

# **Notice of Convocation**

**of**

## **the 154<sup>th</sup> Ordinary General Meeting of Shareholders**

(English translation of the rest of the cover is omitted)

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## To Our Shareholders

Thank you very much for your continued support.

We would like to express our deepest condolences to those who have passed away due to the novel coronavirus (COVID-19) infection, and sympathies to those who are being treated. We would also like to express our sincere gratitude to all medical staff and others who are working hard every day to secure lifelines.

Additionally, we sincerely apologize for the enormous inconvenience and concerns our improper conducts regarding the final vehicle inspection in the plants has caused to our shareholders.

The entire Company is uniting together around the efforts of the management team in order to raise companywide awareness and improve our organizational culture to ensure thorough compliance with laws and regulations in all operations of the Company. Among these efforts, with regard to the final inspection operations, we made progress on a wide scope of initiatives, including collection of feedback from worksites, reduction of the burden of inspectors by increasing the number of inspectors, and improvement of inspection facilities, and we have promoted the relevant measures so that more reliable and accurate inspections can be performed. Moving forward, we will continue to work on further improvements.

Furthermore, with safety and security as our top priority, we will comply with laws and regulations in order to provide high-quality products and services that satisfy our customers, and in all our operations including manufacturing, we will make efforts to promote the “Smaller, Fewer, Lighter, Shorter, and Neater” slogan and the “improvement of quality,” and work to achieve efficient and healthy management.

Suzuki Motor Corporation celebrated its 100th anniversary in March 2020. Over the last 100 years, Suzuki has taken on many challenges in the areas of looms, motorcycles, automobiles, outboard motors and more. The Suzuki of today was created through these challenges. We are grateful to our shareholders, customers, business partners, employees, and all of our stakeholders, and it has truly been “a hundred years of feeling nothing less than the deepest gratitude.”

In the operating results for the current fiscal year, both sales and profit decreased compared with the previous fiscal year due to the late recovery in the Indian automobile market and the effects of foreign exchange rates in addition to the impact of COVID-19 at the end of the fiscal year. The spread of COVID-19 is a situation we have never experienced before, but the Group has overcome many crises in the past. We will swiftly implement our response in regard to production, sales and management.

We will keep striving to make and provide valuable products and services, and promote efforts for enhancing corporate value based on long-term prospects, while continuing to take on new challenges for the next 100 years. We look forward to the continued support and encouragement of our shareholders.

Toshihiro Suzuki, Representative Director and President

June 2020

## **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

## **Smaller, Fewer, Lighter, Shorter, and Neater**

Our slogan of “Smaller, Fewer, Lighter, Shorter, and Neater” has taken root over many years as a direct expression of the ideology and culture of Suzuki.

“Smaller” refers to making things more compact to improve efficiency. “Fewer” refers to eliminating waste and allocating resources to necessary places. “Lighter” refers to building lighter vehicles to further improve efficiency. “Shorter” refers to speeding up decision-making, execution, and the sharing of information.

Finally, “Neater” refers to the concept that all of our activities are for the benefit of our customers, and is connected to our belief that customer satisfaction can only be achieved by meeting every type of need in performance, quality, cost, reliability, safety/security and compliance.

In order to develop products of superior value by focusing on the customer, the motto which we hold as our foremost mission statement, we will continue to strive for “Smaller, Fewer, Lighter, Shorter, and Neater” in manufacturing and every other kind of work in which we are involved.

(For English Translation, the pictures and the chart are omitted.)

## **Implementation status of preventive measures related to improper conducts in final vehicle inspections**

### **1. Determination and actions of the management team**

The President made an announcement to all of the employees of Suzuki reflecting on his lack of insight to identify and improve the actual situations occurring at worksites and the actual issues the employees might be facing, and being unable to personally stay in close contact with the worksites, and expressing his determination to create an environment in which employees can feel reassured and devote themselves to their work while complying with the relevant laws, regulations, and rules. As one specific action of that sentiment, the President and the management team visit each plant, listening to the actual voices of employees on the worksite and promoting the necessary improvements. In addition, at various internal events, the top management takes advantage of the opportunity to reiterate messages to our employees on preventing the recurrence of compliance issues.

From an organizational standpoint, we have engaged in activities to clarify the ideal format for final vehicle inspections and promote the reform of final inspection operations by establishing both the inspection department as an independent division separate from the production department and introducing the Inspection Reform Committee. At the same time, we are strengthening the audit system that provides a three-tier process for audits of final inspection operations.

### **2. Raise companywide awareness and improve organizational culture**

In our efforts to develop initiatives to serve as lessons on compliance awareness learned from the improper sampling inspection of fuel consumption and exhaust gas in 2016 and the latest improper conducts regarding final vehicle inspection, we have established a permanent exhibit area within the head office, and we focus on activities such as providing thorough education on these incidents to all employees, from new employees to those in managerial positions, without exception, and distributing a Compliance Handbook to all Directors, officers and employees to be used for daily guidance and operational confirmation.

In addition, as part of our initiative to revitalize communication within the Company, we have newly introduced training aimed at raising awareness for employees who are in the position to receive reports, contact and consultations, and have established a system in which the President works to ensure awareness of "Attitude to Perform Work" throughout the Company, while managers take responsibility for understanding operations and giving instructions, guidance, and confirmation to subordinates, ensuring that subordinates disclose relevant facts and report, contact and consult appropriately.

### **3. For more reliably correct inspections**

Through efforts such as arranging counselors, collecting notes on employee concerns, gathering opinions of leaders and supervisors, and holding individual interviews and group meetings, we identify tasks that are considered difficult and problems in the workplace, and use this information to make improvements in the worksite.

In addition, we have increased the number of inspectors to reduce the burden of inspections, and established dedicated inspection lines for the education of assistant inspectors undergoing training in order to smoothly increase the number of inspectors. We have also improved inspection facilities, focusing on processes that are particularly prone to mistakes. For example, we have installed equipment to automatically record inspection data that had been hand-written by the inspector. In sideslip inspections (wheel alignment inspections), vehicle transit speed is measured with a sensor and the inspection is automatically invalidated if the speed exceeds the prescribed speed. In this way, we are increasing the reliability of inspections while reducing the burden on the inspectors.

(Securities Code Number: 7269)

10 June 2020

## To each Shareholder:

### **Suzuki Motor Corporation**

300, Takatsuka-cho, Minami-ku, Hamamatsu-City, Shizuoka-ken

### **Toshihiro Suzuki**

Representative Director and President

## **Notice of Convocation of the 154<sup>th</sup> Ordinary General Meeting of Shareholders**

We appreciate very much your support always given to us.

Now, we would hereby like to inform you that the 154<sup>th</sup> Ordinary General Meeting of Shareholders will be held as follows.

This year, in order to prevent the spread of COVID-19, we kindly ask you to consider exercising your voting right by either of the methods detailed below instead of attending the meeting in person. We cordially request that you exercise your voting right by 5:00 p.m. of Thursday, 25 June 2020 after studying the reference documents for the General Meeting of Shareholders below.

Regards,

### **[Exercise of voting right by mail]**

Please indicate your approval or disapproval of the agenda in the enclosed voting right exercise form and return it so that it will be delivered to us within the exercise period mentioned above.

### **[Exercise of voting right by the Internet]**

Please check “Exercising voting rights by the Internet” in P6 and “Guidance for exercising voting rights by the Internet” in P7, and enter approval or disapproval of the agenda.

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## **Particulars**

- 1. Date and Time:** 10:00 a.m., Friday, 26 June 2020 (Registration: from 9:00 a.m.)
- 2. Place:** 1-3-1 Higashiiba, Naka-ku, Hamamatsu-City, Shizuoka-ken Banquet Hall Otori, Grand Hotel Hamamatsu  
(Please refer to the “Map of the venue of the General Meeting of the Shareholders” at the end.)

### 3. Matters of purpose

- Items to be reported:**
1. Report on Business Report, Consolidated Financial Statements, Results of the auditing of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 154<sup>th</sup> fiscal year (from 1 April 2019 to 31 March 2020)
  2. Report on the Financial Statements for the 154<sup>th</sup> fiscal year (from 1 April 2019 to 31 March 2020)

**Items to be resolved:**

- Agenda Item 1:** Disposal of Surplus
- Agenda Item 2:** Election of Nine (9) Directors
- Agenda Item 3:** Election of Five (5) Audit & Supervisory Board Members
- Agenda Item 4:** Revision of Remuneration Due to Granting of Restricted Stock to Directors

### 4. Decisions upon convocation

- (1) No indication of approval or disapproval of each agenda item in the voting right exercise form shall be regarded as having indicated approval.
- (2) The last one shall be regarded as the effective exercise of the voting right if the voting right is exercised for multiple times by the Internet.
- (3) The exercise of voting rights by the Internet shall be regarded as the effective exercise of the voting right if the voting right is exercised by both of the Internet and the voting right exercise form.

### 5. Other Matters for this Notice of Convocation

We have uploaded Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements among the documents which are to be provided upon this Notice of Convocation, on our website (<https://www.suzuki.co.jp/ir/>) in accordance with the laws and regulations and Article 16 of the Articles of Incorporation, therefore they are not attached to this Notice of Convocation.

Therefore, “Consolidated Financial Statements” and “Non-Consolidated Financial Statements” included in the attached documents constitute only certain part of the entire consolidated financial statements and non-consolidated financial statements which have been audited by Audit & Supervisory Board Members and Accounting Auditors for preparing their respective Audit Reports.

- End -

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Revisions of the reference documents for the General Meeting of Shareholders and/or the attached documents, if any, shall be immediately disclosed on our website on the Internet (<https://www.suzuki.co.jp/ir/>) in the revised form.

(For this English translation, the picture is omitted.)

## **Guidance for exercising voting rights**

### **[For those who will attend the meeting]**

Please submit the enclosed voting right exercise form to the reception when you attend the meeting. Please also submit the letter of attorney to the reception if the proxy attends the meeting. Further, the proxy shall be limited to another shareholder who has the voting right of the Company. (Proxies and escorts who are not shareholder may not attend the meeting.)

**Date and Time:** 10:00 a.m., Friday, 26 June 2020

**Place:** Banquet Hall Otori, Grand Hotel Hamamatsu

### **[For those who will exercise voting rights by mail or the Internet]**

<Exercising voting rights by mail>

Please express your approval or disapproval of the agenda in the enclosed voting right exercise form, and send the same by the deadline indicated below:

**Deadline:** 5:00 p.m., Thursday, 25 June 2020

<Exercising voting rights by the Internet> (Please check the next page for details.)

Please access our voting right exercise website, and enter your approval or disapproval of the agenda by the deadline indicated below following instructions on the screen.

To exercise your voting right from a smartphone or tablet, please use Smart Vote. Details on the next page.

**Deadline:** 5:00 p.m., Thursday, 25 June 2020

(For this English translation, the picture is omitted.)

## **Guidance for exercising voting rights by the Internet**

You can exercise voting rights by the Internet only by using our voting right exercise website below.

**Deadline: 5:00 p.m., Thursday, 25 June 2020**

**Voting Right Exercise Website: <https://www.web54.net>**

You can use your smart phones, etc. if it equips QR code reader to read out the “QR code” shown next, and access the Voting Right Exercise Website. Please check the instruction manual of your smart phones, etc. for details of operation procedure. (“QR code” is the registered trademark of Denso Wave Incorporated.)

(For this English translation, the QR code is omitted.)

### **Smart Vote**

Convocation Online offers easy access to Smart Vote by adding a camera button. You can scan the QR code with the button. (Convocation Online can be accessed by reading the QR code printed in the cover page.)

The website can be accessed by reading out the Voting Right Exercise Website login QR code for smartphones specified in the enclosed voting right exercise form without having to enter the voting right exercise code or the password.

\*Voting right can be exercised using the above method only once.

(For this English translation, the picture is omitted.)

For detailed information, please see the enclosed leaflet

- You will need the voting right exercise code and the password specified in the right hand section on the reverse side of the voting right exercise form in exercising the voting rights by the Internet. The notified password for this occasion will be effective only for this General Meeting of Shareholders.
- We would like to request that you exercise your voting rights by the Internet by 5:00 p.m. of Thursday, 25 June 2020 after studying the reference documents for the General Meeting of Shareholders.
- We will regard the last one as the effective exercise of the voting rights if the voting rights are exercised for multiple times by the Internet.
- We will regard the exercise of the voting rights by the Internet as the effective exercise of the voting rights if the voting rights are exercised by both of the Internet and the voting right exercise form.
- Please note that any expenses for accessing the voting right exercise website (internet access fee, telephone fee, packet fee, etc.) shall be borne by you.

(For this English translation, the picture is omitted.)

### **Inquiries for exercising the voting rights by the Internet**

(1) Inquiries regarding operation of computers, smartphones, etc. to exercise voting rights by the Internet Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Business Website Support exclusive number: 0120 (652) 031 (9:00–21:00)

(2) Other inquiries

#### **Shareholders with an account with a securities company**

Please inquire with your securities company.

#### **Shareholders with no account with a securities company (shareholders with special accounts)**

Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited  
0120 (782) 031 (9:00–17:00; closed Saturdays, Sundays, and non-business days)

### **Institutional investors:**

If you are a nominal owner (including a standing proxy) such as a management trust bank and you previously applied for the use of the voting right electronic exercise platform, you may use the said platform as a method to exercise your voting rights by electromagnetic method for the General Meeting of Shareholders of the Company.

## REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

### MATTERS TO BE RESOLVED AND REFERENCE MATTERS

#### Agenda Item 1: Disposal of Surplus

Suzuki Motor Corporation celebrated its 100th anniversary in March 2020. Over the last 100 years, Suzuki has taken on many challenges in the areas of looms, motorcycles, automobiles, outboard motors and more. The Suzuki of today was created through these challenges. We are grateful to our shareholders, customers, business partners, employees, and all of our stakeholders, and it has truly been “a hundred years of feeling nothing less than the deepest gratitude.”

Regarding the dividends for the fiscal year, although both sales and profit decreased, the Company proposes to set the year-end dividend at ¥48.00 per share, adding a commemorative dividend of ¥11.00 per share to the ordinary dividend of ¥37.00 per share, to express its gratitude to the shareholders for making it possible for the Company to celebrate its milestone 100th anniversary of foundation.

Since the Company paid ¥37.00 per share as the interim dividend, the annual dividend of the fiscal year will be ¥85.00 per share.

#### 1. Matters for year-end dividend

##### (1) Matters for distribution of dividend assets to shareholders and their total amount

¥48 per ordinary share of the Company

(including a commemorative dividend of ¥11 for the 100th anniversary of foundation)

Total amount ¥23,299,823,712

##### (2) Effective date of distribution of

surplus 29 June 2020

#### 2. Matters for other disposals of the surplus

##### (1) Item and amount of the decreased surplus

Retained earnings brought forward ¥40,000,000,000

##### (2) Items and amount of the increased surplus

General Reserve ¥40,000,000,000

(For this English translation, the chart is omitted.)

## **Agenda Item 2: Election of Nine (9) Directors**

The term of office of each of the seven (7) current Directors are due to expire at the close of this General Meeting of Shareholders. Accordingly, in order to strengthen the supervision function, the number of Outside Directors will be increased from two (2) to three (3) (two (2) male, one (1) female), and the election of nine (9) Directors is proposed.

The names and particulars of the candidates for the positions of Director are provided below.

Candidate Number		Name	Current positions at the Company	Attendance at the Board of Directors
1	Reappointment	Osamu Suzuki	Representative Director & Chairman (Chairman of the Board)	19 times / 19 times (100%)
2	Reappointment	Yasuhito Harayama	Representative Director & Vice Chairman	18 times / 19 times (94%)
3	Reappointment	Toshihiro Suzuki	Representative Director & President	19 times / 19 times (100%)
4	Reappointment	Osamu Honda	Director & Senior Technical Executive	19 times / 19 times (100%)
5	Reappointment	Masahiko Nagao	Director & Managing Officer	19 times / 19 times (100%)
6	New Appointment	Toshiaki Suzuki	Managing Officer	-
7	New Appointment Outside Director Independent Director/Audit & Supervisory Board Member	Osamu Kawamura	-	-
8	New Appointment Outside Director Independent	Hideaki Doumichi	-	-

	Director/Audit & Supervisory Board Member			
9	New Appointment Outside Director/Independent Director/Audit & Supervisory Board Member	Yuriko Kato	-	-

(Note) Mr. Toshiaki Suzuki is not a relative of Mr. Toshihiro Suzuki nor Mr. Osamu Suzuki.

