waste

# Reducing plastic from outboard motor products and spare parts packaging

To reduce the amount of plastic waste generated from our business activities, in 2020 we commenced activities to reduce the amount of plastic packaging of outboard motors and spare parts. These activities were undertaken while first considering (1) whether we can stop using plastic, followed by (2) whether we can reduce the amount of plastic use, and (3) whether we can change to a material with minimal environmental load. Starting from September 2021, we changed a portion of the product packaging material from plastic material to rayon and paper. We also changed the packaging for spare parts of 397 products from plastic material to paper starting with the October 2020 production. From the beginning of the activities up to March 2022, the total amount of plastic reduction reached approximately 11 tons.

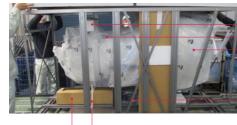




Paper used as a plastic substitute material for packaging of outboard motor spare parts Plastic material (top) and paper material (bottom)



(1) Exterior carton fixing



- (2) Lower unit presser (3) Body cover
- (4) E/G cover
- (5) Harness bag (6) Harness bag fixing
- (7) Bundled box fixing
- Bundled box:
- (8) Tool box
- (9) Transom plate
- (10) Bundled parts bag

Adopted plastic substitute materials for (1) to (10) for outboard motor packaging and product packaging

#### Use of returnable containers

<Reduction in weight of packaging materials such as corrugated cardboard used for shipment of spare parts> We are pursuing the use of returnable containers in our domestic shipping of spare parts.

In FY2021, returnable containers were used in approximately 32% of all shipping, which reduced approximately 129 tons of corrugated cardboard.







#### Reuse and recycling efforts

#### Reuse of waste materials

We reuse waste material produced in plants to make cushioning materials in order to prevent damage to spare parts during transportation.

We reused approximately 1.3 tons of corrugated cardboard waste in FY2021.



Reuse of corrugated cardboard

#### **Chemicals**

#### **Efforts in product use**

#### **■** Design and development efforts

#### Promotion of green procurement

We have established the Suzuki Green Procurement Guideline that indicates our policy to purchase ecofriendly parts and materials from suppliers who are making ambitious efforts in environment conservation and agree to our guideline by submitting the Suzuki Green Procurement Promotion Agreement to us.

Introduction

We partially revised this guideline in October 2013 to clarify the matter related to establishment of a substance of concern management system at partner companies, and prepared/added the self-check sheet for the control system. (We have been requesting new and existing suppliers to submit check sheets thereafter. More than 93% of suppliers of production parts have attained outside certifications including ISO 14001.) Also, we work alongside our suppliers to conform to not only existing regulations, such as the European ELV Directive and European Regulation concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), but also various future environmental laws and regulations.

Also, we request business partners to work on reducing environmental loads including (1)  $CO_2$  emissions, (2) VOC emissions, (3) the amount of waste generated, and (4) water usage and (5) to promote energy saving in their business activities.

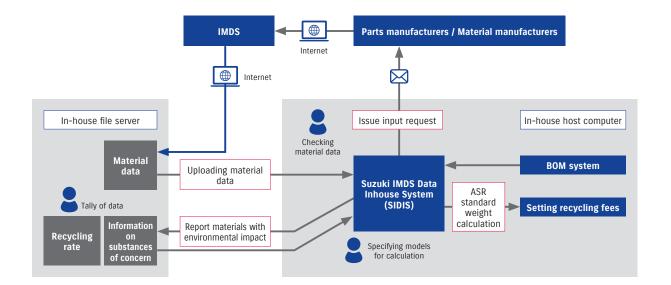
https://www.globalsuzuki.com/corporate/environmental/green\_policy/pdf/suzukiGreenGuideline.pd

#### Management of substances of concern

Social

In recent years, new regulations on substances of concern have been successively increasing on a global basis. Suzuki provides products to customers worldwide and therefore must respond quickly to rapid changes. With this in mind, in 2003 Suzuki began utilizing the International Material Data System (IMDS) for the automobile industry. In addition, Suzuki has built an in-house substance of concern management system (SIDIS, or Suzuki IMDS Data Inhouse System), through which it efficiently gathers information about materials and chemicals used in each part. We use this information to calculate

the recyclability rate, which is a requirement to receive type approval of motor vehicles in Europe, and manage various regulated substances as part of green procurement. In FY2021, Suzuki provided customers with 36 new models that included automobiles, motorcycles, and outboard motors upon confirming that these products complied with regulations for substances of concern. With expectations of a further tightening of regulations, we will strictly comply with these regulations and strive to provide customers with products containing minimal amounts of substances of concern.



<sup>\*</sup> Suzuki Green Procurement Guideline

# Promotion of establishment of the substance of concern management system in overseas bases

#### [Green Procurement Guideline operational audit]

Introduction

As a pillar for managing substances of concern, we formulated the Suzuki Green Procurement Guideline and started its operation sequentially at major overseas production bases from 2011 onward, and conduct an audit aimed at confirming its operation.

#### [Audit for implementation of Asbestos Control Rules]

The use of asbestos is thoroughly prohibited in Suzuki's technical standards. We newly established the Asbestos Control Rules to enforce prohibition of use particularly for parts delivered to overseas plants at each base. The rules require complete prohibition of the use of asbestos by our business partners, and implementing periodic education to relevant parties within the Company. The implementation of these requirements is audited by Suzuki.

#### <FY2021 results>

Five bases: Thai Suzuki Motor Co., Ltd., Vietnam Suzuki Corp., Magyar Suzuki Corporation Ltd. (Hungary), Tai Ling Motor Co., Ltd. (Taiwan), and Jinan Qingqi Suzuki Motorcycle Co., Ltd. (China)

In FY2021, in continuation of the previous year, it was difficult to make visits to overseas plants, so audits were conducted online. In FY2022, we plan for audits to be mainly conducted by visiting overseas bases in an aim toward strengthening audits and guidance for business partners, but will continue to conduct audits mainly online if there continue to be self-imposed restrictions on travel in conjunction with the spread of COVID-19.

# Promotion of establishment of substance of concern management system at business partners

Social

Information about substances of concern in the automobile industry is collected as IMDS data in cooperation with business partners. However, as there had been IMDS data defects in the past, we conduct online briefing sessions about developments in the regulation of substances of concern, including requests for business partners to input accurate IMDS data, as well as audits and guidance concerning strict adherence to Green Procurement Guidelines, and promote the establishment of a substance of concern management system throughout the entire supply chain.

#### <FY2021 results>

Companies that received an audit and guidance: 15

# Conformance to regulations concerning chemical substances

We have promoted the shift in products to materials that do not contain four phthalate-type plasticizer substances (DEHP, DBP, BBP, and DIBP) specified as a limited substance (prohibition) in REACH (EU) in cooperation with our business partners, and completed the switch to materials not containing these substances for motorcycle and outboard motors as of July 2020. We are currently promoting a shift to materials that do not contain these substances for our automobiles.

We have also begun the registration of SCIP data\* as a result of the Waste Framework Directive (EU). Suzuki is utilizing IMDS data to gradually register data concerning its products that are sold within the EU.

\* A framework intended to make information about chemical substances included in recycled materials more accessible in an aim to transition to a circular economy. This helps to improve the safe use of recycled materials by, for example, removing the hazardous substances contained in the recycled material rather than use the material in its current state.

#### **Efforts in business activities**

Introduction

#### **■** Efforts in production

#### Efforts to reduce chemicals

#### **Purchasing new substances**

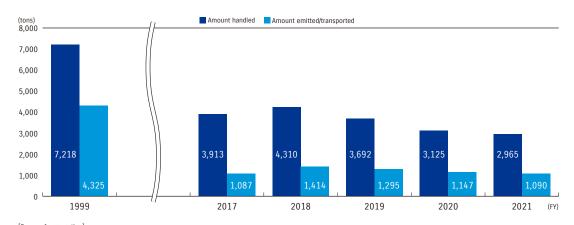
Before our domestic offices adopt new materials such as paint, oil, and detergents, the environmental management section examines the toxicity of chemical substances contained in the materials and the planned amount of use, as well as how to use and store them, and determines whether or not they are allowed to be used. The data collected through the research are managed as Pollutant Release and Transfer Register (PRTR) data, which will be used to reduce the volume of those materials. Also, for raw materials, our SDS\* is kept up-to-date to provide the latest chemical data.

\* SDS (Safety Data Sheet): A sheet listing the names, physical chemistry behavior, hazards, and caution for handling, etc. of chemical substances

# PRTR (Pollutant Release and Transfer Register) subjected substances

To reduce our environmental impact, we are working to reduce PRTR subjected substances. The amount and transported amount of emissions was 1,090 tons in FY2021.

#### ■ Amount of PRTR subjected substances that are handled, emitted, and transported



[Scope of aggregation]
Head office, Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant (including the Sagara Proving Grounds), Hamamatsu Plant, former Takatsuka Plant (until July 2018), former Toyokawa Plant (until July 2018), Motorcycle Technical Center (Ryuyo Proving Grounds), and Marine Technical Center, Shimokawa Proving Grounds (from FY2020)

# Plan for early disposal of PCB (Polychlorinated Biphenyl)

The Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes requires appropriate disposal of PCB waste contained in old capacitors, etc. by March 31, 2027. Suzuki has set an in-house target to complete the disposal of these materials by March 31, 2025 and is working to achieve this goal. At Suzuki's domestic plants, PCB waste equivalent to 2,014 total units of vehicles has been disposed as of March 31, 2022.

# **Social**

079 ———	- Efforts for Product Quality
080 ———	- With Our Customers
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087 ———	- With Our Employees
099 ———	- Initiatives Related to Intellectual Property
100 ———	- With Local Communities
107 ———	- Efforts by Domestic Plants and Technical Centers
111	- Efforts by Domestic Sales Distributors
112	- Efforts by Overseas Group Companies
124	- Suzuki's Foundation Activities and Related Efforts

### **Efforts for Product Quality**

Introduction

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

Prompt investigation and countermeasures
(Early detection and countermeasures)

Not to miss a single defect
Al management of market quality information
Automatic acquisition of vehicle data

Production with less variants
(Prevention of occurrence)

Expand traceability management
(Prevention of outflow)

Human resources development

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	IIIuia	Suzuki Motorcycle India Private Limited		
9		TDS Lithium-Ion Battery Gujarat Private Limited		
10	Pakistan	Pak Suzuki Motor Co., Ltd.		
11	Indonesia	ndonesia PT Suzuki Indomobil Motor		
12	Thailand	Suzuki Motor (Thailand) Co., Ltd.		
13	IIIalialiu	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	Cillia	Changzhou Haojue Suzuki Motorcycle Co., Ltd.		
21	Taiwan	Tai Ling Motor Co., Ltd.		

<sup>\*</sup> ISO 9001 series includes IATF 16949





#### With Our Customers

Introduction

#### **Customer Relations Office**

The Customer Relations Office, as a window where Suzuki and customers can directly connect, always keeps in mind to put itself in its customers' place and to provide quick, correct, and generous actions for various customer inquiries and consultations, and constantly makes efforts to improve customer services that assure customer peace of mind and satisfaction.

#### **■** Efforts to improve correspondence quality

Automobile technologies are getting more and more complex, such as with advanced driver assistance systems that have rapidly become popular in recent years, as well as hybrid systems and on-board information devices linked with networks.

At the Customer Relations Office, each member is educated as needed so that they can make appropriate explanations regarding these new technologies. In order to assure quick and appropriate actions for customers, tools such as the customer support system are maintained.

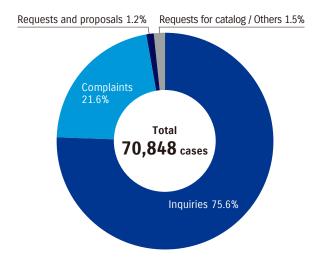
In cases where on-the-spot customer services are required for the purchase, maintenance, etc. of our products, we use nationwide Suzuki sales distributors network to provide appropriate support.

#### **■** Efforts to improve products and service quality

We recognize that the voices of customers are very important information to improve products and service quality, and distribute those opinions and suggestions to related departments in order to develop better products and improve manufacturing, quality, sales, and after-sales services.

Such important information is carefully handled and collected into a data integration system for efficient information management and posted on our intranet system, with the personal data carefully protected. Also, we have established a system enabling such information to be promptly fed back to the relevant persons in charge depending on the criticality of the information.

#### ■ Breakdown of consultations (FY2021)



Corporate Governance

#### Welfare vehicles (WITH Series)

Introduction

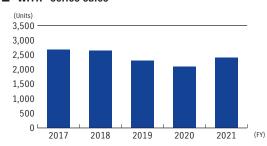


Sales of our WITH series welfare vehicles began in 1996. These vehicles are designed to provide seniors and people with disabilities with greater ease of entry and exit of automobiles.

At present, there are two types, a wheelchair courtesy vehicle and a lifting seat type vehicle, and four models are available. We are working to develop a lineup of welfare vehicles so that customers can select a vehicle suitable for specific needs and situations.



#### ■ "WITH" series sales



#### **■** Wheelchair courtesy vehicle

Wheelchair courtesy vehicles make it easy for persons requiring special care to get into and out of the rear of the vehicle while seated in a wheelchair. The low floor vehicle allows the helper to easily support persons who require special care while getting in or out. This vehicle can accommodate either a manual wheelchair or motorized wheelchair. Spacia, Every Wagon, and Every have a wheelchair courtesy variant.



Spacia wheelchair courtesy vehicle

#### ■ Lifting seat type vehicle

This type of vehicle enables the passenger seat for the person requiring special care to be moved up, rotated and moved down by remote control. Since the seat can be brought into a position that makes it easy for the person requiring nursing care to get in and out, the stress on the helper is reduced. WagonR has a variant equipped with the lifting passenger seat.



WagonR lifting seat type vehicle

#### **Motorized wheelchairs**

Suzuki has the lineup of electric senior vehicles, motorized wheelchairs with a loop-shape steering handle, mainly as a means of transport for the elderly for day-to-day events such as shopping or strolls.

Introduction

\* Motorized wheelchairs (electric senior vehicles) are regarded as pedestrian traffic. A driver's license is not needed.

#### **Electric senior vehicles**

The motorized wheelchair equipped with a user-controlled, loop-shape steering handle was first introduced in 1985. This motorized wheelchair is mainly designed to enable seniors and people with disabilities to easily go out. It is capable of moving at adjustable speeds ranging from 1 km/h to 6 km/h. Charging involves plugging into a household 100 V power outlet.





#### Safe Driving Training Program "For Preventing Accidents"

For the safer use of motorized wheelchairs, Suzuki is making efforts to promote better understanding of operation methods by conducting face-to-face sales and showing how to operate an actual wheelchair. Furthermore, we conduct the "Suzuki Motorized Wheelchair Safe Driving Training Program," which is a training session for people who are currently using our motorized wheelchairs, working in conjunction with local police departments, traffic safety associations, etc. We try to improve the trainee's awareness of traffic safety and prevention of traffic accidents etc. through seminars and practical training.

Furthermore, to enhance safety driving of first-time users of motorized wheelchairs, Suzuki is promoting awareness of safe driving by handing out brochures for the safe usage of those products.

#### ■ Number of brochures handed out

	FY2017	FY2018	FY2019	
Dunahuuna	8,000	16,000	12,100	
Brochures	FY2020	FY2021	5-year total	
	12,000	14,000	62,100	

Details of brochures can be seen on the Electric Wheelchair Safety Promotion Association website (Japanese language only).

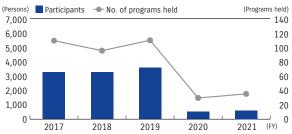
ttps://www.den-ankyo.org/



#### **Activities at Electric Wheelchair Safety Promotion Association**

The Electric Wheelchair Safety Promotion Association was established by manufacturers and sales distributors to promote safe and proper use of motorized wheelchairs for users. It aims to contribute to road traffic safety by promoting safe use of motorized wheelchairs. It also aims for the popularization of motorized wheelchairs. As a member of the association, Suzuki is promoting activities for using motorized wheelchairs with ease.

#### ■ Trends in Safe Driving Training Programs conducted



\* The number of training programs held in FY2020 decreased due to COVID-19

# Motorized Wheelchair Safety Instruction Commendation System

The Motorized Wheelchair Safety Instruction Commendation System is a system where the Traffic Bureau of the National Police Agency (NPA) commends those associated with motorized wheelchairs who have proactively provided traffic safety education and promoted PR and awareness-raising activities related to matters such as the safe use of motorized wheelchairs, or prevented traffic accidents involving motorized wheelchairs. Suzuki takes an active part in this commendation system as an organizer of the Electric Wheelchair Safety Promotion Association.

# ■ NPA Motorized Wheelchair Safety Instruction Commendation result

FY2021	Excellent	Suzuki Motor Sales Shimane Inc.
F12021	Excellent	Suzuki Motor Sales Ohita Inc.

#### **Efforts for safety technologies**

Introduction

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.

#### SUZUKI

# Safety Support

#### $\blacksquare$ Products installed with SUZUKI Safety Support

(As of January 2023)

Installed model	Alto	Lapin	WagonR	Escudo	XBEE	(AS Of Jahluday 2025)
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	0	0	0		0	0
Unintended start prevention function	Front/Rear	Front/Rear	Front/Rear	Front	Front/Rear	Front/Rear
Lane departure prevention function			0	0		
Lane departure warning function	0	0	0	0	0	0
Weaving warning function	0	0	0	0	0	0
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	0	0		0		0
Head-up display	0		0			0
High beam assist	0	0	0		0	0
Preceding car departure announce function	0	0	0	0	0	0
Blind spot monitor				0		
Rear cross traffic alert				0		
Camera for all-direction monitor	0	0	0		0	0
Lane keeping assist function					0	

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

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

Corporate Governance

#### **Efforts for motorcycles**

#### Efforts for safety and crime-prevention in cooperation with motorcycle industry associations

Introduction

As a member of the Japan Motorcycle Promotion & Safety Association, Suzuki dispatches instructors to various motorcycle practical safe riding seminars and holds safe riding technique seminars such as Good Rider Meetings in cooperation with the Motorcycle Safe Riding Promotion Committee.

Also, we are promoting the Good Rider Anti-Theft Registration activity for registration of motorcycles to prevent theft.

We cooperate with the trainer education and promotion of Motorcycle Safe Riding Special Trainer Training Sessions and the Centralized Training Workshop for Special Trainers organized by the Japan Traffic Safety Association (JTSA) by dispatching expert instructors. In addition, we are also involved in the annual National Motorcycle Safe Riding Competition organized by the Japan Motorcycle Promotion & Safety Association by sending judges and motorcycles to the competition to raise awareness of motorcycle safety broadly.

August 19 has been determined as Motorcycle Day, as a phonetic reading of the date in Japanese is *baiku*, the same word for motorcycle. We hold events and distribute online content to show the enjoyment of riding motorcycles and traffic safety in cooperation with motorcycle industry associations such as the Japan Automobile Manufacturers Association, Inc. (JAMA).

#### **■** In-house safe riding seminars

As a manufacturer and distributor of motorcycles, we regularly hold motorcycle riding safety seminars for Suzuki employees, motorcycle commuters, etc. We held this seminar 13 times in 2021 and 88 persons participated.

We will continue to conduct such seminars to train people to improve their safe riding awareness, basic motorcycle operation, and riding manner, as well as to follow the traffic rules, as employees working for motorcycle companies, who must become a role model for other riders.





#### With Our Business Partners

Introduction

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.

#### Business continuity plan efforts

In addition to seismic reinforcement of individual office buildings, we have produced a business continuity plan (BCP). We regard the preparation for earthquakes, tsunami and other wide-scale disasters as part of our responsibility to the local community, business partners, and customers. We recommend disaster measures such as seismic reinforcement to our partners located in areas that are likely to experience heavy damage. We are tackling such initiatives together with our business partners for their early recovery if they should fall victim to such a disaster.

#### 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.15). 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 a 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.

Introduction

For minerals other than the above in which there are fears that child labor is being used for extraction or other matters, Suzuki will refer to the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" issued by the Organisation for Economic Co-operation and Development (OECD), sequentially conduct due diligence in the supply chain and make efforts to take corrective measures in the event of discovering a problem.

#### ■ Suzuki CSR Guidelines for Suppliers

Stakeholders including business partners of Suzuki are becoming more multinational and diversified as our business activities are developed globally. Therefore, we are expected to fulfill social responsibilities with due consideration for other cultures and histories, in addition to following laws and ordinances, and the social norms of each country.

Based on such social demand, we compiled the basic concept and practices of social responsibilities that we should accomplish with our business partners as Suzuki CSR Guidelines for Suppliers. We ask our business partners to comply with the guidelines upon making procurement throughout the Suzuki Group.

We kindly request our business partners to understand the purpose and cooperate with us to promote CSR activities together.

https://www.globalsuzuki.com/corporate/environmental/green\_policy/

#### (Efforts to maintain workable guidelines)

- (1) In the basic principles of the Basic Purchase Agreement that we conclude with our business partners, we state clearly that "both we and our business partners shall recognize our social responsibilities in civic society and comply with relevant laws and regulations, both in Japan and overseas," and strive to conform to social norms.
- (2) Efforts are made in understanding the environmental conservation initiatives of our business partners by conducting research on greenhouse gas emissions and water consumption once a year.
- (3) In order to prevent one-sided cost reduction requests and delays in payment to subcontractors throughout the entire supply chain, we hold case-by-case presentations to make all aware of proper trading.
- (4) In the case of any compliance issues or doubts regarding transactions with Group companies, we work to resolve them through the use of our whistleblowing hotlines (Suzuki Group Risk Management Hotline and those run by third-party organizations) for consultations.
- (5) Quality audits are held periodically (frequency based on rank in quality) under the Supplier Quality Assurance Manual that compiles Suzuki's basic policy, activities and requests for quality assurance.

#### Suzuki Green Procurement Guideline

Please refer to page 75 for our initiatives for promotion of green procurement.

\* Green Procurement Guideline

 $\frac{\text{https://www.globalsuzuki.com/corporate/environmental/}}{\text{green\_policy/pdf/suzukiGreenGuideline.pdf}}$ 

#### ■ Declaration of Partnership Building

Suzuki has published the Declaration of Partnership Building on the Declaration of Partnership Building Portal Site to build new partnerships by complying with desirable transaction practices between ordering parties and subcontractors ("Promotion Standards" based on the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises) and by promoting cooperation, coexistence, and co-prosperity with business partners (suppliers) in the supply chain and value creators.

Based on this Declaration of Partnership Building, Suzuki is:

- Strengthening cooperative relationships with our business partners, whom we regard as important counterparts, to create new value in diverse areas such as development, manufacturing, quality, and cost reduction.
- Working to improve our transaction practices in compliance with the Subcontract Act and the Promotion Standards of the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises.
- Working to increase opportunities for information exchange with our business partners to learn about product (and parts) delivery problems, financing concerns, and other issues, and take sincere measures to resolve them promptly.









### With Our Employees

Introduction

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

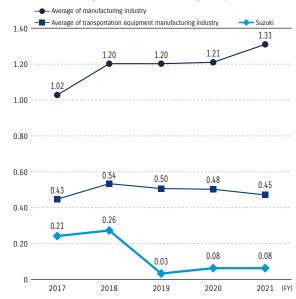
rules and mutually warns each other in the workplace.

#### 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 polices 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

Introduction

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.



