# **Suzuki Motor Corporation - Climate Change 2020**

## **C0. Introduction**

## **C0.1**

### **(C0.1) Give a general description and introduction to your organization.**

Established in March 1920 (Taisho 9) as Suzukishiki-Oriki Co., Ltd. The company name was changed to SUZUKI Motor Co., Ltd. in June 1954 (Showa 29). October 1990 (Heisei 2) Changed the company name to SUZUKI Co., Ltd. Our main business is to manufacture and sell four-wheeled vehicles, motorcycles, outboard machines, electric wheelchairs, etc. In addition, we develop logistics and other services related to each business. The company's capital is 138.2 billion yen, sales are 3,871.5 billion yen, operating income is 324.4 billion yen, net income is 178.8 billion yen, and the number of employees is 67,721, both as of the end of March 2019. Net sales, operating income, net income, and number of employees are consolidated total).

## **C0.2**

### **(C0.2) State the start and end date of the year for which you are reporting data.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Start date** | **End date** | **Indicate if you are providing emissions data for past reporting years** | **Select the number of past reporting years you will be providing emissions data for** |
| Reporting year | April 1 2018 | March 31 2019 | No | <Not Applicable> |

## **C0.3**

### **(C0.3) Select the countries/areas for which you will be supplying data.**

Australia

Austria

Belgium

Cambodia

Canada

China

Colombia

France

Germany

Hungary

India

Indonesia

Italy

Japan

Mexico

Myanmar

New Zealand

Pakistan

Philippines

Poland

South Africa

Spain

Taiwan, Greater China

Thailand

United Kingdom of Great Britain and Northern Ireland

United States of America

Viet Nam

## **C0.4**

### **(C0.4) Select the currency used for all financial information disclosed throughout your response.**

JPY

## **C0.5**

### **(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Equity share

## **C-TO0.7/C-TS0.7**

### **(C-TO0.7/C-TS0.7) For which transport modes will you be providing data?**

Light Duty Vehicles (LDV)

## **C1. Governance**

## **C1.1**

### **(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

## **C1.1a**

### **(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

|  |  |
| --- | --- |
| **Position of individual(s)** | **Please explain** |
| President | We clearly recognize climate change as a risk and opportunity associated with our business. In April 2001, Suzuki established the "Suzuki Environmental Committee" as the highest decision-making body in the environmental management system of the entire group. The Chairman of the Environmental Committee is the President and Representative Director, and the members of the committee are directors. The committee deliberates and decides on important issues related to the environment (Formulation of policies and plans, confirmation of progress on existing issues, etc.). In addition to the contents of the resolutions of the "Suzuki Environmental Committee" and matters related to management, important matters related to environmental issues such as climate change are reported to the Board of Directors (8 directors (2 of which are outside directors)) and discussed and resolved. After discussions at the Board of Directors, Suzuki agreed to the TCFD proposal in April 2020. |

## **C1.1b**

### **(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

|  |  |  |  |
| --- | --- | --- | --- |
| **Frequency with which climate-related issues are a scheduled agenda item** | **Governance mechanisms into which climate-related issues are integrated** | **Scope of board-level oversight** | **Please explain** |
| Scheduled – some meetings | Reviewing and guiding strategy  Monitoring and overseeing progress against goals and targets for addressing climate-related issues | <Not Applicable> | Suzuki holds the "Suzuki Environmental Committee" twice a year, to report the following contents on environmental issues including climate change, and receives instructions from the chairman of the Environmental Committee (President) and the members (Managing Director and General Manager of Headquarters). In addition to the contents of the resolutions of the "Suzuki Environmental Committee" and matters related to management, global environmental issues are reported from the president to the Board of Directors (8 directors (2 of which are outside directors)) for deliberation. 1)Deliberation and decision on the long-term environmental vision and the next environmental plan In formulating a vision to show suzuki's direction to address global environmental issues from a long-term perspective, climate change issues have been recognized and approved as the most important issues in Suzuki's business activities. In addition, the long-term environmental vision and the next environmental plan were discussed by the Environmental Committee after the working group discussed the CO2 target values. The results of deliberations by the Environmental Committee were reported to the Board of Directors. The Board of Directors has instructed to set higher targets for CO2 emissions reduction, etc., and the target values were reviewed. 2)Evaluation of "Suzuki Environmental Plan 2020" We evaluate progress on climate change-related targets, such as reducing GHG emissions in factories, offices, and logistics, and improving automobile fuel efficiency. If the target is not achieved, the relevant department will be given instructions as necessary. |

## **C1.2**

### **(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name of the position(s) and/or committee(s)** | **Reporting line** | **Responsibility** | **Coverage of responsibility** | **Frequency of reporting to the board on climate-related issues** |
| President | <Not Applicable> | Both assessing and managing climate-related risks and opportunities | <Not Applicable> | Half-yearly |

## **C1.2a**

### **(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

[Positioning] Suzuki’s highest decision-making body for the environmental issues is the Board of Directors. Under this, the "Suzuki Environmental Committee" chaired by the President and Representative Director, deliberates and decides on how to respond to environmental issues such as climate change. Since the President and Representative Director, who has substantial command and command authority of the Company, chairs the Suzuki Environmental Committee, Suzuki has a system in place to steadily promote the Suzuki Environmental Plan 2020, the medium-term environmental target by 2020.

[Responsibility] The chairman of the Suzuki Environment Committee is the President and Representative Director, he also is the ultimate director of climate related issues at a lower level than the Board of Directors. The President and Representative Director recognizes Environmental issues including climate change as the most important issues in Suzuki's business activities. In addition, although climate change issues are risks that affect Suzuki's business activities and business performance, he is clearly aware that responding to these issues correctly will lead to sales opportunities. Because climate change issues have a significant impact on the performance of the entire Suzuki Group, the "Suzuki Environmental Committee" discusses and decides on matters such as setting environmental policies and GHG emission reduction targets, monitoring progress, and measures to be taken to achieve the targets. The resolutions are agreed upon by Suzuki's Environmental Committee Chairman and reported to the Board of Directors. In order to realize the society in which the survival and sustainable development of the company are possible, Suzuki has implemented the PDCA cycle throughout the company, and has promoted responses to environmental issues including climate change under the strong leadership of the top management of the company.

## **C1.3**

### **(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

|  |  |  |
| --- | --- | --- |
|  | **Provide incentives for the management of climate-related issues** | **Comment** |
| Row 1 | Yes |  |

## **C1.3a**

### **(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

|  |  |  |  |
| --- | --- | --- | --- |
| **Entitled to incentive** | **Type of incentive** | **Activity inventivized** | **Comment** |
| Other, please specify (This program is for employees of SUZUKI Corporation, excluding managers, or groups and groups to which employees belong.) | Monetary reward | Emissions reduction project  Energy reduction project  Efficiency project | This program is for employees of SUZUKI Corporation, excluding managers, or groups and groups to which employees belong. In accordance with the following selection criteria for energy reduction initiatives and the development of fuel efficiency improvement technologies for products, the awards are given in three categories: Grand Award, First Award, and the Excellence Award. ・When a significant result is achieved in the increase of production or the increase in efficiency. ・When increase of credit or profit, or improvement and progress of technology and products is made by a beneficial invention or improvement. ・When it is recognized, as a result of adoption or examination, that there is a significant effect by a proposal for improvement, idea, or opinion. |
| Other, please specify (スズキグループ会社の従業員、または従業員所属する団体・グループ) | Monetary reward | Emissions reduction project  Energy reduction project  Efficiency project | This program is for local employees of SUZUKI Group companies. In accordance with the following selection criteria for energy reduction initiatives and the development of fuel efficiency improvement technologies for products, the award is given in the category of "Best Domestic and Overseas Subsidiary Award". ・When a significant result is achieved in the increase of production or the increase in efficiency. ・When increase of credit or profit, or improvement and progress of technology and products is made by a beneficial invention or improvement. ・When it is recognized, as a result of adoption or examination, that there is a significant effect by a proposal for improvement, idea, or opinion. |

## **C2. Risks and opportunities**

## **C2.1**

### **(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

## **C2.1a**

### **(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **From (years)** | **To (years)** | **Comment** |
| Short-term | 0 | 1 | By backcasting the targets from SUZUKI Environmental Plan 2020, a five-year medium-term plan for fiscal 2016 to FISCAL 2020, each department is making short-term annual plans. The progress of the environmental plans is published and managed annually by the SUZUKI CSR and Environmental Reports. |
| Medium-term | 1 | 5 | This corresponds to the period of "Suzuki Environmental Plan 2020". The progress of the initiatives is evaluated by the Suzuki Environmental Committee and published annually in the Suzuki CSR and Environmental Report. In the year when the plan is final, the Suzuki Environmental Committee will evaluate the summary and publish the results in the Suzuki CSR and Environmental Report. |
| Long-term | 5 |  | Suzuki considers the long term to be a span of more than five years. |

## **C2.1b**

### **(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

In the event of a natural disaster caused by climate change, it will be difficult for automakers to engage in production and sales activities as we do now. The Indian four-wheel market is Suzuki's most important market, accounting for more than 30% of consolidated sales. Therefore, Suzuki defines great finances and strategitic impact as things such as disasters that suspend production, like water shortages, floods or heat waves in India.

