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# Governance

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# Basic Approach

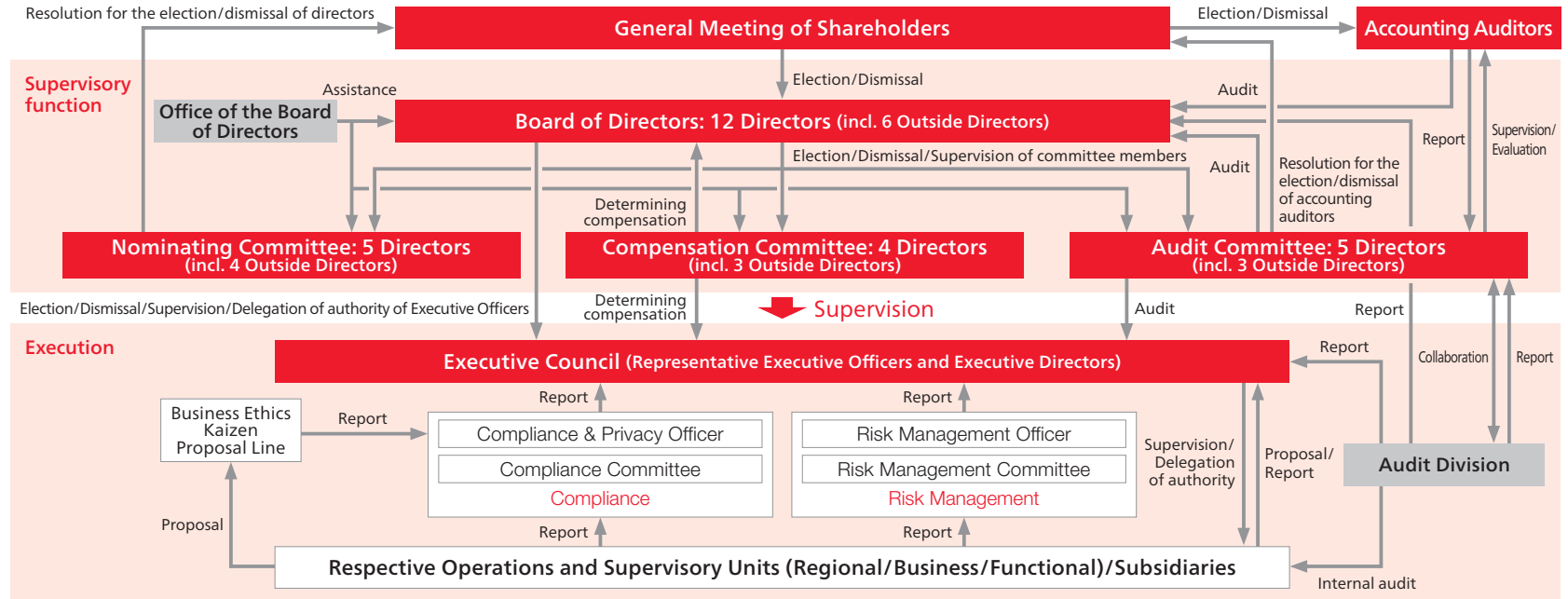
Based on its basic principles, the Company strives to enhance the trust of shareholders, investors, customers, and society, while encouraging prompt, decisive, and risk-conscious decision-making by the Company, thereby achieving sustainable growth and enhancing corporate value over the medium- to long-term. 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 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 (the link below) for information on Honda's corporate governance policy.

Honda Corporate Governance Basic Policies, Corporate Governance Report  
<https://global.honda/en/investors/policy/governance.html>  
 Overview of corporate governance → p. 161

## Corporate governance structure (as of June 19, 2024)





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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 the shareholders to achieve sustainable growth and enhance the corporate value of the Company over the medium to long term, the duties of the Board of Directors include making decisions concerning key Company matters such as its basic management policies and the monitoring of operations by Directors and Executive Officers. 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 FY2024

- Medium- to long-term management plan and its progress
- Quarterly consolidated financial statements and business outlook
- Quarterly operational 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, 2024)

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 FY2024

- 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 Honda Group. 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, 2024)

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 operating 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 FY2024 are as follows.

