

DX Strategy

^{*}The images created in this strategy are created using in-house generative AI.

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Message from the President



Accelerating the Path Toward Infrastructure Mobility through Human-Al Collaboration: Suzuki's Digital Transformation Strategy

Suzuki has continuously advanced by embodying its founding spirit, corporate mission statement and philosophy of conduct. From its origins in loom manufacturing, the company has evolved its products and services across motorcycles, automobiles, and marine engines, enriching lives and supporting daily living. In February 2025, Suzuki announced its new mid-term management plan, By Your Side, which outlines our vision through FY2030. As part of this plan, we announced that Team Suzuki aims to achieve "an infrastructure mobility closely connected with people's lives".

To further enhance customer satisfaction, it is essential to embrace emerging technologies that align with the changing times. In particular, the rapid advancement of AI is a key driver of future growth. Our ability to effectively leverage AI will significantly influence our trajectory. In India, one of our core markets, there are still approximately one billion people—out of a population of 1.4 billion—who have yet to connect with Suzuki. Reaching these next one billion customers will require us to go beyond conventional wisdom and experience, utilizing AI and data across all business domains to create products that were previously unimaginable.

Suzuki is committed to actively integrating AI to gain new perspectives and drive transformation in a way that is uniquely Suzuki.

We believe that people are the foundation of any company. By fostering communication and collaboration among employees and integrating digital technologies, we aim to enhance both customer value and operational efficiency. We will continue to be a trusted and familiar presence—By Your Side for our customers and society.

Representative Director and President

Suzuki's OS: Mission Statement and Philosophy of Conduct

Genba, Genri, Genbutsu, Gensoku *2 Genjitsu,

Philosophy of Conduct

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

Sho-Sho-Kei-Tan-Bi *1

YARAMAIKA *3

- *1: Smaller, Fewer, Lighter, Shorter, Beauty
- *2: Actual Place, Actual Thing, Actual Situation, Fundamental Principle, Fundamental Rule
- *3: Entrepreneurial Spirit (Hamamatsu Dialect)

Digital Transformation Initiated by Executive Commitment

June 3rd, 2022

Suzuki's Leadership Commitment: Executives and Division Heads Aspire to Build the Industry's Top Digital Team

- Suzuki's "Sho-Sho-Kei-Tan-Bi (for products, services, and management)" philosophy is fundamentally aligned with digital innovation.
- Without achieving excellence in digital management, this philosophy cannot be effectively practiced in today's complex and fast-evolving business environment.

BEFORE AFTER

Digital transformation is given low priority...

Business processes remain rooted in traditional practices...

Meeting materials are still predominantly paper-based ...

IT ambitions are limited to being "on par with competitors"...

ODigital human resources starting from the top - August 8th, 2022

• DX training for executives and general managers: All executives and general managers, including the president, participated.

Examples: Creating programs with generative AI, experiencing hacking, developing low-code applications.

• Assigned Reading for Executives: Five AI/DX-related books designated (as of June 2025), including the official JDLA Deep Learning for GENERAL textbook.

○ All meetings became paperless in one month - August 2022

• Tablets were distributed to all executives → One month later, all executives declared paper materials unnecessary!

Approval and decision-making workflows has been fully digitized.

O Industry's Fastest Deployment of In-House Generative AI App – March 21st, 2023

- Approved the app by setting a fundamental rule for usage: "Follow the Three Actuals principle confirm Genba, Genbutsu, Genjitsu yourself before making any judgment."
- Active users: 8787/12500 (70%), Usage per person: 60.6/day (as of the end of March 2025)

Suzuki Digital Vision 2030

All employees will harness data and AI as powerful tools, working together as Team Suzuki to achieve the Mid-Term Management Plan "By Your Side."

(1) Transformation of **Human Resources**

By combining their skills, knowledge, and experience with digital technologies, all employees will become proficient digital talent and achieve individual growth.



(2) Organizational and Cultural **Transformation**

We will realize an organizational culture that embraces challenge based on the "Yaramaika" spirit, and achieve continuous growth as Team Suzuki, equipped with digital capabilities.



(3) Transformation of **Products and** Services

We will actively leverage data and Al across the entire value chain to deliver greater value and create new value for our customers.

