



Honda ESG Report 2025

HONDA

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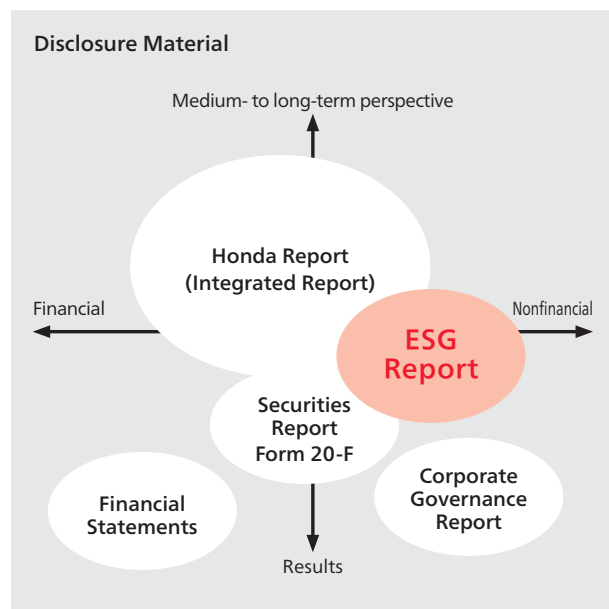
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■ Organizations covered

This report covers the entire Honda Group, which consists of Honda Motor Co., Ltd. and its 357 group companies in and outside of Japan (comprising 284 consolidated subsidiaries and 73 affiliated companies accounted for by the equity method). Sections that do not cover the entire Honda Group are indicated as such with a reference to the specific scope.

■ Period covered

Primarily, this report focuses on the activities undertaken from April 1, 2024 to March 31, 2025, including past background information and activities conducted up to the time of publication, as well as related matters, and future outlook and plans.



■ Standards Followed

Honda ESG Report has been compiled in accordance with GRI Standard 2021.

For details, please refer to the GRI Content Index page (➡ p. 211).

· The guidelines referenced in calculations and/or the basis for those calculations are shown in the corresponding sections.

■ Assurance

The environment- and social-related data indicated with ☒ for the fiscal year ended March 31, 2025 in the Japanese version of this report, received the independent practitioner's assurance.

■ Date of publication

Publication of this report: June 2025

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Honda releases Honda ESG Report every year.

■ Contact for publication and inquiries

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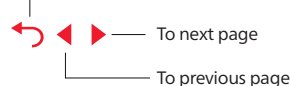
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Disclaimer

This report contains past and current factual data of Honda Motor Co., Ltd. as well as plans and outlooks for future projections based on its management policies and strategies as of the date of publication. These future projections consist of assumptions or decisions derived from the information available at the time this report was produced. Please note that the results of future business activities and events may vary depending on changes in conditions and circumstances. This report may also contain corrections, restatements, or significant changes to the information provided in previous reports. We would like to kindly ask our readers to acknowledge the above.

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Basic Approach

The Honda Philosophy consists of Fundamental Beliefs (including "Respect for the Individual" and "The Three Joys"), the Company Principle, and Management Policies. It forms the values shared by all Honda Group companies and all of their associates and serves as the basis for corporate management and business activities as well as associates' behavior and decision-making.

Honda recognizes that the world is facing serious global concerns related to the environment, the depletion of non-renewable energy resources and food supplying shortages. The Company conducts its corporate management and business activities based on the idea of contributing to the challenge of solving these serious problems on a global scale through the continued development and evolution of its business activities.

Honda Global Brand Slogan – The Power of Dreams – expresses that the dreams of each and every one of us working together at Honda have always been the driving force of Honda. Our creative power fueled by our dreams will generate the value which we provide customers. Such value we offer will move people, inspire people and become the "power" to support people who take one step closer to their dreams. As the "power" of people who embarked on their dream-filled journeys gains momentum and spreads to the people around them, it will create new connections and realize an expanse of dreams throughout our society.

Honda always believes in the power of such infinite dreams that people pursue all around the world, and we want to be the "power" to help people realize their dreams. With these aspirations for the future, we have added a new tagline – How we move you. – which follows the "The Power of Dreams" in our Global Brand Slogan.

In specific corporate management and business activities, it is important to meet stakeholders' expectations and needs by providing value through its products and services. Equally important is to fulfill its corporate social responsibility, including consideration of the impact on the environment and society, and to contribute to social sustainability by solving social issues.

To put these ideas into practice, Honda must consciously sidestep any notion of trade-off with our pursuit of economic value. Instead, we are committed to intensifying our endeavors guided by the principle of trade-on, aiming to enhance economic value through the pursuit of social value. This strategy paves the way for a fresh path of growth for the Company.

Honda's corporate management and business activities that move people, inspire people, and spread dreams throughout the world contribute to sustainability, and the Company aims to continue to be a company people and society want to exist into the future.

HONDA
The Power of Dreams

How we move you.
CREATE ► TRANSCEND, AUGMENT

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Sustainability Management Structure

Honda is promoting corporate activities grounded in the Honda Philosophy. The Honda Philosophy consists of three components: the Fundamental Beliefs, the Company Principle, and the Management Policies.

Honda's long-term management policies and medium-term management plan are approved and resolved by the Executive Council (chaired by the Director, President, and Representative Executive Officer, and Chief Executive Officer) and the Board of Directors. The Board of Directors is the final supervisory body, covering actions to address sustainability issues, including climate change issues. The Executive Council deliberates in advance on matters to be resolved by the Board of Directors and discusses important management matters within the scope of authority delegated to it by the Board of Directors.

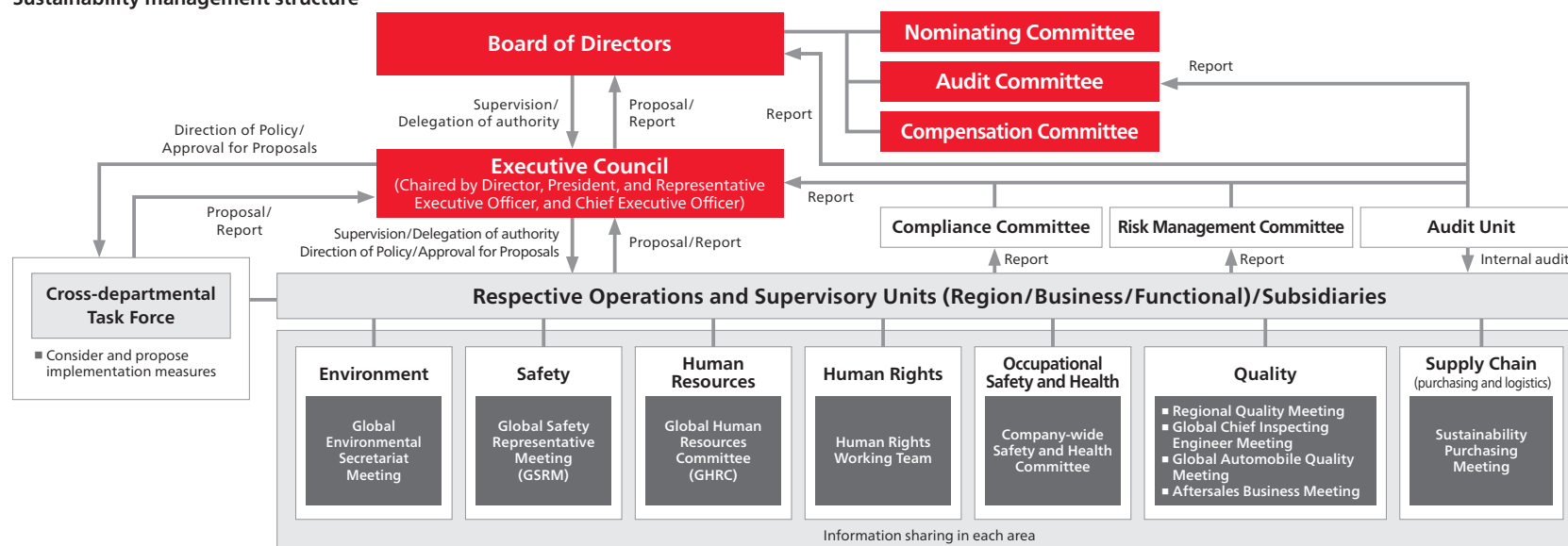
In response to the need to address various risks associated with business activities and to oversee business operations for the sustainable development of society and Honda, Honda has designated knowledge in ESG and Sustainability, including ability in addressing climate change issues, as one of the necessary skills and appointed directors accordingly.

Each Operation and Supervisory Unit and subsidiary formulates and promotes action plans and measures based on the company-wide long-term management

policies and medium-term management plan, and important matters are reported and approved at the Executive Council as appropriate. In each area of environment, safety, human resources, human rights, occupational safety and health, quality, and supply chain (purchasing and logistics), conference bodies have been established to promote global management through information sharing and discussions. For important cross-departmental issues such as addressing climate change issues, a cross-departmental task force is formed under the direct supervision of management members to consider and propose action plans and measures as appropriate, and important matters are reported and approved at the Executive Council. Compliance and risk management related to each area are operated by the Company's basic policies for the development of internal control systems. (→ p. 185)

The Board of Directors and the Executive Council regularly monitor the progress of KGIs for which the Board of Directors is responsible for supervision and KPIs for which the Executive Council is responsible for execution, thereby reinforcing management governance. Please refer to Item 6 B. "Compensation." in the Form-20F for details of the executive remuneration system linked to financial and non-financial indicators.

Sustainability management structure



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Sustainability Management Structure

Overview of sustainability-related meetings

Area	Meeting structure		Details
Environment	Global Environmental Secretariat Meeting		Share the Group's latest policies on initiatives in light of international trends and management discussions, and discuss global issues to achieve medium- and long-term targets
Safety	Global Safety Representative Meeting (GSRM)		Discuss inter-regional safety issues, including sharing details of the promotion toward the new safety goals and discussing how to strengthen efforts to achieve zero traffic collision fatalities
Human Resources	Global Human Resources Committee (GHRC)		HR managers from around the world gather to discuss HR issues specific to each region, to develop global HR strategies and its deployment across the Company
Human Rights	Human Rights Working Team		Working to strengthen the initiatives and encourage associates to take appropriate action through human rights due diligence measures, including assessments for Honda Group domestic and overseas business sites and suppliers, as well as awareness-raising activities
Occupational Safety and Health	Company-wide Safety and Health Committee		Under the Safety and Health Principles of "No safety, no production," direct the development and implementation of company-wide policies on safety and health, and strengthen governance in the area of safety and health
Quality	Quality related	Motorcycle/Power products	Regional Quality Meeting
		Automobile	Global Chief Inspecting Engineer Meeting
			Global Automobile Quality Meeting
Aftersales business	Aftersales business	Automobile	Share policies and measures globally between headquarters and regional managers, with the aim to set as global benchmark levels to enable the provision of higher-quality services on-site
		Power products	
Supply Chain (purchasing and logistics)	Sustainability Purchasing Meeting		To strengthen low-carbon initiatives and human rights and compliance efforts throughout the global supply chain, discuss and coordinate policies and means of achieving globally unified measures among working-level staff from each region

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Basic Approach

To be a company society wants to exist, Honda needs to put into practice the communication cycle. This means to: 1) appropriately and accurately convey to society the value that it seeks to provide; 2) grasp and understand the demands and expectations of diverse stakeholders toward Honda; 3) translate these into concrete measures and implement them; and 4) listen to stakeholders' evaluations of its activities.

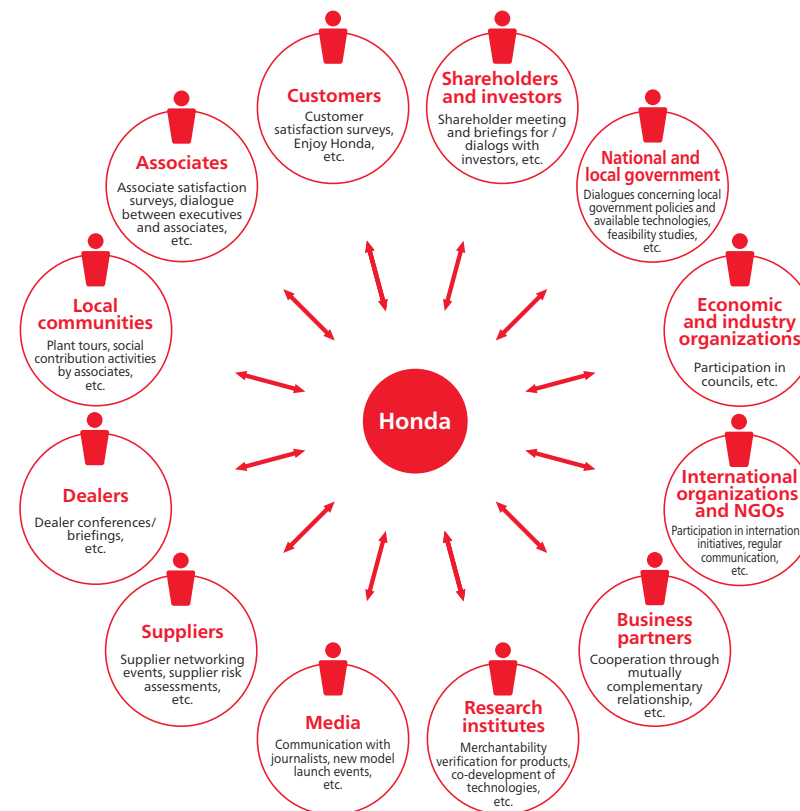
Especially in recent years, the growing scale and globalization of companies, along with the rapid proliferation of IT, have heightened the impact of companies on society, and vice-versa. As this process continues to accelerate, Honda considers that dialogue with stakeholders is a beneficial tool that leads to a proper understanding of stakeholders regarding the Company's initiatives while also giving the Company an understanding of changes and risks in the social environment.

Based on this understanding, Honda engages in dialogues globally through various opportunities. These dialogues are conducted between key stakeholders (who are either impacted by Honda's business activities or whose activities impact Honda's business activities) as shown in the diagram at the right and respective divisions within Honda.

For example, in engagements with shareholders and investors, Honda holds dialogues to help them better understand the Company through shareholder relations and investor relations.

In addition, opinions gained from dialogues with leading ESG rating organizations and NGOs are used to consider corporate activities that Honda should undertake.

Stakeholder engagement



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Stakeholder Engagement

Examples of initiatives in the Fiscal Year Ended March 31

Stakeholder	Key means of dialogue	Overview	Frequency	Point of contact	Reference
Customers	Customer satisfaction survey	To ensure customer satisfaction worldwide, we conduct a customer satisfaction survey for customers who have received service at a dealer around the world and engage in improvement activities to provide high-quality service operations.	Annually	Customer-related divisions	→ p.177
Shareholders and investors	Financial results meeting	We hold web conferences with simultaneous interpretation for investors and analysts in Japan and overseas on the overview of our financial results and various initiatives. For those unable to attend meetings due to time differences or other reasons, the minutes are posted on the website in both Japanese and English.	4 times/year	Finance Division	
	Dialogue via individual sessions, conferences, and briefing sessions for individual investors	We hold sessions and opinion exchange meetings to explain our financial conditions as well as production, R&D, and business strategies. We use the valuable feedback we receive to further enhance our corporate value.	Year round		
Suppliers	Suppliers Conferences	We hold periodic conferences to share with suppliers the direction of our business and the substance of our initiatives and to communicate Honda's company-wide policies and purchasing policies. We also present Supplier Awards to recognize those suppliers who have achieved outstanding results in each aspect of QCDD*. At the end of a conference, we conduct a questionnaire survey for participants to identify their level of satisfaction and what can be improved for the next event as an effort to further enhance this activity.	Annually	Purchasing Division	→ p.140
	ESG inspection of suppliers	We conduct an ESG inspection for key suppliers to confirm the status of their initiatives to prevent compliance violations and risks related to human rights, and to reduce our environmental impact in accordance with the Honda Supplier Sustainability Guidelines. (→ p.127) If a problem is likely to occur or has occurred in this process, we communicate with suppliers and implement activities for improvement.	Annually		→ p.130
Economic and industry organizations	Participation in activities of industry organizations	We participate in various councils to identify the expectations and demands of society through activities of industrial organizations, create a sustainable business environment and contribute to society.	Year round	Government and Industry Relations Division, etc.	
International organizations and NGOs	Participation in international initiatives	We participate in various councils to identify the expectations and demands of society and contribute to society, toward the realization of a sustainable society.	Year round	Sustainability Planning Division, etc.	
Local communities	Driving safety promotion activities	Honda adheres to the global safety slogan "Safety for Everyone" and takes an active role in promoting traffic safety for all members of society who participate in transportation, from children to the elderly. This is achieved through the principles of "safety handed down from person to person" and "participatory experiential education," as well as the use of safe driving support technology to prevent accidents. Honda is currently engaged in traffic safety promotion activities in 43 countries and regions worldwide.	Year round	Traffic Safety Promotion Operations	→ p.150
	Helping people with disabilities who want to resume driving	We aim to reduce the gap in social participation by expanding transportation options, and we support the establishment of a support system in the local community for people who wish to resume driving by providing welfare vehicles (driving support devices) and supporting occupational therapists and others.	Year round		→ p.160
	Beach clean-up project	We undertake joint activities among members of the Honda Group and local residents to clean up the beaches across Japan using our originally developed equipment. Since the launch of the project in 2006, we have conducted the activities 454 times, and the cumulative total of beach trash collected by the project amounts to approximately 567 tons.		Social Contribution Activities Division	
	Activities to conserve Satoyama landscapes	We have concluded an agreement with Hachioji City, Tokyo, in which Honda associates and their families carry out Satoyama landscape conservation activities within the Kamikawa no Sato Special Green Space Conservation District.	Year round		
National and local governments	Support for disaster affected areas	As support for damages caused by heavy rainfall from July 25, 2024, Typhoon No. 10 in 2024, and heavy rainfall from September 20, 2024, we donated 12 high-pressure cleaners to respective affected prefectures and donated 5 million yen to the Japanese Red Cross Society.		Social Contribution Activities Division, etc.	
Associates	Measurement of associate engagement and associate vitality	We measure the level of associates' engagement and take initiatives according to the results for creating a more comfortable and conducive work environment.	Annually	Human Resources Division	→ p.84

* Quality, cost, delivery, development, and environment

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Cooperation with External Organizations

To carry out its responsibility as a global mobility company, Honda engages in dialogues with government, economic and industry organizations and also cooperates with external bodies. In Japan, Honda executives serve as vice chairman and committee head within the Japan Automobile Manufacturers Association (JAMA); committee head in the Japan Business Federation (Keidanren); and vice chairman and committee head in the Tokyo Chamber of Commerce and Industry.

In addition, Honda executives serve as committee and working group chairs in the international motorcycle industry body, the International Motorcycle Manufacturers Association (IMMA). Furthermore, Honda cooperates with initiatives related to sustainability through membership in the World Business Council for Sustainable Development (WBCSD).

Honda has delegated the authority to Regional Operations within a certain scope when executing business in respective regions in order to enhance local autonomy and enable speedy decision-making. Political contributions* can be made following required internal procedures based on the laws and regulations of respective countries.

* Political contributions were made in the amounts of ¥25 million in FYE Mar. 31, 2022, ¥25 million in FYE Mar. 31, 2023, and ¥25 million in FYE Mar. 31, 2024.

Appropriate Advertising and Publicity

To continue to live up to the trust and expectations of customers and society, Honda engages in advertising, publicity, and sales promotion activities in good faith, avoiding misleading expressions and explanations about products and product characteristics, and refraining from exaggerated advertising.

When expressing or explaining the superiority of Honda products or services over those of other competitors, Honda will not make exaggerated advertising without substantiation, based on rational and objective evidence and in accordance with applicable laws and regulations.

Honda will not engage in advertising or marketing activities that excessively incite desire to purchase or encourage inappropriate consumer behavior, especially for customers including children and the elderly for whom special consideration is required.

Honda is committed to correctly advertising and promoting its products so as not to mislead all customers.

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Honda's Initiatives and the SDGs

Contribution to SDGs

In order to share joys with stakeholders, Honda seeks to contribute to the advancement of a mobility society with its original and useful technologies that anticipate the needs of the times.

This approach aligns with the Sustainable Development Goals (SDGs), specifically, Goal 9 “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation,” Goal 12 “Ensure sustainable consumption and production patterns” and Goal 17 “Strengthen the means of implementation

and revitalize the global partnership for sustainable development,” and aligns with Honda’s overall corporate activities.

Honda believes that creating value for society while pursuing economic value will lead to sustainable corporate management and ultimately contribute to the sustainability of society. The Company will contribute to the achievement of the SDGs through its corporate activities.

Initiatives and the SDGs

		Honda's initiatives	SDGs Goals supported by Honda
Environment	Responding to climate change and energy issues	Initiatives for Carbon Neutrality and Clean Energy (→ p. 23) Initiatives to Achieve Carbon Neutrality with Suppliers (→ p. 132) Basic Approach to Logistics (→ p. 135)	2 ZERO HUNGER 3 GOOD HEALTH AND WELL-BEING 7 AFFORDABLE AND CLEAN ENERGY
	Advancing powertrain electrification	Initiatives for Reduction of CO ₂ Emissions from Product Use (Scope 3 Category 11) (→ p. 24)	11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION
	Preservation of clean air	Air Pollution (→ p. 40) Water Pollution (→ p. 41)	3 GOOD HEALTH AND WELL-BEING 13 CLIMATE ACTION
	Utilizing resources efficiently and waste management	Resource Use and Circular Economy (→ p. 50)	11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
	Conserving water resources	Water (→ p. 43)	6 CLEAN WATER AND SANITATION
	Biodiversity conservation	Biodiversity and Ecosystems (→ p. 45)	14 LIFE BELOW WATER 15 LIFE ON LAND
	Managing chemical substances and preventing pollution	Harmful Substances (→ p. 42)	3 GOOD HEALTH AND WELL-BEING 6 CLEAN WATER AND SANITATION

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Initiatives and the SDGs

			Honda's initiatives	SDGs Goals supported by Honda
Social	Safety	Significantly reducing traffic fatalities	A Society Where Everyone Can Enjoy Freedom of Mobility with Total Peace of Mind (→ p. 150)	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div>
	Human resources	Developing and securing excellent human resources, Expanding diversity & inclusion	Activating Associates' Intrinsic Motivations and Fostering the Collaboration of Diverse Individuals (→ p. 84)	<div>4 QUALITY EDUCATION</div> <div>5 GENDER EQUALITY</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>10 REDUCED INEQUALITIES</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div>
	Human rights	Respecting human rights	Human Rights (→ p. 70) Honda Human Rights Policy (→ p. 71)	<div>5 GENDER EQUALITY</div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div>
	Occupational safety	Ensuring occupational safety and health	Occupational Safety and Health (→ p. 108)	<div>8 DECENT WORK AND ECONOMIC GROWTH</div>
	Customers	Improving product quality	Aiming to Bring Reassurance and Satisfaction to Customers (→ p. 170)	<div>3 GOOD HEALTH AND WELL-BEING</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>
		Eliminating the mobility divide	Basic Approach (→ p. 04)	<div>11 SUSTAINABLE CITIES AND COMMUNITIES</div>
				<div>17 PARTNERSHIPS FOR THE GOALS</div>

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Honda's Initiatives and the SDGs

Initiatives and the SDGs

		Honda's initiatives	SDGs Goals supported by Honda
Governance and Economy	Deploying total supply chain sustainability initiatives	Strengthening Supply Chain Sustainability (→ p. 126) Initiatives to Achieve Carbon Neutrality with Suppliers (→ p. 132)	   
	Utilizing management resources efficiently	Basic Approach (→ p. 04)	 
	Strengthening corporate governance	Corporate Governance (→ p. 185)	 
	Contributing to the economic development of developing countries	Basic Approach (→ p. 04)	  

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External Evaluations

Selected as an "A-List" Company in the Category of Climate Change, the Highest Rating in CDP's Environmental Information Disclosure for the Second Consecutive Year

In February 2025, Honda was selected by CDP, an international non-profit organization for environmental information disclosure, as an "A-List" company in the climate change category for 2024, the highest rating in recognition of its efforts against climate change and the transparency of its information disclosure. This is the second consecutive year that Honda has been selected. CDP is an international non-profit organization with a worldwide system of environmental information disclosure by companies and municipalities. Each company or municipality discloses environmental information in accordance with the CDP's questionnaire on the three categories of climate change, water security, and forests. CDP evaluates the information disclosed by companies/municipalities on a scale from A to D- and recognizes companies/municipalities with particularly outstanding efforts as "A-List" companies/municipalities. Honda received an A- rating in the category of water security and a C rating in the category of forests, which were announced at the same time.



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Environment

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Basic Approach

Towards the “Joy and Freedom of Mobility” and a “Sustainable Society Where People Can Enjoy Life”

Honda Environmental and Safety Vision / Honda’s Environment Statement

Ever since the 1960s, Honda has actively addressed environmental issues. In the 1970s, we developed the low-emission “CVCC*1 engine,” which reduced emissions of carbon monoxide, hydrocarbons, and NOx*2 and became the first in the world to meet the U.S. Muskic Act, which was considered the most stringent automobile emission regulation in the world at the time. In 1992, Honda established the “Honda Environment Statement,” which serves as the guiding framework for all our environmental initiatives. This statement organized and clarify our fundamental stance on reducing environmental impact throughout the entire product lifecycle, including material procurement, design, development, production, transportation, sales, usage, and disposal.

To further advance our environmental initiatives and remain a “company society wants to exist,” Honda established the “Honda Environmental and Safety Vision” in 2011. This vision aims to achieve the “joy and freedom of mobility” and a “sustainable society where people can enjoy life.” Across our global operations, Honda is committed to reducing all forms of environmental impact. Our efforts include reducing Greenhouse Gas (GHG) emissions, which are considered one of the causes of climate change, as well as lowering energy consumption, improving resource efficiency for water and minerals, proper waste management and reduction, and preserving biodiversity as part of our commitment to protecting the global environment.

Honda will share this Environment Statement not only within the Company and its group companies but also with suppliers, dealerships, and all other stakeholders associated with Honda. By doing so, we aim to achieve our vision through collaborative efforts with all involved parties.

*1 CVCC: Compound Vortex Controlled Combustion

*2 NOx: Nitrogen Oxides

Honda Environmental and Safety Vision

Realizing the joy and freedom of mobility and a sustainable society where people can enjoy life.

Established in 2011

Honda Environment Statement

“As a responsible member of society whose task lies in the preservation of the global environment, the Company will make every effort to contribute to human health and the preservation of the global environment in each phase of its corporate activity. Only in this way will we be able to count on a successful future not only for our company, but for the world.”

We should pursue our daily business under the following principles:

1. We will make efforts to recycle materials and conserve resources and energy at every stage of our products' lifecycle – from research, design, production and sales to services and disposal.
2. We will make every effort to minimize and find appropriate methods to dispose of waste and contaminants that are produced through the use of our products, and in every stage of the lifecycle of these products.
3. As both a member of the company and of society, each associate will focus on the importance of making efforts to preserve human health and the global environment and will do his or her part to ensure that the company as a whole acts responsibly.
4. We will consider the influence that our corporate activities have on the regional environment and society, and endeavor to improve the social standing of the company.

Established and announced in June 1992

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Basic Approach

Towards the “Joy and Freedom of Mobility” and a “Sustainable Society Where People Can Enjoy Life”

Global Environmental Slogan— BLUE SKIES FOR OUR CHILDREN —

“We want to pass on the joy and freedom of mobility to the next generation (for our children), and that’s why we are committed to realizing a sustainable society (blue skies) where people can enjoy life.” This slogan symbolizes Honda’s unwavering commitment to environmental efforts, reflecting both our past and future aspirations.

Global Environmental Symbol

The design features a round globe motif that represents the natural blessings essential for achieving a “sustainable society where people can enjoy life.” It includes the sun and blue skies (clean air), clean water, and lush green land. The central white line symbolizes the pathways for free mobility, while the heart represents Honda’s commitment and passion for environmental efforts.



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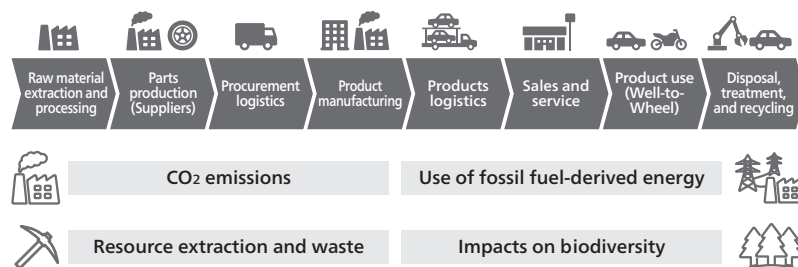
Approach

Actions to Take Towards Achieving a Zero Environmental Impact Society

Environmental Impacts Recognized by Honda

Honda recognizes that all business activities have environmental impacts. To address these challenges, it is important to consider the environmental impacts of each stage of the product lifecycle. Honda identifies the main environmental impacts as: CO₂ emissions, use of fossil fuel-derived energy, extensive resource extraction and waste, and impacts on biodiversity.

Main Environmental Impacts in the Product Lifecycle



Honda, aiming for sustainable business practices, has set achieving a “Zero Environmental Impact Society” as one of its company-wide priority issues. To comprehensively reduce interlinked environmental impacts, Honda has established four materialities*¹ to guide its efforts.

- Priority issue**
- Zero Environmental Impact Society
- Materialities**
- Addressing Climate Change
 - Addressing Energy Issues
 - Efficient Utilization of Resources
 - Biodiversity Conservation

*1 We select “Priority Issues” by comprehensively analyzing social issues from the perspective of sustainability, aligning them with Honda’s strategic direction, and defining the particularly focused issues for each priority issue as “materialities”.

*2 Nature-based Solutions (NbS) involve advancing societal challenges while conserving and restoring natural ecosystems.

Triple Action to ZERO

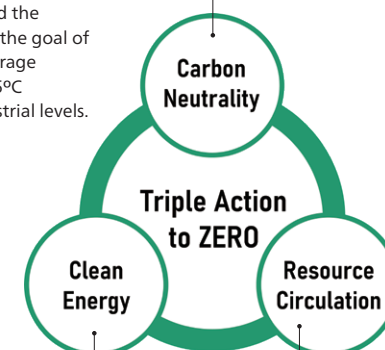
In our efforts to achieve a “Zero Environmental Impact Society,” we are working towards our vision by 2050 of net zero CO₂ emissions, 100% utilization of carbon-free energy, and 100% use of sustainable materials. These visions are encapsulated in the concept of “Triple Action to ZERO,” a concept that consolidates three key initiatives: “Carbon Neutrality,” “Clean Energy,” and “Resource Circulation”. We position “Triple Action to ZERO” as the core concept guiding our efforts.

The three initiatives of “Triple Action to ZERO” are closely related and we aim to maximize synergistic benefits by considering their linkages.

The “Triple Action to ZERO” initiatives are also linked to the international demand for preserving biodiversity and fostering harmony with nature. In advancing these initiatives, we will consider “Nature-based Solutions*²” as well.

Net zero CO₂ emissions

In “addressing climate change,” we aim to achieve net-zero CO₂ emissions from both our corporate activities and the product lifecycle, with the goal of limiting the global average temperature rise to 1.5°C compared to pre-industrial levels.



100% utilization of carbon-free energy

In “addressing energy issues,” we aim to use clean energy during product use and corporate activities.

100% use of sustainable materials

In addressing the “efficient utilization of resources,” we will strive to develop products and establish systems that use sustainable materials with no environmental impact. In corporate activities, we aim to achieve zero industrial water intake and zero industrial waste at Honda plants by 2050.

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Approach

Efforts to Realize a Zero Environmental Impact Society

Key Initiatives and Milestones for Achieving Materiality

Our company aim for “carbon neutrality by 2050” across the entire product lifecycle, and is focusing on the four materialities and is prioritizing “addressing climate change” and “addressing energy issues.”

As priority actions, the Company is working on reducing CO₂ emissions from product use and corporate activities, breaking these efforts down into more specific initiatives that the Company plans to implement as concrete actions. Specifically, CO₂ emissions are tracked for various product groups within each business segment, as well as for individual product factories and manufacturing equipment. This approach helps in quantifying CO₂ reduction amounts for each product and factory.

For long-term impact reduction measures related to the materiality of “efficient utilization of resources,” Honda is in the initial phase of preparing initiatives that may require business transformation beyond existing frameworks to achieve carbon neutrality, including efforts aimed at reducing CO₂ emissions in future upstream and downstream processes. We also recognize the importance of considering natural impacts, such as the materiality of “biodiversity conservation,” while advancing these initiatives. Therefore, Honda is aiming not only to achieving “carbon neutrality by 2050” but also to pursuing a long-term perspective toward realizing “a zero environmental impact society.”

Furthermore, to achieve carbon neutrality on a society-wide scale, Honda is taking on the challenge of multifaceted initiatives in addition to the electrification of mobility.

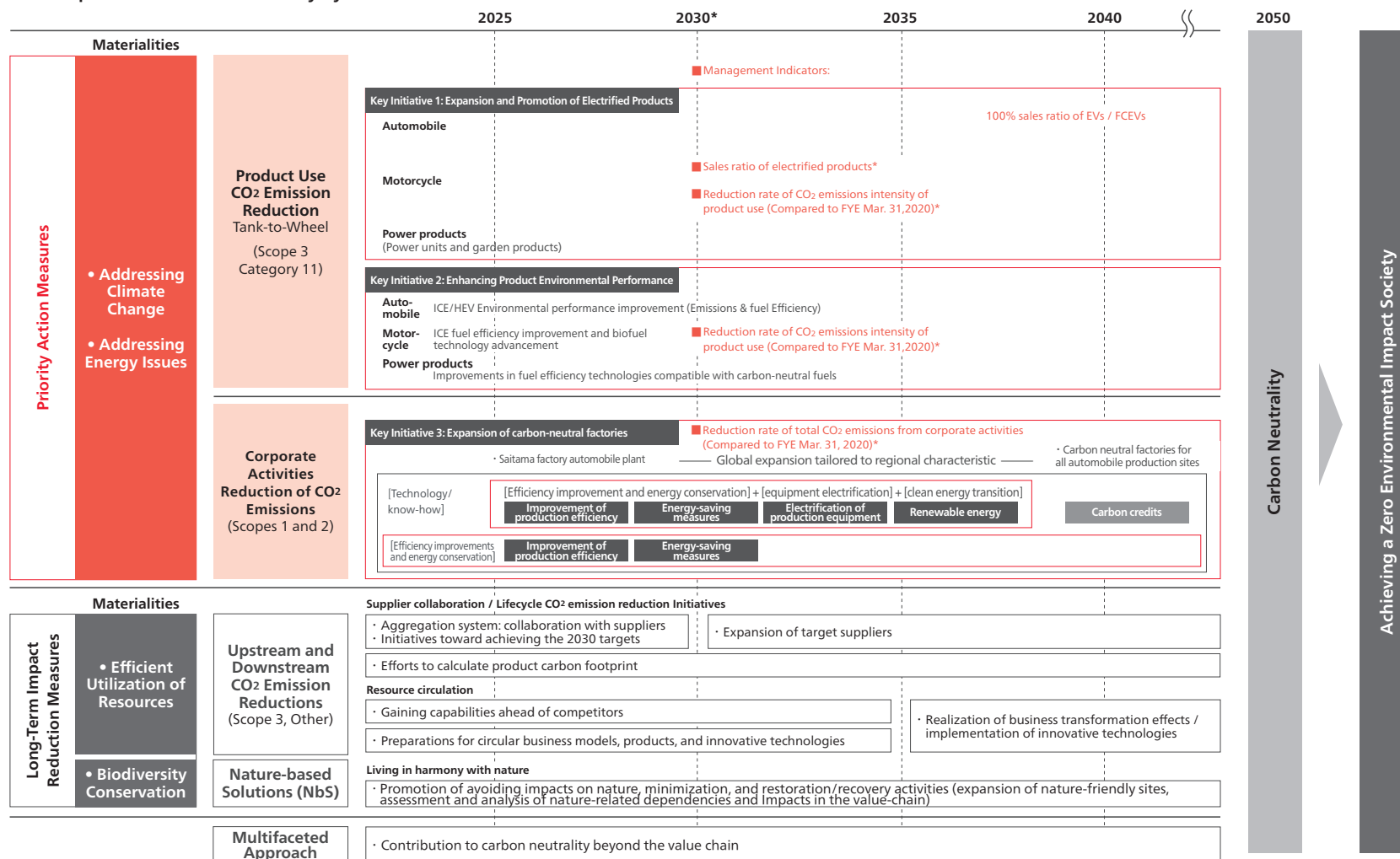
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Approach

Actions to Take Towards Achieving a Zero Environmental Impact Society

Roadmap Towards Carbon Neutrality by 2050



* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

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Metrics and Targets

List of Company-wide Environmental Targets (KGI/KPI)

Important themes	Materiality	Management Indicators	Category	Targets		
				Fiscal Year Ending Mar. 31, 2026	Fiscal Year Ending Mar. 31, 2031	
Realization of Zero Environmental Impact Society	<div>■ Challenging climate change issues</div> <div>■ Challenging energy-related issues</div> <div>■ Efficient Utilization of Resources</div> <div>■ Biodiversity Conservation</div>	Reduction rate of total CO ₂ emissions from corporate activities (compared to FYE Mar. 31, 2020)	Consolidated	(Unpublished)	- *2	
		Total CO ₂ emissions from products	Consolidated/Business			
		KGI	Waste reduction rate (compared to BAU)* ¹	Consolidated		(Unset)
		Water intake reduction rate (compared to BAU)* ¹				
		KPI	Sales Ratio of Electrified Products	Motorcycles		(Unpublished)
				Automobiles		
				Power Products		
				Motorcycles		
				Automobiles		
				Power Products		

*1 Business As Usual: The estimated result for the fiscal year ending March 31, 2031 based on our production plans but without implementing our reduction strategies.

*2 The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

Environmental Management Structure

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Global Management

Environmental Management System

Honda's existing global vehicle assembly and product assembly plants have acquired ISO 14001, an international certification for environmental management systems (as of March 2025). Therefore, the coverage of environmental management systems is virtually 100%.

Honda will continue to promote activities to acquire this certification.

Current Status of Compliance with Environmental Regulations

In accordance with Honda's Environment Statement, the Company has introduced environmental management systems at all business sites and in each division. Along with promoting continuous efforts to improve environmental performance, it strives to comply with its own voluntary environmental standards, which are more stringent from an environmental perspective than any national or local regulations.

In the last five years, Honda has not committed any serious noncompliance with environmental laws and regulations, paid substantial fines/sanctions in breach thereof, or recorded any major chemical releases.

In addition, no environment-related complaints were received through the official complaint resolution program.

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Climate Change

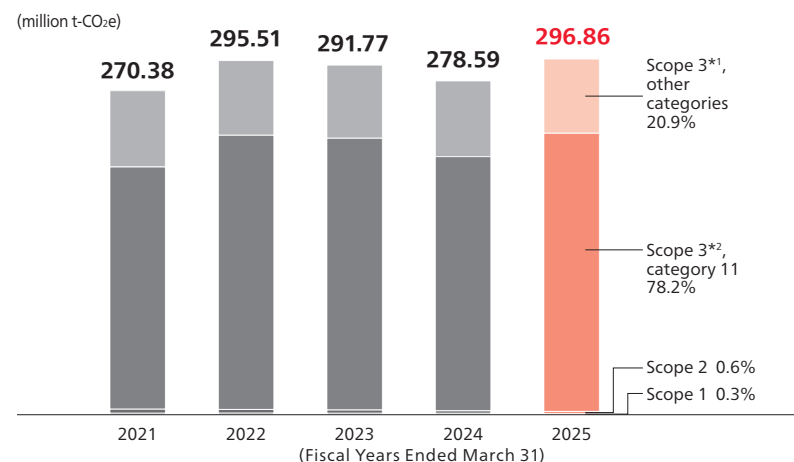
Initiatives for Carbon Neutrality and Clean Energy

Honda, as a comprehensive mobility company, believes it is essential to actively promote GHG emissions reduction efforts by calculating and disclosing GHG emissions from its global business activities. To achieve this, Honda follows “GHG Protocol*¹,” which is the most commonly used standard for GHG accounting worldwide. Since 2012, Honda has been calculating GHG emissions across its entire supply chain and converting these emissions into CO₂ equivalents for disclosure.

In the fiscal year ended March 31, 2025, Honda’s total GHG emissions worldwide amounted to 296.86 million t-CO₂e. Scope 3 Category 11, which pertains to CO₂ emissions from product use, accounts for approximately 80% of this total. The remaining 20% is comprised of three categories: “Scope 1” emissions from direct corporate activities, “Scope 2” emissions from indirect energy use, and “Scope 3, Other Categories” emissions from upstream processes such as resource extraction and downstream processes related to resource disposal.

Honda aims to achieve carbon neutrality by 2050. To achieve this, the Company is prioritizing reductions in CO₂ emissions from product use (Scope 3 Category 11) and from its own business activities (Scope 1 and 2), setting these as key milestones for its efforts.

Total GHG Emissions (Scope 1, 2 & 3)



*1 GHG Protocol: The Greenhouse Gas Protocol was developed by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

*2 For Scope 3 Categories 1, 4, 9, and 12, we have made some changes starting in FYE Mar. 31, 2025. These categories are disclosed after recalculating past performance.

*3 For Scope 3, Category 11, the IEA SMP Model was used for calculations until FYE Mar. 31, 2021, while the IEA Mobility Model (MoMo) has been used since FYE Mar. 31, 2022. Additionally, some calculations have been revised starting from FYE Mar. 31, 2023.

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Climate Change

Approach

Reduction of CO₂ Emissions from Product Use (Scope 3 Category 11)

CO₂ emissions from product use (Scope 3 Category 11) primarily result from the combustion of fossil fuels in ICE and HEVs. Honda considers the expansion and proliferation of electric products as an effective measure to reduce CO₂ emissions from product use. By increasing the sales ratio of electric products, Honda aims to achieve reductions in CO₂ emissions for Scope 3 Category 11.

In the short to medium term, Honda plans to continue selling ICE products. We will also maintain our efforts to improve the environmental performance of our motorcycles, automobiles, and power products, actively working to reduce current CO₂ emissions.

While the electrification of products will contribute to reducing CO₂ emissions, some emissions from the use of electric products may remain depending on the availability and adoption of renewable energy in different countries and regions. Therefore, Honda is committed not only to utilizing renewable energy within its own operations but also to engaging in advocacy efforts to promote and accelerate the transition to clean energy.

Honda will work towards contributing to the promotion and expansion of clean energy across society, while also exploring direct involvement in supplying clean energy to customers, with the aim of reducing CO₂ emissions from the use of electric products.

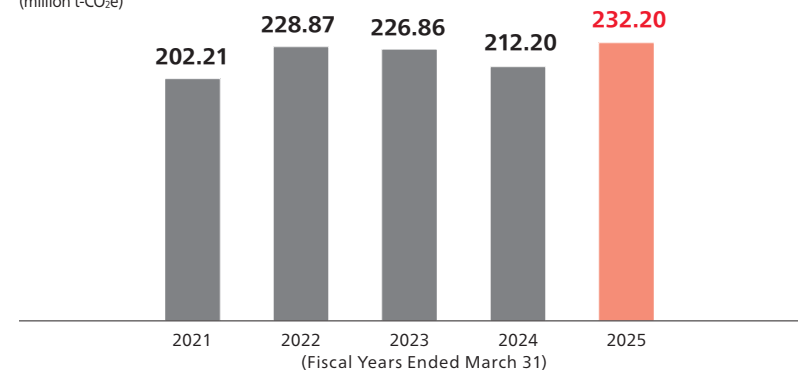
Metrics and Targets / Achievements

Management Indicator (KGI)	Category	Target
		Fiscal Year Ending March 31, 2031
Total CO ₂ emissions from products	Consolidated/Business	- *

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

Total GHG emissions (Scope 3 Category 11)

(million t-CO₂e)



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Climate Change

Approach

Reduction of CO₂ Emissions from Corporate Activities (Scope 1 and 2)

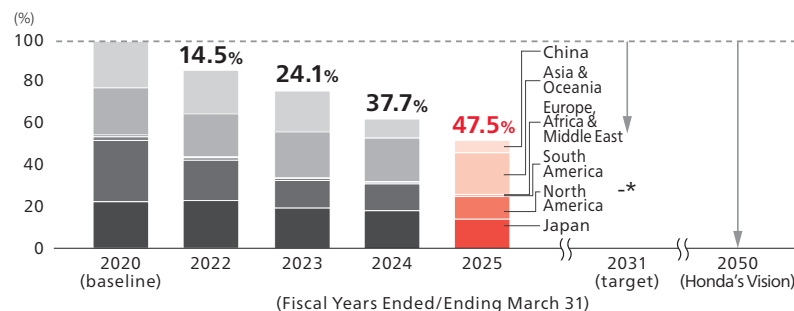
CO₂ emissions from corporate activities (Scope 1 and 2) primarily result from direct CO₂ emissions during product manufacturing at production sites and indirect CO₂ emissions from the use of fossil fuel-based energy in the manufacturing and processing phases. We aim to reduce these emissions by improving production efficiency, electrifying equipment, and substituting energy sources with renewable energy.

Metrics and Targets / Achievements

Management Indicator (KGI)	Category	Target
		Fiscal Year Ending March 31, 2031
Reduction rate of CO ₂ emissions from corporate activities	Consolidated	- *

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

Reduction rate of total CO₂ emissions from corporate activities (compared to FYE Mar. 31, 2020)



Initiatives for Reduction of CO₂ Emissions from Product Use (Scope 3 Category 11)

Key Initiative 1: Expansion and Promotion of Electric Products

Expanding the Range of Attractive Electric Products

As part of its approach to becoming carbon neutral by 2050, Honda considers electrification to be the most effective solution for small mobility, including motorcycles and automobiles. To steadily promote the spread and expansion of electric products, it is important to expand the lineup of electric products and to provide attractive electric products and value that will be selected by customers.

Honda will launch the first model of the Honda 0 (zero) Series in 2026, positioning the series as a cornerstone of its future EV business.

The Honda 0 Series is an entirely new EV series created from scratch using a fresh development approach called "Thin, Light, and Wise."

Providing Value of Honda 0 Series

The "Thin, Light, and Wise." development approach provides the following five core values:

- Advanced Driver Assistance Systems (ADAS) for enhanced safety and security
- New spatial value created through IoT and connected technology
- High energy efficiency for improved electric vehicle performance
- The joy of driving with a harmonious integration between driver and vehicle
- Artistic design that resonates and captivates

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Climate Change

Initiatives for Reduction of CO₂ Emissions from Product Use (Scope 3 Category 11)

For its motorcycles, Honda will expand its product lineup and promote the market launch of electric motorcycles.

In October 2024, Honda launched the electric motorcycle personal commuter “CUV e:” in Indonesia, powered by two replaceable “Honda Mobile Power Pack e:” batteries, followed by the “Activa e:” in India in November 2024, also powered by two replaceable batteries. Additionally, models equipped with fixed batteries were announced. This demonstrates Honda’s steady progress in expanding its lineup of electric motorcycles.

In the power products business, Honda is positioning the power unit and

garden sectors as key domains for electric products and will accelerate its efforts towards electrification.

Honda, whose products encompass motorcycles, automobiles, and power products, is enhancing its product development capabilities and cost competitiveness through synergies among different business segments. This includes improving technological capabilities through horizontal deployment of technologies and increasing production efficiency by sharing product parts. This approach is also true for the electrification of its products, and Honda will continue to leverage its strength in having a diverse range of mobility products.

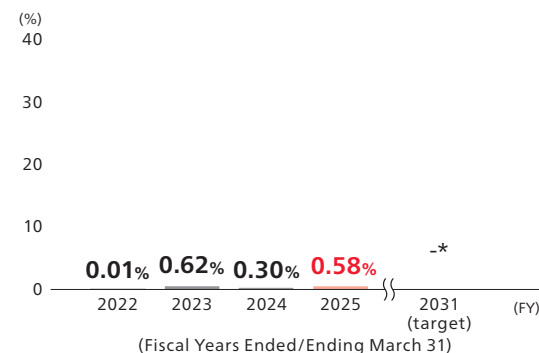
Metrics and Targets / Achievements

Management Indicator (KGI)	Category	Target
		Fiscal Year Ending March 31, 2031
Sales ratio of electrified products	Motorcycles	
	Automobiles	- *
	Power products	

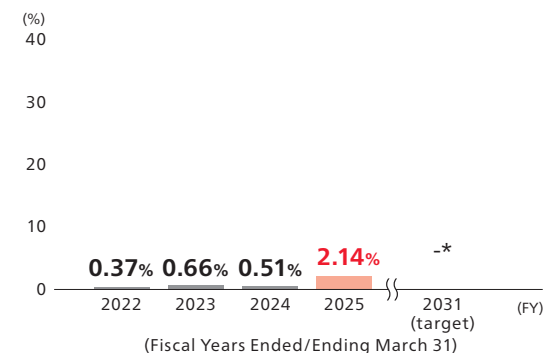
* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, “Honda Report 2025.”

Sales ratio of electrified products

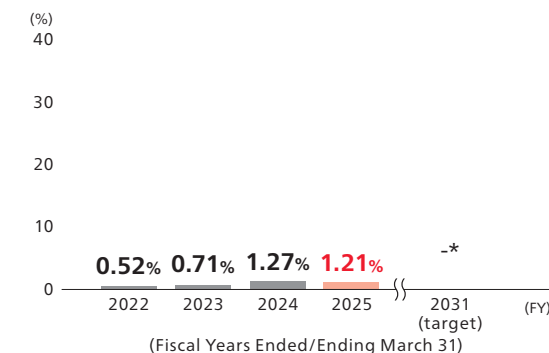
Motorcycles



Automobiles



Power products



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Initiatives for Reduction of CO₂ Emissions from Product Use (Scope 3 Category 11)

Key Initiative 2: Enhancing Product Environmental Performance

Reduction of CO₂ Emissions through Improved Environmental Performance

Honda is advancing product electrification while also reducing CO₂ emissions during use by enhancing the environmental performance of various products, including ICE, HEV, and EV. To guide its efforts in improving environmental performance, Honda utilizes its proprietary “Honda Environmental Performance Standards (HEPS)”.

In 2011, Honda established the “Honda Environmental Performance Standards (HEPS)” and set operational guidelines to ensure continuous efforts in this area. The number of HEPS-compliant models across various business sectors was increasing in the fiscal year ended March 31, 2024, indicating steady progress in improving the efficiency of internal combustion engine products, among other advancements.

The results of certifying the products launched in the fiscal year ended March

31, 2025, showed no violations of product and service information or labeling in general.

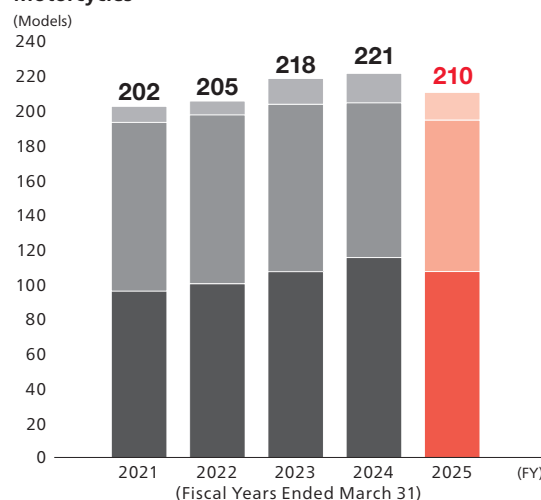
Honda Environmental Performance Standards (HEPS)

- Improving the efficiency of internal combustion engines
- Applying environmental innovation technologies and adapting to diversifying energy sources
- Utilizing renewable energy and total energy management systems

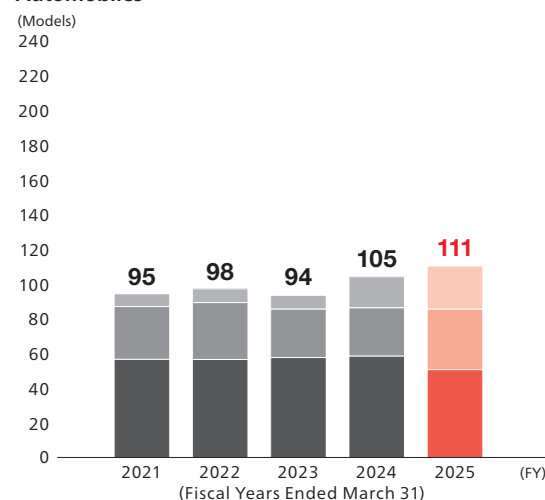


Global Number of HEPS-compliant models

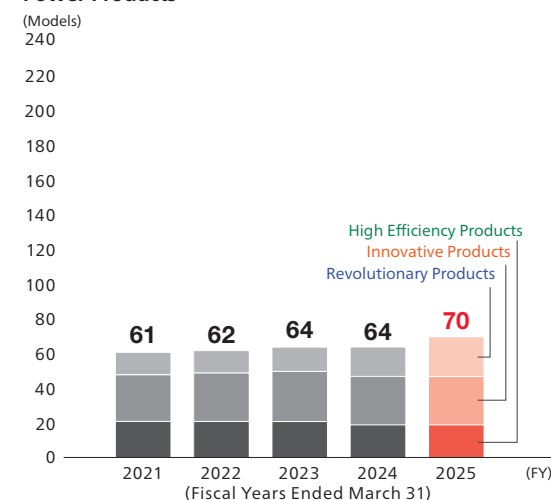
Motorcycles



Automobiles



Power Products*



* The figures for the fiscal year ended March 31, 2024 have been corrected due to an error.

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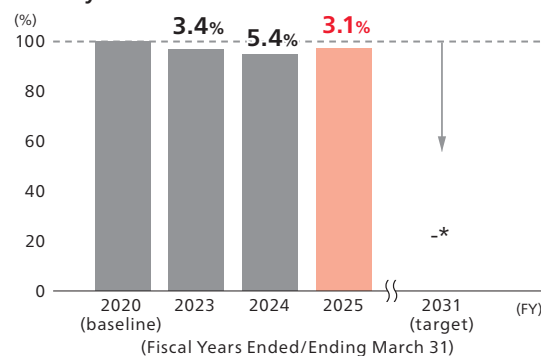
Initiatives for Reduction of CO₂ Emissions from Product Use (Scope 3 Category 11)

Metrics and Targets / Achievements

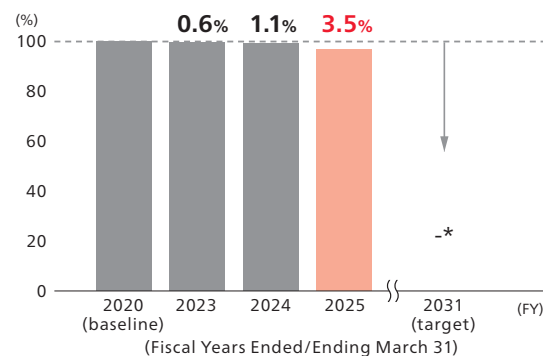
Management Indicator (KGI)	Category	Target
		Fiscal Year Ending March 31, 2031
Reduction rate of CO ₂ emissions intensity of product use (compared to FYE Mar. 31, 2020)	Motorcycles	- *
	Automobiles	
	Power products	

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

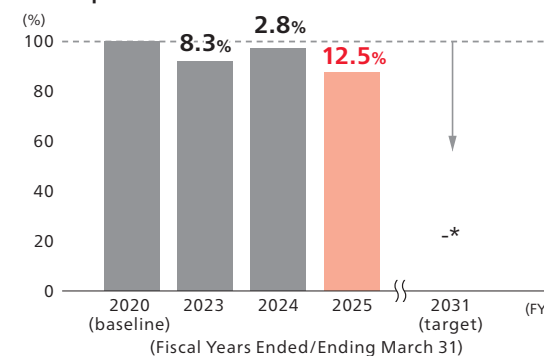
Motorcycles



Automobiles



Power products



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Climate Change

Initiatives for Reduction of CO₂ Emissions from Corporate Activities (Scopes 1 and 2)

Key Initiative 3: Expansion of Carbon-Neutral Factories

The starting point for reducing CO₂ emissions lies in improving production efficiency and implementing energy-saving measures. Honda is actively working to reduce direct emissions (Scope 1) and indirect emissions from energy use (Scope 2) in corporate activities.

CO₂ Emissions Reduction through Three Key Technologies / Experience and Expertise:

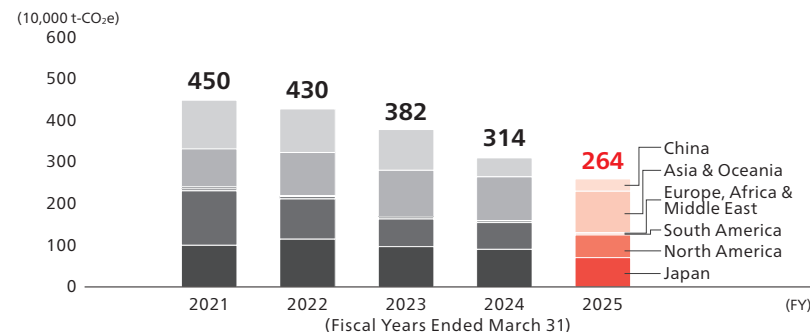
- 1) Improving production efficiency and implementing energy-saving measures
- 2) Electrification of production equipment
- 3) Procurement and utilization of renewable energy

In the production process, Honda prioritizes improving production efficiency through process enhancements and implementing energy-saving measures. Additionally, the electrification of factory equipment is actively pursued during equipment upgrades or automation.

Furthermore, to address CO₂ emissions from the use of fossil fuel-based electricity, we are working on reductions through the procurement and utilization of renewable energy, including the installation of solar panels on factory premises.

In the fiscal year ended March 31, 2025, the Company achieved a reduction of 47.5% compared to the fiscal year ended March 31, 2020, resulting in CO₂ emissions of 2.64 million t-CO₂e.

Total GHG emissions (Scopes 1 and 2) ☒



Calculation method: Total GHG emissions (Scope 1 and 2) = Direct GHG emissions + Indirect GHG emissions
· Expressed in three significant digits

Achieving Carbon Neutral at Saitama Factory Automobile Plant by the Fiscal Year Ending March 31, 2026

Honda is implementing CO₂ emissions reductions from its corporate activities using three key technologies / experience and expertise and defines production sites that have effectively achieved zero CO₂ emissions as “carbon neutral factories.”

Honda has designated its Saitama Factory Automobile Plant as a leading facility for carbon neutrality and applied three key technologies / experience and expertise. By advancing these initiatives, the Company aims to achieve Honda’s first carbon-neutral factory in the fiscal year ending March 31, 2026. The technologies / experience and expertise accumulated through these efforts will be shared across other sites and expanded to achieve carbon neutrality tailored to regional characteristics. Honda will work towards realizing carbon-neutral production sites worldwide by the late 2030s.



Saitama Factory Automobile Plant

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Initiatives for Reduction of CO₂ Emissions from Corporate Activities (Scopes 1 and 2)

Technologies/Experience and Expertise 1: Improving Production Efficiency and Implementing Energy-Saving Measures

Honda believes that the key actions for reducing CO₂ emissions from its corporate activities are improving production efficiency and implementing energy-saving measures. To enhance production efficiency, we are reviewing production processes and reducing the number of steps and procedures involved in production.

For energy-saving measures, we are implementing practices such as the utilization of surplus heat, among other strategies, to reduce energy consumptions and lower CO₂ emissions.

For example, we are advancing efforts to recover and utilize waste heat generated in the painting process in other equipment. These efforts are not limited to the painting process and are continuously applied across various processes.

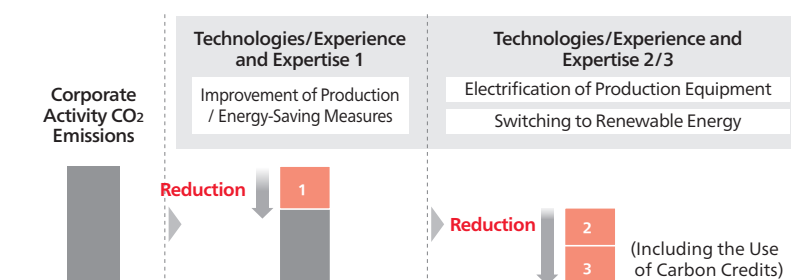
Technologies/Experience and Expertise 2: Electrification of Production Equipment

Electrifying equipment is an effective measure to reduce CO₂ emissions from production processes. For example, we have electrified gas-burning equipment used for drying, which has helped reduce CO₂ emissions from the process.

Additionally, by substituting the electricity used for electrified equipment with renewable energy sources instead of fossil fuels, we are achieving further reductions in CO₂ emissions.

Going forward, we will continue to focus on electrifying equipment tailored to the characteristics of our production processes.

Conceptual Diagram of CO₂ Emission Reduction from Corporate Activities



Technology/Experience and Expertise 3: Procurement and Utilization of Renewable Energy

Honda is actively installing solar panels on buildings and parking lots within its premises.

To make the most of the renewable energy generated by these installations, we are also implementing stationary battery storage systems. This approach aims to minimize the Company's own CO₂ emissions from its operations and enhance its reduction efforts.

Additionally, in regions such as Japan and North America, Honda is also advancing the procurement of renewable energy sourced from external suppliers.

As a case example in Japan, Honda has signed a Virtual Power Purchase Agreement (PPA) with Rusutsu Wind LLC in September 2024, and plans to acquire the non-fossil certificate (environmental value) from the fiscal year ending March 31, 2026.



Rusutsu Wind Power Plant (Rusutsu Wind LLC)

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Initiatives for Reduction of CO₂ Emissions from Corporate Activities (Scopes 1 and 2)

Technology/Experience and Expertise 3: Procurement and Utilization of Renewable Energy

Honda is actively promoting the use of renewable energy sources such as solar and wind power generation on a global basis.

More specifically, the Company has installed solar panels on parking lots, factory roofs, regulating reservoirs, and other locations.

Going forward, to further facilitate and expand the use of renewable energy, the Company is promoting the introduction of lithium-ion storage batteries and will continue to use renewable energy matched to the conditions of each region on a global basis.

Utilization of Carbon Credits

Honda is implementing various strategies and innovations to reduce and mitigate CO₂ emissions. However, even with these efforts, we anticipate that achieving complete zero CO₂ emissions may still be challenging. Therefore, we consider the use of high-quality carbon credits, among other options, as part of our strategy to achieve net-zero emissions.



Kumamoto Factory



Saitama Factory Automobile Plant



Hosoe Outboard Engine Plant



Boiling Springs Wind Farm

■ Use of renewable energy power (global)

2,835 GWh (increase of 47.1% from the previous year)

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Climate Change

Efforts to Reduce Lifecycle CO₂ Emissions

Advancement in Aggregating Corporate GHG Emissions

While the expansion and adoption of electric products are advancing the reduction of CO₂ emissions from product use (Scope 3 Category 11), CO₂ emissions associated with the manufacturing of materials and components required for these electric products (Scope 3 Category 1) are expected to increase if current trends continue.

To identify the major sources of CO₂ emissions (hotspots), Honda has developed and implemented a method for calculating CO₂ emissions for each component by breaking down approximately 20,000 parts into about 50 types of constituent materials.

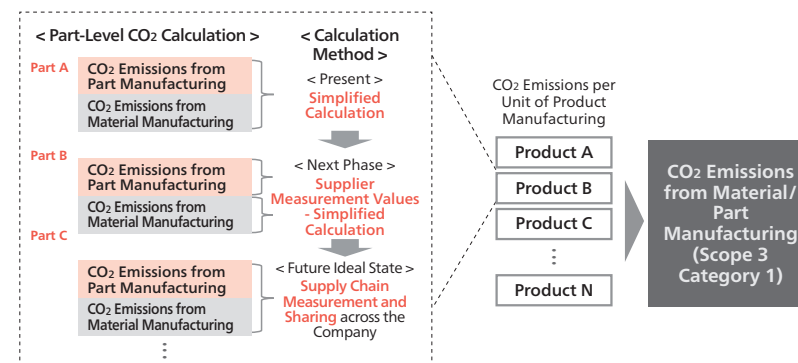
Currently, CO₂ emissions during the manufacturing of materials and components are calculated using simplified methods based on industry averages. However, moving forward, it will be possible to more accurately assess CO₂ emissions reduction efforts by measuring the actual energy consumption during the manufacturing process.