Candidate No.1 <b>Osamu Suzuki</b> (Date of birth: 30 January 1930) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge
Number of shares of the Company held: 350,374	<p>Apr. 1958    Joined the Company</p> <p>Nov. 1963    Director</p> <p>Dec. 1967    Managing Director</p> <p>Nov. 1973    Senior Managing Director</p> <p>Jun. 1977    Representative Director &amp; Senior Managing Director</p> <p>Jun. 1978    Representative Director &amp; President</p> <p>Jun. 2000    Representative Director &amp; Chairman (CEO, Chairman of the Board)</p> <p>Dec. 2008    Representative Director &amp; Chairman &amp; President (CEO &amp; COO, Chairman of the Board)</p> <p>Jun. 2015    Representative Director &amp; Chairman (CEO, Chairman of the Board)</p> <p>Jun. 2016    Representative Director &amp; Chairman (Chairman of the Board) (To the present)</p>
The total number of shares of Suzuki stock that Osamu Suzuki owns has decreased from 566,800, as stated in the reference documents of the Notice of Convocation of the 152nd Ordinary General Meeting of Shareholders, due to the donation to the Suzuki Michio Memorial Foundation established by Osamu Suzuki to contribute to society.	<p>Important concurrent office(s)</p> <p>Chairman of Suzuki Foundation</p> <p>Special interest between the candidate and the Company</p> <p>The Company pays fundamental property to Suzuki Foundation*, for which Mr. Osamu Suzuki is appointed as Chairman.</p> <p>* Suzuki Foundation was established in 1980 as a commemorative project to mark the Company's 60th anniversary with the goal of providing financial assistance to scientific research on compact cars and other machinery for use by the general public.</p>
<Attendance at the Board of Directors> 19 times / 19 times (100%)	<p><b>Reason to elect him as a candidate of Director</b></p> <p>Mr. Osamu Suzuki has shown exceptional management talent in establishment of mini vehicle segment business in the domestic market and promotion of global expansion of business (especially in India), etc., which are initiatives that founded the present status of the Company. In the 2019 fiscal year, he has appropriately conducted important decision-making and supervision of business execution for corporate management as Chairman of the Board. The Company elected him as a candidate for Director again this time, because his management talent, knowledge and deep insight acquired from his many years of experience in management are indispensable for the continuous growth of the Group in this period of great transformation for the automobile industry.</p>

Candidate No.2 <b>Yasuhito Harayama</b> (Date of birth: 22 June 1956) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge
Number of shares of the Company held: 24,359	<p>Apr. 1979    Joined Ministry of International Trade and Industry (currently known as Ministry of Economy, Trade and Industry)</p> <p>Jul. 2009    Joined the Company Managing Officer</p> <p>Feb. 2010    Managing Officer &amp; Executive General Manager of Global Alliance</p> <p>Jun. 2010    Director &amp; Senior Managing Officer</p> <p>Apr. 2011    Director &amp; Senior Managing Officer, Corporate Planning Committee Member, and Executive General Manager of Business Development</p> <p>Jun. 2011    Representative Director &amp; Executive Vice President</p> <p>Oct. 2013    Representative Director &amp; Executive Vice President, Supporting CEO and in charge of Business Development of the Company</p> <p>Jun. 2015    Representative Director &amp; Vice Chairman, and Supporting Chairman</p> <p>Jun. 2019    Representative Director &amp; Vice Chairman and in charge of Special Missions (To the present)</p>
<Attendance at the Board of Directors> 18 times / 19 times (94%)	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having ample experience and knowledge as administrative official of Ministry of Economy, Trade and Industry, Mr. Yasuhito Harayama has been tackling various managerial/operational tasks of the Company since he joined the Company from a unique viewpoint and experience as a Director who was not originally an employee of the Company. He has also been taking a lead in the Company since June 2011 as Representative Director. In the 2019 fiscal year, he has continued to show his talents in a wide variety of initiatives which include finding solutions to the challenges faced by the Company. The Company elected him as a candidate for Director again this time, because his deep insight and talent are indispensable for the continuous growth of the Group in this period of great transformation for the automobile industry.</p>

Candidate No.3 <b>Toshihiro Suzuki</b> (Date of birth: 1 March 1959) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge
Number of shares of the Company held: 78,981	<p>Jan. 1994    Joined the Company</p> <p>Apr. 2003    Executive General Manager of Product Planning Operations</p> <p>Jun. 2003    Director</p> <p>Jun. 2006    Director &amp; Senior Managing Officer</p> <p>Apr. 2011    Director &amp; Senior Managing Officer, Corporate Planning Committee Member and Executive General Manager of Corporate Planning Office</p> <p>Jun. 2011    Representative Director &amp; Executive Vice President</p> <p>Oct. 2013    Representative Director &amp; Executive Vice President, Corporate Planning Committee Member, and in charge of Global Marketing</p> <p>Jun. 2015    Representative Director &amp; President (COO)</p> <p>Jun. 2016    Representative Director &amp; President (CEO &amp; COO)</p> <p>Jun. 2018    Representative Director &amp; President</p> <p>Apr. 2019    Representative Director &amp; President, Executive General Manager of Motorcycle Company</p> <p>Jun. 2020    Representative Director &amp; President (To the present)</p>
<Attendance at the Board of Directors> 19 times / 19 times (100%)	Important concurrent office(s)
	Chairman of Suzuki Education and Culture Foundation
	Special interest between the candidate and the Company
	<p>The Company pays fundamental property to Suzuki Education and Culture Foundation*, for which Mr. Toshihiro Suzuki is appointed as Chairman.</p> <p>* Suzuki Education and Culture Foundation was established in 2000 as a commemorative project to mark the Company's 80th anniversary with the goal of making contributions to the nurturing of healthy youths in Shizuoka Prefecture.</p>
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having business experience and knowledge in vast fields such as production, product planning, corporate planning and global marketing, Mr. Toshihiro Suzuki has been taking a lead in the Company as Representative Director since June 2011. In the 2019 fiscal year, particularly in regard to the thorough implementation of preventive measures for improper final inspections, after sending out a message to the employees of the Company to express his regret and determination moving forward, he has demonstrated leadership by visiting each plant to provide personal instruction, speaking with each individual inspector, and striving to promote and ensure the effectiveness of these measures as a general supervisor. The Company elected him as a candidate of Director again this time, expecting him to be committed to be a leader responsible for promoting the strategy for growth of the Group in this period of great transformation for the automobile industry.</p>

Candidate No.4 <b>Osamu Honda</b> (Date of birth: 6 October 1949) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge
Number of shares of the Company held: 50,700	<p>Apr. 1973    Joined the Company</p> <p>Jan. 2006    In charge of Powertrain</p> <p>Jun. 2006    Managing Officer</p> <p>May 2007    Senior Managing Officer</p> <p>Jun. 2009    Director &amp; Senior Managing Officer</p> <p>Apr. 2011    Director &amp; Senior Managing Officer, Corporate Planning Committee Member, and Executive General Manager of Automobile Engineering</p> <p>Jun. 2011    Representative Director &amp; Executive Vice President</p> <p>Oct. 2013    Representative Director &amp; Executive Vice President, Supporting CEO and in charge of Automobile Engineering, Development &amp; Quality</p> <p>Jun. 2015    Representative Director &amp; Executive Vice President, and in charge of Engineering</p> <p>Jun. 2016    Senior Technical Executive</p> <p>Jun. 2017    Director &amp; Senior Technical Executive</p> <p>Jun. 2019    Director &amp; Senior Technical Executive, and in charge of Special Missions</p> <p>Nov. 2019    Director &amp; Senior Technical Executive, in charge of Special Missions, and Chief Officer of Inspection Reform Committee (To the present)</p>
<Attendance at the Board of Directors> 19 times / 19 times (100%)	
	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having ample business experience and knowledge in the field of automobile engineering, Mr. Osamu Honda has also taken a lead in the Company as Representative Director. In the 2019 fiscal year, he has continued to show his talents, in particular by promoting preventive measures for improper final inspections and working to ensure their effectiveness as Chief Officer of Inspection Reform Committee. The Company elected him as a candidate for Director again this time, because his deep insight and talent are indispensable in handling technical and quality issues and cooperating with other companies for the continuous growth of the Group in this period of great transformation for the automobile industry.</p>

Candidate No.5 <b>Masahiko Nagao</b> (Date of birth: 4 January 1958) [Reappointment]	
<Portrait omitted>	Resume, current positions and areas in charge
Number of shares of the Company held: 6,669	<p>Apr. 1981    Joined Ministry of International Trade and Industry (currently known as Ministry of Economy, Trade and Industry)</p> <p>Sep. 2012    Joined the Company</p> <p>Apr. 2013    Managing Officer, and Executive General Manager of Corporate Planning Operations, Corporate Planning Office</p> <p>Oct. 2013    Managing Officer, and Executive General Manager of Corporate Planning Office</p> <p>Jun. 2015    Director &amp; Managing Officer, and Executive General Manager of Corporate Planning Office</p> <p>Jul. 2018    Director &amp; Managing Officer and in charge of Human Resources, and Executive General Manager of Corporate Planning Office</p> <p>Sep. 2019    Director &amp; Managing Officer, and Executive General Manager of Corporate Planning Office (To the present)</p>
<Attendance at the Board of Directors> 19 times / 19 times (100%)	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having ample administrative experience and knowledge from his career as official of Ministry of Economy, Trade and Industry, Mr. Masahiko Nagao has been engaged in enhancing the function of corporate planning and improving corporate governance, since entering the Company, since April 2013 as Managing Officer, and since June 2015 as Director &amp; Managing Officer, and in the 2019 fiscal year, he continued to show his talents in initiatives including providing internal leadership for the Company in cross-departmental projects. The Company elected him as a candidate of Director again this time, because his deep insight and talent is indispensable for the management of the Company, for rebuilding the management base of the Company and promoting the strategy for growth of the Group.</p>

Candidate No.6 <b>Toshiaki Suzuki</b> (Date of birth: 7 June 1958) [New Appointment]	
<Portrait omitted>	Resume, current positions and areas in charge
Number of shares of the Company held: 1,570	Apr. 1982    Joined the Company
	Apr. 2009    Representative Director and President of SUZUKI JIHAN SHONAN CORPORATION Inc.
	Apr. 2012    Representative Director and President of SUZUKI JIHAN TOKYO CORPORATION Inc.
	Apr. 2013    Vice Executive General Manager of Domestic Marketing, the Company
	Jun. 2015    Managing Officer and Executive General Manager of Domestic Marketing; Representative Director and President of Suzuki Finance Co., Ltd.
	Apr. 2016    Managing Officer and Executive General Manager of Domestic Marketing I, Domestic Marketing; Representative Director and President of Suzuki Finance Co., Ltd. (To the present)
	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
	<p><b>Reason to elect him as a candidate of Director:</b></p> <p>Having ample business experience and knowledge in the field of automobile marketing in the domestic market, Mr. Toshiaki Suzuki has contributed to strengthening the Company's automobile business since June 2015 as the Managing Officer. In order for the Group to achieve continuous growth in the future, it will be essential to respond to a wide selection of new issues, including the domestic automobile market changing due to the declining population and aging society, the development of sales and service personnel accompanying technological innovations such as the electrification and computerization of automobiles, and functional enhancement of production bases, etc. The Company elected him as a candidate for Director this time, because his ample experience and knowledge are indispensable for important decision-making and business execution in future development of the automobile business.</p>

Candidate No.7 <b>Osamu Kawamura</b> (Date of birth: 30 July 1942) [New Appointment] [Outside Director] [Independent Director/Audit & Supervisory Board Member]	
Number of concurrent offices in listed companies: 0	
<Portrait omitted>  Number of shares of the Company held: 0	Resume, current positions and areas in charge
	<p>Jan. 1973 Representative Director and President of CHANSON COSMETICS HONPO Co., LTD Representative Director and President of CHANSON SHOJI Co., LTD (Both companies were merged in September 1997 into a company currently known as CHANSON COSMETICS Inc.)</p> <p>Feb. 1973 Representative Director and Chairman of Shizuoka Information Processing Center (To the present)</p> <p>Jul. 1975 Representative Director and Chairman of CHANSON YUSHI KOGYO Co., LTD (currently known as CARING JAPAN Inc.) (To the present)</p> <p>Feb. 1977 Representative Director and President of Takken Inc. (To the present)</p> <p>Nov. 2006 Representative Director and Chairman of CHANSON TEA WORLD Co., LTD (To the present)</p> <p>Oct. 2017 Representative Director and Chairman of CHANSON COSMETICS Inc. (To the present)</p>
	Important concurrent office(s)
	<p>Representative Director and Chairman of CHANSON COSMETICS Inc. Representative Director and Chairman of Shizuoka Information Processing Center Representative Director and Chairman of CARING JAPAN Inc. Representative Director and President of Takken Inc. Representative Director and Chairman of CHANSON TEA WORLD Co., LTD (The above five companies are in the same group.)</p>
	Special interest between the candidate and the Company
	None
	<p><b>Matters concerning a candidate of Outside Director:</b></p> <p>The Company deems that Mr. Osamu Kawamura satisfies the Company's "Standard for Independence of Outside Directors and Outside Audit &amp; Supervisory Board Members" in P31. He will be filed as the independent director/audit &amp; supervisory board member under the rules of the Tokyo Stock Exchange, Inc., when elected according to this agenda.</p> <p>Mr. Osamu Kawamura is Representative Director of CHANSON COSMETICS Inc. and its group companies. The Group has transactions with said group including the purchase of management devices and commission of maintenance, but the annual payment from the Group in the latest business year was approximately 20 million yen, and therefore the Company has judged that this presents no issues to his independence.</p>
	<p><b>Reason to elect him as a candidate of Outside Director:</b></p> <p>Having engaged in corporate management in cosmetic business and other businesses, Mr. Osamu Kawamura has ample experience and knowledge as a specialist in business management. In addition, through business activities, he is</p>

proactively working on supporting women's advancement in society, environmentally friendly manufacturing that emphasizes quality, and the Sustainable Development Goals (SDGs) adopted by the UN Summit. The Company elected him as a candidate for Outside Director this time, because it has judged that he can provide advice and supervision to the management of the Company from various perspectives based on this experience and knowledge.

**Outline of Contract for Limitation of Liability with the candidate of Outside Directors:**

If Mr. Osamu Kawamura is elected as Outside Director this time, the Company will conclude with him a contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided in Paragraph 1, Article 425 of the Act, according to the provision of Paragraph 1, Article 427 of the Act.

Candidate No.8 <b>Hideaki Doumichi</b> (Date of birth: 14 December 1948) [New Appointment] [Outside Director] [Independent Director/Audit & Supervisory Board Member]	
Number of concurrent offices in listed companies: 1	
<Portrait omitted>	Resume, current positions and areas in charge
Number of shares of the Company held: 0	<p>Apr. 1972    Joined Ministry of Foreign Affairs</p> <p>Aug. 2003    Director-General of Middle Eastern and African Affairs Bureau</p> <p>Jun. 2004    Ambassador of Japan to Iran</p> <p>Sep. 2007    Ambassador of Japan to India and Kingdom of Bhutan</p> <p>Feb. 2011    Ambassador in Charge of Economic Diplomacy</p> <p>Apr. 2012    Executive Senior Vice President of Japan International Cooperation Agency</p> <p>Oct. 2016    Senior Managing Officer of Hotel Management International Co., Ltd.</p> <p>Jun. 2017    External Audit &amp; Supervisory Board Member of Konoike Transport Co., Ltd. (To the present)</p>
	Important concurrent office(s)
	External Audit & Supervisory Board Member of Konoike Transport Co., Ltd. <Concurrent post as an officer in a listed company>
	Special interest between the candidate and the Company
	None
	<p><b>Matters concerning a candidate of Outside Director:</b></p> <p>The Company deems that Mr. Hideaki Doumichi satisfies the Company's "Standard for Independence of Outside Directors and Outside Audit &amp; Supervisory Board Members" in P31. He will be filed as the independent director/audit &amp; supervisory board member under the rules of the Tokyo Stock Exchange, Inc., when elected according to this agenda.</p> <p>Mr. Hideaki Doumichi served as Senior Managing Officer of Hotel Management International Co., Ltd. from October 2016 to January 2019 after working for the Ministry of Foreign Affairs and Japan International Cooperation Agency. The Group has transactions with Grand Hotel Hamamatsu, an affiliate of said company, regarding facility usage, etc., but these transactions have been ongoing since before February 2014, when Hotel Management International Co., Ltd. took over the business operations of Grand Hotel Hamamatsu, and therefore the Company has judged that this presents no issues to his independence.</p>
	<p><b>Reason to elect him as a candidate of Outside Director:</b></p> <p>Mr. Hideaki Doumichi has held important positions such as the Ambassador of Japan to India, which is a focus market for the Group, and has a wealth of international experience as a diplomat and deep insight into world affairs. In addition, he has been engaged in various issues such as the environment and society on a global scale. The Company elected him as a candidate for Outside Director this time, because it has judged that he can provide advice and supervision to the management of the Company from various perspectives based on this experience and knowledge.</p>

**Outline of Contract for Limitation of Liability with the candidate of Outside Directors:**

If Mr. Hideaki Doumichi is elected as Outside Director this time, the Company will conclude with him a contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided in Paragraph 1, Article 425 of the Act, according to the provision of Paragraph 1, Article 427 of the Act.

Candidate No.9 <b>Yuriko Kato</b> (Date of birth: 19 June 1974) [New Appointment] [Outside Director] [Independent Director/Audit & Supervisory Board Member]	
Number of concurrent offices in listed companies: 1	
<Portrait omitted>  Number of shares of the Company held: 0	Resume, current positions and areas in charge
	Oct. 2009 Founder and President of M2Labo. Inc. (To the present)
	Jun. 2015 Outside Director of Toclas Corporation
	Mar. 2017 Founder and Representative Director of VegiBus Inc. (To the present)
	Mar. 2018 Outside Director of SHIZUOKA GAS CO., LTD. (To the present)
	Jul. 2018 Representative Director of Glocal Design School Inc.
	Important concurrent office(s)
	President of M2Labo. Inc. Representative Director of VegiBus Inc. (The above two companies are in the same group.) Outside Director of SHIZUOKA GAS CO., LTD. <Concurrent post as an officer in a listed company>
	Special interest between the candidate and the Company
	None
<p><b>Matters concerning a candidate of Outside Director:</b></p> <p>The Company deems that Ms. Yuriko Kato satisfies the Company's "Standard for Independence of Outside Directors and Outside Audit &amp; Supervisory Board Members" in P31. She will be filed as the independent director/audit &amp; supervisory board member under the rules of the Tokyo Stock Exchange, Inc., when elected according to this agenda.</p> <p>Ms. Yuriko Kato is Representative Director of M2Labo. Inc. and its group company. A consolidated subsidiary of the Company has invested 5 million yen in M2Labo. Inc., which accounts for more than 10% of said company's capital stock of 39 million yen, but it is an investment by preferred shares that do not carry voting rights. The Group is not involved in determining important matters of said company, nor is said company dependent on the Group for funding. The Group also has transactions with said group such as sales of machinery and vegetables, but annual net sales from the Group in the latest fiscal year were less than 1 million yen. In addition, the Company and said company are jointly developing an electric transportation vehicle to reduce the load on agricultural producers. However, based on the scale and nature of the transactions detailed above, the Company has judged that this presents no issues to her independence.</p>	
<p><b>Reason to elect her as a candidate of Outside Director:</b></p> <p>Ms. Yuriko Kato founded her own company with the aim of contributing to the achievement of a sustainable society after having engaged in research and development of industrial machinery and robots in a private company and as a sole proprietor, and she is proactively working on the development of agricultural machinery and robots, the efficient distribution of agricultural products, and human resource development through agriculture in order to solve social issues such as a</p>	

decrease in the number of agricultural workers and the aging of society. The Company elected her as a candidate for Outside Director this time, because it has judged that she can provide advice and supervision to the management of the Company from various perspectives based on this experience and knowledge.

**Outline of Contract for Limitation of Liability with the candidate of Outside Directors:**

If Ms. Yuriko Kato is elected as Outside Director this time, the Company will conclude with her a contract for limitation of liability which specifies her liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided in Paragraph 1, Article 425 of the Act, according to the provision of Paragraph 1, Article 427 of the Act.

### **Agenda Item 3: Election of Five (5) Audit & Supervisory Board Members**

The term of office of each of the five (5) Audit & Supervisory Board Members are due to expire at the close of this General Meeting of Shareholders. It is proposed that five (5) Audit & Supervisory Board Members be elected at the meeting.

We have acquired the consent of the Audit & Supervisory Board in relation to this agenda.

The names and particulars of the candidates for the positions of Audit & Supervisory Board Members are provided below.

