

MSIL: COS: NSE&BSE: 2023/01_15

26th January, 2023

Vice President
National Stock Exchange of India Limited
“Exchange Plaza”, Bandra – Kurla Complex
Bandra (E), Mumbai – 400 051

General Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Sub: Announcement of Growth Strategy for FY2030 by Suzuki Motor Corporation

Dear Sirs,

Please find attached herewith as Annexure – “A”, Growth Strategy for FY2030 released by Suzuki Motor Corporation in Japan today.

Kindly take the same on records.

Thanking You

Yours truly,

For Maruti Suzuki India Limited

Sanjeev Grover
Executive Vice President
& Company Secretary

MARUTI SUZUKI INDIA LIMITED

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1, Nelson Mandela Road, Vasant Kunj,
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Maruti Suzuki India Limited,
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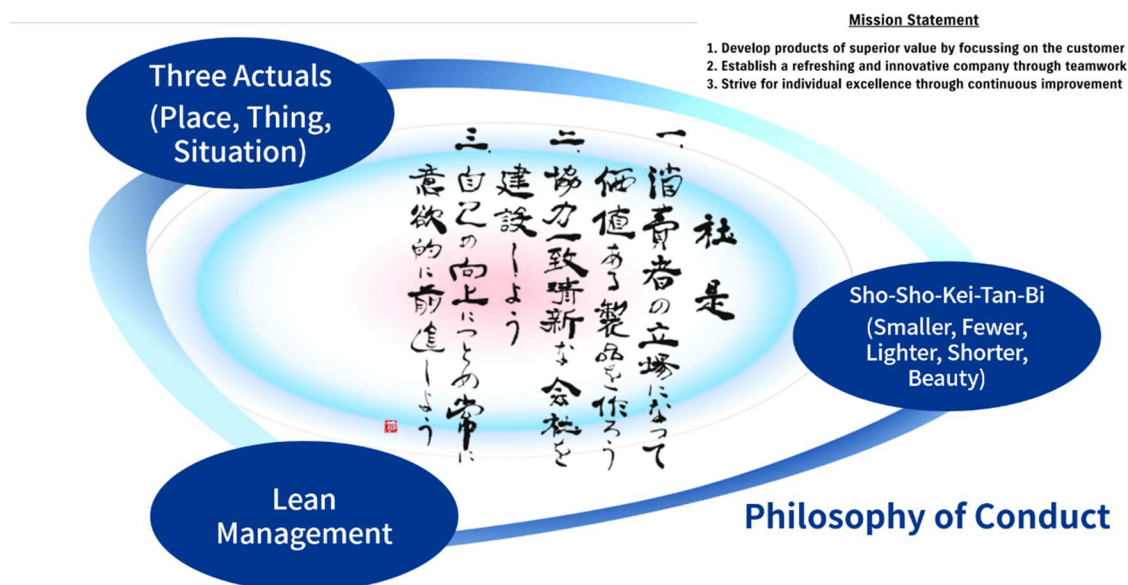
Manesar Plant:
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Plot No.1, Phase - 3A, IMT Manesar,
Gurgaon - 122051, Haryana, India. Tel:
0124-4884000, Fax: 0124-4884199



26 January 2023

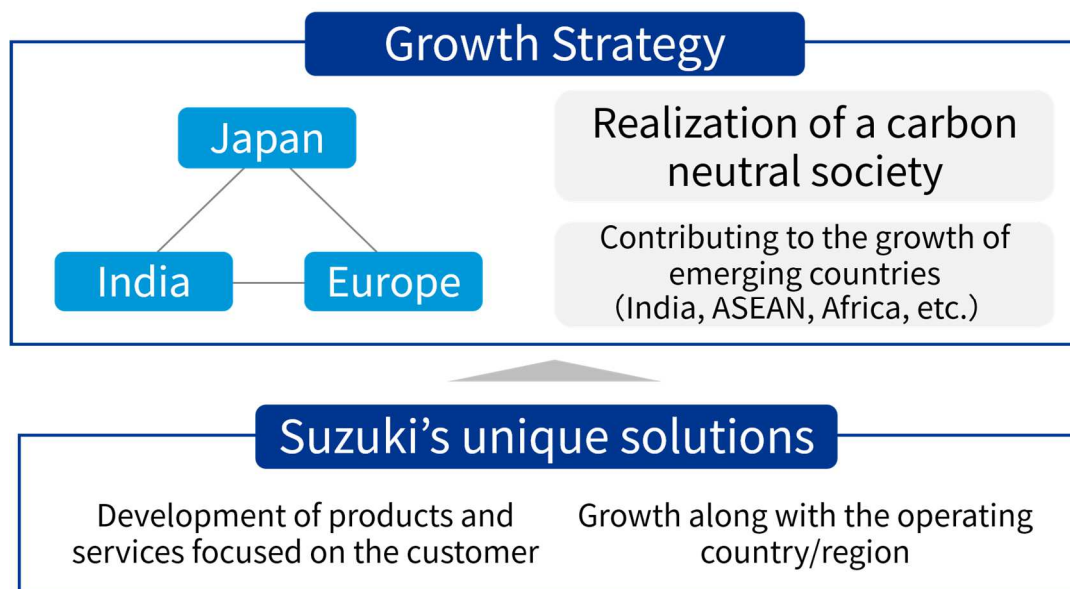
Suzuki Announces Growth Strategy for FY2030

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



Outline of the Growth Strategy

For FY2030, Suzuki will contribute to the realization of a carbon neutral society and the economic growth of emerging countries such as India, ASEAN, and Africa, with our main business regions, Japan, India, and Europe, as the core. We will focus on creating solutions that are unique to Suzuki, which are to develop products and services focused on the customer, and grow along with the operating countries and regions.



Major Initiatives for FY2030

<Carbon Neutrality>

Based on the target date set by each government, Suzuki aims to achieve carbon neutrality in Japan and Europe by 2050 and in India by 2070.

We will continue to strive to achieve our carbon neutral goals for each region, based on our mindset to expand our customers' choices and deliver products and services that meet the needs of each region.

~ Products ~

➤ Automobiles

In Japan, starting with the introduction of commercial mini-vehicle battery EVs in FY2023, we plan to introduce compact SUVs and passenger mini-vehicles, with 6 models to be launched by FY2030. In addition, we will develop new hybrids for mini and compact vehicles, and by combining them with battery EVs, we will offer various options for our customers.

In Europe, we will introduce battery EVs in FY2024, expand to SUVs and B-segments, with 5 models to be launched by FY2030. We will respond flexibly to environmental regulations and customer needs in each European country.

In India, we will introduce the SUV battery EV announced at the Auto Expo 2023 in FY2024, with 6 models to be launched by FY2030. To provide a full range of products and services, Suzuki will provide not only battery EVs but also carbon neutral internal combustion engine vehicles that use CNG, biogas, and ethanol mixed fuels.

(Battery EV introduction plan)

| Region | Time of Introduction | Forecast by FY2030 | |
|--------|----------------------|--------------------|------------------|
| | | No. of models | Battery EV ratio |
| Japan | FY2023 | 6 | 20% |
| Europe | FY2024 | 5 | 80% |
| India | FY2024 | 6 | 15% |

➤ Motorcycles

For small and mid-sized motorcycles, which are used for daily transportation such as commuting to work, school or shopping, we will introduce a battery EV in FY2024. We plan to launch 8 models by FY2030 with a battery EV ratio of 25%. For large motorcycles for leisure purposes, we are considering adopting carbon neutral fuels.

➤ Outboard motors

For small outboard motors that are often used in lakes and rivers, we will introduce battery EVs in FY2024. We plan to launch 5 models by FY2030 with a battery EV ratio of 5%. For large outboard motors used in the ocean, we are considering adopting carbon neutral fuels.

➤ New Electric Mobility

Suzuki has proposed a variety of electric mobility options, including the electro senior vehicle, which is a new mode of transportation for people who have voluntarily returned their driver's licenses, the KUPO, which is an evolution of the senior vehicles, and the Mobile Mover*, a multi-purpose robotic dolly being developed in collaboration with M2 Labo. We will take on the challenge of small mobility which supports our lives in new market segments created by the diversification of customer needs and changes in the environment.

*Mobile Mover is a registered trademark of M2 Labo.

~ Manufacturing ~

Suzuki will challenge to achieve carbon neutrality of domestic plants in FY2035.

➤ Suzuki Smart Factory Creation

We are promoting the Suzuki Smart Factory Creation by drawing out how manufacturing should be in 2030, so that we continue to become a company that secures people's means of mobility worldwide. By combining Suzuki's principle of manufacturing "Sho-Sho-Kei-Tan-Bi (Smaller, Fewer, Lighter, Shorter, Beauty)" with digitalization, we will optimize, minimize, and simplify the flow of data, things, and energy. Through these initiatives, we will become lean and tackle for carbon neutrality.

➤ Initiatives by domestic plants

At the Kosai Plant, which is Suzuki's largest production hub in Japan, efforts are made to reduce CO₂ emission of painting facilities by 30% through renewal

of painting facilities and improvement of painting technologies for efficient and optimal use of energy. The plant also produces green hydrogen from renewable energies including solar power generation. The hydrogen is utilized for verification test of fuel cell transporter, which started from the end of 2022.

At the Hamamatsu Plant, which is the motorcycle production hub, through reduction of energy use and conversion into renewable energy including the expansion of solar power generation facilities, the plant will now target to achieve carbon neutrality in FY2027, earlier than its initial target of FY2030. By utilizing the know-hows earned at the Hamamatsu Plant to other plants, we will make initiatives to achieve carbon neutrality of all domestic plants in FY2035.

~ Biogas business in India ~

While we expect the Indian market to grow toward FY2030, we also expect that increase in total CO₂ emission amount is unavoidable, regardless of reduction in CO₂ emission from products. We will challenge to strike a balance between increasing sales units and reducing total CO₂ emission amount.

Suzuki's unique initiative to tackle this challenge is the biogas business, in which biogas derived from cow dungs, which are dairy wastes that can be seen mainly in India's rural area, will be produced and supplied. This biogas can be used for Suzuki's CNG models that account for approximately 70% of CNG car market in India.

Suzuki signed an MoU with the Indian government agency National Dairy Development Board and Banas Dairy, Asia's largest dairy manufacturer, to conduct verification of biogas. We also invested in Fujisan Asagiri Biomass LLC. that makes power generation from biogas derived from cow dungs in Japan, and are beginning its study.

We believe that the biogas business in India not only contributes to carbon neutrality, but also promotes economic growth and contribute to the society of India. We are also in view of expanding the business to other farming areas in regions including Africa, ASEAN, and Japan in the future.

Suzuki, the market leader of India's automobile market, contributing to carbon neutrality and economic growth of emerging countries, is consistent with the intent of the Paris Agreement, which requires harmony between developed countries and emerging countries for reduction of CO₂ emission. We believe that we can contribute to our stakeholders throughout the world.

<R&D Structure and Cooperation with Outside Partners>

Suzuki headquarters, Yokohama Lab., Suzuki R&D Center India, and Maruti Suzuki will cooperate for efficient development by sharing the development in each field of future technologies, advanced technologies, and mass-production technologies. Also, the Suzuki Innovation Center is exploring new connections and innovations for Suzuki to thoroughly take root in India. We will enhance our manufacturing strength by also cooperating with outside partners including start-up companies, Suzuki Suppliers Association, and cooperation with universities in Japan and India.

We will deepen our cooperation relationship with Toyota Motor Corporation while continuing to be a competitor, and aim for sustainable growth and conquer various issues surrounding the automobile industry. Through the cooperation, we will cooperate in development of advanced technologies including autonomous and battery of electrified cars, business expansion in promising emerging countries, efforts for carbon neutrality in India, as well as formation of a recycling-based society that considers the environment.

The Suzuki Global Ventures, a corporate venture capital fund established in 2022, is accelerating the co-creation activities with start-up companies by exceeding the framework of each company and their conventional businesses. We will make investments in areas that serve to solve customer and social issues, and contribute to development of ecosystem that grows with start-up companies.

