# **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 behavior 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.

**Honda Supplier Sustainability Guidelines** 

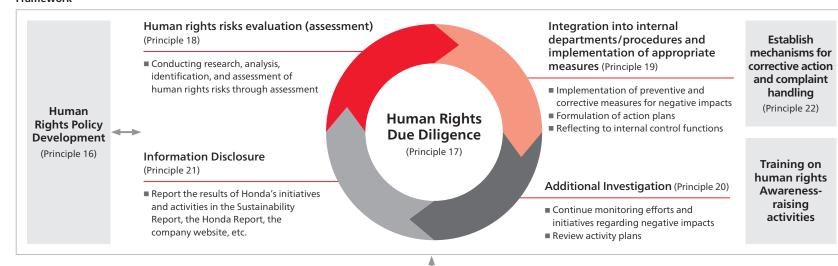
https://global.honda/sustainability/cq\_img/report/pdf/supply-chain/supplier-sustainability-guidelines.pdf

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Associate Relations Policies ⇒ p. 73

Rules on Conflict Minerals ⇒ p. 139

#### 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

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

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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# **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.

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. 06

Cooperate Governance Structure → p. 123

Risk Management Structure → p. 140

**Honda's Human Rights Initiatives Human Rights Working Team Board of Directors Executive Council** Instructions Proposal/Report **Executive Officer in Charge** Instructions Proposal/Report Japan Management **Human Rights Working Team** function for each Working Team Leader sustainability Risk Management Cooperation Committee HR incl. Org./ Sustainability, Purchasing Numerous departments involved in human rights . . . . . . Compliance **Planning Division** Dev./AR Division Division Committee Cooperation Cooperation Each overseas region **Domestic Subsidiaries** North America, South America, Europe, Africa and the Middle East, Asia and Oceania, China

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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 FY2024.

Diversity-related Initiatives ⇒ p. 79

Building Motivating Work Environments ⇒ p. 87

Establishing a Good Relationship with Associates ⇒ p. 89

Indicators of Health Management Initiatives ⇒ p. 96

#### **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	
■ Confirmation of the status of efforts to address each human right ■ Confirmation of the occurrence or non-occurrence of violation of to each human rights issue		
Items of questions	<ul> <li>Prohibition of forced labor (no trafficking in any form, including human trafficking, etc.)</li> <li>Prohibition of child labor (e.g., confirmation of age for employment)</li> <li>Elimination of discrimination and harassment</li> <li>Dialogue with associates</li> <li>Respect and acceptance of diversity (promoting women's participation in the workplace, employment of people with disabilities, etc.)</li> <li>Wages (compliance with minimum wage standards, efforts to realize equal pay for equal work, etc.)</li> <li>Working hours (limiting overtime work, encouraging the use of paid leave, etc.)</li> <li>Safe and healthy working environment (consideration for childbirth, childcare, and nursing care, support for balancing work and childcare, etc.)</li> </ul>	

# **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. 101

Measures to Counter Procurement Risk ⇒ p. 105

Responsible Mineral Sourcing ⇒ p. 105

ESG Surveys for Suppliers ⇒ p. 106

# **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. 88

Establishing a Hotline to Receive Suggestions and
Consultation Requests from Suppliers → p. 101

Business Ethics Kaizen Proposal Line → p. 138

# **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 (FY2024 results)

Japan	34,382 persons
Overseas expatriates	1,191 persons

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