Candidate Number		Name	Current positions in the Company	Attendance at the Board of Directors	Attendance at the Audit & Supervisory Board
1	Reappointment	Toyokazu Sugimoto	Full-time Audit & Supervisory Board Member	15 times / 15 times (100%)	13 times / 13 times (100%)
2	Reappointment	Masato Kasai	Full-time Audit & Supervisory Board Member	13 times / 15 times (86%)	11 times / 13 times (84%)
3	Reappointment Outside Audit & Supervisory Board Member Independent Director/Audit & Supervisory Board Member	Norio Tanaka	Audit & Supervisory Board Member	19 times / 19 times (100%)	16 times / 16 times (100%)
4	Reappointment Outside Audit & Supervisory Board Member Independent Director/Audit & Supervisory Board Member	Nobuyuki Araki	Audit & Supervisory Board Member	19 times / 19 times (100%)	16 times / 16 times (100%)
5	Reappointment Outside Audit & Supervisory Board Member Independent Director/Audit & Supervisory Board Member	Norihisa Nagano	Audit & Supervisory Board Member	15 times / 15 times (100%)	13 times / 13 times (100%)

(Note) The attendance of Mr. Toyokazu Sugimoto, Mr. Masato Kasai, and Mr. Norihisa Nagano at meetings of the Board of Directors and the Audit & Supervisory Board is those held after their assumption of office as Audit & Supervisory Board Members on June 27, 2019.

Candidate No.1 <b>Toyokazu Sugimoto</b> (Date of birth: 16 March 1947) [Reappointment]	
<Portrait omitted>	Resume and current positions
Number of shares of the Company held: 3,000	Apr. 1973    Joined the Company Jul. 1998    Group Manager of Outboard Motor Planning Apr. 1999    General Manager of Accounting Dept. Jun. 2004    Director and Executive General Manager of Corporate Planning Office Jun. 2006    Director and Senior Managing Officer, in charge of Administration Dept. May 2007    Director and Senior Managing Officer and General Manager of Administration Dept. (In charge of Finance and Information System) Apr. 2011    Director and Senior Managing Officer, in charge of Corporate Planning Administration, Corporate Planning Office Jun. 2013    Senior Managing Officer May 2014    Advisor Jun. 2019    Full-time Audit & Supervisory Board Member (To the present)
<Attendance at the Board of Directors> 15 times / 15 times (100%)	
<Attendance at the Audit & Supervisory Board> 13 times / 13 times (100%)	
	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
(After his assumption of office as Audit & Supervisory Board Member on June 27, 2019)	<p><b>Reason to elect him as a candidate:</b></p> <p>Mr. Toyokazu Sugimoto has ample business experience and broad knowledge mainly in the accounting and financial fields of the Company. Also, having been engaged in the management of the Company as a Director, he is familiar with the management and overall business of the Group. The Company elected him as a candidate for Audit &amp; Supervisory Board Members again this time, because based on this experience and knowledge, he provides beneficial opinions at meetings of the Board of Directors, etc., while working to improve the audit environment as Chairman of the Audit &amp; Supervisory Board, actively gathering internal information as a Full-time Audit &amp; Supervisory Board Member, and properly fulfilling his duties as an Audit &amp; Supervisory Board Member.</p>

Candidate No.2 <b>Masato Kasai</b> (Date of birth: 12 December 1955) [Reappointment]	
<Portrait omitted>	Resume and current positions
Number of shares of the Company held: 3,922	Apr. 1981 Joined the Company
	Apr. 2009 General Manager of Automobile Engines Design II, Automobile Engineering
	Feb. 2010 Vice Executive General Manager of Automobile Engineering
	May 2012 Managing Officer
<Attendance at the Board of Directors> 13 times / 15 times (86%)	Jun. 2015 Managing Officer and Executive General Manager of Automobile Engineering
	Nov. 2016 Managing Officer and Executive General Manager of Customer Quality Assurance
	Sep. 2017 Managing Officer and Vehicle Regulations & Engineering Administration, Environment Engineering Group
<Attendance at the Audit & Supervisory Board> 11 times / 13 times (84%)	Jun. 2019 Full-time Audit & Supervisory Board Member (To the present)
	Important concurrent office(s)
	None
	Special interest between the candidate and the Company
	None
(After his assumption of office as Audit & Supervisory Board Member on June 27, 2019)	<p><b>Reason to elect him as a candidate:</b></p> <p>Having ample business experience and broad knowledge in the fields centered on automobile engineering, quality assurance, and environmental engineering, Mr. Masato Kasai has taken the lead in the execution of operations in the engineering division as a Managing Officer. The Company elected him as a candidate for Audit &amp; Supervisory Board Members again this time, because based on this experience and knowledge, he provides beneficial opinions at meetings of the Board of Directors, etc., while actively gathering internal information as a Full-time Audit &amp; Supervisory Board Member and properly fulfilling his duties as an Audit &amp; Supervisory Board Member of the Company in the manufacturing industry primarily through operational audits related to the field of engineering.</p>

Candidate No.3 <b>Norio Tanaka</b> (Date of birth: 10 February 1951) [Reappointment] [Outside Audit & Supervisory Board Member] [Independent Director/Audit & Supervisory Board Member]	
Number of concurrent offices in listed companies: 1	
<Portrait omitted>	Resume and current positions
Number of shares of the Company held: 3,792	Apr. 1973 Joined Audit Corporation Asahi Kaikeisha (currently known as KPMG AZSA LLC)
	Mar. 1976 Registered as Certified Public Accountant
	Jun. 1977 Registered as Certified Tax Accountant
<Attendance at the Board of Directors>	Jan. 1978 Established Tanaka Norio Certified Public Accountant & Certified Tax Accountant Office (currently known as Tanaka Norio Certified Public Accountant Office) (To the present)
19 times / 19 times (100%)	Jun. 2012 Outside Audit & Supervisory Board Member of the Company (To the present)
<Attendance at the Audit & Supervisory Board>	Jul. 2018 Established Tanaka Certified Public Accountant Office (To the present) Established TMS Hamamatsu Tax Accountant Corporation (To the present)
16 times / 16 times (100%)	Important concurrent office(s)
	Certified Public Accountant Outside Corporate Auditor of ENSHU TRUCK CO.,LTD. <Concurrent post as an officer in a listed company> (He will assume the office in June 2020.)
	Special interest between the candidate and the Company
	None
	<b>Matters concerning a candidate of Outside Audit &amp; Supervisory Board Member:</b>
	The Company deems that Mr. Norio Tanaka satisfies the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" in P31. He has been filed as the independent director/audit & supervisory board member under the rules of the Tokyo Stock Exchange, Inc, and will, when elected according to this agenda, continue to be independent director/audit & supervisory board member. Mr. Norio Tanaka's term in office as Outside Audit & Supervisory Board Member of the Company will be 8 years as of the close of this General Meeting of Shareholders.
	<b>Reason to elect him as a candidate of Outside Audit &amp; Supervisory Board Member:</b>
	Since his appointment as Outside Audit & Supervisory Board Member of the Company, he has been performing his duties as Outside Audit & Supervisory Board Member properly, including expressing beneficial opinions at the meetings of the Board of Directors, etc. based on his ample experience and expertise as a Certified Public Accountant and a Certified Tax Accountant. The Company elected him as a candidate for Outside Audit & Supervisory Board Member again this time, because the Company expects him to continue to oversee and supervise the management of the Company from an objective and neutral position.
	<b>Outline of Contract for Limitation of Liability with the candidate of Outside Audit &amp; Supervisory Board Member:</b>
	The Company concluded with Mr. Norio Tanaka the contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided by Paragraph 1, Article 425 of the Act, according to the provision of Paragraph 1, Article 427 of the Act. If the reappointment of Mr. Norio Tanaka is approved, the Company will continue with him the contract for limitation of liability.

(Note) A case involving improper conducts regarding the final vehicle inspection was discovered in and after August 2018 during Mr. Norio Tanaka's tenure as an Outside Audit & Supervisory Board Member.

Although he was not aware of this fact in advance, he has always reminded others of the importance of legal compliance at meetings of the Board of Directors, etc., and after the case was revealed, has fulfilled his responsibilities by providing recommendations necessary to strengthen the compliance program and to prevent similar cases from occurring.

Candidate No.4 <b>Nobuyuki Araki</b> (Date of birth: 22 September 1939) [Reappointment] [Outside Audit & Supervisory Board Member][Independent Director/Audit & Supervisory Board Member]	
Number of concurrent offices in listed companies: 0	
<Portrait omitted>	Resume and current positions
Number of shares of the Company held: 1,183	Feb. 1982 Professor of Faculty of Engineering, the University of Shizuoka Apr. 2005 Professor emeritus of Faculty of Engineering, the University of Shizuoka Sep. 2006 President of Shizuoka Institute of Science and Technology Apr. 2014 Honorary President of Shizuoka Institute of Science and Technology Jun. 2016 Outside Audit & Supervisory Board Member of the Company (To the present)
<Attendance at the Board of Directors>	Important concurrent office(s)
19 times / 19 times (100%)	None
	Special interest between the candidate and the Company
	None
<Attendance at the Audit & Supervisory Board>	<b>Matters concerning a candidate of Outside Audit &amp; Supervisory Board Member:</b>
16 times / 16 times (100%)	The Company deems that Mr. Nobuyuki Araki satisfies the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" in P31. He has been filed as the independent director/audit & supervisory board member under the rules of the Tokyo Stock Exchange, Inc, and will, when elected according to this agenda, continue to be independent director/audit & supervisory board member. Mr. Nobuyuki Araki's term in office as Outside Audit & Supervisory Board Member of the Company will be 4 years as of the close of this General Meeting of Shareholders.
	<b>Reason to elect him as a candidate of Outside Audit &amp; Supervisory Board Member:</b>
	Though Mr. Nobuyuki Araki has no experience of participating in company management in any other manner than being appointed as outside director, he has been performing his duties as Outside Audit & Supervisory Board Member properly since his appointment as Outside Audit & Supervisory Board Member of the Company, including expressing beneficial opinions at the meetings of the Board of Directors, etc. based on his ample experience and expertise as doctor of engineering and other important offices such as in the field of academy/environment. The Company elected him as a candidate for Outside Audit & Supervisory Board Member again this time, because the Company expects him to continue to oversee and supervise the management of the Company from an objective and neutral position.
	<b>Outline of Contract for Limitation of Liability with the candidate of Outside Audit &amp; Supervisory Board Member:</b>
	The Company concluded with Mr. Nobuyuki Araki the contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided by Paragraph 1, Article 425 of the Act, according to the provision of Paragraph 1, Article 427 of the Act. If the reappointment of Mr. Nobuyuki Araki is approved, the Company will continue with him the contract for limitation of liability.

(Note) A case involving improper conducts regarding the final vehicle inspection was discovered in and after August 2018 during Mr. Nobuyuki Araki's tenure as an Outside Audit & Supervisory Board Member. Although he was not aware of this fact in advance, he has always reminded others of the importance of legal compliance at meetings of the Board of Directors, etc., and after the case was revealed, has fulfilled his responsibilities by providing recommendations necessary to strengthen the compliance program and to prevent similar cases from occurring.

Candidate No.5 <b>Norihisa Nagano</b> (Date of birth: 29 December 1949) [New Appointment] [Outside Audit & Supervisory Board Member] [Independent Director/Audit & Supervisory Board Member]	
Number of concurrent offices in listed companies: 0	
<Portrait omitted>	Resume and current positions
Number of shares of the Company held: 64	Apr. 1978 Registered as Attorney Joined in Sugiyama Law Firm
<Attendance at the Board of Directors>	Oct. 1981 Established Norihisa Nagano Law firm
15 times / 15 times (100%)	Apr. 1990 Vice Chairman of Shizuoka Bar Association
	Jan. 2013 Established Nagano Law firm (To the present)
	Jun. 2019 Outside Audit & Supervisory Board Member of the Company (To the present)
	Outside Corporate Auditor of Brookman Technology, Inc. (To the present)
<Attendance at the Audit & Supervisory Board>	Important concurrent office(s)
13 times / 13 times (100%)	Attorney
	Outside Corporate Auditor of Brookman Technology, Inc.
	Special interest between the candidate and the Company
	None
(After his assumption of office as Audit & Supervisory Board Member on June 27, 2019)	<b>Matters concerning a candidate of Outside Audit &amp; Supervisory Board Member:</b>
	The Company deems that Mr. Norihisa Nagano satisfies the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" in P31. He has been filed as the independent director/audit & supervisory board member under the rules of the Tokyo Stock Exchange, Inc, and will, when elected according to this agenda, continue to be independent director/audit & supervisory board member.
	Mr. Norihisa Nagano's term in office as Outside Audit & Supervisory Board Member of the Company will be 1 year as of the close of this General Meeting of Shareholders.
	<b>Reason to elect him as a candidate:</b>
	Though Mr. Norihisa Nagano has not been directly involved in the management of the company in any other manner than being appointed as outside auditor, he has been performing his duties as Outside Audit & Supervisory Board Member properly since his appointment as Outside Audit & Supervisory Board Member of the Company, including expressing beneficial opinions at the meetings of the Board of Directors, etc. based on his ample experience and expertise as an attorney at law. The Company elected him as a candidate for Outside Audit & Supervisory Board Member again this time, because the Company expects him to continue to oversee and supervise the management of the Company from an objective and neutral position.
	<b>Outline of Contract for Limitation of Liability:</b>
	The Company concluded with Mr. Norihisa Nagano the contract for limitation of liability which specifies his liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided by Paragraph 1, Article 425 of the Act, according to the provision of Paragraph 1, Article 427 of the Act. If the reappointment of Mr. Norihisa Nagano is approved, the Company will continue with him the contract for limitation of liability.

## **(Reference) Policy and procedures for nominating candidate of Directors and candidate of Audit & Supervisory Board Members**

The standard for electing Directors includes that they must have a great deal of experience and knowledge in their respective fields, that they must be capable and qualified managers, and that they must have a wide-ranging view of global business management.

For candidate of Outside Directors, the Company looks for people who have a broad range of knowledge, experience and sufficient achievements in their field of origin, and who satisfy the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" in order to strengthen their ability to supervise management.

For candidate of Audit & Supervisory Board Members, the election standard includes that the candidate must possess a high level of knowledge and proficiency in auditing all fields of the Company's business, including auditing accounts.

For candidate of Outside Audit & Supervisory Board Members, the Company looks for people who have a high level of specialist knowledge and a great deal of experience in finance, accounting, technology, business management, etc., and who satisfy the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" in order to strengthen the neutrality of the auditing system.

Furthermore, for both candidate of Directors and candidate of Audit & Supervisory Board Members, the Company does not consider whether within or without company, gender or nationality.

The suitability of candidate of Directors and candidate of Audit & Supervisory Board Members is deliberated by the "Advisory Committee on Personnel and Remuneration, etc.", of which Outside Directors / Audit & Supervisory Board Members make up half or more of the membership, and based on the result of this deliberation, and with the assent of the Audit & Supervisory Board in the case of candidate of Audit & Supervisory Board Members, the Board of Directors then decides on the candidates to propose for election as an agenda item for the General Meeting of Shareholders.

## **(Reference) The Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members**

The Company never elect any person who falls under any of the followings as a candidate of Outside Director or a candidate of Outside Audit & Supervisory Board Member in order to ensure the independence:

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

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

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(Note 1) A person executing business:

A director executing business, an executive officer, a managing officer or an employee (Note 2) A company of which major business partner is the Group:

A company which belongs to the group of the business partner who receives 2% or more of its consolidated net sales in the latest business year ended of the group from the Group in any of the business year in past three years

(Note 3) A major business partner of the Group:

A company which belongs to the group of the business partner who makes payment 2% or more of the Group's consolidated net sales or provides the Group with 2% or more of loans of its consolidated total assets in the latest business year ended of the Group in any of the business year in past three years

(Note 4) A person who receives a large amount of remuneration:

A consultant or legal or accounting expert who receives annual compensation 10 million yen or more (for the organization, 2% or more of its annual total revenues) in any of the business year in past three years

(Note 5) A person who receives a large amount of donation:

A person who receives annual donation 10 million yen or more (for the organization, a person directly involved in activities which is the purpose of the donation) in any of the business year in past three years

-End-

## **Agenda Item 4: Revision of Remuneration Due to Granting of Restricted Stock to Directors**

With regard to remuneration, etc. due to granting of restricted stock to Directors (excluding Outside Directors; hereinafter referred to as “eligible Directors”) of the Company, it was approved in Agenda Item 6 “Determination of remuneration due to granting of restricted stock to Directors” of the 151st Ordinary General Meeting of Shareholders held on 29 June 2017 that the remuneration to be paid to eligible Directors for the purpose of granting of restricted stock (monetary remuneration right) shall be within the annual amount of 300 million yen, separate from the framework of remuneration for Directors approved in Agenda Item 5 “Revision for the amount of remuneration for Directors/Audit & Supervisory Board Members” approved at the same meeting.

In order to further enhance incentives for making sustainable improvements to the corporate value all through their terms of office as Directors, approval is requested for the transfer restriction period of restricted stock granted to eligible Directors to be revised from the current “period of 1 year to 5 years as defined in advance by the Board of Directors” to the “period from the date of allotment under the Restricted Stock Subscription Agreement (hereinafter referred to as the “Subscription Agreement”) to the date of retirement from the position of Director.”

The specific issue timing and distribution to eligible Directors shall be resolved by the Board of Directors based on the deliberation results of the Advisory Committee on Personnel and Remuneration, etc.

The current number of Directors is seven (7) including two (2) Outside Directors. If Agenda Item 2 “Election of Nine (9) Directors” is passed as proposed, this number shall increase to nine (9) including three (3) Outside Directors, and the number of Directors eligible for this system shall be six (6).

Based on the resolution of the Board of Directors, eligible Directors shall pay the total of monetary remuneration rights occurring due to this Agenda Item as contribution in kind, and the shares shall be subject to issuance or disposal of ordinary shares of the Company. The total annual limit of the ordinary shares of the Company shall be within 100,000 shares (provided, however, in case of share split (including free subscription of ordinary shares) or the reverse share split of issued or, in accordance with such cases, disposed common shares of the company or any necessary reason to adjust the amount of issued or disposed common shares of the company as restricted stocks).

[Details of the restricted stock remuneration system]

1	Persons eligible under the system	Directors of the Company (excluding Outside Directors)
2	Amount of share-based remuneration (monetary remuneration right)	Within the annual amount of 300 million yen
3	Type of shares to be allotted and allotment method	Issuing or disposing of ordinary shares
4	Total number of shares to be allotted	Within 100,000 shares annually
5	Amount to be paid	The amount shall be based on the ending price of common shares

		of the Company on the Tokyo Stock Exchange on the business day preceding each resolution of the Board of Directors (if trading was not conducted on the day in question, the ending price on the most recent preceding trading day), and shall be resolved by the Board of Directors so as not to provide an advantageous price to eligible Directors receiving the ordinary shares.
6	Transfer restriction period	Period from the date of allotment under the Restricted Stock Subscription Agreement to the date of retirement from the position of Director
7	Conditions for removal of transfer restrictions	The Company shall remove transfer restrictions from all shares received according to the Subscription Agreement at the time of completing the transfer restriction period on conditions such as the eligible Director continued to serve as a Director at the Company throughout the transfer restriction period.
8	Acquisition for no fee by the Company	If a Director falls under certain grounds stipulated in the Subscription Agreement, such as the Director retires for any reason other than that deemed as reasonable by the Board of Directors, the Company shall rightfully acquire the shares allotted under the Subscription Agreement for no fee.

