

(This document is an English translation of the original Japanese document. If there are any discrepancies between this document and the original Japanese document, the original Japanese document prevails.)

Last Update: 28 June 2024

SUZUKI MOTOR CORPORATION

Toshihiro Suzuki

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Securities Code Number: 7269

<http://www.suzuki.co.jp/>

Corporate Governance Report

Corporate governance at Suzuki Motor Corporation (the "Company") is as follows:

I. Basic Policy on Corporate Governance, Capital Structure, Corporate Attributes and Other Basic Information

1. Basic Policy

Through fair and efficient corporate activities, the Company aims to earn the trust of our shareholders, customers, suppliers, local communities, employees, and other stakeholders, and to make further contribution to the international community to continue to grow and develop as a sustainable company. To achieve this goal, the Company recognizes that continuous improvement of corporate governance is essential, and as a top priority management issue, we are actively working on various measures.

In consideration of the meaning of the respective principles of the Corporate Governance Code, the Company will make continuing efforts to ensure the rights and equality of the shareholders and the effectiveness of the Board of Directors and the Audit & Supervisory Board as well as to upgrade the internal control system.

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

【Reasons for not implementing principles of the Corporate Governance Code】

The Company implemented all the principles of the Corporate Governance Code.

【Disclosure based on principles of Corporate Governance Code】 Revised

【Principle 1.4 Cross-Shareholdings】

The Company holds 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 would 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.

The Company exercises the voting rights under cross-shareholdings examining for each agenda from the viewpoint of conditions of their 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 introduction of anti-takeover measure, business reorganization, agendas relating to appointment of directors in the cases of continuously deteriorating business performance, etc.

【Principle 1.7 Related Party Transactions】

When Directors and Audit & Supervisory Board Members of the Company assume the post of officers in other companies concurrently, approval must be obtained from the Board of Directors.

Transactions involving conflict of interest between the Company and Directors are required to obtain prior approval from the Board of Directors, and regular reporting on material facts to the Board of Directors about such transactions has enabled the Board of Directors to monitor them appropriately.

In addition, we disclose related party transactions appropriately pursuant to the applicable laws, regulations, and accounting standards.

【Principle 2.6 Roles of Corporate Pension Funds as Asset Owners】

To ensure appropriate management of corporate pension, the Company has established a Pension Management Committee consisting of personnel having appropriate capacity, such as Officers or Executive General Managers in charge of finance, human resources, and audit divisions. The committee hears opinions from asset management institutions, etc., and conducts regular monitoring on the status of management, and it makes decision on investment policy of pension assets, selects entrusted management institutions, and conducts reviews on investment products, asset allocation, etc.

The Fund avoids conflicts of interests between the fund beneficiaries and the Company by entrusting the management of its pension fund to trust banks and life assurance companies.

【Principle 3.1 Enhancement of Information Disclosure】

(1) Company objectives, business strategies and business plans

The Company group has been placing the motto “Develop products of superior value by focusing on the customer” as the first paragraph of the mission statement. We will continuously strive for making truly valuable products that satisfy our customers.

Under the slogan “Small cars for a big future”, we will work toward manufacture of “small cars” and “environmentally friendly products” which are wanted by our customers. We will also work on lean, efficient, and sound management by emphasizing the “Smaller, Fewer, Lighter, Shorter and Beauty” concept in all areas.

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

The New Mid-Term Management Plan SUZUKI NEXT 100 (April 2021 to March 2026) ~ “Sho-Sho-Kei-Tan-Bi” ~ announced on 24 February 2021 and the Growth Strategy for FY2023 announced on 26 January 2023 are available at our homepage.

<https://www.globalsuzuki.com/ir/library/financialpresentation/pdf/2020/plan.pdf>

<https://www.globalsuzuki.com/globalnews/2023/0126.html>

“Sho-Sho-Kei-Tan-Bi” is an abbreviation for Japanese meaning Smaller, Fewer, Lighter, Shorter, Beauty.

(2) Basic policy and guidelines on corporate governance

Please refer to “1. Basic Policy” above.

(3) Basic policies and procedures in determining the remuneration of the senior management and Directors

This information is stated in “II. Overview of Business Management Organization and Other Corporate Governance Systems related to Decision-making, Execution of Business and Management Supervision” “1. Organizational Structure and Operation, etc.” “Remuneration of Directors Remuneration of Directors” below in this report.

(4) Basic policies and procedures in the nomination/dismissal of the senior management and the nomination of the candidates for Directors and 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 Audit & Supervisory Board Members" 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, legal affairs, etc., and who satisfy the Company's "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members" to strengthen the neutrality of the auditing system.

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 "Committee on Personnel and Remuneration, etc.," of which Outside Directors 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.

Decision for election and remuneration of senior Managing Officers are also based on results of the Committee's discussion.

In the event of violation of laws and regulations, etc. by a Director or Managing Officer or of other cases where the needs of discharge or removal arises, the Board of Directors makes a resolution for discharge or removal (removal of a director is subject to a resolution through an agenda of a general shareholders' meeting).

(5) Explanations with respect to the individual appointments and nominations of Directors and Audit & Supervisory Board Members

Please refer to the "Notice of Convocation of the Ordinary General Meeting of Shareholders, which is available at our homepage.

<https://www.globalsuzuki.com/ir/stock/toShareholders/index.html>

【Supplementary Principle 2.4.1 Ensuring Diversity in Appointment of Core Human Resources, Etc.】

【Supplementary Principle 3.1.3 Efforts for Sustainability, Etc.】

For disclosure of our efforts for sustainability and "the impact of climate change-related risks and earning opportunities on Company's business activities and profits, etc." under the framework of TCFD, please refer to the "Integrated Report" and the "Sustainability Report." And please refer to the end of this report for the "Status of Securing Diversity of Core Human Resources" and "Investment in Human Capital".

Integrated Report: <https://www.globalsuzuki.com/ir/library/annualreport/>

Sustainability Report: <https://www.globalsuzuki.com/corporate/environmental/report/>

<<Investment in Intellectual Property>>

The Company holds up "Develop products of superior value by focusing on the customer" as the first point in its Mission Statement. Accordingly, our basic policy for intellectual property activity is to accumulate, protect and utilize knowledge and technology for the creation of the value that customers need, as intellectual property.

To accumulate intellectual property, based on our traditional Philosophy of Conduct "Smaller, Fewer, Lighter, Shorter, Beauty," we develop technologies and products following our original thinking that can have users find our offerings "Unique to Suzuki" or "Incredibly imaginative" with our wisdom and ingenuity closely connected with everyday life, thereby striving to obtain patents, design rights, etc. on these achievements. In addition, in FY2023, we revised a reward system for inventions, etc., to give higher recognition to inventions that embody "Smaller, Fewer, Lighter, Shorter, Beauty." Not only do the inventors receive a reward, but they are also recognized at an award ceremony in the all-hands meeting and attend a roundtable with the President, Directors, and Managing Officers. At this roundtable, held once a year on "Invention Day," inventors present points that they contrived and sweated over about their inventions. In response, the President, Directors, and Managing officers ask questions and appreciate their endeavour. We make this occasion the venue in which all members

praise inventions that contribute to the Company. Additionally, by publicizing scenes of the roundtable in video internally, we also use this occasion to motivate not only the inventor but also other engineers. Furthermore, we will speed up individuals' growth and lead it to the Company's earning power by establishing a system that makes each employee excited to create intellectual property, also by coordinating with the personnel system that was revised in FY2024. We will protect the intellectual property thus accumulated by appropriately managing it in accordance with our internal rules, and simultaneously, we will apply it to products and services that are unique to us.

With the aim of driving the above intellectual property activities company-wide, the Company has launched the "Intellectual Property Promotion Committee in March 2022. All Directors, Managing Officers and Executive General Managers have attended the conference that saw a series of multifaceted discussions. As a result, since FY2024, we have implemented revisions to the system for creation of intellectual property. We aim to obtain strategic patents with higher value by aligning long-term technological plans with intellectual property strategies, selecting key fields for invention, and reinforcing the effort to invent, discover or explore on the ground. For specific actions and accomplishments, please see the "Integrated Report" as well.

【Supplementary Principle 4.1.1 Scope of delegation to management】

The Board of Directors is clearly defining the matters to be resolved at its meetings including those required by laws, regulations, and the Articles of Incorporation. Also, the Company is taking measures for agile execution of operation and to clarify the individual responsibilities such as introduction of Managing Officers System and revision of organization structure as necessary and has established an internal regulation on approval standard for execution of operation by Directors and Managing Officers.

To quickly deliberate and decide important managerial issues and measures to be taken, the Company holds Executive Committee attended by Representative Directors and other Directors and Managing Officers concerned periodically and whenever necessary.

【Principle 4.9 Independence Standards and Qualification for Independent Directors】

This information is stated in "II. Overview of Business Management Organization and Other Corporate Governance Systems related to Decision-making, Execution of Business and Management Supervision" "1. Organizational Structure and Operation, etc." "Independent Directors/ Audit & Supervisory Board Members" below in this report.

【Supplementary Principle 4.11.1 Attitude toward Balance, Diversity and Scale of Board of Directors】

The Board of Directors will be maintained in an appropriate scale for reasonable and expeditious decision-making through adequate discussion and be constituted in consideration of the overall balance in terms of knowledge, experience, ability, performance, diversity, etc., based on our business strategies and issues we face, including ESG.

For a skills matrix of directors, etc., please refer to the "Notice of Convocation of the 158th Ordinary General Meeting of Shareholders held on 27 June 2024.

<https://www.globalsuzuki.com/ir/stock/toShareholders/pdf/2024/convocation158.pdf>

【Supplementary Principle 4.11.2 Current positions of Directors and Audit & Supervisory Board Members held at other listed companies】

Please refer to the "Notice of Convocation of the 158th Ordinary General Meeting of Shareholders held on 27 June 2024 (Matters relating to Directors/ Audit & Supervisory Board Members)" which is available at our homepage.

