

Medium- to Long-Term Strategy

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ISUZU Transformation: Creating Value with an Eye to 2030

Under its medium-term business plan, ISUZU Transformation–Growth to 2030 (hereinafter “ISUZU Transformation”), Isuzu is developing new businesses that will generate reliable and creative modes of transportation and is accelerating its operations in the three areas of autonomous driving solutions, connected services, and carbon-neutral solutions as sources of new revenue in the future. By firmly driving forward these new businesses based on the strengthening of existing businesses across the Group, we aim to achieve revenue of ¥6 trillion and an operating profit ratio of over 10% by fiscal 2031.

Isuzu’s Vision for 2030



Financial	<ul style="list-style-type: none"> • Revenue of ¥6 trillion and operating profit ratio of over 10% • Growth investments for the 2030s • Stakeholder returns
Business	<ul style="list-style-type: none"> • New vehicle sales: Over 850,000 units to support global logistics industry • Deploy energy management business in multiple regions utilizing batteries as an asset • Achieve profitable level in autonomous driving solution business in both Japan and the United States
Organizational Foundation	<ul style="list-style-type: none"> • Establishing supply chain for 1,000,000 units • Group management from a global perspective • Human capital management

Fiscal 2027 Interim Targets

Revenue: ¥4 trillion	Operating profit: ¥360 billion
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Management Policies with an Eye to 2030

Developing new businesses to drive innovative transportation	<p>Autonomous driving solutions ▣ Page 31</p> <ul style="list-style-type: none"> • Begin phased launch of Level 4 autonomous driving truck and bus businesses that leverage Isuzu’s strengths • Aim to proceed with fundamental development of technology and services and begin monitoring and demonstration in 2026 <p>Connected services ▣ Page 37</p> <ul style="list-style-type: none"> • Provide new services to increase logistical efficiency • Expand operational support services, starting in North America and expanding to other major regions by 2028 <p>Carbon-neutral solutions ▣ Page 38</p> <ul style="list-style-type: none"> • Develop technologies via multiple pathways and provide electric vehicles in all vehicle categories by 2030 • Roll out products tailored to region-specific use cases, circumstances, and social trends and develop peripheral businesses
Strengthening existing businesses to underpin reliable transportation	<p>Commercial vehicle business ▣ Page 25</p> <p>New vehicle sales</p> <ul style="list-style-type: none"> • Through product collaboration and dual sales channels between the Isuzu and UD Trucks brands, aim to expand worldwide sales volume • Enhance products and services with ICE*1 and CN*2 multiple power sources • Create a supply chain with a capacity of 1,000,000 units to support the supply of vehicles <p>After-sales services</p> <ul style="list-style-type: none"> • Establish a cycle to support customer uptime overseas, starting in North America and expanding to other major regions by 2028 • Establish an optimal service network to support units in operation and maximize uptime <p>Light commercial vehicle business ▣ Page 29</p> <ul style="list-style-type: none"> • Expand sales in the Global South through the utilization of Isuzu’s long-cultivated brand value • Provide multiple power source options tailored to specific use cases (high-efficiency ICEs, PHEVs,*3 and BEVs) • Collaborate with alliance partners on the development of core technologies for next-generation models
Establishing a management foundation based on the ISUZU ID	<p>Shift toward Group management and human capital management from a global perspective ▣ Page 41</p>

*1 Internal combustion engine *2 Carbon-neutral *3 Plug in hybrid electric vehicle

Steadily Improving Profitability
and Making Investments for
the Future Guided by
Our Steadfast Road Map for Growth

A Dialogue

Between the CSO and CFO

Despite decreased revenue and profits in fiscal 2025 due an adverse external business environment, Isuzu's road map for growth remains unchanged. Chief Strategy Officer (CSO) Naohiro Yamaguchi and Chief Financial Officer (CFO) Fumiya Yamakita exchanged opinions from their individual perspectives on the improvement of profitability, investment in the future, and the financial management that supports these efforts.

Naohiro Yamaguchi
Director of the Board and Managing
Executive Officer, CSO

Fumiya Yamakita
Executive Officer, CFO

A Dialogue Between the CSO and CFO

Gaining a Real Sense of the Resilience of Our Revenue Base

Yamaguchi: In fiscal 2025, the first year of our medium-term business plan ISUZU Transformation, we faced multiple headwinds, including a historic slump in the Thai pickup truck market and rising parts and logistic costs due to wage increases in Japan. Revenue decreased 5.0% year on year, to ¥3.2 trillion, and operating profit fell 18.5% year on year, to ¥229.5 billion (IFRS).

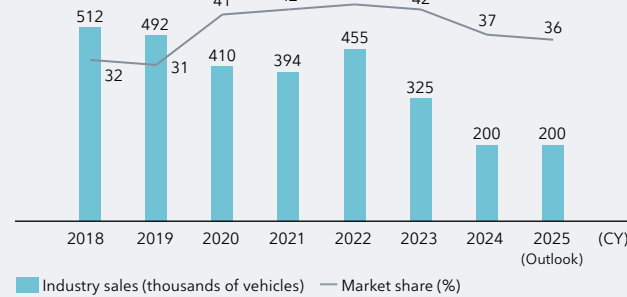
Yamakita: The initial forecast for fiscal 2025 anticipated a 11.3% year-on-year decline in operating profit, to ¥260 billion. This was due to a temporary surge in the volume of shipments in the previous fiscal year, driven by the clearing of back orders for North American commercial vehicles and Oceania-bound light commercial vehicles that had been delayed by the post-COVID-19 semiconductor shortage. The fiscal 2025 plan incorporated a reactionary drop following this one-time increase.

However, the slump in the Thai market was much greater than expected, falling to less than half of the average for the past ten years. To respond to the rapidly worsening market conditions, we had no choice but to make significant inventory adjustments. In fiscal 2025, we were dealt the double blow of market stagnation and inventory adjustments. As a result, our performance fell short of the initial forecast.

Yamaguchi: Looking at it from another angle, it can also be said that, despite the sharp downturn in the Thai market, the Company did well to secure an operating profit level exceeding ¥200 billion.

Yamakita: This is all thanks to our efforts to date. In particular, our after-sales service business sales figure has

Industry Sales and Market Share of Light Commercial Vehicles in Thailand

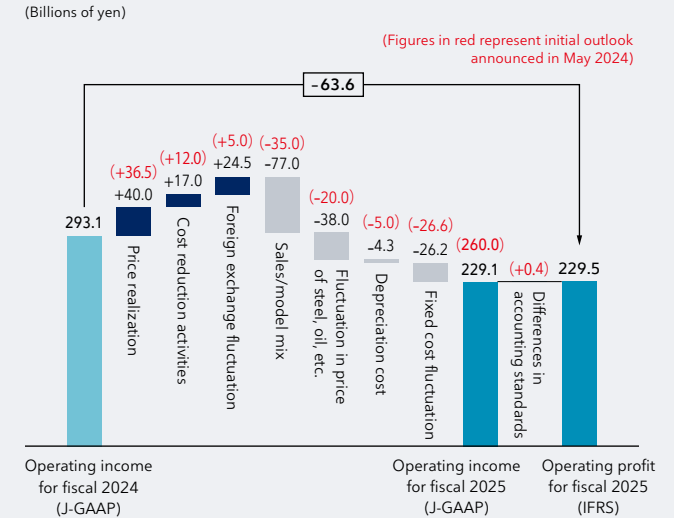


more than doubled compared with ten years ago. Unlike new car sales, after sales-services are less susceptible to economic trends. As such, it serves as a foundation for stable revenue for the Company.

Yamaguchi: Wage increases are a social imperative, and we must respond appropriately to requests from suppliers to increase component prices. At the same time, to ensure our profitability remains intact, we are planning to implement more robust pricing measures starting in the latter half of fiscal 2026. In addition, we are working to further enhance our product competitiveness, centered around the trucks that underwent a full-model change in 2023.

Yamakita: Wage increases are expected to continue, and the upward trend in component prices is unlikely to change. However, our pricing measures have not sufficiently caught up with the sharp increases in material and labor costs since COVID-19, and cumulatively, cost increases have outpaced our price adjustments. If we can successfully implement pricing measures in the latter half of fiscal 2026, we expect to reach a level that will allow us to fully absorb the increased costs by fiscal 2027.

Analysis of Year-on-Year Changes in Operating Profit



Investing ¥2.6 Trillion over the Next Eight Years

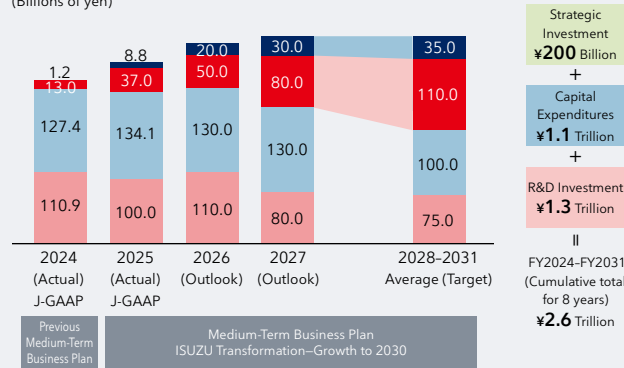
Yamaguchi: In ISUZU Transformation, we set forth our plan to invest a total of ¥2.6 trillion, with ¥1.0 trillion allocated for innovation and ¥1.6 trillion for existing businesses, over the eight years leading up to fiscal 2031. These are aggressive investments on a much larger scale than in the past, but we believe that both are essential for business continuity and future growth. That said, people outside the Company may be concerned about how we are going to financially support such large-scale investments.

Yamakita: Above all, business continuity and investments in future growth should be the first priority, not only for us but for any company. Usually, there are concerns about how to finance such large investments. In our case, however, we believe that our ability to generate operating cash flow,

A Dialogue Between the CSO and CFO

Investment Plan

(Billions of yen)



Investment in innovation: ■ Capital expenditures ■ R&D
Investment in existing businesses: ■ Capital expenditures ■ R&D

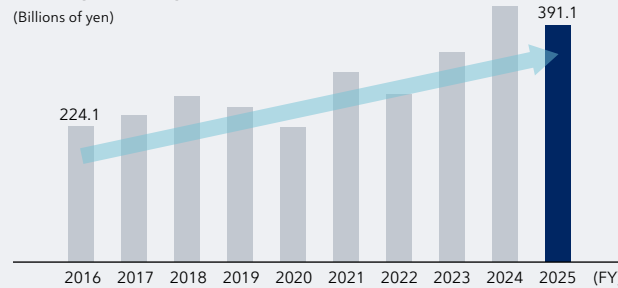
which we have steadily increased based on our stable earnings structure, will be sufficient to support large-scale investments. Even if we were to face a temporary downturn in earnings, we would be able to continue to make investments while maintaining financial soundness.

Yamaguchi: Just because we have the financial power to make an investment of ¥2.6 trillion does not mean that we can do whatever we like within that range. Naturally, we make a considered decision on whether to allocate an investment to a certain area on a case-by-case basis.

Nevertheless, decisions regarding investments necessary for future growth are increasingly difficult. For example, while we seek to minimize the risk of significant value deterioration when considering investments in start-up companies, it is not feasible to eliminate such risks entirely. How do we make a decision in such a situation? To drive future growth, I believe it is important not to be so cautious that we fail to act. Rather,

Cash Flows from Operating Activities and Research and Development Expenditures

(Billions of yen)



Notes:

1. Fiscal 2025 figures are presented based on IFRS. Figures for fiscal 2024 and prior are presented based on Japanese GAAP.
2. Research and development expenditures are costs related to research and development activities incurred during the reporting period. These differ from research and development expenditures under IFRS.

we must move forward while maintaining a clear grasp of the level of risk involved.

Balancing Financial Soundness with Profitability and Efficiency

Yamaguchi: Mr. Yamakita spoke earlier about being able to continue to make investments while maintaining financial soundness. In 2024's integrated report, it was stated that we would maintain a financial strength rating of "A" from credit ratings agencies.

Yamakita: To elaborate further, in the automotive business, excluding financial and leasing operations, we must maintain a capital adequacy ratio of over 40% and either hold a positive net cash balance or expect to achieve a positive balance within the next few years. We consider a credit rating

of "A" to be the minimum level that enables external stakeholders to assess our business stability with confidence.

Yamaguchi: Business stability is a critically important evaluation metric for a company engaged in the trucking industry, which plays a vital role in supporting social infrastructure. At the same time, in order to be positively evaluated by investors and the capital markets, it is not enough to simply accumulate shareholders' equity. It is essential to pursue the improvement of capital efficiency while maintaining financial soundness.

Yamakita: That's right. Some argue that if we have enough equity to save, it should be returned to shareholders. During ISUZU Transformation, we are aiming for an ROE of 15% or more, emphasizing both profitability and capital efficiency. This target signals our focus on growing returns while maintaining control over equity levels. We will leverage interest-bearing debt to the extent that it enables us to maintain financial soundness and improve capital efficiency.