Specific discussion topics at the Audit Committee in FY2024

- Basic policy/annual activity plan
- Quarterly audit implementation status
- Quarterly review of consolidated financial statements 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 in meetings with Executive Officers regarding the management and business environments (56 meetings held during FY2024 of which Outside Directors (Audit Committee) participated 21 times)
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	Implement on-site audits based on the annual audit plan. (FY2024) Honda headquarters/business sites 11 sites (7 sites with the participation of Outside Directors (Audit Committee)) Group companies in Japan 14 companies (2 companies with the participation of Outside Directors (Audit Committee)) Group companies outside Japan 26 sites (8 sites with the participation of Outside Directors (Audit Committee))
Collaboration with the Accounting Auditor and the Audit Division	Exchange opinions in meetings regarding the accounting audit plan and results (9 meetings held with the Accounting Auditor in FY2024). Also, implement audits in collaboration with 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.

Employees of the Board of Directors Office execute their duties under the supervision of the Board of Directors and the three committees. For matters such as performance evaluations, personnel changes, etc., the consent of the Audit Committee is required 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.

The Audit Division, organized as an internal audit division directly under the President and CEO, conducts internal audits of each division of the Company. It also provides supervision and guidance to internal audit divisions in major subsidiaries, and when necessary, audits subsidiaries directly.

The Audit Division regularly reports to the Audit Committee on audit policy, audit plans, and audit results, and when necessary, make additional reports on audit results at the request of the Audit Committee. Also, the Audit Committee and the Audit Division implement audits independently or in collaboration.



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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, 2024)

Kazuhiro Higashi (Chairperson) (Outside Director)

Eiji Fujimura

Fumiya Kokubu (Outside Director)

Yoichiro Ogawa (Outside Director)

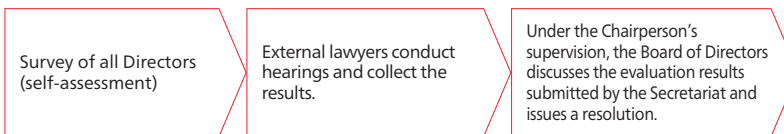
### Specific items considered by the Compensation Committee in FY2024

- Basic policy/annual activity plan
- Executive performance evaluation
- Long-term incentive (LTI) and stock delivery regulations
- Clawback policy, etc.

## Evaluation of the Effectiveness of the Board of Directors

Each fiscal year, the Company evaluates the overall effectiveness of the Board of Directors to confirm the current status of the Board's functions and with the aim of further improving its effectiveness and promoting understanding among shareholders and stakeholders.