<https://www.globalsuzuki.com/ir/stock/toShareholders/pdf/2024/convocation158.pdf>

【Supplementary Principle 4.11.3 Evaluation of the Effectiveness of the Board of Directors】

The Company conducts the annual analysis and evaluation of the Board of Directors to improve its effectiveness. A summary of the analysis and evaluation for FY2023 is as follows.

(1) Methods of analysis and evaluation (conducted from February to June 2024)

Focuses on issues that the Board of Directors should address to enhance the Company's competitiveness.

- Interview all Directors and Audit & Supervisory Board members.
- Representative Directors, Outside Directors and Outside Audit & Supervisory Board members exchange opinions, centered on the Company's issues.
- The executive side discusses future initiatives, based on the opinions of Outside Directors and Outside Audit & Supervisory Board members.
- The Board of Directors deliberates and verifies future initiatives.

(2) Summary of results

We have identified the following as the key issues for FY2024 mainly considering matters pointed out by Outside Directors and Outside Audit & Supervisory Board members.

The Company plans to publicize by the end of FY2024 a new medium-term management plan for achieving its Growth Strategy for FY2030 (announced on January 26, 2023). The Company will strive to further enhance the effectiveness of the Board of Directors, including approaches to these key issues, in a way that contributes to constructive discussions to set the Company's strategy direction, which is the major role and responsibility of the Board of Directors.

- 1) Expansion and reinforcement of agenda and deliberations on strategy
- 2) Agenda management from being submitted to internal meetings to being elevated to the Board of Directors
- 3) Feedback on the status of response to matters pointed out at Board of Directors meetings

[Reference] Key issues in the previous analysis and evaluation (FY2022) and results of FY2023 initiatives

Key issues:

- 1) Selection of themes to be deliberated, resolved, and reported
- 2) Schedule management for agenda submission to the Board of Directors and prior preparations
- 3) Timing of the distribution of materials prior to the meeting, the way to write materials and the way to make explanations

Results of the initiatives (opinions from Outside Directors and Outside Audit & Supervisory Board members):

- More themes have been chosen with company growth in mind.
- There are no problems with the operation or the preparation of materials.
- Discussions at internal meetings other than meetings of the Board of Directors are open to Outside Directors and Outside Audit & Supervisory Board members, so that they can take part in discussions at meetings of the Board of Directors with a prior understanding about the background and history of agenda.

Ongoing issues:

- Secure an adequate amount of time for deliberation.

【Supplementary Principle 4.14.2 Training policy for Directors and Audit & Supervisory Board Members】

The Company implements trainings that allow Directors and Audit & Supervisory Board Members to deepen their understanding of their respective roles, responsibilities, etc. We intend to make the training an opportunity in which Directors and Audit & Supervisory Board Members take part together in principle, so that they can share the information on their respective roles, responsibilities, etc.

When a new Outside Director or a new Outside Audit & Supervisory Board Member assumes post in the Company, the Company will explain to the person the corporate philosophy, lines of business, finances, organizations, etc. In addition, the Company will prepare opportunities, such as interaction with Directors, Managing Officers, and employees in the Company, attending various meetings relating to business operation and management, and joining factory inspections, to ensure that the person can deepen understanding of the Company.

【Principle 5.1 Policy for Constructive Dialogue with Shareholders】

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

In FY2023, we held 369 meetings with shareholders, etc., 1,157 companies, and 1,525 people.

The followings are the policies for advancing constructive dialogues with the shareholders.

(1) Investor Relations (IR) organization

The director in charge of IR is stationed in Tokyo, and a group in charge is set up as a contact point for IR coverage. To support IR activities in Tokyo, a group has been appointed in the head office to prepare disclosure materials such as financial results and IR materials.

Dialogues with the Company's shareholders, etc. will be advanced within a reasonable scope in consideration of requests of the shareholders and main matters that they are interested in. In principle, this duty will be executed within a reasonable scale by Directors or managers in senior positions who have ample knowledge and experience to make proper explanations.

The director in charge of IR attended 64 of the 369 meetings (17%) during FY2023.

(2) Interdivisional cooperation

The IR contact group in Tokyo and the IR support group in the head office will cooperate with related departments. The two departments will discuss and share the views in advance based on the theme of dialogue with shareholders, etc. Depending on the theme, related departments also attend meetings.

(3) Measure of dialogue

In addition to individual interviews, the Company will hold quarterly financial results briefings for securities companies' analysts and institutional investors; investors' conferences at home and abroad, IR events (including new car presentation, business briefing sessions and technologies briefing sessions) when the need arises. In parallel, we intend to upgrade IR-related materials that are posted on the Company's homepage (including English version).

253 of the 369 meetings (69%) were held online during FY2023, including conference calls and web meetings. Online meetings enable us to have meetings with many overseas institutional investors. Of the 1,157 companies we had meetings during FY2023, 718 companies (62%) were overseas institutional investors.

< Main theme of the dialogue >

21 of the 369 meetings (6%) were on ESG, including meetings with persons to exercise voting rights.

The main themes of regular meetings are discussions that contribute to enhancing corporate value, such as electrification strategy, financial figures, and shareholder returns, in addition to situation of the Indian and domestic market for four-wheel vehicles which are our main markets.

And at ESG meetings, the Company also exchange opinions on a wide range of views, including measures for carbon neutrality, growth strategies, human rights, women's empowerment, investment in human capital, and corporate governance, etc.

(4) Feedback

Opinions, interests, concerns, and others, obtained from meetings with the Company's shareholders, etc. will be reported to the top management appropriately, and will be utilized for a sustainable growth and the mid-and long-term enhancement of the corporate value.

In FY2023, a total of 17 opinions and concerns received from shareholders, etc. were reported to the management. In addition, since the second half of FY2023, the Company has held regular meetings between the management and IR staff members on the theme of IR. Then, the Company reflects in a variety of measures, such as the holding of growth strategy briefings, appointment of women as outside directors, improvements to financial disclosure materials and integrated reports, and implementation of share buybacks.

(5) Measures to control insider information

The Company ensures thorough control of insider information to prevent leakage of information.

The Company will arrange a month or so length silent period prior to the announcement of financial results to limit dialogues with the Company's shareholders, etc. regarding information on financial results.

Multiple staffers will be involved when dialoguing with the Company's shareholders, etc. in principle from the viewpoint of mutual monitoring.

(6) Fair Disclosure of information

The Company, upon disclosure of information to the relevant parties such as investors and securities companies' analysts, will comply with "Fair Disclosure Rules" in the Financial Instruments and Exchange Act.

【Action to Implement Management that Is Conscious of Cost of Capital and Stock Price (Under Consideration)】

During the evaluation of the effectiveness of the Board of Directors for FY2023, it was confirmed that the board member shares the view that discussions on the cost of capital, profitability and stock price should be further deepened. The Company will analyse and evaluate the current situation, set policies and targets, at the Board of Directors, and reflect them in our management plans.

2. Capital Structure

Percentage of shares held by foreign investors	More than 30%
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【Principal Shareholders】 Revised

Name	Number of Shares Held	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	74,352,900	15.41
Custody Bank of Japan, Ltd. (Trust Account)	33,460,600	6.93
Toyota Motor Corporation	24,000,000	4.97
Tokio Marine & Nichido Fire Insurance Co., Ltd.	16,180,466	3.35
MUFG Bank, Ltd.	16,000,858	3.31
Resona Bank, Ltd.	13,000,000	2.69
The Shizuoka Bank, Ltd.	11,600,723	2.40
SSBTC CLIENT OMNIBUS ACCOUNT	9,855,161	2.04
JP MORGAN CHASE BANK 385632	7,831,103	1.62
Sompo Japan Insurance Inc.	7,761,500	1.60

Controlling Shareholder (excluding parent company)	—
Parent Company	None

Supplementary Explanation Revised

- (1) Principal shareholders listed above are as of 31 March 2024.
- (2) In addition to the above, the Company owns 8,768,727 shares as treasury stock.
- (3) According to the Change Report Pertaining to Report of Possession of Large Volume dated 21 December 2020, Sumitomo Mitsui Trust Bank, Limited and its joint holders held 32,222,340 shares as of 15 December 2020. However, the Company has not been able to confirm the practical number of shares held by them as of 31 March 2024, and therefore they are not included in principal shareholders listed above.

Sumitomo Mitsui Trust Bank, Limited	5,500,000 shares
Sumitomo Mitsui Trust Asset Management Co., Ltd.	14,433,094 shares
Nikko Asset Management Co., Ltd.	12,289,246 shares
- (4) According to the Change Report Pertaining to Report of Possession of Large Volume dated 8 November 2022, Nomura Securities Co., Ltd., and its joint holders held 27,739,226 shares as of 31 October 2022. However, the Company has not been able to confirm the practical number of shares held by them as of 31 March 2024, and therefore they are not included in principal shareholders listed above.

Nomura Securities Co., Ltd.	779,901 shares
Nomura Asset Management Co., Ltd.	24,973,300 shares
NOMURA INTERNATIONAL PLC	1,986,025 shares
- (5) According to the Report of Possession of Large Volume dated 6 June 2023, BlackRock Japan Co., Ltd. and its joint holders held 28,606,858 shares as of 31 May 2023. However, the Company has not been able to confirm the practical number of shares held by joint holders as of 31 March 2024, and therefore they are not included in principal shareholders listed above.

BlackRock Japan Co., Ltd.	8,783,100 shares
BlackRock Fund Advisors	6,167,100 shares
BlackRock Institutional Trust Company, N.A.	5,104,166 shares

* Relationship with the Company

*“○” when the person presently falls or has recently fallen under the category;

“△” when the person fell under the category in the past.

*“●” when a close relative of the person presently falls or has recently fallen under the category.