<R&D Expenses, Capital Expenditures>

We will invest 2 trillion Yen in R&D expenses and 2.5 trillion Yen in capital expenditures, a total of 4.5 trillion Yen by FY2030. Of the 4.5 trillion Yen, 2 trillion Yen will be electrification-related investments, of which 500 billion Yen will be battery-related investments.

2 trillion Yen is planned to be invested for R&D expenses in areas including carbon neutrality such as electrification and biogas, as well as autonomous. 2.5 trillion Yen is planned to be invested for capital expenditures in facilities including construction of BEV battery plant and renewable energy facilities.

<Net Sales Target>

Consolidated net sales forecast for FY2022 is 4.5 trillion Yen, which is growing at a pace to exceed the 4.8 trillion Yen target for FY2025 set in the mid-term management plan. We would like to grow in line with the emerging countries by contributing to their growth. We will challenge to double the FY2021 net sales result of 3.5 trillion Yen to 7 trillion Yen in FY2030.

In the midst of once in a hundred years of great transformation, Suzuki believes that it is important to have a sense of “excitement”, “energetic”, and “unique” in our products, even when we are challenging to strike a balance between carbon neutrality and contribution to growth of emerging countries. Our automobiles, motorcycles, outboard motors, and electro senior vehicles have always received enthusiastic support from our customers, by being practical yet having emotional characters.

Suzuki employees throughout the world will unite as one to continue our challenges so that we can deliver products and services that support the daily lives of customers worldwide while being eco-friendly, the one that’s always besides you to depend on, like a lifestyle partner.



Brief on Suzuki's Growth Strategy for FY2030

社是

- 一、消費者の立場になって
価値ある製品を作ろう
- 二、協力一致で清新な会社を
建設しよう
- 三、自己の向上にとつとめ常に
意欲的に前進しよう



Mission Statement

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

Growth Strategy

Japan

India

Europe

Realization of a carbon neutral society

Contributing to the growth of emerging countries (India, ASEAN, Africa, etc.)

Suzuki's unique solutions

Development of products and services focused on the customer

Growth along with the operating country/region

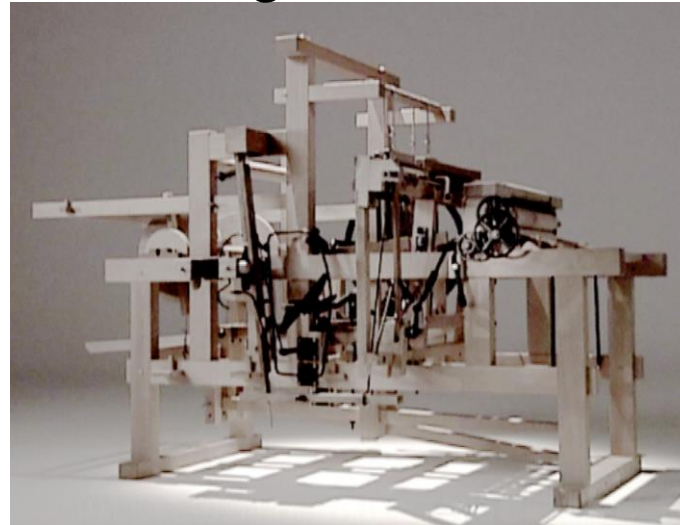
- 1. History of Suzuki**
- 2. Carbon Neutrality**
- 3. Resources**
- 4. Growth Target**

1. History of Suzuki

“I want to make my mother’s weaving work easier for her.”

Michio Suzuki, founder First loom, gifted to his mother

Suzuki Loom Works



Loom from the 1910s (restored)



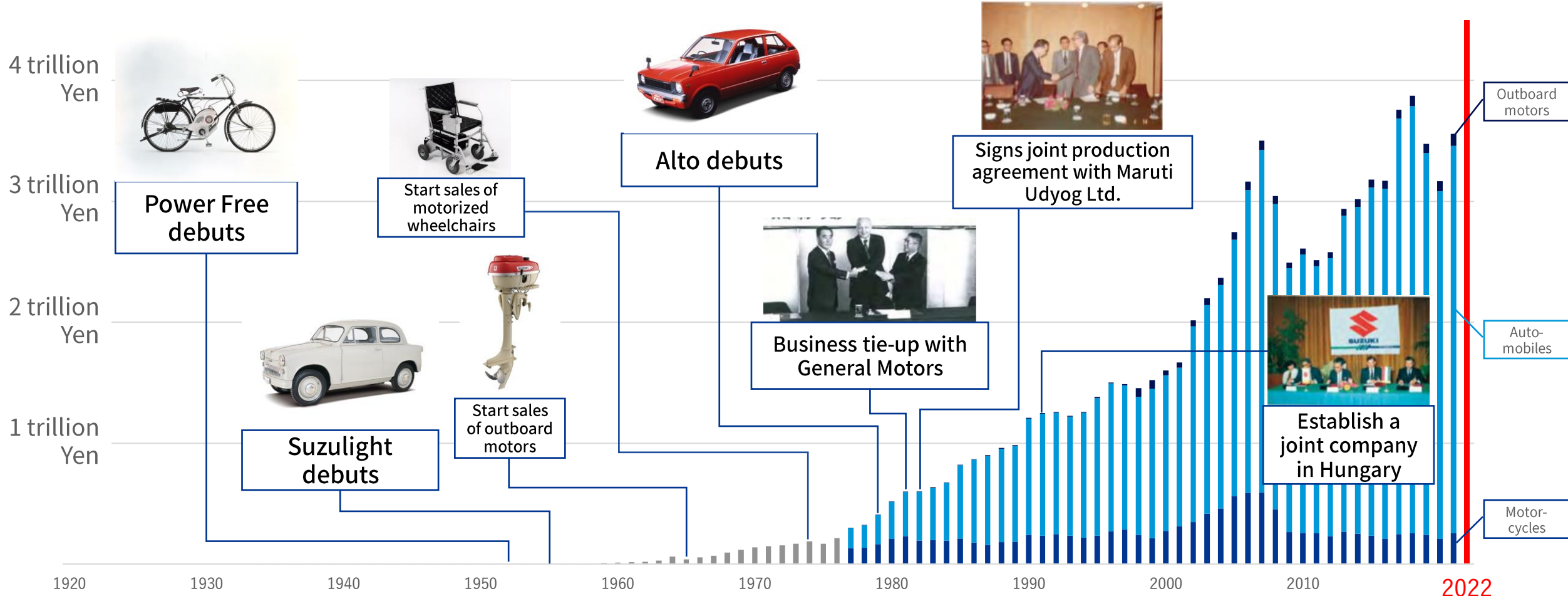
History of Suzuki | Expansion of Business (Sales Trends)