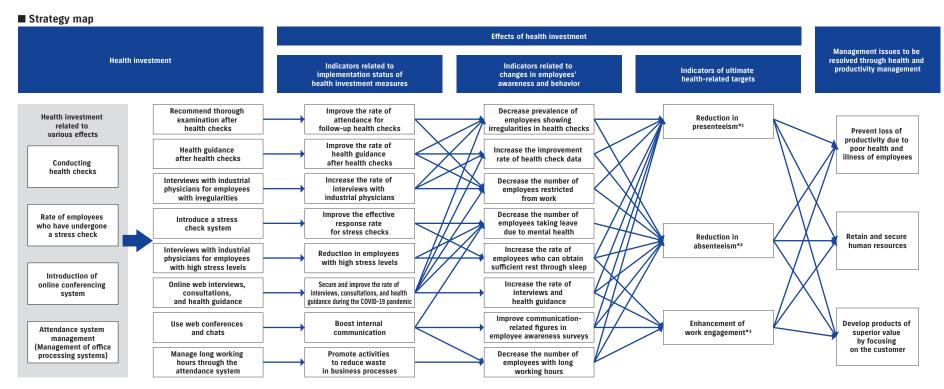
- Promotion structure
- Headed by the Representative Director and President, the Human Resources Department takes the lead in promoting employee health. Accordingly, the department will proactively take opinions from experts, including health promoting industrial physicians, public health nurses, and 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.



#### ■ Organizational structure for promoting health and productivity management



Data



- \*1 A condition in which operational efficiency has been reduced due to some health problems
- \*2 A condition in which business processes cannot be performed due to absence

Introduction

\*3 A condition in which vitality (feelings of energization from work), enthusiasm (pride and work satisfaction), and immersion (enthusiasm about work) are fulfilled

#### ■ 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

Introduction

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 to increase the rate of receiving thorough examinations after regular health checks

A thorough examination questionnaire is distributed to employees subject to thorough examination after regular health checks. The results of the checks are confirmed and recommendations are made by the internal medical office.

For those found to be at high risk for lifestyle-related diseases, internal industrial physicians, public health nurses, and nurses provide personalized consultations and guidance for each employee.

# Initiatives to increase the rate of specific health guidance\* given

We call on employees subject to specific health guidance to conduct preliminary interviews on the day of their specific health checks.

The health insurance association and the medical staff of each business office cooperate to ascertain which employees are subject to specific health guidance. For employees who could not receive guidance at the medical institution that conducted the health check, we have also created a system to enable them to receive specific health guidance at an internal medical office.

\* Based on the results of specific medical examinations, specialized staff (nurses, registered dietitians, etc.) provide support to employees who are at a high risk of developing lifestyle-related diseases and are expected to see preventive effects by improving their lifestyle habits.

#### 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.

#### Initiatives to reduce smoking rates

We are subsidizing half of outpatient fees up to ¥10,000 for employees who are taking up the challenge of quitting smoking through health insurance associations.

As an initiative to prevent secondhand smoking, we have prohibited all indoor smoking, set up smoking areas (outdoor), and prescribed smoking times.

# Health management initiatives for employees assigned overseas

We conduct in-house health checks and vaccinations for employees who are assigned overseas, both before their departure and after their return.

We have also created a system that allows such employees to receive consultations and guidance from

internal industrial physicians, public health nurses, and nurses via an online conferencing system while posted overseas.

#### ■ Initiatives to combat COVID-19 (examples)

- Established an in-house COVID-19 response headquarters
- Conducted workplace vaccinations for COVID-19
- Established a code of conduct to prevent and limit the spread of COVID-19 within the Company
- Regularly educated employees about precautions in the workplace and in private to prevent infection
- Created and utilized an app that can record behavior history and physical condition management
- Conducted online interviews and health guidance
- Installed hand sanitizer for hand disinfection and alcohol for wiping surfaces at each workplace and installed CO<sub>2</sub> concentration measurement devices
- Made cloth masks and distributed them to employees
- Encouraged work from home and staggered work times at the head office and offices in Shizuoka Prefecture and the Tokyo metropolitan area
- Supported response vehicles for COVID-19



#### ■ Traffic safety

As employees of an automobile and motorcycle manufacturer, we are proactively implementing a number of initiatives such as those described below, that are aimed at preventing traffic accidents that could occur not only on the job or during commuting, but also off the job.

Introduction

- Creating commuting route accident maps
- Training for small groups on close call cases and risk prediction
- Instruction on strict obedience of traffic rules not only on public roads, but also within plant sites
- Traffic safety education by the jurisdictional police stations
- Individual instruction with driving skill checks
- Alerting employees of traffic safety before long holidays
- Driving instruction by driving together or using driving recorders
- Safety driving lectures for new employees
- Safety riding seminar of motorcycles (P.84)
- Alcohol checks on employees driving for work duties





Safety driving lectures for new employees (in cooperation with Kakegawa Driving School)

#### **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.

# Secure and comfortable working environment

Introduction

We believe that it is necessary to create a working environment where employees who carry out business activities can maximize their motivations and abilities in a mentally and physically fulfilling condition and work actively. Various support systems are employed to adapt to diversifying working environments.

Moreover, by creating comfortable working environments, we are reforming awareness of how this improves employees' motivation to increase productivity.

#### **■** 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 latenight 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
	Number of employees using the reduced work hour system	Male	3	3	5	7	9
		Female	201	229	251	278	289
	for childcare	Total	204	232	256	285	298
		Male	7	13	23	63	90
Childcare	Number of employees using the childcare leave system	Female	84	91	94	80	96
Cillucate		Total	91	104	117	143	186
	Male rate of taking childcare lea	ve	-	-	-	_	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%
	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
		Male	1	4	0	3	3
Family- care	Number of employees using the family-care leave system	Female	1	2	1	2	3
carc	and ranning dark route dyelen.	Total	2	6	1	5	6
	Reinstatement rate of	Male	100.0%	25.0%	-	66.7%	33.3%
	employees using the family-	Female	100.0%	100.0%	100.0%	50.0%	33.3%
	care leave system	Total	100.0%	50.0%	100.0%	60.0%	33.3%

# Seminar for supporting reinstatement of employees taking childcare leave

Introduction

The Company periodically holds a seminar called "Exchange of Information with Parents toward Reinstatement" for employees taking childcare leave and their spouses. At the seminar, the Company provides information on matters including childcare and reinstatement through an explanation of procedures toward reinstatement and a lecture from an obstetrician-gynecologist. In addition, there is an opportunity to exchange information with employees who have experienced, or are experiencing, childcare to take away the anxiety toward balancing work and family after reinstatement. The seminar is currently not being held due to COVID-19. Instead, a booklet containing the experiences of employees who have assumed childcare is distributed to employees taking childcare leave so that they can learn about reinstatement and subsequent life balance after returning to work to support a smooth return to the workforce.

#### Consultation service, etc.

As a consultation service that specializes in human resources matters including harassment in the workplace, and consultations relating to safety, health, and mental health, the Human Resources and Administration Consultation Service is open. In addition to the consultation service, an Improvement Proposal Box is located at cafeterias and offices, allowing every employee to easily make a proposal on work improvements or request a consultation.

We have also set up the Mental Health Consultation Room with a psychiatrist and psychotherapist.

#### **■** Welfare and benefits

#### Dormitory for single employees and housing

Suzuki has a dormitory for single employees who join the Company from distant areas. Depending on the region, there is also company housing for employees working at domestic offices (including those on secondment).

#### Company-subsidized housing

Suzuki also has subsidized housing where the Company rents ordinary homes for employees as a dormitory or company housing for employees (including those on secondment) working at domestic offices or sales distributors in regions where there is no dormitory or company housing.

#### **Sports facilities**

Suzuki has established gym facilities that are provided to employees to improve their health, boost their physical condition or to spend their leisure time. Comprehensive sports facilities (Suzuki ground, Suzuki gym, a weight training room and tennis courts) complete with nighttime lighting are located close to the head office. The Company also has a ground adjacent to the Iwata Plant (and this can be used for sports such as baseball, softball and soccer).

#### **Employee cafeterias**

Cafeterias are located at the head office, each plant and dormitories (with some exceptions) as food supply facilities for employees, and serve meals such as a la carte dishes, set menus, curry rice and noodles. (Dormitories mainly serve set menus.) The head office cafeteria also serves breakfast and beverages, providing such offerings as freshly baked bread and freshly dripped coffee.



#### Asset building savings program

Suzuki has an asset building savings program for the purpose of encouraging employees to save, and any employee under the age of 55 can take part (with the three types of assets: general assets, annuity assets or housing assets).

#### **Employee stock ownership program**

The employee stock ownership plan is a program where a certain amount of money is deducted from monthly pay to buy Company stock on an ongoing basis. Employees can acquire stock easily in proportion to their monthly contribution and the Company also provides an incentive at the time of contribution to support employees' asset building.

In addition to welfare and benefits, employees owning shares in the Company leads to expectations of increased motivation due to the fact that improving performance leads directly to their own profit, and leads to fostering a sense of participation in management.

\* Please refer to page 164 of Company Data for details on the number of participants and participation rate.

#### Housing loan financing program

This is a program that enables employees to receive interest subsidies from the Company when they need funds to acquire a home and to borrow for a housing loan from a financial institution.

#### Employee vehicle or family vehicle purchase program

This is a program that enables employees or a member of their family (a spouse or child of an employee) to receive a set discount on the purchase of a vehicle (a new Suzuki product) if buying a vehicle (some models are not included). The program also enables funding if purchase funds are needed.

# **Diversity (variety of human resources)**

Introduction

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.

		FY2017	FY2018	FY2019	FY2020	FY2021
	Male	13,711	13,808	13,932	14,220	14,326
Employees	Female	1,558	1,623	1,714	1,853	1,941
	Total	15,269	15,431	15,646	16,073	16,267
	Male	4,243	4,339	4,403	4,577	4,695
Employees with job titles	Female	90	98	114	132	136
	Total	4,333	4,437	4,517	4,709	4,831
	Male	1,037	1,066	1,121	1,185	1,248
Managers	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%
	Male	541	445	569	651	451
New recruits	Female	101	118	139	168	144
	Total	642	563	708	819	595
	Male	396	396	413	474	285
College graduates	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%

#### ■ Initiatives to promote participation by women

Introduction

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.

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

#### 1. Term of plan

From April 1, 2020 to March 31, 2025 (5 years)

#### 2. Issues

- Low ratio of female managers
- · Low rate of paid annual leave taken by all employees including managers

#### 3. Target

- (1) Triple the number of female employees with job titles in 2025 compared to FY2015, before the Act on the Promotion of Female Participation and Career Advancement in the Workplace was enforced (Achieved 2.6 times in FY2021)
- (2) Improve rate of paid annual leave taken by all employees, including managers, by 10% compared to FY2018 in 2025 (Achieved 19% improvement in FY2021)

#### 4. Actions to take

Action 1: Reinforce awareness of existing measures to promote flexible work styles, and promote using them

◆ Education regarding work and family balancing (conducted at training by employment year/managerial hierarchy)
From the first half of FY2020:

Conduct training to promote understanding among employees with a job title

Conduct explanations and promotions of the work and family balancing system for young employees

From the first half of FY2021:

Conduct explanations and promotions of the work and family balancing system to new employees

Communicating information regarding work and family balancing

From the first half of FY2020:

Hold gatherings of employees taking childcare leave ahead of their reinstatement (twice a year)

Explanations of the work and family balancing system, exchanges of opinion with employees who have taken child-care leave, exchanges of information among employees taking childcare leave, provision of information regarding postpartum care from an industrial doctor, individual consultations, etc.

From the first half of FY2021:

Set up an internal webpage regarding information on work and family balancing support

Action 2: Enhance awareness of promotion to take paid leave, and consider measures to promote taking leave

 $\bullet$  Inform regarding the status of paid leave taken, and promote using paid leave

From the second half of FY2020:

Disclose the status of paid leave taken by each department on the internal website to promote taking the leave From the first half of FY2021:

Renew the attendance recording system so that employees themselves can easily ascertain the status of paid leave taken

Other initiatives beside the above include:

- · Develop abilities for planned assignment in positions and job types where women are under-represented
- Strengthen systematic human resource development, including the acquisition of work experience and business knowledge necessary for women to become managers
- · Initiatives to create workplace environments and culture where men and women are equal

Going forward, the Company will make various initiatives to become a company where female employees can demonstrate their abilities and work successfully.

#### ■ Re-employment system

Suzuki has adopted a re-employment system for hiring people after the retirement age of 60 years old since July 1991, far earlier than the revision of the Act on Stabilization of Employment of Elderly Persons in April 2006. This system offers employment to people who are willing and able to work after the retirement age of 60. Now, such people are using their abundant experience and acquired skills in each workplace.

Introduction

#### **■** 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. Capital ¥10 million

3. Capital investor Suzuki Motor Corporation

4. Location 300 Takatsuka-cho, Minami-ku,

Hamamatsu, Shizuoka

5. Establishment February 2005

6. Business category Janitorial services, stationery

management, farming production

7. Representative Yusuke Kato

8. Number of employees 120

(incl. 73 employees with disabilities)





#### **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.

Introduction

#### Human resources development concept

The following types of training are carried out based on the concepts of enhancing the basic abilities of new recruits through to younger employees and planned and continuous learning with rank-based follow-up.

# (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. In job-specific training, necessary skills are clearly defined according to each individual's attributes, and training is planned and implemented to acquire those skills.

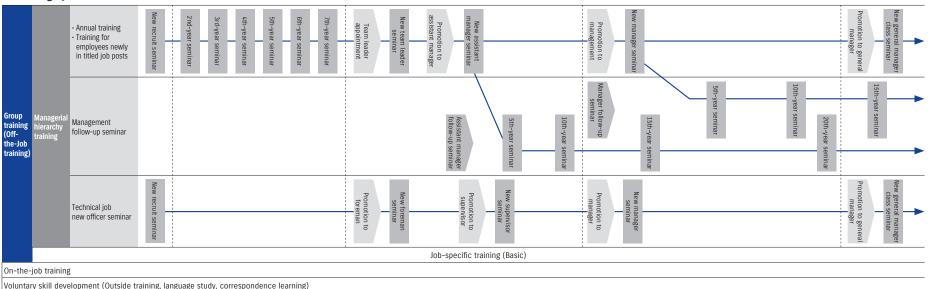
Moreover, when conducted training, online training is being expanded to enable employees to obtain effective learning opportunities amid a time of diversifying work styles as one aspect of work style reform.

#### ■ 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).

#### ■ Training system



#### **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.

Introduction

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

## **Initiatives Related to Intellectual Property**

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

Introduction

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.

# **Intellectual Property Promotion Committee**Role: Discussion and policy

determination concerning intellectual property strategies Members: Officers and General Managers from relevant departments

# Board of Directors Executive Committee

#### 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.

With Local Communities



#### With Local Communities

Introduction

#### **Environmental beautification activities**

#### ■ Participation in and cooperation with the Lake Hamana Environmental Network

As part of environment education for employees and their families, Suzuki is actively participating in and cooperating with the Lake Hamana Environmental Network established in 2005.

The Lake Hamana Environmental Network receives entrustment from the Environmental Protection Bureau of Shizuoka Prefecture, and continues to actively conduct activities including an education program in relation to environmental conservation of Lake Hamana, a project that involves recycling eelgrass and sea lettuce, and transmission of local environment information. As of April 2018, 72 groups and bodies such as local civic groups, schools, non-profit organizations, and various trade associations and public companies are registered in this network, serving as the "place for gathering" for the environmental conservation of Lake Hamana.

The Lake Hamana Environmental Network holds environmental events every year, which are open to participation by the general public. In FY2021, activities were not held due to the impact of COVID-19. However, going forward, Suzuki will continue to participate in environmental education and conservation activities so that the rich natural environment of Lake Hamana, which is a brackish water lake and a precious asset for the local area, can be appreciated by as many people as possible through classroom lectures and hands-on experiences such as observation, cleanup activities, and farm work.

#### ■ Educational session about Lake Hamana plastic waste (October 31, 2020)





Sorting collected waste



Presentation of survey results

#### **Supporting activities for the local community**

Introduction

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

Japan	Suzuki Motor	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)
	Corporation	Development of Iwata City seawall	Donated a portion of land (21,270 m²) for the Ryuyo Proving Grounds to construction of a seawall being developed by Iwata City
		Construction of a general hospital	A 100-bed hospital was constructed in Sitapur, Gujarat. The facility covers an area of 30,000 m². (The hospital opened in April 2021.)
India Maruti Suzuki India		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> <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> <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

#### 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

Environmental

- 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



Kids Engineer

manufacturing.

#### **Educational support activities**

#### ■ Introduction of Suzuki's Monozukuri to local students

Introduction

For the purposes of cultivation of human resources and activation of research, we set up Suzuki Donated Courses at Shizuoka University and dispatch automotive engineering experts as university lecturers.

#### **Donated Courses**

Aimed to nurture researchers and contribute to academic promotion and society, Suzuki has been giving endowment lectures on efforts for various research about element technologies for automobiles at Shizuoka University (Faculty of Engineering) since FY2003.

Through a lecture titled "Next-generation mobility engineering," the Company aims to develop new technologies in broad fields that will lead to next-generation transportation methods.

The study is conducted by integrating manufacturing, experimentation, and analysis.

Through lectures and experiments such as automotive engineering and energy/electronics control experiments geared toward students, the Company promotes education so that students can obtain knowledge necessary for engineers in manufacturing.

Lecture title: "Endowed Laboratory Advanced Automotive Energy Engineering" Suzuki Donated Course Study themes:

- trol that suppresses torque ripple occurred in drive

Lecturers: Suzuki dispatches two employees as a specially appointed associate professor and a specially appointed assistant professor

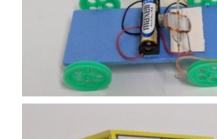
Term: 20 years from April 2003 to the end of March 2023



\* In FY2021, on-demand classes were held to address COVID-19.



motor





"Kids Engineer 2021," an interactive learning event spon-

Suzuki presented "Making Working Cars with Paperclip

sored by the Society of Automotive Engineers of Japan,

Motors," an interactive learning program using familiar

items like paperclips, batteries and rubber bands, to a

to six so that they could experience the joys of

total of 100 elementary school students from grades four

Inc., was held online in August 2021.

Picture of the completed provision kit



Data

# With Local Communities

#### **■** Monozukuri Workshops

Suzuki provides Monozukuri Workshops on transportation devices for universities and local companies in Japan. In FY2021, workshops were conducted mainly online, as seen on the right.

Introduction



November 19: Automobile Kinematics, Automobile Engineering, Shizuoka Institute of Science and Technology



December 24: Product Planning and Market Research, Automobile Engineering, Shizuoka Institute of Science and Technology (in-person lecture held at the university)

	Date	University/workshop name	No. of participants
2021	May 12-13	Online sketch design workshop using tablet PCs, Department of Design, Kanazawa College of Art	20
	May 19-20	Online CMF design workshop, Department of Design, Kanazawa College of Art	20
	Jun. 9	Development of race machine at Motocross factory of Suzuki Motors, Special Lecture on Mechanical Engineering, Shizuoka Institute of Science and Technology	45
	Jun. 10	Online career design workshop, Department of Electronics and Information Systems Engineering, Faculty of Engineering, Osaka Institute of Technology	50
	Jul. 5	Forming Processing Studies, Department of Mechanical Engineering, Shizuoka University	40
	Jul. 7	Online workshop on requirements for global human resources, Department of Mechanical Engineering, Shizuoka University	31
	Sep. 3	Online seminar on Autonomous Driving, Hamamatsu Mobility Promotion Consortium	100
	Oct. 5	Online workshop on Body Structure, Automobile Engineering, Shizuoka Institute of Science and Technology	31
	Oct. 7	Special Lecture on Industrial Innovation, Suzuki Monozukuri Workshop, Shizuoka University	21
	Oct. 14	Special Lecture on Industrial Innovation, Suzuki Monozukuri Workshop, Shizuoka University	21
	Nov. 18	Suzuki Monozukuri Workshop on Fundamentals of Suspension, Next Generation Automobile Center Hamamatsu	100
	Nov. 19	Online workshop on Automobile Kinematics, Automobile Engineering, Shizuoka Institute of Science and Technology	32
	Dec. 24	Online workshop on Product Planning and Market Research, Automobile Engineering, Shizuoka Institute of Science and Technology	32
2022	Feb. 24	Online keynote speech on Fundamental Lecture on Carbon Neutrality, Hamamatsu Agency for Innovation	100
	Mar. 23	Preliminary Lecture for Practical Learning of Online Sales, Grade 2, Shimokawa Commercial High School	36
	Mar. 23	Carbon Neutrality and the Role of Corporations, Shizuoka International Business Association (SIBA)	80
Total			759

#### ■ Track and field training program

Introduction

Aiming to train athletes who can compete in international competitions such as the Olympics and the World Athletics Championships, the Suzuki Hamamatsu Athlete Club has been dispatching Japanese national athletes for the past four consecutive Olympic Games from 2004 (Athens) to 2016 (Rio de Janeiro). Members of the club were selected to represent Japan in the men's 4 x 100meter relay race at the 2022 World Athletics Championships held in Oregon.

The top-level athletes, including Olympians such as Akihiko Nakamura (who represented Japan in the decath-Ion at the Olympics in Rio de Janeiro) and Ryohei Arai (who represented Japan in the javelin throw at the Olympics in Rio de Janeiro), who are active inside and outside of Japan, cooperate in a track and field training program and lectures held in various regions. Based on their own experiences, they contribute to the popularization and development of track and field in Japan, as well as the enhancement of children's physical strength.

The Suzuki Hamamatsu Athlete Club will continue the activities to awaken children's interests in track and field, as well as to communicate excitement and dreams that can be gained through sports.













#### Suzuki Plaza (https://www.suzuki-rekishikan.jp/english/)

Introduction

Since Suzuki started its business in 1909 and was established as a corporation in 1920 as a loom manufacturer, we have devoted ourselves to customer-oriented Monozukuri based on the words "products of superior value for customers." Our enthusiasm for Monozukuri has not changed even today as we manufacture and sell products all over the world.

The Suzuki Plaza is an exhibition facility opened in April 2009 to introduce Suzuki's history and manufacturing spirit widely to the public. Visitors can see many of our historical products including looms, motorcycles, automobiles, and outboard motors and the current automobile manufacturing process from development to production.

Approximately 800,000 customers have visited since it opened.

Since the onset of the COVID-19 pandemic, we welcomed guests after implementing infection control measures to prevent the spread of COVID-19, such as limiting the number of visitors and making advance reservations compulsory.



Suzuki Plaza

#### **■** Introduction to Suzuki Plaza

#### Suzuki's history floor

You can see Suzuki's history which started with looms in 1909 and products in old times such as Power Free, the motorized bicycle engine launched in 1952, Suzulight, the first mass-production mini-car in Japan launched in 1955, the first Jimny (LJ10) launched in 1970, and the first Alto which went on sale starting at  $\pm 470,000$  in 1979, through elaborate presentations.



Loom from the time of foundation

Power Free

Suzulight

#### Suzuki's Monozukuri floor

Based on the current manufacturing of automobiles as the theme, the process from planning and development to production and sales of a new model is displayed in order.

You can see how Suzuki's automobiles are manufactured at the plant in the spectacular 3D theater Factory Adventure. In addition, there is a full-size assembly line and visitors can experience the simulated manufacturing

site of automobiles.

This is a facility that can be enjoyed by not only car lovers but also children who are at an age where they are beginning to show interest in cars, with various displays including robots utilized at the plant, a movie titled "World Adventure" that introduces manufacturing by Suzuki in foreign countries, and sections that introduce the local Enshu area, etc.



Design room

Assembly line

Enshu section

#### **■** Field trips

The Suzuki Plaza is utilized by many local elementary schools as a place for field trips to deepen understanding of the automotive industry. Students can learn about the manufacturing process of automobiles in detail.

Introduction

In FY2021, Suzuki Plaza was visited by 9,445 students from 127 schools in nearby Hamamatsu City as well as from central and eastern Shizuoka Prefecture.

By accepting field trips from many elementary schools, we hope for children to deepen their knowledge of the automotive industry.

#### ■ Monozukuri events

We have been holding events for children as an opportunity to enhance our relationship with the local community and to get them interested in Monozukuri. These events are related to the history and manufacturing spirit of Suzuki, allowing children to enjoy learning through experiences unlike textbook-oriented study.