On the other hand, it is the suppliers who can accurately calculate CO₂ emissions during the production of materials and components, as they are directly involved in the manufacturing process. As an ideal approach for the future, we aim to share CO₂ emission data calculated by our suppliers along the supply chain. This will enable us to more accurately assess the CO₂ emissions of Honda products and, based on this assessment, collaborate with our suppliers on further reduction efforts and initiatives.

Based on the belief that accurate assessment of CO₂ emissions enables more effective measures, we are advancing the implementation of a system that can aggregate and analyze CO₂ emissions data across the entire Honda value chain, including not only our own corporate CO₂ emissions (Scope 1 and 2) but also Scope 3 emissions.

Based on the analysis results obtained, we will utilize them to enhance strategies and measures for further CO₂ emission reductions, aiming to achieve carbon neutrality.

Scope 3 Category 1 Aggregation: Concept Diagram



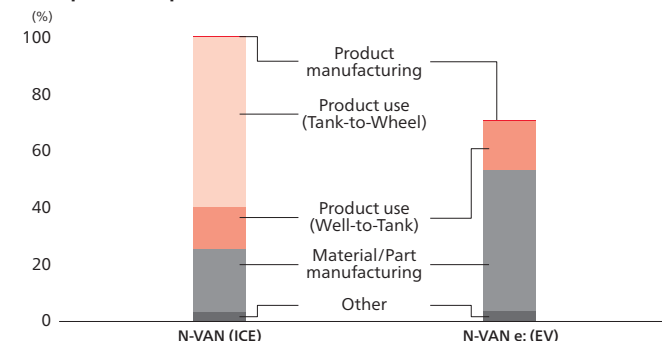
Efforts to Calculate Product Carbon Footprint

To achieve carbon neutrality by 2050, we are focusing on effective CO₂ emission reductions through product electrification and striving for more sustainable, environmentally friendly manufacturing.

To this end, we are quantifying the product carbon footprint across the entire lifecycle and examining areas such as material and component manufacturing, which may result in higher CO₂ emissions compared to traditional products. We are also developing technologies and improving product specifications to enable CO₂ emission reductions associated with product electrification.

Moving forward, we will incorporate the findings from our carbon footprint assessments into the early stages of product design and development processes, continuously promoting our activities for a lower carbon future.

Carbon Footprint Comparison of N-VAN (ICE) and N-VAN e: (EV)



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Climate Change

Efforts to Reduce Lifecycle CO₂ Emissions

Initiatives for Internal Carbon Pricing (ICP)

Honda has started operating ICP system from 2023 to further accelerate the reduction of CO₂ emissions at its Japanese business sites. (Carbon price: 15,000 yen per metric ton of CO₂)

The amount of carbon reduction is converted into a monetary value that can be used as one of the factors when making capital investment decisions.

At overseas sites, Honda has selected representative sites in each region and begun trials mainly in the area of production.

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Climate Change

Basic Approach to Advocacy Activities Related to Climate Change

Basic Approach to Advocacy Activities

Honda conducts its business and corporate activities guided by the following company principle.

Company Principle

We are committed to a global perspective, dedicating ourselves to providing high-quality products at reasonable prices to ensure the satisfaction of customers worldwide.

Honda aims to be a company that society wants to exist by delivering the “Joy of Expanding Life’s Potential” to people around the world and contributing to the realization of a sustainable society.

Furthermore, as part of our social responsibility, Honda has set the goals of achieving carbon neutrality across all products and corporate activities by 2050, as well as zero traffic collision fatalities involving Honda motorcycles and automobiles. To achieve these goals, Honda is taking action on its own while also collaborating with external organizations in the countries where we operate, engaging with governments to promote the realization of a sustainable society.

Our Advocacy Efforts on Climate Change

Honda supports the Paris Agreement and engages in advocacy activities, such as influencing public policy, while conducting its corporate operations.

In the countries and regions where Honda operates, the regulations and policies to be addressed vary. Accordingly, Honda, in line with its Environmental Statement, engages with industry associations and governments. Additionally, for issues that Honda cannot address alone, we collaborate with external organizations in each country and region to promote collective advocacy efforts.

Our Stance on Climate Change Policies

Item	Stance
Paris Agreement	The Paris Agreement aims to limit the global average temperature rise to 1.5°C above pre-industrial levels by reducing CO ₂ emissions. Honda supports the Paris Agreement and engages in advocacy activities, such as influencing public policy, while conducting its corporate operations.
Carbon Neutrality	To realize a zero environmental impact society, Honda, in alignment with the Paris Agreement, aims to achieve carbon neutrality across all products and corporate activities involving Honda by 2050. As an approach to achieving carbon neutrality by 2050, we believe electrification is the most effective solution for small mobility, such as motorcycles and automobiles. To steadily promote the adoption and expansion of electric products, we are expanding our product lineup and providing attractive products and value that customers will choose. Additionally, in our corporate activities, we are addressing the entire lifecycle—from material and parts procurement to design, development, production, transportation, sales, use, and disposal—not only within our own operations but also in collaboration with numerous global partners to implement CO ₂ reduction initiatives.
Renewable Energy	<p><Scope 1 and 2> Honda is actively installing solar panels at buildings and parking areas on its premises. To maximize the use of self-generated renewable energy, we are installing stationary storage batteries and other systems, focusing on efforts to minimize and reduce CO₂ emissions from our corporate activities as much as possible. We are also advancing the external procurement of electricity derived from renewable energy sources.</p> <p><Scope 3, Category 11> While we are reducing CO₂ emissions through product electrification, CO₂ emissions from the use of electric products may remain depending on the adoption and application of renewable energy in each country and region. Therefore, Honda is not only focusing on the self-use of renewable energy but also engaging in advocacy activities to promote the transition to cleaner energy. By contributing to the broader adoption of clean energy in society, including exploring direct involvement in supplying clean energy to customers, Honda is working to reduce CO₂ emissions from the use of electric products.</p>

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Climate Change

Review of Affiliated Organizations

Approach to the Review

We reviewed the alignment between the climate change stances of the organizations we are affiliated with and Honda's own stance.

The selection of affiliated organizations for review was based on the following considerations:

- The organization publicly states its climate policy stance.
- The organization operates in Honda's key markets.
- The organization includes participation from Honda's executive-level members.

Based on the above criteria, we selected the following seven organizations (as of March 31, 2025).

Additionally, if an affiliated organization's stance is not aligned with the goals of the Paris Agreement, we will engage in dialogue with them.

Selected Organization	Business Segment
Japan Automobile Manufacturers Association, Inc. (JAMA)	Motorcycles, Automobiles
European Automobile Manufacturers' Association (ACEA)	Automobiles
The European Association of Motorcycle Manufacturers (ACEM)	Motorcycles
Society of Motor Manufacturers and Traders (SMMT)	Automobiles
Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA)	Automobiles
Associação Brasileira de Fabricantes de Motocicletas, Ciclomotores, Motonetas, Bicicletas e Similares (Abraciclo)	Motorcycles
World Business Council for Sustainable Development (WBCSD)	Motorcycles, Automobiles, Power Products

Review Results

Japan Automobile Manufacturers Association, Inc. (JAMA)

Item	Position
Participation of Our Members	Toshihiro Mibe: Vice Chairman (President and Representative Executive Officer, Honda Motor Co., Ltd.) Shinji Aoyama: Chairman of the Mobility Show Committee (Executive Vice President and Representative Executive Officer, Honda Motor Co., Ltd.)* Hironao Ito: Chairman of the Environmental Technology and Policy Committee (Executive Officer, Honda Motor Co., Ltd.)

* As of March 31, 2025

Item	Result	Stance
Paris Agreement and Carbon Neutrality	Aligned	<ul style="list-style-type: none"> ■ JAMA is fully committed to the challenge of achieving carbon neutrality (CN) by 2050. ■ JAMA states that achieving CN by 2050 is an extremely difficult challenge that cannot be realistically accomplished without groundbreaking technological breakthroughs, asserting that it requires the prerequisite of affordable and stable CN electricity supply, as well as strong support through policy and financial measures.
Renewable Energy	Aligned	<ul style="list-style-type: none"> ■ JAMA advocates for a competitive renewable energy expansion plan, as well as the stable supply of low-cost renewable energy and hydrogen in Japan.

European Automobile Manufacturers' Association (ACEA)

Item	Position	
Participation of Our Members	Ian Howells: Committee Member (Executive Vice President, Honda Motor Europe)	
Item	Result	Stance
Paris Agreement and Carbon Neutrality	Aligned	■ ACEA consistently expresses its commitment to the goals of the Paris Agreement and the transition to carbon neutrality by 2050.
Renewable Energy	Aligned	■ ACEA advocates for a more ambitious approach to integrating renewable energy into Europe’s transport sector, emphasizing the need for higher targets and a long-term strategy to achieve climate neutrality.

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Climate Change

Review of Affiliated Organizations

The European Association of Motorcycle Manufacturers (ACEM)

Item	Position	
Participation of Our Members	Vito Cicchetti: Vice President (Business Transformation Planning Lead & ACEM Representative, Honda Motor Europe)	
Item	Result	Stance
Paris Agreement and Carbon Neutrality	Aligned	■ ACEM advocates for a technology-neutral, multi-pathway strategy to achieve carbon neutrality by 2050.
Renewable Energy	Aligned	■ ACEM supports policy measures to facilitate the integration of renewable energy in transportation, such as introducing mandates for low-carbon or zero-carbon fuels in road transport as part of the revision of the EU Renewable Energy Directive.

Society of Motor Manufacturers and Traders (SMMT)

Item	Position	
Participation of Our Members	Rebecca Adamson: Committee Member (Head of Car (UK), Honda Motor Europe)	
Item	Result	Stance
Paris Agreement and Carbon Neutrality	Aligned	■ SMMT endorses the Paris Agreement and is committed to reducing the environmental impact of the automotive industry.
Renewable Energy	Aligned	■ SMMT supports further development of renewable energy and investment in the grid to maximize electrification and reduce industrial emissions.

Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA)

Item	Position	
Participation of Our Members	Otavio Kiyoshi Mizikami: Vice President (Board of Director, Vice President, Honda Automoveis do Brasil)	
Item	Result	Stance
Paris Agreement and Carbon Neutrality	Aligned	■ ANFAVEA clearly expresses its commitment to the Paris Agreement, which aims to reduce greenhouse gas emissions and address climate change.
Renewable Energy	Aligned	■ From the perspective of reducing greenhouse gas emissions, ANFAVEA advocates for the expansion of low-cost and efficient renewable energy, promoting the use of biofuels, particularly ethanol, in addition to electrification.

Associação Brasileira de Fabricantes de Motocicletas, Ciclomotores, Motonetas, Bicicletas e Similares (Abraciclo)

Item	Position	
Participation of Our Members	Marcos Bento: President (Board of Director, President, Moto Honda da Amazonia Ltda.)	
Item	Result	Stance
Paris Agreement and Carbon Neutrality	Aligned	■ Abraciclo clearly expresses its commitment to the Paris Agreement in line with the environmental policies set by the Brazilian government.
Renewable Energy	Aligned	■ Abraciclo prioritizes the use of biofuels (ethanol), with Brazil being the first country to use biofuels in motorcycles. Additionally, it supports the adoption of other environmentally friendly technologies focused on carbon neutrality.

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Review of Affiliated Organizations

World Business Council for Sustainable Development (WBCSD)

Item	Position	
Participation of Our Members	Toshihiro Mibe: Committee Member (President and Representative Executive Officer, Honda Motor Co., Ltd.)	
Item	Result	Stance
Paris Agreement and Carbon Neutrality	Aligned	<ul style="list-style-type: none"> ■ The vision and pathway for transformation are aligned with the Sustainable Development Goals (SDGs) and the goals of the Paris Agreement. ■ By 2050, we envision a world where global anthropogenic greenhouse gas emissions reach net zero, and global warming is stabilized at +1.5°C above pre-industrial levels.
Renewable Energy	Aligned	<ul style="list-style-type: none"> ■ WBCSD recognizes renewable energy, particularly in electricity consumption, as a key means of decarbonization to achieve the 1.5°C target. It also acknowledges that today's renewable electricity offers advantages in reliability and cost-competitiveness compared to conventional power, and WBCSD is committed to promoting corporate adoption of renewable energy and the transition to low-carbon electricity systems.

Affiliated Organizations in Key Markets

In addition to the seven organizations reviewed, we have listed some of our affiliated organizations that have publicly stated their climate policy stances.

Honda actively participates in the activities of these organizations and will continue to work toward achieving carbon neutrality.

Country/Region	Organization	Business Segment
Japan	Japan Automobile Manufacturers Association, Inc. (JAMA)	Motorcycles, Automobiles
	Tokyo Chamber of Commerce and Industry	Motorcycles, Automobiles, Power Products
United States	National Association of Manufacturers	Automobiles
	Alliance for Automotive Innovation (Auto Innovators)	Automobiles
Europe	European Automobile Manufacturers' Association (ACEA)	Automobiles
	The European Association of Motorcycle Manufacturers (ACEM)	Motorcycles
United Kingdom	Society of Motor Manufacturers and Traders (SMMT)	Automobiles
	Motorcycle Industry Association (MCIA)	Motorcycles
Brazil	Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA)	Automobiles
	Associação Brasileira de Fabricantes de Motocicletas, Ciclomotores, Motonetas, Bicicletas e Similares (Abraciclo)	Motorcycles
Global	World Business Council for Sustainable Development (WBCSD)	Motorcycles, Automobiles, Power Products

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Climate Change

Climate Change-related Disclosures (Response to the TCFD Recommendations)

In treating responses to climate change and energy-related issues as crucial in the environmental field, in April 2021, Honda announced, its vision to “realize carbon neutrality for all products and corporate activities Honda is involved in by 2050.” Hence, Honda has declared our support to the Task Force on Climate related Financial Disclosures (TCFD), established by the Financial Stability Board (FSB), as well as disclosing information based on the information disclosure framework recommended by the TCFD.

Governance

Please refer to Global Management. (⇒ p. 21)

Risk management

Honda has established the Risk Management Committee to identify, check and discuss the status of company-wide priority risks which are deemed important for the entire corporate entity. Climate change-related risks such as risks related to environmental regulations and natural disasters caused by climate change are also managed and monitored by the Committee, which leads to promoting more effective risk management activities while considering the characteristics of respective Operations. The Corporate Strategy Operations evaluates and identifies climate change-related risks by conducting scenario analysis in line with TCFD recommendations, reflecting external and internal risk information which includes company-wide priority risks. The results of the scenario analysis of climate change-related risks are shared with the Risk Management Committee. Climate change-related risks are mainly addressed by the Corporate Strategy Operations, Business Operations and Regional Operations as well as by each respective Operation, Supervisory Unit, subsidiary and cross-departmental task force. Important matters related to risk management including the responses to the climate change-related risks are discussed by the Committee, and details of their activities are reported to the Executive Council as appropriate. For more explanation of the risk assessment and management process, please refer to Risk Management (⇒ p. 202).

Strategy

To achieve more sustainable corporate management, Honda identifies and evaluates short-, medium-, and long-term climate change-related risks and opportunities, reflects them in the corporate strategy, and promotes initiatives to generate new business opportunities through advancing Honda’s technologies, products and services. Honda will continue its efforts to enhance the corporate resilience.

Scenario Analysis Overview

To evaluate and examine the impacts of climate change on our business, Honda has defined multiple scenarios and conducted the scenario analysis noted in the TCFD recommendations. This includes a scenario with significant policy transition which is based on the target laid out in the Paris Agreement “to limit the temperature increase to 1.5°C above pre-industrial levels” (1.5°C scenario) and a scenario where environmental regulations are not strengthened, leading to physical risks increase (4°C scenario).

In the scenario analysis, Honda has examined climate-related risks and opportunities for motorcycle, automobile, and power products businesses in accordance with the classification of the TCFD recommendations and quantified the medium- to long-term financial impact under the scenario to the extent possible for evaluation and analysis.

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Climate Change

Climate Change-related Disclosures (Response to the TCFD Recommendations)

For the scenario analysis based on the TCFD recommendations, we primarily used the following scenarios.

1.5°C Scenario

Honda refers to NZE (Net Zero Emissions by 2050 Scenario) and APS (Announced Pledges Scenario) of the IEA (International Energy Agency) and the IPCC (Intergovernmental Panel on Climate Change) AR6 SSP1-1.9.

As part of the 1.5°C scenario, Honda assumes that measures to achieve carbon neutrality by 2050 will be promoted across the world in the long-term and that the development and use of new technologies will promote the widespread use of carbon-free products and renewable energy. Additionally, we have assumed that the transition to a circular economy will accelerate. In the automobile industry, despite uncertainties due to policy changes, we assume even more stringent regulations on fuel efficiency and Zero-Emission Vehicles (ZEVs) in the long-term,

and, as a result, producing a rise in demand for Electric Vehicles (EVs) and Fuel Cell Electric Vehicles (FCEVs) — although mainly in developed countries.

Furthermore, in the motorcycle, automobile, and power products businesses, we assume that customers' sense of value will shift, with an increasing number developing a preference for carbon-free products and services.

4°C Scenario

Honda has developed our 4°C scenario by using IPCC AR6 SSP3-7.0. In the 4°C scenario, we assume that irreversible environmental changes will occur, leading to more frequent and more severe natural disasters.

Metrics and Targets

Please refer to the List of Company-Wide Environmental Targets (KGI/KPI) (➡ p. 20) and Environmental Data (Trends in Total GHG Emissions) (➡ p. 63).

Risks and Opportunities and Honda's Responses*1

Classification / Scenarios	Risk	Impact	Period*2	Opportunity	Response
Transition Risk	1.5°C Policy and Regulation	■ Payment of fines for failure in complying with fuel efficiency regulations	More than 100 billion yen	Medium-term	■ Increase in sales due to a sales expansion of electrified products and services ■ Reduction of business operation costs through introducing the higher energy efficiency production facilities and utilization of renewable energy
		■ Drop in unit sales of Internal-Combustion Engine (ICE) vehicles due to more stringent fuel efficiency regulations			
	1.5°C Changes in Market	Increased costs due to carbon tax and Emissions Trading System (ETS), etc. Increase in energy purchase prices due to cleaner energy in the market	Between 10 billion yen and 100 billion yen Between 10 billion yen and 100 billion yen	Medium-term	■ Introduce innovative environmental technologies, such as electrification, to become carbon neutral, diversifying energy sources and implementing total energy management initiatives ■ Promote the improvement of production efficiency, implementation of energy-saving measures, shifting to low-carbon energy and use of renewable energy
Physical Risk	4°C Acute/Chronic	Suspension of production resulting from natural disasters, which will damage Honda's production bases and disrupt its supply chain	Between 10 billion yen and 100 billion yen	Long-term	■ Increase in sales of electrified products that can be used as an emergency power source when the need for power supply increases during a disaster ■ Formulation and revise of business continuity planning (BCP), Implementation of countermeasures by conducting trainings ■ Revise and strengthen the supply chain

*1 This list is not intended to be exhaustive and does not cover all risks and opportunities or Honda's measures with respect thereto.

*2 The timeframes are defined based on the timing of the effects that are expected to occur. The short-term refers to within one year (aligned with the annual action plan period), the medium-term covers the period from the next two years through the fiscal year ending March 2031 (aligned with medium-term management plan period), and the long-term covers periods beyond the fiscal year ending March 2031 through 2050 (2050 as the benchmark year for Honda's carbon neutrality goals).

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Pollution

Initiatives

Initiatives to Prevent Environmental Pollution

In accordance with the Honda Environment Statement, Honda will comply with all laws, regulations, and ordinances related to air pollution, water pollution, soil pollution, and other hazardous substances, and will strive to prevent environmental pollution and control the emission of pollutants and contaminants.

Air Pollution

Honda recognizes that efforts for preservation of clean air have been a critical issue since the 1960s when the pollution problem became serious. The Company, therefore, has been working to protect the clean air through the development of technologies that reduce the gases emitted from its products.

In product areas, Honda has reduced exhaust emissions from motorcycles by switching the engines of all its motorcycles on the market to four strokes, with the Honda Programmed Fuel Injection (PGM-FI) system being applied to more than 91% of models sold worldwide for better combustion efficiency.

With regard to automobiles, the Accord Plug-in Hybrid has become the first in the world to certify to SULEV*1 20 of California's LEV*2 III emissions regulations, deemed to be the toughest in the world. In addition, Honda has introduced technologies to reduce emissions in advance of other advanced emission regulations, such as Euro 6 in Europe and Stage 6 of Particulate Matter (PM) emissions in China.

As for power products, Honda has cleared compliance with United States Environmental Protection Agency Phase 3 regulations, the most stringent in the world, through engine enhancement technology without using a catalyst.

In the area of corporate activities, Honda is working to reduce the emissions of Volatile Organic Compounds (VOCs), which are solvent components in paint and thinner used in the paint processes and cause photochemical oxidants.

*1 Super Ultra Low Emission Vehicle

*2 Low Emission Vehicle

*3 A technology that eliminates a middle coating process from the commonly used 4-coat/3-bake auto body painting process, thereby realizing a 3-coat/2-bake water-based painting process

Environmentally friendly products



EM1 e:



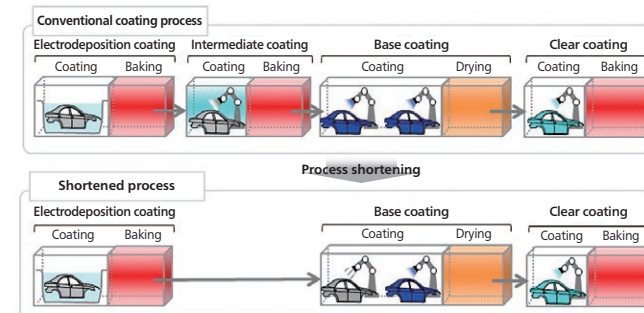
CR-V e:FCEV



EU3200i

In the production of automobiles, Honda is globally implementing the short-process, high-functionality coating technology "Honda Smart Ecological Paint"*3, starting from the Saitama Factory Automobile Plant.

Efforts to Reduce VOC Emissions



To reduce the use of organic solvents, which are a source of VOCs, the reduction of the amount used is being promoted by using water-based coating materials and shortening the coating process.

In addition, Honda employs a combustion exhaust system (RTO: Regenerative Thermal Oxidizer) to burn and deodorize the VOCs contained in the exhaust air before releasing it into the atmosphere.

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Pollution

Initiatives

Water Pollution

Honda selects areas where it can operate in harmony with the surrounding water resources and conducts its corporate activities in accordance with the environmental assessment laws and regulations of each country.

Honda treats wastewater and discharges treated water in accordance with applicable laws and regulations of each country and region-specific rules, etc., and works to manage and provide information on wastewater, which includes thorough quality control and the disclosure of water quality test findings.

To reduce the environmental burden, Honda is promoting the recycling of wastewater for reuse and the reduction of wastewater volume by using dry booths in the painting process.

Soil Pollution

Honda properly conducts soil management in accordance with the relevant laws and regulations of each country. When necessary, Honda also conducts soil contamination surveys and remediation measures.

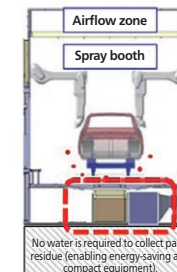
Efforts to Address Water Pollution

Conventional Painting Booths

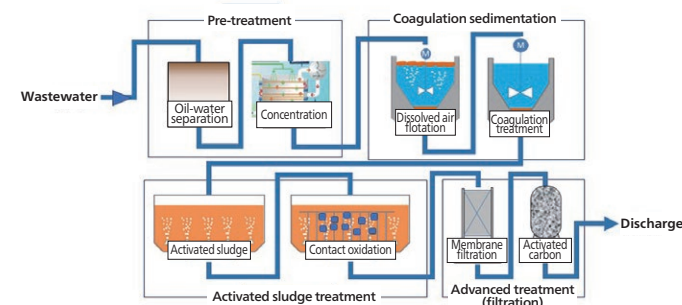


Paint residue is collected using water (generating wastewater).

Dry-Type Painting Booths



Paint residue is collected using filters (reducing wastewater).



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Pollution

Initiatives

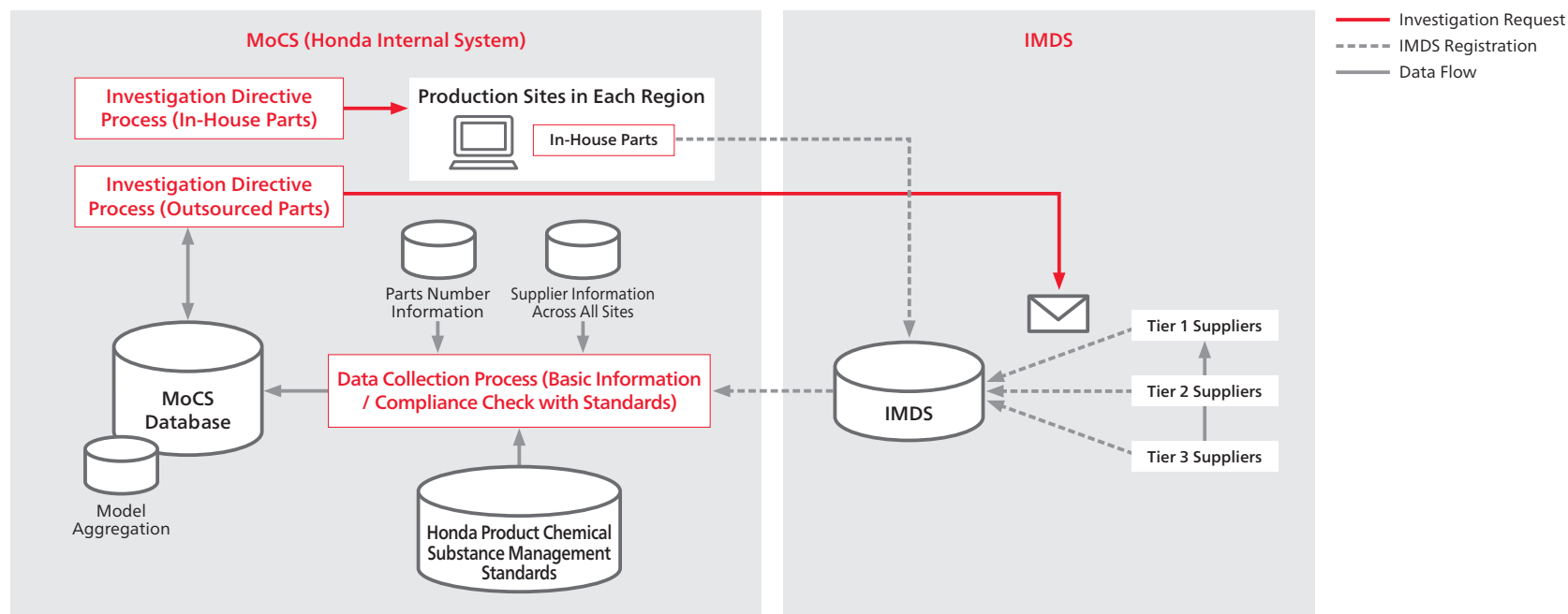
Harmful Substances

Honda works to ensure the appropriate management and reduction of the chemical substances contained in automotive components from the product design and development stages in order to reduce those materials that impact the environment.

Laws and regulations have been introduced in each country to ensure the appropriate management of chemical substances and the reduction of harmful substances contained in automotive components. These legislations are based on the goal set by the United Nations in 2002 of minimizing the impact of chemical substances on people and the environment by 2020. The International Material Data System (IMDS), a mechanism for collecting information throughout the supply chain on the materials and chemical substances contained in components making

up a vehicle, was developed in response to this trend largely by the German Association of the Automotive Industry. Honda is also tabulating and managing chemical substances via its independently developed global management system, called the Management System of Chemical Substances (MoCS), which collects information based on IMDS. Honda promotes the management of chemical substances via MoCS to comply with the Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and other regulations on the use of substances of concern in each country. In addition, Honda is moving ahead with the reduction of four types of heavy metals (lead, mercury, hexavalent chromium and cadmium), in accordance with the European Directive on End-of-Life Vehicles (ELV Directive).

Efforts in Chemical Substance Management



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Water

Initiatives

Regarding water resources as natural capital, water-related problems are becoming more serious, such as floods and droughts caused by the effects of climate change and the expected increase in water demand due to the growth of the world's population.

Honda recognizes the potential impact on local communities and downstream water resources in areas where we draw water and is committed to water conservation.

We select regions that harmonize with surrounding water resources and conduct our corporate activities in accordance with environmental assessment regulations in each country.

With the aim of achieving zero industrial water withdrawal by 2050, we are also working to minimize water use, such as utilizing recycled water and water conservation, taking into account local conditions.

In addition, with an eye on supply risks that could affect our businesses and depletion risks that could affect local communities, we aim to reduce the total amount of water withdrawn across all Honda corporate activities.

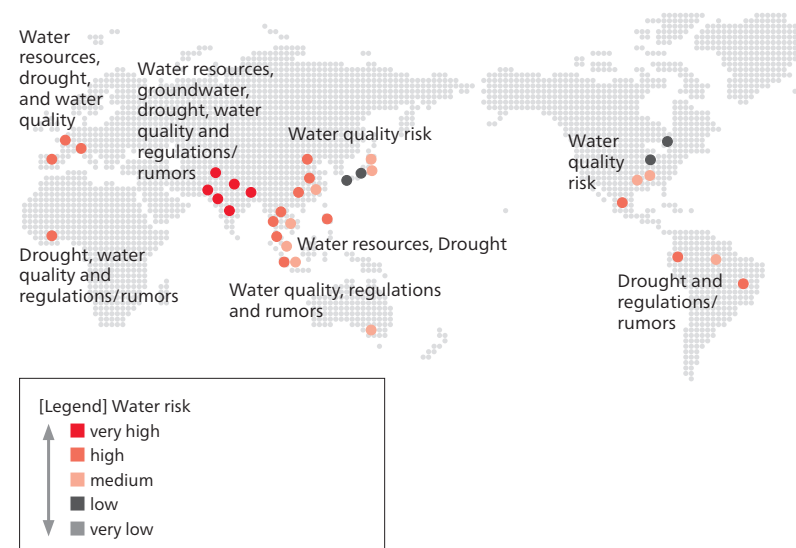
Metrics and Targets / Target for 2050

Management Indicator (KGI)	Category	Target	Target for 2050
		Fiscal Year Ending March 31, 2031	
Reduction rate of total water intake in corporate activities	Consolidated (compared to BAU)	- *	Zero industrial water withdrawal

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

Water is a resource that is unevenly distributed by region and season, etc. At our production sites that use a large amount of water, we verify and identify risks in terms of water resources, groundwater, drought, water quality, regulations/rumors, etc. in the site areas using evaluation indicators such as AQUEDUCT and Water Risk Filter. We are thus promoting risk-based initiatives.

Operational risk: Water heat map



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Water

Initiatives

Honda has prioritized the introduction of a water recycling system at the Celaya Auto Plant of Honda de Mexico S.A. de C.V. in Mexico, the Tapukara Plant of Honda Cars India Ltd. in India, and the No. 2 Plant of GAC Honda Automobile Co., Ltd. in China, where the water risk is particularly high.

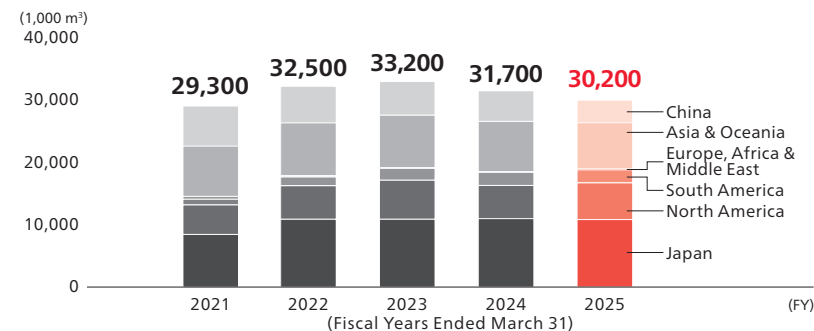
■ Recycled water consumption (global manufacturing sites)

3.16 million m³/year (approximately 14% of the total amount used)

Regarding wastewater, no water sources are affected by wastewater from Honda facilities since it treats wastewater and discharges treated water in accordance with applicable laws and regulations of each country, and the amount of wastewater is appropriately being managed.

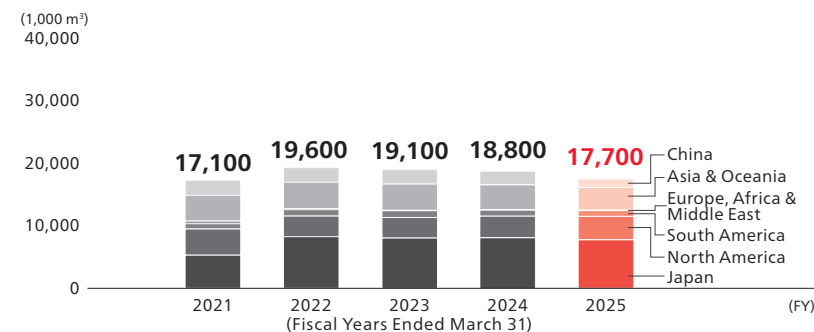
Honda will continue to introduce its water recycling system around the world and strive to reduce the environmental impact.

Amount of water intake ☒



Calculation method: Amount of water intake = Σ (Purchased from water utilities + Groundwater intake + Rainwater utilization + Intake of surface water, such as from rivers)
· Expressed in three significant digits

Wastewater volume ☒



Calculation method: Wastewater volume = Σ (Wastewater processed through sewerage systems or other treatment facilities + Discharge directly into public waters)
· Figures include some estimated values.
· Expressed in three significant digits

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Biodiversity and Ecosystems

Basic Approach

In promoting nature symbiosis initiatives toward Nature Positive, Honda has set “biodiversity conservation” as a materiality.

Honda operates its business with the benefit of natural and mineral resources. Honda recognizes that it depends on and affects a great deal of natural capital not only in the procurement of raw materials, but also in the entire value chain from R&D, manufacturing, use, and disposal after use. Based on the basic concept of harmonizing natural capital and corporate activities, the Company is promoting initiatives to achieve this objective.

In line with the Honda Biodiversity Guidelines established in 2011, Honda is working to avoid or minimize impacts on nature, including air, water, and biodiversity, as well as to restore and rehabilitate them.

Honda Biodiversity Guidelines

Basic Statement

We recognize, under the Honda Environment Statement, that biodiversity conservation initiatives are an essential part of our commitment to the preservation of the global environment. We will continue to work toward harmony between this commitment and our activities.

Priority Activities

1. Development of Environmental Technology
We will contribute to the conservation of biodiversity by developing and disseminating technologies for fuel-efficient vehicles, next-generation cars, and energy-production and other technologies for the reduction of environmental impacts.
2. Initiatives Based on Corporate Activities
We will work to reduce environmental impacts and ensure the effective use of resources through efficiency improvements.
3. Cooperation with Communities
We will implement community-based activities in cooperation with stakeholders, using expertise accumulated by Honda through its initiatives to protect ecosystems, such as the Community Forests and Hello Woods initiatives.
4. Disclosure and Sharing of Information
We will share information with society by disclosing the outcomes of our activities.

Established in May 2011

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Biodiversity and Ecosystems

Approach

Priority Site Assessment

In concretizing biodiversity initiatives at our production sites, we use indicators from the Integrated Biodiversity Assessment Tool (IBAT) to perform a comprehensive evaluation of biodiversity risks at these sites.

Specifically, the evaluation was conducted from the following six perspectives: "number of Protected Areas," "number of Key Biodiversity Areas (KBAs)," "number of endangered species on land," "number of endangered species in watersheds," "potential to reduce extinction risk through conservation activities," and "effectiveness of environmental restoration / nature rehabilitation through conservation activities." We then identified sites with relatively high risk.

Based on the results, we identify priority sites and consider specific measures for biodiversity conservation.

The assessment and identification of endangered species and priority sites are conducted with the support of BirdLife International Tokyo, a specialized organization in biodiversity evaluation.

We also believe that water risk is also crucial to biodiversity conservation and will consider initiatives linked to water risk.

Priority Site Assessment: Heat Map

Priority Analysis for Biodiversity Conservation



[Legend]
 ● High-risk sites (highest priority)
 ● Medium-risk sites (next priority)
 ● Low-risk sites (other)

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Biodiversity and Ecosystems

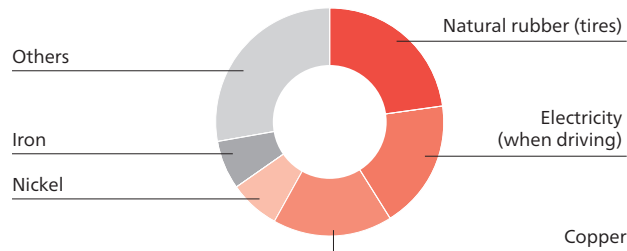
Approach

Product Evaluation

Products incorporate a variety of materials, some of which may potentially impact biodiversity.

Therefore, Honda is undertaking initiatives to conduct a preliminary assessment of the potential impacts of materials used in our products on biodiversity. Based on the evaluation results, we will conduct more detailed analyses for materials that have a potential for significant impact. We will also consider measures to reduce the effects of our products on biodiversity.

Results of the Primary Assessment of Biodiversity Impacts of Products



[Calculation Conditions]

- ・ Vehicles evaluated: compact electric vehicle
- ・ Energy consumption during production: in Japan in 2020
- ・ Lifetime mileage: 200,000 km
- ・ Inventory data: IDEA v2.3
- ・ EINES assessment (biodiversity impact): LIME2

Initiatives

Biodiversity Conservation Activities

In April 2022, Honda joined the “30by30 Alliance for Biodiversity,” led by the Ministry of the Environment in Japan, and is working towards obtaining certification for areas recognized as “Nature Symbiosis Sites*,” where biodiversity conservation is achieved.

* Natural Symbiosis Sites: Areas that the government certifies as “areas where biodiversity is being conserved through private sector efforts, etc.”

Since its opening in 1997, Mobility Resort Motegi has been conducting corporate activities in harmony with the environment under the theme of symbiosis between people, nature, and mobility, and was certified as a Nature Symbiosis Site in October 2023.

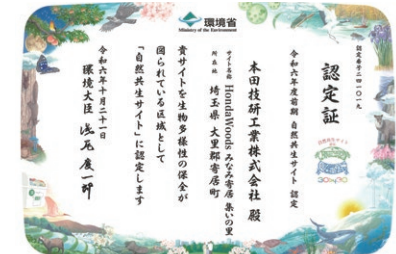
In addition, Saitama Factory Automobile Plant, (Yorii Factory), which has been maintaining a natural environment in consideration of biodiversity and preserving endangered species by installing a biotope on the plant site, was also certified as a Nature Symbiosis Site in September 2024.

Moving forward, in addition to the above two locations, Honda aims to obtain Nature Symbiosis Site certification at other priority domestic sites based on biodiversity assessments, and to promote biodiversity restoration and regeneration activities.

In the future, we plan to establish internal standards equivalent to the Nature Symbiosis Site certification and expand these efforts to our overseas facilities.



30by30 Alliance Logo



Saitama Factory Automobile Plant (Yorii Plant) Nature Symbiosis Site Certification



Rice planting activity by local residents and associates (Yorii Factory)

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Biodiversity and Ecosystems

Initiatives

U.S.A.: Honda Power of Dreams Forest

On the premises of our production site in Union County, Ohio (Honda Development & Mfg. of America, LLC), we planted 85,000 trees in April 2024 to establish the “Honda Power of Dreams Forest.” This is an extensive 40.5 hectares project along Flat Branch Creek near Honda’s Marysville Factory and East Liberty Automobile Plant. It is intended to improve riparian buffers and increase biodiversity by providing habitat for a variety of animals, birds, insects, and plants.



Tree planting activities

Belgium: Conserving Biodiversity at a Logistics Base

At Honda Motor Europe Logistics NV’s logistics base in Aalst, the Company has expanded its greenbelt by planting black poplars, which are threatened due to habitat degradation and a lack of genetic diversity. The Company is also contributing to the maintenance of biodiversity by creating habitats such as ponds, insect hotels, and feeding stations for living creatures.



Insect hotel

Brazil: Nature Conservation at a Test Course

Moto Honda da Amazonia Ltda’s motorcycle test course in Rio Preto da Eva is in the Amazon rainforest. In harmony with the environment, approximately 80% (802 hectares) of the site is maintained as a legally protected area. Agricultural projects here include the planting of fruits and vegetables as well as the restoration of endangered species such as mahogany, rosewood, and Brazil nuts.



Test course

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Biodiversity and Ecosystems

Initiatives

Indonesia: Conservation of Flora and Fauna with Emphasis on Biodiversity

P.T. Honda Prospect Motor, an automobile production plant, is working with the local community to conserve biodiversity on its premises.

Sixty-five animal species have been identified, including native species such as the Javanese black chicken and a variety of endangered species. In addition, as part of its plant conservation efforts, the company has established a plant nursery on its premises to cultivate and conserve local plant species, further strengthening the efforts to conserve the rich biodiversity of the region.



Protection and breeding of animals

Conserving Water Resources

Recognizing the potential for its business activities to impact biodiversity and water resources, Honda is also committed to the conservation of water resources.

Since Honda seeks out communities where harmonious coexistence with nearby water sources is viable as potential plant locations and builds plants in compliance with host countries' environmental assessment laws and regulations, no water sources are significantly impacted by the Company's water use.

In addition, no water sources are affected by wastewater from Honda facilities since it treats wastewater and discharges treated water in accordance with applicable laws and regulations of each country and region-specific rules, etc.

Honda appropriately manages the amount of water used and works to manage and provide information on wastewater, which includes thorough quality control and the disclosure of water quality test findings.

Honda has also continuously undertaken conservation activities for forest watersheds since 1999 as part of its social contribution program. In the activities, production sites protect and manage the forest watersheds from which they receive benefits and implement optimal initiatives tailored to each region.

Aware of the fact that water is an indispensable resource supporting its business, Honda will continue implementing the activities.

The Company's lineup of engines for outboard motors consists solely of four-stroke engines, with the aim of reducing water contamination by outboard motors around the world. Honda is also conducting demonstration tests of electric propulsion systems to reduce the environmental impact during product usage.

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Resource Use and Circular Economy

Basic Approach

Environmental Impact of Mining Scarce Resources Associated with Product Electrification

Our lives involve production, consumption, and disposal, relying on various resources. Driven by global population growth and economic development, the demand for resources continues to rise, and extensive resource extraction has become a societal issue. This is because, in addition to consuming limited resources in large quantities, resource extraction entails energy consumption, CO₂ emissions, and land alteration, resulting in environmental impacts that depend on and affect natural capital.

Electrification of products is an effective means of reducing CO₂ emissions during product use. However, compared to traditional internal combustion engine vehicles, electric vehicles use larger amounts of scarce resources such as copper, nickel, cobalt, lithium, and rare earth elements.

The extraction of scarce resources involves substantial energy consumption and significant CO₂ emissions. Therefore, it is crucial to focus on efficient resource use (referred to as resource circulation) that enables low-energy and sustainable recycling.

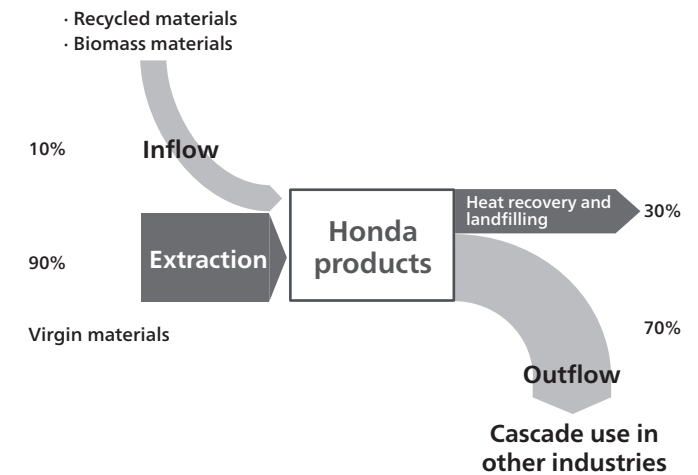
Currently, approximately 90% of the resources used in new car manufacturing rely on newly mined materials. Although about 70% of the resources from dismantled vehicles are recycled and reused, they are often cascaded to other industries, with the remaining 30% either incinerated for heat recovery or landfilled. The high-quality requirements for automotive materials make the use of recycled materials costly. Moreover, advancing the electrification of products increases the demand for scarce resources, leading to potential risks of rising resource prices and supply shortages, which could affect the availability of products and services. Therefore, it is essential to promote resource circulation that provides economic feasibility to recycled materials.

In a traditional linear business model based on production and disposal, the recycling process is not included in the supply chain. We are working to go beyond the conventional business model and achieve resource circulation by collaborating with relevant industries. Alongside our efforts towards carbon neutrality, we are addressing societal challenges related to resource utilization, striving to continuously provide the “joy and freedom of mobility” through our mobility solutions.

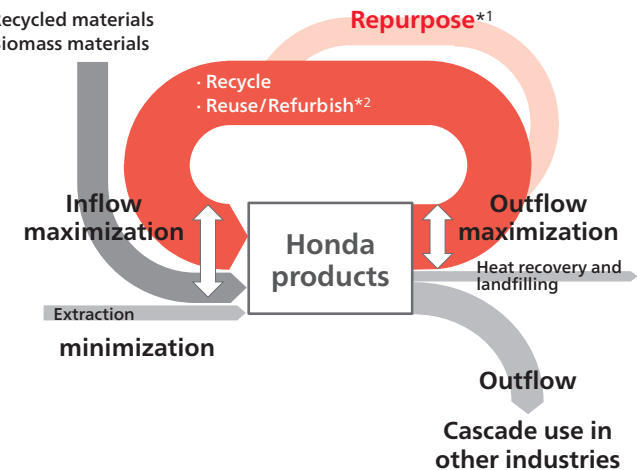
*1 Repurpose: Secondary use of own products for other purposes after primary use

*2 Refurbish: To add new value to used vehicles by improving performance and service through the latest updates

Traditional Material Flow



Ideal Circular Material Flow



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Resource Use and Circular Economy

Approach

Achieving Horizontal Recycling by Maximizing the Use of End-of-Life Products

Honda aims to achieve resource circulation through horizontal recycling*, which maximizes the use of End-of-Life Vehicles (ELVs). This approach requires the development of a new “circular value chain.” To build this value chain, Honda is working to acquire capabilities beyond its current corporate activities. The insights and technologies gained from this effort are expected to support new businesses and products designed with a circular economy in mind, as well as the innovative technologies to achieve them. Consequently, we focus on transforming our business from a mass consumption model to a circular one.

Creating Economic Viability in Resource Circulation

Fully utilizing the value of products and parts during their lifecycle and highly efficient recycling of used products while ensuring economic viability throughout a product are both vitally important for resource circulation.

To fully utilize the value of products and components, we will focus on reusing and repurposing them.

We will also utilize data to “visualize value” throughout the product lifecycle, facilitating regulatory compliance, proper transactions of products and components, and promoting their effective use.

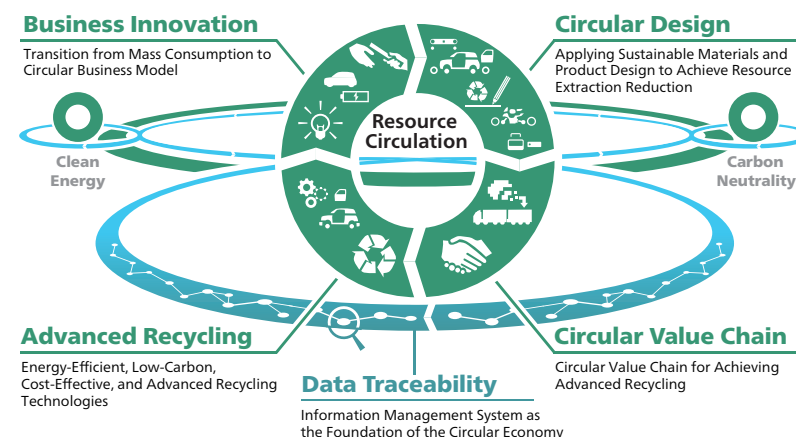
To efficiently recycle used products, it is crucial to incorporate “circular-oriented materials and design” into the products. For the products currently under development, we are advancing the replacement of materials with those designed for circularity, integrating material types, and adapting material specifications and manufacturing methods to accommodate the use of recycled materials. Additionally, we are working on designs that facilitate easy disassembly of ELVs and transforming components made of multiple materials into structures that allow for easy separation into single materials, avoiding the inclusion of contaminants during the recycling process.

In addition to embedding these approaches into products, we will also focus on expanding future horizontal recycling efforts. For this purpose, we are working with our partners to develop advanced recycling technologies, including those for dismantling, shredding, sorting, and reprocessing materials, all aimed at balancing environmental impact reduction and economic viability.

* Horizontal recycling: Recycling used products back into resources and using them again for the same purpose

Five Key Principles of Resource Circulation

Resource Circulation Concept Diagram



Business Innovation

Honda is committed to shifting to a recycling-oriented business that uses up products and parts throughout their entire life cycle and recycles them with high efficiency.

Advanced Recycling

Honda is committed to the research and development of advanced technologies that enable energy-saving, low-carbon, and low-cost recycling.

Data Traceability

Honda will work on visualization of social values such as lifecycle CO₂ emissions and recycling rate to prove compliance with laws and regulations and to promote appropriate trade and use of recycled materials. The Company is committed to proving maintenance history and improving resource recovery rates through the extensive use of digital technologies.

Circular Design

Honda is committed to creating a system premised on recycling, which includes the selection of materials suitable for recycling, easy disassembly and separation design that enables the removal of high-quality scrap, and stable procurement of recycled materials.

Circular Value Chain

Honda will work on optimizing specifications across the entire supply chain involved in resource circulation, including material manufacturers and dismantling and shredding industries, to build a circular value chain that maximizes economic efficiency.

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Resource Use and Circular Economy

Approach

Path to Business Transformation Considering the Product Lifecycle

Honda has set “efficient utilization of resources” as a materiality and aims to achieve “100% sustainable material usage” by 2050.

Product resource circulation



Generally, automobiles, after being manufactured and sold, reach customers and undergo around a decade of use before reaching the end of their lifecycle. Therefore, efforts related to resource circulation require time to realize their benefits. To achieve “100% sustainable material usage” by 2050, it is essential to implement initiatives with the entire product lifecycle in mind.

Honda is addressing the realization of product resource circulation by dividing the period up to 2050 into two major phases. Specifically, until the early 2030s we are focused on “acquisition of pioneering capabilities” and “preparation of circular business models, products, and innovative technologies.” The latter half from late 2030s is anticipated to be the period when the effects of these preparations begin to manifest, focusing on “business transformation effects and the implementation of innovative technologies.” Recognizing that achieving the envisioned 2050 goals requires more than just in-house business areas and technology development, Honda is collaborating with partners in fields outside its current business scope. This approach aims to acquire capabilities to expand business areas ahead of competitors. Additionally, Honda is engaging in technology development with various manufacturers of materials, components, and parts, focusing on circular business models and innovative technologies. The goal is for these preparations to result in business transformation effects in the latter half of the 2030s and to enable further implementation of innovative technologies.

Acquisition of Pioneering Capabilities and Preparation of Circular Business Models, Products, and Innovative Technologies

Looking ahead to the period when the effects of upcoming business transformations will manifest in over a decade, we are considering collaborations with various partners to construct a circular value chain.

Acquisition of Pioneering Capabilities

To build a circular value chain, we have established a joint venture, ALTNA Co., Ltd., with Mitsubishi Corporation.

ALTNA will not only engage in smart charging and repurposed energy storage businesses but also start offering leasing products using Honda’s EV vehicles. During the lease period, we will monitor the battery’s usage, and collect batteries that are no longer in use. By continuously monitoring the battery’s condition from vehicle use, we will leverage the data obtained to maximize the utility of collected batteries, contributing to long-term and stable operations. The leasing prices are set with the premise of long-term utilization of batteries from vehicle to stationary use, which helps reduce the economic burden for EV owners.

Additionally, batteries that have completed their use in vehicles and stationary applications will be recycled as part of our efforts to achieve a circular value chain.

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Approach

Preparation of Circular Business Models, Products, and Innovative Technologies

As part of our efforts to establish circular business models, products, and innovative technologies, we are collaborating with various manufacturers handling different materials, components, and parts. Achieving horizontal recycling in the resin sector is particularly challenging due to economic feasibility issues. Therefore, we have initiated demonstration experiments on horizontal recycling with Mitsubishi Chemical Corporation and the Hokkaido Auto Dismantler Corporation for acrylic resins, and with Idemitsu Kosan Co., Ltd. for plastics.

In partnership with Toray Industries, Inc., we have successfully developed a technology to return nylon resin to its monomer state. This technology uses subcritical water as a solvent, eliminating the need for traditional acid catalyst waste treatment and allowing for the conversion of recycled materials into products with performance and quality equivalent to virgin materials with high yield in a short time. The reduction in reaction time has enabled continuous processing equipment, which helps lower capital investment costs. This is expected to reduce the cost of providing recycled materials.

Honda is committed to developing advanced recycling technologies that balance low energy consumption with economic feasibility.



Mitsubishi Chemical Corporation
(Acrylic resins)



Toray Industries, Inc.
(Nylon resins)



Idemitsu Kosan Co., Ltd.
(Plastics)

Efficient Use of Resources in Corporate Activities that Are Part of the Product Life Cycle

Honda focuses on waste reduction and water conservation in its corporate activities.

Waste

Honda is committed to reducing waste and other materials*1 in its corporate activities, with a focus on effective use of resources and reduction of environmental impact. We are working on the 3Rs (Reduce, Reuse, Recycle), including resource reduction, such as reducing scrap materials in the production processes, and aim to reduce the amount of waste generated in all Honda corporate activities.

Metrics and Targets / Target for 2050

Management Indicator (KGI)	Category	Target	Target for 2050
		Fiscal Year Ending March 31, 2031	
Reduction rate of total water intake in corporate activities	Consolidated (compared to BAU)	- *2	Zero industrial waste

*2 The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

*1 Total amount of waste and valuable resources based on GRI standards

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Resource Use and Circular Economy

Initiatives

Initiatives for Automobiles

For its automobiles, Honda has been promoting conventional 3R (reduce/reuse/recycle) activities as well as ensuring proper processing when disposing of end-of-life products.

The Company will engage in new businesses and services such as horizontal recycling, repurposing, and refurbishing as part of its shift to a recycling-oriented business.

This section describes the resource circulation efforts related to new and used car sales.

Initiatives for Battery Lifetime Management Commercialization (Business Innovation)

For batteries installed in the “N-VANe:” light commercial EV released in 2024, Honda has launched an initiative to maximize battery value by upgrading battery monitoring functions and conducting lifetime management through conversion from on-board use to stationary use.

The battery monitoring function, which determines the state of deterioration of components and other factors, enables efficient use of resources and reduces the economic burden on automobile users.

Use of Sustainable Materials for Floor Carpet Mats (Circular Design, Circular Value Chain)

Starting in April 2024, Honda adopted a sustainable material, recycled PET material, for the floor carpet mats, a Honda genuine accessory for the N-VAN light vehicle. It is significantly lighter than conventional mats. The use of sustainable materials is an effort to consider recyclability after use and to contribute to a recycling-oriented society in the future. As of the fiscal year ended March 31, 2025, the application of this sustainable material has been expanded to three models: CR-V e: FCEV, N-BOX JOY, and N-VAN e:.

Expanded Use of Recycled Materials from Automobile Bumpers for Parts of New Vehicles (Circular Design)

For the “N-VAN e:” light EV released in 2024, Honda collected and crushed discarded bumpers from Honda vehicles, revitalized them as sustainable materials, and reused them as accessories for vehicle exteriors and other parts.

For the front grille parts, a technology was applied to randomly mix the bumper paint of past Honda models, leaving a rough finish, so that the pattern is unique and attractive.



Front grille parts made of “recycled bumper material”

Launch of Services Related to Refurbishing Used Cars (Business Innovation)

In September 2023, Honda’s Japanese used car business launched “Imakore+ (Plus),” a program to install new Honda genuine accessories to used cars.

In January 2024, Honda launched a new upgrade service for the ACCORD model in its North American used car business, a dealer-installed service that enables the wireless functionality of Apple CarPlay and Android Auto.

Such refurbishing programs for recovering and improving product value, adding new product value, and providing utilization services will lead customers to use up the products to the end, and increase opportunities to collect end-of-life vehicle products, thereby making more efficient use of resources.

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Resource Use and Circular Economy

Initiatives

Initiatives to Restructure the Aluminum Circulation (Advanced Recycle)

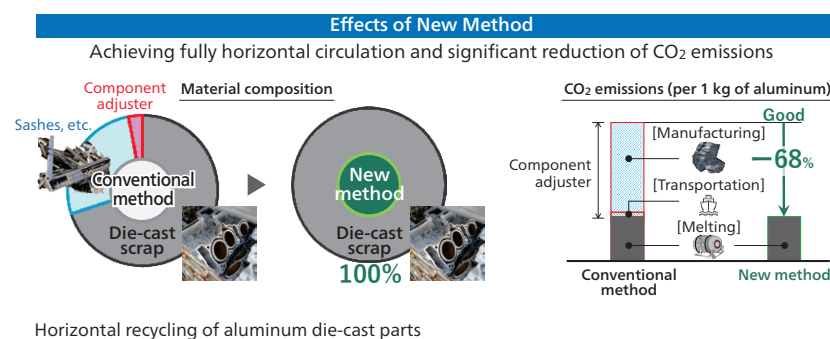
Starting in November 2024, we initiated horizontal recycling of aluminum die-cast parts for engines at the Saitama Factory Engine Plant.

Since aluminum die-cast alloy scrap contains attached iron components, it was necessary to dilute the scrap with high-purity aluminum scrap to reduce the iron concentration in the alloy.

By developing a technology to remove iron components from molten aluminum alloy, we achieved 100% horizontal recycling of scrap of the same material (ADC12 series).

This has enabled us to reduce the use of high-purity aluminum scrap materials, leading to a reduction in CO₂ emissions and manufacturing costs.

This initiative not only promotes the horizontal recycling of low-grade scrap, but also provides an opportunity to review the utilization of high-grade scrap that has traditionally been used for cascade recycling. This is expected to lead to a higher level of resource recycling, as high-grade scrap is reused while maintaining its quality. Furthermore, we believe that this will provide an opportunity to reconsider the entire material flow of aluminum resources and contribute to the realization of a sustainable circular society.



*1 ELV: End of Life Vehicle

*2 Based on Honda's research (as of April 2025)

Mass Production of Horizontally Recycled Acrylic Resin from ELVs*1 (Circular Value Chain, Advanced Recycle)

We will begin applying horizontally recycled door visors, which are made from acrylic resin recovered from ELVs, to its automobile products scheduled for launch in 2025.

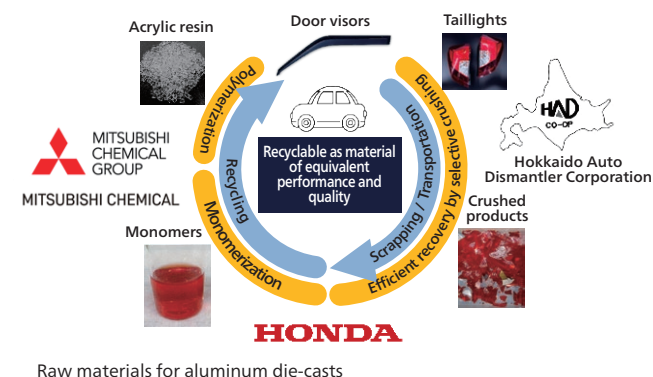
Conventionally, the majority of resin derived from ELVs has been used for fuel and other purposes due to the technical challenges of sorting and recycling, and has not been recycled into products.

Honda, in collaboration with Hokkaido Auto Dismantler Corporation and Mitsubishi Chemical Corporation, conducted a demonstration experiment on the horizontal recycling of acrylic resin (from August 2021 to February 2022), establishing an efficient scheme for the entire operation.

Through this experiment, we developed a recovery method that prevents contamination by foreign materials and a regeneration technology equivalent to virgin materials, paving the way for the world's first*2 mass production of horizontally recycled products.

This initiative will enable a reduction in the use of virgin materials and a 50% reduction in CO₂ emissions during the production and disposal of acrylic resin.

Moving forward, we will continue to research and develop advanced recycling technologies that support the creation of value chains and sustainable resource recycling to realize a circular society, and work with partner companies to implement these technologies in society.



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Resource Use and Circular Economy

Initiatives

Realizing Resource Circulation through Co-Creation with Customers

To realize resource circulation, Honda has been conducting activities to communicate and promote resource circulation at regional environmental events since the launch of N-VAN e: in October 2024, with the aim of promoting customer understanding and empathy for the initiative.

At the events, in addition to showcasing products to which sustainable materials are applied, we introduced services for product use based on resource circulation principles and our upcycling initiatives that effectively utilize repair parts scheduled for disposal. We also explained that products and services that make efficient use of resources not only reduce environmental impacts through waste reduction but also lead to new value provision.

Honda sees this initiative as an opportunity to encourage customers to consider how products should be handled after use. By fostering understanding and empathy for Honda's resource circulation philosophy and initiatives, as well as deepening mutual understanding between our customers and Honda, we aim to realize a sustainable society based on resource circulation.



Honda's Vision for a Circular Business (Conceptual Diagram)



Upcycled products

Initiatives for Motorcycles

From the perspective of reducing environmental impact, we have undertaken efforts in motorcycles, including reducing material usage through lightweight design, adopting recycled materials, and designing structures with recyclability in mind.

In addition to using recycled materials such as iron and aluminum, which can reduce land alteration during raw material extraction and CO₂ emissions during material production, we are pursuing new initiatives by applying bio-based materials and recycled resins that contribute to reducing the extraction of fossil resources.

Application of Recycled Automobile Bumper Materials to Motorcycles (Circular Design, Circular Value Chain)

We have previously utilized recycled materials made from discarded bumpers of Honda vehicles collected from dealerships, applying them to undercovers and other parts of automobiles.

Through design optimization, we have successfully applied recycled bumper materials from automobiles—previously challenging to use in motorcycles—to components such as the luggage box of the NC series* sold in 2024.

This initiative leverages Honda's distinctive strengths, including the diversity of our sales products and our established recovery scheme.

Example of Applicable Model



X-ADV

Example of Applied Parts



X-ADV: Luggage Box

* Applicable Models: NC750X, FORZA 750, X-ADV

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Resource Use and Circular Economy

Initiatives

Application of Pre-Consumer Recycled Materials to Products (Circular Design)

As part of our efforts to expand the use of recycled resins, we applied pre-consumer recycled polypropylene materials*1 to the exterior parts of the NC series sold in 2024.

Pre-consumer recycled materials, due to their known material properties, allow for physical property adjustments equivalent to virgin materials while mitigating the risk of regulatory chemical substance contamination.

We will continue to apply pre-consumer recycled materials to other models in the future.

Example of Applied Parts

Colored Exterior Parts (Yellow Sections)



FORZA 750

*1 Pre-consumer recycled materials are derived from scraps generated during the manufacturing or molding processes of products such as automobiles and home appliances.

*2 DURABIO™ is a registered trademark of Mitsubishi Chemical Corporation.

*3 Based on Honda's research (as of October 2023).

Application of Bio-Engineering Plastics to Products (Circular Design)

As part of our efforts to expand the use of the bio-engineering plastic "DURABIO™"*2, we applied it to the colored exterior parts of the NC series sold in 2024, marking the first such application in motorcycles.

By using colored DURABIO™ with high aesthetic quality, painting becomes unnecessary, contributing to CO₂ reduction.

Additionally, following the world's first*3 adoption of DURABIO for the transparent front screen of the CRF1100L Africa Twin, launched in March 2024, we expanded its application to the X-ADV (launched in Europe in September 2024), as well as the NC750X and XL750 TRANSALP, with plans to apply it to other models in the future.

Examples of Applied Parts



NC750X
Colored exterior parts
(green sections)



X-ADV
Applied part



FORZA 750
Applied part



NC750X
Transparent front
screen

Application of Recycled Aluminum Materials (Circular Design)

We have been applying small-diameter wheels, which are made from market scrap using the High-Pressure Die Casting (HPDC) method to compact models, such as scooters and Cubs in Vietnam, Thailand, Brazil, and China.