In India is a country with very high physical risks due to severe water shortages, floods, and heat waves that occur every year, and the following are expected to occur if climate change measures are not taken in the future.

・Automobile production requires a large amount of water in the painting process, but if a drought occurs, there is a possibility that there will be insufficient water supply and the plant production line will stop.

・In monsoon-sensitive areas, heavy rains are very likely to cause flooding. For example, if a customer is affected by a flood, parts supply may be delayed and production lines at Suzuki's plants may stop.

・There are places where the temperature exceeds 50 ° C, and if such a heat wave occurs, it may affect the health of employees and result in a labor shortage.

For this reason, in formulating the long-term environmental vision and the next environmental plan, Suzuki has conducted a climate change risk analysis of India, and set target values in consideration of the analysis results.

The impact of the new coronavirus, currently circulating around the world, has affected Suzuki's finances as it hit the Indian market. In the first half of 2020, production stopped at plants in India and all over the world due to the influence of a new coronavirus. As a result, consolidated sales of the automobile business in the April-June period of 2020 were -449.6 billion yen compared with the same period of 2019, and of this, sales in the Indian market decreased by 234.8 billion yen.

For this reason, if the Indian market is damaged, it will have a very significant impact on Suzuki's finances.

## **C2.2**

### **(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

### **Value chain stage(s) covered**

Direct operations

### **Risk management process**

Integrated into multi-disciplinary company-wide risk management process

### **Frequency of assessment**

More than once a year

### **Time horizon(s) covered**

Short-term

Medium-term

Long-term

### **Description of process**

1. Process of determining that climate change risks and opportunities affect finance and strategy We specify and evaluate all environmental risks such as climate change in consideration of external evaluations by ESG investors and new social expectations and requests such as of SDGs. With regard to the climate change issues specified and evaluated above, we are prioritizing on two axes: "Importance in business activity of SUZUKI (development, supply, production, physical distribution and sale, etc.)" and "Importance to stakeholders", and conduct materiality evaluations based upon these priorities. We set environmental targets for the entire company based on the important issues extracted by the materiality evaluation. Each division sets targets based on the targets of the entire company, and each headquarters develops a plan in line with the targets. Progress of the program is checked by the SUZUKI Environmental Committee. We are currently considering ways to assess risks that the future climate change situation and the following changes in laws and regulations will have on SUZUKI’s business activities in anticipation of the world in 2050. 2. Case study of physical risk and opportunity In recent years, natural disasters such as floods have occurred in various parts of Japan due to large typhoons and guerrilla downpours. In the wake of the Great East Japan Earthquake in 2011 and flood damage at the Thai motorcycle plant, we have conducted risk assessments, including for natural disasters such as tsunami and abnormal weather, and restructured our Risk Management System within the company to strengthen BCP measures at our offices in Japan. As the result of the risk assessments, it is confirmed that matters evaluated as high urgency and importance will be immediately reported to the Board of Directors and management meetings to be discussed and resolved. As for reducing flood damage caused by abnormal weather such as guerrilla rains or by great earthquakes, the head office Takatsuka Plant and the Toyokawa plant in Toyokawa City, Aichi Prefecture were relocated to higher ground in the Miyakoda area of Hamamatsu City (more than 50 m above sea level). 3. Case study of Transition Risk and Opportunity SUZUKI manufactures two-wheeled, four-wheeled, outboard engine, globally in various countries and regions, mainly in Asia. These countries and regions have various regulations and targets, including regulations on CO2 emissions for products. For example, CAFE (Corporate Average Fuel Economy) regulations for four-wheeled vehicles in the USA have been introduced in the EU, and Japan has also decided to adopt the regulation after 2020. If SUZUKI fails to meet the CAFE regulations, there are risks of fine, loss of sales opportunities, and damage the corporate image. Information on fuel efficiency regulations is collected by the Regulatory Certification department and Sales department through agents and expatriates in each country, and information is reported to related departments such as design and development departments. After the development meetings seek and decide how to respond to these information, the information is passed to the Board of Directors and management meetings, and after deliberations and resolutions, it is reflected in product development to minimize risk. SUZUKI has also set a target to reduce CO2 emissions when using four-wheeled vehicles worldwide under the SUZUKI Environmental Plan 2020, a medium-term environmental target for 2020, at the SUZUKI Environmental Committee. Based on this target, each department has made plans, proceeded with concrete initiatives, and confirmed this progress at the SUZUKI Environmental Committee once every six months.

## **C2.2a**

### **(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

|  |  |  |
| --- | --- | --- |
|  | **Relevance & inclusion** | **Please explain** |
| Current regulation | Relevant, always included | Suzuki's products are sold in various countries and regions around the world, and regulations related to climate change, such as exhaust emissions and fuel efficiency, may adversely affect Suzuki's business, financial and business performance. For example, the EU has tightened fuel efficiency regulations. If Suzuki products fail to comply with this regulation, there is a risk of being punished with a large amount of fines. This could also have an impact on sales and stock prices. In order to avoid these risks, the Legal Certification Division collects legal information through distributors in each country. Based on this information, product development meetings will examine how to respond to laws and regulations. The results of the examination will be reported and discussed by the Board of Directors and the Management Committee, and will be reflected in Suzuki's product development. |
| Emerging regulation | Relevant, always included | The global trend toward powertrain electrification could affect Suzuki's business, financial and business performance. For example, Maruti Suzuki India has a market share of over 50% in India in the reporting year and accounts for approximately 30% of Suzuki's consolidated sales. Currently, there is a movement in India to promote the spread of EV vehicles toward 2030, but if Suzuki fails to cope with this trend, it could lead to a decline in market share and a decline in sales. To avoid such risks, Suzuki obtains information from local subsidiaries such as Maruti Suzuki India Ltd., and is considering countermeasures. The Corporate Planning Office deliberates on the amount of investment and how to respond to these measures, and the results are reported and deliberated on to the Board of Directors and management meetings. The results of the deliberations are reflected in Suzuki's management plan and business plan. |
| Technology | Relevant, always included | The global trend toward powertrain electrification could affect Suzuki's business, financial and business performance. In order for Suzuki to respond to this trend, there are management risks such as increased research and development, investment in new facilities, and securing and developing human resources. These risks will be considered for the equipment, personnel, costs, and duration required by the technical, production, and commodity planning departments. The results are reported and deliberated by the Board of Directors and the Management Committee and reflected in the business plan. Examples of risk management include a capital alliance with Toyota, participation in EV C.A. Sporit, and establishment of a joint venture for manufacturing automotive lithium-ion battery packs for automobiles by SUZUKI, TOSHIBA and Denso in India. |
| Legal | Relevant, always included | To reduce the impact of climate change, CO2 emission regulations have been strengthened all over the world. But cheating to clear tough regulations could lead to lawsuits from consumers, shareholders and other stakeholders. For example, in the case of such a falsification of CO2 emission test data, there is a possibility that the used car price will fall due to the damage of the brand. In addition, in the event of such an incident, there is a possibility that the company will be subject to a large-scale recall or order for business improvement, and further lawsuits can be anticipated. Suzuki is working to prevent illegal acts from happening again in the company, for falsification of fuel efficiency test data was found at one of our plants in 2016 and falsification of completion inspection data in 2018. |
| Market | Relevant, always included | Suzuki strives to produce products that meet the needs of customers in each country. For example, in India, due to worsening air pollution, there is a growing need for environmentally friendly vehicles such as HEVs and EVs for environmental protection. Currently, Suzuki's share of the Indian automobile market exceeds 50%, but if we cannot bring products that meet customer needs to the market, there is a risk that our business performance will be affected, such as a decrease in sales. To avoid such risk, Suzuki is conducting demonstration tests using a prototype EV based on Wagon R with the aim of launching an EV in India. This demonstration tests are widely carried out under severe climatic and topographical conditions in India, and are aimed at obtaining important data for establishing electric powertrain technology in India. And, the data collection based on the viewpoint of the customer is also carried out from this prototype EV. In this way, we are developing reliable EVs that are accepted by many users. Also, as the EV market is expanding in Europe, Suzuki decided to sell PHEV by OEM supply based on the capital alliance with Toyota. |
| Reputation | Relevant, always included | As the "ESG Investment" has expanded globally, investors are increasingly demanding the disclosure of corporate climate-related information to serve as investment criteria. If suzuki's approach to climate-related issues, disclosure information, and low valuations of CDP and MSCI are judged not to meet the needs of ESG investors, there is a risk of impacting Suzuki's corporate value, such as the possibility of withdrawal of investment by ESG investors, a decline in stock prices, and a decline in brand image. The Corporate Planning Department gathers information and analyzes what is required of Suzuki as a company through dialogue with investors and other stakeholders. The results of the analysis are reported to and discussed by the Board of Directors and the Management Committee, and reflected in Suzuki's IR strategy. As one of the cases reflected in Suzuki's IR strategy, we endorsed the TCFD proposal in April 2020. |
| Acute physical | Relevant, always included | Floods caused by major typhoons and guerrilla downpours in various parts of Japan in recent years are a risk that can occur due to climate change. In 2011, Suzuki's motorcycle plant in Thailand was damaged by a flood and lost 2.4 billion yen. BCP measures were also reexamined in the office of Suzuki in Japan from this lesson. In order to avoid the risk of such natural disasters in Japan, the department in charge extracts risks related to the location of business establishments in Japan and prepares specific BCP measures. The results of the risk assessment were reported and discussed by the Board of Directors and the Management Committee. As a result, the motorcycle plant and production plant were relocated to higher ground, and the floodgates and concrete-block walls on the boundary line of the site were raised as measures against flooding within the headquarters site. In addition, in order to continue R & D in the event of a disaster at a research center in Japan, a research and development center with the same four-wheel development function as in Japan has been established in Rotak, Haryana, India. |
| Chronic physical | Relevant, always included | One of the possible risks of climate change is drought risk. Automobile production requires a large amount of water in the painting process. The automobile business in India occupies over 30% of the Suzuki sales in the reporting year. There is a serious water shortage in India, and if we cannot secure enough water for automobile production, we are at risk of stopping production, which may affect our sales. For this reason, Maruti Suzuki India Ltd. in India, where permanent supply of inductrial water is difficult, has installed water circulation facilities from the beginning to prepare for water shortages. In the future, if climate change progresses in other regions as well as India, there is a risk that water risks will become apparent, so we collect information from subsidiaries and proceed with analysis using WRI "Aqueduct" to take measures. In Japan, once a year, we encourage our major suppliers to use the WRI "Aqueduct" tool to make them aware of what kind of water risks are hidden in their bases. |