## ATTACHED DOCUMENTS

### **BUSINESS REPORT**

(From 1 April 2019 to 31 March 2020)

#### **1. Matters relating to the Current Situation of the Group**

##### **① Outline and Result of Business**

###### **- Management results of FY2019**

With respect to the management environment of the Group for FY2019, as the forecast for the world economy is becoming more unclear centered around the trade conflict between the US and China, the economic downturn from the second half of the previous fiscal year in India, which is an important market for the Group, has continued to persist for an extended period of time. In Japan, also, the Company needs to pay attention to the future of the economy due to the impact of the consumption tax hike and the impact of the trade conflict between the US and China. Furthermore, the impact of COVID-19 is spreading around the world, and harsh business conditions are expected to continue.

Under these circumstances, with respect to the operating results for FY2019, both sales and profit decreased due to the late recovery in the Indian automobile market and the effects of foreign exchange rates in addition to the impact of COVID-19 at the end of the fiscal year. The consolidated net sales decreased by ¥383.1 billion (9.9%) to ¥3,488.4 billion year-on-year. With respect to income, the operating income decreased by ¥109.3 billion (33.7%) to ¥215.1 billion year-on-year. Ordinary income decreased by ¥134.1 billion (35.3%) to ¥245.4 billion. The net income attributable to owners of the parent decreased by ¥44.6 billion (24.9%) to ¥134.2 billion. The decreased amount of net income attributable to owners of the parent was smaller compared to that of ordinary income, since the extraordinary loss (recorded measure expenses for final inspection of ¥81.3 billion in FY2018) largely decreased year-on-year.

**(Automobile)** (90.5% of total net sales)

The net sales decreased by ¥375.1 billion (10.6%) to ¥3,157.4 billion year-on-year owing to the impact of COVID-19 in the end of the fiscal year, in addition to the decrease sales in India and Pakistan and the appreciation of the yen. The operating income decreased by ¥106.7 billion (35.1%) to ¥197.1 billion year-on-year mainly owing to the appreciation of the yen and increase in depreciation, in addition to decrease in sales.

(For this English translation, the pictures and the charts are omitted.)

**(Motorcycle)** (7.0% of total net sales)

The net sales decreased by ¥12.5 billion (4.9%) to ¥242.6 billion year-on-year, despite the increase in sales in India, mainly owing to the decrease in sales in Europe, North America, and Indonesia and the appreciation of the yen. The operating income decreased by ¥2.9 billion (80.9%) to ¥0.7 billion year-on-year, mainly owing to the impact of COVID-19 in the end of the fiscal year.

(For this English translation, the pictures and the chart are omitted.)

**(Marine Business, etc.)** (2.5% of total net sales)

The net sales increased by ¥4.5 billion (5.4%) to ¥88.4 billion year-on-year mainly owing to increase in sales of outboard motors in Europe and motorized wheel chairs in Japan. The operating income increased by ¥0.3 billion (1.6%) to ¥17.3 billion year-on-year. Although the marine business alone increased net sales by ¥1.5 billion (2.1%) to ¥74.5 billion year-on-year, operating income decreased by ¥0.4 billion (3.1%) to ¥14.1 billion year-on-year partly owing to slowdown in North America in the January-March period.

(For this English translation, the pictures and the chart are omitted.)

### Breakdown of Consolidated Net Sales

		FY2018 (1 April 2018 – 31 March 2019)		FY2019 (1 April 2019 – 31 March 2020)		Change			
		Unit		Amount		Unit		Amount	
		Change	Ratio	Change	Ratio	Change	Ratio	Change	Ratio
Automobile Business	Japan	804	1,218.9	742	1,142.1	-62	-7.7%	-76.8	-6.3%
	Overseas	2,567	2,313.6	2,186	2,015.3	-382	-14.9%	-298.3	-12.9%
	Europe	265	468.1	241	411.5	-25	-9.3%	-56.6	-12.1%
	North America	-	1.2	-	1.3	-	-	+0.1	+15.3%
	Asia (India)	2,113 (1,754)	1,625.8 (1,252.8)	1,760 (1,461)	1,391.3 (1,058.7)	-353 (-293)	-16.7% (-16.7%)	-234.5 (-194.1)	-14.4% (-15.5%)
	Others	189	218.5	185	211.2	-4	-2.3%	-7.3	-3.3%
	<b>Total</b>	<b>3,371</b>	<b>3,532.5</b>	<b>2,927</b>	<b>3,157.4</b>	<b>-443</b>	<b>-13.2%</b>	<b>-375.1</b>	<b>-10.6%</b>
Motorcycle Business	Japan	53	19.2	50	19.9	-3	-6.4%	+0.7	+3.6%
	Overseas	1,420	235.9	1,360	222.7	-59	-4.2%	-13.2	-5.6%
	Europe	44	39.4	39	35.8	-6	-12.5%	-3.6	-9.3%
	North America	38	33.9	33	30.1	-4	-10.9%	-3.8	-11.1%
	Asia	1,192	130.0	1,121	125.2	-71	-5.9%	-4.8	-3.7%
	Others	146	32.6	167	31.6	+21	+14.4%	-1.0	-2.9%
	<b>Total</b>	<b>1,473</b>	<b>255.1</b>	<b>1,410</b>	<b>242.6</b>	<b>-63</b>	<b>-4.3%</b>	<b>-12.5</b>	<b>-4.9%</b>
Marine Business, etc.	Japan		14.3		17.5			+3.2	+21.7%
	Overseas		69.6		70.9			+1.3	+2.0%
	Europe		17.3		18.0			+0.7	+4.4%
	North America		35.7		35.6			-0.1	-0.2%
	Asia		6.5		7.2			+0.7	+10.3%
	Others		10.1		10.1			+0	+0.5%
	<b>Total</b>		<b>83.9</b>		<b>88.4</b>			<b>+4.5</b>	<b>+5.4%</b>
Total	Japan		1,252.4		1,179.5			-72.9	-5.8%
	Overseas		2,619.1		2,308.9			-310.2	-11.8%
	Europe		524.8		465.3			-59.5	-11.3%
	North America		70.8		67.0			-3.8	-5.2%
	Asia		1,762.3		1,523.7			-238.6	-13.5%
	Others		261.2		252.9			-8.3	-3.1%
	<b>Total</b>		<b>3,871.5</b>		<b>3,488.4</b>			<b>-383.1</b>	<b>-9.9%</b>

(Unit: Thousand, Amount: Billions of yen)

[Notes]

1. Consolidated Sales are counted based on the location of external customers.
2. North America...United States and Canada  
Automobile in North America...Sales of parts and accessories, etc.

## ② Situation of Capital Investments

Total capital investment amount in the fiscal year is ¥236.5 billion, being used for investments for production facilities, R&D facilities, sales facilities and so on.

Breakdown by business segment is as follows.

Business Segment	Investment Amount	Contents of investments
Automobiles Business	¥220,098 million	Production facilities, R&D facilities, sales facilities, etc. for automobiles
Motorcycles Business	¥13,753 million	Production facilities, R&D facilities, sales facilities, etc. for motorcycles
Marine Business, etc.	¥2,598 million	Production facilities, R&D facilities, sales facilities, etc. for outboard motors
<b>Total</b>	<b>¥236,450 million</b>	-

Note: The investment amount is the total of the Company and its subsidiaries.

## ③ Situation of Financing

None.

## ④ Property and Financial Results

### 1) Consolidated

	FY2016 (Apr. 2016 – Mar. 2017)	FY2017 (Apr. 2017 – Mar. 2018)	FY2018 (Apr. 2018 – Mar. 2019)	FY2019 (Apr. 2019 – Mar. 2020)
Net Sales	¥3,169,542 million	¥3,757,219 million	¥3,871,496 million	¥3,488,433 million
Operating income	¥266,685 million	¥374,182 million	¥324,365 million	¥215,069 million
Ordinary income	¥286,693 million	¥382,787 million	¥379,530 million	¥245,414 million
Net income attributable to shareholders of the parent	¥159,956 million	¥215,730 million	¥178,759 million	¥134,222 million
Net income per share	¥362.54	¥488.86	¥395.26	¥286.36
Total assets	¥3,115,985 million	¥3,340,828 million	¥3,401,970 million	¥3,339,783 million
Net assets	¥1,387,041 million	¥1,595,227 million	¥1,715,914 million	¥1,793,657 million
Net assets per share	¥2,538.12	¥2,937.35	¥3,018.41	¥3,065.01

(For this English translation, the charts are omitted.)

### 2) Non-Consolidated

	FY2016 (Apr. 2016 – Mar. 2017)	FY2017 (Apr. 2017 – Mar. 2018)	FY2018 (Apr. 2018 – Mar. 2019)	FY2019 (Apr. 2019 – Mar. 2020)
Net Sales	¥1,687,836 million	¥1,852,766 million	¥1,940,224 million	¥1,792,834 million
Operating income	¥106,396 million	¥124,705 million	¥96,747 million	¥72,702 million
Ordinary income	¥120,210 million	¥137,112 million	¥117,223 million	¥97,046 million
Net income	¥87,671 million	¥104,849 million	¥42,414 million	¥78,110 million
Net income per share	¥198.68	¥237.56	¥93.77	¥166.62
Total assets	¥1,749,592 million	¥1,774,498 million	¥1,707,283 million	¥1,807,640 million
Net assets	¥507,810 million	¥588,547 million	¥583,024 million	¥700,726 million
Net assets per share	¥1,150.47	¥1,331.87	¥1,263.36	¥1,443.33

## ⑤ Outstanding Issues

### (1) Basic Policy of Company Management

The Group has the motto “Develop products of superior value by focusing on the customer” as its foremost mission statement. We will continue to strive to manufacture products with true value which provide joy for customers.

While we comply with laws and regulations, we are making efforts to promote the “Smaller, Fewer, Lighter, Shorter, and Neater” slogan and we have been working for efficient and healthy management on the principle of safety and quality first.

### (2) Outstanding Issues

The automobile industry is undergoing a period of great transformation. In this period of transformation, it is necessary to have a concrete vision of what the Company should be 10 or 15 years in the future, as a long-term view, and go back to the present from there to consider what the Company should do from now, instead of merely continuing as we are.

From now on, the Indian market, in particular, may grow to a large scale with a population of 1.3 billion. The Group aims to maintain its current share of 50% even in 2030 and continues to strive for future growth.

Also, we believe that committing to the Indian market will lead to our growth in other markets, through deploying the developed products worldwide.

Compared with now, it is totally uncharted territory. All employees, including the management team, will be required to change their mindset and distribute effectively the management resources.

In that sense, the effort we make based on this long-term view are challenges that decide the Group's future, and they should be made promptly.

We will make efforts to establish measures against COVID-19 promptly in current circumstances while working hard to make and provide valuable products and services, and promote efforts for enhancing corporate value based on a long-term point of view.

Amidst such conditions, the Group is addressing the following issues.

#### <Quality>

Quality issues continue to be the most important issues in the future.

Customer safety and security is the top priority for the Group, and we are working to develop, produce, and inspect high-quality products which customers can use safely and securely and to provide after-sales services.

In the future, while accurately ascertaining the quality needs of customers, the Group will maintain a high level of quality awareness in all departments and will continue to make the utmost effort to ensure that customers can use our products safely and securely.

#### <Products and R&D>

Regarding our products, we will provide unique products that exceed our customers' expectations and efficiently decide which car models will be developed to increase the sales of our vehicles toward 2030.

With regard to environmental issues, the Group needs to accelerate efforts not only on extending the current technologies but also on creating new technologies. In addition to small car production and high-efficiency powertrain development that the Company specializes in, we will proactively work on expanding and strengthening hybrid cars, while

developing new EVs.

Further, we will work on safety technology and information communications technology such as connected technology.

<Production>

A final vehicle inspection is done to check whether a vehicle meets the safety requirements on behalf of the Minister of Land, Infrastructure and Transport. Therefore, we will strictly conduct this inspection.

Considering the year 2030, we will improve our manufacturing systems with the most efficient manufacturing systems in the world and the principle of safety and quality first always in our mind. As for production, the Group will commit itself to safety first and to constructing an optimal global production system. In India, in particular, we will proactively work to strengthen production systems at the Gujarat Plant, battery plants, etc., in terms of the “Make in India” initiative proposed by the Indian government.

<Sales and Service>

The Group will reinforce the sales network and service network globally.

In particular, although we have acquired the largest share in the passenger car sector in India, it aims to maintain this share in the Indian market in 2030. We will proactively work on developing concrete ways to achieve this.

<The Tie-up with the Toyota Group>

The environment surrounding the automobile industry is widely changing with a speed that we have never experienced before where development of advanced and futuristic technologies is required in the fields of the environment, safety, and information as well as conventional technologies for development of vehicles. In these fields, in addition to developing technologies within a company, the importance of cooperating with other companies is increasing, for instance, cooperating in the development of infrastructure and creating new rules.

We have been cultivating technology to create vehicles with price competitiveness focusing on small vehicles. However, we will strive to increase the speed of technological development regarding the environment, safety and information while we will expand the Indian market further and develop new markets, such as the African market with a tie-up with the Toyota Group.

#### <Automobile Business>

The Group has positioned Japan at the center of global automobile development, the base of production.

Our strategy for products in this sector is to introduce attractive products while accurately understanding the market and customer trends.

As for our regional strategy, we will continue to reinforce our operation base with a focus on Asia, such as Japan, India, Indonesia, and Pakistan.

#### <Motorcycle Business>

We have made efforts to convert that business into a profit-making one as the Motorcycle In-house Company directly supervised by the president since April 2019, and we were able to achieve certain results, such as stable profits by reducing fixed costs. As our next step, we will return that business to the motorcycle division and continue to restore business activity to normal.

#### <Marine Business>

The Group will reinforce and expand its large four-stroke outboard lineup and cultivate the business and leisure markets to build the world's top outboard brand under the brand slogan "THE ULTIMATE OUTBOARD MOTOR".

#### <Further ESG (Environmental, Social, and Governance) Initiatives>

The Group supports the Sustainable Development Goals (SDGs) and will actively fulfill its responsibilities in goals that we can contribute to their achievements through our ESG activities.

As for environment, we view this as an important factor that influences the continuous growth of the Group, and will proactively address environmental issues such as climate change. As one part of those efforts, in April 2020, we announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We will work to enhance disclosure regarding climate change.

As for society, we will proactively address contributions to the community, investment in people, development of human resources, and work safety, while giving the highest priority to safety and quality, so that we can live up to the expectations of the stakeholders.

As for governance, we will review our compliance system and risk management system from the ground up to cover all operations of the Company, and strengthen our oversight of internal control. We strive to become a group worthy of the trust of stakeholders through activities on environmental, social, and governance issues and manufacturing products.

## ⑥ Main Business

The Group is mainly engaged in manufacture and sale of automobiles, motorcycles, and outboard motors, motorized wheel chairs, houses and the services related them.

Business Segment	Main Products
Automobiles Business	Mini vehicles, Sub-compact vehicles, Standard-sized vehicles
Motorcycles Business	Motorcycles, All terrain vehicles
Marine Business, etc.	Outboard motors, Motorized Wheel Chairs, Houses

## ⑦ Main Business Bases, etc. and Important Subsidiaries

### 1) Main Business Facilities and Plant of the Company

Facility and Plant	Location	Facility and Plant	Location
Head Office	Hamamatsu, Shizuoka	Sagara Plant	Makinohara, Shizuoka
Motorcycle Technical Center	Iwata, Shizuoka	Iwata Plant	Iwata, Shizuoka
Outboard Motor Technical Center	Kosai, Shizuoka	Hamamatsu Plant	Hamamatsu, Shizuoka
Tokyo Branch	Minato-ku, Tokyo	Osuka Plant	Kakegawa, Shizuoka
Kosai Plant	Kosai, Shizuoka		

### 2) Important Subsidiaries

Name of Subsidiaries	Location	Ordinary Share	Shareholding Ratio	Main Business
Suzuki Auto Parts Mfg. Co., Ltd.	Hamamatsu, Shizuoka	¥110 million	100.0%	Manufacture of parts for automobiles, motorcycles and outboard motors
Suzuki Motor Sales Kinki Inc.	Osaka, Osaka	¥50 million	100.0%	Sale of automobiles
Magyar Suzuki Corporation Ltd.	Hungary	€212 million	97.5%	Manufacture and sale of automobiles
Suzuki Deutschland GmbH	Germany	€50 million	100.0%	Sale of automobiles, motorcycles and outboard motors
Maruti Suzuki India Limited	India	INR 1,510 million	56.3%	Manufacture and sale of automobiles
Suzuki Motor Gujarat Private Limited	India	INR 125,900 million	100.0%	Manufacture of automobiles
Pak Suzuki Motor Co., Ltd.	Pakistan	PKR 822 million	73.1%	Manufacture and sale of automobiles and motorcycles
P.T. Suzuki Indomobil Motor	Indonesia	US\$89 million	94.9%	Manufacture and sale of automobiles and motorcycles

Suzuki Motor (Thailand) Co., Ltd.	Thailand	THB 12,681 million	100.0%	Manufacture and sale of automobiles
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Note: 1. Consolidated subsidiaries are 127 companies and companies in the application of the equity method are 28 companies.

## ③ Employees

### 1) Consolidated

Business Segment	Number of employees (person)	Increase(+)/Decrease(-) from the previous fiscal year (person)
Automobiles Business	57,442	+1,114
Motorcycles Business	8,730	-407
Marine Business, etc.	1,487	+48
Common	840	+23
<b>Total</b>	<b>68,499</b>	<b>+778</b>

- Note: 1. The above are the number of the persons working in the Group and do not include the number of the employees who are in leave of absence or seconded outside the Group.
2. "Common" is the administrative section which cannot be divided into any specific business segment.
3. In addition to the above, there are 34,073 (average during the fiscal year) temporary employees.

### 2) Non-consolidated

Number of employees	Increase/Decrease from the previous fiscal year	Average age	Average working years
15,646	+215	40 years, 4 months	17 years, 10 months

- Note: 1. The above are the number of the persons working in the Company and do not include the number of the employees who are in leave of absence or seconded outside the Company.
2. In addition to the above, there are 1,479 (average during the fiscal year) temporary employees.

## ⑨ Main Borrowing Institutes and Borrowing Amount

### 1) Borrowing Amount remaining at the end of the Fiscal Year from each Bank

(Group)

Main Borrowing Institutes	Outstanding Balance of Loan Amount
MUFG Bank, Ltd.	114,377 Million Yen
The Shizuoka Bank, Ltd.	68,557 Million Yen
Sumitomo Mitsui Trust Bank, Limited	38,144 Million Yen
Sumitomo Mitsui Banking Corporation	36,696 Million Yen
Syndicated Loan Institutes*	36,172 Million Yen
Mizuho Bank, Ltd.	35,262 Million Yen
Resona Bank, Ltd.	28,206 Million Yen

Note: 1. The above outstanding balance of loan amount includes overseas subsidiaries, etc. of each institute.