Meanwhile, large-diameter wheels, which had previously been difficult to apply due to technical challenges, have also begun to be applied to large models produced in Japan and released from 2024 onward.

With this application to large models, wheels made from recycled materials are now used across our entire product line, from compact to large models.

We plan to continue expanding the use of recycled aluminum wheels to global models in a phased manner.

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Scope of Coverage

Organizations Covered

Honda Motor Co., Ltd. and its 357 group companies in and outside of Japan (comprising 285 consolidated subsidiaries and 72 affiliated companies accounted for by the equity method). The number of companies is as of the end of December 2024.

Period Covered

Fiscal Year Ended March 31, 2025 (April 1, 2024 – March 31, 2025)

List of Company-wide Environmental Targets (KGI/KPI)

Priority Issues	Materiality	Management Indicators	Category	Targets	
				Fiscal Year Ending Mar. 31, 2026	Fiscal Year Ending Mar. 31, 2031
Zero Environmental Impact Society	<ul style="list-style-type: none"> ■ Addressing Climate Change ■ Addressing Energy Issues ■ Efficient Utilization of Resources ■ Biodiversity Conservation 	KGI	Reduction rate of total CO ₂ emissions from corporate activities (compared to FYE Mar. 31, 2020)	Consolidated	(Unpublished)
			Total CO ₂ emissions from products	Consolidated/Business	
			Reduction rate of total waste generation (compared to BAU)	Consolidated (compared to BAU)	(Unset)
			Reduction rate of total water intake (compared to BAU)		
		KPI	Sales Ratio of Electrified Products	Motorcycles	_ *
				Automobiles	
				Power Products	
			Reduction rate of CO ₂ emissions intensity of product use (compared to FYE Mar. 31, 2020)	Motorcycles	
				Automobiles	
				Power Products	

* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

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Total GHG emissions

				(million t-CO ₂ e)				
				FYE Mar. 31, 2022	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025	
GHG emissions from the entire Honda value chain			(Scopes 1, 2 and 3)	295.51	291.77	278.59	296.86	
Breakdown	Direct emissions from business activities	All businesses	(Scope 1)	1.16	1.09	1.07	0.997	☑
	Indirect emissions from energy use	All businesses	(Scope 2)	3.14	2.73	2.07	1.64	☑
	Emissions from Honda business activities	All businesses	(Total of Scopes 1 and 2)	4.30	3.82	3.14	2.64	☑
	Purchased products and services	Motorcycle, automobile, and power products businesses	(Scope 3, category 1)	51.34	50.06	52.13	50.14	
	Capital goods	All businesses	(Scope 3, category 2)	0.80	1.42	1.12	1.55	
	Fuel and energy related activities	All businesses	(Scope 3, category 3)	0.47	0.45	0.49	0.45	
	Transportation and distribution (upstream)	Motorcycle, automobile, and power products businesses	(Scope 3, category 4)	2.89	2.79	2.95	3.14	
	Disposal of business waste	All businesses	(Scope 3, category 5)	0.22	0.20	0.21	0.19	
	Business travel	All businesses	(Scope 3, category 6)	0.32	0.31	0.30	0.29	
	Employee commuting	All businesses	(Scope 3, category 7)	0.17	0.16	0.16	0.16	
	Leased assets (upstream)	-	(Scope 3, category 8)	-	-	-	-	
	Downstream transportation and distribution	Automobile business	(Scope 3, category 9)	0.91	0.73	0.73	0.86	
	Processing of sold products	Power products business	(Scope 3, category 10)	0.00	0.00	0.00	0.00	
	Use of sold products	Motorcycle, automobile, power products, and aircraft businesses	(Scope 3, category 11)	228.87	226.86	212.20	232.20	☑
	Disposal of sold products	Motorcycle, automobile, and power products businesses	(Scope 3, category 12)	4.87	4.58	4.84	4.88	
	Leased assets (downstream)	-	(Scope 3, category 13)	-	-	-	-	
	Franchise	-	(Scope 3, category 14)	-	-	-	-	
	Investment	All businesses	(Scope 3, category 15)	0.37	0.40	0.33	0.37	
	Other indirect emissions		(Total of Scope 3)	291.21	287.96	275.46	294.22	

* The data marked with ☑ have received third-party assurance.

* See the next page for the calculation targets for each category in Scope 1, 2, and Scope 3.

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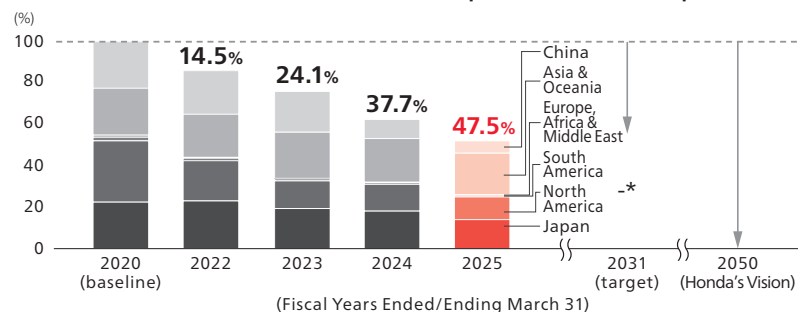
- Scope 1: Direct GHG emissions from business activities, as defined by the GHG Protocol (e.g., Combustion of fuel oil at a manufacturing plant, emissions from work vehicles and company cars). In Japan, Honda uses the emission factor based on the Act on Promotion of Global Warming Countermeasures and in each region except Japan, emission factors from the 2006 IPCC Guidelines for National GHG Inventories. Global Warming Potential (GWP) is based on the IPCC's Fifth Assessment Report.
 - Scope 2: Indirect GHG emissions from a company's use of energy, as defined by the GHG Protocol (e.g., electrical energy used by a manufacturing plant or office). Honda adopts the GHG Protocol's standard market-based method. In Japan, Honda uses adjusted emission factors by electric utility based on the Act on Promotion of Global Warming Countermeasures. In each region except Japan, Honda uses electricity utilities emission factors and latest regional emission factors, and if unavailable, national emission factors from the IEA's Emissions from Fuel Combustion.
 - Scope 3: Other indirect GHG emissions not included in Scope 1 and Scope 2, as defined by the GHG Protocol. Scope 3 is systematically broken down into 15 categories. For each category, Honda has defined the following calculation targets.
 - Category 1: Materials and parts purchased by Honda for the manufacture of motorcycles, automobiles, and power products, as well as indirect materials such as office supplies used in business activities
 - Category 2: Capital investment activities of Honda
 - Category 3: Manufacturing activities of various types of energy used in Honda's business activities
 - Category 4: Transportation of parts and products from Honda suppliers to dealers
 - Category 5: Disposal of waste generated by Honda's business activities
 - Category 6: Business travel of employees of Honda
 - Category 7: Commuting by employees of Honda and its subsidiaries
 - Category 9: Energy used at Honda's automobile dealers
 - Category 10: Processing of power products engines sold by Honda to other companies into finished products
 - Category 11: Use of motorcycles, automobiles, power products, and aircraft sold by Honda
 - Category 12: Disposal of motorcycles, automobiles, and power products sold by Honda
 - Category 15: Scope 1 and 2 emissions of Honda's investee companies, equivalent to its equity share
 Honda excludes categories 8, 13 and 14 from its calculations, as these categories are either not part of Honda business activities or emissions from these categories are accounted for in other categories.
 - For Scope 3 Categories 1, 4, 9, and 12, we have made some changes starting in the fiscal year ended March 31, 2025. These categories are disclosed after recalculating past performance.
 - The "Scope 3, category 11" figures presented in this report represent the cumulative amount of GHGs that will have been emitted by products sold by Honda in the applicable fiscal year (automobiles, motorcycles, power products and aircraft) as a result of their use by customers from the time they received those products until they dispose of them in the future.
- Calculations cover the emission of all motorcycles, automobiles, power products and aircraft sold worldwide under the Honda brand name. These emissions are calculated using the following formula for each model and adding the results: CO₂ emissions intensity x Annual distance traveled or Annual usage in hours x Product lifetime in years x Annual unit sales.
- CO₂ emissions intensity: Amount of CO₂ emissions per unit driving distance of product use or per unit used time of product use
 - Annual distance traveled/Lifetime years of use: Referring to IEA estimation model, "MoMo," etc.
 - CO₂ emission factor: Refer to GHG emissions calculation guidelines issued by public authorities in each region; if unavailable, refer to Japan's GHG calculation guidelines.

3 Environment

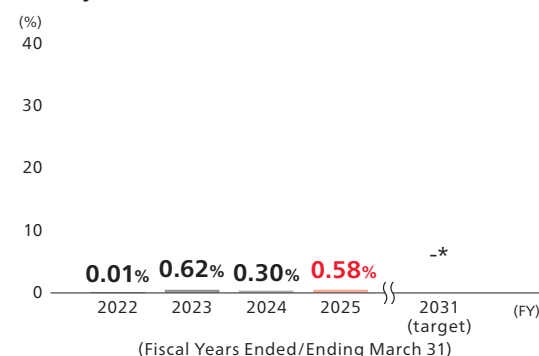
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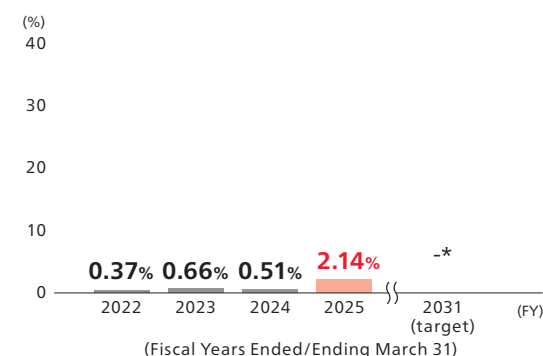
Reduction rate of total CO₂ emissions from corporate activities (compared to FYE Mar. 31, 2020)



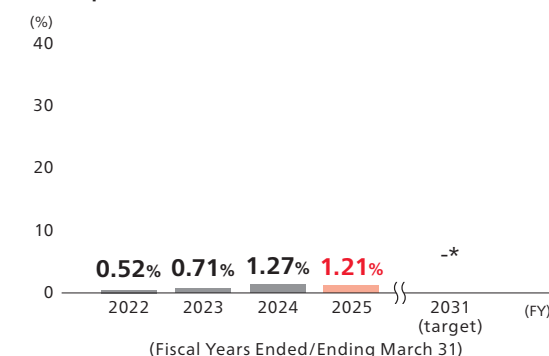
Sales ratio of electrified products
Motorcycles



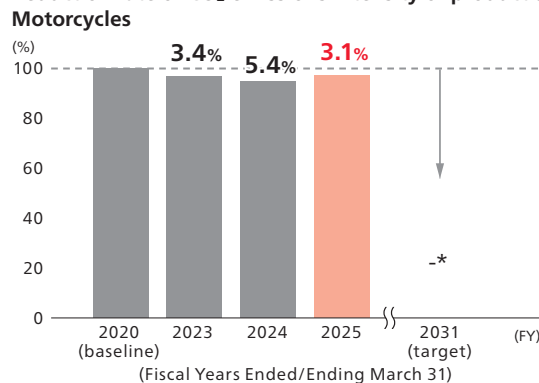
Automobiles



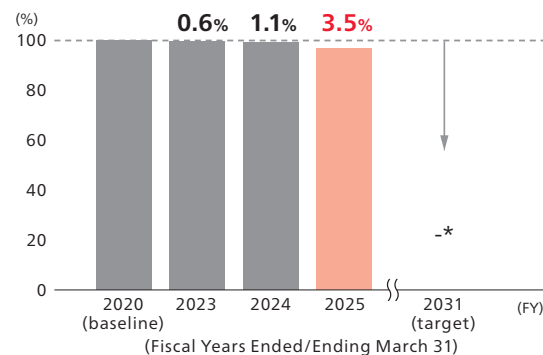
Power products



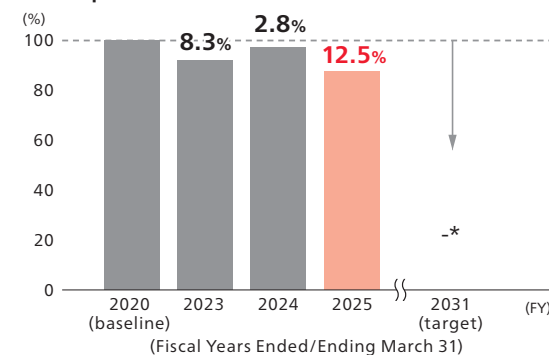
Reduction rate of CO₂ emissions intensity of product use (compared to FYE Mar. 31, 2020)



Automobiles



Power products



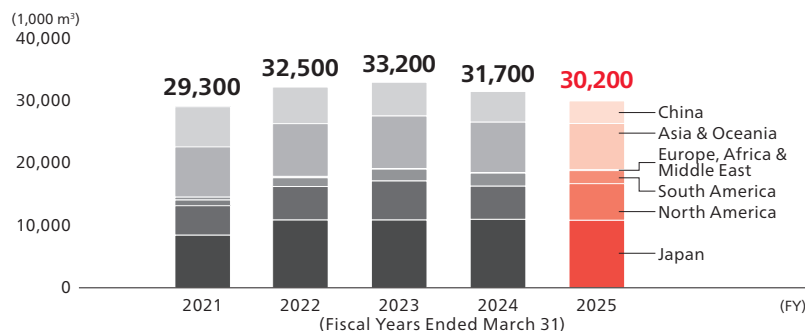
* The previously disclosed management indicators (KGI and KPI) for the fiscal year ending March 31, 2031 are currently under review due to changes in the business environment. Honda is in the process of recalculating these targets and plans to disclose updated target figures in its integrated report, "Honda Report 2025."

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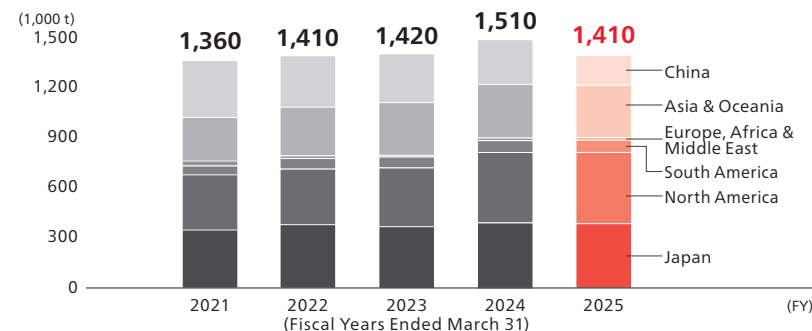
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Amount of water intake ☒



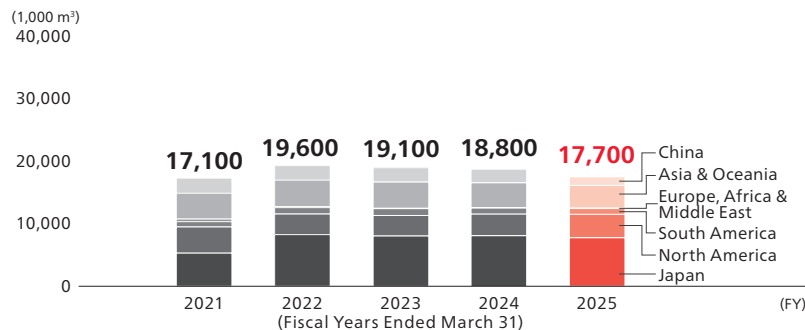
Calculation method: Amount of water intake = Σ (Purchased from water utilities + Groundwater intake + Rainwater utilization + Intake of surface water, such as from rivers)
 · Expressed in three significant digits

Waste generated ☒



Calculation method: Amount generated = Σ (Industrial waste + General business waste + Valuable materials)
 · However, regions outside of Japan are beyond the scope of data for industrial waste (excluding hazardous waste defined in accordance with regulations in respective countries) and General business waste.
 · Expressed in three significant digits

Wastewater volume ☒



Calculation method: Wastewater volume = Σ (Wastewater processed through sewerage systems or other treatment facilities + Discharge directly into public waters)
 · Figures include some estimated values.
 · Expressed in three significant digits

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Honda GHG Emissions in the Fiscal Year Ended March 31, 2025

As a responsible company operating in the mobility industry, Honda believes in the importance of calculating and disclosing GHG emissions in order to drive progress in initiatives to reduce global emissions.

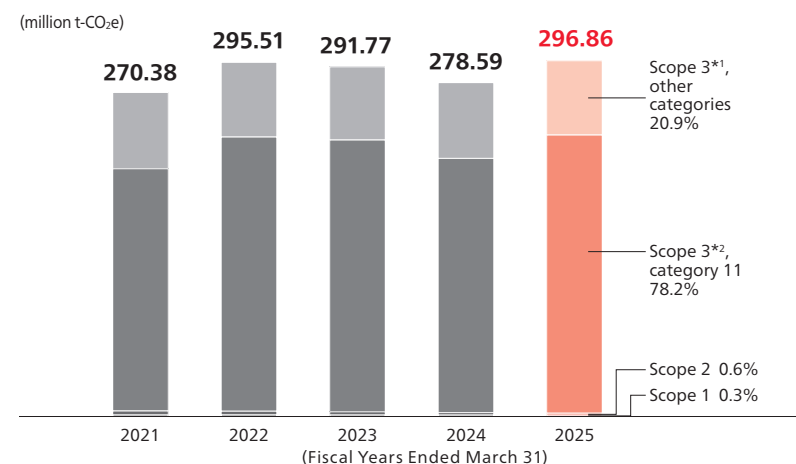
As the first milestone in this endeavor, in August 2012, Honda disclosed estimates of GHG emissions for the fiscal year ended March 31, 2012 across its entire value chain in conformity with the GHG Protocol, currently the world's most widely used GHG emissions accounting standard. The Company became the world's first mobility company to release estimates of emissions not only from its own business activities (Scopes 1 and 2) but also from all upstream and downstream activities (Scope 3), extending from the procurement of raw materials to the transportation and customer use of Honda products and ending with the treatment of end-of-life products.

Honda continues to calculate and report the GHG emissions from its entire value chain and is making improvements to obtain more accurate emissions readings. The Company is doing this in Scope 3 (other indirect emissions), for example, by widening the boundaries of data collection for categories that account for the largest proportion of estimated emissions, and by improving the accuracy of the calculation methods.

For Scope3 Category 11, the scope of calculation has been extended from about 90% of global sales to volume to approximately all in total. The conditions used in calculating figures such as annual distance traveled and lifetime years of use have been changed and are now based on the newer IEA Mobility Model (MoMo) instead of the conventional IEA SMP Model.

The calculations for the fiscal year ended March 31, 2025 show that GHG emissions from Honda business activities were 2.64 million t-CO₂e, and total emissions from the value chain, including other indirect emissions, were 296.86 million t- CO₂e. Honda will continue to monitor and manage data and utilize this information in the actual implementation of emissions reduction measures.

Total GHG Emissions (Scope 1, 2 & 3)



*1 For Scope 3 Categories 1, 4, 9, and 12, we have made some changes starting in FYE Mar. 31, 2025. These categories are disclosed after recalculating past performance.

*2 For Scope 3, Category 11, the IEA SMP Model was used for calculations until FYE Mar. 31, 2021, while the IEA Mobility Model (MoMo) has been used since FYE Mar. 31, 2022. Additionally, some calculations have been revised starting from FYE Mar. 31, 2023.

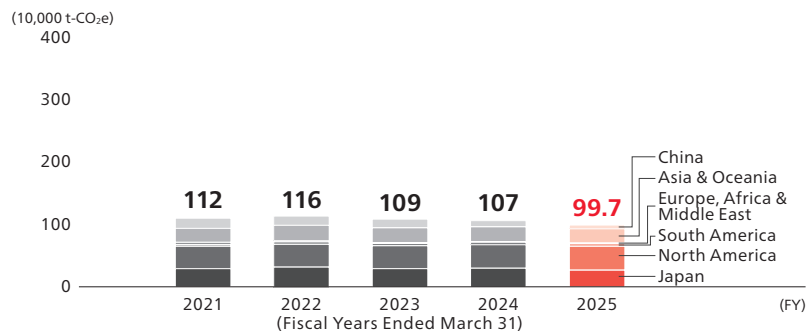
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Environmental Data

GHG emissions

Direct emissions (Scope 1) ✓

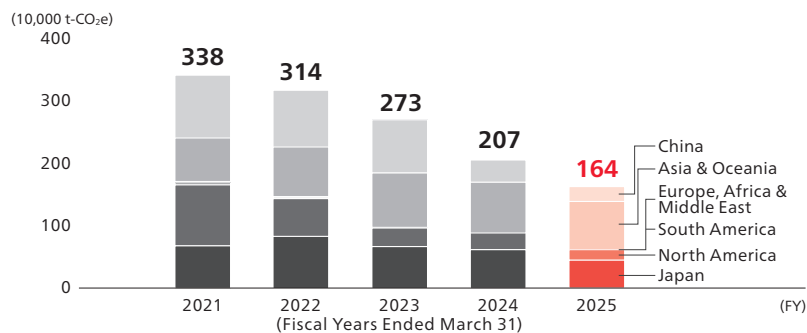


Calculation method: Emissions = Σ (Fuel consumption x CO₂ emission factor) + CO₂ emissions from non-energy sources + Σ (Volume of non-CO₂ GHG emissions x Global Warming Potential (GWP))

Emission factor:

- Japan: Emission factors based on the Act on Promotion of Global Warming Countermeasures
- Regions outside of Japan: Emission factors from 2006 IPCC Guidelines for National GHG Inventories
- Figures for global warming potential coefficient: The IPCC's Fifth Assessment Report
- Figures for GHG emissions from non-energy sources include some estimated values.
- Calculations are mainly based on emissions from stationary sources.
- Expressed in three significant digits

Indirect emissions (Scope 2) ✓



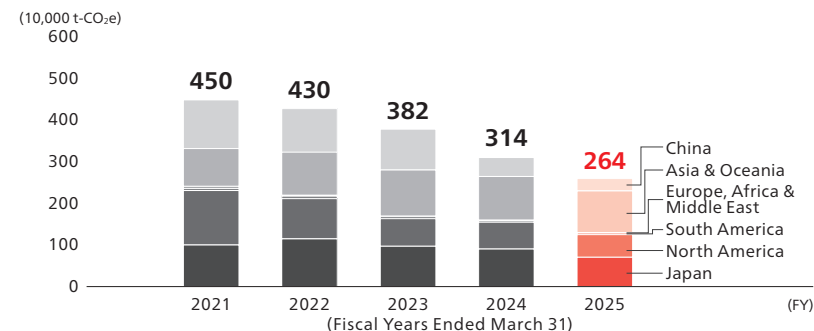
Calculation method: Emissions = Σ (Purchased electricity consumption, etc. x CO₂ emission factor)

Honda adopts the GHG Protocol's standard market-based method.

Emission factor:

- Japan: Adjusted emission factors by electric utility based on the Act on Promotion of Global Warming Countermeasures
- Regions outside of Japan: Adjusted emission factors by electric utility and latest regional emission factors, if unavailable, national emission factors from the IEA's Emissions from Fuel Combustion.
- * Other includes steam and hot water. Emission factors are sourced from the GHG Emissions Calculation, Reporting, and Disclosure System under the Act on Promotion of Global Warming Countermeasures.
- Expressed in three significant digits

Total GHG emissions (Scopes 1 and 2) ✓



Calculation method: Total GHG emissions (Scope 1 and 2) = Direct GHG emissions + Indirect GHG emissions

- Expressed in three significant digits

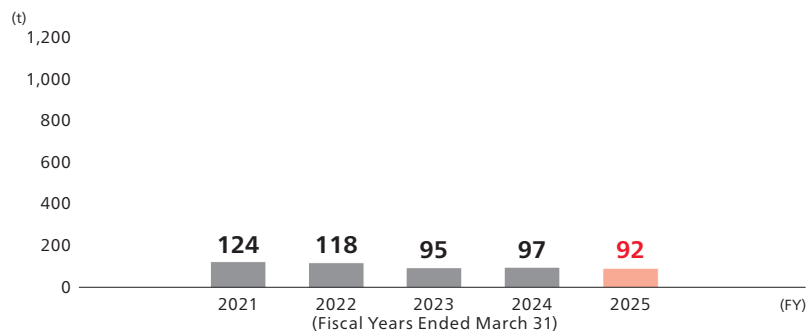
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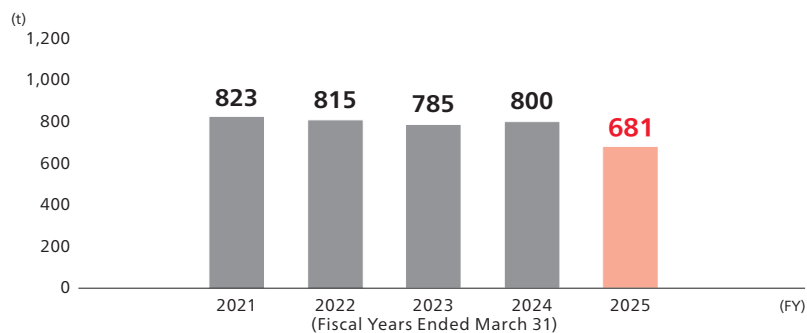
Air Pollutant Emissions

SOx emissions ☒



Calculation method: Emissions = Σ (Fuel consumption x Density x Sulfur content x 64/32)
 · Calculations are based on fuel consumption.
 Density: Based on the conversion factor list in Statistics Information by Japan Petroleum Energy Center (JPEC)
 Sulfur content: Specified by mandatory standards under the Act on the Quality Control of Gasoline and Other Fuels for gasoline, diesel, kerosene, and heavy oil, and by the LP gas standard (JIS K 2240) for LP gas.

NOx emissions ☒



Calculation method: Emissions = Σ (Fuel consumption x Emission factor for each fuel)
 · Calculations are based on fuel consumption.
 Emission factor for each fuel: Based on the NOx emissions calculation table for non-measured combustion facilities in the Eco-Action 21 program (Ministry of the Environment).

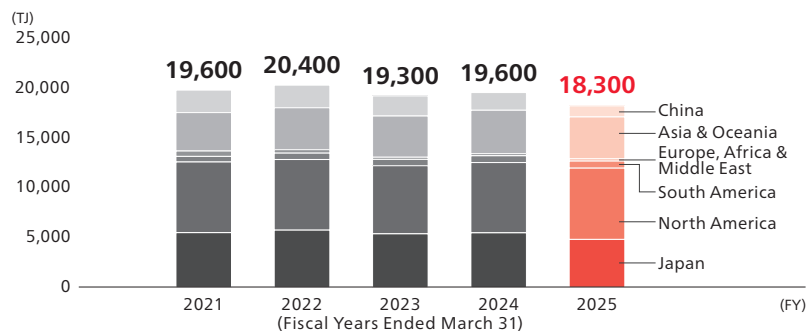
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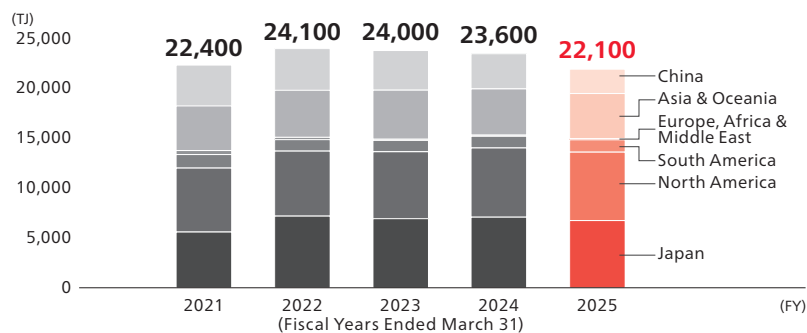
Energy consumption

Direct energy consumption ☒



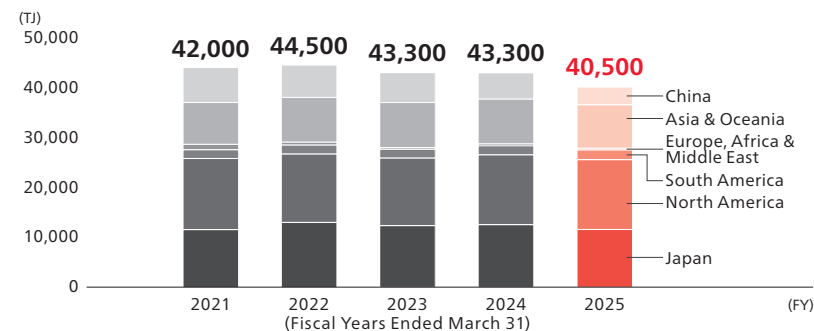
Calculation method: Consumption = Σ (Fuel consumption x Unit calorific value)
 Unit calorific value:
 Japan: Unit calorific value based on the GHG Emissions Calculation, Reporting, and Disclosure System under the Act on Promotion of Global Warming Countermeasures
 Regions outside of Japan: Based on the 2006 IPCC Guidelines for National GHG Inventories
 - Calculations are mainly based on energy consumed by stationary sources.
 - A terajoule (TJ) is a unit of energy, with 'tera' denoting 10^{12} .
 - Expressed in three significant digits

Indirect energy consumption ☒



Calculation method: Consumption = Σ (Purchased electricity consumption etc.* x Unit calorific value)
 Purchased electricity is converted to gigajoules (GJ) using the international standard 3.6 GJ/MWh.
 * Other
 Unit calorific value:
 Japan: Unit calorific value based on the GHG Emissions Calculation, Reporting, and Disclosure System under the Act on Promotion of Global Warming Countermeasures
 Regions outside of Japan: 2006 IPCC Guidelines for National GHG Inventories
 - Expressed in three significant digits

Total energy consumption ☒



Calculation method: Total energy consumption = Direct energy consumption + Indirect energy consumption
 - Expressed in three significant digits

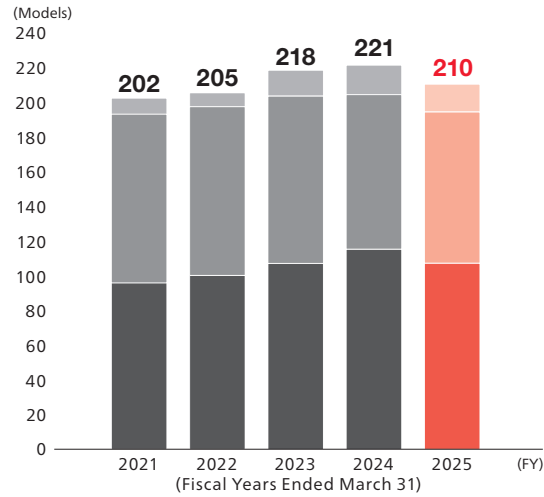
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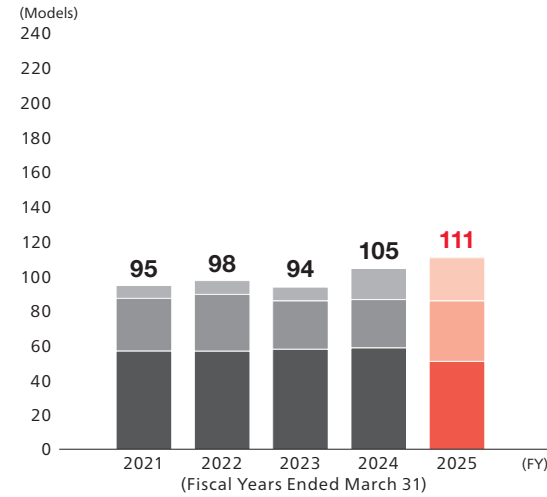
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Global Trends in HEPS-compliant models

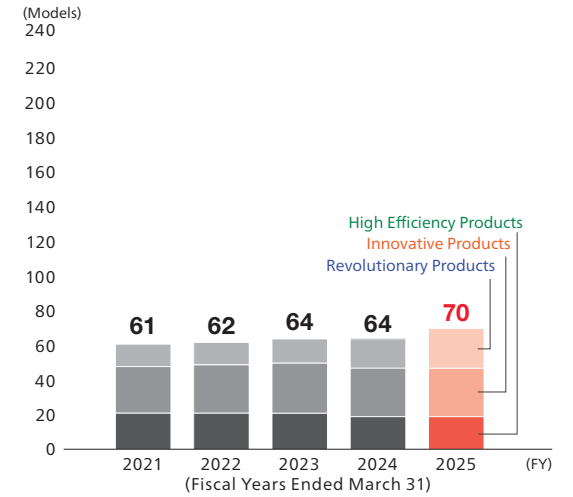
Motorcycles



Automobiles



Power Products*



* The figures for the fiscal year ended March 31, 2024 have been corrected due to an error.

Social



Social

Human Rights

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Basic Approach

Honda upholds the idea of “respect for the individual” in the Honda Philosophy and includes “Respect of Human Rights” in the Honda Code of Conduct to show its policy to “maintain its stance as a company committed to practicing fairness and sincerity and respecting human rights.”

Also in the Code, Honda specifically requires its associates to “respect fellow associates, interact with them in a sincere and appropriate manner, and never engage in any form of harassment or unjust, discriminatory remarks or conduct in the workplace.”

Accordingly, based on “Respect for the Individual” in the Honda Philosophy, Honda has formulated the Honda Human Rights Policy to fulfill its responsibility to respect the human rights of stakeholders affected by its business activities.

This policy applies to all officers and associates of the Honda Group (Honda Motor Co., Ltd. and subsidiaries).

Honda also works to ensure that all business partners, including suppliers and dealers, understand this policy and collaborate to resolve issues together.

In particular, we require our suppliers to understand this policy and to agree to

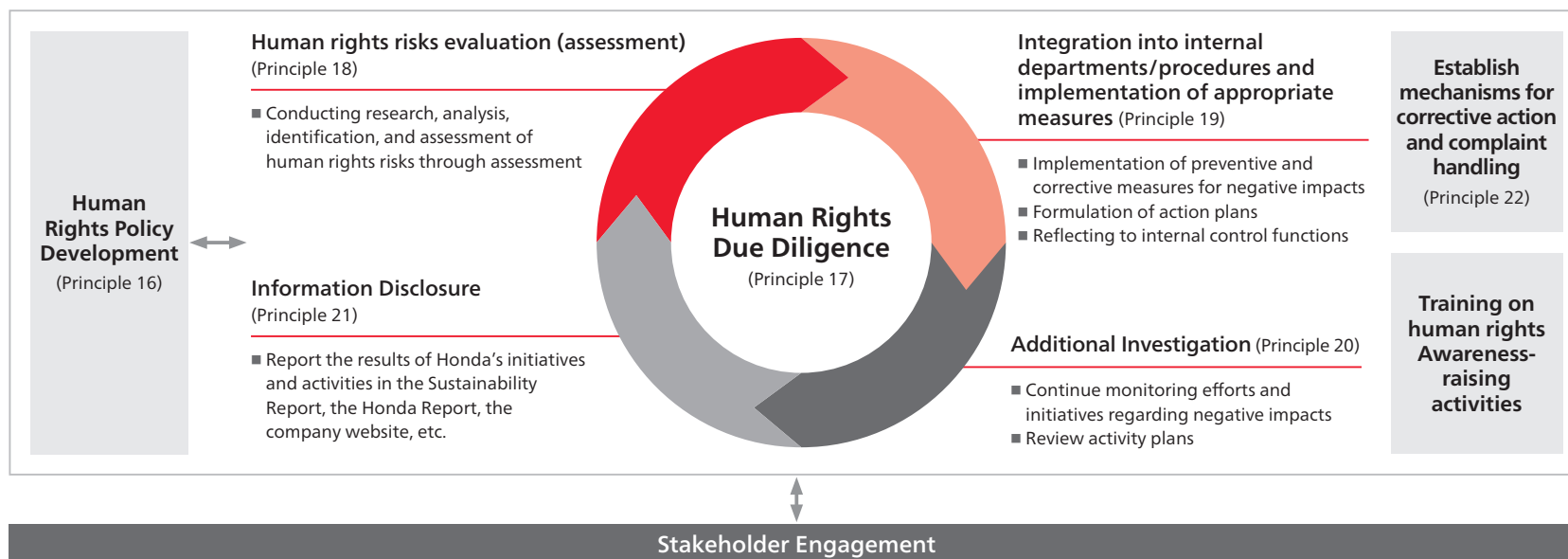
and implement the Honda Supplier Sustainability Guidelines.

Honda is committed to respecting human rights that are set out in the International Bill of Human Rights and the ten ILO core conventions as set out in the Declaration on Fundamental Principles and Rights at Work. In addition, the Company supports the United Nations Guiding Principles on Business and Human Rights.

To respect the human rights of all people involved in its business activities, Honda has identified the following items, in particular, as human rights issues that the Company must actively address: “prohibition of forced labor and child labor,” “elimination of discrimination and harassment, respect and acceptance of diversity,” “creation of a free, open-minded dialogue environment,” and “maintenance of a safe working environment.” The Company is working to put them into practice.

Human Rights Policy →p.71
Associate Relations Policies →p.77
Rules on Conflict Minerals →p.201

Honda’s Human Rights Initiatives Framework



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Human Rights Policy

Human Resources Policy Development

Based on the Company's basic approach, Honda formulated the Honda Human Rights Policy in June 2022.

Honda Human Rights Policy

Since our founding in 1948, Honda has continuously worked to provide value to help people and create a better society through our technologies, ideas and designs. The starting point of such efforts is our desire to "help people and society" and "expand the potential of people's lives." The underlying basis of these efforts is the concept of "Respect for the Individual," which constitutes Honda's Fundamental Beliefs.

Honda believes that human beings are born as free and unique individuals with the capacity to think, reason and create — and the ability to dream. Our wish is to nurture and promote these characteristics in Honda by respecting individual differences, trusting each other as equal partners, exercising abilities to the fullest and sharing joy. From this standpoint, we adopt Respect for the Individual, consisting of the three elements of initiative, equality and trust, as one of our Fundamental Beliefs. We believe this spirit should permeate all our relationships with everyone. Based on the concept of Respect for the Individual, Honda has formulated the Honda Human Rights Policy ("the Policy") to fulfill our responsibility to respect the human rights of stakeholders who may be affected by our business activities.

By putting the Policy into practice, we will cooperate with our stakeholders to undertake business activities in a sustainable manner in order to continue to be "a company society wants to exist."

1. Commitment to the "respect for human rights"

Honda recognizes that our business activities may impact the human rights of internal and external stakeholders.

We are committed to respecting human rights that are set out in the International Bill of Human Rights and the ILO core conventions as set out in the Declaration on Fundamental Principles and Rights at Work. In addition, we endorse the United Nations Guiding Principles on Business and Human Rights and endeavor to practice these principles in business activities.

We also comply with applicable laws and regulations of each of the countries and regions in which our business activities are conducted. If requirements of the local laws and regulations are in conflict with internationally recognized human rights, we will seek ways to honor the internationally recognized human rights to the greatest extent possible.

2. Scope of responsibility

The Policy applies to all executives and associates of the Honda Group (Honda Motor Co., Ltd. and its subsidiaries). In addition, we expect all of our business partners to understand the Policy.

3. Governance

Honda positions respect for human rights as one of our key management issues, and we will also establish an adequate internal structure to reflect the Policy in necessary business policies and procedures while clearly specifying the Director responsible for the formulation and execution of the Policy.

4. Human rights due diligence

Honda will establish and continuously implement a system of human rights due diligence, which will identify adverse impacts on human rights and prevent or mitigate such impacts.

5. Remedy

We commit to take appropriate measures to remediate any adverse impact on human rights which Honda clearly caused or contributed to. In addition, we will work to establish a practical grievance mechanism to enable appropriate remedies.

6. Engagement with stakeholders

In enhancing and improving its efforts to respect human rights, Honda will leverage external knowledge and engage with relevant stakeholders.

7. Education

Honda will undertake appropriate education and awareness-raising activities to facilitate an understanding of the Policy and put it into practice.

8. Information disclosure

Honda will make disclosure of its efforts to respect human rights through our corporate website and other means on a regular basis.

* The Policy has been approved by the Executive Council and Board of Directors of Honda Motor Co., Ltd.

Established: June 1, 2022
Revised: June 1, 2023

Toshihiro Miki

Honda Motor Co., Ltd.
Director, President and Representative Executive Officer, Chief Executive Officer

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Human Rights Policy

[Human Rights Policy Appendix: Human Rights Issues Addressed by Honda]

Honda proactively addresses human rights issues, including those listed below, in order to respect the human rights of all people with whom we engage through our business activities. The human rights issues included in this appendix will be reviewed periodically based on changes in societal demand, including legal requirements, and in our businesses.

(1) Prohibiting forced labor and child labor

We respect each individual's fundamental human rights and do not allow forced labor or child labor of any form, including human trafficking.

(2) No discrimination and harassment, respect for diversity & inclusion

Based on the principle that all human beings are equal, we respect diversity & inclusion and prohibit any discrimination and do not tolerate harassment of any form on the basis of an individual's race, ethnicity, national origin, religion, gender, gender identity, sexual orientation, age or disabilities, among other characteristics.

(3) Creating an environment of free, open-minded dialogue

- The associates and the company respect each other's views and endeavor to promote mutual understanding. Maintaining a relationship of mutual trust, the associates and the company make every effort to engage in sincere discussions about any issues that might arise or exist.
- Respecting freedom of association, or not to associate, and collective bargaining, the company attempts to resolve issues in line with the laws, conventions and customs of each respective country and region.

(4) Maintaining a working environment where each associate can work with a sense of security

The company provides a safe and healthy workplace where all associates can concentrate on work with a sense of security.

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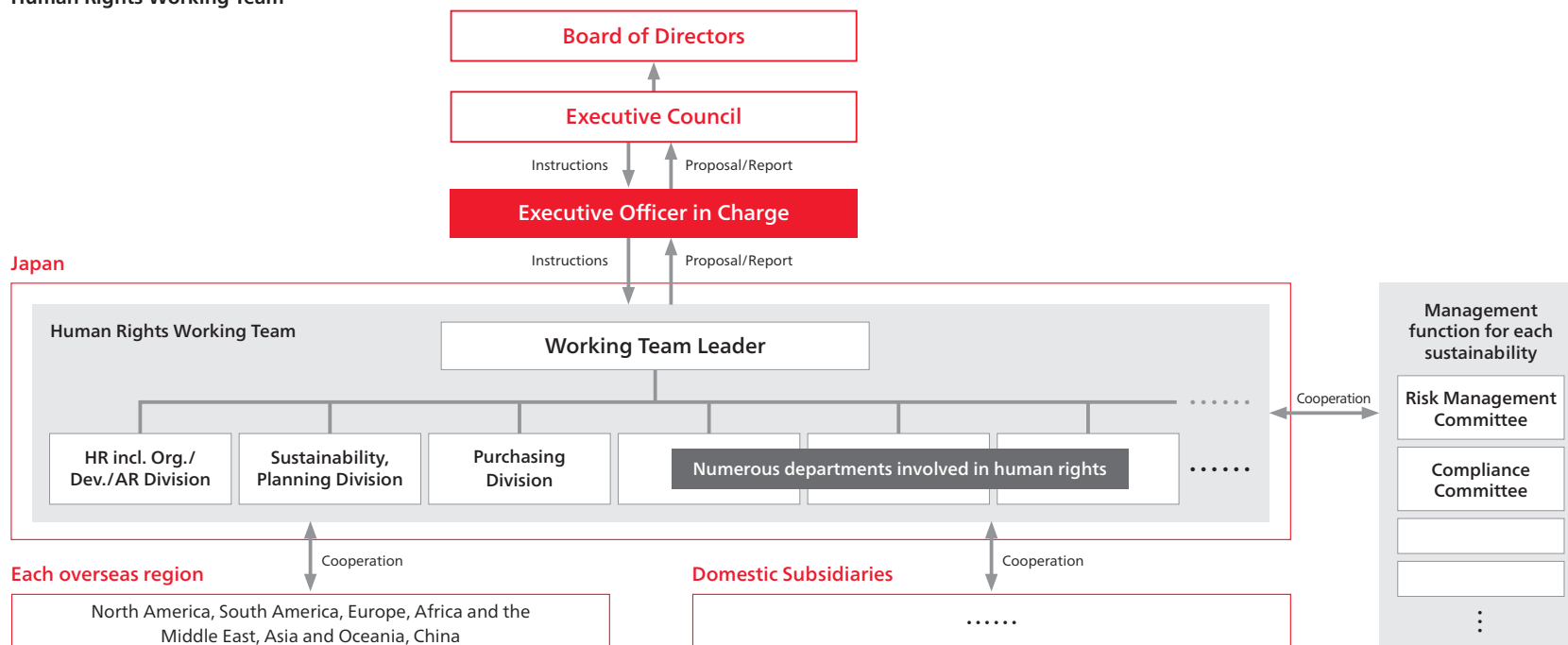
Quality 169

Promotion Structure

To sustainably implement initiatives to respect human rights, Honda has clarified the officers responsible for the initiatives, and established a Human Rights Working Team. The Team is led by the human resources and labor affairs divisions, and collaborates with many divisions involved in human rights, including the purchasing divisions and the divisions in charge of sustainability planning.

The Human Rights Working Team is working to strengthen the initiatives and encourage associates to take appropriate action through human rights due diligence measures, including assessments for Honda Group domestic and overseas business sites and suppliers, as well as awareness-raising activities.

Honda's Human Rights Initiatives Human Rights Working Team



The Team has also established a system to prevent and mitigate negative impacts and risks related to human rights in cooperation with the Compliance Committee and the Risk Management Committee.

These activities are reported annually to the Executive Council and the Board of Directors and are linked to the Company's sustainability management strategy.

Sustainability Management Structure → p. 05

Cooperate Governance Structure → p. 185

Risk Management Structure → p. 202

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Human Rights Initiatives

Initiatives for Human Rights Due Diligence

Human rights-specific assessments are conducted annually at Honda, its subsidiaries, and each overseas local affiliate to identify and assess any potential or actual negative human rights impacts that may be entailed by corporate activities and transactions.

Furthermore, Honda periodically checks internal control functions once a year to ensure that each department is taking appropriate measures based on the Honda Human Rights Policy.

Also, in its company-wide risk assessment activities, Honda has set up a category on human rights, and conducts a risk assessment once a year, in accordance with the Honda Group's common criteria. The priority risks are then identified based on the assessment results and appropriate responses are implemented accordingly.

Honda also performs monthly checks on the status of labor management of all overseas local subsidiaries, including joint ventures, and shares the results in the Global Monthly Report. To make an appropriate response if a risk concern is identified, Honda has in place a system to share and discuss the issue through meetings with regional human resources officers.

Throughout each assessment, no incidents were identified in the fiscal year ended March 31, 2025.

Fostering an Organizational Culture Where Diverse Individuals Integrate and Thrive → p. 92

Honda's Health Management → p. 114

Human rights assessment

Objectives	Identify and assess the potential or actual negative human rights impacts (human rights risks) that may be entailed by corporate activities and transactions
Scope	Honda Group companies covered by the Honda Human Rights Policy
Details	<ul style="list-style-type: none"> ■ Confirmation of the status of efforts to address each human rights issue ■ Confirmation of the occurrence or non-occurrence of violation cases related to each human rights issue
Items of questions	<ul style="list-style-type: none"> ■ Prohibition of forced labor (no trafficking in any form, including human trafficking, etc.) ■ Prohibition of child labor (e.g., confirmation of age for employment) ■ Elimination of discrimination and harassment ■ Dialogue with associates ■ Respect and acceptance of diversity (promoting women's participation in the workplace, employment of people with disabilities, etc.) ■ Wages (compliance with minimum wage standards, efforts to realize equal pay for equal work, etc.) ■ Working hours (limiting overtime work, encouraging the use of paid leave, etc.) ■ Safe and healthy working environment (consideration for childbirth, childcare, and nursing care, support for balancing work and childcare, etc.)

Supplier Initiatives

The Company ask suppliers to agree to the "Honda Supplier Sustainability Guidelines" and conduct periodic policy briefings and ESG surveys for suppliers with high business volume and other influential factors.

In the written survey, Honda confirm suppliers' initiatives based on its basic approach on human rights and labor, including the prohibition of forced labor and child labor.

If risks are identified based on the results of this survey, interviews or on-site inspections are conducted with suppliers according to the degree of risk.

Honda will request suppliers to make improvements if issues are identified, and if not made, the Company will consider suspending business with the supplier.

Engagement with Suppliers → p. 140

Measures to Counter Procurement Risk → p. 131

Compliance with Conflict Minerals Regulations → p. 201

ESG Surveys for Suppliers → p. 130

Stakeholder Engagement

To be a company society wants to exist, Honda grasp and understand the demands and expectations of diverse stakeholders toward the Company including Human Rights Initiatives.

Stakeholder Engagement → p. 07

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Human Rights Initiatives

Remedial and Corrective Actions

Honda is striving to create an open organizational culture that allows associates to report any violation related to human rights to their respective superiors or resolve the issue within the workplace. At the same time, Honda will receive consultation in a fair and neutral manner through Business Ethics Kaizen Proposal Line in Japan and other regions overseas. The Company has various counseling hotlines for associates to build a even healthy work environment.

- Counseling Hotlines for Associates

→ p. 117
- Establishing a Hotline to Receive Suggestions and Consultation Requests from Suppliers

→ p. 134
- Business Ethics Kaizen Proposal Line

→ p. 200

Education and Awareness-raising Initiatives

Honda provides training on the Honda Philosophy all around the world. The Company publicize the Code of Conduct as best one can by distributing leaflets, posting relevant information on the corporate intranet, and providing training. Additionally, at the pre-assignment training conducted by job level, Honda provides overseas subsidiary managers and human resources managers with information on regional and country-specific trends and past labor disputes to promote good labor-management relations. For all expatriate associates, the Company raises their awareness of the importance of local labor management in accordance with the Associate Relations Policies, which is applied to daily corporate activities.

Furthermore, since 2022, Honda has been conducting awareness-raising initiatives through e-learning on human rights for all associates to enhance their understanding of norms set by the international community, the latest trends, Honda’s initiatives, and Human Rights Policy.

In addition, the Company provides each subsidiary with content for awareness raising initiatives at Honda to expand such activities.

E-learning on human rights (in the fiscal year ended March 31, 2025)

Japan	55,650 participants
Overseas expatriates	2,017 participants

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Basic Approach

Basic Policy for Personnel Management – Human Resources Management Based on the Honda Philosophy

Honda believes that human beings are born as free and unique individuals with the capacity to think, reason and create – and the ability to dream. The Company's wish is to be a company where people with dreams of “I want to be this way” or “I want to do this” gather together, respect individual differences, trust each other as equal partners, exercise abilities to the fullest and share joy together.

From this standpoint, Honda adopts Respect for the Individual, consisting of the three elements of Initiative, Equality, and Trust, as one of the Fundamental Beliefs of the Honda Philosophy. Honda believes this spirit should permeate all its relationships, not only with those in the Honda Group but with everyone in all companies with which Honda does business.

General Information → p. 04

* In the associate survey conducted for the fiscal year ended March 31, 2025, the question regarding “Empathy with the Honda Philosophy” received a score of 4.14 out of 5, indicating a high level of empathy among associates.

The Company follows the Three Principles of Personnel Management, specifically “Respecting Initiative”, “Ensuring Fairness” and “Encouraging Mutual Trust”, when managing its human resources in areas such as recruitment, training, assignment and utilization, evaluation and treatment. Honda endeavors to build an environment in which all associates are self-motivated and can fully demonstrate their abilities, individuality, and creativity, thereby supporting each individual's willingness to take on new challenges.

As Honda's business activities expand into various parts of the world, it established Associate Relations Policies in March 2012 that are applied to Honda's daily corporate actions, putting these Three Principles of Personnel Management into practice while taking into account “the Universal Declaration of Human Rights” as well as “the ILO Declaration on Fundamental Principles and Rights at Work.”

Our Fundamental Beliefs

Honda Philosophy: Respect for the Individual

Initiative	Equality	Trust
Respecting Initiative Respecting the individuality, creative thinking and judgment of each associate.	Ensuring Fairness Providing every person with equal employment opportunities. An individual's age, educational background, race, gender, religion, national origin and social or economic status have no impact on the individual's opportunities.	Encouraging Mutual Trust Respecting, trusting and recognizing each other as individuals and making sincere efforts to fulfill our responsibilities.
Challenge / Open-mindedness	Equal Opportunity / Open Competition	Sincerity & Integrity / Mutual Trust

Three Principles of Personnel Management

Associate Relations Policies

To put these Three Principles into practice, Honda has established the following Associate Relations Policies:

1. Respecting individual human rights

- We accept the individual characteristics and differences of our associates and respect their willingness and initiative.
- We will always respect each individual's basic human rights and will not allow forced labor or child labor.

2. No discrimination

- Based on the principle that all human beings should have equal employment opportunities, we will strive to create opportunities for free and fair competition.
- We will not tolerate discrimination or harassment of any form in the workplace on the basis of an individual's race, ethnicity, national origin, religion, gender or age, among other characteristics.

3. Complying with laws and ordinances

- We will respect the social norms, customs and culture of each country.
- We will comply with the laws, regulations and ordinances enacted in each country and region.

4. Creating an environment of free, open-minded dialogue

- The associates and the Company will respect each other's views and endeavor to promote mutual understanding. Maintaining a relationship of mutual trust, the associates and the Company will make every effort to engage in sincere discussions about any issues that might arise or exist.
- Respecting freedom of association, or not to associate, and collective bargaining, the Company will attempt to resolve any and all issues in line with the laws, conventions and usages of each respective country and region.

5. Maintaining a working environment where each associate can work with a sense of security

- The Company will provide a safe and healthy workplace where all associates can concentrate on work with a sense of security.

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Basic Approach

Basic Policy for Personnel Management – Human Resources Management Based on the Honda Philosophy

Human Resource Systems Based on Three Principles

Respecting Initiative means respecting the individuality, creative thinking, and judgment of each associate. For example, Honda has introduced human resource evaluation programs tailored to the characteristics of each region. In Japan, Honda places emphasis on two-way communication with supervisors in associate development and evaluation. Through at least five interviews with supervisors each year, associates come out with their career and future vision, work out their individual role and action targets based on the organization's business goals, and look back on their performance to receive objective and fair evaluations.

Percentage of associates going through the evaluation programs → p. 122

Next, ensuring fairness means that every person has equal employment opportunities, regardless of age, educational background, race, gender, religion, national origin, and social or economic status. Here, fairness does not mean that all associates are treated the same regardless of their motivation; rather, it means providing motivated associates with equal opportunities to demonstrate their abilities. For example, the Company has established a uniform, company-wide compensation system that does not take job type or educational background into account. The company has also adopted a hiring system for new graduates that omits school name fields from application forms, placing greater emphasis on the individual rather than educational background. The same applies to job assignments, where all associates are offered fair opportunities.

The third principle, Encouraging Mutual Trust, means respecting, trusting and recognizing each other as individuals, and making sincere efforts to fulfill our responsibilities. This is exemplified by the culture of using the honorific “-san” regardless of position or qualification, and the “Waigaya” culture that promotes free and vigorous dialogue. Associates and the Company respect each other's views and make every effort to engage in sincere discussions about any issues that might arise or exist to promote mutual understanding. The Company is also taking measures such as establishing an appropriate notification body in advance of implementing important corporate policies that may significantly affect associates.

This facilitates team building and communication, enhances collaboration among associates, and ultimately leads to better outcomes.

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Global Management

Global Human Resources Management Structure

Global Human Resources Management

In accordance with its Company Principle, “maintaining a global viewpoint, Honda is dedicated to supplying products of the highest quality yet at a reasonable price for worldwide customer satisfaction,” Honda has been expanding its business into global markets since its foundation. In regard to its expansion overseas, Honda’s business model has evolved from exporting to local production and then to local development. In recent years, in order to respond flexibly to changes in the business environment, including the acceleration of electrification, the Company has been promoting the global expansion of its businesses by strengthening cooperation with each region of the world.

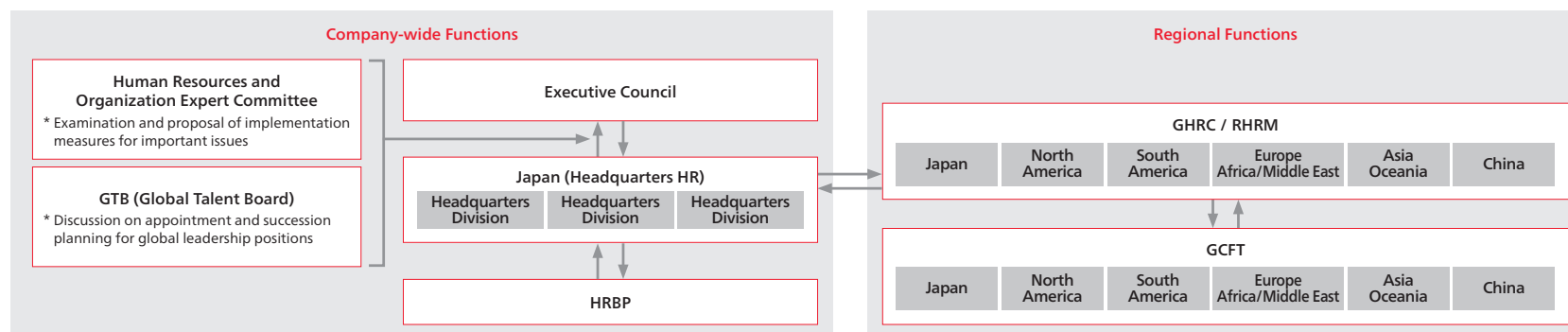
In order to achieve this goal, Honda is pushing ahead with Global Human Resources Management approaches to develop and assign personnel who plan, design, and develop quality products that reflect market demand, as well as those who support the stable supply of these products. To be more precise, the Company has adopted a management structure led by local associates with deep knowledge of their respective regions. By assigning associates with both local and global experience to functions requiring global collaboration, Honda continues to diversify and localize its workforce with multinational people.

Through these efforts, Honda aims to enable the active participation of local associates in Japan and cross-regional initiatives, allowing the Company to address market changes promptly and flexibly. Honda is also working to build seamless global coordination, aiming for the establishment of an organization in which it further demonstrates Honda’s total strength.

Global Human Resources Management Structure

Honda promotes global human resources management through collaboration among human resources divisions at headquarters, in business operations, and across overseas regions, carried out through various committee and meeting activities.

For example, in the Global HR Committee (GHRC) in which senior leaders responsible for HR from each region attend, important themes are discussed, and the Committee formulates company-wide and regional plans, whose activities are launched throughout the Company. Similarly, at the Regional HR Managers Meeting (RHRM), information to be applied globally is shared. Furthermore, the Global Cross-Functional Team (GCFT), consisting of HR members selected from Japan and overseas regions, discusses how to implement effective and comprehensive global HR measures from more diverse perspectives and strengthens the development of company-wide activities. In addition, HR members from headquarters visit each region to gather information on the current status of the region and the voices of local associates in order to promote stronger global collaboration. Through these efforts, the Company is strengthening its global HR function as “One Strong HR Team” to build an organizational structure capable of responding flexibly to uncertainty, thus supporting the enhancement of Honda’s competitiveness from a human capital perspective.



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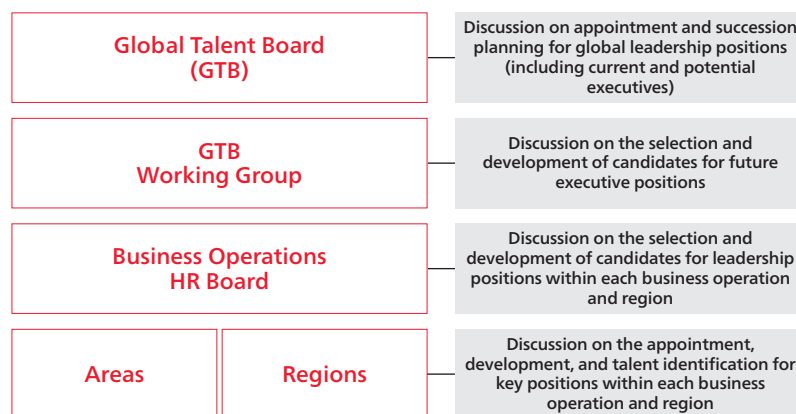
Global Succession Plan and Leadership development

Developing a Global Succession Plan

Honda has been developing a Global Succession Plan to systematically develop and appoint competent and motivated talents regardless of an individual's attributes (such as nationality and gender). More specifically, Honda has developed a Global Competency Model (GCM), which represents behavioral traits required of a global leader. The Company has implemented a GCM-based assessment in the Global Leadership Programs as part of its efforts to promote the development of successor candidates on a global basis. At the same time, Honda has defined the preconditions and capabilities required of major global positions and facilitates matching with talent information.

The above-mentioned talent and position information is shared and discussed with management at the Global Talent Board (GTB). In addition, with the establishment of the GTB Working Group to discuss talents with a wider range of target groups and the Talent Board for each business operation and function, Honda is promoting company-wide strategic personnel development.

Talent Board Overview



* Successor readiness = the number of potential successors currently available for appointment / the number of key positions defined by the Company

Development of Leaders on a Global Basis and in Each Region

Along with the launch of the Global Succession Plan, Honda has implemented the Global Leadership Program in accordance with the GCM.

■ Global Leadership Program (GLP) -Transformation

Program for General Manager to complete their foundation as global executives

■ GLP-Exploration

Program for department manager to form the core competencies as the next generation of global leaders

■ GLP-Discovery

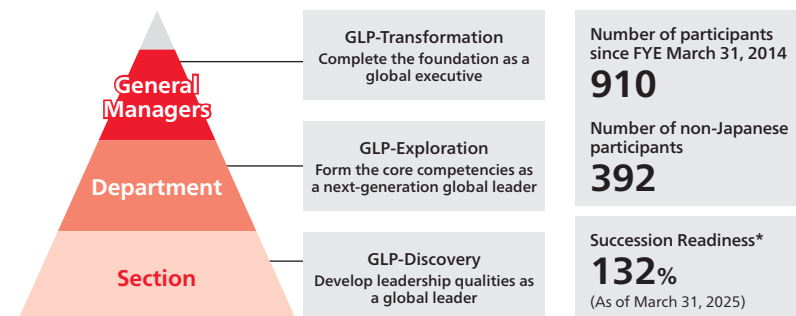
Program for younger associates to create grounds for becoming global leaders

In each region, Honda is also promoting the personnel development based on GCM. Going forward, the Company will continue to develop further measures in cooperation with the HR members of each business operation and region, while holding GCM as a common indicator across Honda.

