



# Integrated Report

2024

Suzuki Motor Corporation



## Suzuki Integrated Report 2024 Contents

### Corporate Profile

- 3 Corporate Philosophy
- 5 Message from the President
- 8 Feature 1) Technology Strategy for 10 Years Ahead
- 10 Feature 2) Personnel System Reforms
- 11 Feature 3) Panel Discussion for Female Employees
- 15 Value Creation Steps
- 16 Value Creation Process

### Suzuki's Growth Strategy for FY2030

- 18 Outline of the Growth Strategy
- 18 Major Initiatives for FY2030

### Mechanisms for Enhancing Value Creation

- 21 Sustainability Policy
- 23 Climate Change
- 29 Respect for Human Rights
- 31 Human Capital
- 50 Intellectual Property
- 53 Sustainable Local Community
- 56 Directors, Auditors and Officers
- 57 Corporate Governance
- 66 Compliance System and Risk Management System

### Data Section

- 72 Financial Review
- 74 Financial and Non-Financial Highlights
- 76 11-Year Major Financial / Non-Financial Data
- 78 Global Network
- 79 Major Product Lineup
- 80 Business Overview [Automobile Business]
- 84 Business Overview [Motorcycle Business]
- 88 Business Overview [Marine Business]
- 89 Company Information
- 90 Stock and Other Information

### Editorial Policy

#### About this report

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

#### Period covered

The period covered by this report is FY2023 (from April 1, 2023 through March 31, 2024). However, this report also contains descriptions of some activities which took place before or after that time period.

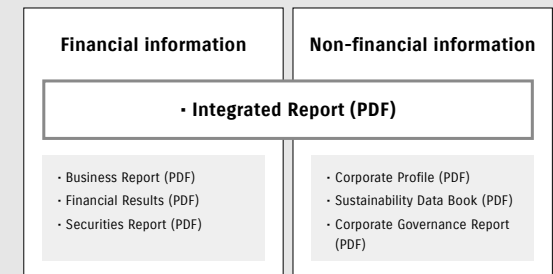
#### Information covered

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

#### Referred guidelines

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

#### Information disclosure system



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

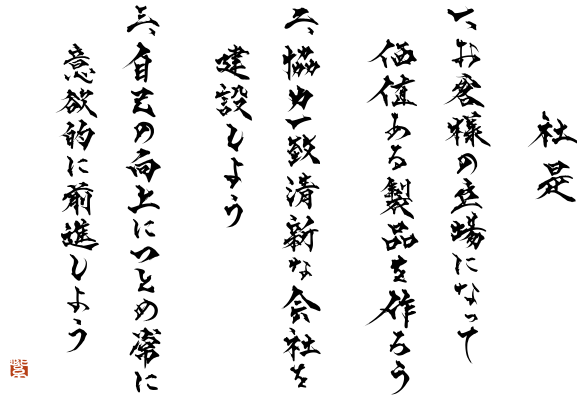
This report contains forward-looking statements based on the Company's judgments in line with current assumptions and information available at the time of publication. Therefore, these forward-looking statements involve risks and uncertainties. The Company does not guarantee that such forward-looking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

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

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

# Corporate Philosophy

## Mission Statement



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

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

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

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 capital 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, and
- “Shorter” speeds up decision-making, action and reporting, communication, and consultation processes.
- “Beauty” means 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.

### “Genba, Genbutsu, Genjitsu (Actual place, Actual thing, Actual situation)”

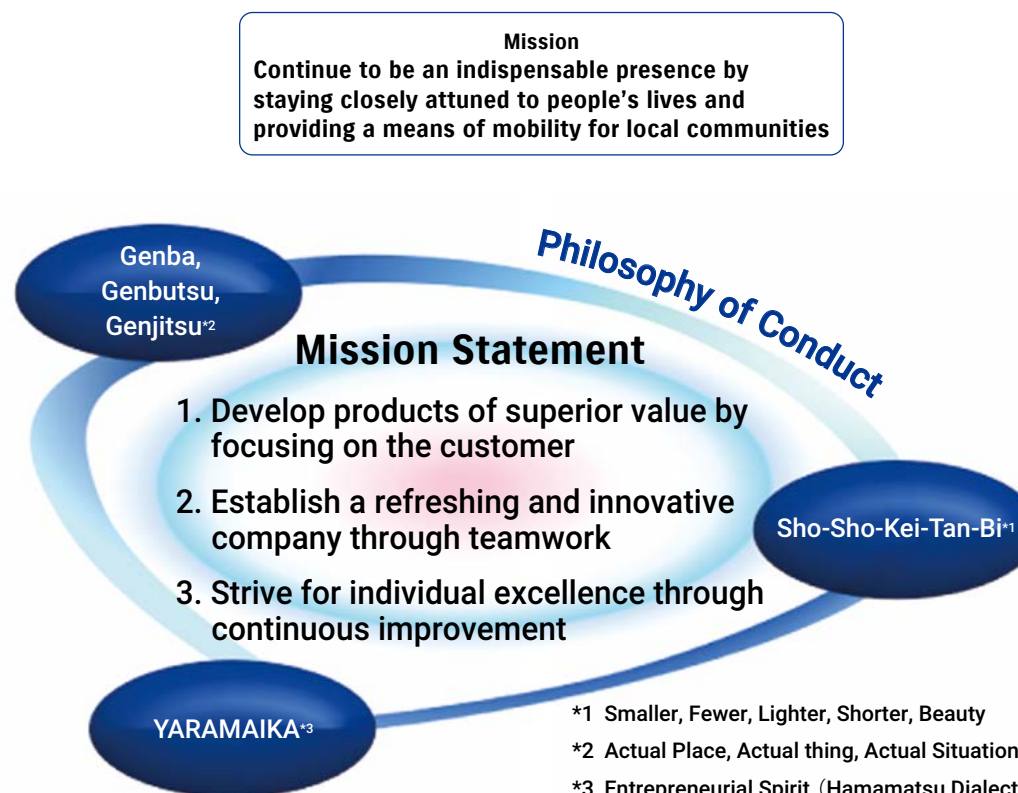
We will go directly to the actual place, see and touch the actual thing, and make realistic decisions grounded in facts.

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.

### “YARAMAIKA (Entrepreneurial Spirit)”

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 “Entrepreneurial Spirit.”

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





# Message from the President



Toshihiro Suzuki  
Representative Director  
and President

## Aiming to be an infrastructure company closely connected with people's lives, we will take our challenge one step further and grow as a company and as individuals

### Suzuki aims to become an infrastructure company closely connected with people's lives

Suzuki started its first business when the Company's founder Michio Suzuki made a loom in order to make his mother's work easier and encouraged other people in the neighborhood to use the machine as well. Since then, Suzuki has expanded its business to motorcycles, automobiles, and marine products.

Currently, the automobile industry finds itself in a period of a once-in-a-century great transformation, with increasing demands for eco-friendly product development, including measures to mitigate global warming. Suzuki has strengths in mini vehicles in Japan, and compact cars globally. The Company always focuses on the basis of manufacturing products with minimal resources required, as reflected in its principle of "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)." I believe this approach has a strong affinity with product development reducing environmental impact, as required in a carbon-neutral society. In the future, we expect electrified forms of mobility to play an increasingly pivotal role in the approach.

We take pride in having provided modes of transportation that serve as social infrastructure, thereby offering mobility that supports people's daily lives. Looking ahead, we believe that the scope of social infrastructure will continue to expand and incorporate automobiles as a foundation of people's lives. Moreover, unlike the conventional use of ICE vehicles, we expect that through electrification, automobiles themselves will become a part of the social infrastructure, though the extent might be limited. While monitoring these types of changes, we believe that Suzuki's role is to provide infrastructure closely connected with people's lives by perfecting small mobility, a field in which we excel.

Moreover, in India, where there are said to be 300 million cows, we are developing a biogas business utilizing cow dung. If left untreated, this cow dung may become a contributing factor to global warming. By refining biogas fuel from cow dung and producing organic fertilizer from the residue, this business aims to raise income levels in rural areas and contribute to India's development. Of India's total population of 1.4 billion, the primary customer base we serve is still about 400 million people with enough income to afford a car. Recently, internal discussions at Suzuki have increasingly been focused on how we will monitor, understand, and build relationships with the income segment of roughly 1.0 billion people, primarily agricultural workers, who do not yet earn enough to afford a car or motorcycle. India is a vast country with diverse ethnicities. It is crucial for us to penetrate into the country thoroughly, closely observe people's daily lives, and think more deeply about their needs. We are exploring how Suzuki can help solve people's everyday problems and raise the standard of living for individuals. To do so, we believe the answers lie in the "Genba, Genbutsu, Genjitsu (Actual place, Actual thing, Actual situation)." Since Suzuki was founded as a startup around 100 years ago, we have survived and grown because we have worked tirelessly to solve problems from our customers' perspective. This is something we must always remember.

### Human capital enhancement (personnel system reforms, diversity)

In order to strengthen our competitiveness and change as a company, we have been working on the three pillars of structural reform, risk minimization, and planting seeds for the future as substantial corporate enhancement measures

based on Japan's Corporate Governance Code. Moreover, we announced our Growth Strategy for FY2030 in January 2023. Along with this announcement, since 2022, we have changed the format of annual Shunto labor-management wage negotiations. Although we grappled with the issue of whether it was appropriate for Suzuki alone to raise its wages, given factors such as the regional characteristics of the Hamamatsu area, we have implemented personnel system reforms for the first time in about 30 years.

In terms of human capital development, which we have previously left it up to frontline workers under the commonly-used term "OJT (On the Job Training)," we will create systematic learning opportunities that balance OJT with off-JT methods, such as classroom lectures and online training. How do we develop individual capabilities, link them to technology and product development, and deliver valuable products to our customers? These questions are the foundation of securing earning power and will lead to higher wages. We will ensure that each and every employee embraces this mindset. The Company values its people and considers how to leverage their strengths to encourage corporate growth.

I believe that internal personnel transfers, similar to job changes, offer opportunities to experience new workplaces and roles. However, information such as "What kind of work does this department do?" and "What skills are needed for this department's work?" has not been clearly defined within the organization. Additionally, the skills, capabilities, and aptitude of individual employees have not been clearly identified within the Company, resulting in limited opportunities for personnel exchange. We need to better define the types of human talent we seek across the Company, identify individuals willing to voluntarily take on these roles, and assign them to appropriate work positions. If we can achieve this, employees will be more motivated in their work, and the Company will become more energized. This is what I aim to accomplish within the personnel system.

The ability to observe and evaluate people is an essential management skill. A key factor in evaluating employees is to closely observe their actions. Is each employee working with a customer-focused mindset, or are they working while pre-occupied with their supervisors? This difference can have a huge impacts on outcomes. If employees are mindful of customers, constructive discussions can take place even when

opinions differ within the Company, and it is less likely for misconduct or other problems to occur.

A perfect personnel system cannot be created all at once; therefore, I intend to steadily gather input from various people, make continuous improvements, and work together to develop the system. Suzuki cannot survive without its customers. That is why we must always remember who the main character in this story is. We need to consider what the customer seeks and respond to those needs.

Frankly, we still face many challenges in terms of diversity. Suzuki's ratio of women in management is low compared to other companies, and we have not yet created an environment that facilitates women's success in the workplace. Moving forward, while considering life events such as childbirth and child raising, we will work toward the goal of achieving an equal ratio between men and women in promotion to management roles and recruitment. Additionally, we are conducting



activities to encourage closer communication and mutual support among employees globally, especially between Japan and India, in order to increase diversity while unifying our efforts. While gaining the cooperation of local communities, we will create an environment in which employees can enjoy the lifestyle they want, regardless of whether they are in Japan or India. Furthermore, in the future, we envision that global talent may eventually take on officer roles at Suzuki head office. Suzuki's Mission Statement and Philosophy of Conduct, developed over more than 100 years of history, are deeply ingrained in our actions. By ensuring that employees of Group companies, including those overseas, fully understand these principles, Suzuki's diverse talent can continue growing and progressing toward the same goals. We believe this approach is crucial.

### Technology strategy and new mid-term management plan for achieving the growth strategy

The past 40 years since we entered India have been a history of both growth and setbacks. Aiming to achieve an annual production capacity of 4 million vehicles by 2030, we plan to construct and start operating plants with an annual production capacity of 250,000 units. This plan presents an extremely challenging task. While we can purchase facilities and plants with sufficient funds, human capital development takes time. Therefore, the key is attracting talented people and how to make them understand Suzuki's culture and principles. Moreover, we must do more than just construct plants on land we own. We need to solve various issues, such as logistics issues accompanying growth, developing the surrounding environment, and complying with greening ratio requirements. We should take the production capacity of 4 million units as a turning point and must transform our operations to optimize our organization, facilities and work processes. While solidifying our foundation in India, we will also explore the application of similar approaches in Africa going forward.

In July, we held a briefing on our technology strategy. Up until now, we have carried out technological development somewhat intuitively. However, based on our commitment to the ideals of lighter, shorter, and beautiful products and the idea that smaller vehicles have less impact on the environment, we have shifted the core of our technological strategy to

once again focus on energy-minimizing technology, which reduces CO<sub>2</sub> emissions from manufacturing to recycling. We believe that we should adopt a policy of using resources effectively and promoting carbon neutrality in line with the local community. Since price and user-friendliness are important for mobility, which is closely connected to people's lives, we strive to develop practical and valuable technologies. We will pursue reasonably priced, lifestyle-oriented technologies that meet the needs of the times, so that people will say, "This is useful" or "This is what I've been waiting for."

We are currently formulating our new mid-term management plan, with Executive General Managers gathering at lunchtime every week to discuss strategies for all business fields, including technology strategy, until participants build a consensus. We are having more thorough discussions than in the previous mid-term management plan. Rather than creating a plan just for appearances, we will develop a highly executable one that ensures the passion and dedication of all Team Suzuki members—across product development, including technology, production, and sales—along with attractive product features, are delivered to our customers. We are determined to steadily achieve our growth strategy.

## Strengthening governance and compliance

We apologize for the concern and inconvenience caused to all stakeholders regarding the irregularities found in our application for type designation which we made public in June of this year. Since the occurrence of misconduct regarding fuel efficiency and final inspections in the past, we have been working to prevent such incidents and to immediately share information to correct them when they are found. As part of our efforts to foster an open corporate culture where opinions can be freely expressed regardless of position or seniority, I visit every workplace once a year to speak directly with employees. By asking employees to open up about things that may be difficult to say to their immediate superiors, we are working to improve communication throughout the Company. We also conduct the Remember 5.18 activities every year to keep our employees vigilant and prevent similar mistakes. All employees participate in reflecting on what actions may constitute misconduct in our daily

operations. It is essential to address problems while they are still small. We take a firm stance against all forms of wrongdoing, no matter what the reason.

If the development schedule is delayed, we will clearly identify what can and cannot be accomplished, rather than unreasonably adhering to the original timeline. We will reassess the situation, including making schedule changes if necessary. It is vital that we discuss problems that could lead to misconduct and ensure that the same misconduct is never repeated.

Furthermore, we are addressing the increase in work volume by discontinuing unnecessary tasks and focusing on improving efficiency and productivity while harnessing digital technologies and other resources. By doing so, we have secured the man-hours needed for truly essential tasks, such as legal compliance. Additionally, it is crucial to ensure that products can be sold without having to increase product types and specifications any more than necessary. This can be achieved by properly conveying Suzuki's product development philosophy direction and characteristics, as well as the value of its products, to customers. We also believe that increasing the Company's earning capacity while removing inefficiencies, along with creating an environment in which each employee can work with strong motivation, is another key aspect of strengthening governance and compliance.

## Taking on challenges as President

Since a company consists of individuals, we aim to create a corporate environment where employees can thrive, feel excited about their work, and earn a good living. To this end, we must thoroughly adhere to our Mission Statement and Philosophy of Conduct. We think it is particularly important to provide valuable products that are closely connected to people's lives, which is summed up in our Mission Statement's philosophy of "focusing on the customer." To this end, we must emphasize "Sho-Sho-Kei-Tan-Bi" and "actual place, actual thing, actual situation" and take advantage of the agility of "entrepreneurial spirit" to gain a firm grasp of customer needs and frontline conditions and apply this knowledge to product development. Never forgetting this startup mentality, we must continue to take on new challenges and learn from our mistakes without fear of failure. This will lead to the growth of both individuals



and the Company.

We will strive to foster an open corporate culture, listen to the opinions of our employees, and create an environment where each and every employee can work with a sense of fulfillment.



## Feature 1) Technology Strategy for 10 Years Ahead

On July 17, 2024, Suzuki held a technology strategy briefing.

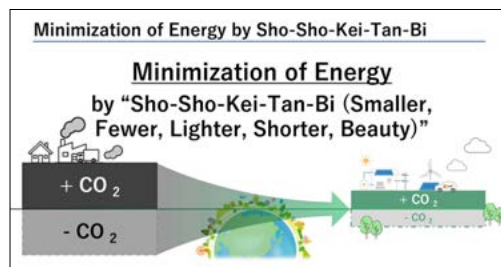
From manufacturing to recycling, we aim to realize “technologies that minimize energy consumption” and deliver the joy of mobility to people around the world while pursuing a carbon-neutral world.



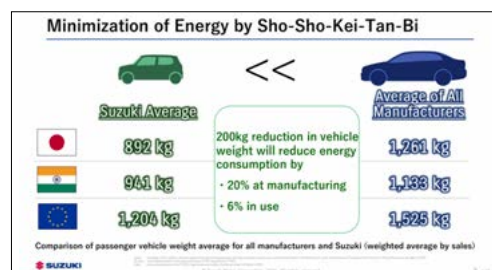
Toshihiro Suzuki  
Representative Director and President

### ■ Toward carbon neutrality

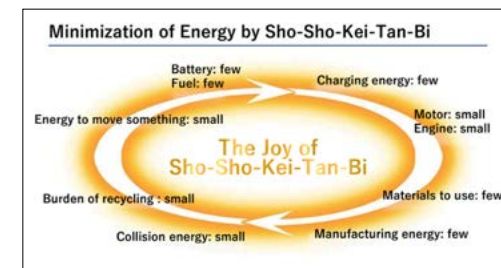
Based on the philosophy “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty),” Suzuki will minimize the energy used and reduce CO<sub>2</sub> emissions to the utmost limit. This is our technological philosophy. From manufacturing to recycling, we aim for technology that minimizes resource and environmental risks, providing the joy of mobility to people around the world while striving to achieve a carbon-neutral world.



We at Suzuki have been creating vehicles that are just the right size for transportation, that are lightweight and fuel efficient, and that are safe and have sufficient equipment. In other words, we have been creating safe and small vehicles that require minimal energy. If the vehicle weighs 200 kg less, it requires about 20% less energy for production and 6% less energy for driving. Compact and lightweight cars greatly contribute to the minimization of energy consumption.



The philosophy of “Sho-Sho-Kei-Tan-Bi” requires less energy to move. That means “Sho-Sho-Kei-Tan-Bi” minimizes battery size and fuel consumption. Small batteries require less energy to charge. They also help minimize motor size, engine displacement, and material usage. Additionally, smaller products require less energy to manufacture, and lighter products result in lower collision energy, reduced recycling burdens, and lower costs and risks associated with raw materials. Furthermore, lighter cars cause less damage to roads and underground water or gas pipes, reducing the energy needed for infrastructure maintenance. Lightweight products create a virtuous cycle that brings numerous benefits.



### ■ Five strategies for the minimization of energy

We will promote technological development through five strategies to achieve minimal energy with “Sho-Sho-Kei-Tan-Bi.”

- “Lightweight and safe body” that supports the whole as the basis of all
- “Lean-battery EV and HEV” with the right materials in the right places for the customer’s demand
- “Combination of high-efficiency ICE with CNF”
- “SDV right” that creates value with affordable system
- “Easy recyclability and disassembly design” for the circular economy





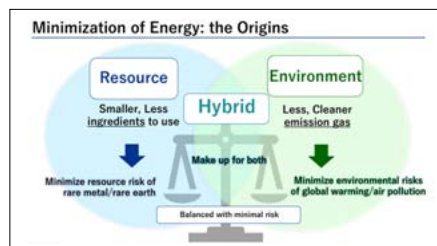
Looking ahead 10 years, we aim to realize energy-minimizing technology from product materials to manufacturing, customer use, and recycling. The goal is to contribute to the formation of a sustainable society.



Katsuhiro Kato  
Senior Managing Officer

### ■ Minimization of energy: The origins

Corporate production activities involve both environmental and resource risks. We must minimize environmental impact and use limited resources wisely. Our major mission and challenge is to minimize risk by combining these efforts. Smaller cars can minimize resource and environmental risks, thereby improving overall energy security for society.



Whether EVs or HEVs have less environmental impact depends on how widespread non-fossil energy becomes. We believe that a multi-pathway approach to technology, including EVs, hybrids, and ICEs using carbon-neutral fuels, is necessary depending on the timing and region.

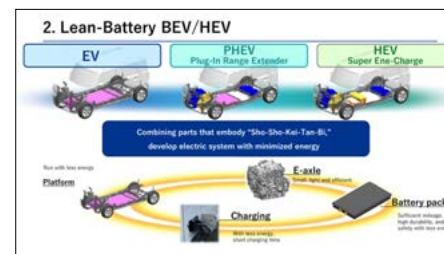
### 1. Lightweight and safe body

We will challenge for further weight reduction of 100 kg for 10 years ahead. We will further evolve the safe and lightweight “HEARTECT” platform, which contributes to resource conservation and environmental protection, and work on minimizing energy consumption through weight reduction technology.



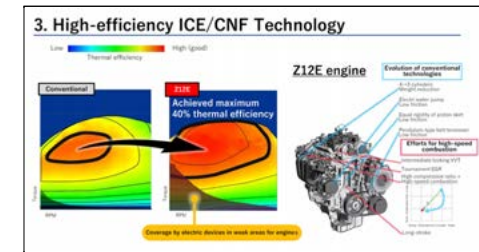
### 2. Lean-battery BEV/HEV

Suzuki aims to deliver the most energy-efficient electric vehicles suited to the country, region, and customer usage, without excessive battery capacity, by developing energy-minimized electric vehicles.



### 3. High-efficiency ICE/CNF technology

We will horizontally expand our high-efficiency engine technology to engines for light cars and compact cars and pursue efficient combustion of CNFs such as biogas and bioethanol using less fuel and aim to achieve higher efficiency and cleaner exhaust emissions by high-speed combustion.



### 4. SDV right

We are developing “SDV right,” an affordable system that embodies energy minimization through “Sho-Sho-Kei-Tan-Bi” to create value for cars and provide customers with what they feel is “just right” and “this is fine, this is what I want.”



### 5. Easy recyclability and disassembly design

To minimize energy consumption, we will further expand our current initiatives for reuse of batteries including the construction of collection systems from the perspective of circular economy that considers the entire life cycle while refining our technologies, recycling of resin, easy disassembly design for easy recycling, promoting the use of recycled materials, and utilizing them for streetlights.

We will realize “minimization of required energy” more effectively, more inexpensively, and faster by developing technologies through continuous efforts. We are trying to achieve our goals with everyone’s participation and overall optimization.

## Feature 2) Personnel System Reforms

### Suzuki strengthens human capital aimed for sustainable growth

— Reforms personnel system to accelerate “individual’s growth” and enhance “individual’s earning power”—

Suzuki Motor Corporation will promote to make an environment where each and every employee can exercise their maximum ability, in order to achieve our Growth Strategy toward FY2030 and to realize sustainable growth. As a part of its initiative, we have fully reformed our personnel system in April 2024.

The new personnel system will encourage enhancement of individual's occupational ability and their growth through taking on challenges and making actions, and value creation by each and every employee. Under the company's Mission Statement and Philosophy of Conduct “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty),” “Genba,

Genbutsu, Genjitsu (Actual Place, Actual Thing, Actual Situation),” and “YARAMAIKA (Entrepreneurial Spirit),” all members of the Team Suzuki will enhance the earning power of the organization by increasing occupational ability as a Suzuki personnel through preparing the necessary knowledge, skills, and know-hows, and having experiences in the actual place.

#### President Suzuki's remarks

“Through strengthening the personnel system, we aim to enhance employees’ motivation, and promote to improve their skills and innovation. Also, by encouraging each and every employee to take on the challenge and make actions, we will accelerate ‘individual’s growth’ and enhance ‘individual’s earning power’, and lead to the growth of the whole organization.

Moreover, we will make efforts to structure a work environment that enables self-realization of employees.

Suzuki will continue making investments into human capital and aim for a company needed by the society.

#### 1. Introduction of occupational qualification system

- 1) Transfer into occupational qualification system that clarifies each and every employee's jobs according to their occupation and rank, and the necessary ability required to execute their work.
- 2) Specify the knowledge, skills, and know-hows necessary for work in each division to utilize in enhancing occupational ability.

#### 2. Reviewing of assessment system

- 1) Enhancement of performance and occupational ability will be assessed separately. Short-term performance will be fed back in bonuses, and occupational ability will be fed back in salary raise and promotion. The system aims to foster an environment that encourages to further take on the challenges.
- 2) Specify the points of ability assessment and make efforts to improve occupational ability through mutual communication between the manager and the employee.

#### 3. Reviewing of work style for employees aged over 60

- 1) Maintain work and salary at the point of age 60 if the employee is mentally, physically, and environmentally fit even after passing the age of 60.
- 2) Aim for a company where employees aged over 60 can work vividly by realizing optimal replacement according to individual's occupational ability through company-wide personnel matching and reskilling.

#### 4. Reviewing of salary, benefit, and starting salary

- 1) Introduce salary system based on occupation and ability.
- 2) Review each benefit including childcare support, commuting, and domestic dispatch benefits.
- 3) Largely raise starting salary and improve initial rise in salary curve of younger employees.

For more information, please refer to page 34 of Human Capital in Mechanisms for Enhancing Value Creation.

## Feature 3) Panel Discussion for Female Employees

### Thinking about Creating Your Unique Career Path: Lessons from Female Managers on What They Value in Leadership

In July 2024, Suzuki Motor Corporation held a discussion session for its female employees on the theme of career development.

Employees who expressed interest in advancing their careers to management positions through a pre-event survey titled “Support for Work-Life Balance and Women’s Career Development” gathered for a panel discussion led by female managers, with Outside Director Naoko Takahashi also participating as a guest.



#### On holding this roundtable discussion

**Takahashi:** It has been over a year since I was appointed to the role of Outside Director at Suzuki in June of last year. Since then, I have long wanted to hear from our female employees, so I am very pleased that the idea of holding this roundtable discussion has come to fruition. Having had some experience working on diversity and women’s empowerment in the field of sports, I hoped to learn about the environment for and achievements of women in society and the automotive industry, and to contribute in any way I can. I fully support efforts to create relationships and opportunities for everyone at Suzuki to expand communication and networks with one another, allowing them to seek advice and share their concerns by understanding the nature of each other’s work, what they find fulfilling and the challenges they face.



**Naoko Takahashi**  
Outside Director  
(In her second year)

Initially, I was surprised at the fact that the ratio of female employees at Suzuki was only 13%, but this low proportion of women is not unique to Suzuki; many companies in the automotive industry have a ratio of female employees at the level of 10%. I believe that as the shift to EVs progresses, opportunities for women to play a role will increase. I am confident that if Suzuki’s female employees take the initiative to showcase the attractiveness to the outside world, we can change the image people have of the industry.

As of the end of March 2024, Suzuki had 25 female managers, making up 1.8% of management overall. However, we have set a new target of raising this to 5% by 2030, with a clear intent to eventually increase this number to match the overall ratio of female employees, which, as noted in the company’s securities report, was 12.8% as of the end of March 2024. To achieve this goal, we first conducted a survey of all female employees after discussions with the Human Capital DE&I Team, garnering a response of 73.4%, which was higher than I had expected. The results of the survey revealed a lack of role models and advisors, and based on those findings, today’s roundtable discussion was positioned as an opportunity to find role models and learn about their attitudes, perspectives and skills to advance the participants’ careers. I hope that hearing about the experiences of those who have been promoted to management will serve as inspiration. Our additional goal is to create a more supportive work environment for female employees

and improve retention rates.

Many people, especially children, may feel that the Olympics are a far-off event seen only on TV. However, by engaging in activities like sports workshops, exercising and interacting with one another directly, they can begin to see the Olympics as something within reach. Their eyes light up as they realize that if they keep working hard, they too may have the potential, making the Olympics feel more familiar. Similarly, even if becoming a manager currently feels like a distant, challenging goal, listening to and becoming more familiar with the experiences of others may change that perspective. I hope today serves as a new first step, a starting point on that journey.

#### Q1. How did you end up in management? Also, why did you think of becoming a manager?

**Ohashi:** Originally, my goal wasn’t to be in a management position. That said, my experience serving as an officer in our labor union was a significant turning point for me, as it made me realize that the situation wouldn’t change unless women spoke out about their own challenges in their own words. For example, during one particular emergency, the Company and union leadership were considering ways to enable female employees who are also mothers to come into work. However, these mothers also needed to be able to take time off to care for their children, and the female employees involved were seeking an environment in which they could take that time off. This made me realize that there are certain perspectives that men might overlook. For the Company to shift to one that is not only accommodating of



**Miho Ohashi**  
Division Manager  
Automobile E3 Engineering  
Support Div.  
Automobile EV Engineering  
Since joining the Company, gained experience primarily in design support fields including CAD, process management and training. Became an assistant manager in 2008, moved into management in 2016 and assumed current post in 2024.

women, but one in which women can play an active role, women need to think and speak up for themselves, and I put myself in a management position to help achieve that.

**Ema:** Since joining the Company in a general position (primarily in charge of handling routine and standardized tasks), I worked continuously in the administrative division of overseas sales, coordinating with the general manager and assistant managers to keep the division organized. Under the system at the time, those in general positions had only limited opportunities for promotion, which was frustrating, but I nevertheless worked diligently. One day, my general manager at the time asked me if I wanted to take the management exam, and since my child was already a university student, I decided to accept the challenge.



#### Kimiko Ema

Department Manager  
Global Business  
Administration Div.  
Global Marketing Management  
Since joining the Company, gained experience in coordinating production and sales plans and improving operations in overseas sales. Became a section chief in 2012, moved to management in 2015, and assumed current position in 2016.

**Sumi:** When I joined the Company, I never thought about going into management. But in an engineering division—a workplace environment dominated by men—I found myself developing a growing desire to become a manager when a managerial category for technical specialists was created. My supervisor at the time suggested that I try becoming a role model for career advancement for female engineers, and I did want to take a step up. Since this also coincided with a time my child was working hard on school exams, I thought, “Alright, Mom is going to work hard too,” and I decided to take the management exam.

**Nishimura:** Seeing the male employees around me get promoted one after another made me think, “If that guy got promoted, maybe I can too!” (laughs). I also enjoy reading



#### Chikako Sumi

Department manager in charge  
Basic and Advanced Technology  
Planning Dept.  
Environment, Material &  
Manufacturing Engineering  
Development Div.  
Technical Strategy  
After joining the Company, gained experience as a specialist in plastic materials, including technologies for the development and evaluation of plastic materials. Became a section chief in 2002, and assumed current position in 2015.

my fortune, and since it often said that I would end up in a leadership position and that I would never lack financially, I decided to take on the challenge thinking I might make that happen for myself.

### Q2. Were there any barriers to balancing work with your home life?

**Ohashi:** I've given birth twice, and during my first pregnancy I made the mistake of thinking that my job was something only I could do. Unfortunately, I started my maternity leave having done almost nothing in the way of handing off my work, and found myself inundated with phone calls from the office. Clearly, I had inconvenienced my co-workers. Learning from this, before my second maternity leave I was careful about handing my work over to others, which allowed me to take my leave in peace and even to be given new tasks upon my return to work. This experience taught me how important it is to work as a team rather than attempting to do my job alone. When raising children, having to take time off unexpectedly is unavoidable, so it's crucial to establish a workplace structure where work is shared among multiple people, allowing for understanding and flexibility in the event one has to take time off at the last minute.

**Ema:** When I raised my child, it was a time when almost no one took childcare leave, and daycare options were limited. I was concerned about returning to work after giving birth, but my husband's mother had just retired and advised me that it would be better not to quit my job. She also offered to help with childcare, so I returned to work eight weeks after giving

birth. I wouldn't have been able to stay in the job this long without my mother-in-law, so I'm very grateful for that support. That said, I did make a conscious effort to spend weekends with my child, and to never miss a school function even on weekdays.

**Sumi:** On weekdays, I switched to being a morning person, getting up at 4 a.m. to take care of all the housework before taking the first train to work. I made a conscious effort to put on my working person's face on the commute to the office, then switch to being a mother on the way home. One thing that really made an impression on me was when my husband pointed out that there were others who could take my place in the company, but that I was the only mother my child had. I conveyed the same thought to my team members, and we established a system where those in main and secondary roles support one another.

### Q3. What do you find rewarding about being a manager? Has your perspective on your work changed since becoming a manager?

**Nishimura:** There are two things that I appreciate since becoming a manager. One is that I've gotten away from being in a position where my time was managed by others, and can now work flexibly at my own discretion. The other is my salary. Compared to before, I sometimes wonder if I truly deserve to be paid this much, which motivates me to work with even greater dedication and focus.



#### Yuriko Nishimura

Department manager in charge  
CN Promotion Dept.  
Supply Chain Development Div.  
Procurement Strategy  
After joining the Company, gained experience working in many areas, including domestic sales, human capital development and procurement strategy. Became a section chief in 2017, and assumed current post in 2024.





**Ohashi:** While the responsibilities are heavier, I'm also given authority that is commensurate with those responsibilities, and I find it rewarding to create the kind of organization I seek. Currently, what makes me happiest is seeing my team members grow. When everyone thinks, acts and makes proposals on their own, it makes me feel as though I've had a positive influence on them, and that makes me happier than receiving praise as their supervisor (laughs).

#### Q4. It must have been challenging to become a manager and immediately take on the role of department manager. How did you manage the challenges you faced?

**Ema:** Honestly, department manager is a tough job. As a staff member, one's responsibilities are limited to one's own tasks, but as a department manager, we must take responsibility for all of the work done in the department. Amidst the difficulties of trying to understand every task, I also had to make decisions about a variety of operations and coordinate with other departments to resolve issues and keep things moving forward. As a department manager, there have been challenging situations when I had to lead from the front, but when difficulties arose, I kept moving forward by consulting with my manager, officers and Executive General Manager. I regularly tell my team members to ask those who know when they are unsure about something so they can perform their tasks accurately. I've overcome these challenges by building connections with people I can rely on across various departments and seeking their help when needed.

#### Q5. There are those who may feel more fulfilled in a contributor role rather than in management and may thus hesitate to become a manager. What are your thoughts on this?

**Ohashi:** Under the new human resources system introduced in April 2024, post and non-post positions have been separated, clarifying that employees can move between the two. I think it's wonderful that with this system we now have options that consider individual preferences, allowing people to take on a managerial role when they want to lead an organization, or focus on non-managerial roles when they wish to deepen their expertise. I've been in a managerial position until now, but in the future, if I want to enhance my expertise, I'd like to consider non-managerial roles as a possible option.

#### Q6. Do you work in the same way as the men? Or is your way of working unique because you are a woman?

**Sumi:** In the past, I had a supervisor ask if I had the same physical strength as a man and if I could do the same work; I replied no. At the time, my supervisor suggested that since I was a different physical type and worked differently from the men, it didn't make sense nor was it necessary for me to have the same goals as them, and perhaps I should try for my own style of management. Sometimes, just having someone listen can be a relief, so now when someone seeks my advice, I make a conscious effort to listen without showing any displeasure, and to create an atmosphere in which people feel comfortable talking to me. Also, as a manager, I have team members in technical fields outside of my own area of expertise, so I continue to pursue my own approach to management, learning the technical side from them while advancing our work together.

**Nishimura:** While there are differences in the ratio of men to women depending on the workplace, in many of the places I've worked to date I was often the only woman, which on the contrary offered me many opportunities to speak my mind (laughs). I've never felt the need to act the same way as the men, and I've freely spoken up about things that might be difficult for men to say. Certainly, there were challenges in the male-dominated environments when visiting clients or factories, but I tried to approach those situations without letting them bother me. I believe that both men and women, as well as people dealing with a variety of circumstances beyond gender, all face challenges. It's important to create an environment where team members can communicate effectively and feel comfortable discussing their concerns, while ensuring that everyone can work well together.

#### Finally, please share a final word with today's participants.

**Ohashi:** In the survey, many respondents expressed uncertainty about their ability to balance work with home life and child rearing once they became managers, but I don't believe marriage or childbirth needs to interrupt a career. Looking at my team members who have come back from maternity leave, they're all extremely productive. Housework and childcare both require multi-tasking—doing the laundry as you



cook and soothe your child at the same time. How to cook in the shortest amount of time without sacrificing quality: That in itself is the practice of business improvement. That's why I believe the experience of rearing a child and handling housework absolutely contributes to one's job. I think it's fine if women take all the time they need to handle those obligations before then coming back to work. I hope they will center their vision for their jobs around taking advantage of the experiences they have gained in life to ensure themselves a lengthy career.