2. The syndicated loan institutes\* are created by the following groups:

- 6 banks, Mizuho Bank, Ltd. being the main arranger; and
- 15 banks, Development Bank of Japan Inc. being the main arranger.

### 2) Situation of the Commitment Contracts

The Company has the commitment contracts with 6 banks for effective financing.

The outstanding balance of the contracts at the end of the fiscal year is as follows:

Commitment contracts total	300,000 Million Yen
Actual loan balance	– Million Yen
え 子Variance	300,000 Million Yen

(Contents of the commitment contracts)

Borrowing Bank	Contract Amount	Actual Loan Balance	Outstanding balance
MUFG Bank, Ltd.	120,000 Million Yen	–	120,000 Million Yen
The Shizuoka Bank, Ltd.	45,600 Million Yen	–	45,600 Million Yen
Resona Bank, Ltd.	45,600 Million Yen	–	45,600 Million Yen
Sumitomo Mitsui Trust Bank, Limited	32,400 Million Yen	–	32,400 Million Yen
Mizuho Bank, Ltd.	32,400 Million Yen	–	32,400 Million Yen
Sumitomo Mitsui Banking Corporation	24,000 Million Yen	–	24,000 Million Yen
<b>Total</b>	<b>300,000 Million Yen</b>	–	<b>300,000 Million Yen</b>

## 2. Matters relating to the Shares of the Company (As of 31 March, 2020)

- ① **Total Number of Authorized Shares** 1,500,000,000 shares
- ② **Total Number of Shares Issued** 491,067,800 shares (including 5,654,806 treasury stocks)
- ③ **Number of Shareholders** 31,025 shareholders (-329 compared with the end of the previous fiscal year)
- (For this English translation, the chart is omitted.)

### ④ Principal Shareholders

Name	Number of Shares Held	Shareholding Ratio
The Master Trust Bank of Japan, Ltd. (Trust Account)	46,031 thousand shares	9.5%
Japan Trustee Services Bank, Ltd. (Trust Account)	25,188 thousand shares	5.2%
Toyota Motor Corporation	24,000 thousand shares	4.9%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	17,961 thousand shares	3.7%
MUFG Bank, Ltd.	16,000 thousand shares	3.3%
Resona Bank, Ltd.	13,000 thousand shares	2.7%
The Shizuoka Bank, Ltd.	12,100 thousand shares	2.5%
JP Morgan Chase Bank 385632	11,626 thousand shares	2.4%
Japan Trustee Services Bank, Ltd. (Trust Account 9)	9,437 thousand shares	1.9%
The Bank of New York Mellon 140042	8,916 thousand shares	1.8%

Note: 1. Number of shares disregards and rounds off figures of less than 1,000 shares.

2. Shareholding ratio is calculated eliminating treasury stocks held by the Company.

### 3. Matters Concerning the Company's Stock Acquisition Rights, etc.

#### ① Status of the stock acquisition rights granted to Directors/ Audit & Supervisory Board Members as remuneration for the execution of their duties at the end of the fiscal year

##### Description of the terms of the stock acquisition rights held by Directors (excluding Outside Directors)

Name (date of resolution of issuance)	Class and number of shares that are the subject of stock acquisition rights	Issue price of shares to be issued upon the exercise of stock acquisition rights	Amount to be paid upon the exercise of stock acquisition rights	Period for the exercise of stock acquisition rights	Number of stock acquisition rights and number of holders of stock acquisition rights	Terms and conditions for the exercise of stock acquisition rights
Suzuki Motor Corporation - First Stock Acquisition Rights (28 June 2012)	Ordinary Share 35,000 shares	1,227 yen per share (Note) 1.	1 yen per share	From 21 July 2012 through 20 July 2042	350 3 people	(Note) 2.
Suzuki Motor Corporation - Second Stock Acquisition Rights (27 June 2013)	Ordinary Share 18,000 shares	2,248 yen per share (Note) 1.	1 yen per share	From 20 July 2013 through 19 July 2043	180 3 people	(Note) 2.
Suzuki Motor Corporation - Third Stock Acquisition Rights (27 June 2014)	Ordinary Share 10,600 shares	3,001 yen per share (Note) 1.	1 yen per share	From 23 July 2014 through 22 July 2044	106 2 people	(Note) 2.

Note:

1. The issue price is calculated by adding the fair value per share of the stock acquisition rights on the allotment date and the amount to be paid per share upon exercise of the stock acquisition rights. In addition, the persons who are allotted the stock acquisition rights have set off the amount to be paid upon exercise of the stock acquisition rights against their remuneration receivables from the Company.

2. (i) A person holding the stock acquisition rights recorded in the stock acquisition rights registry (hereinafter referred to as the “Person with the Stock Acquisition Rights”) may exercise these stock acquisition rights only up until the 10<sup>th</sup> day (the next business day if the 10<sup>th</sup> day falls on a non-business day) from the day immediately following the date of resignation as the Company’s Director as well as Senior Managing Officer or Managing Officer without the role of Director being served concurrently.
- (ii) If any person with Stock Acquisition Rights dies, his/her heir may exercise the stock acquisition rights.

## ② Other Important Matters concerning the stock acquisition rights

The details of the Bonds with stock acquisition rights for which the resolution of issuance is made on 7 March 2016 as of 31 March 2020 are as follows:

Name	Amount of the bonds with stock acquisition rights	Number of stock acquisition rights	Class of shares for which stock acquisition rights are exercised	Period for the exercise of stock acquisition rights	Amount for the exercise of stock acquisition rights
Euro Yen Zero Coupon (subject to the maximum number of shares to be delivered) Convertible Bonds due 2021 with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuen-tsuki shasa</i>	2,972 Million Yen	297	Ordinary Share	From 15 April 2016 through 17 March 2021	4,040.3 Yen
Euro Yen Zero Coupon (subject to the maximum number of shares to be delivered) Convertible Bonds due 2023 with stock acquisition rights, <i>tenkanshasaigata shinkabu yoyakuen-tsuki shasa</i>	8,560 Million Yen	856	Ordinary Share	From 15 April 2016 through 17 March 2023	4,040.3 Yen

#### 4. Matters relating to Directors/ Audit & Supervisory Board Members

##### ① Directors and Audit & Supervisory Board Members (As of 31 March 2020)

Position	Name	Area in charge	Important Concurrent Offices
Director & Chairman (Chairman of the Board)	Osamu Suzuki		Chairman of Suzuki Foundation
Director & Vice Chairman	Yasuhito Harayama	In charge of Special Missions	
Director & President	Toshihiro Suzuki	Also in charge of Executive General Manager of Motorcycle Company	Chairman of Suzuki Education and Culture Foundation
Director & Senior Technical Executive	Osamu Honda	In charge of Special Missions and Chief Officer of Inspection Reform Committee	
Director & Managing Officer	Masahiko Nagao	Executive General Manager of Corporate Planning Office	
Director	Masakazu Iguchi		
Director	Sakutaro Tanino		Outside Director of Alconix Corporation
Full-Time Audit & Supervisory Board Member	Toyokazu Sugimoto		
Full-Time Audit & Supervisory Board Member	Masato Kasai		
Audit & Supervisory Board Member	Norio Tanaka		Certified Public Accountant
Audit & Supervisory Board Member	Nobuyuki Araki		
Audit & Supervisory Board Member	Norihisa Nagano		Attorney Outside Corporate Auditor of Brookman Technology, Inc.

Note:

1. Mr. Masakazu Iguchi and Mr. Sakutaro Tanino, both of whom are Director, are outside director. Also, the Company reported both of them as independent director/audit & supervisory board member to the Tokyo Stock Exchange, Inc.
2. Mr. Norio Tanaka, Mr. Nobuyuki Araki and Mr. Norihisa Nagano, all of whom are Audit & Supervisory Board Member, are outside audit & supervisory board member. Also, the Company reported all of them as independent director/audit & supervisory board member to the Tokyo Stock Exchange, Inc.

3. Mr. Toyokazu Sugimoto, Full-time Audit & Supervisory Board Member, had served as General Manager of Accounting Dept. and Director in charge of Finance for a long period, and Mr. Norio Tanaka, Audit & Supervisory Board Member, has ample experience as Certified Public Accountant. They have sufficient knowledge and experience in relation to finance and accounting.

4. The following changes were made to Directors during this fiscal year.

Name	Current Position	Previous Position	Date of Change
Masahiko Nagao	Director & Managing Officer Executive General Manager of Corporate Planning Office	Director & Managing Officer In charge of Human Resources; Executive General Manager of Corporate Planning Office	1 September 2019
Osamu Honda	Director & Senior Technical Executive In charge of Special Missions, and Chief Officer of Inspection Reform Committee	Director & Senior Technical Executive In charge of Special Missions	1 November 2019

5. Mr. Kunio Nakamura, Mr. Eiji Mochizuki and Mr. Yasuhiro Yamazaki, all of whom are Full-time Audit & Supervisory Board Member, retired from office as of the close of the 153rd Ordinary General Meeting of Shareholders held on 27 June 2019.
6. Mr. Toshiaki Hasuike, Director (Executive Vice President, in charge of engineering, production and quality, and Chief Officer of Inspection Reform Committee), retired from office as of 17 October 2019.

7. The following changes were made to a Director as of 1 June 2020.

Name	Current Position	Previous Position
Toshihiro Suzuki	Representative Director & President	Representative Director & President and Executive General Manager of Motorcycle Company

8. As of 1 June 2020, Senior Managing Officers and Managing Officers who are not concurrently Director are as follows.

Vice President	Kenichi Ayukawa	Managing Officer	Yasuharu Osawa
Senior Managing Officer	Ichizo Aoyama	Managing Officer	Satoshi Uchida
Managing Officer	Taisuke Toyoda	Managing Officer	Shigetoshi Torii
Managing Officer	Keiichi Asai	Managing Officer	Masayuki Fujisaki
Managing Officer	Kazuki Yamaguchi	Managing Officer	Shinichi Akama
Managing Officer	Toshiaki Suzuki	Managing Officer	Yutaka Kikukawa
Managing Officer	Kinji Saito	Managing Officer	Masahiro Ikuma
Managing Officer	Keiji Miyamoto	Managing Officer	Hisanori Takashiba
Managing Officer	Shinichi Imaizumi	Managing Officer	Masamichi Suzuki
Managing Officer	Naoki Suzuki	Managing Officer	Hisashi Takeuchi
Managing Officer	Kazunobu Hori	Managing Officer	Yukihiko Yamashita
Managing Officer	Katsuhiro Kato	Managing Officer	Kenichiro Toyofuku
Managing Officer	Shigeo Yamagishi		

## ② Amount of remuneration, etc. for Directors and Audit & Supervisory Board Members for the fiscal year

Classification of Directors/Audit & Supervisory Board Members	Total amount of remuneration, etc.	Amount of each type of remuneration, etc.			Number of Payees (Directors/Audit & Supervisory Board Members)
		Basic remuneration	Bonus	Remuneration as the form of share acquisition	
Directors (excluding Outside Directors)	¥359 million	¥138 million	¥118 million	¥102 million	7 people
Outside Directors	¥28 million	¥28 million	-	-	2 people
<b>Total</b>	<b>¥387 million</b>	<b>¥166 million</b>	<b>¥118 million</b>	<b>¥102 million</b>	<b>9 people</b>
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	¥38 million	¥38 million	-	-	4 people
Outside Audit & Supervisory Board Members	¥26 million	¥26 million	-	-	4 people
<b>Total</b>	<b>¥65 million</b>	<b>¥65 million</b>	<b>-</b>	<b>-</b>	<b>8 people</b>

Notes:

1. The amount of remuneration for Directors (basic remuneration and bonus) has been resolved to be 750 million yen or less per year (of which 36 million yen or less per year is for Outside Directors). In addition to this, the amount of remuneration for Directors not including Outside Directors for granting restricted stock has been resolved to be 300 million yen or less per year. (Both: the 151st Ordinary General Meeting of Shareholders held on 29 June 2017)
2. The amount of remuneration for Audit & Supervisory Board Members has been resolved to be less than 120 million yen or less per year. (the 151st Ordinary General Meeting of Shareholders held on 29 June 2017)
3. “Bonuses” for the above Directors (excluding outside Directors) and “Remuneration as the form of share acquisition” are amounts reported as expenses for the fiscal year.
4. The above includes two Directors and three Audit & Supervisory Board Members (including one Outside Audit & Supervisory Board Member) who retired during this fiscal year.

## **③ Policy on determining the amount of remuneration, etc. for Directors/ Audit & Supervisory Board Members**

### [Remuneration of Directors]

Remuneration of Directors (excluding Outside Directors) consists of a basic remuneration for each position (a fixed amount), a bonus as a short-term incentive remuneration linked to the Company's performance of each fiscal year, and a restricted stock remuneration as a mid- to long-term incentive remuneration to serve as remuneration which functions as an incentive for continuous growth of the Company. Remuneration of Outside Directors is solely a basic remuneration (at the fixed amount).

Also, remuneration of Directors will be decided by the Board of Directors based on the deliberation results of "the Advisory Committee on Personnel and Remuneration, etc.", more than half of which is Outside Directors/ Outside Audit & Supervisory Board Members, on the policy regarding the decision of Director's remuneration, standards, remuneration system and adequacy of the remuneration level.

Basic remuneration and bonus will be paid within the range of the amount of remuneration limit (750 million yen or less per year (of which 36 million yen or less per year is for Outside Directors) approved at a General Meeting of Shareholders, and the amount of remuneration for each Director will be determined and paid in consideration of the duties, responsibilities, etc. of each Director. Bonuses will be paid based on a calculation method stipulated by the Company, linked to progress indicators of consolidated results and other factors.

Restricted stock remuneration will be paid within the range of the amount of remuneration limit (300 million yen or less per year) and the maximum number of stock (100 thousand stocks or less per year) approved at a General Meeting of Shareholders with the aim of functioning as an incentive for continuous increase of corporate value and of increasing shared values between Directors and Shareholders.

### [Remuneration of Audit & Supervisory Board Members]

Remuneration of Audit & Supervisory Board Members shall be solely basic remuneration (at fixed amount), and the amount shall be decided and paid in the discussion among Audit & Supervisory Board Members within the range of the amount of remuneration limit (yearly amount within 120 million) approved at a General Meeting of Shareholders.

## ④ Matters concerning Outside Directors/ Audit & Supervisory Board Members

### 1. Relationship to the Company of important concurrent offices

#### Outside Directors

Name	Concurrent offices	Relationship to the Company of concurrent offices
Sakutaro Tanino	Outside Director of Alconix Corporation.	The Company has transactions with Alconix Corporation, however the amount of such transactions is 1% of the consolidated sales of the Company and is also 1% of those of Alconix Corporation.

#### Outside Audit & Supervisory Board Members

Name	Concurrent offices	Relationship to the Company of concurrent offices
Norio Tanaka	Outside Audit & Supervisory Board Member of ASTI Corporation (Retired on 21 June 2019)	The Company has transactions with ASTI Corporation, however the amount of such transactions is 1% of the consolidated sales of the Company and is also approximately 15% of those of ASTI Corporation.
Norihisa Nagano	Outside Corporate Auditor of Brookman Technology, Inc. (Assumed the office on 28 June 2019)	The Company has no transaction with Brookman Technology, Inc.

### 2. The status of major activities in the fiscal year

#### Outside Directors

Name	Attended Meeting	The status of major activities
Masakazu Iguchi	Meetings of the Board of Directors: eighteen  (18) out of nineteen  (19)	Based on his ample academic expertise as doctor of engineering, he has expressed his opinions which have beneficial effect to management of the Company in the manufacturing industry.  He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity, etc., in election of candidates of Directors and decision of remuneration.
Sakutaro Tanino	Meetings of the Board of Directors: nineteen  (19) out of nineteen  (19)	Based on his ample experience and knowledge as diplomat, from the global perspective, he has expressed his opinions which have beneficial effect to management of the Company.  He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity, etc., in election of candidates of Directors and decision of remuneration.

#### Outside Audit & Supervisory Board Members

Name	Attended Meetings	The status of major activities
Norio Tanaka	Meetings of the Board of Directors: nineteen (19) out of nineteen (19) Meetings of the Audit & Supervisory Board: sixteen (16) out of sixteen (16)	Based on his ample experience and knowledge as certified public accountant, he has expressed his opinions which have beneficial effect in the Board of Directors and the Audit & Supervisory Board. He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity, etc. in election of candidates of Directors and decision of remuneration.
Nobuyuki Araki	Meetings of the Board of Directors: nineteen (19) out of nineteen (19) Meetings of the Audit & Supervisory Board: sixteen (16) out of sixteen (16)	Based on his ample academic expertise as doctor of engineering, he has expressed his opinions which have beneficial effect in the Board of Directors and the Audit & Supervisory Board. He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity, etc., in election of candidates of Directors and decision of remuneration.
Norihisa Nagano	Meetings of the Board of Directors: fifteen (15) out of fifteen (15) Meeting of the Audit & Supervisory Board: thirteen (13) out of thirteen (13)	Based on his ample experience and knowledge as attorney, he has expressed his opinions which have beneficial effect in the Board of Directors and the Audit & Supervisory Board. He is also a member of “the Advisory Committee on Personnel and Remuneration, etc.”, which aims the improvement of transparency and objectivity, etc., in election of candidates of Directors and decision of remuneration.

Note) The attendance of Mr. Norihisa Nagano at meetings of the Board of Directors and the Audit & Supervisory Board is those held after his assumption of office on 27 June 2019.

### 3. The outline of the status contract for limitation of liability

The Company concludes with each of Outside Directors and Outside Audit & Supervisory Board Members a contract for limitation of liability which specifies the liability under Paragraph 1, Article 423 of the Companies Act as the minimum amount of the limit for liability provided by Paragraph 1, Article 425 of the Act, according to Paragraph 1, Article 427 of the Act.

## **5. Accounting Auditor**

### **① Name of Accounting Auditor**

Seimei Audit Corporation

### **② Accounting Auditor Remuneration, Etc. for the Fiscal Year**

- |  |              |
|--|--------------|
| 1) Amount of Remuneration, etc.  | ¥117 million |
| 2) Total amount of monetary and other property profit to be paid by the Company and its subsidiaries | ¥120 million |

Note:

1. Through obtaining the documents and reporting from relevant departments of the Company and the Accounting Auditor, checking the audit plans and performance for the previous fiscal year and conducting necessary assessment for adequacy of the audit plans and estimation for remuneration, etc. of the fiscal year, the Audit & Supervisory Board makes consent to remuneration, etc. of the Accounting Auditor under Paragraph 1, Article 399 of the Companies Act.
2. Because the remuneration amount for the audit under the Companies Act of Japan and for the audit under the Financial Instruments and Exchange Act of Japan is not divided in the auditing agreement between the Company and the Accounting Auditor and is not able to be actually divided, the amount described in 1) specifies the total of these remuneration amount.
3. Magyar Suzuki Corporation Ltd., Suzuki Deutschland GmbH, Maruti Suzuki India Limited, Suzuki Motor Gujarat Private Limited, Pak Suzuki Motor Co., Ltd. P.T. Suzuki Indomobil Motor and Suzuki Motor (Thailand) Co., Ltd., which are the important subsidiaries of the Company, are audited by financial audit companies other than the Accounting Auditor of the Company (including entities having foreign qualifications corresponding thereto) (limited to the audit under the Companies Act of Japan and the Financial Instruments and Exchange Act of Japan (including foreign laws corresponding to these Acts).