Global Competency Model

- Seizes change
- Shows the way to the future
- Has a global viewpoint
- Makes decisions with courage
- Seeks new challenges
- Perseveres to the end
- Believes in people
- Overcomes our past limitations

Overview of the GLPs



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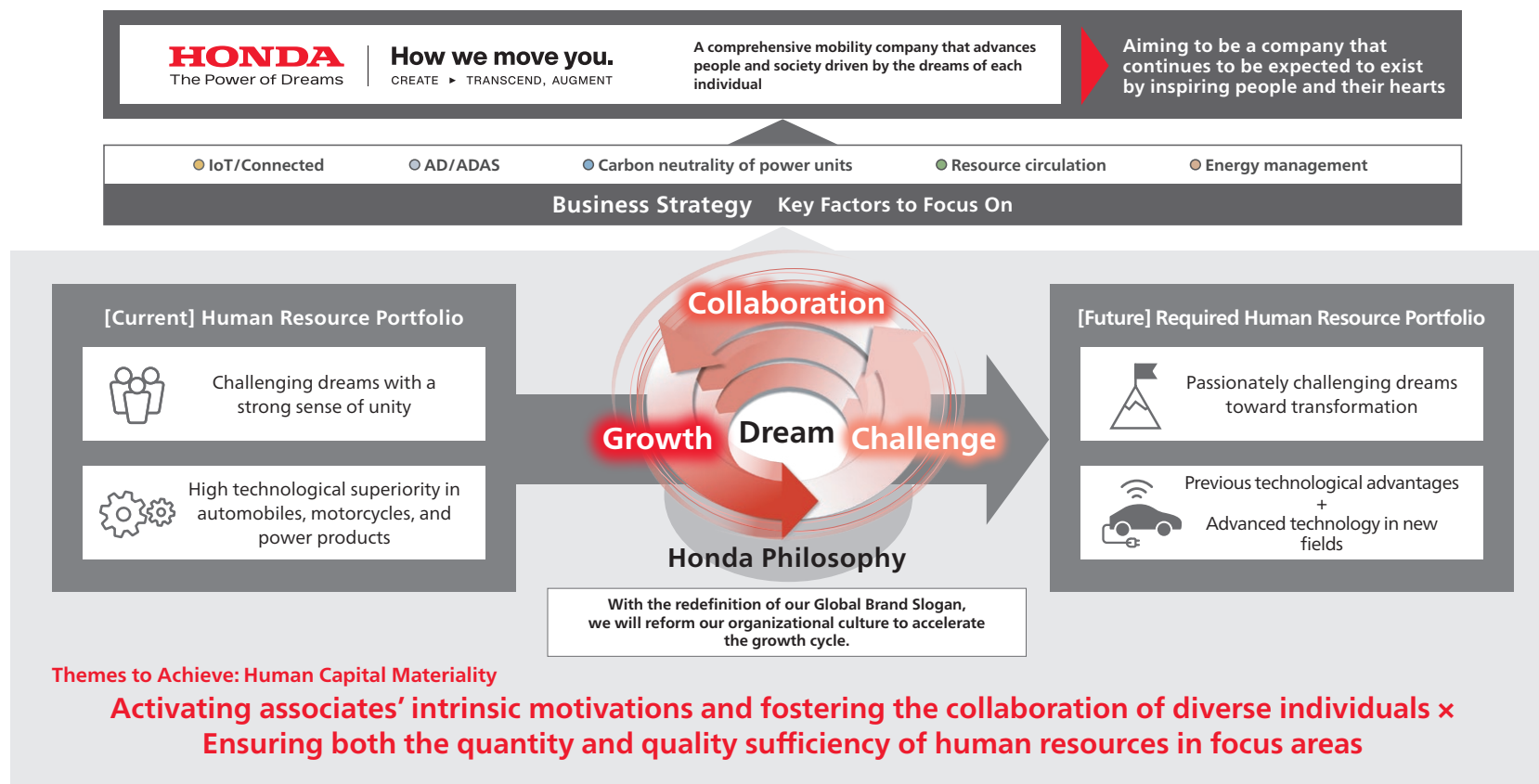
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Human Capital Strategy

Honda's Human Capital Management

Honda's human capital management involves forming a talent portfolio by backcasting from the desired future state, with the goal of becoming a "comprehensive mobility company that advances people and society driven by the dreams of each individual," as outlined in the company-wide policies. With the power of dreams and speed as competitive advantages, Honda drives transformation in people and organizations through a cycle of challenges,

collaboration, and growth, all rooted in the Honda Philosophy. To achieve this, we have identified two key Human capital materiality to focus on: from a medium- to long-term perspective, the themes are activating associates' intrinsic motivations and fostering the collaboration of diverse individuals; and from a short- to medium-term perspective, the focus is on ensuring both the quantity and quality sufficiency of human resources in focus business areas.



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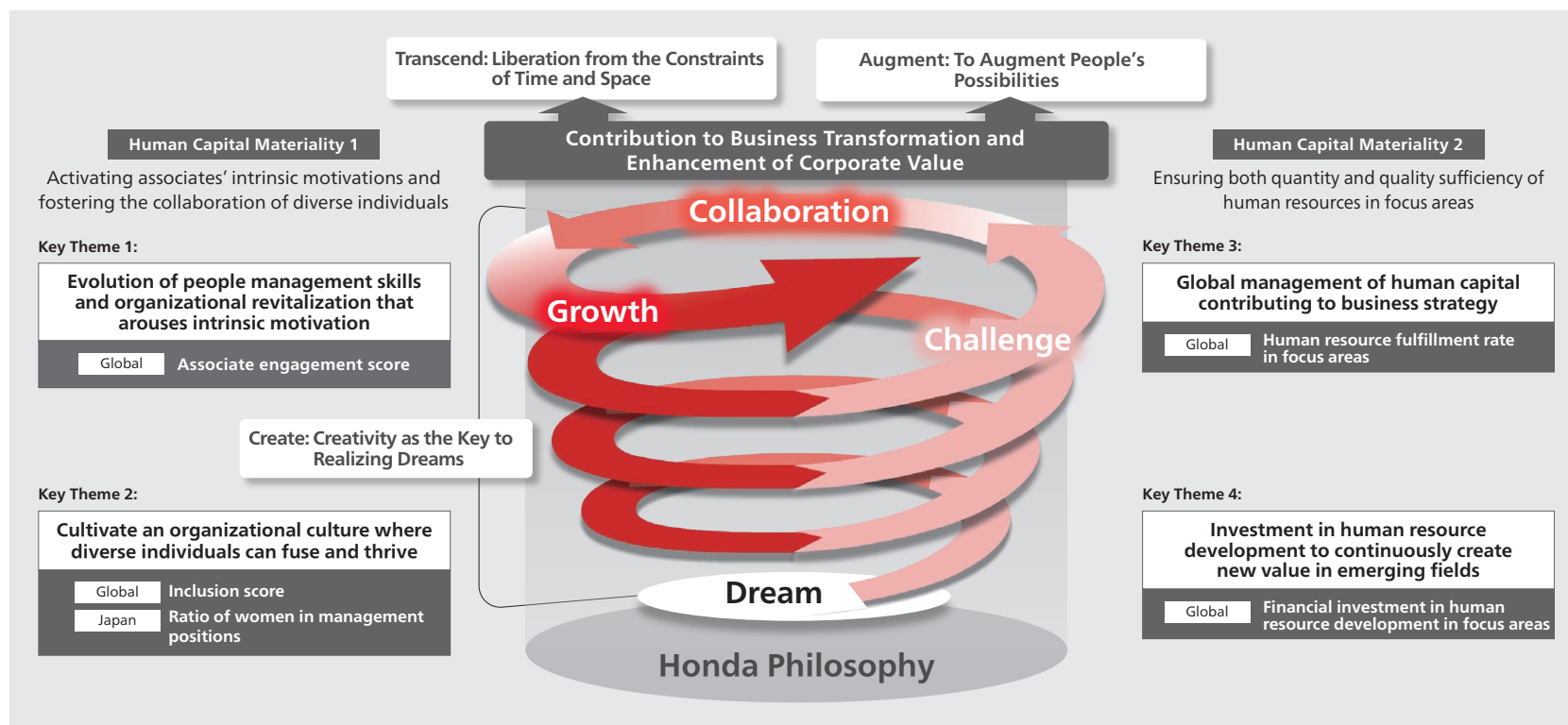
Build an Organization Where Diverse Individuals, Driven by Their Dreams and Full of Passion, Challenge, Fuse, and Grow towards Creating New Value

During this transformative period in mobility, which can be considered the period of the second founding of Honda, Honda believes it is essential to create value starting from each individual's dreams to remain a company that society wants to exist. By cherishing the Honda Philosophy and swiftly executing the cycle of challenge, collaboration, and growth, Honda aims to maximize each individual's creativity, contributing to business transformation and enhancing corporate value.

Specifically, we have defined four key themes related to human capital

materiality, established key goal indicators (KGIs)* for each, and set goals to be achieved by the fiscal years ending March 31, 2026, and March 31, 2031. In addition, since April 2024, Honda has established an advisory body to the Executive Council named the Specialized Committee on Personnel and Organization to deliberate on key issues related to personnel and organizations, further strengthening the integration of management, business, and human capital strategies.

* Until March 2025, the scope of each KGI was limited to operations in Japan. Since April 2025, however, Honda has expanded the scope globally and is advancing initiatives to achieve the set goals. The global geographic breakdown, excluding Japan, is divided into five categories. Names of each region and the countries where the headquarters are located are as follows:
North America Region: USA / South America Region: Brazil / Europe, Africa, and Middle East Region: UK / Asia-Pacific Region: Thailand / China Region: China



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Human Capital Strategy

Key Goal Indicators (KGIs) for Achieving Human Capital Materiality and Key Performance Indicators (KPIs) Aligned with the Strategy

We have established measures and KPIs to focus on the goals set for each KGI and are executing them to achieve our goals. We have also established a system to

monitor the progress of each indicator at the management level on a quarterly basis and make timely decisions based on quantitative evidence.

Talent Materiality	Goals	KGIs
Activating associates' intrinsic motivations and fostering the collaboration of diverse individuals	Associates are highly motivated and driven by goals, with their supervisors actively supporting their endeavors	Associate engagement score
	Synergy is optimized through the collaboration of diverse knowledge	Inclusion score / Ratio of women in management positions
Ensuring both quantity and quality sufficiency of human resources in focus areas	There are sufficient human resources in focus areas	Human resource fulfillment rate in focus areas
	Proactive resources are invested in the development of Human Resources	Financial investment in human resource development in focus areas

Achievements and Targets for the KGIs

KGIs	Scope	Achievement for the Fiscal Year Ended March 31, 2025	Target for the Fiscal Year Ending March 31, 2026	Target for the Fiscal Year Ending March 31, 2031	Main KPIs for Achieving Goals
Associate engagement score	Global	Percentage of positive responses 46% (Japan)	Percentage of positive responses 60% or more	Percentage of positive responses 65% or more	<ul style="list-style-type: none"> Empathy with the Global Brand Slogan Implementation rate of improvement actions in each division based on engagement results
Inclusion score	Global	3.67 pt (on a 5-point scale)	-	-	<ul style="list-style-type: none"> Progress rate of PDCA implementation for fostering an inclusive environment and mindset
	Japan	Ratio of women in management positions 1.7 times compared to Mar. 31, 2021	2.1 times compared to Mar. 31, 2021	4 times compared to Mar. 31, 2021	<ul style="list-style-type: none"> Rate of male associates taking paternity leave Positive response rate for managerial support in job assignments and career development Positive response rate among women aiming for higher qualifications
Human resource fulfillment rate in focus areas	Global	Annual fulfillment rate 97%	Annual fulfillment rate 100%	Annual fulfillment rate 100%	<ul style="list-style-type: none"> Role and level setting rate in focus areas Recruitment fulfillment rate in focus areas
Financial investment in human resource development in focus areas	Global	-	Top-class globally	Top-class globally	<ul style="list-style-type: none"> Investment amounts in talent development by area

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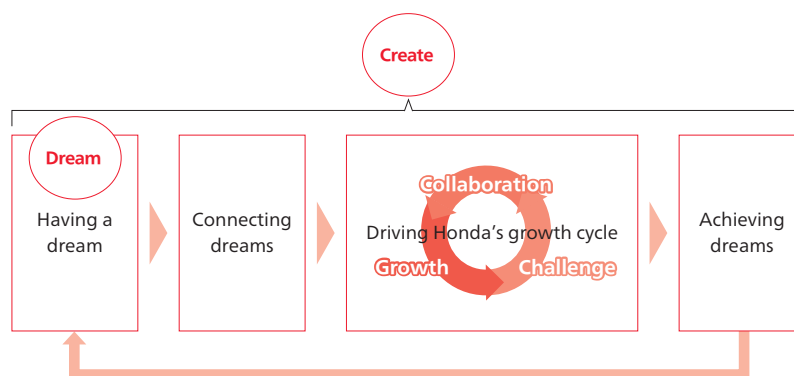
Human Capital Strategy

Activating Associates' Intrinsic Motivations and Fostering the Collaboration of Diverse Individuals Key Theme 1: Evolution of People Management Skills and Organizational Revitalization That Arouses Intrinsic Motivation

To deliver value to our customers, motivated by the dreams of each and every Honda associate, we are committed to instilling and implementing the Global Brand Slogan (GBS) as a common guideline.

Specifically, we are fostering intrinsic motivation and encouraging challenges to transform individuals and organizations into embodiments of "The Power of Dreams," making dream power and speed our winning strategies. Additionally, we are enhancing support from the organization, including supervisors, to achieve results with a sense of urgency. To measure and monitor the results of these initiatives, we have established key goal indicators (KGIs) and targets globally.

Desired States and Process Implementation



*Six basic categories which define a work environment unique to Honda:

1. An open-minded workplace
2. Rewarding tasks
3. An environment that makes hard work worthwhile
4. Being proud to work at Honda
5. Trustworthy management
6. A pleasant work environment

Concept of Key Goal Indicators (KGIs)

We believe that embodying Global Brand Slogan (GBS) requires stimulating associates' intrinsic motivation and receiving proactive support and encouragement from management. We define a high level of these factors as having a "high associate engagement score," and we set our indicators accordingly. In addition we also monitor the "associate vitality score," which enables year-after-year comparisons of organizational health. The associate vitality score is determined based on six basic categories* which define a work environment unique to Honda.

Associate Vitality → p. 123

Calculation Method

The average positive response rate (answers rated 4 or 5 on a 5-point scale) for the two questions: [Level of associates' intrinsic motivation] and [Management's willingness to support and encourage] is calculated.



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Japan

Initiatives for Achieving KGLs

To improve the components of the associate engagement score, namely the level of associates' intrinsic motivation and management's willingness to support, we have developed and are promoting various initiatives under three themes: "Promoting awareness and understanding of GBS," "Stimulating intrinsic motivation," and "Support for challenges from the organization and management."

Strengthening communication between executive management and associates for corporate transformation and the creation of new value

Promoting awareness and understanding of GBS

- TOP INSIGHT (Bi-weekly distribution of CEO messages to associates)
- Honda CAMPFIRE ("Waigaya" for direct opinion exchange with the CEO)
- Implementation of e-learning programs to facilitate understanding and practice of GBS
- Corporate Culture Reform for New Growth and Value Creation

Initiatives to activate individuals' intrinsic motivation

Stimulating intrinsic motivation

- Providing opportunities for challenges to achieve personal dreams at Honda
- Support for autonomous career development
- Program "MINERVA" to explore Honda's new values

Initiatives to drive behavioral transformation in management to lead change

Support for challenges from the organization and management

- Personnel system reforms aimed at accelerating the cycle of challenge, collaboration, and growth

Strengthening Communication between Management and Associates for Corporate Transformation and the Creation of New Value

TOP INSIGHT

Bi-weekly Distribution of CEO Messages to Associates

We distribute "TOP INSIGHT" to directly convey the CEO's thoughts and perspectives on recent management decisions and societal trends, aiming to enhance associates' understanding.

Starting in 2024, the total accumulated archive view count has reached 300,000. Going forward, we will continue to share information related to the business environment on a bi-weekly basis to deepen mutual understanding for corporate transformation.



Streamed image

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Honda CAMPFIRE

"Waigaya" for Direct Dialogue Exchange with the CEO

We hold "Honda CAMPFIRE" sessions to directly explain the background and context behind company-wide announcements related to management policies in the CEO's own words, aiming to enhance associates' understanding, empathy, and personal connection to the changes. Launched in 2022, "Honda CAMPFIRE" has seen over 5,200 applicants and accumulated more than 60,000 views in the archive. Moving forward, we will continue to deepen two-way communication with associates to enhance understanding of our desired state and promote actions toward their realization. Additionally, in conjunction with the corporate advertisement campaign "DREAMS," where race drivers and internal sports team athletes declare their dreams under the slogan "How we move you," we are running a campaign for associates to declare their own dreams using the same slogan through internal media. This initiative aims to foster a culture of challenge throughout the Company. To accelerate these initiatives globally, we have established a new committee composed of headquarters and regional representatives to develop implementation plans for each region, ensuring consistent initiatives worldwide.

Implementation of e-learning programs to facilitate understanding and practice of GBS

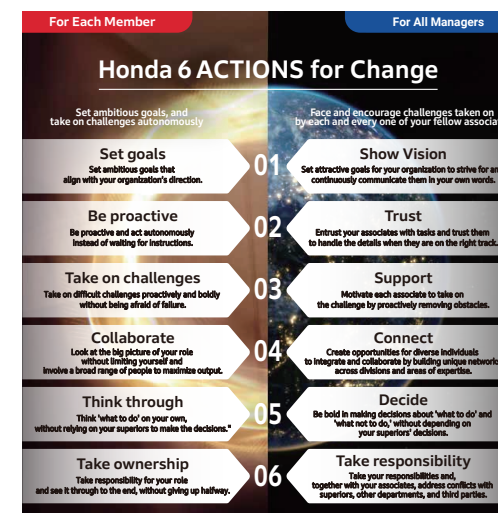
We have launched e-learning programs aimed at deepening understanding of GBS for all associates, in coordination with brand literacy education. These programs help foster understanding of the background and purpose of the GBS redefinition, as well as the importance of taking individual initiative. In addition, contents have been developed specifically for newly appointed managers, encouraging them to reflect on actions that stimulate and support associates' intrinsic motivation for enhancing the organization's overall capabilities. We are thus fostering awareness among both individuals and managers.

Corporate Culture Reform for New Growth and Value Creation

To create individuals and organizations that embody Honda's unique strengths—"the power of dreams" and "speed"—and ultimately to overcome business transformation, we will expand the corporate culture reform initiatives, which were piloted in the fiscal year ended March 31, 2025, across the Company going forward.

Among these initiatives, we have defined the behavioral requirements for both management and associates for the transformation period, known as "Honda 6 Actions for Change" to clarify the "ideal state" and encourage behavioral change.

We aim to revitalize individuals and the organization in a manner true to Honda—not through one-way directives from management, but by communicating the actions expected of associates in a way unique to Honda.



Honda 6 Actions for Change

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Activating Associates' Intrinsic Motivations and Fostering the Collaboration of Diverse Individuals Key Theme 1: Evolution of People Management Skills and Organizational Revitalization That Arouses Intrinsic Motivation

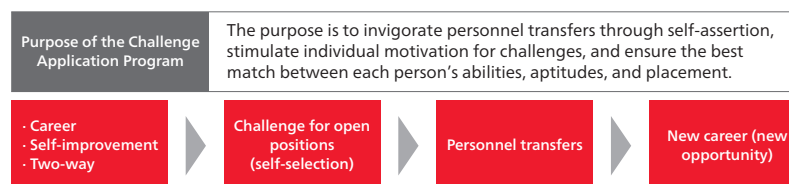
Initiatives to Activate Individuals' Intrinsic Motivation

Providing Opportunities to Take On Challenges Toward Realizing Dreams at Honda

To activate each individual's intrinsic motivation, Honda encourages regular two-way meetings with supervisors to help clarify what associates want to achieve at Honda.

Building on this, we have introduced the Challenge Application Program to provide opportunities for associates who wish to take on challenges in new areas to demonstrate their abilities. This program is actively utilized by both applicants and divisions, with approximately 1,000 associates applying and around 200 transferring to new roles each year.

Overview Diagram of the Challenge Application Program



Supporting Autonomous Career Development

As we enter the period of the second founding of Honda, we believe that it is essential for each associate to autonomously develop their career by building expertise and pursuing personal growth. To support this, we are promoting various initiatives to foster career autonomy and encourage behavioral change.

Specifically, we offer online career counseling available at any time with experienced in-house or external career consultants who hold national qualifications. We also provide age-specific career training that enables associates to reflect on their career paths while engaging with peers at key milestones in their career development. Additionally, we offer up to four months of online coaching by external professional coaches* to help clarify initiatives and build habits toward achieving their goals and ideal state.

We are establishing a supportive environment where associates are empowered to take initiative based on their intrinsic motivations even amid diverse circumstances, such as age, life stage, health, and family environment.

Achievements in the Fiscal Year Ended March 31, 2025

Number of career counseling participants (general associates)	1,569
Number of career training participants (general associates and managers)	2,324
Number of coaching participants (general associates)	466

* Holds the Professional Certified Coach qualification, a credential awarded by the International Coaching Federation to coaches with proven experience

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Program "MINERVA" to Explore Honda's New Set of Values

MINERVA is an exploratory program for associates that Honda launched in the fiscal year ended March 31, 2025, to pursue the creation of new value. Through experiences in unfamiliar environments, participants are encouraged to challenge their existing values and cultivate new ideas and knowledge. They engage in fundamental discussions (Waigaya) with their peers, challenging each other's insights and ultimately transforming them into new value propositions rooted in "dreams" born of intrinsic motivation.

In its inaugural year, the fiscal year ended March 31, 2025, the program adopted the theme of "the joy and freedom of mobility," reflecting Honda's vision. A total of 55 associates across 13 teams participated, engaging in approximately five months of activities in collaboration with external partners, using mobility-related questions as entry points for exploration. To explore the theme, the program offered four distinct courses, each taking a different approach: the value of mobility, the significance of settlement, the joy and freedom of mobility, and self-directed exploration. In each course, participants sought to accumulate experiences in collaboration with external exploration partners to refine their sensibilities and uncover their personal values.

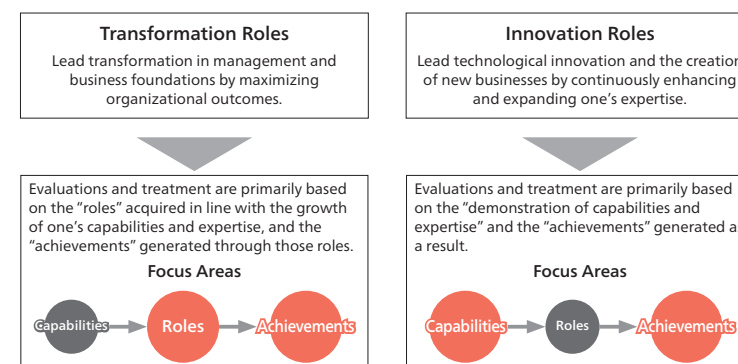
Furthermore, to showcase the outcomes of these six months of activities, we held an exhibition titled "From, To. Exhibition – Exploring the Joy and Freedom of Mobility with Honda". In addition to enjoying the exhibits, visitors were also invited to reflect on "the joy and freedom of mobility" together with program participants, offering them an opportunity to relive the program experience.

Initiatives to Drive Behavioral Transformation in Management to Lead Change

Personnel System Reforms Aimed at Accelerating the Cycle of Challenge, Collaboration, and Growth

Starting from the fiscal year ended March 31, 2025, we have revised the personnel system for managerial positions, shifting to a system that "rewards those who lead change," regardless of age or years of experience. As part of management, leaders are expected not only to embody challenge, collaboration, and growth themselves, but also to continuously drive transformation through supporting their team members. The revised system is designed to concurrently advance both organizational transformation and technological innovation.

Specifically, management positions are divided into two categories: transformation roles, responsible for driving transformation in management and business foundations, and innovation roles, tasked with advancing technological innovation and developing new businesses. Evaluations and treatment are determined through two distinct compensation and evaluation systems tailored to each category. As a result, the evaluation system has been refined to better ensure that individuals are treated based on their capabilities, expertise, roles, and achievements.



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Initiatives by Region: North America

Promoting Alignment with Organizational Goals and Strategic Direction, and Developing Leadership

In the United States, the Leadership Engagement Forum convenes annually. Through strategic dialogues between senior executives and management, we set clear expectations of our leaders and teams and encourage accountability for execution. Additionally, Business Unit Leaders host town hall and round table meetings to align our associates with the organization's objectives and strategic direction, ensuring a cohesive pursuit of our goals. Practicing our philosophy of challenging conventional thinking, innovating without the fear of failure, and welcoming diverse perspectives will not only drive associate engagement but also catalyze the transformation of our organization, shaping it into the entity we aspire to become.

In the production and development domains, we are focusing on strengthening frontline leaders (FLLs) with the goal of improving engagement and retention in the manufacturing divisions. As key leaders responsible for manufacturing operations, the engagement of FLLs is critically important to maintaining high product quality. Accordingly, we are implementing a range of initiatives in collaboration with the HR department. These include leadership development training programs for FLLs, the use of new evaluation tools to select candidates best suited for the role, and support for daily operations through the standardization of roles and responsibilities across regions. Through these efforts, we are enhancing the quality of leadership and improving engagement and retention in the manufacturing divisions. In the fiscal year ended March 31, 2025, 40 leadership development training sessions for FLLs were conducted, with a total of 581 participants.



Leadership Engagement Forum



Leadership development training sessions for FLLs

Initiatives by Region: South America

Leadership Skill Development and the Establishment of a Unified Human Resources Management Platform

In South America, we implement annual initiatives to improve the work environment and enhance associate engagement. One of the key initiatives is leadership skill development, which includes two region-specific programs in South America: the Executive Development Program (EDP) and the Leadership Development Program (LDP). These programs are designed to equip participants with the skills necessary to lead regional operations and enhance management skills and the ability to strategically plan and execute business and human resources management based on Honda's DNA and culture. Through various approaches, such as case study methods, innovation projects, and collaborative activities with internal business units, the programs aim to develop practical leadership skills. Since their launch in 2014, more than 700 associates have completed the programs. In 2024, over 80 leaders from Honda companies in Brazil, Argentina, Peru, and Chile participated in the programs.

We are also working to unify the human resources management systems and standardize their operations across the South America region. We have unified the human resources management systems across the South America region to enable the collection and analysis of information on all associates in the region, while also facilitating the sharing and management of key human resources management processes. Notably, by standardizing performance evaluations across the South America region and conducting evaluations based on unified criteria, we are contributing to a greater sense of fairness among associates and to stronger governance.



Leadership Development Program (LDP)



Workshops for Sharing Best Practices in the Workplace

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Initiatives by Region: Europe, Africa, and the Middle East

Strengthening Dialogue with Associates and Providing Opportunities to Encourage Their Initiative

In Europe, Africa, and the Middle East, we conduct annual engagement surveys and provide associates with opportunities to voice their opinions on a variety of important topics. By continuously taking action based on this feedback, we promote organic organizational management.

We are also enhancing communication with associates through initiatives, such as providing company updates through regular corporate communications, holding monthly online meetings where executives and divisions share initiatives and company updates, and conducting regular visits by regional top management and executives to branches and local subsidiaries.

More recently, we launched a region-specific engagement enhancement initiative, known locally as NIQI*. By promoting teamwork, problem-solving, and innovation, we aim to transform "the power of dreams" into concrete actions, driving Honda's growth, enhancing quality, and advancing excellence. Specifically, in the two areas of "new idea generation" and "quality improvement," we provide associates at all levels with opportunities to propose and implement original ideas using TQM tools and innovative thinking.

Going forward, in addition to company-led communications and explanatory initiatives, we will continue to strengthen opportunities for associates to take initiative, thereby further enhancing engagement.



NIQI initiative

* NIQI: New Ideas and Quality Improvements

Initiatives by Region: Asia and Oceania

Promoting Open Communication through Roundtable Meetings

In Asia and Oceania region, we are working to foster a work environment where all associates can work positively and productively. Guided by "Respect for the Individual" in Honda's Fundamental Beliefs, we encourage open communication between top management and associates through roundtable meetings.

For example, top management of regional headquarters proactively visits local subsidiaries across countries in the region and holds numerous roundtable meetings with local associates. In these meetings, top management shares their perspectives and responds directly to associates' questions, deepening understanding and alignment with the Company's direction and significantly strengthening trust with associates through two-way communication.

In local subsidiaries in each country, top management also proactively and regularly engages with associates through roundtable meetings. As a result, associates feel that their voices are being heard directly by top management and valued, leading to higher morale and a stronger sense of belonging. Participants often provide feedback such as, "I felt recognized by management," underscoring that open communication with top management through roundtable meetings not only contributes to a more positive work environment but also enhances associate engagement.



Group Photos Taken on the Day of a Roundtable Meeting

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Initiatives by Region: China

Strengthening the Relationship Between the Company and Associates Through Two-Way Communication

In China, amid challenging business conditions in the automobile business, we have implemented communication initiatives to strengthen the relationship between the Company and associates and to help maintain motivation. These initiatives aim to ensure that the Company's intentions, policies, and actions are communicated accurately and in a timely manner. Specifically, we strive to frequently share business updates in ways that are acceptable to associates, aligned with Company events. For example, in 2024 we held a total of 20 roundtable meetings between executives, management, and associates, with approximately 450 participants in total. We also established an internal communication platform under the China headquarters to disseminate business updates and further strengthened two-way communication between management and associates. Especially in challenging situations, we strive to enhance communication, including collaboration between the Company and associates, as well as across the region.

In addition, we are working to enhance engagement by reinforcing the foundation for human resource development and promoting the localization of management positions. Initiatives include visualizing career paths for associates, designing development programs based on "individual motivation," and building a self-directed training platform (e-learning) available to all associates. For the localization of management positions, we are implementing trainee systems, next-generation development programs, and succession planning for managerial candidates across divisions and locations. As a result, the localization rate at our wholly owned subsidiaries has been improving year by year, and we will continue to expand these initiatives moving forward.

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At Honda, based on the pillar of our philosophy, "Respect for the Individual," we aim to maximize our collective strength as a company by fully embracing and respecting diverse individualities and attributes, regardless of race, nationality, culture, age, gender, gender identity, sexual orientation, gender expression, background, education, or disability status. By engaging in open communication that embraces individual differences, we foster true trust and generate new ideas, leading to innovation.

Therefore, Honda views its Diversity & Inclusion initiatives not as support solely for minority groups but as efforts that involve and benefit all associates.

Desired State of Diversity & Inclusion

Associates with diverse attributes and values shining and demonstrating individuality will contribute to maximizing Honda's comprehensive strength



Concept of Key Goal Indicators (KGIs) (Inclusion Score)

To realize the desired state of Diversity & Inclusion at Honda, it is necessary to have a workplace where diverse individuals are accepted and can demonstrate their individuality. Therefore, Honda has established the inclusion score as a new indicator to visualize and monitor the degree of penetration of Diversity & Inclusion in the workplace on a global basis.

Calculation Method

The average of the scores on the associate survey conducted in each region for "diversity acceptance," "sense of belonging and individuality in the organization," and "psychological safety" is calculated.

Japan

Initiatives for Achieving KGI Goals

Promotion of D&I from the perspective of attributes **Environmental Improvement and System Development**

- Promoting employment of people with disabilities
- Initiatives for LGBTQ+ in Japan
- Increasing options for experienced associates to play an active role

Promotion of D&I from the perspective of work styles **Environmental Improvement and System Development**

- Support for balancing life events and career development

Promoting Employment of People with Disabilities

Based on the idea of normalization, Honda has been a pioneer in society's efforts in promoting the employment of people with disabilities. Honda seeks to enable individual associates, regardless of their disability, to make the most of their talents and contribute to society through their work. To this end, the Company is also improving the workplace environment so that people with disabilities can work alongside able-bodied people, while taking into consideration each person's disability status.

So far, Honda has established its special subsidies to empower and provide employment opportunities to people with disabilities: Honda Sun Co., Ltd. in 1981, and Kibounosato Honda Co., Ltd. in 1985. Since 2024, the Company has been holding information sessions and expanding connections with outside organizations to increase opportunities for many people with disabilities to learn about work at Honda.

At the same time, Honda is also focusing on the development and enhancement of a comfortable work environment. The Company has begun flexible operation of full remote work systems and reviewed systems for shorter working hours and shorter working days to increase the number of working options. Other initiatives to raise awareness of the employment of people with disabilities include conducting prior briefings to departments to which people with disabilities will be assigned, sending out messages from top management, holding seminars with experts, and providing e-learning programs, etc. Through these efforts, Honda is promoting the development of an environment in which people with disabilities can play an active role with greater peace of mind.

As a result, the employment of people with disabilities at Honda Group companies in Japan at the end of March 2025 was 2.54%, or 1,070 individuals, which is above the legally mandated level of 2.5%.

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Initiatives for LGBTQ+ in Japan

Honda respects diverse individuals regardless of gender identity, sexual orientation, and gender expression, and is working to create a corporate culture and environment that naturally accepts LGBTQ+*1 individuals, aiming to provide an environment where they can fully demonstrate their abilities and feel fulfilled in their work. Honda held a seminar for members of company management in 2019, provided an e-learning program to associates in management positions in 2020, and extended the target of the program to general associates in 2021. Honda also held an "ally*2" seminar for associates to gain basic knowledge required as a supporter and show voluntary and proactive action. For the first time, LGBTQ+ persons within the Honda participated as guests at the ally seminar held in 2024. In the same year, Honda also conducted a training program for persons in charge of the personnel and general affairs departments.

In the area of personnel and welfare systems, Honda allows associates' same-sex partners to be treated as spouses, as well as the use of working names according to the transgender person's self-identified gender. Honda has also set up a consultation service, which is available at any time. By doing so, the Company has created appropriate systems and work environment where everyone accepts diverse individuals and feels comfortable and fulfilled in their work. Additionally, as part of promotion of corporate activities to facilitate society's understanding of LGBTQ+, Honda is supporting LGBTQ+-related and other events. The Company has supported Business for Marriage Equality, a campaign to make visible companies that support marriage equality (legalization of same-sex marriage), since September 2021. As a result of these efforts, Honda has received the highest Gold rating in the PRIDE Index, which was created by work with Pride Association to evaluate companies' efforts to create an LGBTQ+-friendly workplace in Japan, for five consecutive years since 2020. Honda will continue its efforts to foster a corporate culture and environment that respects diverse individuals.

External Evaluations → p. 118

Increasing Options for Experienced Associates to Play an Active Role

To maximize Honda's comprehensive corporate strength, it is important for each associate to adapt to a change in his or her work resulting from the changes in company business. Honda offers opportunities for experienced associates who have supported Honda's growth to promote individual autonomous career development so that they can continue to play an active role at Honda. Since the fiscal year ended March 31, 2022, a training system for career development has been improved, and Career Meister training (an opportunity for experienced associates aged 50 and above to proactively consider their own careers) has been implemented.

In terms of the creation of necessary systems, Honda introduced a flexible retirement system in April 2017 to allow associates to choose when to retire (up to the age of 65) according to their plan, to further improve the working environment for people aged 60 and over. The Company also launched a continuous employment system in June 2025, which removes the upper age limit for highly specialized talent.

In addition, with the aim of responding to changes in the working environment and more diverse senses of value, Honda has implemented a system of shorter working days and shorter working hours for full-time associates aged 55 and older. The Company will continue to support experienced associates' new challenges for demonstrating their strengths in new fields and following their own lifestyles.

Introduction of Continuous Employment System for Highly Specialized Talent (Removal of upper age limit) → p. 103

*1 There are several generic terms for sexuality, including LGBT and LGBTQIA; Honda recognizes diversity of all genders, and therefore has adopted the term LGBTQ+ since 2023.

*2 Allies are Associates who have basic knowledge of LGBTQ+, consider LGBTQ+ issues as their own and voluntarily think and act as supporters.

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Initiatives to Support Balancing Life Events and Career Development

In modern society, there are an increasing number of situations that require assistance at different stages of life, such as childcare, nursing care, treatment due to unexpected illness, health issues, and infertility treatment. To address these issues, Honda focuses on creating an environment in which each associate can balance the diverse lifestyles and career development they desire and, subsequently, diverse human resources can play an active role, as well as enhancing its support systems. For example, Honda promotes understanding of the systems by publishing a handbook on support for work-life balance and disseminating information through an in-house portal site. In addition, to support the challenges of balancing work and career development during the child-rearing period, the Company holds seminars for balancing work and childcare and provides temporary nursery/school-age childcare services for associates working on public holidays at all business sites.

Honda, which has a particularly large male workforce, is stepping up its efforts to promote male participation in childcare, which will also help women to be more active and work more comfortably. The Company holds seminars to raise awareness, disseminates its policies through internal newsletters, introduces good practices by senior associates, and holds lectures and panel discussions by experts. It is also working to identify on-site issues through periodic internal surveys and examining workplace support. Honda aims to have 100% of male associates take leave for childcare purposes (postpartum partner leave + childcare leave) by the end of March 2028. As of the end of March 2025, 90.0% of male associates took at least one day of leave for childcare purposes, and 79.5% took at least five days.

Furthermore, Honda will continue to provide support and improve the environment for diverse issues such as women's health issues, and balancing work with nursing care and medical treatment. By doing so, Honda aims to provide a safe working environment for its associates and to achieve growth and development of the Company as a whole.

List of major systems to support balancing life events and career development

Category	Programs and systems
Childcare	<ul style="list-style-type: none"> ■ Childcare leave system <ul style="list-style-type: none"> * Available until the end of April immediately following the child's third birthday ■ Postpartum partner leave ■ Remote work system for childcare ■ Shorter working hour system <ul style="list-style-type: none"> * For children up to the completion of the 4th grade of elementary school ■ Fixed work schedule for one shift in the manufacturing area <ul style="list-style-type: none"> * For children up to the completion of the 4th grade of elementary school ■ Company full-time nurseries (Tochigi district, Wako district) ■ Temporary nursery/school-age childcare services for associates working on public holidays ■ Child nursing care leave <ul style="list-style-type: none"> * For children up to the completion of the 4th grade of elementary school, and paid up to 5 days per child (maximum 10 days) * Hourly acquisition in working hours ■ Childcare expense subsidy system ■ Childcare allowances
Nursing care	<ul style="list-style-type: none"> ■ Nursing care leave system <ul style="list-style-type: none"> * Up to 3 years ■ Nursing care time-off system <ul style="list-style-type: none"> * Paid up to 5 days per year ■ Remote work system for nursing care ■ Shorter working hour system ■ Fixed work schedule for one shift in the manufacturing area ■ Nursing care allowances
Disease treatment	<ul style="list-style-type: none"> ■ Leave for disease treatment ■ Remote work system for disease treatment ■ Shorter working days / working hours for disease treatment
Fertility treatment	<ul style="list-style-type: none"> ■ System of short-term/long-term leave for fertility treatment ■ Remote work system for fertility treatment
Women's health issues	<ul style="list-style-type: none"> ■ Services utilizing external resources (online seminars and consulting service with experts) ■ Establishment of a women's health office by in-house health professionals
Transfer of spouses	<ul style="list-style-type: none"> ■ Leave system for associates to accompany their spouses being transferred ■ Transfer system for associates to accompany their spouses being transferred

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Concept of Key Goal Indicators (KGIs) (Ratio of Women in Management Positions)

In Japan, Honda is promoting the expansion of women's active roles in the workplace. Specifically, the Company follows the Action Plan for Promoting Women's Participation and Advancement in the Workplace.

Calculation Method

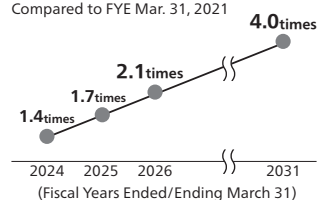
Using the number of women in management positions as of the fiscal year ended March 31, 2021 as the denominator, the percentage of women in management positions is calculated as the ratio of women in management positions.

$$\frac{\text{Number of women in management positions}}{\text{Number of women in management positions (FYE Mar. 31, 2021)}} = \text{Ratio of women in management positions}$$

* To steadily implement initiatives for women's advancement, annual plans are carefully reviewed based on current performance. The target for the fiscal year ending March 31, 2026 has been revised from "three times (compared to fiscal year ended March 31, 2021)" to "2.1 times." The target for the fiscal year ending March 31, 2031 has been left unchanged, and Honda will promote efforts to achieve the target.

Achievement Roadmap

* Ratio based on the number of
FYE Mar. 31, 2021 as 1
Compared to FYE Mar. 31, 2021



Initiatives for Achieving KGI Goals

We are working with management members to examine specific measures to create a workplace where women can pursue their own careers and play an active role. Among other things, to systematically develop female candidates for management positions, Honda is working to expand its population of female associates from the student stage.

Population formation	Improved retention rate	Increased career awareness	Increase in the number of certifications
Activities to foster interest in STEM careers from the student stage	Creating a workplace where women can thrive	Support for the career development of female associates	Support for stepping up to management positions
<ul style="list-style-type: none"> Initiatives for increasing female STEM professionals 	<ul style="list-style-type: none"> Expanding and promoting the utilization of various system (➡ p. 94) 	<ul style="list-style-type: none"> Career consultations with career consultants (➡ p. 87) Seminar for balancing work and childcare (➡ p. 94) 	<ul style="list-style-type: none"> Training for female associates aspiring to management positions / Roundtable meetings with female executives

* The Action Plan is scheduled to be updated on July 1, 2025, and this statement is based on the assumed content.

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Key Theme 2: Cultivate an Organizational Culture Where Diverse Individuals Can Fuse and Thrive

Activities to Foster Interest in STEM Careers from the Student Stage

Initiatives for Increasing Female STEM Professionals

Since 2014, Honda has been conducting outreach programs for high school students, both before and after their choice of humanities or STEM fields, as part of initiatives hosted by the Japan Automobile Manufacturers Association (JAMA). In the fiscal year ended March 31, 2024, female engineers visited five high schools, providing lessons on job roles and careers to 162 students (including 103 females).

The Company has also been participating in the “Girls Meet STEM Career” program hosted by the Yamada Shintaro D&I Foundation, which started in July 2024. This initiative involves multiple activities such as workplace tours of research institutes and networking events with female engineers (with 48 participants in total). These efforts are being made across industries to enhance understanding of STEM careers, promote their appeal, and create a positive image of working as an engineer.

Support for Stepping Up to Management Positions

Training for Female Associates Aspiring to Management Positions / Roundtable Meetings with Female Executives

From the fiscal year ended March 31, 2025, management training programs started for female associates who are expected to be promoted to management positions in the near future.

In addition, roundtable meetings are held between female executives and female associates to raise awareness of career development through dialogue with female executives who serve as role models, as well as to promote networking among female associates.

Through these efforts, Honda is broadening the base of female associates and helping them to step up their careers by raising their awareness of a wide range of future career opportunities.



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Initiatives by Region: North America

Fostering an Inclusive Environment

In North America, Honda has put into practice the pillar of our philosophy, "Respect for the Individual," by strengthening our inclusion activities. One of the most emblematic initiatives is the Business Resource Groups (BRGs). These groups, which are voluntarily run by associates, aim to foster an inclusive environment and promote positive change within the Company and society. They focus on four key areas: improving business, contributing to the community, raising cultural awareness, and supporting career development. Additionally, to foster and promote a culture of inclusion, BRGs welcome and encourage participation from all associates, temporary associates, and contract associates. To support and further develop BRGs, we have been hosting the HONDA BRG SUMMIT since 2018. In this summit, the management team demonstrates its commitment to BRGs, while BRG leaders build networks by sharing excellent ideas and strategies with one another. These activities serve as the driving force that enables us to remain a company leading the way in creative innovation.



BRGs' four key areas



BRGs Summit

Initiatives by Region: South America

Ensuring Diversity in Recruiting and Creating a Workplace Where Diverse Human Resources Can Take Active Roles

In Brazil, Honda aims to increase the ratio of women in the workplace as part of its efforts to increase workplace diversity by 2030. Its key achievements for 2024 include (1) increasing the percentage of entry-level female hires in sales and administration to 45%; (2) increasing the percentage of female hires at the automobile plants from 10% to 15%; and (3) achieving a 50% gender ratio in the internship program at the motorcycle plants and in the sales and administration trainee program. Furthermore, the Company aims to create a talent pool of female candidates for management by 2025, and to enhance the identification and development of future female leadership candidates.

Other initiatives are being undertaken to practice the Honda Philosophy at a higher level and to strengthen the promotion of diversity. For example, to address inclusion of people with disabilities, the Company has not only hired hearing-impaired associates but also implemented training in Brazilian sign language (LIBRAS) for associates and improved onboarding processes at its automobile plants. Its motorcycle plants are actively recruiting for people with disabilities and provide training programs with accessibility for the hearing impaired.



Event for recruiting female workers



Brazilian sign language (LIBRAS) training

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Initiatives by Region: Europe, Africa, and the Middle East

Building Awareness of D&I and Supporting Mechanisms

In Europe, Africa and the Middle East, the goal of Honda's D&I activities is to "remove any physical or conscious barriers that may exist so that anyone can become a Honda associate and grow within the Company." For example, Honda upholds its D&I policy that supports fairness in hiring practices and respect for diversity in all its internal operations and applies them similarly in its communications with associates. In addition, D&I-related content is incorporated in several leadership training programs to improve managers' level of understanding and action toward ensuring D&I within the Company. Furthermore, in the fiscal year ending March 31, 2026, a D&I working group is scheduled to be established within the HR organization to study measures to further enhance awareness of inclusion and a sense of belonging within the Company.

The regional headquarters based in the UK has revised its personnel transfer policy to allow flexibility in job rotation and work assignments between the UK and other countries, so that associates can perform work for other countries and organizations without changing their work location in their home country. Across Europe, the region is also improving the sharing of job information and promoting a more streamlined internal job application process, making it easier for everyone to apply for new opportunities.

Through these efforts, the company aims to create a work environment where everyone with different backgrounds, perspectives, and experiences, including race, gender, age, culture, and abilities, are valued, can freely express their opinions, and have equal opportunities in this region, which is characterized by diversity and multiculturalism.



Logo used for internal communication

Initiatives by Region: Asia and Oceania

Fostering Diverse Human Resources and Promoting Human Resource Exchange Across the Region

In Asia and Oceania, Honda is working to realize equality in the workplace to put into practice Honda's Fundamental Beliefs, "Respect for the Individual."

One of the key initiatives is the associate exchange program, which aims to develop a diverse workforce throughout the Asia and Oceania region and to achieve equality of opportunities beyond the boundaries of local subsidiaries. As of January 2025, 51 associates from various countries within the Asia and Oceania region are serving as expatriates in other subsidiaries. This shows a 24% increase over the previous year, and the number reflects a positive attitude toward promoting diversity in the work environment.

Also, true equality requires continuous effort. Rather than simply increasing the number of expatriates, the program is continually being improved to create a work environment that is comfortable for all expatriates and in which each individual feels valued and respected.

Moreover, Honda is actively promoting the assignment of local human resources to the management positions of each local subsidiary. Honda believes that increasing diversity and fostering innovation at each of its local subsidiaries and involving local people who are familiar with the local market in management will lead to further success in the future.



Associate exchange meeting at the office of Asia and Oceania region

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Activating Associates' Intrinsic Motivations and Fostering the Collaboration of Diverse Individuals Key Theme 2: Cultivate an Organizational Culture Where Diverse Individuals Can Fuse and Thrive

Initiatives by Region: China

Providing Workplaces Free of Gender and Ethnic Discrimination and Promoting Intercultural Understanding

In China, Honda is committed to providing workplaces free of any gender and ethnic discrimination, based on the social principles of gender and ethnic equality in hiring, promotion, granting opportunities, and compensation. For example, China has 55 ethnic minorities in addition to the Han Chinese, but Honda employs and utilizes excellent human resources regardless of ethnicity, such as workers from many ethnic minorities, including Manchu, Tujia, and Hui.

In China, many expatriates are actively working together with local associates to contribute to the development of the business. To enhance mutual trust in this work environment, Honda provides cross-cultural training for expatriates and local associates to learn about the differences in culture and society between China and Japan, and to strengthen communication within the organization. A total of 1,000 associates have participated in this training. As a result, the atmosphere in the workplace has greatly improved.



Cross-cultural training



Women's Day event

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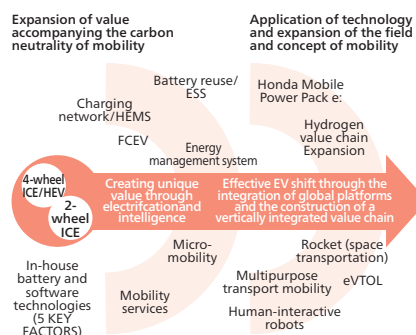
Ensuring Quantity and Quality of Human Resources in Focus Areas

Key Theme 3: Global Management of Human Capital Contributing to Business Strategy

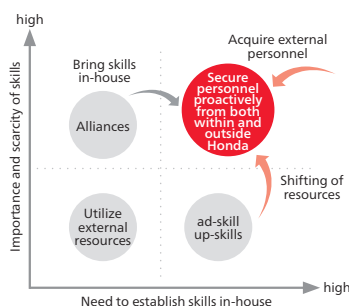
To contribute to the success of the business, we are creating a talent portfolio for focus areas aligned with the business strategy, while also advancing quantitative and qualitative staffing through defining resource management processes, formulating staffing strategies, and undertaking activities to secure talent.

Vision

Honda's Overall Approach as a Comprehensive Mobility Company



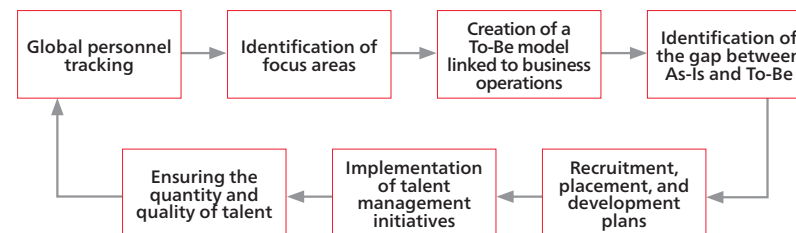
Human Resource Portfolio in Focus Areas



Process for Achieving Resource Management Aligned with Business

We have defined a resource management process to ensure the necessary talent for achieving our business plans. By integrating each step, we will achieve resource management aligned with our management policies and business plans. Currently, we are developing a global talent portfolio (To-Be) that is aligned with our business objectives and represents our desired state, while working to identify gaps between this desired state and our current situation (As-Is). We are also defining the skills required for focus areas and visualizing associate skills to identify gaps from both quantitative and qualitative perspectives. Going forward, we will build a system that organically integrates with talent management measures such as recruitment, placement, and development, creating a process to fulfill talent needs in alignment with business transformations.

* Various human resources involved in the battery life cycle and value chain



Concept of Key Goal Indicators (KGIs)

The focus is on monitoring the fulfillment status of necessary human resources in focus areas by using the required number of personnel as the target values. Currently, in addition to software development professionals, who have already been positioned as personnel for focus areas, we are also targeting battery-related professionals*. We are proactively setting and working towards target values based on the number of personnel required for both areas.

Calculation Method

We identify the target organizations of the focus areas and calculate the human resources fulfillment rate in the focus areas by dividing the number of associates engaged in those organizations by the total number of required personnel in the organizations.

$$\frac{\text{Number of associates engaged in target organizations}}{\text{Total number of required personnel in the target organizations}} = \text{Human resource fulfillment rate in focus areas}$$

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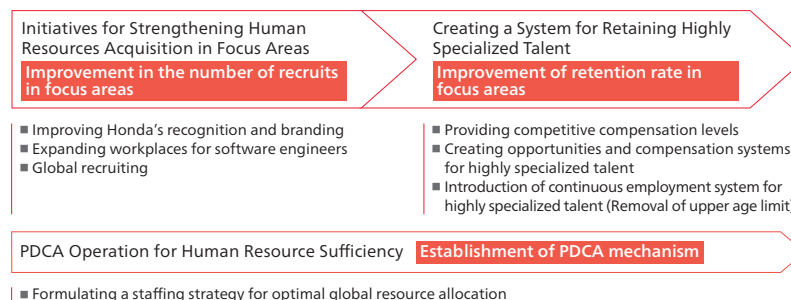
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Ensuring Quantity and Quality of Human Resources in Focus Areas Key Theme 3: Global Management of Human Capital Contributing to Business Strategy

Japan

Initiatives for Achieving KGI Goals

To improve the fulfillment rate of human resources in focus areas, we are currently focusing intensively on two main initiatives: increasing the number of hires and improving retention rates. Concurrently, we are establishing a PDCA (plan-do-check-act) framework to ensure that our talent portfolio aligns with and supports our business strategy.



Initiatives for Strengthening Talent Acquisition in Focus Areas

Improving Honda's Recognition and Branding

To boost recognition and branding among engineers in focus areas such as software and semiconductors, Honda is actively holding events specific to these fields, promoting its brand through media articles, and leveraging social media. Since the fiscal year ended March 31, 2024, the "TECH PLAY" event series has featured development leaders and engineers involved in cutting-edge work, who present their achievements and future directions in focus areas. By facilitating interactive exchanges with participants, these events also communicate the appeal of working at Honda and our commitment to innovation.

Expanding Workplaces for Software Engineers

Previously, our development centers were concentrated in the Kanto region, which often made it difficult for potential candidates from other areas to consider Honda as a new workplace due to geographical constraints. To address this issue, we opened software development centers in Osaka, Nagoya, Fukuoka, and Omiya, in addition to Tochigi and Tokyo (Aoyama, Roppongi, and Akasaka).

Globally, in response to the extremely difficult situation of securing software personnel in China, we are working to acquire highly specialized engineers, such as opening a new office in Shanghai, where there is a high concentration of software personnel. We will continue to open new locations as needed to secure human resources in our focus areas.

Global Recruiting

Honda has been continuing its global recruiting activities to acquire highly specialized engineers in the field of AI/software for a while now. One of these activities is recruiting at the Indian Institute of Technology. By establishing a recruitment scheme that includes strengthening relationships with universities through alumni and setting highly competitive compensation packages, we have steadily increased the number of hires from leading schools.

In 2024, Honda also expanded its mid-career recruitment, hiring many highly specialized engineers, primarily from India and Indonesia, among approximately 2,000 applicants. The Company will continue to recruit personnel who can be expected to play an active role in the focus areas on a global basis.

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Creating a System for Retaining Highly Specialized Talent

Providing Competitive Compensation Levels

In our new management personnel system started in the fiscal year ending March 31, 2026, we have introduced a framework that not only ensures the retention of essential talent but also aligns with market compensation standards to recruit external candidates effectively.

For highly specialized talent, we have shifted to a system that “rewards those who lead change,” regardless of age or years of experience (Personnel System Reforms Aimed at Accelerating the Cycle of Challenge, Collaboration, and Growth (→ p. 88) and have created an evaluation system that allows personnel to be treated in accordance with their performance.

For those with even higher expertise and market value, we also offer employment on a contract basis commensurate with high market compensation levels.

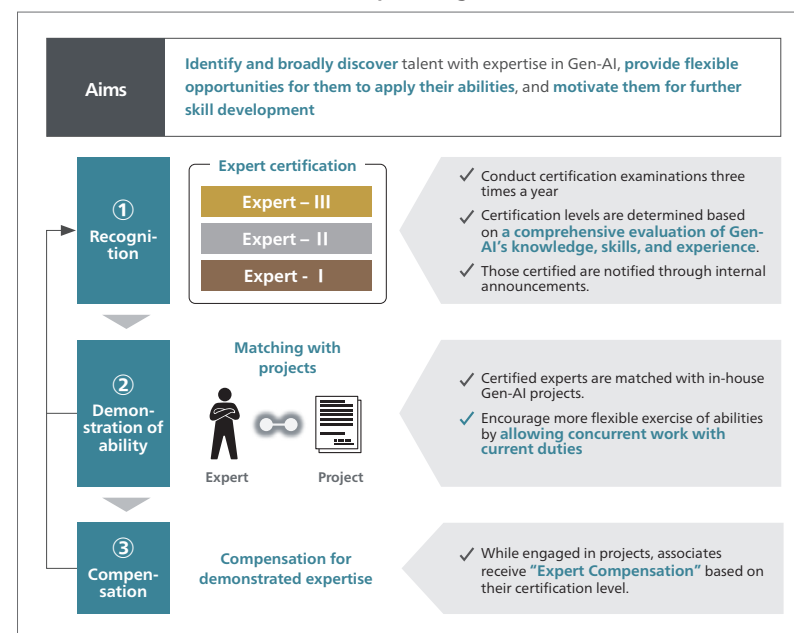
Creating Opportunities and Compensation Systems for Highly Specialized Talent

In a rapidly changing business environment, Honda continues to create new values by identifying and providing opportunities for talent with critical technologies for our business strategy.

As a leading example, Honda has been early to recognize the potential of generative AI, which is attracting global attention, and has been advancing efforts to leverage this technology. By appropriately utilizing generative AI, we believe that we can not only dramatically enhance operational efficiency but also create new values.

Based on this approach, we introduced the “Gen-AI Expert Program” in June 2024 to identify associates with rare and valuable expertise in generative AI and to promote the application of their expertise. This program is designed to enable associates with high levels of specialization, particularly in generative AI, to participate flexibly in cross-organizational projects. This initiative aims to accelerate company-wide efforts to leverage AI.

Aims and Overview of the Gen-AI Expert Program



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Introduction of Continuous Employment System for Highly Specialized Talent (Removal of Upper Age Limit)

At Honda, we are already a pioneer in the industry with our implementation of a flexible retirement system extending the retirement age to 65. As an additional measure, we will introduce a system that allows for the continuation of employment without age limits for individuals with critical expertise and exceptional performance necessary for our business, starting in June 2025.

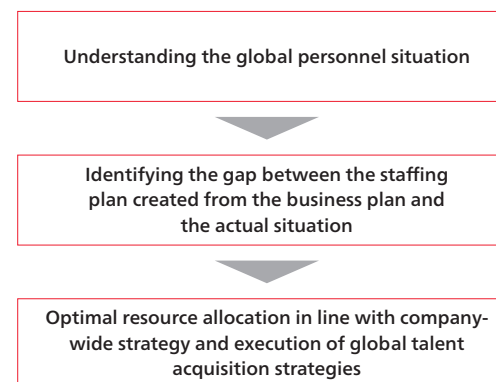
PDCA Operation for Human Resource Sufficiency

Formulating a Staffing Strategy for Optimal Global Resource Allocation

To develop a medium- to long-term staffing plan aligned with business strategy, we are establishing a scheme that allows us to visualize the quantity and quality of human resources on a global basis and formulate medium- to long-term plans.

In the fiscal year ended March 31, 2025, the status of our human resources, including global personnel, was assessed. Currently, we are using the assessment data as well as our medium- to long-term business plan to examine our staffing strategy, including a global perspective. From the fiscal year ending March 31, 2026 onward, we will focus more on the quality of human resources and visualize the number and capability of personnel needed to improve competitiveness over the medium to long term. Through the global application of such data, we will further improve recruitment, development, and placement of human resources as well as compensation systems in line with our business strategy.

We also aim to invest in human resources and acquire capabilities in the SDV and electrification areas, where upfront investment is particularly needed, in line with the business environment. At the same time, we will promote initiatives to make our organizational structure more productive.



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Ensuring Quantity and Quality of Human Resources in Focus Areas

Key Theme 4: Investment in Human Resource Development to Continuously Create New Value in Emerging Fields

Honda has traditionally promoted the development of human resources by encouraging “all associates to become experts with core expertise.” Most recently, however, the Company has positioned the development of “human resources who can continue to create value in new areas” as a top priority, based on its business strategy. To respond to technological innovation and rapid changes in the market environment and to open up new business opportunities, it is essential to develop highly specialized human resources. Accordingly, Honda is working to provide learning opportunities that support individual growth and create an environment that encourages individuals to take on new challenges.

Vision

Honda will promote investment in human resource development to fulfill the human resource needs in focus areas mentioned earlier in Key Theme 3: Global Management of Human Capital Contributing to Business Strategy.

Implementation Process

Honda has established programs for the development of specialized skills in focus areas to improve skill levels. Specifically, we have established literacy education programs for basic knowledge that all associates should acquire, and effective education programs combining off-JT sessions and practical training for skills that are required to be further utilized in actual operations. Through these efforts, the Company has created an environment in which associates can acquire the latest knowledge and practical skills.

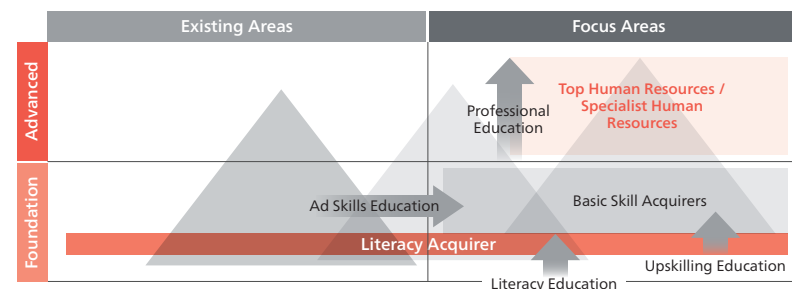
Concept of Key Goal Indicators (KGIs)

To achieve human resources fulfillment in focus areas and secure top-tier technological advantage in new fields, we will implement unprecedented-scale investments in human resources development. Currently, we are formulating a talent development programs for focus areas as mentioned above, and deploying education programs tailored to different levels of expertise. Moving forward, we will actively expand investments in specialized education to cultivate top talent and specialists.

Calculation Method

The amount of investment in human resources development is calculated by summing the investments made in individual capability enhancement and in improving organizational performance within focus areas.

Human Resource Development System for Focus Areas (Image)



Just Transition

In its drive toward carbon neutrality, Honda supports a just transition for its associates, its supply chain, and the communities in which it operates.

In the period of mobility transformation, which can be considered as the second founding phase of Honda, we recognize that associates will need new skills and learning approaches and help them find new career opportunities.

Honda’s basic approach to human resource development originates from its Fundamental Beliefs of “Respect for the Individual.” Honda believes that each person’s efforts are based on his or her own responsibility and self-development through challenges, and that the Company’s role is to provide opportunities for individual growth according to the Company’s needs and the individual’s motivation and abilities.

Therefore, Honda provides all associates with opportunities for skill upgrading and re-skilling.

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Ensuring Quantity and Quality of Human Resources in Focus Areas

Key Theme 4: Investment in Human Resource Development to Continuously Create New Value in Emerging Fields

Japan

Future-Focused Skill Visualization and Human Resources Development Strategies

Honda defines job categories in focus areas and sets the necessary skills associated with those job categories. Additionally, the skills are classified into levels from the quality perspective, and the quantity and quality of human resources are visualized in terms of these job categories and skills. Then, by clarifying the gap between the current situation and the job categories and skills that will be required in the future, we will be able to consider specific measures. Going forward, Honda will gradually expand the visualization of skills on a company-wide basis, beyond focus areas, thereby improving the skills of associates and appropriately allocating human resources, as well as strategically developing human resources for business transformation.

Expanding Literacy Education to Enhance Organizational Awareness for Business Transformation

To support our challenges in focus areas such as software and electrification, we are providing e-learning programs that equip all associates with essential foundational knowledge, regardless of their role or business unit. In the software literacy education program conducted in the fiscal year ended March 31, 2024, we defined five types of talent necessary for driving business transformation based on digital skill standards and set learning programs for each type. The goal of these programs is to enable associates to understand and articulate new concepts in the software domain in their own words.

For the fiscal year ended March 31, 2025, we expanded literacy education programs to include the area of electrification and offered an e-learning program on electrification to all associates, aiming to raise their awareness of carbon neutrality and electrification. Such training programs on the area of electrification and carbon neutrality in the context of the current mobility industry have increased literacy as well as awareness of business transformation throughout the organization.

	Number of participants	Training hours per person
Results for FYE Mar. 31, 2024, and FYE Mar. 31, 2025 Company-wide software literacy education	Approx. 33,000 associates	Approx. 16 hours
Results for FYE Mar. 31, 2025 Company-wide electrification literacy education	Approx. 33,000 associates	Approx. 4 hours

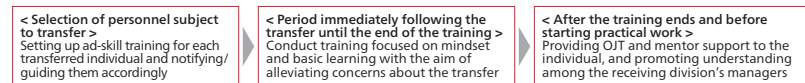
Upskilling Education to Develop Talent for Focus Areas

We will roll out upskilling training programs aimed at acquiring the foundational knowledge and skills necessary for performing tasks in new areas. To ensure that all associates can access the required training at the appropriate time, we will make these programs available through the company-wide e-learning system. Additionally, we will offer face-to-face training sessions alongside the e-learning modules to enhance learning efficiency. In the fiscal year ended March 31, 2025, we offered Python training programs, which allow learning through practice in a face-to-face format, to associates whose work is highly relevant to the training contents. A total of approximately 1,000 associates took the courses on data utilization, business efficiency, machine learning, and other subjects. Honda will continue to identify and deploy effective learning contents and put in place a system that enables efficient investment in human resources.

Supporting Challenges in New Domains with Ad-skill Education

We provide ad-skill education for associates expected to excel in new areas. With the progress of business transformation, internal transfers are expected to involve a shift in expertise. Taking the focused areas of software and electrification as a leading example, we have designed and implemented a series of ad-skill training programs tailored to the characteristics of each area. Associates undergoing the transfers can access technical foundational training to acquire necessary expertise, as well as programs focused on developing a mindset to adapt to environmental changes due to the transfers. In the fiscal year ended March 31, 2025, approximately 250 associates participated in intensive training programs of 1.5 to 3 months, aimed at supporting early success after transfers or reassignments, approximately 650 associates participated in training programs to acquire specialized knowledge, and approximately 100 associates participated in mindset-building and other training programs.

After the transfers, associates are provided with mentor assistance and opportunities for connecting with peers of the same generation, while the managers of the divisions receiving the transferees are provided with training to deepen the understanding of their role as supervisors. This creates an environment where transferees can quickly adapt to their new positions.