Loom manufacturing

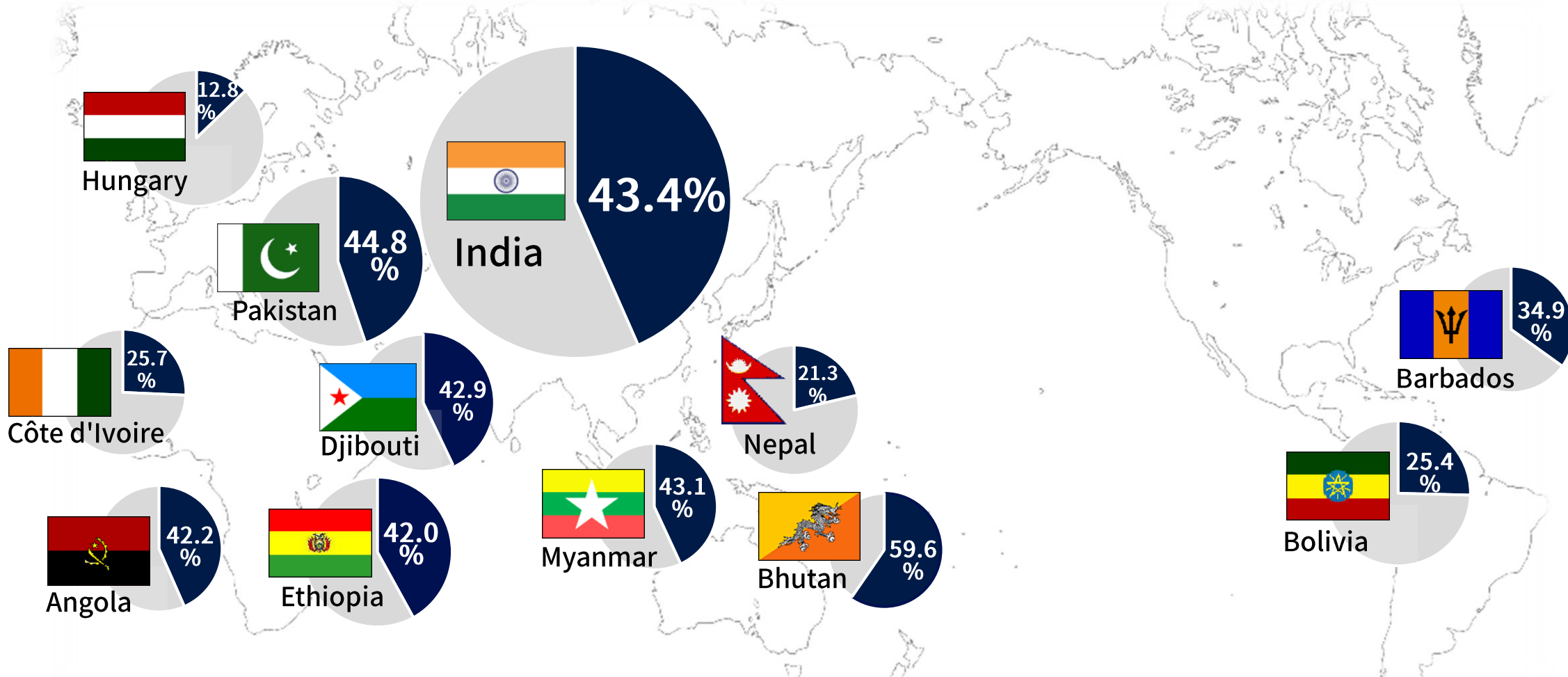
Motorcycle operations

Automobile operations

Marine operations



Top automobile share in 12 countries in the world



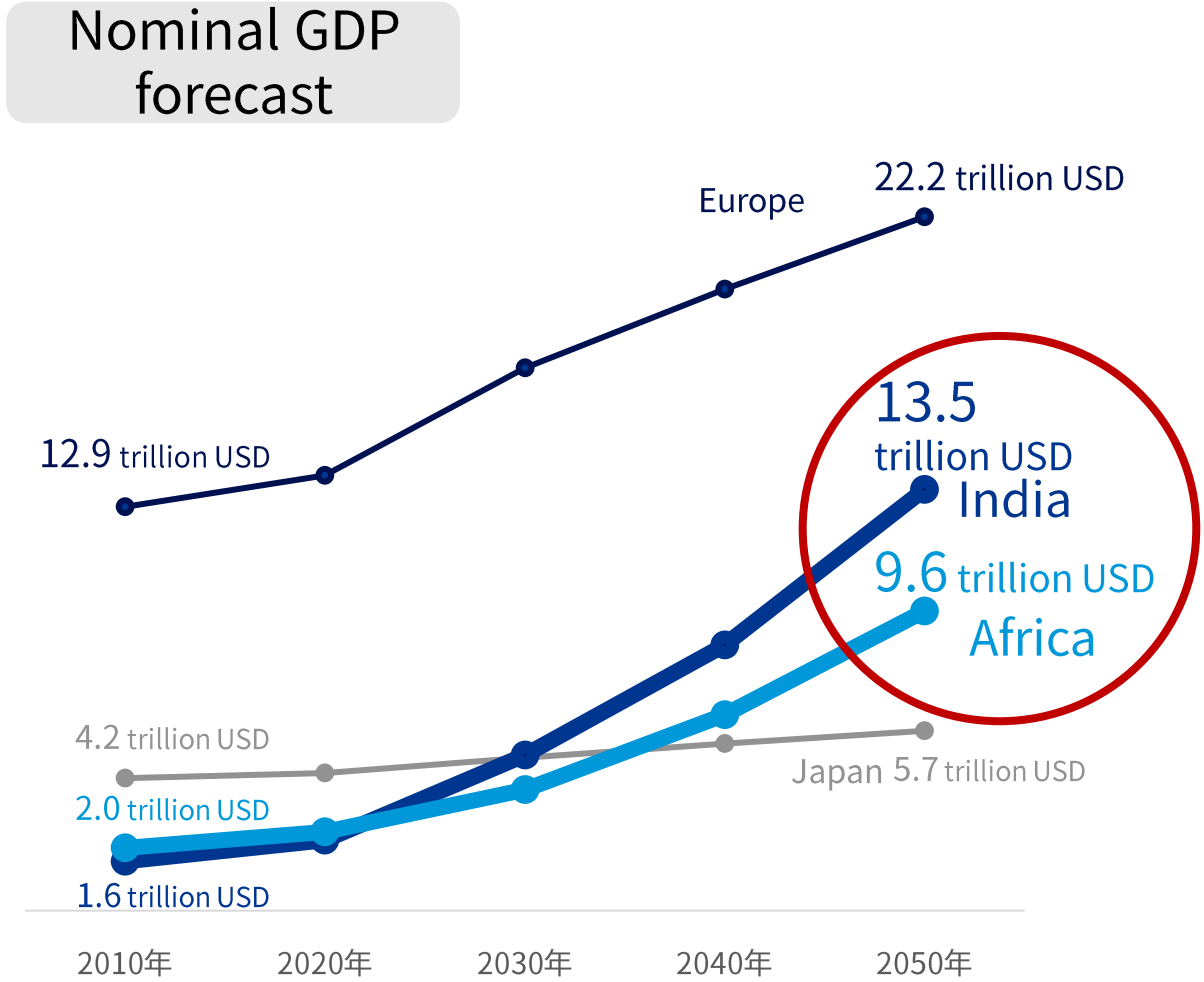
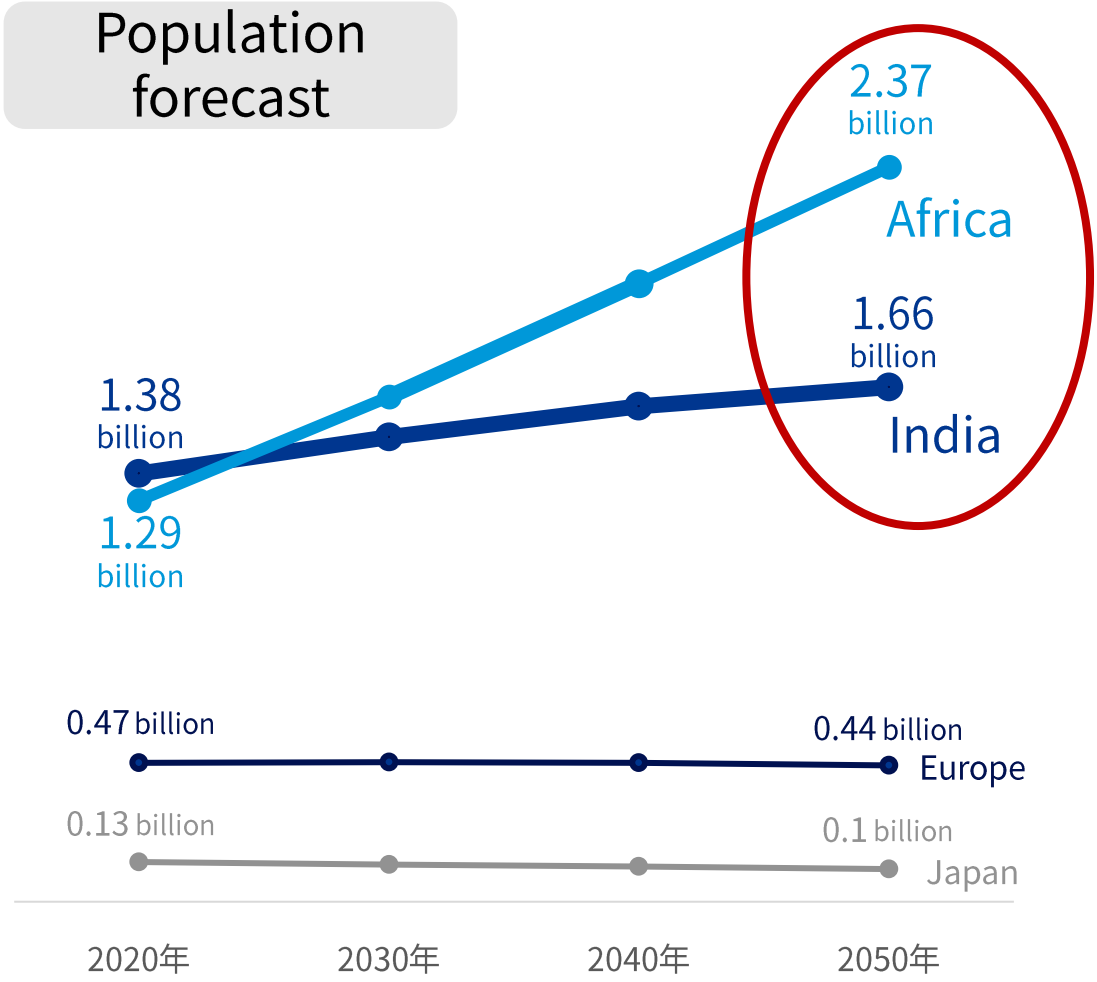
Note: FY2021 results, based on Suzuki research

• India: Passenger vehicle shares • Pakistan: Includes imported vehicles • Côte d'Ivoire: CY2021 results

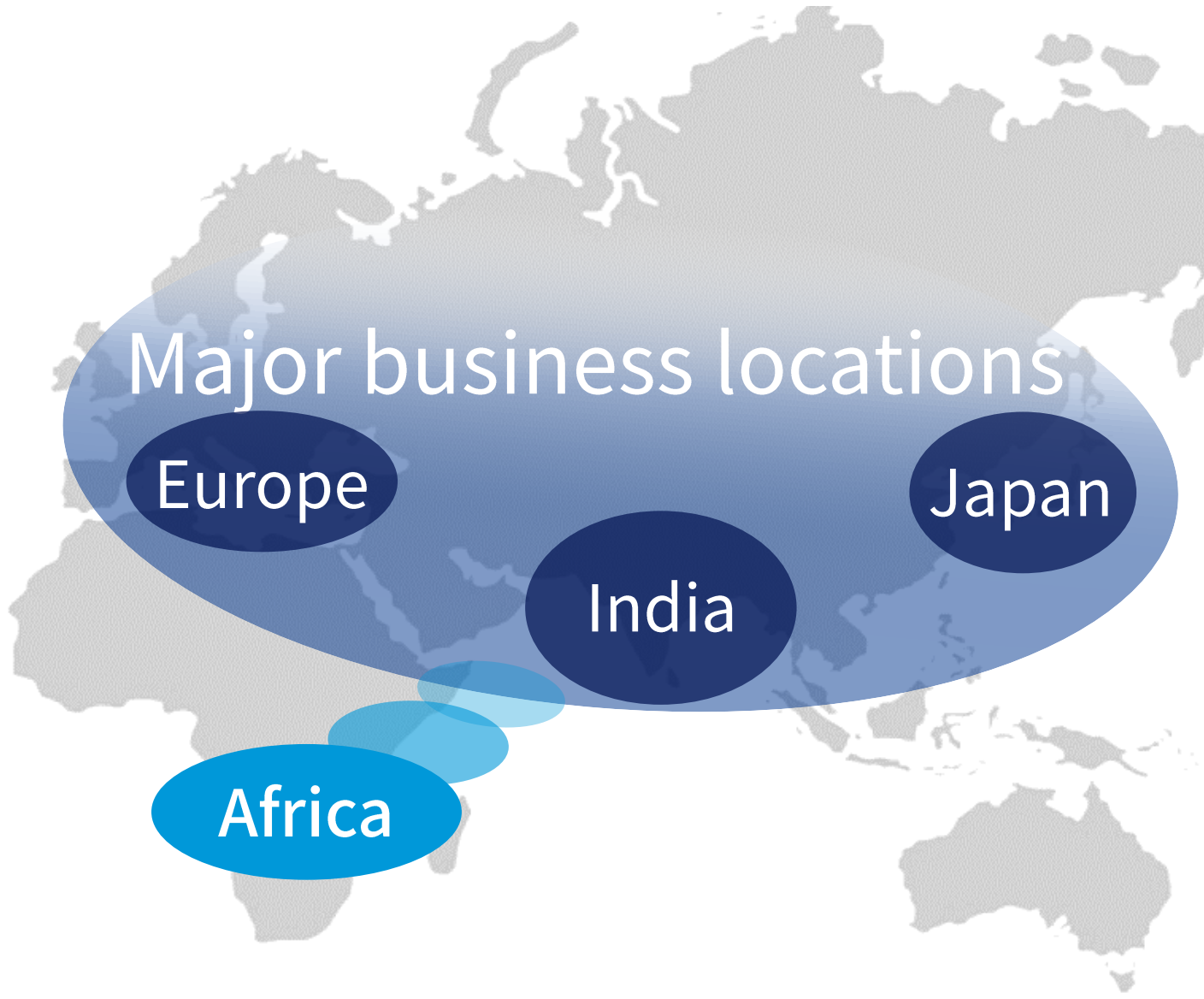
Provide products and service that support customers' life and work



Population/nominal GDP both expected to rise in India/Africa



History of Suzuki | Direction by Major Business Locations



Japan/Europe

Create and brush-up technologies/products

India

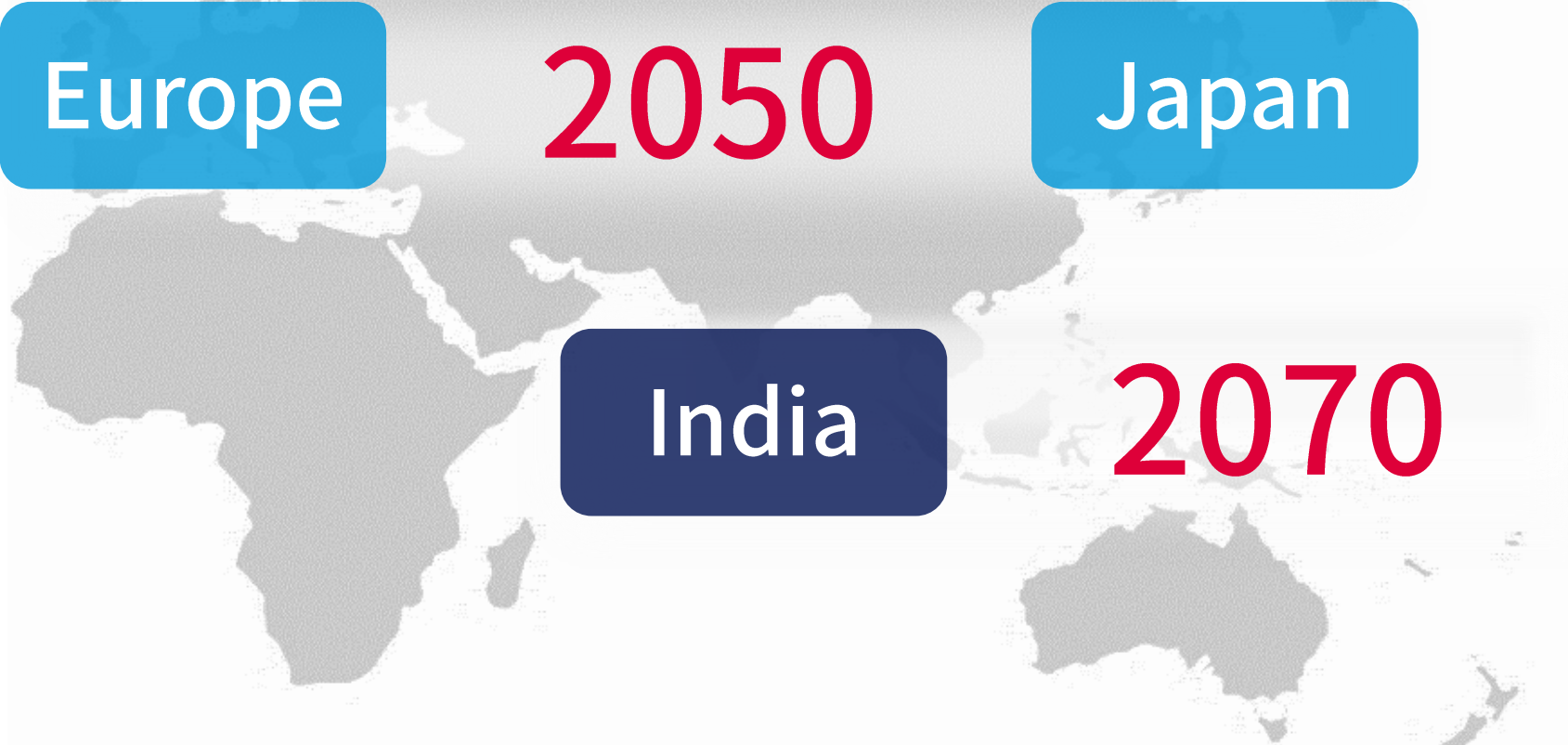
Meet expectations from society and customers by taking root widely, deeply, and thoroughly