The ROE target of 15% is quite high for a Japanese company, but it is still far from the level of some of our industry counterparts in Europe and the United States. I will do my best to ensure that Isuzu reaches its target.

Continuously Increasing Shareholder Value Through Proactive Returns

Yamakita: Shareholder returns are also a key pillar in our financial strategy. As such, we will firmly execute them while being conscious of improving capital efficiency. The dividend payout ratio during the ISUZU Transformation period will be 40% or more, and we will steadily promote stable dividend growth and share buybacks as appropriate.

A Dialogue Between the CSO and CFO

While a decrease in earnings is projected for fiscal 2026, we remain committed to our long-term road map for growth toward 2030 and will keep the annual dividend unchanged at ¥92 per share, consistent with fiscal 2025. Furthermore, in line with our capital management strategy, we will execute a ¥50 billion share buyback during fiscal 2026. Going forward, we will continue to provide sustainable and systematic returns, which will lead to a stable increase in shareholder value.

Yamaguchi: Recently, an increasing number of companies have used dividend on equity (DOE) as an alternative indicator to dividend payout ratio. We see this as an indicator that applies well to a company like Isuzu, which has a stable earnings structure that is resistant to market fluctuations, and we are in the process of examining examples of its use in other companies.

Feeling the High Expectations of Investors

Yamakita: In May 2025, the Company resolved to execute a secondary offering of shares. This decision was made in response to shareholders, including banks and non-life insurance companies, expressing their intention to reduce their holdings of cross-shareholdings over time. Rather than selling these shares in small batches over several years, we decided that selling them all at once would lead to the acquisition of new shareholders and an increase in long-term individual and institutional investors. In fact, we received strong interest from both groups, with total demand exceeding 12 times the number of shares available. This outcome reflects the high level of expectations for the Company.

Yamaguchi: I also had the opportunity to talk with a number of overseas institutional investors who participated in the

secondary offering of shares. The meetings were conducted online, and Mr. Yamakita and I were able to divide the work and speak with approximately 40 investors over the course of a week. Initially, there were concerns that Isuzu might be perceived merely as one of many commercial vehicle manufacturers from the Far East. However, we were pleasantly surprised to find that many investors had a deep understanding of Isuzu and expressed strong expectations for our medium- to long-term growth.

At the same time, I felt that there was still room to increase our valuation on the stock market by strengthening investor relations activities and information disclosure. To expand our shareholder base, it is important to provide a thorough explanation of Isuzu's business model, which differs from that of passenger car manufacturers. Additionally, we would like to foster confidence in our medium- to long-term growth by presenting detailed strategies and projections for future pillars of profitability, including autonomous driving and carbon neutrality.

Yamakita: Indeed. With the encouraging outcome of this offering, I believe it is essential to further strengthen our investor relations activities. This includes providing updates to institutional investors who participated in the offering, reaching out to those who did not, and expanding opportunities to communicate Isuzu's appeal to individual investors in Japan through both physical and digital channels.

Closing Remarks

Yamakita: As mentioned previously, it is fundamental that we take an offensive stance to achieve the targets of ISUZU Transformation. At the same time, from my standpoint as

CFO, I believe that it is also important to take a defensive stance in the short term by securing revenue. It is the responsibility of a CFO to think about how to steer a company when short-term earnings fall short of plan while steadily implementing investments from a long-term perspective. In recent years, we have found ourselves in an uncertain business environment due to the slump in the Thai market and trends in tariffs imposed by the United States. Despite this, we will meet the expectations of our shareholders to secure short-term revenue while realizing our road map for growth toward 2030.

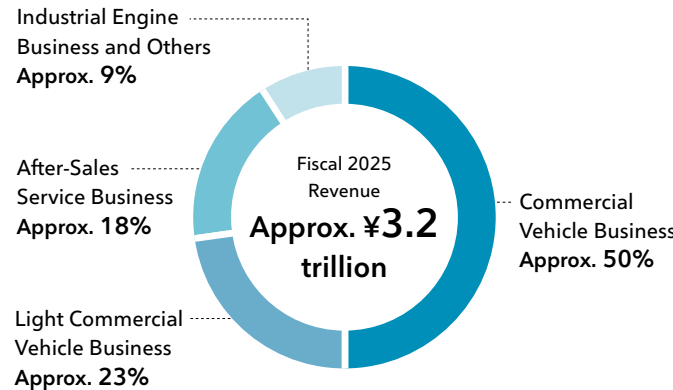
Yamaguchi: Fiscal 2025 marks the beginning of the execution phase of ISUZU Transformation. There is no doubt that steadily proceeding with the necessary investments and technological development from a medium- to long-term perspective will lead to Isuzu's growth and a renewed revenue base in 2030 and beyond.

As CSO, I will steadily implement the strategies and investments set forth in ISUZU Transformation. In other words, I will maintain an offensive stance to achieve ISUZU Transformation's goals. We will continue to engage in dialogue from both business and financial standpoints to firmly steer management. Even if we encounter changes in the business environment, maintaining a high level of motivation throughout the Group and continuing to take on challenges will strengthen Isuzu even further in the future. I will continue to set clear goals and pursue them with a proactive mindset. I look forward to the continued support of Mr. Yamakita in the financial aspects of our strategies.

Isuzu's Business and Regional Portfolios

Business Expansion and Revenue Composition Ratio

Isuzu operates businesses not only in the realm of commercial vehicles but also pickup trucks (light commercial vehicles), after-sales services, and industrial engines, with each contributing in a balanced manner to the Company's overall earnings. In addition, approximately 61%* of our revenue is generated in overseas markets, and we are steadily increasing sales of both commercial vehicles and light commercial vehicles. Through diversification across various businesses and regions, we have achieved a stable business structure that is resilient to changes in the business environment.



* Fiscal 2025 result. Revenue generated in overseas markets comprises revenue generated by Isuzu Motors and its consolidated subsidiaries in countries or regions outside of Japan.

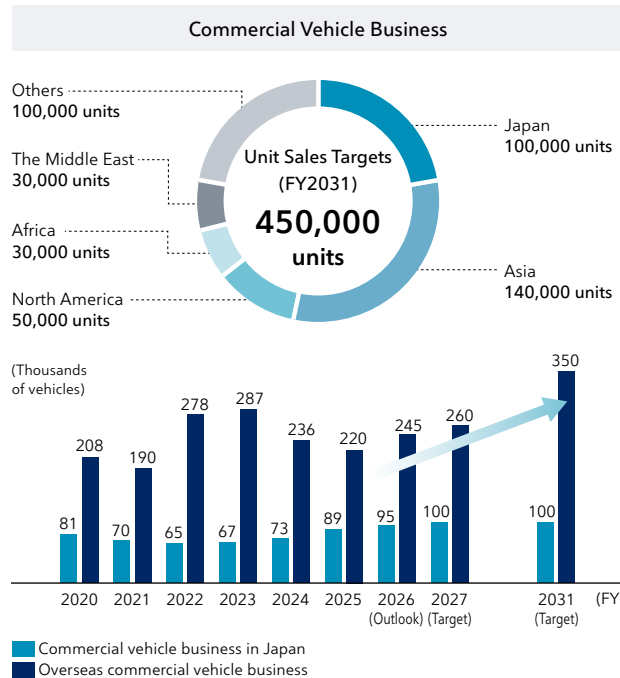
After-Sales Service Business: A Stable Revenue Source

Isuzu's after-sales service business continues to expand both in Japan and overseas and plays a key role as a stable and growing revenue base, with sales more than doubling over the past 10 years.

Commercial vehicles are typically owned for a long period of time, during which operational reliability and long-term durability are essential. Isuzu supports customers with a full suite of services, including not only repair work when breakdowns occur but also routine maintenance, scheduled inspections, and the supply of genuine parts. These services are based on a service network of 400 bases in Japan and more than 3,000 overseas, and they are provided through a prompt and accurate support system. In addition to focusing on refining the technical skills of mechanics and improving service quality, we are also actively promoting future-oriented initiatives, such as value-added services through the use of connected technologies and the expansion of maintenance packages in overseas markets.

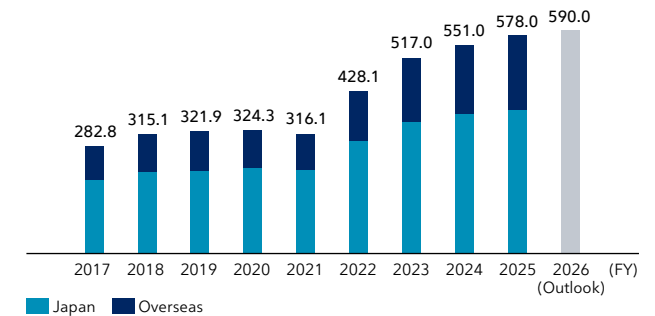
The after-sales service business will continue to provide support for the uptime of customers' vehicles and further enhance its presence as a core area for sustainable growth.

Sales of Commercial and Light Commercial Vehicles Fiscal 2031



Sales Generated by After-Sales Service Business

(Billions of yen)



Overview of the Commercial Vehicle Business

Commercial Vehicle Market

Thanks to our deployment of products suited to the social trends and usage conditions in individual countries and regions, Isuzu's commercial vehicles have recorded sales of approximately 310,000 units*¹ in the global market. We have achieved the top share by size in 27 countries,*² and have obtained a global share of 13%*³ for light and medium-sized trucks.

Going forward, we will further boost our product appeal and marketing campaigns, particularly in Asia, Africa, and the Middle East, with the aim of expanding our share of the global market.

*1 Fiscal 2025 results

Timing of sales unit volume calculation

· Commercial vehicles for the Japanese market: Wholesale/direct delivery

· Commercial vehicles for overseas markets: Sold via local distributors in North America and Australia and shipped from Japan for other regions

*2 Figures for January 2024 to December 2024 compiled in-house based on Japan Automobile

Manufacturers Association (JAMA) data for individual countries

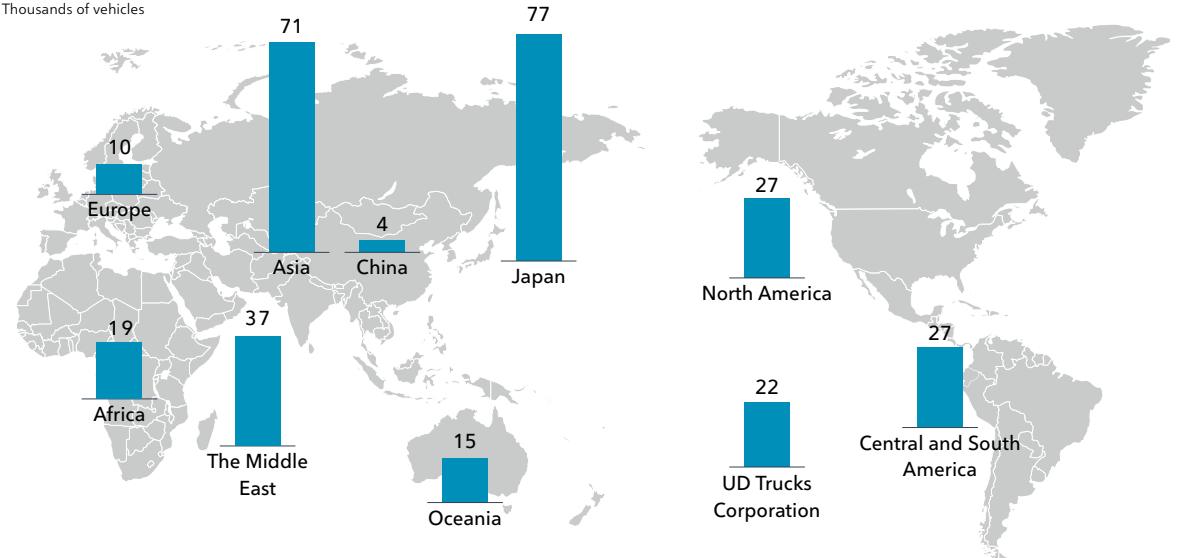
Please refer to our official website for details on countries where Isuzu has the top market share.