### Evaluation process



## Evaluation results

	Tasks for FY2023	Main initiatives for FY2024	Evaluation for FY2024	Tasks and initiatives for the future
Composition	Further deepen the discussion on the expertise and diversity of future Directors	Exchanged views among all directors on the future composition of the BOD	The current composition of the BOD is appropriate.	Further deepen the discussion on the expertise and diversity of future Directors (Continued)
Shared Information	Provide information and inspection opportunities with a greater focus	<ul style="list-style-type: none"> <li>· Added information sharing items for outside directors</li> <li>· Improved opportunities for outside directors to inspect business sites and events</li> </ul>	<ul style="list-style-type: none"> <li>· Information is adequately provided.</li> <li>· Outside directors have good opportunities to inspect business sites and events.</li> <li>· It was meaningful for them to have a deeper understanding of the business and to experience the corporate culture.</li> </ul>	Provide information and inspection opportunities with a greater focus (Continued)
Agenda items for deliberation, etc.	Enhance board discussions through effective setup of information sharing/exchange opportunities	<ul style="list-style-type: none"> <li>· Conducted information sharing/discussions on the direction of the next management plan</li> <li>· Held meetings to exchange opinions on important management issues</li> </ul>	<ul style="list-style-type: none"> <li>· Discussion items are narrowed down to important matters.</li> <li>· Opportunities for information sharing/exchange of opinions are effectively set up and efficient.</li> </ul>	<ul style="list-style-type: none"> <li>· Enhance discussion on business environment awareness</li> <li>· Further enhance feedback from outside directors on their opinions</li> </ul>
Deliberation at meetings	Further revitalize discussions in the BOD (Continued)	Updated proposals and explanations on the day of the event as appropriate, based on questions raised at the pre-briefing	<ul style="list-style-type: none"> <li>· Discussions are active.</li> <li>· Directors provide thought-provoking comments and questions.</li> </ul>	Further revitalize discussions in the BOD (Continued)
Committee	Maintain and enhance coordination between committees and the BOD (Continued)	Conducted a director-wide discussion based on the committee's deliberations	The deliberation status of each committee is being properly reported to the BOD.	Maintain and enhance coordination between 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 both within and outside 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 are capable of overseeing the business management of the Company from an objective, highly sophisticated, and broad viewpoint thanks to 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 for Independence of Outside Directors and their interests are not in conflict with those of the Company or the shareholders. The six Outside Directors are specified as Independent Directors as prescribed by a provision of the Tokyo Stock Exchange (TSE). The names of these Directors have been submitted to the TSE.

Please see "Honda Corporate Governance Basic Policies" for Honda's Criteria for Independence of Outside Directors. (Please use the link below.) If any Outside Director also serves as an officer at another listed company, such Director shall only serve at four companies other than the Company so that they can secure sufficient time to perform their duties for the Company.

**Honda Corporate Governance Basic Policies**  
<https://global.honda/en/investors/policy/governance.html>

## Support Systems for Outside Directors

Honda's Board of Directors Office plays a central role in providing the following support to Outside Directors to ensure they can maximize 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 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 arranges inspection visits to its plants and other business sites as necessary to promote Outside Directors' understanding of the Company's business.



Visit to Honda Development & Mfg. of America, LLC (ELP)



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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 each regional, business, and functional divisions 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 thinking regarding 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 Tax Policy. For details, please refer to the Honda Tax Policy.

Honda Tax Policy → p. 163



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## Executive Remuneration

Honda views executive remuneration, the cornerstone of corporate governance, as an important driving force for the realization of Our Fundamental Beliefs, management policy, 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's 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, STI (Short Term Incentive), which is linked to the performance of the relevant fiscal year, and LTI (Long Term Incentive), 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 grants its own 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 also 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 subject to LTI also contribute a certain amount of their remuneration to the Directors' Shareholding Association to acquire their own shares to realize shareholder-oriented management and promote the company's sustainable growth and medium- to long-term enhancement of corporate value through the holding of their own shares.

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" (link below) for the Company's policy for determining executive compensation.

**Honda Corporate Governance Basic Policies**  
<https://global.honda/en/investors/policy/governance.html>

Total amount of remuneration by category → p. 162

Annual total remuneration and bonuses of highest-paid individual (President and Representative Executive Officer, Chief Executive Officer) (Japan) → p. 162

Rate of increase in annual total remuneration and bonuses of highest-paid individual (President and Representative Executive Officer, Chief Executive Officer) (Japan) → p. 162

## 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 115 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 112 professional staff members (including 27 certified public accountants and 85 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, 2024)



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 FY2024, he has properly fulfilled his duties 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	Head of Powertrain Production Supervisory Unit of Automobile Production 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

**Shinji Aoyama**

- Risk Management Officer

**[Reasons for Board Appointment]**

Mr. Shinji Aoyama has broad experience primarily in the areas of sales and marketing in the Motorcycle Operations, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In FY2024, he has properly fulfilled his duties as Director, Executive Vice President and Representative Executive Officer and Chief Operating Officer by demonstrating strong leadership and contributing to the business from a global perspective, as well as overseeing business execution.

