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To whom it may concern:

13 July, 2023

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Representative: Toshihiro Suzuki, President
(Code No.: 7269, Prime Market of Tokyo Stock Exchange)
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Notice regarding the Disposal of Treasury Stock as Restricted Stock Compensation

On 13 July, 2023, the Board of Directors of SUZUKI MOTOR CORPORATION (the “Company”) resolved based on Article 370 of the Companies Act and Article 26 of the Articles of Incorporation of the Company, to dispose of its treasury stock as restricted stock compensation (the “Disposal of Treasury Stock”) as follows.

1. Outline of Disposal

(1) Disposal date	3 August, 2023
(2) Class and number of shares to be disposed	31,200 shares of the Company’s ordinary shares
(3) Disposal price	5,387 yen per share
(4) Total disposal price	168,074,400 yen
(5) Persons eligible for allotment, the number thereof, and the number of shares to be allotted	Five (5) directors of the Company (*) 31,200 shares *Excluding outside directors
(6) Others	The Disposal of Treasury Stock shall be conditional upon the securities registration statement filed under the Financial Instruments and Exchange Act becoming effective.

2. Purpose and Reason for the Disposal

The Board of Directors of the Company resolved at the meeting held on 16 May, 2017, to introduce a share-based contribution plan to grant restricted stock (the “Plan”) to the Company’s directors (excluding outside directors; hereinafter referred to as the “Allottees”) in order to enhance the incentive to make sustainable improvements to the corporate value of the Company and to achieve further sharing of value among Allottees and shareholders. In addition, at the 151st Ordinary General Meeting of Shareholders of the Company held on 29 June, 2017, the Company received approval to grant monetary contribution claims to Allottees for the purpose of granting restricted stock under the Plan within 300 million yen per year or the total number of ordinary shares of the Company allotted by the Company within 100,000 shares per year.

In addition, at the 154th Ordinary General Meeting of Shareholders of the Company held on 26 June, 2020, the Company received approval to revise the transfer restriction period of restricted stock granted to Allottees from the previous “period of 1 year to 5 years as defined in advance by the Board of Directors” to the “period from the date of allotment under the Restricted Stock Subscription Agreement to the date of retirement from the position of Director.”

Today, the Board of Directors of the Company resolved based on Article 370 of the Companies Act and Article 26 of the Articles of Incorporation of the Company, as restricted stock compensation for the period from the 157th Ordinary General Meeting of Shareholders of the Company held on 23 June, 2023 to the 158th Ordinary General Meeting of Shareholders of the Company scheduled in June 2024, to grant five (5) Allottees, monetary compensation claims of 168,074,400 yen in total, and to allot 31,200 shares of ordinary shares of the Company as restricted stock, by payment of all such monetary compensation claims through in-kind contributions by the Allottees. The amount of the monetary compensation claims for the Allottees was determined by comprehensive consideration of the degree of contribution to the Company by the Allottees and other various matters including their duties at the Company during the above period. The monetary compensation claims shall be granted on the condition that the respective Allottees enter into the Restricted Stock Subscription Agreement with the Company containing the following terms (the “Subscription Agreement”).

In order to enhance the incentive to make sustainable improvements to the corporate value of the Company and to achieve further sharing of value among Allottees and shareholders, the transfer restriction period has been set from the date of allotment under the Subscription Agreement to the date of retirement from the position of Director.

3. Outline of the Subscription Agreement

(i) Transfer restriction period

3 August, 2023 to the date of retirement from the position of Director

During the transfer restriction period as defined above (the “Transfer Restriction Period”), Allottees shall not transfer, create any security interests on, or otherwise dispose of (hereinafter referred to as “Transfer Restrictions”) the ordinary shares received in accordance with the Subscription Agreement (hereinafter referred to as “Subscribed Shares”).

(ii) Treatment at the time of retirement of Allottees

If an Allottee retires, the Company shall acquire rightfully and for no fee all of the Subscribed Shares for which the Transfer Restrictions are not removed at the time of retirement; provided, however, that such acquisition shall not occur upon the retirement for completion of term, death, or other reason deemed reasonable by the Board of Directors.

(iii) Removal of Transfer Restrictions

Notwithstanding the rules stated in (i) above, the Company shall remove the Transfer Restrictions from all the Subscribed Shares at the time the Transfer Restriction Period is completed, on the condition that the Allottees continue to serve as Directors at the Company throughout the Transfer Restriction Period. However, if an Allottee retires from the position and if said retirement was due to a reason deemed as reasonable by the Board of Directors as provided in (ii) above, the Transfer Restrictions shall be removed at the time immediately after the resignation for the number of shares obtained by dividing the number of months passed from July 2023 to the month including the date of resignation of the Allottee by 12 (however, when the resulting number is greater than one (1), the number shall be set at one (1)) and then multiplying that figure by the number of the Subscribed Shares held by the Allottee at the time of resignation (however, as a result of the calculation, shares of less than one (1) share shall be truncated).

(iv) Acquisition of restricted stock for no fee

The Company shall rightfully acquire for no fee the Subscribed Shares for which the Transfer Restrictions are not removed in accordance with (iii) above at the time of completing the Transfer Restriction Period as of the time immediately after the time of completing the Transfer Restriction Period.

(v) Restriction on management of shares

The Allottees shall complete the opening of an account with SMBC Nikko Securities Inc. to enter or record the Subscribed Shares in the manner designated by the Company and maintain and manage the Subscribed Shares in such account up to the removal of the Transfer Restrictions.

(vi) Treatment of reorganization

Notwithstanding the rules stated in (i) above, if a merger agreement in which the Company is absorbed, a share-exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary or any reorganization equivalent to the above is approved at the ordinary general meeting of shareholders (or approved by the Board of Directors for cases in which the approval of the ordinary general meeting of shareholders is not required for the relevant reorganization) during the Transfer Restriction Period, the Company shall, based on resolutions by the Board of Directors, remove the Transfer Restrictions from the number of Subscribed Shares obtained by dividing the number of months passed from July 2023 to the month including the approval date of the relevant reorganization by 12 (however, when the resulting number is greater than one (1), the number will be set at one (1)) and then multiplying that figure by the number of Subscribed Shares held by the Allottees as of the above approval date (however, as a result of the calculation, shares of less than one (1) share will be truncated) effective the time immediately prior to the business day immediately preceding the date on which the reorganization of the Company becomes effective.

In such cases, the Company shall rightfully acquire the Subscribed Shares for which the Transfer Restrictions are not removed as of the business day immediately preceding the date on which the reorganization becomes effective in accordance with the provision above for no fee.

4. Basis for Calculation of the Amount to Be Paid and Description of Details

With respect to the disposal price for Disposal of Treasury Stock, it has been set at 5,387 yen, which is the closing price of the Company's ordinary shares on the Tokyo Stock Exchange as of the business day immediately prior to the day of resolution of the Board of Directors of the Company (12 July, 2023), in order to determine the disposal price in a non-arbitrary way. This is the market share price immediately prior to the day of resolution of the Board of Directors of the Company, and the Company considers it to be reasonable and does not constitute an amount that is particularly advantageous to Allottees.

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