<https://www.isuzu.co.jp/company/glance.html> (Japanese only)

*3 Figures for January 2024 to December 2024 analyzed and compiled by Isuzu Motors Limited based on S&P Global Mobility data

Global Light Commercial Vehicle Sales in Fiscal 2025

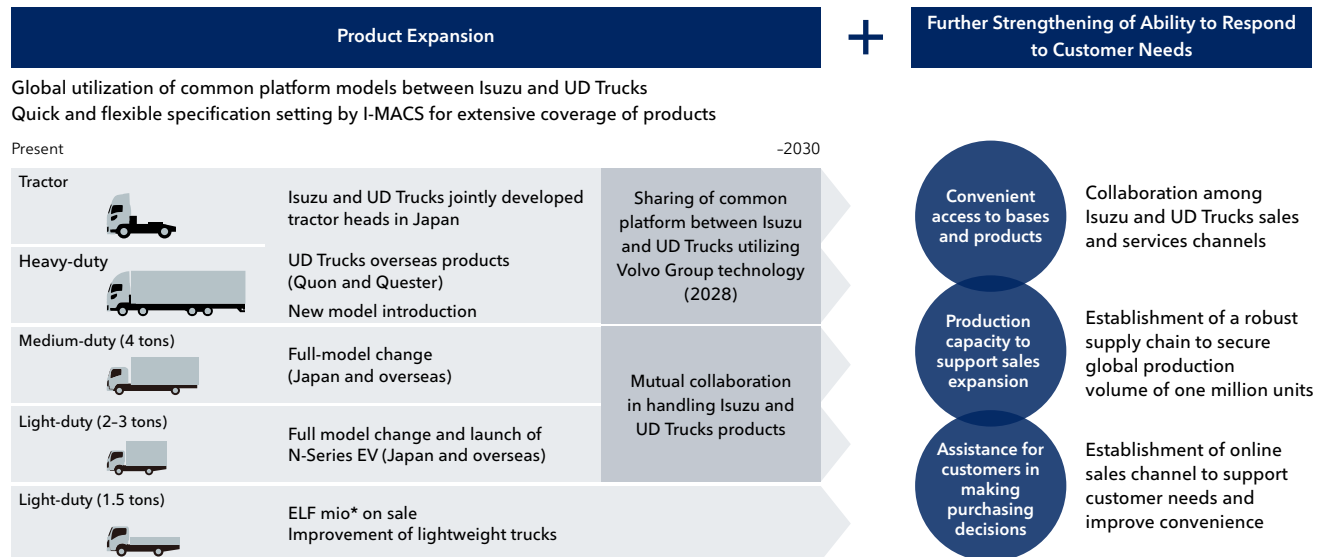
Unit: Thousands of vehicles



Creation of Synergies with UD Trucks

Isuzu has advantages in light- and medium-duty trucks, while UD Trucks' forte lies in tractors and large trucks. The two companies are working to complement each other's product lineups. Through reciprocal OEM supply, both companies are able to expand their product lineups and achieve an efficient supply framework.

Going forward, we plan to launch common platform vehicles in Japan in 2028 and overseas in 2029, and we will pursue synergies in a range of areas, including more efficient use of development and logistics costs and strengthening sales. Furthermore, by utilizing the sales and service channels of both companies, we will be able to respond accurately to diverse needs with our meticulous after-sales services.



* The N-Series is known as the ELF series in Japan.

Overview of the Commercial Vehicle Business

Regional Market Strategies

Japan

Market Characteristics

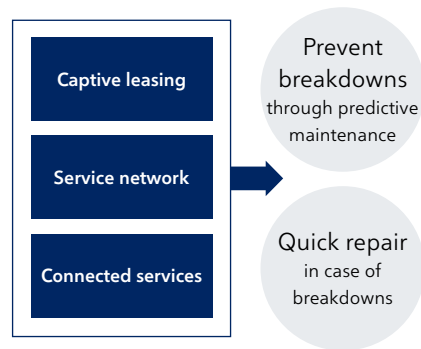
Japan is a mature market for commercial vehicles, and Isuzu has built a stable business foundation and earned the trust of its customers through a full lineup covering diverse needs and comprehensive after-sales services that support vehicle uptime.

Basic Strategy of ISUZU Transformation

In response to the societal challenge of a declining working population, we will support the transportation of people and goods as well as manufacturing in Japan by strengthening our supply chain and sales and service infrastructure, in addition to developing new products to address the shortage of drivers and rolling out new services to improve transport efficiency.

Isuzu's Uptime Support Service Model (Japan)

To better serve our customers' needs, we have been working to strengthen our captive leasing, service network, and connected services. As a result, we have been able to provide high-quality maintenance, such as preventing vehicle breakdowns through predictive maintenance and providing prompt repairs when breakdowns do occur, thereby minimizing customer vehicle downtime.



Important Progress for ISUZU Transformation

1 Launch of the Standard Driver's License-Compatible ELF mio

We have launched the ELF mio, Japan's only light-duty diesel truck that can be driven with a standard driver's license. By providing trucks that anyone can drive, we will expand the scope of drivers and help solve the worsening driver shortage.



2 Isuzu and Fujitsu Sign Partnership Agreement to Commercialize Software-Defined Vehicles

Isuzu and Fujitsu have signed a partnership agreement to strengthen the development of commercial software-defined vehicles as a means of solving challenges in the logistics industry, such as the need for streamlined logistics. Leveraging the strengths of both companies, we will pursue the development of next-generation technologies and services.

3 Commencement of Talks to Integrate Domestic Sales Functions of Isuzu and UD Trucks

By integrating Isuzu and UD Trucks dealerships in Japan, the Isuzu Group aims to stabilize its management base, secure human resources, make efficient investments, and fortify services such as maintenance and advanced servicing, thereby enhancing customer convenience.

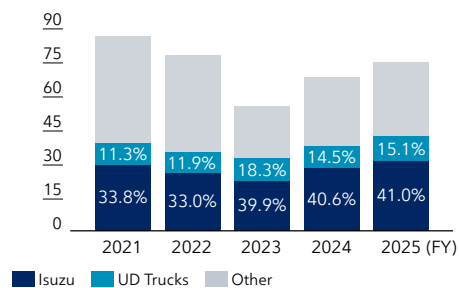


Isuzu and UD Trucks' first joint sale and after-sales service site in Ayabe City, Kyoto Prefecture

Japanese Market Share

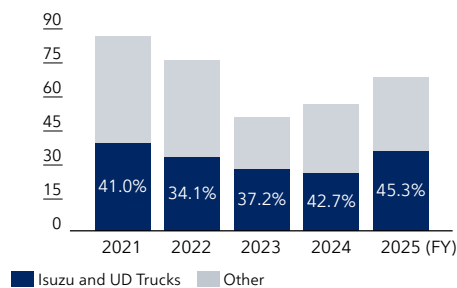
Heavy and Medium-Duty Truck Category

(Thousands of vehicles)



Light-Duty Truck Category

(Thousands of vehicles)



Overview of the Commercial Vehicle Business

Regional Market Strategies

North America

Market Characteristics

The North American commercial vehicle market is dominated by large, conventional (hood-type) trucks used for long-haul loads, but Isuzu has established a position in the niche market for light-to medium-duty low cab forward (LCF) trucks, where there is little competition. In addition, although the influence of current government policies makes it difficult to predict how electrification-related legislation will proceed, the trends in nations at the forefront of electric vehicle development are expected to continue.

Basic Strategy of ISUZU Transformation

As an initial effort to build up Isuzu’s battery-electric vehicle (BEV) business, we will actively invest in strengthening engineering and production capabilities in the United States, starting with the launch of light-duty BEVs, and become a market leader by concentrating on after-sales services.

Isuzu’s Current Positioning and Forthcoming Initiatives

Total demand for LCF trucks in North America is around 50,000 units. With most LCF trucks used for urban deliveries and competitors withdrawing from the market, Isuzu currently holds an overwhelming market share. We have developed a dealer network of over 350 locations in the United States and Canada, and we are working to expand sales and after-sales services by taking advantage of the features of LCF trucks, mainly in urban areas and for delivery purposes.

In fiscal 2025, we launched connected services in anticipation of the widespread adoption of electrified vehicles, thus further strengthening our current business foundation.

Important Progress for ISUZU Transformation

1 Launch of Connected Services for BEVs

Isuzu will introduce its first overseas connected service for BEVs in North America, with plans to roll it out to other countries thereafter. Utilizing the commercial vehicle information platform GATEX, we will provide operational support and charging administration functions. We launched the service in conjunction with the release of the N-Series EV in December 2024.



2 Launch of North American Production Base

In February 2025, we made the decision to invest a total of approximately US\$280 million in a new production plant in the U.S. state of South Carolina to strengthen our supply framework in North America. We aim to bring the new plant on stream in 2027, with the goal of reaching an annual production of 50,000 units by 2030. In response to environmental regulations, we will introduce flexible production methods for both internal combustion engine and electric vehicles.

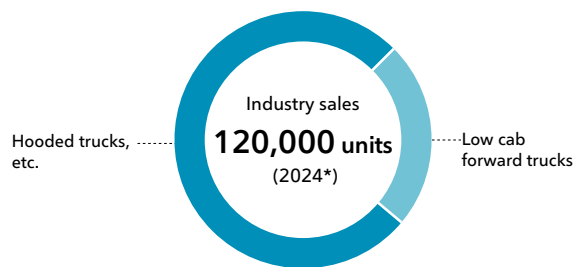


Exterior of new production facility (image courtesy of Colliers International)

3 Battery Powertrain Supply Contract Signed with Accelera™ by Cummins

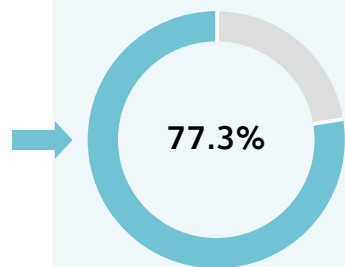
We have signed a supply contract with Accelera™ by Cummins of the United States for battery powertrain systems for medium-duty BEV trucks, thus advancing the creation of a local production and consumption supply chain for parts in the North American market.

Composition of Vehicle Types in the Class 3 to 5 Market



* January to December 2024

Share in Low Cab Forward Market*



* Applies to Isuzu branded vehicles only

Overview of the Commercial Vehicle Business

Regional Market Strategies

Markets with High Commercial Vehicle Presence Outside Japan and the United States

Australia

We have held the top market share in Australia for 36 years running. Both our light-duty N-Series and our medium-duty F-Series boast an impressive market share of 48.8% and 42.8%, respectively. Another strength of ours is our locally based after-sales service network, which has earned us overwhelming trust over the years.

ASEAN

We maintain steady sales in key countries such as Indonesia, Thailand, Vietnam, the Philippines, and Malaysia. We have been expanding our market share by introducing a light-duty truck known as TRAGA in Indonesia and TRAVIZ in the Philippines and by providing comprehensive after-sales services.



The Middle East and Africa

In the Middle East, we have production facilities in Saudi Arabia, while in Africa we have bases in South Africa, Kenya, and Egypt, and we maintain a high market share in each of these countries. Additionally, in Dubai, we have a sales channel with headquarters functions and a parts center that supports logistics. In addition to expanding sales throughout the Middle East and Africa, we are also strengthening our after-sales service framework.

FOCUS

Efforts to Build After-Sales Service Frameworks in Overseas Markets

We are proactively expanding overseas the business model that we have cultivated primarily in Japan, which offers services that safeguard uptime throughout the entire vehicle life cycle. We are introducing connected services and maintenance services tailored to local needs in developed countries as well as other regions and working to strengthen our after-sales service frameworks to support long lasting uptime operations.

Rolling Out Maintenance Leases Linked to Connected Vehicles

Traditionally, it has been difficult to obtain post-purchase customer information and vehicle operating conditions in overseas markets, which prevented the provision of sufficient genuine after-sales services.

To address this issue, we will introduce a maintenance leasing service linked to connected services in overseas markets starting in 2026. Specifically, in key markets such as Australia, we will establish maintenance leasing companies, either on our own or through partners, and expand our leasing service network that combines financing and uptime support.

Since commercial vehicles are often used over long periods of time, providing ongoing uptime support to our customers over that span and creating an environment in which the vehicles can be used with peace of mind helps build trust that will lead to future purchases. We provide advanced support by directly connecting with customers and providing preventive maintenance and optimal servicing proposals based on uptime status and maintenance data.

➤ Providing Options for Uptime Support Services Tailored to Customer Needs

North America	With the electric vehicle market launch in 2024 as a turning point, introduce maintenance leasing and connected services
Australia and ASEAN	Deploy maintenance leasing services for heavy-, medium-, and light-duty trucks, including current UD Trucks maintenance services

Expand to major regions by 2028

Initiatives for Growth in the Light Commercial Vehicle Business

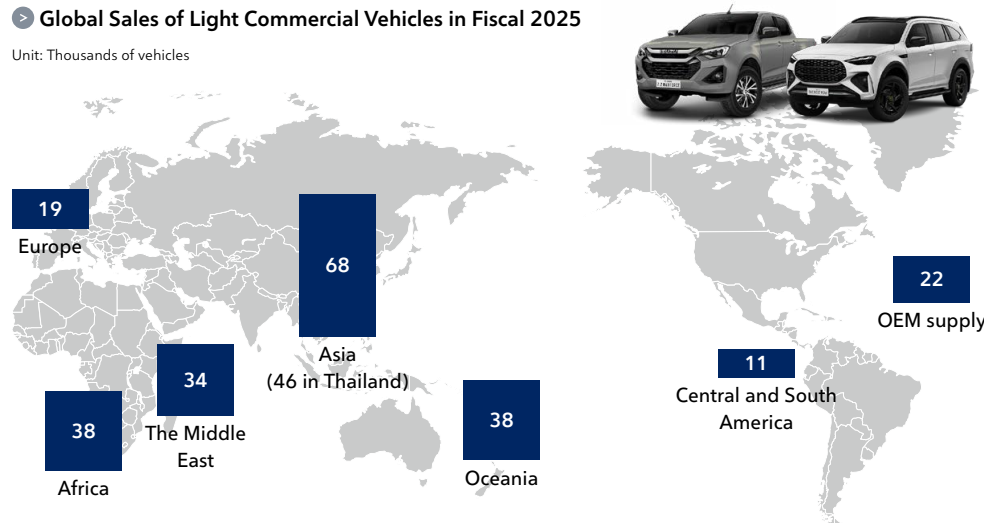
Isuzu's light commercial vehicles are characterized by their superior durability and driving performance that can withstand commercial needs, utilizing the technology the Company has cultivated as a commercial vehicle manufacturer. The vehicles have been rolled out to more than 120 countries around the world, making the light commercial vehicle business one of the Company's key revenue bases. We will continue to aim for further business growth based on a production and sales system that enables us to respond to the needs of each market.