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Ensuring Quantity and Quality of Human Resources in Focus Areas Key Theme 4: Investment in Human Resource Development to Continuously Create New Value in Emerging Fields

Initiatives by Region: North America

Partnership with Ohio State University Development of Training on Electric Vehicles and Battery Technologies

In North America, Honda continues to develop and deploy in-house training programs to upskill its associates in the fields of electric vehicles (EV) and battery technologies. Honda has further leveraged its partnership with Ohio State University and established a battery cell research and development center. The center is scheduled to open in April 2025 and will serve not only as a research facility for battery technologies, but also to provide skills development training for associates.

Additionally, programs focused on the safe handling of electrified components have been developed. The programs are divided into four categories and are offered to associates according to their role in EV development and production. The program contents cover a wide range of subjects, from raising awareness of the dangers associated with batteries and electrification to in-depth training by outside instructors. Hands-on training includes practical sessions to adequately prepare associates to safely manage high-voltage systems and ensure their proper operation.

Initiatives by Region: South America

Expanded Opportunities to Increase Knowledge of New Technologies and Electrification

In South America, to keep up with new technologies and electrification, Honda provides its associates with learning opportunities for contents related to these fields. For example, we have developed specialized courses focused on the field of information technology in 2024. Such training contents are available to all associates through a training system partnered with Udemy Academy. In this system, 11 learning courses have been established, including over 200 training programs. Each associate can access the system to select a training program that meets his or her individual needs.



Initiatives by Region: Europe, Africa, and the Middle East

Providing E-learning Programs

In Europe, Africa, and the Middle East, e-learning programs have been introduced across countries to provide associates with opportunities to acquire new knowledge. Especially, diverse learning contents in the software field, such as cyber security and data analysis, have been developed.

Among other things, cybersecurity training is provided to more than 3,000 associates throughout the year to ensure that they understand and are familiar with Honda's global IT security policy. In addition, the Company is considering the introduction of training on ethics and security with respect to AI, which is expected to see increased use in business in the future and will work to further improve learning opportunities for associates. The completion rate of e-learning programs among associates exceeds approximately 85%, and many associates are engaged in continuous learning.

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Key Theme 4: Investment in Human Resource Development to Continuously Create New Value in Emerging Fields

Initiatives by Region: Asia and Oceania

Providing Training Programs to Enhance Expertise in Electrification

In Asia and Oceania, to keep pace with the rapidly evolving automobile industry, Honda is making attempts in each local subsidiary to proactively equip associates with necessary skills. Specifically, the educational programs cover a wide range of subjects, including EV knowledge and technology, cloud computing, and AI technology. At the subsidiary in India that produces EVs, 168 associates participated in basic EV knowledge training in 2024. Three of them also participated in EV quality testing training conducted in Japan.



Skill training

Initiatives by Region: China

Various Reskilling Activities to Develop Human Resources for Intelligentization

In China, to develop human resources for intelligentization, some locations are conducting reskilling activities. Specifically, the initiatives include establishing a reskilling committee, implementing training on databases and open innovation, organizing a special training camp for connected and intelligent manufacturing, and holding DX skill contests to reskill existing personnel.

To broaden associates' perspectives and deepen their insights, Honda is also engaged in tours and external exchanges at outside advanced IT firms.



Reskilling exchange meeting



Reskilling training

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Occupational Safety and Health

Honda's efforts to build a safe and secure work environment have their origin in the Company Principle formulated in 1956.

They are also based on the Fundamental Beliefs of "Respect for the Individual" and "The Three Joys."

Under the Safety and Health Principles of "No safety, no production," which has been passed on since its founding, Honda seeks to realize a work environment that brings the joy that all people can work with a true sense of security.

Based on this principle, Group companies in all parts of the world have established basic policies for occupational safety and health based on respective regional needs and conditions. To eliminate serious industrial accidents in Japan and overseas, Group companies also promote activities aimed at preventing industrial accidents and their recurrence, as well as ensuring the health of everyone who works for Honda.

In December 2022, the Company also created "Safety and Health Policy," which outlines the safety and health activities to be practiced by associates around the world. Based on this policy, Honda strives to create a safe and healthy workplace, while each associate works to maintain such a workplace and to prevent and minimize accidents.

Safety and Health Policy

Safety and Health Principles

Honda's safety principle of "No safety, no production," is based on the concept of how important and precious it is for each and every associate to be able to work safely and to the best of their ability in both physical and mental health, and the Company will strive to be progressive in its actions to achieve a safe workplace.

Safety and Health Policy

Aiming for a safe, healthy, and lively workplace, we will conduct safety and health management activities listed below, based on the company-wide safety policy with the aim of fostering and spreading a culture of safety among all associates: from "safety that is given to us" to "safety that we protect ourselves and safety that we create for ourselves."

1. We will perform the risk evaluation of work related business operations, and invest resources as much as necessary to prevent occupational accidents.
2. We will disseminate the Safety and Health Policy, and all associates will perform safe and secure workplace by implementing safety training and safety activities.
3. We will observe the related regulations and internal standards and work on all aspects of accident prevention and health maintenance promotion.
4. We will implement and operate this policy and the safety and health management manual accordingly and perform the improvement of safety awareness for all associates.
5. We will support mental and physical health maintenance and promotion positively and practice health management (wellbeing).
6. We will have the awareness and responsibilities as associates of Honda and eradicate four pernicious traffic violations and positively act on "Zero traffic accidents".

Establishment: December 8, 2022

Tadafusa Miki

Honda Motor Co., Ltd.

Director, President and Representative Executive Officer, Chief Executive Officer

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Achievements in Safety and Health Activities as Set Forth in the Safety and Health Policy

Safety and Health Activities		Main Activities	
1	We will perform the risk evaluation of work-related business operations, and invest resources as much as necessary to prevent occupational accidents.	<ul style="list-style-type: none"> Regular on-site inspections by the Equipment Safety Committee Conducting risk assessment training for supervisors 	  <p>Accident site inspection Risk assessment training</p>
2	We will disseminate the Safety and Health Policy, and all associates will create a safe and secure workplace by implementing safety training and safety activities.	<ul style="list-style-type: none"> Basic safety training of machinery and actual equipment Equipment safety training for middle management 	  <p>Machinery and equipment training</p>
3	We will observe the related regulations and internal standards and work on all aspects of accident prevention and health maintenance promotion.	<ul style="list-style-type: none"> Safety and health audits of all workplaces Health enhancement 	  <p>Safety and health audits Health enhancement</p>
4	We will implement and operate this policy and the safety and health management manual accordingly and enhance safety awareness for all associates.	<ul style="list-style-type: none"> OSHMS* training 	 <p>OSHMS basic training</p>
5	We will support mental and physical health maintenance promotion positively and practice health management. Health Management Initiatives → p. 114	<ul style="list-style-type: none"> Mental health roundtable discussion Conducting health interviews tailored to associates 	  <p>Mental health roundtable discussion Health interviews tailored to associates</p>
6	We will have the awareness and responsibilities as associates of Honda and eradicate four pernicious traffic violations and positively act on "Zero traffic accidents".	<ul style="list-style-type: none"> Traffic safety education by instructors Traffic safety patrols Regular training for motorcycle and automobile instructors 	   <p>Traffic safety education Traffic safety patrols Regular training for instructors</p>

* OSHMS: Occupational Safety and Health Management System

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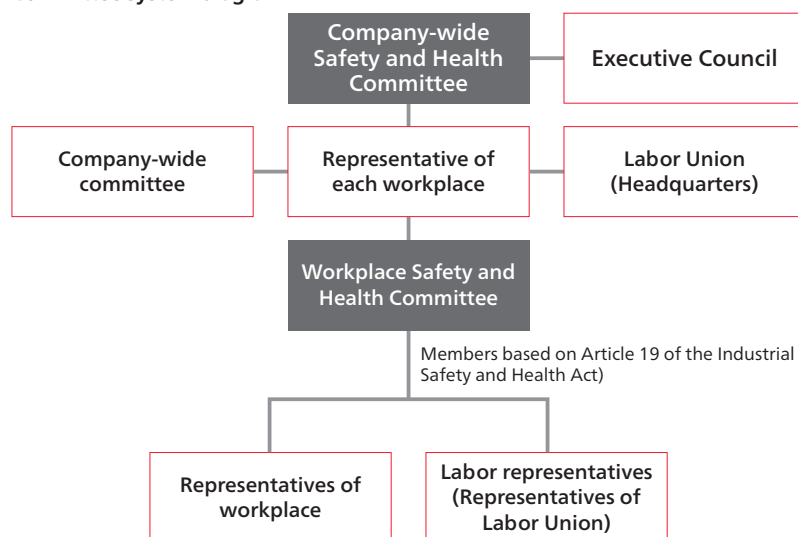
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Safety and Health Governance Structure

Honda has established a Company-wide Safety and Health Committee chaired by the vice president in 2022 to strengthen safety and health within the Honda Group by providing company-wide policies and implementation instructions for horizontal deployment regarding the occurrence of serious accidents, etc.

As for a workplace* safety and health governance structure, Honda has established a Safety and Health Committee, led by the Safety and Health Management Division, to enforce safety and health governance. Issues are shared and discussed jointly among labor and management for establishing a system to realize safe and comfortable work environment.

Committee system diagram



In the fiscal year ending March 2025, the following instructions have been sent out by the Chairman of the Company-wide Safety and Health Committee.

- Implement measures to achieve a high level of safety and health standards throughout the Company based on the sharing of good practices in mental health
- Develop a health checkup assessment flow and build a system to ensure proper health checkups based on autonomous chemical substance management

Additionally, as part of company-wide occupational safety and health management, occupational safety and health audits are conducted to confirm the operation of an Occupational Safety and Health Management System (OSHMS) in accordance with JISQ 45100 and the implementation of compliance-related matters.

The Company-wide Safety and Health Audit Committee, chaired by the vice-chairman of the Company-wide Safety and Health Committee, conducts the occupational safety and health audits to ensure a high level of safety and health standards throughout the Company.

* In accordance with the Industrial Safety and Health Act, each organization is described as a "workplace" in this part.

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Safety Initiatives

Domestic and Overseas Workplaces

To increase the effectiveness of safety management at each workplace in Japan and in each overseas region, the Regional Operations take the lead in carrying out proactive activities by focusing on the implementation of an Occupational Safety and Health Management System, diffusion and execution of risk assessment and the establishment of explosion and fire prevention measures.

Honda also conducts occupational safety and health audits and reviews based on a plan to share recognition of safety and health management. At the same time, the Company strives to improve the management system as well as personnel training for safety control at each domestic workplace and in each overseas region.

Collaboration with Domestic Related Group Companies

The Company has established a safety hotline between Honda and related group companies and is working to prevent the recurrence and prevention of accidents through speedy development in cooperation with each company and the exchange of information that contributes to the improvement of safety and health activities.

Creating Working Environment Criteria

Honda stipulates workshop environmental criteria in its Comfortable Workplace Guidelines and Hazardous Operations Management Regulations. In accordance with the three basic items of work and health management*, the Company performs periodic inspections and improvements to appropriately maintain and manage its working environments.

Emergency Response

Based on the Honda Global Risk Management Policy, response procedures have been developed for each workplace, assuming emergency situations.

Especially for emergency situations, such as serious disasters, explosions, and fires, a communication route has been established with human life as the priority. Drills have been conducted to ensure that all associates, contractors, and other related parties are fully aware of the Company's emergency response.

Honda has also established a self-defense firefighting organization and conducts education and training activities, including initial firefighting in the event of a fire.

* The three basic items of work and health management: work environment management, work management, and health management. These are the fundamental concepts of occupational health management.

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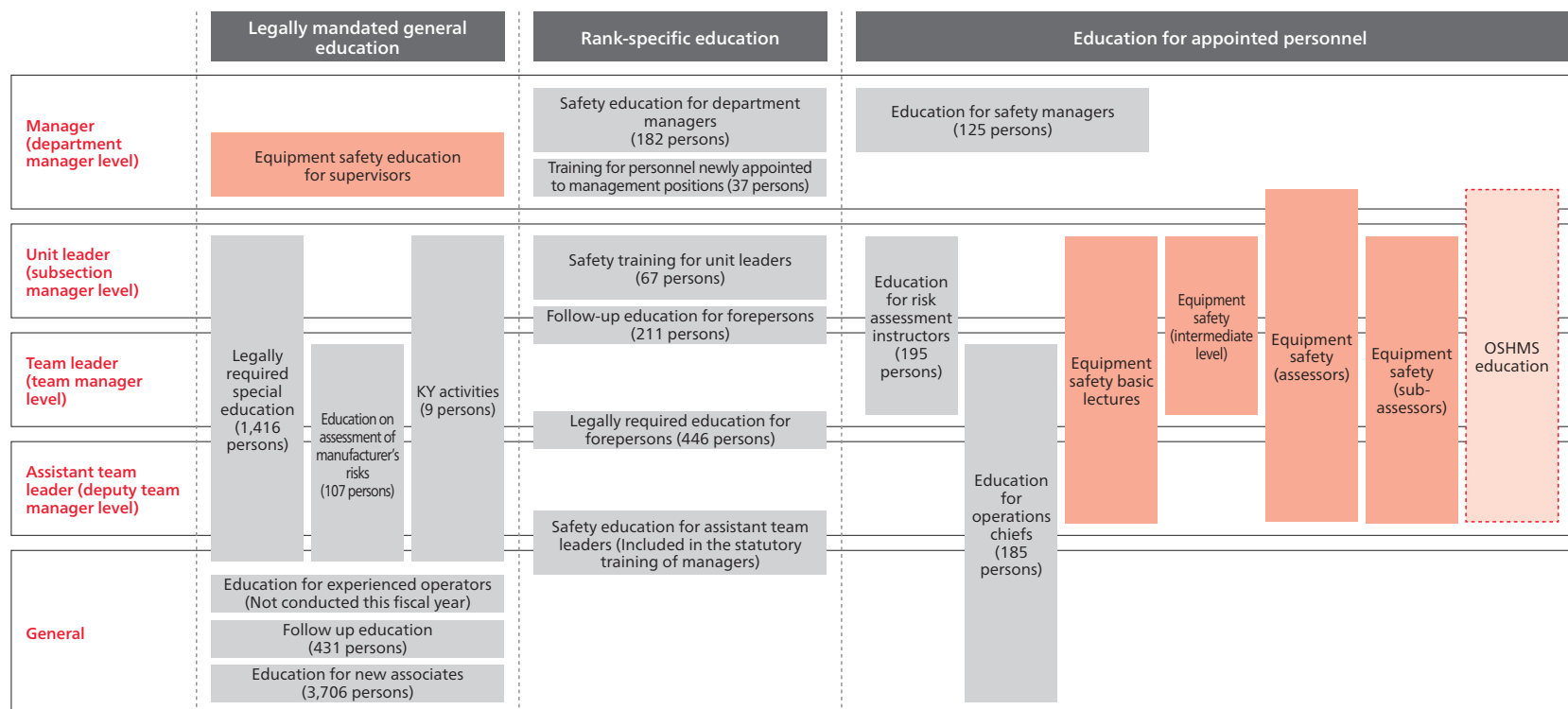
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Safety and health education and training (1)

The company-wide safety and health training system has established training and education programs that enable all associates to understand how to create a safe workplace, and every year, they receive safety and health education tailored to their individual roles.

Honda's health and safety training scheme



* The numbers in parentheses indicate the number of participants in the fiscal year ended March 31, 2025.

Lost time injury frequency rate (LTIFR) → p. 124

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Safety and health education and training (2)

The department responsible for supervising company-wide safety plays a key role in providing training for safety engineers in machinery and equipment (Safety Assessor training*) and other training programs aimed at developing safety and health experts, thereby steadily reducing the number of accidents and fires caused

by machinery and equipment.

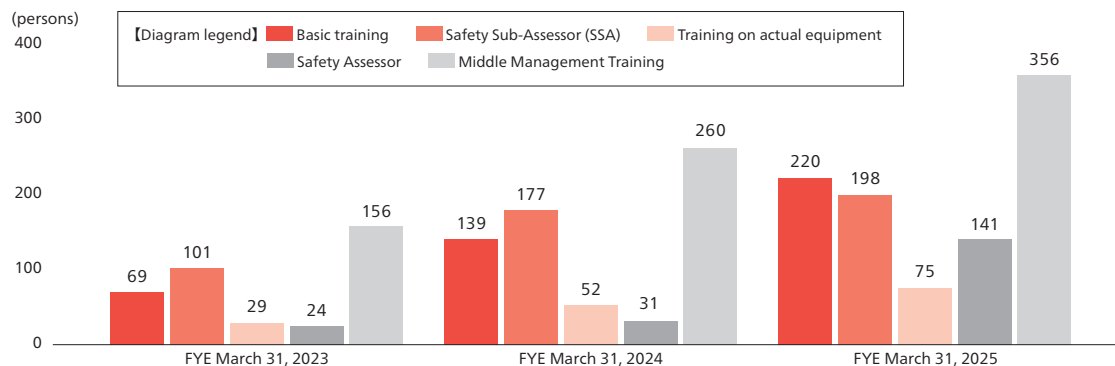
In addition, Honda develops managers and auditors at all levels through Occupational Safety and Health Management System training.

Each workplace also provides various training programs for its associates.

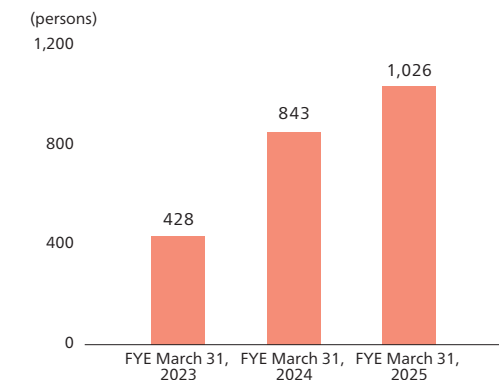
Training situation for safety and health

Training title	Trainees	Number of training days	Number of participants (those who passed) in FYE Mar. 2025	Purpose of training	Outline of training
Basic training	Persons who have been engaged in the installation and maintenance of equipment for several years	3 days	81	Acquire skills to correctly identify hazardous sources	Basic machine safety knowledge (standards, laws, risk assessment, etc.)
Safety Sub-Assessor (SSA)	Engineers mainly involved in safety verification of installed equipment	6 days	21 (15)	Learn in-depth expertise on machinery safety Obtain SSA qualification certification	Acquire theoretical knowledge of machine safety principles, essential safety design measures, and proper estimation of risks
Training on actual equipment	Persons in charge of leading safety verifications on equipment	5 days	23	Acquire risk assessment skills based on ISO through group exercises	Develop an advanced ability to assess safety and verify machine safety while using actual equipment for training purposes
Safety Assessor (SA)	Persons seeking an advanced level of in-depth expertise in machinery safety	8 days	110 (94)	Obtain SA qualification certification	Acquire knowledge of safety certification, a wide range of risk reduction measure techniques, and verification knowledge at the performance level, including validation knowledge and verification capability of machine safety
Middle Management Training	Newly certified management level persons and equipment related department leaders	1 day	96	Learn an overview of the concept of risk assessment and other related topics	To improve understanding of workplace safety, learn international standards and concepts related to machinery safety, the need for engineer ethics, and the concept of risk assessment
Occupational Safety and Health Management System (OSHMS)	Newly appointed supervisors Newly appointed health and safety promoter Newly appointed internal audit committee member Others as needed	1 day	183	Understand the Occupational Health and Safety Management System and actively promote health and safety activities to prevent accidents	Status of occupational accidents Basics of Occupational Safety and Health Management System Safety and health regulations and company rules Risk assessment exercise

Status of equipment training related to safety and health



Status of Occupational Safety and Health Management System Training



* Assessor: A person who conducts evaluations and assessments.

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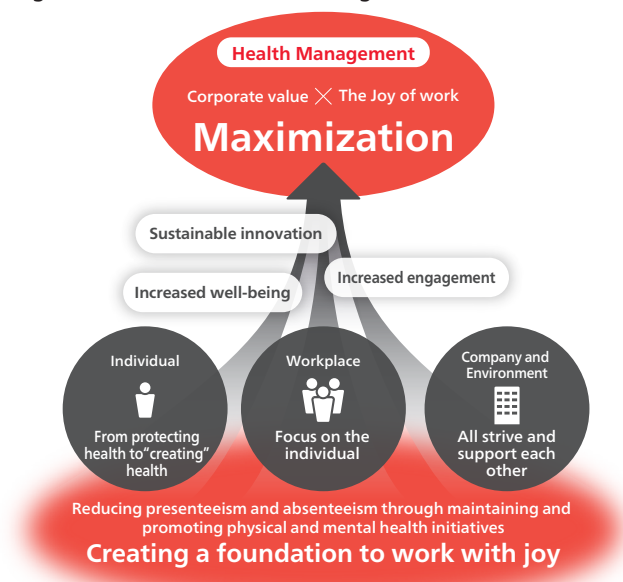
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Honda's Health Management

Grand Design for Achieving Health Management

Building on a vibrant and active working foundation, we are working to maximize corporate value and work satisfaction through three pillars: "individual," "workplace" and "company-wide/environment."

Grand design for realization of health management (Three Pillars)



Health Management Initiatives

Honda hopes that all associates remain healthy in the same way it strives for safety.

Under the top management message, "the basis of a strong individual is to be healthy, and each one of us should take on the challenge of maintaining and promoting good health," Honda is promoting health management activities with the practice of wellbeing included in its Safety and Health Policy. Honda aims to become a company with a comfortable work environment where associates "can work safely and energetically while remaining healthy both physically and

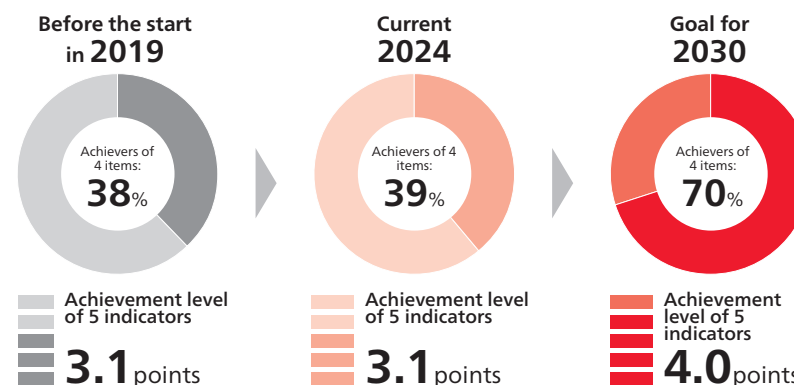
mentally" as they make their own efforts to maintain and promote their health for their own future. Toward achieving this goal, Honda has set three pillars and five matters for better health management, as its health management policy.

Initiatives for Lifetime Health (Five Management Items)

Staying healthy and working energetically is crucial not only for individuals but also for the continuous development of the workplace and the Company. To achieve lifetime health, we established five management items deeply related to lifestyle habits— 1. Rest, 2. Nutrition, 3. Exercise, 4. Smoking cessation, and 5. Alcohol consumption—and are working to achieve the behavioral goals.

Items	(1) Rest	(2) Nutrition	(3) Exercise	(4) Smoking cessation	(5) Alcohol consumption*
Management items	Enough good quality sleep	Nutritionally well-balanced meals	Habit of regular physical exercise	No smoking	Moderate drinking
Targets	Ensure sufficient rest through quality sleep	Eat breakfast (first meal after waking up) every day	Have an exercise routine at least twice a week for at least 30 minutes each time	Do not smoke (including electronic cigarettes)	Drink in moderation (no more than 1 unit)

* This does not encourage alcohol consumption for individuals without drinking habits. Appropriate amount and frequency refer to less than 3 gou (Japanese unit of volume, (approximately 180 ml) per week as a guideline, with a single serving up to 1 gou and two alcohol-free days per week.



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Honda's Health Management

Main Initiatives of the "Three Pillars"

1) (Individual) From protecting health to "creating" health

Shifting from Protecting Health to Creating Health Honda's vision of health is "to maintain a balance between mind and body (a good state) and to be in a condition where one is fully committed to positively maximizing their potential."

To support individuals in achieving this, we have introduced a 24-hour online consultation and medical service.

Additionally, we have evolved the post-health checkup "health guidance" from focusing solely on illness or discomfort to fostering lifelong health (a state of wellness and well-being). This evolution includes "Wellcom" (health consultations), where associates engage in mutual communication with occupational health staff to design their envisioned state of health.



A Scene from a Health Consultation

2) (Workplace) Focus on the individual

We do not simply think "Maintaining health is a personal responsibility," but rather view it as a workplace issue. In two-way communication sessions where organizational policies, individual roles, action goals, and career development are aligned between members and supervisors, we support safety considerations and autonomy regarding health. We place great importance on fostering mutual understanding through these communications.



Seminars for Managers on Women-Specific Health Issues

We also strive to create an environment where associates can work vibrantly despite various constraints, such as illness, disabilities, or ongoing medical treatment. For example, to address women-specific health issues, we have established the "Women's Health Room," where associates can consult with internal and external specialists. Additionally, we conduct seminars and roundtable discussions for managers to foster awareness and cultivate a supportive workplace culture.

3) (Company-wide/Environment) All strive and support each other

We have incorporated the practice of health management (well-being) into our Safety and Health Policy and are working together as a company towards "eliminating mental health issues."

To improve the internal environment for "no smoking" and prevent unwanted secondhand smoke, we continue to enforce smoking bans during working hours and provide support for those willing to quit smoking.

As part of our welfare benefits, we offer a health consultation and medical support app, enhance health-related seminars, provide points through the health insurance association based on daily step counts, and subsidize costs for fitness and sports facility use, participation in sports events, and the purchase of sports equipment. These efforts create an environment that encourages associates to proactively engage in health-building activities.

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Honda's Health Management

Measures to Promote Mental Health

In 2009, Honda announced a Mental Health Policy and has since been working on both creating vitality in associates and in the workplace and providing problem-solving support in an organized, systematic and ongoing manner.

Honda-Wide Mental Health Policy

Basic approach

Based on its fundamental belief of Respect for the Individual, Honda embraces individual diversity and values communication, and by doing so, will make its utmost efforts to maintain well-being so that all associates dedicate themselves to their jobs with enthusiasm while drawing energy from and taking pride in their work.

Framework and Initiatives

To implement mental health activities, Honda has established a company-wide mental health promotion team specialized in activity planning and management. Each of Honda's business sites has also established its own workplace mental health promotion team and promote activities in cooperation with the Company-wide Safety and Health Committee.

At each business site, Honda implements activities tailored to local realities, focusing on the five key pillars of "preventative education," "improving working environments," "checking stress levels," "enhancing counseling programs and strengthening collaboration with medical institutions," and "support for those returning to work."



Roundtable discussion

Starting in 2024, Honda has engaged external experts as advisors to the company-wide mental health promotion team, actively pursuing education and support for managers to address challenges and support those providing assistance.

Additionally, amidst the challenges of adapting to rapid societal changes, we have designated improving mental health issues as the top priority in occupational health. To this end, we held a roundtable discussion involving the chairperson of the Company-wide Safety and Health Committee (Executive Vice President and Representative Director), occupational health professionals, and external experts.

Strengthening Recurrence Prevention of Mental Health Problems

Mental health measures include the following approaches: primary prevention (proactive prevention), secondary prevention (early detection and treatment), and tertiary prevention (recurrence prevention). While addressing primary and secondary prevention, Honda focuses especially on tertiary prevention, the recurrence prevention. The Company considers it most important for associates who once experienced mental health problems to regain their health and be able to work actively in the workplace and is promoting efforts for this purpose.

Specifically, given that the causes of mental health problems vary depending on the workplace environment, we have established a system at each business site to respond to different circumstances, such as factory work versus head office work, immediately after employment, and changes in organizational structure.

While implementing primary and secondary prevention, special emphasis is placed on tertiary prevention against recurrence, thereby preventing associates from falling into mental health problems again. By providing an environment in which even more associates can work continuously, we aim to contribute to improving the productivity of the Company as a whole.

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Work Environment

Counseling Hotlines for Associates

Honda supports associates by operating a variety of counseling hotlines as a way to foster a supportive workplace environment.

Examples of counseling hotlines in Japan

Hotlines	Description
Counseling hotlines dedicated to balancing work, parenting, family life responsibilities and medical treatment	Honda operates a counseling hotline at each worksite's human resources and general affairs department to accommodate counseling requests from associates striving to balance work and family responsibilities, and to promote awareness and utilization of the Company's support programs. Each hotline is staffed by counselors, who field counseling requests from associates themselves and from their supervisors.
Harassment counseling hotline	Honda operates a harassment counseling hotline for all associates in order to prevent any harassment in the workplace and to facilitate the rapid and appropriate resolution of incidents. In cooperation with the personnel in charge of human resources and general affairs department at each office, contact and responses will be made with the person asking for counseling service.
LGBTQ+ counseling hotline	Honda operates a hotline for LGBTQ+ associates to accommodate requests for advice on their worries and problems and inquiries about support programs. The hotline also provides advice to other parties concerned, who are unsure of how to respond to LGBTQ+ associates, and aims to prevent negative consequences of unintended outing.
Life planning seminar hotline	Honda offers life planning seminars for associates to consider their purpose in life, health, and financial planning so that they can retire at the optimum timing for themselves. Seminars are also open to associates' spouses, and individual consultations with a financial planner are also available after the seminar.
Counseling hotline for people with disabilities	Honda operates a counseling hotline for all associates to resolve work and daily life problems related to disabilities. The person in charge will coordinate with the appropriate consulting parties to contact and respond to the person asking for counseling service.

Initiatives to Prevent Harassment

Honda's Fundamental Beliefs include "Respect for the Individual," which means respecting individual differences, trusting each other as equal partners, exercising abilities to the fullest and sharing joy. The Associate Relations Policies (➡ p. 77), which are based on the Beliefs, clearly states that "we will not tolerate any form of harassment in the workplace," and Honda is committed to creating a workplace environment and corporate management that prevents harassment from occurring.

Examples of specific initiatives

- The employment regulations clearly state harassment of third parties or associates as a reason for disciplinary action.
- The Honda Code of Conduct clearly states that the Company will not tolerate any form of harassment in the workplace.
- Leaflets for properly understanding harassment are distributed to all associates at the time they join the Company.
- Educational activities to prevent harassment are conducted at all offices and affiliated companies.

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External Evaluation Related to Human Capital

External Evaluations of Honda's Initiatives for Promoting Diversity & Inclusion

"L-boshi" Certification

In August 2018, Honda received the "L-boshi" certification from the Japanese Minister of Health, Labour and Welfare, which recognizes the company as a business promoting female participation



"Kurumin" Certification

In July 2012, Honda received the "Kurumin" certification from the Japanese Minister of Health, Labour and Welfare, which recognizes the company as supporting child-rearing.



PRIDE Index 2024

In November 2024, Honda received the highest Gold rating in the PRIDE Index – an index that evaluates companies' initiatives regarding sexual minorities, including LGBTQ+, in the workplace, including LGBTQ+, for the fifth consecutive year.



Selected for the New Diversity Management Selection 100

In March 2019, Honda was commended by the Minister of Economy, Trade and Industry for its diversity management which leads to value creation by leveraging the abilities of diverse human resources.



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Employment and Personnel Composition

Consolidated number of associates

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	62,846	61,420	61,935
North America	51,456	50,610	50,539
South America	14,176	16,267	17,220
Europe/Africa/Middle East	3,720	3,725	2,985
Asia & Oceania	50,458	50,508	50,175
China	14,383	12,463	10,198
Total	197,039	194,993	193,052

- Scope of aggregation: 5 companies*1, domestic consolidated subsidiaries*2, overseas consolidated subsidiaries*3
- Associate count as of March 31

Number of associates by gender

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	43,208	43,064	43,312
Male	38,961	38,718	38,789
Female	4,247	4,346	4,523

- Scope of aggregation: 5 companies
- Associate count as of March 31: Number of regular and non-regular associates by gender

Average years of service (years)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	21.8	21.6	21.1

- Scope of aggregation: 5 companies
- Average years of service for regular managers and general associates as of March 31

- *1 5 companies: the following five companies subject to the labor agreement of Honda Motor Co., Ltd.: Honda Motor Co., Ltd. / Honda R&D Co., Ltd. / Honda Racing Corporation / Honda Technical College / Honda Access Corporation
- *2 Domestic consolidated subsidiaries: Consolidated subsidiaries of Honda Motor Co., Ltd.
- *3 Overseas consolidated subsidiaries: Consolidated subsidiaries of Honda Motor Co., Ltd.

Number of associates by employment contract and type

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
By contract			
Permanent	40,625	40,207	40,220
Nonpermanent	2,583	2,857	3,092
By type			
Full-time	43,165	43,059	43,310
Part-time	43	5	2

- Scope of aggregation: 5 companies
- Associate count as of March 31: Number of associates by employment contract type

Number of persons over 60 employed by Honda

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Number of persons	4,280	4,991	5,218

- Scope of aggregation: 5 companies
- Associate count as of March 31: Number of associates by employment contract type

Number of associates with disabilities and percentage of employment of individuals with disabilities

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Number of associates*	1,005	994	1,070
Percentage of employment*	2.35	2.35	2.54

- * Laws governing the employment of people with disabilities stipulate that employment of one individual with a serious disability is equivalent to employing two less severely disabled individuals for purposes of calculating the number of associates with disabilities and percentage of employment.
- Scope of aggregation: Honda Motor Co., Ltd. / Honda R&D Co., Ltd. / Honda Access Corporation / Honda Taiyo Co., Ltd. / Kibounosato Honda Co., Ltd.

Number of subordinates per manager (persons)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	9.2	9.3	9.2

- Scope of aggregation: 5 companies
- Calculation: Number of regular general associates evaluated ÷ number of primary evaluators

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Recruitment, Transfers, and Turnover

Number of new permanent associates

		FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan		1,120	1,489	1,910
	Male	942	1,254	1,638
	Female	178	235	272
North America		9,958	4,274	3,022
	Male	6,845	2,776	2,005
	Female	3,113	1,498	1,017
South America		1,267	2,420	1,532
	Male	1,030	1,974	1,265
	Female	237	446	267
Europe/Africa/ Middle East		225	221	322
	Male	155	154	229
	Female	70	67	93
Asia & Oceania		2,867	5,240	6,634
	Male	2,115	4,534	5,310
	Female	752	706	1,324
China		1,079	925	532
	Male	865	678	416
	Female	214	247	116

- Scope of aggregation: 5 companies / major overseas subsidiaries
- Number of regular managers and general associates hired between April 1 and March 31 among those employed as of March 31

Number of global hires

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Number of people hired	50	77	104

- Scope of aggregation: 5 companies
- Number of regular managers and general associates hired between April 1 and March 31 among those employed as of March 31

Retention rate within one year of joining (%)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
New graduate hires	98.5	99.3	99.9
Mid-career hires	96.2	96.9	-

- Scope of aggregation: 5 companies
- New graduate hires: 1 – (Turnover rate within one year for regular general associates hired on April 1)
- Mid-career hires: 1 – (Turnover rate within one year for regular managerial and general associates hired between April 1 and March 31)

Attrition rate (%) (including compulsory retirees)

		FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan		5.8	4.6	4.8
	Male	6.0	4.7	4.9
	Female	4.8	3.7	3.4
North America		17.2	10.6	6.1
South America		9.2	7.0	7.3
Europe/Africa/Middle East		5.3	5.3	4.0
Asia & Oceania		5.2	4.1	6.1
China		3.5	7.1	31.0

- Scope of aggregation: 5 companies / major overseas subsidiaries
- Turnover rate: Number of regular managers and general associates who left between April 1 and March 31 ÷ (Average number of regular associates as of April 1 and as of March 31)

Voluntary turnover rate (%)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	1.6	1.5	1.6

- Scope of aggregation: 5 companies
- Calculation: Number of regular associates who voluntarily left between April 1 and March 31 ÷ (Average number of regular associates as of April 1 and as of March 31)

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Diversity & Inclusion

Percentage of associates from local communities taking upper management positions

	Percentage of associates from local communities among members of the Regional Operating Boards		
	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
North America	66.7	50.0	50.0
South America	16.7	14.3	0.0
Europe/Africa/Middle East	0.0	25.0	20.0
Asia & Oceania	0.0	0.0	0.0
China	0.0	0.0	0.0

· Scope of aggregation: major overseas subsidiaries

Ratio of women in management positions

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Compared with FYE Mar. 31, 2021 (times)	1.2	1.4	1.7

· Scope of aggregation: 5 companies

· Calculation: Number of regular female managers as of March 31 ÷ Number of regular female managers as of March 31, 2021

Ratio of women in the workplace (associates and managers) (%)

		FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	Women	8.9	9.3	9.6
	Women in management positions	2.0	2.4	2.9
North America	Women	27.0	27.3	27.4
	Women in management positions	18.1	18.8	18.8
South America	Women	13.4	14.3	14.7
	Women in management positions	14.8	13.0	14.8
Europe/Africa/Middle East	Women	26.1	26.5	27.7
	Women in management positions	16.4	19.4	19.8
Asia & Oceania	Women	15.3	14.3	15.0
	Women in management positions	16.0	16.6	17.4
China	Women	11.9	12.2	14.2
	Women in management positions	21.6	24.5	24.4
(Overall)	Women	15.9	15.9	16.7
	Women in management positions	9.7	10.6	11.3

· Scope of aggregation: 5 companies / major overseas subsidiaries

· Ratio of female managers: Number of regular female managers as of March 31 ÷ Number of regular managers as of March 31

Ratio of female associates: Number of regular general female associates as of March 31 ÷ Number of regular general associates as of March 31

Base salary and ratio of total compensation for males and females

		FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Management positions	Base salary (Female : Male)	1: 1.03	1: 1.03	1: 1.03
	Total compensation (Female : Male)	1: 1.05	1: 1.06	1: 1.06
General associates	Base salary (Female : Male)	1: 1.19	1: 1.18	1: 1.16
	Total compensation (Female : Male)	1: 1.27	1: 1.26	1: 1.25

* The same pay scale is applied to male and female associates. Gaps are due to differences in factors such as age distribution and the ratio of males and females in pay grades.

· Scope of aggregation: 5 companies

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Competency Development and Evaluation

Total training expenses (yen)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	3,320,688,601	4,601,769,210	4,967,890,330

- Scope of aggregation: Honda Motor Co., Ltd.
- Total training expenses incurred between April 1 and March 31

Training attendance rate for newly appointed managers (%)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Japan	100	100	100

- Scope of aggregation: 5 companies

Percentage of associates going through the evaluation programs

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
North America	99.8	100.0	100.0
South America	97.2	98.8	100.0
Europe/Africa/Middle East	100.0	99.9	99.8
Asia & Oceania	97.9	93.4	95.5
China	98.9	99.3	98.8

- Scope of aggregation: major overseas subsidiaries

Compensation

Percentage of performance-based remuneration

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Director, Executive Officer positions	50	50	50
Management positions	37	37	37

- * A certain level of stock options is included in remuneration for Director and Executive Officer positions.
- Scope of aggregation: Honda Motor Co., Ltd.

Starting salary

		FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
High school	Monthly salary (yen)	182,900	203,400	210,600
	Compared to minimum wage (%)	108	113	112
Technical college and junior college	Monthly salary (yen)	204,300	229,200	236,500
	Compared to minimum wage (%)	121	127	125
Undergraduate	Monthly salary (yen)	228,000	262,300	270,000
	Compared to minimum wage (%)	135	145	143
Graduate school (master's degree)	Monthly salary (yen)	254,900	287,800	295,700
	Compared to minimum wage (%)	151	159	157

- * Minimum wage is calculated based on 20.3 days per month, with 8 hours per day, using the minimum wage for the Tokyo metropolitan area (1,163 yen/hour). The salary system is grade-based, with no difference in salary by gender or region for the same qualification level.
- Scope of aggregation: 5 companies

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Work Styles and Working Environment

Number of associates who utilize child/nursing care support

		FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Short working hours to facilitate child care		317	331	351
	Male	19	24	31
	Female	298	307	320
Administrative leave to facilitate child care		845	1,076	1,205
	Male	495	714	826
	Female	350	362	379
Nursing care leave for children		1,999	2,430	2,608
	Male	1,470	1,868	2,032
	Female	529	562	576
Remote work during child raising*		1,401	1,434	1,343
	Male	982	1,042	978
	Female	419	392	365
Childcare cost subsidy		150	156	182
	Male	24	40	62
	Female	126	116	120
Short working hours to facilitate nursing care		8	6	5
	Male	4	3	2
	Female	4	3	3
Administrative leave to facilitate nursing care		9	14	19
	Male	6	12	15
	Female	3	2	4
Nursing care leave		707	835	908
	Male	582	684	762
	Female	125	151	146
Remote work during nursing care*		207	212	182
	Male	165	167	139
	Female	42	45	43

· Scope of aggregation: 5 companies

* The figures for the fiscal year ended March 31, 2023 and the fiscal year ended March 31, 2024 have been corrected due to an error.

Reinstatement rate after taking childcare leave (%)

		FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Reinstatement rate		100.0	98.7	98.7
	Male	100.0	98.9	98.9
	Female	100.0	97.8	97.7

· Scope of aggregation: 5 companies

Percentage of men taking childcare leave (%)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Percentage of taking child care leave (1 day or more)	88.1	88.9	90.0
Percentage of taking child care leave (5 days or more)	64.0	74.0	79.5

· Scope of aggregation: 5 companies

Total working hours per associate and average paid vacation days taken

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Total working hours per associate	1,974	2,023	2,010
Average paid vacation days taken	18.8	17.9	17.5

· Scope of aggregation: 5 companies

Associate Vitality (Total of 24 questions in six categories; average on a scale of 1 to 5)

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
All associates	3.48	3.50	3.52
Percentage of respondents for all associates	93.0	92.0	90.8

· Scope of aggregation: 5 companies

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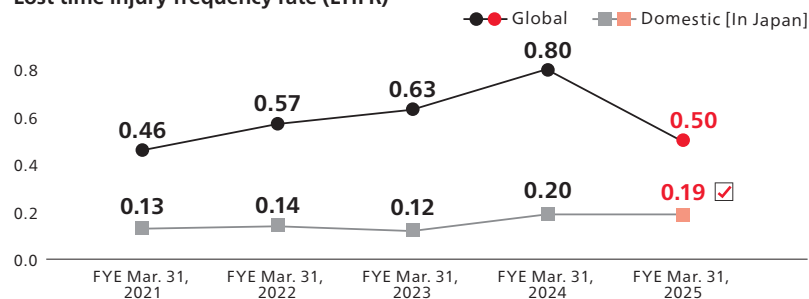
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Health and Safety

Lost time injury frequency rate (LTIFR) *1, 2, 3, 4



Changes in the number of work accident fatality (case) *4

	FYE Mar. 31, 2021	FYE Mar. 31, 2022	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Overseas	0	1	0	0	0
Japan	0	0	0	0	0

*1 Global (Lost Time Injury Frequency Rate (LTIFR)): The number of lost time injuries per one million work hours at Honda's 5 production bases in Japan and 59 overseas production bases.

*2 In Japan (Lost Time Injury Frequency Rate (LTIFR)): The number of lost time injuries per one million work hours at companies to which Honda's labor agreement applies.

*3 Including Accident similar to a lifestyle (trips, falls and tread through)

*4 Scope of target for lost time injury frequency rate and the number of work accident fatality in Japan:

- Honda Motor Co., Ltd.
- Honda R&D Co., Ltd.
- Honda Racing Corporation
- Honda Technical College
- Honda Access Corporation

Data indicated with ☒ received the independent practitioner's assurance.

Trends in indicators of health management activities

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Score for subjective view of health *1	3.38	3.47	3.45
Score for commitment to health *2	3.58	3.64	3.61

* Measurement of associate vitality: Scores on health-related questions (average score on a 5-point scale)

*1 Question: "Your health (mental and physical) is in good condition for work and recreation."

*2 Question: "You engage in actions to maintain and improve your current state of health."

· Scope of aggregation: 5 companies

Productivity

Various productivity indicators

	FYE Mar. 31, 2023	FYE Mar. 31, 2024	FYE Mar. 31, 2025
Revenue per associate (millions) *1	85.8	104.8	111.7
EBIT per associate (millions) *2	4.3	7.8	6.1
Labor cost return on investment (%) *3	47.7	76.4	62.7

*1 (Consolidated revenue ÷ Number of consolidated associates) for each fiscal year ended March 31

*2 (Consolidated profit before tax + Consolidated interest paid – Consolidated interest received) ÷ Consolidated number of associates for each fiscal year ended March 31

*3 ((Consolidated operating profit + Consolidated labor costs) ÷ Consolidated labor costs) – 1 for each fiscal year ended March 31

· Scope of aggregation: 5 companies / domestic consolidated subsidiaries / overseas consolidated subsidiaries



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Basic Approach

Strengthening Supply Chain Sustainability

In order to provide customers with a timely, stable supply of better products and services, it is necessary to put significant effort into developing and optimizing supply chains with suppliers around the world while also taking into account environmental and human rights issues.

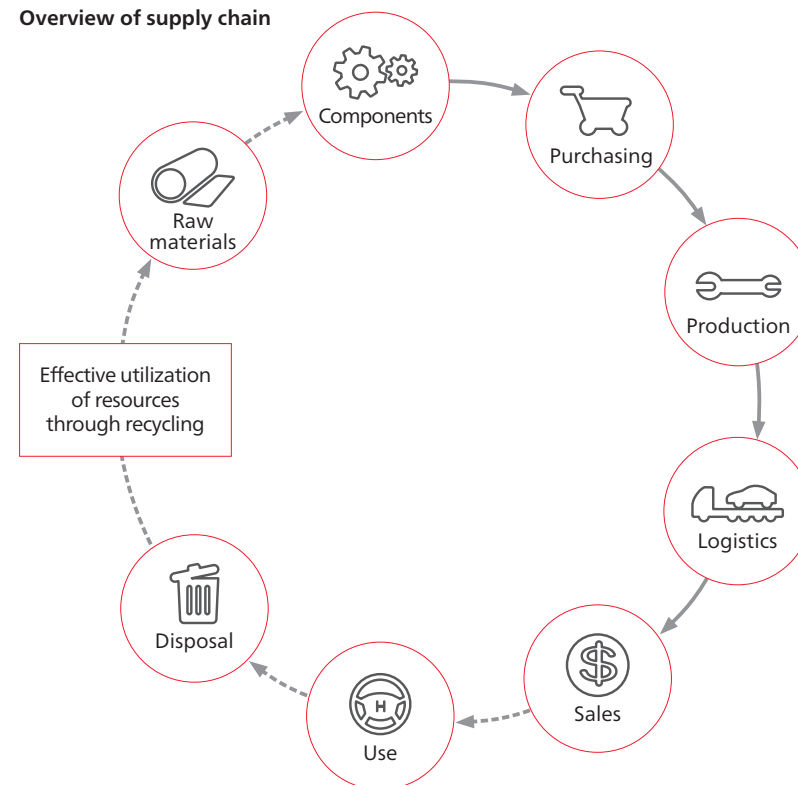
Honda is striving to strengthen supply chain sustainability, mainly in the areas of purchasing and logistics.

In the area of purchasing, Honda shares its sustainability policies with suppliers in the form of the Honda Supplier Sustainability Guidelines and works with suppliers on key issues such as product safety and quality, human rights and labor, the environment, responsible procurement, compliance, and information disclosure.

In the area of logistics, Honda aims to achieve carbon neutrality and is promoting efficiency in logistics and reduction of CO₂ emissions. Honda is also working with its suppliers to promote initiatives to optimize logistics and improve productivity, and to enhance sustainable logistics throughout the supply chain.

Honda strives to enhance sustainability in its supply chain by collaborating globally on these initiatives.

Overview of supply chain



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* A newly established partnership to promote sustainability in the automotive industry.

Basic Approach to Purchasing

Purchasing Belief, Three Purchasing Principles, and Code of Conduct for Purchasing Associates

Honda's goal is to achieve a sustainable society across the supply chain. The Company implements initiatives with consideration for the environment, safety, human rights, compliance and social responsibility, among others, in partnership with its suppliers worldwide. Based on the Honda Philosophy, the Company established the Purchasing Belief and Three Purchasing Principles and engages in fair, equitable, and highly transparent business practices.

Honda has also compiled points that should be followed by each and every associate engaging in purchasing activities as the Code of Conduct for Purchasing Associates. By following these Rules, the Company ensures trust both internally and externally and builds sound relationships with suppliers.

Purchasing Belief and Three Purchasing Principles

We do fair and equitable business with transparency based on the "Purchasing Belief" and the "Three Purchasing Principles."

Purchasing Belief

We sustain the procurement of good products at reasonable prices and in a timely manner.

Three Purchasing Principles

Fair and open trade

We do business with suppliers who can satisfy the requirements of quality, quantity, price and timing and who can share the concept of sustainability with us, based on open competition.

Equal partnership

We conduct business on an equal footing regardless of the business size of the supplier or their nationality and other factors.

Respect for suppliers

We respect suppliers' management and independence.

Supplier Sustainability Guidelines

The automotive industry, which is supported by a broad network of many suppliers, needs to pursue environmental impact reduction not only by individual companies but also throughout the entire supply chain.

Additionally, as awareness of compliance and human rights issues grows worldwide, companies are expected to verify working conditions and legal compliance not only for themselves but also for their suppliers, as well as make efforts to take corrective action if required.

Honda aims to achieve a sustainable supply chain in its global components procurement activities in collaboration with its suppliers. Honda has set forth this mindset as its Sustainability Vision and issued the Honda Supplier Sustainability Guidelines as specific policies for working together with suppliers to realize this vision.

The Guidelines specify the basic items to be promoted together with primary suppliers regarding product safety and quality, human rights and labor, the environment, responsible mineral procurement, compliance, and information disclosure.

The Guidelines are based on international standards (the Supplier CSR Guidelines by the Japan Automobile Manufacturers Association (JAMA), the Sustainability Guiding Principles by the Automotive Industry Action Group (AIAG) and Drive Sustainability Partnership*, etc.) and reflect Honda's Fundamental Beliefs, and are revised as necessary according to social trends and regulatory changes.

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Promotion Structure

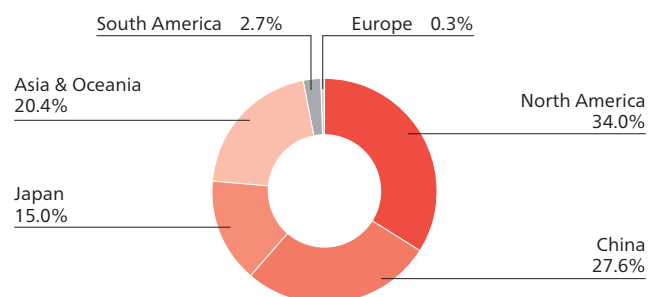
Honda conducts business in six regions worldwide and has respectively established purchasing functions. In line with Honda's corporate philosophy of "producing where there is demand," each region is encouraged to source locally. The rate of local procurement in North America, Honda's primary production base, reaches 80% for major global models.

To discuss and examine the global direction of Honda over the medium- to long-term, and to strengthen the collaboration of respective companies operating in each region, Honda holds periodic meetings of the management teams.

The Company also launched the Environmental Purchasing Meeting in 2011 to promote low-carbon initiatives across the entire global supply chain. In the fiscal year ended March 31, 2017, Honda expanded the agenda of this meeting to include human rights and compliance initiatives and developed it into the Sustainability Purchasing Meeting, which is held on a regular basis.

Through these initiatives, companies operating in each region are promoting collaborative activities while aligning their direction on a global basis.

Regional distribution of purchasing volume (FYE Mar. 31, 2025)



Responsibility for Promotion

In Japan, Honda has a department that supervises the overall global purchasing function, with the Chief Officer for Supply Chain Purchasing Operations (Managing Executive Officer) responsible for oversight. The department provides coordination across regions and businesses and formulates sustainability policies and goals. In 2016, the Company established a department dedicated to reinforcing and accelerating sustainability initiatives.

Sustainability initiatives in cooperation with suppliers are regularly reported to and approved by the Chief Officer for Supply Chain Purchasing Operations regarding policies and progress, including consistency with Honda's Purchasing Belief and the Three Purchasing Principles. In addition, important matters related to company-wide business policies and risk management are reported to the members of the Executive Council.

Training for Associates

To ensure that every associate involved in Honda's purchasing operations promotes fair, equitable, and transparent transactions in accordance with its purchasing philosophy, Honda has prepared manuals and training programs and promotes personnel development through on-the-job training (OJT).

In Japan, in addition to these initiatives, Honda has established training and e-learning programs to deepen understanding of Quality, Cost, Delivery, Development and Environment (QCDDDE) operations, including programs to increase understanding of ESG initiatives in the supply chain area.

Furthermore, Honda regularly disseminates information on social trends regarding sustainability and its initiatives with suppliers to raise awareness throughout the organization. The latest information is shared within the purchasing divisions through the in-house news report, which helps instill a sustainability perspective in daily operations and builds knowledge among the divisions.

In this way, Honda has developed programs that take into account cultural and social backgrounds to promote capacity building for purchasing associates in each region of the world. To strengthen its sustainability initiatives throughout the supply chain, the Company also focuses on engagement with its suppliers and actively provides information and training opportunities for the suppliers (➡p.140).

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Supplier Selection

In response to the international demand for corporate social responsibility throughout the supply chain, Honda shares its sustainability policies with its direct and indirect material suppliers and is working to strengthen responsible procurement throughout its business.

Particularly for direct material suppliers, Honda strictly requires them to comply with local competition laws, anti-bribery laws, and other laws and regulations in each country when conducting business since they have a significant impact on customers and business through the quality and safety of their products. The Company has also concluded with its suppliers the Basic Agreements on Component Procurement that specify considerations for safety, disaster prevention, environmental preservation, and the protection of resources, ensuring the transparency and sustainability of transactions.

In addition, as part of its sustainability promotion efforts, Honda confirms its suppliers' agreement to the Honda Supplier Sustainability Guidelines and works with them on key issues such as product safety and quality, human rights and labor, the environment, responsible procurement, compliance, and information disclosure.

Based on these policies, when selecting suppliers for components and raw materials, Honda confirms their initiatives on not only Quality, Cost, Delivery, Development and Environment (QCDD) but also human rights, labor, safety, compliance, risk management, protection of information and other aspects to determine the best and most sustainable suppliers.

If a problem occurs after a transaction, Honda will immediately receive a report from the supplier, request the supplier to analyze the cause and submit a corrective action plan, set a response period, and work to prevent recurrence.

If the submitted corrective action plan is determined to be insufficient, Honda will consider whether or not to maintain business relations with the supplier in the future, including suspension of transactions, in consideration of the social impact of the problem.

Key Suppliers

For suppliers that have agreed to Honda's sustainability policies and have begun doing business with Honda, the Company comprehensively evaluates the amount of business with them, the importance of materials and components supplied by them, and the status of related risks and issues to strengthen ongoing sustainability efforts, and designates those suppliers with particularly large impacts as key suppliers.

These key suppliers include primary suppliers that account for about 80% of the total purchases, as well as a portion of secondary suppliers. Honda regularly shares its policies with these suppliers through supplier conferences and other means.

At sustainability policy briefings, Honda explains its ESG policies and initiatives to primary suppliers, including CO₂ reduction targets, data management and evaluation systems, resource recycling, sustainable logistics, and ESG performance evaluations by external organizations, to promote understanding and deepen implementation among suppliers. (→ p. 140)



Sustainability policy briefing (July 2024)

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Supplier Monitoring

ESG Surveys

Honda requests direct material suppliers in each global region to conduct voluntary inspections of their compliance with the Honda Supplier Sustainability Guidelines, and thereby promotes an understanding of the actual status of their sustainability initiatives.

In addition, for suppliers with large transaction volumes, periodic checks and evaluations of inspection results are conducted to identify high-risk suppliers based on the likelihood of a problem occurring and the degree of impact on the company if a problem were to occur, and to take action toward improvement.

In Japan, Honda has, in the past, conducted its own ESG surveys for key suppliers accounting for more than 80% of total purchases. To further enhance objectivity, transparency, and comprehensiveness, the company has initiated supplier ESG surveys utilizing a third-party evaluation organization.

A trial operation began in 2024, with full-scale implementation starting in the fiscal year ending March 31, 2026.

Furthermore, Honda aims to expand these surveys to all direct material suppliers globally by the fiscal year ending March 31, 2028.

The third-party ESG surveys for suppliers will involve the following actions.

- Conduct SAQ (Self-Assessment Questionnaire) based on international standards and evaluation by a professional organization
- Provide information on industry benchmarks and suggest improvement items
- Jointly promote improvement activities with suppliers identified as high-risk suppliers

The SAQ verifies suppliers' efforts based on a broad range of evaluation items, including the environment, labor and human rights, ethics, and sustainable material procurement.

In addition to evaluating the performance of individual suppliers, the results of benchmark comparisons with industry standards are fed back to each supplier to identify their strengths and areas for improvement.

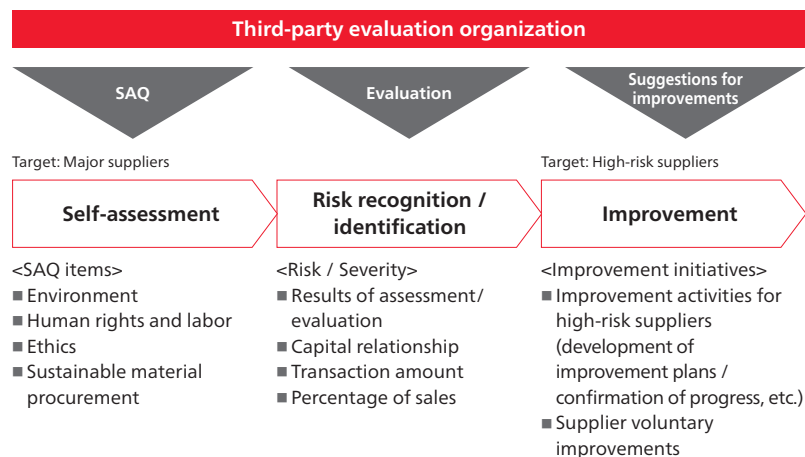
Based on the results of the surveys, risks are identified, and according to the degree of risks, interviews with suppliers, on-site inspections, etc. are conducted as necessary.

The following checks and verifications are performed, and for issues identified in the improvement activities, the Company requests suppliers to make improvements and promote improvement activities together with them.

- Check relevant records, actual production processes and related facilities
- Verify the progress through a report on the improvement plan and results
- Conduct a follow-up assessment or audit (including an on-site check as necessary)

Honda will continue to conduct sustainability activities on a global basis in collaboration with its overseas purchasing bases, while enhancing training programs within the Company with the goal of strengthening internal capabilities in sustainability.

Sustainability monitoring flow



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Measures to Counter Procurement Risk

Honda views all phenomena that can impact production as risks, including disasters, fires, supplier financial issues, labor issues, and cyber incidents, etc. Accordingly, the Company works to reduce these risks and prevent the spread of any impact if they materialize throughout the supply chain, beginning with the procurement of components and materials. For example, Honda defines all components and materials whose procurement is dependent on a single facility as at-risk Parts, and inspections and countermeasures are implemented continually around the world. As part of this initiative, Honda has established a scheme for suppliers in Japan starting in 2021 to promptly register information on new supply chains (production sites below Tier 2) in its procurement risk management system when such information is generated. Through the operation of this system, the Company established structures to ascertain in a short time the extent of damage to suppliers in the affected areas and whether production has been affected in the event of a major disaster. Honda also performs annual evaluations based on supplier surveys in order to minimize financial risk. In addition, the Company checks risk every month by referring to information from third-party organizations.

Furthermore, starting in 2024, Honda introduced a comprehensive supply chain mapping tool to enhance global supply chain visibility and risk management. It utilizes data mining technology to visualize the entire supply chain by extracting the linkages between companies from trade data, ownership information, and other data. The visualized supply chain data is then combined with information on local laws and regulations, import/export restrictions, sanctions lists, etc. of each country to detect potential risks in the supply chain. Going forward, Honda will utilize this tool to identify and reduce risks in the supply chain by promoting initiatives such as real-time monitoring of risks, enhancement of supplier risk assessment, and formulation of risk mitigation measures.

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Environmental Initiatives

Initiatives to Achieve Carbon Neutrality with Suppliers

Honda aims to realize carbon neutrality (net zero CO₂ emissions) for its all products and corporate activities by 2050.

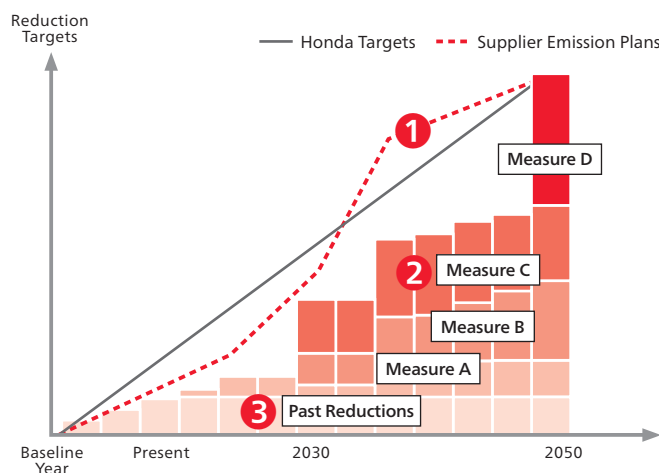
In Japan, in October 2021, Honda asked its suppliers to consider initiatives to reduce total CO₂ emissions, and in December 2022, shared its perspectives on measures to consider specific measures toward achieving carbon neutrality by 2050.

Furthermore, in March 2024, Honda communicated its interim target for 2030

Supplier CO₂ Reduction Visualization System

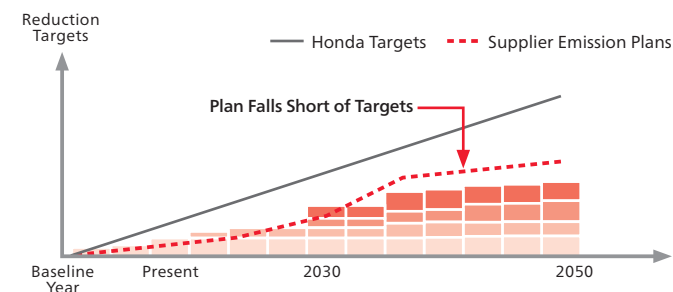
Comprehensive Overview of Supplier CO₂ Reduction Performance and Plans

- 1 Visualization of the gap between Honda's targets and suppliers' plans
- 2 Understanding of suppliers' reduction measures, including plans, steps, and items
- 3 Reflection of suppliers' past reduction efforts from the baseline year to the present

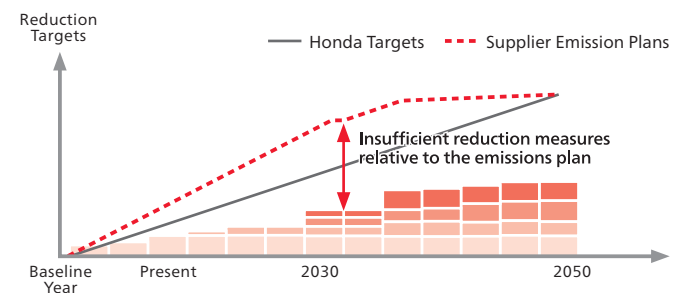


Promoting the Specification of Supplier CO₂ Reduction Plans (Reduction Amounts and Measures) Note: The following are examples

CO₂ Reduction Outlook → Promote revision of reduction plans



Insufficient Reduction Measures → Promote the addition of measures



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Initiatives with Group Suppliers

Honda monitors the CO₂ emissions performance of group suppliers under Scope 1 and 2 on a calendar-year basis, setting interim targets for 2030 to ensure the achievement of carbon neutrality by 2050, while regularly holding strategy and information-sharing meetings to accelerate environmental impact reduction activities. (➡ p. 140)

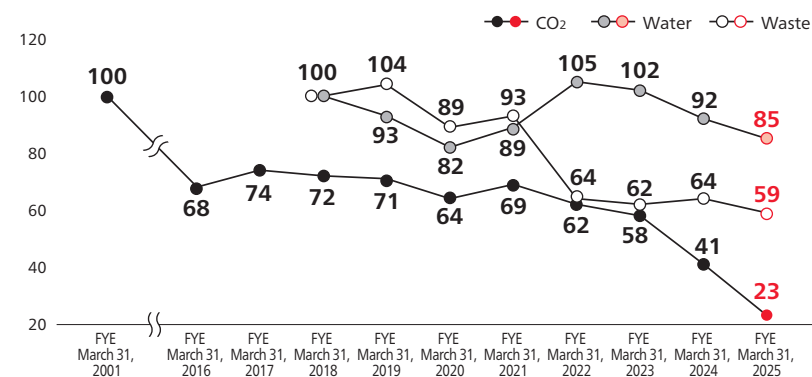
Additionally, regarding water and waste, Honda has been working on target management since the fiscal year ended March 31, 2019. Starting in the fiscal year ended March 31, 2025, the scope of these targets is being narrowed to industrial water usage and industrial waste, with goals set for the fiscal year ending March 31, 2031 and data collection underway.