**Ema:** Among the women around me working shortened hours, some have demonstrated high productivity, comparable to those working regular hours, and have achieved results in the limited time they have, even earning promotions to section manager. For those aiming for managerial positions, don't rush your life plans. If you work hard, there are people who will notice and who will give you a push in advancing your career. I hope you will all work hard—within reasonable extent—so that you can achieve what you want to do in the future.

**Sumi:** I think it's important to keep your ears open for new information. For those about to enter the child-rearing phase

of your lives, I also think it's important to value your personal time. You need time for self-reflection, and having that time allows you to enjoy your time with family and at work even more. I also make it a point to take on a new challenge every year. Challenging yourself to something new will also lead to new encounters. For example, participating as a volunteer, you will meet people from a variety of age groups and backgrounds, including both the elderly and those of the child-rearing generation. While encountering a wide range of people different from those you meet at work, you might even get information about a product someone would like to see. Incidentally, I began jogging a few years ago, and the time I spend running is excellent for clearing my mind and thinking by myself.

**Nishimura:** Have we offered some reassurance that even women like myself can become managers (laughs)? Luck and opportunities are everywhere. While it's fine to continue working away at the same job in the same department, transferring elsewhere brings a change in environment and in your superiors and can also bring new opportunities, so I think it's good to keep yourself open to a variety of possibilities. Don't be afraid to move around. Also, thinking of

yourself as lucky will in fact attract more opportunities. It's important to stay positive.

### In conclusion (from the DE&I Promotion team)

To address the issue identified in the survey of female employees regarding the lack of role models, we held a roundtable discussion titled "Thinking about Creating Your Unique Career Path: Lessons from Female Managers on What They Value in Leadership." The event aimed to help participants envision a career unique to themselves, and gain insights and tips for taking action to achieving it by learning about the working styles and perspectives of diverse female managers.

Feedback from the participants included, "I was able to think more positively about career development," "This clarified what my next steps should be," and, "I was encouraged to see how the company's initiatives are taking shape."

We are filled with joy at having taken this first step toward a new future with all of our female employees!

We will continue as a company to support career development for women through roundtable discussions and other programs on different topics and with different target audiences. We are excited to move forward, step by step, with all of our employees!



A commemorative photo taken with fans displaying what participants want to do to advance their careers, capturing their commitment!



Director Takahashi introducing members of the Capital Department DE&I Team to the attendees



Satoko Nakaaki served as emcee



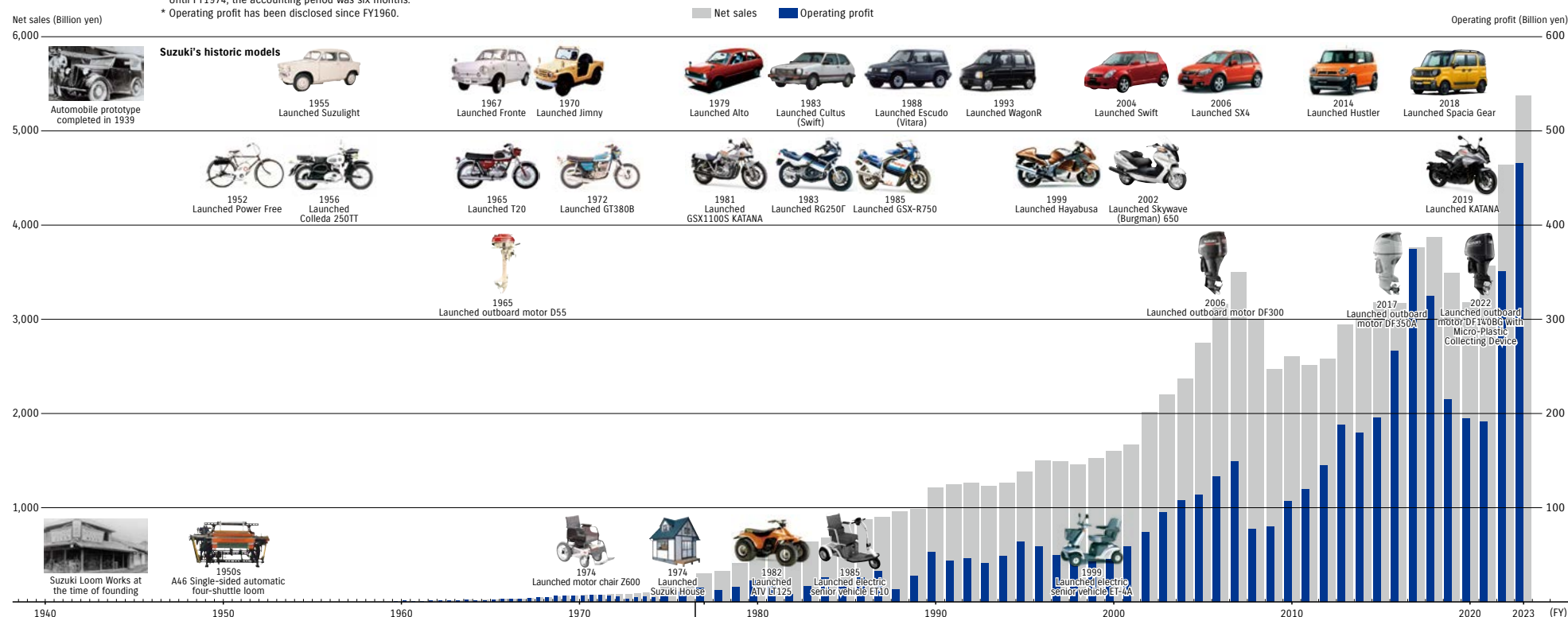
After the roundtable, wasting no time getting to work on the next strategy

# Value Creation Steps

\* The graph below is based on non-consolidated figures until FY1976 and consolidated figures from FY1977.

\* Until FY1974, the accounting period was six months.

\* Operating profit has been disclosed since FY1960.



## Major management topics

Starting out as a loom manufacturer, ambition for cars			Transformation to an automobile manufacturer			Taking on the world: Growth as a global company			Working toward the next 100 years		
Year	Month	Topic	Year	Month	Topic	Year	Month	Topic	Year	Month	Topic
1909	Oct.	Michio Suzuki founded Suzuki Loom Works	1952	Jun.	Announced the Power Free bicycle engine, entering the transportation equipment field	1981	Aug.	Entered into business tie-up with General Motors Corp. (GM)	2015	Jun.	Toshihiro Suzuki appointed as President
1911	-	Invented an upper and lower shuttle device and developed a two-shuttle tread loom that can weave striped patterns	1954	Jan.	Commenced research on mini vehicles	1982	Sep.	Commenced automobile production at Pak Suzuki Motor Co., Ltd. in Pakistan	2015	Sep.	Announced the Mid-Term Management Plan SUZUKI NEXT 100
1912	-	Invented a warp regulator, thereby completing the development of the Suzuki Power Loom	1955	Oct.	Company name changed to Suzuki Motor Co., Ltd.	1983	Dec.	Commenced automobile production at Maruti Udyog Ltd. (currently Maruti Suzuki India Limited) in India	2017	Feb.	Acquired all the shares of Suzuki held by VW
1920	Mar.	Suzuki Loom Manufacturing Co. incorporated with Michio Suzuki as President	1957	Feb.	Launched the Suzulight, blazing a trail for mini vehicles	1990	Oct.	Commenced automobile production at Suzuki Motor Corporation	2017	Apr.	Commenced automobile production at Suzuki Motor Gujarat Private Limited in India
1929	-	Invented a card-saving device for the quad-shuttle loom, thereby completing the development of a sarong loom	1962	Mar.	Mission Statement established	1992	Oct.	Commenced automobile production at Magyar Suzuki Corporation Ltd. in Hungary	2017	Apr.	Concluded memorandum toward business partnership with Toyota
1930	-	Started exporting a sarong loom to Southeast Asia	1965	Apr.	Entered the outboard motor field	2000	Jun.	Osamu Suzuki appointed as President	2019	Aug.	Reached basic agreement with Toshiba and Denso to establish a joint venture company for production of automotive lithium-ion battery packs in India
1936	Aug.	Commenced research on automobiles	1974	Apr.	Jitsujiro Suzuki appointed as President	2003	Apr.	Osamu Suzuki appointed as chairman and CEO	2020	Mar.	Entered into capital alliance agreement with Toyota
1937	-	Succeeded in developing an engine prototype	1974	Aug.	Entered the medical equipment field	2008	Nov.	Hiroshi Tsuda appointed as President	2020	Nov.	Celebrated 100th anniversary
1939	-	Completed a small four-wheel sedan prototype	1975	-	Entered the housing field	2008	Dec.	Dissolved business tie-up with GM	2021	Nov.	Announced the Suzuki Environmental Vision 2050
1941	-	Halted research on automobiles	1978	Jun.	Suffered severe difficulties owing to delays in compliance with car emission regulations	2009	Dec.	Chairman and CEO Osamu Suzuki additionally appointed as President	2021	Feb.	Announced the new Mid-Term Management Plan (April 2021 to March 2026) "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)"
					Osamu Suzuki appointed as President			Signed framework agreement with Volkswagen AG (VW) for a comprehensive partnership	2023	Jan.	Announced the Growth Strategy for FY2030



# Value Creation Process

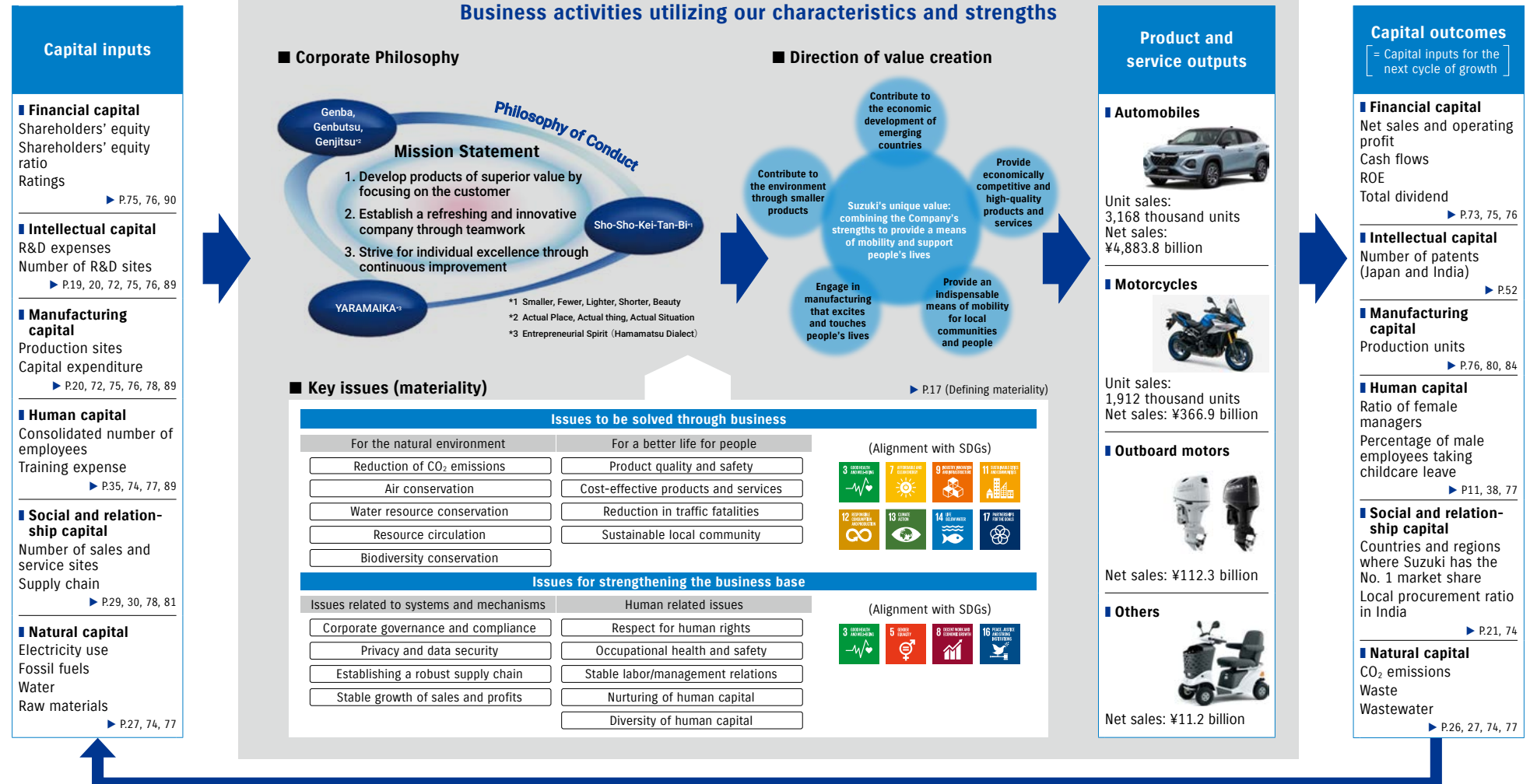
Suzuki invests its capital and conducts business activities utilizing its characteristics and strengths, with the entire Company pulling together to fulfill Suzuki's mission.

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

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

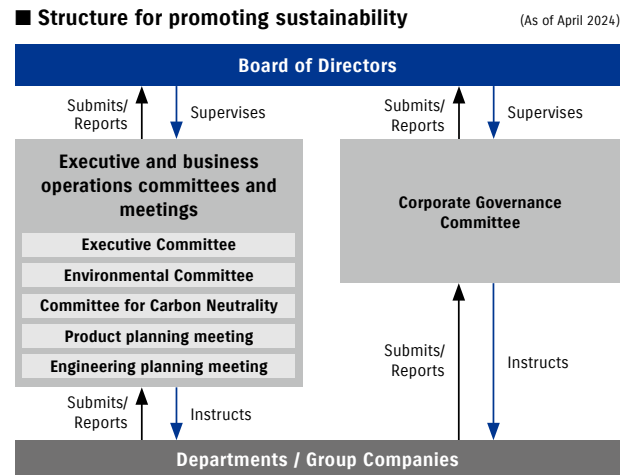
**Aim for sustainable growth by solving social issues through business activities** ▶ P.18 (Growth Strategy)

## Business activities utilizing our characteristics and strengths





## Structure for promoting sustainability



At executive and business operations committees and meetings and Corporate Governance Committee meetings attended by Representative Directors and related officers, issues, policies and measures concerning sustainability (environmental, social, governance) are discussed. Issues of particular importance are brought up and reported to 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 Department to promote sustainability takes the lead in cooperation among internal departments and Group companies in promoting cross-organizational initiatives to solve social issues.

### Main sustainability-related agenda items for the Board of Directors (FY2023)

- Carbon-neutral initiatives
- Efforts related to personnel strategy
- Addressing human rights in the supply chain
- Intellectual property governance
- Establishment of anti-bribery policy, etc.

## Defining materiality (key issues)

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

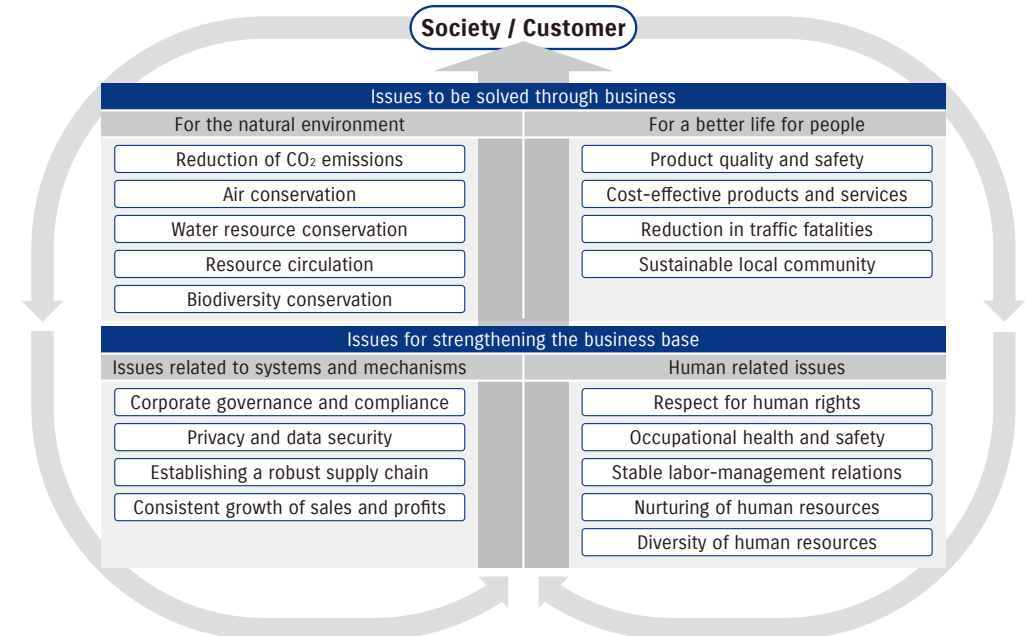
### ■ Steps in defining materiality

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

### Materiality matrix

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

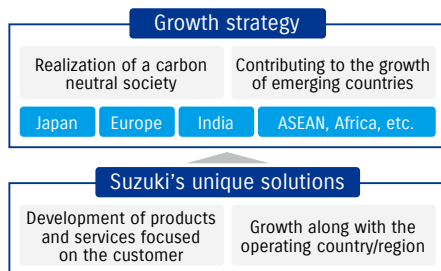


## Major initiatives for FY2030

# Suzuki's Growth Strategy for FY2030

## 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.



## 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.

### Carbon neutrality achievement goals

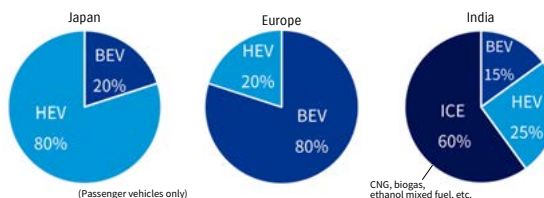


### ~ Products ~

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.

#### ● Automobiles

We have set targets for powertrain ratios in our main business regions of Japan, Europe, and India for FY2030. The ratio of battery EVs in Japan and India is low because we are considering a more realistic approach based on the charging infrastructure and energy situation in each country. We will offer multiple options such as hybrids until EVs become more accessible.



In India, for example, 70% of the country's power generation comes from coal-fired power generation, which emits CO<sub>2</sub>. Therefore, even if EVs become widespread, it will not lead directly to carbon neutrality. For this reason, in India, where the number of vehicles is expected to increase in the future, we will adopt a "multi-pathway" approach of offering not only hybrids but also vehicles that use compressed natural gas (CNG), which emits less CO<sub>2</sub> than gasoline, and biogas, which is anticipated to be a key carbon-neutral fuel in the future.

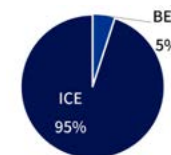
#### ● Motorcycles

For small and mid-sized motorcycles, which are used for daily transportation such as commuting to work, school or shopping, we plan to achieve a battery EV ratio of 25% by FY2030. 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 plan to achieve a battery EV ratio of 5% by FY2030. For large outboard motors used in the ocean, we are considering adopting carbon-neutral fuels.



### ~ Manufacturing ~

Suzuki will strive to achieve carbon neutrality of domestic plants by FY2035.

#### ● Suzuki Smart Factory Creation

We are promoting the Suzuki Smart Factory Creation by drawing out how manufacturing should be by 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, assets, and energy. Through these initiatives, we will become lean and realize carbon neutrality.

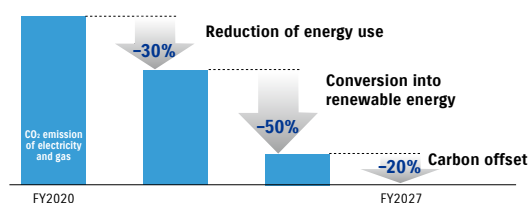
## Major initiatives for FY2030

## ● 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> emissions from 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. At the end of 2022, we started a verification test of fuel cell transporters by utilizing the green hydrogen.

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 aim to achieve carbon neutrality by FY2027, earlier than its initial target of 2030. By applying 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.

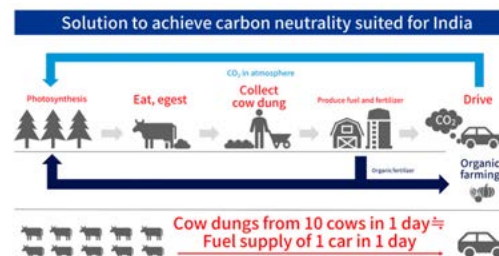
Carbon neutrality of Hamamatsu Plant in 2030 → FY2027



## ~ Biogas business in India ~

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

Suzuki's unique initiative to tackle this challenge is the biogas business, which develops mass-production and supply systems for biogas that is derived from cow dung, dairy wastes that can be seen mainly in India's rural area. This biogas can be used for Suzuki's CNG models that account for approximately 70% of the CNG car market in India.



We signed a three-party agreement with the Indian government agency National Dairy Development Board and Banas Dairy, Asia's largest dairy manufacturer, to establish five biogas production plants in the state of Gujarat and are making steady progress in the project. We also invested in Fujisan Asagiri Biomass LLC., which generates power 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 looking to expand the business to other dairy farming areas in regions including Africa, ASEAN, and Japan in the future.

As the market leader of India's automobile market, Suzuki's contribution 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 the reduction of CO<sub>2</sub> emissions. We believe that we can contribute to our stakeholders throughout the world.

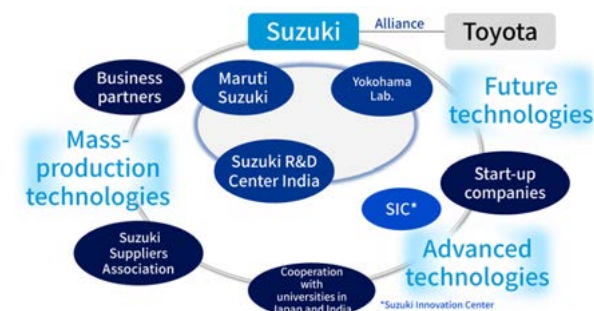
## &lt;R&amp;D structure and collaboration with outside partners&gt;

Suzuki head office, Yokohama Labo., Suzuki R&D Center India Private Limited, and Maruti Suzuki will collaborate 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 collaborating with outside partners including start-up companies, Suzuki Suppliers Association, and cooperation with universities in Japan and India.

We will deepen our collaborative relationship with Toyota Motor Corporation while continuing to be a competitor, and aim for sustainable growth and address various issues surrounding the automobile industry. Through this relationship, we will collaborate in the development of advanced technologies including autonomous driving and batteries of electrified cars, business expansion in promising emerging countries, efforts for carbon neutrality in India, as well as the formation of a recycling-oriented 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. It will make investments in areas that strive to solve customer and social issues and contribute to the development of ecosystems that grow with start-up companies.



## &lt;R&amp;D expenses, capital expenditures&gt;

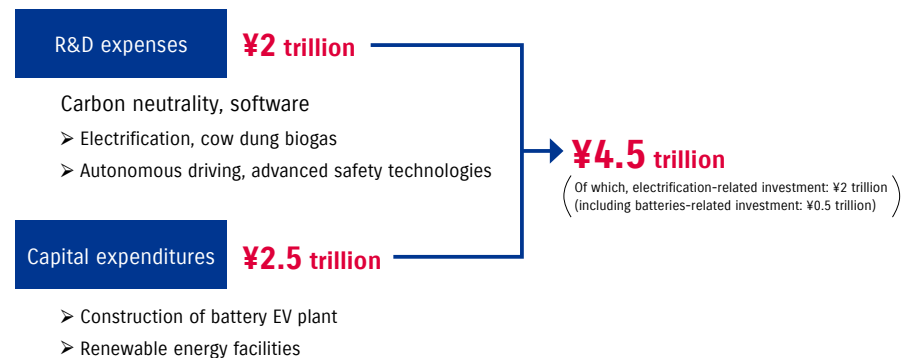
Over the eight years from FY2023 to FY2030, we will invest ¥2 trillion in R&D expenses and ¥2.5 trillion in capital expenditures, a total of ¥4.5 trillion by FY2030. Of the ¥4.5 trillion, ¥2 trillion will be electrification-related investments, of which ¥500 billion will be battery-related investments.

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

## Major initiatives for FY2030

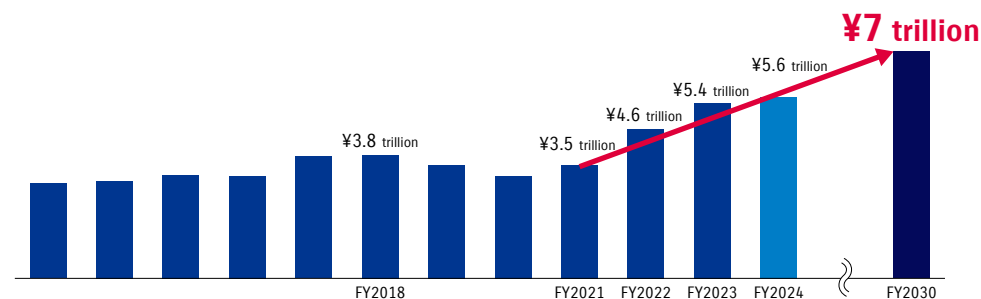
¥2.5 trillion is planned to be invested for capital expenditures in facilities including construction of a BEV battery plant and renewable energy facilities.

The results for FY2023 were R&D expenses of ¥234.2 billion and capital expenditures of ¥321.5 billion.



## &lt;Net sales target&gt;

In the previous fiscal year, consolidated net sales reached a record high of ¥5.4 trillion. Furthermore, we are aiming for more than ¥5.6 trillion in the current fiscal year. We would like to grow in line with emerging countries by contributing to their growth, and we will continue to take on the challenge of reaching ¥7 trillion by FY2030.





# Sustainability Policy

## Basic policy regarding sustainability

Suzuki has up to now contributed to the social and economic development of many countries through the development and popularization of various types of products, including the environmentally friendly, compact automobiles that are our specialty.

### ● Origin

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.



Suzuki Loom Works at the time of founding in 1909

### ● Mobility business



Power Free

In 1952, the history of Suzuki motorcycles began with the launch of the Power Free motorized bicycle, 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 vehicle in Japan, and ultimately expanded into its

current business with the later addition of outboard motors and motorized wheelchairs.

### ● Global development

Suzuki, which has characteristically handled both motorcycles and automobiles for a long time, leveraged the convenience and economical performance offered by motorcycles to quickly seize opportunities for motorization around the world. We have increased our contact points with customers this way, traveling a path of popularization and expansion from motorcycles to automobiles while growing together with the economies of countries and regions.



Commenced automobile production at Maruti Suzuki India Limited

A particularly significant turning point in our global development came in 1979 with the birth of the Alto. The Alto, which went on sale at a price so low that it defied common sense,

became a massive hit, and we were able to build the Japanese mini vehicle market. 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 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.

### ● For people's prosperous life

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.

In India, we started operating our first local automobile

production plant in 1983 and currently have expanded annual production capacity to 2.35 million vehicles. Our history of factory expansion is also the history of our relationship with business partners, and we move forward on the same path while growing together, building a strong procurement network with a high local procurement ratio exceeding 90%. Furthermore, we have worked to expand our sales and service networks, and the network, which extends to rural areas, is our greatest strength. In recent years, we have been accelerating local R&D and actively recruiting talented engineers. In this way, we are contributing to India's economic growth while creating many local jobs through production, procurement, sales and development in the automobile industry that affects many areas. At the end of March 2023, we had passed 30 million cumulative domestic sales in India. By 2030, we plan to increase production capacity to 4 million units.



Maruti Suzuki Gujarat Plant

### ● Supporting communities by staying close to people's lives

Products we make based on "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," the root of Suzuki's manufacturing, are compact while being user-friendly, high performance and offered at affordable prices. By providing many people with freedom of movement, we support lifestyles in communities throughout the world.

In Japan, mini vehicles that are easy to use and economical have become an indispensable part of life as a means to get around, particularly in rural areas where public transport is not easily accessible. Moreover, mini-truck markets are held annually in regional cities, gathering mini-trucks in shopping areas and using the flatbeds of their vehicles to sell products such as foods, local specialties or sundries.

These markets attract many customers at little expense, contributing to revitalizing local economies.

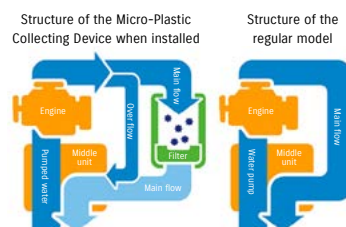
Meanwhile, in emerging countries, the affordable, highly functional compact cars in which Suzuki excels match the needs of customers making their first car purchase, enabling many customers to enjoy a comfortable and prosperous life-style through an automobile.



A scene from the National Mini-truck Market in Hamamatsu, Shizuoka Prefecture

### ● Solutions unique to Suzuki

A feature of the world's first Micro-Plastic Collecting Device for outboard motors, in which mass-production started in July 2022, is that it has an extremely simple structure that also keeps down component costs, rather than being a complicated and expensive device. The device could probably have been thought up by anyone and came about from a chat about cleaning up waterside areas. But it was an idea for a device that nobody else had made, and we approached it proactively by taking on the challenge of just giving it a try, then through repeated trial and error, managed to commercialize it in a very short time. We wanted as many people as possible to use it, so we kept the outboard motor performance untouched and thought about how simple and how affordable we could make it. We want to solve



social issues together with our customers while having them enjoy products made with Suzuki's unique ingenuity and thoughtfulness backed by "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)."

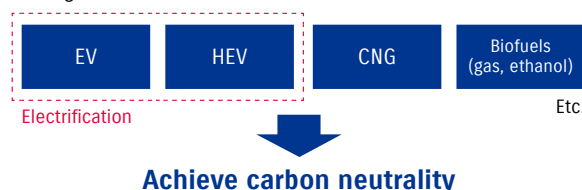
### ● Continuing to be an indispensable presence

Among the issues confronting the automobile industry, we place particular importance on electrification toward achieving carbon neutrality. Achieving carbon neutrality requires the reduction of overall CO<sub>2</sub> emissions. We must consider not only emissions from driving but also those generated during vehicle production and fuel refining, including for electricity generation.

Based on this way of thinking, in order to comprehensively reduce CO<sub>2</sub> emissions, we believe it is important to promote a multi-pathway approach of offering hybrid, CNG, and biofuel vehicles in addition to EVs, as well as hydrogen-powered mobility, in combinations that are suited to each region and market.

#### Automobile business: Multi-pathway

⇒ Aim to achieve carbon neutrality in a manner appropriate to the region and market



In compact cars, an area in which Suzuki excels, we have gained great support from many people because of their affordability, but making them into EV would raise the price, thus reducing the benefits of these compact cars. To continue to be an irreplaceable presence in people's lives, by leveraging the philosophy behind "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)" and finding the right balance between cost and driving range and equipment, we respond to customer needs and usage styles and are aiming to develop the right EVs for the right place to launch onto the market.

Moreover, as an initiative unique to Suzuki, we are tackling the challenge of producing and supplying carbon-neutral

biogas derived from cow dung, a waste product from dairy farming common in rural India. This biogas fuel can be used in Suzuki's CNG vehicles, which account for a share of approx. 70% of India's CNG vehicle market, and if we are able to make this materialize, it will enable us to continue providing automobiles at affordable prices. This technology can be developed not just for India, but for emerging countries in Africa and ASEAN, as well as for dairy farming areas in Japan.



Banas Dairy biogas purification plant  
(Banas Dairy and Suzuki are jointly constructing four more plants based on this plant)

We will continue to develop our mobility business, centered on automobiles and including motorcycles, outboard motors and motorized wheelchairs, and by providing products and services that support customers' lives, aim to be a company that continues to be needed by people and society by both solving social issues and achieving corporate growth.



# Climate Change

## Disclosure based on the TCFD's recommendations

### Governance

Organizational structure related to climate change risks and opportunities

Suzuki has established the Committee for Carbon Neutrality and Environmental Committee, which are executive and business operations committees, and the Corporate Governance Committee under the Board of Directors for the purpose of the Group's overall environmental management.

The Board of Directors instructs and supervises the Committee for Carbon Neutrality, Environmental Committee, and Corporate Governance Committee, and receives reports from the three committees and is the ultimate decision-making body.

The Committee for Carbon Neutrality focuses on the theme of climate change (carbon neutrality) and holds intensive monthly deliberations on decarbonization so the committee can operate more flexibly.

The Environmental Committee meets twice yearly and discusses environment-related themes other than carbon neutrality, such as air conservation, water resources and resource circulation.

The Corporate Governance Committee considers matters related to comprehensive compliance and risk management, etc. and promotes measures and countermeasures for cross-organizational issues while coordinating with related divisions.

Clearly defining the themes of the three committees enhances their effectiveness and further accelerates decision-making toward decarbonization.

\* A subcommittee of the Environmental Committee had previously deliberated on climate change, but in April 2023 this was reorganized as the Committee for Carbon Neutrality and developed as one of the executive and business operations committees.

### Strategy

Alignment with the TCFD's recommendations

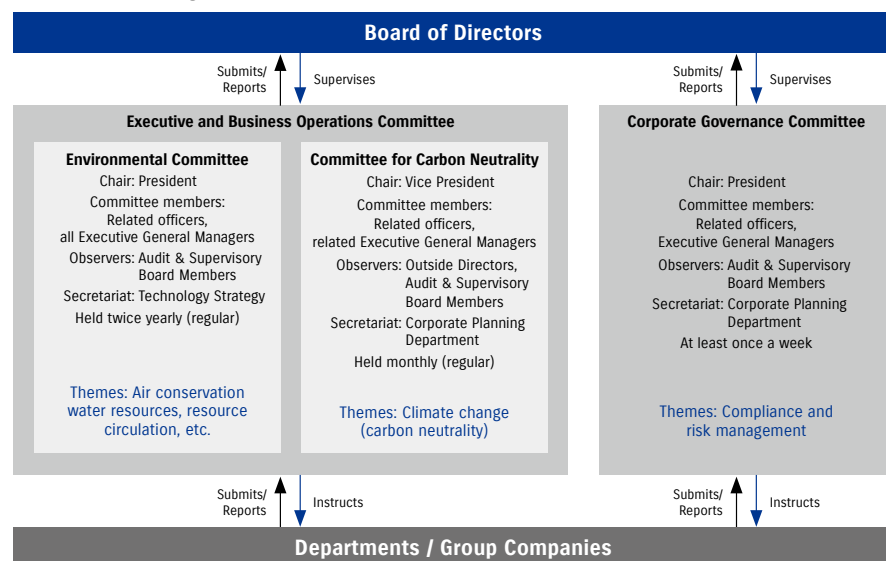
In April 2020, Suzuki became a signatory to the Task Force on Climate-related Financial Disclosures (TCFD)\* in support of its intent. Along with promoting information disclosure in a manner easily comprehensible to stakeholders, we will work to improve the level of sophistication of our scenario analysis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



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

### ■ Disclosure and governance based on TCFD recommendations

(As of April 2024)



Climate-related risks and opportunities, scenario analysis

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

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

\*1 IEA: International Energy Agency

\*2 IPCC: Intergovernmental Panel on Climate Change

## Climate-related risks and opportunities for Suzuki

As more stringent laws and regulations, including emission gas, CO<sub>2</sub>, and fuel efficiency regulations, are being adopted as mitigation measures against climate change, the resulting increase in development expenses needed to comply with these regulations may greatly impact Suzuki's business performance. On the other hand, small cars, which are a strength of Suzuki, require less materials and energy to produce and emit less CO<sub>2</sub> while in use. We believe that we can create opportunities by leveraging such a unique strength of Suzuki and by handling risks appropriately.

Moreover, from the previous fiscal year we have started financial impact analysis based on the scenario analysis related to climate change that we have disclosed. The purpose of this is to reduce and avoid natural disaster risks and enable us to continue our business through assessments of the impact of natural disaster risks such as typhoons, floods, and high tides caused by global warming. We carried out our initial impact assessment on Company sites in Japan and India in addition to domestic primary suppliers.