In FY2020, with COVID-19 protocols in place, Suzuki Plaza held small-scale events to foster interest in manufacturing among the next generation of children, who will play active roles in the future. By continuing to hold such events, Suzuki Plaza will keep making efforts to become a facility appreciated by the local community.



















## Social Contribution Efforts by Domestic Plants and Technical Centers

#### **■** Efforts by Kosai Plant

#### Voluntary cleanup activities on roads around the Kosai Plant

Introduction

As part of environmental conservation, we perform cleanup activities on roads around the plant twice a year together with supplier companies located in the plant site (a total of 100 people). Also, employees and suppliers are informed that littering is strictly prohibited in an effort to improve environmental awareness.



#### Traffic safety guidance around the Kosai Plant

We conduct traffic safety guidance at crossings on employees' commuting roads and around the plant, aiming to promote seatbelt use and improve traffic manners and prevent traffic accidents mainly at intersections.

In FY2021, a total of 600 employees in total participated in this activity on streets and cooperated to build a safe and comfortable town.



#### Efforts for traffic safety

In order to reconfirm compliance with traffic laws and rules among new employees who join the Kosai Plant and serve as role models to people in the local community, we conduct safety education and on-road training at driving schools.

#### Implementation of online plant field trips for elementary schools

We conducted plant trips for elementary schools online. In FY2021, we connected the Suzuki Plaza with the Kosai Plant online, and held Q&A sessions for 3,839 students at 45 elementary schools.



#### Acceptance of workplace tours

While taking measures to prevent the spread of COVID-19, we accept workplace tours, mainly from high school students. 285 students from 33 schools have visited the Kosai Plant to learn about the manufacturing industry through factory tours and other activities.

Environmental

# **■ Efforts by Iwata Plant**

# Voluntary cleanup around the plant

For the purpose of beautifying the surrounding areas of

Introduction

the plant, we perform cleanup activities called "Cleaning Campaign" by picking up trash around the plant once a month.



# Efforts for traffic safety

Traffic safety guidance activities are carried out periodically around the plant by the plant's traffic safety group members to improve traffic manners and prevent traffic accidents by employees.

Additionally, we reconfirm compliance with traffic law and regulations and manners with new employees who have joined the Iwata Plant, and conduct safety education and on-road training at driving schools in addition to

driver checks (driving aptitude evaluations) so that as automobile manufacturing employees they can serve as role models to people in the local community.



# Regular exchanges with local residents

We hold information exchange meetings about Suzuki's business details and the environmental efforts of the Iwata Plant to communicate and build friendly relationships with local residents.

# Implementing online field trips

Although plant tours are postponed due to the COVID-19 pandemic, we implement field trips for local elementary school students through online live broadcasts. Plant tours and Q&A sessions are held by connecting each plant online to elementary school students at the Suzuki Plaza.

In FY2021, the Iwata Plant broadcast the voices of those at the manufacturing site to 1,206 students at 19 schools.

# **■** Efforts by Sagara Plant

# Voluntary cleanup around the plant

We perform cleanup activities around the plant together with staff from Group companies three times a year for the purpose of maintaining the local environment. In

FY2021, 136 people participated in these activities. This has resulted in a downward trend in the amount of garbage collected (Amount of garbage collected: 389 kg in FY2016, 124 kg in FY2021), but littering continues. The Sagara Plant launched a "Littering Elimination Project" and asked those entering the plant such as suppliers

to cooperate with beautification. We will continue activities for cleaning and awareness and work to preserve the local environment.



# Opinion exchanges with local residents

An annual information exchange meeting is held in February every year to provide information on Suzuki's business activities and environmental efforts to local residents and listen to their opinions.

In FY2021, as part of COVID-19 prevention measures. we engaged in exchanges by written correspondence instead of an in-person exchange meeting at the plant.

# Receiving the 2021 Shizuoka Governor's Commendation for Global Warming Prevention Activities

We received the 2021 Shizuoka Governor's Commendation for Global Warming Prevention Activities in the Greenhouse Gas Emissions Reduction Countermeasure Division (for

large companies). Based on the topic of CO<sub>2</sub> emissions reduction by lowering the electrical power of blowers in sewage treatment processes, we made improvements such as installing high-efficiency air dispersion units for aeration tanks, increasing the treatment flow amount through additional dissolved oxygen meters on aeration tanks, and improving the blowers to enable stopping, continuous movement, and intermittent operation, and were able to reduce 282 t-CO<sub>2</sub> per year. The instance of improvement which won us the award this time was proposed by Shizuoka Prefecture as a candidate for the 2022

Minister of the Environment's Award for Climate Action. Going forward, we will incorporate additional measures and continue improvements.



## Efforts for traffic safety

During the traffic safety campaign held quarterly (in April, July, September, and December) in FY2021, we conducted guidance activities at various locations such as areas where passage is prohibited and areas where accidents frequently occur. We have been conducting activities similarly in FY2022 as well, but starting from April, have been focusing on guidance and driving checks at places (near the Sagara Koumare Onsen and the Toumei Kikugawa IC) where local residents had pointed out inappropriate behavior. We give individual instructions to those who commit such behavior as we strive to improve driving manners.

We will continue to conduct guidance and training so that we can serve as model automobile manufacturing employees to local residents.





# **■** Efforts by Hamamatsu Plant

# Voluntary cleanup activities on the footpath around the plant

Introduction

In June and November of FY2021, we picked up trash and cut the grass around the footpath around the plant.

Approximately 25 people participated each time. We carry out these efforts periodically as an activity to preserve the environment.



# Conducting traffic safety guidance

Every Friday, the Hamamatsu Plant's internal traffic safety group conducts traffic guidance on the streets around the plant.

As employees of an automobile manufacturer, we strive to be role models to members of the local community and give guidance with the aim of improving driving manners and preventing traffic accidents.

Furthermore, as a manufacturer of motorcycles, we regularly hold motorcycle riding safety seminars.

We engage in motorcycle traffic safety education through practical and theoretical guidance given by a special instructor.



# Participating in street-side guidance with local safe driving management association

Once a month, we participate in traffic safety guidance in the streets with the Hosoe District Safe Driving Management Association.

When giving guidance on the street, we not only call for safe driving but also actively exchange greetings with local junior high and senior high school students on their way to and from school and other local people, and strive to encourage community interaction.

# Participating in the Hamamatsu City Miyakodaminami Elementary School Safety Council

On May 7, 2021, we participated in the Miyakodaminami Elementary School Safety Council, with the aims of improving child safety and preventing traffic accidents.

We reported on the number of commuters during each hour of the day and various road safety initiatives.



# **■** Efforts by Osuka Plant

# Cleanup activities on the footpath around the plant

We periodically pick up trash around the plant in aim for environmental beautification.

In FY2021, we conducted cleanup activities mainly

along the roads around the plant four times.

We will continue to conduct environmental education for employees and engage in environmental conservation.



# **Publishing environmental newsletters**

We publish environmental news twice a year in June and November at the Osuka Plant introducing environmental efforts made by the plant.

We will continue to issue these newsletters as one aspect of our activities to help raise awareness about environmental issues.



# Local community liaison activities

In FY2021, social gatherings of neighborhood community associations were canceled in order to prevent the spread of COVID-19. Instead, we conducted activities to distribute materials on the environmental initiatives and business operations of the Osuka Plant to the members of neighborhood community associations.

In addition to distributing materials, we also conducted questionnaires to obtain opinions and requests to the plant, and conducted exchange activities with local residents with COVID-19 protocols in place.



# Conducting traffic safety guidance on streets

We participate in traffic safety guidance on streets with

local residents during the traffic safety campaign held quarterly to prevent local traffic accidents. We will continue to cooperate with local residents and strive to prevent traffic accidents.



Environmental

# ■ Efforts by the Motorcycle Technical Center

Introduction

# Traffic safety guidance around the Motorcycle Technical Center

During traffic safety campaign periods in spring, summer, fall, at the end of the year, before long consecutive holiday periods, and several other times a month, the Motorcycle Technical Center provides traffic safety guidance at nearby intersections and at its main gates. These activities are carried out in the hopes of raising employees' awareness of traffic safety and ensuring traffic safety by the members of local communities.

In FY2021, we conducted a total of 18 activities at the Motorcycle Technical Center and a total of 11 activities at the Ryuyo Proving Grounds.



# **Activities to improve manners**

As part of the Motorcycle Technical Center's activities to improve manners in the community, we pick up garbage around the Hamamatsu Plant's Motorcycle Technical Center and the Ryuyo Proving Grounds, with the aims of contributing to the local community, volunteering and preserving a clean environment.

In FY2021, we conducted a total of three activities at the Motorcycle Technical Center and a total of three activities at the Ryuyo Proving Grounds.



# ■ Efforts by the Marine Technical Center

# Traffic safety guidance around the Marine Technical Center

The Marine Technical Center conducted traffic safety guidance activities at the entrance of the center and intersections near the center in the morning of working days during the period of the spring/summer/fall/year-end traffic safety campaign in 2021, which was the 13th year to hold these events. We hope that both our employees and people living nearby become more aware of traffic safety through these activities (Photo taken at the fall guidance activity).



### **Activities to improve manners**

For the purpose of contributing to the local community as well as volunteering and preserving a clean environment, "Marine Technical Center activities to improve manners" are carried out by picking up trash around the Marine Technical Center. In FY2021, the activity was held on lune 24





# **Efforts by Domestic Sales Distributors**

The Suzuki Group's domestic sales distributors value relationships of trust with customers and local communities, and would like to have long-lasting engagements with them. We facilitate communication with customers and the members of local communities through various activities, including providing information on products and services, participating in and offering cooperation for local events and traffic safety activities, engaging in social welfare activities, and providing support for automobile maintenance schools.

# Support for balancing work and family, ease of working, and health management

(Support for balancing work and childcare, creating a comfortable workplace, certification as a Health & Productivity Management Outstanding Organization, etc.)





Suzuki Motor Sales Fukuoka Inc.

# Respecting diversity

(Efforts by female advisory team, acceptance of foreign workers, support for persons with disabilities, support for elders, etc.)





Suzuki Motor Sales Aomori Inc.

Suzuki Motor Sales Ibaraki Inc.

# Improving staff skills

(Holding technical lectures at dealers and automobile service promotion associations, etc., holding technical training for employees)



Suzuki Motor Sales Aomori Inc.

# **Educational support for students**

(Holding technical lectures at automobile maintenance schools and providing practical learning materials, holding work-study programs for students and children)





Suzuki Motor Sales Keivo Inc.

Suzuki Motor Sales Aomori Inc.

# Traffic safety and support for regional travel

(Training seminars on advanced safety technology, safe driving programs for electric senior vehicles, participation in regional traffic safety campaigns, etc.)



Suzuki Motor Sales Tochigi Inc.

# Environmental beautification, cleanup activities, and regional communication

(Cleanup activities around sites, participation in regional environmental beautification events, etc.)







Suzuki Motor Sales Ibaraki Inc.

Efforts by Domestic Sales Distributors













Guidelines Reference Table

# **Efforts by Overseas Group Companies**

India

Maruti Suzuki India Limited

# 1. Introduction

The company undertakes Corporate Social Responsibility (CSR) initiatives in the areas of road safety, skill development and community development in alignment with the national development priorities. Beyond these core thematic areas, the company continues its efforts to support the government in strengthening the health infrastructure to tackle COVID 19 by setting up the Oxygen generating plants. Through its' CSR activities, the company aims to create a meaningful and lasting impact on the lives of beneficiaries.

Corporate social responsibility at the Company is guided by the CSR Policy and overseen directly by CSR Committee. Project processes and outputs are reviewed internally on an ongoing basis to ensure the efforts are on track and these internal monitoring efforts are underpinned by a third-party Impact Assessment study for the closed projects annually.



One of the Oxygen Generating plants set up by the company

# 2. Response to COVID 19 pandemic

The Company has been supporting the government and local community throughout the COVID 19 pandemic. From setting up oxygen generating plants to providing ventilators, oxygen cylinders & protective medical clothing to supporting the local community with food, water and dry ration, the company has supported different stakeholders in tackling the pandemic and minimizing its impact.

During the reporting period, the company facilitated donation and installation of 14 Oxygen Generating Plants in various hospitals. Also, the company together with the help of its parent company Suzuki Motor Corporation donated 1004 oxygen cylinders and 305 ventilators to strengthen the health infrastructure of the country.

# 3. Community development

The Company frequently engages with the local community through Panchayat representatives and village leaders to understand their diverse perspectives on local problems and find solutions to some of the most pressing issues. Based on the local context, the community development initiatives are focused on improving health, education, water and sanitation, and common community infrastructure.

Community development projects are undertaken in 26 villages around the Company's facilities in Haryana (Gurugram, Manesar and Rohtak) and Gujarat to improve community wellbeing and maintain harmonious relationships.

# Multi-specialty hospital at Sitapur, Gujarat

A multi-specialty hospital has been set up at Sitapur, Gujarat in partnership with Ramanbhai Foundation, a Philanthropic arm of Zydus Hospitals, Ahmedabad. The Hospital is operational with 50 Beds from April 2021 and the facility is spread over 7.5 acres. The Hospital provides OPD services, Emergency care and super-specialty medical services in the areas of radiology, ophthalmology, physiotherapy, gynecology, cardiology, orthopedic, urology, nephrology and general surgery. During the reporting period, the Hospital has treated more than 25,000 patients. Along with quality health care services, the hospital provides ambulance facility and organize health camps in the villages. The hospital improved the accessibility to quality tertiary health care services to beneficiaries from over 25 villages. Also, the hospital facilitated patients to avail the benefits of Avushman Bharat Yojana. a Government Health Insurance scheme.



Inside view of multi-specialty hospita

Corporate Governance

# Efforts by Overseas Group Companies

# Maruti Suzuki Podar Learn School at Sitapur, Gujarat

Introduction



Maruti Suzuki Podar Learn School

The Company has set up a school at Sitapur, Gujarat in partnership with Podar Education Network to provide quality education to children of Hansalpur, Becharaji and other nearby villages. The school focuses on the holistic development of children by imparting best academic practices and inculcating moral values, discipline and ethics. Primary school from Nursery to Class V is operational from April 2021 and during the reporting period, around 150 students are studying.



Digital Classroom facility at Maruti Suzuki Podar Learn School



Multi-sports complex facility at Maruti Suzuki Podar Learn School

# Village development project

Since inception, the Company has set up 28 Water ATMs in 25 villages to supply drinking water to community members at an affordable price. Over 58 million liters of drinking water have been provided since the commencement of the project. The Water ATMs are self-sustainable as the operations and maintenance costs are met with user fees. The Company has also constructed 4,455 individual household toilets to help villages achieve open-defecation-free status.



One of the Water ATMs set up by the Company

As an ongoing effort, Support for door-to-door household waste collection and sweeping is provided in 15 villages. Through the waste collection activity, more than 37 tons of domestic waste are collected from around 15,000 households. The company has also set up a mechanized solid waste management facility at Manesar to convert organic wastes collected from two villages into compost, thus reducing solid waste that goes to the landfill. More than 650 tons of solid waste is processed during the reporting period and the compost generated is given to nurseries and local institutions.



Paver street in project village



Waste collection van in project villages



Solid waste management plant

Through the Village Development project, the company strives to strengthen the physical assets of the village and improve the quality of living in the project villages. Some of the village infrastructure development carried out during the reporting period are laying paver street, construction of panchayat bhavan, infrastructure support of panchayat office, development of park, etc.

# 4. Skill development projects

The Company has taken up a set of well-established skill development programs that are aimed at enabling the Indian youth to undergo industry-relevant skill training that will help them to take part in economic life, and secure dignified and productive employment opportunities.

Introduction

### Japan-India Institute for Manufacturing (JIM)



JIM at Uncha Majra

The Company has established two Japan-India Institutes for Manufacturing (JIM), one in Gujarat and the other in Haryana. Since 2017, around 1200 students have been trained in both Institutes. Another JIM is being set up at International Automobile Centre of Excellence (iACE) located at Gandhinagar, Gujarat and the students will be admitted from the Academic year 2022-23.

The courses taught at JIM are recognized by National Council for Vocational Training (NCVT) and the institute is accredited by the Ministry of Economy, Trade and Industry (METI), Japan.

The institutes offer training in courses in the domain of automobile manufacturing, maintenance, and service -Mechanic Motor Vehicle, Mechanic Auto Body Painting, Electrician, Welder, Mechanic Diesel Engine, Mechanic Auto Body Repair, Technician Mechatronics and Fitter. Unique features of JIM include a mini-vehicle assembly

line, engine assembly line, safety lab, virtual welding simulators and spot-welding equipment that provide hands-on training to students to make them industry-ready.

In addition to industry skills, the students are trained in soft skills and Japanese shop floor practices in the areas of safety, quality, discipline, punctuality, Kaizen, 3G, and 5S. The soft skill curriculum has been developed by the Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS), Japan under the guidance of the Ministry of Economy, Trade and Industry (METI), Japan. Under the "Dual System of Training" scheme of the Ministry of Skill Development & Entrepreneurship (MSDE), the Company provides training to students from both institutes. The DST is an amalgamation of theoretical training imparted through ITIs and practical training imparted through the Industry. DST helps enable Industry linkages and provides hands-on experience to students on the industry's latest updated technologies. During the reporting period, the first batch of over 190 DST students completed their industry training for 7 months at Maruti Suzuki plants in Harvana and Suzuki Motor Corporation plant in Gujarat.



Training imparted to JIM students through Japanese Trainer

# **Upgradation of Industrial Training Institutes (ITIs)**



Upgraded training facility at one of the Maruti Suzuki adopted ITI

The Company has supported 30 Government-run Industrial Training Institutes (ITI) across 10 States & 1 Union Territory in the country. The interventions are focused on training programs at ITIs related to the industry's shop-floor requirements, behavioral & functional skills and industry work culture. Industry-oriented training aids like Safety & MSBT Lab are provided to the ITIs to develop the students ready for production lines. Over 6.500 students were trained during the reporting period. Additionally, apprenticeship support is provided to over 600 students for better career opportunities.

Additionally, the company has set up Automobile Skill Enhancement Centres (ASECs) in ITIs to impart training on trades such as Mechanic Motor Vehicle (MMV), Auto Body Repair (ABR) and Auto Body Paint (ABP). During the reporting period, over 1800 students were trained through ASEC centers at 39 Government ITIs.

# Apprenticeship program

Through the apprenticeship program for Industrial Training Institute (ITI) students, over 3,000 aspiring youth from various ITIs were trained at the Company's plant. They have been given a monthly stipend and the opportunity to engage with the company experts and improve their employability skills by working on the shop floor.

# 5. Road safety

Driven by the commitment to make Indian roads safer, the Company undertakes various initiatives, augmenting government efforts to improve driving skills through awareness campaigns, professional driving training, enforcement of traffic rules and revamping the license issuing system.

Introduction

# Improving road safety through Institute of Driving and Traffic Research (IDTR)



IDTR. Raipur

To provide quality driving training and education, the Company has set up 8 Institutes of Driving and Traffic Research (IDTR) and 23 Road Safety Knowledge Centres (RSKC) in association with 6 State Governments. During the reporting period, IDTR at Raipur, Chhattisgarh commenced its operation in Dec 2021.

The IDTRs use scientifically designed test tracks, driving simulators and a well-defined curriculum to conduct learner, refresher and evaluation courses for drivers of light motor vehicles, heavy motor vehicles, two-wheelers, three-wheelers and forklifts. IDTRs imparted quality and safe driving training to varied types of drivers including commercial drivers, police personnel, corporate employees, tribal youth, etc., The IDTRs and RSKCs have trained over 0.30 million drivers during the reporting period and nearly 4 million drivers over the past 20 years.



Driving learner learning through simulator at one of the IDTRs

# Strengthening driving licensing test through Autonomous Driving Test Tracks (ADTT)

The Company has partnered with the Delhi Transport Department to set up 12 Autonomous Driving Test Tracks (ADTT) in Delhi. The centers have specially designed tracks to conduct driving tests. They are also equipped with high-resolution cameras to capture real-time footage of tests and analytics-based assessment tools to help in the issuance of driving licenses more transparently and efficiently. As of 31st March 2022, over 370,000 candidates have taken the tests at ADTTs. Apart from ADTTs in Delhi, 2 ADTTs are also operational in IDTR Dehradun, Uttarakhand and IDTR Aurangabad, Bihar.

# Traffic Safety Management System

Traffic Safety Management System (TSMS) project has been implemented for Delhi Police at 13 road junctions with high traffic density. The project aims to improve compliance with traffic rules, thereby reducing accidents. The TSMS comprises 3D radars and high-resolution cameras that simultaneously capture traffic violations such as over-speeding, red-light violation, stop line violation and wrong side driving happening at traffic junctions. The information on violations is transmitted to the central control room of Delhi Traffic Police for manual validation, from where e-prosecution slips are sent to the violators by SMS with a web link showing the evidence. Starting February 2019, more than 33 Lakhs e-prosecution slips were issued till March 2022.

**Pakistan** 

Pak Suzuki Motor Co., Ltd.

# **Education support program**

# Safe driving techniques (SDT) awareness sessions

Introduction

Two Sessions on "SAFE DRIVING TECHNIQUES" were conducted in the company in coordination with Marketing & Sales Function for Car Carriers' Owner, Managers, Supervisors and Drivers, on 2nd July & 8th October, 2021. The purpose of these sessions was to enhance the Safety Level of Car Carrier Team to ensure their safe journey. During these sessions, Head Corporate Planning educated the participants about Safe & Defensive Driving Techniques, Highway Driving Rules and Tips for Maintenance of Vehicles. The awareness sessions also comprised of pictorial/video demonstration about Driving Signs and Techniques, Accidents and their Precautions. Total 35 participants attended these sessions.



# Construction project at Government Boys Sindhi **Primary School Pipri**

Under "School Improvement Program" of CSR, Pak Suzuki successfully completed the Construction of Suzuki Block-II Project in Government Boys Sindhi Primary School, Pipri. The project has been inaugurated by Mr. Masafumi Harano, MD & CEO Pak Suzuki on 10th September, 2021. This project includes construction of

new Suzuki Block-II with three classrooms, donating furniture (i.e. benches, Chairs, Tables, Books racks) & play ride, etc.



# **Higher & Lower Secondary Scholarships**

Higher Secondary Scholarship ceremony was held at Govt. Higher Secondary School on 22nd October, 2021. Mr. Masafumi Harano, MD & CEO Pak Suzuki awarded total 95 scholarships to successful students of grade 11 & 12. Lower Secondary Scholarship ceremonies were held at Govt. Boys Primary School Pipri & Govt. Boys & Girls Higher Secondary School Haji Natho on 30th May, 2022. Mr. Masafumi Harano, MD & CEO Pak Suzuki announced 200 scholarships for successful students from Grade 6 to 9. The purpose of this program is to motivate and encourage the needy but talented Government Schools students so that they can continue their study without worrying about educational expenses. Certificates were also presented to each student in each scholarship ceremony.





# Health, Safety, Environment (HSE) & Computer Literacy Program (CLP) online awareness session

Health, Safety, Environment (HSE) & Computer Literacy Program (CLP) online awareness sessions were conducted on 26th July, 2022 for Pak Suzuki employees' children (son/ daughter/brother & sister). Total 9 children participated in these sessions. During CLP session, CP Team Member trained participants about Basic Computer Usage, MS-Office, etc. During HSE Session, trainer enlightened on Health related issues, especially with prospect of COVID pandemic, importance of knowing safety issues and related precautions, and tips to stay healthy, safe & secure during day to day activities including environmental protection.

# **Environment**

### **Beach Cleaning Campaign 2021**

Pursuing Suzuki Motor Corporation "Clean-up the World Campaign," "Beach Cleaning Campaign" was carried out on 26th November, 2021 at Seaview Clifton. The purpose of this campaign was to create awareness about the importance of environment protection and Marine Life conservation among public. Through this activity, Pak Suzuki is also contributing towards Government's vision of "Clean & Green Pakistan." The campaign was successful. Around 100 employees participated in this campaign. Around 100 bags of garbage were collected and disposed of properly via Cantonment Board Clifton (CBC).