Apr. 1986	Joined Honda Motor Co., Ltd.	Apr. 2019	President, Chief Executive Officer and Director of Honda North America, Inc.
Apr. 2012	Operating Officer	Apr. 2019	President, Chief Executive Officer and Director of American Honda Motor Co., Inc.
Apr. 2013	Chief Officer for Motorcycle Operations	Jul. 2021	Managing Officer in Charge of Electrification of the Company
Jun. 2013	Operating Officer and Director	Oct. 2021	Managing Executive Officer
Apr. 2017	Chief Officer for Regional Operations (Asia & Oceania)	Apr. 2022	Senior Managing Executive Officer
Apr. 2017	President, Chief Executive Officer and Director of Asian Honda Motor Co., Ltd.	Apr. 2022	Chief Officer for Business Development Operations
Jun. 2017	Operating Officer of the Company (resigned from position as Director)	Apr. 2022	Corporate Brand Officer
Apr. 2018	Managing Officer	Jun. 2022	Chief Officer for Automobile Operations
Apr. 2018	Vice Chief Officer for Regional Operations (North America)	Jun. 2022	Director and Senior Managing Executive Officer
Apr. 2018	Senior Executive Vice President, Chief Operating Officer and Director of Honda North America, Inc.	Apr. 2023	Director, Executive Vice President and Representative Executive Officer (present)
Apr. 2018	Senior Executive Vice President, Chief Operating Officer and Director of American Honda Motor Co., Inc.	Apr. 2023	Chief Operating Officer
Nov. 2018	President, Chief Operating Officer and Director of Honda North America, Inc.	Apr. 2023	Member of the Compensation Committee
Nov. 2018	President, Chief Operating Officer and Director of American Honda Motor Co., Inc.	Apr. 2023	Risk Management Officer (present)
Apr. 2019	Chief Officer for Regional Operations (North America) of the Company	Apr. 2023	In Charge of Government and Industry Relations



Director, Executive Vice President and Representative Executive Officer

**Noriya Kaihara**

- Compliance and Privacy Officer

**[Reasons for Board Appointment]**

Mr. Noriya Kaihara has broad experience primarily in the areas of service, quality and purchasing, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In FY2024, he has properly fulfilled his duties as Director, Senior Managing Executive Officer, and an officer responsible for North America by demonstrating strong leadership to increase the joy of customers and contributing to the business from a global perspective, 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. 2020	Head of Business Supervisory Unit for Automobile Operations		

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## Directors (as of June 19, 2024)



Director, Managing Executive Officer

Eiji Fujimura

- Member of the Compensation Committee
- Chief Financial Officer
- Chief Officer for Corporate Management Operations

**[Reasons for Board Appointment]**

Mr. Eiji Fujimura has broad experience primarily in the areas of accounting and finance, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In FY2024, he has properly fulfilled his duties as Chief Financial Officer and Chief Officer for Corporate Management Operations by demonstrating high degree of expertise and strong leadership, and being responsible for business execution of the entire Company Group.

- 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 Management 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 areas of sales and marketing, accounting and finance, human resource and corporate governance, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In FY2024, 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 areas of accounting and finance, as well as abundant international experience, and is familiar with the Company Group's business including overseas operations. In FY2024, he demonstrated high degree of expertise and strong leadership as President and Director of American Honda Finance Corporation and has achieved satisfactory results through contributing to the business from a global perspective.

- 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 (present)
- Jun. 2024 Member of the Audit Committee (Full-time) (present)



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
- Jun. 2012 President of Research and Training Institute of Ministry of Justice
- 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)

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## Directors (as of June 19, 2024)



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, 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 (present)  
 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. (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)



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. He has been nominated as a candidate for Outside Director again, given that he is an exceptional person with both superior character and insight, in order for him to continue to assume a role in overseeing the entire business management of the Company with a broad perspective from an objective and highly sophisticated viewpoint.