Africa

Market with promising future

2. Carbon Neutrality

Carbon neutrality achievement goals

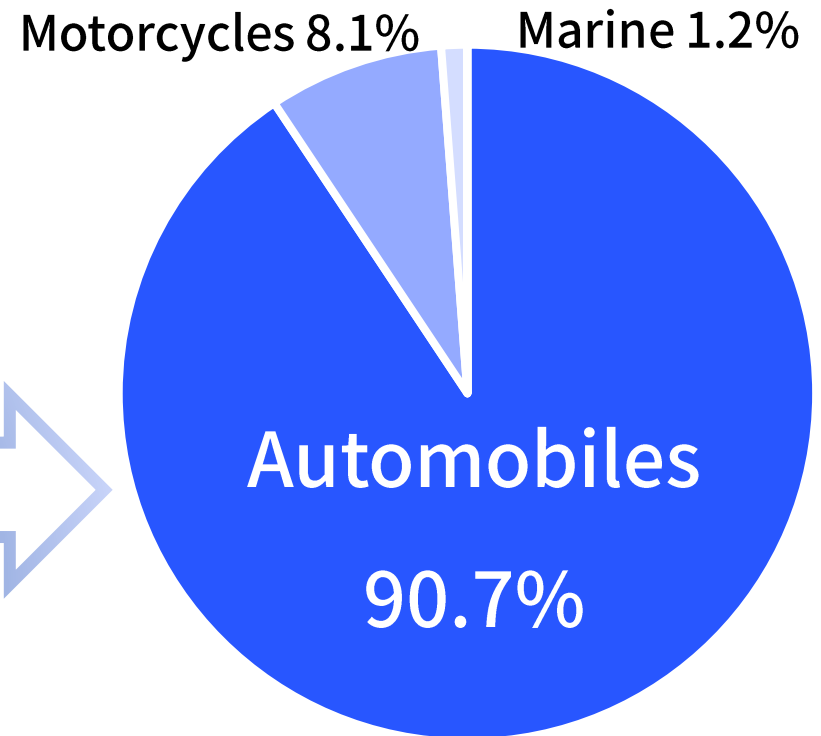
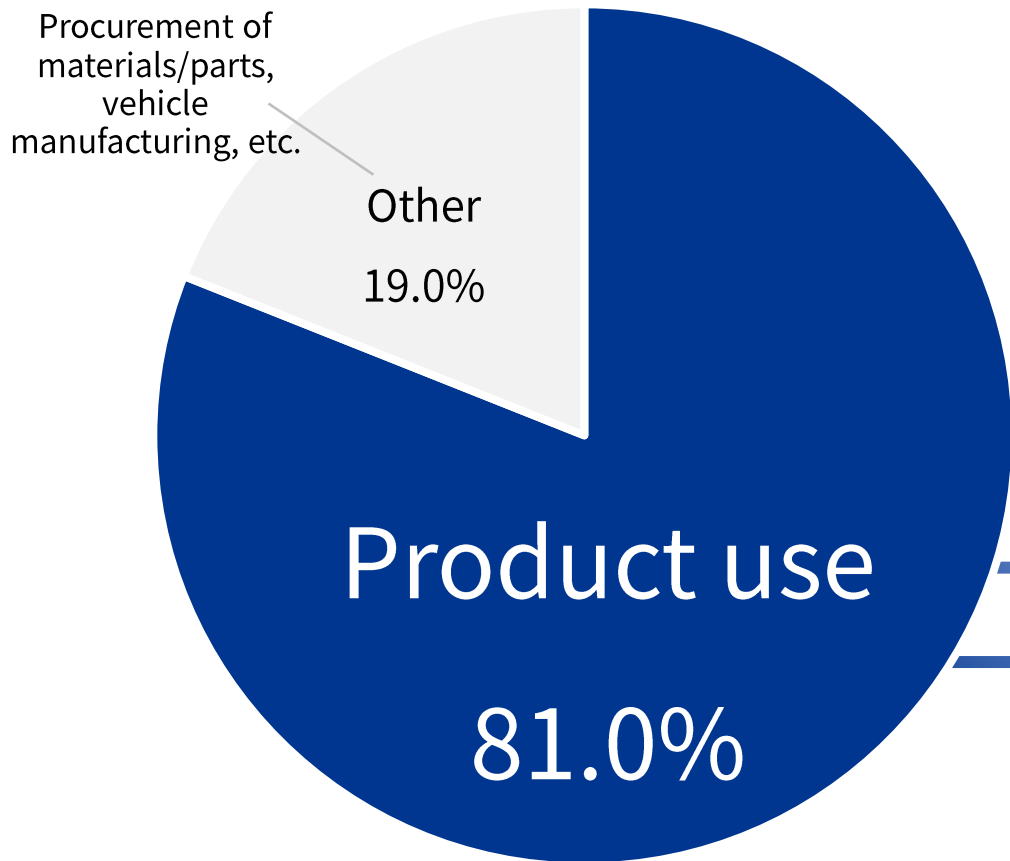


Carbon Neutrality | CO₂ Emissions in Business Activities including Product Lifecycle

(FY2020 results)

Breakdown of CO₂ emissions in business activities including product lifecycle

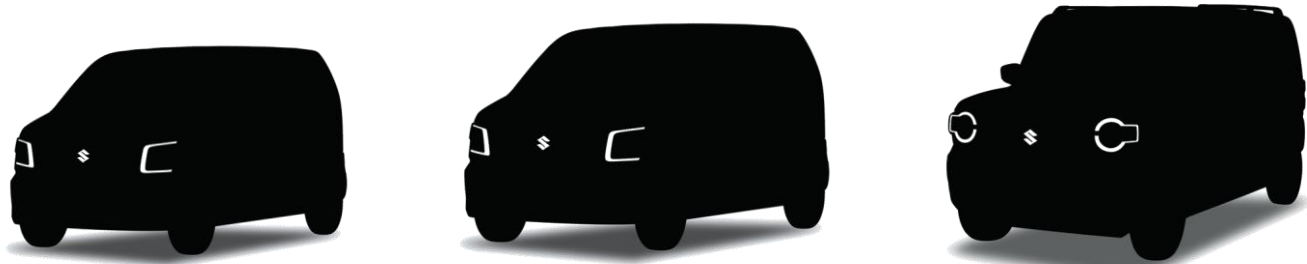
Breakdown of CO₂ emissions during product use



Product plan until FY2030 (Japan)

Introduction of first battery EV in FY2023

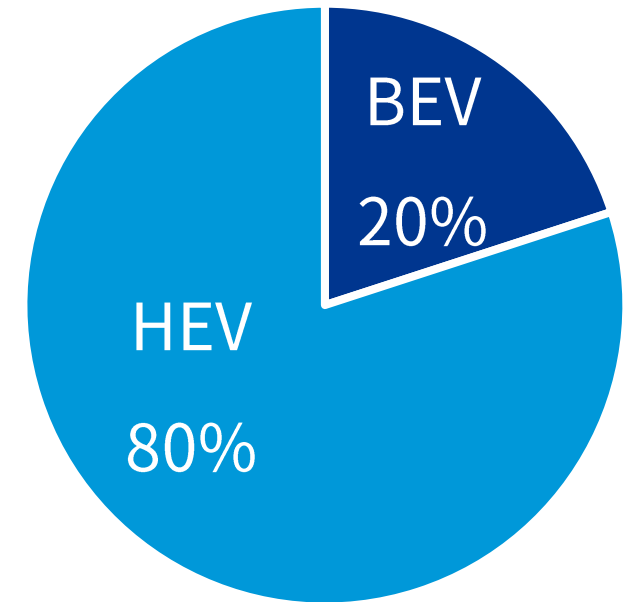
Battery EV lineup



Introduce **6** models



Powertrain ratio

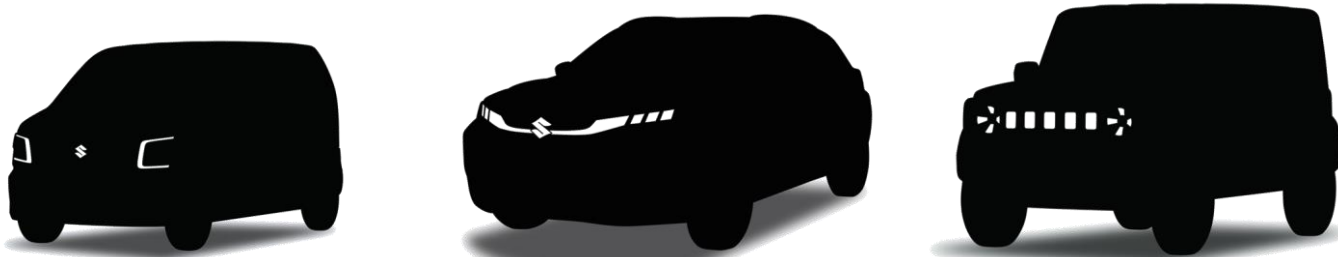


(Passenger vehicles only)

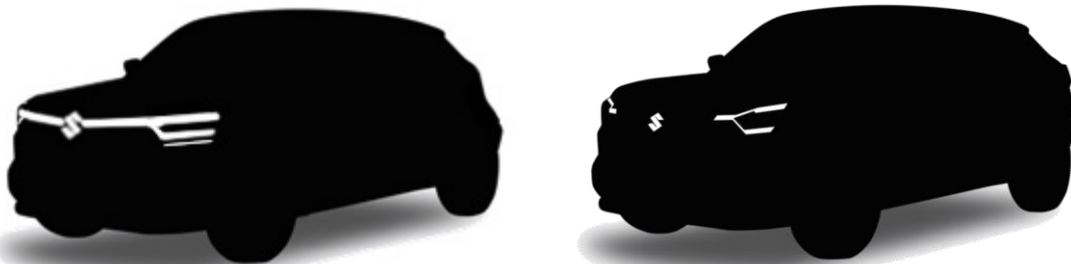
Product plan until FY2030 (Europe)