“▲” when a close relative of the person fell under the category in the past

- a. A person executing business of the Company or its subsidiaries.
- b. A person executing business or non-executive director of a parent company of the Company.
- c. A person executing business of a fellow subsidiary of the Company.
- d. A person whose major business partner is the Company or a person executing business of a company of which major business partner is the Company.
- e. A person who is a major business partner of the Company or a person executing business of a major business partner of the Company
- f. A consultant, accounting expert or legal expert who receives a large amount of remuneration from the Company other than remuneration for director.
- g. Major shareholder of the Company (or a person executing business of such shareholder if the shareholder is a legal entity)
- h. A person executing business of a business partner of the Company (which does not correspond to any of d, e, or f) (the outside director himself/herself only)
- i. A person executing business, between which and the Company outside directors/outside Audit & Supervisory Board Members are mutually appointed (the outside director himself/herself only)
- j. A person executing business of an entity which receives a donation from the Company (the outside director himself/herself only)
- k. Others

Relationship with the Company (2) Revised

Name	Independent Director	Supplementary Information of the Relationship	Reasons for Selecting as Outside Director and Reason for Designation as an Independent Director
Hideaki Domichi	○	Mr. Hideaki Domichi served as Senior Managing Officer of Hotel Management International Co., Ltd. (HMI Hotel Group) from October 2016 to January 2019 after working for the Ministry of Foreign Affairs and Japan International Cooperation Agency. The Company group has transactions with Grand Hotel Hamamatsu, an affiliate of HMI Hotel Group, regarding facility usage, etc., but these transactions have been ongoing since before February 2014, when Grand Hotel Hamamatsu became an affiliate of HMI Hotel Group. Note that the annual payment from the Company group to HMI Hotel Group is less than 1% of the annual net sales of HMI Hotel Group and the consolidated net sales of the Company group.	<p><Reasons for Selecting as Outside Director> Having a wealth of international experience as a diplomat and deep insight into world affairs, Mr. Hideaki Domichi has been engaged in various issues such as the environment and society on a global scale. Based on this experience and knowledge, he provides the Company with useful suggestions, advice, and supervision on our management. As a member of the Committee on Personnel and Remuneration, etc., he also supervised the management team’s personnel, remuneration system, etc. Therefore, the Company judged that he would play these roles and perform the duties properly as Outside Director.</p> <p><Reason for Designation as an Independent Director> The company has established its “Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company”, taking into consideration the independence criteria set by Tokyo Stock Exchange, Inc., and the Company believes that Mr. Domichi meets the Standard and has no risk of having conflicts of interest with ordinary shareholders.</p>

Shun Egusa	○	<p>The Company group has transactions including purchases of batteries for automobiles with Toshiba Corporation and its group companies where Mr. Shun Egusa worked, but the annual payment from the Company group to the Toshiba group is less than 1% of the consolidated net sales of the Company group and the Toshiba group.</p>	<p><Reasons for Selecting as Outside Director> Having been involved for many years with the creation of new lithium-ion battery business and its expansion, Mr. Shun Egusa has high-level expertise on battery technology, and experience of serving as the director and corporate officer of private companies. Based on this experience and knowledge, he provides the Company with useful suggestions, advice, and supervision on our management. As a member of the Committee on Personnel and Remuneration, etc., he also supervised the management team's personnel, remuneration system, etc. Therefore, the Company judged that he would play these roles and perform the duties properly as Outside Director.</p> <p><Reason for Designation as an Independent Director> The company has established its "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company", taking into consideration the independence criteria set by Tokyo Stock Exchange, Inc., and the Company believes that Mr. Egusa meets the Standard and has no risk of having conflicts of interest with ordinary shareholders.</p>
Naoko Takahashi	○	—	<p><Reasons for Selecting as Outside Director> Ms. Naoko Takahashi won the gold medal in the Olympic marathon. After retiring as an athlete, she visited impoverished regions and environmentally contaminated regions in developing countries in the project which she makes efforts for, and as an Official Supporter of Japan International Cooperation Agency. She has been addressing activities related to social and environmental issues with thinking what she can always do by seeing the current situation for herself. Based on this experience and knowledge, she provides the Company with useful suggestions, advice, and supervision on our management. As a member of the Committee on Personnel and Remuneration, etc., she also supervised the management team's personnel, remuneration system, etc. Therefore, the Company judged that she would play these roles and perform the duties properly as Outside Director.</p> <p><Reason for Designation as an Independent Director> The company has established its "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company", taking into consideration the</p>

			independence criteria set by Tokyo Stock Exchange, Inc., and the Company believes that Ms. Takahashi meets the Standard and has no risk of having conflicts of interest with ordinary shareholders.
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Establishment of Optional Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Yes
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Establishment of Optional Committee(s), Composition, and Attributes of Chairperson

	Optional Committee Corresponding to Nomination Committee	Optional Committee Corresponding to Remuneration Committee
Name of Committee	Committee on Personnel and Remuneration, etc.	Committee on Personnel and Remuneration, etc.
Total Number of Members	5	5
Full-time Members	0	0
Internal Directors	2	2
Outside Directors	3	3
Outside Experts	0	0
Other	0	0
Chairperson	Internal Director	Internal Director

Supplementary Explanation Revised

Aimed to enhance clarity and objectivity upon electing candidates for Directors and Audit & Supervisory Board Members, as well as deciding remuneration of Directors, as an optional committee the Company establishes the “Committee on Personnel and Remuneration, etc.”. The Company makes it a rule that the majority of the committee's members are Outside Directors.

The Committee discusses issues such as election standards and adequacy of candidates for Directors and Audit & Supervisory Board Members, as well as adequacy of system and level of Director’s remuneration. The Board of Directors decides based on their results. Also, some matters are delegated to the committee. Decision for election of senior Managing Officers and remuneration of Managing Officers are also based on results of the Committee’s discussion.

The Committee meetings are held as needed and the frequency of meetings varies from year to year (The Committee was held 5 times in FY2023).

The Committee has the functions of both the Nominating Committee and the Remuneration Committee.

The makeup of the Committee as of the submission date of this report are as follows:

Members:

Representative Director and President Toshihiro Suzuki, Representative Director and Vice-president Naomi Ishii, Outside Director Hideaki Domichi, Outside Director Shun Egusa and Outside Director Naoko Takahashi.

Observers:

Outside Audit & Supervisory Board Member Norihisa Nagano, Outside Audit & Supervisory Board Member Mitsuhiro Fukuta and Outside Audit & Supervisory Board Member Junko Kito.

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Yes
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	5 persons
Number of Audit & Supervisory Board Members	5 persons

Cooperation among Audit & Supervisory Board Members, Accounting Auditor and Audit Department

This information is stated in “2. Matters Related to Business Execution, Audit and Supervision, Nominations and Decisions on Remuneration (Overview of Current Corporate Governance System)” below in this report.

Appointment of Outside Audit & Supervisory Board Members	Yes
Number of Outside Audit & Supervisory Board Members	3 persons
Number of Independent Audit & Supervisory Board Members	3 persons

Relationship with the Company (1) Revised

Name	Attribute	Relationship with the Company*													
		a	b	c	d	e	f	g	h	i	j	k	l	m	
Norihisa Nagano	Lawyer														
Mitsuhiro Fukuta	Academic										○				
Junko Kito	CPA														

* Relationship with the Company

**“○” when the person presently falls or has recently fallen under the category;

“△” when the person fell under the category in the past.

**“●” when a close relative of the person presently falls or has recently fallen under the category.

“▲” when a close relative of the person fell under the category in the past.

- A person executing business of the Company or its subsidiaries.
- Non-executive director or accounting advisor of the Company or its subsidiaries
- A person executing business or non-executive director of a parent company of the Company.
- An audit & supervisory board member of a parent company of the Company
- A person executing business of a fellow subsidiary of the Company.
- A person whose major business partner is the Company or a person executing business of a company of which major business partner is the Company.
- A person who is a major business partner of the Company or a person executing business of a major business partner of the Company
- A consultant, accounting expert or legal expert who receives a large amount of remuneration from the Company other than remuneration for audit & supervisory board member.
- Major shareholder of the Company (or a person executing business of such shareholder if the shareholder is a legal entity)
- A person executing business of a business partner of the Company (which does not correspond to any off, g, or h) (the outside audit & supervisory board member himself/herself only)
- A person executing business, between which and the Company outside directors/outside audit & supervisory board members are mutually appointed (the outside audit & supervisory board member himself/herself only)
- A person executing business of an entity which receives a donation from the Company (the outside audit & supervisory board member himself/herself only)
- Others

Relationship with the Company (2) Revised

Name	Independent Audit & Supervisory Board Member	Supplementary Information of the Relationship	Reasons for Selecting as Audit & Supervisory Board Member and Reason for Appointing as Independent Audit & Supervisory Board Member
Norihisa Nagano	○	—	<Reasons for Selecting as Outside Audit & Supervisory Board Member > Mr. Norihisa Nagano actively expresses opinions at meetings of the Board of Directors, etc. based on his ample experience and expertise as an attorney at law. As an observer of the Committee on Personnel and Remuneration, etc., he also supervised