## **C2.3**

### **(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## **C2.3a**

### **(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

### **Identifier**

Risk 1

### **Where in the value chain does the risk driver occur?**

Direct operations

### **Risk type & Primary climate-related risk driver**

|  |  |
| --- | --- |
| Current regulation | Mandates on and regulation of existing products and services |

### **Primary potential financial impact**

Increased indirect (operating) costs

### **Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

### **Company-specific description**

Since the Paris Agreement, there has been an acceleration of decarbonization in the automobile industry. For example, the EU tightened its 2021 CO2 emissions regulations. The stricter regulations are designed to reduce CO2 emissions per 1 km of driving to 95 g/km or less on average for manufacturers selling vehicles in Europe. If Suzuki fails to meet the EU's CO2 emission standards, it could be fined €95 per vehicle for every gram exceeding the standard.

### **Time horizon**

Short-term

### **Likelihood**

Virtually certain

### **Magnitude of impact**

High

### **Are you able to provide a potential financial impact figure?**

Yes, an estimated range

### **Potential financial impact figure (currency)**

<Not Applicable>

### **Potential financial impact figure – minimum (currency)**

0

### **Potential financial impact figure – maximum (currency)**

3336000000

### **Explanation of financial impact figure**

For example, if an automobile company exceeds the European vehicle CO2 emissions target (120gCO2/km), a surcharge will be imposed according to the degree of excess. The unit price of the surcharge (per new car, excess 1gCO2/km) is 95 € /unit (approx. 12.350 yen). If SUZUKI is able to comply with the regulations, the financial impact will be 0 yen, which is the minimum amount. The maximum amount was calculated as the average CO2 emissions of 278,000 vehicles sold by SUZUKI in Europe in fiscal 2018 exceeded 1 gCO2/km.

### **Cost of response to risk**

55640000000

### **Description of response and explanation of cost calculation**

Suzuki collects information on new laws and regulations through its European offices, the Japan Automobile Manufacturers Association, the European Automobile Manufacturers Association, and agencies in each country, and disseminates this information to related departments. Development will be carried out at the target site to ensure compliance with laws and regulations by the start date. Also, Suzuki decided to sell PHEV by OEM supply based on the capital partnership with Toyota. The environmental costs at Suzuki's head office in FY 2018, including costs related to the improvement of fuel efficiency of gasoline-powered vehicles, measures against exhaust emissions, and the development of next-generation vehicles, are described as the management costs.

### **Comment**

### **Identifier**

Risk 2

### **Where in the value chain does the risk driver occur?**

Direct operations

### **Risk type & Primary climate-related risk driver**

|  |  |
| --- | --- |
| Acute physical | Increased severity and frequency of extreme weather events such as cyclones and floods |

### **Primary potential financial impact**

Decreased revenues due to reduced production capacity

### **Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

### **Company-specific description**

In recent years, floods and other disasters have occurred frequently in many parts of the world due to extreme weather (typhoons and heavy downpours) that are thought to be affected by climate change. Currently, SUZUKI is expanding its business activities globally around the world, with the majority of its activities in India and other Asian regions. If a typhoon or heavy downpour hits a production base directly, there is a possibility that delays or outages in the purchase or production of raw materials and parts, in sales of products, and in the provision of logistics and services, may occur not only in Japan but also at overseas bases. In addition, even if SUZUKI’s production base is not directly affected, it could be affected in the same or other way if suppliers are damaged. If these physical effects cause delays or outages, and the time to recover is prolonged further, it may adversely affect SUZUKI's performance and financial position.

### **Time horizon**

Short-term

### **Likelihood**

Likely

### **Magnitude of impact**

Medium-high

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

2400000000

### **Potential financial impact figure – minimum (currency)**

<Not Applicable>

### **Potential financial impact figure – maximum (currency)**

<Not Applicable>

### **Explanation of financial impact figure**

The massive flooding in north central Thailand in October 2011 caused delays and outages in parts procurement at Thai SUZUKI Motor Co, Ltd. (TSM), a Subsidiary of Thailand, which manufactures and sells motorcycles and outboard vehicles. As a result, TSM's plant operations were suspended from October 12 to November 30, 2011. Operating income for the two-wheeled business in fiscal 2011 improved by 8.4 billion yen compared to the previous fiscal year, but operating losses of 2.4 billion yen were incurred due to the impact of large-scale floods in Thailand [including the effects of the strong yen], and the amount of loss was stated as the potential financial impact.

### **Cost of response to risk**

61000000000

### **Description of response and explanation of cost calculation**

For minimizing the impact of disaster risks such as floods, SUZUKI has taken various preventive measures, such as participation in disaster insurance, and the diversification of production and research bases. For example, based on lessons learned from disasters such as large-scale floods in Thailand and the Great East Japan Earthquake in March 2011, we are working on disaster prevention measures at each plant, formulating a more effective business continuity plan (BCP), and working to strengthen the supply chain on a global scale. In October 2011, a large-scale flood in north central Thailand affected suppliers in Thailand, and there was a risk of shutdown not only at Thai SUZUKI Motor Co. Ltd. TSM, but also at production sites in Japan. However, since several suppliers had established an alternative supply system by the time of the disaster, the adverse effects on operations at production bases in Japan was avoided. Management costs include the relocating of the two-wheeled development and design base located a few hundred meters from the sea, and the Toyokawa plant and the two-wheeled engine plant to the high ground in the northern part of Hamamatsu City, as well as the costs incurred.

### **Comment**

The risk management expense includes the installation cost of SUZUKI's new facilities, the survey cost considering the risk of floods and heavy rains, and the cost of payment of disaster insurance.

### **Identifier**

Risk 3

### **Where in the value chain does the risk driver occur?**

Downstream

### **Risk type & Primary climate-related risk driver**

|  |  |
| --- | --- |
| Market | Changing customer behavior |

### **Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

### **Climate risk type mapped to traditional financial services industry risk classification**

<Not Applicable>

### **Company-specific description**

The introduction of carbon taxes could expand globally, with the IMF announcing the need for each country to introduce a carbon tax and raise the tax rate in order to strengthen its efforts to tackle climate change. If a carbon tax is introduced in India as part of climate change measures, it may lead to higher fuel prices by shifting the tax to fuel prices We believe that rising fossil fuel prices will increase demand for low-carbon vehicles. On the other hand, there is a huge demand for cost-effective cars in the Indian market. Therefore, in order not to lower the current 50% share of the Indian automobile market, Suzuki needs to collect information and conduct research and development in cooperation with its subsidiary Multi Suzuki India Ltd., and launch vehicles with cost performance and low carbon as required by Indian consumers in a timely manner. Suzuki develops products centered on affordable mild HEVs. However, if Suzuki is unable to introduce a product that meets the needs of the Indian market, there are risks such as a decrease in sales, market share and brand power, which may affect Suzuki's business performance.

### **Time horizon**

Short-term

### **Likelihood**

Unlikely

### **Magnitude of impact**

High

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

12528000000

### **Potential financial impact figure – minimum (currency)**

<Not Applicable>

### **Potential financial impact figure – maximum (currency)**

<Not Applicable>

### **Explanation of financial impact figure**

If Suzuki fails to respond in a timely manner to the needs of the Indian market, which is waiting to introduce environmentally friendly products, it could affect Suzuki's sales. Suzuki's four-wheel sales in the reporting year were 3,532.5 billion yen. Of this, India's automobile sales totaled 1,252.8 billion yen, accounting for about 35% of Suzuki's automobile sales. The financial impact is assumed to have affected the Indian automobile sales by 1%.

### **Cost of response to risk**

48000000000

### **Description of response and explanation of cost calculation**

Suzuki Motor Corp. has established a joint venture with Toshiba Corp. and Denso Corp. to produce lithium-ion batteries in the Indian market. In addition, in order to meet the target of the Indian government, we are developing highly reliable EVs by conducting demonstration tests using prototype EVs based on Wagon R, with the aim of launching EVs that will be accepted by consumers. Furthermore, through a capital tie-up with Toyota, Suzuki is promoting initiatives in various fields such as technological enhancement. Management costs are the cost of acquiring Toyota shares through a capital tie-up with Toyota.