Introduction of first battery EV in FY2024

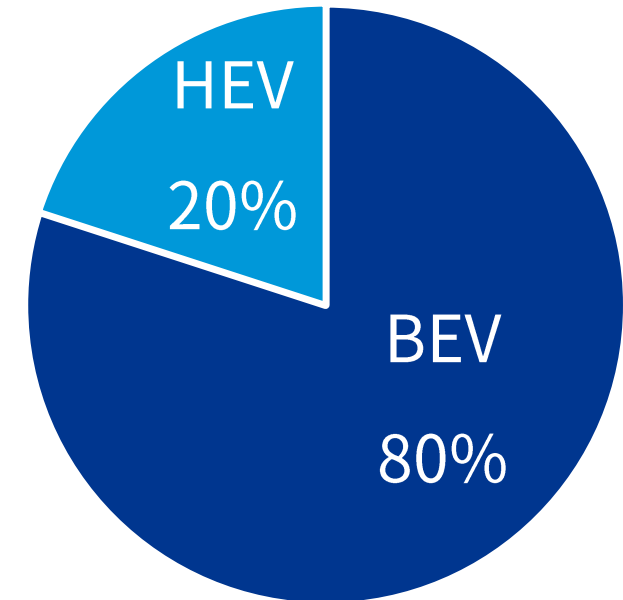
Battery EV lineup



Introduce **5** models



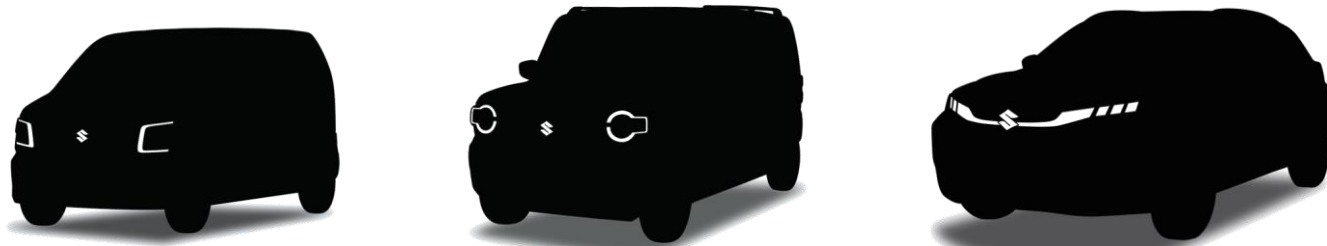
Powertrain ratio



Product plan until FY2030 (India)

Introduction of first battery EV in FY2024

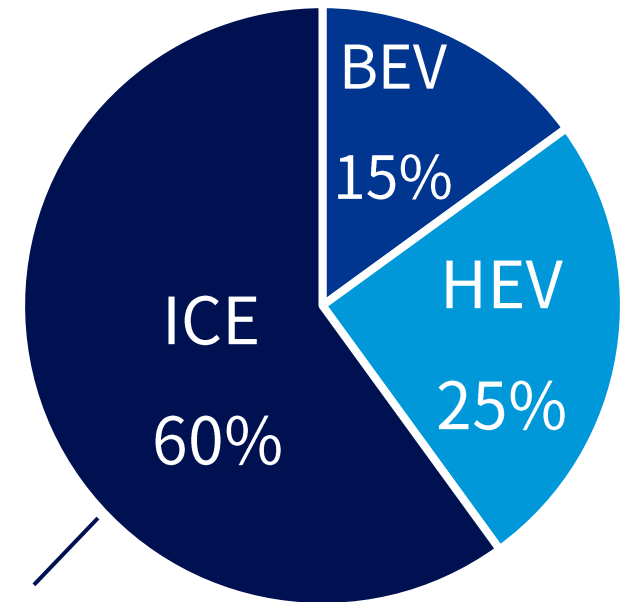
Battery EV lineup



Introduce **6** models



Powertrain ratio



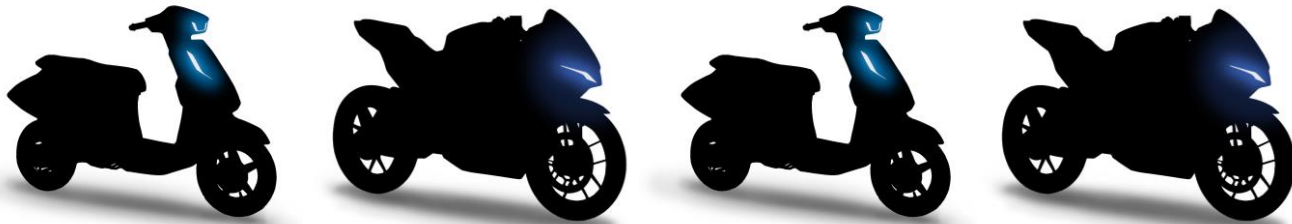
CNG, biogas,
ethanol mixed fuel, etc.

Product plan until FY2030 (Global)

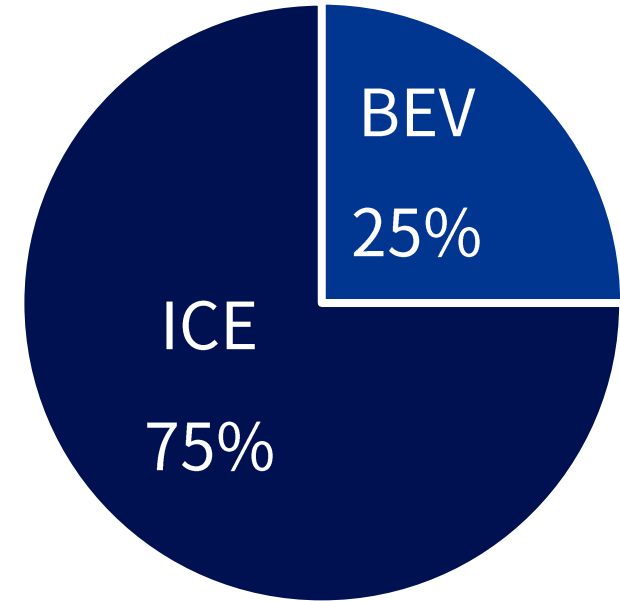
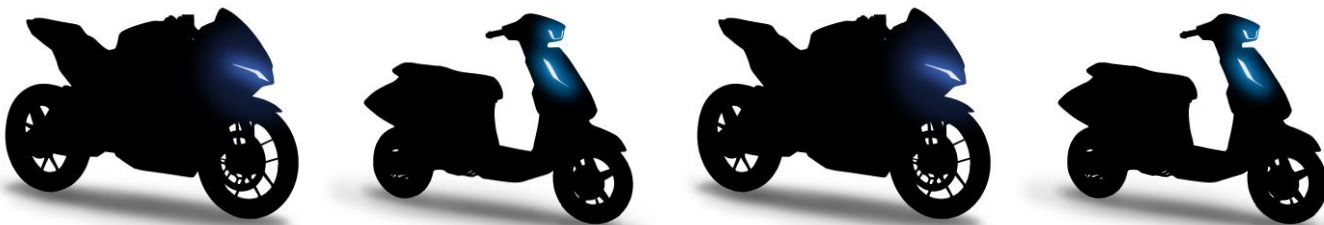
Introduction of first battery EV in FY2024

Battery EV lineup

Powertrain ratio



Introduce **8** models



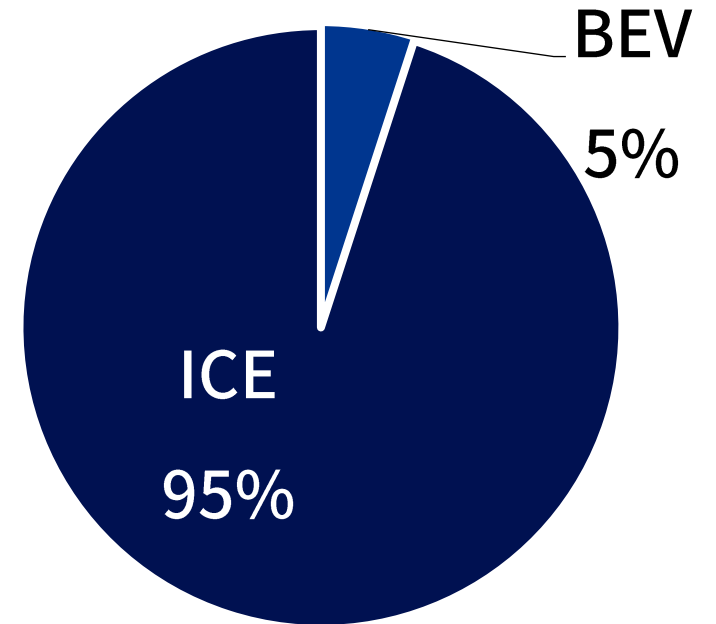
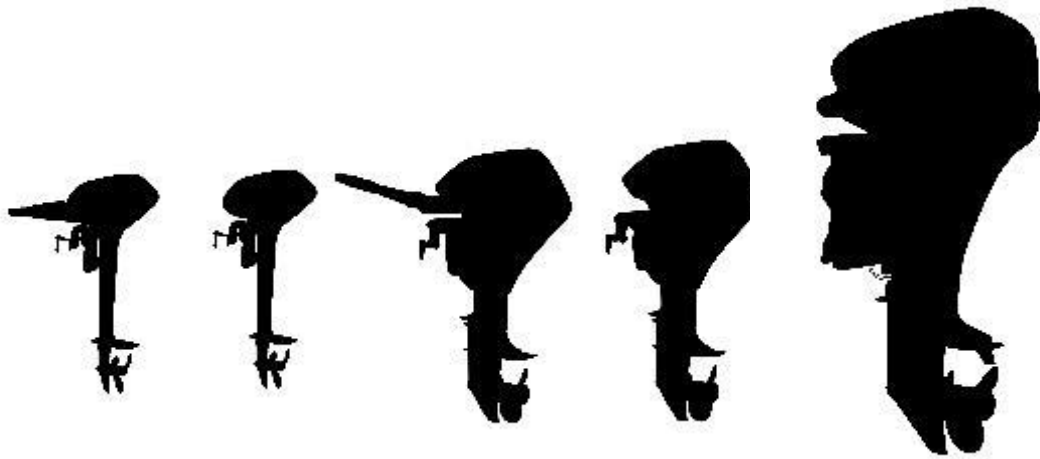
Product plan until FY2030 (Global)

Introduction of first battery EV in
FY2024

Battery EV lineup

Powertrain ratio

Introduce 5 models



Clean Ocean Project

SUZUKI CLEAN-UP THE WORLD CAMPAIGN 2021

Clean-up the World Campaign

12,881 participants total from 2010

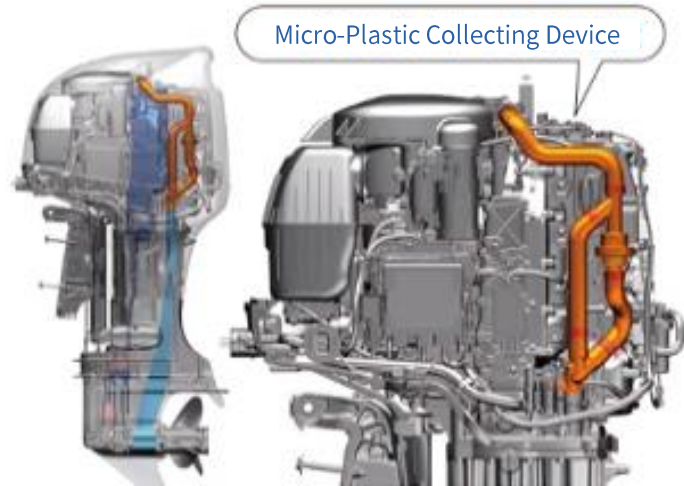


Plastic packaging reduction
23 tons total reduced from 2020

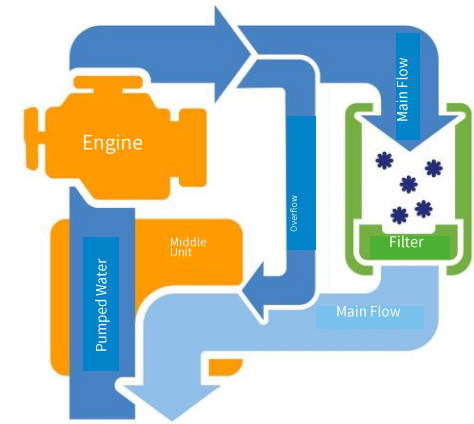


Micro-Plastic Collecting Device

Standard equipment on 5 models from July 2022



Micro-Plastic Collecting Device diagram



Carbon Neutrality | Investments Related to Electrification

Resource investment from FY2023 to 2030

Investments related to electrification
(R&D, capital expenditures) **2 trillion Yen**

Of which, investment related to batteries **0.5 trillion Yen**

(Provided by the Cabinet Public Affairs Office)



TDSG: Cell production started in March 2021



Signed MOU with the State of Gujarat for Electric Vehicles and Batteries Manufacturing in India