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

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

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

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

	Risks	Opportunities	Status of Suzuki's response
(1) More stringent CO <sub>2</sub> and fuel efficiency standards for automobiles	<ul style="list-style-type: none"> <li>● Loss of market share due to being slow in adopting carbon-neutral technologies (electrification and other) and increasing costs</li> <li>● Increase in investment in development of carbon-neutral technologies</li> <li>● Increase in investment in production facilities for carbon-neutral technologies (batteries, etc.)</li> <li>● Payment of fines and loss of sales opportunities due to regulatory non-conformance</li> </ul>	<ul style="list-style-type: none"> <li>● Maintaining and reinforcing competitiveness and enhancing corporate value through small cars that emit less CO<sub>2</sub> throughout their life cycle</li> <li>● Capturing sales opportunities by developing electrified vehicles and carbon-neutral fuel compatible vehicles at affordable prices</li> <li>● Contributing to sustainable economic development by leading electrification and carbon-neutral fuel compatibility in India and emerging countries</li> </ul>	<ul style="list-style-type: none"> <li>● Intensively developing electrification technologies, increasing the number of models equipped with a hybrid system, and promoting development of mini and compact EVs</li> <li>● Promoting electrification in India (releasing electrified vehicles, investing in a battery plant, etc.)</li> <li>● Deepening alliance with Toyota Motor Corporation</li> <li>● Launching a biogas demonstration project in India Regarding establishment of a biogas production plant, there has been agreement between NDDB, Banas Dairy and Suzuki (SRDI). The plan is to establish four biogas production plants in succession starting in 2025.</li> </ul>
(2) Implementation or reinforcement of carbon tax and other systems	<ul style="list-style-type: none"> <li>● Increase in investment in production facilities that implement carbon-neutral technologies</li> <li>● Increase in operating costs due to carbon tax, emissions trading, Carbon Border Adjustment Mechanism, etc.</li> </ul>	<ul style="list-style-type: none"> <li>● Offering energy-saving technologies that leverage the benefits of "Sho-Sho-Kei-Tan-Bi" to Group companies and business partners</li> <li>● Contributing to sustainable economic development by leading the use of renewable energy in India and emerging countries</li> </ul>	<ul style="list-style-type: none"> <li>● Promoting ongoing CO<sub>2</sub> reduction measures</li> <li>● Producing carbon-neutral energy</li> <li>● Procuring renewable energy-derived electricity in India</li> <li>● Head office and all plants, etc. in Shizuoka Prefecture use Shizuoka Green Denki, CO<sub>2</sub>-free electricity derived from renewable energies. (All Suzuki sites in Shizuoka Prefecture use electricity free of CO<sub>2</sub> and have zero CO<sub>2</sub> emissions from electricity use)</li> </ul>
(6) More frequent and severe natural disasters	<ul style="list-style-type: none"> <li>● Business activities halted at business sites due to disaster</li> <li>● Parts procurement disrupted due to business partner's disaster</li> </ul>	<ul style="list-style-type: none"> <li>● Increased demand for electrified vehicles due to their use as a lifeline at a time of disaster</li> </ul>	<ul style="list-style-type: none"> <li>● Start financial impact analysis based on the scenario analysis related to climate change First, conduct an impact assessment on Company sites in Japan and India, and for domestic primary suppliers (Assessed the impact on a global basis of natural disaster risks due to rising temperatures such as typhoons, floods and high tides to mitigate or avoid risks and continue business) Based on the results of the impact assessment, sites with high risk are quantitatively evaluated with respect to their fixed assets</li> <li>● Review water damage measures based on the assumed flooding depth Review relocation plans and business continuity planning based on the assumed flooding depth, calculated based on the impact assessment, and start taking countermeasures, including installing water barriers</li> </ul>



## Risk management

### Risk management system

The Corporate Governance Committee deliberates on issues that arise or are recognized in each department and identifies and ascertains potential risks, not limiting itself to just climate-related issues. For environment-related risks, either the Committee for Carbon Neutrality or Environmental Committee conducts intensive examination depending on the theme, and instructs or manages departments.

Themes handled by respective meeting bodies

- **Corporate Governance Committee**  
Ascertains risks arising or recognized in each department, deliberates and issues instructions to the department to resolve the issue.
- **Committee for Carbon Neutrality**  
Of environment-related risks, deliberates the risks and opportunities related to climate change (carbon neutrality) and resolves and promotes them.
- **Environmental Committee**  
Deliberates on environment-related risks and opportunities apart from climate change, such as water resources and biodiversity, and resolves and promotes them.

### Envisaged risks related to climate change

For climate change-related risks, we assess risks and their impact under the two scenarios of the “1.5°C/2°C scenario” and the “4°C scenario.” Regarding the types of risks, we observe risks and their impact from the viewpoints of two types, “transitional risks” from policies, regulations, etc., and “physical risks,” from natural disasters, etc.

Type of risk		Examples of impacts envisaged
Transitional risks	Policies, regulations, and technologies	Payment of fines and loss of sales opportunities, etc., due to regulatory non-conformance due to more stringent CO <sub>2</sub> and fuel efficiency standards for automobiles Increase in operating costs, etc., due to implementation or reinforcement of carbon tax and other systems
	Reputation	Decline in corporate value, etc. due to changes in consumer preference and investor behavior
Physical risks	Chronic	Increase in energy costs, etc. due to rise in the average temperature Disruptions in the supply chain, increase in production costs, etc. due to changes in water resource risk
	Acute	Business sites sustaining disaster damage, suspension of business activities, etc. due to more frequent and intensifying natural disasters

## Indicators and targets

### Basic policy

Recently, irregular weather phenomena caused by global warming have been occurring more frequently. The Paris Agreement, which aims to limit the increase in global average temperature to less than 2°C above pre-industrial levels and to achieve virtually zero greenhouse gas emissions in the second half of this century, was adopted to suppress the impact of this climate change.

Suzuki has for a long time continued to make products with lower CO<sub>2</sub> emissions during manufacture and during use in line with the philosophy of “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty),” and to achieve the so-called 1.5°C target, it has set reduction targets aligned with climate science and promotes efforts with the awareness of the issue requiring a need to further reduce CO<sub>2</sub> emissions.

Moreover, emerging countries also need to think about economic growth and not just climate change measures. Suzuki will aim for growth together with emerging countries and promote climate change measures while working to enrich the lives of people in emerging countries.

Suzuki has set multiple climate-related targets and indicators, and promotes these and manages their progress.

Indicators have been set for such matters as CO<sub>2</sub> emissions, climate change and related energy, air conservation and water resource conservation. Indicators have been set in three broad areas related to targets and we aim to achieve each of these goals.

Three major indicators have been set according to their timeframe, and we aim to achieve each target.

- Long-term: Suzuki Environmental Vision 2050
- Medium-term: Milestone 2030  
Growth Strategy for FY2030
- Short-term: Suzuki Environmental Plan 2025

Please refer to page 17 for details on indicators and targets.

## Efforts regarding product use

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

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 resulting not only from major business activities, but also from the entire value chain\*<sup>1</sup> since FY2013.

GHG emissions generated through the entire value chain during FY2023 stood at 108.71 million t-CO<sub>2</sub>, of which the emissions falling under Scope 3 (indirect emissions from other activities)\*<sup>1</sup> were 107.75 million t-CO<sub>2</sub> that include 85.58 million t-CO<sub>2</sub> classified into Category 11 (Use of products sold by Suzuki)\*<sup>2</sup> accounting for 78.7% of the total emissions through the overall value chain.

Recognizing that it is very important to reduce the CO<sub>2</sub> 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\*<sup>3</sup>. 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\*<sup>4</sup> 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.

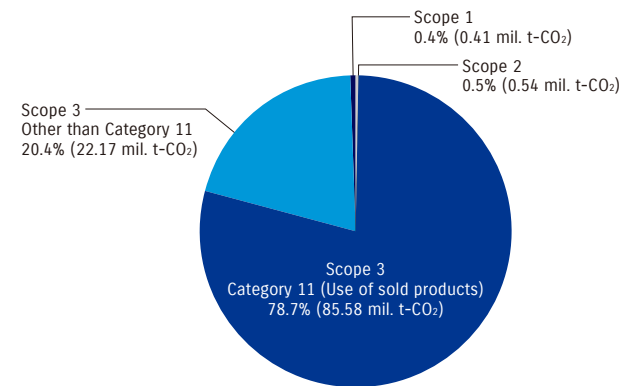
\*2 Category 11: This indicates the life cycle GHG emissions from Suzuki's products sold in the fiscal year.

\*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.

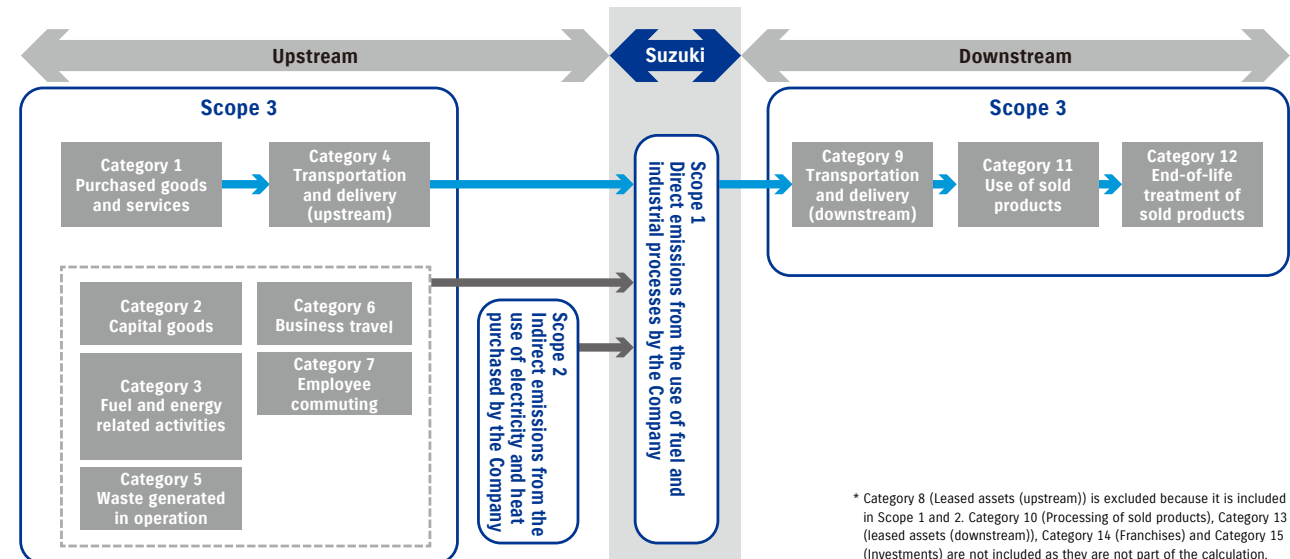
Website: [http://www.env.go.jp/earth/ondanka/supply\\_chain/gvc/en](http://www.env.go.jp/earth/ondanka/supply_chain/gvc/en)

### Breakdown of FY2023 GHG emissions



Total GHG emissions released from the value chain: 108.71 mil. t-CO<sub>2</sub>  
 [Calculation range] Suzuki Motor Corporation and 66 domestic and 32 overseas manufacturing and non-manufacturing subsidiaries  
 [Calculation period] From April 2023 to March 2024

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



\* Category 8 (Leased assets (upstream)) is excluded because it is included in Scope 1 and 2. Category 10 (Processing of sold products), Category 13 (leased assets (downstream)), Category 14 (Franchises) and Category 15 (Investments) are not included as they are not part of the calculation.

**GHG emissions in the entire value chain**

Third party guaranteed items are marked with ✓

**Scope 1, 2, and 3**(10,000 t-CO<sub>2</sub>)

	FY2021	FY2022	FY2023
Entire value chain (total of Scope 1, 2, and 3)	9,207	10,370	10,871
Direct emissions from corporate activities (Scope 1 <sup>*1</sup> )	40	42	41
Domestic	15	15	15 ✓
Overseas	25	27	26
Indirect emissions from energies (Scope 2 <sup>*1</sup> )	71	72	54
Domestic	26	28	11 ✓
Overseas	45	45	43
Emissions from corporate activities (total of Scope 1 and 2)	111	114	95
Emissions from use of products by users (Scope 3: Category 11) <sup>*2</sup>	7,532	8,270	8,558 ✓
Other emissions (other than Scope 3: Category 11)	1,564	1,986	2,217
Other indirect emissions (total of Scope 3)	9,096	10,256	10,775

[FY2023 Emissions Calculation Parameters and Reporting Standards]

\*1 &lt;Scope 1 and 2&gt;

● Calculation range

– Domestic: Suzuki Motor Corporation and 66 domestic manufacturing and non-manufacturing subsidiaries

– Overseas: 32 overseas manufacturing and non-manufacturing subsidiaries

● Target gases: Greenhouse gases (seven gases: carbon dioxide, methane, dinitrogen monoxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, nitrogen trifluoride)

● Calculation method: Scope 2, calculated based on the GHG Protocol's market standards

● Emission coefficients

– Electricity: The adjusted emission coefficient (2022 results) by electricity provider for Japan, and IEA Emissions Factors 2023's 2021 figures for overseas

– Fuel: Emission coefficients under Japan's Mandatory Greenhouse Gas Accounting and Reporting System (Ver. 5.0) were used in Japan, and IPCC Guidelines 2006 were used overseas.

Unit calorific values for city gas are those released by suppliers.

\*2 &lt;Scope 3 Category 11&gt;

● Calculation range: Suzuki Group

● Products subject to calculation: Automobiles, motorcycles, outboard motors, motorized wheelchairs, and other Suzuki products

● Outline of calculation method

– Calculated by multiplying the estimated lifetime running distance of products sold in the fiscal year under review by the emissions intensity for each model.

– Annual running distance and years of use are based on published information, primarily the IEA SMP Model.

– Emissions intensity for each model is based on the certified values prescribed by the regulations of each country and converted to WTW (Well-to-Wheel).

**Power consumption amount of Suzuki Group**

(GWh)

	FY2021	FY2022	FY2023
Global total	3,265	3,455	3,475
Domestic	1,327	1,360	1,377
Overseas	1,938	2,095	2,098

Calculation range: Suzuki Motor Corporation and 66 domestic and 32 overseas manufacturing and non-manufacturing subsidiaries  
(includes consumption of renewable energies generated within sites)

## Efforts in design and development

### Efforts in next-generation vehicles

#### Development of electric vehicles

Suzuki is developing electric vehicles tailored to the conditions of each country around the world and the way that customers use them toward the realization of carbon neutrality. At the Japan Mobility Show 2023, held in Japan in October 2023, we unveiled our first global strategic electric vehicle, the eVX concept model, along with the world premiere of the eWX electric mini-wagon and the e Every Concept, an electric commercial mini-van. We will develop diverse electric vehicles and deliver “exciting answers” to customers around the world.



eVX: Suzuki's first BEV global strategy vehicle



eWX: Mini-wagon EV that stays close to people's daily lives



e Every Concept: Commercial mini-van EV that stays close to people's daily work

### Efforts for motorcycles

The electrified scooter e-BURGMAN a type-2 scooter that uses a replaceable battery, underwent demonstration experiments from April to June 2023 in Tokyo, from July to September 2023 and January to March 2024 in Hamamatsu and from October to December 2023 in Osaka. Through these demonstration experiments, we collected necessary data for two-wheel vehicles used for commuting to work or school, shopping and work purposes, and the experiments will be connected with the development of electrified two-wheel vehicles going forward.



e-BURGMAN electrified scooter



Hydrogen engine BURGMAN

Hydrogen can be stored and transported, and it does not emit CO<sub>2</sub> when combusted. The only substance given off is nitrogen oxide, which is hardly produced when hydrogen is lean-burned, offering numerous advantages. In recent years hydrogen has drawn attention as a fuel for internal combustion engines.

Suzuki has equipped a large scooter with a hydrogen tank and developed a test vehicle that uses hydrogen as the engine fuel. We are considering the possibilities for hydrogen fuel on two-wheel vehicles.

### Efforts for outboard motors

For small outboard motors that are often used in lakes and rivers, we plan to launch four models by 2030 and for a battery EV ratio of 5%.

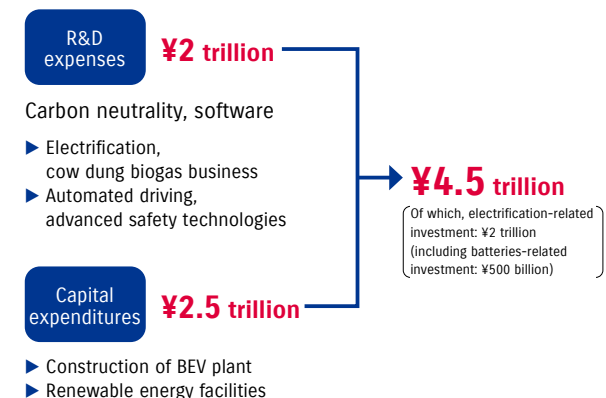
For large outboard motors used in the ocean, we are considering adopting carbon-neutral fuels.

### R&D expenses, capital expenditures

For the development of carbon-neutral and advanced safety technologies we plan to invest ¥2 trillion in R&D and ¥2.5 trillion in capital expenditures, a total of ¥4.5 trillion by FY2030. Of the ¥4.5 trillion, ¥2 trillion will be electrification-related investments, of which ¥500 billion will be battery-related investments.

For R&D investment, ¥2 trillion is planned for domains including carbon neutrality such as electrification and biogas, as well as autonomous driving. In addition, we plan to invest ¥2.5 trillion for capital expenditures in facilities including construction of a BEV plant and renewable energy facilities.

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





# Respect for Human Rights

## Suzuki Group's basic policy regarding human rights

Suzuki decided to intensify efforts to respect human rights in 2021 and has promoted a variety of initiatives, including the establishment of a basic policy on human rights as one aspect of human rights due diligence.

### ● Establishment of Suzuki Group Human Rights Policy

Following advice from outside experts, we established the Suzuki Group's basic policy regarding human rights after passage of a resolution by the Board of Directors in December 2022. We posted the information on the Suzuki website to publicize the policy to those concerned.

Suzuki Group Human Rights Policy

[https://www.suzuki.co.jp/corporate/csr\\_environment/data/home/pdf/human\\_rights.pdf](https://www.suzuki.co.jp/corporate/csr_environment/data/home/pdf/human_rights.pdf)

### ● 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.

## Internal promotion of policy on respecting human rights

Having formulated our Human Rights Policy, we communicated the policy as a message from the president to the Company's officers and employees on the Company intranet in February 2023.

Corporate responsibility for human rights is becoming increasingly important. In this climate, we aim to ensure that all of the people in our value chain, from colleagues to suppliers, to customers, can work with peace of mind and enjoy fulfilling lives. We have prohibited conducting or encouraging any kind of action that violates human rights, such as various forms of harassment, and called on everyone to take action to resolve such behavior if it is occurring around them, and not simply overlook it in silence.

## Ascertaining the status of respect for human rights

Ascertaining the current status and identifying priority issues

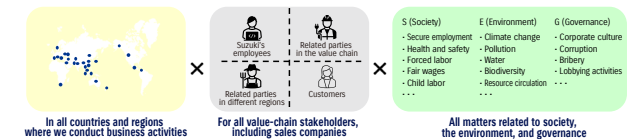
When establishing the Human Rights Policy, we set out priority issues that we should focus on.

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

The following priority issues were determined through a process of surveys and engagement, as follows.

- Information received via the whistleblowing system
- Questionnaire survey of suppliers
- Engagement with investors

To determine human rights risk, we need to look not only at the Company's own employees, but also at all people throughout the value chain, including Group companies, suppliers, and sales companies that are closer to customers, from a global perspective that incorporates both Japan and overseas. Among these, we are focused in particular on promoting initiatives for suppliers, the Company's own employees, and customers.



## Initiatives with suppliers

On-site inspection of suppliers in Japan

### ● Identification of potential risks

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 suppliers 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 suppliers are accepting foreign technical intern trainees, and to confirm the details of their situation, started on-site surveys of suppliers together with the NGO.

### ● Action to avoid risk

We selected 16 companies as actual subjects for our survey by combining two criteria: 1) suppliers with a large number of technical intern trainees and 2) suppliers with a high ratio of transactions with Suzuki, requiring Suzuki to take responsibility. The actual on-site surveys were conducted between December 2022 and March 2024.

During the on-site surveys, the following kinds of confirmation were carried out.

- Interview with president (confirm approach to employing foreign workers)
- Confirmation of management structure and workplace working environment
- Visit to company dormitories to check living conditions
- Confirmation of welfare benefits
- Individual interviews of technical intern trainees (78 trainees from six countries, confirmation of workplace environment, wages and other treatment, management status of supervising organization, recruitment procedure of sending institution in home country, details of Japanese language education or specialist education, confirmation of appropriate education content and fee burden)
- Interview with supervising organization



### Number of technical intern trainees interviewed

Indonesian	Vietnamese	Filipino	Burmese	Chinese	Thai	Total (People)
22	21	16	8	6	5	78

Based on the above survey result, improvements that could be made by the hosting company were indicated and encouraged on site.

Furthermore, we asked requests for improvement to the supervising organization for issues that should be resolved regarding the local agent organization.

### ● Spreading risk avoidance measures

Improvement measures were spread across not only the 16 companies that received on-site visits, but other business partners as well, with a reporting meeting held for 84 primary suppliers in June 2024. As a report on the status survey, we introduced issues seen through the 16 on-site visits along with countermeasures and examples of good initiatives. In this way, we demonstrated the status and standards expected of companies accepting global talent.

### Efforts for responsible minerals procurement

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, gold, cobalt and mica) used in Suzuki products are a source of funding for armed groups in conflict zones and other areas. The survey covers all products including automobiles, motorcycles and outboard motors. We aim to avoid using minerals suspected of human rights violations such as the use of child labor, using as a reference the “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” from the Organization for Economic Cooperation and Development (OECD).

### Initiatives for Suzuki's own employees

#### Employee consultation desk

As a consultation service that specializes in human capital matters including harassment in the workplace and consultations relating to safety, health, and mental health, the Human Capital 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 and introduced an external counseling service (EAP).

### Initiatives for customers

#### Protecting human rights through products

i-Size child seats\* complying with the new UN Regulation No. 129 aimed at increasing safety are included as genuine accessories in all passenger cars sold in Japan.

Suzuki endorses the Children's Rights and Business Principles and strives to protect the right of children to safe transportation by ensuring the safety of our products and services.

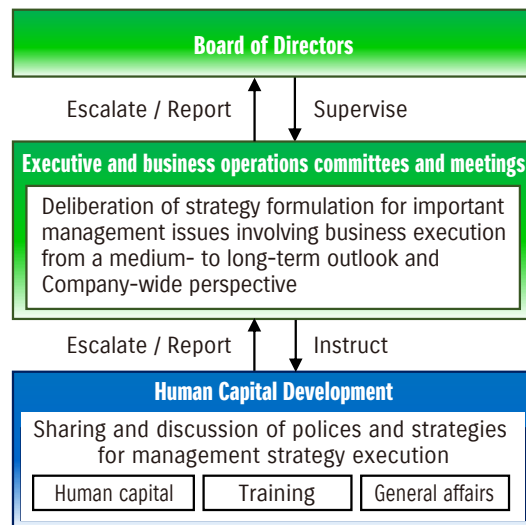
\* UN Regulation No. 129: A regulation aimed at improving child restraints based on the “UN 1958 Agreement” concerning the Adoption of Uniform Technical Prescriptions for Wheeled Vehicles, Equipment and Parts which can be Fitted and/or be Used on Wheeled Vehicles and the Conditions for Reciprocal Recognition of Approvals Granted on the Basis of these Prescriptions. As of September 2024.

# Human Capital

## Governance

Under the supervision of the Board of Directors, issues, policies and measures concerning human capital are discussed at the Executive Committee, which is attended by Executive Directors and divisional responsible persons (Managing Officers and Executive General Managers). 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.

The Human Capital Department reports regularly to the President, and conducts activities in close proximity to top management.



## Basic operations

In accordance with our Mission Statement and Philosophy of Conduct: "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)," "Genba, Genbutsu, Genjitsu (Actual place, Actual thing, Actual situation)" and "YARAMAIIKA (Entrepreneurial Spirit)," we will encourage employees to demonstrate their potential and create value based on our human capital development policy and in-house environment creation policy. We will strive to be "an infrastructure company closely connected with people's lives," aiming to play a necessary role for people and society.

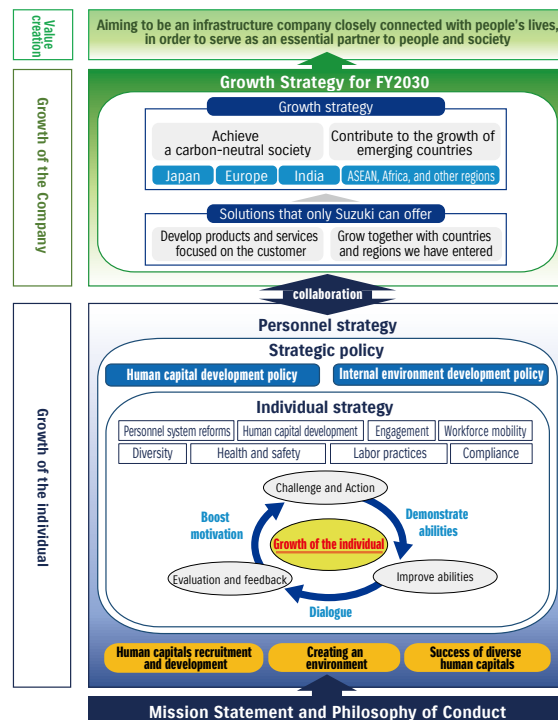


## Human capital development policy

Our Mission Statement sets three goals for all employees of the Suzuki Group to understand and strive for: 1) a goal toward carrying out a company's social missions (product development), 2) a goal for the corporate organization that they belong to (building the Company), and 3) a goal for themselves (developing human capital), respectively. Based on the spirit of the Mission Statement and the Corporate Philosophy of Conduct for putting it into practice, the President is standing on the front line and leading various reforms related to human capital development in keeping with the belief that human capital development is the top priority of a company. In October 2022, the organizational structure was reshaped with the reorganization of the Human Capital/General Affairs into the Human Capital Development. The Company is focused on developing people unique to Suzuki who embody the Mission Statement and Philosophy of Conduct. Moreover, we seek to overcome major changes that cannot be fully dealt with in the form of a conventional automobile manufacturer, such as responding to a once-in-a-century major transformation for automobiles known as CASE and realizing a carbon-neutral society, which is the Company's social mission. To do so, we will strive to recruit and develop diverse human capital who will look beyond our conventional operations and approaches and resolutely take on new challenges, who have diverse experiences and values for generating new ideas, who have a high degree of professional expertise, and who are able to work in a global context.

## Internal environment development policy

Suzuki is working to build a company in which employees with unique personalities can demonstrate their abilities in working toward common goals, create outcomes of even higher added-value, and continue to work vigorously while feeling job satisfaction and purpose. This will be accomplished by encouraging staff to take on the challenge of achieving high goals and fostering a culture that values individual effort in line with the spirit of the Mission Statement. More recently, Suzuki has been listening to the voices of employees more closely than ever, conducting thoughtful dialogue between labor and management, and advancing reforms through various personnel and general affairs measures, such as drastic changes in the personnel system, bold revision and abolition of operations, work-style reforms, and improvements in working conditions. Through these efforts, Suzuki aims to transform itself into a company that every employee is happy to work for.



## Personnel system reforms

In April 2024, Suzuki fully reformed its personnel system. Suzuki will foster individual growth to ensure that all of its diverse employees can implement the Mission Statement and Philosophy of Conduct. By developing each individual's occupational ability—the abilities necessary to fulfill their individual duties—the earning capacity of each individual will be improved, leading to the Company's sustained growth. At the same time, Suzuki will contribute to society by aiming to be an infrastructure company closely connected with people's lives, in order to serve as an essential partner to people and society. Each individual will implement Challenge and Action with strong motivation, while managers and their team members engage in discussions about demonstrated abilities and the resulting improvements in abilities, providing evaluations and feedback. This process will further boost motivation, leading to additional Challenge and Action. Suzuki will foster individual growth by consistently implementing this human capital development cycle. Employees will understand basic principles, proactively acquire the knowledge and skills needed for their duties, inherit expertise from supervisors and senior employees, and gain first-hand frontline experience. Through this process, Suzuki is working to enhance their occupational ability.

## Job system and ability qualification

Suzuki has revised occupational structures and introduced an ability qualification system, which clearly defines the roles, abilities, and activity requirements needed to fulfill job duties. The Company has clearly defined the occupational ability required by each job system and ability qualification, enabling both managers and their team members to engage in their duties based on a shared understanding. As a result, Suzuki will be able to effectively enhance occupational ability.

## Evaluation

Previously, performance and occupational ability were assessed together. Suzuki has decided to separate these assessments, with performance assessments reflected in bonuses, and ability assessments in salary raises and promotions. In addition to the Goal Challenge System, which evaluates the degree of achievement toward targets set for each half-year period, Suzuki has also introduced the Professional Development System, which evaluates how employees have demonstrated and improved their abilities over the course of a year. These systems will enable the Company to accurately assess the abilities required for each occupational structure and occupational qualification, thereby fostering further Challenge and Action.

## Wages

Suzuki has revised the wage structure and wage grade to foster Challenge and Action according to each occupational qualification, while accurately reflecting the demonstration and improvement of individual abilities in wages. The Company fairly and transparently evaluates and rewards individual growth and career advancement by linking them to the number of years of growth on an annual basis. Furthermore, the Company provides training for each occupational ability and offers pay raises based on required roles and abilities, rather than on years of service. By doing so, Suzuki will foster further growth of the individual.



## Allowances

### Commuting allowance

Previously, Suzuki paid commuting allowances based on distance from home to workplace, regardless of the commuting method. To make the allowance more acceptable to recipients, Suzuki has decided to pay the actual commuting expenses incurred by employees based on each employee's commuting method, route, and number of workdays, and other relevant factors.

### Childcare support allowance

Previously, the child-raising support allowance was paid for parents raising children until the first March after they turned 15. However, Suzuki has extended this allowance to parents raising children until the first March after they turn 18. This extension was made to help create a better environment for employees to balance their work and child-raising responsibilities, while also improving retention rates, motivation and performance. In addition, Suzuki has established new congratulatory allowances for life events, such as the birth of a child, and admission to elementary or junior high school.

### Domestic unaccompanied assignment allowance

Previously, this allowance was paid for up to three years when employees lived apart from their spouses and children due to a job transfer. Suzuki decided to remove the time limit to provide an environment that reduces the financial burden for employees on assignment without their families, allowing them to focus on their work. The Company will continue to pay the allowance as long as necessary.

### Homecoming travel allowance for domestic unaccompanied assigned employees

Suzuki has decided to provide a new travel allowance equivalent to the actual expenses incurred for employees on assignment without their families to temporarily return home to their families. As with the domestic unaccompanied assignment allowance, this travel allowance aims to create an environment that reduces the financial burden for these employees, thereby allowing them to focus on their work.

### Re-employment system

Suzuki has revised the re-employment system to allow employees who wish to continue working after the age of 60 to maintain the same duties as full-time employees, as well as the same level of pay they received at the age of 60. The new system aims to support these employees in pursuing Challenge and Action, regardless of age. In addition, Suzuki has realized personnel assignments optimized to match individual work abilities through Company-wide human capital matching and retraining, thereby creating an environment where personnel can work vibrantly.

## Human capital development

Suzuki has worked to build a corporate culture in which employees can realize their full potential. In the process, Suzuki aims to create a refreshing and innovative organization through teamwork, with the flexibility needed to learn and apply new technologies and trends while adhering to legal compliance and corporate ethics.

### Training

Suzuki is working on human capital development with the goal of strengthening individual growth and individual earning capacity, in order to achieve sustainable growth. Aiming to facilitate human capital development, Suzuki has established

a training environment that brings managers and their team members together and allows every employee to proactively learn the skills they need, when they need them, in accordance with their individual career path.

### Strengthening individual earning capacity

Each department will clearly define the skills, knowledge, experience, and expertise required to execute departmental strategies and will formulate a human capital development plan to improve individual work abilities. Departments will plan and conduct training in line with these human capital development plans.

Suzuki has implemented a training system in which young employees obtain the basic knowledge and skills needed within their third year at the Company. Additionally, the Company will introduce systems that enable all employees to relearn skills when needed.

### Development of employees with job titles

In order to develop employees with job titles in a well-planned manner, Suzuki will provide training to equip them with the necessary skills in their roles before they are appointed to positions with job titles. This training will align with each department's human capital development plan and individual career paths.

From FY2022, Suzuki has begun management seminars for managers in administrative positions. The goal of these seminars is to enhance the management skills of all managers in administrative positions.

Seminars for all managers in administrative positions will be completed in FY2024. From FY2025 onward, Suzuki will revise the seminar content and continue to provide seminars. Beginning in FY2024, Suzuki will also clearly define the required skills for executive officers, as it has done for managers in administrative positions, and implement systematic training.

## Improving workplace communication

When conducting each seminar, Suzuki will provide lectures on the importance of two-way communication based on a foundation of psychological safety, as part of efforts to foster workplace communication.

## Human capital development system for individual growth

### ■ Skills seminar (seminar to obtain the skills needed for job system and ability qualification)

Company-wide skills seminar (led by Suzuki Juku: Training Center)	Job skills seminar (excluding division-specific skills)	Select and take courses on the skill elements required for each occupational qualification, based on each individual's development plan	On-demand (seminar library)	Vision, strategy development, Company-wide perspective, Company-wide optimization, human capital development, management, problem solving, leadership, etc.
		Seminar on business skills required to improve job skills that are needed Company-wide, from among the skills identified through each department's task breakdown (skill map)	Live (in-person, online)	How to write business documents, basic accounting, marketing, etc.
				Self-management, well-being, etc.
		Outside seminar		Attend courses based on departmental plans for participation in outside seminars
Departmental skills seminar (led by each division)	Technical skills seminar	<ul style="list-style-type: none"> <li>Basic seminar for all technical divisions organized by the technical training division</li> <li>Basic seminar conducted by each technical division</li> </ul>		SES, regulatory certification, intellectual property, Suzuki engineering course, NX, technical lectures, etc.
	Production skills seminar	<ul style="list-style-type: none"> <li>Basic seminar for all production divisions organized by the production training division</li> <li>Basic seminar conducted by each production division</li> </ul>		Manufacturing methods, job-specific skills, overseas plant assignments, TA (technical assistance) enhancement, etc.
	Other skills seminars	Basic seminars organized by each department		Seminars focused on division-specific business execution
Self-development seminar (led by Suzuki Juku: Training Center)	Udemy Business (subscription)	Select and attend courses from a wide range of genres and levels within a certain time period for reskilling and upgrading skills		Attend self-selected courses in areas such as languages, programming, PC skills, etc.
	Online courses (take courses at any time)	Select and attend only the needed courses when the targeted skills and required level are clearly identified		

### ■ Role-based seminars (seminars to acquire the knowledge needed to understand roles and fulfill duties required by occupational qualifications)

	Name of seminar	Training period	Description	Staff level	Leader level	Manager level	Executive level
Executive level Manager level Leader level	Promotion seminar	When promoted	<ul style="list-style-type: none"> <li>Recognize one's role when promoted in occupational qualification, while reaffirming the Mission Statement and Philosophy of Conduct</li> <li>Reconfirm the skills acquired in skills seminar prior to a promotion</li> </ul>				
	Follow-up seminar for employees in titled posts	Every 5 years after promotion	<ul style="list-style-type: none"> <li>Reaffirm the roles required by occupational qualification</li> <li>Review and update one's own management abilities</li> </ul>	New recruit seminar	New leadership-level seminar	New manager-level seminar	New executive-level seminar
				Responsible follow-up seminar	Leader-level follow-up seminar	Managerial level	Executive-level follow-up seminar
Staff level	Staff follow-up seminar	4th year after joining the Company	Impart awareness as a Suzuki employee and foster the mindset of a mid-level employee				
	New recruit seminar	When joining the Company	Learning the mindset of Suzuki employee	Mission Statement, history, Philosophy of Conduct, teamwork, etc.			

### ■ Legal and regulatory training (training mandated by laws, regulations, or corporate social responsibility)

Divisions in charge of laws, regulations, and other rules	Training on laws, regulations and other rules (training is conducted by divisions in charge of laws, regulations, and other rules)	Individuals designated by the division	Seminar for which attendance is required by the Company based on its corporate social responsibility	Compliance, Copyright Act, Product Liability Act, Unfair Competition Prevention Act, Antimonopoly Act, Subcontract Act, Road Transport Vehicle Act, etc.
			Public training mandated for staff members performing duties in the course of conducting business Training mandated for employees to acquire qualifications as a company, such as ISO	ISO-related training, special education for safety and health, hazardous materials engineer training, etc.

## ■ FY2023 training data

Number of employees on a standalone basis (as of March 31, 2024)	16,955
Number of training participants	115,500
Annual training expense per employee*	¥37,900

\* Excludes costs for on-the-job training, in-house personnel expenses and facility operations, etc.