(1) Transformation of Human Resources

By combining their skills, knowledge, and experience with digital technologies, all employees will become proficient digital talent and achieve individual growth.



Digital human resources starting from the top

OExecutives / Management

• All executives will understand the potential of digital technologies and be able to apply them in management decision-making.

Executives will continuously learn the principles and fundamentals of the latest digital technologies through hands-on experience.

OAll employees

• All employees to become digital talent by 2030

Master Al and drive operational efficiency.

All employees to become citizen developers, solving on-site issues independently.

Mandatory DX training via e-learning, six times per year.

Establish digital talent profiles to visualize employees' skills.

Enhance employees' capabilities with their expertise and AI, transforming them into digital talent rooted in the field.

КРІ	2027	2030
Acquisition of AI qualifications (such as JDLA Deep Learning for GENERAL)	All Executives	Set as one of the requirements for promotion of managers
Indirect Business Productivity (compared to FY2024)	170% Up	300% Up

(2) Organizational and Cultural Transformation

We will realize an organizational culture that embraces challenge based on the "Yaramaika" spirit, and achieve continuous growth as Team Suzuki, equipped with digital capabilities.

Transforming Our Organization and Culture through Physical and Digital

Physical

Build an organization that is more communicative. Strengthen human connections and promote crossdepartmental challenges in new projects. Discover each individual's "lightness of heart" through the Self-Initiative Lab.

- →Leverage each person's talent to continuously create new work.
- Implementation of project activities across departments and ages through company-wide recruitment. e.g. Participation in Japanese technology development
 - entertainment TV programs.

Digital

To strongly promote the Entrepreneurial Spirit, connect globally beyond time and distance, and respond quickly to change.

- Building a data platform that accumulates various data such as sales, production, and technology.
 - → Share data across departments and provide an environment where the people can access it.
- Implement ERP and PLM globally to standardize business processes and data.
 - →Strengthen cooperation between departments and bases to achieve sustainable growth.

КРІ	2027	2030
Number of employees who felt a lighter heart (based on employee survey responses)	More than 610 people (3.5% of all employees*)	3000 people (18% of all employees)
Monthly Active Users of the Internal Data Platform (including Generative AI)	5 0% of all employees	80% of all employees

[&]quot;3.5% Rule": Based on research by Harvard University Professor Erica Chenoweth on civic movements, there is a theory that if 3.5% of the total population changes their mindset, it can be expected to transform the organization.

(3) Transformation of Products and Services ~ Sales field

Expand customer outreach, deepen customer understanding, and continuously deliver optimal products and services.



O Strengthening connections with customers and proposing products that meet their needs

Connect all customers with "SUZUKI ID",

Deliver product stories and sentiments to customers through various channels to enhance their understanding of our products

Accumulate data from customer touchpoints to develop and propose products that best suit their needs

- → Leveraging the strengths of Suzuki's multi-product lineup
- Operate official communities to strengthen customer relationships

Case study: Distributing NFT at the "KATANA meeting" to connect with customers digitally

OAfter-sales service and data utilization to support customer peace of mind

- Using data from Suzuki Connect, we provide services that help prevent breakdowns and support the creation of failure-preventing designs.
- Use AI to identify replacement parts from maintenance records and implement the optimal maintenance proposals for customers.

KPI	2027	2030
SUZUKI ID Users (Japan)	-	2 million people

(3) Transformation of Products and Services ~ Sales field

O Reach new customers and grow the Suzuki fan base

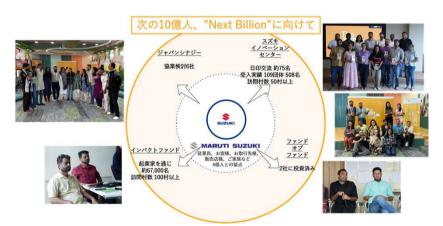
Expand customer outreach through various physical and digital initiatives, including cross-industry collaborations

→ Connect with customers and deepen understanding



O Approach to the next one billion towards further development in India

- Support great entrepreneurs through Next Bharat Ventures (NBV) to create a greater impact for the next one billion people.
 - →Contribute to India's further development and build connections with the next one billion beyond mobility.
- Deepen customer understanding through projects at the Suzuki Innovation Center under NBV
 - →Address rural challenges in India using digital technologies



Customer Information Platform

Current Suzuki Customers / Yet-to-be-Met Customers / "Next One Billion" Customers

(3) Transformation of Products and Services ~ Design field

Improve development efficiency to deliver valuable products to customers at affordable prices on time.