# **Community health**

# **Donation to hospitals**

In order to support Government continuous efforts to curtail & stop the spread of COVID-19 in country & facilitate Hospitals, Pak Suzuki has donated COVID protection items (Protective suits, coverall, masks, gloves, body bags, goggles, face shields, alcohol wipes, Dettol, sanitizers, etc.), and medical & other items (Patients Bed side Monitors, Oxygen Cylinders, Air Conditioners) to three Hospitals; GDA Hospital Gwadar Baluchistan, Tayyip Erdogan Hospital Muzaffargarh and District Headquarter Hospital (DHQ) Hospital & Faisalabad Medical University. These hospitals are providing medical treatment to their communities without charge. Donation ceremonies were held in each hospital.

Introduction

# **Donation to Koohi Goth Women Hospital**

Pak Suzuki donated items for protection against COVID-19 (Latex Gloves, KN 95 Masks, Liquid Dettol, Sanitizer, Temperature Guns, B.P Apparatus, etc.) and Water Coolers with Filters & Stabilizers to Koohi Goth Women Hospital. It is a non-profit 250 bed General Hospital in the area of Landhi Karachi. This hospital is actively working for protecting women from labor related complications and gynecologic diseases without charge. Especially for obstetric fistula patients, the hospital is providing corrective surgeries for obstetric fistula and management training for fistula care as well. The donation ceremony was held on 4th November, 2021. Mr. Masafumi Harano, MD & CEO Pak Suzuki & Dr. Tipu Sultan, CEO Koohi Goth Women Hospital attended the ceremony along with other officials.

# **Blood Donation Campaign**

Pak Suzuki successfully organized a Blood Donation Campaign in collaboration with Indus Hospital on the 13th & 16th of May, 2022. 107 employees voluntarily donated their blood which will help patients suffering from various diseases. Another Blood Donation Campaign was organized by Regional Office Multan in cooperation with Indus Hospital on 23rd May, 2022. 8 persons voluntarily donated their blood there.







### Indonesia

PT. Suzuki Indomobil Motor

# Safety campaign for fishermen

For the safety of fishermen, who are one of Suzuki OBM customers, we conducted a seminar about the importance of safety during fishing at sea for fishermen in Pangandaran, West Java. We also provided 200 life jackets for the fishermen to ensure their safety at sea.

Introduction



# Donation of oxygen concentrator

In collaboration with Suzuki Motor Corporation, we donated 70 units of oxygen concentrator to Ministry of Industry of the Republic of Indonesia. Because oxygenconcentrator shortage became a serious problem globally due to the rapid spread of the Delta coronavirus variant. We were able to help our government treat Covid-19 patients.

# Support for Covid-19 vaccination program

We also supported the free Covid-19 vaccination program for nearly 2,000 residents living around Suzuki's plants in Tambun and Cikarang in order to speed up achieving Covid-19 herd immunity.



# Donation of industrial machinery for vocational school student training

In order to contribute to improving the education quality in Indonesia, which is one factor of our CSR, we donated 13 units of industrial machinery such as CNC (Computerized Numerical Control) machines, lathe, compressor, and 71 measuring instruments of various types and sizes to 4 vocational high school training centers. The aim of this donation is to enhance student's knowledge and hard skill by operating the industrial equipment, and soft skill regarding how to input program, to improve product and job quality, and to keep good work environment and condition so that they can address any kind of iob in the future.





# Beach cleanup campaign and mangrove planting

Sea pollution by plastic waste has been a serious problem in Indonesia as a maritime nation. As an effort to reduce the waste in ocean, we have been taking part in the "CLEAN UP THE WORLD" campaign every year since 2014. In the campaign, we provide trash bags and collect plastic waste in beach together with local residents, Suzuki dealer, communities, and students to enhance their awareness of keeping the sea clean for the future. In FY2021 we conducted this activity at 2 locations: Pangandaran beach, West Java and Bunaken Island, North Sulawesi.

Former Minister of Maritime Affairs and Fisheries of Indonesia, Mrs. Susi Pudjiastuti, who is an environment activist from Pangandaran, joined our activity in Pangandaran. Besides collecting plastic waste along the beach, we also joined her environmental protection activity to release belangkas / horseshoe crab (Limulus polyphemus) and sidat / glass eel (Anguilla spp.), and to plant 5,000 mangroves.

Environmental

Vietnam

Vietnam Suzuki Corp.

### 4 commercial vehicles donation

Vietnam Suzuki donated 4 commercial vehicles (2 Carry trucks and 2 Vans) to Dong Nai Department of Health in cooperation with Dong Nai Industrial Park Management Board (DIZA) in order to support the prevention of the COVID-19 pandemic.

Through Dong Nai Department of Health, 4 vehicles were handed over to Dong Nai General Hospital, Thong Nhat General Hospital and Dong Nai Provincial Center for timely assistance.

Suzuki Carry light truck has been trusted in Vietnam for the past 25 years because of its strong, durable, convenient, flexible, fuel-efficient and capable diversified transportation. Because of possessing a compact design, Suzuki Carry can transport loads of goods into the alleys in the inner city, serving all urgent needs in a timely manner. Similarly, Suzuki Blind Van is especially effective when traveling over rough terrain and suitable for the Covid-19 test conducted in small alleys. Vietnam Suzuki will continue its efforts to be of support to the communities we serve.



**Philippines** 

Suzuki Philippines Inc.

# **Suzuki Safety Scouts**

Suzuki Safety Scout is one of Suzuki Philippines' CSR programs. The purpose of this program is to teach traffic safety to children and create communities which are highly conscious about traffic safety in the Philippines. Since it started in 2018, more than 3,500 children have participated in the program. Although our activities are restricted due to the COVID-19 pandemic, we continue being active every year. Children can learn basic traffic safety signs in classroom-style seminar.



# **Environmental protection activity**

On 20th March 2022, Suzuki Philippines held an event called "Suzuki Clean-up Ride." This event is part of the "Suzuki Helps, Aids & RE builds (SHARE) program" and its purpose is to raise awareness about environmental issues. Over 200 SUZUKI motorcycle riders and moto bloggers gathered in Pasig City to participate in this event. After motorcycle touring, we all cleaned up the Rave Forest Adventure Park in Pasig City with brooms.



Myanmar Suzuki (Myanmar) Motor Co., Ltd./Suzuki Thilawa Motor Co., Ltd.

# Free lending service of oxygen concentrator

Introduction

From early July 2021, the lack of medical oxygen became a big problem in Myanmar because the number of COVID-19 infections increased rapidly. Therefore, Myanmar Suzuki started free lending service of SHENPIX-type oxygen concentrator from 27th August 2021. We are providing this service for our dealer, customers, families and other people who need to treat COVID-19.

# **Austria**

Suzuki Austria Automobil Handels GmbH

# Tree planting activities

Suzuki Austria has planted as many seedlings as our company sold cars in 2022 to protect our country's forests. 2/3 of Austria are occupied by the mountains and forests cover about half of the land area. Therefore, the impact of climate change on nature is not small. Last year we had not only record breaking heavy snow in winter but also very dry conditions for months in summer. Last June was the hottest on record. To make matters worse, trees withered by the propagation of insects called bark beetles that eat woods. Suzuki Austria is striving to grow forests in these damaged areas.

# Suzuki Power Team Charity Run

On July 31, 2021, the first Suzuki Power Team Charity Run was held in Innsbruck. Innsbruck is internationally famous for winter sports and it hosted the 1964 and 1976 Winter Olympics as well as 1984 and 1988 Winter Paralympics. Many professional athletes and highly motivated amateurs took part in this competition. Donations and participation fees will be used in order to support Austrian para-athlete (bobsled) Hermann Ellmauer's activity. Furthermore, Thomas Klausner, who became the Austrian junior champion in the cycling trials, gave a demonstration for all spectators and livened up the event.







Efforts by Overseas Group Companies

Suzuki Italia S.P.A.

Introduction

# Suzuki Bike Day 2021

On 10th July 2021, Suzuki Italia held "the 1st Suzuki Bike Day" in Carpegna, a small town in the mountains in Marche, Italy. Carpegna is a nature-rich town and famous as the place where Marco Pantani who was an Italian road racing cyclist, widely regarded as the hero trained for road races. We offered a 16-kilometer bike racecourse exclusively for this event and 480 cyclists participated. The purpose of the event is to spread the knowledge that the use of bicycles leads to environmental protection. Moreover, we donated the participation fee for this event to the Michele Scarponi Foundation. Michele Scarponi was an Italian road bicycle racer who passed away in a traffic accident during training. The Foundation is providing financial support to projects that are actively engaged in road safety education.

# World Children's Day

In the Avigliana park, near Turin, Suzuki Italia welcomed 50 children from the "Defendente Ferrari" Middle School of Avigliana, for one-day environmental education. Suzuki Italia, in partnership with the Experimental Zooprophylactic Institute of Piedmont, Liguria and Valle d'Aosta, explained the importance of protecting our ecosystem and reducing the amount of plastics we use to solve marine pollution caused by the waste plastics.

# Hungary

Magyar Suzuki Corporation Ltd.

# Danube River environment conservation project

Magyar Suzuki is working together with local residents to promote the Danube River environment conservation. We do everything from garbage collection to releasing fish and feeding waterfowl. These activities are a part of the "Clean Up the World Campaign," which aims to preserve water quality. This campaign was started by Suzuki Group 11 years ago. Since then, our company's Marine Division has participated in the campaign. This year, Danube Civil Organization and the 8th grade students of the Temesvári Pelbárt Franciscan Grammar School and College cleaned up along the Danube River in the Esztergom cycle path section.

# Magyar Suzuki won the sponsor award of the year

Magyar Suzuki received the honorable Sponsor of the Year Award from Hungarian Red Cross. As a responsible company, we have been supporting local communities and organizations for 30 years. We believe that the safety and secure mobility and everyday life of individuals are based on each person's responsible behavior. Based on its belief, we will continue conducting social contribution activities. Managing director Masato Atsumi attended the award ceremony held at St Adalbert Center in Esztergom.





**France** 

Suzuki France S.A.S

Introduction

# Charity event sponsorship

Suzuki France supports the charity association "Rêves de Gosse," which was established 26 years ago, and the French President and the head of French air force provide full support. We support their education projects that are held in 10 places every year. In the events, multiple disabilities, health impaired, needy and healthy children can jointly and joyfully do various recreational activities. The final purpose of these education projects is that all children experience first-time flight together. In collaboration with our local dealers, we provide several vehicles for the transportation of volunteers and supplies, put animated movies on the screen and offer souvenirs at the Suzuki booth.



**Poland** 

Suzuki Motor Poland Sp. Z.o.o.

# Support for young-athlete refugees from Ukraine

Suzuki Motor Poland is providing support to Ukrainian refugees who are members of the junior football teams: The U-16 Metalist 1925 Kharkiv. The U-16 Metalist 1925 Kharkiv is a Ukrainian football club based in Kharkiv which is the second largest city in Ukraine. Thanks to "Korona Kielce," which is a Polish football club team and belongs to Ekstraklasa that is the top Polish professional league for men's association football teams, 20 young athletes could evacuate from their country to Poland safely. Now they live a peaceful daily life here. They were recognized as refugees and are receiving compulsory education as well. We and our technical partner are providing financial assistance for them such as accommodation that includes three meals daily, daily necessities and clothes, etc.

**New Zealand** 

Suzuki New Zealand Ltd.

# Online driving lessons

In collaboration with NZTA (New Zealand Transport Agency) and ACC (The Accident Compensation Corporation), Suzuki New Zealand aims to reduce traffic accidents by using "eDrive" and "Fleetcoach" which are online tools for the risk prediction while driving. To drive safety, drivers must understand the types of risks that come with the conditions around them and make predictions. Getting to know various traffic scenes through online tools will prepare drivers to respond appropriately and lead to prevent traffic accidents. Learners such as young people, business employees and overseas visitors can receive training to acquire the driving skills they need. Through Suzuki-vehicle driver's seat screen image, anyone can experience over 100 real-life driving situations filmed on New Zealand roads.



**South Africa** 

Suzuki Auto South Africa (Pty.) Ltd.

# Filmgro Driving Academy

Having a driving license in South Africa is always an advantage when applying for work. The Filmgro Driving Academy program enables young students and trainees to obtain their driver's licenses free of charge by providing professional driving lessons at the FREE FILMGRO DRIVING ACADEMY at ATLANTIC FILM STUDIOS. Each driving academy student is accompanied with a professional driving instructor in the S-Presso, which is proudly branded and a very popular vehicle, and can take driving lessons and finally obtain a driving license. To date, a total of 66 students obtained their licenses. Suzuki Auto South Africa will continue to support this program through the partnership with the academy.

Introduction

# Kalahari Endangered Ecosystem Project (KEEP)

The Kalahari Endangered Ecosystem Project (KEEP) is a project to study the impact of climate change to protect endangered ecosystems in the Kalahari Desert in southern Africa. Thanks to approval and support we have received from our customers, this is the third year since we started to support this project. In August 2021, our delegates visited Tswalu Kalahari Reserve to officially hand over the two Vitara GLX All Grip models. Students, researchers and professors of various institutions who take part in this project drive these vehicles in order to track animals and collect data throughout the vast 110,000-HA Tswalu Kalahari Reserve. These vehicles also contribute significantly to the investigation of the effects of environmental changes on plants and animals via their food chain. In addition to two vehicles, we donated a Jimny so that researchers can go to areas where it would be difficult for them by ordinary vehicles because we felt the project needs one highly convenient vehicle.







# **Activities of Suzuki Foundation**

# **Suzuki Foundation**

Suzuki has been supporting the scientific and technological research of various researchers through the Suzuki Foundation since 1980.

Introduction

The Suzuki Foundation was established as The Mechanical Industry Development & Assistance Foundation in 1980. The Foundation served as a commemorative business to mark the 60th anniversary of Suzuki Motor Corporation, with funding from donations made by Suzuki and related companies. On April 1, 2011, the foundation officially changed its name to the Suzuki Foundation.

# **Philosophy**

Today, in the face of increasingly serious problems such as energy issues and global warming, the compact motor vehicle industry is expected to solve more advanced and complex issues than anything faced before. These issues encompass not only efforts to achieve carbon neutrality throughout the product lifecycle, from production to use and disposal, but also efforts to raise the sophistication of advanced safety technologies to achieve zero traffic accidents. To meet these expectations, it is more crucial than ever to promote advanced technological innovation in relevant industries and secure talented engineers. The foundation will continue to aid and subsidize technological development, as well as encourage and support young people who are motivated to engage in these fields.

Furthermore, the foundation will provide financial assistance for scientific research related to the production, use and consumption of machinery and other equipment that help to make people's daily lives easier and more convenient, including compact motor vehicles, and will widely publicize the results of such efforts. Through these activities, the foundation will contribute to the overall development of Japan's machinery industry and to the improvement of its national welfare.

# **Foundation activities**

# Financial assistance for scientific and technological research projects

The foundation offers financial assistance for fundamental and unique research projects related to environmental, information, control, material, production and other technologies that lay the groundwork for societal development. Notably, in order to support young researchers, the foundation has set up a financial assistance program for young researchers aged 35 and under, in addition to its program for general researchers. In FY2021, the foundation provided financial assistance for 53 projects totaling ¥98,690,000, comprising the programs for both general and young researchers. From FY1980 to FY2021, we awarded financial assistance totaling ¥1,682,240,000 for 1,206 projects for researchers at universities, junior colleges, and research institutes nationwide.

# Financial assistance for proposed subject research projects

The foundation also funds projects that concentrate the combined intellect of researchers in finding solutions to high priority concerns that should be addressed by the automotive engineering field and other sectors, such as safety issues, global environmental conservation, and natural energy resource saving. This financial assistance was initiated in FY2003, and each year it invites a wide range of researchers to submit research proposals on subjects including challenges that must be resolved immediately and problems that will arise in the future. Financial assistance is provided for outstanding proposals. In FY2021, the foundation disbursed funds of ¥36,760,000 for 4 projects. From FY2003 to FY2021, the foundation has disbursed funds totaling ¥385,960,000 for 41 projects.

# Financial assistance for publicizing research findings and overseas training of researchers

The foundation provides funding for symposiums and conferences held in Japan and overseas and assistance to subsidize the costs of attending symposiums and conferences held overseas, for the purpose of further improving and developing fundamental and unique research findings in the science and technology fields. In FY2021, the foundation made 12 disbursements of financial assistance totaling ¥4,090,000. It has provided a total of 654 disbursements of funds totaling ¥186,770,000 through to FY2021.

Environmental

# Financial assistance for foreign research students on international study programs

Introduction

Based on researcher exchange agreements between Shizuoka University and the Budapest University of Technology and Economics and the Indian Institutes of Technology, and such agreements between Toyohashi University of Technology and universities in India, the Suzuki Foundation has been supporting international study programs that bring researchers to Japan since FY1999.

From FY2020 to FY2021, these programs could not be held because the entry of researchers from abroad into Japan was restricted due to the spread of COVID-19.

From FY1999 to FY2019, the foundation provided financial aid disbursements totaling ¥139,290,000 to support a total of 23 research students, of whom 17 were from the Budapest University of Technology and Economics, 5 were from the Indian Institutes of Technology and 1 was from the Indian Institute of Science.



Presentation ceremony for research assistance (online)
Left photo: Hiroshi Okada, Professor, Toyohashi University of Technology
Right photo: Osamu Suzuki, Chairman, Suzuki Foundation (left) and Toshihiro Suzuki, Chairman,
Suzuki Foundation (right)

# Yaramaika Grand Prize and Yaramaika Special Prize awards program

In 2020, in commemoration of the 40th anniversary of its founding, the Suzuki Foundation established the Yaramaika Grand Prize and the Yaramaika Special Prize, with the aim of further developing mechanical industrial technologies in Japan. This is an annual awards program

to recognize motivated researchers who constantly take on new challenges with the "Yaramaika (give it a try) spirit" and make outstanding achievements.

The Yaramaika Grand Prize honors researchers who have made outstanding achievements in the development of scientific research related to the production, use, and consumption of machinery and other equipment that helps to make people's everyday lives easier and more convenient, including compact motor vehicles. In addition, the Yaramaika Special Prize recognizes researchers who have received the Suzuki Foundation's financial assistance for scientific and technological research projects and proposed subject research projects in the past and made achievements that will continue to benefit society well into the future. Winners of the Yaramaika Grand Prize will receive a prize certificate, a gold cup, and a supplementary prize of ¥10 million, while winners of the Yaramaika Special Prize will receive a certificate, a gold cup, and a supplementary prize of ¥3 million.

The second Yaramaika Grand Prize was received by Professor Emeritus Masao Nagai of Tokyo University of Agriculture and Technology, while the second Yaramaika Special Prize was awarded to Professor Shuro Nakajima of Wakayama University.



Presentation ceremony for the second Yaramaika Grand Prize and Yaramaika Special Prize From left: Chairman Osamu Suzuki, Suzuki Foundation; Professor Emeritus Masao Nagai, Tokyo University of Agriculture and Technology (winner of Yaramaika Grand Prize); Professor Shuro Nakajima, Wakayama University (winner of Yaramaika Special Prize); Councilor Toshihiro Suzuki, Suzuki Foundation)

### Total assets and number and amount of disbursements

- Total assets: ¥9,789,080,000 (as of March 31, 2022)
- Number of disbursements: 69 in FY2021; cumulative total of 1,924 disbursements from FY1980 to FY2021
- Amount of disbursements: ¥139,670,000 in FY2021; cumulative total of ¥2,394,260,000 from FY1980 to FY2021

# Support for the Motoo Kimura Trust Foundation for the Promotion of Evolutionary Biology

It is our wish to find causes of disease and pursue good health so that we may all lead pleasant and plentiful lives. In admiration of the efforts of the late Dr. Motoo Kimura, who was nominated for a Nobel Prize for his research in evolutionary studies, the Motoo Kimura Trust Foundation for the Promotion of Evolutionary Biology was established in December 2004 with funds donated by Suzuki. This trust foundation rewards those who have conducted research in the field of evolutionary biology and have made major contributions to research in this field.

# **Suzuki Education and Culture Foundation**

Introduction

Since 2000, Suzuki has been conducting support activities through the Suzuki Education and Culture Foundation to contribute to the sound development of youth in Shizuoka Prefecture. This foundation was established with full funding from the Suzuki Group as a commemorative business for the 80th anniversary of Suzuki's foundation.

# **■** Foundation activities

# Offering scholarships to high school and university students

The foundation offers scholarships with no repayment obligation to high school students living in Shizuoka Prefecture or university students who are graduates of high schools in Shizuoka Prefecture who have a strong desire to learn but are unable to concentrate on their studies due to economic reasons. In FY2021, the foundation offered scholarships totaling ¥36,000,000 to 105 high school and 18 university students.

Moreover, the foundation offers scholarships with no repayment obligations to students who have excelled academically at the Shizuoka University of Art and Culture, which is in the local Hamamatsu area. In FY2021, the foundation offered a total of ¥2,100,000 to 7 third-year undergraduate students. By encouraging a stronger desire to learn, these scholarships aim to nurture human resources who can contribute to society and aid in the development of the Hamamatsu area.

### Donation of goods to the PTAs of special-needs schools

The foundation donates goods including playground equipment, sports goods, and musical instruments to the PTAs of special-needs schools in Shizuoka Prefecture. The foundation wishes that by using those goods, students with disabilities attending those schools can expand their potential through sports and education activities.

In FY2021, the foundation donated a total of 40 goods items to the PTAs of 30 schools totaling ¥30,660,000.

# Management assistance for the Mundo de Alegria School for foreign nationals

The foundation supports the education of foreign children by providing financial assistance to Mundo de Alegria School, a school for South American foreign nationals, which is accredited as a miscellaneous school by Shizuoka Prefecture. (The school is located in Yuto-cho, Nishi-ku, Hamamatsu, with 260 students from kindergarten to high school, of which 249 are from Brazil and 11 are from Peru.)

The Mundo de Alegria School is a school for the children of Japanese-South American workers who came to Japan in large numbers during its "bubble economy" period from the late 1980s to the early 1990s to augment the labor force of Japan.

In FY2021, the foundation disbursed financial assistance of ¥10 million to the school. The foundation supports the school's aim to "nurture human resources who can contribute to the local Japanese society by building up education in both their native language and Japanese."