## Dispatching young employees to startups and other business ventures

Suzuki dispatches young employees to startups and other business ventures, with the aim of reaffirming its basic principle of fostering an entrepreneurial spirit to tackle difficulties and pioneer a way forward, expanding horizons and knowledge, and enhancing each employee's awareness of trends outside the Company. Currently in Japan, the Company dispatches staff to SkyDrive Inc., with whom it is collaborating to develop “flying cars” into one of Suzuki's new mobility businesses to follow automobiles, motorcycles, and marine products. Overseas, the Suzuki Innovation Center (SIC) has been operational since 2022 at the Indian Institute of Technology Hyderabad, where digitalization is evolving rapidly. Suzuki has dispatched young employees from various internal divisions to SIC, where they are working with Indian Institute of Technology Hyderabad students to contribute ideas, develop IT products and carry out innovation generation activities that will lead to social contribution, with the goal of solving issues that people face in their daily lives. Furthermore, Suzuki established the subsidiary Next Bharat Ventures IFSC Private Limited and a fund in 2024. Suzuki will dispatch young employees to this company to build connections with people in India that go beyond the mobility field, with the goal of contributing to India's future development.

## Training in Silicon Valley

Suzuki began dispatching staff to Silicon Valley in September 2017 to gain exposure to the venture spirit of taking on challenges without fear of failure, and learn design thinking, which is a problem-solving method. So far, Suzuki has dispatched a total of 171 people, representing a wide range of both male and female personnel from executives to young staff, to Silicon Valley on 17 occasions to learn from local startups that embody a “focus on the customer,” which is a major element of Suzuki's Mission Statement. Even during

the COVID-19 pandemic, Suzuki trained a total of 123 people on 9 additional occasions, including online training and domestic assignments. This training was also attended by a diverse mix of male and female personnel, ranging from executives to young staff. These employees have applied the things they have learned locally, such as design thinking and the mindset of taking on challenges without fear of failure, to daily operations and human capital development.

### Training in Silicon Valley

#### ➤ Embrace the venture spirit

Embrace the venture spirit and the spirit of constantly taking on challenges, which comprise Suzuki's founding spirit

#### ➤ Learn design thinking

Learn design thinking, a framework for customer-centric thinking, and methods to embody Suzuki's Mission Statement

#### ➤ Transform the mindset

Learn from experience the mindset needed to foster an organizational culture that promotes individual learning and taking on challenges as a team

#### ➤ Yes, and

Transform into a culture that fosters psychological safety and encourages people to share ideas and take on challenges

### Becoming who Suzuki wants to be

Structural transformation	Risk minimization	Sowing the seeds for the future
Corporate culture reforms	Semiconductor and component shortages	Carbon neutrality
Human capital development	Soaring raw materials prices	CASE
DX promotion	Quality assurance	Future and advanced technologies
	Legal compliance	Alliances

Smaller, Fewer, Lighter,  
Shorter, Beauty

Actual Place, Thing,  
and Situation

YARAMAIKA  
(Entrepreneurial Spirit)

#### Mission Statement

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

## Digital education

We provide digital education at three levels: for all employees, for DX promotion personnel, and for executives and managers in administrative positions.

For all employees, we provide DX literacy education with the aim of improving operational efficiency, creating added value, and promoting the active use of digital tools in each department.

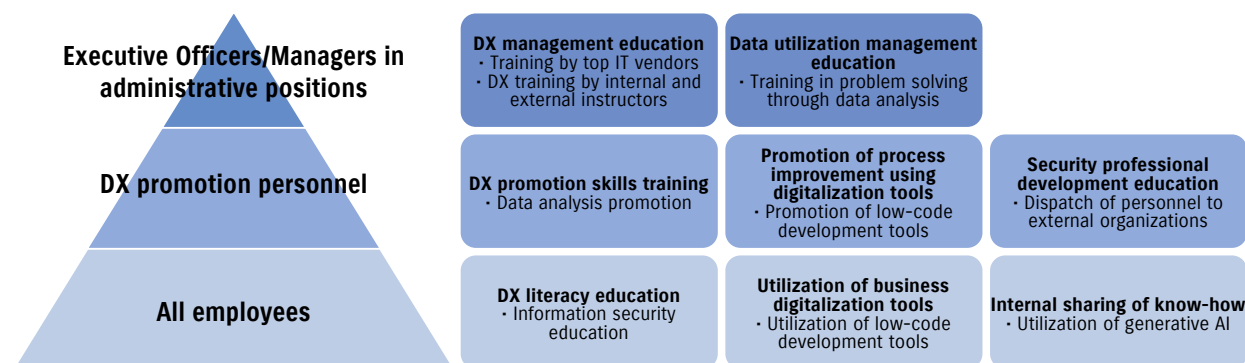
For DX promotion personnel, we provide DX promotion skills training for them to acquire more advanced data analysis skills, introduce digital tools, and deploy them internally. In this way, we have established a system in which DX promotion personnel take the lead in digitalization within the company.

For executives and managers, we provide DX management education to ensure our competitive advantage and transformation through the use of digital technology.

## Main educational activities

### DX management training

Based on the recognition that DX is a management issue, management has adopted the slogan, "Executive Officers and Executive General Managers form the No. 1 digital team in the industry," and has exchange meetings with top IT vendors that are actively promoting DX, as well as DX training by internal and external instructors. This training is designed to provide officers and Executive General Managers with hands-on experience and an understanding of principles and guidelines for fields such as software, networking, and security. In FY2024, we plan to expand this initiative to managers and conduct it six times a year.



Category	Content	All employees	DX promotion personnel				Executive Officers/ Managers in administrative positions
			Data analysis personnel	Process improvement personnel	Security personnel	Software development personnel	
DX literacy education	Microsoft 365 basic skills acquisition	○					
	Information security education	○					
	Education on data utilization concepts	○					
Utilization of business digitalization tools	Utilization of cloud storage	○					
	Utilization of robotic process automation (RPA) tools	○					
	Utilization of low-code development tools	○					
	Utilization of business intelligence (BI) tools	○					
	Utilization of generative AI	○					
Internal sharing of know-how	Generative AI, data utilization, etc.	○					
DX promotion skills training	Education to enhance data analysis skills		○				
	Promotion of data analysis using BI tools		○				
Promotion of process improvement using digitalization tools	Promotion of process improvement using RPA tools			○			
	Promotion of process improvement using low-code development tools			○			
Security professional development education	Education for information security personnel in each department				○		
	Security core personnel development education (dispatch to external organizations)				○		
Software personnel development	Nurturing of in-house development personnel					○	
	Nurturing of global talent (engineer exchange with Maruti Suzuki, joint research with Indian Institutes of Technology)					○	
DX management education	Training by top IT vendors						○
	DX training by internal and external instructors						○
Data utilization management education	Training in problem solving through data analysis						○



### Education to promote business digitalization tools

We provide education through instructional videos on low-code development, BI development, and other topics to enable all employees to become citizen developers. Additionally, to accelerate business process improvement, we are selecting process improvement personnel from each department and plan to improve their skills and continue developing them by offering technical consultation sessions.

### Data analysis and utilization education

We provide education on data utilization concepts, as well as education to enhance data analysis skills. We have three courses that provide education to enhance data analysis skills: Basic, Applied, and Practical. In addition to training, we also offer a "Data Utilization Quiz" to create an environment in which all employees can have fun while improving themselves and developing their skills at any time, thereby improving and solidifying their understanding of data analysis.

- i. Education on data utilization concepts (Target: 80% of all employees)  
Enable employees to visualize what they will be able to achieve through data analysis.
- ii. Education to enhance data analysis skills (Target: 80% of DX promotion and data analyst personnels)
  - Basic course: Learn to predict events based on data trends and characteristics
  - Applied course: Learn to examine analysis results and assess their validity  
Learn to identify key takeaways from analysis failures that can be applied to future analyses
  - Practical course: Lower the barriers to using AI and learn to apply it in one's own work

### Construction and utilization of a platform for generative AI use

We introduced ChatGPT, a generative AI model, on March 21, 2023, ahead of other companies in our industry. Currently, nearly 10 in-house apps are in operation. In order to improve the productivity of all employees, we are promoting the in-house development of applications using generative AI and fostering an environment in which employees can independently develop applications using generative AI (i.e., citizen development using generative AI).

- i. In-house development of applications using generative AI  
In addition to general uses of generative AI, such as summarizing long texts, generating sentences, and creating code, we are developing applications that can be used specifically for internal business operations, including generative AI that references in-house know-how (e.g., documents and internally shared websites) to answer questions through dialogue.
- ii. Creating an environment for citizen development using generative AI  
By making generative AI-based application programming interface (API) available internally, we are creating an environment in which employees can develop applications and systems using generative AI, even without specialized knowledge of generative AI or API.

### Efforts for career advancement

We believe that individual growth requires each employee to repeatedly pursue Challenge and Action to improve their ability to perform their duties. Suzuki implements a human capital development program that supports the acceleration of each employee in taking on challenges and taking action.

### Self-declaration system

This system is to provide 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 departments of human capital. The submitted contents are effectively utilized as basic data for development and optimal assignment of human capital.

### Rotation system

Suzuki implements systematic rotations of human capital 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 in engineering, clerical, and sales positions experience the transfer to different departments within 10 years of joining the Company.

### Foreign language training program

To improve the foreign language skills of employees, Suzuki offers support as follows:

- Implemented a system where employees can take the TOEIC test for free, with examination fees covered by the Company.
- Introduced online English conversation courses and other programs, with the Company subsidizing a part of the expenses of employees who complete such programs.

## Diversity of Human Resources

Suzuki respects the individuality and will of each employee, regardless of gender, age, nationality, human rights, religion, or disability, and is committed to creating an environment and culture in which every employee can fully realize their potential and enhance their abilities through diverse work styles, while maintaining a balance between work and life.

### Promoting participation by women

To further create workplaces where women can work successfully, since 2020, the Company has set a target to triple the number of female employees with job titles in 2025 compared with the number in FY2015, and it is working to increase the number with job titles who are managers in administrative positions or candidates. This target was achieved ahead of schedule, with the number of female employees with job titles reaching 182 in FY2023, which was 3.4 times more than in FY2015.

Meanwhile, the number of female managers was 25 as of FY2023 (ratio of female managers: 1.85%). In order to bring the ratio of female managers to the same level as the ratio of female employees in the future, we will first aim to increase the ratio of female managers to 5.0% by 2030 and will work not only to support a good work-life-balance but also career development. Furthermore, Suzuki considers the low ratio of women in the automobile industry to be an issue. Suzuki is striving to achieve ease of work so that everyone, regardless of gender, age, nationality, human rights, religion, or disability, can work comfortably in all its workplaces, including production plants. To that end, the Company will take steps such as fundamentally improving work environments through production technology innovation.

## 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 working hours system (childcare and family-care shortened working hours)

We have adopted a system to shorten daily working hours to six or seven hours based on application by employees raising children who are elementary school-aged or younger, or employees with family members in need of nursing care. In FY2023, 355 employees used this system.

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

Many employees, both men and women, who need to concentrate on childcare or nursing care use the leave of absence system. In FY2023, 395 employees used this system. From April 2022, to create an atmosphere in which it is easier for men to take part in child-raising, the newly established "Paternal Childcare Leave" of up to five days can be taken within eight weeks of the birth of a child, in addition to the existing two days of "Paternal Childcare Leave." In FY2023, 289 male employees took childcare leave (63.1%), reflecting steady progress in fostering a supportive corporate atmosphere.

### ● Life (livelihood) support leave

Employees can carry over up to 40 days of paid leave beyond the two-year validity period after it is granted. We have also introduced the Life Support Leave system, which allows employees to take leave for injury or illness, nursing care of parents or children, infertility treatment, and bone marrow donation.

### ● Acquired 2022 Kurumin accreditation

In accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, Suzuki has received Kurumin certification as a company that supports child raising.



### ● Information sharing seminar for parents

Suzuki has restarted an Information sharing seminar for parents, which had been put on hold during the COVID-19 pandemic. The seminar is intended for employees taking childcare leave and their spouses. It is held to create a system that allows employees to return to the workplace smoothly without feeling anxious, and to easily seek consultation after they are reinstated by sharing the experiences of employees who have returned to work from childcare leave and exchanging information among employees. The seminar is also held to give married couples a deeper understanding of childcare in dual-income households.

### ● Online consultation service for pediatrics and obstetrics-gynecology



Since April 2023, Suzuki has introduced a service that allows users to easily consult specialists on issues related to pregnancy, infertility, childbirth, childcare, and women's health online from their smartphones anytime, anywhere. With this service, Suzuki aims to create an environment in which employees and their families in Japan, as well as personnel stationed overseas and their accompanying family members, can find solutions to issues and work with even greater peace of mind.

## LGBTQ

In addition to prohibiting harassment and discriminatory language and behavior related to sexual orientation and gender identity in our employment regulations, we are working to foster a culture of understanding and acceptance of sexual diversity among our employees, including addressing the issue of outing someone in the Compliance Handbook distributed to all employees to raise awareness. In addition, we have standardized uniforms for men and women and added gender-neutral restrooms.

## Employment of people with disabilities

Suzuki strives to create a working environment where 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 Capital Division to provide individual consultations periodically and also assign a vocational life consultant for persons with disabilities to each workplace to care for their problems.

Suzuki Support Co., Ltd., a special subsidiary company established in February 2005, has been conducting business activities for 20 years. As of the end of March 2024, 79 employees with disabilities, including those with severe 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, Chuo-ku, Hamamatsu, Shizuoka
5. Establishment	February 2005
6. Business category	Janitorial services, stationery management, farming production
7. Representative	Yusuke Kato
8. Number of employees	129 (incl. 82 employees with disabilities)



## Workforce mobility

In a social climate where the mobility of human capital and labor shortages are accelerating, we strive to create a company and workplace environment where people feel that working for Suzuki is both attractive and conducive to personal growth.

## Mid-career recruitment

To secure a diverse range of human capital, Suzuki has been focusing on mid-career recruitment in recent years in addition to new graduate recruitment. In FY2023, the Company hired 181 people (a 172% (105 person) increase over the previous year). Furthermore, Suzuki has established a new employment format that is not limited to the existing personnel system for certain human capital who possess knowledge and experience in new fields that have not been accumulated within the Company. This new employment format was implemented beginning in June 2023.

## Alumni recruitment

We are actively pursuing alumni recruitment to rehire former Suzuki employees. We believe that they will be able to utilize the knowledge gained while working at Suzuki and combine it with knowledge and experience gained outside in order to once again become an immediate asset to Suzuki as a familiar workplace environment. We also expect them to contribute to the Company's further growth by recognizing its strengths and weaknesses, further developing the strengths, and addressing the weaknesses.

## Referral recruitment

We are engaged in referral recruitment in which we encourage current Suzuki employees to introduce their friends and acquaintances to the Company. By having our employees provide detailed explanations about Suzuki beforehand, applicants can gain a deeper understanding of the Company. We believe this will help them become familiar with Suzuki before joining, thereby enhancing employee retention.

## Recruitment of digital professionals for next-generation technology development

Securing digital professionals necessary for the development of next-generation technologies, including CASE, has become an urgent priority. Amid the shortage of digital professionals in Japan, we have been focusing on India, which has produced a large number of talent in this field, and have been recruiting directly from the Indian Institutes of Technology Hyderabad since 2018. (A cumulative total of 16 employees have been hired as of April 2024.) In the Indian market, which is one of Suzuki's strengths, we are working together with our subsidiary Maruti Suzuki India Limited to improve our competitiveness through the exchange of human capital.

Communication environment	<ul style="list-style-type: none"> <li>We are improving both the English language skills of Japanese employees and the Japanese language skills of non-Japanese employees to reduce communication gaps caused by language barriers.</li> <li>We are gradually expanding English versions of Company notices, various guides, internal systems, posted material, etc.</li> <li>A multilingual translation tool has been introduced as part of our internal IT environment to support daily written communication.</li> </ul>
Japanese language education program	<p>We provide foreign employees with educational opportunities and funding to acquire the minimum Japanese language skills necessary for independent daily life at the Company and in society.</p> <p>Additionally, we support self-education to achieve higher levels of Japanese language skills.</p>
Providing food and housing environment	<p>In terms of food, we offer authentic Indian cuisine in the Company cafeteria to accommodate Indian employees, who make up the majority of our foreign staff and have distinct food cultures.</p> <p>In terms of housing, our Company dormitories provide Western-style rooms, vegetarian-only kitchens, and fully private shower rooms to cater to the needs of foreign employees with different lifestyles.</p>
Utilization of external services	<p>We provide detailed services for foreign employees in cooperation with external providers who offer consultations on daily life and concerns.</p>

## Visualizing human capital

By breaking down tasks by individual division, visualizing the workflow and skills required, and linking the skills needed by each employee, the tasks that are dependent on specific individuals will become clear. This allows for an understanding of the allocation of human capital in one's own department, clarifying plans for supplementing or training of staff in anticipation of any personnel vacancies. Through dialogue between supervisors and their team members during target challenges and skill development interviews, personal development plans, career paths and achievements are continuously shared, encouraging and evaluating individual growth and contributing to the growth of and reinforcing the organization. In the future, a "task breakdown chart (skill map)" created by each department will be incorporated as human capital data in the human resource base system and utilized in understanding the state of human capital and for recruiting and assignment, reskilling, talent management and so on.

## Succession plan

The Company is working to develop a succession plan for next-generation leaders (officers, Executive General Managers, Division Managers) with the goal of maintaining continued corporate growth. In conjunction with human resource system reforms carried out in April 2024, we defined the competencies, personal and behavioral attributes required of each position, clarifying the roles of employees with job titles. In addition, we have established a talent pool of those at the executive and managerial levels, allowing for flexible assignment of these individuals in key management positions within the organization. Position promotions are determined at meetings of the Executive Committee, where the president and other executives exchange opinions based not only on recommendations from supervisors but also on a list of successor candidates drawn up by the Human Capital Department. Going forward,

we will conduct multi-faceted evaluations of managers to assess their suitability as leaders from every perspective, and will work to engage in appropriate placement of personnel and human capital development.

## Departments with human resources function

To respond more accurately and promptly to on-site issues closer to the field based on the three reality principles, a new department-specific human capital function, independent of the Human Capital Development Division, was established within the Automobile Engineering and Manufacturing fields in 2023. In addition to working together to solve individual employee concerns and issues, these departments hold roundtable discussions where junior employees and officers and executive general managers can dialogue directly with one another, and gather feedback from the field to drive workplace improvements and problem-solving initiatives.



## Employee health

### Health management

Guided by the catchphrase, “Happy customers are created by happy employees!” Team Suzuki has worked together on health management initiatives to ensure we can provide products that delight customers. Through these ongoing initiatives, Suzuki has been certified a Health and Productivity Management Outstanding Organization every year since 2021.



#### Health Declaration

Guided by the catchphrase of “Happy customers are created by happy employees!” the Company will take on health initiatives as Team Suzuki to ensure that all employees who work at the Suzuki Group can implement the Mission Statement and work positively and energetically in excellent mental and physical health, and as a result, provide products that delight customers.

Representative Director  
and President

鈴木 俊宏

### Health management promotion structure

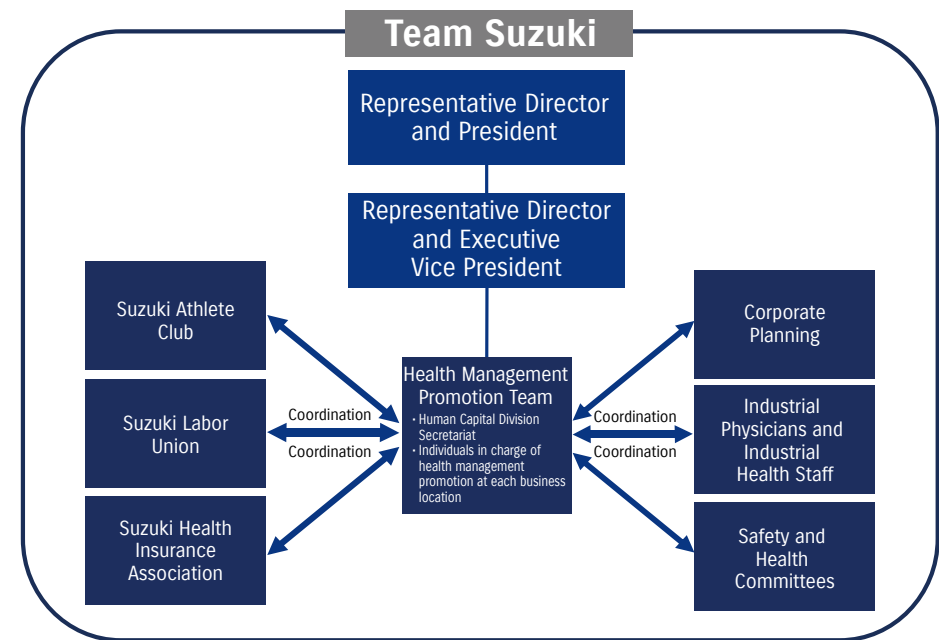
Headed by the Representative Director and President, the Human Capital Department takes the lead in promoting employee health.

In promoting employee health, an individual responsible for health promotion is appointed at each business location, and the entire company works together on these initiatives.

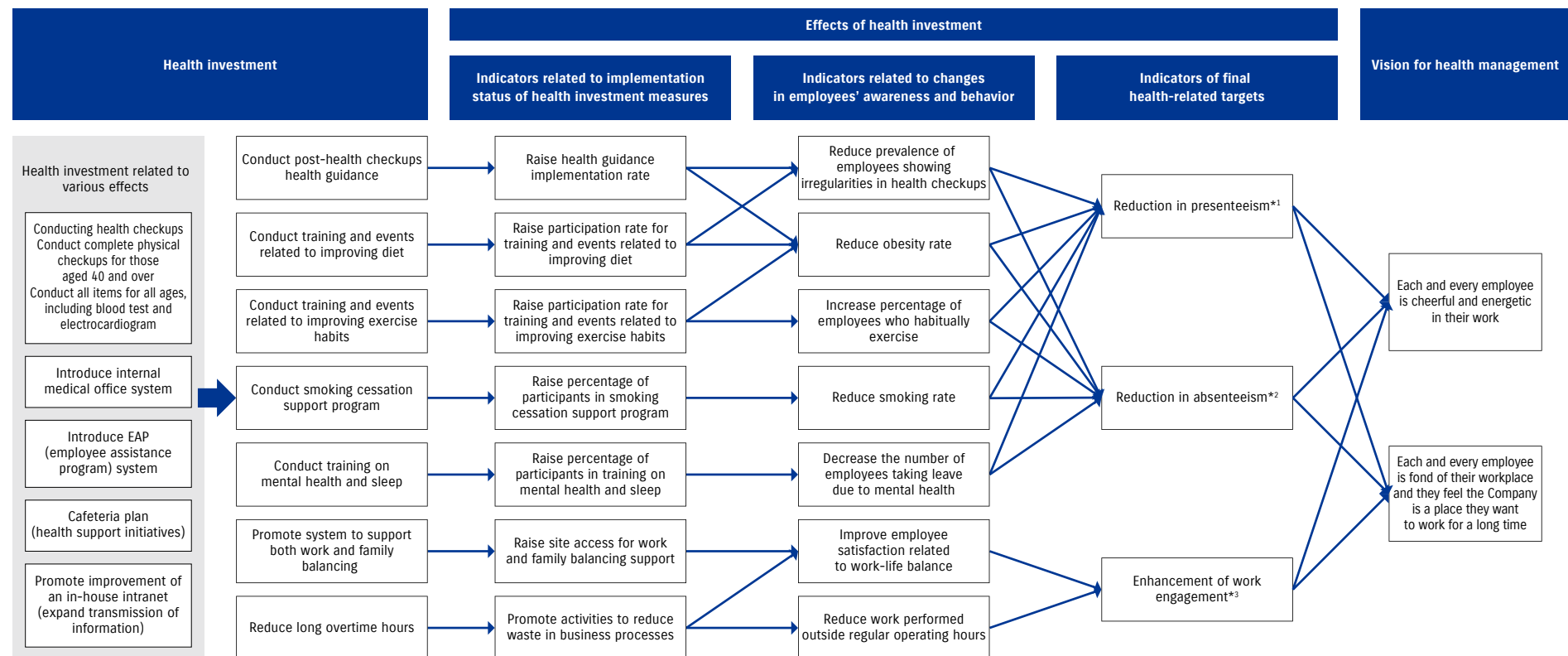
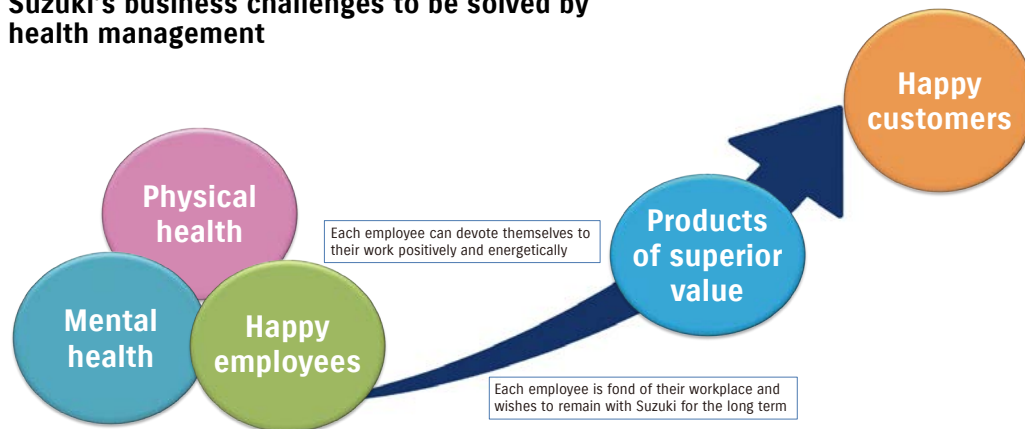
Accordingly, proactively taking opinions from experts, including health promoting industrial physicians, public health nurses, and nurses, activities through labor management cooperation are carried out.

In addition, the members of the Health Management Promotion Team have increased their understanding of health management by acquiring Health Management Advisor certification. They also carry out activities to promote Suzuki's health management activities to a wide audience, both inside and outside the Company.

#### ■ Promotion structure



## Suzuki's business challenges to be solved by health management



\*1 A condition in which operational efficiency has been reduced due to a health problem

\*2 A condition in which business processes cannot be performed due to absence from work

\*3 A condition in which vitality (feelings of energization from work), enthusiasm (pride and work satisfaction), and immersion (dedication to work) are fully realized

## ■ KPIs for promoting health management

Category	Measurement method	FY2022	FY2023	FY2025 target
<b>Absenteeism</b> → Being on leave or absent from work	Count of the number of employees on leave due to mental health issues	0.8%	0.7%	0%
	Count of the number of employees on leave due to illness other than mental health	0.2%	0.2%	0%
<b>Presenteeism</b> → A condition in which operational efficiency has been reduced due to a health problem	Average employee survey results (employees' demonstrated performance) using SPQ (Single-Item Presenteeism Question, the University of Tokyo single-item edition) → Smaller scores indicate better conditions	—	29.0%	20%
<b>Work engagement</b> → A condition in which vitality, enthusiasm, and immersion are fully realized	Average employee survey results using the short version of the Utrecht Work Engagement Scale (0: Never – 6: Always) → Larger scores indicate better conditions	—	2.71	3.5

## ■ Health indicators

Category	FY2021	FY2022	FY2023	FY2025 target
Percentage of employees who received regular health checkups	100.0%	100.0%	100.0%	Continued 100%
Percentage of employees who underwent a thorough examination after a regular health check	71.3%	59%	57.6%	100%
Specific health check implementation rate	99.4%	99.5%* <sup>2</sup>	99.0%* <sup>2</sup>	100%
Specific health guidance implementation rate	53.1%	57.8%* <sup>2</sup>	59.0%* <sup>2</sup>	55%→60% (Updated target because it was achieved in FY2022)
Stress check response rate	95.2%	93.0%	91.9%	95% or more
Smoking rate	24.8%	26.2%	24.3%	15% or less
Exercises regularly* <sup>1</sup> (Exercises for at least 30 minutes per session at least twice a week, for one year or more)	25.5%	20.6%	25.3%	30% or more
Sufficiently rested through sleep* <sup>1</sup>	61.6%	62.5%	61.9%	65% or more
Skips breakfast at least three times a week* <sup>1</sup>	17.4%	18.6%	18.8%	10% or less
Drinks alcoholic beverages regularly* <sup>1</sup> (approximately 180 ml or more per day)	11.7%	10.7%	9.3%	10% or less
Obesity ratio	32.0%	30.7%	27.0%	25% or less
Prevalence of employees showing irregularities in glucometabolic items	14.7%	14.2%	16.8%	12% or less
Prevalence of employees showing irregularities in lipid items	29.3%	27.5%	25.5%	25% or less
Prevalence of employees showing irregularities in blood pressure	8.9%	11.8%	13.0%	8% or less

\*1 Calculated based on health-check questionnaire forms for regular health checkups.

\*2 Disclosed based on figures aggregated as of September 17, 2024.

## Initiatives for in-house dissemination

Each month we publish the “Health & Management News” to provide employees with information on health management activities and as an effort to solicit ideas and opinions regarding these activities.

The internal medical office monthly newsletter “Hanaemi” is published under the concept of “Information when you need it, even if that time is not now,” and includes close-to-home health information.



Health management character  
Captain Kenta



Internal medical office character  
Hanaemi

\* Hanaemi is a *yamato kotoba* (an old Japanese word) that means a bright smile that blooms like a flower, or to smile like a blooming flower. The internal medical office named the character with the hope that “smiles can overflow among all of the people who work for Suzuki.”

## Initiatives to enhance health literacy

### Informal discussion between management and employees

We regularly hold informal discussions on health management topics between members of management, including the President, and employees. Videos of the discussions are



distributed through the Company in an effort to enhance employee health literacy.

### Health checkups and efforts to stay healthy

Employees under the age of 40 undergo regular health checkups conducted by the Company, while those age 40 and above are referred to an outside medical institution for comprehensive health checkups, including screenings for cancer and other diseases, to facilitate early detection and treatment. In collaboration with the Suzuki Health Insurance Association, we also focus on dental health, and have put in place a system enabling employees to receive annual dental checkups. We also have in place a system to allow employee family members to undergo health checkups, ensuring that both employees and their families can lead healthy and fulfilling lives.

Further, to assist employees in improving their lifestyle habits, we provide a visualization of their vegetable intake, and provide health guidance through everyday, practical dietary practices.

#### ● Prevention of health damage caused by working long hours

Interviews with an industrial physician are conducted for employees who work more than 80 hours of overtime in a month, in addition to which consultations are held for employees who work more than 60 hours of overtime in a month, both part of our efforts to facilitate early detection of mental health issues and prevent damage to employee health.

#### ● Specific health guidance

The Health Insurance Association and medical offices at each business location collaborate to ensure that employees who were not able to receive specific health guidance during their comprehensive medical checkups at outside medical institutions can access such guidance within the Company.

#### ● Mental health measures

We conduct mental health training to facilitate early detection of mental health issues and prevent their recurrence.

To ensure employees do not try to deal with their issues alone, we have established a Mental Health Consultation Room (providing counseling by psychiatrists and clinical psychologists), and further, as an outside counseling service, we have also worked with an external specialist organization to put in place an employee assistance program (EAP service) which is available to both employees and their families.

#### ● Initiatives to promote habitual exercise

Athletes from the Suzuki Athlete Club travel to various offices to provide instruction in Suzuki Original Calisthenics, the correct way of walking and more.

Suzuki Original Calisthenics were devised by athletes of the Suzuki Athlete Club based on an internal survey.

As a result of these activities, employees' habitual exercise increased from 20.6% (in FY2022) to 25.3% (in FY2023).



#### ● Health counseling service for women

We have established a health consultation service run by an obstetrician-gynecologist where female employees can easily go with questions about their own health, and where male employees can also turn for answers to questions about their partner's health, pregnancy and childbirth.



### ● Health management initiatives for employees assigned overseas

We conduct in-house health checkups and vaccinations for employees who are assigned overseas, both before their departure and after their return. Moreover, we encourage employees assigned overseas and others to check medical information from the Ministry of Foreign Affairs and FORTH, the Quarantine Information Office, Ministry of Health, Labour and Welfare, to understand the symptoms, treatment and prevention methods for diseases (including infectious diseases such as tuberculosis, malaria and HIV) prevalent in the countries and regions to which they will be traveling. We also recommend various types of vaccinations at Company expense based on the country or region to which the person will travel.

We have also created a system that allows employees assigned overseas to receive consultations and guidance from internal industrial physicians, public health nurses, and nurses via online conferencing. In addition, the Company subscribes to a medical assistance service that provides hospital appointments, medical interpretation and cashless services using overseas travel insurance in the event of injury or illness to employees assigned overseas and others.

### ● Initiatives to prevent secondhand smoking

We are subsidizing half of outpatient fees up to ¥10,000 for employees who are taking on 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. We also hold regular monthly, Company-wide no smoking days.

### ● Welfare system connected to health management

Under the cafeteria plan (selective welfare system), one of the in-house welfare systems, we have prepared many items to support health and for work and family balancing, providing help for employees' needs.

## Initiatives to promote health management in the community

As part of efforts to contribute to community health, former Olympic athletes from the Suzuki Athlete Club attended the Lake Sanaru Fureai Walk, an event sponsored by the local government, offering pre- and post-walk exercise and a class in the correct way to walk.



## External recognition

### 2024 Hamamatsu Wellness Award

In recognition of our contribution to promoting the Hamamatsu Wellness Project, aimed at realizing a preventive and health-focused city by the city of Hamamatsu, and as a model project and initiative for other companies and organization, Suzuki received the Hamamatsu Wellness Award in the health management category at the 2024 Hamamatsu Wellness Awards.



## Labor-management relations

Suzuki has built a mutual trust and a good relationship with the Suzuki Labor Union, which represents Suzuki employees. The number of labor union members is 17,296 as of the end of FY2023, and the unionization rate of full-time employees (excluding managers and non-union members defined in the labor agreement) is 100%.

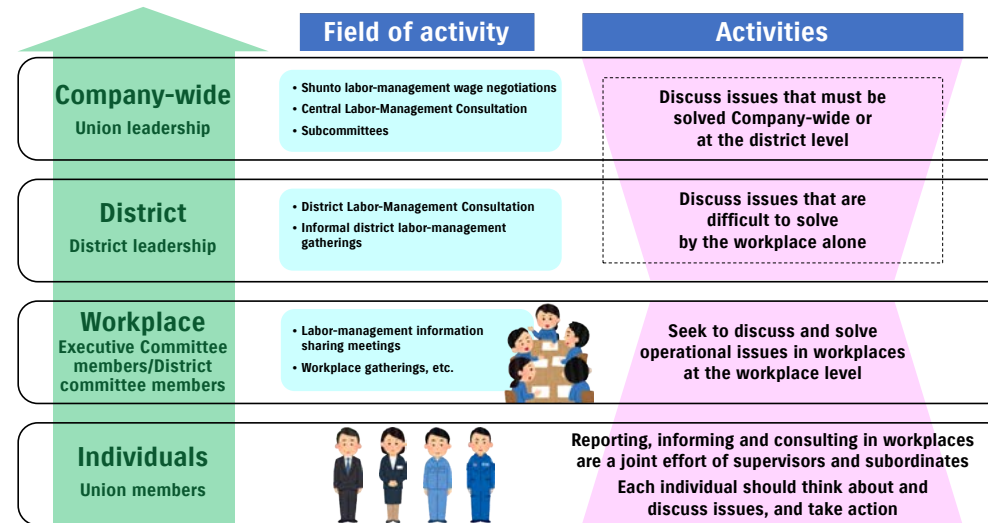
### Transformation in the negotiation style from 2022 onwards

Labor-management negotiations had primarily been held once a year in spring, the Shunto labor-management wage negotiation. The main topic at Shunto was largely on salary raises and bonuses; however, information exchange and discussion about other issues between employees and management was limited, and the exchange of opinions was only a formality. Given this situation, to enliven communication between managers and their teammates at each workplace, the core site of labor-management trust, we tried holding debates at each level, and at the 2022 spring management-labor negotiations, we conducted measures to realize this. These efforts will continue from 2023 as well.

### Activities during Shunto labor-management wage negotiations

Suzuki made negotiations “a place of dialogue,” in which the Company conveys its initiatives for the future, and shares with the union the issues that should be addressed in relation to those measures, with both sides aligning their positions while discussing ways to reach solutions.

Based on the belief that it would be effective for not only union members, but also managers to work together on labor-management negotiations, a message, mainly targeting managers, from the President was issued at the same timing as the negotiations. Information on the content of the dialogue, including this message, was made available to all members of labor and management.



### Continuous activities after labor-management negotiations

Communication is enhanced by holding regular informal labor-management gatherings at the division level to make them address issues of their own workplace by themselves first. Issues that are difficult to solve by the workplace alone are discussed continuously in District Labor-Management Consultation and Central Labor-Management Consultation meetings held monthly until the Shunto labor-management wage negotiations in March. This process aims to make the annual spring wage negotiations the capstone of labor-management discussions.