### **Comment**

## **C2.4**

### **(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

## **C2.4a**

### **(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

### **Identifier**

Opp1

### **Where in the value chain does the opportunity occur?**

Direct operations

### **Opportunity type**

Products and services

### **Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

### **Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

### **Company-specific description**

In India, CO2 emissions are increasing along with the growing demand for automobile fuel, partly due to the rapid spread of automobiles. The new car market in India is the fifth largest in the world, and considering the future economic growth, the diffusion of the automobile industry is expected to increase further, which may exacerbate environmental problems. To solve this problem, Suzuki will develop and market XEV. Suzuki’s joint venture with Toshiba and Denso to produce lithium-ion batteries will enable us to manufacture low-cost batteries locally, as that we will be able to quickly develop low-cost vehicles. The low carbon and affordable vehicle can be provided to the consumer.

### **Time horizon**

Long-term

### **Likelihood**

Very likely

### **Magnitude of impact**

High

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

12528000000

### **Potential financial impact figure – minimum (currency)**

<Not Applicable>

### **Potential financial impact figure – maximum (currency)**

<Not Applicable>

### **Explanation of financial impact figure**

If Suzuki fails to respond in a timely manner to the needs of the Indian market, which is waiting to introduce environmentally friendly products, it could affect Suzuki's sales. Suzuki's four-wheel sales in the reporting year were 3,532.5 billion yen. Of this, India's automobile sales totaled 1,252.8 billion yen, accounting for about 35% of Suzuki's automobile sales. The financial impact is assumed to have affected the Indian automobile sales by 1%.

### **Cost to realize opportunity**

48000000000

### **Strategy to realize opportunity and explanation of cost calculation**

In response to the Indian market for environmental measures, Suzuki has established a joint venture with Toshiba and Denso to manufacture lithium-ion batteries. In addition, Suzuki is conducting demonstration tests using a prototype EV based on “Wagon R” with the aim of launching EV in India, and is proceeding with development of EV with high reliability that will be accepted by users in India. Suzuki has also entered into a capital tie-up with Toyota to strengthen its technologies in various fields. The management cost is the amount of the acquisition of Toyota stock by the capital alliance with Toyota.

### **Comment**

### **Identifier**

Opp2

### **Where in the value chain does the opportunity occur?**

Downstream

### **Opportunity type**

Products and services

### **Primary climate-related opportunity driver**

Development of climate adaptation, resilience and insurance risk solutions

### **Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

### **Company-specific description**

Suzuki's automobiles and motorcycles are highly reliable in the event of heavy rain, heavy typhoons or other disasters. For example, even in the event of heavy rain or typhoon due to climate change, Suzuki’s vehicles such as Jimny and Carry and Every can run stably because they have excellent running performance of bad roads. Carry and Every are also excellent in loading performance, so they play a role in transporting goods and waste in disaster areas. Furthermore, since the two-wheeled vehicles can pass even in places where four-wheeled vehicles are not possible to pass, it can be active in disaster-affected areas by utilizing good mobility and fuel efficiency. Our products not only support daily life, but also people's lives in the event of a disaster caused by climate change. As a result, we are confident that we will be able to gain even greater support from consumers and that sales opportunities, such as the creation of new markets, may expand.

### **Time horizon**

Long-term

### **Likelihood**

Likely

### **Magnitude of impact**

High

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

38700000000

### **Potential financial impact figure – minimum (currency)**

<Not Applicable>

### **Potential financial impact figure – maximum (currency)**

<Not Applicable>

### **Explanation of financial impact figure**

Assuming a 1% increase in sales in the reporting year, there would be a positive impact of 3871.5 billion yen x 1% = approximately 38.7 billion yen.

### **Cost to realize opportunity**

442680000

### **Strategy to realize opportunity and explanation of cost calculation**

Estimated based on Suzuki's R & D expenditure for the fiscal year (158.1 billion yen)

### **Comment**

### **Identifier**

Opp3

### **Where in the value chain does the opportunity occur?**

Downstream

### **Opportunity type**

Products and services

### **Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

### **Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

### **Company-specific description**

Car sharing services are attracting attention as a solution to environmental problems. Car sharing services are expected to expand due to changes such as the shift from car ownership to market share and lifestyle changes. Therefore, one of the conditions required for the car sharing service is that the car has low fuel consumption and good cost performance. Suzuki is good at producing high quality vehicles with excellent cost performance. For example, Swift, which is excellent in fuel-efficiency and cost-effectiveness, is produced in Japan, Europe, and India, while maintaining the same quality in all regions. Therefore, even if car-sharing services expand globally, it is possible for us to provide high quality Suzuki vehicles in any region. With a cost-effective Suzuki car, we think it is possible to provide the service to the user at a good price. Therefore, we predict that Suzuki's entry into this new market will lead to the creation of new opportunities. Suzuki signed a capital and business tie-up with "MONET" a joint venture established by Softbank and Toyota to promote the MaaS business, which provides car-sharing services and other services.

### **Time horizon**

Long-term

### **Likelihood**

Likely

### **Magnitude of impact**

High

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

6832500000

### **Potential financial impact figure – minimum (currency)**

<Not Applicable>

### **Potential financial impact figure – maximum (currency)**

<Not Applicable>

### **Explanation of financial impact figure**

Based on the 2030 car share market forecast (455.5 billion yen), it is assumed that Suzuki will gain domestic market share by 1% by entering the new market in the reporting year.

### **Cost to realize opportunity**

57000000

### **Strategy to realize opportunity and explanation of cost calculation**

Cost to realize the opportunity is the amount of investment by Suzuki in "MONET" a joint company established by Toyota and Softbank for MaaS strategy.

### **Comment**

## **C3. Business Strategy**

## **C3.1**

### **(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?**

Yes, and we have developed a low-carbon transition plan

## **C3.1a**

### **(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?**

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

## **C3.1c**

### **(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?**

When we started to formulate our medium-term environmental targets to be achieved by 2020 "Suzuki Environmental Plan 2020", we were not able to formulate our environmental targets based on the climate change scenario analysis because we did not have sufficient knowledge of climate change scenario analysis. However, we are always aware that we produce products that use fossil fuels and emit CO2 in our business activities, and we recognize that we must work to reduce CO2 emissions. For this reason, we are closely watching developments in the international community such as the Paris Agreement, and the Suzuki Group in Japan and overseas is making concerted efforts to promote activities with awareness of climate change (Reduction of CO2 emissions during production, reduction of CO2 emissions during product use, development of next-generation vehicles such as EVs and fuel cell motorcycles, etc.).

## **C3.1d**

### **(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.**

|  |  |  |
| --- | --- | --- |
|  | **Have climate-related risks and opportunities influenced your strategy in this area?** | **Description of influence** |
| Products and services | Yes | The new car market in India is the fifth largest in the world, and considering the future economic growth, further diffusion of the automobile industry is expected. To cope with global environmental problems in order to expand the sales volume toward 2030, it is necessary to accelerate the approach to new technology in addition to conventional technology. In addition to making small cars, which our company excels at, we are also actively engaged in the development of new high-efficiency powertrains, the expansion and enhancement of hybrid vehicle production, and the new development of EVs, as well as advancing further technological development through tie-ups with the Toyota Group. |
| Supply chain and/or value chain | Yes | Since many Suzuki's business partners are located along the coast of the western part of Shizuoka Prefecture, parts supply may be delayed due to damage caused by a major typhoon, which could result in a suspension of production. Suzuki donated 500 million yen to the construction of a coastal seawall in Hamamatsu City, completed in March 2020. This seawall is designed to reduce damage from earthquakes and tsunamis, but it is considered to be effective against high waves caused by large typhoons. The construction of a seawall in the coastal area of Hamamatsu City is very important for the continuation of Suzuki's business activities. Therefore, the climate-related risks and opportunities have a great impact on Suzuki's supply chain. |
| Investment in R&D | Yes | Suzuki needs to accelerate research and development in order to meet the new laws and regulations and respond to the strengthening of climate change countermeasures and changes in customer demand caused by climate change. In India, where air pollution is serious, strict environmental regulations are expected to be applied in the future, so we must continue to accelerate research and development to deal with environmental problems in order not to lose our market share in the Indian automobile market. As an initiative for advanced development, Suzuki started fleet operation of 50 prototype EVs in India in October 2018. Various data and customer opinions will be collected during this public road drive to verify the performance and durability acceptable to the market, and the results will be reflected in the EVs to be marketed around 2020. In FY 2018, R & D expenditure for the automobile business was 137.8 billion yen, up 14.5% from the previous year. We believe that the impact of climate-related risks and opportunities on Suzuki's research and development is significant because we need to continue further research and development and investment in research and development is expected to increase. |
| Operations | Yes | Activities to reduce greenhouse gas emissions from climate change in our plants and offices will have an impact on our business. Suzuki is actively working to reduce energy consumption and reduce costs from the perspective of preventing global warming. In the reporting year, the coating pretreatment process was made into a single line at the Kosai Plant, the osuka plant reduced the equipment stop rate in the casting process, and the Sagara plant reduced the failure of the coating process. As a result of remodeling and improvement to the process commensurate with the production volume in every process, it has raised a major energy-saving effect. |

