

Governance | Corporate Governance

Basic Approach

Enhancing Corporate Governance to Become “A Company People and Society Want to Exist”

Based on its basic principles, Honda strives to enhance the trust of shareholders, investors, customers, and society, while encouraging prompt, decisive, and risk-conscious decision-making, thereby achieving sustainable growth and enhancing corporate value over the medium- to long-term. Through these efforts, We are working to enhance corporate governance as one of its key management priorities to become “a company society wants to exist.”

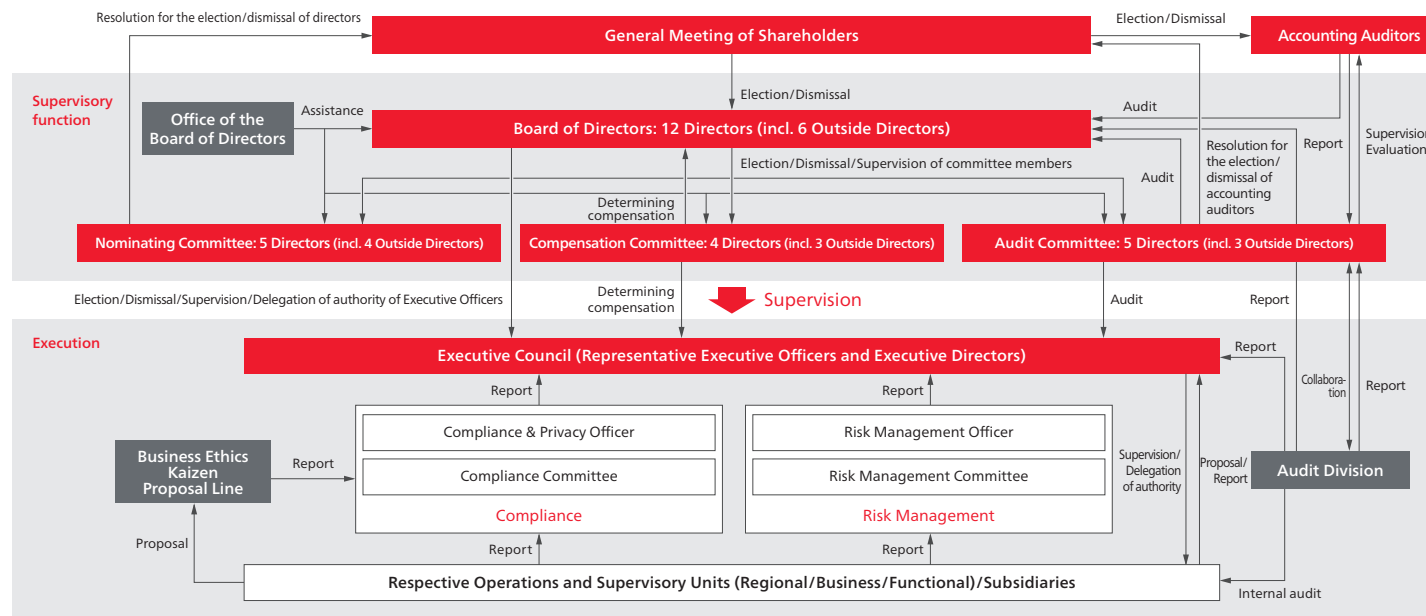
To clearly segregate the supervisory and execution functions of management, strengthen the supervisory function, and enable prompt and flexible decisions, Honda has created a Nominating Committee, Audit Committee, and Compensation Committee, each of which is composed of over 50%

Outside Directors. We also have 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.

To further enhance trust and empathy from our shareholders, investors, customers, and society, we are committed to the timely and accurate disclosure of corporate information, including quarterly financial results and management policies. Thus we will continue to ensure transparency.