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

### Conducting union member attitude survey

The Suzuki Labor Union, which represents Suzuki employees, conducts an attitude survey of all union members in collaboration with the Federation of Suzuki Automobile Workers' Unions (a federation of Suzuki-related labor unions whose members are Suzuki Group labor unions). This survey has been conducted every year since 2018 in order to create a better company and workplace by grasping the strengths and weaknesses of the Suzuki Group as a whole from an inside perspective. Issues identified through the survey results are reported to union members and incorporated into union activities. Concurrently, labor and management share the issues, which are put to good use in joint labor-management activities to solve workplace issues, thereby maintaining a stable labor-management relationship.

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

The Suzuki Group has 120 member companies (manufacturers, non-manufacturers, sales distributors) in Japan and abroad. It is our hope that those 120 member companies are individually trusted by the local residents, society, and customers.

At Suzuki, we hold seminars for union officials and staff at human capital departments from overseas Group 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 Union to promote global personnel exchanges both domestically and abroad, and we strive to establish a work environment which allows our approximately 70,000 employees in 120 companies to work with creativity and enthusiasm, and to maintain a stable labor-management relationship.

Maruti Suzuki India strives to ensure a stable and friendly labor-management relationship through effective communication, employee participation in important decision-making processes, and various employee welfare programs. The company conducts regular interactive communication led by the President with employees at various levels in order to constantly provide information on the condition of management overall and provide a robust platform for exchanging opinions.

### ■ Engagement with Unions and Shop Floor Employees

Engagement Channel	Frequency
Meeting of managing director with union representatives	Monthly
Meetings of production and human resource Senior management with union representatives	
Meetings of production and human resource functions with union representatives	
Interactions of production and human resource functions with shop floor employees	Ongoing basis
Dedicated grievance redressal helpdesk "Samadhan" for shop floor employees	Weekly

### ● Freedom of association and collective bargaining

Maruti Suzuki India Limited promotes freedom of association and collective bargaining. There are a total of three workers' unions. It allows collective bargaining and actively collaborates with all the unions. During the year, elections to elect workforce union representatives at the vehicle manufacturing facility at Manesar were conducted in a smooth manner.

### ● Compensation system

Maruti Suzuki India provides industry-leading allowances and compensation that exceeds the industry average. In terms of remuneration policy, the company has introduced a well-structured performance-linked remuneration system for all ranks of employees, without gender discrimination, and based on indicators of improved productivity and achievement of business targets.

### ● Employee welfare system

Maruti Suzuki India values employees who contributed to the company's development. The company contributes 1% of after-tax profit in the prior fiscal year to a fund for employee welfare. The fund is utilized for welfare measures such as housing loan subsidies, educational support for employees' children, development of shared infrastructure for employee housing, and social security measures such as post-retirement medical benefits for employees and their spouses. At a housing project carried out in Dharuhera in the state of Haryana, 275 housing units have so far been delivered to employees.



Dharuhera Housing Association hands over an apartment to an employee



Maruti Suzuki apartments

### ● Capability upgrading and career development

Maruti Suzuki India Limited has been partnering with various academic institutions to provide access higher education programs to its employees. Under this program, the shop-floor workers are eligible to participate in 3-year diploma program. Eligible employees who complete the higher education program are considered for promotions to take up higher responsibilities.

Course	Course taken by	Number of employees benefited so far under higher education programs offered by Maruti Suzuki India Limited
Diploma program (Mechanical)	Workers	638

### ● Connections between employee families and the company

To build connections with employees' families and provide for their welfare, Maruti Suzuki India holds events such as career counseling by experts for employees' children, Family Day, and plant tours for families. Communication through internal newsletters and President's messages issued on special days fulfill a crucial role in relations with employees' families.



### ● Gender diversity and inclusion

Maruti Suzuki India Limited promotes gender diversity and provides equal opportunity to all. Various welfare measures are taken to support and encourage female employees. During the year, it deployed the first batch of women workforce on the production shopfloor. This initiative assumes greater significance given the limited availability of women workforce in the country, especially in the skills that are required for performing production operations. Over the past few years, it has taken measures to train women on the shopfloor-specific skillsets.



Deployment of female workforce on production shopfloor

### ● Handling grievances from front line employees through a specialist help desk

A specialist help desk handles grievances, in order to address grievances reported by employees, including temporary employees. Regular grievance hearings are held to address employee problems.

### ● Awards and recognition

Maruti Suzuki India Limited has been recognized at the prestigious Industry Academia Conference (IAC) Corporate Awards 2024 under the Private Sector Category for pioneering work in "Sculpting Talent for Tomorrow."

## Wages

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 direction of trying to develop the Company in a stable manner while having discussions from the standpoints of the Company and the labor union.

In addition, labor and management conclude an agreement to guarantee minimum wages annually.

## President's workplace dialogue

Since 2021, the President has visited all workplaces within the Company (divisions, plants, sites) and has held information sharing meetings (FY2023: 24 headquarters and 39 workplaces). The President directly conveys his thoughts and ideas to employees, and employees share their daily issues with the President. The President and employees share problems, cooperate, and make a concerted effort to solve those problems. Notably, these meetings provide young to mid-level employees with the opportunity to convey their thoughts and ideas directly to the President in their own words. In addition, the President and other members of management listen to these voices of employees and strive to make improvements flexibly and rapidly.

Also, since 2023, our handling of grievances has been put on our website for viewing, which shows we don't just absorb employee opinions and move on; we provide feedback by continuing to address them.

## 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 spend their leisure time. Comprehensive sports facilities (Suzuki ground, Suzuki gym, a weight training room and tennis courts) with nighttime lighting are located close to the head office. The Company also has a ground adjacent to the Iwata Plant (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.

On January 15, 2024 we began providing vegetarian Indian food at our employee cafeteria at the head office. The food is prepared by a company offering restaurant business in Hamamatsu City, and the flavors were co-developed by Suzuki's employees from India to align with Indian tastes. At sites other than head office, the food is available by reservation.

## Asset accumulation 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, and housing assets).

## 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 predefined discount upon purchase of a (new Suzuki) vehicle (some models are excluded). The program also enables funding if purchase funds are needed.



## Employee stock purchase plan

The employee stock purchase plan is a program where a certain amount of money is deducted from monthly pay to buy Company stock regularly. It started in 1973 as an employee benefit program. Employees can acquire stock easily in proportion to their monthly contribution and the Company also provides an incentive for the contribution to support employees' asset building. Employees hold stock in their own company, so when the Company's results improve, the stock price goes up and as a result their own asset value increases. For this reason, the program can be expected to raise employee motivation and also foster an awareness of participating in management.

Also, Suzuki has raised the incentive grant rate for its employee shareholders' association from the previous 5.6% to 100% (maximum incentive of ¥10,000) as part of its human capital investment initiatives since April 2023. By making the program attractive and easy to join, even more employees are participating in the stock ownership association, which supports asset formation and raises their sense of participation in management.

Suzuki will continue to expand its welfare and benefits programs to unite its employees and work as one to achieve the Growth Strategy for FY2030, while aiming to be a company essential to people and society.

Annual	After change		Before change	
	Salary	Bonus	Salary	Bonus
Maximum amount of accumulated funds eligible for incentive payment	¥120,000 (¥10,000/month)	—	¥600,000 (¥50,000/month)	¥400,000 (¥200,000 × 2)
Maximum annual incentive amount	¥120,000	—	¥33,600	¥22,400

## Selective welfare system

### ● Cafeteria plan

To ensure benefits are received fairly by employees regardless of worksite or environment and to broadly support the preferences of individual employees in their diversity, employees can freely select from a benefits menu set up by the Company (work-life balance support, health support, skill level support, leisure time support, and lifestyle support, etc.) and can receive this assistance up to the number of points that have been received (cafeteria points).

カフェテリアポイントを利用して補助を受けることができるメニュー（一例）		
<b>● 両立支援</b> 育児施設代、保育料、育児用品代、介護施設代、介護用品代 等	<b>● 健康支援</b> フィットネスクラブ利用料、ゴルフプレー代、入館ドック利用補助 等	<b>● スズキグループ制度</b> 生協での商品購入、スズキビジネス関連費補助、食堂利用補助 等
<b>● 能力支援</b> 自己啓発書籍・語学学習本購入、語学スクール費用 等	<b>● 余暇支援</b> 映画、コンサート、スポーツ観戦、遊園地、国内外旅行代 等	<b>● 生活支援</b> 借家の賃貸家賃、住宅ローン費用、ビジネス旅費(スーツ等)購入補助 等

### ● Benefit station

The Company has established a menu of services (travel, leisure, fine dining, sports, shopping, educational courses, etc.) that can be used without limit at preferred member prices. Moreover, points from the menu recognized under the cafeteria plan can be combined with this service and used together.



### ● Kitchen car

Kitchen cars are operated at the head office and multiple business sites. There is a café menu featuring drinks and sweets like crepes and shaved ice and a lunch menu that includes hamburgers, plate lunches and soup.



# Intellectual Property

## Initiatives related to intellectual property

Suzuki has made it the first part of its Mission Statement to “develop products of superior value by focusing on the customer.” The Company conducts intellectual property activities basically for rights formalization of knowledge and technology that create value, and protects, accumulates and utilizes these rights as intangible assets.

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. Based on the Philosophy of Conduct “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty),” each and every employee will respond to the diversifying needs of customers and society with wisdom and ingenuity. They will design and develop products with original ideas that are unique to Suzuki, inspiring amazement, and will continue to create intellectual property.

### Promotion structure

#### ● Intellectual Property Promotion Committee

In March 2022, the Company newly established the Intellectual Property Promotion Committee. This committee, which is attended by Directors, Managing Officers and Executive General Managers from relevant departments, holds Company-wide discussions on intellectual property strategies, and will continue this activity in the future (held 19 times between March 2022 and August 2024).

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.



#### ● Review of system for creating intellectual property

Under the technology strategy announced in July 2024, the design and development department and the intellectual property department will collaborate, embedding intellectual property staff in the development site focused on energy minimization. This collaboration aims to transform on-site inspiration and ideas into competitive patent rights.

In conjunction with the new human resources system launched this fiscal year, the Company is establishing a framework to recognize employees who contribute to the creation of intellectual property. This initiative aims to accelerate the growth of individual employees in intellectual property creation, thereby further enhancing the Company's earning power.

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

In April 2023, Suzuki revised the reward system for intellectual property to make individual employees who create intellectual property feel “praised,” “recognized” or “highly commended.” Incentives for creating intellectual property were also strengthened in such ways as, in particular, having the inventors of patents chosen by general managers for embodying as products Suzuki's unique “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty),” being presented with awards directly by the President at Company-wide events, holding roundtable talks among the inventors, the President and officers, and disclosing scenes of such events on the Company intranet. In June of this year, we conducted a survey among employees regarding the revised reward system. By making improvements based on the results of that survey, we are promoting activities to continually make the system even better. The focus of this fiscal year's presidential award are the nine patents described in the next section, “Achievements of ‘Sho-Sho-Kei-Tan-Bi.’”

A roundtable discussion between inventors, the President and officers



The roundtable discussion held in May 2024 was attended by 16 inventors and 10 others, including the President and officers



An inventor explaining their own invention. Intellectual property staff sat in as an assistant



In a relaxed atmosphere, the warm smiles of the President and officers draw out stories of ingenuity and challenges faced during the invention process

## Achievements of “Sho-Sho-Kei-Tan-Bi”



An award ceremony held in the new fiscal year ceremony

### ● Fixed structure for vehicle power supply

<Patent key point>

To protect the MHEV lithium-ion battery during side collisions, the design was achieved not by adding components, but by incorporating a subtraction approach of creating a designated weak point.

<Unique to Suzuki>

Smaller: Space-saving

Fewer: Limits the increase in the number of components

Lighter: Avoids an increase in weight associated with added components

### ● Cover structure for internal combustion engine

<Patent key point>

To ensure the rigidity of the engine case at the actuator support component for the electric VVT, the oil gallery wall was utilized as a structural reinforcement.

<Unique to Suzuki>

Fewer: Limits the increase in the number of components

Lighter: Avoids an increase in weight

### ● Electrical component support structure

<Patent key point>

Harness routing successfully designed to protect the wire harness of the MHEV lithium-ion battery during a side collision.

<Unique to Suzuki>

Smaller: Space-saving

Shorter: Wire harness shortened

### ● Electric vehicle battery pack mounting structure

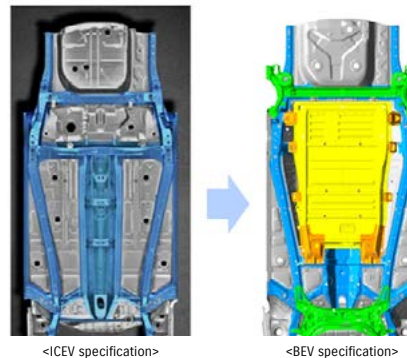
<Patent key point>

By utilizing the body platform of an engine-powered vehicle to the greatest extent possible for electrification, the investment in developing a new chassis was minimized.

<Unique to Suzuki>

Fewer: Reduced development costs

Lighter: Weight savings with minimal changes



### ● Steering device for electric vehicles

<Patent key point>

A structure for the electric senior vehicles that allows a steering wheel that was in a fixed position to be unlocked when driving straight ahead and switching from autonomous to manual driving mode, improving convenience for the user.

<Unique to Suzuki>

Fewer: Eliminates discomfort and improves user convenience

### ● Driver assistance device

<Patent key point>

Improved driver operability by automatically transitioning to auto-park standby mode upon detection of an available parking space within a parking lot.

<Unique to Suzuki>

Shorter: Shortened parking operation time

### ● Engine fuel supply device

<Patent key point>

Achieved a compact injector layout for CNG bi-fuel vehicles, resulting in weight savings.

<Unique to Suzuki>

Smaller: Space-saving

Fewer: Improved ease of maintenance

Lighter: Weight savings due to a highly space-efficient layout

### ● Cooling system for power sources in marine propulsion devices

<Patent key point>

A basic patent related to microplastic collection devices that contributes to marine environmental conservation

<Unique to Suzuki>

Smaller: Space-saving

Fewer: Limits the increase in the number of components

Beauty: Marine environmental conservation

A water taxi in Tampa, Florida, USA



### ● Straddle-type vehicle

<Patent key point>

Improved the mountability of the onboard charger for EV scooters, enabling shortening of the wire harness between the battery and the charger.

<Unique to Suzuki>

Smaller: Space-saving

Shorter: Wire harness shortened

## Various initiatives concerning intellectual property

### ● Enhancing patent applications in India

Suzuki has been enhancing patent applications in India, which is one of Suzuki's primary markets. Following Japan, where we have the most rights acquired (approximately 4,300), we have currently acquired and maintain over 1,800 patents in India.

### ● 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.

\* Once a week as a rule

### ● Conducting systematic intellectual property training

Suzuki also concentrates on intellectual property training by rank, implements stratified training with a focus on patent law<sup>\*1</sup> and copyright law<sup>\*2</sup>, and promotes the importance of preserving and utilizing intellectual property throughout the entire company.

<sup>\*1</sup> Training conducted for a total of more than 3,200 people, primarily junior engineers in their second to third year with the Company. The program is ongoing.

<sup>\*2</sup> E-learning targeting all employees given to approximately 14,000 people (through FY2023).  
Group training conducted for new employees since 2019 (over 2,300 people through FY2023).  
On-demand training conducted for newly appointed managers since 2020 (approximately 1,200 people through FY2023).



# Sustainable Local Community

## Promotion through products

### Welfare vehicles (WITH series)

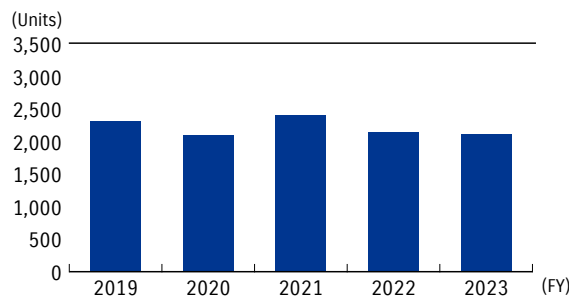


Sales of our WITH series welfare vehicles began in 1996. These vehicles are designed to provide seniors and people with disabilities with greater ease of getting in and out of automobiles.

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. Spacia, Every Wagon, and Every have a wheelchair courtesy variant.



The new Spacia wheelchair courtesy vehicle

### Lifting seat type vehicle

The lifting seat type vehicle equips the passenger seat with the function to move up and down and rotate by a command switch to accommodate persons requiring special care. Since the seat can be brought into a position that makes it easy for the person requiring special 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

### Electric senior vehicles

Suzuki has a lineup of electric senior vehicles, which are 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.

The electric senior vehicle 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. Our currently available electric senior vehicles are equipped with an obstacle detection support feature whereby a driver is alerted and their vehicle automatically slows down when obstacle sensors detect objects in the path of the vehicle.

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



ET4D

## Initiatives to solve community issues

### ● Participation in the Hamamatsu Automated Driving Yaramaika Project

In 2016, Suzuki joined the Hamamatsu Automated Driving Yaramaika Project by signing a partnership agreement with Hamamatsu City, Enshu Railway Co., Ltd., and SB Drive Corp. (currently BOLDLY Inc.). The Hamamatsu Automated Driving Yaramaika Project is an initiative to explore the ideal form of sustainable public transportation by solving regional public transportation issues, specifically securing a mode of transportation for people who are at a disadvantage because they live in areas lacking public transportation in Hamamatsu City, which has a diverse range of areas from urban to mountainous areas. In anticipation of the future commercialization of automated driving technology, the four partners are collaborating to conduct verification tests to determine which types of mobility services are best suited as a mode of transportation in areas lacking public transportation, while cooperating with local residents.

The project has so far received many opinions and comments from local residents about mobility services and automated driving, including factors such as their acceptance of such services and the user-friendliness of vehicles, through four verification tests conducted in FY2017, FY2019, FY2022, and FY2023. In the fourth round of verification tests conducted in FY2023, long-term verification of approximately three months was carried out to identify how long-term customers



Vehicles used in fourth round of verification tests

utilize the service and issues with the service operation system.

Mobility services using small vehicles on scheduled and set routes are expected to be helpful in securing a mode of transportation in areas lacking public transportation and to stimulate the local community through social participation by many more residents. The Hamamatsu Automated Driving Yaramaika Project will continue to conduct activities based on the "Yaramaika spirit," with the goal of expanding the area that local residents can freely get around as they wish through mobility services and automated driving technology.



Toshihiro Suzuki, Representative Director and President of Suzuki Motor Corporation (center) and Yusuke Nakano, Mayor of Hamamatsu City (right) being briefed by a presenter from Suzuki on technology during the fourth round of verification tests

### ● Support for mini-truck markets

Suzuki supports the mini-truck markets that are held across Japan.

A mini-truck market is a temporary market in which truck-type mini vehicles (mini-trucks) come together to display and sell goods such as food, local specialties, and general merchandise on their truck beds. In 2005, the first mini-truck market was held in Shizukuishi, Iwate Prefecture as a means of revitalizing the community. Mini-truck markets are currently held in over 120 regions throughout Japan.

Mini-trucks feature truck beds that are the ideal height for displaying and selling goods, plus they are movable vehicles, making it very easy to set up and take down a market.

Because many farmers own mini-trucks, producers are able to transport fresh goods directly from farm to market.

Mini-truck markets are organized by shopkeepers and other local residents, together with the local chambers of commerce and other similar organizations, in order to energize the community, especially around the shopping streets. The markets frequently create a buzz and generate interest because of the wide range of products available and distinct regional features. As a result, visitors to mini-truck markets have been increasing year after year, and an increasing number of new areas have been hosting these markets. As populations become more concentrated in cities, mini-truck markets have helped to revitalize regional communities and shopping streets.

Suzuki empathizes with mini-truck markets' efforts to revitalize communities. We will work on bringing more attention to these events through activities such as providing operational support to mini-truck markets. By doing so, Suzuki will continue to support mini-truck markets throughout Japan.



8th National Mini-truck Market in Hamamatsu held on December 3, 2023

## Exhibit at and participation at Lake Hamana Hanahaku 2024

We participated in Lake Hamana Hanahaku 2024 (Lake Hamana Flower Expo 2024) held at Hamanako Garden Park from April 6 to June 2, 2024.

With Suzuki's diverse range of mobility solutions, we engaged in various initiatives geared to achieving ideals embodied in the expo's theme of "Lake Hamana digital rural city: a bridge connecting people, nature, and technology." This involved proposing new lifestyles enlisting autonomous driving systems and other forms of cutting-edge technology, and enabling those attending the flower expo to gain interactive experience using vehicles and apps ensuring a pleasant experience at the event.

### 1. Autonomous vehicle interactive passenger experience

At Hamanako Garden Park, we provided an interactive passenger experience using five vehicles equipped with technology used in the fourth round of verification tests of the Hamamatsu Automated Driving Yaramaika Project, and five personal mobility devices equipped with autonomous driving features.

A total of 2,977 people took part in the interactive passenger experience event, which was held on a daily basis, except for on rainy days, over approximately two months covering the Golden Week Holiday. Of those participating, 90% expressed satisfaction in a survey on the event. We will apply the insights we gained from this interactive passenger experience event to the development of autonomous driving technologies and services.



Vehicles used in autonomous driving verification



Autonomous driving personal mobility

### 2. Use of vehicles for in-park mobility and park navigation app

For mobility within the park, we provided 15 electric senior vehicle motorized wheelchairs with loop-shaped steering handles and two KUPO concept model motor-assisted mobility carts.



Using the Lake Hamana Hanahaku 2024 navigation app developed by Suzuki and built into tablet devices, visitors were able to access services providing guidance to key locations in the park and to specific destinations using both screen displays and voice instructions. A smartphone version of the app was also provided to visitors for use on their own smartphones.



We received a lot of valuable feedback from the many people who used the app over the duration of the event. In August 2024, we donated a total of 15 electric senior vehicles to Hamanako Garden Park and Hamamatsu Flower Park as part of this initiative.

### 3. Interactive experience using remote operation of the Electric Mobility Base Unit

We promoted the appeal of the Electric Mobility Base Unit, which can be used as a robotic platform in applications that include agriculture and delivery, with respect to its ability to operate in difficult terrain. This involved holding an interactive event offering experience in performing remote operations of the electric mobility device equipped with miniature bodies of the Jimny and the Carry.

People representing a wide range of age demographics, from children to the elderly, participated in the interactive event. We



received feedback that included some expressing the desire to use the device in an agricultural setting.

### 4. Lecture on the Suzuki Clean Ocean Project

On April 21, 2024, Suzuki held an ocean environment education event at the outdoor stage of Hamanako Garden Park. In the first half, young employees from Marine Operations gave lectures on outboard motors and marine microplastics. In the second half, we held a children's quiz competition where participants were able to have fun and learn about waste separation and environmental conservation of aquatic habitats.



### 5. Clean-Up the World Campaign

With the campaign in its 15th year, we conducted the cleanup activities together with participants from local communities for the first time in the campaign's history on May 11, 2024. A record number of people participated in the activity during which a total of 261 people collected 525 kg of trash, significantly exceeding the usual amount of around 200 kg.

Going forward, we will foster enthusiasm in our cleanup activities while embracing new initiatives in collaboration with community events.





# Directors, Auditors and Officers

(As of October 2024)

## Representative Directors



**Toshihiro Suzuki**  
Representative Director  
and President



**Naomi Ishii**  
Representative Director  
and Executive Vice  
President  
Supporting President

## Directors



**Katsuhiro Kato**  
Director and  
Senior Managing Officer  
Chief Technology Officer



**Shigetoshi Torii**  
Director and  
Senior Managing Officer



**Aritaka Okajima**  
Director and  
Managing Officer  
Executive General Manager,  
Public Relations and Corporate  
Communications  
Branch Manager, Tokyo Branch



**Hideaki Domichi**  
Outside Director



**Shun Egusa**  
Outside Director



**Naoko Takahashi**  
Outside Director

## Audit & Supervisory Board Members



**Taisuke Toyoda**  
Full-time Audit &  
Supervisory Board Member



**Shigeo Yamagishi**  
Full-time Audit &  
Supervisory Board Member



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



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



**Junko Kito**  
Outside Audit &  
Supervisory Board Member

\* Hideaki Domichi, Shun Egusa and Naoko Takahashi are Outside Directors as stipulated under Article 2, Item 15 of the Companies Act.

\* Norihisa Nagano, Mitsuhiro Fukuta and Junko Kito are Outside Audit & Supervisory Board Members as stipulated under Article 2, Item 16 of the Companies Act.

## Officers

### Executive Vice President

Kenichi Ayukawa

Chief Global Marketing Officer

### Senior Managing Officers

Hisashi Takeuchi

Managing Director & CEO, Maruti Suzuki India Limited

### Managing Officers

Kazunobu Hori

Executive General Manager, Global R&D Project, and Managing Director,  
Suzuki R&D Center India Private Limited

Masayuki Fujisaki

Executive General Manager, Product Planning, and in charge of CJP Promotion

Yutaka Kikukawa

Executive General Manager, Legal/IP

Masahiro Ikuma

Executive General Manager, Procurement Strategy

Hisanori Takashiba

Managing Director, TDSG (Lithium-Ion Battery Plant)

Kenichiro Toyofuku

Executive General Manager, Global Biogas Operations, and Supporting CEO, Maruti  
Suzuki India Limited

Tatsuro Takeuchi

President, Suzuki Motor Sales Kinki Inc.

Kenichi Goto

In charge of Parts Center and PDI Operations Reform,  
and Executive General Manager, Spare Parts and Accessories

Yoshihiro Ugai

Executive General Manager, Global IT

Ryo Kawamura

Executive General Manager, Finance

Koichi Suzuki

Executive General Manager, Automobile Marketing—Europe, Middle East and Africa

Kazuo Ichino

Executive General Manager, Manufacturing,  
and in charge of Painting Plant in Manufacturing

Naoki Matsuura

Executive General Manager, Audit

Hidetoshi Kumashiro

Executive General Manager, Automobile EV Engineering, and in charge of BEV  
Technology, BEV Solutions

Eiichi Muramatsu

Department General Manager, Global Marketing Management Department

Kazunari Yamaguchi

In charge of manufacturing in India, in charge of carbon neutrality in India,  
and in charge of Manufacturing, Maruti Suzuki India Limited

Masafumi Harano

Executive General Manager, Automobile Marketing—Asia, Latin America and Oceania

Takahiko Hashimoto

Executive General Manager, BEV Solutions

Yusuke Kato

Executive General Manager, Human Capital Development

Takashi Ise

Executive General Manager, Quality Assurance and Inspection

Tetsuya Matsushita

Executive General Manager, Automobile Vehicle Engineering

Toshiya Miki

Executive General Manager, Corporate Planning

Junya Kumataki

Executive General Manager, New Mobility Service



# Corporate Governance

## Governance

### Basic policy on corporate governance

Through fair and efficient corporate activities, Suzuki 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.

In consideration of the meaning of the respective principles of the Corporate Governance Code as established by the Tokyo Stock Exchange, Suzuki will make continuous efforts to ensure the rights and equality of shareholders and the effectiveness of the Board of Directors and the Audit & Supervisory Board, as well as to upgrade the internal control system.

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

Corporate Governance Report

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

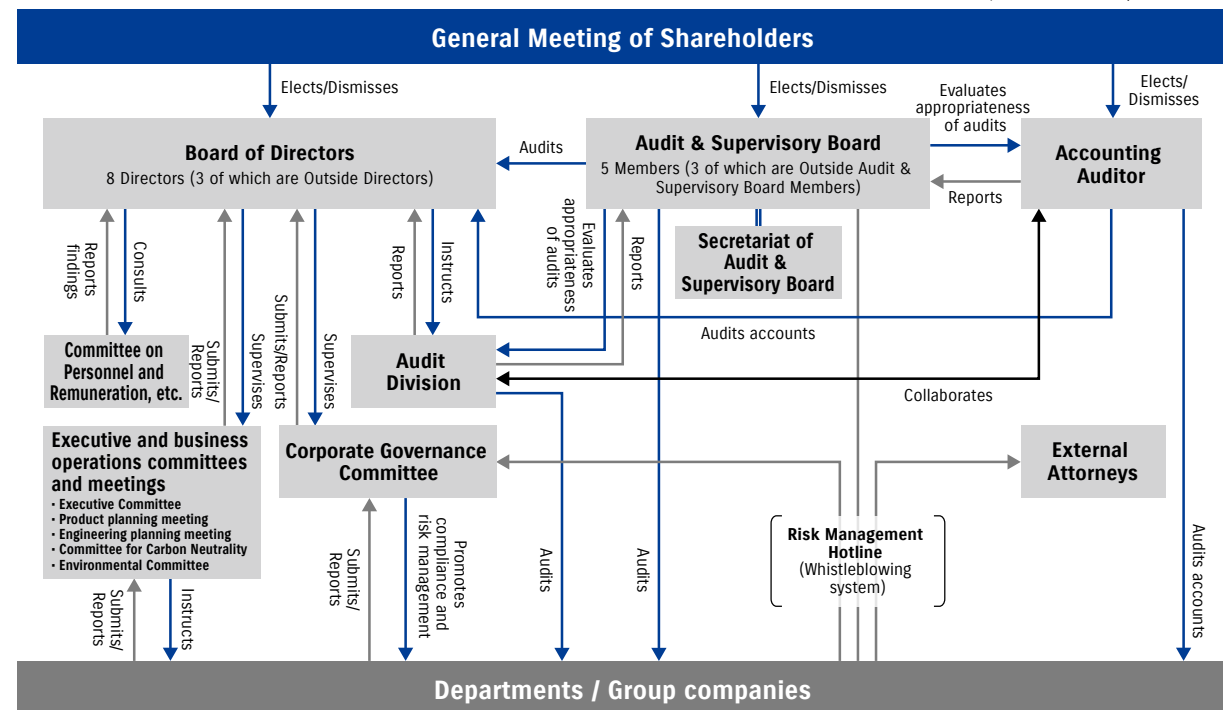
### Outline of the corporate governance system

With the Audit & Supervisory Board System as its foundation, Suzuki has adopted the current corporate structure based on the belief that appointing multiple highly independent Outside Directors, ensuring that the majority of Auditors are

Outside Auditors, and establishing an optional committee to handle the nomination of Director candidates and decisions on remuneration will enhance the Company's governance framework.

### ■ Corporate governance system

(As of the end of September 2024)



## ■ Corporate governance initiatives

(FY)

	Through 2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	From 2024
Management planning and strategy	Mid-Term Management Targets	Mid-Term Management Plan—SUZUKI NEXT 100						Mid-Term Management Plan—“Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)”			
									Growth Strategy for FY2030		
Directors											
Term	1-year terms for Directors since 2002										
Supervision / execution	Introduced a managing officer system in 2006 (number of Directors decreased from 29 to 14)										
Number of members	Since June 2013: 9			8				9		8	
Number of Outside Directors	Since June 2012: 2						3				
Audit & Supervisory Board Members											
Number of members	Since 2001: 5 (Outside Audit & Supervisory Board Members: 3)										

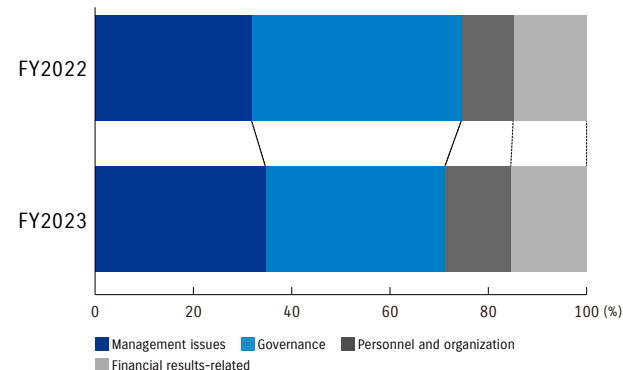
### Board of Directors

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 accountability, and has made progress in slimming the composition of the Board of Directors. Currently, there are eight Directors, and out of them, three Outside Directors are elected so that the Company can strengthen the Board's function to supervise business management and have Outside Directors offer useful advice, suggestions, etc. on the Company's business management, based on their respective experience and knowledge and from their diverse perspectives.

In principle, the Board of Directors meets once a month. It works 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 at one year.

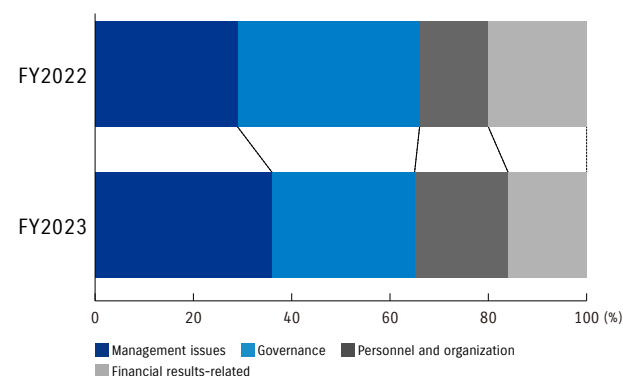
### ■ Composition of resolution matters in Board of Directors meetings



### ■ Examples of Board of Directors meeting agenda

<b>Management issues</b>	<ul style="list-style-type: none"> <li>Indian business</li> <li>Sustainability initiatives</li> <li>Collaboration with and investment in other companies</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>Human capital / Intellectual property / Information security</li> <li>Board evaluation</li> <li>Whistleblowing</li> </ul>
<b>Personnel and organization</b>	<ul style="list-style-type: none"> <li>Organizational changes and executive appointments</li> </ul>
<b>Financial results-related</b>	<ul style="list-style-type: none"> <li>Monthly business performance reports</li> </ul>

### ■ Composition of reporting matters in Board of Directors meetings



## Board evaluation

The Company conducts an annual analysis and evaluation to improve the effectiveness of the Board of Directors. An outline of the FY2023 analysis and evaluation is as follows.

### 1. Method of analysis and evaluation

(conducted February to June 2024)

The Company focused on the Board of Directors' challenges in enhancing Suzuki's competitiveness.

- (1) Interviews with all Directors and Audit & Supervisory Board Members
- (2) Opinions exchanged between the Representative Directors, Outside Directors and Outside Audit & Supervisory Board Members, primarily around Suzuki's challenges
- (3) Future initiatives discussed by the execution side based on opinions of the Outside Directors and Outside Audit & Supervisory Board Members
- (4) Future initiatives deliberated and confirmed by the Board of Directors

### 2. Outline of results

Based primarily on findings from the Outside Directors and Outside Audit & Supervisory Board members, the following were identified as priority issues for FY2024:

Suzuki plans to announce a new Mid-Term Management Plan by the end of FY2024 to achieve its Growth Strategy for FY2030 (announced in January 2023). To contribute to constructive discussions on the Company's strategic orientation, which is the primary role and responsibility of the Board of Directors, efforts will be made to further enhance the effectiveness of the Board, including addressing these priority issues.

- (1) Expand discussion and deliberation regarding strategy
- (2) Agenda management from submission to internal meeting bodies to submission to the Board of Directors
- (3) Feedback on the status of responses to findings raised at Board of Directors meetings

[Ref.] Priority issues from the previous (FY2022) analysis and evaluation and results of initiatives in FY2023

<Priority issues>

- (1) Selection of themes to be deliberated, resolved and reported
- (2) Schedule management and advance preparation for submissions to the Board of Directors

- (3) Timing of prior distribution of materials; how materials are to be written and explained

<Results of initiatives>

(Opinions of Outside Directors and Outside Audit & Supervisory Board Members)

- Themes are being selected with growth in mind.
- No particular problems with operations or preparation of materials.
- Discussions by internal meeting bodies other than the Board of Directors are open to Outside Directors, allowing them to participate in discussions by the Board with an understanding of background and progress to date.

<Ongoing issues>

- Securing appropriate time for discussion.

## Audit & Supervisory Board

The Audit & Supervisory Board aims to establish a quality corporate governance system in collaboration with the Board of Directors, one that responds to the public trust and that ensures sound and sustained growth for the Company and its Group companies, and creates medium- to long-term corporate value. As a stand-alone body, it conducts audits to ensure the proper management and offers appropriate opinions to the management team.

### 1. Structure and procedures of the Audit & Supervisory Board

The Audit & Supervisory Board consists of five members: two full-time Audit & Supervisory Board Members with business experience, and three Outside Audit & Supervisory Board Members with advanced expertise and extensive experience in areas such as finance, accounting, legal affairs, and technology. Their audits are conducted from a variety of perspectives.

The audit procedures of Audit & Supervisory Board Members conform to the auditing standards established by the Audit & Supervisory Board and are conducted according to the auditing policy and division of duties. Audit & Supervisory Board Members audit the proper execution of corporate management and communicate their opinions by attending meetings of the Board of Directors and other important meetings, inspecting important approval documents, etc., and receiving

reports and conducting interviews with Directors and employees on the status of operations.

### 2. Activities of the Audit & Supervisory Board

In principle, the Company holds meetings of its Audit & Supervisory Board once a month, and otherwise as needed.

Further, Audit & Supervisory Board Members exchange opinions among themselves in advance regarding agenda items for the Board of Directors in an effort to ensure they can offer meaningful opinions at meetings of the Board.