Apr. 1982 Joined Resona Group  
 Apr. 2013 Director of Resona Holdings, Inc.  
 Apr. 2013 President and Representative, Executive Officer of Resona Holdings, Inc.  
 Apr. 2013 Representative Director, President and Executive Officer of Resona Bank, Limited  
 Apr. 2013 Executive Officer of Resona Bank, Limited  
 Jun. 2013 Chairman of Osaka Bankers Association (resigned in June 2014)  
 Apr. 2017 Chairman of the Board, President and Representative Director of Resona Bank, Limited  
 Jun. 2017 Chairman of Osaka Bankers Association (resigned in June 2018)  
 Apr. 2018 Chairman of the Board, President, Representative Director and Executive Officer of Resona Bank, Limited  
 Apr. 2020 Chairman and Director of Resona Holdings, Inc. (resigned in June 2022)  
 Apr. 2020 Chairman and Director of Resona Bank, Limited (resigned in June 2022)  
 Jun. 2020 Outside Director of Sampo Holdings, Inc. (present)  
 Jun. 2021 Outside Director of the Company (present)  
 Jun. 2021 Member of the Nominating Committee (present)  
 Jun. 2021 Member of the Compensation Committee (Chairperson) (present)  
 Jun. 2022 Senior Advisor of Resona Holdings, Inc. (present)  
 Jun. 2022 Senior Advisor of Resona Bank, Limited (present)

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# Directors (as of June 19, 2024)



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 corporate management 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

**[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.

- 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)

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## Skills Matrix

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	✓	✓	✓	✓	✓	✓	✓	✓
Shinji Aoyama	Director, Executive Vice President and Representative Executive Officer	-	✓	✓	✓	✓	✓		✓	✓
Noriya Kaihara	Director, Executive Vice President and Representative 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		✓		✓			✓	





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Executive Officers (as of April 1, 2024)



Senior Managing Executive Officer

Katsushi Inoue

- Chief Officer, Electrification Business Development Operations



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

- Chief Development Officer
- Director, Honda R&D Co., Ltd.



Executive Officer

Ayumu Matsuo

- Chief Officer, Supply Chain & Purchasing Operations



Executive Officer

Minoru Kato

- Chief Officer, Motorcycle and Power Products Operations



Executive Officer

Yutaka Tamagawa

- Chief Officer, Quality Innovation Operations



Executive Officer

Kazuhiro Takizawa

- Chief Officer, Regional Operations (North America)
- President, Chief Executive Officer and Director, American Honda Motor Co., Inc.



Executive Officer

Katsuto Hayashi

- Chief Officer, Automobile Operations
- Chief Officer, Regional Operations (Associated Regions)



Executive Officer

Takashi Onuma

- Chief Officer, Automobile Production Operations



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## 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.

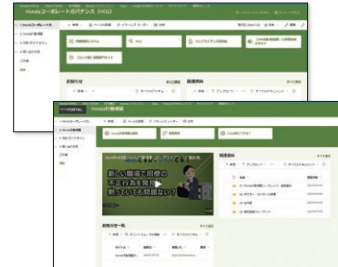
Recognizing this, Honda has formulated the Honda Code of Conduct, which summarizes the integrity of conduct to be practiced by all Honda associates around the world, and shares it throughout the Group, including subsidiaries in Japan and overseas.

The Company works to instill the Honda Code of Conduct in each and every associate through awareness-raising activities such as distribution of leaflets and 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.

Honda Code of Conduct <https://global.honda/en/about/codeofconduct.html>



Honda Code of Conduct



Intranet

## Compliance Committee

To improve compliance in the Honda Group, Honda has established a Compliance Committee, headed by a Compliance Officer designated by the Board of Directors. This Committee is composed of the Compliance Officer as well as Executive Officers and other Executives 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 four times (regular meetings) in FY2024 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. There were no major violations of laws or regulations in FY2024.