			<p>deliberations on the management team's personnel, remuneration system, etc. Therefore, the Company judged that he would play these roles and perform the duties properly as Outside Audit & Supervisory Board Member.</p> <p><Reason for Designation as an Independent Director> The company has established its "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company", taking into consideration the independence criteria set by Tokyo Stock Exchange, Inc., and the Company believes that Mr. Nagano meets the Standard and has no risk of having conflicts of interest with ordinary shareholders.</p>
Mitsuhiro Fukuta	○	<p>The Company has transactions including joint research and development with the National University Corporation Shizuoka University where Mr. Mitsuhiro Fukuta serves as Professor, but the annual payment from the Company to the university is less than 1% of the annual gross income of the university and the consolidated net sales of the Company group.</p>	<p><Reasons for Selecting as Outside Audit & Supervisory Board Member > Mr. Mitsuhiro Fukuta actively expresses opinions at meetings of the Board of Directors, etc. based on his ample experience and expertise as Doctor of Engineering. As an observer of the Committee on Personnel and Remuneration, etc., he also supervised deliberations on the management team's personnel, remuneration system, etc. Therefore, the Company judged that he would play these roles and perform the duties properly as Outside Audit & Supervisory Board Member.</p> <p><Reason for Designation as an Independent Director> The company has established its "Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company", taking into consideration the independence criteria set by Tokyo Stock Exchange, Inc., and the Company believes that Mr. Fukuta meets the Standard and has no risk of having conflicts of interest with ordinary shareholders.</p>
Junko Kito	○	—	<p><Reasons for Selecting as Outside Audit & Supervisory Board Member > Ms. Junko Kito has expertise in finance and accounting as a Certified Public Accountant. She also has ample experience primarily in conducting accounting audits at companies in various industries, providing support and advice mainly on the establishment of internal control systems and conversion to the International Financial Reporting Standards, and providing consulting services related to compliance. Furthermore, she has experience as Outside Director (Audit and Supervisory Committee Member) of listed companies.</p>

			<p>Therefore, the Company judged that she would play these roles and perform the duties properly as Outside Audit & Supervisory Board Member.</p> <p><Reason for Designation as an Independent Director> The company has established its “Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company”, taking into consideration the independence criteria set by Tokyo Stock Exchange, Inc., and the Company believes that Ms. Kito meets the Standard and has no risk of having conflicts of interest with ordinary shareholders.</p>
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[Independent Directors/ Audit & Supervisory Board Members]

Number of Independent Directors/ Audit & Supervisory Board Members	6 persons
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Other Matters relating to Independent Directors/ Audit & Supervisory Board Members

All Outside Directors and Outside Audit & Supervisory Board Members of the Company that qualify as an Independent Director/ Audit & Supervisory Board Member are designated as Independent Directors/ Audit & Supervisory Board Members.

As to independence from the Company regarding the election of Outside Director/ Audit & Supervisory Board Member, the Company judges their independence under the below “Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members of the Company” based on “independence criteria” set by Tokyo Stock Exchange, Inc.

<The Standard for Independence of Outside Directors and Outside Audit & Supervisory Board Members>
The Company judges an independent person who does not fall under any of the followings as an Outside Director or an Outside Audit & Supervisory Board Member:

1. Persons concerned with the Company and its subsidiaries (“the Company group”)
 - (1) Regarding Outside Directors, any person who is or was a person executing business (Note 1) of the Company group at present or in the past,
 - (2) Regarding Outside Audit & Supervisory Board Members, any person who is or was a Director, Managing Officer or employee of the Company 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 Company 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 Company group (Note 2)
 - 2) A major business partner of the Company group (Note 3)
 - 3) A major shareholder having 10% or more of total voting rights of the Company
 - 4) A company for which the Company group has 10% or more of total voting rights
 - (2) A person who is or was a representative partner or a partner of the Company group’s Accounting Auditor at present or in the past five years.
 - (3) A person who receives a large amount of remuneration from the Company group other than remuneration for Director/ Audit & Supervisory Board Member (Note 4)
 - (4) A person who receives a large amount of donation from the Company 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.

- (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 Company 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 Company group in any of the business year in past three years.
- (Note 3) A major business partner of the Company group:
A company which belongs to the group of the business partner who makes payment 2% or more of the Company group's consolidated net sales or provides the Company group with 2% or more of loans of its consolidated total assets in the latest business year ended of the Company group in any of the business year in past three years.
- (Note 4) Those who receives a large amount of remuneration:
In any of the business year in the past three years,
- a consultant or legal or accounting expert, etc., who receives annual compensation 10 million yen or more other than remuneration as a Director/Audit & Supervisory Board Member as an individual.
 - a consultant or legal or accounting expert, etc., who belongs to an organization that receives annual compensation 2% or more of its annual total revenues.
- (Note 5) Those who receives a large amount of donation:
In any of the business year in the past three years,
- a person who receives annual donation 10 million yen or more
 - a person who belongs to an organization that receives annual donation 2% or more of its annual total revenues and manages its activities which is the purpose of the donation.

[Incentives]

Implementation of Measures to Provide Incentives to Directors	Introduction of Performance-linked Remuneration System, etc,
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Supplementary Explanation Revised

[Bonus (Performance-linked Remuneration)]

It is paid to Directors (excluding Outside Directors) to raise awareness of improvement of each fiscal year's performance and to function as an incentive for continuous improvement of the corporate value. The specific amount of remuneration for everyone is calculated by multiplying the performance indicators predetermined by the Board of Directors by a stipulated percentage and the multiplication rate by position predetermined by the Board of Directors. The performance indicator is consolidated operating profit from the perspective of company profitability.

(Supplement)

Bonus for Directors (excluding Outside Directors) for FY2024 are calculated using the method as per below.

1. Calculation method

a. Consolidated operating income and operating income for FY2024 are both higher than those for FY2023.

Paid amount = Consolidated Operating income x 0.020% x Multiplying Factor by Position

b. Consolidated operating income for FY2024 is higher than that for FY2023, but operating income for FY2024 is lower than that for FY2023.

Paid amount = (i) x 0.020% x Multiplying Factor by Position
+ (ii) x 0.020% x Multiplying Factor by Position x Ratio of Operating Income for FY2024 to that of FY2023 (Rounds down to two decimal places. In the case of an operating loss, multiply by 0.)

2. Multiplying Factor by Position

Director and President	Multiplying Factor	1.00 (1 person)
Director and Vice-president	Multiplying Factor	0.60 (1 person)
Director and Senior Managing Officer	Multiplying Factor	0.30 (2 persons)
Director and Managing Officer	Multiplying Factor	0.20 (1 person)

Note: Above number of persons are based on the number of Directors eligible for the bonus as of 27 June 2024

[Restricted stock remuneration]

It is paid to Directors (excluding Outside Directors) to function as an incentive for continuous improvement of the corporate value and to further promote shared value with shareholders. Directors (excluding Outside Directors) receive ordinary shares of the Company by paying all remuneration paid based on the resolution of the Board of Directors (monetary remuneration rights) as contribution in kind. The transfer restriction period is until the date of retirement from the position of Director. If a Director falls under certain grounds, such as the Director retires for any reason other than that deemed as reasonable by the Board of Directors, the Company shall acquire the shares allotted for no fee.

Grantees of Stock Options	—
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Supplementary Explanation

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[Remuneration of Directors]

Disclosure Status (of Remuneration for Individual Director)	Partial individual
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Supplementary Explanation **Revised**

During FY2023, the total amount of remuneration that the Company paid to 7 Directors (excluding Outside Directors) was 598 million yen (basic remuneration of 213 million yen, performance-linked bonus of 232 million yen and restricted stock remuneration of 152 million yen). Performance-linked bonus and restricted stock remuneration are amounts reported as expenses for FY2023. The total amount of remuneration paid to five Outside Directors was 38 million yen (basic remuneration).

The Company makes it a rule to disclose in its Annual Securities Report, each case of those with consolidated remuneration of 100 million yen or more.

The Annual Securities Report is posted on the website of the Company for public viewing.

The total amount of remuneration paid to Representative Director Toshihiro Suzuki was 224 million yen (basic remuneration of 65 million yen, performance-linked bonus of 93 million yen and restricted stock remuneration of 65 million yen).

The total amount of remuneration paid to Representative Director Naomi Ishii was 115 million yen (basic remuneration of 34 million yen, performance-linked bonus of 55 million yen and restricted stock remuneration of 25 million yen).

Existence of Policy on Determining the Amounts of Remuneration and Calculation Methods Revised	Yes
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Disclosure of Policy on Determining the Amounts of Remuneration and Calculation Methods

<Remuneration of Directors>

Regarding the decision-making policy for individual remuneration of Directors (hereinafter referred to as the "Decision-making Policy"), a report on the validity of the proposed Decision-making Policy is received from the Committee on Personnel and Remuneration, etc., with a majority of the members as Outside Directors. The Board of Directors deliberates and makes a resolution based on the report. The outline of the Decision-making Policy is as follows.

Remuneration of Directors (excluding Outside Directors) consists of basic remuneration, bonuses linked to the Company's performance of each fiscal year, and restricted stock remuneration linked to the medium- to long-term stock price to function as an incentive for continuous improvement of the Company's corporate value. The ratio is roughly 40% basic remuneration, 30% bonuses, and 30% restricted stock remuneration. Outside Directors' remuneration shall be solely basic remuneration, given their duties.

Basic remuneration for Directors is fixed monthly remuneration, which is determined and paid in consideration of duties and responsibilities, remuneration levels at other companies, and employee salary levels. Bonuses are calculated based on a formula for each position linked to consolidated operating profit and are paid at a certain period each year. In addition, the content of restricted stock remuneration is determined based on the criteria for each position and is delivered at a certain period every year. The

specific details of the basic compensation for each Director are delegated to the Committee on Personnel and Remuneration, etc., based on a resolution of the Board of Directors. The specific details of bonuses and restricted stock compensation for each Director are determined by resolution of the Board of Directors based on the Decision-making Policy.

<Matters concerning resolutions at the General Meetings of Shareholders related to remuneration for Directors>

The annual amount of basic remuneration for Directors and bonuses for Directors excluding Outside Directors were resolved to be within ¥750 million (including an annual amount of ¥50 million for Outside Directors) at the 157th Ordinary General Meeting of Shareholders held on 23 June 2023. The number of Directors after the conclusion of such General Meeting of Shareholders was 8 including 3 Outside Directors.

Separate from this framework of remuneration, it was resolved at the 154th Ordinary General Meeting of Shareholders held on 26 June 2020 that the total amount of remuneration to be paid to Directors excluding Outside Directors for the purpose of granting of restricted stock (monetary remuneration right) shall be within the annual amount of ¥300 million, the total annual limit of the ordinary shares to be granted shall be within 400,000 shares (※), and the transfer restriction period shall be from the date of allotment until the date of retirement from the position of Director. The number of Directors excluding Outside Directors after the conclusion of such General Meeting of Shareholders was 6.