- (1) Priority audit items for FY2023 included verifying the establishment and operation of an internal control system, focusing on the management and operations involving human capital; the establishment and operation of a system regarding profit and loss and cost management of individual models; and the development of management and supervisory systems for out-sourced development of automotive technology.
- (2) A meeting to exchange opinions was held with the Representative Directors and Outside Directors to discuss a wide range of topics, including management challenges and risk awareness. At the same time, exchanges of opinions with the management of subsidiaries were conducted to confirm the operational status of Group governance systems.

## Examples of Audit & Supervisory Board agenda items

<b>Resolutions</b>	<ul style="list-style-type: none"> <li>• Audit policies, audit plans, and division of duties</li> <li>• Consent to proposal for appointment of Audit &amp; Supervisory Board members</li> <li>• Evaluation and appointment/dismissal of Accounting Auditors</li> <li>• Consent to audit remuneration of Accounting Auditors</li> <li>• Preparation of audit report</li> </ul>
<b>Reports</b>	<ul style="list-style-type: none"> <li>• Efforts regarding the audit results from Accounting Auditors and audit quality management</li> <li>• Status of audits of head office and Group companies from their internal audit divisions</li> <li>• Status of financial reporting from the Finance Division</li> </ul>
<b>Review and Deliberations</b>	<ul style="list-style-type: none"> <li>• Audit policy and audit plans</li> <li>• Audit status and observations from each Audit &amp; Supervisory Board Member</li> <li>• Establishment and operation of an internal control system</li> <li>• Selection and review of key audit matters (KAM) with accounting auditors and reasonableness of audit results</li> </ul>

### Effectiveness evaluation of the Audit & Supervisory Board

The Audit & Supervisory Board evaluates its effectiveness by having each member review their activities, conducting evaluations via a checklist, and providing opinions and suggestions by means of surveys. These are discussed and examined collectively by all Members, and the findings are reflected in the next audit plan as action items in an effort to continually improve effectiveness.

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

Concerning 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.

#### <Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members>

The Company judges an independent person who does not fall under any of the following as an Outside Director or an Outside Audit & Supervisory Board Member:

- Persons concerned with the Company and its subsidiaries ("the Suzuki Group")
  - With regard to Outside Directors, any person who is or was a person executing business\*<sup>1</sup> of the Suzuki Group at present or in the past,
  - With regard to Outside Audit & Supervisory Board Members, any person who is or was a Director, Managing Officer, or employee of the Suzuki Group at present or in the past, or
  - A spouse or a relative within the second degree of kinship of a present Director or Managing Officer of the Suzuki Group
- Persons concerned such as business partners or major shareholders, etc.
  - Any person who is a person executing business of any

of the following:

- 1) A company whose major business partner is the Suzuki Group\*<sup>2</sup>
- 2) A major business partner of the Suzuki Group\*<sup>3</sup>
- 3) A major shareholder holding 10% or more of the total voting rights of the Company
- 4) A company in which the Suzuki Group holds 10% or more of the total voting rights
- (2) A person who is or was a representative partner or a partner of the Suzuki Group's Accounting Auditor at present or in the past five years
- (3) A person who receives a large amount of remuneration from the Suzuki Group other than remuneration for Director / Audit & Supervisory Board Member\*<sup>4</sup>
- (4) A person who receives a large donation from the Suzuki Group\*<sup>5</sup>
- (5) A spouse or relative within the second degree of kinship of a person who falls under categories (1) through (4) above

#### Notes

1. A person executing business:  
An Executive Director, an executive officer, a Managing Officer or an employee
2. A company whose major business partner is the Suzuki Group:  
A company which belongs to the group of a business partner who has received 2% or more of its consolidated net sales in the group's latest fiscal year from the Suzuki Group in any of the past three fiscal years
3. A major business partner of the Suzuki Group:  
A company which belongs to the group of a business partner who has paid 2% or more of the Suzuki Group's consolidated net sales or provides loans to the Suzuki Group worth 2% or more of its consolidated total assets in the Suzuki Group's latest fiscal year in any of the past three fiscal years
4. A person who receives a large amount of remuneration:  
In any of the past three fiscal years:  
  - A consultant or legal or accounting expert, etc., who receives annual remuneration of ¥10 million or more other than remuneration as a Director / Audit & Supervisory Board Member, as an individual
  - A consultant or legal or accounting expert, etc., who belongs to an organization that receives annual remuneration worth 2% or more of its annual total revenues
5. A person who receives a large donation:  
In any of the past three fiscal years:  
  - A person who receives an annual donation of ¥10 million or more as an individual
  - A person who belongs to an organization that receives an annual donation worth 2% or more of its annual total revenues and manages the activities that are the purpose of the donation

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

The Company provides training sessions to help Directors and Audit & Supervisory Board Members deepen their understanding of their roles and responsibilities. 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, attendance at various meetings related to business operation and management, and joining of factory inspections, to ensure that the person can deepen their understanding of the Company.

### 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. A majority of the members are Outside Directors.

The Committee on Personnel and Remuneration, etc. 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 Board of Directors delegates decisions on some matters 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.

The main issues reviewed in FY2023 were as follows:

- Appropriateness of policy for determination of individual remuneration, etc. of Directors in FY2023
- Determination of the specific details of basic remuneration for each individual Director in FY2023 (the Board of Directors has delegated this determination to the Committee on Personnel and Remuneration, etc.)
- Appropriateness of policy and procedures for determining the remuneration of Managing Officers in FY2023
- Suitability of candidates for Directors and Audit & Supervisory Board Members to be proposed at the Annual General Meeting of Shareholders to be held in June 2024.



■ **Members attending meetings of the Board of Directors, Audit & Supervisory Board, and Committee on Personnel and Remuneration, etc.**  
**(as of June 27, 2024) and attendance in FY2023**

**Knowledge and expertise of Directors and Audit & Supervisory Board Members**

\*1 ◎: Experience as President, ○: Experience as executive officer

\*2 ◎: Experience in India / emerging countries

			Board of Directors	Audit & Supervisory Board	Committee on Personnel and Remuneration, etc.	Corporate management <sup>*1</sup>	Technology / R&D / Procurement / Manufacturing / Quality	Sales / Marketing	Finance / Accounting	Legal / Risk management	ESG / Sustainability	HR development / Labor relations / HR	Overseas business / International experience <sup>*2</sup>	IT / Digital
Representative Director and President	Toshihiro Suzuki		○ 17 times / 17 times		○ 5 times / 5 times	◎	○	○			○		○	
Representative Director and Executive Vice President	Naomi Ishii	*1	○ 14 times / 14 times		○ 3 times / 3 times	◎		○			○	○	◎	○
Director and Senior Managing Officer	Katsuhiro Kato	*2	○				○			○				
Director and Senior Managing Officer	Shigetoshi Torii	*2	○			◎	○				○		◎	
Director and Managing Officer	Aritaka Okajima	*2	○			◎		○						
Outside Director	Hideaki Domichi Independent		○ 17 times / 17 times		○ 5 times / 5 times	○				○	○	○	◎	
Outside Director	Shun Egusa Independent		○ 17 times / 17 times		○ 5 times / 5 times	○	○						○	
Outside Director	Naoko Takahashi Independent Female	*1	○ 13 times / 14 times		○ 2 times / 3 times						○		◎	
Full-time Audit & Supervisory Board Member	Taisuke Toyoda		○ 17 times / 17 times	○ 13 times / 13 times					○	○	○			
Full-time Audit & Supervisory Board Member	Shigeo Yamagishi	*3	○	○			○			○	○		○	
Outside Audit & Supervisory Board Member	Norihisa Nagano Independent		○ 17 times / 17 times	○ 13 times / 13 times	△ 5 times / 5 times					○				
Outside Audit & Supervisory Board Member	Mitsuhiro Fukuta Independent		○ 16 times / 17 times	○ 12 times / 13 times	△ 4 times / 5 times		○					○		
Outside Audit & Supervisory Board Member	Junko Kito Independent Female	*3	○	○	△				○	○				

○: Committee member △: Observer

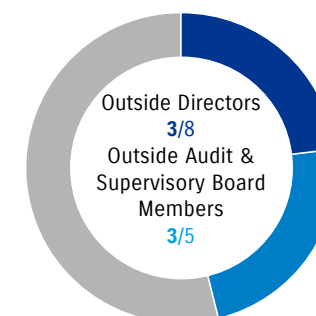
Notes: 1. Mr. Naomi Ishii and Ms. Naoko Takahashi were appointed as Directors on June 23, 2023.

Attendance records cover the Board of Directors and Committee on Personnel and Remuneration, etc. meetings held after assuming posts as Directors.

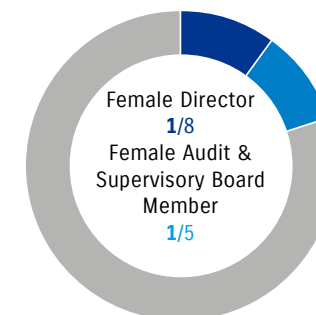
2. Mr. Katsuhiro Kato, Mr. Shigetoshi Torii and Mr. Aritaka Okajima were appointed as Directors on June 27, 2024.

3. Mr. Shigeo Yamagishi and Ms. Junko Kito were appointed as Audit & Supervisory Board Members on June 27, 2024.

■ **Outside Board Members**



■ **Female Board Members**



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

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

Also, various meetings are held periodically and whenever necessary to deliberate business plans, etc. and to receive reports 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 enhances 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 was 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 medium- 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 was restructured in April 2023 to include the President as the Chairperson, the Vice Presidents, some of the Senior Managing Officers and Managing Officers as Vice Chairpersons, and other Managing Officers and the Executive General Managers as members, with Full-time Audit & Supervisory Board Members present as observers, commencing to oversee overall risk management including compliance.

### Internal auditing

The Audit Division was established as an organization under the direct control of the President, whose 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, while also providing advice and guidance on improvements regarding audit findings.

Operational audits include on-site, remote, and paper audits to confirm the appropriateness and efficiency of overall operations, compliance with laws 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, along with proposals for improvement of matters pointed out, are reported to the President and the head of relevant divisions each time an audit is conducted. Audit results are also reported to the Audit & Supervisory Board 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 in an effort to correct issues at an early stage.

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.

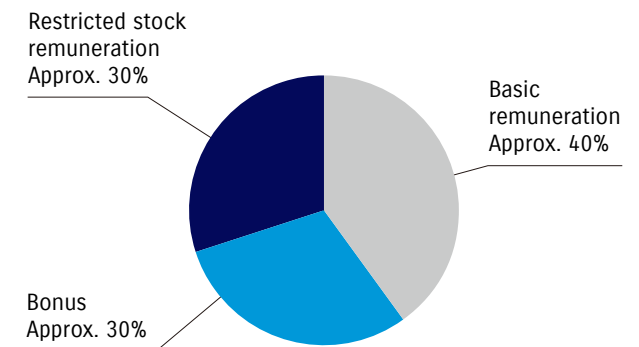
### Policy on Directors' and Audit & Supervisory Board Members' remuneration

#### a. Remuneration of Directors

Regarding the decision-making policy for individual remuneration of Directors (hereinafter, "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 Integrated 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 medium- 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.

#### ■ Estimated composition of the remuneration of Directors (excluding Outside Directors)



**[Basic remuneration]**

Basic remuneration is fixed monthly remuneration, which is determined and paid in consideration of duties and responsibilities, remuneration levels at other companies, and employee salary levels.

**[Bonus]**

Bonuses are paid to Directors (excluding Outside Directors) in order to raise awareness of improvement of each fiscal year's performance and function as an incentive for continuous improvement of corporate value. 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 based on position predetermined by the Board of Directors. The performance indicator is consolidated operating profit from the perspective of company profitability.

**[Restricted stock remuneration]**

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 a 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 of Audit & Supervisory Board Members**

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

**■ Amount of remuneration in FY2023**

Officer classification	Total amount of remuneration (Million yen)	Total amount of remuneration by type (Million yen)			Number of eligible officers
		Basic remuneration	Bonus	Restricted stock remuneration	
Directors (excluding Outside Directors)	598	213	232	152	7
Outside Directors	38	38	—	—	3
Total	636	251	232	152	10
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	64	64	—	—	2
Outside Audit & Supervisory Board Members	41	41	—	—	3
Total	106	106	—	—	5

Note: The above remuneration for Directors (excluding Outside Directors) includes the amount paid to 2 Directors who retired with the completion of their terms as of the conclusion of the 157th Annual General Meeting of Shareholders held on June 23, 2023.  
The bonus and restricted stock remuneration are the amounts recorded as expenses in FY2023.

## Dialogue with shareholders and others

In the belief that understanding the interests and concerns of the shareholders through constructive dialogues from a mid- and long-term perspective will contribute to the Company's sustainable growth and the mid- and long-term enhancement of corporate value, the Company is striving to promote dialogue with its shareholders.

In FY2023, the number of meetings held with shareholders and others totaled 369, involving 1,157 companies and 1,525 participants.

Following are the policies designed to encourage sound dialogue with shareholders.

### 1. Person in charge of IR

A Director in charge of IR is on-site in Tokyo, with a dedicated department serving as the point of contact for IR inquiries. To support this, a department responsible for preparing disclosure materials, such as financial statements and IR documents, has been set up at the head office.

Dialogue with shareholders and others shall be conducted to a reasonable extent, taking into account shareholder requests and main areas of interest. As a general rule, these engagements shall be handled by Directors or senior management with sufficient knowledge and experience to provide precise explanations.

In FY2023, the Director in charge of IR handled 64 out of 369 meetings (17%).

### 2. Collaboration with relevant departments

The IR contact department in Tokyo and the IR support department in the head office collaborate with other relevant departments to review and share their understanding in advance based on the topics for dialogue with shareholders and others. Relevant departments may also attend depending on the topic.

### 3. Dialogue methods

In addition to individual meetings, we hold quarterly financial results briefings for securities analysts and institutional investors, investor conferences in Japan and overseas, and IR events such as new car launch events, business and technical briefings as needed. We also strive to enhance the IR-related materials, including English-language translations, available on the Company's website.

Of the 369 meetings held in FY2023, 253 (69%) were conducted online via teleconferences, web meetings, or similar methods.

Online meetings allowed for engagement with numerous overseas institutional investors; among the 1,157 we met with in FY2023, 718 (62%) were overseas institutional investors.

#### <Key dialogue topics>

Of 369 meetings, 21 (6%) were related to ESG, including meetings with individuals responsible for exercising voting rights.

In normal meetings, the main topics of discussion include the state of our key markets, such as the market for automobiles in India and Japan, our electrification strategy, financial figures, shareholder returns and others, discussions which contribute to enhancing corporate value.

Exchanges of opinions ranged widely in ESG meetings as well, covering topics including measures for carbon neutrality, growth strategies, human rights, women's empowerment, investments in human capital, and corporate governance, among other topics.

### 4. Feedback

Opinions, interests and concerns obtained through meetings with shareholders and others are reported to management in an appropriate manner, and utilized in promoting the Company's sustainable growth and medium- to long-term enhancement of corporate value.

In FY2023, a total of 17 opinions and concerns of shareholders and others were reported to management. In addition, regular meetings with management focusing on IR topics were initiated in the latter half of the fiscal year. These efforts contributed to a qualitative improvement in information disclosure and were reflected in a variety of measures, including the implementation of growth strategy briefings, the appointment of women as Outside Directors, improvements in financial disclosure documents and integrated reports, and the execution of share buybacks, among others.



## 5. Controlling insider information

Insider information is tightly controlled to prevent leaks outside the Company.

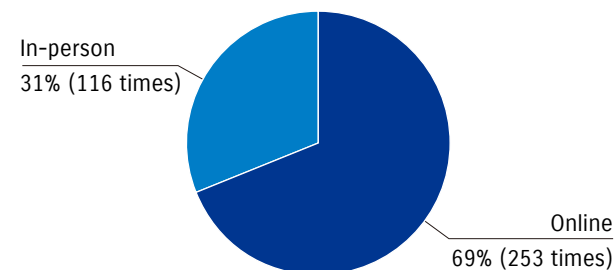
We have established a quiet period of about one month prior to our financial results announcement, during which we limit our dialogue with shareholders and others regarding information on financial results.

During our dialogues with shareholders and others, responses are handled, in principle, by multiple members in the interest of mutual oversight.

### ■ FY2023 result

Number of meetings held		Number of companies	Number of people
Total	Of which, ESG meetings		
369	21	1,157	1,525

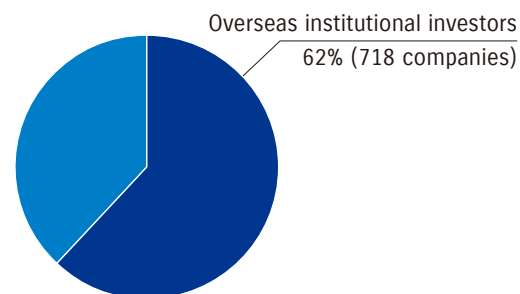
### ■ Type of meeting



## 6. Fair information disclosure

We strictly observe the Fair Disclosure Rule stipulated in the Financial Instruments and Exchange Act when disclosing information to investors, securities analysts, and other related parties.

### ■ Ratio of overseas institutional investors attending meetings



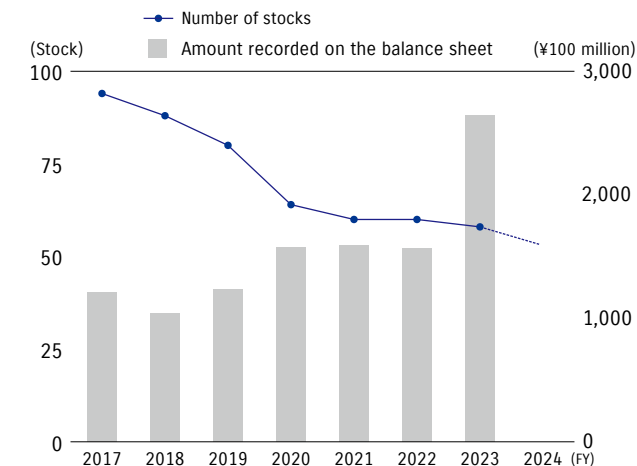
## Cross-shareholdings

For the Company's sustainable growth and the mid- to long-term enhancement of corporate value, Suzuki may hold shares of business partners and others when deemed beneficial for creating business opportunities, forming business alliances and building, maintaining, and strengthening transactional and cooperative relationships.

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.

Note that as of the end of FY2023, we have identified four stocks which will be subject to sale during FY2024.

### ■ Change in the number of cross-shareholdings of listed companies



# Compliance System and Risk Management System

## Compliance

### Basic policy

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

On the basis of the tradition and spirit passed down since the Company's founding, in 1962 Suzuki established the Mission Statement, which 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 9 of Corporate Philosophy for details.)

In 2016, Suzuki formulated the Suzuki Group Code of Conduct in line with the spirit of the Mission Statement, 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 has established the Corporate Governance Committee, which directly reports to the Board of Directors. The Committee examines matters to ensure compliance and risk management, as well as to promote measures and policies to address cross-organizational issues in cooperation with related departments. 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.

Following the resolution of the Board of Directors in March 2023, the Committee was restructured in April 2023 to include the President as Chairperson, the Vice Presidents, some of the Senior Managing Officers and Managing Officers as Vice Chairpersons, and other Managing Officers and the Executive General Managers as members, with Full-time Audit & Supervisory Board Members present as observers, commencing to oversee overall risk management including compliance. Also, in June and July 2024, following resolutions by the Board of Directors, the structure and agenda items of the Committee and the executive and business operations committees were reorganized and clarified to enhance timely reporting to management and the effectiveness of deliberations.

The 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)

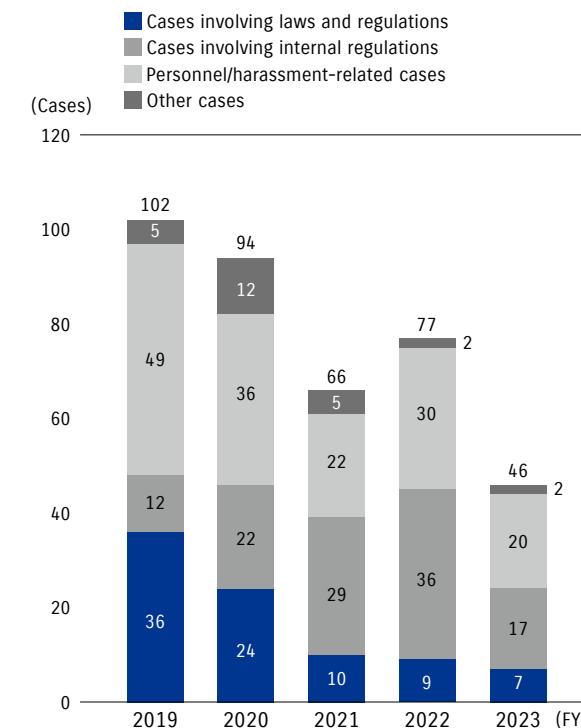
With the aim of preventing and promptly addressing non-compliance matters, Suzuki has established whistleblowing hotlines (Suzuki Group Risk Management Hotline; two internal hotlines and one external hotline (law firm)) based on a whistleblowing system. The hotlines accept reports from all Suzuki Group executives and employees (including temporary employees, fixed-term contract employees, and retired

employees), regardless of whether in Japan or overseas, and from external parties such as business partners and contractors. Rules for whistleblower protection have been established at whistleblowing hotlines, covering matters such as protecting the anonymity of whistleblowers and maintaining the confidentiality of report content, thereby establishing a system that allows whistleblowers to report on breach of laws and regulations or their possibility without facing any disadvantageous treatment.

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 (FY2019–FY2023) is as follows:

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



\* Total of compliance-related cases only

## Compliance-related education

The Suzuki Group offers internal compliance-related education and training. Primarily through rank-based group training, education programs suited to each level, from newly hired employees to management supervisors, are selected and implemented on a systematic, ongoing basis.

### ■ FY2023 results

Scope	Suzuki Motor Corporation	Suzuki Group domestic distributors and Group sales companies, etc.
Number of participants	1,169	3,886
Scope of training	<ul style="list-style-type: none"> <li>• New recruit seminar</li> <li>• Training for newly appointed employees with job titles (assistant manager / supervisor / foreman / manager / Executive General Manager class)</li> </ul>	<ul style="list-style-type: none"> <li>• New recruit seminar</li> <li>• 2nd-year seminar / 5th-year seminar / 7th-year seminar</li> <li>• Training for newly appointed site managers</li> <li>• Training for newly appointed employees with job titles (assistant manager / manager)</li> <li>• Training for dealership and plant managers</li> </ul>
Main topics	Labor management, safety and health management, fire prevention management, whistleblowing, harassment, intellectual property (copyright, etc.), Subcontract Act, and security export control, among other topics	

### ● Daily compliance quiz

To foster a culture of everyday awareness of compliance, an e-learning program that displays one compliance-related quiz question a day when employees and executives start up their work computers has been running daily since June 2017.

## Compliance-related initiatives

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

Remember 5.18 activities so that we never forget the improper sampling inspection of fuel efficiency and exhaust gas in 2016 as well as the improper conduct regarding final vehicle inspection in 2018, are 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. Since FY2023, Suzuki has conducted Company-wide “stocktaking” activities as a general inspection, focusing on the relationship between operations and laws and regulations. These activities involve reviewing daily operations to identify and resolve issues while they are still minor.

In FY2024, these activities were expanded to 55 distributors in Japan and 5 major sites overseas. This fiscal year's “stocktaking” activities primarily focused on issues with tasks affected by legal and other changes and newly added responsibilities, which were shared Company-wide, emphasizing personal accountability and reaffirming that Team Suzuki will work together to address them. Numerous tasks have improved since last fiscal year, and these activities are beginning to yield results. Efforts to improve daily operations will continue. Next fiscal year, we will expand these activities to overseas sites that have not yet been covered, further strengthening the Suzuki Group's overall framework for engaging in compliance efforts.

We continued to hold worksite discussions. 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. In FY2023, the President visited offices and sites in 39 Suzuki Motor Corporation locations throughout Japan.



The Remember 5.18 activities in session (held on May 17, 2024)

## Risk management

### Risk management system

Suzuki has established the Corporate Governance Committee under the Board of Directors. The Committee has been established to examine matters to ensure compliance and risk management, as well as to promote the implementation of measures to address cross-organizational issues in cooperation with related departments.

The Company ensures that issues occurring or recognized in any department are deliberated on promptly by the Corporate Governance Committee or another committee, depending on their urgency and severity. The Company checks concerns regarding 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, and final vehicle inspections, as well as newer issues such as climate change and decarbonization, and issues of shortages of semiconductors and other parts or raw materials. Particularly important issues are discussed and reported by the Board of Directors.

### 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 in which the prolonged response to quality issues causes significant 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, and General Managers, etc.

### Establishing a tax policy

Suzuki established the Suzuki Group Tax Policy as the basic policy for thorough tax compliance and to conduct appropriate tax payments.  
(Established in December 2022 and revised in September 2024)

#### Tax Policy of the Suzuki Group

The Suzuki Group (hereinafter, “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 through tax payments and strive to contribute to society.

(Legal Compliance)

We shall comply with the tax laws and tax treaties of individual countries and adhere to the spirit of international standards such as the OECD Transfer Pricing Guidelines and the BEPS Action Plan, thereby ensuring fair and equitable payment of taxes while also not engaging in unjust tax avoidance practices.

(Governance)

The executive officer in charge of finance oversees tax matters for the entire Suzuki Group. We have established appropriate reporting systems to deal with tax risks as part of an internal control mechanism, with the Board of Directors receiving reports on tax filings and other matters. Audit & Supervisory Board Members also attend those meetings and verify the content of the filings. Management strives to resolve tax risks that are crucial and/or require immediate attention through deliberations at meetings of the Board of Directors as necessary. Regular in-house training is conducted for every employee to deepen understanding and awareness of tax compliance.

(Relationship with Tax Authorities)

We shall take every possible opportunity to foster a trustworthy relationship with tax authorities. In addition, if there is a lack of mutual understanding with the tax authorities, we shall promptly communicate with them. 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 of the applicable double taxation risks arising because 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 inter-company transactions. Furthermore, as a Group, we shall strive to eliminate the risk of double taxation by consultation with tax experts, negotiation with relevant tax authorities, and implementation of applicable remedies.

### Efforts for preventing corruption

While acknowledging the existence of differences in laws and regulations related to competition such as anti-trust 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. We will work to prevent all forms of corruption, including bribery.

#### ● Efforts for preventing bribery

“Compliance” is included in the Suzuki Group Code of Conduct, and provisions regarding both “Bribery” and “Entertaining” are stipulated in the Compliance Handbook in an effort to prevent bribery.

To further clarify our approach to prohibiting bribery, in March 2024, following a resolution of the Board of Directors, we established the Suzuki Group’s basic policy regarding prohibition of bribery. Fully recognizing that bribery can lead to severe penalties and the loss of public trust in every country, we act in accordance with this basic policy to ensure we have no involvement in bribery or other unlawful practices.

We also require all business entities involved in our operations (including business partners, joint venture partners, consultants, agents, etc.) to comply with this basic policy.



## Suzuki Group's Principles on the Prohibition of Bribery

### 1. Purpose

The purpose of these Principles is to ensure that Suzuki Motor Corporation and its consolidated subsidiaries (hereinafter collectively referred to as "Suzuki Group") and their officers and employees avoid involvement in any act of bribery and comply with the anti-bribery laws and regulations of all applicable countries, thereby fostering compliance with such anti-bribery laws and contributing to fair and ethical business practices.

### 2. Scope of Application

The scope of application of these Principles shall be Suzuki Group companies and their directors, officers, and employees.

### 3. Prohibition of Bribery

- i) The Suzuki Group shall not, directly or through intermediaries, offer, promise, or authorize any financial or other benefits to any public official or any officer or employee of other entity, whether domestically or internationally, for the purpose of obtaining or maintaining an improper advantage for the Suzuki Group, or to improperly influence the performance of his/her duties and responsibilities.
- ii) The Suzuki Group shall not, directly or through intermediaries, request or accept, or promise to accept, any financial or other benefits offered in connection with a transaction, whether domestically or internationally, for the purpose of improperly influencing the Suzuki Group's business decision-making or the performance of its duties and responsibilities.

For the sake of clarity, in any of the cases mentioned in i) and ii) above, such entertainments, gifts, etc. that, based on circumstances such as timing, item, amount, frequency, and other relevant circumstances, are for ceremonial/festive purposes, or for other legitimate purposes, and do not exceed the scope of socially acceptable limits, shall not be deemed to contradict these Principles.

### 4. Prohibition of Facilitation Payments

The Suzuki Group shall not make any facilitation payments (i.e., minor payments to facilitate standard administrative processes) to public officials in any country or territory in connection with the Suzuki Group's business activities.

### 5. Bribery by Business Partners, etc.

The Suzuki Group shall also require all business entities (including business partners, joint venture counterparties, consultants, agents, etc.) involved in its operations to comply with these Principles. If it is found that, or if there is good reason to believe that, another entity has engaged in bribery in connection with the business activities of the Suzuki Group, the Suzuki Group shall not engage in any transactions with such entity, and if the Suzuki Group is engaged in a transaction with such entity, the Suzuki Group shall terminate such transaction.

### 6. Records Management

The Suzuki Group shall prepare and maintain reasonably detailed, accurate and fair accounting records of all transactions and dispositions of assets (including, but not limited to, entertainments and gifts) in connection with the business activities of the Suzuki Group.

### 7. Prior Consultation

In the event of any doubts or uncertainties in relation to these Principles or in the event of noticing any wrongdoing, immediately report such doubts, uncertainties, or wrongdoing to your supervisor and consult the Legal Department (or a lawyer if the Legal Department is unavailable). (Please see below for the definition of terms used in these Principles.)

### Definitions

- a) The term "public official" shall mean any of the following:
  - i) Officials of the government, ministries and agencies, and local governments;
  - ii) Officers and employees of government-affiliated companies and entities\* (\*i.e., companies and entities that are de facto controlled by the government, ministries and agencies, local governments, etc.);
  - iii) Officers and employees of companies and entities engaged in specific activities related to the public interest;
  - iv) Officials of international organizations;
  - v) Politicians, and officers and employees of political party;
  - vi) Officers and employees of the government, ministries and agencies, local governments, government-affiliated companies and entities, and business entities entrusted with administrative tasks by international organizations (e.g. testing institutions, etc.); or
  - vii) Individuals equivalent to any the above-mentioned individuals (including candidates for such individuals).
- b) The term "financial or other benefits" shall mean the following:
  - i) Cash, coupons, gift certificates, gifts, stocks, loans, collateral, or guarantees;
  - ii) Invitations to sports events, theatrical performances, trips, etc.;
  - iii) Donations and sponsorship expenses;
  - iv) Gratuities, rebates, promotional expenses, or discounts;
  - v) Opportunities for employment, schooling, or similar advancement to an individual or their relatives; or
  - vi) Benefits equivalent to any of the above.

### ● Compliance Handbook

Suzuki strives to prevent misconduct by specifying prohibited acts in its Compliance Handbook (e.g., making facilitation payments, providing entertainment for public officials who have an influence on corporate activities, etc.). Foreign language versions of the Handbook have been prepared and it is also being made available to Group companies.

### ● Internal regulations regarding entertainment

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 thorough education in this area. Moreover, Suzuki is working to raise the level of understanding among employees by distributing a Compliance Handbook and Competition Law Handbook, which cite specific prohibited behavior in an easily comprehensible manner.

- Cartel and bid-rigging regulations (exchanging information with competitors, business alliances and OEMs, bid rigging)
- Regulations on unfair trade practices (unjust discriminatory treatment, resale price constraints, transaction term constraints, tie-in sales, abuse of superior bargaining position, misleading representations)
- Emergency response (prior consultation, cooperation with on-site inspections by government authorities)

## Risks to business, etc.

Business-related risks	<b>Climate change and the transition to a decarbonized society</b>	<p>Climate change risks have been receiving increasing attention for their social and political implications, including regulatory measures, in Japan and other countries worldwide. These risks include those associated with the transition to a low-carbon society and physical risks caused by climate change.</p> <p>Among the risks associated with the transition to a low-carbon society, the Suzuki Group recognizes that risks of particular importance are the imposition of fines and lost sales opportunities due to increasingly stringent CO<sub>2</sub> and fuel efficiency standards for automobiles, the growing burden of research and development expenses to ensure regulatory compliance, and the increase in operating costs, etc. due to implementation or reinforcement of carbon tax and other systems. These risks may have a negative impact on the Suzuki Group's business performance and financial position. In addition, there is a possibility that corporate value may decline due to changes in customer preferences and investor behavior.</p> <p>The physical risks of climate change include both the long-term impacts of climate change, such as increases in energy costs due to rising average temperatures and supply chain stagnation and higher production costs due to changes in water resource risks, as well as the impacts of sudden weather changes, such as damage to business locations and the suspension of business activities due to the increasing frequency and severity of natural disasters. In order to respond to sudden weather changes, we are working to formulate a BCP that focuses on flood disasters, but the physical risks of climate change may have an adverse effect on the business performance and financial position of the Suzuki Group.</p>
	<b>New product development and introduction capabilities</b>	<p>The Suzuki Group is committed to continuous technological innovation and product development in order to rapidly respond to customer needs and changes in the automotive environment, and to bring to market attractive new products that satisfy our customers. This includes strengthening our development capabilities with an eye to the future, such as improving environmental performance and introducing advanced technologies. We are also working on initiatives in a wide range of areas, such as securing and developing talented employees, building an efficient production system, and optimizing parts procurement.</p> <p>However, if we are unable to accurately grasp rapid changes in the market, such as declining demand due to economic downturns in Japan or overseas, growing demand for environmental performance, and the spread of vehicles equipped with advanced technology, and are unable to develop and launch new products in a timely manner, our sales share and revenue may decline, which could have an adverse effect on our business performance and financial position.</p>
	<b>Compliance</b>	<p>The Suzuki Group has established the Suzuki Group Code of Conduct to ensure that officers and employees perform their duties in a sound manner, established a Corporate Governance Committee, prepared business rules and manuals including rules for compliance with business-related laws and regulations, approval and decision-making procedures, and confirmation procedures by other departments, conducted compliance training and training on individual laws and regulations, and established a whistleblowing system (Suzuki Group Risk Management Hotline). In this way, we have taken measures to prevent violations of laws and regulations and to promptly respond to any cases involving compliance issues.</p> <p>However, if unforeseen circumstances result in a violation of laws and regulations or an inadequate response, it may have a significant impact on the Suzuki Group's credibility in society, which may have an adverse effect on the Group's business performance and financial position.</p>
	<b>Human capital recruitment and development</b>	<p>We are actively recruiting more than ever before, not only in Japan but also in India, focusing on talent in specialized fields such as bolstering electrification technology, advanced safety technology, and digital technology, and we are also focusing on human capital development after hiring. In addition, in order to create an environment that increases the Company's creative value by increasing opportunities for each employee to learn, supporting them in new challenges and taking action, and improving their individual job capabilities, we have completely revamped our personnel system from April 2024. Furthermore, in order to enable employees with various personalities and values to fully demonstrate their individual capabilities, we respect diversity in terms of attributes such as gender, age, nationality, race, religion, and disability, and strive to promote employees fairly and without discrimination, as well as work to create good working environments.</p> <p>However, if we are unable to secure personnel due to a tight labor market or intensifying competition for talent, if our personnel training is insufficient, or if we are unable to create working environments that respect the diversity among our employees, this may have an adverse effect on our business performance and financial position.</p>
	<b>Issues related to procuring parts from suppliers</b>	<p>Based on comprehensive consideration of factors such as technological capabilities, quality, and price competitiveness, we are diversifying our parts suppliers and working to ensure stable procurement.</p> <p>However, depending on the parts, procurement may rely on specific suppliers, or even if the Suzuki Group has diversified its primary suppliers, the primary suppliers may depend on specific secondary or subsequent suppliers for parts procurement. If the Suzuki Group is unable to secure a continuous and stable supply of these parts due to market conditions, disasters, economic security conditions, or the discovery of human rights violations, this could cause delays or suspensions in the Suzuki Group's production, or increase costs. As a result, this could have an adverse effect on our business performance and financial position.</p>
	<b>Human rights violations</b>	<p>The Suzuki Group conducts business internationally and our operation is conducted on the basis of the principle of respect for human rights in the supply chain.</p> <p>However, the challenge is that it is difficult to fully manage the working environment and human rights situation not only of our Group companies, including our manufacturing and non-manufacturing subsidiaries, and sales subsidiaries, but also of our entire global value chain, including our business partners and their secondary business partners and beyond. Human rights violations, such as child labor, forced labor, discriminatory labor practices, and issues regarding the health and safety of workers, may not only result in economic losses such as legal liability, fines, and liability for damages, but may also have a significant impact on the Suzuki Group's social credibility, including damage to our brand image and loss of trust from customers, and may have an adverse effect on the Group's business performance and financial position.</p>

<b>Business-related risks</b>	<b>Quality assurance</b>	The Suzuki Group considers making products of high quality as an important management issue and has made it a high priority in its mid-term management plan. However, if a large-scale recall were to occur, not only would it result in significant quality-related costs, but it could also damage the Suzuki Group's brand image, which could have an adverse effect on our business performance and financial position.
	<b>Data security and cybersecurity</b>	Throughout our entire portfolio of business activities, the Suzuki Group creates, processes, and accumulates electronic data for design development, production, sales, accounting, and other activities, and these systems are updated and modified as necessary. In addition, various electronic control devices are built into our products, and these devices are essential for controlling vehicles and equipment. Although security measures are implemented for these systems and devices, there are still risks, such as from cyberattacks by hackers or viruses, system failures, and infrastructure shutdowns. The threat of cyberattacks in particular is increasing and in the past our overseas subsidiaries have been targeted. If a similar incident were to occur, it could result in business interruptions, data corruption or loss, and leaks of confidential information, which could have an adverse effect on our business performance and financial position. Furthermore, although the Suzuki Group strives to protect personal information and confidential information related to management, business, and technology, such information may leak out or be used improperly due to unforeseen circumstances. In such cases, legal claims, lawsuits, liability for damages, payment of fines, etc. may occur, which may also have an adverse effect on our business performance and financial position.
	<b>Reliance on particular business or market</b>	For the consolidated fiscal year under review, net sales in India accounted for just over 40% of the Suzuki Group's consolidated net sales across our entire business, including the automobile business, motorcycle business, and other business segments. However, if demand, market conditions, and competition with other companies in the same industry related to these businesses exceed predictable levels, this could have an adverse effect on our business performance and financial position.
	<b>Tie-ups with other companies</b>	The Suzuki Group is engaged in various collaborative activities with other companies, including domestic and foreign automobile manufacturers, in areas such as research and development, production, sales, and finance. However, factors beyond the Group's control, such as circumstances specific to individual partners, could have an adverse effect on our business performance and financial position.
<b>Market-related risks</b>		Changes in economic conditions, fluctuations in market demand Intensification of competition with other companies
<b>Finance- and economic-related risks</b>		Fluctuations in exchange rates and interest rates Fluctuations in raw materials and parts prices
<b>Risks related to politics, regulations, legal procedures, disasters, etc.</b>		Government regulations, etc. Protection of intellectual property Legal procedures Business development in countries around the world Impacts from natural disasters, pandemics, conflicts, terrorism, strikes, etc.