As part of this, Honda has deployed tools for analyzing the progress and performance of group suppliers, deepening engagement through regular strategy and information-sharing meetings, and implementing a PDCA cycle to collaboratively achieve these targets.

Chemical Substance Management

The Company has issued the Honda Chemical Substance Management Standard, which aims to ensure that all the components that make up Honda products comply with laws and regulations as well as to reduce their impact on the global environment and ecosystem. Honda asks suppliers around the world to establish a structure for managing chemical substances that meets the standard and to guarantee that the components they supply satisfy the standard. The Company also uses an industry standard management system for specific data on chemicals contained in components, which are evaluated prior to commencing mass production.

Performance in reducing the environmental impact
Index of CO₂ emissions/water use/waste and related materials generation per million yen



* Scope of data: all consolidated tier 1 suppliers in Japan

Category	FYE March 31, 2020	FYE March 31, 2021	FYE March 31, 2022	FYE March 31, 2023	FYE March 31, 2024	FYE March 31, 2025
CO ₂ (t/millions of yen)	0.95	1.03	0.93	0.86	0.62	0.35
Water (m ³ /millions of yen)	8.19	8.91	10.51	10.16	9.17	8.38
Waste (t/millions of yen)	0.53	0.55	0.38	0.37	0.38	0.35

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Human Rights Initiatives

Honda has adopted the Honda Human Rights Declaration and promotes respect for human rights throughout its corporate activities. As part of the initiatives, the Company shares the Honda Supplier Sustainability Guidelines with its suppliers, which cover international human rights issues such as the prohibition of child labor, forced labor, and human trafficking, and the guarantee of a living wage, and confirms the status of their efforts through ESG surveys and other means.

Honda also conducts detailed assessments of suppliers' human rights-related efforts through ESG surveys utilizing third-party organizations. The surveys are based on the following items to check the implementation status and evidence, identify risks, and examine measures to address them.

- Health and safety and working conditions of associates (working hours, health management, safety in the work environment)
- Social dialogue, career management, and providing educational opportunities
- Prohibition of child labor, forced labor, and human trafficking
- Ensuring diversity, equality, and inclusiveness (status of implementation of DE&I policies)
- Respect for human rights among external stakeholders (communities, business partners)

Additionally, Honda uses a supply chain mapping tool based on data mining to identify and mitigate human rights risks in the supply chain.

Due Diligence

As social demands for sustainability increase, companies are required to conduct supplier due diligence not only to reduce environmental impact but also to address human rights. Legislation for supplier due diligence has also been implemented.

In the mobility field, as the electrification of vehicles progresses, there is a need to address environmental and human rights risks, particularly for batteries, and ensuring sustainable procurement has become an important issue.

In light of these social demands and regulatory trends, Honda is strengthening cooperation with relevant internal divisions and primary suppliers to promote transparency throughout the supply chain and responsible procurement.

To make these efforts more effective, the purchasing divisions are taking the lead in promoting environmental and human rights due diligence in the upstream of the supply chain with our target suppliers.

Honda's Approach ➡ p. 74

Establishing a Hotline to Receive Suggestions and Consultation Requests from Suppliers

Honda has established the Business Ethics Kaizen Proposal Line (➡ p. 200) to accept suggestions and requests for consultation from all suppliers from a fair and neutral standpoint.

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Basic Approach to Logistics

Honda is also actively working in the field of logistics toward the realization of a sustainable society. The Company aims to reduce environmental impact and improve transportation efficiency by positioning the following three pillars as its vision and guiding its activities accordingly.

Energy-efficient logistics:

aim to achieve carbon neutrality by 2050

Highly efficient logistics:

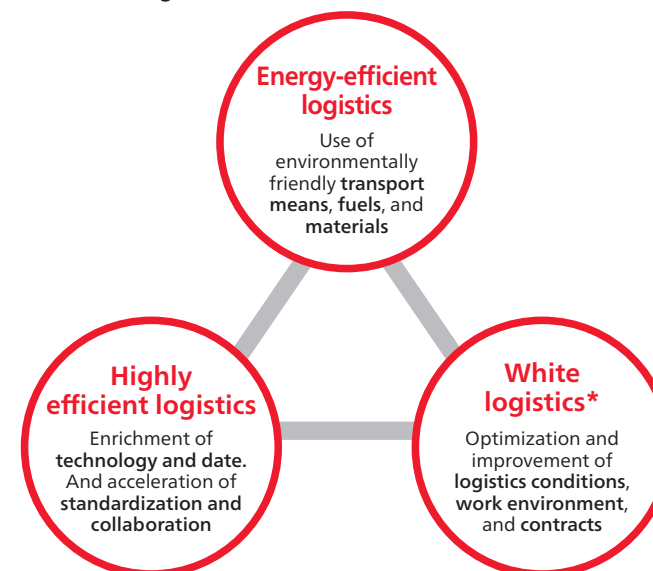
continuously improve logistics efficiency to address the driver shortage

White logistics*:

strengthen shipper responsibility and work on a driver-friendly work environment

These three pillars are in a triadic, mutually reinforcing relationship, as improved transportation efficiency leads to energy-efficient logistics, and improved labor environment supports stable and efficient transportation. Under this vision, Honda will accelerate the creation of a sustainable logistics model that both reduces environmental impact, and stabilizes and improves the efficiency of its logistics network.

Honda's Vision for Logistics



* White logistics: Sustainable logistics

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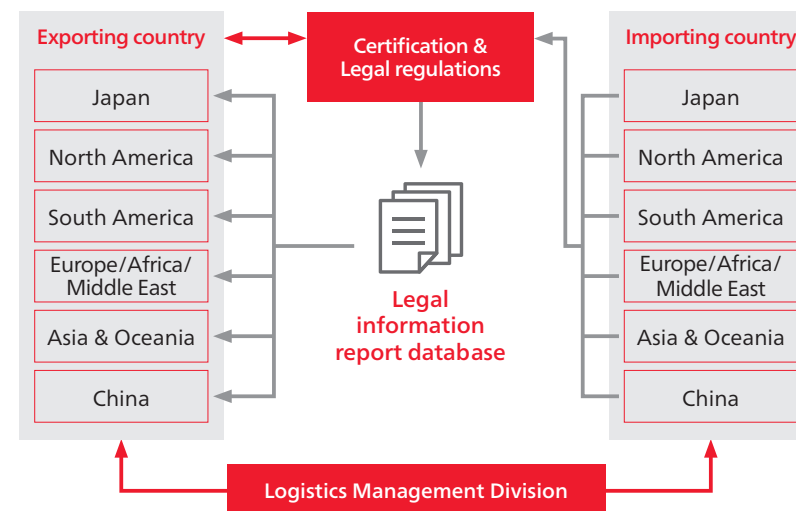
Initiatives to Strengthen Governance

Honda transports products and components in compliance with logistics-related laws and regulations that vary by country, as well as rules established by relevant international organizations. To ensure this, Honda believes it is necessary to consistently obtain accurate information on logistics-related laws and regulations globally.

Specifically, the Certification & Legal regulations Division works together with the logistics division to regularly monitor trends in each country and international organizations and assess the impact of newly issued regulations on Honda. Based on these assessments, the detailed content of the regulations is communicated to relevant divisions through an internal database. Before the enforcement of the regulations, Honda works in cooperation with its overseas bases and logistics partners to implement appropriate countermeasures and strives to maintain its governance.

In addition, Honda regularly monitors geopolitical risks (natural disasters, strikes, and conflicts) and international conditions (trade friction, diplomatic policies, and internal and external fluctuations in cargo volume) across regions and countries, sharing this information globally. In the event of actual or anticipated risks, Honda issues timely alerts and collaborates with overseas bases and logistics partners to promptly establish alternative transportation routes, thereby minimizing such risks.

Integrated management framework for legal information



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* Sustainable Aviation Fuel: fuel produced from sustainable resources such as waste cooking oil and biomass instead of conventional oil refining

Logistics Initiatives

Progress in Fuel Cell Truck Demonstrations

Honda has started demonstration tests of fuel cell trucks starting in 2024 to clarify the operability and marketability of fuel cell heavy-duty trucks, with the aim of realizing a carbon neutral society. Fuel cell trucks are expected to be the next generation of transportation since they do not emit CO₂, are lightweight and compact, and are capable of transporting volume over long distances while maintaining sufficient load capacity.

Honda is currently running fuel cell truck demonstrations in the U.S. and China, as well as joint development with Isuzu Motors Limited in Japan. The Company aims to introduce fuel cell trucks to the market in 2027 after verifying the technology through demonstration tests.

In addition, through the practical application of fuel cell technology, Honda will promote the reduction of CO₂ emissions and sustainable energy use in society, thereby supporting the transition to a carbon-neutral society.



Commercial truck for the U.S. (market)



Demonstration test under various conditions with commercial truck for Chinese (market) (e.g., test in cold climates)

Completed technical verification on public roads by the end of 2024 and proceeded to driving of monitor truck

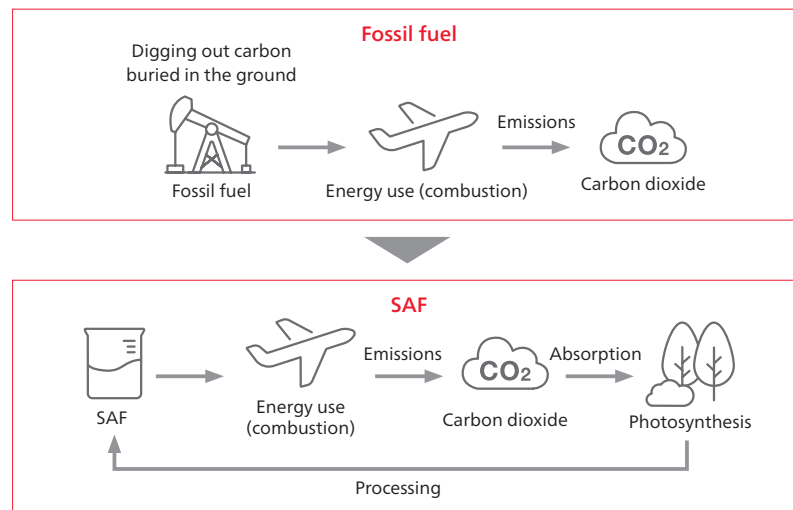


Test vehicle in joint research with Isuzu Motors Limited

Promotion of SAF* Utilization in Air Transportation

In October 2024, Honda signed a basic transaction agreement with Nippon Express Co., Ltd. for the SAF program to participate in the Tokyo Metropolitan Government's SAF Utilization Promotion Project. Through this initiative, Honda contributed to reducing approximately 20 tons of CO₂ emissions between Japan and North America.

To reduce the share of air transportation emissions, which account for 15% of Honda's total CO₂ emissions in the Japan region, the Company is working to reduce CO₂ emissions by promoting air transportation using SAF, a low-carbon and sustainable fuel-based transportation option.



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Logistics Initiatives

Expansion of Modal Shift

Honda is accelerating the modal shift by switching to rail and ship transportation, which have a smaller environmental impact, mainly for components and automobiles requiring long-distance transportation.

In the transportation of components, Honda has switched from truck to rail for battery-related components used in light commercial EVs launched last year, transporting them from the Kanto region to the Chubu region. This initiative is expected to eliminate approximately 400 14-ton truck shipments per year and reduce CO₂ emissions by 74.5%.

In the transportation of automobiles, where the shortage of transportation



Rail Transportation of EV Battery-Related Components



capacity of dedicated carrier trucks has become an industry-wide challenge, Honda implemented its first rail transportation in March 2024, operating between Nagoya Cargo Terminal Station and Minami-Matsumoto Station. Compared to truck transportation, this initiative reduces CO₂ emissions by approximately 30 tons per year and achieves logistics that help mitigate long working hours for drivers.

Looking ahead to the full-scale arrival of the EV era, Honda will optimize its logistics processes, including the proactive expansion of modal shifts, to further reduce environmental impact and ease the burden on drivers.



Rail Transportation of Finished Automobiles Using Containers



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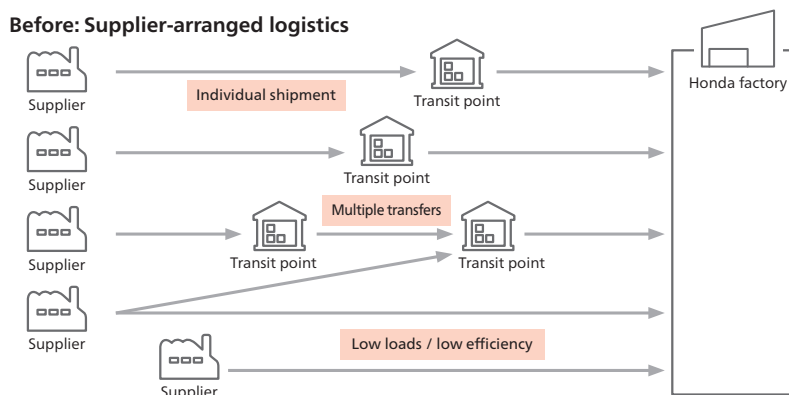
* Milk-run: A method in which components required by the manufacturer are collected from each supplier on a circular route.

Logistics Initiatives

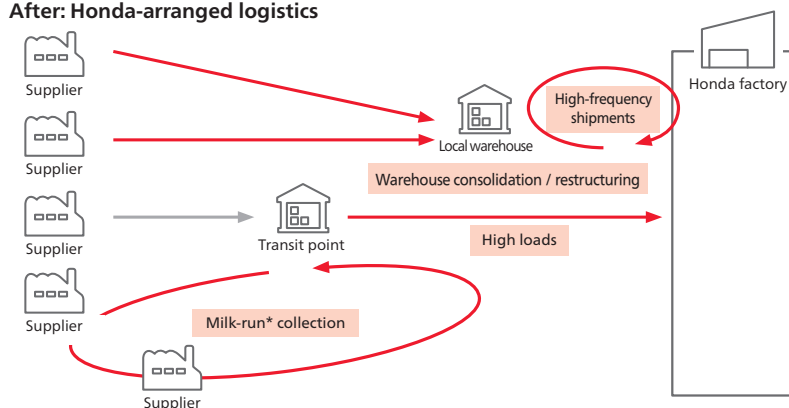
Initiatives to Transform Procurement Logistics into "Honda-managed logistics"

Honda is shifting the logistics of components delivered from suppliers to Honda's factories from the conventional supplier-arranged transportation to Honda-arranged transportation. By consolidating shipment volumes as the shipper and promoting logistics efficiency from the perspective of overall optimization, Honda accelerates efforts to reduce environmental impact and address social issues. Last fiscal year, the Company switched to Honda-arranged logistics in the Tohoku region, achieving 19% reduction in truck shipments and 24% reduction in CO₂ emissions.

Before: Supplier-arranged logistics



After: Honda-arranged logistics



[Legend] → Honda-arranged logistics → Supplier-arranged logistics

Initiatives for Optimizing Logistics and Improving Productivity

Honda made a Voluntary Action Declaration for White Logistics in 2019 and has since been continuously working to improve logistics productivity.

In addressing the 2024 logistics issue, Honda undertook initiatives based on the Voluntary Action Plan for Optimizing Distribution and Improving Productivity announced by the Japan Automobile Manufacturers Association (JAMA) in December 2023. These included identifying the actual conditions of truck waiting and loading/unloading times, clarifying compensation for transportation and handling, and conducting interviews to understand issues faced by logistics companies.

Furthermore, following the promulgation of two new logistics laws in May 2024 (the Act on Advancement of Integration and Streamlining of Distribution Business and the Motor Truck Transportation Business Act), Honda has begun developing internal structure required by laws and regulations and formulating a medium-term plan to further enhance logistics efficiency.

Honda will continue to work with logistics partners and suppliers to improve the efficiency of logistics throughout the supply chain and to create a comfortable working environment for drivers, loading/unloading staff, and other logistics personnel, in response to social demands including relevant laws and regulations.

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Integrated Supply Chain Initiatives

Engagement with Suppliers

Sustainability Policy Briefing

With social demands in the ESG area further increasing, Honda has been holding ESG policy briefings since the fiscal year ended March 31, 2022 for key suppliers accounting for more than 80% of total purchases. Due to the COVID-19 pandemic, the briefings in the fiscal year ended March 31, 2022 and the fiscal year ended March 31, 2023 were conducted via video streaming, but in the fiscal year ended March 31, 2025, Honda held an in-person Sustainability Policy Briefing for approximately 320 suppliers in Japan. At the event, Honda presented its CO₂ emission reduction targets, data management and evaluation systems, resource recycling, sustainable logistics, and ESG resilience evaluations by third-party evaluation organizations.



Sustainability Policy Briefing



Implementation of ESG Measures Sharing Meetings

Furthermore, Honda has started regular information-sharing meetings with group suppliers beginning in March 2024.

In the fiscal year ended March 31, 2025, through four sessions, Honda is strengthening the overall capabilities of the Honda Group by communicating the direction of ESG activities and sharing the status of initiatives between Honda and suppliers through interactive exchanges.



Policy sharing meeting

Collaboration with Industry Groups and Suppliers

Honda participates in four working groups established by the Automotive Industry Action Group (AIAG) to strengthen sustainability in the supply chain: the Responsible Materials working group, the Human Rights and Trade working group, the Greenhouse Gas working group and the Chemical Management working group.

AIAG has offered supplier training and encourages participation in training sessions on corporate ethics, environmental regulations, the working environment, human rights and other topics for tier 1 and sub-tier suppliers in North America since 2012.

In addition, Honda participates in AIAG's Corporate Responsibility Steering Committee and Drive Sustainability* to proactively identify issues, needs and trends in and outside the automobile industry.

In North America, e-learning programs using computer-based training (CBT) are also provided for suppliers to facilitate their understanding of sustainability, on sustainability themes including the environment, export control, social responsibility, safety and health, diversity, governance, compliance and ethics.

Awards for Suppliers

Honda also regularly holds conferences around the world to share with suppliers the direction of its business and the details of its initiatives. At the regional conferences, Honda presented Supplier Awards to recognize those suppliers who have achieved outstanding results in each aspect of QCDDE and others.

In Japan, Honda has held an annual conference since 1974. Senior management from about 300 suppliers attended the conference in March 2025, which was held in person. At the conference, Honda communicated company-wide policies and measures for working with suppliers for the future. Since the fiscal year ended March 31, 2018, the Company has been presenting the Sustainability Award to suppliers for their outstanding efforts in all areas of ESG.

In North America, Honda presents the Sustainability Award to suppliers who have made the greatest contributions in areas such as compliance, safety and health, community contribution activities, the environment, diversity and human rights.

* A newly launched partnership to promote sustainability in the automotive industry

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Basic Approach

Honda's Social Contribution Activities

Since its founding, Honda has provided society and customers with a variety of joys by creating quality products and technologies. In the 1960s, while the Company was still in a period of early growth, Honda began to launch philanthropic initiatives designed to strengthen ties with local communities, based on its idea that a company must be rooted in and integrated with the local community.

Currently, Honda undertakes various social contribution activities in the seven regions in which the Company conducts operations worldwide, aiming to share joy with people all around the world and to be a company society wants to exist. Honda also strives to support initiatives that reflect local circumstances in its corporate activities. Honda will continue to pursue various social contribution activities while communicating with customers and residents in the communities.

Basic Approach to Social Contribution Activities

In 1998, Honda devised the Philosophical Basis and Principles of the Honda Philanthropy for its social contribution activities. Thereafter, in 2006, the Company formulated its Global Policy for Social Contribution Activities to unify the direction of global activities with the aim of creating a society full of dreams for tomorrow.

Since revising the Policy in 2018 in response to a changing environment, Honda has been engaging in activities to realize its 2030 Vision to “serve people worldwide with the joy of expanding their life’s potential.”

Based on its Fundamental Beliefs of “Respect for the Individual” and “The Three Joys,” Honda will accelerate the proactive efforts of each associate on a global scale to enrich the lives of people around the world and share the joy of their lives.

Global Policy for Social Contribution Activities

Corporate Philosophy

Honda will proactively exercise its initiatives in social contribution, founded on the fundamental principles of “Respect for the Individual” and the “Three Joys,” to support Honda’s universal passion: to improve the quality of people’s daily lives.

Objective

Honda will aspire to become “a company that society wants to exist,” and will contribute to the realization of a sustainable society, by serving people worldwide with the joy of expanding their life’s potential through its social contribution activities.

Activity Policy

- Honda will earn social acceptance by creating empathy and trust through active community engagement and by being a good corporate citizen.
- Honda will use its resources and workforce to contribute to society from a global point of view, while maintaining the importance of each region.
- Honda will promote and facilitate maximum associate participation in, and passion for, social contribution activities.

Field of Activities

- Supporting Our Youth for the Future
- Protecting the Global Environment
- Promoting Traffic Safety
- Addressing Local Community Needs



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Honda's Global System for Social Contribution Activities

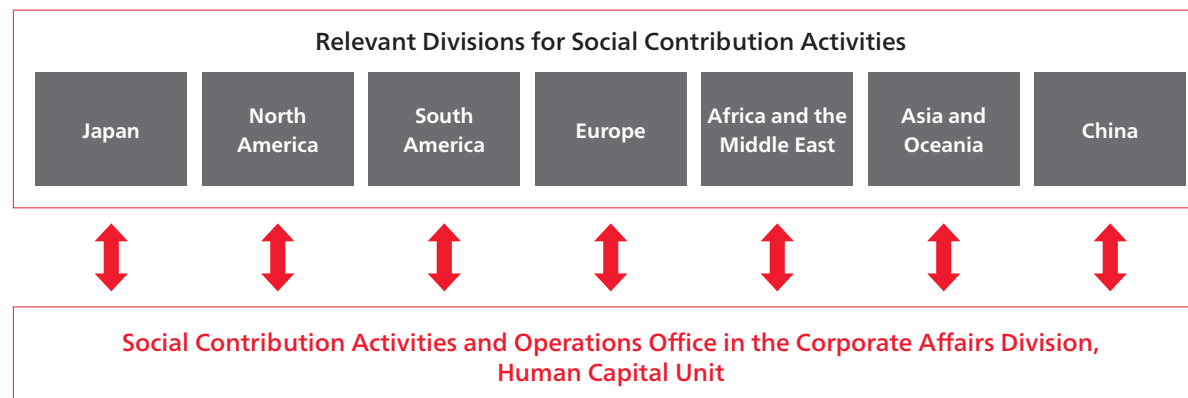
Honda's social contribution activities are centered on four core policies: supporting our youth for the future; protecting the global environment; promoting traffic safety; and addressing local community needs. Based on these policies, the entire Honda Group engages in activities that recognize the value of its bonds with local communities.

Honda pursues a variety of activities in seven regions of the world, taking maximum advantage of its resources in line with its Global Policy for Social Contribution Activities.

To strengthen Honda's global networks, the Social Contribution Activities and Operations Office in the Corporate Affairs Division, Human Capital Unit, gathers activity data from across the seven regions, and shares activity policies.

Going forward, the Honda Group intends to fulfill its responsibilities as a good corporate citizen; to this end, the Group will continue its efforts to create future societies "That are full of Dreams" and promote a wide range of activities hand-in-hand with local residents through globally unified efforts.

Honda's Global System for Social Contribution Activities



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Initiatives for Social Contribution Activities

Summary of the Activities in the Fiscal Year Ended March 31, 2025

Our social contribution activities are tailored to local circumstances in accordance with its Global Policy for Social Contribution Activities, with the aim of creating future societies “That are full of Dreams”.

Toward the realization of our vision of “zero environmental impact society” and “a collision-free society,” we have been working globally to nurture mindsets that respect the environment as well as prevent accidents through safety awareness activities focused on people.

This report provides representative examples of our activities undertaken in each region, including those mentioned above.

Japan

Honda Beach Clean-up Project Conducted by the Honda Group Throughout Japan

In 2006, we launched the Honda Beach Clean-up Project, which was based on our desire to ensure that the next generation will be able to experience the joy of walking barefoot on sandy beaches.

The project utilizes the Beach Cleaner, which can clean the beach without damaging the beach ecosystem. We originally developed the cleaner based on our desire to use Honda’s technologies to find a solution to clean the trash that ends up washed ashore.

In 2024, we conducted the activity at 25 locations throughout Japan (23 prefectures) and collected 24 tons of trash. As a technological evolution to support this activity, the Honda Mobile Power Pack 4W-Vehicle Concept, a small electric mobility vehicle, was introduced on a trial basis as a tow vehicle for beach cleaners to verify the reduction of environmental impact.

Originally initiated by our associates and former associates, the project has now expanded its circle of cooperation to include the entire Honda Group as a whole and local residents across the country, with more than 7,000 participants per year. To date, the project has been conducted 454 times on beaches throughout Japan, and the total amount of trash collected has reached approximately 567 tons.

Protecting the Global Environment



Sandy beach Clean-up activity by Honda’s small electric mobility vehicle



Participants picking up litter by hand

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North America

Honda Group in North America Assisted Hurricane and Tornado Victims

Our Group in the United States donated a total of USD 600,000 to the American Red Cross to support areas affected by hurricanes in North Carolina and tornadoes in Ohio in 2024.

Additionally, in North Carolina, we donated 40 generators to the American Red Cross and 700 educational engineering kits to local museums. North Carolina-based Honda Aircraft Company also supported the transportation of humanitarian relief supplies to the affected areas using HondaJet.

In Ohio, we donated USD 250,000 to local organization United Way, and our associates engaged in support activities such as cleanup efforts in affected areas, visiting impacted households to distribute daily necessities, and providing relief information.

Our Group in the United States also empowers associates’ disaster relief efforts. In 2024, it contributed over USD 45,000 through matching gifts and volunteer grants.

Addressing Local Community Needs



Associate volunteers conducting relief activities in disaster-affected areas

South America

Education Program for Next Generation in Argentina, “Pioneers on the Move”

At Honda Motor de Argentina S.A., a production base for motorcycles, the educational program “Pioneers on the Move” has been implemented since 2013, targeting children aged 6 to 11 to foster future societies “That are full of Dreams.”

The program features four heroes (Traffic Girl, Super Eco, Solidarity Captain, and Super Smarty) symbolizing our field of social contribution activities, offering leisure-pedagogical contents for children. To date, 23,157 children, teachers, and others have participated in the program through in-person and virtual formats.

In recent years, efforts to promote traffic safety have been particularly strengthened. In 2024, the civic association Luchemos por la Vida awarded Honda in the corporate social responsibility category for its contributions to raising traffic safety awareness and preventing traffic accidents.

Supporting Our Youth for the Future



Children who participated in the program

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Europe

Educational Programs in Italy in Collaboration with an Educational Institution

Honda Italia Industriale S.P.A. has been collaborating with Istituti Tecnologici Superiori (ITS) since 2015 to provide students with educational programs based on its expertise.

This program aims to develop students into readily employable professionals by combining learning in principles, theories, and methodologies with best practices and experiences accumulated by the company.

Initially, the initiative offered only a basic program for students in the post-diploma mechatronics and logistics and supply chain courses. Since 2021, an advanced program for mechanical engineering university students has been launched, covering manufacturing operations, new model development, industrial automation, and sustainability.

In 2024, the program was provided to 60 students from ITS and mechanical engineering universities, with a cumulative total of over 400 students having participated.

Supporting Our Youth for the Future



Students listening to lectures by associates

Africa and the Middle East

Traffic Safety Driving Training for Motorcyclists in Kenya

Honda Motorcycle Kenya conducts safe riding training to enhance motorcycle riders' traffic safety awareness and riding skills. The two-day training program includes classroom sessions on the first day, focusing on understanding the basic principles and importance of safe riding, such as traffic rules, riding posture, and road signs.

On the second day, practical training is conducted, including cornering, emergency braking, obstacle avoidance, and hazard anticipation exercises to address changes in traffic conditions during riding.

In addition to riding skills and knowledge, the training covers motorcycle maintenance methods, the importance of regular inspections, and how to handle distractions while riding. At the end of the session, a group discussion allows participants to share their experiences and insights gained from the training. In 2024, the program was held with 10 organizations, including local companies, and 345 participants attended.

Promoting Traffic Safety



Participants attending the classroom session of the safe riding training

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Asia and Oceania

Donation of Helmets to Children in Vietnam

Promoting Traffic Safety

In Vietnam, where traffic volume has increased with economic growth, motorcycles are used by citizens for commuting to work, school, and business. Thus, countless motorcycles are on the road especially during peak hours in the morning and evening. Also, with the number of automobiles owned starting to increase in recent years, traffic safety has become one of the major social issues.

Honda Vietnam Co., Ltd. (HVN), in cooperation with the National Traffic Safety Committee, the Ministry of Education and Training of Vietnam, donated more than 1.7 million qualified helmets to first-grade students nationwide In the fiscal year ended March 31, 2025, aiming to raise awareness of wearing qualified helmets among children. In addition, events were held at Honda Authorized Dealers to improve the knowledge of traffic safety for children and their parents.

This activity has been ongoing since 2015, with a cumulative total of approximately 10.1 million helmets donated to date. The initiative aims to form habits of wearing qualified helmets in Vietnamese motorcycle riders, with the goal of achieving a ratio of 100% wearing qualified helmets.



Children receiving donated helmets

China

Long-term Tree-planting Activities in Inner Mongolia Autonomous Region Undergoing Serious Desertification

Protecting the Global Environment

Our Group in China has continued afforestation activities since 2008 in Inner Mongolia Autonomous Region, where severe desertification has progressed due to factors such as rapid population growth and overgrazing.

Under the theme “Creating a Green Future Together,” this initiative aims to increase forest area, prevent water and soil loss, and improve the local ecological environment. In 2024, the program marked its 17th year.

The fourth phase (2023–2027) plans to afforest approximately 3.33 million square meters over five years, with around 70,000 saplings planted in 2024.

To date, a total of 65 million CNY has been invested, with approximately 2.07 million saplings planted and a greened area exceeding 15.66 million square meters.

Through this long-term effort, land once affected by desertification has transformed into lush greenery, functioning as a “green barrier” that contributes to the region’s sustainable development.



Area of tree-planting activities In the fiscal year ended March 31, 2025



Current view of the area where the trees were planted 17 years ago

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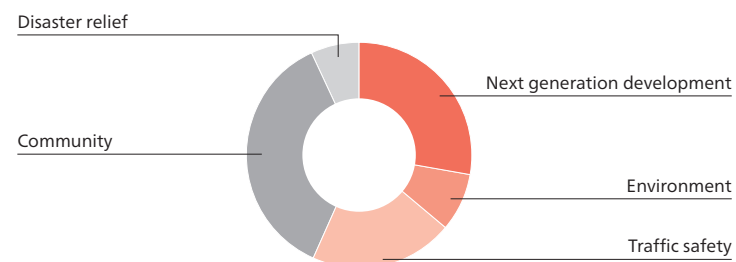
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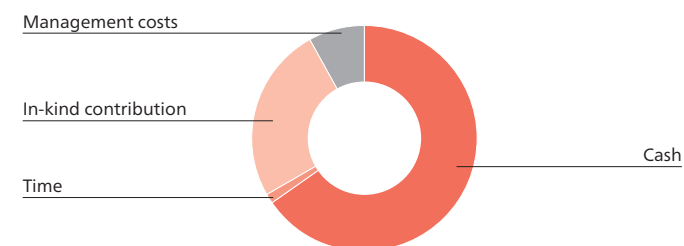
Expenditure related to social contribution activities
(FY Ended March 31, 2025)

	Expenditure (million yen)
Next generation development	3,626
Environment	1,070
Traffic safety	2,684
Community	4,732
Disaster relief	878
Total	12,990



Breakdown by form of contribution
(FY Ended March 31, 2025)

	Expenditure (million yen)
Cash	8,483
Time	211
In-kind contribution	3,270
Management costs	1,026
Total	12,990



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Basic Approach

A Society Where Everyone Can Enjoy Freedom of Mobility with Total Peace of Mind

For many people, mobility is essential for a better quality of life. Mobility, including motorcycles and automobiles, plays an important role in people's lives as tools for work and as social infrastructure. Meanwhile, recent technological advancements in online services make life without physical movement increasingly feasible.

However, Honda believes people's desire for mobility remains unchanged under these circumstances. This is because the joy of expanding one's range of activities, guided by curiosity and experiencing the real world with all five senses, is a natural part of life from childhood. A secure society for all people is always essential for this joy to flourish, and "Safety" a crucial element in achieving this.

Honda's slogan, "Safety for Everyone," reflects our commitment to pursuing safety personalized to each individual and the idea that improving the safety of each member of society will ultimately enhance overall social safety.

Historically, Honda has pioneered new technologies in the world regardless of whether society demands it or not, setting higher targets beyond regulatory requirements and creating what did not exist.

While restricting people's mobility could enhance their safety, it is not the kind of society Honda envisions. To promote the joy and freedom of mobility for all people, Honda will continue to actively pursue safety measures, as part of its social responsibility.

Honda Environmental and Safety Vision

Realizing the joy and freedom of mobility and a sustainable society where people can enjoy life.

Global Safety Slogan

Safety for Everyone

Honda wants to build a collision-free society where not only drivers and riders but everyone sharing the road can safely and confidently enjoy the freedom of mobility

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*1 Source: "WHO Global Status Report
on Road Safety 2023"

*2 Traffic collision involving Honda
motorcycles and automobiles (rider,
driver and passengers), as well as
pedestrians and bicycles as other
involved parties (excluding
intentional violation of traffic rules
with malicious intent and cases of
willful incapacitated status due to use
of alcohol, drugs, or other substances)

*3 Halve the number of traffic collision
fatalities per 10,000 vehicles involving
Honda motorcycles and automobiles
worldwide in 2030 compared to 2020

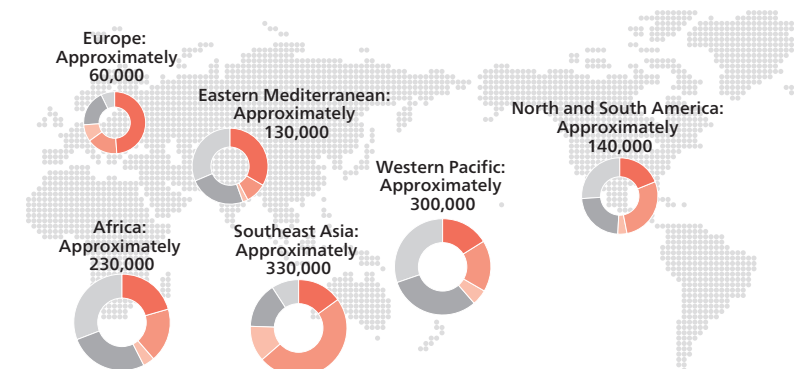
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Environment Recognition

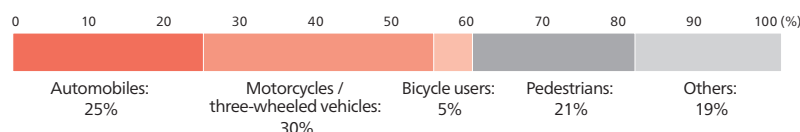
Global road traffic fatality remains a serious issue, with approximately 1.19 million annually. Breaking down the fatalities by road user type, automobiles account for about 25%, motorcycles and three-wheeled vehicles about 30%, bicycle users about 5%, and pedestrians about 21%. Regionally, Southeast Asia accounts for about 28% and Africa about 19%, highlighting the crucial need to address the safety of vulnerable road users such as motorcyclists and pedestrians in emerging countries*1.

Eliminating traffic fatalities is a societal responsibility for mobility manufacturers. Honda, as the company selling the largest number of motorcycles, is particularly committed to spearheading safety initiatives for all road users, including motorcyclists.

Global Traffic Accident Statistics (WHO)



Global Traffic Fatalities by Road User Type

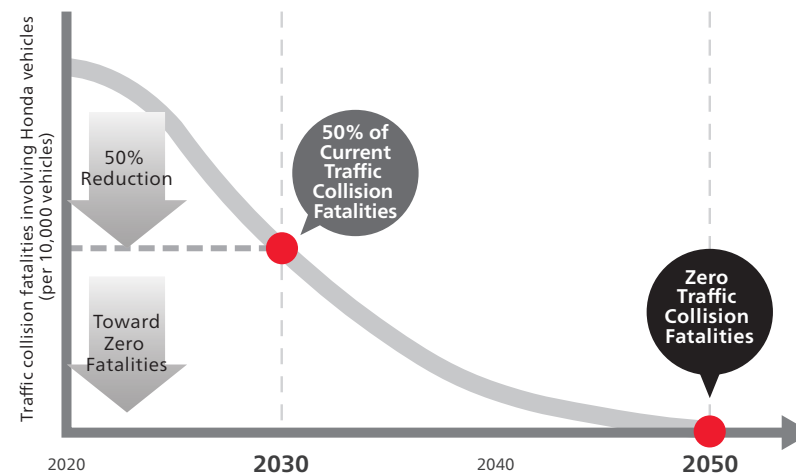


Approach

Honda's Vision

Honda aims for zero traffic collision fatalities involving Honda motorcycles and automobiles*2 globally by 2050. As a milestone, Honda targets reducing world-wide traffic fatalities involving its vehicles halving by 2030 compared to 2020 levels*3. This includes not only new vehicles but all registered Honda motorcycles and automobiles on the market.

Honda Safety Goals Scenario toward the Realization of "Zero Traffic Collision Fatalities" by 2050



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Approach

Honda's Vision

Honda has set “achieving a society with zero traffic collisions” as one of its important non-financial issues. As a key goal indicator (KGI) for tracking progress, we have adopted “traffic fatalities involving Honda automobiles in Japan and the United States” and are advancing efforts toward achieving the quantitative target (not disclosed).

The focus is on these two countries due to the limited availability of OEM-specific traffic collision data in other countries. The reason for limiting the scope to automobiles is the lack of traffic collision data for certain types of motorcycles. However, Honda’s safety efforts are not limited to these regions nor to vehicle types. Within Honda, the number of traffic collision fatalities involving its motorcycles and automobiles in each country is also estimated, and countermeasures are developed accordingly. On the other hand, accurate data, including traffic collision fatalities, is essential for planning countermeasures. Since acquiring these data is a significant challenge, Honda has communicated its importance to international organizations, national agencies, and industry stakeholders, and is working to encourage them to address it.

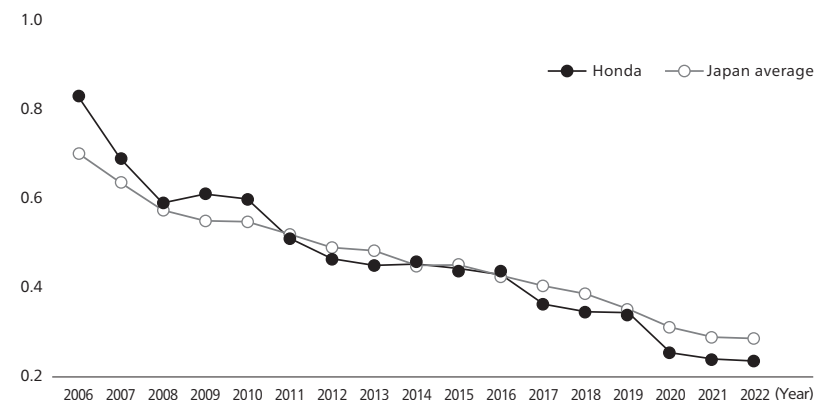
Metrics and Indicator

Management Indicator (KGI)	Category	Target	
		Fiscal Year Ending March 31, 2026	Fiscal Year Ending March 31, 2031
Traffic fatalities involving automobiles in Japan and the United States	Consolidated	(Unpublished)	

Achievements

Trends in Fatality Rates Involving Automobiles per 10,000 Registered Vehicles in Japan

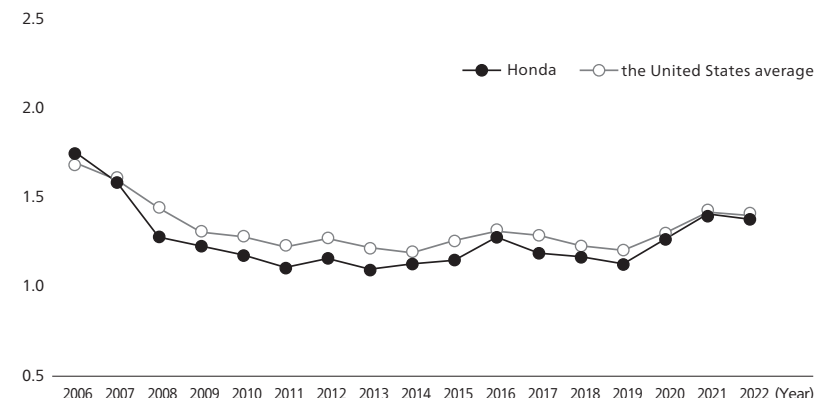
Fatality Rate (per 10,000 vehicles)



Source: Honda’s analysis based on the Institute for Traffic Accident Research and Data Analysis (ITARDA). Japan average is based on annual traffic statistics for automobiles and motorized bicycles.

Trends in Fatality Rates Involving Automobiles per 10,000 Registered Vehicles in the United States

Fatality Rate (per 10,000 vehicles)



Source: Honda’s analysis based on NHTSA Fatality Analysis Reporting System (FARS) data. The United States average is based on the Fatality Rate per 100,000 Registered Vehicles of the Traffic Safety Facts (TSF).

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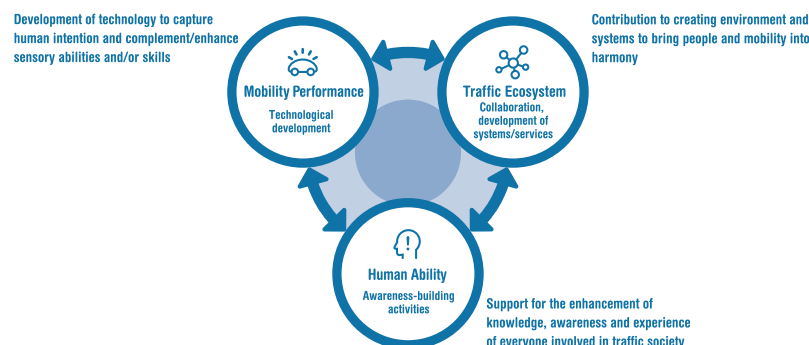
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Approach

Approach Toward the Vision

Honda is addressing various factors leading to collisions by evolving and combining “Human Ability (awareness-building activities),” “Mobility Performance (technological development),” and “Traffic Ecosystem (collaboration, development of systems/services).” —collectively referred to as the three elements of safety. These measures align with the “Safe System Approach” recently recommended by the United Nations to various countries, which is to promote safety measures with technologies and activities in various areas in response to a single collision case. Additionally, these three elements of safety are established as material issues that Honda must address.

Honda's Three Elements of Safety



Toward 2030

Honda recognizes the need to reduce fatal collisions involving motorcycles in emerging countries as a major challenge toward 2030. To address this issue, Honda will actively develop instructor training programs, corporate training at Traffic Education Centers*, and schools for individuals in “Human Ability (awareness-building activities).” In “Mobility Performance (technological development),” for motorcycles, Honda will expand the application of advanced braking systems such as “ABS” and “CBS (Combined Braking System)” as well as lights with high visibility for both riders and other road users. For automobiles, Honda will actively promote the functional evolution and widespread use of advanced driver-assistance systems (ADAS), such as “Honda SENSING” with a motorcycle detection function in

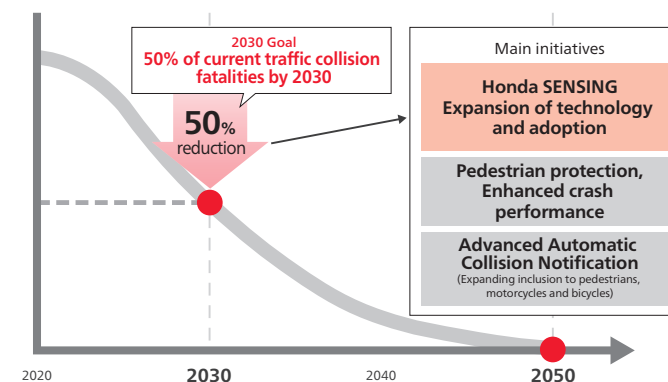
* Honda facilities where internal and external traffic safety instructors are trained and driving safety education is provided to corporations, schools and individual customers.

emerging countries and “Honda SENSING 360” in developed countries, tailored to the local realities of each region.

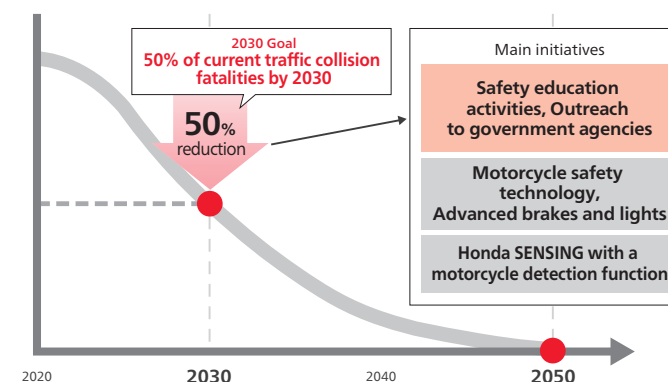
In “Traffic Ecosystem (collaboration, development of systems/services),” we are strengthening our collaboration with international organizations such as the United Nations in relation to traffic safety. We will support safety policies such as institutional reform, awareness-building and infrastructure development by providing the knowledge and know-how cultivated through Honda’s long-standing safety activities to countries around the world, with a focus on emerging countries, through such organizations.

Scenario for Halving the Number of Traffic Collision Fatalities by 2030

Developed countries - Automobiles



Emerging countries - Motorcycles



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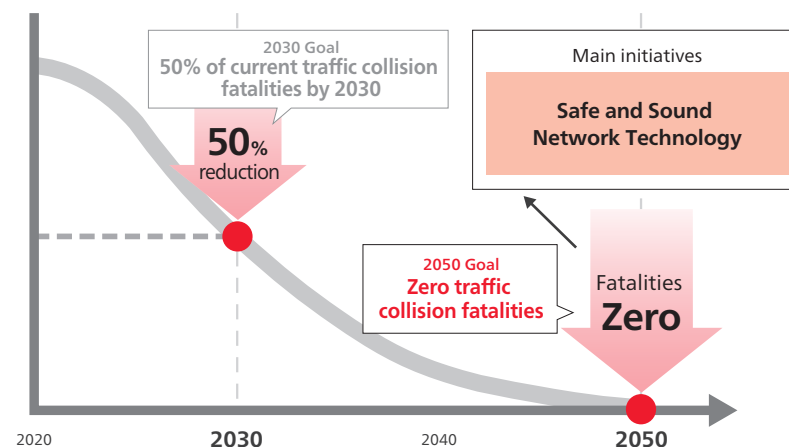
Approach Toward the Vision

Toward 2050

A major challenge for the year 2050 is to reduce traffic collision fatalities among pedestrians, bicyclists, and motorcycle riders, those considered as vulnerable road users worldwide. To address this challenge, Honda will accelerate the efforts of the “Traffic Ecosystem (collaboration, development of systems/services).” Specifically, we will promote research and development relating to “Safe and Sound Network Technology” and standardization of technologies for social implementation.

“Safe and Sound Network Technology” is a technology that provides information through telecommunications to help people prepare for and respond to the risks of collision before they occur.

Scenario toward the Realization of “Zero Traffic Collision Fatalities” by 2050



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List of Metrics and Targets

List of Company-wide Targets for Safety (KGI/KPI)

Important Theme	Materiality	Management Indicators	Category	Target	
				Fiscal Year Ending March 31, 2026	Fiscal Year Ending March 31, 2031
Realization of Zero Traffic Collision Society	<ul style="list-style-type: none"> Development of technology to capture and complement human intention Safety education and awareness activities Building a traffic ecosystem 	KGI	Traffic fatalities involving automobiles in Japan and the United States	Consolidated	(Unpublished)
		KPI	Advanced Safety Equipment Application Rate	Automobiles in developed countries*1 Honda SENSING 360	100%
				Automobiles in emerging countries*2 Honda SENSING	(Unpublished) 100%
				Motorcycles in emerging countries*3 Advanced Braking (ABS/CBS)	100%

*1 Japan, the United States, China, and Europe

*2 Representative measurement countries: India, Indonesia, Malaysia, Thailand, and Brazil

*3 Representative measurement countries: India, Indonesia, Vietnam, Thailand, and Brazil

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Global Management

Process for Implementing Initiatives

Honda develops effective measures based on the three elements of safety for each region, constructs traffic collision reduction scenarios, manages the progress of these measures, and monitors the number of fatalities. This process includes early analysis of potential collisions due to changes in road environments and the introduction of new mobility options. When identifying issues that may occur in multiple regions, Honda addresses them as global common challenges and promptly considers countermeasures to further advance the three elements of safety.

Information sharing and discussions between regions are conducted at the Global Safety Representative Meeting, which consists of safety representatives from each region. The PDCA (plan-do-check-act) cycle of measures, including management indicators (KGI, KPI), is conducted at the Safety Strategy Committee (a cross-departmental task force), where safety strategies are discussed and aligned with Business Operations. Important matters raised are reported to the Executive Council, where discussions are held by management members.

Traffic collision reduction scenarios are regularly updated through these initiatives.

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*1 Fédération Internationale de l'Automobile

*2 The scope of Honda operations evaluated by FIA this time is limited to operations related to motorcycle and automobile production and sales in Japan

External Evaluations

Third-Party Evaluations

Activities in the Fiscal Year Ended March 31, 2025

Honda became the first company in the automotive industry to receive the highest ranking of "3 stars," as part of the FIA*1 Road Safety Index, set forth by the FIA to enable businesses and organizations to measure their road safety footprint.

The FIA Road Safety (RS) Index is a new tool designed to enable companies and organizations to visualize and measure the impact of their operations on road safety and achieve more sustainable road traffic. The Index provides comprehensive assessment and evaluation of the safety footprint of each company/organization based on various factors such as their road safety goals, commitment, and the number of traffic collision fatalities and injuries across their entire value chain.

The FIA RS Index system contains two ratings: 1) the "supply chain rating," which covers a broad range of corporate activities from procurement of raw materials to development and production of products, and customer delivery of the products, and 2) the "product/service rating," which evaluates the safety aspects of products/services.



Honda became the first company in the automotive industry to undergo audits for both ratings and received the highest rating, 3 stars*2, in both ratings.

Honda is striving to reduce the number of traffic collision fatalities involving Honda motorcycles and automobiles worldwide by 50% by 2030, then to achieve zero traffic collision fatalities by 2050. Becoming the first automaker to receive 3 stars as part of the FIA RS Index represents Honda's strong commitment to the pursuit of road safety. Safety initiatives Honda has been conducting based on its long-term safety strategy were highly evaluated, as well as the fact that Honda has been tracking the number of traffic collision fatalities and serious injuries across its value chain, by age and by type of road user, as its road safety footprint.

Honda will continue to actively participate in safety initiatives promoted by such international organizations and contribute to solving the issues of the mobility society.



Award ceremony for the "Challenge 2030: Achieving the Global Road Safety Goals," where Honda's winning "3 stars" was announced

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Human Ability: Awareness-Building Activities

Basic Approach

The cornerstone of traffic safety is “human.” Since the establishment of the Traffic Safety Promotion Operations in 1970, Honda has been actively involved in traffic safety awareness building activities targeting not only riders and drivers but also everyone sharing the road, from children to the elderly. These activities are based on the principles of “passing safety education from person to person” to enable more people to empathize with and understand safety, and “providing participatory hands-on education” to effectively deepen understanding by experiencing potential hazards in a safety environment. They are designed to improve human abilities, not only in driving skills and cognitive judgment ability but also in aspects such as empathy and consideration for others. Furthermore, based on these principles, Honda will use digital tools and generative AI to evolve these activities into “safety education customized for each individual” that is tailored to each person’s awareness, abilities, experience level, and physical capabilities.

Approach

As of March 2025, Honda is actively developing instructor training, corporate training at its Traffic Education Centers, and schools for individuals in 43 countries and regions worldwide, including Japan. In March 2025, a Traffic Education Center was opened in Korea. Additionally, Honda collaborates with local businesses, schools, and Honda dealerships to provide programs tailored to all age groups, from children to the elderly, at various locations. In the fiscal year ended March 31, 2025, approximately 4.4 million people attended our educational programs. Moving forward, we will aim to further expand such educational opportunities to support everyone sharing the road.

Countries and regions engaged in traffic safety activities



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Human Ability: Awareness-Building Activities

Initiatives

Strengthening Activities of Traffic Education Centers in Asia Oceania Region

Honda is involved in a variety of activities in areas where serious traffic collisions occur frequently, and the Traffic Education Centers are one of the core components of these activities.

To enhance engagement level of its activities, the Traffic Education Centers strive to improve instructors' safe driving techniques and instruction skills, and one of its efforts is the annually held Asia Oceania Safety Instructor Competition. At the event held in January, 2025, participants from eight countries and regions joined the competition.

The competition is designed not only to improve the riding/driving skills of instructors, but also to enhance their ability to provide practical guidance to customers, and the sharing of effective measures and activities by participants from various countries leads to the improvement of future activities and motivation.



Presentation by competition participants



Evaluation of instructors' driving skills by the judges

Utilizing DSP Technology Used at Traffic Education Centers in Japan for Solutions that Contribute to Traffic Safety in Emerging Countries

Currently, Honda has developed the "Driving Style Proposal (DSP)" technology and uses it in safe driving programs at the Suzuka Circuit Traffic Education Center in Japan. The DSP system analyzes driving behavior, vehicle behavior, and other data, and visualizes driving habits to encourage drivers to become aware of their driving habits and change their behavior. From now on, a function will be added to this system that will allow users to review their own driving behavior on a user website that can also be viewed from smartphones, as a follow-up to the training. The system will also be introduced at Honda's other Traffic Education Centers. The Company is also considering using the system as a solution to contribute to traffic safety in emerging countries in the future.



Data comparison of "Self-evaluation" by drivers and "Objective Evaluation" by the evaluation system

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Human Ability: Awareness-Building Activities

Initiatives

Conducting Safe Driving Training in Collaboration with Other Companies to Prevent Collisions

Since most motorcycle collisions involve automobiles, Honda is promoting initiatives to deepen the understanding of motorcycles among automobile drivers. As part of this effort, in 2024, Honda collaborated with the Toyota Motor Corporation to conduct safe driving training for the public. Instructors from both companies worked together to teach drivers how to prevent collisions between motorcycles and automobiles. Honda will continue to strengthen cooperation with other companies to reduce the number of collisions involving motorcycles and automobiles.

Offering the “Honda Driver Coaching” App to Advance Young Drivers’ Safety Awareness and Skill

Since approximately one-third of traffic fatalities in the U.S. involve drivers under the age of 25, Honda is working to raise safety awareness among teenage drivers. In 2023, Honda released a mobile app called “Honda Driver Coaching” in the U.S., which helps young drivers learn safe driving through driving diagnostics and real-time tips and feedback. In January 2025, new features were added to the app to remind drivers to fasten their seatbelts and to ensure they follow the speed limit.



Development and Utilization of a Simulator to Promote Understanding of Glaucoma, a Common Condition Among the Elderly

In Japan, where the population is aging, Honda is developing a training program for the elderly as well as a simulator that can simulate the vision of glaucoma patients. Glaucoma causes visual field impairment and increases the risk of collisions while driving. In 2024, Honda collaborated with Paris Miki, a chain of eyewear specialty stores, to hold hands-on events to experience this simulator for visitors to Paris Miki stores. In March 2025, a movie using this simulator was shown at 612 Paris Miki stores and Honda automobile dealers nationwide to promote awareness of the symptoms of glaucoma to a wider audience.



Movie using the simulator to simulate the vision of a glaucoma patient (vision of a person without visual field impairment)



Movie using the simulator to simulate the vision of a glaucoma patient (vision of a glaucoma patient)

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*1 Japan, The United States, China, and Europe

*2 Representative measurement countries: India, Indonesia, Malaysia, Thailand, and Brazil

*3 Representative measurement countries: India, Indonesia, Vietnam, Thailand, and Brazil

*4 Difference in the survey results of the number of traffic collision fatalities and injuries per the number of registered vehicles between N-BOX models equipped with Honda SENSING and those without Autonomous Emergency Braking (AEB). Based on data from the Institute for Traffic Accident Research and Data Analysis, analyzed by Honda

Mobility Performance: Technological Development

Basic Approach

To further elevate the safety of mobility, Honda believes that integrated performance that complements or expands human capabilities is necessary. Such capabilities include protecting the human body, avoiding collisions, and detecting and sharing driver intentions among vehicles and others.

Approach

Moving forward, Honda will particularly focus on enhancing collision safety performance and expanding the evolution and application of advanced driver-assistance systems (ADAS) for automobiles. For motorcycles, Honda will expand the application of advanced braking systems such as “ABS” and “CBS”, as well as lights with high visibility for both riders and other road users. To track the progress of these initiatives, Honda has defined key performance indicators (KPIs) for advanced safety equipment application rates such as of “Honda SENSING 360” for automobiles in developed countries*1, “Honda SENSING” for automobiles in emerging countries*2, and advanced braking systems (ABS/CBS) for motorcycles in emerging countries*3 so as to set target to ensure steady progress.

Metrics and Targets / Achievements

Management Indicator (KPI)	Category	Target Fiscal Year Ending March 31, 2031
Advanced Safety Equipment Application Rate	Automobiles in developed countries*1 Honda SENSING 360	100%
	Automobiles in emerging countries*2 Honda SENSING	100%
	Motorcycles in emerging countries*3 Advanced Braking (ABS/CBS)	100%

In the fiscal year ended March 31, 2025, the application rate of “Honda SENSING / Honda SENSING360” for automobiles in developed countries was 96% (“Honda SENSING”: 95%, “Honda SENSING360”: 1%). The application rate of “Honda SENSING” for automobiles in emerging countries was 61%, and that of advanced braking (“ABS”/“CBS”) for motorcycles in emerging countries reached 88%.

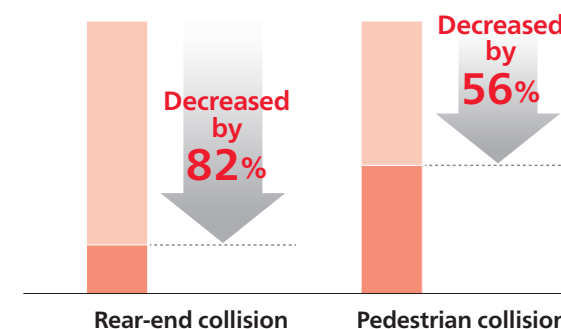
Initiatives

Honda SENSING: Expanding to Emerging Markets for Further Adoption

“Honda SENSING”, which has been offered since 2014, is a system that primarily senses the front of the vehicle, detecting pedestrians and other objects to support safe and comfortable driving and collision avoidance. In Japan, the mini-vehicle “N-BOX” equipped with “Honda SENSING” has shown 82% reduction in rear-end collisions and 56% reduction in pedestrian collisions*4, showcasing the substantial effectiveness of this innovative technology in collision prevention.

To reduce the number of motorcycle traffic collision fatalities, Honda is gradually rolling out “Honda SENSING” with a motorcycle detection function, starting with 2021 models, and aims to expand this equipment to all automobile models worldwide by the fiscal year ending March 31, 2031.

Collision Reduction Effect of Vehicles Equipped with Honda SENSING (N-BOX)



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Mobility Performance: Technological Development

Basic Approach

Honda SENSING 360: Aiming to Expand to All Automobile Models in Developed Countries by the Fiscal Year Ending March 31, 2031

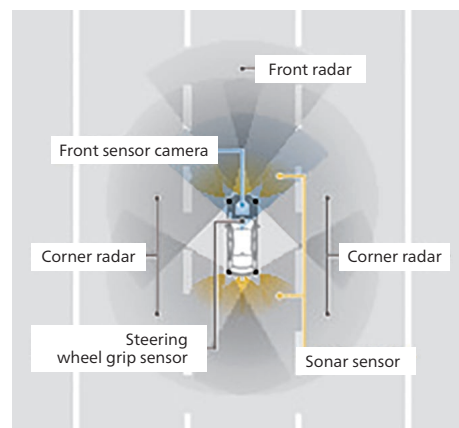
The “Honda SENSING 360” omnidirectional safety and driver-assistive system expands the sensing range of the “Honda SENSING” system to all directions, covering blind spots around the vehicle that are difficult for the driver to visually check and contributing to the avoidance of collisions with other vehicles and pedestrians as well as a reduction of the driver burden related to driving. The main features of “Honda SENSING 360” include “Collision Mitigation Braking System” for cross traffic at intersections and pedestrians crossing while turning, “Front Cross Traffic Warning”, “Cornering Speed Assist”, “Lane Change Collision Mitigation” and “Active Lane Change Assist”. These five functions were first introduced in the “CR-V,” which was released in China in 2022, and have also been equipped in the “Accord,” which was released in Japan in 2024. Honda aims to expand this technology to all automobile models in developed countries by the

fiscal year ending March 31, 2031.

In addition, Honda has introduced the “Honda SENSING 360+,” which is equipped with features that further reduce the driver burden. The Company plans to launch automobiles equipped with new technologies. These include “Advanced in Lane Driving with Hands-off Capability” and “Active Lane Change Recommendation” to reduce the burden of driving. “Driver Emergency Support System” which assists deceleration and stopping of the vehicle within the same lane if the driver is unresponsive to the system’s requests.

“Exit Warning” which detects vehicles approaching from the rear while vehicle is parked and assists occupants to recognize an approaching vehicle, and “Predictive Curve Departure Warning.”

Honda SENSING 360



Omnidirectional sensing covers angles around the vehicle that are difficult to see, helping to avoid collisions with other vehicles and pedestrians and to reduce the driver’s burden.



ACCORD model with Honda SENSING 360 (Japan)

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* One level of automated driving defined by the Japanese government (based on SAE definitions). At Level 3 of automation, the system monitors the driving environment surrounding the vehicle and takes over driving operations under certain conditions. When any of operable driving environment conditions become unsatisfactory, the system will issue a warning, and the driver must take over the driving immediately

Mobility Performance: Technological Development

Basic Approach

Honda SENSING Elite: Aiming for Zero Human Error When Driving

“Honda SENSING Elite” is a system that incorporates “Traffic Jam Pilot” function. Traffic Jam Pilot is qualified as Level 3 automated driving* (conditional automated driving in limited area). Honda has received type designation for Level 3 automated driving from the Japanese Ministry of Land, Infrastructure, Transport and Tourism for the first time in the world in 2020. Traffic Jam Pilot technology enables the automated driving system to drive the vehicle under certain conditions, instead of the driver, such as when the vehicle is in congested traffic on an expressway.

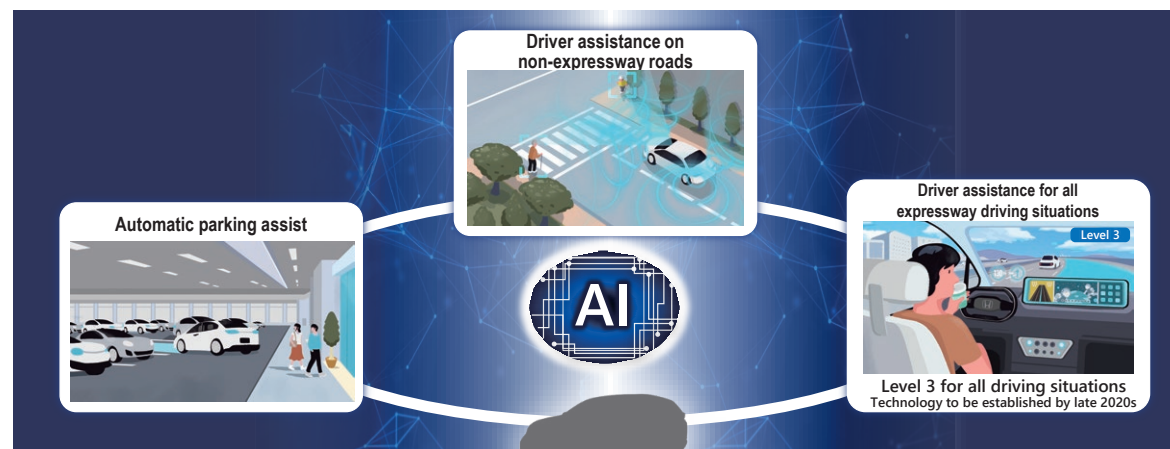
Further development of new technologies for the next evolution of “Honda SENSING Elite” is underway.

