

Honda Announces Next Steps in Preparation for U.S. EV Production

- Marysville Auto Plant (MAP) will consolidate two assembly lines to retool for production of EVs and EV components
- Accord production will be transferred from MAP to the Indiana Auto Plant as MAP retools for EV production
- Honda Transmission Plant in Georgia will dedicate one production line to e-axle production, an essential component of EVs
- Anna Engine Plant will shift production of some engine components to the Honda engine plant in Alabama to prepare for production of battery cases for EV models
- Honda will maintain stable employment during these changes

MARYSVILLE, Ohio (March 14, 2023) – Honda today announced key next steps in the establishment of its EV Hub in Ohio that will lead the company's journey to an electrified future in North America. In October 2022, Honda announced that it would invest \$700 million to re-tool several of its existing auto and powertrain plants to establish the new EV Hub in Ohio, to prepare for the production* of battery electric vehicles in 2026. The Marysville Auto Plant (MAP), where Honda began auto production in America in 1982, will be Honda's first auto plant in the U.S. to transition to making EVs.

As part of the EV Hub in Ohio, Honda will transform its Marysville Auto Plant (MAP), East Liberty Auto Plant (ELP) and Anna Engine Plant (AEP), leading to the start of EV production in North America. This EV Hub will play a key role in developing the company's knowledge and expertise in EV production that will be shared across Honda's entire North American auto production network in the coming years, even as many Honda plants continue production of gasoline-powered vehicles.

Each Honda auto production facility in North America will have a critical role to play in Honda's electrification strategy. Following are key next steps involving several of Honda's U.S. production facilities. Importantly, Honda expects to maintain employment stability across all locations during these key next steps in this transition.

* Using domestic and globally sourced parts

- **Marysville Auto Plant (MAP)**

MAP will begin preparing for EV production as early as January 2024, by consolidating its two production lines currently making vehicles powered by internal combustion engines and hybrid-electric vehicle systems. Consolidating production to one line will enable MAP to begin building the infrastructure necessary for EV production. Every MAP associate will have a position as part of this transition.

Moreover, starting later this year, MAP associates will begin training programs designed to prepare them for the skills required for EV production.

- **Indiana Auto Plant (IAP)**

Based on the planned consolidation of production lines at MAP, production of the Honda Accord will transfer to the Indiana Auto Plant (IAP) in 2025. This will maintain production volume of an important core model for Honda customers, while enabling MAP to transition to EV production.

- **Anna Engine Plant (AEP)**

AEP will transfer component production for two different generations of engines to the engine plant at the Alabama Auto Plant (AAP). Machining of the engine head, which ended at AEP in February, for the existing V6 engine that powers many Honda light trucks will be added to existing AAP operations beginning in March 2023. Engine block casting for the all-new V6 engine just introduced in the all-new 2023 Honda Pilot, will begin at AAP in August 2023. These two moves will allow AEP to re-allocate space for future IPU Case production. These cases will be combined with the battery modules produced at the new joint venture battery facility Honda is establishing in Ohio with LG Energy Solution (LGES). These EV batteries will power the EVs to be produced at MAP and ELP.

- **Transmission Plant – Georgia (TMP-G)**

TMP-G will partner with a Honda supplier to install a new line to build e-axles, an essential component of EVs that combines the electric motor, gearing components and power electronics. The supplier will install, own, and operate the new e-axle line in space currently occupied by a transmission production line that is not in operation.

- **Joint Venture EV Battery Plant**

As part of the new EV Hub, Honda and LGES recently held the official groundbreaking ceremony for the new joint venture EV battery plant to be located in Fayette County, near Jeffersonville, Ohio. The two companies have committed to invest \$3.5 billion in the new JV facility of over 2 million square feet, which is scheduled to be completed by the end of 2024, and aims for approximately 40GWh of annual production capacity. The overall investment of the two companies in the JV facility is projected to reach \$4.4 billion.

- **Continued Production ICE and Hybrid-electric Vehicles**

As part of its goal to achieve carbon neutrality for all products and corporate activities by 2050, Honda has a vision to make battery-electric and fuel cell electric vehicles represent 100% of its vehicle sales by 2040. Even as Honda accelerates preparation for EV production, the company plans to sustain current ICE and hybrid-electric vehicle production in order to continue to meet anticipated strong customer demand through 2030 and beyond. The sustained success of ICE and hybrid-electric vehicle sales also will support the required investment in the electrified future.

- **About Honda Manufacturing in America**

Honda has been producing automobiles in America for over 40 years, beginning in November 1982 with the start of automobile production at the Marysville Auto Plant.

In 2022, more than two-thirds of all Honda and Acura automobiles sold in the U.S. were made in America, using domestic and globally sourced parts. Honda's cumulative auto production in America now exceeds 30 million vehicles.

Honda established manufacturing operations in America in 1979 with the start of motorcycle production in Marysville, Ohio, and today has one of the largest and most diverse U.S. manufacturing footprints of any international company. The company's 12 plants employ more than 22,000 associates in America, supporting operations that have an annual capacity of more than 1.27 million automobiles, 1.52 million engines, 500,000 power equipment products and 300,000 powersports products, as well as the HondaJet advanced light jet and GE Honda HF120 turbofan engines.

Cumulatively, Honda has invested \$19 billion in its U.S. manufacturing operations, including more than \$3.2 billion over the past five years alone. The company also works with over 600 U.S. original equipment suppliers, with U.S.-sourced parts purchases of approximately \$470 billion since 1979.