※ Effective as of 1 April 2024, the Company conducted a four-for-one stock split of its common stock. The total annual limit of the ordinary shares is the number of shares after the stock split.

<Remuneration of Audit & Supervisory Board Members>

The remuneration of Audit & Supervisory Board Members shall be basic remuneration only. The annual amount of remuneration for Audit & Supervisory Board Members was resolved to be within ¥120 million at the 151st Ordinary General Meeting of Shareholders held on 29 June 2017. The payment within the limit shall be determined by consultation among Audit & Supervisory Board Members. The number of Audit & Supervisory Board Members after the conclusion of such General Meeting of Shareholders was 5. During FY2023, the total amount of remuneration that the Company paid to 2 Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members) was 64 million yen. The total amount of remuneration paid to 3 Outside Audit & Supervisory Board Members was 41 million yen.

[Support System for Outside Directors and Outside Audit & Supervisory Board Members]

[Outside Directors]

The Company has assigned a liaison to each Outside Director to assist in their duties. Through liaison, Outside Directors have been provided information by receiving agenda for Board of Directors meetings in advance as well as having access to documents at their request and others.

[Outside Audit & Supervisory Board Members]

The Company has established the Secretariat of Audit & Supervisory Board. Details are stated in “2. Matters Related to Business Execution, Audit and Supervision, Nominations and Decisions on Remuneration (Overview of Current Corporate Governance System)” below in this report.

[Retired presidents/CEOs holding advisory positions, etc.]

Information on retired presidents/CEOs holding advisory positions

Name	Job title/ position	Responsibilities	Conditions (Full/part time, with/without compensation, etc.)	Date when former role as president/ CEO ended	Term
Osamu Suzuki	Senior Advisor	Telling young directors and officers of his own experiences by providing consultation.	Full time, with compensation	2021/6/25	One year (Renewable)

Number of retired presidents/CEOs holding advisory positions	1 person
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2. Matters Related to Business Execution, Audit and Supervision, Nominations and Decisions on Remuneration (Overview of Current Corporate Governance System) Revised

[Board of Directors]

The Company adopted a managing officer system in 2006 with the aim of speeding up decision-making at the Board of Directors, executing business flexibly and clarifying who is accountable, and has made progress in slimming the composition of the Board of Directors. Currently, there are 8 Directors, and out of them, 3 Outside Directors are elected so that the Company can step up the Board's function to supervise business management and have Outside Directors offer useful advice, suggestions, etc. on the Company's business management, based on their respective experience and knowledge and from their diverse perspectives.

To clarify managerial accountability for individual Directors and flexibly respond to the changing business environment, the term of each Director is set to one year.

In principle, the Board of Directors meets once a month and also as needed to strengthen supervision by making decisions on basic management policies, important business execution matters, matters authorized by the General Meeting of Shareholders to the Board of Directors, and other matters prescribed by law and the Articles of Incorporation based on sufficient discussion, including from the perspective of legal compliance and corporate ethics, as well as receiving reports on the execution of important business operations as appropriate.

In FY2023, Board of Directors meetings were held 17 times, and discussed, resolved, and reported regarding the management strategy, business challenge, corporate governance, human capital, and other important operations.

[Audit & Supervisory Board Members' Audit]

The Audit & Supervisory Board is comprised of two Full-time Audit & Supervisory Board Members and three Outside Audit & Supervisory Board Members. Mr. Taisuke Toyoda, Full-time Audit & Supervisory Board Member, has operational experience in the financial and audit divisions, and Ms. Junko Kito, Outside Audit & Supervisory Board Member, has ample experience as Certified Public Accountant. They have sufficient knowledge and experience in relation to finance and accounting. Mr. Shigeo Yamagishi, Full-time Audit & Supervisory Board Member, has considerable knowledge in the fields of technology, automobile regulations, environment, etc., Mr. Norihisa Nagano, Outside Audit & Supervisory Board Member, has extensive knowledge in law as an attorney, and Mr. Mitsuhiro Fukuta, Outside Audit & Supervisory Board Member, has considerable knowledge in the fields of technology, human resources development, etc.

In addition, to assist the Audit & Supervisory Board Members in their duties, we have established the Secretariat of Audit & Supervisory Board as a full-time staff division independent of the chain of command of the directors and others. There are 4 staff members with knowledge and experience in finance division, internal auditing division, overseas posting, technology division, etc.

Audit & Supervisory Board Members' audit procedures conform to the auditing standards of the Audit & Supervisory Board, and according to the auditing policy and division of duties, which are formulated after the General Meeting of Shareholders, Audit & Supervisory Board Members audit the proper execution of corporate management and communicate their opinions by attending meetings of the Board of Directors, Executive Committee and other important meetings, inspecting important decision documents, etc., and receiving reports and interviews from directors and employees on the status of operations. In addition, Audit & Supervisory Board Members review and discuss the audit plan and topics formulated by Audit Division, which is an internal audit division, and the results of operational audits conducted by Audit Division.

In FY2023, Audit & Supervisory Board meetings were held 13 times. The following are main matters to consider, resolve and report at the Audit & Supervisory Board.

In fiscal 2023, to confirm the status of the development and operation of the internal control system, audits focused on the status of the management and operation of human capital, the status of the system development and operation for model profit and loss and cost management, and the development of the management and supervision system for outsourced development of automobile technology.

<Matters to be resolved>

- Audit policy, audit plan and division of duties

- Consent to proposals for election of Audit & Supervisory Board Members
- Evaluation, election, and dismissal of Accounting Auditor
- Consent to auditing fees for Accounting Auditor
- Preparation of audit reports

<Matters to be reported>

- Audit plans from Accounting Auditor, report on results of quarterly review, status of implementation of annual audit, and initiatives for quality control of audit
- Status of audits conducted by the Audit Division, which is an internal auditing organization, about the head office, major business sites, and subsidiaries
- Status of fiscal closing from the Finance Division

<Matters to be considered or deliberated>

- Audit policy and audit plan
- Audit status and findings from each Audit & Supervisory Board Member
- Status of development and operation of an internal controls system
- Selection of “Key audit matters (KAM)” with Accounting Auditor on
- Appropriateness, etc. of audit methods and results of Accounting Auditor
- Evaluation of the Effectiveness of the Audit & Supervisory Board

Audit & Supervisory Board Members conduct following activities based on the audit policy, audit plan and division of duties resolved at Audit & Supervisory Board meetings. In addition, Full-time Audit & Supervisory Board Members report and explain the status of daily audits to the Board of Audit & Supervisory Board Members as necessary, such as attending meetings of the Executive Committee and other important meetings, inspecting important decision documents, etc., attending meetings of the Management and Business Execution Committee and viewing important approval documents, and strive to improve the appropriateness of audit opinions by sharing information and exchanging opinions with outside Audit & Supervisory Board Members.

- Communication with Directors, internal audit division, other employees, etc.
- Attendance at Board of Directors meetings and other important meetings
- Inspection of important approval documents, etc.
- Investigation of the status of operations and assets at the head office and major business sites
- Investigation of the status of operations and assets at subsidiaries

[Committee on Personnel and Remuneration, etc.]

This information is stated in “1. Organizational Structure and Operation, etc.” “Establishment of Optional Committee(s), Composition, and Attributes of Chairperson” above in this report.

[Executive Committee and other various meetings relating to business operation and management]

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

Also, various meetings are held periodically and whenever necessary to deliberate business plans etc. and to receive reporting on operation of the company, enabling the Company to appropriately plan, identify administrative issues and grasp the situation on execution of operation.

In such way, the Company is enhancing efficiency of decision making at the meetings of Board of Directors and supervision on execution of operation.

[Corporate Governance Committee]

The Corporate Governance Committee has been established to examine matters to ensure compliance and risk management, as well as to promote the implementation of measures and policies for the Company group's sustainable growth and the medium- to long-term enhancement of corporate value. The Committee also verifies the results of effectiveness evaluation of internal controls over financial reporting in accordance with Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act.

Following a resolution of the Board of Directors in March 2023, the Committee was restructured in April 2023 to include the President as Chairperson, the Vice Presidents, some of the Senior Managing Officers

and Managing Officers as Vice Chairpersons, and other Managing Officers and the Executive General Managers as members, with full-time Audit & Supervisory Board Members present as observers, commencing to oversee overall risk management including compliance.

[Internal Auditing]

The Audit Division is established under the direct control of President. 62 staff members (as of March 31, 2024) with expertise in various areas of the Company's operations audit the Company's divisions and domestic and overseas affiliates in accordance with the audit plan. For the matters pointed out, advice and guidance are provided until improvements are completed to solve issues at an early timing. Operational audits include on-site/online and paper audits to confirm the appropriateness and efficiency of overall operations, compliance with law and internal rules, and the development and operation of internal controls, such as the management and maintenance of assets. The operational audit results are reported to the President, the head for relevant divisions and Full-time Audit & Supervisory Board Members each time an audit is conducted, along with proposals for improvement of matters pointed out. The results of audits are also reported to the Audit & Supervisory Board on a regular basis and opinions are exchanged there as well as to the Board of Directors once every six months.

In addition, the effectiveness evaluation of internal controls over financial reporting in accordance with Article 24-4-4, Paragraph 1 of the Financial Instruments and Exchange Act is conducted by the Corporate Governance Committee, and the results are reported by the Corporate Governance Committee to the Board of Directors and the Audit & Supervisory Board.

For subsidiaries with an internal audit division, Internal Audit checks their activities, receives reports on their audit plans and results, and provides advice and guidance as necessary.

Furthermore, Audit results are shared with the Accounting Auditor as needed, and regular meetings are held to share information, enhance communication, and maintain close cooperation.