Markets

In the light commercial vehicle business, an important revenue base for the Company, we offer a lineup including the D-MAX one-ton pickup truck and the MU-X pickup passenger vehicle. These models have been sold in more than 120 countries and regions, including Thailand and other ASEAN countries, as well as Australia, the Middle East, and Africa.

Global Sales of Light Commercial Vehicles in Fiscal 2025

Unit: Thousands of vehicles



Production System Based on Three Locations in Close Proximity to the Market

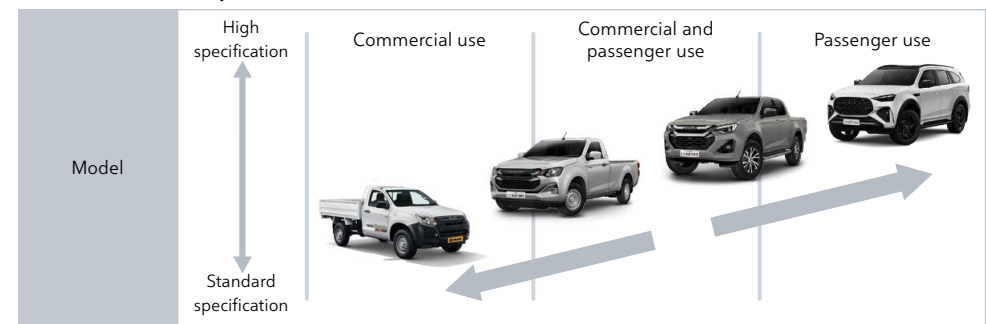
For light commercial vehicles, we have established a production framework consisting primarily of three bases: Thailand, South Africa, and India. For Africa, India, and the Middle East, where demand for commercial use is strong, we utilize our production bases in South Africa and India, which are nearby, to enable prompt supply to the markets and to respond to their needs. Our facilities in Thailand, where we have our flagship plant, not only provide technical support to other bases but also function as a major development base, enabling us to develop and produce vehicles based on market needs.

Sales Strategies Tailored to Local Needs

In Thailand, reflecting the shift in demand from both dual-purpose commercial and personal use to predominantly personal use, in 2019 we expanded our model lineup by executing full-model changes. At the same time, in India, the Middle East, and Africa, where there is strong demand for commercial and low-cost vehicles, we are implementing sales strategies that meet the needs of each region by offering cost-effective models.

For example, in Saudi Arabia in the Middle East, both previous models manufactured in India and current models made in Thailand are sold concurrently, contributing to increased unit sales and market share expansion. In South Africa and the Sub-Saharan region, sales volumes are also growing through continued sales of previous models to existing customers and attracting new customer bases through the introduction of new, higher-grade models.

Global Product Expansion



Development of New Power Sources

To enable light commercial vehicles to meet various needs and use cases, such as decarbonization and connectivity, we will develop a variety of power sources, including high-efficiency engines, plug-in hybrid electric vehicles (PHEVs), and battery-electric vehicles (BEVs).



Battery-electric D-MAX EV (mass production began in April 2025)



PHEV (under consideration)

Initiatives for Growth in the Light Commercial Vehicle Business

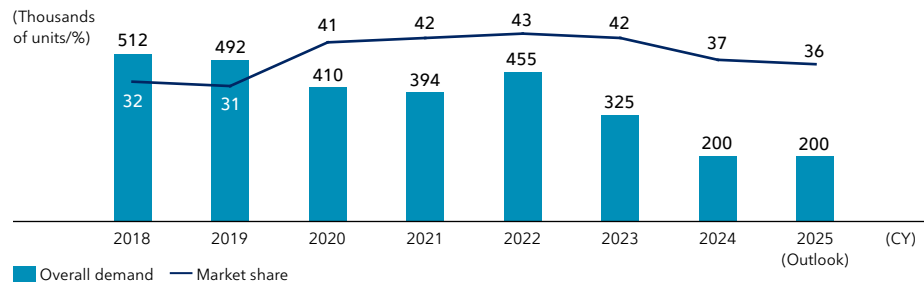
FOCUS

Initiatives in the Light Commercial Vehicle Business' Main Market of Thailand

Brand Building in Thailand

In Thailand, more than half of Isuzu's pickup truck buyers use them for commercial purposes (including mixed commercial and personal use), and the vehicles are widely utilized in both rural and urban areas for work and transportation needs. Since introducing short-hood trucks to the Thai market in 1961, Isuzu has been committed to delivering durable, fuel-efficient vehicles tailored to commercial needs, alongside ongoing efforts to enhance its brand strength. Following the original D-MAX in 2002, the Company has steadily expanded its market share by continuously refining its design and functionality in line with the needs of the Thai market. Through continuous efforts, such as avoiding discount sales through a disciplined sales policy and maintaining high resale value, the Isuzu brand has solidified its position in the Thai market.

Overall Demand and Market Share in Thailand



Trends and Initiatives in the Thai Market

While the Thai automotive market has remained sluggish in recent years due to tighter financing conditions following the end of monetary easing, we continue to see resilient underlying demand for pickup trucks. The Thai government is taking ongoing economic recovery measures, and it is anticipated that the market environment will improve moderately in the future along with the stabilization of the country's economic base. In the long term, we expect to see sales of pickup trucks begin to recover amid a climate of strong latent demand, policy support from the government, and economic growth potential in Thailand. We will seize such future growth opportunities and work to strengthen our business foundation in Thailand.

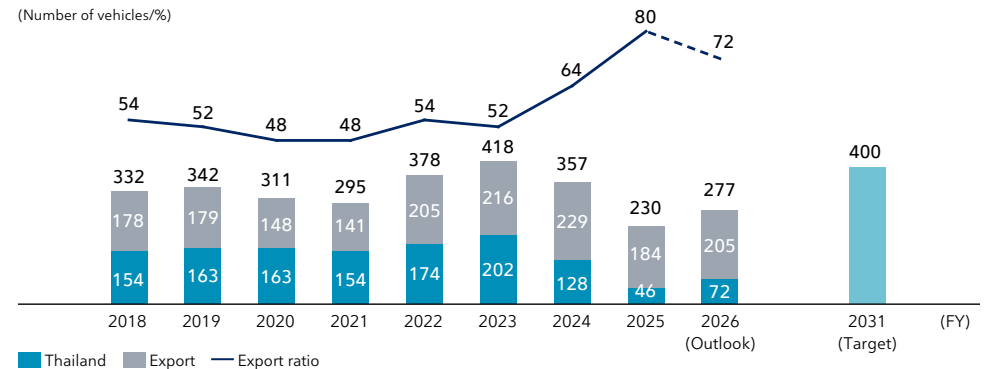
Outlook and Strategies

In addition to expanding sales in Thailand, the Company aims to sell more than 400,000 light commercial vehicles worldwide by 2030 by expanding sales to the Global South, which is expected to see economic growth.

With Africa's population expected to grow by more than 10% by 2030, and economic expansion forecast in India and the Middle East, demand for commercial-use pickup trucks is expected to rise. In response, we are considering strategic optimization of our light commercial vehicle sales and production framework. This includes enhancing coordination with existing commercial vehicle sales channels, broadening our model lineup, and increasing output through plant relocation to effectively capture emerging demand.

LCV Sales and Export Ratio

(Number of vehicles/%)



Region	Strategy	Initiative
ASEAN	Strengthen coordination with commercial vehicle sales channels	Utilize commercial vehicle sales channels Develop low-price workhorse models
Central and South America	Develop market	Enhance sales channels Expand model lineup
The Middle East and Africa India	Increase sales of earlier models	The Middle East and Africa: Maximize sales by selling both earlier and new models India: Pursue market-specific progress

Special Feature

Addressing Challenges Related to the Transportation of Goods and People Through Autonomous Driving

Autonomous driving is expected to be an effective solution to social challenges related to the transportation of goods and people. In this special feature, we will outline in detail Isuzu's efforts to commercialize autonomous driving.

- P.32 Isuzu's Autonomous Driving Solutions
- P.33 Partnership Strategy for Commercialization
- P.34 Isuzu × TIER IV Dialogue: At the Forefront of Commercializing Autonomous Driving

Special Feature

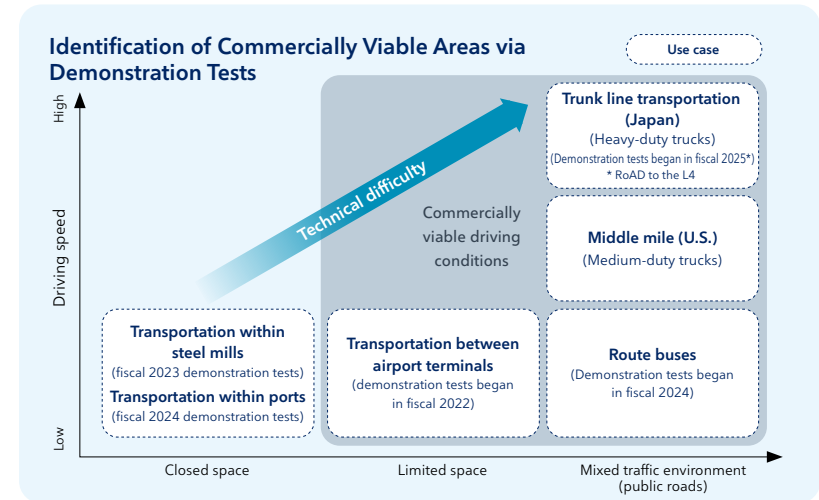
Addressing Challenges Related to the Transportation of Goods and People Through Autonomous Driving

Isuzu's Autonomous Driving Solutions

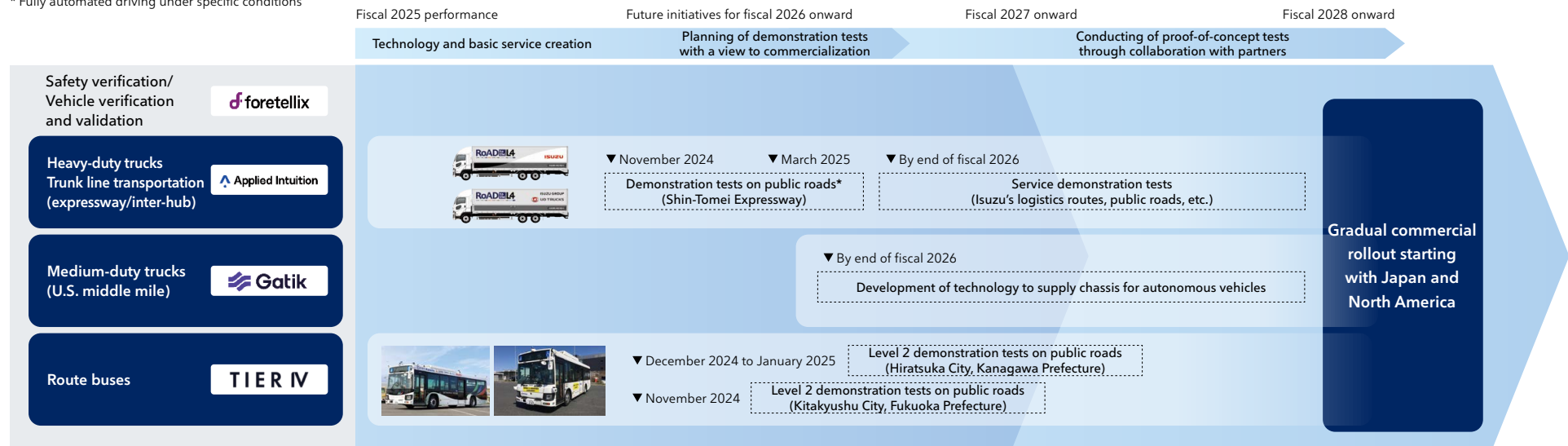
The "2024 issue" in Japan, labor shortages in Europe and the United States, and the need to reduce transportation costs have become pressing issues in the logistics and commercial vehicle industries. Level 4* autonomous driving, through which vehicles can be operated without human intervention, is expected to be an effective solution to these issues.