Carbon Neutrality | Electric Mobility Product Lineup



Solving
social issues

Customer
needs

New market



Lifestyle support with
Small Mobility



Carbon neutrality of domestic plants

FY2035

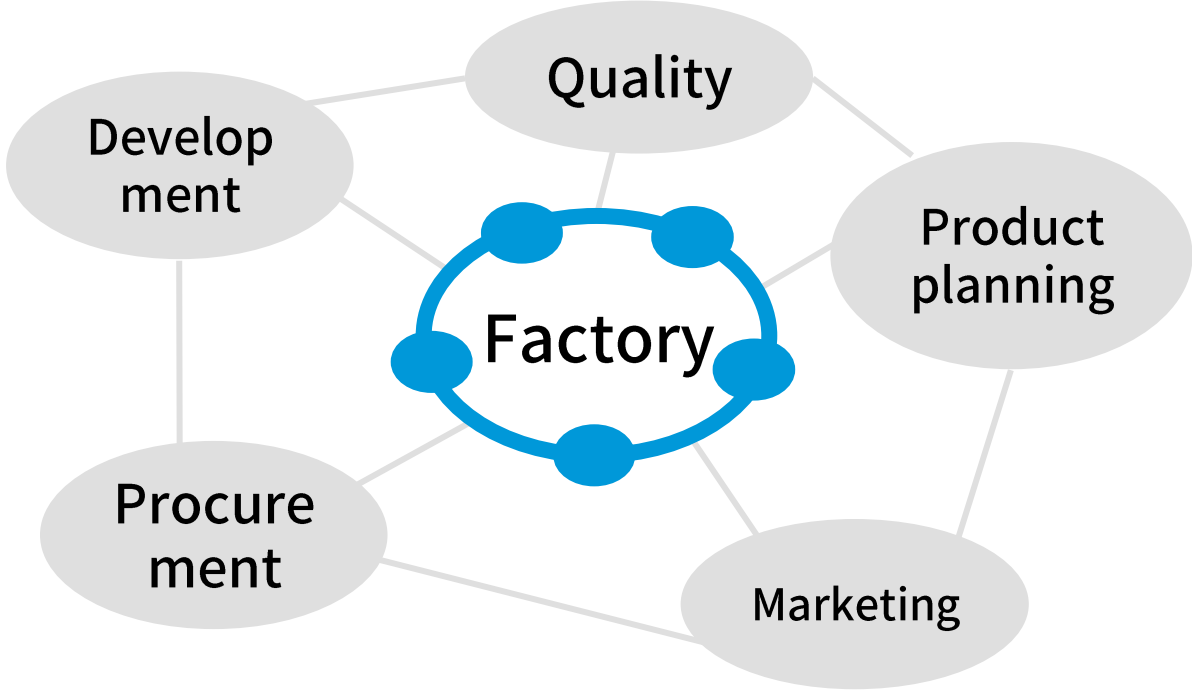
CO₂ emission reduction
+ Provide value-packed products and services to customers

“Sho-Sho-Kei-Tan-Bi”
(Smaller, Fewer, Lighter, Shorter, Beauty)

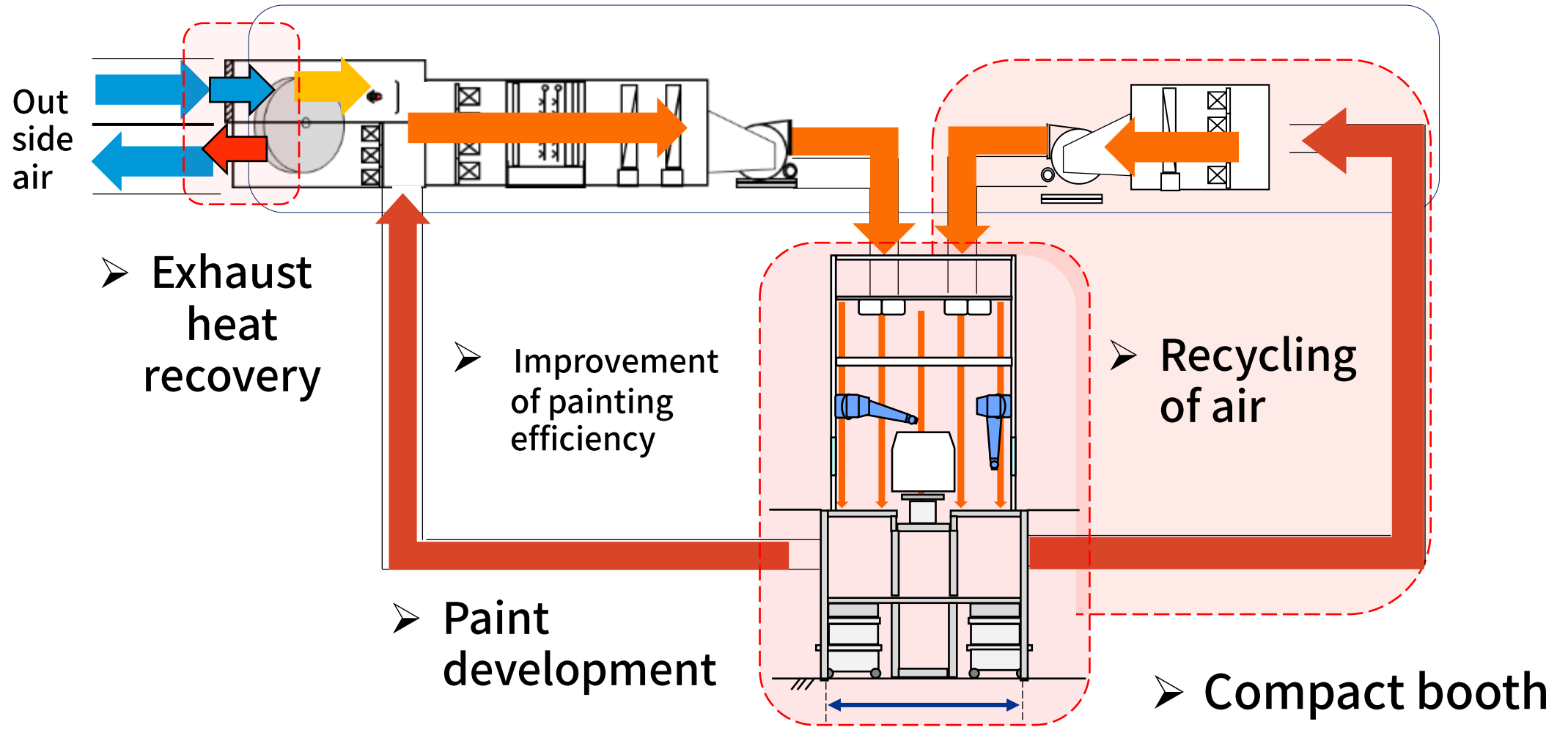
Promote digitalization

Lean Increase product value

Strengthen data linkage among departments



Reduce CO₂ emission from paint shop by 30% from FY2016 to 2025



Promote carbon neutrality of plants



Wind power generation



Solar power generation



Hydrogen generator

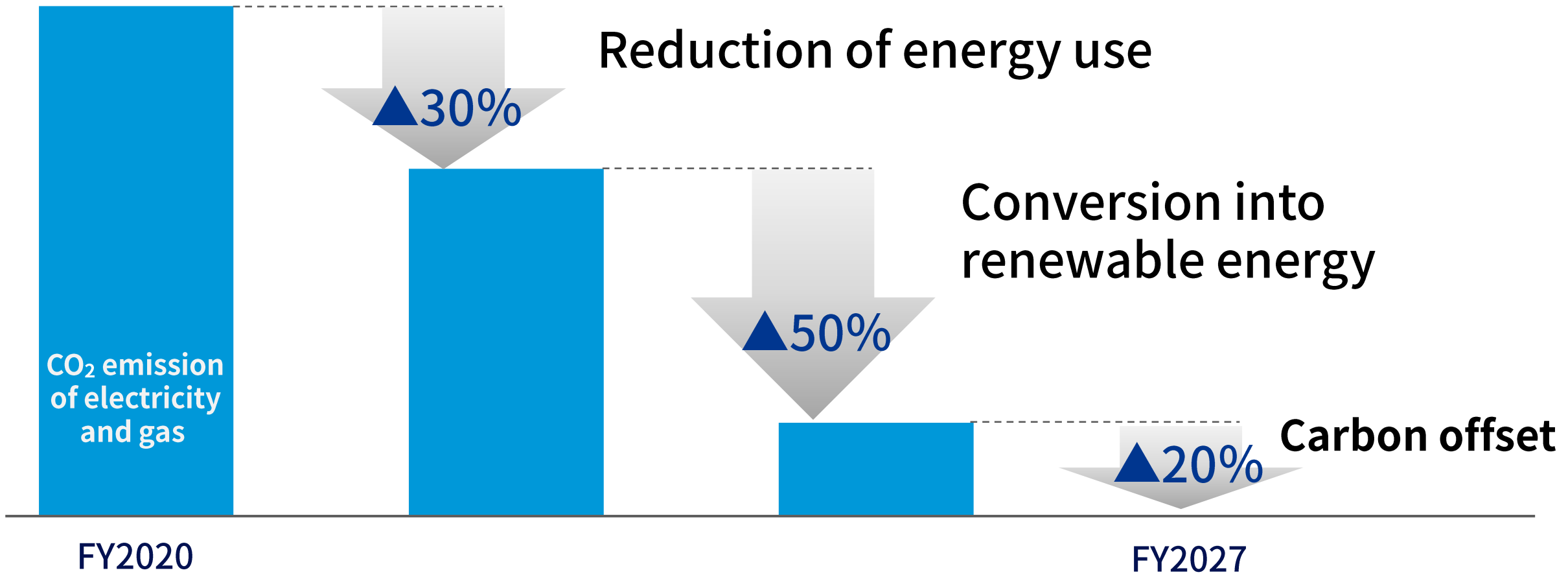


Fuel cell transporter

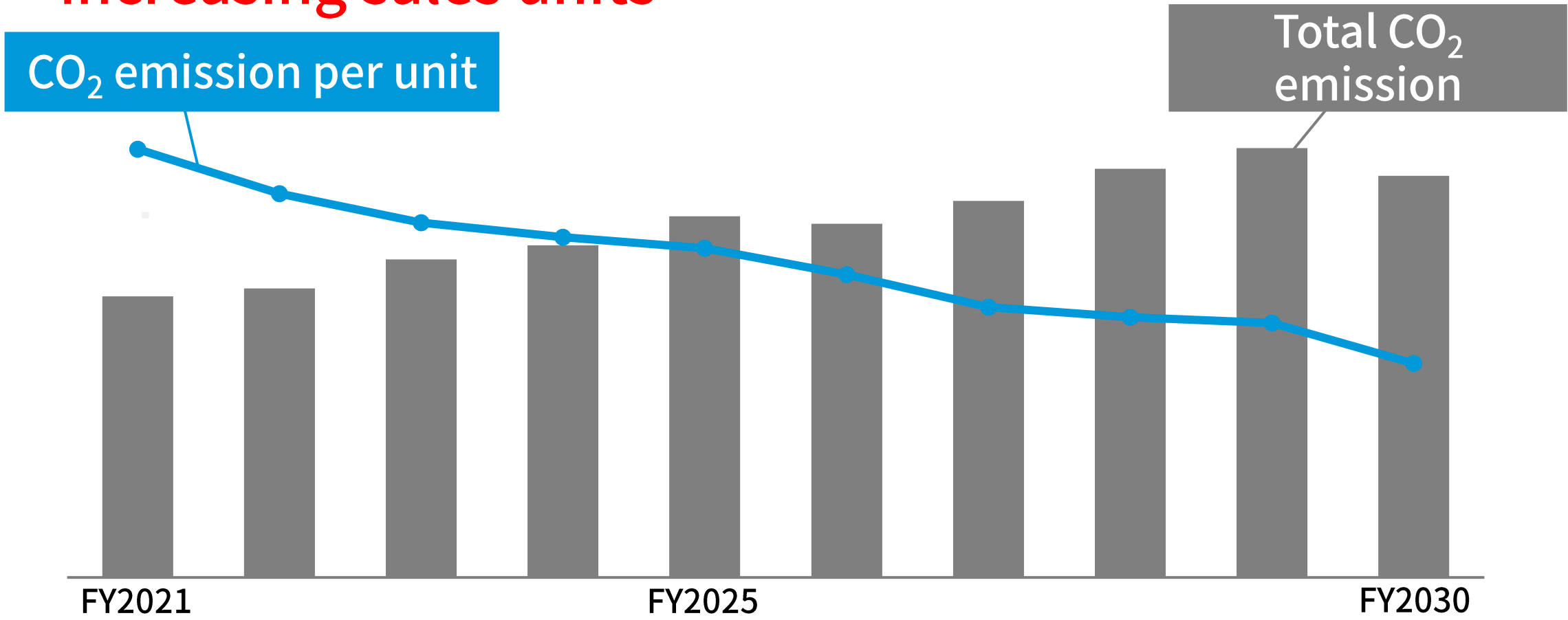


Hydrogen burner:
Painting process, etc.