## **C3.1e**

### **(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

|  |  |  |
| --- | --- | --- |
|  | **Financial planning elements that have been influenced** | **Description of influence** |
| Row 1 | Revenues  Direct costs  Indirect costs  Capital expenditures | In order to reduce global temperature increases to less than 2 °C by 2050, CO2 emission regulations have been tightened in each country. The market in each country is demanding the introduction of compact cars equipped with more advanced fuel-saving technologies. Since entering the automobile business, Suzuki has been good at making small cars. We have continued to develop environmentally friendly products, such as lighter parts and engines with high combustion efficiency. In addition to these technologies, the company will further reduce CO2 emissions from products by 2050 by developing products equipped with environmentally advanced technologies such as HEVs and EVs. Due to the worsening air pollution, there is a growing need for environmentally friendly products in India. In response for the demand, Suzuki is selling hybrid vehicles. In India, small and environmentally friendly vehicles are required for reasons such as road conditions, and Suzuki offers products that meet these needs. As a result, In fiscal 2018, Suzuki sold 1,754,000 vehicles in India (6.1% increase from the previous year), surpassing the previous year's record sales by 3%, to 3,871.5 billion yen. |

## **C3.1f**

### **(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

## **C4. Targets and performance**

## **C4.1**

### **(C4.1) Did you have an emissions target that was active in the reporting year?**

Intensity target

## **C4.1b**

### **(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

### **Target reference number**

Int 1

### **Year target was set**

2016

### **Target coverage**

Business activity

### **Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

### **Intensity metric**

Metric tons CO2e per vehicle produced

### **Base year**

2010

### **Intensity figure in base year (metric tons CO2e per unit of activity)**

0.303

### **% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

88

### **Target year**

2020

### **Targeted reduction from base year (%)**

10

### **Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]**

0.2727

### **% change anticipated in absolute Scope 1+2 emissions**

-10

### **% change anticipated in absolute Scope 3 emissions**

0

### **Intensity figure in reporting year (metric tons CO2e per unit of activity)**

0.269

### **% of target achieved [auto-calculated]**

112.211221122112

### **Target status in reporting year**

Achieved

### **Is this a science-based target?**

No, but we anticipate setting one in the next 2 years

### **Please explain (including target coverage)**

This is a CO2 reduction target for the Suzuki Group's production activities in Japan and overseas from FY 2016 to FY 2020. The target was achieved in FY 2018, but further reduction activities are being carried out.

## **C4.2**

### **(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

## **C4.3**

### **(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

## **C4.3a**

### **(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

|  |  |  |
| --- | --- | --- |
|  | **Number of initiatives** | **Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked \*)** |
| Under investigation | 0 | 0 |
| To be implemented\* | 26 | 2235.7 |
| Implementation commenced\* | 13 | 4464.6 |
| Implemented\* | 16 | 1500.7 |
| Not to be implemented | 0 | 0 |

## **C4.3b**

### **(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

### **Initiative category & Initiative type**

|  |  |
| --- | --- |
| Energy efficiency in buildings | Heating, Ventilation and Air Conditioning (HVAC) |

### **Estimated annual CO2e savings (metric tonnes CO2e)**

391.2

### **Scope(s)**

Scope 2 (market-based)

### **Voluntary/Mandatory**

Voluntary

### **Annual monetary savings (unit currency – as specified in C0.4)**

9393000

### **Investment required (unit currency – as specified in C0.4)**

206494000

### **Payback period**

>25 years

### **Estimated lifetime of the initiative**

1-2 years

### **Comment**

・Replacement with energy-saving air conditioners ・Introduction of automatic air-conditioning control system equipped with AI engine

### **Initiative category & Initiative type**

|  |  |
| --- | --- |
| Energy efficiency in buildings | Lighting |

### **Estimated annual CO2e savings (metric tonnes CO2e)**

72.6

### **Scope(s)**

Scope 2 (market-based)

### **Voluntary/Mandatory**

Voluntary

### **Annual monetary savings (unit currency – as specified in C0.4)**

827000

### **Investment required (unit currency – as specified in C0.4)**

11280000

### **Payback period**

>25 years

### **Estimated lifetime of the initiative**

1-2 years

### **Comment**

・Switch to LED lighting

### **Initiative category & Initiative type**

|  |  |
| --- | --- |
| Energy efficiency in production processes | Waste heat recovery |

### **Estimated annual CO2e savings (metric tonnes CO2e)**

157.2

### **Scope(s)**

Scope 1

### **Voluntary/Mandatory**

Voluntary

### **Annual monetary savings (unit currency – as specified in C0.4)**

3156000

### **Investment required (unit currency – as specified in C0.4)**

6900000

### **Payback period**

1-3 years

### **Estimated lifetime of the initiative**

1-2 years

### **Comment**

・Recovery of waste heat from steam drain

### **Initiative category & Initiative type**

|  |  |
| --- | --- |
| Energy efficiency in production processes | Machine/equipment replacement |

### **Estimated annual CO2e savings (metric tonnes CO2e)**

822.8

### **Scope(s)**

Scope 1

### **Voluntary/Mandatory**

Voluntary

### **Annual monetary savings (unit currency – as specified in C0.4)**

11056000

### **Investment required (unit currency – as specified in C0.4)**

115446000

### **Payback period**

11-15 years

### **Estimated lifetime of the initiative**

<1 year

### **Comment**

・Renovation of Facilities

### **Initiative category & Initiative type**

|  |  |
| --- | --- |
| Energy efficiency in production processes | Smart control system |

### **Estimated annual CO2e savings (metric tonnes CO2e)**

56.9

### **Scope(s)**

Scope 2 (market-based)

### **Voluntary/Mandatory**

Voluntary

### **Annual monetary savings (unit currency – as specified in C0.4)**

337000

### **Investment required (unit currency – as specified in C0.4)**

2580000

### **Payback period**

4-10 years

### **Estimated lifetime of the initiative**

3-5 years

### **Comment**

・Use of inverters

## **C4.3c**

### **(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

|  |  |
| --- | --- |
| **Method** | **Comment** |
| Internal finance mechanisms | The amount of Co2 reduction is one of the key criteria for investing in emission reduction activities, but SUZUKI does not invest solely in CO2 reduction. SUZUKI makes final investment decisions, considering the effects of energy use efficiency, CO2 reduction, reduction of operating costs, and improvement of operational and production efficiency. |

## **C4.5**

### **(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

## **C4.5a**

### **(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

### **Level of aggregation**

Group of products

### **Description of product/Group of products**

SUZUKI’s product can reduce CO2 emission with the excellent fuel-efficiency, for not only small vehicles, but also light vehicles are equipped with "hybrid", "mild hybrid", and "S-energy charge", which is the crystal technology of "SUZUKI GREEN Technology".

### **Are these low-carbon product(s) or do they enable avoided emissions?**

Low-carbon product and avoided emissions

### **Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify (Life Cycle Asessment)

### **% revenue from low carbon product(s) in the reporting year**

53

### **% of total portfolio value**

<Not Applicable>

### **Asset classes/ product types**

<Not Applicable>

### **Comment**

SUZUKI conducts environmental assessments using LCA method, which allows us to evaluate the impact on the environment throughout the product lifecycle, from raw material extraction to its disposal, by specific numerical values, and calculates them in terms of CO2. Using this data, we publish how much CO2 is reduced by our products than conventional vehicles. It is also used as an indicator of further reductions in the future. The percentage of low-carbon products in the reported year is the percentage of hybrid vehicles in the overall sales of four-wheeled vehicles in Japan. Including vehicles equipped with lithium-ion batteries, it accounts for 66% of total domestic sales.

## **C5. Emissions methodology**

## **C5.1**

### **(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

### **Scope 1**

### **Base year start**

April 1 2010

### **Base year end**

March 31 2011

### **Base year emissions (metric tons CO2e)**

573246

### **Comment**

### **Scope 2 (location-based)**

### **Base year start**

April 1 2010

### **Base year end**

March 31 2011

### **Base year emissions (metric tons CO2e)**

510722

### **Comment**

### **Scope 2 (market-based)**

### **Base year start**

April 1 2010

### **Base year end**

March 31 2011

### **Base year emissions (metric tons CO2e)**

447528

### **Comment**

## **C5.2**

### **(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

Act on the Rational Use of Energy

## **C6. Emissions data**

## **C6.1**

### **(C6.1) What were your organization’s gross global Scope 1 emissions in metric tons CO2e?**

### **Reporting year**

### **Gross global Scope 1 emissions (metric tons CO2e)**

623000

### **Start date**

<Not Applicable>

### **End date**

<Not Applicable>

### **Comment**

## **C6.2**

### **(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.**

### **Row 1**

### **​Scope 2, location-based​**

We are reporting a Scope 2, location-based figure

### **Scope 2, market-based**

We are reporting a Scope 2, market-based figure

### **Comment**

## **C6.3**

### **(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?**

### **Reporting year**

### **Scope 2, location-based**

587000

### **Scope 2, market-based (if applicable)**

566000

### **Start date**

<Not Applicable>

### **End date**

<Not Applicable>

### **Comment**

## **C6.4**

### **(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## **C6.5**

### **(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.**

### **Purchased goods and services**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

8697000

### **Emissions calculation methodology**

Amount of Activity: Amount of raw materials supply, ton-kilometer of supplier transportation Emissions Unit Value: The emissions unit value of raw material (CFP-DB), the emissions unit value of ton-kilometers (CFP-DB)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Capital goods**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