[Accounting Audit]

Three certified public accountants who engaged in the audit for FY2023 are Messrs. Takashi Imamura, Koji Nishikawa and Kentaro Iwao, who belong to Seimei Audit Corporation (the Company contracted initially with its predecessor in 1967). The numbers of other assistant members for audit are 19 certified public accountants, 1 CPA examination passer and 6 others.

[Contracts for Limitation of Liability]

The Company concludes with each of Outside Directors and Outside Auditors 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.

3. Reasons for the Selection of its Current Corporate Governance System

The Company has adopted the current system with the thought of statutory auditor system being the foundation and establishment of optional committee on Personnel and Remuneration, etc. and appointment of highly independent Outside Directors enables improvement of governance.

III. Status of Implementation of Measures relating to Shareholders and Other Stakeholders

1. Measures to Vitalize the General Meeting of Shareholders and Smooth Facilitation of the Exercise of Voting Rights Revised

	Supplementary Explanation
Early Dispatch of Convocation of General Meeting of Shareholders	Every year, the Company sends Notice of Convocation of Ordinary General Meeting of Shareholders at the end of May. Notice of Convocation of the 158 th Ordinary General Meeting of Shareholders held on 27 June 2024 was sent on 31 May 2024.
Electronic Exercise of Voting Rights	Electronic exercise of voting rights has become possible by using the website that the Company designates for electronic exercise of voting rights since the 142 nd Ordinary General Meeting of Shareholders held on 27 June 2008.

Participation in Electronic Voting Platform and Other Efforts to Enhance an Environment for Exercise of Voting Rights by Institutional Shareholders	Electronic exercise of voting rights has become possible by using the electronic voting platform since the 142 nd Ordinary General Meeting of Shareholders held on 27 June 2008.
Provision of Convocation Notice in English	The English version is available at the electronic voting platform, the websites of the Tokyo Stock Exchange and of the Company.
Others	To allow as many shareholders as possible to attend a general meeting of shareholders, we use Grand Hotel Hamamatsu as the venue that has a large seating capacity as well as run shuttle buses between the venue and JR Hamamatsu Station, the nearest railway station. During the meetings, we provide video presentations to help attending shareholders better understand the explanations on matters to be reported. Since the 142 nd Ordinary General Meeting of Shareholders on 27 June 2008, we have offered a tour in the “Suzuki Plaza Museum” to help attending shareholders deepen their understanding of the Company after the general meeting is over. The General Meeting of Shareholders was live streamed on the Internet.

2. Investor Relations Activities **Revised**

	Supplementary Explanations	Explanation by the Representative
Preparation and Publication of Disclosure Policy	The Company’s basic policy on disclosure, company structure for timely disclosure and constructive dialogue with shareholders are available at IR website in the Company’s website. <Japanese> https://www.suzuki.co.jp/ir/home/pdf/disclosurepolicy.pdf <English> https://www.globalsuzuki.com/ir/home/pdf/disclosurePolicy.pdf	—
Holding periodic Private investors Briefing	Jointly with securities company, the Company holds explanatory meetings by President or Directors or Officers in Charge for private investors. The presentation is posted on our website. https://webcast.net-ir.ne.jp/72692401/index.html In addition, to provide individual investors with a deeper understanding of Suzuki, we have set up a page on the Suzuki website that carefully selects information. https://www.suzuki.co.jp/ir/individual/	No
Holding Regular Investor Briefings for Analysts and Institutional Investors	The Company held a financial result briefing that is presented by the Representative Director or Directors or Officers in Charge every quarter. The Company also held a briefing on the growth strategy by the President and Representative Director in January 2023. In addition, the Company invited analysts to new car presentations when the need arises.	Yes
Holding Regular Investor Briefings for Foreign Investors	The Company has Directors or Officers in charge attend IR Conferences for foreign investors.	No
Disclosure of IR Materials on the Company’s Website	On the Company’s website available are materials including financial statements, reference to financial statements, materials of financial result briefings for investors, annual securities reports, integrated reports,	—

	<p>business reports, sustainability reports, and various IR reports such as IR news, IR calendar, and information of shares and ratings.</p> <p>Meeting materials for institutional investors are made available to the public on the IR website from the viewpoint of fair disclosure.</p> <p>IR pages for overseas investors contain the similar information in English.</p> <p><Japanese> http://www.suzuki.co.jp/ir/index.html</p> <p><English> http://www.globalsuzuki.com/ir/index.html</p>	
Establishment of IR Department	The director in charge of IR (Director) is stationed in Tokyo, and a group in charge is set up as a contact point for IR coverage. To support IR activities in Tokyo, a department has been set up in the head office to prepare disclosure materials such as financial results and IR materials.	—
Others	<p>The Company responds to many inquiries and interviews from securities analysts, institutional investors, research institutions, and government agencies. The Company also responds flexibly to the needs of investors through telephone calls and web conferencing.</p> <p>The Company has provided financial statements and timely disclosure in English through “Tokyo Stock Exchange English Data Distribution Service” since the term ended March 2012.</p>	—

3. Measures Concerning Respect of the Positions of Stakeholders

	Supplementary Explanations
Stipulation of Internal Regulations concerning the Respect of Positions of Stakeholders	The Company’s effort toward each stakeholder is described in the “Sustainability Report.” It is available on the websites of the Company. https://www.globalsuzuki.com/corporate/environmental/report/
Implementation of Environmental Conservation Activities, CSR Activities, etc.	The Company issues the “Integrated Report” and the “Sustainability Report,” which outlines our environmental efforts, philosophy of CSR and activities. It is available on the website of the Company. Integrated Report: https://www.globalsuzuki.com/ir/library/annualreport/ Sustainability Report: https://www.globalsuzuki.com/corporate/environmental/report/
Establishment of Policies on Providing Information to Stakeholders	To be trusted further by society and stakeholders, the Company discloses information quickly in fair and accurate manner prescribed in laws and regulations and aggressively discloses information that the Company concluded is beneficial to understand the Company. The Company will further enhance the transparency of the Company.

IV. Matters Related to the Internal Control System

1. Basic Policy on Internal Control System and Status of System Development **Revised**

The Board of Directors resolved the following basic policies regarding the systems to ensure the appropriateness of execution of duties (internal control systems).

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 its consolidated subsidiaries (the “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 Suzuki Group.

- (2) The Corporate Governance Committee, chaired by President, shall be established under the Board of Directors. The Corporate Governance Committee shall deploy measures for advancing thorough compliance and risk management 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 countermeasures 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 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 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 about 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 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.

[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 in FY2023:

1. Measures relating to ensuring that Directors' and employees' execution of their duties complies with laws and regulations and the Articles of Incorporation (compliance).
 - 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. With the resolution of the Board of Directors meeting held on March 16, 2023, President took the chair of the Corporate Governance Committee in April 2023 and started the operation to oversee overall risk management including compliance violations.
 - "Remember 5.18" activities are held annually participated by President, Managing Officers, and all employees to recall the improper sampling inspection of fuel consumption and exhaust gas in 2016 and the improper conducts regarding final vehicle inspection in 2018. Concurrently, the Company is also focusing on improving compliance awareness and communications and striving to prevent inappropriate conducts from occurring again.
 - Trainings on compliance for the management level including Managing Officers by outside instructors and compliance trainings for employees by job-level have been continuously conducted.
 - With the "Suzuki Group Risk Management Hotline" operated in accordance with the Whistleblower Protection Act, education, training, and awareness-raising posters at all worksites are some methods being used continuously to ensure awareness of the hotline to discover compliance issues early and to respond appropriately.
2. Measures relating to storage and management of information regarding execution of duties by Directors.
According to laws and regulations and internal rules, minutes of meetings of the Board of Directors as well as other documents and information regarding execution of duties by Directors are stored and managed appropriately. Information security system is established to manage security of information and the system is reviewed regularly.
3. Measures relating to regulations, etc. on management of the risk of loss.
 - The Company has constructed a system in which issues occurring or recognized in any department are deliberated on promptly by the Executive Committee or the Corporate Governance Committee, depending on their urgency and severity. The Company checks concerns of the impact and measures from each headquarters every week at the Executive Committee in order to quickly grasp the impact of issues related to product quality, certifications, final vehicle inspections, etc., COVID-19, and issues of shortages of semiconductors and other parts or raw materials on the business and make necessary management decisions.
 - The Company is working to strengthen its system for prompt investigation of causes and swift implementation of countermeasures to avoid situations where the prolonged response to quality issues causes major inconvenience to customers and an increase in the cost of countermeasures, and the Company constantly keeps track of the latest status of quality issues at weekly and monthly meetings such as the Executive Committee. Market actions such as recalls are decided after deliberation by the Quality Assurance Committee, which is composed of related officers, Executive General Managers, General Managers, etc.
 - To properly manage personal and confidential information, based on the Suzuki Basic Policy for

Information Security, an information security officers' committee was established under the Corporate Governance Committee to deal with information security in general including cyber security, and the Company is promoting the Suzuki Group's information security measures.

- 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. The Company all have provided chances for us to check each work procedure and make the necessary improvements regularly every year.
- In accordance with the Company's "CSR Guidelines for Suppliers" to comply with laws and regulations, the Company is working with suppliers to fulfil our corporate responsibilities together, including respect for human rights and environmental preservation, with the principle of safety and quality first in our mind.
- As part of measures to prepare for natural disasters, the Company has formulated the Business Continuity Plan (BCP) assuming the occurrence of the Nankai Trough Earthquake, and based on this, the Company has secured the necessary cash on hand and lines of credit.

4. Measures relating to efficiency improvements in Directors' execution of their duties.

- 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, 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.
- 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 and progress of business plans of each department including consolidated subsidiaries, 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.
- The Board of Directors receives regular updates from the persons responsible for each business segment including consolidated subsidiaries on the Mid-term Management Plan to examine the progress of the plan and provide appropriate instructions.
- The Company clarifies who is responsible for executing new management issues as they arise, gives instructions as necessary and receives reports on the status of execution.
- 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.