### **③ Determination Policy of Dismissal or Non-Reappointment of Accounting Auditor**

The Audit & Supervisory Board shall dismiss the Accounting Auditor upon consent of all the Audit & Supervisory Board Members when the Accounting Auditor seems to fall under any of the items of Paragraph 1, Article 340 of the Companies Act of Japan.

In addition, the Audit & Supervisory Board may decide an agenda regarding the dismissal or non-reappointment of the Accounting Auditor(s) to be proposed at the General Meeting of Shareholders, in case of necessity such as when appropriate performance of duties of such Accounting Auditor(s) is considered difficult.

## **6. Overview of Systems for ensuring appropriate execution of duties and their Status**

### **(1) Systems for ensuring appropriate execution of duties**

Basic policies related to the development of systems for ensuring appropriate execution of duties. These policies were resolved by the Board of Directors based on the Companies Act and the Order for Enforcement of the Companies Act.

#### **① Systems to ensure that Directors' and employees' execution of their duties complies with laws and regulations and the Articles of Incorporation**

1. The Board of Directors shall formulate the "Suzuki Group Code of Conduct" to ensure Directors and Managing Officers and employees in the Company and the Group (Suzuki Group) execute their duties in a healthy manner as well as shall oversee the state in which the Code is fully disseminated throughout the Group.
2. A Corporate Governance Committee, chaired by the Director and Managing Officer in charge of corporate planning, shall be established under the Board of Directors. The Corporate Governance Committee shall deploy measures for advancing thorough compliance and promote efforts to address cross-sectional challenges in coordination with the relevant sections.
3. Executive General Managers shall clearly define the division of work among their responsible sections and establish work regulations and manuals that include compliance with laws and regulations related to their responsible duties, approval and decision procedures, and rules for the confirmation process by other sections. Executive General Managers shall ensure that the people concerned are fully aware of said regulations, manuals, rules, etc.
4. The Human Resources Department shall hold seminars about compliance and individual laws/regulations for executives and employees in a continuous manner in cooperation with the Corporate Planning Office, Legal Department, Engineering Department and other related departments.
5. To prevent violations of laws and regulation and take corrective measures at an early stage, a whistleblowing system (Suzuki Group Risk Management Hotline) that has both internal and external contact points, shall be established to allow executives and employees of the Suzuki Group to report on breach of laws and regulations or their possibility without any disadvantageous treatment to the whistleblower.

The Corporate Planning Office shall strive to make the whistleblowing system fully known and to promote its use.

#### **② Systems relating to the storage and administration of the information in relation to Directors' execution of their duties**

The minutes of meetings of the Board of Directors and other information related to Directors' execution of their duties shall be retained and administered by responsible sections pursuant to laws, regulations and internal regulations, and shall be made available to Directors and Audit & Supervisory Board members for examination when the need arises.

#### **③ Rules and other systems relating to management of the risk of loss**

1. Important matters regarding corporate management shall be decided after meetings of the Board of Directors, the Executive Committee, circular resolutions and other systems deliberate and evaluate their risks in accordance with the standard for deliberation.
2. Executive General Managers shall establish work regulations and manuals that include preventive measures against risks that can be presumed in their responsible duties, and counter-measures in case of their occurrence. Executive General Managers shall ensure that the people concerned are fully aware of said regulations, manuals, measures, etc.
3. To prepare for a large-scale disaster, action manuals and business continuity plans shall be formulated, and drills shall be carried out.

#### **④ Systems to ensure efficient execution of duties by Directors**

1. Important matters regarding corporate management shall be deliberated at the Executive Committee and other meetings prior to decision-making.

2. The Board of Directors shall clarify responsibilities regarding the execution of Managing Officers' and Executive General Managers' duties, and shall supervise their execution.
3. The Board of Directors shall receive reporting from the person responsible for the execution of the duties, as necessary, on how the matters, which were decided at meetings of the Board of Directors, the Executive Committee and other meetings, are executed. In response to reports, the Board of Directors shall give necessary instructions.
4. The Board of Directors shall formulate mid-term management plans that include consolidated subsidiaries and regularly verify the progress of business plans for fiscal years as made by Executive General Managers in order to achieve the mid-term plan.
5. The Audit Department, which directly reports to President, shall audit the state of establishment and operation of internal controls, which are based on the basic policies, on a regular basis and shall report on the outcome to the Board of Directors.  
The Board of Directors shall make Managing Officers and Executive General Managers attend meetings of the Board of Directors, if necessary, and ask them to explain or report on issues that were detected in activities such as internal audits and whistleblowing. Accordingly, the Board of Directors shall give instructions for correction of the issues and require reporting on results.

**⑤ Systems to ensure appropriateness of duties of the Corporate Group consisting of the Company and subsidiaries**

1. The Board of Directors shall formulate mid-term management plans that include consolidated subsidiaries, and the presidents of the subsidiaries shall make business plans in the fiscal years in order to achieve the mid-term plans.
2. The Company shall set forth regulations for managing subsidiaries, which clarify the departments that are responsible for administering the subsidiaries, and receive reporting from subsidiaries on the situation of their business on a regular basis and on matters set forth in the regulations. Important matters related to the corporate management of subsidiaries shall be subject to prior approval from the Company.
3. The Corporate Governance Committee shall deploy thorough compliance and measures for risk management, which include consolidated subsidiaries, to the presidents of subsidiaries as well as give them necessary assistance in coordination with the relevant departments.  
The Audit Department, directly reporting to President, shall regularly audit the state of dissemination of "the Suzuki Group Code of Conduct", compliance, risk management and the state of establishment of a whistleblowing system as well as report the results to the Board of Directors.  
The Board of Directors shall make the presidents of subsidiaries attend meetings of the Board of Directors, if necessary, and ask them to explain or report on issues that were detected in activities such as internal audits and whistleblowing. Accordingly, the Board of Directors shall give instructions for correction of the issues and require reporting on results.
4. The Corporate Planning section shall create awareness for the "Suzuki Group Risk Management Hotline" at subsidiaries to allow the Directors, Managing Officers and employees of subsidiaries to report directly to the Company on violations or possible violations of laws and regulations.

**⑥ Matters for employees to support the business of the Audit & Supervisory Board Members when the Audit & Supervisory Board Member seeks appointment of the employees; matters for independence of such employees from the Directors; and matters for ensuring the efficiency of instructions given the employees**

1. The Company shall establish the Secretariat of Audit & Supervisory Board in which staff is dedicated to executing their duties under the direction of Audit & Supervisory Board Members.
2. Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints can ask a change of their staff anytime, and Directors shall not refuse the requests without proper reason.
3. Transfers, treatments, disciplinary punishments, etc. of the staff in the Secretariat of Audit & Supervisory Board shall be subject to approval from Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints. Evaluation of personnel shall be conducted by Audit & Supervisory Board Members as appointed by the Audit & Supervisory Board.

## **⑦ Systems for reporting to the Audit & Supervisory Board Members**

1. Audit & Supervisory Board Members may attend the Executive Committee, other important meetings and various committees in addition to meetings of the Board of Directors to ask questions and express their opinions.
2. In additions to delivering circular resolutions and other important documents to Audit & Supervisory Board Members, the Board of Directors, departments and the presidents of subsidiaries shall submit necessary information and report on the state of business and duties at the request of Audit & Supervisory Board Members.
3. Upon finding a fact that can cause serious damage to the Suzuki Group, the Board of Directors shall report on the fact to the Audit & Supervisory Board immediately.
4. The Audit Department, directly reporting to President, shall report on the results of internal audits to the Audit & Supervisory Board.
5. One of the contacts of the “Suzuki Group Risk Management Hotline” shall be Audit & Supervisory Board Members. In addition, the state of whistleblowing activities outside that of Audit & Supervisory Board Members shall be reported to Audit & Supervisory Board Members on a regular basis.
6. The Company shall not engage in disadvantageous treatment against those who reported to Audit & Supervisory Board Members, and shall ask the subsidiaries to treat them in the same way.

## **⑧ Matters regarding procedures for prepayment or redemption of expenses arising from the execution of duties of Audit & Supervisory Board Members and processing of other expenses or liabilities arising from the execution of such duties**

The Company shall budget a certain amount of funds each year to pay expenses, etc. caused by the execution of Audit & Supervisory Board Members’ duties. When Audit & Supervisory Board Members claim an advance payment of expenses and others related to the execution of their duties, the Company shall process the claim without delay.

## **⑨ Other System to ensure effecting auditing by the Audit & Supervisory Board Members**

Audit & Supervisory Board Members may seek advice, etc. from lawyers and other external experts, if necessary, at the expense of the Company.

## **(2) Overview of Operation of the Systems for Ensuring Appropriate Execution of Duties**

The following is an overview of operation of the basic policies related to the systems for ensuring appropriate execution of duties:根

### **① Measures relating to compliance**

1. As a part of efforts to firmly establish compliance awareness throughout the Company based on improper conducts regarding final vehicle inspection in 2018 following the improper sampling inspection of fuel consumption and exhaust gas in 2016, the Company has distributed a Compliance Handbook that shows the standards of behavior related to compliance to all Directors, officers and employees as a supplementary to the Suzuki Group Code of Conduct. Furthermore, regarding education and training, in addition to the previous lessons on compliance through E-learning and for respective levels and positions, we are enhancing our training for employees to sufficiently understand laws and regulations related to automobile manufacturing, sales and service, such as the Road Transport Vehicle Act, and conducting this training for a broader scope of staff including Directors, officers and employees.
2. From 18 May 2017, one year after the incident regarding the improper sampling inspection of fuel consumption and exhaust gas was disclosed, we set the day as “Remember 5.18”, an effort to be conducted every May with the aim of retaining a sense of awareness against improper conducts, on which we perform a comprehensive inspection to ensure that we are not violating regulatory compliance in any way by stopping all operations for one day. From this year, we have expanded the scope of participation from the staff of the engineering, manufacturing, and purchase departments to all departments of the Company.

3. Education, training, and urging posters at all worksites are some methods being used to ensure awareness of the “Suzuki Group Risk Management Hotline” in an effort to discover compliance issues early and to respond appropriately. In the current fiscal year, the Company established new rules that clarified procedures for whistleblowing including a specific outline for whistleblower protections and the investigation process.
4. The Corporate Governance Committee engages in enhancement of compliance awareness by employees and urges caution for individual legal compliance throughout the Company. Furthermore, if compliance issues arise, the Committee conducts deliberation for each issue, formulates required measures, and reports the details to the Board of Directors and the Audit & Supervisory Board Member as appropriate.

## ② Measures relating to risk management

1. The Company has constructed a system in which issues occurring or recognized in any department are deliberated on promptly by the Corporate Governance Committee or the Executive Committee, depending on their urgency and severity.
2. Since smooth communication of information within the Group is effective for early discovery of problems, the top level of management is supervising the thorough application of these basic rules of information communication by all Directors, officers and employees by incorporating them into lectures at various corporate events: “Immediately give reports to your manager. Immediately contact your manager. Think for yourself, then consult”; and “Observe the actual site or object to plan measures and take action”.
3. The Company conducts risk management training for Directors, officers and Executive General Managers, by inviting outside experts. In addition to compliance risk, cyber risk was also taken up as a main theme for the current fiscal year.
4. Internal rules are constantly being developed in each department. The Company is working to strengthen systems for efficient and appropriate operations in compliance with laws, regulations, etc. We all have provided chances for ourselves to check each work procedure and make the necessary improvements regularly every year.
5. In accordance with the Company’s “CSR Guidelines for Suppliers” to comply with laws and regulations, we are working with suppliers to fulfill our corporate responsibilities together, including those relating to human rights, labor and the environment, with the principle of safety and quality first in our mind.
6. As part of measures to prepare for natural disasters, the Company held two trainings for tsunami evacuation assuming the occurrence of the Nankai Trough Megaquake. The Company also reviewed issue in our Business Continuity Plan (BCP) and made necessary revisions. Furthermore, in March 2020, the Company organized the “COVID-19 Response Headquarters” headed by the Executive General Manager of Corporate Planning Office in order to implement measures to prevent the spread of COVID-19 and develop our BCP in the event of an infection outbreak.
7. The Company will thoroughly implement health maintenance programs for employees, make working arrangements (including the introduction of telecommuting), and encourage hygiene management, disinfection, and ventilation as measures to prevent the spread of COVID-19 at all domestic and overseas bases, and will take timely and appropriate measures to enable business continuity while paying constant attention to the status of production, procurement, sales, and other factors that may have impacts on the operating results of the Company.

## ③ Measures relating to efficiency improvements in Directors' execution of their duties

1. To allow the Board of Directors to make decisions on vital management issues efficiently and quickly, such issues are deliberated at the Executive Committee attended by the Representative Directors and other concerned Directors, Managing Officers and others before being put to the Board of Directors. Also, in order to allow sufficient time for the Board of Directors to deliberate important issues related to management, meetings of the Board of Directors are operated to secure ample time in schedule and materials for the meetings are distributed in advance.
2. The Company clearly assigns a person responsible for execution to new management issues as they arise, and gives instructions as necessary.
3. The Company is aiming to improve efficiency and speed in decision-making by the Board of Directors through certain measures such as by delegating decisions on individual matters to

Directors or Managing Officers through the approval system, by receiving monthly reports on the state of operations of each department, the state of progress of each department's plans. etc., and by holding meetings of the Executive Committee attended by the Representative Directors and other concerned Directors, Managing Officers and others periodically and as the need arises to deliberate and make decisions on vital management issues and measures quickly.

4. The internal audit department audits the state of establishment and operation of internal controls, which are based on these basic policies, on a regular basis and reports the results of audits to the Board of Directors.

#### ④ Measures for ensuring appropriate execution of duties at the Group

1. The Company has defined the Rules of Business Control Supervision for Affiliated Companies and established departments responsible for the management of each of its subsidiaries. Subsidiaries are managed and supervised to ensure regular provision of status reports and reports on other matters as defined by these Rules, and to ensure the receipt of approval from the Company ahead of any significant matters.
2. The Company has established a whistleblowing system in the Group and strives to identify compliance issues at subsidiaries.
3. In accordance with the audit plan, through on-site auditing and investigation of written documentation, etc., the Company's internal audit department with personnel thoroughly familiar with the various fields of the Company's operation periodically audits the state of establishment and operation of internal controls, including the appropriateness and efficiency of business at departments of the Company and at domestic/overseas subsidiaries, the state of compliance with laws/regulations and internal rules, and the state of management/maintenance for assets. The results of these audits are reported to the President and other concerned Directors each time an audit is conducted, and once every half period to the Board of Directors, and the internal audit department provides advice and guidance to the audited departments and audited subsidiaries based on audit results until the applicable improvements have been completed. For subsidiaries that have an internal audit department, the Company's audit department checks the activities of those internal audit departments, receives reports on audit plans and results, and provides advice and guidance as needed.

#### ⑤ Measures related to audits by Audit & Supervisory Board Members

1. The Company has established the Secretariat of the Audit & Supervisory Board, which is a full-time staff department independent from the chain of command of Directors, etc., to support the duties of Audit & Supervisory Board Members. Merit Rating of staff at the Secretariat of the Audit & Supervisory Board shall be performed by Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints, and approval from Audit & Supervisory Board Members whom the Audit & Supervisory Board appoints shall be obtained in advance of personnel transfers, etc.
2. By having Audit & Supervisory Board Members attend meetings of the Board of Directors, the Executive Committee, corporate governance meetings, and other meetings related to business operations and management, the Company makes it possible for Audit & Supervisory Board Members to verify the decision-making process and receive any necessary reports, and express their opinions.
3. The decision documents concerning the business operations of the Company and its subsidiaries are provided to the Audit & Supervisory Board Members, and when necessary, the business and business conditions are explained as necessary.
4. The internal audit department properly reports results of audits to Audit & Supervisory Board Members, allowing for more efficient auditing to be carried out in joint collaboration between Audit & Supervisory Board Members and the internal audit department.
5. In the whistleblowing system of the Suzuki Group, a contact point with Audit & Supervisory Board Members for whistleblowing is established. Additionally, all of the reports received for other contacts are also reported to the Audit & Supervisory Board promptly so that information regarding various issues within the Company is shared with them.
6. Expenses for the execution of duties of the Audit & Supervisory Board Members are independently budgeted and properly processed.

### **(Reference) Policy on reduction of cross-shareholdings**

The Company will hold shares of business partners and others for realizing sustainable growth and enhancing our mid- and long-term corporate value when we determine that such shareholdings will contribute to creation of business opportunities, business alliances as well as establishment, retention, reinforcement, etc. of stable transactions and cooperative relations.

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 nature, scale, and other factors of transactions and setting qualitative criterion including aspect of enhancement of corporate value as well as quantitative criterion including comparison with capital costs. Once a stock is decided to be sold, then the company shall advance reduction.

As a result, following the verification by the Board of Directors, 6 listed stocks were sold in the current fiscal year.