The application of AI, which “grows” while accumulating experiences much like humans, enables the system to increase its capability to recognize complex situations and handle more complex driving environments such as on non-expressways.

This will assist the driver on non-expressways including a hands-off function while driving through a traffic jam on arterial roads, and enable hands-off functions during merging onto and exiting from an expressway at a road junction

This will assist the driver achieve a safe and seamless ride from home to their destination with complete peace of mind on any roads including non-expressways.

Advancement of Honda SENSING Elite



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Mobility Performance: Technological Development

Third-Party Evaluations

Activities in the Fiscal Year Ended March 31, 2025

Many of Honda’s models have received the highest safety ratings in third-party evaluations in various regions.

Results of key third-party evaluations for automobiles (tests conducted in the fiscal year ended March 31, 2025)

Country/Region	Third-party evaluation		Models	Number of vehicles*4
United States	IIHS*1 (U.S. models only)	2025 IIHS TOP SAFETY PICK+	Civic Hatchback 2025 / Accord 2025 / HR-V 2025	3/5
		2025 IIHS TOP SAFETY PICK	Pilot 2025 / Civic Sedan 2025 / Acura MDX 2025 / Integra 2025	4/6
	U.S. NCAP*2	5★	Prologue 2024 / CR-V Hybrid 2024 / CR-V 2024 / HR-V 2024 / Accord 2023 / Accord Hybrid 2023 / Acura ZDX 2024	7/7
Europe	EURO-NCAP	5★	CR-V with safety pack 2024	1/2
China	C-NCAP	5★	Inspire 2024	1/1
	C-IASI*3	GGG	Accord 2023 / Inspire 2023	2/2

- *1 IIHS: Insurance Institute for Highway Safety

The organization conducts automobile assessments to test and evaluate the safety performance of various cars. IIHS only awards TOP SAFETYPICK and TOP SAFETYPICK+ to vehicles that achieved excellent test results.
- *2 NCAP: New Car Assessment Program

This is a program that tests and evaluates the safety performance of automobiles and is performed by public organizations in various regions. Testing and evaluation methods are different in each region. Ratings range from 0★ to 5★ (5★+ is the highest rating in some regions).
- *3 C-IASI: China Insurance Automotive Safety Index

This tests and assesses the safety performance of automobiles using the four grades of G (Good), A (Acceptable), M (Marginal) and P (Poor). GGG means that the company received three “G” (Good) ratings in each evaluation category.
- *4 Number of vehicles that received the highest rank / number of vehicles that received a rating

Results of key third-party evaluations for motorcycles (tests conducted in the fiscal year ended March 31, 2025)

Country/Region	Third-party evaluation		Models	Number of vehicles
Malaysia	MyMAP*	5★	RS-X 2024 / CBR150R 2024 / VARIO 160 2024 / ADV160 2024	4/6

* MyMAP: Malaysia Motorcycle Assessment Program



Civic Hatchback



RS-X

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Traffic Ecosystem: Collaboration, Development of Systems/Services

Basic Approach

The traffic ecosystem is a dynamic concept where people and mobility interact to create a seamless flow of traffic. Traffic conditions are ever-changing due to factors like weather changes including heavy snowfall, tourist season congestion, and rush hour jams. Honda believes that to prevent collisions in these varying conditions, it is necessary to develop initiatives that enable smooth interactions among everyone sharing the road, considering their movements and circumstances.

Approach

In the future, ensuring the safety of everyone sharing the road, including vulnerable road users like pedestrians, cyclists, and motorcyclists, will become increasingly important.

For this reason, in “Traffic Ecosystem (collaboration, development of systems/services)”, we are strengthening our collaboration with international organizations such as the United Nations in relation to traffic safety, toward the year 2030.

We will support safety policies such as institutional reform, awareness-building and infrastructure development by providing the knowledge and know-how cultivated through Honda’s long-standing safety activities to countries around the world, with a focus on emerging countries, through such organizations.

Toward 2050, Honda will further enhance its connected technologies developed over the years and focus on Safe and Sound Network Technology.

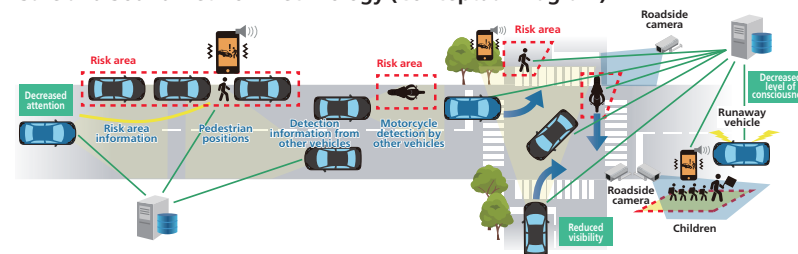
This technology assesses drivers’ risks, such as decreased concentration, and detects early signs of collisions. The risks detected are then communicated to surrounding road users, helping them prepare and respond before risks materialize.

This approach allows everyone sharing the road to pay attention to each other’s movements, take coordinated actions, and prevent collisions before they occur.

Honda envisions a society where everyone can enjoy freedom of mobility, driven by both safety and a sense of warmth and humanity that inspires movement.

To create such a society, rather than relying on technology without human interaction, Honda aims to foster safety driven by people’s own will. By enhancing the inherent mutual respect among everyone sharing the road and encouraging their cooperation through technology, Honda aspires to create a safer society. Honda will continue to work based on this concept in its research and development of the Safe and Sound Network Technology.

Safe and Sound Network Technology (Conceptual Diagram)



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Traffic Ecosystem: Collaboration, Development of Systems/Services

Initiatives

Honda Partners with United Nations Road Safety Fund (UNRSF) to Work Toward Reduction of Fatalities from Traffic Collisions

In November 2024, Honda became the first automobile manufacturer to partner with the United Nations Road Safety Fund (UNRSF) to contribute to global initiatives to reduce fatalities from traffic collisions.

By combining the knowledge and know-how Honda has amassed through its long history of developing safety technologies and promoting safe driving/riding with the global network of the UNRSF, Honda and UNRSF will support traffic collision analysis and the road safety policies of various countries. Honda and UNRSF have made emerging nations, particularly in Asia, as a focus area.

Regarding the traffic collision analysis in each country, to enhance the effectiveness of initiatives taken to reduce traffic collision fatalities, Honda and UNRSF will strive to establish a system for understanding the actual situations of traffic collisions and monitoring the effectiveness of road safety measures in each country. In emerging countries, there is a lack of data necessary for the analysis of traffic collisions, making it difficult to analyze the causes of such incidents. To

address this issue, Honda and UNRSF will clarify the types of data that should be collected and encourage each country to gather such data. Moreover, monitoring of the effects of road safety measures will be strengthened to enhance the practical effectiveness of the measures.

For the support for road safety policies in each country, Honda and UNRSF will provide aid for emerging countries, particularly in Asia. This will include advocating for legislation of appropriate speed limits, mandatory protective gear (helmets, seat belt use) and licensing systems, as well as assisting in strengthening the enforcement of traffic rules, proposing infrastructure improvements, and enhancing road safety awareness activities.

Furthermore, Honda will donate a total of US\$3 million to the UNRSF over five years from 2025 to 2030 for the Honda-UNRSF collaboration in road safety initiatives.



Announced the commitment in two areas: traffic collision analysis and support for road safety policies at the UNRSF High-Level Pledging Forum* in February 2025

* A concurrent event of the 4th Global Ministerial Conference on Road Safety held from February 18 through 20, 2025 in Marrakech, Morocco

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Traffic Ecosystem: Collaboration, Development of Systems/Services

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Research and Development of Core Elements for Safe and Sound Network Technology

The Safe and Sound Network Technology consists of three core elements: "Understanding Human Characteristics," "Prediction and Anticipation," and "Synlogue-based Communication." Currently, research and development are progressing in each of these areas.

Understanding Human Characteristics

By using technologies such as vital sensing to monitor the driver's condition in real-time, the impact on driving behavior is statistically analyzed, and specific risk factors are systematically identified.

Prediction and Anticipation

Utilizing Digital Twin technology and comprehensive risk assessment algorithms, predictions and forecasts of traffic collisions are made.

Synlogue-based Communication

This technology promotes the understanding of latent risks so that everyone sharing the road can prepare before collisions occur.

Honda is also developing a "Multi-Agent Traffic Simulator" to verify safety technologies by constructing a realistic traffic environment as a virtual space.

The Safe and Sound Network Technology should be validated not only for specific traffic collision scenarios, but also for everyone sharing the road who may be affected by such collisions, taking into account their conditions and the constantly changing traffic situation. This simulator enables such comprehensive verification.

Multi-Agent Traffic Simulator



Simulator equipment



Screen viewed from the rider



Screen of simulation

Demonstration of Value Provision for Safe and Sound Lifestyles

Honda believes that the Safe and Sound Network Technology not only contributes to a safe mobility society but also provides various values to people through cooperation with local governments and other companies.

For this reason, Honda participated in the Smart City AiCT in Aizu Wakamatsu City, Fukushima Prefecture in 2023 to test the social acceptability under the theme of "healthcare" utilizing the core element of "Understanding Human Characteristics" in the Safe and Sound Network Technology.

In this demonstration test, a wearable device was utilized to provide cautions to citizens via a smartphone application based on their sleeping hours and other lifestyle data, and then again to provide advice based on actual driving data. Honda will continue to enhance the value of the service and verify its usefulness so that this technology can be widely utilized for citizens.

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Demonstration Experiments through Industry-Government Academia Collaboration for Smooth Social Implementation

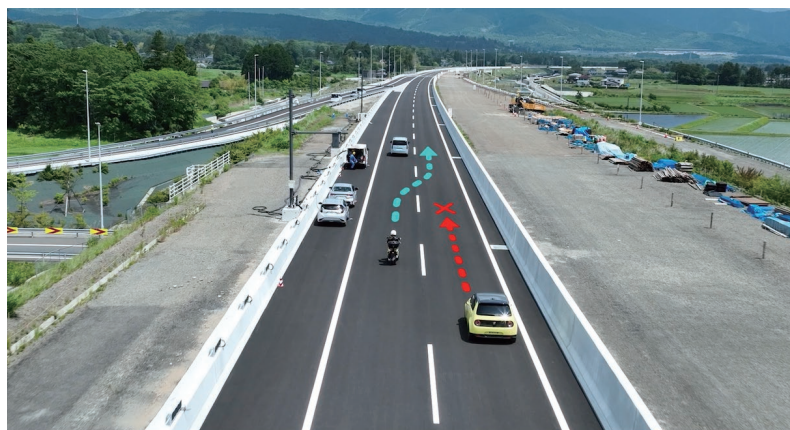
In 2023, Honda participated in the “Cross-ministerial Strategic Innovation Promotion Program (SIP) Phase 3/Building a Smart Mobility Platform/Research and Development of Support for Preemptive Prevention of Traffic Accidents Through Proactive Risk Notification.” This initiative includes planning use-case verification to study support measures needed to prevent traffic collisions and ensure the safety of vulnerable road users.

Furthermore, in June 2024, Honda began a collaboration with SoftBank Corporation and participated in the project titled the “Cooperative Vehicle-

Infrastructure for the Autonomous Driving Era on Expressways.” This initiative, conducted by Central Nippon Expressway Company Limited, took place on a section of the Shin-Tomei Expressway currently under construction, and carried out use-case verification.

Honda is accelerating industry- and public-private sector-led efforts to bring the Safe and Sound Network Technology to market in the late 2020s and globally deploy it to expand starting from 2030.

Road-vehicle coordination demonstration experiment for the autonomous driving era on expressway



Notify both motorcycle and automobile connected vehicles of collision risk information and encourage them to take action to avoid collisions before they happen.

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Basic Approach

Aiming to Bring Reassurance and Satisfaction to Customers

“We have to aim for 120% product quality, since even a 1% rejection is unacceptable.” These words of founder Soichiro Honda define the Company’s fundamental approach to quality, or more specifically, what it means to strive to be a company society wants to exist. It is also the identity of Honda, which has always strived to create products that exceed the expectations of customers.

Adhering to these objectives, Honda’s commitment is to strengthen customer trust by offering products founded on safety and an outstanding level of quality. To this end, Honda has created the Honda Quality Cycle (➡ p. 173), which works continuously on quality enhancement and improvement, encompassing every stage in the process – from planning, development, production, and sales to after-sales service.

In order to realize the Fundamental Beliefs of “Respect for the Individual” and “The Three Joys” (The joy of Buying, The Joy of Selling, The Joy of Creating), Honda has set being “No.1 in customer satisfaction in all points of contact” as a primary objective of its activities. Honda works in collaboration with dealers to improve customer satisfaction at every stage, from sales to after-market service, so that customers can use its products safely and enjoy a high level of satisfaction for a long time.

Achieving an Outstanding Level of Quality

Over the years, Honda has implemented a variety of dynamic activities aimed at achieving an outstanding level of quality in its products.

Meanwhile, the industry is heading toward an unprecedented turning point concerning responses to factors of environment, safety, and intelligence.

Honda will accelerate powertrain electrification to achieve carbon neutrality as well as introduction of driver-assistance technologies for the realization of a zero traffic collision society. Furthermore, Honda is now working to create new value through open innovation by teaming up with other companies, including many from different industries, to address the challenge of creating new forms of mobility that incorporate the Internet of Things (IoT).

Moving ahead, Honda aims to reduce problems at all points of customer contact in step with innovations in mobility and lifestyle, in addition to ensuring the quality levels of its products and services provided to customers. Through this pursuit of quality in each domain, Honda is evolving its activities to achieve an outstanding level of quality along the way.

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Global Management

Quality Management System and Quality Enhancement Promotion System

Global Honda Quality Standard (G-HQS) Aimed at Increasing Quality of Honda Brand Products and Services

As Honda's production expands globally, alongside its parts and materials sourcing, maintaining a globally shared quality management system is essential to ensure that all facilities continue to remain consistent in generating 120% product quality. Established in April 2005, G-HQS serves as the foundation of this system.

Based on the Honda Quality Cycle, G-HQS is a set of fundamental standards supporting quality assurance and improvement activities in all sections. The aim is to improve the quality of Honda brand products manufactured and sold around the world as well as the services offered globally. G-HQS is also, in part, utilized as a means to reliably implement and certify process-based quality assurance focusing on rules, which has recently grown in importance following changes in laws, regulations, and the business environment.

In accordance with the Honda Quality Cycle, to enhance and improve quality, Honda clearly defines the roles and responsibilities between global and regional functions in such areas as planning/development, production, sales/service, and quality. With G-HQS, the goals and requirements integral to quality assurance activities for each function are stipulated by the Global Management Division. In line with local characteristics, the means for achieving these goals and requirements are specified by each operation base. This approach enhances the awareness of quality improvement and leads to the personal growth of local associates. The operational status of G-HQS within each operation base is confirmed by the Global Management Division on a regular basis to enhance quality improvement activities as a concerted effort alongside facilities.

Based on ISO 9001* criteria to which Honda production facilities in Japan and around the world have been certified, G-HQS represents the accumulation of knowledge that Honda has gathered independently to improve quality and prevent issues from recurring. As such, conforming to G-HQS is compatible with conforming to ISO certification standards.

As of February 28, 2025, 56 of the 61 Honda production facilities had acquired ISO 9001 certification.

* ISO 9001: An international quality control and quality assurance standard set by the International Organization for Standardization (ISO).

Global Meeting Structure

In order to ensure the strengthening of quality under this quality management system, Honda sets challenges based on quality targets established in company-wide policy, which are then modified to reflect those faced in different regions for which specific countermeasures are formulated. Regular Global Quality-related Meetings allow for this initiative to be managed and for information sharing to take place.

Regarding customer service, Honda has devised an action policy that is focused on each customer, via which value is created through service and the joy of continuing to use Honda products is prioritized. Those individuals responsible for quality-focused departments, from the headquarters down to the regions, hold joint Aftersales Business Meetings to share this policy and any other measures globally. Any productive measures and initiatives established within these meetings are set as global benchmark levels to enable the provision of higher-quality services on-site.

Global meeting structure

Meeting structure	Business	Meeting name	Times/year
Quality related	Motorcycle/Power products	Regional Quality Conference	1
	Automobile	Global Chief Inspecting Engineer Meeting	1
		Global Automobile Quality Meeting	3
Aftersales business	Automobile	Aftersales Business Meeting	2
	Power products		1



Global Automobile Quality Meeting

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Quality Control Training

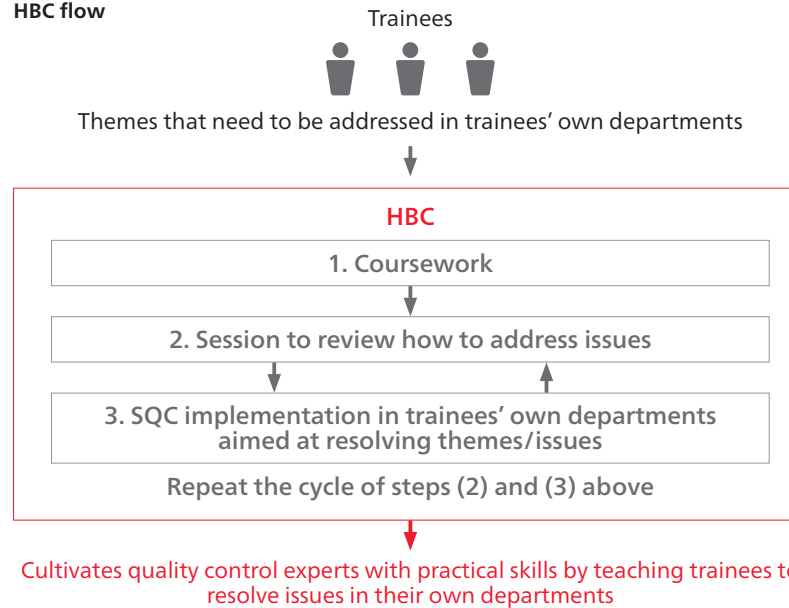
With the aim of improving the skills of associates (including those in management positions) involved in quality assurance, Honda offers quality control training based on in-house qualifications and quality control responsibility levels.

In Japan, Honda offers a training curriculum that consists of four courses divided into basic training and specialized training. As part of this curriculum, the Honda QC Basic Course (HBC) focuses on training experts in all aspects of Honda quality control and is open not only to Honda associates but also to suppliers.

Outside of Japan, the QC Junior (QC J) Course and the QC Foreman (QC F) Course are offered as basic training.

Through these training programs, we promote understanding of the purpose of quality control and the role of individuals in quality control by educating associates at each site based on G-HQS.

HBC flow



Training curriculum content

Category	Course name	Course content	Period
Basic training	QC Junior (QC J) Course	Targets associates during the six-month to one-year period after joining Honda to teach the basics of quality control techniques.	1 day
	QC Foreman (QC F) Course	Targets associates engaged in production and quality duties to teach the key quality control techniques and approaches required for robust quality assurance activities.	2 days
Specialized training	Statistical Quality Control (SQC) Course	Targets the teaching of professional quality control techniques and approaches among those associates whose principal responsibility is quality control and the carrying out of quality improvement activities.	2 days
	Honda QC Basic Course (HBC)	Targets associates responsible for the core of quality control activities to teach skills that allow them to resolve difficult problems/issues with the aim of becoming quality control experts.	Total of 18 days

* SQC Course and HBC are held in Japan.

Best Quality Award

With the aim of elevating quality awareness, the Chief Officer of Quality Innovation Operations presents awards for themes that generate outstanding results in quality-related measures based on policy management. Divisions eligible for recognition include development, production, production technology, purchasing, certification, quality, parts/service, and IT.

Awards for divisions overseas were introduced in 2012, with the Chief Officer of Quality Innovation Operations presenting the awards on-site. From the fiscal year ended March 31, 2013, to the fiscal year ended March 31, 2025, visits were made to a total of 84 sites around the world to directly communicate with associates (employees).



On-site inspection and a group photo (FY ended Mar. 31, 2025)

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Quality Initiatives

Honda Quality Cycle

Honda has created the Honda Quality Cycle to provide a continuous focus on quality enhancement and improvement at every stage, encompassing planning, development, production, sales, and after-sales service.

The aim of this initiative is to apply and reflect design and development

expertise at the production preparation and production (mass production) stages. Ultimately, the goal is to achieve an outstanding level of quality by creating drawings designed to facilitate manufacturing and by developing manufacturing control techniques that limit process variability.

Honda Quality Cycle



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Quality Initiatives

Planning/Development and Production (Mass Production)

To ensure high quality, Honda conducts comprehensive quality assurance activities from the dual perspectives of planning/development and manufacturing. For example, drawings for objects that will be machine-processed include finished dimensions. However, when the same worker uses the same materials, equipment, and procedures to produce an item according to the dimensions specified on the relevant drawings as part of a given production process, small variations are inevitably found in the item's finished dimensions.

To address this complication, when designing drawings, R&D departments consider not only function and performance but also the ease of manufacture and minimization of variations. For their part, production departments implement manufacturing controls, based on the drawings, to keep variability within applicable standards and also develop production processes so that all workers can continue to achieve consistent quality levels in products.

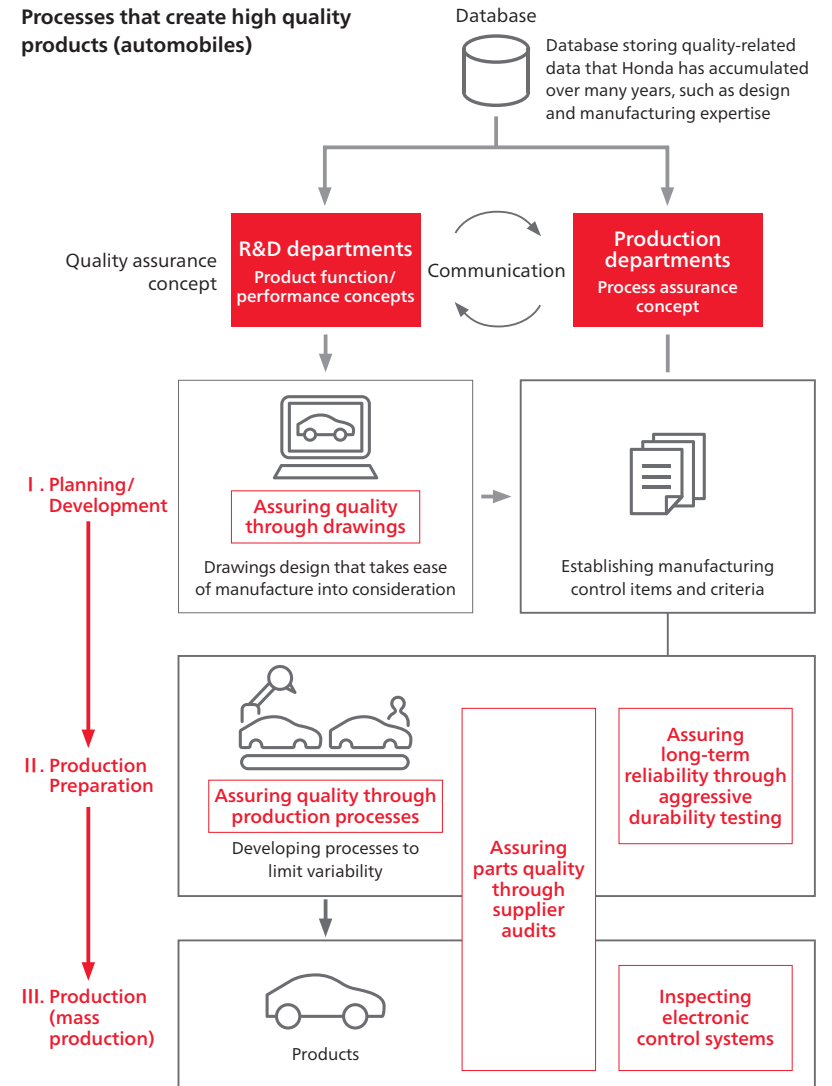
Improving Planning/Development Activities

At each stage of planning, development, production preparation, and production (mass production), Honda is working on improvement activities to reduce quality-related issues. This involves investigating any cause in the event of a major quality issue and introducing measures to prevent a recurrence.

To prevent specification-related issues, Honda identifies the impact of previously changed and changing points. Improvements are then implemented via a review committee that examines changing points and works through pending issues.

Additionally, the planning and development procedures at Honda have also been evolving. Indeed, Honda is strengthening its design review to enhance planning accuracy in the initial stages of new technology development. Furthermore, the Company has formulated evaluation conditions and standards in order to minimize deviation from the values expected by customers and society, as well as setting a sufficient verification timeframe.

Processes that create high quality products (automobiles)



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Quality Initiatives

I. Planning/Development

Assuring Quality through Drawings

Honda's R&D departments create drawings that take ease of manufacture into consideration in order to limit process variability and prevent human error during the manufacturing process. These drawings serve as the basis of Honda's quality assurance efforts.

Specifically, the R&D departments utilize a database of measures and techniques previously used to address market quality issues and other information. They communicate closely with manufacturing departments during the initial development stage, together with putting the concepts of product functionality, performance, and quality assurance in writing. These details are then shared to ensure coordination with production departments' concept of process assurance and quality assurance.

Establishment of Development Procedures with Suppliers

For many years, Honda has been committed to development based on "purchasing components with guaranteed performance," from which the Company presents its requirements to suppliers who design and test components for Honda products and also procures the components from them. Honda's R&D departments, purchasing departments, and other related departments have initiated a project to reduce critical quality issues within such components, which has included producing a manual for development based on "purchasing components with guaranteed performance." The manual is revised annually.

In the planning phase of advanced development, the technical challenges of the components to be developed are first organized. Accordingly then, the key development roles and responsibilities are determined to reflect the development experience and technical know-how of Honda and its suppliers. Essential development plan areas to focus on are then clarified, such as increasing the accuracy of Honda's requirements or taking a concrete approach toward verification.

In addition, quality assurance roles and responsibilities are clarified among Honda's departments/business sites and suppliers, based on logistics, distribution channels, and contractual agreements at the time of mass production. Areas requiring quality control in development, production preparation, and mass production are then conveyed to the relevant departments.

When a quality-related issue is found in the process of monitoring product quality defects based on the aforementioned procedures, an investigation into the cause is then conducted to ensure continuous improvement in development procedures.

II. Production Preparation

Assuring Quality through Production Processes

To prevent product quality issues, Honda's production departments establish manufacturing control items and criteria for each part, process, and operation. Engineers then use these manufacturing control items and criteria to verify manufacturing variability.

Honda's activities regarding parts procurement also cover parts materials.

Furthermore, by incorporating suggestions for enhancement from the work sites conducting actual operations and determining manufacturing control methods for each process, Honda develops processes that limit variability.

Assuring Parts Quality through Supplier Audits

Assuring the quality of procured parts is an important factor in delivering high-quality products.

Honda visits its suppliers' manufacturing facilities to conduct quality audits based on the "Three Reality Principle," which emphasizes 'going to the actual place,' 'knowing the actual situation,' and 'being realistic.'

These audit activities are conducted for both the production preparation and mass production stages of supplier operations. Experts in the development and production of individual parts visit manufacturing facilities to conduct audits of suppliers' quality assurance systems and their implementations.

Honda then works to improve part quality through activities emphasizing communication with suppliers, for example, by sharing audit results and cooperating to identify quality improvement measures.

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Assuring Reliability through Durability Testing

For new or redesigned models, Honda conducts rigorous long-distance durability testing before beginning mass production of such models to verify that no quality issues are present.

Honda also disassembles vehicles used in the test drives to verify that no parts show quality issues via a process consisting of several thousand check items. By accumulating data on the issues discovered via these test drives and detailed inspections, as well as associated countermeasures, the Company ensures a high level of quality and reliability.



Verification of parts following durability testing

III. Production (Mass Production)

Inspection of Electronic Control Systems

In recent years, the installation of electronic control systems in vehicles has increased dramatically in order to improve environmental friendliness, together with convenience and comfort. Inevitably, the implementation of efficient inspection is required to assure the quality of these systems.

To this end, Honda has installed Line End Tester (LET) – an inspection and diagnostic system developed in-house at production plants in Japan and overseas.

The LET was initially deployed to perform diagnostics of emission cleaning systems and parts in order to comply with U.S. emissions regulations. Then, in response to the recent evolution of electronic control systems, Honda extended the device's capabilities, allowing its use in the shipping quality inspection of all electronic control systems, from switches and instruments to air conditioner, audio, engine, and transmission operations. Doing so has enabled quantitative inspections through communication with electronically controlled components, which improves the accuracy and efficiency of inspections when compared to conventional methods dependent on human senses, such as smell, sight, and hearing.

To further enhance the precision and efficiency of sensory inspections, Honda is continuing to promote the quantification of shipping quality assurance for electronic control systems.



Inspection using the LET system

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IV. Sales and Service

Honda has established the Customer First Supervisory Unit to realize optimal service operations in worldwide markets. The unit has set the key objective of being “No.1 in customer satisfaction in all points of contact” based on a “customer-first” policy.

“No.1 in customer satisfaction in all points of contact” refers to the realization of an environment in which customers feel satisfied with Honda in each and every situation they come into contact with the Company, including products, dealers, and online services. In addition to fulfilling customer expectations built up through past experience and information, the unit aims to be No.1 in customer satisfaction by continuously providing exciting experiences that exceed customer expectations.

Contact points between Honda and its customers

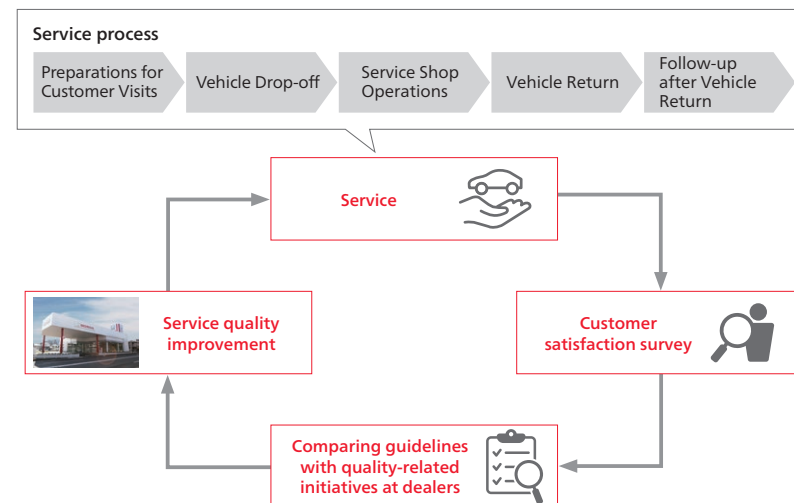


Customer Satisfaction Survey

Honda conducts a global customer satisfaction survey in relation to service operations for customers who have received service from a dealer. In the fiscal year ended March 31, 2025, the survey was conducted in 18 countries, including Japan and countries in North America, South America, Europe, Africa and the Middle East, Asia and Oceania, and China. The survey method enabled minute measurements of satisfaction for each part of the service process at a dealer, with the survey findings then used to provide guidelines for each dealer. By comparing these guidelines with other quality-related initiatives undertaken at dealers, activities are being undertaken toward better service quality at all points of customer contact by implementing a plan-do-check-act (PDCA) cycle.

In addition, once a year, Honda conducts a survey to make comparisons with manufacturers and brands considered as benchmarks in other countries. The results are then used as a reference to maintain and improve customer satisfaction at industry-leading levels. Consequently, in the fiscal year ended March 31, 2025, Honda attained top-level customer satisfaction in 15 countries*.

Improving service operations through customer satisfaction survey



* Survey by Honda as of March 2025

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Honda Customer Relations Center

Honda Customer Relations Center, which directly communicates with customers in Japan, aims to enhance the satisfaction and joy of customers who use Honda products and services.

We collaborate across the entire Honda Group to respond to various inquiries from customers.

The Center received approximately 120,000 consultations from customers in the fiscal year ended March 31, 2025.

For the convenience of its customers, we strive to enrich the information on our website and provide content that meets our customers' needs.

Valuable feedback from customers, including questions, suggestions, and requests, is fed back into the Honda Group, enabling us to make improvements and thereby enhance our corporate value.

Third-Party Evaluation

As an indicator of customer satisfaction, which is an outcome of the Honda Quality Cycle, Honda analyzes J.D. Power Initial Quality StudySM (IQS), an external evaluation, and other data to ensure the provision of high-quality products.

Honda's planning and development, production, and sales and service departments are working together to achieve the highest level of customer satisfaction.

Customer Car Life Support

Honda is providing services to support optimal car lifestyles for customers in global markets.

In Japan, for example, Honda is providing Honda Total Care as a membership service for Honda automobile users.

Members can access to the information that is useful for car maintenance and management, as well as make appointments for inspections via a dedicated Honda Total Care membership website and app. In addition, the Honda Total Care Emergency Support Center is accessible with the touch of a button in case of an emergency, as a part of the system that enhances customer convenience.

The Honda Total Care Emergency Support Center is a one-stop contact point for members facing problems, such as road collisions or vehicle breakdowns. In this manner, the service relieves members from the burden and confusion of having to undertake various correspondence with insurance companies, car dealers, and other parties. The Center is in service 24 hours a day, seven days a week, and makes smooth roadside assistance arrangements for members in need, as well as providing support for car operating instructions, among other services.

Honda has also entered into a business alliance with the Japan Automobile Federation (JAF) – a first in the automotive industry – to provide the industry's most expansive* roadside service as an optional addition. In addition, Honda has rolled out the Honda Total Care Premium connected service, starting with the all-new Fit model released in February 2020. The service includes a function that allows for making an automatic call to an operator when an airbag is deployed, as well as providing an onboard emergency call button and trouble support button. By utilizing these features to eliminate the problems drivers face, Honda provides safer and more secure automobile lifestyles.

Honda aims to ensure the industry's highest level of customer support quality by strengthening relationships with customers through these services.

* Survey by Honda as of March 2025

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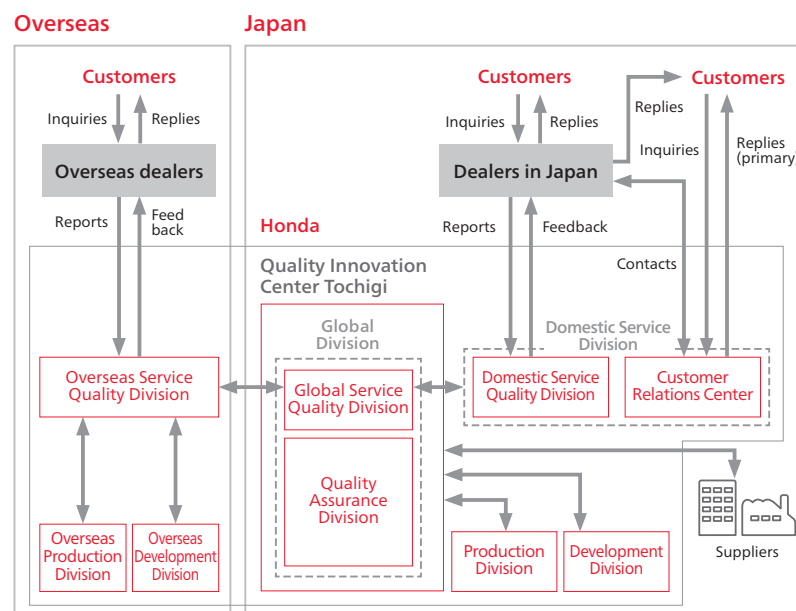
Quality Initiatives

V. Quality Information Collection/Analysis and Quality Improvement

To enhance the functions of “preventing quality issues” and “quickly detecting and resolving quality issues when they occur” on a global scale, Honda has established the Quality Innovation Center Tochigi to bring together the various organization components concerned with product market quality information. The facility gathers quality-related information from dealers in Japan and overseas via domestic and overseas service departments and others. Measures and policies for preventing quality issues are developed based on the issues identified from this data, then provided as feedback to the development/production departments, including the design and production sections, and suppliers too.

Moreover, the Quality Innovation Center Tochigi operates a structure to increase collaboration between after-sales services and quality assurance activities and strengthen this feedback flow.

Market quality enhancement system (automobiles)

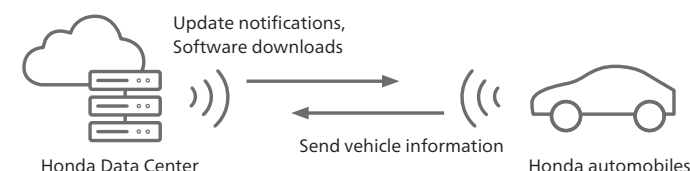


* Over-The-Air: Technology for updating data via wireless communications

When a quality issue does occur, Honda moves quickly to resolve it, for example, by working closely with development and production departments to investigate and address the cause, as well as by assisting affected customers and taking action to prevent a recurrence.

In addition to conventional quality issues related to automobiles, issues concerning connected services to onboard devices are also handled as quality issues under this market quality enhancement system. Software updates, including those related to defects, are handled using Over-The-Air (OTA)* and the number of OTA-compatible parts is being expanded sequentially.

Overview of OTA



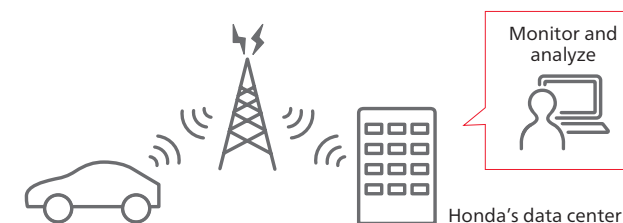
Prediction System

Honda has recognized the necessity of a system that provides peace of mind to customers in preparation for new environmental vehicles, such as fuel cell vehicles and electric vehicles.

With this system, vehicle information is sent to Honda’s data center using telematics technology and then analyzed. Potential warning signs are identified from results prior to any trouble occurring, as a precautionary measure to safeguard customers.

Honda is further utilizing this system to provide customers with as much peace of mind as possible.

Image of the prediction system



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Quality Initiatives

Quality Innovation Center Tochigi

Quality Innovation Center Tochigi brings together all the key organizational components into a single facility, from the collection and analysis of market quality data to the considering of countermeasures and providing of quick and precise feedback to development and production departments.

In particular, locating quality and service departments within a single facility allows for the effective analysis and development of countermeasures thanks to the ability to share information quickly.

Quality improvement operation process



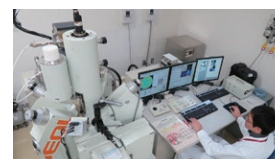
Parts collection

Parts collected from the market are classified by category and managed to facilitate quick analysis.



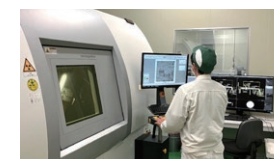
Sharing market quality information

Service, R&D and analysis departments gather and share information from the market.



Analyzing materials

Issues caused by materials are analyzed using the latest scientific equipment, including composition analysis and X-ray diffraction analysis systems.



Non-disassembly CT inspection

Using a CT measuring device, the inside of a part is observed and measured without disassembly to locate the defective area.



Testing engine functionality and performance

The functionality and performance of assembled engines are verified on a bench.



Bench environment test

Analyses are conducted in road environments found around the world, from low temperatures to under the scorching sun, to humid conditions, traffic jams and high speeds.



Exhaust gas and mode driving verification

The compliance of exhaust gas components with emissions regulations and proper system operation during mode driving are verified.



Bench vibration test

Actual vehicle vibrations are reproduced on a testing bench together with analyzing issues.

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Quality Initiatives

Critical Quality Issues Exhibition Hall Presents Examples of Key Quality Issues

A critical quality issues exhibition hall was established at the Quality Innovation Center Tochigi in 2009. The purpose of this exhibition is to convey perspectives and knowledge gained from past failures through the display of actual items, so that the experience of market quality issues will not be forgotten and will be passed on to the future.

The hall provides key examples of past market quality issues. Many people visit the hall annually for training or as part of a tour. In the fiscal year ended March 31, 2025, training was mainly provided online to about 1,900 participants. The targets include not only Honda associates but also suppliers, overseas distributors, and service division personnel.

In particular, training for engineers involved in designing and developing products is not only limited to new recruits, newly promoted chiefs or managers but to young associates in their fifth year with the Company and associates from Honda's overseas businesses as well to prevent market quality issues from being forgotten.



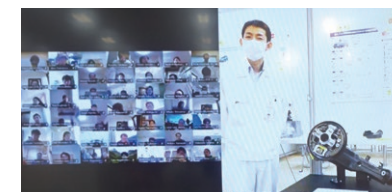
Rust on the body of a Honda Civic made in 1981



Cracked exhaust manifold of Honda Life mini-vehicle made in 1999



In-person training



Online training

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Quality Initiatives

Analysis in Partnership with Overseas Entities

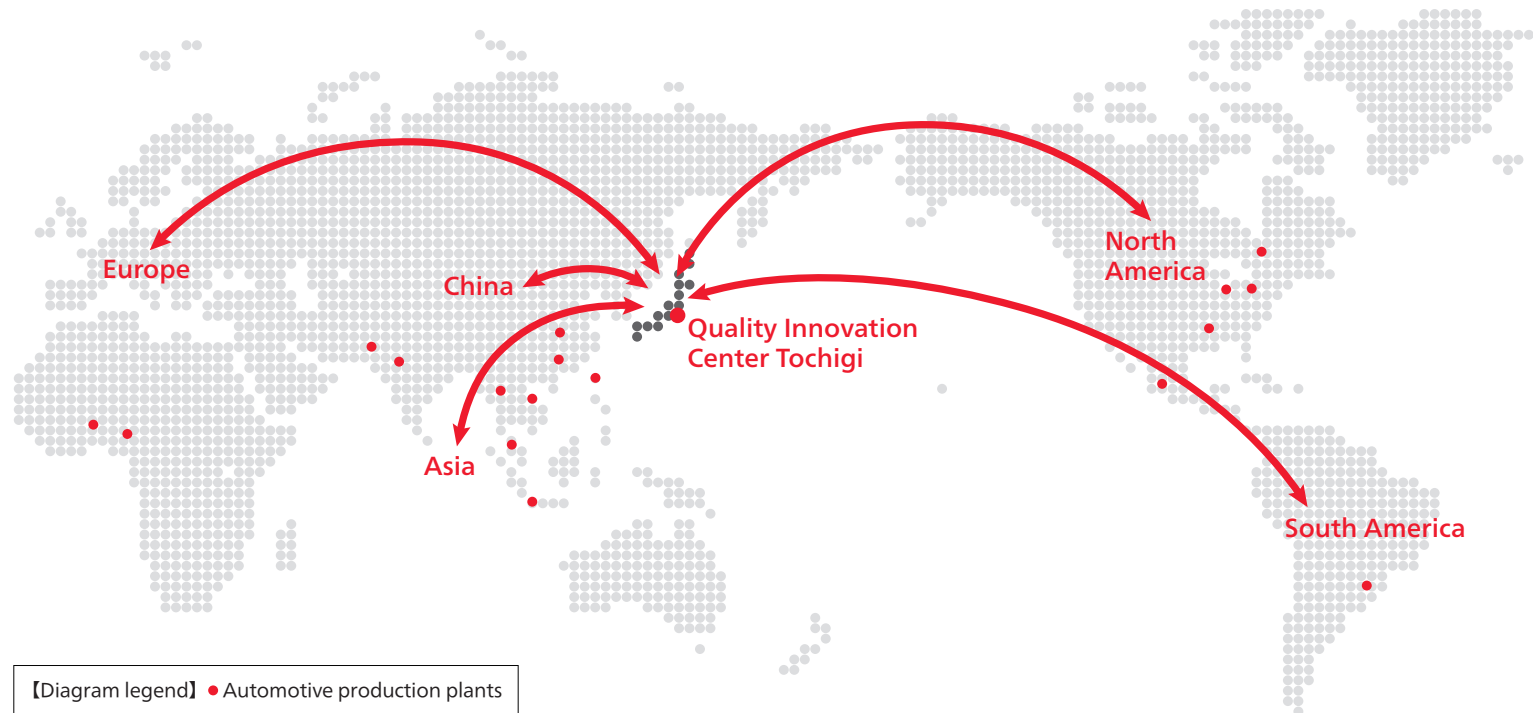
Overseas production plants play a central role in conducting the same type of quality enhancement activities as the Quality Innovation Center Tochigi.

When plants encounter a particularly difficult market quality issue and request assistance, the Center investigates and analyzes the issue before reporting the results back to the overseas facility.



Quality Innovation Center Tochigi, Japan

Working with automotive production plants



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Quality Initiatives

Handling Major Quality Issues When They Occur

When Honda determines that an issue occurs with a product requiring a recall, it quickly notifies government authorities in accordance with individual countries' regulations and contacts the product owners by means of direct mail or telephone from dealers to provide information about how repairs can be received free of charge. In addition to Honda's website, recall information is provided through news media where possible.

As for recalls, a Global Quality Committee is quickly convened in accordance with G-HQS, and decisions concerning recalls are made in consultation with members of the relevant sales area, including experts from departments involved with quality issues who are capable of making objective decisions.

Annual recalls (FY Ended Mar. 31, 2025)

Segment	Times	Total units
Automobiles	28	7,780,044
Motorcycles	24	2,054,859
Power products	3	21,809

* These figures are sourced from internal data and, therefore, may differ from those publicly announced by authorities.

Airbag Recalls

The repeated recalls for airbags have caused Honda customers great inconvenience and concern.

Honda has always placed top priority on customer safety and peace of mind and responded to its customers with this in mind.

In accordance with the agreed-upon revisions to the consent order between the National Highway Traffic Safety Administration (NHTSA) and Takata in May 2016, Honda has been gradually replacing all Takata ammonium-nitrate-based driver and passenger front airbag inflators that do not contain a desiccant.

Honda will continue to actively promote the implementation of its measures for automobiles that have not yet undergone this inflator replacement.

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Basic Approach

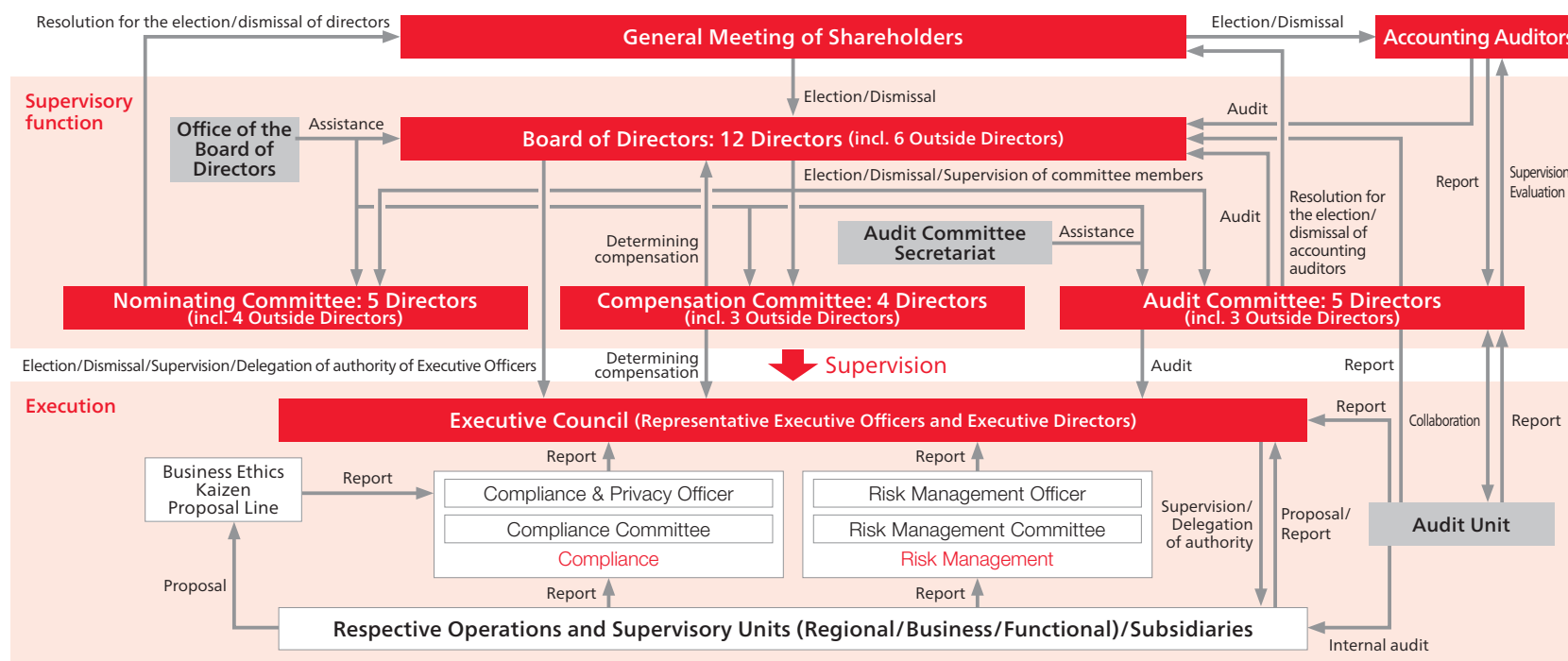
Based on its Fundamental Beliefs, the Company strives to enhance the trust of shareholders, investors, customers, and society, while encouraging prompt, decisive, and risk-conscious decision-making by the Company, thereby achieving sustainable growth and enhancing corporate value over the medium- to long-term. Through these efforts, the Company is working to enhance corporate governance as one of its key management priorities to become “a company society wants to exist.”

To clearly segregate the supervisory and execution functions of management, strengthen the supervisory function, and enable prompt and flexible decisions, the Company has created a Nominating Committee, Audit Committee, and Compensation Committee, each of which is composed of over 50% Outside Directors. The Company has also adopted a “company with three committees” structure, which allows the broad delegation of the business execution authority from the Board of Directors to the Executive Officers.

The Company is making efforts to appropriately disclose corporate information including the release and disclosure of quarterly financial results and management policies in a timely and accurate manner to bolster the trust and appreciation of shareholders/investors, customers, and society. Going forward, the Company will continue to strive to ensure the transparency of its management. Please see the Honda Corporate Governance Basic Policies and the Corporate Governance Report for information on Honda’s corporate governance policy.

Overview of corporate governance → p. 206

Corporate governance structure (as of June 19, 2025)



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Decision-making and Supervision of Business Execution

Honda has adopted a “company with three committees” system to delegate the decision-making authority of the Board of Directors to execute important business matters to the Executive Officers in accordance with the provisions of the Company’s Articles of Incorporation and resolutions approved by the Board. This system enables quick decision-making and prompt business execution while clearly separating the functions of management supervision and business execution so that the Board is focused on overseeing business execution.

The Board of Directors has established criteria for deliberation and has delegated some of its authority to the Executive Council, which, in turn, delegates some of its authority to the Business Operating Board.

The Executive Council conducts preliminary deliberations on matters to be resolved by the Board of Directors and deliberates on important management matters within the scope of authority delegated by the Board of Directors. The Business Operating Board deliberates important management matters in each area within the scope of authority delegated by the Executive Council.

Board of Directors

The Board of Directors is comprised of twelve Directors including six Outside Directors.

To respond to the mandate of shareholders, the Board of Directors makes decisions on basic management policies and other important management matters, and supervises the execution of duties by Directors and Executive Officers, with the aim of achieving the Company’s sustainable growth and enhancing corporate value over the medium to long term. Additionally, the Board of Directors discusses and makes decisions concerning matters specified in the regulations of the Board of Directors, as well as matters set forth in the Articles of Incorporation and applicable laws. All other matters are delegated to the Representative Executive Officers or the Executive Officers.

Specific discussion topics at the Board of Directors in FY Ended Mar. 31, 2025

- Business strategy and capital policy
- Quarterly consolidated financial statements and business outlook
- Quarterly business execution status
- Duty execution statuses of committees
- Maintenance and operation of the internal control system
- Internal audit results, etc.

To fulfill the above roles, the candidates for Director, regardless of gender, nationality, or other personal attributes, shall be persons of superior character and insight who are experts in company management, laws, politics, accounting, education, or the Company’s business. The Nominating Committee shall consider the balance of gender, nationality, knowledge, and related experience among the candidates.

Nominating Committee, Audit Committee, and Compensation Committee

To reinforce its supervisory function, the Company has established the Nominating Committee, Audit Committee, and Compensation Committee, all of which are comprised of a majority of Outside Directors.

1. Nominating Committee

The Nominating Committee decides on the content of proposals to be submitted to the General Meeting of Shareholders concerning the election and dismissal of Directors and performs other duties as stipulated by law or the Articles of Incorporation. The Nominating Committee consists of five Directors, including four Outside Directors. The chairperson of the committee is elected from among the Independent Outside Directors.

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Nominating Committee Members (as of June 19, 2025)

Fumiya Kokubu (Chairperson) (Outside Director)

Toshihiro Mibe

Kunihiko Sakai (Outside Director)

Kazuhiro Higashi (Outside Director)

Mika Agatsuma (Outside Director)

Specific discussion topics at the Nominating Committee in FY Ended Mar. 31, 2025

■ Basic policy/annual activity plan

■ Succession plan for Directors

■ Prospective Director candidates, etc.

2. Audit Committee

To respond to the mandate of the shareholders, the Audit Committee conducts audits of the execution of duties by the Directors and Executive Officers and performs other duties as prescribed by laws and regulations and the Articles of Incorporation to ensure the sound and sustainable growth of the Company. The Audit Committee is composed of two Inside Directors and three Outside Directors. The Chairperson of the Audit Committee is selected from among Independent Outside Directors. To ensure the effectiveness of the audit, full-time members of the Audit Committee are elected by resolutions of the Board of Directors.

Audit Committee Members (as of June 19, 2025)

Yoichiro Ogawa (Chairperson) (Outside Director)

Asako Suzuki (Full-time Audit Committee Member)

Jiro Morisawa (Full-time Audit Committee Member)

Kunihiko Sakai (Outside Director)

Ryoko Nagata (Outside Director)

Mr. Yoichiro Ogawa, a Director, has abundant experience and considerable knowledge as a certified public accountant, and Mr. Jiro Morisawa, also a Director, has had sufficient work experience in the finance and accounting departments of the Company and its subsidiaries. Both qualify as “persons with considerable knowledge related to finance and accounting,” as specified under Article 121-9 of the Regulation for Enforcement of the Companies Act of Japan. Additionally, the Company’s Audit Committee has recognized Messrs. Yoichiro Ogawa and Jiro Morisawa as “specialists in finance in the Audit Committee” as specified in the regulations of the U.S. Securities and Exchange Commission, based on Article 407 of the U.S. Public Company Accounting Reform and Investor Protection Act of 2002 (Sarbanes-Oxley Act of 2002). All five members of the Audit Committee remain independent as specified by the regulations of the U.S. Securities and Exchange Commission.

Specific discussion topics at the Audit Committee in the fiscal year ended March 31, 2025 are as follows.

Specific discussion topics at the Audit Committee in FY Ended Mar. 31, 2025

■ Basic policy / annual activity plan

■ Quarterly audit implementation status

■ Summary report on the status of annual audit and the results of consolidated financial statement review by the Accounting Auditor

■ Implementation status of internal audits, etc.

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Each member of the Audit Committee audits the execution of duties by Directors and Executive Officers in accordance with the auditing criteria for the Audit Committee, auditing policies, division of duties, etc., as determined by the Audit Committee, and through the following main activities.

Main activities of the Audit Committee

Initiative	Details
Dialogue with Executive Officers	Exchange opinions with Executive Officers regarding the management and business environments (47 meetings in FYE Mar. 31, 2025; 21 meetings with the participation of Outside Directors (Audit Committee))
Attendance at important meetings	Monitor and verify the status of the execution of duties by Directors and Executive Officers by attending the Executive Council and expressing opinions as necessary (full-time members)
Implementation of on-site audits, etc.	Conduct on-site audits / inspections based on the annual audit plan. (FYE Mar. 31, 2025) Honda headquarters/business sites: 12 sites (8 sites with the participation of Outside Directors (Audit Committee)) Group companies in Japan: 8 companies (1 company with the participation of Outside Directors (Audit Committee)) Group companies outside Japan: 12 sites (9 sites with the participation of Outside Directors (Audit Committee))
Collaboration with the Accounting Auditor / the Audit Division	Exchange opinions regarding the accounting audit plan and results (15 meetings with the Accounting Auditor in FYE Mar. 31, 2025). Implement audits in collaboration with the Audit Unit of the Internal Audit Division
Strengthening the Group's governance structure	Maintain and strengthen the Group's governance structure by sharing information and exchanging opinions with the auditors of Group companies in Japan and by hosting lectures by Outside Directors (Audit Committee)

Honda has formed the Board of Directors Office as a dedicated organization to support the Board of Directors, Nominating Committee, Audit Committee, and Compensation Committee in their duties. In addition, the Audit Committee Secretariat was established in April 2025 to further clarify that its members are dedicated associates who assist the Audit Committee.

Associates of the Board of Directors Office execute their duties under the supervision of the Board of Directors and the three committees. For associates belonging to the Audit Committee Secretariat, their performance evaluations, transfers, etc. require the consent of the Audit Committee to ensure independence from Executive Officers and the effective implementation of instructions by the Audit Committee.

The Standards for Audit Committee Reports have been established to ensure the Committee receives timely and accurate reports. Based on these Standards, reports are made periodically to the Audit Committee on the status of the business operations of the Company and its subsidiaries, the status of the implementation and operation of internal control systems, and other matters. Also, reporting is required whenever an issue arises that has a major impact on the Company.

As of April 1, 2025, the internal audit function has been reorganized to establish the Audit Unit, aiming to strengthen the lead function of global-group internal audits.

The Audit Unit is composed of 56 members and functions as an independent internal audit department that reports directly to the Board of Directors and to the President. In addition to conducting internal audits of each department within the company, it also monitors and guides the internal audit departments established in major subsidiaries and conducts direct audits of subsidiaries as necessary. The enhancement of internal audits within the Honda Group contributes to ensuring the achievement of strategic goals and more effective risk management.

The Audit Unit regularly reports to the Audit Committee on audit policies, plans, and results. Additionally, when requested by the Audit Committee, it provides supplementary reports on audit results as needed. The Audit Committee and the Audit Unit collaborate to formulate and implement their respective audit plans.

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3. Compensation Committee

The Compensation Committee makes determinations regarding the details of compensation for each Director and Executive Officer and carries out other duties as prescribed by laws and regulations and the Articles of incorporation. The Compensation Committee is composed of one Inside Director and three Outside Directors. The Chairperson is selected from among Independent Outside Directors.

Compensation Committee Members (as of June 19, 2025)

Kazuhiro Higashi (Chairperson) (Outside Director)

Eiji Fujimura

Fumiya Kokubu (Outside Director)

Yoichiro Ogawa (Outside Director)

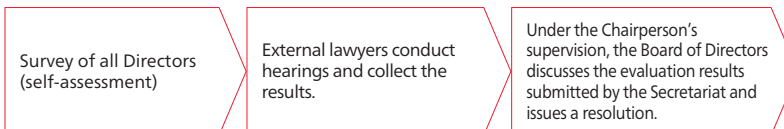
Specific discussion topics at the Compensation Committee in FY Ended Mar. 31, 2025

- Basic policy/annual activity plan
- Executive performance evaluation
- Long-term incentive (LTI) and stock delivery regulations
- Compensation standards, etc.

Evaluation of the Effectiveness of the Board of Directors

Each fiscal year, the Company evaluates the overall effectiveness of the Board of Directors, with the aim of confirming the current status of the Board's functions and leading to further improvement in the effectiveness of the Board of Directors and promotion of understanding among shareholders and stakeholders.

Evaluation process



Evaluation results

	P Initiative policy for FYE Mar. 31, 2025	D Main initiatives for FYE Mar. 31, 2025	C Evaluation / tasks for FYE Mar. 31, 2025	A Initiative policy for the future
Composition	Deepen discussions on the expertise and diversity of future directors (Continued)	Exchanged views among all directors on the future composition of the BOD	The current composition of the BOD is appropriate.	Deepen discussions on the expertise and diversity of future directors (Continued)
Shared information	Provide information and inspection opportunities with a greater focus (Continued)	<ul style="list-style-type: none"> Added information sharing items for outside directors Improved opportunities for outside directors to inspect business sites and events 	<ul style="list-style-type: none"> Information is adequately provided. Outside directors have good opportunities to inspect business sites and events. It was meaningful to deepen understanding of the business and to experience the corporate culture. 	Provide information and inspection opportunities with a greater focus (Continued)
Deliberation items	<ul style="list-style-type: none"> Conduct discussions on business environment recognition Further enhance feedback on opinions of outside directors 	<ul style="list-style-type: none"> Shared information and exchanged opinions on the business environment and business strategies Conducted questionnaire on the deliberation items for the BOD 	<ul style="list-style-type: none"> Deliberation items are narrowed down to important matters. Opportunities for information sharing / exchange of opinions are effectively set up and functioning. 	<ul style="list-style-type: none"> Conduct discussions with a greater focus on the deliberation items listed for the BOD Provide feedback on opinions of outside directors (Continued)
Deliberation at the BOD	Further activate discussions at the BOD (Continued)	Updated proposals and explanations at the BOD meetings as appropriate, based on questions raised at the pre-briefings	<ul style="list-style-type: none"> Deliberations at the BOD meetings should be further activated based on the pre-briefings. Directors provide thought-provoking comments and questions. 	Further activate discussions at the BOD based on the pre-briefings
Committees	Maintain and enhance coordination between the committees and the BOD (Continued)	Conducted deliberations among all directors based on discussions at the committees	The deliberations at each committee are being properly reported to the BOD.	<ul style="list-style-type: none"> Set up opportunities for information sharing among outside directors only Maintain and enhance coordination between the committees and the BOD (Continued)

Summary of evaluation results

The results of the effectiveness evaluation confirmed that the effectiveness of the Board of Directors has been adequately ensured through the following initiatives: setting appropriate items for deliberation and frequency of meetings, providing information to Outside Directors and enhancing opportunities for exchange of opinions, including business site visits, as well as the appropriate operation of the three committees.

Going forward, the Company will further enhance the effectiveness of the monitoring-type Board of Directors by stimulating discussion at the Board of Directors and by further strengthening cooperation between the Board of Directors and the three committees.

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Outside Directors

Honda appoints Outside Directors who have abundant experience and deep insight, and who can oversee the overall management of the Company from an objective, highly sophisticated, and broad viewpoint, based on their independent position outside the Company. The Company has at least two Outside Directors, and at least one-third of the members of the Board of Directors are Independent Outside Directors who fulfill the Company's Criteria for the Independence of Outside Directors. All six Outside Directors currently in office satisfy the Criteria and none of them has any special interest in the Company. Therefore, we believe that there is no risk of a conflict of interest between them and the general shareholders. Based on this, all the six Outside Directors have been registered with the Tokyo Stock Exchange (TSE) as Independent Directors as stipulated in the TSE's rules and regulations.

Please see Annex 1 of "Honda Corporate Governance Basic Policies" for the Company's Criteria for Independence of Outside Directors. If any Outside Director concurrently serves as an officer at another listed company, such Director shall be limited to serving at no more than four other companies so that they can secure sufficient time to perform their duties for the Company.

Support Systems for Outside Directors

At Honda, the Board of Directors Office plays a central role in providing the following support to Outside Directors to help them fulfill their functions as Outside Directors.

1. Orientation at the time of taking office

Honda provides training in industry trends, as well as the Company's history, business, finances, organizations, internal control system, and other matters to candidates for newly appointed Outside Directors.

2. Preliminary briefing and information sharing

Preliminary briefing sessions are held for Outside Directors in advance of each Board of Directors' meeting for the following purposes: to ensure that they fully understand the details and background of each agenda item to be submitted to the Board of Directors, its position in the medium- to long-term management plan, and other relevant information, and to ensure that the Board of Directors holds substantial deliberations. Honda also provides opportunities for information sharing and discussion among Directors on important matters such as the status of company-wide risk management and medium- to long-term strategies by business segment, as appropriate.