Note: For details on each risk, please refer to the Securities Report.

# Financial Review

## Business segments and scope of consolidation

The Group consists of the Company, 121 subsidiaries, and 32 affiliates. The main businesses are the manufacturing and marketing of automobiles, motorcycles, outboard motors, and motorized wheelchairs, as well as logistics and other services related to the respective operations.

## Management results of FY2023

Regarding the business environment surrounding the Group during FY2023, production and sales of automobiles increased year on year as the impact of the semiconductor shortage was alleviated, and the model mix was also improved. In addition, sales prices for automobiles were revised to an appropriate level in line with increased costs, while other factors such as foreign exchange effects and stabilization of raw material prices in India also provided a boost, leading net sales and all levels of profit to new record highs.

For FY2023, net sales increased by ¥732.6 billion (15.8%) to ¥5,374.3 billion year on year. Operating profit increased by ¥115 billion (32.8%) to ¥465.6 billion year on year. Ordinary profit increased by ¥105.7 billion (27.6%) to ¥488.5 billion year on year. Profit attributable to owners of parent increased by ¥46.6 billion (21.1%) to ¥267.7 billion year on year.

## R&D expenses

Under our motto to develop products of superior values by focusing on the customer, we are working on R&D as follows to deliver products and services that support the daily lives of customers worldwide while being eco-friendly, always accessible and dependable, as a lifestyle partner.

The Company is engaged in technology development aimed at realizing its principle, “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty),” and minimizing energy consumption throughout the mobility life cycle. Through products created under this principle, the Company will realize a sustainable, carbon-neutral society and provide the joy of mobility to people throughout the world.

In its Mid-Term Management Plan “Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)” (April 2021 to March 2026), Suzuki has declared its commitment to assuring people's means of mobility as one of the plan's basic philosophies. While focusing on this, the production, engineering, procurement, and IT departments of Suzuki are working together and taking up the challenge of quality improvement and assurance using AI and strengthening our data utilization infrastructure in order to deliver valued products and services to customers. These efforts are part of our Suzuki Smart Factory Creation initiative. Mass production of manufacturing technologies for electrification is under consideration, and in the area of CO<sub>2</sub> emissions reduction in manufacturing, we have introduced a dry booth and upgraded to painting equipment that uses recycled booth exhaust at our Kosai Plant (production to start from March 2025). We are also using materials handling conveyor vehicles powered by hydrogen fuel cells, and we have been gathering data from these (since December 2022).

In FY2023, R&D expenses of the entire Group amounted to ¥234.2 billion, and the breakdown of activities by segment is as shown below.

Segment	R&D expenses (Billion yen)
Automobile business	210.8
Motorcycle business	17.6
Marine business	5.5
Other	0.4
Total	234.2

## Capital expenditures

Capital expenditures for FY2023 were ¥321,536 million, which were used for production, R&D, and marketing facilities, etc. Breakdown by segment is as per below.

Segment	Capital expenditures (Million yen)
Automobile business	308,114
Motorcycle business	10,159
Marine business	2,884
Other	378
Total	321,536

Notes: 1. Capital expenditure amounts are the total of the Company and its subsidiaries.  
 2. Investments in each segment are as per below.  
 In the automobile business, the Company made capital expenditures of ¥56,504 million, mainly for expansion of production capacity and improvement of production quality. Maruti Suzuki India Limited also made capital expenditures of ¥165,604 million, mainly for production facilities for new models and expansion of production capacity.  
 In the motorcycle business, the Company made capital expenditures of ¥3,875 million, mainly for expansion of production facilities. Suzuki Motorcycle India Private Limited also made capital expenditures of ¥1,946 million, mainly for production facilities for new models.  
 In the marine business, the Company made capital expenditures of ¥1,668 million.  
 3. The amount of capital expenditure presented includes investments in property, plant and equipment as well as in intangible assets.



## Liquidity and source of funds

### Financial position

With respect to the financial position at the end of FY2023, total assets were ¥5,385.6 billion (increased by ¥807.9 billion year on year). Total liabilities were ¥2,247.2 billion (increased by ¥178.1 billion year on year). Total net assets were ¥3,138.4 billion (increased by ¥629.8 billion year on year).

As for borrowings, we intend to maintain the current borrowing level owing to the growing risk of a global economic recession.

### Cash flows

The balance of cash and cash equivalents at the end of FY2023 amounted to ¥853.6 billion (decreased by ¥28.5 billion year on year). Cash flows for FY2023 are as follows.

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

Net cash provided by operating activities for FY2023 amounted to ¥446.0 billion. Increased profit resulted in an increase of ¥159.4 billion compared to inflows of ¥286.6 billion in the same period of the previous fiscal year.

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

Net cash used in investing activities for FY2023 amounted to ¥433.9 billion, a decrease of ¥131.2 billion compared to outflows of ¥302.7 billion in the same period of the previous fiscal year. This was mainly caused by purchases of property, plant and equipment. As a result, free cash flow amounted to inflows of ¥12.2 billion, an increase of ¥28.2 billion compared to outflows of ¥16.0 billion in the same period of the previous fiscal year.

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

Net cash used by financing activities for FY2023 amounted to ¥81.2 billion, a decrease of ¥112.8 billion compared to inflows of ¥31.6 billion in the same period of the previous fiscal year.

### Sources of capital and liquidity of funds

The Group maintains an appropriate level of cash on hand giving consideration to the management environment, while deliberating on fund procurement plans in the Executive Committee to conduct appropriate allocation of management resources for growth through strategic investment, R&D expenditure, and so forth, in a stable manner. In managing the liquidity of the Group's funds, risk is managed by creating a cash turnover plan, which is updated appropriately as needed. In addition, the Group's policy is to retain a certain level of liquidity on hand to respond to sudden external environmental changes.

As of March 31, 2024, the Group's cash and cash equivalents stood at ¥853.6 billion, which corresponds to 1.9 months' worth of sales turnover, indicating sufficient liquidity.

## Dividend policy

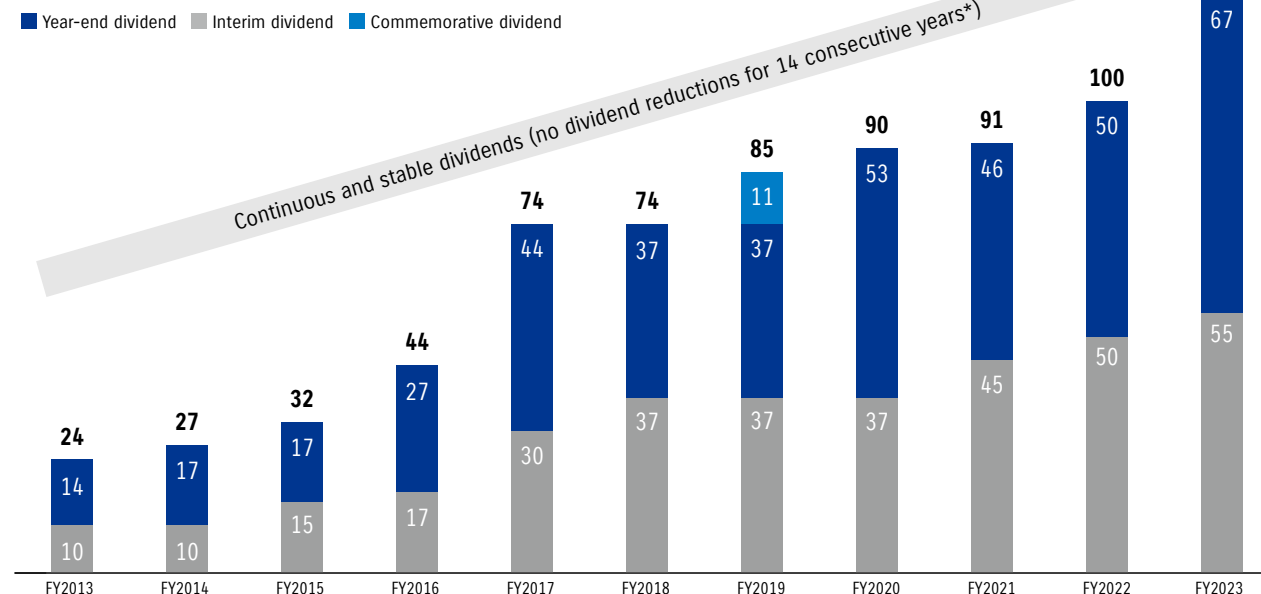
The Company maintains a progressive dividend policy that ensures continuous and stable dividends.

Our basic policy is to pay dividends from surplus twice a year in the forms of interim and year-end dividends. In accordance with the Articles of Incorporation, the decision-making bodies for dividends are the Board of Directors for the interim dividend and the General Meeting of Shareholders for the year-end dividend.

Based on our basic policy of paying progressive dividends, the annual dividend for the current consolidated fiscal year will be ¥122 per share, an increase of ¥22 year on year. As a result, the year-end dividend will be ¥67 yen per share, since we paid an interim dividend of ¥55 yen per share.

Regarding the use of retained earnings, we will sustainably increase our corporate value by continuing to invest in growth.

#### ■ (Reference) Trends in dividend per share (Yen)



\* No dividend reductions (progressive dividend) since FY2010

# Financial and Non-Financial Highlights

## ■ Suzuki's strengths

Strength	Reference
<b>Penetration of hybrid vehicles and CNG vehicles</b> • Ratio of hybrid vehicles and CNG vehicles (FY2023) ■ Japan ..... <b>53.2%</b> ■ India ..... <b>41.8%</b> ■ Europe ..... <b>90.8%</b> ■ Global ..... <b>43.0%</b>	<b>P.23</b> Climate Change Suzuki has been working to popularize hybrid electric vehicles (HEVs) and compressed natural gas (CNG) vehicles as part of its efforts against climate change. In FY2023, HEVs and CNG vehicles accounted for 43.0% of Suzuki's global sales. HEVs and CNG vehicles accounted for over half of sales in Japan and more than 90% of sales in Europe. We plan to focus on promoting the widespread use of HEVs and CNG vehicles in India as well.
<b>Large market share in Japan and India</b> • Market share (FY2023) ■ Japan (mini vehicles).... <b>34.0%</b> ■ India (passenger cars) .. <b>41.6%</b>	<b>P.80</b> Business Overview Suzuki has also been working to popularize mini vehicles in Japan and compact cars in emerging countries, which provide an indispensable means of mobility for local communities and people's daily lives. In FY2023, Suzuki's mini vehicle market share was 34.0% in Japan, and its passenger car market share was 41.6% in India. We will continue to aim for a mini vehicle market share of 30% or more in Japan and a passenger car market share of 50% or more in India.
<b>Solid financial performance</b> • Consolidated profit ■ Consecutive years of profits..... <b>73</b>	<b>P.15</b> Value Creation Steps <b>P.72</b> Financial Review Suzuki's consolidated profit has been positive for 73 consecutive years since the fiscal year ended November 30, 1950. The shareholders' equity ratio was 46.3% as of March 31, 2024. We will continue to improve the shareholders' equity ratio as an important management priority, while maintaining a healthy balance in securing funds.

## ■ Countries where Suzuki has the No. 1 market share for automobiles (FY2023)

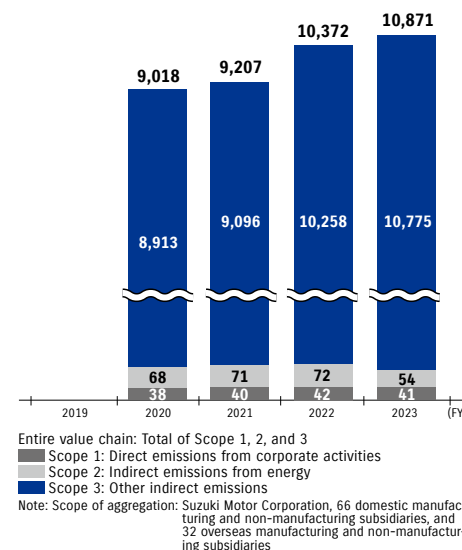
**10**  
countries

Asia | Pakistan, India, Bhutan  
 Europe | Hungary  
 Latin America | Barbados, Bolivia  
 Africa | Côte d'Ivoire, Djibouti, Angola, Mauritius

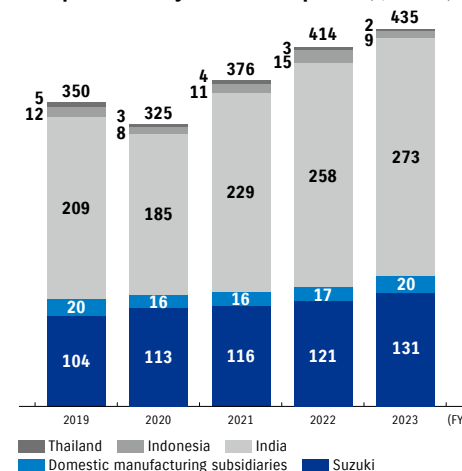
Note: Results for FY2023, research by Suzuki  
 • India and Hungary figures are the share for passenger vehicles.  
 • Pakistan figures exclude imported vehicles.

## Non-financial

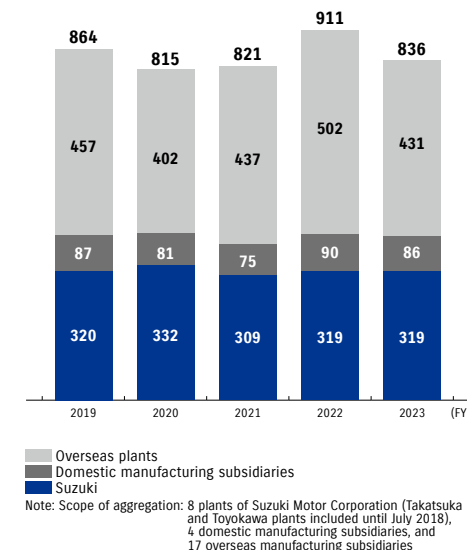
### ■ CO<sub>2</sub> emissions from the entire value chain (10,000 t-CO<sub>2</sub>)



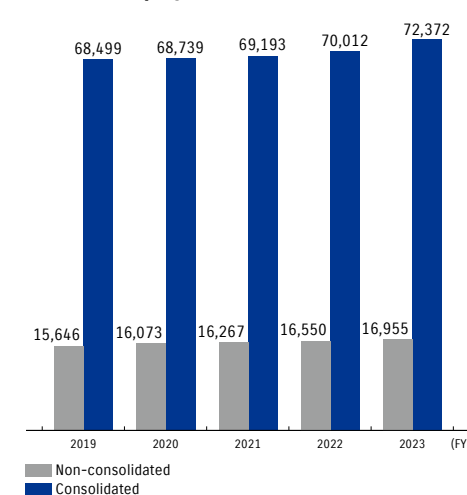
### ■ Total waste discharge amount at plants in Japan and major overseas plants (1,000 tons)



### ■ Amount of water used at plants in Japan and major overseas plants (10,000 m<sup>3</sup>)



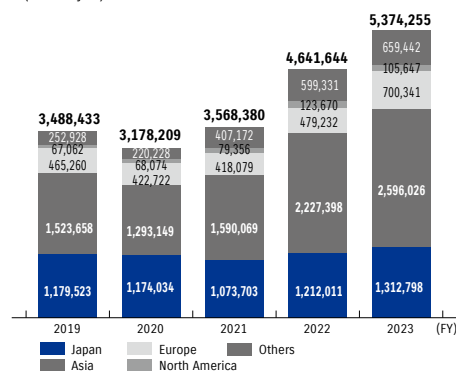
### ■ No. of employees (Persons)



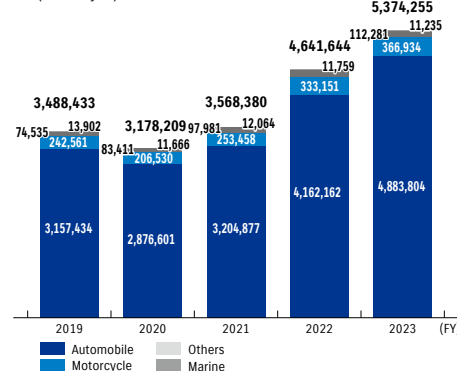
Financial Review | **Financial and Non-Financial Highlights** | 11-Year Major Financial / Non-Financial Data | Global Network | Major Product Lineup |  
 Business Overview [Automobile Business] | Business Overview [Motorcycle Business] | Business Overview [Marine Business] | Company Information | Stock and Other Information

## Financial

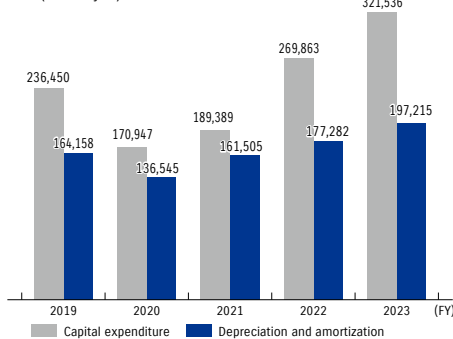
### Net sales by geographic region (Million yen)



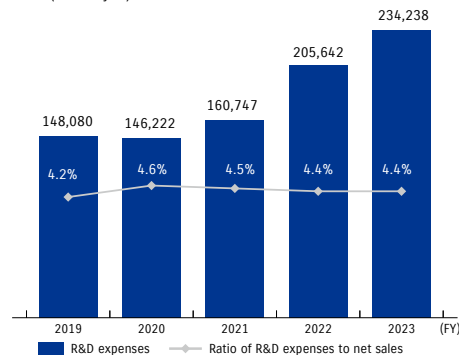
### Net sales by segment (Million yen)



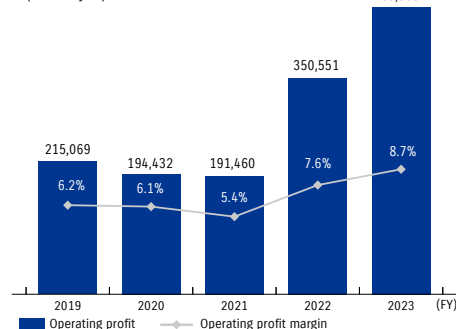
### Capital expenditure / Depreciation and amortization (Million yen)



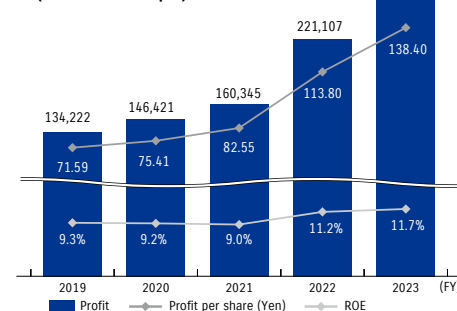
### R&D expenses (Million yen)



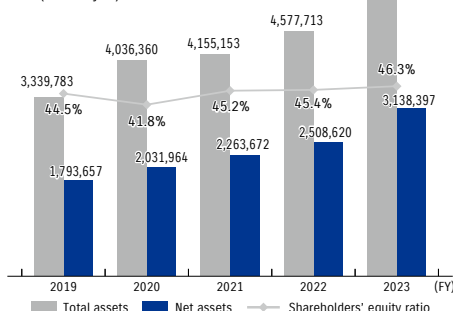
### Operating profit (Million yen)



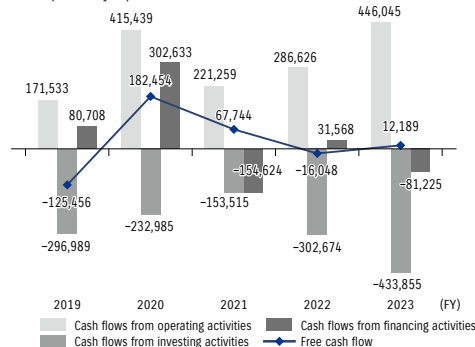
### Profit attributable to owners of parent (After the stock split) (Million yen)



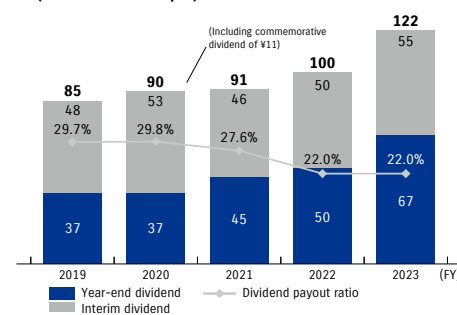
### Total assets / Net assets / Shareholders' equity ratio (Million yen)



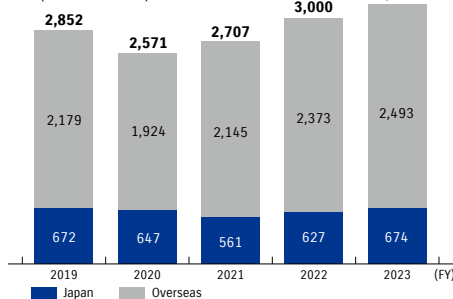
### Cash flows (Million yen)



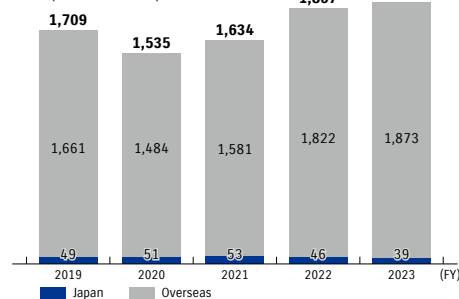
### Dividends (Yen) (Before the stock split)



### Automobile sales (Thousand units)



### Motorcycle sales (Thousand units)



Financial Review | Financial and Non-Financial Highlights | **11-Year Major Financial / Non-Financial Data** | Global Network | Major Product Lineup |  
 Business Overview [Automobile Business] | Business Overview [Motorcycle Business] | Business Overview [Marine Business] | Company Information | Stock and Other Information

# 11-Year Major Financial / Non-Financial Data

	Unit	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Automobile	Production units	2,857	3,043	2,951	3,074	3,338	3,394	2,964	2,651	2,822	3,210	3,265
	Domestic production	998	1,055	861	871	971	1,011	944	930	840	954	1,011
	Overseas production	1,859	1,988	2,090	2,203	2,367	2,383	2,020	1,721	1,982	2,256	2,254
	India	1,153	1,308	1,424	1,585	1,781	1,850	1,577	1,440	1,659	1,922	1,984
	Unit sales	2,709	2,867	2,861	2,918	3,224	3,327	2,852	2,571	2,707	3,000	3,168
	Domestic sales	728	756	630	639	668	725	672	647	561	627	674
	Overseas sales	1,981	2,111	2,231	2,279	2,556	2,602	2,179	1,924	2,145	2,373	2,493
	India	1,054	1,171	1,305	1,445	1,654	1,754	1,436	1,323	1,365	1,645	1,794
	Unit sales of hybrid models*1	—	55	249	389	461	539	489	615	626	800	879
	Production units	2,033	1,799	1,480	1,370	1,627	1,747	1,729	1,497	1,784	1,914	1,914
Motorcycle	Domestic production	180	154	122	141	152	115	95	67	99	111	101
	Overseas production	1,852	1,645	1,358	1,229	1,475	1,632	1,634	1,430	1,685	1,803	1,813
	Unit sales	2,022	1,764	1,501	1,367	1,576	1,745	1,709	1,535	1,634	1,859	1,912
	Domestic sales	74	67	61	62	60	57	49	51	53	46	39
	Overseas sales	1,948	1,697	1,440	1,305	1,516	1,688	1,661	1,484	1,581	1,814	1,873
	Production units	2,033	1,799	1,480	1,370	1,627	1,747	1,729	1,497	1,784	1,914	1,914

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

	Unit	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Net sales		29,383	30,155	31,807	31,695	37,572	38,715	34,884	31,782	35,684	46,416	53,743
	Automobile	26,157	27,020	28,785	28,956	34,358	35,325	31,574	28,766	32,048	41,622	48,838
	Motorcycle	2,666	2,505	2,339	2,063	2,464	2,551	2,426	2,065	2,535	3,332	3,669
	Marine	—	—	—	—	—	—	745	834	980	1,346	1,123
	Other	—	—	—	—	—	—	139	117	121	118	112
	Marine + Other	560	630	683	676	750	839	884	951	1,101	1,464	1,235
	Domestic sales	11,327	10,946	10,479	10,375	11,167	12,524	11,795	11,740	10,737	12,120	13,128
	Overseas sales	18,056	19,208	21,328	21,320	26,405	26,191	23,089	20,042	24,947	34,296	40,615
	Europe	3,989	3,720	4,047	4,253	5,106	5,248	4,653	4,227	4,181	4,792	7,003
	North America	651	660	670	561	625	708	670	681	794	1,237	1,056
	Asia	11,120	12,145	13,947	13,930	17,732	17,623	15,237	12,932	15,901	22,274	25,960
	Others	2,297	2,683	2,663	2,576	2,942	2,612	2,529	2,202	4,071	5,993	6,594
	Operating profit	1,877	1,794	1,953	2,667	3,742	3,244	2,151	1,944	1,915	3,506	4,656
Operating profit	Ordinary profit	1,978	1,943	2,091	2,867	3,828	3,795	2,454	2,483	2,629	3,828	4,885
	Profit*2	1,075	969	1,167	1,600	2,157	1,788	1,342	1,464	1,603	2,211	2,677
	Capital expenditures	2,136	1,945	1,715	1,988	2,134	2,689	2,364	1,709	1,894	2,699	3,215
	Depreciation and amortization	1,172	1,344	1,683	1,634	1,509	1,489	1,642	1,365	1,615	1,773	1,972
	R&D expenses	1,271	1,259	1,310	1,315	1,394	1,581	1,481	1,462	1,607	2,056	2,342
	Interest-bearing debt balance	4,453	5,547	5,293	6,399	5,779	3,754	4,042	7,708	6,742	7,638	7,862
	Total assets	28,741	32,528	27,020	31,160	33,408	34,020	33,398	40,364	41,552	45,777	53,856
	Net assets	14,944	17,014	11,877	13,870	15,952	17,159	17,937	20,320	22,637	25,086	31,384
	Shareholders' equity ratio	46.2	45.6	35.4	35.9	38.8	40.9	44.5	41.8	45.2	45.4	46.3
	Profit per share	191.60	172.67	234.98	362.54	488.86	395.26	286.36	301.65	330.20	455.21	138.40
	Cash dividends per share (annual)	24.00	27.00	32.00	44.00	74.00	74.00	85.00	90.00	91.00	100.00	122.00
	ROE	8.7	6.9	9.6	15.4	17.9	13.3	9.3	9.2	9.0	11.2	11.7

\*2 Profit attributable to owners of parent (from FY2015 onwards)  
 Please refer to the Securities Report for details on financial data.



	Unit	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Number of employees		14,571	14,751	14,932	15,138	15,269	15,431	15,646	16,073	16,267	16,550	16,955
	Male	13,260	13,347	13,467	13,603	13,711	13,808	13,932	14,220	14,326	14,503	14,795
	Female	1,311	1,404	1,465	1,535	1,558	1,623	1,714	1,853	1,941	2,047	2,160
Employees with job titles*1		—	—	4,184	4,232	4,333	4,437	4,517	4,709	4,831	5,048	5,233
	Male	—	—	4,131	4,162	4,243	4,339	4,403	4,577	4,695	4,892	5,051
	Female	—	—	53	70	90	98	114	132	136	156	182
	Ratio of female	%	—	1.27	1.65	2.08	2.21	2.52	2.80	2.82	3.09	3.55
Managers		—	926	965	1,014	1,049	1,080	1,139	1,203	1,268	1,303	1,355
	Male	—	921	957	1,004	1,037	1,066	1,121	1,185	1,248	1,282	1,330
	Female	—	5	8	10	12	14	18	18	20	21	25
	Ratio of female	%	—	0.54	0.83	0.99	1.14	1.58	1.50	1.58	1.61	1.86
Employment rate of people with disabilities	%	—	2.09	2.08	2.04	2.02	2.14	2.20	2.23	2.35	2.44	2.34
New employees		588	571	635	794	642	563	708	819	595	719	943
	Male	496	496	532	674	541	445	569	651	451	567	765
	Female	92	75	103	120	101	118	139	168	144	152	178
College degree or above		446	462	472	585	456	475	494	577	352	444	467
	Male	404	425	412	523	396	396	413	474	285	383	384
	Female	42	37	60	62	60	79	81	103	67	61	83
Turnover rate	%	—	4.3	4.1	3.8	4.2	3.9	3.1	2.2	2.9	3.0	3.3
Number of employees (consolidated)	Person	57,749	57,409	61,601	62,992	65,179	67,721	68,499	68,739	69,193	70,012	72,372
Rate of paid leave taken*2	%	—	—	—	—	—	73.7	77.2	75.0	85.4	81.4	81.1
Male rate of taking childcare leave	%	—	—	—	—	—	—	—	—	17.7	43.5	63.1

\*1 Manager, assistant manager, supervisor, and foreman (including expert and technical master)  
\*2 Includes managers

		Unit	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
CO <sub>2</sub> emissions in the entire value chain		10,000 t-CO <sub>2</sub>	—	—	—	—	—	—	—	9,018	9,207	10,372	10,871
	Scope 1		—	—	—	—	—	—	38	40	42	41	
	Scope 2		—	—	—	—	—	—	68	71	72	54	
	Scope 3		—	—	—	—	—	—	8,913	9,096	10,258	10,775	
Global average CO <sub>2</sub> emissions of new automobile models	Average fuel efficiency in Japan	km/L	24.9	26.4	27.2	27.4	27.1	25.9	25.6	24.5	24.6	24.6	26.5
	Average CO <sub>2</sub> emissions in Europe	g/km	125.3	126.1	119.4	118.6	114.9	113.9	120.7	100.2	98.3	96.3	98.3
	Average CO <sub>2</sub> emissions in India		118.5	117.5	112.1	111.1	109.9	108.7	111.2	112.9	111.1	107.4	105.0
Amount of water used globally		10,000 m <sup>3</sup>	782	780	772	818	874	866	864	815	821	911	836
	Suzuki (domestic plants)		347	330	314	319	334	329	320	332	309	319	319
	Domestic subsidiaries		99	106	116	104	104	84	87	81	75	90	86
	Overseas plants		336	344	342	395	438	454	457	402	437	502	431
Total global waste discharge amount		1,000 tons	281	290	297	315	372	384	350	325	381	414	435
	Suzuki (domestic plants)		102	102	93	93	114	115	104	113	116	121	131
	Domestic manufacturing subsidiaries		22	20	18	18	24	21	20	16	16	17	20
	India		130	147	166	186	213	228	209	185	229	258	273
	Indonesia		21	17	13	10	12	12	12	8	16	15	9
	Thailand		6	4	7	8	9	8	5	3	4	3	2

Please refer to Sustainability Data Book 2024 for details on non-financial data.

# Global Network

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



18 Magyar Suzuki Corporation Ltd.



31 PT Suzuki Indomobil Motor (Cikarang Plant)



35 Pak Suzuki Motor Co., Ltd.



32 Maruti Suzuki India Limited (Gurgaon Plant)



32 Maruti Suzuki India Limited (Manesar Plant)



33 Suzuki Motor Gujarat Private Limited

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

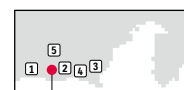
Major overseas manufacturing companies	★ Sales		
	Automobile	Motorcycle	Outboard motor
16 Suzuki Manufacturing of America Corporation (USA)		○ (ATV)	
17 Suzuki Motor de Colombia S.A. (Colombia)		○	★
18 Magyar Suzuki Corporation Ltd. (Hungary)	○	★	★
19 Suzuki Egypt S.A.E. (Egypt)	○		
20 TOYOTA TSUSHO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

## Locations

	Asia	Europe	North and Central America	South America	Africa	Middle East	Oceania	Total
Number of trading countries/regions	21	46	37	13	55	17	19	208
Number of manufacturing companies	18	1	1	3	2	0	0	25

## Domestic plants

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



Head office

## Number of domestic subsidiary distributors

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

The information, numerical values and other data on this page are as of March 31, 2024.

# Major Product Lineup

## Automobiles

142,000 units



### Spacia

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

93,000 units



### Hustler

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

274,000 units



### Alto

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

Note: Global unit sales includes the overseas Alto and related models, besides the Japanese mini vehicle Alto. (Photo: Japanese mini vehicle Alto)

277,000 units



### WagonR

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

Note: Global unit sales includes overseas WagonR, besides the Japanese mini vehicle WagonR. (Photo: Japanese mini vehicle WagonR)

151,000 units



### Carry

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

Note: Global unit sales includes overseas Carry and related models, besides the Japanese mini vehicle Carry. (Photo: Japanese mini vehicle Carry)

232,000 units



### Every

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

Note: Global unit sales includes overseas Every and related models, besides the Japanese mini vehicle Every. (Photo: Japanese mini vehicle Every)

353,000 units



### Swift

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

129,000 units



### Jimny / Jimny Sierra

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

\*Photo: Jimny Sierra

144,000 units



### Fronx

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

138,000 units



### Grand Vitara

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

227,000 units



### Baleno

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

206,000 units



### Dzire

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

252,000 units



### Ertiga

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

171,000 units



### Brezza

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

## Motorcycles

6,000 units



### Hayabusa

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

2,000 units



### GSX-8R

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

24,000 units



### GSX-S125/150/750/1000

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

Note: Global unit sales includes KATANA.

11,000 units



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

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

34,000 units



### V-STROM 250/650/800/1000/1050

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

138,000 units



### GIXXER / GIXXER 250

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

627,000 units



### Access 125 / Address 125

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

## Outboard motors



### DF350A

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



### DF140BG

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



### ET4D

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

## Motorized wheelchairs

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

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

Note: Units refer to global unit sales, while sales market and production site are based on FY2023 results.  
 Photos are as of March 2024.

# Business Overview [Automobile Business]

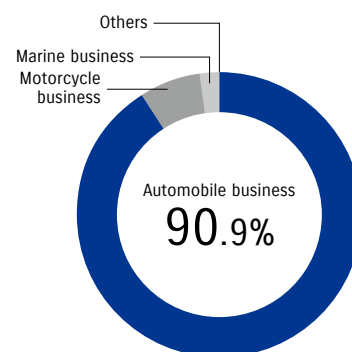
## Growth strategy for FY2030

The Company has set 2030 powertrain ratio targets for its main business regions of Japan, Europe and India.

The ratio of BEVs is low in Japan and India, which reflects a more pragmatic approach of utilizing multiple options including HEVs, in consideration of these countries' respective electrical charging infrastructures and energy situations, until they ultimately adopt EVs.