Isuzu has set a target of commercializing autonomous driving technologies by the end of fiscal 2028. We aim to do this by leveraging the vehicle control technology we have cultivated through the development of commercial vehicles and our extensive knowledge of how customers use them. Through collaboration with start-ups and various demonstration tests, we have identified heavy-duty trucks for trunk line transportation, medium-duty trucks for middle mile transportation, and route buses as commercially viable areas. In fiscal 2027, we will begin monitoring tests with a view to establishing an operating model.

The Company has established a dedicated team for the development and commercialization of autonomous driving directly under the CEO and chief monozukuri officer (CMzO) to enable swift decision-making. We have adopted a data-driven development approach, continuously improving and evaluating software in short cycles to enhance functionality. In addition, we have also established a specialized autonomous driving team by bringing together personnel involved in sales, business strategy, and autonomous driving development. This structure allows us to accelerate both the development and commercialization of autonomous driving technologies.



* Fully automated driving under specific conditions



* Isuzu is participating in Theme 3 of the RoAD to the L4 project, a research and social implementation initiative for advanced mobility services such as Level 4 autonomous driving, spearheaded by the Ministry of Economy, Trade and Industry and the Ministry of Land, Infrastructure, Transport and Tourism. Theme 3 focuses on the practical application of autonomous driving technologies in heavy-duty trucks on expressways. Development is conducted using rule-based systems.








Special Feature

Addressing Challenges Related to
the Transportation of Goods and People
Through Autonomous Driving

Partnership Strategy for Commercialization

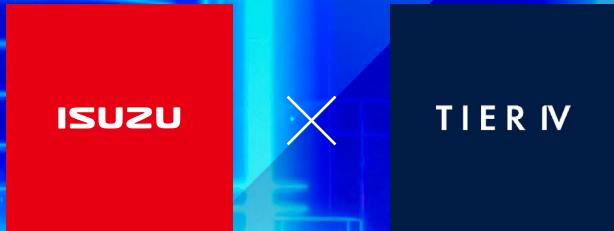
With the goal of commercializing autonomous driving by fiscal 2028 and closing the technological gap between Isuzu and start-ups in the United States and China, we have positioned collaboration with start-ups as a central pillar of our autonomous driving business strategy, recognizing that in-house development alone is not enough. During 2023 and 2024, we began collaborating with four start-ups with the aim of sharing the core technologies of autonomous driving kits, which are the intelligent software behind autonomous driving; developing in-house human resources; and gaining expertise in the autonomous logistics industry.

Currently, we are developing technologies and looking into commercialization through collaborations with Applied Intuition, Inc. for trunk line transportation using heavy-duty trucks, TIER IV, Inc. for route buses, Gatik Inc. for middle mile transportation using medium-duty trucks, and Foretellix Ltd. for enhancing safety verification. Leveraging the technologies of these four companies, we are establishing a cycle that enables the rapid production of autonomous vehicles tailored to specific use cases, advance safety verification, and on-site testing of operating models.

Technical Partners	Details of Collaboration	Key Points
 	<ul style="list-style-type: none"> Joint development of heavy-duty trucks for Level 4 autonomous trunk line transportation Acquisition of processes and toolchains for autonomous driving development 	<ul style="list-style-type: none"> One of Silicon Valley's front-runners in software and AI development Provision of toolchains for implementing autonomous driving best practices Support for development of Isuzu engineers
 	<ul style="list-style-type: none"> Joint development of Level 4 autonomous route buses Implementation of Level 4 autonomous driving approval process 	<ul style="list-style-type: none"> Partnerships with Fukuoka Airport, Hiratsuka City, and Kitakyushu City One of Japan's leading start-ups Proven track record of obtaining regulatory approval for Level 4 autonomous buses
 	<ul style="list-style-type: none"> Entry into the autonomous logistics industry for medium-duty trucks in the U.S. middle mile segment through supply of chassis Mass production of chassis for autonomous vehicles 	<ul style="list-style-type: none"> The only player currently engaged in fully driverless L4 commercial operations in the middle mile using Class 6 and 7 vehicles Development of autonomous driving technologies with Isuzu Chassis
	<ul style="list-style-type: none"> Generation of safety scenarios and technical support for safety verification 	<ul style="list-style-type: none"> Technical support for safety verification of self-driving vehicles Generation and verification of safety scenarios through application of advanced data analysis, machine learning, and automation

Special Feature

Addressing Challenges Related to the Transportation of Goods and People Through Autonomous Driving



At the Forefront of Commercializing Autonomous Driving

A Strong Sense of Urgency Fueling the Commercialization of Autonomous Driving: Waymo's Impact and a Renewed Determination

Sato: Our efforts to commercialize autonomous driving began in earnest in autumn 2023, spurred by the experience of test riding Waymo's Level 4 self-driving taxi in the United States. In Japan, it was said that the barriers to achieving Level 4 were still too high, but Waymo had made it a reality. I vividly recall seeing it with my own eyes and being astounded. We had been conducting technical research up to that point, but we felt a strong sense of urgency, fearing that, unless we changed our path, we would be left far behind in the global race. That is why we launched a two-year plan to catch up and close the technology gap.

Okitsu: It was not realistic for Isuzu alone to close that technology gap. From the outset, we decided to collaborate with start-ups to acquire core technologies for autonomous driving while simultaneously advancing our own in-house development of the vehicle body. Our collaboration with TIER IV began with demonstration tests at Fukuoka Airport in 2022. To be honest, at that time, we were not sure whether we could see the commercial viability of autonomous driving. Nevertheless, we ramped up development efforts with TIER IV to launch full-scale demonstration tests of route buses on public roads, where demand for such technologies was clear.

Hiroshi Sato
Senior Executive Officer,
SVP, Chief Officer for External Affairs
VP, Engineering Division,
ISUZU MOTORS LIMITED

Shinpei Kato
Chief Executive Officer,
TIER IV, INC.

Shigeru Okitsu
General Manager,
Strategic Mobility Planning Department,
Product & Technology Strategies Division,
ISUZU MOTORS LIMITED

DIALOGUE



In this YouTube video, TIER IV CEO Shinpei Kato and Hiroshi Sato discuss how their collaboration came about and the challenges that lie ahead. We invite you to watch the full conversation.

Isuzu × TIER IV Dialogue: At the Forefront of Commercializing Autonomous Driving

Special Feature

Addressing Challenges Related to the Transportation of Goods and People Through Autonomous Driving

TIER IV's Strategy and Enthusiasm for Self-Driving Route Buses

Kato: With a vision of democratizing autonomous driving, TIER IV provides a wide range of products and services centered on autonomous driving software. We are considering a broad range of applications for the technology, from taxis and private cars to vehicles used for transportation within factories and large trailers. Among these extensive applications, Japan's route buses stand out as having major global potential, both in terms of practical application and commercialization.

There are three reasons for this. The first is the high barriers to entry that make Japan's bus market particularly challenging for foreign competitors. Narrow roads and complex traffic conditions in urban areas are the most notable factors in this. Second, the cost per bus is relatively high, which makes it easier to control the cost impact of introducing autonomous driving technologies. Finally, because of the public nature of bus services, it is easier to receive government support.

It was only natural that we approached Isuzu as a partner for the practical implementation of self-driving route buses. Their greatest strength lies not only in their vehicles but also in the after-sales services, relationships with customers, and trusted manufacturing they have cultivated over many years. When it comes to applying autonomous driving to the real world, this trust is essential. From the beginning, we were confident that our collaboration would lead to major progress.

Social Implementation Based on Trust and Full-Scale Collaboration with TIER IV

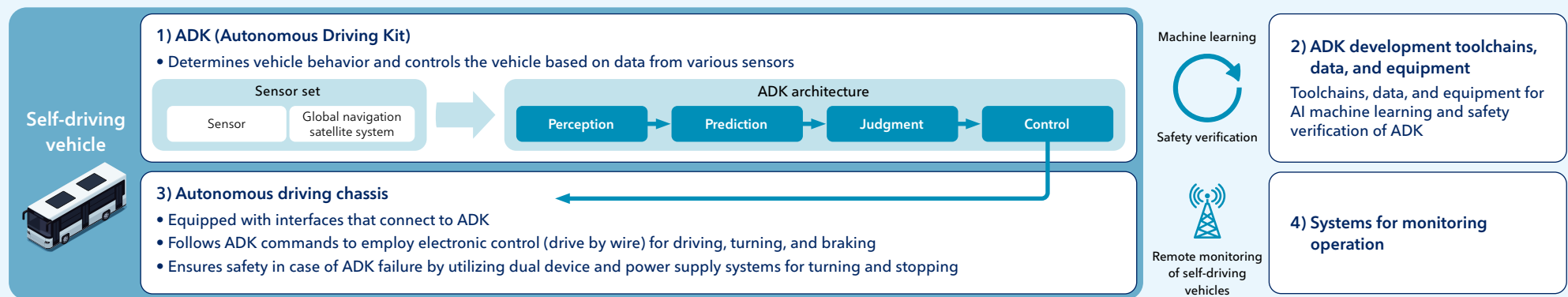
Okitsu: All Isuzu employees are keenly aware of the concept of trusted manufacturing. Grasping customer needs before we make the sale and providing thorough after-sales services—such as preventing breakdowns before they occur—have earned deep trust from bus operators. This trust has greatly contributed to their willingness to participate in autonomous driving demonstration tests. With Isuzu taking the lead, we have been able to conduct cross-cutting demonstrations involving many stakeholders.

Sato: To bring our technologies up to speed, it was imperative that we extend our focus beyond vehicle hardware to acquire the know-how to develop autonomous driving control systems known as autonomous driving kits (ADKs). Through our collaborative demonstration tests at the beginning of 2022, we began to explore deeper partnerships.

There were two key factors in our decision to work with TIER IV. The first was TIER IV's open-source strategy, which opened up the typically black-boxed ADK domain to external partners. We felt that this gave us the potential to internalize and develop the technology in-house. The second was TIER IV's wealth of expertise in regulatory approvals for Level 4 autonomous driving. Their deep knowledge of requirements and technical specifications, which is essential for obtaining approvals, was something Isuzu could never have acquired on its own. These factors led us to strengthen our partnership through investment and accelerate commercialization.

To widely implement self-driving buses in society, we believe it will be necessary to horizontally expand the operating model we have built through demonstration tests. If ADKs are open source, third parties can also be involved in

Autonomous Driving System Overview



Isuzu × TIER IV Dialogue: At the Forefront of Commercializing Autonomous Driving

Special Feature

Addressing Challenges Related to the Transportation of Goods and People Through Autonomous Driving

development and demonstration tests, giving us the advantage of being able to promptly deal with issues in a wide range of regions and conditions.

Kato: Scalability is another key objective of our open-source approach. While companies like Waymo focus exclusively on taxis, our goal is to address social issues by commercializing autonomous driving across a wide range of vehicle types and applications. To achieve this, we aim to tailor the technology and service levels for buses, trucks, and taxis, and promote adoption when society is ready to embrace it. Through our collaboration with Isuzu, we hope to evolve in a way that creates synergy in mass production and business expansion.



Conducting demonstration tests on public roads under the supervision of a driver

Demonstration Tests in Hiratsuka City: A Step Forward in Co-Creation for Social Implementation

Okitsu: With the aim of achieving commercialization in fiscal 2028, since 2024 we have also been working with Kanagawa Chuo Kotsu (Kanachu) to conduct demonstration tests on bus routes in Hiratsuka City, Kanagawa Prefecture. Under this structure, Isuzu defines requirements, Isuzu and TIER IV develop autonomous driving technologies, and Kanachu conducts local demonstration tests.

Sato: We do not have much time left before we aim to commercialize the technology, so it is crucial that we run a high-speed cycle of carrying out demonstration tests and improvements in order to verify the technology and establish an operating model. Therefore, from 2025, we have switched to a decision-making system led by the Steering Committee, headed by Mr. Kato from TIER IV and myself.

Okitsu: I feel that we are getting closer to social implementation. In the fiscal 2025 demonstration, the successful autonomous driving rate reached approximately 94%, marking a significant improvement from around 83% in fiscal 2024. I hope that we can apply the technology to the real world under the guidance of the Steering Committee. That said, several service-related challenges have become apparent, such as ensuring a natural driving and braking feel and maintaining passenger comfort and peace of mind in a driverless environment. This has reaffirmed to us that drivers provide more than just vehicle control and are central to the overall experience of safety and comfort.

Sato: Not all issues can be resolved with technology alone. That last few percent will require passengers themselves to adjust to a new kind of riding experience. As an engineer, I've come to realize that promoting social understanding and acceptance is one of our responsibilities.