5. Measures to ensure appropriateness of duties of the Corporate Group consisting of the Company and subsidiaries.

- 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.
- The Company has established a whistleblowing system in the Group and strives to identify compliance issues at subsidiaries.
- In accordance with the audit plan, through on-site and remote 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 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, other concerned Directors, and Audit & Supervisory Board members 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 overseas 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.

6. Measures related to audits by Audit & Supervisory Board Members (Measures for the systems 1 – 5 to ensure appropriate of duties).
- The Company has established the Secretariat of the Audit & Supervisory Board, which is a fulltime 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.
 - 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.
 - 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.
 - The internal audit department properly reports results of audits to Audit & Supervisory Board Members, allowing for more efficient auditing to be carried out in collaboration between Audit & Supervisory Board Members and the internal audit department.
 - In the whistleblowing system of the Suzuki Group, a contact point with Audit & Supervisory Board Members for whistleblowing is established. Additionally, all the reports received at Corporate Planning Office as well as at external contact points are also reported to the Audit & Supervisory Board promptly so that information regarding various issues within the Company is shared with them.
 - Expenses for the execution of duties of the Audit & Supervisory Board Members are independently budgeted and properly processed.

2. Basic Policy on Eliminating Antisocial Forces

The “Suzuki Group Code of Conduct” requires the Suzuki Group completely shut any relationships with anti-social forces and associations that threaten the order and safety of citizens and society, and if employees receive unreasonable demand from anti-society forces or associations, employees shall make it thoroughly certain to make a report to or seek consultation from their superiors or the relevant section in the Company instead of making an opportunistic judgment to handle the case.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	None
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Supplementary Explanation

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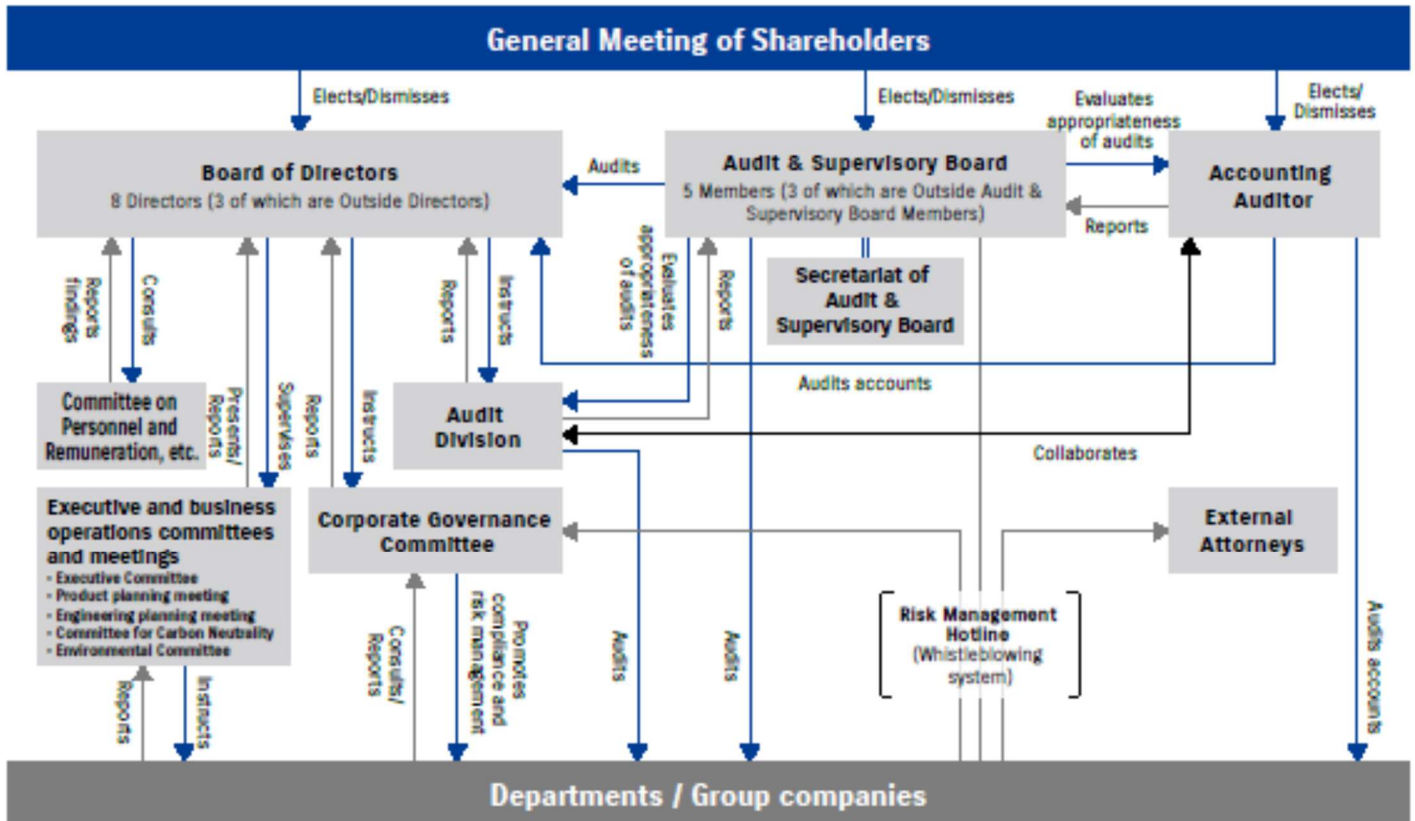
2. Other Matters relating to Corporate Governance System

Overview of System for Timely Disclosure

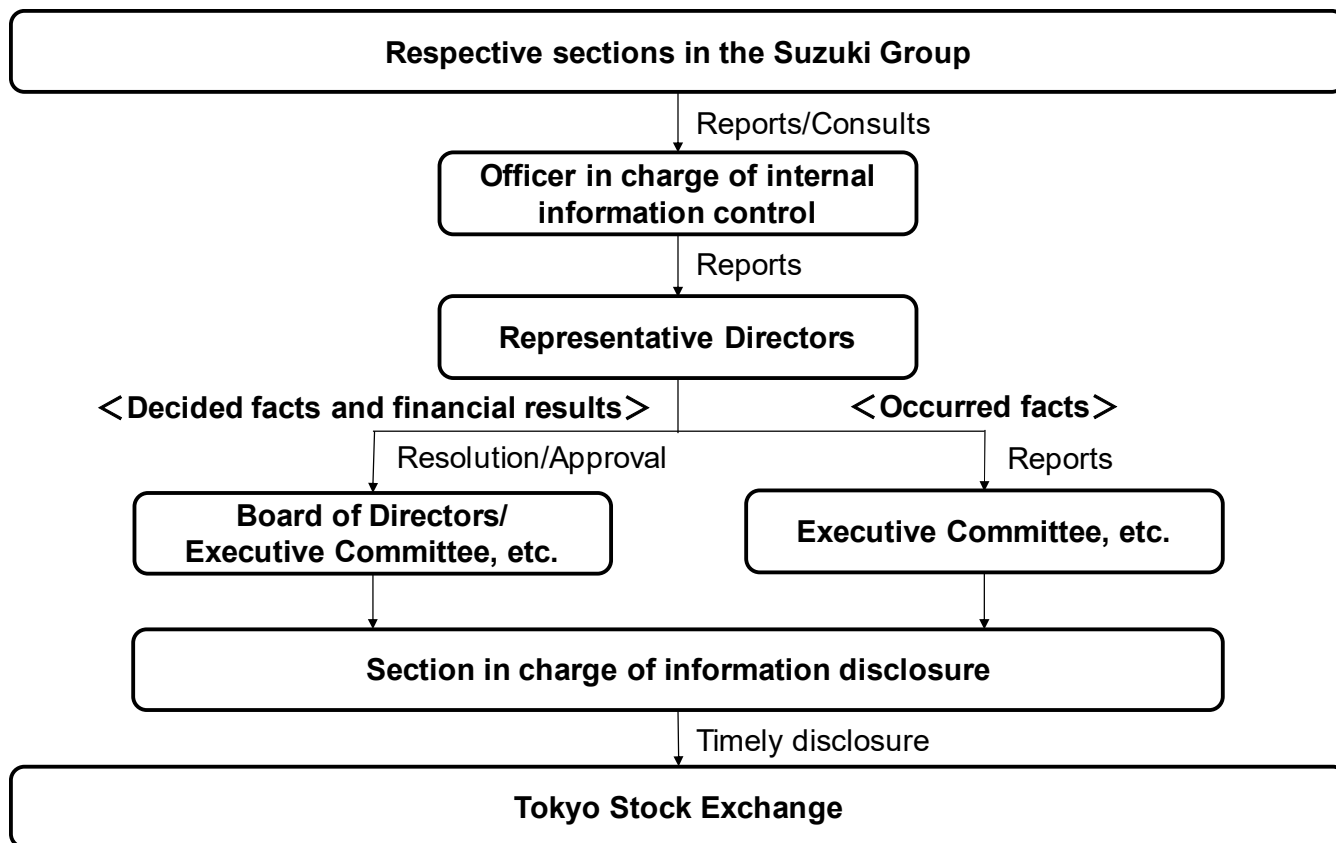
1. Basic Policy for Timely Disclosure
 - The Company discloses information in an accurate, fair and swift manner in accordance with the securities listing regulations of the Tokyo Stock Exchange, etc. Further, the Company strives to proactively disclose information that is instrumental in understanding of the Company group.
 - In addition, the Company has established the “Insider Trading Management Regulations” to develop an internal system for timely disclosure of material facts and has made efforts to ensure the confidentiality of timely disclosure information and prevent insider trading.
2. Internal System for Timely Disclosure
 - Information of respective sections in the Suzuki Group that may be subject to the duty of timely disclosure is collected and centrally controlled by the Company’s officer in charge of internal information control.
 - Judgment on whether timely disclosure should be done or not is made mainly by the Company’s officer in charge of internal information control in accordance with the securities listing regulations, etc.