# Track record of support (as of March 31, 2022)

- Scholarships provided: 524 students (¥403,380,000)
- Financial assistance to special-needs schools:
   75 disbursements (¥61,850,000)
- Financial assistance to schools for foreign nationals:
   12 disbursements (¥110,500,000)
- Scholarship aid to Shizuoka University of Art and Culture: 10 scholarships (¥15,300,000)

Suzuki Education and Culture Foundation website (Japanese language only) https://www.suzuki-ecfound.com



Scholarship certificate presentation ceremon



Outdoor play structure donated to the PTA of a special-needs school



Students of the Mundo de Alegria School
(at a ceremony held for a bus donation by the Suzuki Athlete Club)

**Corporate Governance** 

128 — Corporate Governance

135 — Compliance System and Risk Management System

# **Corporate Governance**

Introduction

# **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/ir/library/governance/pdf/ report.pdf

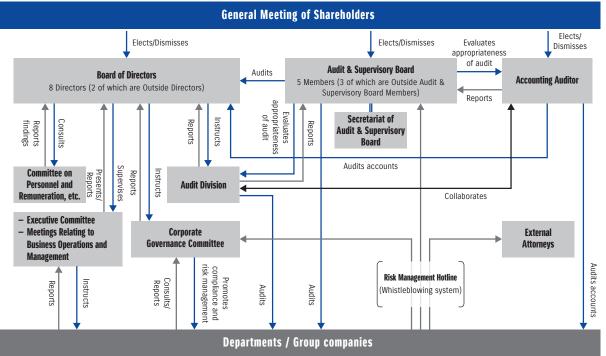
# **Outline of the Corporate Governance System**

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)



Environmental

# **Status of corporate governance**

Introduction

		Up until FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	From FY2021	
N	lid-term management plan	Mid-term management targets (April 2010 to March 2015)			anagement Plan SUZU pril 2015 to March 201			Mid-Term Management Plan "Sho-Sho-Kei- Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)" (April 2021 to March 2026)		
	Chairman	Osamu Suzuki 2008 to 2015		Osamu Suzuki						
	President	Chairman and President	d Toshihiro Suzuki							
	Term		1-year terms as directors since 2002							
	Supervision / execution		Introduced a managing officer system in 2006							
Directors	Outside Directors (Outside Directors / Total)	Since 202	12, 2 of 9		2 of 8		2 of 7	3 of 9	2 of 8	
	Support system, etc.		Secretarial Office (Corporate Governance Office prior to August 2021) / Secretariat of Audit & Supervisory Board							
	Number of members		Since 1989, up to 30				Up to 15			
	Committee		Committee on Personnel and Remuneration, etc. (Advisory Committee on Personnel and Remuneration, etc. until June 25, 2021)							
	Committees	Corporate Governance Committee								
Vision	Corporate Philosophy			Formu	lated the Suzuki Grou	Mission Statement	n 1962			
ion	Code of Conduct	Suzuki Activity employees Activit			Suzuki Group Code o	f Conduct (Distribute	d Compliance Handbool	k in February 2020)		

Environmental

Data

### **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.

Introduction

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*1	Technology / R&D / Procurement / Manufacturing / Quality	Sales / Marketing	Finance / Accounting	Legal / Risk management	ESG / Sustainability	HR development / Labor relations / HR	Overseas business / International experience*2	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)	0	0	0			0		0		0		0
Osamu Honda	Representative Director and Senior Technical Executive, and in charge of Technology and Logistics Strategy	October 6, 1949		0	0							0	0		0
Masahiko Nagao	Director and Senior Managing Officer, and in charge of public relations	January 4, 1958	(Government agency)					0	0		0		0		
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		©		0							0		
Kinji Saito	Director and Senior Managing Officer Executive General Manager, Global Automobile Marketing	July 22, 1958		0		0					0		0		
Yukihiro Yamashita	Director and Senior Managing Officer Chief Technology Officer, and Executive General Manager, Automobile Electrical/Electronic Engineering	September 26, 1967	O(Other company)		0							0	0		
Hideaki Domichi	Outside Director	December 14, 1948	-	0				0	0	0	0		0		0
Shun Egusa	Outside Director	January 20, 1958	-	0	0						0		0		0
Taisuke Toyoda	Full-time Audit & Supervisory Board Member	August 6, 1957					0	0	0				0	0	
Masato Kasai	Full-time Audit & Supervisory Board Member	December 12, 1955			0			0	0				0	0	
Norio Tanaka	Outside Audit & Supervisory Board Member	February 10, 1951	-				0	0					0	0	0
Norihisa Nagano	Outside Audit & Supervisory Board Member	December 29, 1949	-					0					0	0	(Observer)
Mitsuhiro Fukuta	Outside Audit & Supervisory Board Member	February 13, 1962	-		0					0			0	0	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). 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

Introduction

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.

Social

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.

Introduction

# 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

	Total amount of	Total amou	nt of remuneration, o (Millions of yen)	etc. by type	
Officer classification	remuneration, etc. (Millions of yen)	Basic remuneration (fixed remuneration)	Bonus (performance- linked remuneration)	Restricted stock remuneration (non-monetary remuneration, etc.)	Number of eligible officers
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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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, 2005 (logayment 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**

Introduction

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 agendasetting 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.

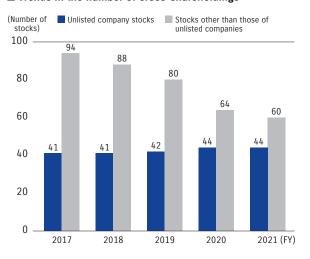
When a new Outside Director or a new Outside Audit & Supervisory Board Member assumes post in the Company, the Company will explain to the person the corporate philosophy, lines of business, finances, organizations, etc. In addition, the Company will prepare opportunities, such as interaction with Directors, 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



# **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.

Introduction

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\*





\* Total of compliance-related cases only

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

Introduction

"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.

# Compliance System and Risk Management System

# ■ 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
- 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 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 15 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.

# Disaster measures by Suzuki

Introduction

Suzuki takes various measures for natural disasters including Nankai Trough megathrust earthquakes to give top priority to protecting employees' lives and quickly resuming our business for our customers as well as minimizing the impact of damages. For example, we have taken various preventive measures such as earthquakeresistant measures for buildings and facilities, fire prevention measures, establishment of the disaster action manual and Business Continuity Plan (BCP) that includes establishment of a disaster countermeasure organization, and purchase of earthquake insurance.

# Disaster prevention

While the Group has been taking various measures to prevent anticipated damage caused by Nankai Trough megathrust earthquakes, after experiencing the Great East Japan Earthquake, it has diversified production and research sites including those overseas. Firstly, it relocated plants and facilities to the Mivakoda district in the northern part of Hamamatsu from the Ryuyo region in Iwata, Shizuoka, since massive tsunami damages are anticipated in the region. The Group has diversified its production of engines for mini-cars, which was concentrated at Sagara Plant, to Kosai Plant to mitigate risk. Furthermore, the Group is expanding its research facilities in India in order to mitigate risk concerning product development facilities for automobiles at Sagara Proving Grounds. In order to enhance the performance of disaster countermeasure headquarters, which is to be established following a disaster, the head office periodically conducts training with officers and each representative of the disaster countermeasure headquarters attending in cooperation with a consulting company specialized in disaster countermeasures. Through these initiatives, the Group will continue to enhance its preparedness against natural disasters.

# Efforts against earthquakes and tsunami taken by Suzuki for local residents

A part of Suzuki's facilities is registered as a tsunami shelter for local residents, who are invited to see the shelter once a year. Also, we have a system in place to deploy watchmen to the roof of the head office when an earthquake occurs. There, manual and electric sirens are installed, and if a tsunami has been observed, a siren is sounded to notify staff and nearby residents. The electric siren is designed to be operated via a dedicated electric generator in case of a power failure.





Tour of tsunami evacuation building by local community association

# Measures against earthquakes and tsunami taken by Suzuki for employees

Earthquake Early Warning systems are installed at the head office, each plant, and manufacturing Group companies in an aim to protect the lives of our employees. Earthquake and tsunami evacuation drills are repeatedly conducted with participation from all employees so that when the Earthquake Early Warning system is activated, the employees are able to guarantee their safety, and at offices with risk of tsunami, safely evacuate to places where damage from flooding is not anticipated. We have





Tsunami evacuation drills

established a system to confirm the safety of employees immediately when a disaster occurs via communication equipment such as satellite telephones and radios, which are installed at each plant and sales distributors all over Japan as an emergency communication tool, and we conduct a communication drill every month to be ready for an emergency.

Furthermore, as a method of confirming the safety of off-duty employees, we introduced the "safety information system" in case an earthquake or tsunami occurs. When an earthquake with a seismic intensity of five lower or above occurs, in order to confirm the safety of employees and their families, this system automatically sends "safety inquiry e-mails" to e-mail addresses that each employee has registered and those who receive the e-mail send a reply about their own safety condition, allowing managers to confirm the situation. We conduct



Leaflets distributed in 2021

training twice a year so that we can confirm everyone's safety immediately during a disaster.

Additionally, we distribute leaflets titled "What you should do at each home in advance to prepare for various disasters" to all employees so that each home can be ready for earthquakes and floods. We urge everyone to confirm individual contact information and evacuation sites as well as the risk to homes, etc. through hazard maps, and to stockpile supplies, and convey the importance of making preparations before disasters occur.

# **■** Efforts against fire disasters

At the head office, each plant and Group companies, regardless of how small the fire may be, we conduct an initiative to find out the real cause of the fire and thoroughly carry out effective measures. All cases of fire are shared throughout the Suzuki Group in an effort to cross-functionally take measures in preventing similar disasters. Fire drills using fire extinguishers and fire hydrants are conducted so that everyone at the worksite can perform first-aid firefighting to minimize damage caused by fire. In FY2021, a total of 1,356 people participated across the entire Company. Additionally, water discharge drills using fire engines or small transportable pumps are performed as a way of promoting voluntary disaster prevention activities through the "private fire brigade," a fire prevention organization consisting of employees.





Fire drills

Contribution to construction of storm surge barrier in the coastal zone of Hamamatsu

Suzuki contributed a total of ¥500 million by the end of September 2014 to "Hamamatsu Tsunami Protection Measure Fund" which Hamamatsu City has founded for constructing a tsunami barrier as a countermeasure for tsunami caused by earthquakes. In addition, a total of ¥500 million was contributed to "Hamamatsu Sports Facility Construction Fund" by the end of March 2015 to cooperate with construction of a sports facility which has both a tsunami evacuation base and urgent relief heliport functions in case of a disaster. As a result, with the "Hamamatsu Tsunami Protection Measure Fund" and "Hamamatsu Sports Facility Construction Fund" combined, the total amount of contributions to the Hamamatsu City storm surge barrier was ¥1 billion.

The Company also contributed ¥340 million in total to eight neighboring cities and towns in western Shizuoka Prefecture, where many of its plants, associated facilities and business partners are located, for disaster measures such as earthquakes and tsunami by the end of March 2019, contributed ¥2.8 billion to Iwata City in August 2020 to promote the construction of the storm surge barrier, and donated a portion of land for the Ryuyo Proving Grounds in December 2021.

**Data** 

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# **Environmental Data**

Introduction

# **Environmental management**

# Environmental impact and initiatives in business activities

# ■ Domestic offices of Suzuki Motor Corporation

# INPUT

	FY2019	FY2020	FY2021
Electricity (unit: 1 million kWh)	492.4	474.9	462.0
Fossil fuel (unit: 10,000 GJ)	180.4	171.9	165.5

# ■ Domestic manufacturing plants of Suzuki Motor Corporation

# INPUT

		FY2019	FY2020	FY2021
	Purchased power (unit: 1 million kWh)	401.0	384	376
	Wind power (Kosai Plant) (unit: 1 million kWh)	1.76	1.65	1.53
	Small-scale water power (unit: 1 million kWh)	0	0	0
	LPG (unit: 1,000 tons)	17.3	14.5	13.5
Electricity, fossil fuel	City gas (unit: 1 million m³)	18.6	23.2	20.6
103311 1461	Kerosene (unit: 1,000 kL)	0.309	0.140	0.102
	Fuel oil A (unit: 1,000 kL)	0.0002	0.0001	0.0003
	Light oil (unit: kL)	6.4	8.3	9.7
	Gasoline (unit: kL)	115	119	122
	Industrial waterworks (unit: 1 million m³)	2.12	2.24	2.53
Water	Waterworks (unit: 1,000 m³)	45.3	41.1	47.1
	Well water (unit: 1 million m³)	1.03	1.03	0.55
	Iron (unit: 1,000 tons)	563.9	537.5	480.1
	Aluminum (unit: 1,000 tons)	49.4	44.5	43.7
Raw material	Resin (unit: 1,000 tons)	36.8	35.2	30.6
	Copper (unit: 1,000 tons)	9.0	8.9	8.1
	Lead (unit: 1,000 tons)	6.6	6.4	5.4
PRTR target sub	PRTR target substance (unit: 1,000 tons)		3,125	2,965

# ■ Transportation

# INPUT

	FY2019	FY2020	FY2021
Fuel (light oil, etc.) (unit: 10,000 GJ)	56.8	54.6	50.1

# OUTPUT

	FY2019	FY2020	FY2021
CO <sub>2</sub> emissions* (unit: 1,000 t-CO <sub>2</sub> )	324.7	298.5	277.7

# OUTPUT

		FY2019	FY2020	FY2021
	CO <sub>2</sub> (unit: 1,000 t-CO <sub>2</sub> )	280	257	238
	SOx (unit: tons)	5	3	2
Release to	NOx (unit: tons)	76	66	67
atmospheric air	PRTR target substance (unit: tons)	1,277	1,134	1,075
	VOC emissions (unit: tons)	3,404	3,351	2,964
	Ozone-depleting substance (CFC-11 conversion) (unit: tons)	0.0002	0.002	0.000002
	Displacement to rivers, lakes, and reservoir (unit: 10,000 m³)	424	410	380
Displacement	Displacement to sewerage (unit: 10,000 m³)	9.8	7.9	6.0
	PRTR substance (unit: tons)	1.2	1.5	1.6
	Recycling amount (unit: 1,000 tons)	104	113	116
Treatment	PRTR substance (unit: tons)	13.8	11.1	13.4
	Landfill waste amount (unit: tons)	0.17	0	0

[Scope of aggregation] Iwata, Kosai, Osuka, Sagara, die and Hamamatsu plants (PRTR substance includes output at the headquarters, Motorcycle Technical Center, Marine Technical Center and Shimokawa and Sagara proving grounds and excludes the die plant. Ozone-depleting substance are for Suzuki Motor Corporation domestic offices)

\* Calculated based on emission coefficients under Japan's Mandatory Greenhouse Gas Accounting and Reporting System (Electricity is based on basic emission coefficients for each electricity provider.)

## OUTPUT

	FY2019	FY2020	FY2021
CO <sub>2</sub> (unit: 1.000 t-CO <sub>2</sub> )	39.1	37.6	34.5

<sup>\*</sup> Calculated based on emission coefficients under Japan's Mandatory Greenhouse Gas Accounting and Reporting System (Electricity is based on basic emission coefficients for each electricity provider.)

Social

# ■ Sales and registration

# Number of sold/registered vehicles in Japan

Introduction

		FY2019	FY2020	FY2021
	Automobile sales (unit: 1,000 units)	672	647	561
Automobiles	Hybrid vehicle sales (unit: 1,000 units)	348	338	290
	Ratio of hybrid vehicle sales (unit: %)	51.7	52.3	51.7

# ■ Recycling

# Collection of ELVs (automobiles)

		FY2019	FY2020	FY2021
	Total weight of collection (unit: 1,000 tons)	60.4	57.1	59.5
ASR	Collected vehicles (unit: 1,000 units)	450.7	418.5	430.0
ASK	Weight of recycled materials (unit: 1,000 tons)	58.4	55.1	57.3
	Recycling rate (unit: %)	96.7	96.4	96.4
	Total weight of collection (unit: 1,000 tons)	127.2	146.6	179.7
Airbags	Collected vehicles (unit: 1,000 units)	353.6	347.1	370.7
Alluags	Weight of recycled materials (unit: 1,000 tons)	120.2	139.1	170.9
	Recycling rate (unit: %)	94.5	94.9	95.1
CFCs	Weight of collection (unit: tons)	89.5	80.4	78.2
CFCS	Collected vehicles (unit: 1,000 units)	403.9	384.1	391.3
Recycling rate (unit: %)*1		99.4	99.3	99.3

<sup>\*1</sup> Recycling rate is calculated on weight basis.

# Collection of ELVs (motorcycles)

	FY2019	FY2020	FY2021
Recycling rate (unit: %)*2	97.8	98.0	97.7

<sup>\*2</sup> Recycling rate is calculated on weight basis.

# **Environmental accounting**

# Cost of environmental conservation

(Unit: ¥100 million)

Classification	<b>Description</b> -			Trends		FY2021			
Ciassification			FY2018	FY2019	FY2020	Investment	Cost	Total	
	Pollution prevention	Measures for pollution, etc. including prevention of air pollution and water contamination	11.3	5.5	9.4	0.9	4.3	5.2	
Business	Environmental conservation	Prevention of global warming, protection of ozone layer, etc.	6.1	4.9	5.0	0.6	3.4	3.9	
Recycling of resources	Effective utilization of resources, reduction in weight and volume, recycling, proper treatment, etc. of waste	9.6	3.9	18.7	1.6	-0.8	0.8		
	Total		26.9	14.2	33.1	3.1	6.8	9.9	
Upstream/ downstream costs	Collection, recycling, proper treatment, etc. of ELVs and packaging materials		0.2	0.2	0.2	0.0	0.2	0.2	
Managerial costs	Employee educetc.	ation, environmental ISO,	5.6	5.8	6.7	0.0	6.7	6.7	
Research and development costs	Research and development of products and reduction of their environmental load, research and development to suppress environmental load during production, logistics, and sales stages		556.4	501.8	530.7	74.7	536.2	610.8	
Social activities costs	Nature conservation and greening activities, community interaction, donations, information disclosures		0.9	1.0	0.8	0.0	0.8	0.8	
Environmental damage costs	Soil and nature	restoration	0.7	0.4	0.4	0.0	0.4	0.4	
Total			590.7	523.4	571.8	77.8	551.1	628.8	

# Effectiveness of environmental conservation

(Unit: ¥100 million)

	Item	FY2017	FY2018	FY2019	FY2020	FY2021
	Energy cost reduction	3.6	3.6	1.5	2.3	1.9
Economic Wa	Waste management cost reduction	0.3	0.2	0.3	0.1	0.1
effect	Resource saving (including recycling and valuable resource disposal)	23.6	28.8	24.8	27.4	42.1
	Total	27.4	32.6	26.6	29.8	44.0

# **Climate change**

# GHG emissions in the entire value chain

Introduction

Scope 1, 2, and 3

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

	FY2019	FY2020	FY2021
Whole value chain (total of Scope 1, 2, and 3)	7,178	6,910	7,558
Direct emissions from corporate activities (Scope 1*1)	53	38	40
Indirect emissions from energies (Scope 2*1)	63	67	71
Emissions from corporate activities (total of Scope 1 and 2)	116	105	111
Emissions from use of products by users (Scope 3: Category 11)	6,109	5,703	6,249
Other emissions (other than Scope 3: Category 11)	953	1,102	1,198
Other indirect emissions (total of Scope 3*2)	7,062	6,805	7,447

[Scope of aggregation] Suzuki Motor Corporation and 67 domestic and 32 overseas manufacturing sites and non-manufacturing subsidiaries (added 9 overseas manufacturing subsidiaries' non-production sites)

- \*1 CO<sub>2</sub> conversion coefficient: For electric power, the value released by each power company was used for Japan and conversion coefficient of IEA (Emissions Factors 2021 edition) was used for overseas. The conversion coefficient of IPCC 2006 (2006 IPCC Guidelines for National Greenhouse Gas Inventories) was used for other than electric power and city gas, and the value released by suppliers was used for city gas Historical data partially amended (addition of 9 overseas manufacturing subsidiaries' non-production sites and partial amendment of past data for domestic non-manufacturing subsidiary)
- \*2 Database of emission factors used for Scope 3 calculations, reviewed factors and revised some historical data, added calculations for Category 8

**Energy consumption amount of Suzuki Group** 

(Unit: GWh)

	FY2019	FY2020	FY2021
Global total	3,745	3,058	3,265
Domestic	1,443	1,381	1,327
Overseas	2,302	1,677	1,938

[Scope of aggregation] Suzuki Motor Corporation and 67 domestic and 32 overseas manufacturing and non-manufacturing subsidiaries (includes consumption of renewable energies generated within sites)

Revised part of historical data of domestic non-manufacturing subsidiaries and added nine overseas manufacturing subsidiaries' non-production sites

# <Automobiles> Sales of models equipped with hybrid system

(Unit: 1,000 units)

									, ,
	F	Y2019 (Unit	s)	FY2020 (Units)		F'	Y2021 (Unit	s)	
		Of which HEV*3	HEV ratio		Of which HEV*3	HEV ratio		Of which HEV*3	HEV ratio
Japan	672	348	51.7%	647	338	52.3%	561	290	51.7%
India	1,436	99	6.9%	1,323	118	8.9%	1,365	135	9.9%
Europe	262	41	15.8%	206	154	74.9%	225	194	86.2%
Others	482	1	0.2%	395	5	1.3%	556	7	1.3%
Total	2,852	489	17.1%	2,571	615	23.9%	2,707	626	23.1%

<sup>\*3</sup> HEV (Hybrids) include Mild Hybrid, S-ENE CHARGE, and SHVS. Part of hybrid units in Others includes hybrid units exported from Japan and India.

### <Automobiles> Trends in reduction of global average CO<sub>2</sub> emissions of new models\*4

Automobiles Trends in reduction of global dverage 002 chilosolis of new models									
	Target	FY2017	FY2018	FY2019	FY2020	FY2021			
Trends in reduction rate of global average CO <sub>2</sub> emissions of new models*4 (compared to FY2010)	30	23.3	24.5	23.2	23.5	23.7			

\*4 Global average CO<sub>2</sub> emissions of new models are calculated using Company regulations based on CO<sub>2</sub> emission amounts (fuel efficiency) that were measured under the specified method of each country.

# <Automobiles> Average CO<sub>2</sub> emission reductions in major markets

(Unit: %)

	FY2017	FY2018	FY2019	FY2020	FY2021
Average CO <sub>2</sub> emissions reduction in Japan (passenger cars)*5 (compared to FY2010)	73	76	77	81	80
Average CO <sub>2</sub> emissions reduction in Europe (compared to 2010)	84	83	88	73	72
Average CO <sub>2</sub> emissions reduction in India (compared to FY2010)	74	73	75	76	75

<sup>\*5</sup> Values converted from 10.15 mode or WLTC mode to JC08 mode

# <Motorcycles> Trends in the reduction rate of global average CO<sub>2</sub> emissions of new models (Unit: %)

	Target	FY2017	FY2018	FY2019	FY2020	FY2021
Trends in the reduction rate per unit of global output (compared to FY2010)	15	8	12	13	11	12

### <Outboard motors> Trends in the reduction rate of global CO2 emissions per unit of output (Unit: %)

	Target	FY2017	FY2018	FY2019	FY2020	FY2021
Trends in the reduction rate of global CO <sub>2</sub> emissions per unit of output (compared to FY2010)	15	9	12	14	14	13

#### CO<sub>2</sub> emissions globally

(Unit: 1,000 t-CO<sub>2</sub>)

Social

	Target	FY2017	FY2018	FY2019	FY2020	FY2021
Suzuki		325	296	280	257	238
Domestic manufacturing subsidiaries		108	106	95	85	78
Overseas manufacturing subsidiaries		643	666	648	596	671
Total		1,076	1,069	1,023	938	988
Intensity (unit: t-CO <sub>2</sub> /unit)	0.252 in FY2025	0.332	0.319	0.347	0.357	0.352

[Scope of aggregation] Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, Takatsuka Plant (until July 2018), and Toyokawa Plant (until July 2018)), 4 domestic manufacturing subsidiaries, and 15 overseas manufacturing subsidiaries

#### Total CO2 reduction by activities conducted globally

Introduction

TOTAL CO	102 reduction by activities conducted globally				(Unit: t-CO <sub>2</sub> )	
		FY2017	FY2018	FY2019	FY2020	FY2021
	Conversion of fuel	0	0	264	0	0
Consolidating and downsizing facilities  Employing inverters, etc. and converting to high-efficiency equipment	1,816	1,782	1,849	96	181	
	Employing inverters, etc. and converting to high-efficiency equipment	1,602	1,790	2,791	444	355
Japan	Performing proper facility operations and optimizing operating conditions	3,812	4,510	437	2,235	3,706
	Stopping power supply when line stops, light-out when unnecessary, etc.	2,932	3,147	1,382	3,691	2,051
	Total	10,162	11,229	6,273	6,466	6,293
	Conversion of fuel	0	0	0	0	0
	Consolidating and downsizing facilities	1,073	503	1,389	560	318
	Employing inverters, etc. and converting to high-efficiency equipment	3,267	3,455	2,157	753	1,044
Overseas	Performing proper facility operations and optimizing operating conditions	13,520	6,471	7,097	7,194	5,379
	Stopping power supply when line stops, light-out when unnecessary, etc.	1,367	4,474	4,823	258	1,285
	Total	19,227	14,902	15,466	8,766	8,026

[Scope of aggregation] Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, Takatsuka Plant (until July 2018), and Toyokawa Plant (until July 2018)) and 15 overseas manufacturing subsidiaries

#### CO2 reduced by renewable energies

(Unit: t-CO<sub>2</sub>)

	FY2017	FY2018	FY2019	FY2020	FY2021
Small-scale water power Kosai Plant	19	16	0	0	0
Wind power Kosai Plant and training center	699	723	807	712	626
Solar power Maruti Suzuki India Limited, Pak Suzuki Motor Co., Ltd., etc.	1,355	1,767	3,003	8,465	19,806
Solar power Makinohara, Hamamatsu Plant, etc.	20,869	19,716	18,738	17,978	17,034
Total	22,942	22,222	22,548	27,155	37,466

#### CO<sub>2</sub> emissions from domestic transportation

	FY2017	FY2018	FY2019	FY2020	FY2021
CO <sub>2</sub> emissions (unit: 1,000 tons)	40	41	39	38	34
CO <sub>2</sub> emissions per net sales (unit: t-CO <sub>2</sub> /million yen)	0.0214	0.021	0.0215	0.0220	0.0200

## Air conservation

### PRTR target substances handled, emitted, and transferred

(Unit: tons)

	FY2017	FY2018	FY2019	FY2020	FY2021
Handled amount	3,913	4,310	3,692	3,125	2,965
Amount emitted and transferred	1,087	1,414	1,295	1,147	1,090

[Scope of aggregation] Head office, Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant (Sagara Proving Grounds), Hamamatsu Plant, Takatsuka Plant (until July 2018), Toyokawa Plant (until July 2018), Motorcycle Technical Center (Ryuyo Proving Grounds), Marine Technical Center, and Shimokawa Proving Grounds (from FY2020)

#### SOx/NOx emission

(Unit: tons)

	FY2017	FY2018	FY2019	FY2020	FY2021
S0x emission*1	15	8	5	3	2
N0x emission	102	75	76	66	67

<sup>\*1</sup> SOx emissions are calculated according to fuel consumption from January to December.