Kato: Going forward, it will be important to offer flexible operating models that can be tailored to different routes and service formats. This includes choosing whether or not to have staff on board or which remote monitoring systems to use. Our goal is not simply

to replace existing systems. We aim to propose new business models for public transportation by standardizing operational templates and integrating them into other mobility services.

Tackling of Social Issues with a Sense of Fulfillment: A New Era of Public Transport Ushered in by Autonomous Driving

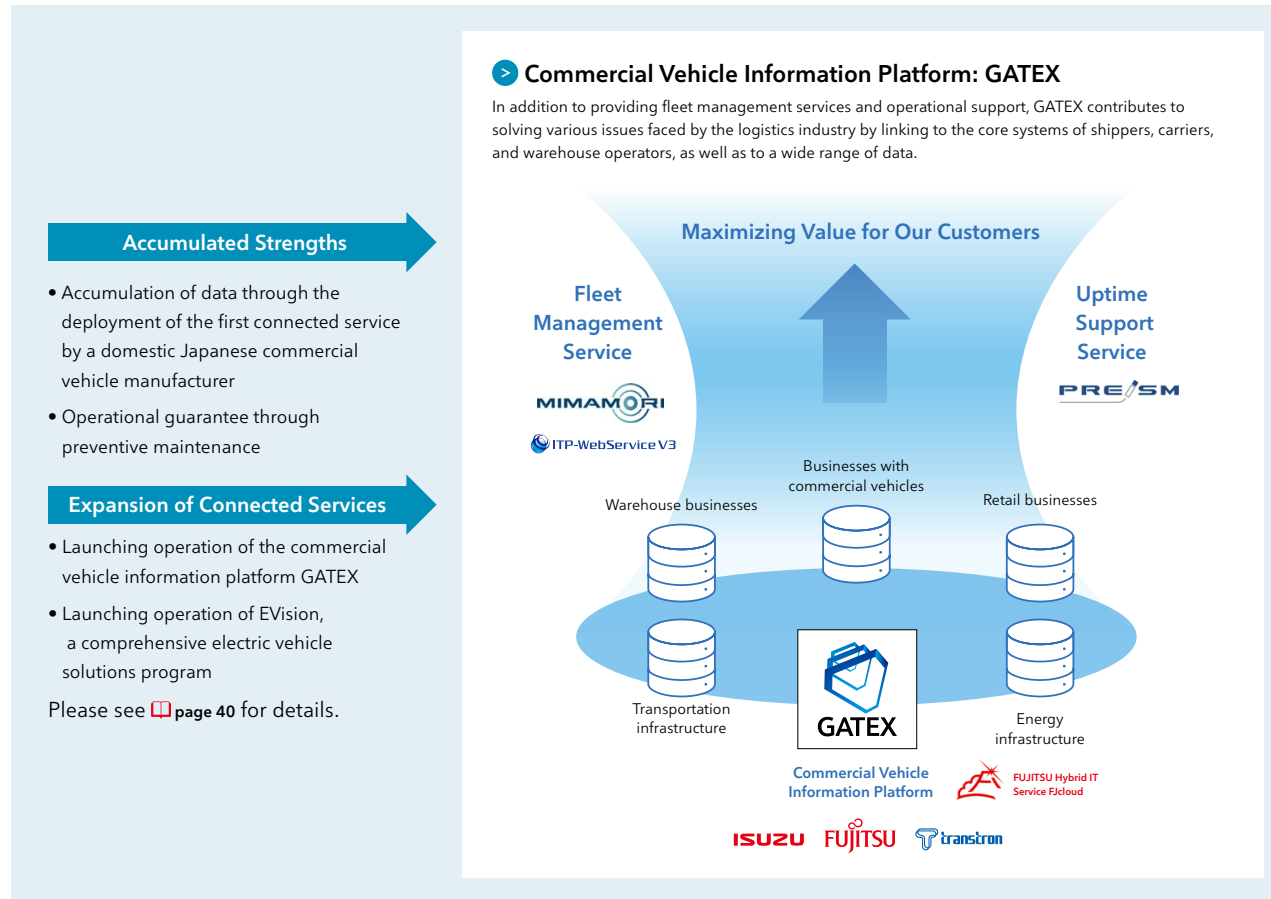
Okitsu: The reduction of bus routes resulting from the "2024 issue" is a major social problem. The disruption to the flow of people and mobility will be a blow to the economy and local communities. There is no fast track to the real-world application of autonomous driving technology. It will require not only the technology itself but also business models, public acceptance, and consideration from multiple different perspectives. By applying the know-how we have acquired through our demonstration tests, we are steadily moving forward one step at a time.

Sato: From my experience overseeing the development of commercial vehicles, I have observed firsthand how such vehicles play a vital role in supporting communities in Japan and around the world. Right now, Japanese companies are facing many challenges, such as driver shortages and mobility issues for people with disabilities. I feel a strong sense of purpose and fulfillment in the potential of autonomous driving to resolve these problems. We will keep working on both developing the technology and implementing it in the real world to tackle these challenges.

Kato: On the forefront of social implementation, it is crucial to generate momentum. A single success story can prompt broader adoption and boost the entire industry. Japan is in an ideal position, with start-ups boasting cutting-edge technologies, vehicle manufacturers taking on challenges, and government support in place. Through the combined efforts of Isuzu and TIER IV, we will work to implement self-driving buses into the real world, helping to bring autonomous driving from Japan to the world.

Expansion of Value Provided Through the Evolution of Connected Services

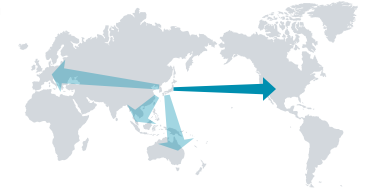
With ISUZU Transformation, we aim to evolve our services with the goal of streamlining logistics for shippers based on MIMAMORI, our fleet management service; PREISM, our uptime support service; and GATEX, our commercial vehicle information platform, which we currently provide. At the same time, we will gradually expand our uptime support service from North America to other overseas markets.



Isuzu has been a pioneer in providing connected services that support its customers' businesses, such as the MIMAMORI fleet management service and the PREISM uptime support service. In October 2022, GATEX, the commercial vehicle information platform developed by Isuzu, Fujitsu Limited, and Transtron Inc. went into operation. Based on information from approximately 720,000 trucks owned by Isuzu and Transtron (as of the end of March 2025), the two companies currently provide the largest connected service in the commercial mobility sector.

Overseas Deployment of Uptime Support Services

We will pursue the overseas deployment of our uptime support services to meet overseas needs and fortify our overseas business foundation. In addition to rolling out the PREISM and EVision electric vehicle services to North America, we will deploy them in other major regions as well by 2028. We also aim to create region-specific services through the operation of GATEX as well as integrate the services of Isuzu and UD Trucks in the future.



Enhancement of Services

In response to the need to address labor shortages and streamline logistics, we aim to provide services that make transportation and delivery more efficient for carriers and shippers. To that end, we will link GATEX to a wide range of cross-industry data to create new services with our partners.

Example:

Automatic detection of waiting time at loading sites added to MIMAMORI

Logistics data

Distribution flow and shipper information



Please refer to [Isuzu's website](#) for details.

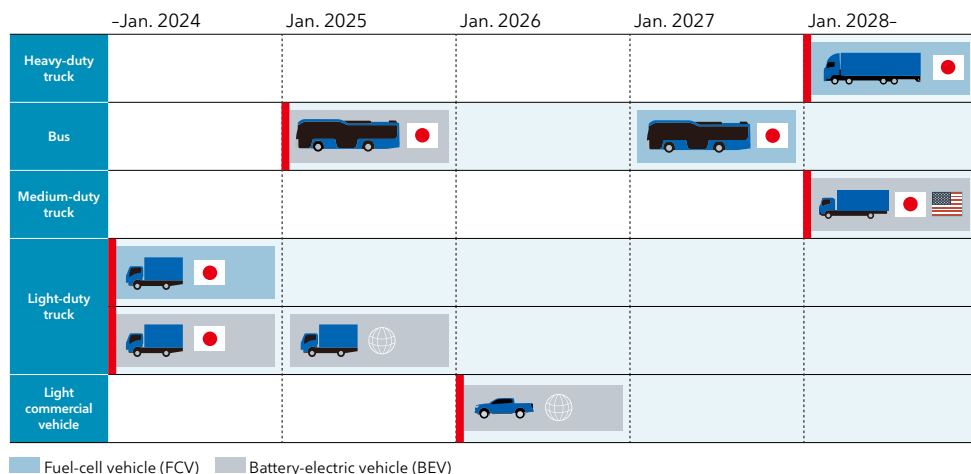
Isuzu's Strategy to Achieve Carbon Neutrality

To achieve carbon neutrality by 2050, Isuzu will work to accurately grasp and address the pressing needs of its customers. In doing so, we will create solutions to carbon neutrality-related issues that are both commercially and economically viable while also generating social value. Through cross-organizational activities to drive innovation inside and outside the Company, we will develop products and solutions via multiple pathways tailored to regional characteristics and energy infrastructures.

Isuzu's Multi-Pathway Strategy

We will utilize multiple pathways to develop products and solutions that are economically viable, user friendly, and offer sustainable decarbonization. We will do this while taking into account how they are used in each country, as well as regional and social trends.

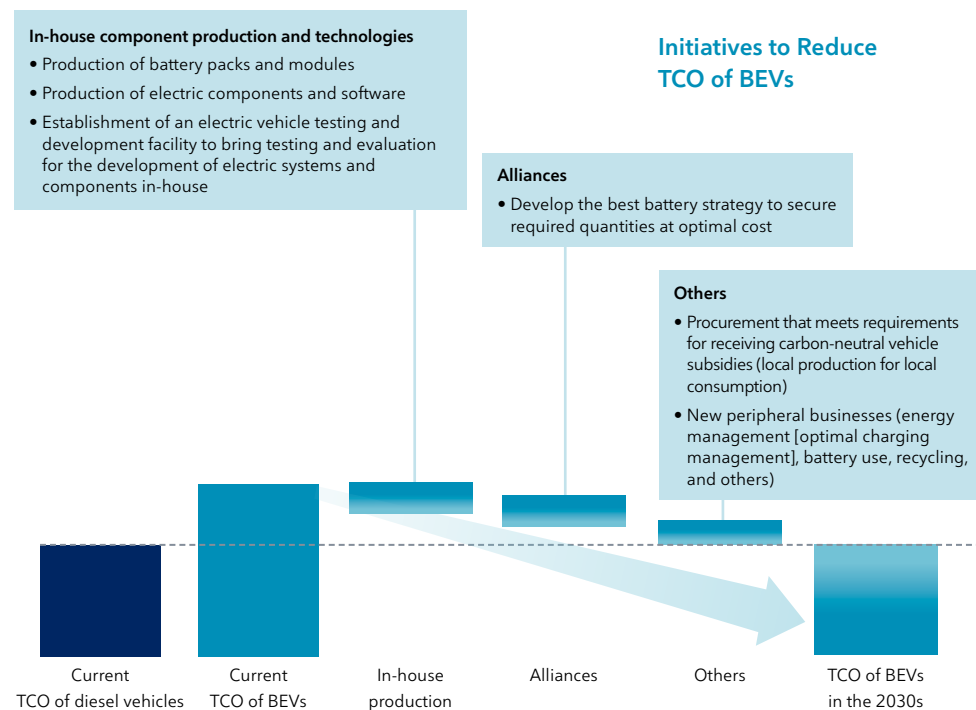
> Offering Electric Vehicle Options in All Vehicle Categories by 2030



Reduction of Total Cost of Ownership

Looking ahead to the 2030s, when we expect BEVs to come into more widespread use, we aim to lower the total cost of ownership of BEVs to the same level as that of today's internal combustion engine vehicles by bringing all component and technology production in-house and utilizing battery-related strategies developed through alliances.