922000

### **Emissions calculation methodology**

Amount of Activity: The price of capital goods Emissions Unit Value: The emissions unit value of amount of financial investment (from Ministry of the Environment database: database on emissions unit values for calculating greenhouse gas emissions, etc., by organizations throughout the supply chain), the emissions unit value of ton-kilo (CFP-DB)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Fuel-and-energy-related activities (not included in Scope 1 or 2)**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

179000

### **Emissions calculation methodology**

Amount of Activity: Amount energy consumption for electricity and fossil fuels, and water consumption Emissions Unit Value: the emissions unit value of energy (CFP-DB)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Upstream transportation and distribution**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

65000

### **Emissions calculation methodology**

Amount of Activity: Amount of raw materials supply, ton-kilometer of supplier transportation Emissions Unit Value: The emissions unit value of ton-kilometers (CFP-DB)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Waste generated in operations**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

5000

### **Emissions calculation methodology**

Amount of Activity: Amounts of processed/recycled waste, by type of waste and processing method Emissions Unit Value: Emissions unit value for the type of waste and processing method (from Ministry of the Environment database: database on emissions unit values for calculating greenhouse gas emissions, etc., by organizations throughout the supply chain)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Business travel**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

12000

### **Emissions calculation methodology**

Amount of Activity: Expenditures for transportation costs Emissions Unit Value: Emissions unit value for expenditures for transportation costs (from Ministry of the Environment database: database on emissions unit values for calculating greenhouse gas emissions, etc., by organizations throughout the supply chain)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Employee commuting**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

47000

### **Emissions calculation methodology**

Amount of Activity: Expenditures for transportation costs Emissions Unit Value: Emissions unit value for expenditures for transportation costs (from Ministry of the Environment database: database on emissions unit values for calculating greenhouse gas emissions, etc., by organizations throughout the supply chain)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Upstream leased assets**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO2e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

The activitiy falling under this category is emissions from operation of leased assets such as copy machines, these emissions are included in Scope 2 as emissions from office operations.

### **Downstream transportation and distribution**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

776000

### **Emissions calculation methodology**

Amount of Activity: Ton-kilometers of transported sold products Emissions Unit Value: Emissions unit value for ton-kilometers (CFP-DB, from Ministry of the Environment database: database on emissions unit values for calculating greenhouse gas emissions, etc., by organizations throughout the supply chain)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Processing of sold products**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO2e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Not calculated because there is no relevant information.

### **Use of sold products**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

75762000

### **Emissions calculation methodology**

Amount of Activity: Consider fuel economy, annual mileage, and number of years of use for products sold by region

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **End of life treatment of sold products**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

30000

### **Emissions calculation methodology**

Amount of Activity: Amounts of processed/recycled waste, by type of waste and processing method Emissions Unit Value: Emissions unit value for the type of waste and processing method (from Ministry of the Environment database: database on emissions unit values for calculating greenhouse gas emissions, etc., by organizations throughout the supply chain)

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Downstream leased assets**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO2e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

The activity falling under this category is emissions from automobiles for lease, this is included in category 13.

### **Franchises**

### **Evaluation status**

Not relevant, explanation provided

### **Metric tonnes CO2e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

Not calculated because there is no relevant information.

### **Investments**

### **Evaluation status**

Relevant, calculated

### **Metric tonnes CO2e**

516000

### **Emissions calculation methodology**

Considering the ratio of shares held and the scope1 and 2 emissions of investee.

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

### **Please explain**

### **Other (upstream)**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO2e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

### **Other (downstream)**

### **Evaluation status**

Not evaluated

### **Metric tonnes CO2e**

<Not Applicable>

### **Emissions calculation methodology**

<Not Applicable>

### **Percentage of emissions calculated using data obtained from suppliers or value chain partners**

<Not Applicable>

### **Please explain**

## **C6.7**

### **(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## **C6.10**

### **(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

### **Intensity figure**

0.3073

### **Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

1189873

### **Metric denominator**

unit total revenue

### **Metric denominator: Unit total**

3871496

### **Scope 2 figure used**

Market-based

### **% change from previous year**

4.5

### **Direction of change**

Decreased

### **Reason for change**

The basic unit turned to decrease for consolidated sales in the reporting year, which is the denominator, exceeded sales in the previous year, which was the highest ever, by 114.3 billion yen (3.0%).

### **Intensity figure**

350.5815

### **Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)**

1189873

### **Metric denominator**

vehicle produced

### **Metric denominator: Unit total**

3394

### **Scope 2 figure used**

Market-based

### **% change from previous year**

3.2

### **Direction of change**

Decreased

### **Reason for change**

Production in the year of the report, which is the denominator figure, increased by 56,000 units (1.7%) from the previous year. On the other hand, with regard to GHG emissions, which is the numerator, we implemented CO2 reduction initiatives such as "Adjustment and optimization of equipment operating conditions", "Consolidation and miniaturization of facilities", "Loss reduction; halt of energy supply when the line is stopped, turn lights off when not needed, and etc., ", "conversion to high-efficiency equipment such as inverters". Due to the increase in the number of production units, the increase in GHG emissions was able to be reduced, resulting in an improvement in the emissions unit value per production for the reported year.

## **C7. Emissions breakdowns**

## **C7.1**

### **(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

## **C7.1a**

### **(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

|  |  |  |
| --- | --- | --- |
| **Greenhouse gas** | **Scope 1 emissions (metric tons of CO2e)** | **GWP Reference** |
| CO2 | 623000 | IPCC Fifth Assessment Report (AR5 – 100 year) |

## **C7.2**

### **(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

|  |  |
| --- | --- |
| **Country/Region** | **Scope 1 emissions (metric tons CO2e)** |
| Japan | 161000 |
| Other, please specify (Asia, Oceania) | 442000 |
| Other, please specify (Europe, Middle East, Africa) | 18000 |
| Other, please specify (North, Central South America) | 900 |

## **C7.3**

### **(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

## **C7.3c**

### **(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

|  |  |
| --- | --- |
| **Activity** | **Scope 1 emissions (metric tons CO2e)** |
| Production | 571000 |
| Non-production | 51000 |

## **C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4**

### **(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization’s total gross global Scope 1 emissions by sector production activity in metric tons CO2e.**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Gross Scope 1 emissions, metric tons CO2e** | **Net Scope 1 emissions , metric tons CO2e** | **Comment** |
| Cement production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Chemicals production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Coal production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Electric utility activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Metals and mining production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Oil and gas production activities (upstream) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Oil and gas production activities (midstream) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Oil and gas production activities (downstream) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Steel production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Transport OEM activities | 571000 | <Not Applicable> | Figures are based on emissions from production activities. |
| Transport services activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |

## **C7.5**

### **(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Country/Region** | **Scope 2, location-based (metric tons CO2e)** | **Scope 2, market-based (metric tons CO2e)** | **Purchased and consumed electricity, heat, steam or cooling (MWh)** | **Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)** |
| Japan | 374000 | 404000 | 838000 | 838000 |
| Other, please specify (Asia, Oceania) | 194000 |  | 297000 |  |
| Other, please specify (Europe, Middle East, Africa) | 15000 |  | 54000 |  |
| Other, please specify (North, Central, South America) | 2000 |  | 7000 |  |

## **C7.6**

### **(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

## **C7.6c**

### **(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

|  |  |  |
| --- | --- | --- |
| **Activity** | **Scope 2, location-based (metric tons CO2e)** | **Scope 2, market-based (metric tons CO2e)** |
| Production | 506000 | 489000 |
| Non-production | 81000 | 128000 |

## **C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7**

### **(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Scope 2, location-based, metric tons CO2e** | **Scope 2, market-based (if applicable), metric tons CO2e** | **Comment** |
| Cement production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Chemicals production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Coal production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Metals and mining production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Oil and gas production activities (upstream) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Oil and gas production activities (midstream) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Oil and gas production activities (downstream) | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Steel production activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Transport OEM activities | 506000 | 489000 | Figures are based on emissions from production activities. |
| Transport services activities | <Not Applicable> | <Not Applicable> | <Not Applicable> |

## **C-TO7.8**

### **(C-TO7.8) Provide primary intensity metrics that are appropriate to your indirect emissions in Scope 3 Category 11: Use of sold products from transport.**

### **Activity**

Light Duty Vehicles (LDV)

### **Emissions intensity figure**

0.000116

### **Metric numerator (Scope 3 emissions: use of sold products) in Metric tons CO2e**

75762163

### **Metric denominator**

p.km

### **Metric denominator: Unit total**

653789691000

### **% change from previous year**

10

### **Vehicle unit sales in reporting year**

3327174

### **Vehicle lifetime in years**

15

### **Annual distance in km or miles (unit specified by column 4)**

10000

### **Load factor**

1.31

### **Please explain the changes, and relevant standards/methodologies used**

The load factor is the average number of passengers in the OD survey result of 2015 nationwide and street traffic situation survey, by the Ministry of Land, Infrastructure, Transport and Tourism.