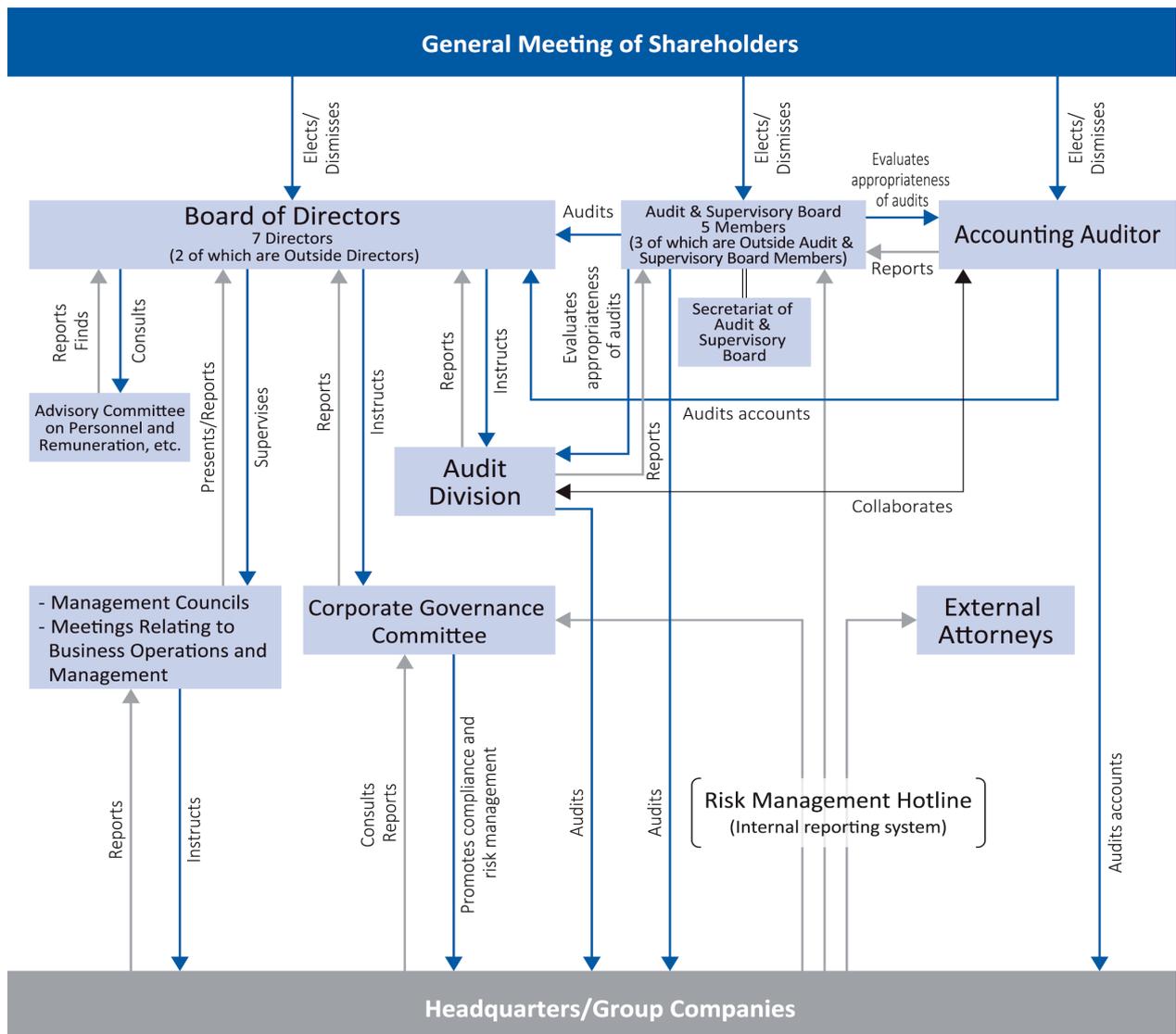
The Company will exercise the voting rights under cross-shareholdings, examining each agenda from the viewpoint of status of management operation, contribution to raising our mid- and long-term corporate value, and whether subject agenda does not spoil stakeholders' value while respecting the management policy of the companies in which we hold shares. As specially focused agendas, the Company assumes adoption of anti-takeover measure, business reorganization, agendas relating to election of directors in the case of continuously deteriorating business performance, and others.

### **(Reference) Corporate governance system**

Holding fair and efficient business activities as a main principle, the Company hopes to continue to earn the trust of its shareholders and its various stakeholders, such as customers, partners, local communities, and employees, as well as to further contribute to international society and continue to develop as a company. To realize this goal, the Company recognizes strengthening of corporate governance as one of the most vital tasks of its business, and the Company will continue to actively take various measures toward this end.

(As of the end of March 2020)

## Corporate Governance System



## Consolidated Balance Sheets

(Amount: Millions of yen)

Account Title	FY2019 (As of 31 March 2020)	(Reference) FY2018 (As of 31 March 2019)
<b>Assets</b>		
<b>Current assets</b>	<b>1,539,722</b>	<b>1,622,317</b>
Cash and deposits	485,808	509,717
Notes and accounts receivables-trade	427,358	445,700
Short-term investment securities	118,584	189,046
Merchandise and finished goods	245,409	238,013
Work in process	47,420	54,033
Raw materials and supplies	62,662	59,850
Other	155,349	131,075
Allowance for doubtful accounts	(2,871)	(5,120)
<b>Noncurrent assets</b>	<b>1,800,060</b>	<b>1,779,653</b>
<b>Property, plant and equipment</b>	<b>920,144</b>	<b>904,276</b>
Buildings and structures, net	186,544	185,779
Machinery and equipment, net	241,974	252,596
Tools, furniture and fixtures, net	68,402	76,337
Land	304,652	299,977
Construction in progress	118,571	89,585
<b>Intangible assets</b>	<b>1,604</b>	<b>2,288</b>
Goodwill	-	135
Other	1,604	2,152
<b>Investments and other assets</b>	<b>878,312</b>	<b>873,088</b>
Investment securities	662,194	635,184
Long-term loans receivable	549	711
Deferred tax assets	174,320	198,422
Other	41,843	39,342
Allowance for doubtful accounts	(445)	(379)
Allowance for investment loss	(150)	(193)
<b>Total assets</b>	<b>3,339,783</b>	<b>3,401,970</b>

Account Title	FY2019 (As of 31 March 2020)	(Reference) FY2018 (As of 31 March 2019)
<b>Liabilities</b>		
<b>Current liabilities</b>	<b>1,225,506</b>	<b>1,339,662</b>
Accounts payable-trade	257,996	327,373
Electronically recorded obligations	71,869	71,532
Short-term loans payable	121,082	93,807
Current portion of long-term loans payable	74,515	63,845
Current portion of bonds with subscription rights to shares	2,972	-
Accrued expenses	279,911	297,200
Income taxes payable	22,310	34,661
Provision for product warranties	243,920	248,199
Provision for directors' bonuses	95	77
Other	150,830	202,963
<b>Noncurrent liabilities</b>	<b>320,619</b>	<b>346,393</b>
Bonds with subscription rights to shares	8,560	11,535
Long-term loans payable	197,064	206,250
Deferred tax liabilities	5,121	2,895
Provision for directors' retirement benefits	1,161	1,161
Provision for disaster	436	436
Provision for product liabilities	4,646	4,890
Provision for recycling expenses	9,654	10,255
Liabilities for retirement benefits	67,206	82,813
Other	26,768	26,154
<b>Total liabilities</b>	<b>1,546,126</b>	<b>1,686,055</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>	<b>1,677,583</b>	<b>1,482,750</b>
Capital stock	138,202	138,161
Capital surplus	146,490	143,965
Retained earnings	1,414,665	1,314,587
Treasury stock	(21,775)	(113,963)
<b>Accumulated other comprehensive income</b>	<b>(190,032)</b>	<b>(90,260)</b>
Valuation difference on available-for-sale securities	87,455	95,873
Deferred gains or losses on hedges	(269)	(219)
Foreign currency translation adjustment	(255,266)	(164,544)
Accumulated adjustment for retirement benefit	(21,951)	(21,369)
<b>Subscription rights to shares</b>	<b>115</b>	<b>115</b>
<b>Non-controlling interests</b>	<b>305,990</b>	<b>323,309</b>
<b>Total net assets</b>	<b>1,793,657</b>	<b>1,715,914</b>
<b>Total liabilities and net assets</b>	<b>3,339,783</b>	<b>3,401,970</b>

[Note] Amounts less than one million yen are rounded down.

## Consolidated Statements of Income

(Amount: Millions of yen)

Account Title	FY2019 (1 April 2019 – 31 March 2020)	(Reference) FY2018 (1 April 2018 – 31 March 2019)
<b>Net sales</b>	<b>3,488,433</b>	<b>3,871,496</b>
Cost of sales	2,514,779	2,738,958
<b>Gross profit</b>	<b>973,654</b>	<b>1,132,538</b>
Selling, general and administrative expenses	758,585	808,172
<b>Operating income</b>	<b>215,069</b>	<b>324,365</b>
Non-operating income	51,021	79,406
Interest income	25,450	51,206
Dividend income	3,325	3,688
Equity in earnings of affiliates	6,315	5,029
Other	15,930	19,482
Non-operating expenses	20,675	24,241
Interest expenses	5,555	4,241
Loss on valuation of securities	1,812	257
Foreign exchange losses	3,508	2,853
Contribution	526	3,797
Loss of liquidation of subsidiaries and affiliates	-	4,446
Other	9,272	8,645
<b>Ordinary income</b>	<b>245,414</b>	<b>379,530</b>
Extraordinary income	1,672	1,922
Gain on sales of noncurrent assets	1,501	1,763
Gain on sales of investment securities	170	158
Extraordinary loss	1,060	83,062
Loss on sales of noncurrent assets	279	210
Loss on sales of investment securities	215	9
Impairment loss	565	1,514
Measure expenses for final inspection	-	81,329
<b>Income before income taxes etc.</b>	<b>246,027</b>	<b>298,390</b>
Income taxes-current	48,881	103,503
Income taxes-deferred	34,537	(42,000)
<b>Income taxes</b>	<b>83,418</b>	<b>61,502</b>
<b>Net income</b>	<b>162,608</b>	<b>236,887</b>
Net income attributable to non-controlling interests	28,386	58,128
<b>Net income attributable to owners of the parent</b>	<b>134,222</b>	<b>178,759</b>

[Note] Amounts less than one million yen are rounded down.

## Consolidated Statements of Changes in Net Assets

(1 April 2019– 31 March 2020)

(Amount: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current fiscal year	138,161	143,965	1,314,587	(113,963)	1,482,750
Changes of items during the period					
Issuance of new shares	41	41			82
Dividends from surplus			(34,144)		(34,144)
Net income attributable to owners of the parent			134,222		134,222
Purchase of shares of consolidated subsidiaries		(1,411)			(1,411)
Purchase of treasury stock				(12)	(12)
Disposal of treasury stock		3,894		92,201	96,096
Net changes of items other than shareholders' equity					
Total changes of items during the period	41	2,524	100,078	92,188	194,832
Balance at end of current fiscal year	138,202	146,490	1,414,665	(21,775)	1,677,583

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Accumulated adjustment for retirement benefit	Total accumulated other comprehensive income			
Balance at beginning of current fiscal year	95,873	(219)	(164,544)	(21,369)	(90,260)	115	323,309	1,715,914
Changes of items during the period								
Issuance of new shares								82
Dividends from surplus								(34,144)
Net income attributable to owners of the parent								134,222
Purchase of shares of consolidated subsidiaries								(1,411)
Purchase of treasury stock								(12)
Disposal of treasury stock								96,096
Net changes of items other than shareholders' equity	(8,417)	(49)	(90,722)	(581)	(99,771)		(17,318)	(117,090)
Total changes of items during the period	(8,417)	(49)	(90,722)	(581)	(99,771)	-	(17,318)	77,742
Balance at end of current fiscal year	87,455	(269)	(255,266)	(21,951)	(190,032)	115	305,990	1,793,657

[Note] Amounts less than one million yen are rounded down.

## Non-Consolidated Balance Sheets

(Amount: Millions of yen)

Account Title	FY2019 (As of 31 March 2020)	(Reference) FY2018 (As of 31 March 2019)
<b>Assets</b>		
<b>Current assets</b>	<b>684,717</b>	<b>657,735</b>
Cash and deposits	281,778	275,852
Notes receivable-trade	1,508	2,369
Accounts receivable-trade	176,830	172,144
Short-term investment securities	30,000	30,000
Merchandise and finished goods	35,573	33,144
Work in process	20,521	22,977
Raw materials and supplies	11,794	10,617
Prepaid expenses	522	870
Other	126,915	110,447
Allowance for doubtful accounts	(728)	(689)
<b>Noncurrent assets</b>	<b>1,122,922</b>	<b>1,049,548</b>
<b>Property, plant and equipment</b>	<b>270,528</b>	<b>261,788</b>
Buildings, net	71,579	68,736
Structures, net	11,477	11,441
Machinery and equipment, net	31,341	37,235
Vehicles, net	707	560
Tools, furniture and fixtures, net	12,299	7,891
Land	139,138	132,621
Construction in progress	3,983	3,302
<b>Intangible assets</b>	<b>422</b>	<b>242</b>
Right of using facilities	422	242
<b>Investments and other assets</b>	<b>851,971</b>	<b>787,516</b>
Investment securities	189,146	174,929
Stocks of subsidiaries and affiliates	448,313	411,176
Investments in capital	60	3
Investments in capital of subsidiaries and affiliates	19,528	19,528
Long-term loans receivable	245	310
Long-term loans receivable from subsidiaries and affiliates	22,999	19,584
Long-term prepaid expenses	414	77
Prepaid pension costs	15,207	-
Deferred tax assets	155,834	160,903
Other	1,238	1,234
Allowance for doubtful accounts	(40)	(38)
Allowance for investment loss	(978)	(193)
<b>Total assets</b>	<b>1,807,640</b>	<b>1,707,283</b>

Account Title	FY2019 (As of 31 March 2020)	(Reference) FY2018 (As of 31 March 2019)
<b>Liabilities</b>		
<b>Current liabilities</b>	<b>942,181</b>	<b>943,375</b>
Accounts payable-trade	163,470	201,488
Electronically recorded obligations	71,869	71,532
Short-term loans payable	71,500	46,263
Current portion of long-term loans payable	11,172	8,000
Current portion of bonds with subscription rights to shares	2,972	-
Accounts payable-other	8,126	9,358
Accrued expenses	167,154	168,735
Income taxes payable	4,762	14,353
Advances received	5,743	5,282
Deposits received	208,928	184,159
Provision for product warranties	223,297	230,109
Other	3,183	4,091
<b>Noncurrent liabilities</b>	<b>164,731</b>	<b>180,883</b>
Bonds with subscription rights to shares	8,560	11,535
Long-term loans payable	107,000	118,172
Provision for retirement benefits	20,666	22,284
Provision for directors' retirement benefits	1,161	1,161
Provision for product liabilities	4,646	4,890
Provision for recycling expenses	9,654	10,255
Asset retirement obligations	1,242	1,360
Other	11,800	11,222
<b>Total liabilities</b>	<b>1,106,913</b>	<b>1,124,259</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>	<b>687,499</b>	<b>547,359</b>
<b>Capital stock</b>	<b>138,202</b>	<b>138,161</b>
<b>Capital surplus</b>	<b>148,447</b>	<b>144,511</b>
Legal capital surplus	144,552	144,511
Other capital surplus	3,894	-
<b>Retained earnings</b>	<b>422,574</b>	<b>378,608</b>
Legal retained earnings	8,269	8,269
Other Retained earnings		
Reserve for special depreciation	608	819
Reserve for advanced depreciation of noncurrent assets	6,375	6,402
General reserve	326,000	396,000
Retained earnings brought forward	81,320	(32,884)
<b>Treasury stock</b>	<b>(21,724)</b>	<b>(113,920)</b>
<b>Valuation and translation adjustments</b>	<b>13,111</b>	<b>35,549</b>
Valuation difference on available-for-sale securities	12,753	35,609
Deferred gains or losses on hedges	358	(59)
<b>Subscription rights to shares</b>	<b>115</b>	<b>115</b>
<b>Total net assets</b>	<b>700,726</b>	<b>583,024</b>
<b>Total liabilities and net assets</b>	<b>1,807,640</b>	<b>1,707,283</b>

[Note] Amounts less than one million yen are rounded down.

## Non-Consolidated Statements of Income

(Amount: Millions of yen)

Account Title	FY2019 (1 April 2019 – 31 March 2020)	(Reference) FY2018 (1 April 2018– 31 March 2019)
<b>Net sales</b>	<b>1,792,834</b>	<b>1,940,224</b>
Cost of sales	1,358,216	1,444,030
Beginning finished goods	28,100	41,230
Cost of products manufactured	1,361,082	1,431,950
Total	1,389,183	1,473,181
Transfer to other account	1,208	1,050
Ending finished goods	29,757	28,100
<b>Gross profit</b>	<b>434,618</b>	<b>496,194</b>
Selling, general and administrative expenses	361,915	399,447
Selling expenses	211,443	239,908
General and administrative expenses	150,471	159,538
<b>Operating income</b>	<b>72,702</b>	<b>96,747</b>
Non-operating income	39,186	36,448
Interest income	2,147	1,749
Interest on securities	1,850	1,223
Dividends income	25,661	26,164
Rent income on noncurrent assets	3,189	3,042
Foreign exchange gains	-	31
Miscellaneous income	6,338	4,236
Non-operating expenses	14,843	15,972
Interest expenses	651	783
Loss on valuation of securities	1,812	7,837
Depreciation of assets for rent	2,224	1,902
Provision of allowance for doubtful accounts	2	25
Foreign exchange losses	4,832	-
Contribution	526	3,797
Miscellaneous expenses	4,792	1,626
<b>Ordinary income</b>	<b>97,046</b>	<b>117,223</b>
Extraordinary income	508	273
Gain on sales of noncurrent assets	338	142
Gain on sales of investment securities	170	130
Extraordinary loss	704	82,894
Loss on sales of noncurrent assets	46	41
Loss on sales of investment securities	215	9

Impairment loss	441	1,514
Measure expenses for final inspection	-	81,329
<b>Income before income taxes etc.</b>	<b>96,851</b>	<b>34,602</b>
Income taxes-current	4,120	31,131
Income taxes-deferred	14,621	(38,942)
<b>Income taxes</b>	<b>18,741</b>	<b>(7,811)</b>
<b>Net income</b>	<b>78,110</b>	<b>42,414</b>

[Note] Amounts less than one million yen are rounded down.

## Non-Consolidated Statements of Changes in Net Assets

(1 April 2019 – 31 March 2020)

(Amount: Millions of yen)

	Shareholders' equity					
	Capital stock	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Reserve for special depreciation
<b>Balance at beginning of current fiscal year</b>	<b>138,161</b>	<b>144,511</b>	<b>-</b>	<b>144,511</b>	<b>8,269</b>	<b>819</b>
<b>Changes of items during the period</b>						
Issuance of new shares	41	41		41		
Reversal of reserve for special depreciation						(211)
Provision of reserve for advanced depreciation of noncurrent assets						
Reversal of reserve for advanced depreciation of noncurrent assets						
Reversal of general reserve						
Dividends from surplus						
Net income						
Purchase of treasury stock						
Disposal of treasury stock			3,894	3,894		
Net changes of items other than shareholders' equity						
<b>Total changes of items during the period</b>	<b>41</b>	<b>41</b>	<b>3,894</b>	<b>3,936</b>	<b>-</b>	<b>(211)</b>
<b>Balance at end of current fiscal year</b>	<b>138,202</b>	<b>144,552</b>	<b>3,894</b>	<b>148,447</b>	<b>8,269</b>	<b>608</b>

(Amount: Millions of yen)

	Shareholders' equity					
	Retained earnings				Treasury stock	Total shareholders' equity
	Other retained earnings			Total retained earnings		
	Reserve for advanced depreciation of noncurrent assets	General reserve	Retained earnings brought forward			
<b>Balance at beginning of current fiscal year</b>	<b>6,402</b>	<b>396,000</b>	<b>(32,884)</b>	<b>378,608</b>	<b>(113,920)</b>	<b>547,359</b>
<b>Changes of items during the period</b>						
Issuance of new shares						82
Reversal of reserve for special depreciation			211	-		-
Provision of reserve for advanced depreciation of noncurrent assets	92		(92)	-		-
Reversal of reserve for advanced depreciation of noncurrent assets	(119)		119	-		-
Reversal of general reserve		(70,000)	70,000	-		-

(This is an English translation of the original Notice in the Japanese language mailed to shareholders in Japan and is for reference purpose only. If there are any discrepancies between this document and the original Japanese Notice, the original Japanese Notice prevails.)