> TCO* of Diesel Vehicles vs. TCO of BEVs (Conceptual Image)










* TCO: Total cost of ownership (including fuel and electricity costs)

Isuzu's Strategy to Achieve Carbon Neutrality

→ Progress of Electric Vehicle Development

➤ Previous and Upcoming Initiatives for the Launch of Various Electric Vehicle Types

			Current Situation	Upcoming Initiatives
Light-duty truck	BEV		Sales underway in Japan and the United States	<ul style="list-style-type: none"> • Launched in the Japanese market in 2023 and in the North American market in 2024 • Scheduled for gradual rollout in Europe
	FCV		Fuel-cell vehicles introduced to the market	<ul style="list-style-type: none"> • Planning and development conducted in collaboration with partners of Commercial Japan Partnership Technologies Corporation (CJPT). Released to the market in 2023
Medium-duty truck	BEV		Development underway for launch in the North American market	<ul style="list-style-type: none"> • March 2025: Signed an agreement with Accelera™ by Cummins, the zero-emissions business segment of Cummins Inc., to supply battery powertrain systems • From 2027: Plan to introduce to the North American market
Heavy-duty truck	FCV		Public road testing of prototype vehicles currently underway with a view to market launch	<ul style="list-style-type: none"> • 2020: Signed a joint research agreement with Honda R&D Co., Ltd. • Fiscal 2024: Launched public road demonstration tests using prototype vehicles
Bus	BEV		Sales underway in Japan	<ul style="list-style-type: none"> • Launched in the Japanese market in 2024
	FCV		Currently under development with an eye to market entry	<ul style="list-style-type: none"> • Isuzu is developing next-generation fuel-cell route buses based on the aforementioned large battery-electric route buses.
Light commercial vehicle	BEV		Production underway in Thailand for sale in the European market	<ul style="list-style-type: none"> • April 2025: Began production in Thailand • Summer 2025: Launch scheduled in major European countries, following which Isuzu plans to expand sales areas globally in phases, tailored to the conditions of each country and region

Isuzu's Strategy to Achieve Carbon Neutrality

→ Provision of Carbon Neutral Solutions

For commercial BEVs to become more widely adopted, we will have to overcome challenges such as the need to reduce recharging times, optimize operation planning, lower vehicle prices, and consider how to make batteries reusable. Isuzu is working on providing solutions to these challenges, including a battery-swapping system based on the EVision Cycle Concept and the optimization of BEV operation management through EVision.



The Isuzu Group is proposing a battery-swapping solution as a new option for pursuing carbon neutrality. By separating the battery from the chassis, the battery-swapping approach is expected to help address various social issues. Based on the EVision Cycle Concept, we are driving forward the development of vehicles and battery stations for demonstration testing.

> Expanding Services That Contribute to Decarbonization

Cost-Effectiveness

- Inexpensive new vehicles
- Asset value when resold
- Reduction in electricity bills

Operability

- No waiting time for charging
- Ability to choose battery size (distance and load)

Versatility


- Reduction of environmental impact through battery sharing

Effective Use of Resources

- Vehicle used until end of life
- Solutions tailored to specific needs
- Reuse in second and third life cycles

Reduction in Burden of Electricity Stockpiling

- Renewable energy storage
- Feeding of electricity back to the grid



Commencement of Demonstration Tests for the EVision Cycle Concept

In Japan, in-house demonstration testing began in October 2024 at the Fujisawa Plant in Fujisawa City, Kanagawa Prefecture. In fiscal 2026, we plan to conduct demonstration tests outside Company premises, including on public roads. In August 2024, Isuzu Motors Limited and Mitsubishi Corporation were jointly selected for the Ministry of Economy, Trade and Industry's Global South Future-Oriented Co-Creation Project in Thailand and will begin demonstration tests in fiscal 2026.

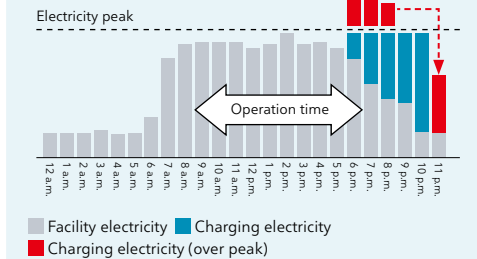


When introducing BEVs into commercial operations, it is essential to ensure uninterrupted vehicle operation. This requires optimal vehicle selection, operation planning, and charging management tailored to each of our customers' industries and the way in which vehicles will be operated. Isuzu's EVision is a comprehensive solutions program that leverages BEV operation expertise gained through monitoring projects while maintaining the same ease of use as conventional vehicles.

During the introduction process, we conduct a detailed assessment of the vehicle's cruising range and its suitability for specific applications. After the vehicle has been introduced, we provide support for the installation and operation of charging infrastructure, along with energy management proposals aimed at reducing electricity costs. When in operation, the vehicle's status can be monitored remotely through connected services, enabling a swift response in the event of a breakdown. Additionally, we offer a fixed-rate full maintenance lease service, providing consistent support for operational efficiency and CO₂ emissions reduction according to the customers' needs.

> Charging Plan That Accounts for Peak Load Shifting

A charging plan that considers facility electricity usage to enable peak load shifting

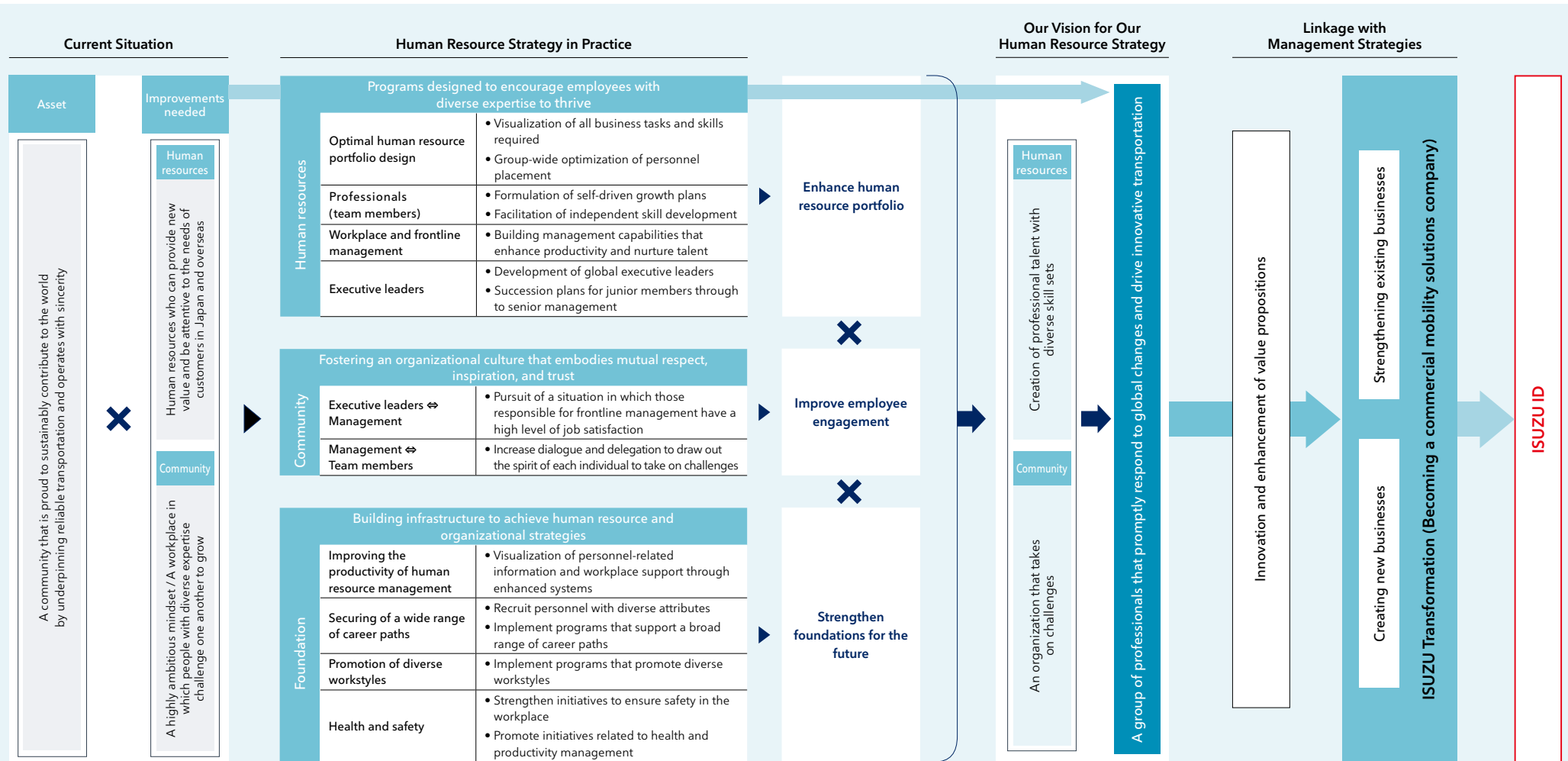


Commencement of Demonstration Tests for BEV Truck Operation and Facility Energy Management

At ITO EN, LTD.'s Asakusa branch, we are field testing vehicle-side charging control using the charging management feature of the N-Series EV by integrating our GATEX system with the energy management platform provided by i GRID SOLUTIONS Inc. Through the field test, Isuzu aims to further enhance the services offered through its EVision program.

Human Resource Strategy for Realizing Our Vision

Isuzu promotes human capital management with its human resource strategy positioned at the intersection of its management and business strategies. To bridge the gap between our vision for the future and our current situation, we believe that it is essential to refine our existing strengths while making full use of them. To this end, we have highlighted our human resource portfolio, employee engagement, and the strengthening of our foundations as strategic focus areas. Through innovative personnel policies, we aim to foster a vibrant, employee-friendly organizational culture in which management and those on the front lines are united, where we can achieve sustainable corporate growth and sharpen our competitive edge on a global level.



Human Resource Strategy for Realizing Our Vision

Promoting Corporate Reforms Through the New Personnel System to Maximize the Value of Human Capital

Implemented in April 2025, our new personnel system aims to establish globally competitive talent management. By identifying and empowering highly motivated professionals with diverse expertise from both inside and outside the Company, we are building a strong foundation for sustainable corporate growth and enhanced competitiveness on the world stage. In addition, we also established the chief human resource officer (CHRO) position in April 2025 with the aim of strengthening our human resource strategy, which is closely linked to our management and business strategies. We will work to create an environment in which each individual's ambition, diversity, and expertise are fully leveraged, thereby promoting a culture of continuous innovation.

Message



Masato Arisawa

Senior Executive Officer
CHRO
EVP, HR Division

I see human capital as an investment that directly contributes to management. A personnel system is merely a tool. The essence of human capital management lies in creating an environment where each employee can proactively shape their own career and fully demonstrate their abilities through fair placement, evaluation, and compensation.

I firmly believe that the creation of new value through healthy conflicts of opinion among diverse human resources with different values and experiences is the driving force behind reform and sustainable growth.

Our rich human capital underpins our innovation in our efforts to tackle major industrywide challenges such as autonomous driving and decarbonization.

As Isuzu's CHRO, I will ensure that the HR Division leads the Company's reforms, evolving Isuzu's unique corporate culture and systems to become a company that attracts diverse global talent.

Working on Group Management from a Global Perspective

Isuzu aims to realize Group management from a global perspective by introducing a new world-class personnel system infrastructure to achieve optimal personnel placement throughout the Group.

To promote talent management on a global scale, it is essential to aggregate and visualize information such as employee backgrounds and skills. We are building an integrated human capital management framework to enhance career development, ensure optimal talent deployment, and ease the workload of on-site management. The human resource system will be renewed by 2027 and gradually rolled out across major Group companies.

In addition, we will strengthen growth support measures and build infrastructure to acquire and develop professional human resources. We are also focusing on people management, which involves efforts to improve workplace environments and organizational strength. These efforts include improving job satisfaction and engagement of all employees.

Through these initiatives, we will fully leverage the strengths and growth ambition of each employee to contribute to sustainable global growth and the creation of corporate value.

Human Resource Strategy for Realizing Our Vision

Key Measure 1: Implement Personnel System and Other Measures to Optimize Our Human Resource Portfolio

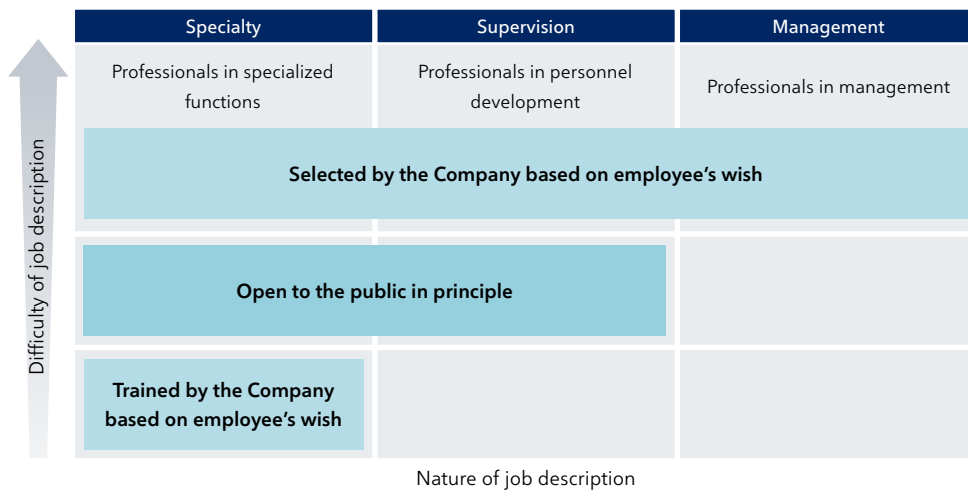
In April 2025, we fully implemented our new personnel system designed to enable talent with diverse expertise to thrive. We are advancing toward a more strategic phase of human capital management by building a job framework that enables us to assign the right people to the right positions based on expertise and current roles and by fostering self-driven career development that connects personal growth with corporate progress.

