

### **GAC Honda Begins Operation of New Energy Vehicle (NEV) Production Factory in Guangzhou, China**

- New Development District NEV Factory achieves highly efficient, smart, low carbon production -

GUANGZHOU, China, December 23, 2024 – Honda Motor (China) Investment Co., Ltd., a wholly-owned Honda subsidiary in China, announced that GAC Honda Automobile Co., Ltd. (GAC Honda), a Honda automobile production and sales joint venture in China, began operation of its newly-constructed plant for new energy vehicle (NEV) production, named the Development District NEV Factory. The new factory is located in the Guangzhou Economic and Technological Development District in Guangzhou City, Guangdong Province, China.

The new NEV production plant features the latest production equipment to achieve a highly efficient, smart, and low-carbon production system. The stamping and welding processes completely eliminated logistics personnel by automating parts logistics. AI-based welding strength inspection was adopted for the first time at any Honda plant. In the assembly process, approximately 30% of the entire process is automated to achieve a highly efficient production line.

To make this plant more environmentally-responsible, solar power systems generating a total of 22 megawatts will be installed within the property of the plant. It is expected that the annual CO<sub>2</sub> emissions will be reduced by approximately 13,000 tons<sup>\*1</sup> through the utilization of renewable energy. In addition, GAC Honda will strive to further reduce the environmental impact of the plant through the use of newly developed low-VOC<sup>\*2</sup> paints and the installation of equipment capable of treating 100% of the toxic substances contained in factory wastewater. In order to minimize the impact on air pollution, GAC Honda will aim to reduce VOC emissions from the new plant by more than 70%<sup>\*3</sup> compared to the standard limit set by Guangdong Province.

\*1 Calculations based on standards for CO<sub>2</sub> emissions by the Chinese government (Ministry of Ecology and Environment)

\*2 VOC: Volatile Organic Compounds

\*3 Honda internal research



GAC Honda Development District NEV Factory

Honda has set a global environmental goal of “realizing carbon neutrality for all products and corporate activities Honda is involved in by 2050.” In China, Honda is planning to introduce a total of 10 Honda-brand EV models by 2027, including models for the e:N Series launched in 2022, as well as the Ye Series, a next-generation EV series Honda is planning to launch in the current fiscal year ending March 31, 2025. With these EV models, Honda is aiming to achieve 100% EV sales in China by 2035.

#### <GAC Honda Automobile Co., Ltd.>

Established: July 1998  
 Capital investment: 541 million USD  
 Capitalization ratio: 40% Honda Motor Co., Ltd.  
 10% Honda Motor (China) Investment Co., Ltd.  
 50% Guangzhou Automobile Group Co., Ltd. (GAC Group)  
 Location: Guangzhou City, Guangdong Province, China  
 President: Katsuhide Moriyama  
 Employment: Approximately 9,500 associates (as of December 2024)  
 Production capacity: HuangPu Plant (No.1) Approximately 240,000 units  
 ZengCheng Plant (No.2) Approximately 240,000 units  
 ZengCheng Plant (No.3) Approximately 240,000 units

#### <About GAC Honda Development District NEV Factory>

Location: Guangzhou City, Guangdong Province, China  
 Production capacity: Approximately 120,000 units/year  
 Production models: e:NP2, Ye Series (plan)  
 Employment: Approximately 700 associates (as of December 2024)  
 Investment amount: Approximately 3.49 billion R.M.B.