## **C7.9**

### **(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

## **C7.9a**

### **(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Change in emissions (metric tons CO2e)** | **Direction of change** | **Emissions value (percentage)** | **Please explain calculation** |
| Change in renewable energy consumption |  | <Not Applicable> |  |  |
| Other emissions reduction activities | 1500.7 | Decreased | 0.1 | With initiatives for reducing CO2 emission such as, "Adjustment and optimization of equipment operating conditions", "Consolidation and miniaturization of facilities", "Loss reduction; halt of energy supply when the line is stopped, turn lights off when not needed, and etc., ", "conversion to high-efficiency equipment such as inverters" in reported year, we achieved a reduction of 1,501[t-CO2] year-on-year at our own plants in Japan (Kosai, Iwata, Sagara, Osuga, Toyokawa, and Takatsuka). As a result, the CO2 emission was decrease by1,501/1,210,162\*100=-0.1[%]. |
| Divestment |  | <Not Applicable> |  |  |
| Acquisitions |  | <Not Applicable> |  |  |
| Mergers |  | <Not Applicable> |  |  |
| Change in output | 20188 | Decreased | 1.6 | "The number of automobiles manufactured in Japan in the reporting year was 1,011,000, an increase of 40,000 from the previous year. However, scope 1 and 2 in Japan decreased from the previous year due to emission reduction activities and the review of the production system, (515,237/539,930) \* 100 = 4.6% decrease. Scope 1 and Scope 2 in Japan account for 43% of total emissions, so -4.6 \* 0.43 = -2% decrease. Overseas automobile production was 2,383,000 units, an increase of 16000 units from the previous year. As a result, Scope 1 and Scope 2 of overseas bases excluding Japan were in the previous fiscal year, (674,636/670,132) \* 100 = 0.7% increase. Scope 1 and 2 for the entire overseas base account for 56.7%, so 0.7 \* 0.57 = 0.3990% " |
| Change in methodology |  | <Not Applicable> |  |  |
| Change in boundary | 4900 | Increased | 0.4 | 2 additional sites. |
| Change in physical operating conditions |  | <Not Applicable> |  |  |
| Unidentified | 3400 | Decreased | 0.4 | There are unidentified reduction factors. |
| Other |  | <Not Applicable> |  |  |

## **C7.9b**

### **(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## **C8. Energy**

## **C8.1**

### **(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

## **C8.2**

### **(C8.2) Select which energy-related activities your organization has undertaken.**

|  |  |
| --- | --- |
|  | **Indicate whether your organization undertook this energy-related activity in the reporting year** |
| Consumption of fuel (excluding feedstocks) | Yes |
| Consumption of purchased or acquired electricity | Yes |
| Consumption of purchased or acquired heat | No |
| Consumption of purchased or acquired steam | No |
| Consumption of purchased or acquired cooling | No |
| Generation of electricity, heat, steam, or cooling | Yes |

## **C8.2a**

### **(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Heating value** | **MWh from renewable sources** | **MWh from non-renewable sources** | **Total (renewable and non-renewable) MWh** |
| Consumption of fuel (excluding feedstock) | LHV (lower heating value) | 0 | 2997000 | 2997000 |
| Consumption of purchased or acquired electricity | <Not Applicable> | 0 | 1091000 | 1091000 |
| Consumption of purchased or acquired heat | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Consumption of purchased or acquired steam | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Consumption of purchased or acquired cooling | <Not Applicable> | <Not Applicable> | <Not Applicable> | <Not Applicable> |
| Consumption of self-generated non-fuel renewable energy | <Not Applicable> | 1500 | <Not Applicable> | 1500 |
| Total energy consumption | <Not Applicable> | 1500 | 4088000 | 4089500 |

## **C8.2b**

### **(C8.2b) Select the applications of your organization’s consumption of fuel.**

|  |  |
| --- | --- |
|  | **Indicate whether your organization undertakes this fuel application** |
| Consumption of fuel for the generation of electricity | No |
| Consumption of fuel for the generation of heat | No |
| Consumption of fuel for the generation of steam | Yes |
| Consumption of fuel for the generation of cooling | No |
| Consumption of fuel for co-generation or tri-generation | Yes |

## **C8.2c**

### **(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

### **Fuels (excluding feedstocks)**

Motor Gasoline

### **Heating value**

LHV (lower heating value)

### **Total fuel MWh consumed by the organization**

164000

### **MWh fuel consumed for self-generation of electricity**

<Not Applicable>

### **MWh fuel consumed for self-generation of heat**

0

### **MWh fuel consumed for self-generation of steam**

0

### **MWh fuel consumed for self-generation of cooling**

<Not Applicable>

### **MWh fuel consumed for self-cogeneration or self-trigeneration**

0

### **Emission factor**

3.07

### **Unit**

metric tons CO2 per metric ton

### **Emissions factor source**

By the value of energy consumption per weight and CO2 emissions per energy unit from “2006 IPCC Guidelines for National Greenhouse Gas Inventories”.

### **Comment**

The coefficient is calculated by taking into account the conversion of the IPCC coefficient to CO2 (44/12).

### **Fuels (excluding feedstocks)**

Kerosene

### **Heating value**

LHV (lower heating value)

### **Total fuel MWh consumed by the organization**

11000

### **MWh fuel consumed for self-generation of electricity**

<Not Applicable>

### **MWh fuel consumed for self-generation of heat**

0

### **MWh fuel consumed for self-generation of steam**

0

### **MWh fuel consumed for self-generation of cooling**

<Not Applicable>

### **MWh fuel consumed for self-cogeneration or self-trigeneration**

0

### **Emission factor**

3.15

### **Unit**

metric tons CO2 per metric ton

### **Emissions factor source**

By the value of energy consumption per weight and CO2 emissions per energy unit from “2006 IPCC Guidelines for National Greenhouse Gas Inventories”.

### **Comment**

The coefficient is calculated by taking into account the conversion of the IPCC coefficient to CO2 (44/12).

### **Fuels (excluding feedstocks)**

Gas Oil

### **Heating value**

LHV (lower heating value)

### **Total fuel MWh consumed by the organization**

74000

### **MWh fuel consumed for self-generation of electricity**

<Not Applicable>

### **MWh fuel consumed for self-generation of heat**

0

### **MWh fuel consumed for self-generation of steam**

0

### **MWh fuel consumed for self-generation of cooling**

<Not Applicable>

### **MWh fuel consumed for self-cogeneration or self-trigeneration**

0

### **Emission factor**

3.18

### **Unit**

metric tons CO2 per metric ton

### **Emissions factor source**

By the value of energy consumption per weight and CO2 emissions per energy unit from “2006 IPCC Guidelines for National Greenhouse Gas Inventories”.

### **Comment**

The coefficient is calculated by taking into account the conversion of the IPCC coefficient to CO2 (44/12).

### **Fuels (excluding feedstocks)**

Other, please specify (A重油)

### **Heating value**

LHV (lower heating value)

### **Total fuel MWh consumed by the organization**

5000

### **MWh fuel consumed for self-generation of electricity**

<Not Applicable>

### **MWh fuel consumed for self-generation of heat**

0

### **MWh fuel consumed for self-generation of steam**

1000

### **MWh fuel consumed for self-generation of cooling**

<Not Applicable>

### **MWh fuel consumed for self-cogeneration or self-trigeneration**

0

### **Emission factor**

3.13

### **Unit**

metric tons CO2 per metric ton

### **Emissions factor source**

By the value of energy consumption per weight and CO2 emissions per energy unit from “2006 IPCC Guidelines for National Greenhouse Gas Inventories”.

### **Comment**

The coefficient is calculated by taking into account the conversion of the IPCC coefficient to CO2 (44/12).

### **Fuels (excluding feedstocks)**

Liquefied Petroleum Gas (LPG)

### **Heating value**

LHV (lower heating value)

### **Total fuel MWh consumed by the organization**

341000

### **MWh fuel consumed for self-generation of electricity**

<Not Applicable>

### **MWh fuel consumed for self-generation of heat**

0

### **MWh fuel consumed for self-generation of steam**

45000

### **MWh fuel consumed for self-generation of cooling**

<Not Applicable>

### **MWh fuel consumed for self-cogeneration or self-trigeneration**

0

### **Emission factor**

2.98

### **Unit**

metric tons CO2 per metric ton

### **Emissions factor source**

By the value of energy consumption per weight and CO2 emissions per energy unit from “2006 IPCC Guidelines for National Greenhouse Gas Inventories”.

### **Comment**

The coefficient is calculated by taking into account the conversion of the IPCC coefficient to CO2 (44/12).

### **Fuels (excluding feedstocks)**

Compressed Natural Gas (CNG)

### **Heating value**

LHV (lower heating value)

### **Total fuel MWh consumed by the organization**

2172000

### **MWh fuel consumed for self-generation of electricity**

<Not Applicable>

### **MWh fuel consumed for self-generation of heat**

0

### **MWh fuel consumed for self-generation of steam**

0

### **MWh fuel consumed for self-generation of cooling**

<Not Applicable>

### **MWh fuel consumed for self-cogeneration or self-trigeneration**

0

### **Emission factor**

2.69

### **Unit**

metric tons CO2 per metric ton

### **Emissions factor source**

By the value of energy consumption per weight and CO2 emissions per energy unit from “2006 IPCC Guidelines for National Greenhouse Gas Inventories”.