Carbon neutrality of Hamamatsu Plant in 2030 → **FY2027**

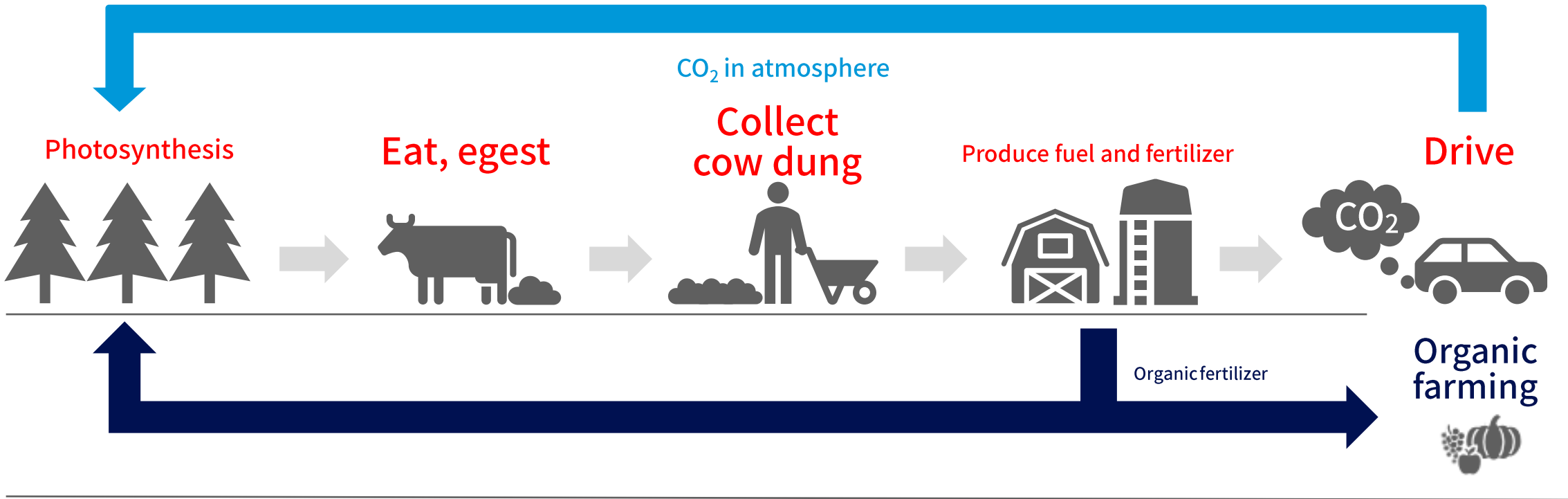


Challenge for reduction of CO₂ emission while increasing sales units



Production and supply of biogas fuel derived from cow dung

Solution to achieve carbon neutrality suited for India



Cow dungs from 10 cows in 1 day ≙ Fuel supply of 1 car in 1 day



Carbon Neutrality | Progress of Biogas Business

August 2022

Signed a MoU with the Indian government agency* to start a Biogas Demonstration Project

*National Dairy Development Board

October 2022

Investment in Fujisan Asagiri Biomass LLC.

Event to commemorate Suzuki's 40th anniversary of its Indian business (India)



Photo credit – Press Information Bureau Government of India

Signing of MoU with Indian government agency (India)



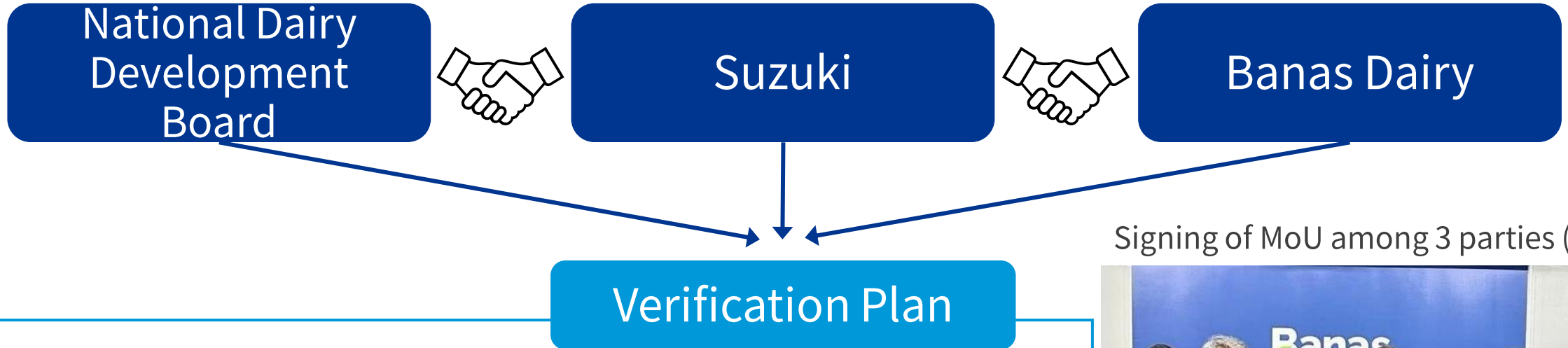
Fujisan Asagiri Biomass LLC. (Japan)



Carbon Neutrality | Biogas Verification Plan

December 2022

Signing of MoU among 3 parties including the largest dairy manufacturer in Asia



Location: Banaskantha, Gujarat, India

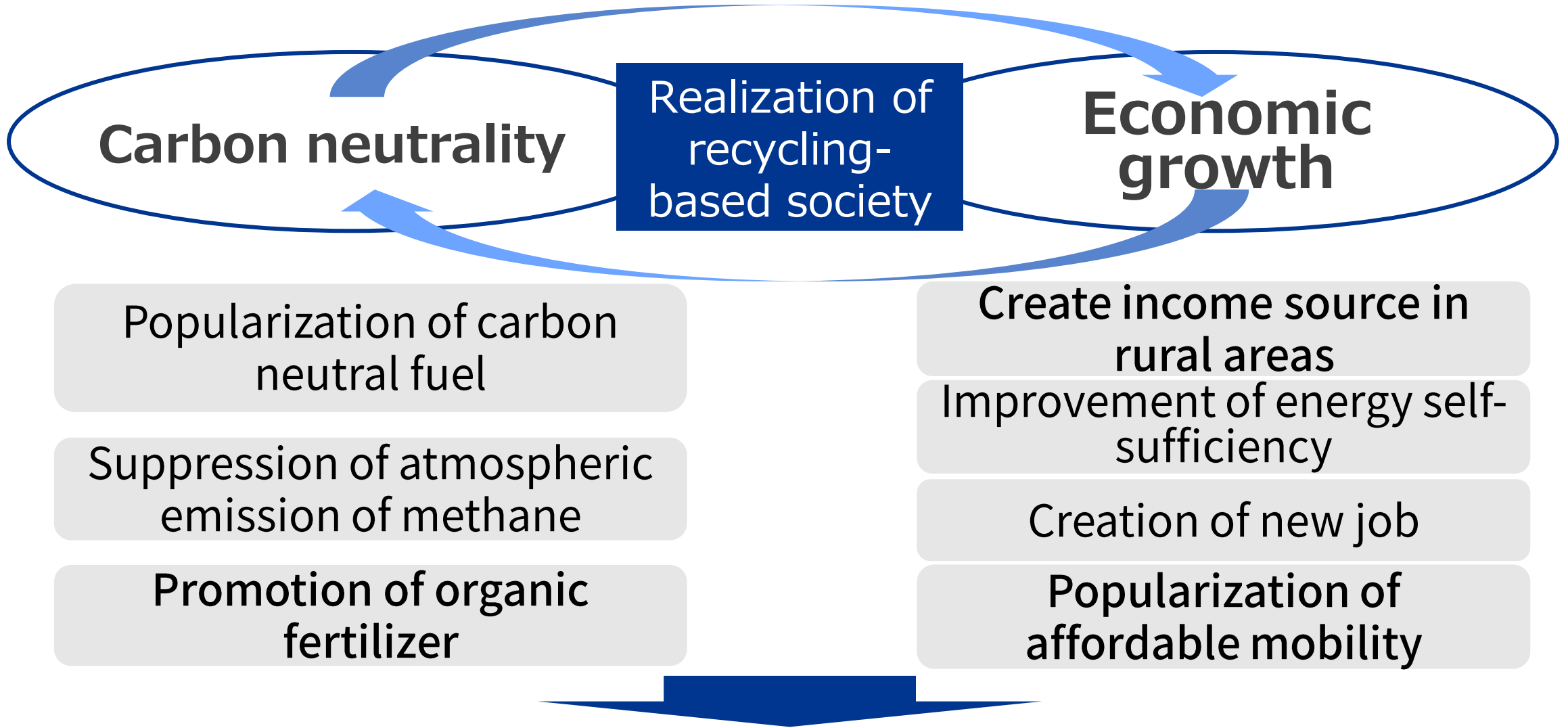
Scale: Biogas production amount approx. 1,500kg/day

≡ fuel supply for approx. 500 units of CNG cars

Schedule: Start operation from mid 2024

Signing of MoU among 3 parties (India)