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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 engages in fact checking related to 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 and accepts also anonymous proposals.

Moreover, the Company established a point of contact within an external law office to facilitate associates to submit 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 FY2024, 356 proposals and consultations were handled by the Business Ethics Kaizen Proposal Line (including points of contact outside the Company). Among these, 164 concerned Honda, 185 concerned subsidiaries and 7 concerned other matters.

Following investigations of the proposals and consultations submitted, disciplinary action was taken in three cases in Honda and seven 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.

In order to raise internal awareness of the points of contact, Honda provides notice on its intranet, distributes information cards to all associates, including fixed term employees 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 in accordance with the Honda Code of Conduct, and by providing training to personnel stationed overseas and newly appointed managers based on their positions and roles. Regarding its subsidiaries, Honda has launched training programs, matched to conditions in each company, aimed at raising awareness.



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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 on 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 adjoining countries are not contributing to the funding of armed groups or the abuse of human rights in the region.

Honda aims to be 'conflict-free' by not using conflict minerals associated with illicit activities such as funding armed groups and human rights violations in conflict zones.

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. To achieve this goal and help resolve the global problem of conflict minerals, the Company is actively engaged with domestic and international industry organizations and its suppliers.

To conduct the surveys, Japan Automobile Manufacturers Association, Inc. has created a manual for suppliers to help them complete the survey forms, as well as tools to tabulate the survey results.



Also, in collaboration with entities such as the Japan Auto Parts Industries Association and the Japan Electronics and Information Technology Industries Association, Honda is examining efficient survey methods and is working to understand and analyze survey results while regularly implementing various working activities.

In North America, Honda is working with the Responsible Minerals Initiative (RMI), an international initiative promoting responsible mineral procurement, to encourage smelters and refiners to participate in the Responsible Minerals Assurance Process (RMAP).

Honda shares the Honda Supplier Sustainability Guidelines with its suppliers, which summarize what is expected of them regarding Sustainability activities, including how to deal with conflict minerals, and encourages procurement in line with the guidelines. Honda is encouraging its tier 1 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 FY2024, Honda received responses from over 7,000 suppliers. In addition to reporting the survey results to the SEC, the Company also makes them publicly available on its website. (Please use the link below.)

If the survey reveals any minerals of concern, regardless of the source country, Honda works together with its suppliers to take appropriate measures. The Company is also working to improve the accuracy of its survey and requests further investigation when survey responses are insufficient.

-  [https://global.honda/sustainability/cq\\_img/report/pdf/supply-chain/supplier-sustainability-guidelines.pdf](https://global.honda/sustainability/cq_img/report/pdf/supply-chain/supplier-sustainability-guidelines.pdf)  
 Honda Supplier Sustainability Guidelines
-  <https://global.honda/investors/library.html>  
 From the IR Library website "Form SD/Conflict Minerals Report"

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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 risk management systems in each Operation and Supervisory Unit by providing training for the Risk Management Secretariat and disclosing policies and manuals on the Company's intranet, which is accessible to all associates.

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 FY2024, an internal audit was conducted by an independent internal audit department under the direct control of the President.