WEB “Honda Corporate Governance Basic Policies” “Corporate Governance Report”
<https://global.honda/en/investors/policy/governance.html>

Corporate governance structure (as of June 19, 2024)



Basic Approach

Evolution of the Corporate Governance Structure

	Fiscal Years Ended/Ending March 31											
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*1	
Total number of directors	13	13	13	14	14	13	13	11	11	11	12	
Number of Outside Directors	2	2	2	5	5	5	5	5	5	5	6	
Number of Independent Directors	1	1	1	5	5	5	5	5	5	5	6	
Number of female directors	1	1	1	2	2	2	2	2	2	2	3	
Organizational structure and system	Company with Board of Auditors			Company with Audit and Supervisory Committee				Company with Three Committees				
				<ul style="list-style-type: none"> Enhancing the Board's oversight function to further expedite decision-making Expanding the delegation of executive authority from the Board to Directors Promoting the separation of oversight and executive functions 				<ul style="list-style-type: none"> Further strengthening of management "agility" and "supervision" Significantly delegating executive authority from the Board to legally accountable Executive Officers Selecting committee chairs from among the Independent Outside Directors 				
	Board of Auditors			Audit and Supervisory Committee				Nominating Committee Audit Committee Compensation Committee				
	-			-				-				
Key initiatives for improving governance evolution of support systems	■ Subsidiary Monitoring with Issues ■ Pre-Board Meeting Briefings ■ Board Effectiveness Evaluation ■ Establishment of Standards and Regulations for the Three Committees ■ Disclosure of Board Effectiveness Evaluation ■ Introduction of Effectiveness Evaluation for the Three Committees ■ Expansion of Disclosure on Compensation Systems ■ Establishment of Clawback Policy ■ Revision of Long-Term Incentive (LTI) Program ■ Disclosure of the Skill Matrix ■ Establishment of the Board of Directors Office											
	~ Auditors' Office ■ Establishment of the Audit and Supervisory Committee Division											
	Compliance Committee											
	~ Compliance Officer ■ CPO*2											
	Enterprise Risk Management Committee			Global Emergency Headquarters				Risk Management Committee				
	~ Risk Management Officer											
	Internal Audit Office			Audit Division								
	Supervisory Side											
	Executive Side											

*1 as of June 19, 2024
*2 CPO: Compliance & Privacy Officer

Decision-Making for Executing Business Matters

Strengthening supervisory functions and implementing swift and agile decision-making

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.

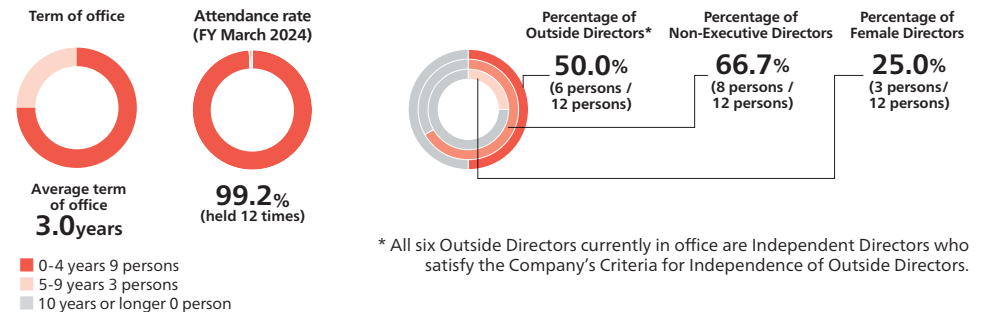
The Executive Council conducts preliminary deliberations on matters to be resolved by the Board of Directors and deliberates on important management matters within the scope of authority delegated by the Board of Directors. The Business Operating Board deliberates important management matters in each 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.

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.



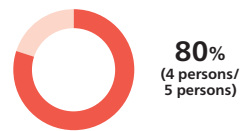
Nominating Committee

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 is composed of five directors, including four outside directors. The chairperson of the committee is selected from among the independent outside directors.

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)

Ratio of Outside Directors



Attendance rate (FY March 2024)



Specific discussion topics at the Nominating Committee in FY March 2024

- Basic policy/annual activity plan
- Succession plan for Directors
- Prospective Director candidates, etc.

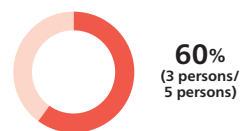
Audit Committee

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 five Directors, including three Outside Directors. The chairperson of the committee is selected from among the 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.

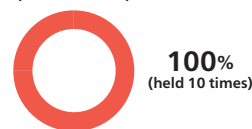
Audit Committee Members (as of June 19, 2024)

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)

Ratio of Outside Directors



Attendance rate (FY March 2024)



Specific discussion topics at the Audit Committee in FY March 2024

- Basic plan
- Quarterly audit implementation status
- Quarterly review of consolidated financial statements by the Accounting Auditor
- Implementation status of internal audits, etc.