Dividends from surplus			(34,144)	(34,144)		(34,144)
Net income			78,110	78,110		78,110
Purchase of treasury stock					(4)	(4)
Disposal of treasury stock					92,201	96,096
Net changes of items other than shareholders' equity						
<b>Total changes of items during the period</b>	<b>(26)</b>	<b>(70,000)</b>	<b>114,204</b>	<b>43,965</b>	<b>92,196</b>	<b>140,139</b>
<b>Balance at end of current fiscal year</b>	<b>6,375</b>	<b>326,000</b>	<b>81,320</b>	<b>422,574</b>	<b>(21,724)</b>	<b>687,499</b>

	Valuation and translation adjustments			Subscription rights to shares	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
<b>Balance at beginning of current fiscal year</b>	<b>35,609</b>	<b>(59)</b>	<b>35,549</b>	<b>115</b>	<b>583,024</b>
<b>Changes of items during the period</b>					
Issuance of new shares					82
Reversal of reserve for special depreciation					-
Provision of reserve for advanced depreciation of noncurrent assets					-
Reversal of reserve for advanced depreciation of noncurrent assets					-
Reversal of general reserve					-
Dividends from surplus					(34,144)
Net income					78,110
Purchase of treasury stock					(4)
Disposal of treasury stock					96,096
Net changes of items other than shareholders' equity	(22,855)	417	(22,437)		(22,437)
<b>Total changes of items during the period</b>	<b>(22,855)</b>	<b>417</b>	<b>(22,437)</b>	<b>-</b>	<b>117,702</b>
<b>Balance at end of current fiscal year</b>	<b>12,753</b>	<b>358</b>	<b>13,111</b>	<b>115</b>	<b>700,726</b>

[Note] Amounts less than one million yen are rounded down.

## AUDIT REPORTS

### Copy of Report of Accounting Auditor on Consolidated Financial Statements

#### Report of Independent Auditor

22 May 2020

To the Board of Directors  
of Suzuki Motor  
Corporation

Seimei Audit  
Corporation  
Machida, Tokyo  
Ryo Imamura (seal)  
Designated and Engagement  
Partner Certified Public  
Accountant  
Akira Iwama (seal)  
Designated and Engagement  
Partner Certified Public  
Accountant  
Takashi Imamura (seal)  
Designated and Engagement  
Partner Certified Public  
Accountant

#### Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to the consolidated financial statements of Suzuki Motor Corporation (the "Company") for the fiscal year from 1 April 2019 through 31 March 2020.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Company, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

#### Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements". We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the presentation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

#### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit.

Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries in order to express an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and implementing the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

#### Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

- End -

## Copy of Report of Accounting Auditor

### Report of Independent Auditor

22 May 2020

To the Board of Directors  
of Suzuki Motor  
Corporation

Seimei Audit  
Corporation  
Machida, Tokyo  
Ryo Imamura (seal)  
Designated and Engagement  
Partner Certified Public  
Accountant  
Akira Iwama (seal)  
Designated and Engagement  
Partner Certified Public  
Accountant  
Takashi Imamura (seal)  
Designated and Engagement Partner  
Certified Public Accountant

#### Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the accompanying supplementary schedules of Suzuki Motor Corporation (the "Company") for the 154th fiscal year from 1 April 2019 through 31 March 2020.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of 31 March 2020, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

#### Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules". We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

#### Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

#### Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur

as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any safeguards that are in place to reduce or eliminate obstacles.

#### Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

- End -

## **Copy of Report of the Audit & Supervisory Board**

### **Audit Report**

With respect to the Directors' performance of their duties during the 154th fiscal year from 1 April 2019 to 31 March 2020, the Audit & Supervisory Board has prepared this audit report after deliberations based on the audit reports prepared by Audit & Supervisory Board Member, and hereby report as follows:

1. Method and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board
  - (1) The Audit & Supervisory Board has established the audit policies, assignment of duties, etc. and received a report from Audit & Supervisory Board Members regarding the status of implementation of their audits and results thereof, and has endeavored to hold deliberations and share relevant information. In addition, the Audit & Supervisory Board has received reports from the Directors, etc. and the Accounting Auditor regarding the status of performance of their duties, and requested explanations as necessary.
  - (2) In accordance with the standards for Audit & Supervisory Board Members' audit established by the Audit & Supervisory Board and following the audit policies, assignment of duties, etc., Audit & Supervisory Board Members endeavored to facilitate a mutual understanding with the Directors, the internal audit department and other employees, etc., and to collect information and maintain and improve the audit environment, and conducted the audit by following manners:
    - ① Audit & Supervisory Board Members attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and other employees, requested explanations as necessary, and expressed opinions. In addition, Audit & Supervisory Board Members examined important approval/decision documents, conducted audits, etc. regarding the performance of duties by the senior management, and inspected the status of the corporate affairs and assets at the head office and other principal business locations.

With respect to the subsidiaries, Audit & Supervisory Board Members received from the subsidiaries reports on their respective business, endeavored to facilitate a mutual understanding and exchanged information with the directors etc. of each of the subsidiaries, and betake oneself to the subsidiaries as necessary to survey subsidiaries' business operation and financial position.
    - ② Audit & Supervisory Board Members periodically received reports from the Directors and other employees, requested explanations as necessary and expressed opinions about the status of (a) the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors' performance of their duties complied with all laws, regulations and the Articles of Incorporation of the Company and other systems that are set forth in Article 100 (1) and (3) of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of the corporate group comprised of a joint stock company (kabushiki kaisha) and its subsidiaries as mentioned in the business report, and (b) the systems (internal control systems) based on such resolutions.
    - ③ Audit & Supervisory Board Members monitored and verified whether the Accounting Auditor maintained its independence and properly conducted its audit, received a report from the Accounting Auditor on the status of its performance of duties, and requested explanations as necessary. Audit & Supervisory Board Members were notified by the Accounting Auditor that it had established a "system to ensure that the performance of the duties of the Accounting Auditor was properly conducted" (the matters listed in the items of Article 131 of the Company Accounting Regulations) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on 28 October 2005), and requested explanations as necessary.

Based on the above-described methods, Audit & Supervisory Board Members examined the business report and the supplementary schedules thereto, the financial statements (the balance sheet, the statement of income, the statement of changes in net assets and the note to financial statements) and the supplementary schedules thereto, and the consolidated financial statements (the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the note to consolidated financial statements), for the fiscal year under consideration.
- (2) Results of Audit
  - (1) Results of Audit of Business Report, etc.
    - ① We acknowledge that the business report and the supplementary schedules thereto fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
    - ② We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Company was found with respect to the Directors' performance of their duties.
    - ③ We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate.

As for the improper conducts regarding the final inspection operations, Full-time Audit & Supervisory Board Members attended the Inspection Reform Committee consisting of related departments to confirm the implementation status of fundamental preventive measures. In addition, the Audit & Supervisory Board has confirmed the efforts of the Board of Directors relating to establishment of a compliance system and other effective internal control systems within the Suzuki Group. We will continue to monitor these activities.
  - (2) Results of Audit of Financial Statements and their Supplementary schedules  
We acknowledge that the methods and results of audit performed by the Accounting Auditor, Seimei Audit Corporation, are appropriate.
  - (3) Results of Audit of Consolidated Financial Statements  
We acknowledge that the methods and results of audit performed by the Accounting Auditor, Seimei Audit Corporation, are appropriate.

25 May 2020

Audit & Supervisory Board of Suzuki Motor Corporation

Audit & Supervisory Board Member (Full-time):	Toyokazu Sugimoto (seal)
Audit & Supervisory Board Member (Full-time):	Masato Kasai (seal)
Audit & Supervisory Board Member (Outside):	Norio Tanaka (seal)
Audit & Supervisory Board Member (Outside):	Nobuyuki Araki (seal)
Audit & Supervisory Board Member (Outside):	Norihisa Nagano (seal)

-End-

## Memo for the shareholders

Ordinary General Meetings of Shareholders	In June	
Record Date	Ordinary General Meetings of Shareholders Year-End Dividends	31 March
	Interim Dividends	31 March 30 September
	In case it is necessary, we shall give public notices in advance.	
The method of public notices	Electronic public notices provided, however, in the event of accidents or any unavoidable circumstances which makes electronic public notices impossible, the Company's public notices shall be given in the Nihon Keizai Shimbun published in Tokyo-to. <a href="https://www.suzuki.co.jp/ir/index.html">https://www.suzuki.co.jp/ir/index.html</a>	
Stock Code	7269	
Transfer Agent (The institute managing the special bank account)	〒100-8233 1-4-1 Marunouchi, Chiyoda-ku, Tokyo-to Sumitomo Mitsui Trust Bank Ltd.	
Place to contact for the above matter	〒460-8685 3-15-33 Sakae, Naka-ku, Nagoya-shi Sumitomo Mitsui Trust Bank Ltd. Department of Stock Agent	
Place to send mails (call)	〒168-0063 2-8-4 Izumi, Suginami-ku, Tokyo-to Sumitomo Mitsui Trust Bank Ltd. Stock Agent Center Call Free: 0120-782-031 (Opening hours: 9:00~17:00, except for Saturdays, Sundays and public holidays)	
Place to contact for the above matter	Sumitomo Mitsui Trust Bank Ltd. Any branch in Japan	

About any procedure for stocks	
About contact points for changing address, selling or purchasing shares less than one unit, etc.	About outstanding dividend payment
① Shareholders who use stock company Please contact your stock company.	Please contact Sumitomo Mitsui Trust Bank Ltd., which is the Transfer Agent.
② Shareholders for whom the special bank account was opened, not having bank account in stock company Please contact Sumitomo Mitsui Trust Bank Ltd., which is the institute managing the special account.	

## (reference) TOPICS

(For English Translation, the pictures and the chart are omitted.)

### [Special Feature] 100 Years of Suzuki

Suzuki Motor Corporation celebrated its 100th anniversary on 15 March 2020.

Suzuki's history goes back to 1909, when Michio Suzuki founded the Suzuki Loom Works.

On 15 March 1920, a hundred years ago, the company was reorganized, incorporated and capitalized at ¥500,000 as Suzuki Loom Manufacturing Co. with Michio Suzuki as the first president.

Since then, we have expanded our business from looms to motorcycles, automobiles, outboard motors, and others, changing our name to Suzuki Motor Co., Ltd. in 1954 and thereafter to Suzuki Motor Corporation in 1990, always adapting to the trend of the times as well as domestic and global markets, and have evolved into a company supporting the lives of a variety of people worldwide.

The hundred years of Suzuki are a hundred years of being propped up by the patronage and support of customers.

We will always cherish the philosophy inherited from our founder, Michio Suzuki, "to deliver products of superior value by focusing on the customer," on which our craftsmanship is based. We will continue to take on the challenges of manufacturing, in order to provide exciting products that deliver greater "ease of use," "fun" and "amazement" to people throughout the world.

#### Net Sales

1920	Net sales from April-February: ¥211,000
FY1969	Net sales reach ¥100 billion
FY1977+	Disclosure of consolidated financial results
FY1990	Net sales reach ¥1 trillion
FY2006	Net sales reach ¥3 trillion

#### Main Products

1930	Single-sided four-shuttle sarong loom
1952	Power Free auxiliary bicycle engine
1955	Suzulight minicar
1965	D55 outboard motor
1967	Fronte minicar
1970	Jimny 4WD minicar
1974	Z600 motorized wheelchair
1979	Alto minicar
1981	GSX1100S KATANA motorcycle
1983	Cultus compact car
1993	WagonR minicar
1999	GSX1300R Hayabusa motorcycle
1999	ET4A senior car
2004	Swift compact car
2014	Hustler minicar
2017	DF350A outboard motor

## Main Events

1909	Founding of Suzuki Loom Works
1920	Establishment of Suzuki Loom Manufacturing Co.
1949	Listed on the Tokyo, Osaka and Nagoya stock exchanges
1954	Company name changed to Suzuki Motor Co., Ltd.
1962	Establishment of the Mission Statement
1962	Wins the 50cc-class championship in the Isle of Man TT Race for the first time
1967	First overseas production of motorcycles (Thailand)
	Completion of Iwata Plant (automobiles)
1970	Completion of Kosai Plant (automobiles)
1975	First overseas production of automobiles (Pakistan)
1981	Business partnership formed with General Motors
1983	Production of automobiles begins at Maruti in India
1990	Company name changed to Suzuki Motor Corporation
1991	Establishment of Magyar Suzuki Corporation in Hungary
1994	Operation begins at Sagara engine plant
2002	Maruti becomes a subsidiary
2008	Completion of automobile assembly plant in Sagara
2014	Establishment of automobile manufacturing subsidiary Suzuki Motor Gujarat Private Limited in India
2018	Completion of Hamamatsu Plant (motorcycles)
2019	Conclusion of capital alliance agreement with Toyota

## 100th Anniversary Special Website

<https://www.globalsuzuki.com/100th/>

## August 2019

### Toyota and Suzuki entered into a capital alliance agreement

Toyota and Suzuki entered into a capital alliance agreement to establish and develop a long-term partnership for promoting collaboration in new fields, including autonomous driving.

In December 2019, Toyota acquired 24,000 thousand shares of common stock in Suzuki (4.9% ownership of the total number of shares issued by Suzuki as of 31 March 2019 (excluding treasury shares) with a total value of ¥96.0 billion) by underwriting the disposition of treasury shares by way of third-party allotment conducted by Suzuki. Likewise, by January 2020, Suzuki acquired, through purchase in the market, 6,189 thousand shares in Toyota (0.2% ownership, ¥48.0 billion).

The two companies intend to achieve sustainable growth by overcoming new challenges surrounding the automobile sector, not only by strengthening existing business foundations and the technologies and products in which each company has strengths, but also through building and deepening cooperative relationships in new fields while maintaining their relationship as competitors.

## October 2019

### 46th Tokyo Motor Show 2019

We participated in the 46th Tokyo Motor Show 2019 (organized by the Japan Automobile Manufacturers Association) and showcased a wide selection of reference models under the theme “WAKU WAKU SWITCH for EVERYONE: Excitement for you, excitement for everyone.”

The Suzuki booth exhibited its innovative technologies as a comprehensive mobility brand, which included WAKU SPO, a personal compact PHEV; HANARE, an autonomous driving mobile room; KUPO, a mobility device that transforms into an electric wheelchair and an assisted walker; and MITRA, a partner robot equipped with an automatic following function. Suzuki, as a company celebrating its 100th anniversary in 2020, introduced its initiatives in developing products and technologies for opening up a “bigger future” toward the next 100 years.

## November 2019

### Unveiled the all-new V-STROM 1050 and V-STROM 1050XT for overseas markets

In November, we unveiled the all-new V-STROM 1050 and V-STROM 1050XT, models engineered as sport adventure tourers that offer comfort in the various riding situations expected from long-distance motorcycle touring, from downtown streets and highways all the way up to mountain roads.

The 1,037cm<sup>3</sup> V-twin engine meets the Euro 5 emission control standards that were newly introduced in Europe in January 2020 for new models of motorcycles. The new models feature a ride-by-wire electronic throttle control system and adjust intake and exhaust cam profile to realize the best mix for balancing both higher power and lower fuel consumption, and are further enhanced with electronic control systems and other advanced equipment.

## December 2019

### Unveiled the all-new Hustler minicar

We unveiled the completely redesigned Hustler minicar, a fusion of a miniwagon and an SUV (a sports MPV),

and began sales in January 2020.

The all-new Hustler features a comfortable and spacious interior on top of further evolutions in the packaging and ease-of-handling by adopting a unique design that is instantly recognizable as a Hustler and the new-generation HEARTECT platform.

We have also provided an enhanced selection of the preventative safety technologies of Suzuki Safety Support, including the Dual Camera Brake Support which can detect pedestrians even at night, so that drivers can enjoy their ride with a constant sense of safety and security. In terms of driving performance, we have adopted the newly developed R06D engine, which features excellent fuel efficiency and nimble handling in a practical speed range from low speed to medium and high speed, and have evolved the vehicle in all directions as a more "playful minicar."

## February 2020

### Suzuki Education and Culture Foundation began new assistance program for special needs schools

The Suzuki Education and Culture Foundation donated playground equipment, PE equipment, musical instruments, etc. used at school by children and students to the PTAs of 24 special needs schools in Shizuoka prefecture for the first time.

This public interest foundation was established in 2000 to commemorate the 80th anniversary of Suzuki's founding for the intent of making contributions to the nurturing of healthy youths in Shizuoka prefecture. In addition to the existing scholarship program and assistance program for schools for foreign students, the foundation launched

a new assistance program for special needs schools in 2019 to help children with disabilities discover all sorts of new possibilities through sports and learning. The foundation has offered scholarships, school support, and other financial assistance amounting to a total of 409.34 million yen in grants.

## February 2020

### Auto Expo – The Motor Show 2020 in India

Our Indian subsidiaries, Maruti Suzuki India Limited (Maruti Suzuki) and Suzuki Motorcycle India Private Limited (SMIPL) participated in Auto Expo – The Motor Show 2020 held in Greater Noida (near New Delhi), India.

Maruti Suzuki made a reference exhibit for the Concept FUTURO-e, an EV concept model which is a fusion of a coupe with an SUV. SMIPL also exhibited all of their models that they manufacture for the domestic market as compliant with the new BS6 emission control standards introduced from April 2020. Here, the Suzuki Group presented its commitment to contribute to the sustainable development of automobile and motorcycle markets in India through its initiatives to enhance environmental performance, in addition to design and convenience.

## February 2020

### Suzuki Marine's S17 small fishing boat won the Best Fishing Award at Boat of the Year Japan 2019

The S17 small fishing boat sold by Suzuki Marine Corporation, our domestic subsidiary in the marine business, received the Best Fishing Award at Boat of the Year Japan 2019. This is the first time that a boat from Suzuki Marine has won this prestigious award.

The S17 is an affordable fishing boat for entry-level users who are looking to purchase their own first boat, and has been sold since April 2019. It has been applauded for its superior stability and its host of onboard equipment to accommodate various types of fishing, winning this year's commendation as the best boat for fishing.

## March 2020

### FY2019 funding by the Suzuki Foundation

The Suzuki Foundation was established in March 1980 to mark the Company's 60th anniversary. The Foundation decided to fund 58 scientific technology and proposed subject research initiatives for FY2019. Including other financial assistance, the Foundation provided a total of 175.28 million yen as funding in FY2019.

This round of financial assistance for research is its 40th. Since its establishment, the Foundation has aided and assisted the development of mechanical industry technologies. It has also provided financial assistance to universities and research institutions throughout Japan, accepted and assisted foreign research students, and in other ways to encourage and support youth burning with ambition to take part in this field. The Foundation has supported 1,793 scientific research projects with financial assistance worth a total of 2,117.15 million yen since its establishment.

## **Map of the venue of the General Meeting of the Shareholders**

(English Translation Omitted)