[Scope of aggregation] Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, Takatsuka Plant (until July 2018), Toyokawa Plant (until July 2018), and die plant

#### **VOC** emissions in painting process

	Target	FY2017	FY2018	FY2019	FY2020	FY2021
Total VOC emission amount (unit: tons)		3,625	3,615	3,404	3,351	2,964
VOC intensity emission amount (unit: g/m²)	45.3*2	45.0	43.5	43.1	43.1	45.1

<sup>\*2 40%</sup> reduction compared to FY2000

[Scope of aggregation] Domestic plants with each painting process of automobile body, motorcycle and bumpers (Iwata Plant, Kosai Plant, Sagara Plant, Hamamatsu Plant, and Toyokawa Plant (until July 2018))

## **Water resources**

#### Water use globally

	Target	FY2017	FY2018	FY2019	FY2020	FY2021
Suzuki (unit: 10,000 m³)		334	329	320	332	309
Domestic manufacturing subsidiaries (unit: 10,000 m³)		104	84	87	81	75
Overseas manufacturing subsidiaries (unit: 10,000 m³)		438	454	457	402	437
Total (unit: 10,000 m³)		874	866	864	815	821
Amount per global automobile production unit (unit: m³/unit)	2.52*1	2.70	2.58	2.93	3.11	2.92

[Scope of aggregation] Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, Takatsuka Plant (until July 2018), Toyokawa Plant (until July 2018), and die plant), 4 domestic manufacturing subsidiaries, and 15 overseas manufacturing subsidiaries

#### Wastewater globally

	FY2017	FY2018	FY2019	FY2020	FY2021
Suzuki (unit: 10,000 m³)	548	518	433	418	386
Domestic manufacturing subsidiaries (unit: 10,000 m³)	101	82	87	81	74
Overseas manufacturing subsidiaries (unit: 10,000 m³)	124	132	160	143	175
Total (unit: 10,000 m³)	773	731	681	642	635
Amount per global automobile production unit (unit: m³/unit)	2.4	2.2	2.3	2.5	2.3

[Scope of aggregation] Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, Takatsuka Plant (until July 2018), Toyokawa Plant (until July 2018), and die plant), 4 domestic manufacturing subsidiaries, and 15 overseas manufacturing subsidiaries

## **Recycling of resources**

#### <Automobiles> ASR recycling rate and vehicle recycling rate

(Unit:

	Standard*2	FY2017	FY2018	FY2019	FY2020	FY2021
ASR recycling rate	70 or higher	98.1	97.7	96.7	96.4	96.4
Vehicle recycling rate (figure converted into percentage of vehicle)		99.7	99.6	99.4	99.3	99.3

<sup>\*2</sup> Legal standard for FY2015 or later

#### -Motorovolocs Dogvoling rate

<motorcycles> kecycling rate</motorcycles>						(Unit: %)
	Target*3	FY2017	FY2018	FY2019	FY2020	FY2021
Recycling rate (percentage of recycling)	95 or higher	98.0	97.9	97.8	98.0	97.7

<sup>\*3</sup> FY2015 target

#### Total global waste discharge

(Unit: 1,000 tons)

	FY2017	FY2018	FY2019	FY2020	FY2021
Suzuki	114	115	104	113	116
Domestic manufacturing subsidiaries	24	21	20	16	16
India	213	228	209	185	229
Indonesia	12	12	12	8	16
Thailand	9	8	5	3	4
Total	372	384	350	325	381

[Scope of aggregation] Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, Takatsuka Plant (until July 2018), Toyokawa Plant (until July 2018), and die plant), 4 domestic manufacturing subsidiaries, and 6 overseas manufacturing subsidiaries (India, Indonesia, Thailand)

#### Global landfill

(Unit: tons)

	FY2017	FY2018	FY2019	FY2020	FY2021
Suzuki	0.74	0.46	0.17	0	0
Domestic manufacturing subsidiaries	303	387	217	0	0
India	187	420	370	260	321
Thailand	66	66	10	9	8
Total	557	873	597	269	329

[Scope of aggregation] Suzuki (Iwata Plant, Kosai Plant, Osuka Plant, Sagara Plant, Hamamatsu Plant, Takatsuka Plant (until July 2018), Toyokawa Plant (until July 2018), and die plant), 4 domestic manufacturing subsidiaries, and 5 overseas manufacturing subsidiaries (India and Thailand)

<sup>\*1</sup> Down 10% compared to FY2016

## Water quality, air, PRTR, etc. data of Suzuki domestic plants and domestic manufacturing subsidiaries

To be an environmentally-friendly company, Suzuki domestic plants and domestic manufacturing subsidiaries are actively participating in environmental preservation activities. This section shows our environment related data in FY2021.

Introduction

#### <Environmental data>

Suzuki domestic plants and domestic manufacturing subsidiaries follow laws, regulations and agreements for environmental control, and promote the reduction of environmental impact, based on the strictest regulation values. In-house standard values are set to 70% of the strictest regulation values to proactively reduce the environmental load, as well as to prevent environmental incidents.

#### [How to see the environmental data chart]

- Regulation values adopted are the strictest from among the Water Pollution Prevention Act, Air Pollution Control Act, ordinances by local government and agreements on environmental pollution control.
- · Names and units of each item are as per below.

#### Water quality

ltem	Name	Unit
pH	Hydrogen-ion concentration	None
BOD	Biochemical oxygen demand	mg/L
COD	Chemical oxygen demand	mg/L
SS	Suspended solids	mg/L
-	Oil content	mg/L
-	Lead	mg/L
-	Chrome	mg/L
-	Total nitrogen	mg/L
-	Total phosphorus	mg/L
-	Zinc	mg/L
-	Iron	mg/L

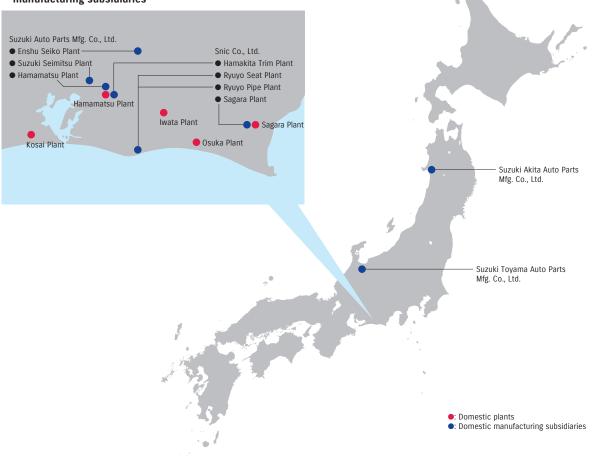
#### Air pollution

Item	Name	Unit
NOx	Nitrogen oxide	ppm
SOx	Sulfur oxide	K value
_	Particulates	g/Nm³
_	Chlorine	mg/Nm³
_	Hydrogen chloride	mg/Nm³
_	Fluorine and hydrogen fluoride	mg/Nm³
_	Dioxins	ng-TEQ/Nm³
CO	Carbon monoxide	ppm
VOC	Volatile organic compounds	ppmC

#### **PRTR**

Item	Name	Unit
	PRTR Law (Specified) Class I Designated Chemical Substance	kg/year Dioxins only mg-TEQ/year

## ■ Suzuki domestic plants and domestic manufacturing subsidiaries



## Suzuki's domestic plants

Introduction

### **Kosai Plant**



[Operations] Assembly of mini and compact passenger cars and assembly of automobile engines,

outboard motors, etc.

[Plant site area] 1,190,000 m<sup>2</sup> [Building area] 473,000 m<sup>2</sup> [Number of employees] 2,321

[Location] 4520 Shirasuka, Kosai, Shizuoka

#### <Environmental data>

### Major water source and drain outlet

Water source: Toyo River 1,266,745 m<sup>3</sup>

Ground water 256,825 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Kasago River 2,760,043 m<sup>3</sup>

#### Water quality data (Water Pollution Prevention Act, ordinances by local government)

Item	Regulation values	Results	Averages
pH	5.8-8.6	7.1-8.0	7.72
BOD	15	0.5-5.0	2.18
COD	30	0.3-10.0	5.68
SS	15	0.4-6.0	1.54
Oil content	2	0.0-1.0	0.2
Lead	0.1	Under 0.005-Under 0.01	Under 0.007

Results —	Averages —
-	-
0.27-3.5	1.84
0.02-0.69	0.19
0.1-0.17	0.12
Under 0.1	Under 0.1
	0.1-0.17 Under 0.1

#### Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
	Small once-through boiler	150	14-40	23
	Small once-through boiler	150	16-28	20
	Once-through boiler	150	53-73	60
	Water cooling and heating machine	150	44-63	53
	Water cooling and heating machine	150	22-38	29
	Incinerator	200	78-110	91
	Electrodeposition drying furnace	230	46-71	59
NOx	Electrodeposition drying furnace	230	25-28	27
	Final coating drying furnace	230	18-31	25
	Second coating drying furnace	230	15-47	31
	Second coating drying furnace	230	17-20	19
	Final coating drying furnace	230	10-18	14
	Second/final coating drying furnace	230	12-15	14
	Electrodeposition drying furnace	230	90-150	120
	Gas engine generator	600	300-340	320
SOx (K value)	Incinerator	7	0.13-0.28	0.19
	Small once-through boiler	0.1	Under 0.005-Under 0.006	Under 0.00
	Small once-through boiler	0.1	Under 0.005-Under 0.006	Under 0.00
	Once-through boiler	0.1	Under 0.005-Under 0.007	Under 0.00
	Water cooling and heating machine	0.1	Under 0.005-Under 0.006	Under 0.00
	Water cooling and heating machine	0.1	Under 0.006	Under 0.00
	Incinerator	0.15	Under 0.007-Under 0.008	Under 0.00
	Electrodeposition drying furnace	0.2	Under 0.007-Under 0.008	Under 0.00
Particu- ates	Electrodeposition drying furnace	0.2	Under 0.005	Under 0.00
utos	Final coating drying furnace	0.2	Under 0.008	Under 0.00
	Second coating drying furnace	0.2	Under 0.009-Under 0.010	Under 0.01
	Second coating drying furnace	0.2	Under 0.005	Under 0.00
	Final coating drying furnace	0.2	Under 0.005	Under 0.00
	Second/final coating drying furnace	0.2	Under 0.010	Under 0.01
	Electrodeposition drying furnace	0.2	Under 0.005	Under 0.00
	Gas engine generator	0.05	Under 0.012	Under 0.01

Substances	Facilities	values	Results	Averages
	Aluminum melting furnace (low pressure casting 1)	3	0.5-0.6	0.6
	Aluminum melting furnace (low pressure casting 2)	3	0.5-0.6	0.6
Fluorine	Aluminum melting furnace (die cast 1)	3	0.3-0.4	0.4
	Aluminum melting furnace (die cast 2)	3	Under 0.3-0.4	0.4
	Aluminum melting furnace (die cast 3)	3	Under 0.3-0.8	0.6
	Dust collector for die casting	3	Under 0.3-0.3	0.3
	Aluminum melting furnace (low pressure casting 1)	30	Under 1	Under 1
	Aluminum melting furnace (low pressure casting 2)	30	Under 1	Under 1
Chlorine	Aluminum melting furnace (die cast 1)	30	Under 1	Under 1
	Aluminum melting furnace (die cast 2)	30	Under 1	Under 1
	Aluminum melting furnace (die cast 3)	30	Under 1	Under 1
	Dust collector for die casting	30	Under 1	Under 1
	Aluminum melting furnace (low pressure casting 1)	80	Under 5	Under 5
	Aluminum melting furnace (low pressure casting 2)	80	6-7	7
Hydrogen	Aluminum melting furnace (die cast 1)	80	Under 5-8	7
chloride	Aluminum melting furnace (die cast 2)	80	Under 5	Under 5
	Aluminum melting furnace (die cast 3)	80	Under 5-23	10
	Incinerator	150	Under 7-Under 19	Under 11
	Dust collector for die casting	80	Under 5-15	8
	Aluminum melting furnace (low pressure casting 1)	1	0.00046-0.0049	0.0027
	Aluminum melting furnace (low pressure casting 2)	1	0.0011-0.0059	0.0035
Dioxins	Aluminum melting furnace (die cast 1)	1	0.000043-0.0067	0.0034
	Aluminum melting furnace (die cast 2)	1	0.00088-0.0011	0.001
	Aluminum melting furnace (die cast 3)	1	0.0000013-0.000038	0.0000197
	Incinerator	5	0.0012-0.120	0.043
CO	Incinerator	100	Under 2-18	10
	Coating section	700	235	235
VOC	Coating section	700	206	206
VOC	Coating section	700	454	454
	Coating section	700	270	270

## **Kosai Plant**

Introduction

	<u> </u>				-						
Substance				Discharge	amount		Transfer a	mount	Recycled	Decomposi-	Product
no.	Substance name	Amount*	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion
1	Zinc compound (water-soluble) (compound group aggregate substance)	31,000	0	180	0	0	0	0	0	9,000	21,000
53	Ethyl benzene	270,000	170,000	0	0	0	0	330	34,000	51,000	15,000
80	Xylene (compound group aggregate substance)	320,000	170,000	0	0	0	0	150	26,000	52,000	64,000
83	Cumene	4,900	2,400	0	0	0	0	0	2,400	59	0
243	Dioxins	43	1.4	0.0086	0	0	0	42	0	0	0
296	1, 2, 4 - trimethylbenzene	230,000	130,000	0	0	0	0	150	29,000	32,000	41,000
297	1, 3, 5 - trimethylbenzene	57,000	37,000	0	0	0	0	0	8,200	12,000	0
300	Toluene	370,000	160,000	0	0	0	0	0.34	22,000	67,000	120,000
302	Naphthalene	7,300	4,300	0	0	0	0	0	0	3,100	0
309	Nickel compounds (compound group aggregate substance)	4,300	0	48	0	0	0	0	3,000	0	1,300
374	Hydrogen fluoride and its water-soluble salt (compound group aggregate substance)	1,700	0	0	0	0	0	680	17	0	0
392	Normal-hexane	59,000	340	0	0	0	0	0	440	1,300	55,000
400	Benzene (compound group aggregate substance)	10,000	56	0	0	0	0	0	0	640	9,700
407	Poly (oxyethylene) alkyl ether (alkyl group: C12-C15 and mixtures thereof) (compound group aggregate substance)	3,800	0	360	0	0	0	0	0	3,400	0
411	Formaldehyde	6,000	3,000	0	0	0	0	720	720	1,600	0
412	Manganese and its compounds (compound group aggregate substance)	110,000	0	110	0	0	0	550	0	0	110,000

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

Environmental

### **Iwata Plant**



Introduction

[Operations] Assembly of mini passenger/commercial cars

[Plant site area] 298,000 m<sup>2</sup> [Building area] 147,000 m<sup>2</sup> [Number of employees] 900

[Location] 2500 Iwai, Iwata, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Water source: Tenryu River 150,866 m<sup>3</sup>

Ground water 276,920 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Akuro River 530,443 m<sup>3</sup>

#### Water quality data (Water Pollution Prevention Act, ordinances by local government)

Item	Regulation values	Results	Averages
pH	5.8-8.6	6.9-7.8	7.2
BOD	20 (15)*	0.5-5.9	2
SS	40 (30)*	1.1-3.0	2
Oil content	3	0-1.5	0.4
Lead	0.1	Under 0.005	Under 0.005
Chrome	2	Under 0.005	Under 0.005
Total nitrogen	100	1.6-16.4	10.3
Zinc	1	0.1-0.3	0.1

<sup>\*</sup> Values in parentheses ( ) show daily averages.

#### Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
	Electrodeposition drying furnace in line 1	230	44-50	47
NOx	Final coating drying furnace in line 1	230	13-28	21
	No. 1 LPG hot water boiler	150	45	45
No	No. 2 LPG hot water boiler	150	45	45
	Electrodeposition drying furnace in line 1	0.2	0.005	0.005
Particu-	Final coating drying furnace in line 1	0.2	0.005	0.005
lates	No. 1 LPG hot water boiler	0.1	0.007	0.007
	No. 2 LPG hot water boiler	0.1	0.007	0.007
	Second coating booth in line 1	700	94	94
VOC	Final coating booth in line 1	700	210	210
	Bumper coating booth	700	340	340

Substance	Substance name	A	Discharge amount				Transfer	amount	Recycled	Decomposi-	Product
no.	Substance name	Amount*	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion
1	Zinc compound (water-soluble) (compound group aggregate substance)	15,000	0	150	0	0	0	0	0	4,300	10,0
53	Ethyl benzene	90,000	54,000	0	0	0	0	0	5,700	23,000	7,3
80	Xylene (compound group aggregate substance)	110,000	49,000	0	0	0	0	0	4,400	22,000	32,0
83	Cumene	1,700	980	0	0	0	0	0	170	510	
296	1, 2, 4 - trimethylbenzene	76,000	37,000	0	0	0	0	0	6,700	12,000	20,0
297	1, 3, 5 - trimethylbenzene	21,000	11,000	0	0	0	0	0	2,200	7,800	
300	Toluene	160,000	56,000	0	0	0	0	1.5	720	40,000	62,0
302	Naphthalene	1,700	940	0	0	0	0	0	0	770	
309	Nickel compounds (compound group aggregate substance)	1,600	0	210	0	0	0	920	0	0	4
392	Normal-hexane	28,000	48	0	0	0	0	0	0	620	28,0
400	Benzene (compound group aggregate substance)	5,000	6.3	0	0	0	0	0	0	140	4,9
411	Formaldehyde	1,900	930	0	0	0	0	220	220	500	
412	Manganese and its compounds (compound group aggregate substance)	9,000	0	210	0	0	0	1,200	0	0	7,6

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

## Sagara Plant



Introduction

[Operations] Assembly of compact passenger cars and automobile engines, casting and machining

of engine components [Plant site area] 1,970,000 m<sup>2</sup> [Building area] 278,000 m<sup>2</sup> [Number of employees] 1,737

[Location] 1111 Shirai, Makinohara, Shizuoka

#### <Environmental data>

### Major water source and drain outlet

Water source: Oi River 663,820 m<sup>3</sup>

Ground water 0 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Hirugaya River 365,962 m<sup>3</sup>

#### Water quality data (Water Pollution Prevention Act, ordinances by local government)

ltem	Regulation values	Results	Averages
рН	5.8-8.6	7.1-7.3	7.3
BOD	20 (15)*	0.5-12	4.3
COD	N/A	8.0-24	16
SS	40 (30)*	1.0-4.0	2
Oil content	2.5	0.5-0.8	0.6

<sup>\*</sup> Values in parentheses ( ) show daily averages.