- The Company's officer in charge of internal information control makes a report to the Representative Director without delay. The section in charge of information disclosure promptly makes timely disclosure after resolution/approval at a meeting of the Board of Directors or of the Executive Committee, etc. with respect to decided facts and financial results or after reporting to the Executive Committee, etc. with respect to occurred facts.

Corporate Governance System



System for Timely Disclosure



<Human Resource Development Policy>

The Mission Statement, which all employees in the Suzuki Group should internalize and follow, cites three goals to strive for achieving: (1) A goal toward carrying out a company's social mission (making products), (2) A goal for the corporate organization that they belong to (building the company) and (3) A goal for themselves (developing human resources). Based on the spirit of the Mission Statement, and the Philosophy of Conduct for realizing it, the President spearheaded various reforms regarding human resources development in the belief that "HR development is where everything in a company starts," and then the organizational structure was altered from the Human Resources/General Affairs Division to the Human Resources Development Division in October 2022. Thus, the Company has focused on HR development that embodies the Mission Statement and the Philosophy of Conduct in Suzuki's unique way. At present, there are ongoing gigantic changes that we will never be able to deal with if we remain a conventional automobile company, such as response to CASE, once-in-a-century revolution in automobiles, and the realization of a carbon neutral society, which is our social mission. To get over the sea change, the Company strives to recruit and develop diverse talented people such as ones who are not bound to existing operations and the traditional way of thinking and bravely challenge themselves to embark on uncharted territory, who have a wide range of experience and values that can trigger new inspirations, who have advanced expertise, and who can demonstrate their abilities on the world stage.

<Internal Environmental Improvement Policy>

By fostering a corporate culture that encourages members to take up a challenge for a higher target and make their own efforts, the Company is engaged in building a company in which talented people with different personalities can demonstrate their skills toward common goals and deliver higher value-added results while keeping to enjoy working with a sense of job satisfaction and fulfilment, which is stated in the Mission Statement. Most recently, we have accommodated more requests from employees than ever, had close dialogs repeatedly between labour and management, and carried out drastic personnel system reforms and bold job revisions and abolitions as well as workstyle transformation and improvements to working conditions. By advancing such various measures for personnel and general affairs, we are determined to make Suzuki a company that each employee can feel fortunate in having worked with.

<Ensuring Diversity>

Women

Aimed at becoming a company in which women can play more active roles than before, the Company launched a plan in 2020 to triple the number of women in managerial positions as of FY2015 until 2025. Through this initiative, we are engaged in increasing the number of women in managerial positions, including managers and manager candidates. The number of women in managerial positions increased to 182 people in FY2023, up 3.4 times from FY2015, achieving the plan ahead of schedule. Meanwhile, the number of female managers is 25 people as of FY2023. (The ratio of women to the total is 1.85%.) With the intention of elevating the ratio of female managers to the ratio of female employees, we set a goal of raising the ratio of female managers to 5.0% by 2030. Thus, we will tackle career formation support beyond assistance in work-life balance. Recognizing that the low ratio of female workers in the automotive industry as an issue, we will work to realize employee-friendliness through measures such as drastic improvements to the working environment in all workplaces by means of production technology reforms and the renewal of various facilities to ensure all workplaces of the Company, including manufacturing plants, that all people, regardless of gender, age, nationality, race, religion and the existence of disability, find it comfortable to work in.

Recruitment of non-Japanese personnel

It has become an urgent challenge to secure human resources equipped with the digital skills required for the development of next-generation technologies including CASE. Amid the shortage of digitally skilled human resources in Japan, the Company pays attention to India, which produces a large number of talented people in this field and have recruited employees directly from the Indian Institute of Technology Hyderabad since 2018. (A total of 16 employees as of April 2024). In the Indian market, in which Suzuki has a strong presence, we are making a united effort between India and Japan through the exchange of human resources with our subsidiary Maruti Suzuki India Limited to enhance our competitiveness. Our policy is to employ, develop and appoint people, regardless of nationality.

Mid-career recruitment

In addition to employing new graduates, the Company is focusing on recruiting talented people with work experience in other companies to secure diverse human resources. During FY2023, we employed 181 people (up 172% (105 people) from the previous fiscal year). Moreover, we established and adopted new employment formats that are not bound by an existing personnel system in June 2023, applicable to talented employees who have knowledge and experience in new fields that have not been accumulated in the Company.

Our policy is to develop and appoint employees, regardless of the format through which they joined the Company.

LGBTQ

Suzuki's employment regulations prohibit harassment and discriminatory language and behavior related to sexual orientation and gender identity. Furthermore, the Company is making the effort to foster a culture that influences employees to understand and embrace "gender diversity" through actions such as the promotion of the understanding by the "Compliance Handbook," distributed to all employees, referring to outing. Additionally, we have adopted genderless uniforms and increased the number of "gender neutral restrooms."

Employment of people with disabilities

The Company has assigned full-time staff in charge and mental health social workers in the Human Resources Division and conduct interviews with relevant individuals regularly. Additionally, we have installed working life counsellors for persons with disabilities in workplaces to take care of the worries and problems of relevant employees to create an environment that enables persons with disabilities to work with peace of mind for a long time.

Special subsidiary company "Suzuki Support Co., Ltd.," founded in February 2005, marked its 20th year since the start of its operations. The number of employees with disabilities (including those with severe disabilities) reached 79 people as of the end of March 2024, and those employees are engaged in cleaning offices of the Suzuki Head Office, dormitories and related facilities and managing internal supplies of stationery as well as agricultural farm work. They work cheerfully and energetically, which is also well accepted by other employees in Suzuki with empathy and joy. In Suzuki, we will continue to engage in employing people with disabilities as part of our social contribution that is the philosophy behind establishing Suzuki Support so that we hope people with disability can feel the joy of being able to work and progress in their personal development though playing roles in society.

Support system for work-life balance

The Company has been establishing an environment that allows highly motivated and skilled employees to keep working by creating a system that allows employees to choose theirs from multiple work styles. Additionally, we are raising awareness for work-life balance in the entire workplace thereby advancing the creation of a "employee-friendly workplace."

- Short-work-time system (childcare and nursing care)

For employees who are rearing child of elementary school age or younger and who need to care for family members, we have adopted a system that shortens the daily prescribed work time to six or seven hours at employees' request. 355 employees applied for and used the system during FY2023.

- System for holidays and leave of absence (childcare and nursing care)

Many employees, both men and women, apply for and use a system for leave of absence so that they can devote themselves to childcare or nursing care. In FY2023, 395 employees applied for and used this system. Since April 2022, we have started a system for "Childcare Leave at Childbirth" that enables male employees to take five days off within eight weeks after childbirth to prepare a culture that encourages men to get involved in childcare in addition to the existing "Paternal Leave" system that allows fathers to take two days off at the time of the childbirth of their spouses. The number of male employees taking paternal leave reached 289 people (the ratio of those taking the leave to the eligible is 63.1%) for FY2023, indicating progress steadily made in fostering a culture.

- Life support leave

We have adopted a life support leave system that allows employees to accumulate a maximum of 40 paid holidays even if their two-year effective period after being granted expired, so that employees can use the leave for rehabilitation after illness or injury, care for parents and children and infertility treatment as well as bone marrow donation.

<Investment in Human Capital>

We are engaged in developing human resources with the aim of strengthening “individuals’ growth” and “individuals’ earning power” to ensure Suzuki grows sustainably. To promote human resource development, we have established a training environment in which each employee can take the initiative in learning necessary skills when the need arises along their own career path through a united effort between superior and subordinate.

- Strengthening individuals’ earning power

Each department clarifies skills, knowledge, experience, and knowhow required for departmental strategy and formulates a human resource development plan to improve individuals’ job skills. Accordingly, training is planned and held along the human resource development plan.

We have prepared a training system that enables young employees to acquire necessary basic knowledge and skills by the end of their third year after joining the Company. We also plan to adopt a mechanism that allows all employees to upskill or reskill when necessary.

- Development of employees in managerial position

We launched a management training scheme for all managers in FY2022, aimed at enhancing the management skills of all managers. The training for all managers will be completed in FY2024. We will revise contents of the training and continue to provide training in FY2025 and beyond. In addition, to develop employees in managerial positions along prearranged plans, we will hold training for them to acquire skills required for managerial positions prior to assuming such positions according to their department’s HR development plan and their individual career path.

- Dispatch of employees to startups and training in Silicon Valley

We dispatch young employees of the Company to startups regardless of business line and corporate size for the purpose of the Company going back to the “entrepreneurial spirit of facing difficulties and creating our own path,” and broadening our perspective and knowledge and making each employees keep their eyes open out for what is happening outside the Company.

Moreover, we send our employees to Silicon Valley to touch the “venture spirit” of conquering fear of failure and taking on challenges and learn “design thinking,” a method of solving problems.

- Digital education

The Company provides DX literacy training to all employees with the aim of making operations more efficient, creating added value, and promoting each department to be active in adopting digital tools.

We provide human resources tasked with advancing DX with training for DX promotional skills, thereby acquiring advanced data analysis skills and adopting digital tools as well as expanding them across the Company. Through this initiative, human resources tasked with advancing DX are preparing a system that leads internal digitalization.

DX education is provided to top management and managers, aimed at ensuring competitive superiority and pushing transformation through the utilization of digital technology.

In addition to the above, the Company will disclose details of our human resources initiatives in our annual securities report, integrated report, and sustainability report.

Annual Securities Report : <https://www.suzuki.co.jp/ir/library/valuablesecurities/>

Integrated Report : <https://www.suzuki.co.jp/ir/library/annualreport/>

Sustainability Report : <https://www.suzuki.co.jp/about/csr/report/>

Press Release announcing on Strengthens Human Capital : <https://www.suzuki.co.jp/release/d/2024/0308/>