O Quantifying Performance Requirements and Optimizing/Streamlining **Specifications with AI**

- Automate and utilize AI for optimization tasks during specification reviews
- Effectively leverage past knowledge and experience

O Identifying and aggregating data necessary for design by applying AI, setting and optimizing design conditions

- Consolidate large volumes of development-related data to efficiently set design conditions
- Automatically generate designs with AI that satisfy required performance

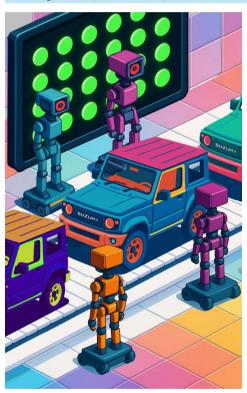
OReduction of Evaluation and Verification Testing

- Expand virtual technologies such as MBD and apply AI to CAE Reduce prototype vehicles and improve efficiency of evaluation and verification testing by 80%
- Enhance test patterns and improve defect detection capability through AI utilization Prevent quality issues and deliver safe, reliable vehicles

KPI	2027	2030
Improvement in development efficiency (compared to FY2024)	20% (Data accumulation and initial Aldriven optimization of selected operations)	80% (Expansion of Al-driven optimization to more areas)

(3) Transformation of Products and Services ~ Production field

Achieve a "Never Stop, Zero-Defect" factory by thoroughly applying Genba, Genbutsu, Genjitsu, Genri, Gensoku through data and Al utilization.



Create the Suzuki Smart Factory to produce safe and reliable products for customers.

Global sales volume

Automobile: 3.24 million units (FY2024) → 4.2 million units (FY2030 target)

OSafety — Achieving Zero Accidents through Automation and Al

- Achieve zero accidents by automating hazardous tasks and automatically avoiding abnormal conditions.
- Use AI to analyze abnormal conditions, predict potential incidents, and maintain normal operations to aim for zero near-misses.

O Quality — Achieving Zero Manufacturing Defects through Data and Al

- Use AI to analyze defect detection data, predict defect occurrence, and maintain optimal conditions to aim for 100% good products.
- Achieve zero defective product outflow by automating defect detection through image analysis.

OProductivity — Strengthening the Production System through Predictive Maintenance and Logistics Improvement

- Utilize equipment operation data to detect potential failures in advance and perform maintenance before breakdowns occur.
- Use AI to analyze equipment operation data to forecast shipment volumes and optimize logistics efficiency

Risk Management

Providing a platform for safe and efficient DX **Building Security Guardrails for Safe AI Utilization**



O Establishing an information security management system

Set up an organization to manage product security operations and conduct regular security management to ensure customers' daily safety and peace of mind.

Continue ISO 27001 (acquired in 2020) assessment activities and internal audits

O Establishing rules and guidelines

Development of AI Risk Management

Establish security guardrails so that data and AI can be freely utilized within defined rules

OInformation Security Education

Conduct e-learning programs for all employees and tier-specific training sessions Raise awareness of security and communicate response procedures for security incidents through targeted attack e-mail drills

DX Promotion System



Driving Digital Transformation Globally Across the Suzuki Group

• Standardization of operations and utilization of global common systems

Suzuki Group IT divisions gather twice a year for the IT Summit. Strengthen collaboration among IT divisions to promote standardization of operations and systems, aiming to improve overall efficiency across the Suzuki Group.

 Cultural and Organizational Integration within the Suzuki Group Exchange through personnel dispatch to NBV (Next Bharat Ventures). Staff exchange with Maruti Suzuki India.

All executives review the progress of AI utilization across all divisions

 All Divisions Place AI at the Core of their Operations Implementing business transformation through AI. Share AI utilization progress with all executives on a quarterly basis to accelerate company-wide AI adoption.