#### Results 0.1 0.01 0.01 Chrome 0.04 0.04 3.9-11 Total nitrogen 120 (60) 8 Total phosphorous 16 (8)\* 0.98-2.9 1.6 0.04-0.12 0.08

#### Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
	Water cooling and heating machine 1	150	83	83
	Water cooling and heating machine 2	150	47-50	49
	Water cooling and heating machine 3	150	50-62	56
	Water cooling and heating machine 4	150	42-53	48
NOx	Heat-treating furnace	180	26-28	27
	Melting furnace 1	180	35-66	51
	Melting furnace 2	180	21-38	30
	Electrodeposition drying furnace	230	61-80	71
	Second/final coating drying furnace	230	38-59	49
	Water cooling and heating machine 1	0.1	0.003	0.003
	Water cooling and heating machine 2	0.1	0.002	0.002
	Water cooling and heating machine 3	0.1	0.003-0.012	0.008
D .:	Water cooling and heating machine 4	0.1	0.003-0.015	0.009
Particu- lates	Heat-treating furnace	0.2	0.004	0.004
idics	Melting furnace 1	0.2	0.002-0.005	0.004
	Melting furnace 2	0.2	0.002-0.003	0.003
	Electrodeposition drying furnace	0.2	0.008-0.009	0.009
	Second/final coating drying furnace	0.2	0.008-0.01	0.009

Substances	Facilities	Regulation values	Results	Averages
	Melting furnace 1	3	0.9	0.9
Fluorine	Melting furnace 2	3	0.9	0.9
	Melting furnace 3	3	-	-
	Melting furnace 1	30	0.3	0.3
Chlorine	Melting furnace 2	30	0.3	0.3
	Melting furnace 3	30	-	-
	Melting furnace 1	80	1.7-2.5	2.1
Hydrogen chloride	Melting furnace 2	80	1.1-2.1	1.6
cilionae	Melting furnace 3	80	-	_
	Aluminum machining dust pretreatment	1	-	-
Dioxins	Melting furnace 1	1	0.005	0.005
	Melting furnace 3	1	-	-
	Diecast melting furnace	1	0.00078	0.00078
	Coating section 1	400	62	62
VOC	Coating section 2	400	72	72
VUC	Coating section 3	400	9.3	9
	Coating section 4	700	400	400

Substance	Substance name	Amount*		Discharge	amount		Transfer	amount	Recycled	Decomposi-	Product
no.	Substance name	Allivuiit	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion
1	Zinc compound (water-soluble) (compound group aggregate substance)	7,300	0	73	0	0	0	0	0	2,100	5,100
16	2,2'-Azobis (isobutyronitrile)	2,400	0	0	0	0	0	72	0	0	2,300
53	Ethyl benzene	40,000	25,000	0	0	0	0	0	3,300	3,800	7,200
80	Xylene (compound group aggregate substance)	74,000	27,000	0	0	0	0	0	2,700	13,000	31,000
83	Cumene	3,000	3,000	0	0	0	0	0	42	29	0
243	Dioxins	0.0030	0.0030	0	0	0	0	0	0	0	0
296	1, 2, 4 - trimethylbenzene	89,000	50,000	0	0	0	0	0	3,300	13,000	23,000
297	1, 3, 5 - trimethylbenzene	21,000	14,000	0	0	0	0	100	1,800	1,800	3,500
300	Toluene	160,000	15,000	0	0	0	0	5.2	1,200	38,000	100,000
309	Nickel compounds (compound group aggregate substance)	880	0	110	0	0	0	490	2.0	0	280
392	Normal-hexane	25,000	470	0	0	0	0	0	0	7,600	17,000
400	Benzene (compound group aggregate substance)	5,900	39	0	0	0	0	0	0	1,700	4,200
412	Manganese and its compounds (compound group aggregate substance)	1,900	0	110	0	0	0	640	0	0	1,100

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

Environmental

### **Hamamatsu Plant**



Introduction

[Operations] Assembly of motorcycles and motorcycle engines, machining of motorcycle engine components

[Plant site area] 177,000 m<sup>2</sup> [Building area] 62,000 m<sup>2</sup> [Number of employees] 544 [Location] 8686 Miyakoda-cho, Kita-ku, Hamamatsu, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Water source: Tenryu River 56,681 m<sup>3</sup>

Ground water 15,019 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Public sewerage 60,019 m<sup>3</sup>

#### Water quality data (Sewerage Act, ordinances by local government)

Item	Regulation values	Results	Averages
рН	5.0-9.0	7.2-7.5	7.4
BOD	600	17-70	41
SS	600	13-40	23
Oil content	30	1-10	3.2
Lead	0.1	0.01	0.01
Chrome	2	0.04	0.04
Total nitrogen	240	14-140	48
Total phosphorous	32	-	-
Zinc	2	0.06-0.32	0.2

#### Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
NOx	Boiler	150	32-40	36
Particulates	Boiler	0.1	-	-

Substance	stance Substance name		Substance name Amount* Discharge amount		Transfer	Transfer amount		Decomposi-	Product		
no.	Substance name	Amount	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion
53	Ethyl benzene	9,900	7,400	0	0		0	150	16	2,200	130
80	Xylene (compound group aggregate substance)	15,000	9,000	0	0		0	150	47	4,900	580
296	1, 2, 4 - trimethylbenzene	4,200	1,700	0	0		0	290	5.0	1,800	370
300	Toluene	59,000	29,000	0	0		0	1,800	2,100	24,000	1,100
309	Nickel compounds (compound group aggregate substance)	4,500	0	0	0		1.2	3,100	37	0	19
374	Hydrogen fluoride and its water-soluble salt (compound group aggregate substance)	3,800	0	0	0		3.8	19	0	0.41	3,800
412	Manganese and its compounds (compound group aggregate substance)	1,300	0	0	0		6.2	34	0	0	1,300

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

### **Osuka Plant**



Introduction

[Operations] Cast parts manufacturing, etc. [Plant site area] 151,000 m<sup>2</sup> [Building area] 55,000 m<sup>2</sup> [Number of employees] 377 [Location] 6333 Nishi Obuchi, Kakegawa, Shizuoka

#### <Environmental data>

### Major water source and drain outlet

Water source: Ground water 437,219 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Nishi-Otani River 132,513 m<sup>3</sup>

#### Water quality data (Water Pollution Prevention Act, ordinances by local government)

ltem	Regulation values	Results	Averages	
рН	5.8-8.6 7.1-7.4		7.2	
BOD	30D 15 (10)*		0.9	
COD	-	1.8-5.3	3.5	
SS	15 (10)*	Under 1-4	1.8	
Oil content	2	Under 0.2	Under 0.2	

<sup>\*</sup> Values in parentheses ( ) show daily averages.

Item Regulation values Res		Averages
0.1	-	-
2	Under 0.04	Under 0.04
120 (60)*	3.6-7.4	6.3
16 (8)*	0.11-0.99	0.41
1	0.04-0.13	0.07
	0.1 2 120 (60)*	0.1 - Under 0.04 120 (60)* 3.6-7.4 16 (8)* 0.11-0.99

#### Air pollution data (Air Pollution Control Act, ordinances by local g

Substances	Facilities	Regulation values	Results	Averages
	Cast iron melting furnace 1	0.1	Under 0.005	Under 0.005
	Cast iron melting furnace 2	0.1	Under 0.005	Under 0.005
	Cast iron melting furnace 3	0.1	Under 0.005	Under 0.005
Particu-	Cast iron melting furnace 4	0.1	Under 0.005	Under 0.005
lates	Aluminum melting furnace 1	0.2	Under 0.005	Under 0.005
	Aluminum melting furnace 2	0.2	Under 0.005	Under 0.005
	Aluminum melting furnace 3	0.2	Under 0.005	Under 0.005
	Heat-treating furnace (solution furnace) 1	0.2	0.02-0.023	0.022
	Aluminum melting furnace 1	180	Under 15-18	16
	Aluminum melting furnace 2	180	15-63	39
NOx	Aluminum melting furnace 3	180	Under 15	Under 15
	Heat-treating furnace (solution furnace) 1	180	40-69	55
	Waste gas cleansing equipment	30	Under 1	Under 1
	Aluminum melting furnace 1	30	Under 1	Under 1
Chlorine	Aluminum melting furnace 2	30	Under 1	Under 1
	Aluminum melting furnace 3	30	Under 1	Under 1
	Aluminum melting furnace 4	30	Under 1	Under 1

governr	nent)			
Substances	Facilities	Regulation values	Results	Averages
	Waste gas cleansing equipment	80	Under 5	Under 5
	Aluminum melting furnace 1	80	Under 5	Under 5
Hydrogen chloride	Aluminum melting furnace 2	80	Under 5	Under 5
Cilionac	Aluminum melting furnace 3	80	Under 5-6	5
	Aluminum melting furnace 4	80	Under 5-5	Under 5
	Waste gas cleansing equipment	3	Under 0.3	Under 0.3
	Aluminum melting furnace 1	3	0.3-0.6	0.5
Fluorine	Aluminum melting furnace 2	3	0.5-0.6	0.6
	Aluminum melting furnace 3	3	0.4-0.6	0.5
	Aluminum melting furnace 4	3	0.6-0.8	0.7
	Aluminum melting furnace 1	1	0.000038	0.000038
D: :	Aluminum melting furnace 2	1	0.000075	0.000075
Dioxins	Aluminum melting furnace 3	1	0.000061	0.000061
	Aluminum melting furnace 4	1	0.00000021	0.00000021

Substance	Substance name	Amount*	Discharge amount				Transfer amount		Recycled	Decomposi-	Product
no.	Substance name	Amount	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion
16	2,2'-Azobis (isobutyronitrile)	1,400	0	0	0	0	0	41	0	0	1,300
53	Ethyl benzene	1,000	660	0	0	0	0	0	15	330	0
80	Xylene (compound group aggregate substance)	2,200	1,300	0	0	0	0	0	13	890	0
243	Dioxins	0.052	0.0023	0.050	0	0	0	0	0	0	0
296	1, 2, 4 - trimethylbenzene	1,300	590	0	0	0	0	0	560	120	0
300	Toluene	7,100	4,300	0	0	0	0	0	1,100	1,700	0
412	Manganese and its compounds (compound group aggregate substance)	76,000	0	0	0	0	0	1,500	0	0	74,000
453	Molybdenum and its compounds (compound group aggregate substance)	2,500	0	0	0	0	0	49	0	0	2,400

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

Environmental

## **Domestic manufacturing subsidiaries**

## Hamamatsu Plant of Suzuki Auto Parts Mfg. Co., Ltd.

Machining of automobile parts, [Operations]

die-casting and machining

[Location] 9670 Miyakoda-cho, Kita-ku,

Hamamatsu, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Water source: Tenryu River 35,908 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Public sewerage 35,908 m<sup>3</sup>

### Water quality data (Water Pollution Prevention Act, ordinances by local government)

Sent to Hamamatsu Plant of Suzuki Motor Corporation for treatment

## Suzuki Seimitsu Plant of Suzuki Auto Parts Mfg. Co., Ltd.

[Operations] Casting, heat treatment and gear-cutting

of automobile parts

[Location] 500 linoya, Inasa-cho, Kita-ku,

Hamamatsu, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Water source: Tenryu River (drinking water) 4,679 m<sup>3</sup>

Ground water 114,395 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: linoya River 108,282 m<sup>3</sup>

### PRTR target substances (accumulated values calculated according to PRTR Law)

There is no PRTR target substance subject to performance reporting.

#### Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
NOx	Chip melting furnace	180	9-10	10
NUX	Melting furnace	180	37-43	40
Particu-	Chip melting furnace	0.2	0.02	0.02
lates	Melting furnace	0.2	0.02	0.02
	Chip melting furnace	30	0.7	0.7
Chlorine	Melting furnace	30	0.7	0.7
	Pre-melting furnace	30	0.7	0.7
	Chip melting furnace	80	1.1-1.2	1.2
Hydrogen chloride	Melting furnace	80	3.4-21	12
omondo	Pre-melting furnace	80	1.2-3.0	2.1

Substances	Facilities	Regulation values	Results	Averages
	Chip melting furnace	3	0.7	0.7
Fluorine	Melting furnace	3	0.7-0.8	0.8
	Pre-melting furnace	3	0.7-0.8	0.8
	Chip melting furnace	1	0.0000059	0.0000059
Dioxins	Melting furnace	1	0.086	0.086
	Pre-melting furnace	1	0.14	0.14

#### PRTR target substances (accumulated values calculated according to PRTR Law)

Substance No.	Substance name	Amount*		Discharge amount			Transfer	amount	Recycled	Incineration	Product	
	Substance name	Aillouitt	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	amount	inclusion	
	243	Dioxins	9,400	9,400	0	0	0	0	0.1	0	0	0

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Incineration amount and Product inclusion).

#### Water quality data (Water Pollution Prevention Act, ordinances by local government)

Item	Regulation values	Results	Averages
рН	5.8-8.6	7.3-8.0	7.6
BOD	15	1.0-6.8	2.8
SS	20	1.0-1.4	1
Oil content	5	0.5	0.5
Total nitrogen	60	4.6-18.6	10
Total phosphorus	8	0.04-0.07	0.04
Zinc	1	0.05-0.17	0.1

#### Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	values	Results	Averages
	Continuous carburizing furnace	180	10-21	12
NOx	Annealing furnace	180	10-16	11
	Water cooling and heating machine	150	40-52	46
S0x	Continuous carburizing furnace	17.5	0.09-0.1	0.09
(K value)	Annealing furnace	17.5	0.09	0.09
(K value)	Water cooling and heating machine	17.5	0.07-0.16	0.12
D	Continuous carburizing furnace	0.2	0.01	0.01
Particu- lates	Annealing furnace	0.2	0.01	0.01
iates	Water cooling and heating machine	0.1	0.01	0.01

# Enshu Seiko Plant of Suzuki Auto Parts Mfg. Co., Ltd.

Introduction

[Operations] Machining of automobile parts [Location] 1246-1 Yamahigashi, Tenryu-ku,

Hamamatsu, Shizuoka

#### <Environmental data>

### Major water source and drain outlet

Water source: Ground water 38,721 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Futamata River 55,042 m<sup>3</sup>

## Water quality data (Water Pollution Prevention Act, ordinances by local government)

item	Regulation values	Results	Averages
pH	6.5-8.2	7.1-7.5	7.3
BOD	10	1.0-9.0	2.3
COD	35	1.0-10.2	3.5
SS	15	2	2
Oil content	3	1	1
Chrome	2	0.05	0.05
Total nitrogen	100	0.6-1.7	1.1
Zinc	2	0.05-0.13	0.05

## Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
NOx	Gas fueled absorption type water cooling and heating machine	150	35–38	37
Particu- lates	ntes cooling and heating machine		-	-
H.d.	Aluminum central melting furnace	80	0.6	0.6
Hydrogen chloride	Aluminum central pre-melting furnace	80	Under 0.5-0.6	0.6
cilionac	Casting of pistons	80	Under 0.5-0.6	0.6
	Aluminum central melting furnace	30	Under 1	Under 1
Chlorine	Aluminum central pre-melting furnace	30	Under 1	Under 1
	Casting of pistons	30	Under 1	Under 1
	Aluminum central melting furnace	3	Under 0.6	Under 0.6
Fluorine	Aluminum central pre-melting furnace	3	1.7-2.4	2.1
	Casting of pistons	3	Under 0.6	Under 0.6
Dioxins	Aluminum central melting furnace	1	0.0000019	0.0000019
טוטגוווא	Aluminum central pre-melting furnace	1	0.021	0.021

#### PRTR target substances (accumulated values calculated according to PRTR Law)

Substance		Substance name	Amount*	Discharge amount				Transfer amount		Recycled	Incineration	Product
no.	Substance name	Amount	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	amount	inclusion	
	71	Ferric chloride	3,700	0	0	0	0	0	3,700	0	0	0
	243	Dioxins	0.066	0.066	0	0	0	0	0	0	0	0

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Incineration amount and Product inclusion).

## Suzuki Akita Auto Parts Mfg. Co., Ltd.

[Operations] Casting and machining of automobile parts [Location] 192-1 lenohigashi, Hamaikawa, Ikawa,

Minamiakita, Akita

#### <Environmental data>

#### Major water source and drain outlet

Water source: Omata Spring water source

(drinking water) 16,148 m<sup>3</sup> Ground water 58,423 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: I River 74,571 m<sup>3</sup>

## Water quality data (Water Pollution Prevention Act, ordinances by local government)

Item	Regulation values	Results	Averages
рН	5.8-8.6	7.3-7.8	7.6
BOD	20	1.0-4.9	2.7
SS	30	2.6-14	7.5
Oil content	4	0.5	0.5
Total nitrogen	18	1.2-2.4	1.7
Total phosphorous	1.9	0.1-0.3	0.2
Zinc	2	0.01-0.13	0.03

## Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
	Boiler 1	-	57-87	72
NOx	Boiler 2	180	34-62	48
NUX	Continuous carburizing furnace 1	180	Under 1-49	15
	Continuous carburizing furnace 2	180	11-17	14
	Boiler 1	0.49	0.0022-0.0024	0.0023
S0x	Boiler 2	0.56	0.001	0.001
(K value)	Continuous carburizing furnace 1	0.69	0.0022-0.0023	0.0022
	Continuous carburizing furnace 2	0.66	0.0003-0.0004	0.0003
	Boiler 1	0.3	0.002	0.002
Particu-	Boiler 2	0.3	0.003	0.003
lates	Continuous carburizing furnace 1	0.2	0.002	0.002
	Continuous carburizing furnace 2	0.2	0.002	0.002

Substance	Substance name	Amount*	Discharge amount				Transfer amount		Recycled	Decomposi-	Product	
no.	Substance name	Alliount	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	tion disposal inclusion	
1	Zinc compound (water-soluble) (compound group aggregate substance)	2,600	0	0	0	0	0	0	2,600	0	0	
71	Ferric chloride	1,700	0	0	0	0	0	0	1,700	0	0	
80	Xylene	3,600	200	0	0	0	0	0	0	3,400	0	
296	1, 2, 4 - trimethylbenzene	4,900	50	0	0	0	0	0	0	4,800	0	

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

## Suzuki Toyama Auto Parts Mfg. Co., Ltd.

Introduction

[Operations] Processing of automobile parts [Location] 3200 Mizushima, Oyabe, Toyama

#### <Environmental data>

#### Major water source and drain outlet

Water source: Ground water 430,599 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Oyabe River 430,599 m<sup>3</sup>

## Water quality data (Water Pollution Prevention Act, ordinances by local government)

Item	Regulation values	Results	Averages	
pH	6-8	7.0-7.8	7.4	
BOD	15	1.0-9.3	2.5	
SS	15	1.3-10	4.0	
Oil content	5	0.5	0.5	
Lead	0.02	0.003	0.003	
Chrome	2	0	0	
Total nitrogen	120 (60)*	0.7-4.9	1.9	
Total phosphorus	16 (8)*	0.1-2.2	0.5	
Zinc	2	0.1-0.2	0.1	

<sup>\*</sup> Values in parentheses ( ) show daily averages.

## Air pollution data (Air Pollution Control Act, ordinances by local government)

Substances	Facilities	Regulation values	Results	Averages
NOx	Boiler	180	92-100	96
NUX	Melting furnace (2.5 t/h)	180	37-48	43
SOx	Boiler	17.5	0.089-0.19	0.14
(K value)	Melting furnace (2.5 t/h)	17.5	0.0011-0.0027	0.0019
Particu-	Boiler	0.3	0.0003-0.0048	0.003
lates	Melting furnace (2.5 t/h)	0.2	0.0019-0.0088	0.0054
	Melting furnace (2.5 t/h)	5	0	0
Dioxins	Melting furnace 15	1	0	0
DIOXIIIS	Melting furnace 16	1	0	0
	Melting furnace 0	1	0	0

#### PRTR target substances (accumulated values calculated according to PRTR Law)

Substance		Cubatana anna	Amaunat		Discharge	amount		Transfer	amount	Recycled	Decomposi-	Product	
	no.	Substance name	Amount*	Air	Rivers	Soil	Landfill	Sewerage Waste		amount	tion disposal	inclusion	
	309	Nickel compounds (compound group aggregate substance)	1,400	0	100	0	0	0	140	0	0	1,200	
	438	Methylnaphthalene	2,500	10	0	0	0	0	0	0	0	0	

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

## Sagara Plant of Snic Co., Ltd.

[Operations] Manufacture of automobile interior parts [Location] 1111 Shirai, Makinohara, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Included in the Sagara Plant of Suzuki Motor Corporation

## Water quality data (Water Pollution Prevention Act, ordinances by local government)

Sent to Sagara Plant of Suzuki Motor Corporation for treatment

# Air pollution data (Air Pollution Control Act, ordinances by local government)

No applicable facilities

Substance	Substance name Amount*			Transfer	amount	Recycled	Decomposi-	Product				
no.	Substance name	Alliount-	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion	
298	Tolylene diisocyanate	8,000	0	0	0	0	0	20	0	0	8,000	
448	Methylenebis (4, 1-phenylene) diisocyanate	1,600	0	0	0	0	0	0	0	0	1,600	

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

## Ryuyo Seat Plant of Snic Co., Ltd.

Introduction

[Operations] Manufacture of automobile interior parts [Location] 1403 Higashi Hiramatsu, Iwata, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Water source: Tenryu River 20,683 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Tenryu River 8,754 m<sup>3</sup>

## Ryuyo Pipe Plant of Snic Co., Ltd.

[Operations] Manufacturing of automobile pipe parts
[Location] 6-2 Minami Hiramatsu, Iwata, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Water source: Tenryu River 19,128 m<sup>3</sup>

Rain water 0 m<sup>3</sup>

Drain outlet: Tenrvu River 17.973 m<sup>3</sup>

## Water quality data (Water Pollution Prevention Act, ordinances by local government)

No applicable facilities

## Air pollution data (Air Pollution Control Act, ordinances by local government)

No applicable facilities

#### PRTR target substances (accumulated values calculated according to PRTR Law)

Si	Substance Substance name Amount		Amounts	Amount* Discharge amount			Transfer amount		Recycled	Decomposi-	Product	
	no.	Substance name	Amount	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion
	297	1, 3, 5 - trimethylbenzene	1,300	1,300	0	0	0	0	0	0	0	0
	298	Tolylene diisocyanate	510,000	0	0	0	0	0	600	0	0	510,000
	448	Methylenebis (4, 1-phenylene) diisocyanate	90,000	0	0	0	0	0	100	0	0	90,000

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

## Water quality data (Water Pollution Prevention Act, ordinances by local government)

Item	Regulation values	Results	Averages	
рН	5.8-8.6	7.7	7.7	
BOD	25 (20)*	Under 0.5	Under 0.5	
SS	50 (40)*	4	4	
Oil content	5	Under 1	Under 1	
Total nitrogen	120 (60)*	0.8	0.8	
Zinc	2	Under 0.05	Under 0.05	

\* Values in parentheses ( ) show daily averages

## Air pollution data (Air Pollution Control Act, ordinances by local government)

No applicable facilities

#### PRTR target substances (accumulated values calculated according to PRTR Law)

Substance	Substance name	Amount*	Discharge amount				Transfer amount		Recycled	Decomposi-	Product
no.	Substance name	Allibulit	Air	Rivers	Soil	Landfill	Sewerage	Waste	amount	tion disposal	inclusion
87	Chromium, trivalent chromium and their compounds	14,000	140	0	0	0	0	0	350	0	13,000
308	Nickel	4,400	44	0	0	0	0	0	110	0	4,200
412	Manganese and its compounds (compound group aggregate substance)	1,600	16	0	0	0	0	0	40	0	1,600

<sup>\*</sup> As calculations are made to two significant figures, the total volume handled (Amount) may not match the sum amounts of individual columns to the right (Discharge amount, Transfer amount, Recycled amount, Decomposition disposal and Product inclusion).

## Hamakita Trim Plant of Snic Co., Ltd.

[Operations] Manufacture of automobile interior

resin parts

[Location] 5158-1 Hiraguchi, Hamakita-ku,

Hamamatsu, Shizuoka

#### <Environmental data>

#### Major water source and drain outlet

Water source: Ground water 8,335 m<sup>3</sup>

Tenryu River 499 m³

Rain water 0 m<sup>3</sup>

Drain outlet: Gojinya River 8,834 m<sup>3</sup>

## Water quality data (Water Pollution Prevention Act, ordinances by local government)

Item	Regulation values	Results	Averages
pH	5.8-8.6	7	7
BOD	160 (120)*	Under 1	Under 1
SS	200 (150)*	Under 5	Under 5
Zinc	2	0.23	0.23

<sup>\*</sup> Values in parentheses ( ) show daily averages.

# Air pollution data (Air Pollution Control Act, ordinances by local government)

No applicable facilities

# PRTR target substances (accumulated values calculated according to PRTR Law)

There is no PRTR target substance subject to performance reporting.