## Risk Management Committee

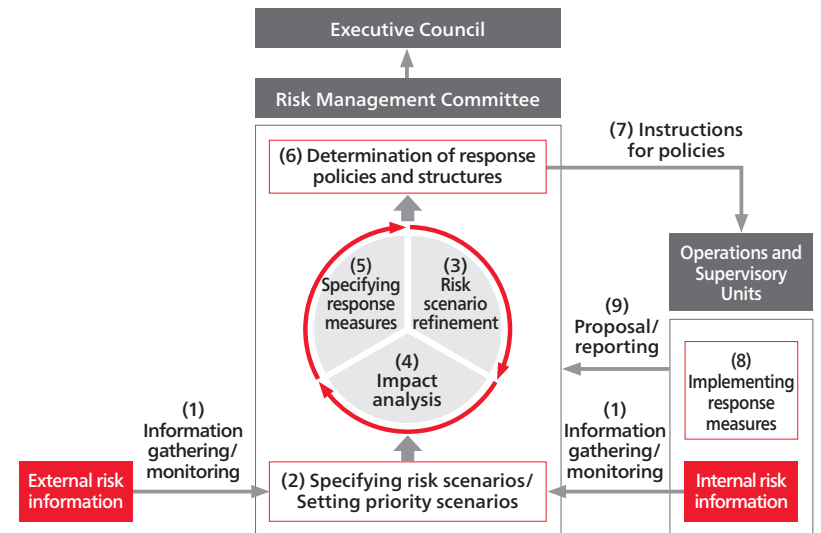
The business environment has undergone drastic changes in recent years in all business categories. Accordingly, the complexity and uncertainty of risks are rising, which requires effective risk management activities. Honda set up the Risk Management Committee chaired by a company-wide Risk Management Officer (RMO), to identify, discuss, and monitor important risks from a holistic perspective. In FY2024, the Risk Management Committee held a total of 12 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 that Honda should address that are consistent with its management strategies.

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 company-wide priority risks in each fiscal year. The identified company-wide priority risks are addressed mainly by the responsible departments, and their progress is confirmed and discussed at the Risk Management Committee meetings.

### Company-wide priority risks

Company-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 regional conflicts
Purchasing and procurement risk	Stoppages or delays of production activities due to difficulties in receiving parts supplies from suppliers or increases in the prices of raw materials and parts, etc.; or quality defects caused by suppliers
Information security risk	Suspension of important operations/services due to cyber attacks and other incidents; and leakage of confidential or personal information
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
Environmental risk	Costs incurred in response to policy and regulatory changes related to climate change and fuel consumption and emissions, etc.
Intellectual property risk	Reduction in competitiveness due to infringement of Honda's intellectual property rights; or injunctions against manufacture and sale, expensive compensation, or payment of license fees as a result of patent infringement lawsuits
Natural disaster risk	Stoppages or delays of business activities due to natural disasters (earthquakes, floods, etc.) or spread of infectious diseases
Financial and economic risk	Business impact from economic trends, economic fluctuations, or currency fluctuations
Risk related to brand image	Business impact associated with damage to brand image

## 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.

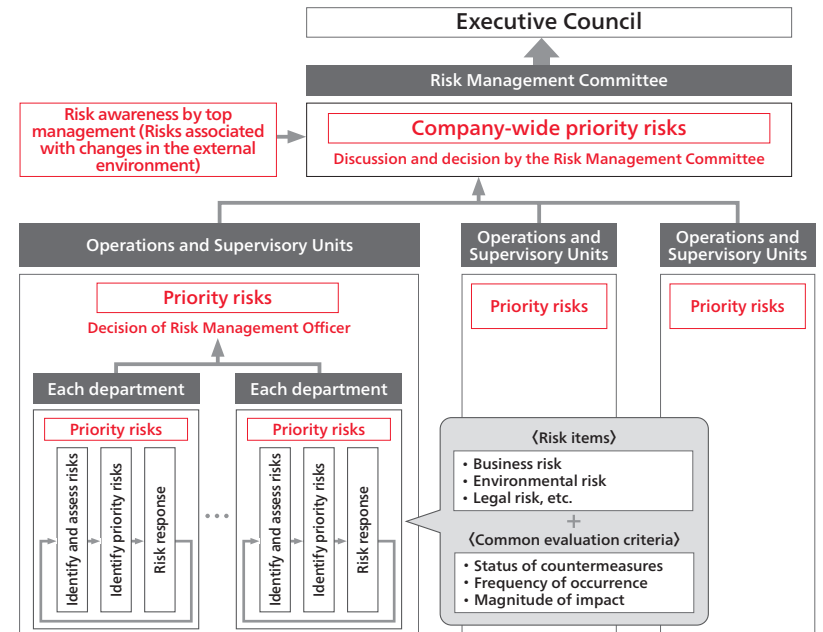
Each department performs an annual risk evaluation using the Group's common risk items and evaluation criteria to identify the divisional priority risks.