Contribute to Suzuki's stakeholders throughout the world

3. Resources

Contribute to the environment through smaller products

Contribute to the economic development of emerging countries

Provide economically competitive and high-quality products and services

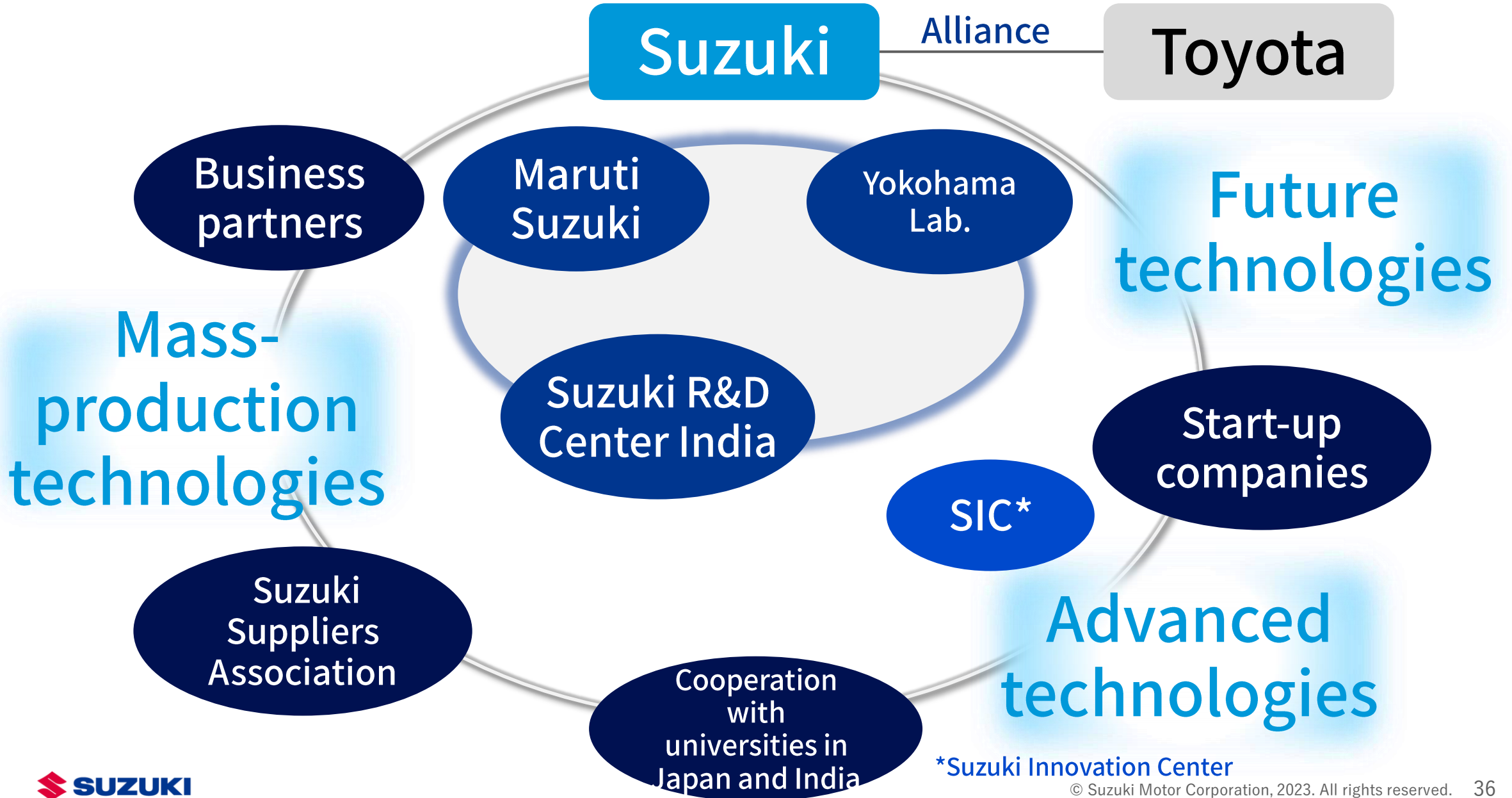
Suzuki's unique value that combines its strengths to provide a means of mobility and support people's lives

Engage in manufacturing that excites and touches people's lives

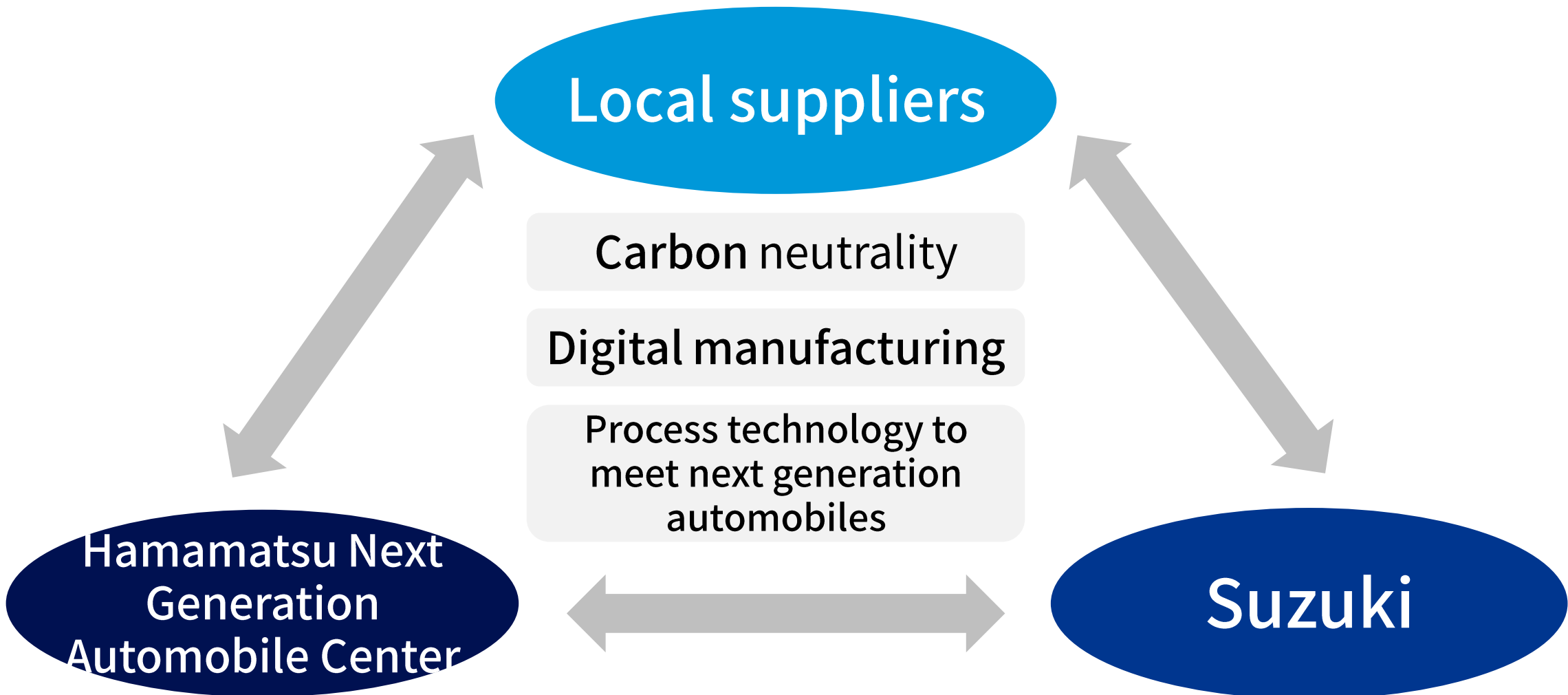
Provide an indispensable means of mobility for local communities and people

Resources | Direction of Product and Technology Development





Strengthen local industry level



Research on the efficient production of fuel

ENEOS

Suzuki

SUBARU

Daihatsu

Toyota

Toyota Tsusho

Research on
Efficient Ethanol
Production
Systems

Research on
Byproduct Oxygen,
CO₂ Capture, and
Utilization

Research on the
Efficient Operation
of the Overall
System, Including
Fuel Utilization

Research on
Efficient Raw
Material Crop
Cultivation
Methods

“Compete and Cooperate” for sustainable growth and conquering various issues

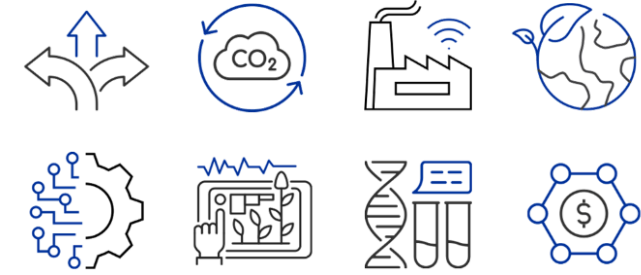
Collaboration in
advanced technologies

Business expansion in
emerging countries

Carbon neutrality in India and
formation of recycling-based
society

- Autonomous and advanced safety technologies
- Battery of electrified cars
- Mutual supply of electrified cars centered in India
- Promote market development in Africa
- Promote popularization of bio-fuel
- Initiatives for recycling

Resources | Co-creation with Start-up Companies



 **SKYDRIVE**



Applied EV



 **HAKUTO-R**



 **m2Labo.**
AGRINNOVATION



Suzuki Global Ventures

 **Power X**





Find out how you can own a vehicle and drive with our partner programs in just five days.

[GET STARTED](#)



[Apply to Move](#)



[Get verified](#)



[Start driving](#)

Investment of resources from FY2023 to 2030

R&D Expenses **2 trillion Yen**

Carbon neutrality, software

- Electrification, cow dung biogas, etc.
- Autonomous, advanced safety technologies development, etc.

Capital Expenditures **2.5 trillion Yen**

- Construction of battery EV plant
- Renewable energy facilities, etc.

4.5 trillion Yen

(Of which electrification-related investment 2 trillion Yen (incl. batteries-related investment 0.5 trillion Yen))

4. Growth Target

Remain Indispensable to People

Structure reform

Corporate culture reform

Nurturing human resources

DX promotion

Risk mitigation

Semi-conductor and component shortage

Raw material price increase

Secure quality

Compliance to laws

Seeding for the future

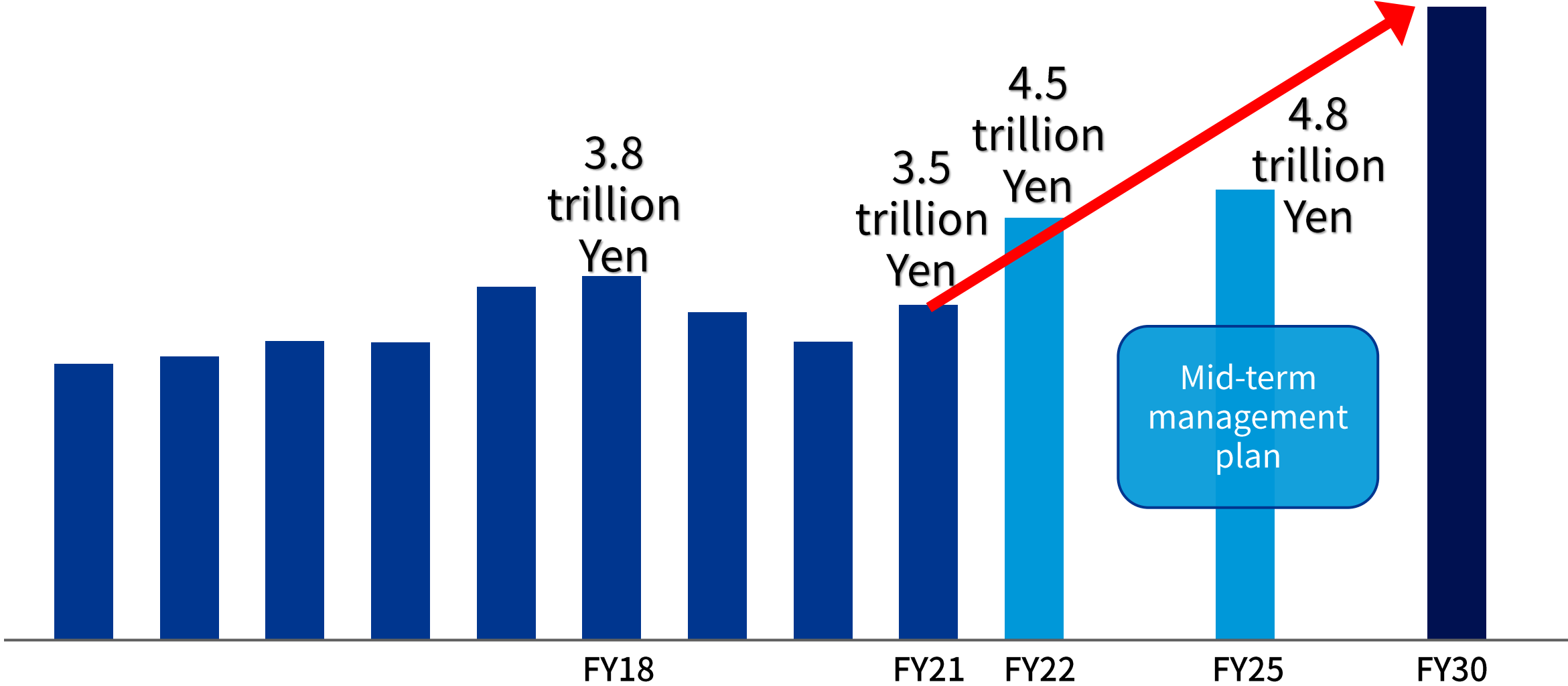
Carbon neutrality

CASE

Reviewing R&D

Strengthening alliance

7 trillion Yen



Mission Statement

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

Three Actuals
(Place, Thing,
Situation)

社是
一 消費者の立場になって
価値ある製品を作ろう
二 協力一致で新しい会社を
建設しよう
三 自己の向上にとつとめ常に
意欲的に前進しよう

Sho-Sho-Kei-Tan-Bi
(Smaller, Fewer,
Lighter, Shorter,
Beauty)

Lean
Management

Philosophy of Conduct



Lifestyle Partner