Social

### Areas included in the Environmental Initiatives

Introduction

Suzuki		
	Domestic manufacturing subsidiaries (4 companies)	Suzuki Auto Parts Mfg. Co., Ltd., Snic Co., Ltd., Suzuki Toyama Auto Parts Mfg. Co., Ltd., and Suzuki Akita Auto Parts Mfg. Co., Ltd.
Consolidated subsidiaries	Domestic sales distributors / Domestic non-manufacturing subsidiaries (62 companies)	Suzuki Motorcycle Sales Inc., Suzuki Motor Sales Hokkaido Inc., Asahikawa Suzuki Motor Sales Inc., Suzuki Motor Sales Aomori Inc., Suzuki Motor Sales Iwate Inc., Suzuki Motor Sales Yamagata Inc., Suzuki Arena Akitachuo Inc., Suzuki Motor Sales Miyagi Inc., Suzuki Motor Sales Fukushima Inc., Suzuki Motor Sales Ibaraki Inc., Suzuki Motor Sales Tochigi Inc., Suzuki Motor Sales Gunma Inc., Suzuki Motor Sales Saitama Inc., Suzuki Motor Sales Nishisaitama Inc., Suzuki Motor Sales Kanto Inc., Suzuki Motor Sales Chiba Inc., Suzuki Motor Sales Keiyo Inc., Suzuki Motor Sales Shizuoka Inc., Suzuki Motor Sales Minami Tokyo Inc., Suzuki Motor Sales Kanagawa Inc., Suzuki Motor Sales Syonan Inc., Suzuki Motor Sales Niigata Inc., Suzuki Motor Sales Shizuoka Inc., Suzuki Motor Sales Hamamatsu Inc., Suzuki Motor Sales Tokai Inc., Suzuki Motor Sales Nagano Inc., Suzuki Motor Sales Nanshin Inc., Suzuki Motor Sales Hokuriku Inc., Suzuki Motor Sales Toyama Inc., Suzuki Motor Sales Niga Inc., Suzuki Motor Sales Kyoto Inc., Suzuki Motor Sales Kansai Inc., Suzuki Motor Sales Hyogo Inc., Suzuki Motor Sales Nara Inc., Suzuki Motor Sales Wakayama Inc., Suzuki Motor Sales Kagawa Inc., Suzuki Motor Sales Tokushima Inc., Suzuki Motor Sales Matsuyama Inc., Suzuki Motor Sales Kochi Inc., Suzuki Motor Sales Tottori Inc., Suzuki Motor Sales Saga Inc., Suzuki Motor Sales Nagasaki Inc., Suzuki Motor Sales Kumamoto Inc., Suzuki Motor Sales Ohita Inc., Suzuki Motor Sales Miyazaki Inc., Suzuki Motor Sales Kagoshima Inc., Suzuki Motor Sales Okinawa Inc., Suzuki Motor Sales Kumamoto Inc., Suzuki Motor Sales Ohita Inc., Suzuki PDC, Suzuki Engineering Co., Ltd., Suzuki Business Co., Ltd., Suzuki Support Co., Ltd., and Suzuki Finance Co., Ltd.
	Overseas manufacturing subsidiaries (15 companies)	India: Maruti Suzuki India Ltd., Suzuki Motorcycle India Private Limited, Suzuki Motor Gujarat Private Limited (from FY2016), Thailand: Thai Suzuki Motor Co., Ltd., Suzuki Motor (Thailand) Co., Ltd., Indonesia: PT Suzuki Indomobil Motor, USA: Suzuki Manufacturing of America Corporation, Hungary: Magyar Suzuki Corporation Ltd., Pakistan: Pak Suzuki Motor Co., Ltd., Philippines: Suzuki Philippines Inc., Myanmar: Suzuki (Myanmar) Motor Co., Ltd., Suzuki Thilawa Motor Co., Ltd. (from FY2018), Cambodia: Cambodia Suzuki Motor Co., Ltd., Colombia: Suzuki Motor de Colombia S.A., Vietnam: Vietnam Suzuki Corp.
	Overseas sales distributors (17 companies)	USA: Suzuki Motor USA, LLC, Suzuki Marine USA, LLC, Canada: Suzuki Canada Inc., France: Suzuki France S.A.S., Italy: Suzuki Italia S.p.A., Germany: Suzuki Deutschland GmbH, Spain: Suzuki Motor Iberica, S.A.U., Austria: Suzuki Austria Automobil Handels GmbH, UK: Suzuki GB PLC, Poland: Suzuki Motor Poland Ltd., China: Suzuki Motor (China) Investment Co., Ltd., Taiwan: Tai Ling Motor Co., Ltd., Australia: Suzuki Australia Pty. Ltd., New Zealand: Suzuki New Zealand Ltd., Mexico: Suzuki Servicios de Mexico, S.A. de C.V., Indonesia: PT Suzuki Finance Indonesia, South Africa: Suzuki Auto South Africa (Pty.) Ltd.

## Company Profile (As of March 31, 2022)

Suzuki Motor Corporation Company name

Introduction

■ Date of incorporation March 1920

■ Address of head office 300 Takatsuka-cho, Minami-ku,

Hamamatsu, Shizuoka,

432-8611 Japan

Representative **Director and President** 

Toshihiro Suzuki

■ Main product line Automobiles, motorcycles,

outboard motors,

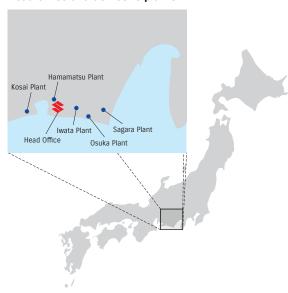
motorized wheelchairs, etc.

Capital ¥138 billion

Employees 16,267

(Consolidated total: 69,193)

#### Head office and domestic plants



#### Overseas network

■: Major Overseas Sales Subsidiaries and Affiliates •: Major Overseas Assembly Plants



- 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)

- 15 Suzuki Manufacturing of America Corporation (USA)
- Suzuki Motor de Colombia S.A. (Colombia)
- Magyar Suzuki Corporation Ltd. (Hungary)
- Suzuki Egypt S.A.E. (Egypt)
- 1 Jinan Qingqi Suzuki Motorcycle Co., Ltd. (China)
- 1 Jiangmen Dachangjiang Group Co., Ltd. (China)
- 22 Changzhou Haojue Suzuki Motorcycle Co., Ltd. (China)
- 3 Tai Ling Motor Co., Ltd. (Taiwan)
- 3 Suzuki Philippines Inc. (Philippines)
- 3 Suzuki (Myanmar) Motor Co., Ltd. (Myanmar)

- 3 Suzuki Thilawa Motor Co., Ltd. (Myanmar)
- 20 Suzuki Motor (Thailand) Co., Ltd. (Thailand)
- 13 Thai Suzuki Motor Co., Ltd. (Thailand)
- 29 Cambodia Suzuki Motor Co., Ltd. (Cambodia)
- 10 Vietnam Suzuki Corp. (Vietnam)
- 1 PT Suzuki Indomobil Motor (Indonesia)
- Maruti Suzuki India Limited (India)
- 33 Suzuki Motor Gujarat Private Limited (India)
- 3 Suzuki Motorcycle India Private Limited (India)
- 3 Pak Suzuki Motor Co., Ltd. (Pakistan)

# **History of Environmental Initiatives**

1970	Mar.	Demonstrated 10 units of Carry Van electric vehicles at the Osaka Expo					
1971	Jul.	Established an Environmental Protection Section in the Facilities Group of the Production Engineering Dept. to carry out environmental measures in our production processes					
1977	Apr.	Established the Suzuki Group Safety & Hygiene and Pollution Issues Council					
1981	Dec.	Held the Energy Saving Symposium with Machinery Industry Promotion Foundation (currently: Suzuki Foundation)					
1989	Aug.	Established an Environmental Issue Council to strengthen Company-wide efforts toward environmental issues including products					
1990	Mar.	Installed Freon collectors at domestic distributors to collect specific Freon contained in car air conditioner refrigerant for reuse					
1991	Dec.	Totally abolished the use of specific Freon (contained in polyurethane foamed components, such as seats)					
	lon	Started displaying material names on resin parts					
	Jan.	Developed a continuously variable transmission (SCVT) which was installed on Cultus Convertible					
1992	Oct.	Developed a natural gas-fueled scooter					
	Nov.	Established a Waste Countermeasure Group in the Production Engineering Development Dept. to promote reduction and reuse of waste					
	Dec.	Launched electric vehicles Alto and Every					
	Mar.	Formulated an Environmental Protective Activities Plan					
1993	May	Reorganized and enhanced the Environment & Industrial Waste Group by integrating the Environmental Protection Section and the Waste Countermeasure Group					
	Dec.	Completed the replacement of Freon used in car air conditioner refrigerants					
	Jun.	Started collecting and recycling used bumpers replaced at dealers					
1994	۸۰۰۰	Installed a facility to recycle sludge contained in wastewater to reuse it as asphalt sheets					
	Aug.	Started reusing casting sand waste (generated at foundries) as cement materials					
1995	Jan.	Renewed the waste incinerator, and increased reduction of waste and reuse of heat waste (steam)					
1995	Aug.	Introduced co-generation facilities into the Kosai Plant to promote energy saving activities					
	Apr.	Launched electric power-assisted bicycle Love					
1996	May	Prepared the Environmental Protective Activities Plan (follow-up version)					
	Dec.	Introduced co-generation facilities into the Sagara Plant					
	Mar.	Developed WagonR, a natural gas-fueled automobile					
1997	May	Launched electric vehicles Alto and Every with major enhancements					
1997	Oct.	Won the Technical Innovation Award for our four-stroke outboard motor at the Chicago Boat Show					
	Dec.	Issued a "Vehicle Disassembly Manual" and distributed it to distributors					

Environmental

	Feb.	Introduced co-generation facilities into Osuka Plant
	ı cu.	Prepared an Initiative Voluntary Action Plan for the Recycling of ELVs
	Apr.	Obtained ISO 14001 certification at Magyar Suzuki (Hungary)
1998	Jul.	Obtained ISO 14001 certification at Kosai Plant
	Oot	Launched a new mini-car equipped with a lean-burn engine which achieved 29.0 km/L fuel consumption in 10x15 mode
	Oct.	Won the Technical Innovation Award for our four-stroke outboard motor for the second consecutive year
	Dec.	Developed an environmentally friendly pipe bending technology
	Mar.	Developed a new catalyst for motorcycles and adopted it on the scooter Let's II
	May	Launched fuel-efficient Alto with "Sc lean-burn" CVT
	Jun.	Launched natural gas-fueled (CNG) WagonR
	Aug.	Launched new model of Every electric vehicle
	Sep.	Obtained ISO 14001 certification at the Osuka and Sagara Plants
1999	Oct.	Launched Alto equipped with Idling Stop System (Engine Auto Stop Start System)
		Won "The Best Concept Car" special award for Suzuki PU-3 COMMUTER at the Tokyo Motor Show
		Launched full-model change of the electric power-assisted bicycle Love
	Nov.	Obtained ISO 14001 certification Maruti Udyog (India) (currently: Maruti Suzuki India Limited)
	NOV.	Launched ultrasonic compact washing machines SUC-300H and 600H that adopt ultrasonic waves for washing instead of organic solvent
	Dec.	Launched natural gas-fueled (CNG) Every
2000	Jan.	Developed a compact bumper crushing machine in-house
2000	Dec.	Obtained ISO 14001 certification at the Toyokawa Plant
	Jan.	Totally abolished the use of lead (used in painting processes of domestic motorcycle and automobile plants)
	Mar.	Expanded the installation of the bumper crushing machine nationwide
2001	A 10 st	Established an Environmental Planning Group that handles environmental matters related to products, technology, manufacturing, logistics, etc.
2001	Apr.	Established an Environmental Committee (as an alternative to Environmental Issue Council) to enhance environmental protection efforts
	Aug.	Achieved the target of drastic reduction in landfilled solid waste to zero-level
	Oct.	Started mutual cooperation with GM in the fuel cell technology field

	Jan.	Won the Excellent Environmentally-Friendly Concept Car Award from the Automotive News magazine (USA) for our electric vehicle concept car Covie at the Detroit Motor Show
2002	Mar.	Launched the Idling Stop (Engine Stop) campaign
	Jul.	Achieved practical use of the direct-injection turbo engine which realized both excellent fuel efficiency and high output power for the first time in mini cars
	lon	Announced a hybrid engine car Twin for the first time in mini passenger cars
	Jan.	Announced Choinori, a new concept resource-saving scooter
		Obtained ISO 14001 certification at Iwata Plant
0000	Mar.	Obtained ISO 14001 certification at the Takatsuka Plant
2003		Installed a wind-driven power generating facility at the Inasa Training Center
	Jul.	Became a member of IMDS (International Material Data System)
		Issued a Green Procurement Guideline
	Sep.	Launched certified ultralow-emission vehicles
	Jan.	Jointly established Japan Auto Recycling Partnership and ART (Automobile shredder residue Recycling promotion Team) with other manufacturers
	Feb.	Installed two wind-driven power generating units at Kosai Plant
		Announced the motorcycle recycling fees
2004	Jul.	Announced the end-of-life automobile recycling fees
	Aug.	Obtained approval of Japan's first 700-bar compressed hydrogen storage system for fuel cell vehicles
		Launched MR Wagon, dedicated for car sharing systems
	Jul.	Developed Hyper Alumite that has improved corrosion resistance and durability, with the anodized aluminum film smoothed over an aluminum material surface
2005	Aug.	Participated in Team Minus 6%
	Oct.	Participated in the FRP Boat Recycling System promoted by the Japan Boating Industry Association (currently: Japan Marine Industry Association) and announced recycling fees
2006	Sep.	Developed MIO, a motorized wheelchair equipped with a fuel cell, and exhibited it at the International Home Care & Rehabilitation Exhibition
	Oct.	Developed the fuel cell motorcycle Crosscage and exhibited it at the Tokyo Motor Show
2007	Nov.	Established the Suzuki Environment Control Regulations
	Jun.	Received the Minister's award for the newly-developed fuel-cell electric vehicle SX4-FCV
2008	Jul.	Exhibited SX4-FCV at Environmental Showcase held in International Media Center for Hokkaido Toyako G8 Summit
	Α.	Opened Suzuki Plaza to introduce Suzuki's history and manufacturing know-how to the public
	Apr.	Received Local Industry Contribution Award (Ichimura Award) for development and practical application of highspeed plating system realizing low cost and low environmental impact
2009	Sep.	Maruti Suzuki India Limited greatly reduced CO2 emission by shifting the transport method from trailers to double-deck merchandise trains, and received the Golden-Peacock Eco Innovations Award
	Oct.	Developed the plug-in hybrid automobile Swift Range Extender and the fuel cell scooter BURGMAN Fuel Cell Scooter and exhibited them at the Tokyo Motor Show as reference exhibits

Social

Environmental

2010	May	Plug-in hybrid Swift (Swift Range Extender) acquired the type approval of the Ministry of Land, Infrastructure, Transport and Tourism
2010	Sep.	Developed "e-Let's," an electric scooter, and initiated research about driving on public roads for commercialization
2011	Mar.	European Community Whole Vehicle Type Approval was acquired for the first time in the world for fuel cell scooters
011	May	Received Engineering Development Award of the 61st JSAE EXPOSITION AWARD for development of the rear lower arm made of aluminum-extruded material that realized weight reduction with low costs
2012	Feb.	Established a joint venture together with Intelligent Energy Holdings for development and manufacture of fuel cell systems
	Jul.	Developed light polypropylene resin material which excels in material coloring for automobiles
012	Sep.	Developed fuel efficiency improvement technologies ENE-CHARGE, new idling stop system (Engine Auto Stop Start System) and ECO-COOL
	Nov.	Received 2013 RJC Car of the Year for its next-generation environment technology SUZUKI GREEN technologies
	Mar.	Established Suzuki Environmental Plan and Suzuki Biodiversity Protection Guidelines
013	Jul.	Developed DUALJET engine that realizes both excellent fuel efficiency and strong driving
	Nov.	Decided to install the mega-solar system in the Nakazato Industrial Park in Makinohara
	Jan.	Developed new transmission Auto Gear Shift with excellent fuel efficiency
014	Aug.	Developed S-ENE CHARGE, a system evolved from ENE-CHARGE
015	Jun.	Developed and launched 2-cylinder 0.8 L diesel engine in India
	Jan.	Sagara Plant received the FY2015 Energy Conservation Grand Prize in the Energy Conservation Case Example Category
016	Apr.	Suzuki Makinohara Solar Power Plant completed
	Nov.	Developed Suzuki's unique parallel hybrid system which is matched with Auto Gear Shift
	Mar.	Obtained license plates for Burgman Fuel Cell scooter fuel-cell motorcycles and began operating them on public roads in Japan
	A	Suzuki, Toshiba and Denso reached a basic agreement to establish a joint venture company for production of automotive lithium-ion battery packs in India
017	Apr.	Won the Contribution Prize of the 49th Ichimura Prize in Industry for the "Development of Resin Material with Superb Appearance and Application to Pre-colored Interior Parts"
	Nov.	Toyota and Suzuki conclude memorandum on EV introduction in India
	Dec.	Established Suzuki Environmental Plan 2020 with newly-set target such as reduction in CO <sub>2</sub> emissions
018	Mar.	Toyota and Suzuki reached a basic agreement toward mutual supply of hybrid and other vehicles in India
019	Nov.	Maruti Suzuki India and the Toyota Tsusho Group established a joint venture for dismantling and recycling vehicles
020	Oct.	Launched the world's first micro-plastic collecting device for outboard motors
020	Nov.	Announced the Suzuki Environmental Vision 2050
021	May	Developed technology to reuse small lithium-ion batteries

Environmental

# **Company Data**

Introduction

#### ■ 1. Production and sales volume

			Unit	FY2017	FY2018	FY2019	FY2020	FY2021
Automobile	Production unit	Total		3,338	3,394	2,964	2,651	2,822
		Domestic production	Thousand	971	1,011	944	930	840
		Overseas production	units	2,367	2,383	2,020	1,721	1,982
		India		1,781	1,850	1,577	1,440	1,659
	Sales unit	Total		3,224	3,327	2,852	2,571	2,707
		Domestic sales	Thousand	668	725	672	647	561
		Overseas sales	units	2,556	2,602	2,179	1,924	2,145
		India		1,654	1,754	1,436	1,323	1,365
	Sales unit of hybrid	models*	Thousand units	462	539	489	615	626
	Sales unit of "With"	' series	Unit	2,636	2,636	2,229	2,084	2,402
Motorcycle	Production units		Thomas	1,627	1,747	1,729	1,497	1,784
		Domestic production	Thousand - units -	152	115	95	67	99
		Overseas production	— units	1,475	1,632	1,634	1,430	1,685
	Sales units		Thomas	1,576	1,744	1,709	1,535	1,634
		Domestic production	<ul><li>Thousand</li><li>units</li></ul>	60	57	49	51	53
		Overseas production	units	1,516	1,687	1,661	1,484	1,581

<sup>\*</sup> Hybrid models include Mild Hybrid, S-ENE CHARGE, and SHVS

### ■ 2. Financial information (Consolidated)

Net sales				37,572	38,715	34,884	31,782	35,684
	Automobile			34,358	35,325	31,574	28,766	32,048
	Motorcycle			2,464	2,551	2,426	2,065	2,535
	Marine*			750	839	745	834	980
	Other*			-	-	139	117	121
	Domestic sales	¥	100 million	11,168	12,524	11,795	11,740	10,737
	Overseas sales			26,405	26,191	23,089	20,042	24,947
		Europe		5,106	5,248	4,653	4,227	4,181
		North America		625	707	671	681	794
		Asia		17,731	17,624	15,237	12,931	15,901
		Others		2,942	2,612	2,529	2,202	4,071
Operating profit				3,742	3,244	2,151	1,944	1,915
Ordinary profit		¥	100 million	3,828	3,795	2,454	2,483	2,629
Profit attributable to owners of parent				2,157	1,788	1,342	1,464	1,603
Capital expenditures				2,134	2,689	2,365	1,709	1,894
Depreciation and amortization		v	100 million -	1,509	1,489	1,642	1,365	1,615
R&D expenses		*	100 1111111011	1,394	1,581	1,481	1,462	1,607
Interest-bearing debt balance				5,779	3,754	4,042	7,708	6,742
Total assets		v	100 million -	33,408	34,020	33,398	40,364	41,552
Net assets		*	100 1111111011	15,952	17,159	17,937	20,320	22,637
Shareholders' equity ratio			%	38.8	40.9	44.5	41.8	45.2
Profit per share			¥	488.86	395.26	286.36	301.65	330.20
Cash dividends per share (annual)			*	74.00	74.00	85.00	90.00	91.00
ROE			%	17.9	13.3	9.3	9.2	9.0

<sup>\*</sup> In the reportable segments of consolidated net sales, "Marine business, etc." segments have been classified into "Marine business" and "Other business" from FY2020.

### ■ 3. Employee information

Introduction

			Unit	FY2017	FY2018	FY2019	FY2020	FY2021
Number of		Total		15,269	15,431	15,646	16,073	16,267
employees		Male	Person	13,711	13,808	13,932	14,220	14,326
		Female		1,558	1,623	1,714	1,853	1,941
	Employees with job titles*1	Total		4,333	4,437	4,517	4,709	4,831
		Male	Person	4,243	4,339	4,403	4,577	4,695
		Female		90	98	114	132	136
	Managers	Total		1,049	1,080	1,139	1,203	1,268
		Male	Person	1,037	1,066	1,121	1,185	1,248
		Female		12	14	18	18	20
New employees		Total		642	563	708	819	595
		Male	Person	541	445	569	651	451
		Female		101	118	139	168	144
	College degree	Total		456	475	494	577	352
	or above	Male	Person	396	396	413	474	285
		Female		60	79	81	103	67
Employment rate of	f people with disabilities		%	2.02	2.14	2.20	2.23	2.35
Turnover rate			%	4.2	3.9	3.1	2.2	2.9
Rate of paid leave t	taken*²		%	-	73.7	77.2	75.0	85.4
Number of employe			Person	65,179	67,721	68,499	68,739	69,193
Number of employees using the reduced work hour system for childcare		Total		204	232	256	285	298
work hour system f	for childcare	Male	Person	3	3	5	7	9
		Female		201	229	251	278	289
	ees using the childcare	Total		91	104	117	143	186
leave system		Male	Person	7	13	23	63	90
		Female		84	91	94	80	96
Male rate of taking	childcare leave		%	-	-	-	-	17.72
		Total		97.3	96.3	98.1	97.4	99.3
Reinstatement rate of employees using 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
	ees using the reduced	Total		4	5	5	4	4
work hour system f	for family-care	Male	Person	1	1	1	0	0
		Female		3	4	4	4	4
	ees using the family-care	Total		2	6	1	5	6
leave system		Male	Person	1	4	0	3	3
		Female		1	2	1	2	3
	e of employees using	Total		100.0	50.0	100.0	60.0	33.3
family-care leave sy	system	Male	%	100.0	25.0	-	66.7	33.3
		Female		100.0	100.0	100.0	50.0	33.3
Accident frequency	/ rate		%	0.21	0.26	0.03	0.08	0.08
Employee sharehold	ders' association	Participants	Person	2,369	2,369	2,391	2,519	2,531
		Participation rate	%	13.4	13.2	13.1	13.5	13.4
		Number of shares held	Thousand shares	1,225	1,186	1,192	1,229	1,265

<sup>\*1:</sup> Manager, assistant manager, supervisor, and foremen (including expert and technical master) \*2: Includes managers

#### ■ 4. Others

Others	Number of Outside Directors	Person	2	2	2	3	2
	Number of consolidated subsidiaries	Company	131	130	127	120	119
	Number of equity-method affiliates	Company	31	28	28	31	32

### ■ 5. Major outside associations in which the Company participates

Japan Automobile Manufacturers Association, Inc., Society of Automotive Engineers of Japan, Japan Business Federation, The Global Alliance for Sustainable Supply Chain (ASSC), Task Force on Climate-related Financial Disclosures (TCFD)

**Guidelines Reference Tables** 

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# **GRI Standards Reference Table**

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## **TCFD Reference Table**

#### Governance

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b) Describe management's role in assessing and managing climate-related risks and opportunities.	P.13 Sustainability Policy (Structure for promoting sustainability) P.19 Suzuki Group Environmental Organization	

## Strategy

Recommended disclosures		Relevant places	
a) Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.	P.24	Response to the TCFD's recommendations (Climate-related risks and opportunities, scenario analysis)	
b) Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	P.24	Response to the TCFD's recommendations (Climate-related risks and opportunities, scenario analysis)	
<ul> <li>c) Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</li> </ul>	P.24	Response to the TCFD's recommendations (Climate-related risks and opportunities, scenario analysis)	

## Risk management

Recommended disclosures	Relevant places	
a) Describe the company's processes for identifying and assessing climate-related risks.	P.13 Sustainability Policy (Structure for promoting sustainability) P.19 Suzuki Group Environmental Organization	
b) Describe the company's processes for managing climate-related risk.	P.19 Suzuki Group Environmental Organization	
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	P.19 Suzuki Group Environmental Organization P.136 Risk management system	

## **Metrics and targets**

tecommended disclosures	Relevant places
a) Disclose the metrics used by the company to assess climate-related risks and opportunities in line with its strategy and risk management process.	P.9 Suzuki Mid-Term Management Plan: "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)" P.20 Suzuki Environmental Vision 2050 P.21 Suzuki Environmental Plan 2025
b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	P.24 Response to the TCFD's recommendations (Climate-related risks and opportunities, scenario analysis) P.36 Reduction of CO <sub>2</sub> emissions (Disclosure of GHG emissions occurred in the entire value characteristics) P.141 Environmental Data
c) Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.	P.9 Suzuki Mid-Term Management Plan: "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)" P.20 Suzuki Environmental Vision 2050 P.21 Suzuki Environmental Plan 2025