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 also established an information coordination system in case a crisis becomes apparent.

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. In this way, Honda creates a structure to prevent the crisis from spreading and to quickly bring the situation under control.

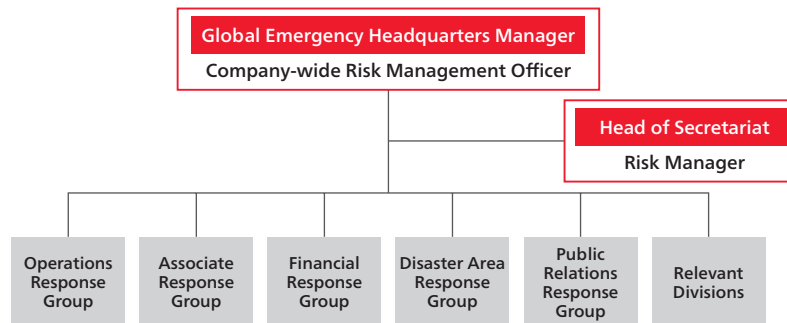
Based on its initiatives to deal with crisis events and other situations experienced in the past, Honda's Global Emergency Headquarters is working to strengthen its functions to better cope with future events.

Honda regularly coordinates information with each response team and reconfirms basic actions in crisis response (confirming the coordination among the teams).

Also, concerning disaster drills, besides ensuring the safety of human life and procedures to account for its associates, Honda continuously holds training on procedures from a business continuity planning (BCP) viewpoint to share information and identify the impact of a crisis on business at an earlier stage.

As a recent example of its crisis response, to cope with the Noto Peninsula earthquake, Honda launched a Global Emergency Headquarters to promote company-wide responses. Although Honda's suppliers were affected by the disaster and its production of automobiles was reduced at some domestic production bases, the Company took measures to minimize the impact on its business and performance, including the use of inventory and alternative development in cooperation with its suppliers.

## Global Emergency Headquarters Structure



# Information Management

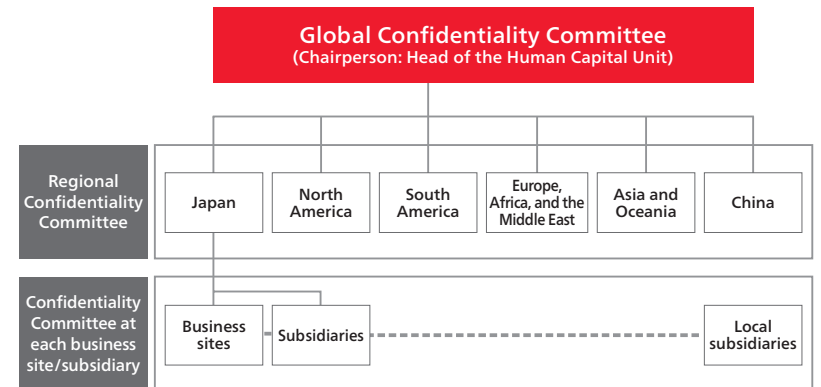
To protect information assets, including confidential information and personal information, Honda has formulated the Global Confidentiality Policy and the Global IT Security Policy, the scope of which extends to Group subsidiaries. These policies stipulate the adoption of a systematic response structure, 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.

As part of its efforts to effectively implement these policies, Honda has set up the Global Confidentiality Committee chaired by the Head of the Human Capital Unit 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





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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.

Additionally, 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 Intellectual Property and Legal 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 FY2024, 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. The Auto-ISAC collects 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 reorganized the Cybersecurity Committee to further accelerate decision-making and execution across all related departments, including strengthening cooperation between management in FY2023, and has continued its activities in FY2024 and beyond. Through the Committee's activities, the Company will continue to ensure the safety and security of the products it provides to customers.