For example, looking at the energy situation in India, since over 70% of the country's electricity is generated using coal-fired thermal power stations that emit CO<sub>2</sub>, in reality the spread of EVs in itself will not lead to carbon neutrality. Therefore, in India, where the number of automobiles is set to grow, the Company will provide multiple pathways, including not only HEVs, but also compressed natural gas (CNG) vehicles, which have lower CO<sub>2</sub> emissions than gasoline, and in the future, vehicles fueled by biogas, which is expected to emerge as a carbon-neutral fuel.

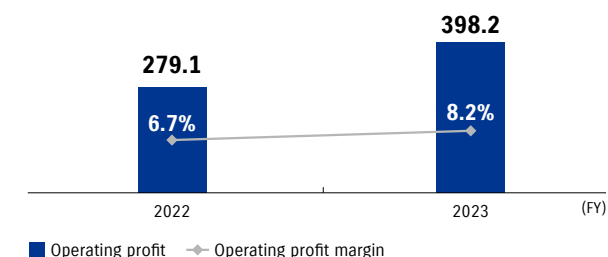
■ Sales composition ratio



## Overview of FY2023

Net sales increased by ¥721.6 billion (17.3%) year on year to ¥4,883.8 billion, and operating profit increased by ¥119.1 billion (42.7%) year on year to ¥398.2 billion, mainly reflecting increased sales in Japan, Europe, and India, as well as improvements in the sales composition.

■ Operating results of the automobile business (Billion yen)



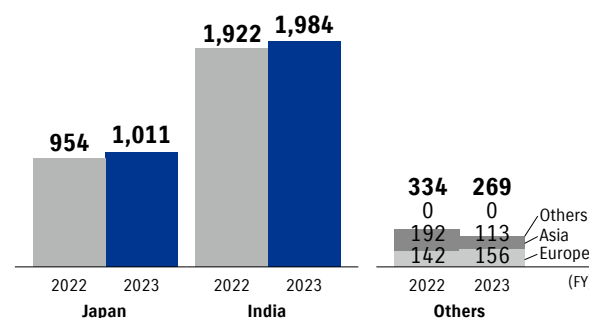
## Production units / Unit sales

Total overseas automobile production for FY2023 decreased by 0.1% to 2,254,000 units from the previous fiscal year. Total production worldwide, including Japan, rose 1.7% to 3,265,000 units.

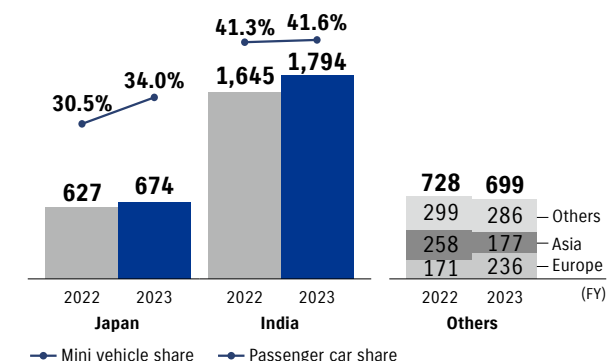
Sales of automobiles in overseas markets increased by 5.1% to 2,493,000 units from the previous fiscal year. Total global sales, including Japan, increased by 5.6% to 3,168,000 units.

\* Unit sales are based on Suzuki's own research based on external data.

■ Automobile production (Thousand units)



■ Automobile sales (Thousand units)





## Market summary and Suzuki's business overview

### [Japan]

#### 1. Market trends and business environment

Total domestic automobile unit sales in FY2023 increased by 3% to 4,529,000 units from the previous fiscal year, rising year on year for a second consecutive year amid a gradual recovery from a drop during the COVID-19 pandemic.

Suzuki's total domestic automobile unit sales also increased for the second consecutive year, mirroring the overall market with market unit sales up by 8% to 674,000 units year on year. In mini vehicles, Suzuki exceeded its market share target of 30% by capturing 34% of the sales share and reclaiming the top share of sales for the first time in 18 years. This performance largely reflected a strong reception for its best-selling model, Spacia, which had a full model change for the first time in six years. Sub-compact and standard-sized vehicles also experienced a boost in sales volume, partly reflecting the effect of a full model change of the flagship Swift model, bringing Suzuki's market share in the automobile market to a record high of 14.9%.

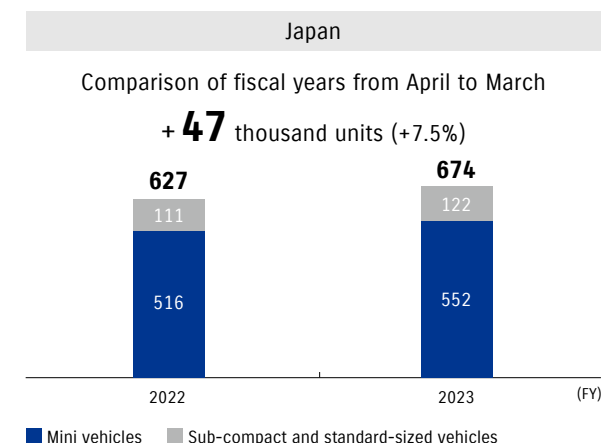
#### 2. Suzuki's market advantage and strategies

Suzuki's key advantage lies in providing compact and affordable automobiles with unique and impressive features to customers in all regions of Japan to meet their day-to-day mobility needs.

In addition to our lineup of low-cost, fuel-efficient products with unique appeal, we have built a business sales\* network to maintain sales and provide after-sales services to customers nationwide. Leveraging our unique advantage, we maintain more than 10 million vehicles owned by customers across Japan and are increasing this number every year.

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

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



### [India]

#### 1. Market trends and business environment

New car sales (total market of passenger cars and commercial cars) in India increased in FY2023 by 334,000 units, or 7%, from 4,853,000 units in the previous fiscal year to 5,187,000 units. By segment, SUV growth was the most prominent at 28%, making up over 50% of the passenger car market. Suzuki also addressed the expanding SUV market with the launch of new models in the Fronx and Jimny lines, bringing wholesale vehicle sales to 1,794,000 units, up 9% year on year to set a new record cumulative total for a fiscal year. Furthermore, the semiconductor shortage has more or less been resolved, but high raw material and fuel prices and foreign exchange risks are items of concern whose trends will continue to require monitoring in FY2024.

It will also be necessary to implement timely measures to address changes in customer preferences and purchasing behavior as well as stricter regulations over fuel efficiency, exhaust emissions, and safety.

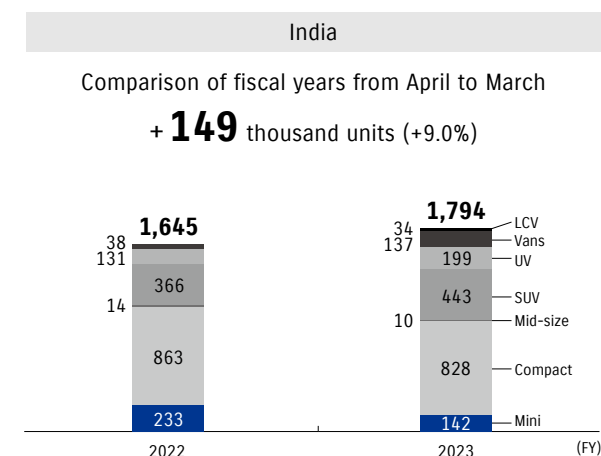
#### 2. Suzuki's market advantage and strategies

We will expand our dealer network (3,863 locations as of March 31, 2024) and service network (4,964 locations), which are our strengths built up to date, and at the same time promote DX to further improve customer satisfaction.

In terms of products, Suzuki will continue to launch a number of new models in FY2024, including the flagship Swift model. Meanwhile, in order to achieve carbon neutrality, we will engage with several technologies, such as compressed natural gas (CNG), biogas, and ethanol mixed fuels, in addition to electrification of vehicles such as BEVs and HEVs. In this way, we aim to answer the diverse needs of India, which encompasses a vast area.

Furthermore, Suzuki's cumulative production of automobiles in India reached 30 million units by March 2024. Looking ahead, anticipating further expansion of the automobile market in India, we plan to increase production capacity to approximately 4 million units by FY2030 through the start-up of the Kharkhoda

Plant in Haryana State in 2025 and the Gujarat Plant in Gujarat State in FY2028.



## [ASEAN]

### 1. Market trends and business environment

New car sales in the ASEAN market in FY2023 decreased by 5% year on year to 3,305,000 units. Malaysia's solid economy saw it overtake Thailand to become the second largest market in ASEAN, with sales of 800,000 units, up 7% year on year; while tougher vehicle loan screening in the large-scale markets of Indonesia and Thailand resulted in decreases in sales volume of 8% year on year in Indonesia and 13% year on year in Thailand.

Suzuki's unit sales in ASEAN countries decreased by 15% from the previous fiscal year to 124,000 units owing to decreased sales resulting from intensified competition in the key markets of Indonesia and Thailand, as well as political unrest in Myanmar. Suzuki's market share was 3.8%, compared with 4.2% in the previous fiscal year.

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

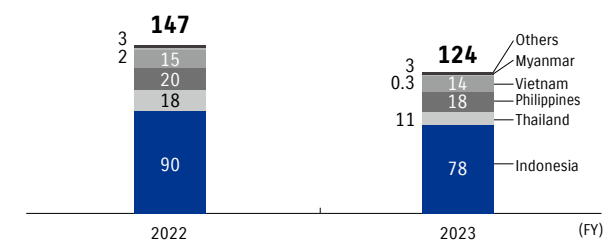
In order to increase our unit sales within the ASEAN region, we are focusing on Indonesian-produced models such as the Ertiga (3-row MPV), XL7 (3-row SUV), and Carry (small truck), which are tailored to the usage environment in the ASEAN market, and aim to augment our model lineup with vehicles produced in India and Japan.

Additionally, in consideration of the electrification policies being advanced by the governments of each country, our first step will be to expand sales of Mild Hybrid vehicles Ertiga and XL7.

## ASEAN

Comparison of fiscal years from April to March

– **22** thousand units (–15.3%)



Note: ASEAN: Total of 10 countries, including Indonesia, Thailand, the Philippines, Vietnam, and Myanmar

## [Europe]

### 1. Market trends and business environment

New car sales in Europe (EU, EFTA, and the U.K.) in FY2023 increased by 10% year on year to 12,942,000 units. EV sales decelerated due to a reduction or elimination of government subsidies for EV purchases in major countries from mid-year, and overall EVs accounted for 14.6% (2,019,000 units) of total sales in FY2023, up only slightly from 14% (1,574,000 units) in the previous fiscal year. With the reduction or elimination of government purchasing support in major countries, the transition to EVs has slowed down. Suzuki's sales were up by 41% from the previous fiscal year to 216,000 units due to an improvement in supply shortages caused by a shortage of semiconductors.

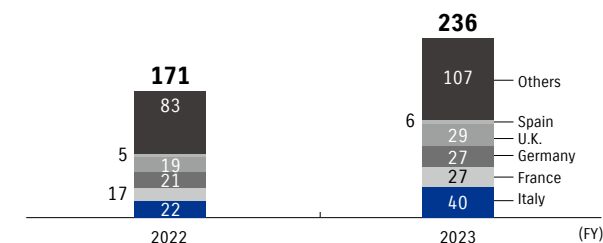
### 2. Suzuki's market advantage and strategies

Suzuki plans to continue responding to stricter CO<sub>2</sub> and exhaust emission regulations in Europe by launching a series of compliant HEVs and EVs.

## Europe

Comparison of fiscal years from April to March

+ **65** thousand units (+38.0%)



## [Pakistan]

### 1. Market trends and business environment

Overall market sales in Pakistan in FY2023 stood at 96,000 units (the total of unit sales announced by the Pakistan Automobile Manufacturers Association (PAMA) and estimated unit sales of major non-PAMA member manufacturers\*), a significant decrease of 45% year on year. A lack of foreign exchange reserves at Pakistan's central bank has led to continued restrictions on imports, which has delayed the procurement of automobile production components and reduced production and sales in the automobile industry as a whole. In this tough environment, Suzuki has procured foreign currency from local Pakistani banks for the amount of vehicles it needs to produce to maintain its dealerships. Automobile sales in Pakistan were 43,000 units, down 43% year on year, with production and sales efforts centered on Alto, a passenger car in the mini vehicle standard, and the new Swift.

\* Beginning in FY2022, this figure includes major non-PAMA member manufacturers with large unit sales.

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

Pakistan has the fifth largest population in the world, statistically, and if its economic status improves and normalizes going forward, its demand for automobiles is expected to increase. Suzuki remained the market share leader in FY2023 with a share of 44.5% vs. 45.9% in the previous year.

We will continue to maintain and expand our market share and meet the expectations of our Pakistani customers by maintaining our network of 174 sales centers and 160 service locations throughout Pakistan and by continuing to introduce new models.

## [Other regions]

### Oceania

Overall market sales in Oceania increased by 21% year on year to 1,427,000 units in FY2023; however, Suzuki's sales declined by 5% year on year to 26,000 units due to the impact of changes in the product composition, with market share falling from 2.5% in the previous fiscal year to 1.8%. In FY2024, we plan to expand sales volume, mainly through the introduction of new models, namely the new Swift and five-door Jimny.

### Latin America

Overall market sales in Latin America in FY2023 continued the previous year's recovery, increasing by 7% year on year to 5,215,000 units.

Suzuki's sales decreased by 10% year on year to 110,000 units. The result reflected a decrease in sales in our main markets, such as Chile and Bolivia, where rising inflation stifled demand; however, we maintained our No. 1 market share in Bolivia and Barbados.

In Central and South American markets, the SUV segment continues to grow, and Suzuki also plans to expand sales mainly of new SUV products.

### Middle East

Overall market sales in the Middle East (excluding Iran) recovered in FY2023, increasing 20% year on year to 1,595,000 units. Suzuki's unit sales increased dramatically by 141% year on year to 30,000 units in Saudi Arabia, increasing by 71% to 52,000 units in the Middle East overall. Our share of the market increased from 2.3% in the previous fiscal year to 3.3%.

### Africa

Overall market sales in Africa in FY2023 decreased 5% year on year to 1,093,000 units. This partly reflected the regulation of automobile imports in major countries such as Egypt and Ethiopia due to decreases in their foreign exchange reserves. Suzuki's unit sales increased by 4% year on year to a new record high of 52,000 units in South Africa, the largest market in Africa, but declined 15% year on year to 98,000 in Egypt and Ethiopia. Our share of the market decreased from 9.9% in the previous fiscal year to 8.9%.

## FY2023 topics

### [September] Suzuki achieved cumulative worldwide automobile sales of 80 million units

Suzuki's cumulative worldwide automobile sales achieved 80 million units by the end of August 2023. Alto, which was launched in 1979 accounts for 20% of the 80 million units. Over the past 44 years since its launch, Alto has been favored by customers and has become one of the models that represent Japanese mini vehicles. Starting as a Japanese mini vehicle, Alto has expanded worldwide, especially in India where it has largely contributed to Suzuki's sales in the country. Cumulative sales of the mini vehicle Wagon R series in Japan reached 5 million in November. The model achieved this milestone in 30 years and three months, the shortest period for cumulative sales in Japan.

### [November] Launch of all-new Spacia and Spacia Custom mini vehicles

Suzuki launched the new Spacia (pictured) and Spacia Custom passenger vehicles. With the concept of "Full of fun! Spacia offers freedom of use with confidence and comfort," the new models offer high-quality design, comfortable and pleasant cabin space, safety features, and more in a further evolution of Spacia's original appeal. The wide cabin has been developed into a more convenient and comfortable space, while rear seats include Suzuki's first multi-use flap.



### [December] Launch of the all-new Swift compact passenger car

Suzuki launched the all-new Swift compact passenger car. The new Swift is designed with the concept of "Energetic & Light—A refined smart compact that transforms everyday travel into play." In addition to the design and driving performance cultivated in successive Swift models, it now offers enhanced safety features and convenience. This adds a new value of "enjoying daily life with cars" to the attractiveness of the Swift's design and driving performance.



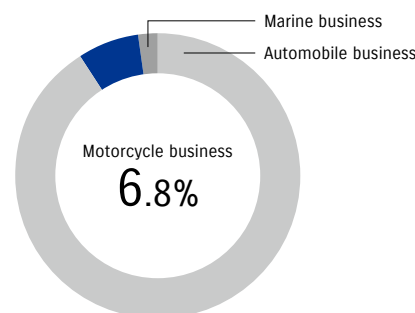
# Business Overview [Motorcycle Business]

## Growth Strategy for FY2030

### Carbon neutrality for products

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. For large motorcycles for leisure purposes, we are considering adopting carbon-neutral fuels.

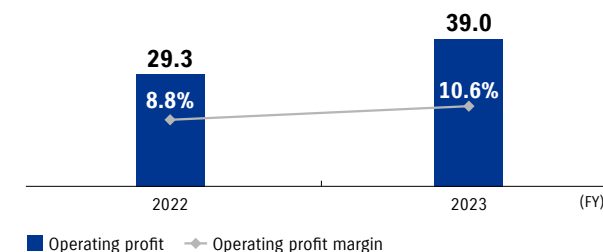
### ■ Sales composition ratio



## Business overview for FY2023

Net sales increased by ¥33.8 billion (10.1%) year on year to ¥366.9 billion, and operating profit increased by ¥9.7 billion (33.0%) year on year to ¥39.0 billion, mainly reflecting increased sales in India.

### ■ Operating results of the motorcycle business (Billion yen)



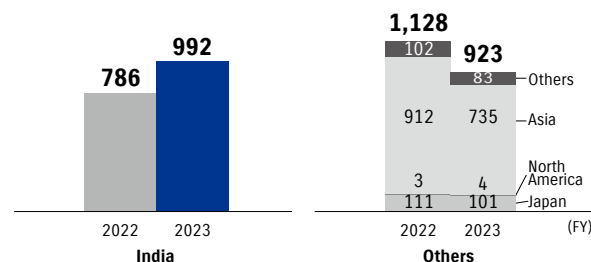
## Production units / Unit sales

Worldwide production (including ATVs) for FY2023 increased by 0.0% year on year to 1,914,000 units.

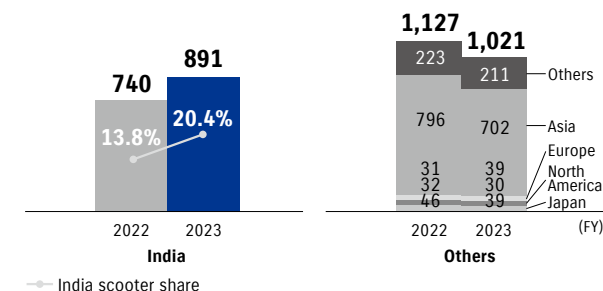
In addition, worldwide sales (including ATVs) increased by 2.4% year on year to 1,912,000 units. Sales increased particularly in India and Europe.

Note: Unit sales are based on Suzuki's own research based on external data.

### ■ Motorcycle production (ATV included) (Thousand units)



### ■ Motorcycle sales (ATV included) (Thousand units)



## Market summary and Suzuki's business overview

### [Japan]

#### 1. Market trends and business environment

The total domestic market in FY2023 decreased by 3% year on year to 396,000 units.

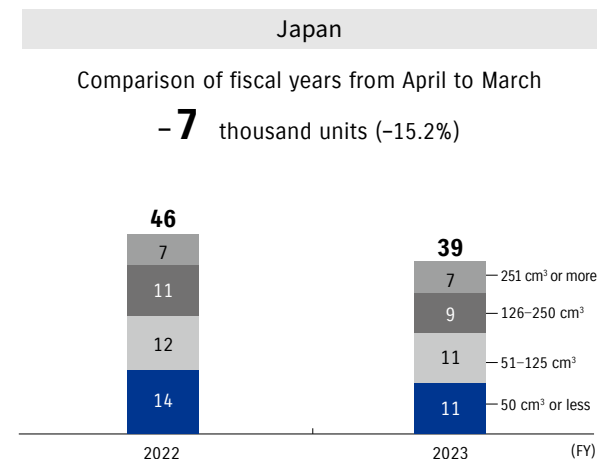
Suzuki's sales of motorcycles decreased overall by 15% to 39,000 units, reflecting a decrease in sales of motorcycles with engine displacements between 126 cm<sup>3</sup> and 250 cm<sup>3</sup> by 17% year on year to 9,400 units as demand subsided after a surge in attention as a part of a new lifestyle, and the impacts of increased competition.

In FY2024, we will focus on sales expansion, centered on the GSX-S1000GX and GSX-8R models, which were launched in January 2024.

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

Suzuki will hold events for users of its large-displacement models, Hayabusa, KATANA, V-STROM, and the GSX-S/R series, aiming to increase brand power as well as a sense of ownership and customer satisfaction, which will lead to increased sales.

In the category of models with engine displacements between 51 cm<sup>3</sup> and 125 cm<sup>3</sup>, our lineup features three scooter models and two road sports models, which capture a wide range of demand.



### [India]

#### 1. Market trends and business environment

The total Indian market in FY2023 increased by 13% year on year to 17,974,000 units. The overall market had a slow first half, but grew 13% year on year as a result of sales promotions by all companies in the lead up to the November festival season.

Suzuki's sales in FY2023 rose 26% year on year to 921,000 units, with brisk sales of our best-selling Access and the BURGMAN models, and our market share increased from 4.5% in the previous fiscal year to 5.1%.

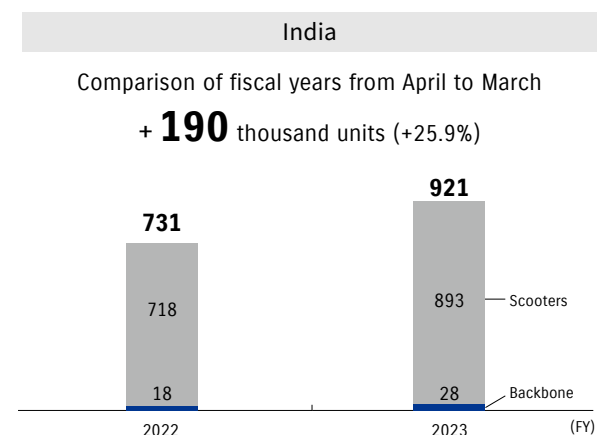
Due to a shortage of inventory, from December after the festival sales season onward, we maximized production and shipments, which helped to drive a 26% increase in sales—the highest in the industry.

In FY2024, we aim to achieve domestic sales of 930,000 units, up 1% year on year.

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

We will maintain the highest market share in the 125 cm<sup>3</sup> scooter class, which is Suzuki's key market segment.

Moreover, we will enter the expanding EV market, aiming to increase unit sales by appealing to our brand power and high quality.





## [ASEAN]

### 1. Market trends and business environment

The total market of five ASEAN countries in FY2023 decreased by 2% year on year to 12,082,000 units. The Indonesian market grew year on year, but the markets of Thailand, Vietnam, the Philippines, and Cambodia all contracted.

Suzuki's sales in FY2023 decreased by 30% year on year to 175,000 units, a steeper decline than the total market, mainly reflecting a decline in demand due to an economic slump and high prices, as well as the impact of increased competition.

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

In 2024, the economy is expected to maintain strength overall, but a number of negative factors are also expected. We will continue to respond to market trends such as expansion in scooter demand by changing our lineup, including imported vehicles, and merging and consolidating our sales network with a view to increasing sales.

## [North America / Europe]

### 1. Market trends and business environment

Sales in the North American market in FY2023 increased by 2% year on year to 602,000 units. The increase in the overall market was mainly due to improved flow of goods and recovery of supplies after the COVID-19 pandemic.

Suzuki's sales in FY2023 declined by 2.0% year on year to 20,700 units, bringing its market share to 3.4%, as sales of dual-purpose and standard models struggled, despite steady sales of sports models, such as Hayabusa and GSX-R.

The total European market in FY2023 increased by 8% year on year to 1,315,000 units as each company's supply improved and back orders were filled.

During the same period, Suzuki's sales increased 33% year on year to 36,000 units, outpacing the overall market, while its market share also climbed to 2.8%, mainly due to the launch of its new GSX-8S and V-STROM 800DE models, as well as 125 cm<sup>3</sup> scooters that meet Euro 5 emissions regulations.

We aim to promote sales of the GSX-8R and GSX-S1000GX series that were announced at the 2023 Milan show in order to further increase our unit sales and market share, despite concerns regarding increased competition as other companies' supply situation improves and market inventory increases, as well as the impact of rising interest rates on the economy.

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

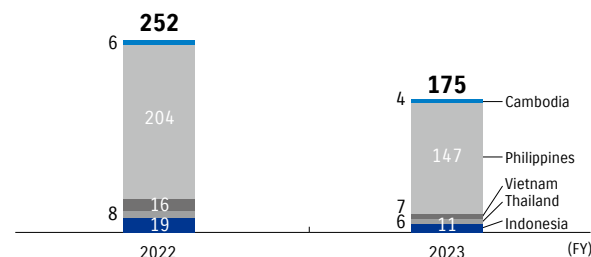
In North America, in addition to the widely-recognized mainstay Hayabusa and GSX-R series, we will focus on the GSX-S1000/GT/GX and the new GSX-8R and other 800 cm<sup>3</sup> platform models to expand sales and enhance our brand image.

In Europe, while sales of the V-STROM and GSX-S series, which are well-established product brands, continue to be strong, we plan to expand sales mainly of models derived using the common platform for 800 cm<sup>3</sup> and 1,000 cm<sup>3</sup>, and strive to capture a wider range of demand by enhancing our product lineup.

## ASEAN

Comparison of fiscal years from April to March

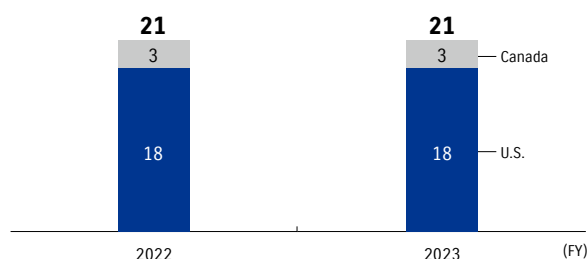
**-77** thousand units (-30.0%)



## North America

Comparison of fiscal years from April to March

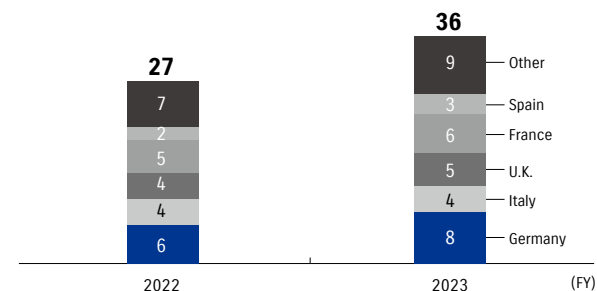
**-0** thousand units (-2.0%)



## Europe

Comparison of fiscal years from April to March

**+9** thousand units (+33.3%)



## [China]

### 1. Market trends and business environment

The total Chinese market in FY2023 decreased by 11% year on year to 4,729,000 units. The economic recession saw continued year-on-year contraction from June 2023 onward.

Suzuki's sales decreased by 9% year on year to 409,000 units. Scooter sales decreased only slightly by 3% year on year to 319,000 units, but backbone sales declined year on year by 27% to 76,000 units.

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

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

## FY2023 topics

### [June] Suzuki unveils the Hayabusa 25th anniversary model

Suzuki announced the global launch of the 25th anniversary model of its flagship motorcycle, the Hayabusa. The special features for this model are an orange and black-based body, and special colors for chassis parts. An original engraving and three-dimensional "SUZUKI" logo have been added. The Hayabusa was introduced at Intermot, held in Germany in 1998, and sales started in Europe and North America in 1999. Its high power and handling performance, coupled with its unique and aerodynamic styling, created a sensation and it became a flagship motorcycle representing Suzuki.



### [August] Suzuki expands the V-STROM series lineup

After its initial launch in India in May 2022, the all-new V-STROM 250SX sports adventure tourer (pictured) was launched in Japan on August 24, 2023. The all-new V-STROM800, developed to offer superior comfort and traveling performance on paved roads and long-distance touring, was also launched globally, including in Japan, in October.



### [October] Suzuki unveils the all-new GSX-S1000GX and GSX-8R large-displacement motorcycles

Suzuki unveiled the all-new GSX-S1000GX (pictured above) and GSX-8R (pictured below). The GSX-S1000GX incorporates new technologies and equipment to enhance touring capabilities.

The GSX-8R is a sports model that allows riders of all ages and skill levels to enjoy various types of riding. Both models were launched in Japan in January 2024.



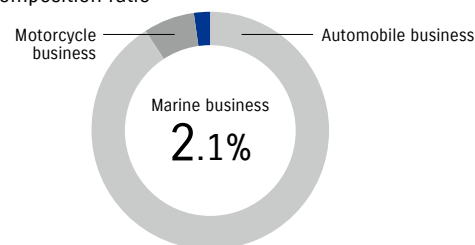
# Business Overview [Marine Business]

## Growth strategy for FY2030

### Carbon neutrality for products

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

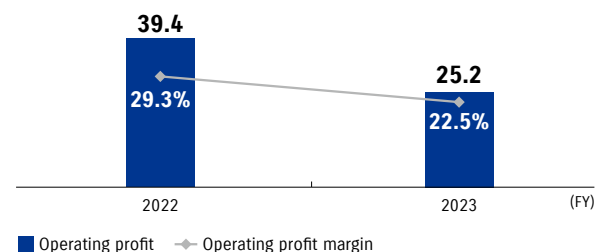
### ■ Sales composition ratio



## Overview of FY2023

Net sales decreased by ¥22.3 billion (16.6%) year on year to ¥112.3 billion, and operating profit decreased by ¥14.2 billion (36.0%) year on year to ¥25.2 billion, mainly reflecting a slowdown in the North American market.

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



## Market summary and Suzuki's business overview

### 1. Market trends and business environment

In FY2023, sales in the leisure market centered on North America and Europe were relatively subdued, reflecting a decline in purchasing appetite among the middle classes due to rising interest rates.

On the other hand, sales grew, especially in Southeast Asia, due to steady demand for outboard motors for sight-seeing boats as tourism recovered momentum with the lifting of COVID-19 travel restrictions.

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

We began the Suzuki Clean Ocean Project activity globally in 2020. This project is based on the Clean-Up the World Campaign, the waterside cleanup activities which have been conducted since 2010. Now, these activities are included in the Suzuki Clean Ocean Project activity, and the total number of participants surpassed 17,000 people in March 2024. In addition, reduction of plastic packaging for outboard motors and spare parts was started in 2020 as the second activity of the Suzuki Clean Ocean Project activity. Subsequently, an activity to develop a Micro-Plastic Collecting Device for outboard motors was added, which has been installed as standard equipment on select outboard motor models produced since July 2022. We are also promoting joint research into a plastic identification technology with Shizuoka University for this Micro-Plastic Collecting Device.

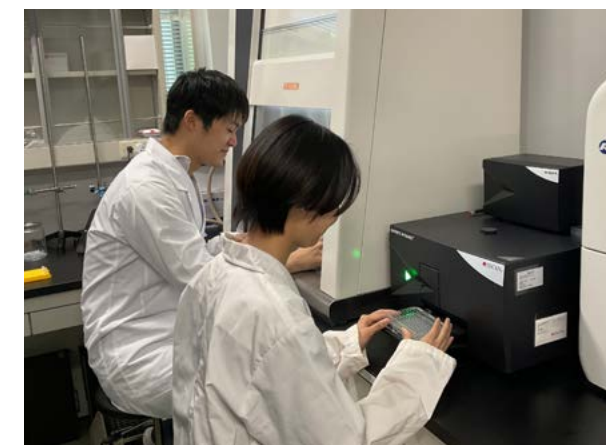
By providing a better marine lifestyle while stimulating customer empathy for a cleaner environment, Suzuki will seek to differentiate the Suzuki outboard motor brand from the competition and further strengthen its business.

## FY2023 topics

### Suzuki starts joint research with Shizuoka University on microplastic identification technology

Suzuki and Shizuoka University signed a joint research agreement regarding microplastic identification technology utilizing the adhering properties of proteins to plastic.

Microplastics collected by microplastic collecting devices mounted on some Suzuki outboard motors can be quickly identified and their type determined by adhering proteins to them and coloring them. In addition, image recognition makes it easier to obtain data from monitoring points in Japan and overseas, leading to timely development.



# Company Information

Company name	Suzuki Motor Corporation		
Date of incorporation	March 1920 June 1954 October 1990	Incorporated as Suzuki Loom Manufacturing Co. Name changed to Suzuki Motor Co., Ltd. Name changed to Suzuki Motor Corporation	
Representative	Toshihiro Suzuki, Representative Director and President		
Employees	[Consolidated] 72,372	[Non-consolidated] 16,955	(As of March 31, 2024)
Net sales	[Consolidated] ¥5,374,300 million	[Non-consolidated] ¥2,604,800 million	(FY2023)
Address of head office	300 Takatsuka-cho, Chuo-ku, Hamamatsu, Shizuoka 432-8611 Japan Website address: <a href="https://www.globalsuzuki.com">https://www.globalsuzuki.com</a>		
Fiscal year-end	March 31		
Public accounting firm	Seimei Audit Corporation		
Main product line	Automobiles, motorcycles, outboard motors, motorized wheelchairs, etc.		
Main facilities	Head office Kosai Plant Iwata Plant Osuka Plant Sagara Plant Hamamatsu Plant Tokyo Branch Office Yokohama Labo. Marine Technical Center	Hamamatsu, Shizuoka Kosai, Shizuoka Iwata, Shizuoka Kakegawa, Shizuoka Makinohara, Shizuoka Hamamatsu, Shizuoka Minato-ku, Tokyo Yokohama, Kanagawa Kosai, Shizuoka	

## Suzuki Group companies (As of March 31, 2024)

Consolidated subsidiaries 119 companies

<Japan>

Consolidated subsidiaries in Japan 66 companies

Manufacturing companies including Suzuki Auto Parts Mfg. Co., Ltd., Snic Co., Ltd., etc.

Sales distributors including Suzuki Motor Sales Tokyo Inc., Suzuki Motor Sales Kinki Inc. etc.

<Overseas>

Overseas consolidated subsidiaries 53 companies

Manufacturing companies including Maruti Suzuki India Ltd. (India),

Pak Suzuki Motor Co., Ltd. (Pakistan),

PT Suzuki Indomobil Motor (Indonesia),

Thai Suzuki Motor Co., Ltd. (Thailand),

Magyar Suzuki Corporation Ltd. (Hungary), etc.

Sales distributors including Suzuki Deutschland GmbH (Germany), etc.

# Stock and Other Information

## ■ Capital and stock (As of March 31, 2024)

<b>Capital</b>	¥138,370 million
<b>Total number of authorized shares</b>	1,500 million (Note) Pursuant to Article 184 Paragraph 2 of the Companies Act, the Company changed the total number of authorized shares under Article 6 of its Articles of Incorporation on April 1, 2024, increasing the total number of authorized shares by 4,500,000,000 to 6,000,000,000.
<b>Total number of shares issued</b>	491,146,600 (Including 8,768,727 treasury shares.) (Note) A four-for-one common stock split was conducted on April 1, 2024. As a result, the total number of issued shares increased by 1,473,439,800 shares to 1,964,586,400 shares.
<b>Number of shareholders</b>	55,534
<b>Stock listing</b>	Tokyo Stock Exchange
<b>Securities code</b>	7269
<b>Ordinary General Meeting of Shareholders</b>	June
<b>Record dates</b>	<ul style="list-style-type: none"> <li>Ordinary General Meeting of Shareholders: March 31</li> <li>Year-end dividend: March 31</li> <li>Interim dividend: September 30</li> </ul>
<b>Shareholders' register manager</b>	Sumitomo Mitsui Trust Bank, Limited 1-4-1, Marunouchi, Chiyoda-ku, Tokyo

## ■ Rating

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

## <Top 10 largest shareholders>

Name of shareholders	Number of shares (1,000 shares)	Percentage of shareholding (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	74,352	15.4
Custody Bank of Japan, Ltd. (Trust Account)	33,460	6.9
Toyota Motor Corporation	24,000	5.0
Tokio Marine & Nichido Fire Insurance Co., Ltd.	16,180	3.4
MUFG Bank, Ltd	16,000	3.3
Resona Bank, Ltd.	13,000	2.7
The Shizuoka Bank, Ltd.	11,600	2.4
SSBTC CLIENT OMNIBUS ACCOUNT	9,855	2.0
JP MORGAN CHASE BANK 385632	7,831	1.6
Sompo Japan Insurance Inc.	7,761	1.6

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

2. Percentage of shareholding is calculated excluding treasury stock (8,768 thousand shares).

	Unit	FY2019	FY2020	FY2021	FY2022	FY2023
Total shareholder return	%	54.5	106.2	91.4	105.5	151.9
(TOPIX Net Total Return Index)	%	(85.9)	(122.1)	(124.6)	(131.8)	(186.3)