Establishment of Infrastructure for Assigning the Right People to the Right Positions

To promote the success of professionals who pursue specialized expertise, we have established diverse career paths that reflect each employee's aptitude and aspirations. In recognition of their contributions, we have also set globally competitive compensation ranges.

To enable proactive career development, we fully implemented an internal job posting system in April 2025. For senior professional roles, however, selection is based on both the individual's wish and the Company's assessment of suitability. We are currently developing a succession plan to nurture future executive leaders.

> Career Path



Approach to Personnel Development

Based on the belief that the individual growth of employees drives the growth of the Company as a whole, we have shifted our policy from Company-led development to employee-led self-development and are promoting the establishment of a personnel growth cycle. We aim to create a virtuous cycle in which employees identify opportunities for growth, take on challenges, and find further growth in their accomplishments.

To support employee-led self-development, we have increased the number of one-on-one meetings with direct supervisors to promote the setting of high-level goals and following up on their progress. In addition, we have introduced a career selection system centered on open recruitment and a self-learning program, UdeMy Business, to provide a variety of learning opportunities.

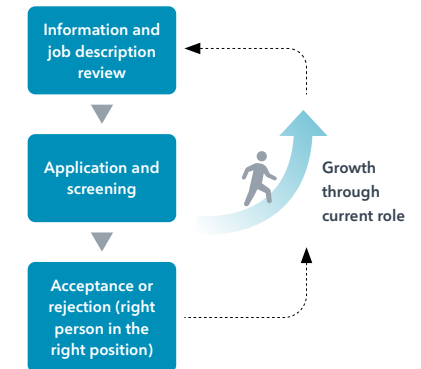
Furthermore, by assigning human resource business partners (HRBPs)* to each department to support personnel management, we are strengthening the development of professional talent who proactively shape their careers and enhance their expertise.

* Human resource representatives assigned to each department support the identification of human resource-related issues and the implementation of actions to help departments and organizations achieve their goals.

> Human Capital Growth Cycle



> Job Posting System



Human Resource Strategy for Realizing Our Vision

Key Measure 2: Improve Employee Engagement

Evolution into an Organization That Encourages Mutual Growth

To accomplish the ISUZU ID, we are advancing the evolution of the Group into one where employees grow by taking on challenges proactively without fear of failure and where members energize each other to create mutual value. To regularly confirm the impact of each measure aimed at achieving human capital management and check workplace conditions, we began conducting engagement surveys under the new personnel system in April 2024, with a target positive response rate of 70% by 2030.

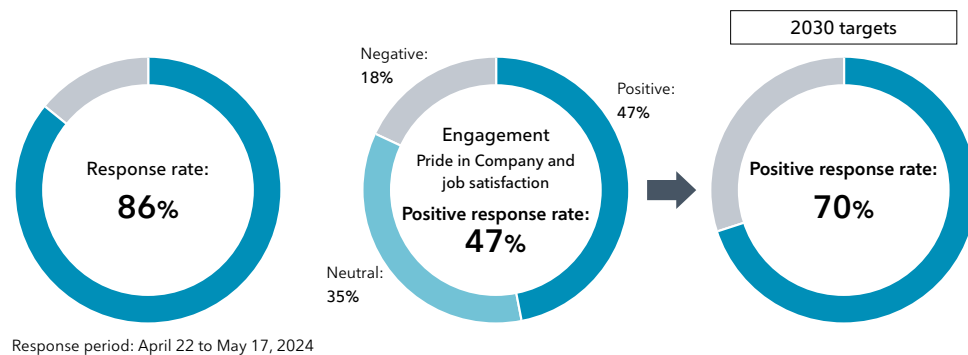
We will regularly collect and analyze the thoughts of each employee from various angles to understand the impact of measures and take action to improve the workplace environment.

Results and Analysis of the Fiscal 2025 Engagement Survey

The results of the fiscal 2025 survey showed that the positive response rate was 47%.

Following the full-scale introduction of one-on-one meetings, improvements have been observed in the quality of dialogue between supervisors and their team members. Nevertheless, group leaders, who are responsible for management on the front lines, are facing rising workloads due to the growing diversity of management duties and the need to support subordinates' career development.

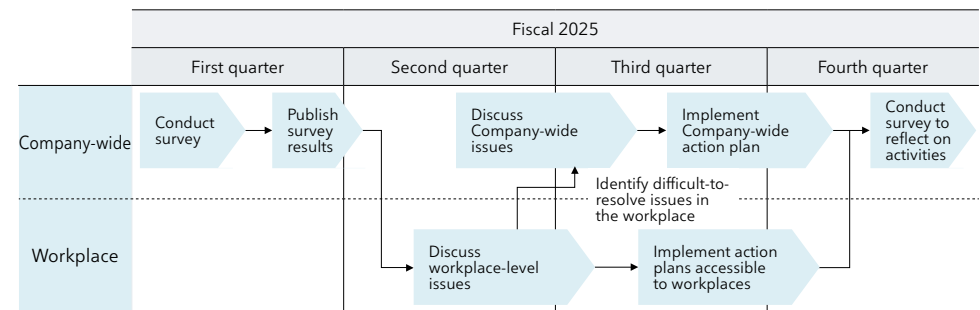
To reduce the burden on management, in addition to improving the management environment and related systems, we will drive forward initiatives to promote a virtuous cycle of human resource development by delegating tasks to the next generation of leaders.



Workplace Improvement Initiatives Based on Survey Results

Each workplace engages in bottom-up initiatives to address issues over the medium to long term based on the survey results. By analyzing the data, differences across organizations, job types, and employee attributes become clear, enabling tailored actions suited to each workplace's characteristics. Workplaces identify their own issues, develop and implement action plans, and promote proactive efforts and improvements. Furthermore, when Company-wide issues are identified through analysis, they are discussed at the executive level, and top-down measures are implemented across the organization.

Trends Observed in the Fiscal 2025 Engagement Survey



Workplace Improvement Initiatives Based on Survey Results

Dialogue Session on the Theme of Becoming No. 1 in Employee Engagement

We held a dialogue session incorporating outside expertise on the theme of becoming No. 1 in employee engagement. At the event, the executive vice president (EVP) of the HR Division spoke on the significance of employee engagement and motivation to contribute to the Company. The program also included a Q&A session attended by employees and a presentation of best practices by a Japanese representative of U.S. survey provider Qualtrics. Approximately 5,500 employees participated in the event, including online attendees.



Human Resource Strategy for Realizing Our Vision

Key Measure 3: Building Infrastructure to Help Employees Demonstrate Their Abilities

Aiming to become No. 1 in employee engagement, Isuzu has positioned the promotion of diverse human resources, the development of flexible workstyles, and the creation of an environment that ensures health and safety as the foundation of its human resource strategy. To continue to pursue sustainable growth and innovation, we are making unified efforts across the Company to build a foundation that enables each employee to perform at their best.

Active Participation by Diverse Human Resources

We believe that by accepting and utilizing differences in age, gender, nationality, disability, and work environments, we can increase employee engagement, create new ideas, and improve the competitiveness of the Company by creating value. We will implement various measures to create a welcoming work environment for all employees, regardless of their attributes or stages in life.

Isuzu is fully aware that promoting diversity and inclusion is a key element for the Company to achieve sustainable growth and continue contributing to society. Isuzu has set the following goals for 2024 as part of its action plan based on the Act on Promotion of Women’s Participation and Advancement in the Workplace. (Period of plan: three years, from April 1, 2024 to March 31, 2027)

Goals	(1) Increase Isuzu’s percentage of female managers to the top level of the automobile industry* (target: 4.7%) (2) Promote understanding of employees who balance work and childcare and enable male employees who are raising children to take childcare leave (target: 100%) * Using 14 member companies of the Japan Automobile Manufacturers Association (JAMA) as a reference
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Diverse Workstyles

Isuzu is working to develop systems and mechanisms to support flexible workstyles in order to create an environment in which diverse human resources can play an active role. Specifically, we have introduced a flex-time system without core hours, a remote work system, an annual paid leave system that allows use in one-hour increments, and an in-house temporary childcare service.

These initiatives were developed through collaboration between our employee-led workstyle study team ISUZUTTO! and the HR Division. The team also contributes to internal awareness by gathering and sharing examples of diverse working approaches.

	Fiscal 2023	Fiscal 2024	Fiscal 2025
Percentage of female employees in managerial positions	3.4%	3.7%	4.9%
Percentage of male employees taking childcare leave*	87.7%	88.0%	87.2%

* Combined utilization rate of childcare leave and paternity leave

Occupational Health and Safety Initiatives

Isuzu places employee health and safety at the foundation of its business activities and promotes health and safety activities under a framework supervised by the chief risk management officer (CRMO), with ultimate responsibility lying with the president and COO. These activities aim to improve the health and safety awareness of all employees, regardless of employment type or affiliation, and ensure that employees can keep each other safe. We also strive to foster a culture of safety and prevent accidents by providing guidance and sharing information with partner companies that share our premises through management consulting, distribution of incident reports, and regular meetings.

In 2023, the Isuzu Group established Safety Day in response to the occurrence of a major disaster. In September of the same year, we established the Special Committee for Safety Promotion, chaired by the COO. The committee meets monthly in principle to support the implementation of countermeasures for accidents and occupational incidents, explores mechanisms to maintain the integrity of safety initiatives, and works to allocate management resources effectively.

In fiscal 2025, we reaffirmed that safety takes priority over all else and made various efforts to uphold this principle, including communicating the commitment of top-level management to ensure the safety of employees.



Health and Productivity Management Initiatives

We recognize that the physical and mental well-being of each employee, along with their motivation and job satisfaction, drives organizational vitality and innovation. As such, senior management has declared its commitment to health and productivity management, positioning it as a core strategy. We have established a Company-wide framework for promoting health and productivity management and are implementing various measures in cooperation with occupational health staff, various divisions, labor unions, health insurance associations, and other organizations.

We promote a wide range of health measures, including regular health checkups, mental well-being initiatives, opportunities to learn about self-care and promoting the mental well-being of subordinates, prevention of lifestyle-related diseases and infectious diseases, and reduction of long working hours. We analyze health data to define challenges and assess the effectiveness of our initiatives while thoroughly implementing a plan-do-check-act (PDCA) cycle.

Human Resource Strategy for Realizing Our Vision

Focus: Fostering a New Culture

Progress on the Promotion of the ISUZU ID

Two years after the introduction of the ISUZU ID, three change ambassadors (CAs) responsible for promoting its internal promotion shared their perspectives on the changes they've observed within the Company and the challenges that lie ahead.



Group-wide efforts are underway to promote the ISUZU ID. At Isuzu Motors Co., (Thailand) Ltd. (IMCT), a key overseas subsidiary, these efforts are being actively implemented. We spoke with CAs from the purchasing departments of both Isuzu Motors and IMCT.

The ISUZU ID: Taking Root Around the World

Toya: When I attended an IMCT town hall meeting, I was struck by the vibrant atmosphere, especially the way younger employees were leading the initiatives. It left a strong impression on me. What changes have you noticed as the ISUZU ID continues to take root?

Duangdee: Communication within the department used to be limited, with most employees focused only on their own responsibilities. But as various efforts to promote the ISUZU ID have continued, a more open and expressive atmosphere has emerged. One notable change is the increased chance to engage in direct dialogue with executives through town hall meetings and other means.

Toya: I feel the same change happening in Japan. There used to be a sense of separation between management and frontline staff, even during the biannual divisional policy briefing sessions. Lately, management has taken a more active role in communication, and I feel that the hierarchical divide has become narrower.

Duangdee: Personally, I feel that my understanding of the ISUZU ID has helped me to see the link between the strategic direction of the Group and my own work. There is an even greater sense of unity now.

Toya: I agree. For the ISUZU ID to take root in our everyday work, I think it is important that we each work on changing our individual mindsets.



Yusuke Toya
PT Group No.1, PT Sourcing Dept., Purchasing Division, ISUZU MOTORS LIMITED



Jaruayporn Duangdee
Purchase and Procurement Division (PPD), Isuzu Motors Co., (Thailand) Ltd.



Yuki Araki
Japan Product Marketing Dept. ISUZU MOTORS LIMITED

Promoting a Stronger Personal Connection with the ISUZU ID and Addressing Challenges Going Forward

In my involvement in activities to promote the ISUZU ID, I have felt a strong sense that the awareness of management is changing significantly. Through town hall meetings and in-house management policy briefing sessions, there has been an increase in dialogue between management and employees, which gave employees more opportunities to understand the direction in which Isuzu is heading.

On the other hand, for the ISUZU ID to take root naturally throughout the Company, I believe that it is essential to create ways for employees to feel a stronger connection between their everyday work and the ISUZU ID. As a CA, I have been engaging in dialogue with frontline staff to ensure that each individual can view the ISUZU ID as a familiar and integral part of their work. I will continue to take the initiative to promote measures to help the ISUZU ID take root.