3. Opinion exchange meetings on matters of management concern

Honda holds opinion exchange meetings for Directors regarding matters of concern to management. These meetings aim to share with Outside Directors an awareness of the Honda Group's long-term challenges and directions to be pursued and to deepen their understanding of management initiatives. Such meetings are also intended to utilize the knowledge of Outside Directors in discussing future management policies.

4. Dialogue with Executive Officers / dialogue among Outside Directors

To facilitate forthright communication among Directors, Honda provides opportunities for dialogue between Outside Directors and Executive Officers or Inside Directors, as well as dialogue among Outside Directors as needed.

5. Inspection visits to business sites

Honda has conducted inspection visits to its production, sales, development, and other business sites to promote Outside Directors' understanding of the Company's business.



Visit to Mobile Power Pack charging station in India

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Business Execution (Organizational Management)

To strengthen regional and on-site business execution and to make prompt and appropriate management decisions, Honda assigns Executive Officers and other business execution managers to Respective Regional, Business, or Functional Operations and key organizational units, who are delegated authority by the Representative Executive Officers and are responsible for executing operations in their areas of responsibility.

Training for Executive Officers

Honda provides training on the Companies Act, corporate governance, and other management issues to newly appointed Executive Officers. After they assume the positions, the Company also provides them with opportunities to continually update their knowledge as necessary. Honda provides training on industry trends, as well as the Company's history, business, finances, organizations, internal control system, and other matters to newly appointed Outside Directors. After they assume the positions, the Company also provides them with additional opportunities, including visits to subsidiaries, to deepen their understanding of the Honda Group's business.

Tax Policy

The Honda Tax Policy prescribes the basic stance and approach to taxes for Honda Motor Co., Ltd. and its consolidated subsidiaries. The Policy aims to contribute to society as well as maintain and increase corporate value by complying with the tax laws and regulations, and their intent, for each country and region where Honda conducts business activities, and by making proper tax payments.

The tax systems of each country and region, as well as international tax regulations, are subject to frequent change. In this environment, to ensure conduct of its business in a stable and proper manner, Honda carries out accurate and high-quality tax affairs and responds to tax risks associated with its business in accordance with the Honda Tax Policy. For details, please refer to the Honda Tax Policy.

Honda Tax Policy → p. 208

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Executive Remuneration

Honda views executive remuneration, the cornerstone of corporate governance, as an important driving force for the realization of its Fundamental Beliefs, Management Policies, and Vision. The Compensation Committee has established the following decision-making policy to encourage appropriate risk-taking to promote speedy change toward the achievement of the company-wide vision amid a drastically changing environment and to ensure that the content of the system accurately reflects management responsibility.

The Company's executive remuneration system is designed to motivate executives to contribute not only in the short-term but also in the medium- to long-term to improve the Company's business performance so that it can continuously increase its corporate value. The system consists of monthly remuneration, which is a fixed amount paid monthly in compensation for the execution of duties, short-term incentive (STI), which is linked to the performance of the relevant fiscal year, and long-term incentive (LTI), which is linked to the performance of the medium- to long-term.

Monthly remuneration is a fixed monthly amount based on the remuneration criteria resolved by the Compensation Committee.

STI is determined and paid by resolution of the Compensation Committee, taking into consideration the performance of each fiscal year.

LTI is granted in the form of company shares and cash linked to medium-and long-term performance in accordance with the criteria and procedures approved by the Compensation Committee to serve as a sound incentive for sustainable growth.

The compensation of Executive Officers and Directors who concurrently serve as Executive Officers is composed of monthly compensation, STI and LTI, the composition of which is determined in accordance with the compensation criteria approved by the Compensation Committee. The composition ratio of variable compensation is increased in proportion to the severity of management responsibility for each position.

Compensation for Outside Directors and other Directors who do not concurrently serve as Executive Officers consists solely of monthly compensation.

Directors and Executive Officers who are not eligible for LTI also contribute a certain amount of their remuneration to the Directors' Shareholding Association to acquire their own shares. This is intended to realize shareholder-oriented management through the holding of the Company's shares, and to promote the Company's sustainable growth and medium- to long-term enhancement of corporate value.

Directors and Executive Officers are required to continue to hold the Company's shares acquired as LTI and through the Directors' Shareholding Association for one year after leaving office, in addition to their term of office.

Please refer to Article 13 of the "Honda Corporate Governance Basic Policies" for the Company's policy for determining executive compensation.

Total amount of remuneration by category → p. 207

Annual total remuneration and bonuses of highest-paid individual (President and Representative Executive Officer, Chief Executive Officer) (Japan) → p. 207

Rate of increase in annual total remuneration and bonuses of highest-paid individual (President and Representative Executive Officer, Chief Executive Officer) (Japan) → p. 207

Remuneration of Accounting Auditors

The Company has had its financial statements audited in accordance with the Companies Act of Japan, the Financial Instruments and Exchange Act of Japan, the Securities Exchange Act of 1934 (United States) and the Exchange Act of 1933 (United States) by KPMG AZSA LLC. Within KPMG AZSA LLC, a total of 110 staff members conducted external audits of the Company's financial statements. These accounting firm staff members are composed of 3 certified public accountants (Isao Kamizuka, Takeshi Kamada and Ryosuke Kikuchi), who are in overall charge of the Outside Audits, and 107 professional staff members (including 26 certified public accountants and 81 other staff members).

In deciding the amount of remuneration for services rendered by the Accounting Auditor, various factors are taken into consideration in discussions with the accounting firm, including the Company's size/characteristics, the time schedule for the audit and other matters. In addition, to preserve the independence of the Accounting Auditor, remuneration to be paid is required to obtain the prior approval of the Audit Committee.

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Directors (as of June 19, 2025)



Director, President and Representative Executive Officer

Toshihiro Mibe

- Member of the Nominating Committee
- Chief Executive Officer
- Chairman of the Board of Directors

[Reasons for Board Appointment]

Mr. Toshihiro Mibe has broad experience primarily in the areas of R&D and production, and is familiar with the Company Group's business including overseas operations. In the fiscal year ended March 31, 2025, he has properly fulfilled his duties as Chairman of the Board of Directors through managing the Board of Directors and as Director, President and Representative Executive Officer, and Chief Executive Officer of the Company by demonstrating strong leadership and being responsible for the management of the entire Company Group, as well as overseeing business execution.

Apr. 1987	Joined Honda Motor Co., Ltd.	Apr. 2019	In Charge of Intellectual Property and Standardization of the Company
Apr. 2014	Operating Officer	Apr. 2020	Senior Managing Officer
Apr. 2014	Executive in Charge of Powertrain Business for Automobile Operations	Apr. 2020	In Charge of Mono-zukuri (Research & Development, Production, Purchasing, Quality, Parts, Service, Intellectual Property, Standardization and IT)
Apr. 2014	Head of Powertrain Production Supervisory Unit of Automobile Production for Automobile Operations	Apr. 2020	Risk Management Officer
Apr. 2015	Executive in Charge of Powertrain Business and Drivetrain Business for Automobile Operations	Jun. 2020	Senior Managing Director
Apr. 2015	Head of Drivetrain Business Unit in Automobile Production for Automobile Operations	Jun. 2020	Director in Charge of Mono-zukuri (Research & Development, Production, Purchasing, Quality, Parts, Service, Intellectual Property, Standardization and IT)
Apr. 2016	Senior Managing Officer and Director of Honda R&D Co., Ltd.	Apr. 2021	President and Representative Director
Apr. 2018	Managing Officer of the Company	Apr. 2021	Chief Executive Officer (present)
Apr. 2018	Executive Vice President and Director of Honda R&D Co., Ltd.	Jun. 2021	Director, President and Representative Executive Officer (present)
Apr. 2019	President and Representative Director of Honda R&D Co., Ltd.	Jun. 2021	Member of the Nominating Committee (present)
		Apr. 2024	Chairman of the Board of Directors (present)



Director, Executive Vice President and Representative Executive Officer

Noriya Kaihara

- Compliance and Privacy Officer
- Culture Transformation Officer

[Reasons for Board Appointment]

Mr. Noriya Kaihara has broad experience primarily in the area of service, quality and purchasing, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In the fiscal year ended March 31, 2025, he has properly fulfilled his duties as Director, Executive Vice President and Representative Executive Officer, and Compliance and Privacy Officer by demonstrating strong leadership and contributing to the business of the entire Company Group, as well as overseeing business execution.

Apr. 1984	Joined Honda Motor Co., Ltd.	Apr. 2021	Chief Officer for Customer First Operations
Apr. 2012	General Manager of Automobile Quality Assurance Division	Apr. 2021	Risk Management Officer
Apr. 2013	Operating Officer	Jun. 2021	Managing Executive Officer
Apr. 2013	Chief Quality Officer	Oct. 2021	Managing Officer
Jun. 2013	Operating Officer and Director	Oct. 2021	Chief Officer for Regional Operations (North America)
Apr. 2014	Chief Officer for Customer Service Operations	Oct. 2021	President, Chief Executive Officer and Director of American Honda Motor Co., Inc.
Apr. 2014	Head of Service Supervisory Unit for Automobile Operations	Apr. 2023	Senior Managing Executive Officer of the Company
Apr. 2016	Chief Officer for Customer First Operations	Jun. 2023	Director, Senior Managing Executive Officer
Jun. 2017	Operating Officer (resigned from position as Director)	Apr. 2024	Director, Executive Vice President and Representative Executive Officer (present)
Apr. 2018	Managing Officer	Apr. 2024	Compliance and Privacy Officer (present)
Apr. 2018	Chief Officer for Purchasing Operations	Apr. 2025	Culture Transformation Officer (present)
Apr. 2020	Head of Business Supervisory Unit for Automobile Operations		



Senior Managing Executive Officer

Katsushi Inoue

- Chief Officer for Automobile Operations
- Risk Management Officer

[Reasons for Board Appointment]

Mr. Katsushi Inoue has broad experience primarily in the area of sales and marketing in the Automobile Operations, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In the fiscal year ended March 31, 2025, he demonstrated high degree of expertise and strong leadership as Chief Officer for Electrification Business Development Operations and contributed to the business from a global perspective to achieve results properly.

Apr. 1986	Joined Honda Motor Co., Ltd.	Apr. 2020	Managing Officer of the Company
Apr. 2010	President of Honda Poland Ltd.	Apr. 2020	Chief Officer for Regional Operations (China)
Apr. 2012	President of Honda Deutschland GmbH	Apr. 2020	President of Honda Motor (China) Investment Co., Ltd.
Apr. 2012	President of Honda Belgium N.V.	Apr. 2020	President of Honda Motor (China) Technology Co., Ltd.
Apr. 2012	President of Honda Nederland B.V.	Apr. 2023	Senior Managing Executive Officer of the Company (present)
Feb. 2013	Branch President of Honda Motor Europe Ltd.'s branches in Germany, the Netherlands and Belgium	Apr. 2023	Chief Officer for Electrification Business Development Operations
Apr. 2014	General Manager, Marketing Planning Office, Business Planning Supervisory Unit, Automobile Operations of the Company	Apr. 2025	Risk Management Officer (present)
Apr. 2015	President and Chief Executive Officer of Honda Cars India Ltd.	Apr. 2025	Chief Officer for Automobile Operations (present)
Apr. 2016	Operating Officer of the Company	Jun. 2025	Director, Senior Managing Executive Officer (present)
Apr. 2016	Chief Officer for Regional Operations (Europe)		
Apr. 2016	President and Director of Honda Motor Europe Ltd.		

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Directors (as of June 19, 2025)



Director, Managing Executive Officer

Eiji Fujimura

- Member of the Compensation Committee
- Chief Financial Officer
- Chief Officer for Corporate Administration Operations

[Reasons for Board Appointment]

Mr. Eiji Fujimura has broad experience primarily in the area of accounting and finance, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In the fiscal year ended March 31, 2025, he has properly fulfilled his duties as Director, Managing Executive Officer, Chief Financial Officer, and Chief Officer for Corporate Administration Operations by demonstrating high degree of expertise and strong leadership, and being responsible for the finance of the entire Company Group, as well as overseeing business execution.

Apr. 1993 Joined Honda Motor Co., Ltd.
 Apr. 2017 General Manager of Finance Division for Business Management Operations
 Apr. 2019 General Manager of Regional Operation Planning Division for Regional Operations (North America)
 Apr. 2021 Operating Executive
 Apr. 2021 Chief Officer for Business Management Operations and General Manager of Accounting Division for Business Management Operations
 Apr. 2022 Head of Accounting and Finance Supervisory Unit
 Apr. 2023 Executive Officer
 Apr. 2023 Chief Financial Officer (present)
 Apr. 2023 Chief Officer for Corporate Administration Operations (present)
 Apr. 2024 Managing Executive Officer
 Jun. 2024 Director, Managing Executive Officer (present)
 Jun. 2024 Member of the Compensation Committee (present)



Director

Asako Suzuki

- Member of the Audit Committee (Full-time)

[Reasons for Board Appointment]

Ms. Asako Suzuki has broad experience primarily in the area of sales and marketing, accounting and finance, human resources and corporate governance, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In the fiscal year ended March 31, 2025, she has properly fulfilled her duties as Director and a Member of the Audit Committee by auditing and overseeing the execution of duties by Directors and Executive Officers.

Apr. 1987 Joined Honda Motor Co., Ltd.
 Apr. 2014 President of Dongfeng Honda Automobile Co., Ltd.
 Apr. 2016 Operating Officer of the Company
 Apr. 2018 Vice Chief Officer for Regional Operations (Japan)
 Apr. 2019 Chief Officer for Human Resources and Corporate Governance Operations
 Apr. 2020 Operating Executive
 Jun. 2021 Director (present)
 Jun. 2021 Member of the Audit Committee (Full-time) (present)



Director

Jiro Morisawa

- Member of the Audit Committee (Full-time)

[Reasons for Board Appointment]

Mr. Jiro Morisawa has broad experience primarily in the area of accounting and finance, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In the fiscal year ended March 31, 2025, he has properly fulfilled his duties as Director and a Member of the Audit Committee by auditing and overseeing the execution of duties by Directors and Executive Officers.

Apr. 1989 Joined Honda Motor Co., Ltd.
 Apr. 2016 General Manager of Regional Operation Planning Office for Regional Operations (Japan)
 Apr. 2017 General Manager of Accounting Division for Business Management Operations
 Apr. 2018 Vice Chief Officer for Business Management Operations and General Manager of Accounting Division for Business Management Operations
 Apr. 2019 Operating Officer
 Apr. 2019 Chief Officer for Business Management Operations
 Apr. 2020 Operating Executive
 Apr. 2020 Chief Officer for Business Management Operations
 Apr. 2021 President and Director of American Honda Finance Corporation
 Jun. 2024 Director of the Company (present)
 Jun. 2024 Member of the Audit Committee (Full-time) (present)

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Directors (as of June 19, 2025)



Director

Kunihiko Sakai

- Member of the Nominating Committee
- Member of the Audit Committee

[Reasons for Board Appointment]

Mr. Kunihiko Sakai has high expertise and abundant experience as a legal affairs specialist having served as Public Prosecutor and a lawyer, including posts of Superintending Prosecutor at High Public Prosecutors' Offices from July 2014 to March 2017. He has properly fulfilled his duties as Outside Director who is an Audit and Supervisory Committee Member since June 2019, and as Outside Director and a Member of the Nominating Committee and the Audit Committee since June 2021, by auditing and overseeing the entire business management of the Company from an independent standpoint.

Apr. 1979 Public Prosecutor of Tokyo District Public Prosecutors' Office
Jul. 2014 Superintending Prosecutor of Takamatsu High Public Prosecutors' Office
Sep. 2016 Superintending Prosecutor of Hiroshima High Public Prosecutors' Office (resigned in March 2017)
Apr. 2017 Registered with the Dai-Ichi Tokyo Bar Association
Apr. 2017 Advisor Attorney to TMI Associates (present)
Jun. 2018 Outside Audit & Supervisory Board Member of Furukawa Electric Co., Ltd. (present)
Jun. 2019 Outside Director (Audit and Supervisory Committee Member) of the Company
Jun. 2021 Outside Director (present)
Jun. 2021 Member of the Nominating Committee (present)
Jun. 2021 Member of the Audit Committee (present)



Director

Fumiya Kokubu

- Member of the Nominating Committee (Chairperson)
- Member of the Compensation Committee

[Reasons for Board Appointment]

Mr. Fumiya Kokubu held positions of President and CEO, and Chairman of the Board of Marubeni Corporation from April 2013 to March 2025, and has abundant experience and deep insight regarding corporate management. He has properly fulfilled his duties as Outside Director since June 2020, and additionally as the Chairperson of the Nominating Committee and a Member of the Compensation Committee since June 2021 by overseeing the entire business management of the Company from an independent standpoint.

Apr. 1975 Joined Marubeni Corporation
Apr. 2013 President and CEO, Member of the Board of Marubeni Corporation
Apr. 2019 Chairman of the Board of Marubeni Corporation
Jun. 2019 Outside Director of Taisei Corporation (present)
Jun. 2020 Outside Director of the Company (present)
Jun. 2021 Member of the Nominating Committee (Chairperson) (present)
Jun. 2021 Member of the Compensation Committee (present)
May 2022 Chairperson of Japan Machinery Center for Trade and Investment (present)
May 2022 Chairman of Japan Foreign Trade Council, Inc. (resigned in May 2024)
Apr. 2025 Director, Member of the Board, Executive Corporate Advisor of Marubeni Corporation (present)



Director

Yoichiro Ogawa

- Member of the Audit Committee (Chairperson)
- Member of the Compensation Committee

[Reasons for Board Appointment]

Mr. Yoichiro Ogawa has high expertise and abundant experience as an accounting specialist having served as a Certified Public Accountant for many years, including posts of CEO of Deloitte Tohmatsu Group from July 2015 to May 2018. He has properly fulfilled his duties as Outside Director, the Chairperson of the Audit Committee and a Member of the Compensation Committee since June 2021 by auditing and overseeing the entire business management of the Company from an independent standpoint.

Oct. 1980 Joined Tohmatsu & Aoki Audit Corporation (currently Deloitte Touche Tohmatsu LLC)
Mar. 1984 Registered as Japanese Certified Public Accountant
Oct. 2013 Deputy CEO of Deloitte Touche Tohmatsu LLC
Oct. 2013 Deputy CEO of Tohmatsu Group (currently Deloitte Tohmatsu Group)
Jun. 2015 Global Managing Director for Asia Pacific of Deloitte Touche Tohmatsu Limited (United Kingdom) (resigned in May 2018)
Jul. 2015 CEO of Deloitte Tohmatsu Group
Jun. 2018 Senior Advisor of Deloitte Tohmatsu Group (resigned in October 2018)
Nov. 2018 Founder of Yoichiro Ogawa CPA Office (present)
Jun. 2020 Independent Audit and Supervisory Board Member of Recruit Holdings Co., Ltd. (present)
Jun. 2021 Outside Director of the Company (present)
Jun. 2021 Member of the Audit Committee (Chairperson) (present)
Jun. 2021 Member of the Compensation Committee (present)

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Directors (as of June 19, 2025)



Director

Kazuhiro Higashi

- Member of the Nominating Committee
- Member of the Compensation Committee (Chairperson)

[Reasons for Board Appointment]

Mr. Kazuhiro Higashi held positions of President and Chairman of Resona Holdings, Inc. from April 2013 to June 2022, and has abundant experience and deep insight regarding corporate management. He has properly fulfilled his duties as Outside Director, the Chairperson of the Compensation Committee and a Member of the Nominating Committee since June 2021 by overseeing the entire business management of the Company from an independent standpoint.

Apr. 1982	Joined Resona Group	Apr. 2020	Chairman and Director of Resona Holdings, Inc. (resigned in June 2022)
Apr. 2013	Director of Resona Holdings, Inc.	Apr. 2020	Chairman and Director of Resona Bank, Limited (resigned in June 2022)
Apr. 2013	President and Representative, Executive Officer of Resona Holdings, Inc.	Jun. 2020	Outside Director of Sompo Holdings, Inc. (present)
Apr. 2013	Representative Director, President and Executive Officer of Resona Bank, Limited (resigned in June 2014)	Jun. 2021	Outside Director of the Company (present)
Jun. 2013	Chairman of Osaka Bankers Association (resigned in June 2014)	Jun. 2021	Member of the Nominating Committee (present)
Apr. 2017	Chairman of the Board, President and Representative Director of Resona Bank, Limited	Jun. 2021	Member of the Compensation Committee (Chairperson) (present)
Jun. 2017	Chairman of Osaka Bankers Association (resigned in June 2018)	Jun. 2022	Senior Advisor of Resona Holdings, Inc. (present)
Apr. 2018	Chairman of the Board, President, Representative Director and Executive Officer of Resona Bank, Limited	Jun. 2022	Senior Advisor of Resona Bank, Limited (present)



Director

Ryoko Nagata

- Member of the Audit Committee

[Reasons for Board Appointment]

Ms. Ryoko Nagata held positions of Executive Officer and Audit & Supervisory Board Member of Japan Tobacco Inc. from June 2008 to March 2023, and has abundant experience and deep insight regarding new business strategies and audit. She has properly fulfilled her duties as Outside Director and a Member of the Audit Committee since June 2021 by auditing and overseeing the entire business management of the Company from an independent standpoint.

Apr. 1987	Joined Japan Tobacco Inc.		
Jun. 2008	Executive Officer of Japan Tobacco Inc.		
Mar. 2018	Standing Audit & Supervisory Board Member of Japan Tobacco Inc. (resigned in March 2023)		
Jun. 2021	Outside Director of the Company (present)		
Jun. 2021	Member of the Audit Committee (present)		
Mar. 2023	External Corporate Auditor of Medley, Inc. (present)		
Jun. 2023	Outside Director of UACJ Corporation (present)		



Director

Mika Agatsuma

- Member of the Nominating Committee

[Reasons for Board Appointment]

Ms. Mika Agatsuma held a position of Managing Partner of IBM Japan, Ltd. from October 2022 until March 2024 and has abundant experience and deep insight regarding the area of IT. She has properly fulfilled her duties as Outside Director and a Member of the Nominating Committee since June 2024 by overseeing the entire business management of the Company from an independent standpoint.

Apr. 1987	Joined IBM Japan, Ltd.		
Aug. 2017	Vice President of IBM Japan, Ltd.		
Aug. 2017	In Charge of Cloud Application Innovation for Global Business Services of IBM Japan, Ltd.		
Oct. 2022	Managing Partner of IBM Japan, Ltd. (resigned in March 2024)		
Oct. 2022	In Charge of Hybrid Cloud Services for IBM Consulting of IBM Japan, Ltd.		
Jun. 2023	In Charge of Hybrid Cloud Platform for IBM Consulting of IBM Japan, Ltd.		
Jun. 2024	Outside Director of the Company (present)		
Jun. 2024	Member of the Nominating Committee (present)		
Jun. 2024	Outside Director of SQUARE ENIX HOLDINGS CO., LTD. (present)		
Oct. 2024	Executive Corporate Officer of ID Holdings Corporation (present)		

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Skills Matrix (as of June 19, 2025)

Name	Position	Committee * Chairperson indicated in red	Corporate management	Internationality	Industrial experience	New business strategies	HR	Accounting & finance	Legal & risk management	ESG & sustainability*
Toshihiro Mibe	Director, President and Representative Executive Officer	Nominating	✓	✓	✓	✓	✓	✓	✓	✓
Noriya Kaihara	Director, Executive Vice President and Representative Executive Officer	-	✓	✓	✓		✓		✓	✓
Katsushi Inoue	Director, Senior Managing Executive Officer	-		✓	✓	✓			✓	✓
Eiji Fujimura	Director, Managing Executive Officer	Compensation	✓	✓	✓		✓	✓	✓	
Asako Suzuki	Director (inside)	Audit		✓	✓		✓	✓	✓	
Jiro Morisawa	Director (inside)	Audit		✓	✓			✓		
Kunihiko Sakai	Director (outside)	Nominating/ Audit		✓					✓	✓
Fumiya Kokubu	Director (outside)	Nominating/ Compensation	✓	✓		✓	✓			
Yoichiro Ogawa	Director (outside)	Audit/ Compensation	✓	✓			✓	✓		
Kazuhiro Higashi	Director (outside)	Nominating/ Compensation	✓			✓	✓	✓	✓	
Ryoko Nagata	Director (outside)	Audit				✓	✓			✓
Mika Agatsuma	Director (outside)	Nominating		✓		✓			✓	

* ESG & sustainability include areas such as the environment, including climate change issues, safety, and human rights.

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Executive Officers (as of June 19, 2025)



Managing Executive Officer

Keiji Ohtsu

- President and Representative Director, Honda R&D Co., Ltd.



Managing Executive Officer

Masayuki Igarashi

- Chief Officer, Regional Operations (China)
- President, Honda Motor (China) Investment Co., Ltd.
- President, Honda Motor (China) Technology Co., Ltd.



Managing Executive Officer

Kensuke Oe

- President and Director, Honda Development & Manufacturing of America, LLC



Managing Executive Officer

Manabu Ozawa

- Chief Officer, Corporate Strategy Operations
- Chief Officer, Traffic Safety Promotion Operations



Managing Executive Officer

Hironao Ito

- Executive in charge of Government and Industry Relations, JAMA, Corporate Strategy Operations



Managing Executive Officer

Ayumu Matsuo

- Chief Officer, Supply Chain & Purchasing Operations



Managing Executive Officer

Kazuhiro Takizawa

- Chief Officer, Regional Operations (North America)
- President, Chief Executive Officer and Director, American Honda Motor Co., Inc.



Executive Officer

Minoru Kato

- Chief Officer, Motorcycle and Power Products Operations
- Head of Motorcycle Business Unit, Motorcycle and Power Products Operations



Executive Officer

Yutaka Tamagawa

- Chief Officer, Quality Innovation operations



Executive Officer

Katsuto Hayashi

- Executive in charge of Sales & Customer First, Automobile Operations
- Chief Officer, Regional Operations (Associated Regions)



Executive Officer

Takashi Onuma

- Chief Officer, Automobile Production Operations



Executive Officer

Daiki Mihara

- Executive in charge of Motorcycle and Power Products Electrification Business, Motorcycle and Power Products Operations
- Head, Motorcycle and Power Products Electrification Business Unit, Electrification Business Development Operations



Executive Officer

Toshihiro Akiwa

- Chief Officer, Automobile Development Operations
- Director, Honda R&D Co., Ltd.

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Basic Approach and Awareness-raising / Education Activities

Honda defines compliance as “not merely observing laws and regulations but also ensuring that every executive and associate acts with integrity and ethics toward customers and society, and this is the Company’s basic approach to compliance.

As specific systems to put the policies into practice, we have developed and implemented the following measures: formulation and dissemination of the Code of Conduct, appointment of the Compliance & Privacy Officer, establishment and operation of the Compliance Committee, and installation and operation of the Business Ethics Kaizen Proposal Line.

Also, through training for new associates, newly certified executives, newly appointed executives, and other rank-specific and division-specific training opportunities, we conduct awareness-raising and education activities related to compliance, including the contents of the Code of Conduct and various laws and regulations (anti-bribery, insider trading regulations, competition law, personal information protection law, subcontract law, etc.). Through these efforts, the Company is continuously fostering and improving awareness of compliance.

Honda Code of Conduct

To earn the trust of customers and society and achieve sustainable growth, we must not only comply with laws and regulations but also practice sincere and ethical conduct.

Recognizing this, Honda has formulated the Honda Code of Conduct, which summarizes the integrity of conduct to be practiced by all Honda associates around the world, and shares it throughout the Group, including subsidiaries in Japan and overseas.

The Company works to instill the Honda Code of Conduct in every executive and associate through awareness-raising activities, such as distribution of applications to smartphones and leaflets, display on posters, distributing educational videos, and introducing case studies and other information on the intranet, as well as conducting training sessions. The status of these activities is regularly reported to the Compliance Committee after confirmation by each division and subsidiary of the Company.

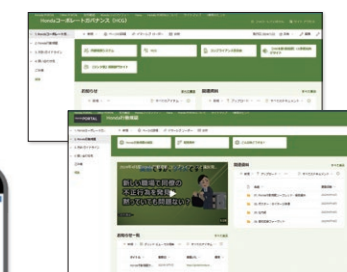
Compliance Committee

To improve compliance in the Honda Group, Honda has established a Compliance Committee, headed by a Compliance & Privacy Officer designated by the Board of Directors. This Committee is composed of the Compliance & Privacy Officer as well as Executive Officers and other business execution managers who are appointed by the Executive Council. The Committee determines important measures for the internal control system, including the formulation and revision of compliance policies, checks the status of the development and operation of the internal control system, supervises the proper operation of the Business Ethics Kaizen Proposal Line, and decides measures to prevent recurrences of serious compliance-related matters when they arise. When a particularly important compliance-related matter arises, it will be deliberated or reported at a meeting of the Executive Council or the Board of Directors, depending on the nature of the matter.

The Compliance Committee met six times (four regular meetings, two extraordinary meetings) in the fiscal year ended March 31, 2025, to report on the status of development and operation of internal control systems as well as the operation status of the Business Ethics Kaizen Proposal Line, among other things. In the same fiscal year, the Executive Council approved the details of the recurrence prevention measures regarding the Finding of Improper Incident in Model Application for Automobiles dated June 3, 2024, and the Compliance Committee confirmed the progress of the measures.



Honda Code of Conduct



Intranet

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Business Ethics Kaizen Proposal Line

Honda established the Business Ethics Kaizen Proposal Line as a structure for improving corporate ethics issues. This hotline accepts proposals and provides consultation from a fair and neutral standpoint, for any violations of laws/regulations or internal rules in the workplace, and issues that are difficult for associates to remedy or resolve in the workplace for some reason, such as difficulties in consulting with their superiors.

Furthermore, in addition to cases of a clear violation of laws/regulations or internal rules, this hotline provides consultation and responds to inquiries about the details of internal rules when questionable cases have occurred and confirms the facts of such cases. Proposals are accepted by email, letter, telephone or fax from all subsidiaries and suppliers in Japan and overseas, as well as from Honda. This hotline ensures protection of the Kaizen proposers from any adverse treatment and accepts also anonymous proposals. Fact-finding investigations are conducted on accepted proposals, and if a problem is identified, it is handled appropriately in cooperation with the relevant departments.

The Company also established a point of contact through an external law office to create an environment in which it is easier to make proposals. As for overseas, local points of contact have been established in all Regional Operations, while some subsidiaries set up their own points of contact.

In the fiscal year ended March 31, 2025, 400 proposals and consultations were handled by the Business Ethics Kaizen Proposal Line (including points of contact outside the Company). Among these, 165 concerned Honda, 222 concerned subsidiaries and 13 concerned other matters. Following investigations of the proposals and consultations submitted, disciplinary action was taken in seven cases in Honda and nine cases in subsidiaries. There was one case involving the Company that resulted in punitive dismissal. None of the cases involved violations of the Honda Policy on the Prevention of Bribery and Corruption.

To raise internal awareness of the points of contact, Honda provides notice on its intranet, distributes information cards to all associates, including fixed term associates and temporary workers, and displays information posters in each workplace. These tools clearly state that the Kaizen proposers are protected. In addition, Honda observes how well the point of contact is recognized through an annual associate vitality survey for all associates. For departments found in these surveys to have low recognition of the point of contact, the Company makes additional efforts to increase their awareness.

Initiatives to Prevent Bribery and Corruption

Honda prohibits bribery and corruption.

The Honda Code of Conduct requires that the Company complies with laws and regulations, and states that “as an independent corporate entity, Honda maintains appropriate relationships with political entities (political organizations and politicians) and administrative entities (governmental agencies and government officials)” and “will interact with political and administrative entities in an appropriate manner in compliance with laws, regulations and company policies and will not offer politicians or government officials entertainment or gifts (both monetary and nonmonetary) that are prohibited by laws, regulations and company policies.” Moreover, the Code stipulates that the associates “will not receive from or provide to business partners benefits in the form of goods (both monetary and non-monetary) or entertainment beyond what is generally considered appropriate by society.”

In addition to the above, the Company also established the Honda Policy on the Prevention of Bribery and Corruption, which stipulates basic policy about bribery and corruption, and the Honda Guideline for the Prevention of Bribery and Corruption, which stipulates specific compliance items and prohibited items. These are posted on the intranet for Honda associates along with related educational content.

Honda strives to further reduce the risk of bribery and corruption by educating all associates on the bribery and corruption prevention through awareness-raising activities for the Honda Code of Conduct, and by providing training to personnel stationed overseas and newly appointed managers based on their positions and roles. For subsidiaries, the Company has established training programs tailored to each company’s situation and is working to raise awareness of bribery and corruption prevention.

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Initiatives for Prevention of Anti-Competitive Behavior

As a company engaged in business globally, Honda takes great care in its daily business activities to comply with competition laws in the countries where it operates.

The Honda Code of Conduct states that “Honda will engage in free and open competition with competitors to maintain its stance as a company trusted by customers and society” and that each associate “will comply with competition laws (antitrust laws)” to ensure compliance with competition laws.

As a part of its measures to strengthen compliance, Honda implements individual training for related departments to prevent anti-competitive behavior. It also incorporates programs on the topic of anti-competitive behavior in training for personnel stationed overseas and for newly appointed managers. Additionally, Honda publishes awareness-raising content concerning anti-competitive behavior on its intranet for its associates.

Rules on Conflict Minerals

The rules for disclosure on conflict minerals adopted by the U.S. Securities and Exchange Commission (SEC) and mandated by the Dodd-Frank Wall Street Reform and the Consumer Protection Act (Dodd-Frank Act) require corporations to confirm that the purchase and use of conflict minerals from the Democratic Republic of the Congo and neighboring countries are not contributing to the funding of armed groups or the abuse of human rights in conflict areas.

Honda’s policy is aiming to be “conflict-free,” which means not using conflict minerals associated with illicit activities such as funding armed groups and human rights violations in conflict areas.

Accordingly, Honda conducts surveys based on the standards prescribed in the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Through the surveys, we are working with domestic and international industry organizations and suppliers to resolve the conflict minerals issues.

For the surveys, Japan Automobile Manufacturers Association, Inc. has prepared a manual for suppliers to fill out the survey forms and tools to tabulate the survey results.

In collaboration with the Japan Auto Parts Industries Association, the Japan Electronics and Information Technology Industries Association, and other organizations, we are also conducting regular working activities to examine efficient survey methods and to understand and analyze survey results.

In North America, Honda is working with the Responsible Minerals Initiative (RMI), an international organization promoting responsible mineral procurement, to encourage smelters and refiners to participate in the Responsible Minerals Assurance Process (RMAP).

We share the Honda Supplier Sustainability Guidelines with our suppliers, which describe our sustainability initiatives, including our handling of conflict minerals, and promote procurement in line with the Guidelines. We also encourage our first-tier suppliers to implement the same initiatives toward their sub-tier suppliers.

Since 2013, Honda has surveyed its suppliers worldwide concerning the use of conflict minerals. In the fiscal year ended March 31, 2025, Honda received responses from over 7,000 suppliers. The survey results have been reported to the SEC and are available on the website.

If the survey results reveal any minerals of concern, regardless of the source country, Honda works together with its suppliers to take appropriate measures. The Company also strives to improve the accuracy of its survey by requesting re-surveys when survey responses are insufficient.

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Establishing an Effective Risk Management Structure

Honda formulated the Honda Global Risk Management Policy with Group subsidiaries included in its scope of application.

The Policy aims to drive the Company's sustainable growth and stabilize management based on the Honda Philosophy, targeting all risks with the potential to impact operations on a global scale.

In implementing risk management activities, a company-wide Risk Management Officer, who is elected by the Board of Directors, plays a central role in creating a relevant framework and taking follow-up measures to ensure that the activities take root. Honda has established the Risk Management Committee to deliberate important matters related to risk management.

Each of the Operations and Supervisory Units has appointed its Risk Management Officer of the Operation/Supervisory Unit and set up a Risk Management Secretariat under the supervision of the Officer in accordance with the basic rules of the Policy. Thus, by establishing an independent risk management system, they are promoting risk management activities under their own responsibility.

As a key initiative, they conduct risk assessment activities to identify, evaluate, and address risks in the business operations of the Operations and Supervisory Units by using company-wide common methods.

Honda has also established a system to ensure a high level of global risk management systems in Operations and Supervisory Units by providing training for all associates, disclosing policies and manuals on the Company's intranet, and conducting seminars for managers and the Risk Management Secretariats of overseas subsidiaries.

Additionally, when a crisis occurs, the Company establishes a Global Emergency Headquarters proportionate to the anticipated magnitude of the crisis's impact to manage the crisis response.

Such risk management efforts by the Company as a whole, as well as by the Operations and Supervisory Units, are reported at the Audit Committee meetings. Also, in the fiscal year ended March 31, 2025, an internal audit was conducted by an independent internal audit department under the direct control of the President.

Risk Management Committee

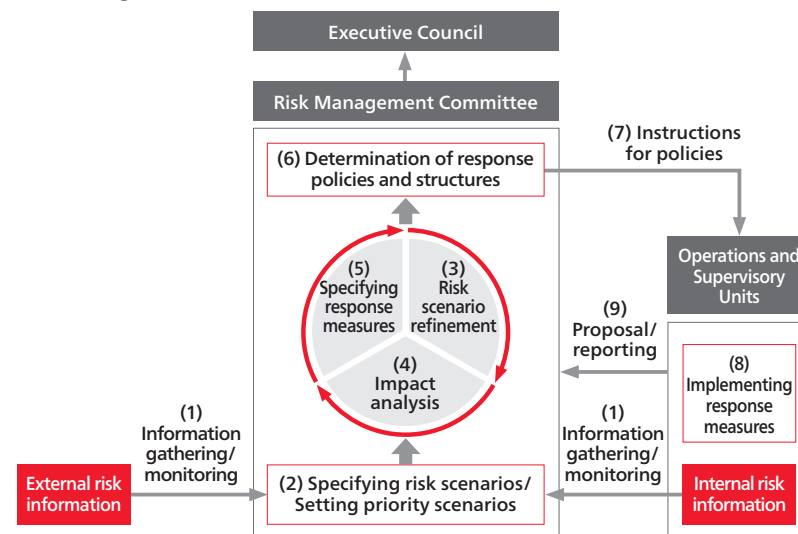
The business environment has undergone drastic changes in recent years in all business categories. Accordingly, the complexity and uncertainty of risks are rising, which requires effective risk management activities. Honda set up the Risk Management Committee chaired by a company-wide Risk Management Officer (RMO), to identify, address, and monitor important risks from a holistic perspective. In the fiscal year ended March 31, 2025, the Risk Management Committee held a total of seven meetings.

The Risk Management Committee not only identifies internal risks but also gathers and monitors information on external risk trends associated with changes in the external environment. The Committee uses internal and external information to ascertain specific risk scenarios and conduct impact analyses in relation to Honda's business strategies. Based on this objective risk analysis, management members engage in discussions to determine the response policies and structures for the company-wide risks linked to management strategies, which Honda should address.

Of these, risks that are particularly important in terms of business strategy are designated as company-wide priority risks, and the status of response to these risks is regularly checked and discussed.

The discussions and monitoring activities of the Risk Management Committee are reported to the Executive Council in a timely and appropriate manner.

Risk Management Committee



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Risk Management Committee

For various risks identified through analysis of external risk trends and risk assessment activities, Honda evaluates their risk levels in terms of the amount of their impact on Honda's business operations, their frequency of occurrence, etc. Risks judged to be high-level risks are discussed by the Risk Management Committee, and risks judged to have a particularly large impact on Honda's business operations are identified as group-wide priority risks in each fiscal year. The identified group-wide priority risks are addressed mainly by the responsible departments, and their progress is confirmed and discussed at the Risk Management Committee meetings.

group-wide priority risks

group-wide priority risk items	Risk perspectives
Geopolitical risk	Stoppages or delays of business activities due to the strengthening of economic security policies and human rights laws and regulations, or the conflicts between nations or regions
Purchasing and procurement risk	Stoppages or delays of production activities due to difficulties in receiving parts from suppliers or increases in the prices of raw materials and parts, etc.; or quality defects caused by suppliers
Natural disaster risk	Stoppages or delays of business activities due to natural disasters (earthquakes, floods, etc.) or spread of infectious diseases
Information security risk	Suspension of important operations/services due to cyber attacks and other incidents; and leakage of confidential or personal information
Risk related to brand image	Business impact associated with damage to brand image
Market environmental change risk	Inability to keep pace with rapid changes in market environment and demand, such as the rise of emerging powers, changes in environmental policies, and expansion of trade wars
Business alliances and joint ventures risk	Conflicts of interest between parties in business alliances, etc., leakage of profits or technology, delays in decision-making, poor business performance of business partners, etc., or changes to or dissolution of alliances
Financial and economic risk	Business impact from economic trends, economic fluctuations, or currency fluctuations

Risk Assessment Activities

Honda globally carries out risk assessment activities.

The purpose of these activities is to foresee the potential risks to Honda's business and respond pre-emptively to minimize these risks.

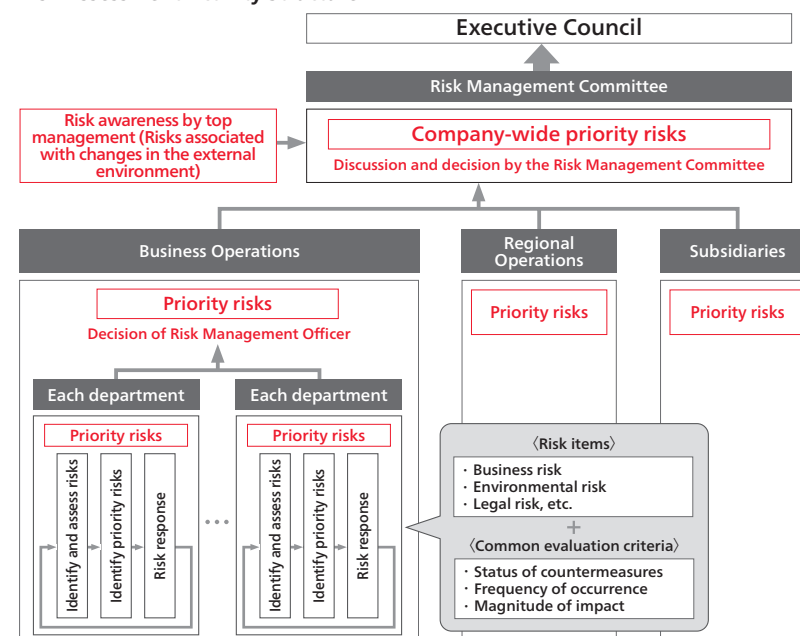
Each department performs an annual risk evaluation using the Group's common risk items and evaluation criteria to identify the divisional priority risks.

Each of the Operations and Supervisory Units carries out repeated discussions based on the results of the risk assessments of each department. They then identify and respond to priority risks of the Operations and Supervisory Units based on the judgment of Risk Management Officer of the Operations and Supervisory Units.

Additionally, the status of priority risks of the Operations and Supervisory Units based on the risk awareness of the Operations and Supervisory Units is reported to the Risk Management Committee. Internal and external risk trends are then considered in order to identify and respond to company-wide priority risks.

Through these efforts, Honda aims to firmly establish risk management activities within each Operations and Supervisory Unit, reduce the risk faced by the entire Group, and raise the risk awareness of every associate.

Risk Assessment Activity Structure



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Crisis Response

Honda carries out risk-sensing activities to monitor and report on signs of a crisis. While collecting a wide range of crisis information that may have an impact on Honda, the Company has established an information coordination system in case a crisis becomes apparent.

When a crisis occurs, a Global Emergency Headquarters is established according to the anticipated impact of the crisis, and a structure is in place to prevent the crisis from spreading and to quickly bring the situation under control as soon as possible.

Honda's Global Emergency Headquarters is working to strengthen its functions based on its initiatives to deal with crisis events and other situations experienced in the past.

Honda regularly coordinates information with each response group and reconfirms basic actions in crisis response (confirming the coordination among the groups).

Also, for disaster drills, besides ensuring the safety of human life and confirming associates' safety, the Company continuously conducts information coordination drills to quickly ascertain the crisis impact on business from a business continuity planning (BCP) viewpoint.

Global Emergency Headquarters Structure



Information Management

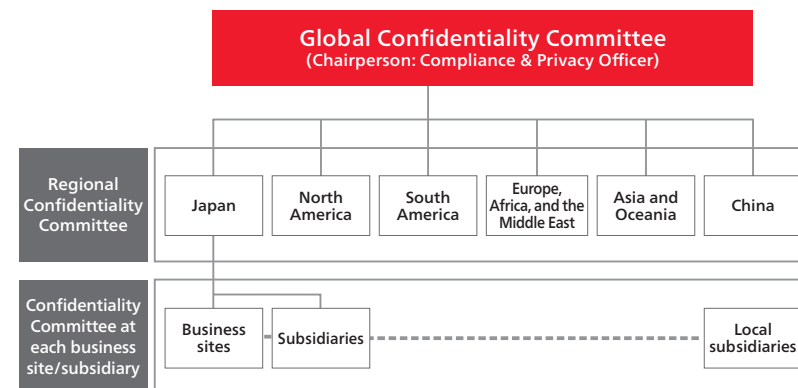
To protect information assets, including confidential information and personal information, Honda has formulated the Global Confidentiality Policy and the Global IT Security Policy, the scope of which extends to Group subsidiaries. These policies stipulate the adoption of a systematic response structure, the use of Honda Group's common compliance items when handling confidential information and personal information, and the implementation of security standards for information systems and networks. They also specify the line of reporting in the event of an information leak.

In addition to its efforts to effectively implement these policies, Honda has set up the Global Confidentiality Committee chaired by the Compliance & Privacy Officer to ensure timely responses to changes in information flows and other issues.

The Global Confidentiality Committee determines globally common medium-term policies and an annual activity plan. Based on this plan, each Regional Confidentiality Committee takes the lead in promoting activities to safely handle information obtained through Honda's business activities, including personal information and confidential information.

Besides continuously strengthening its activities to ensure information security against cyberattacks, which are becoming increasingly sophisticated and complex, the Company performs daily monitoring while establishing systems capable of immediately responding to events that must be addressed.

Global Information Management Structure



5 Governance

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Information Management

Protection of Personal Information

Honda recognizes the importance of protecting personal information and regards prioritizing the protection of customer information as its social responsibility. To ensure the proper handling of customer information, Honda has formulated the Global Privacy Policy, which covers Group subsidiaries. The policy prescribes matters that must be universally complied with by Honda Group worldwide, as well as an implementation structure, and is operated accordingly.

The Company has appointed information supervisors and information managers in departments handling personal information and provides training on the protection of personal information. Moreover, Honda reports the methods for managing the personal information it holds and the information management status of outsourced contractors to the Confidentiality Committee of each business site and company. To ensure the details of these reports are updated, the Company conducts a review of information security in all departments at least once a year. Additionally, Honda sets stricter security standards for information systems containing customer information while regularly confirming the implementation of security measures.

Honda has built a structure for collaboration between the Global Confidentiality Committee and each Regional Confidentiality Committee to respond to national personal information protection regulations, which are being established at an accelerating pace. The Company is steadily formulating comprehensive responses to regulations while closely monitoring trends.

Meanwhile, Honda utilizes personal data to help solve social issues and provide its customers with even better products and services. Honda has formulated the Management Guidelines for Personal Data Utilization to handle personal data properly, reduce related risks, and promote effective personal data utilization. It has also established the Board for Judging Personal Data Utilization with the Head of the Governance and Compliance Unit serving as the decision-making authority. The board deliberates on the risk response status concerning the collection, storage management, and utilization of personal data from the perspective of each area of expertise and decides whether or not to implement relevant measures.

Honda is putting into place structures that will respond quickly to an information leak or request for the disclosure of personal information in accordance with the laws and regulations of the relevant country. In the fiscal year ended March 31, 2025, there were no major losses or leaks of personal information or serious complaints about customer privacy.

Product Cybersecurity

Honda participates in the Automotive Information Sharing & Analysis Center (Auto-ISAC), which has begun operations in Japan and the United States to share and analyze information related to automotive cybersecurity, to collect information on incidences detected within the industry.

Moreover, Honda obtains information independently, including information on relevant laws and specifications, as well as industry standards. By using this information in its response to security issues, Honda is proactively taking steps to promote the safety and security of its products.

Additionally, Honda has taken over the function of the Cybersecurity Committee, which aims to collaborate with management members to accelerate decision-making and execution across related departments, and has continued its activities by establishing a department to strengthen the governance structure for cybersecurity in the fiscal year ended March 31, 2025. Through the activities, the Company will continue to ensure the safety and security of the products it provides to customers.

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Governance Data

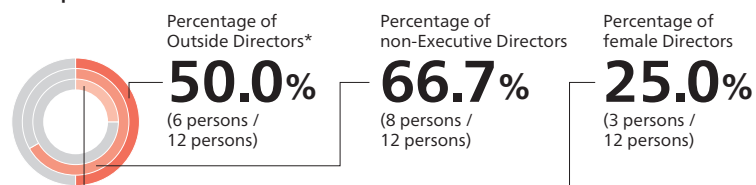
Overview of Corporate Governance (as of June 19, 2025)

Form of organization

Company with three committees

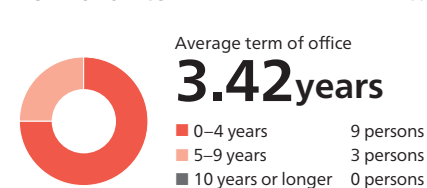
Board of Directors

Composition of members



* All six Outside Directors currently in office are Independent Directors who satisfy the Company's Criteria for Independence of Outside Directors.

Term of office

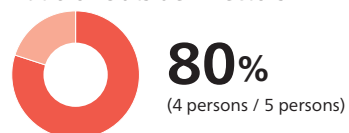


Attendance rate (FYE Mar. 31, 2025)



Nominating Committee

Ratio of Outside Directors



Attendance rate (FYE Mar. 31, 2025)



Audit Committee

Ratio of Outside Directors

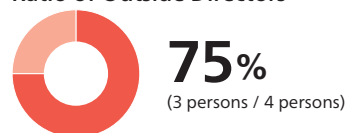


Attendance rate (FYE Mar. 31, 2025)



Compensation Committee

Ratio of Outside Directors



Attendance rate (FYE Mar. 31, 2025)



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Governance Data

Overview of Corporate Governance (as of June 19, 2025)

Total Amount of Remuneration for Directors and Executive Officers

Category of Directors	Total amount by type of remunerations (millions of yen)				Number of eligible Directors (Number of persons)
	Total amount of remuneration (millions of yen)	Basic remuneration	Performance-linked remuneration		
			STI (Short Term Incentive)	LTI (Long Term Incentive)	
Directors (excluding Outside Directors)	151	151	0	0	4
Outside Directors	103	103	0	0	6
Executive Officers	1,378	589	408	380	14
Total	1,633	844	408	380	24

- Directors in the table above does not include the four Directors who concurrently serve as Executive Officers.
- These amounts indicate remuneration paid to Directors during the fiscal year. The above includes the amount paid to two Directors who retired at the closing of the 100th Ordinary General Meeting of Shareholders held on June 19, 2024, and one Executive Officer who retired as of April 1, 2024.

It also includes the amount paid to one Director concurrently serving as Executive Officer who resigned as of April 7, 2025. However, for the Director concurrently serving as Executive Officer, the Compensation Committee resolved not to pay STI and LTI for the fiscal year ended March 31, 2025, in accordance with the Company's clawback policy, at its meeting held on April 24, 2025.

LTIs for which the performance evaluation period had not expired at the time of resignation were forfeited in accordance with the stock delivery regulations. The amount of STI for Executive Officers was determined by the Compensation Committee held on May 8, 2025.

The total amount of LTI is the expenses recorded for stock delivery points granted during the fiscal year in relation to the Board Incentive Plan (BIP) trust and falls under non-monetary remuneration.

Annual total remuneration and bonuses of highest-paid individual (President and Representative Executive Officer, Chief Executive Officer) (Japan)

Annual total remuneration and bonuses of highest-paid individual President and Representative Executive Officer, Chief Executive Officer (millions of yen)	417
Ratio to median annual total remuneration for all associates (%)	4,401

Rate of increase in annual total remuneration and bonuses of highest-paid individual (President and Representative Executive Officer, Chief Executive Officer) (Japan)

Rate of increase in annual total remuneration and bonuses of highest-paid individual President and Representative Executive Officer, Chief Executive Officer (%)	-5
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5 Governance

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Governance Data

Honda Tax Policy

Honda Tax Policy

1. Purpose of the Policy

The Honda Tax Policy prescribes the basic stance and thinking regarding taxes for Honda Motor Co., Ltd. (hereafter HM) and its consolidated subsidiaries (HM and its consolidated subsidiaries, collectively referred to as Honda). The Policy aims to contribute to society as well as maintain and increase corporate value by complying with the tax laws and regulations, and their intent, for each country and region where Honda conducts business activities and by making proper tax payments.

The tax systems of each country and region and international taxation rules are frequently changed. In this environment, to ensure the proper conduct of its business in a stable manner, Honda carries out accurate and high-quality tax affairs and responds to the tax risks associated with its business in accordance with the Tax Policy described below.

2. Tax Policy

(1) Compliance

Honda complies with letter and intent of laws, regulations and rules of countries and regions in which it conducts business, as well as tax conventions and international standards such as OECD guidelines. Honda also adopts and complies with internal rules, including tax-related policies and guidelines such as this Policy and Honda Corporate Governance (HCG). Based on the foregoing, Honda makes proper tax payments consistent with the actual state of business.

(2) Prohibition of tax avoidance

Honda shall not engage in any transactions such as the use of tax havens aimed at tax avoidance but make proper tax payments consistent with the actual state of business in keeping with the concept of "returning profits to the communities where profits are earned," which has been Honda's basic stance.

(3) Transfer pricing

Honda shall establish proper pricing (Arm's Length Price (ALP)) by giving sufficient consideration to transfer pricing taxation systems for transactions carried out within Honda to ensure the proper payment of taxes corresponding to the value created by business activities.

(4) Ensuring transparency

Honda recognizes the importance of fulfilling accountability to tax authorities and other tax-related stakeholders through the timely and proper disclosure of tax-related information and properly responds by disclosing tax-related information based on laws and regulations.

(5) Relationships with governments and tax authorities

Honda shall make efforts to ensure transparency and continuously build relationships of trust through sincere responses to governments and tax authorities in the countries and regions where it conducts business by ensuring timely and proper provision of tax-related information based on laws and regulations and requests from governments and tax authorities.

(6) Corporate governance

Honda strives to enhance corporate governance as one of the most important tasks for its management, based on the Company's Fundamental Beliefs, in order to strengthen the trust of its shareholders/investors, customers and society; encourage timely, decisive and risk-considered decision-making; seek sustainable growth and the enhancement of corporate value over the mid- to long-term; and become "a company that society wants to exist." In the same manner, Honda shall establish governance on taxation based on this concept, framework and management policy.

The establishment and amendment of this policy shall be subject to the approval of the director in charge of accounting and finance supervision.

6

Data

Assurance 210

GRI Content Index 211

Assurance

To disclose environment- and social-related data to our diverse stakeholders in a more transparent and reliable manner, Honda obtained the independent practitioner's assurance of the environment- and social-related data indicated with ☒ for the fiscal year ended March 31, 2025 in the Japanese version of this report by Deloitte Tohmatsu Sustainability Co., Ltd., a subsidiary of Deloitte Touche Tohmatsu LLC, which is a member firm of Deloitte Touche Tohmatsu Limited.

Scope of Assurance

Environment-related data assured:

- Direct emissions from business activities (Scope 1), Indirect emissions from energy use (Scope 2), Emissions from Honda business activities (Total of Scope 1 and 2) and Emissions from customer use of sold products (Scope 3, category 11) out of Honda's total GHG emissions
- GHG emissions (Direct emissions (Scope 1), Indirect emissions (Scope 2), Total emissions (Scopes 1 and 2))
- Energy consumption (Direct energy consumption, Indirect energy consumption and Total energy consumption)
- Water intake/Wastewater volume
- Atmospheric pollutants (SOx emissions, NOx emissions)
- Waste generated

Social-related data assured:

- Lost time injury frequency rate (LTIFR) in Japan
- The number of work accident fatality in Japan

Deloitte.
デロイト トーマツ
(TRANSLATION)

Independent Practitioner's Assurance Report

June 20, 2025

Mr. Toshihiro Mibe,
Director, President and Representative Executive Officer,
Chief Executive Officer
Honda Motor Co., Ltd

Tomoharu Hase
Representative Director
Deloitte Tohmatsu Sustainability Co., Ltd.
3-2-3, Marunouchi, Chiyoda-ku, Tokyo

We have undertaken a limited assurance engagement of the environment- and social-related data indicated with ☒ for the year ended March 31, 2025 (the "Sustainability Information") included in the "Honda ESG Report 2025" (the "Report") of Honda Motor Co., Ltd. (the "Company").

The Company's Responsibility

The Company is responsible for the preparation of the Sustainability Information in accordance with the calculation and reporting criteria adopted by the Company (indicated with the Sustainability Information included in the Report). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Undertaking site visits to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information is not prepared, in all material respects, in accordance with the calculation and reporting criteria adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Assurance report issued in the Japanese language.

Member of
Deloitte Touche Tohmatsu Limited

GRI Content Index

Universal Standards

GRI Standard	Disclosure	Page number (s) and/or URL (s)	Part omitted	Reason	Omission	Explanation
GRI 2: General Disclosures 2021	1. The organization and its reporting practices					
	2-1	Organizational details	2			
	2-2	Entities included in the organization's sustainability reporting	2			
	2-3	Reporting period, frequency and contact point	2			
	2-4	Restatements of information	2			
	2-5	External assurance	2, 210			
	2. Activities and workers					
	2-6	Activities, value chain and other business relationships	126, 128, 130, 140			
	2-7	Employees	119			
	2-8	Workers who are not employees	Form 20-F 114, 115			
	3. Governance					
	2-9	Governance structure and composition	185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198			
	2-10	Nomination and selection of the highest governance body	187, 188, 193, 194, 195, 196, 197, 198			
	2-11	Chair of the highest governance body	193			
	2-12	Role of the highest governance body in overseeing the management of impacts	4, 5, 6, 7, 8, 9			
	2-13	Delegation of responsibility for managing impacts	187			
	2-14	Role of the highest governance body in sustainability reporting	5, 6			
	2-15	Conflicts of interest	185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198			
	2-16	Communication of critical concerns	185, 186			
	2-17	Collective knowledge of the highest governance body	185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198			
	2-18	Evaluation of the performance of the highest governance body	189			
	2-19	Remuneration policies	189			
	2-20	Process to determine remuneration	189			
	2-21	Annual total compensation ratio	207			

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Universal Standards

GRI Standard	Disclosure	Page number (s) and/or URL (s)	Part omitted	Reason	Omission	Explanation
GRI 2: General Disclosures 2021	4. Strategy, policies and practices					
	2-22	Statement on sustainable development strategy	Integrated Report (Honda Report 2024) p. 05-09			
	2-23	Policy commitments	70, 71, 72, 107, 108, 109, 111, 114			
	2-24	Embedding policy commitments	70, 71, 72, 107, 108, 109, 111, 114			
	2-25	Processes to remediate negative impacts	200			
	2-26	Mechanisms for seeking advice and raising concerns	200			
	2-27	Compliance with laws and regulations	30, 199, 200			
	2-28	Membership associations	9, 140			
	5. Stakeholder engagement					
	2-29	Approach to stakeholder engagement	7, 8, 9			
GRI 3: Material Topics 2021	2-30	Collective bargaining agreements	Form 20-F 114			
	3-1	Process to determine material topics	5, 6, 10, 11, 12			
	3-2	List of material topics	5, 6, 10, 11, 12			
	3-3	Management of material topics	5, 6, 10, 11, 12			

Universal Standards

GRI Standard	Disclosure	Page number (s) and/or URL (s)	Part omitted	Reason	Omission	Explanation
Economy						
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	IR Library			
	201-2	Financial implications and other risks and opportunities due to climate change	18, 21, 22, 29, 30, 32, 33, 34, 41, 44, 45, 46, 47, 48, 49, 51, 52, 53			

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Universal Standards

GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omission		
			Part omitted	Reason	Explanation
GRI 201: Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Form 20-F F-54, F-55, F-56, F-57, F-58, F-59, F-60, F-61			
	201-4 Financial assistance received from government	-	Financial assistance received from government	This information is currently unavailable.	We will improve our information disclosure using GRI Standards with a view to completing this in time for our ESG Report 2026 (to be published in June 2026).
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level employee wage by gender compared to local minimum wage	124			
	202-2 Proportion of senior management hired from the local community	119			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	9, 166, 167			
	203-2 Significant indirect economic impacts	128, 148			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	128			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	200			
	205-2 Communication and training on anti-corruption policies and procedures	200			
	205-3 Confirmed incidents of corruption and actions taken	200			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	199			
GRI 207: Tax 2019	207-1 Approach to tax	191, 208			
	207-2 Tax governance, control, and risk management	191, 208			
	207-3 Stakeholder engagement and management of concerns related to tax	191, 208			
	207-4 Country-by-country reporting	-	Country-by-country reporting	This information is currently unavailable.	We will improve our information disclosure using GRI Standards with a view to completing this in time for our ESG Report 2026 (to be published in June 2026).
Environment					
GRI 301: Materials 2016	301-1 Materials used by weight or volume	-	Materials used by weight or volume	This information is currently unavailable.	We will improve our information disclosure using GRI Standards with a view to completing this in time for our ESG Report 2026 (to be published in June 2026).
	301-2 Recycled input materials used	-	Recycled input materials used	This information is currently unavailable.	We will improve our information disclosure using GRI Standards with a view to completing this in time for our ESG Report 2026 (to be published in June 2026).
	301-3 Reclaimed products and their packaging materials	54, 55, 56, 57			

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Universal Standards

GRI Standard		Disclosure	Page number (s) and/or URL (s)	Omission		
				Part omitted	Reason	Explanation
GRI 302: Energy 2016	302-1	Energy consumption within the organization	66			
	302-2	Energy consumption outside of the organization	66			
	302-3	Energy intensity	-	Energy intensity	This information is currently unavailable.	We will improve our information disclosure using GRI Standards with a view to completing this in time for our ESG Report 2026 (to be published in June 2026).
	302-4	Reduction of energy consumption	18, 29, 66			
	302-5	Reductions in energy requirements of products and services	18, 29, 30, 32, 33, 34, 66			
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	44, 52			
	303-2	Management of water discharge-related impacts	44, 52			
	303-3	Water withdrawal	44, 52, 62			
	303-4	Water discharge	44, 52, 62			
	303-5	Water consumption	44, 52, 62			
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	44, 45, 46, 47, 48, 49			
	304-2	Significant impacts of activities, products, and services on biodiversity	44, 45, 46, 47, 48, 49			
	304-3	Habitats protected or restored	44, 45, 46, 47, 48, 49			
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	44, 45, 46, 47, 48, 49			
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	59, 61, 63, 64			
	305-2	Energy indirect (Scope 2) GHG emissions	59, 61, 63, 64			
	305-3	Other indirect (Scope 3) GHG emissions	59, 61, 63			
	305-4	GHG emissions intensity	29, 32, 61			
	305-5	Reduction of GHG emissions	59, 61, 63, 64			
	305-6	Emissions of ozone-depleting substances (ODS)	52			
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	65			
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	52, 53, 62			
	306-2	Management of significant waste-related impacts	52, 53, 62			
	306-3	Waste generated	52, 53, 62			
	306-4	Waste diverted from disposal	52, 53, 62			

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Universal Standards

GRI Standard		Disclosure	Page number (s) and/or URL (s)	Omission		
				Part omitted	Reason	Explanation
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	121			
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	199, 200, 201			
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	77, 131, 134, 140			
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	140, 201			
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	140, 201			
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	75, 119			
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	127, 128, 130, 131, 134, 140			
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	7, 8, 142, 143, 144, 145, 146, 147			
	413-2	Operations with significant actual and potential negative impacts on local communities	7, 8, 142, 143, 144, 145, 146, 147			
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	140			
	414-2	Negative social impacts in the supply chain and actions taken	128, 130, 131, 134, 140			
GRI 415: Public Policy 2016	415-1	Political contributions	9			
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	164			
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	183			
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	27			
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	417-3	Incidents of non-compliance concerning marketing communications	199, 200, 201			
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HONDA
The Power of Dreams

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Honda Motor Co., Ltd.

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