### **Comment**

The coefficient is calculated by taking into account the conversion of the IPCC coefficient to CO2 (44/12).

### **Fuels (excluding feedstocks)**

Town Gas

### **Heating value**

LHV (lower heating value)

### **Total fuel MWh consumed by the organization**

229000

### **MWh fuel consumed for self-generation of electricity**

<Not Applicable>

### **MWh fuel consumed for self-generation of heat**

0

### **MWh fuel consumed for self-generation of steam**

22000

### **MWh fuel consumed for self-generation of cooling**

<Not Applicable>

### **MWh fuel consumed for self-cogeneration or self-trigeneration**

19000

### **Emission factor**

0.00229

### **Unit**

metric tons CO2 per metric ton

### **Emissions factor source**

According to the published value of the gas supply company.

### **Comment**

## **C8.2d**

### **(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Total Gross generation (MWh)** | **Generation that is consumed by the organization (MWh)** | **Gross generation from renewable sources (MWh)** | **Generation from renewable sources that is consumed by the organization (MWh)** |
| Electricity | 43000 | 1500 | 43000 | 1500 |
| Heat | 0 | 0 | 0 | 0 |
| Steam | 68000 | 68000 | 0 | 0 |
| Cooling | 0 | 0 | 0 | 0 |

## **C8.2e**

### **(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.**

### **Sourcing method**

None (no purchases of low-carbon electricity, heat, steam or cooling)

### **Low-carbon technology type**

<Not Applicable>

### **Country/region of consumption of low-carbon electricity, heat, steam or cooling**

<Not Applicable>

### **MWh consumed accounted for at a zero emission factor**

<Not Applicable>

### **Comment**

## **C-TO8.5**

### **(C-TO8.5) Provide any efficiency metrics that are appropriate for your organization’s transport products and/or services.**

### **Activity**

Light Duty Vehicles (LDV)

### **Metric figure**

0.351

### **Metric numerator**

tCO2

### **Metric denominator**

Production: Vehicle

### **Metric numerator: Unit total**

1189873

### **Metric denominator: Unit total**

3393976

### **% change from previous year**

-3

### **Please explain**

The value of the numerator is a conversion of the number of four-wheeled vehicle.

## **C9. Additional metrics**

## **C9.1**

### **(C9.1) Provide any additional climate-related metrics relevant to your business.**

## **C-TO9.3/C-TS9.3**

### **(C-TO9.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.**

### **Activity**

Light Duty Vehicles (LDV)

### **Metric**

Sales

### **Technology**

Conventional hybrid

### **Metric figure**

561000

### **Metric unit**

Units

### **Explanation**

The number of HEV sold worldwide by SUZUKI in fiscal 2017 is filled in. 16.9% of global sales are HEV.

## **C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6**

### **(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?**

|  |  |  |
| --- | --- | --- |
|  | **Investment in low-carbon R&D** | **Comment** |
| Row 1 | Yes | Under the slogan "Small cars, big future." Suzuki is working to develop environmentally friendly products. We are reducing CO2 emissions by reducing the size and weight of all products, improving combustion efficiency, and reducing resistance. In the introduction of next-generation technology, 52.7% of Suzuki's domestic sales vehicles and 16.9% of globally sold vehicles (as of FY2018) are hybrid vehicles. At the same time, we are working to reduce CO2 emissions by developing hybrid vehicles that combined with the AGS mechanism, which is suitable for small vehicles, and by selling electric scooters. In order to further reduce CO2 emissions, we will conduct demonstration tests of fuel cell motorcycles on public roads, develop small EVs suitable for daily life, and aim for future zero CO2 emissions. In fiscal 2018, our environment-related R & D expenditures were \55.64 billion, an increase of 5% over fiscal 2017. |

## **C-TO9.6a/C-TS9.6a**

### **(C-TO9.6a/C-TS9.6a) Provide details of your organization’s investments in low-carbon R&D for transport-related activities over the last three years.**

### **Activity**

Light Duty Vehicles (LDV)

### **Technology area**

Electrification

### **Stage of development in the reporting year**

Pilot demonstration

### **Average % of total R&D investment over the last 3 years**

21-40%

### **R&D investment figure in the reporting year (optional)**

### **Comment**

In October 2018, the fleet of 50 prototype electric vehicles started operation in India. By collecting various data and opinions from customers while driving on public roads, we will verify the performance and durability that will be acceptable to the market and launch it to the market.

## **C10. Verification**

## **C10.1**

### **(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

|  |  |
| --- | --- |
|  | **Verification/assurance status** |
| Scope 1 | No third-party verification or assurance |
| Scope 2 (location-based or market-based) | No third-party verification or assurance |
| Scope 3 | No third-party verification or assurance |

## **C10.2**

### **(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, we are waiting for more mature verification standards and/or processes

## **C11. Carbon pricing**

## **C11.1**

### **(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

## **C11.2**

### **(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

## **C11.3**

### **(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

## **C12. Engagement**

## **C12.1**

### **(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, other partners in the value chain

## **C12.1a**

### **(C12.1a) Provide details of your climate-related supplier engagement strategy.**

### **Type of engagement**

Information collection (understanding supplier behavior)

### **Details of engagement**

Collect climate change and carbon information at least annually from suppliers

### **% of suppliers by number**

19.4

### **% total procurement spend (direct and indirect)**

76.5

### **% of supplier-related Scope 3 emissions as reported in C6.5**

0

### **Rationale for the coverage of your engagement**

SUZUKI’s major business partners in Japan

### **Impact of engagement, including measures of success**

"ⅰ）Measurement standard of the collaboration results For example, with regard to the calculation and understanding status of greenhouse gases and the formulation of reduction targets, a separate questionnaire survey is conducted to measure the achievement rate (coverage rate) of CO2 reduction targets in our supply chain, and measure results based on the coverage rate at the time of the previous survey. ⅱ） A case study of the good achievement Through our cooperative initiatives, more than 85% of our main business partners have set targets/policies for reducing CO2 emissions, and the rate is increasing slightly each year."

### **Comment**

## **C12.1d**

### **(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.**

We receive transportation data such as total mileage and fuel consumption in the transportation of SUZUKI finished vehicles and parts every quarter from the transportation operator entrusted with transportation. Based on this information, we measure the effect of reducing CO2 emissions through initiatives such as SUZUKI’s efforts as a shipper (shortening transport routes and improving delivery methods) and improvements in the fuel efficiency of delivery vehicles of transport operators.

## **C12.3**

### **(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

Trade associations

## **C12.3b**

### **(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

## **C12.3c**

### **(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

### **Trade association**

JAMA（Japan Automobile Manufactures Association, inc）

### **Is your position on climate change consistent with theirs?**

Consistent

### **Please explain the trade association’s position**

The Japan Automobile Manufacturers Association (JAMA) considers efforts to control global warming by reducing CO2 emissions as an urgent issue, and is promoting integrated initiatives to reduce CO2 emissions, including improving fuel efficiency, developing next-generation vehicles, improving traffic volume, and raising awareness of eco-driving.

### **How have you influenced, or are you attempting to influence their position?**

SUZUKI’s President and Vice President serve on the Board of Directors of the Automobile Manufacturers Association. We are working to contribute to the development of the economy and the lives of the people by also sending members from our company to various committees, subcommittees, and working groups of the Japan Automobile Manufacturers Association.

## **C12.3f**

### **(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

SUZUKI executives have joined the Japan Automobile Manufacturers Association's committee on climate change issues to ensure that their involvement in policy is consistent with SUZUKI’s strategy. In addition, our staffs from each relevant department of the company attend the meeting of the Climate Change Committee to make sure that our strategy is in line with the details.

## **C12.4**

### **(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

### **Publication**

In voluntary sustainability report

### **Status**

Complete

### **Attach the document**

[2018\_enve\_all.pdf](https://www.cdp.net/en/formatted_responses/files?file_path=k9me76vz7u2sozvqoi2gbw-cdp-credit360-com/lG7MtInVPkCcMSUplbRD0g/2018enveall.pdf)

### **Page/Section reference**

・Governance（123-131） ・Emissions figure（31-33、35、50） ・CO2 emission reduction target （14-15）

### **Content elements**

Governance

Emissions figures

Emission targets

### **Comment**

In governance, we explained corporate governance and compliance and risk management systems. In the CO2 emissions figures, we disclosed the scope 1,2,3, LCA, average fuel efficiency of four-wheeled vehicles, and five years of CO2 emissions from global production bases. In the CO2 emission reduction target, we disclose the targets until 2020 and progress to the reporting year.

### **Publication**

In voluntary communications

### **Status**

Complete

### **Attach the document**

[C2019\_028\_suzuki\_jp.pdf](https://www.cdp.net/en/formatted_responses/files?file_path=k9me76vz7u2sozvqoi2gbw-cdp-credit360-com/QOOKY5IeuU2qWsOfWmxJMg/C2019028suzukijp.pdf)

### **Page/Section reference**

・Emissions figures（4）

### **Content elements**

Emissions figures

### **Comment**

Scope 1,2,3 emissions are disclosed on the Ministry of the Environment website every year.

## **C15. Signoff**

## **C-FI**

### **(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## **C15.1**

### **(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

|  |  |  |
| --- | --- | --- |
|  | **Job title** | **Corresponding job category** |
| Row 1 | Director and Managing Officer | Director on board |