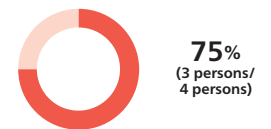
Compensation Committee

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 four Directors, including three Outside Directors. The chairperson of the committee is selected from among the 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)

Ratio of Outside Directors



Attendance rate (FY March 2024)















Specific discussion topics at the Compensation Committee in FY March 2024

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

Governance | Corporate Governance

Board and Committee Members

Name	Term of office	Position	Responsibilities	Attendance in FY March 2024 (Attendance/Number of times held)				Skills							
				Board of Directors	Nominating Committee	Audit Committee	Compensation Committee	Corporate management	Internationality	Industrial experience	New business strategies	HR	Accounting & finance	Legal & risk management	ESG & sustainability
 Toshihiro Mibe	4 years	· Director · President and Representative Executive Officer	· Member of the Nominating Committee · Chairman of the Board of Directors · Chief Executive Officer	12/12 100%	9/9 100%	-	-	●	●	●	●	●	●	●	●
 Shinji Aoyama	6 years (total)	· Director, Executive Vice President and Representative Executive Officer	· Risk Management Officer	12/12 100%	-	-	9/9 100%	●	●	●	●	●	●	●	●
 Noriya Kaihara	5 years (total)	· Director · Executive Vice President and Representative Executive Officer	· Compliance and Privacy Officer	9/9 100%	-	-	-	●	●	●	●	●	●	●	●
 Eiji Fujimura	-	· Director · Managing Executive Officer	· Member of the Compensation Committee · Chief Financial Officer · Chief Officer for Corporate Management Operations	-	-	-	-	●	●	●	●	●	●	●	●
 Asako Suzuki	3 years	· Director	· Member of the Audit Committee (Full-time)	12/12 100%	-	10/10 100%	-	●	●	●	●	●	●	●	●
 Jiro Morisawa	-	· Director	· Member of the Audit Committee (Full-time)	-	-	-	-	●	●	●	●	●	●	●	●
 Kunihiko Sakai	5 years	· Director	· Member of the Nominating Committee · Member of the Audit Committee	12/12 100%	9/9 100%	10/10 100%	-	●	●	●	●	●	●	●	●
 Fumiya Kokubu	4 years	· Director	· Member of the Nominating Committee (Chairperson) · Member of the Compensation Committee	12/12 100%	9/9 100%	-	9/9 100%	●	●	●	●	●	●	●	●
 Yoichiro Ogawa	3 years	· Director	· Member of the Audit Committee (Chairperson) · Member of the Compensation Committee	12/12 100%	-	10/10 100%	9/9 100%	●	●	●	●	●	●	●	●
 Kazuhiro Higashi	3 years	· Director	· Member of the Nominating Committee · Member of the Compensation Committee (Chairperson)	12/12 100%	9/9 100%	-	9/9 100%	●	●	●	●	●	●	●	●
 Ryoko Nagata	3 years	· Director	· Member of the Audit Committee	12/12 100%	-	10/10 100%	-	●	●	●	●	●	●	●	●
 Mika Agatsuma	-	· Director	· Member of the Nominating Committee	-	-	-	-	●	●	●	●	●	●	●	●

Reasons for Selecting the Skills

We have identified the following skills required for the Board of Directors to fulfill its role of making decisions with respect to the basic management policies of the Company Group and other equivalent matters and overseeing the performance by the Directors and Executive Officers of their duties.

Required skills

- **Demonstrate strong leadership to prevail in the once-in-a-century era of transformation.**

Lead Honda by accurately understanding the rapidly changing environment and actively making decisions from global perspectives.

Corporate management

Internationality

- **Reinforce our existing businesses and strengthen new business areas by creating value.**

Help our existing businesses evolve continuously, and develop business strategies for new business categories which will be pioneered by new value creation, and make decisions on their execution.

Industrial experience

New business strategies

- **Strengthen the corporate structure and control the resources for the future.**

Manage Honda's human and capital resources to high standards and build a foundation for a strong business structure.

HR

Accounting & finance

- **Prepare for risks and achieve sustainable corporate operations.**

Properly address the various risks arising from business activities and oversee our business operations to ensure healthy operational practices and thereby drive permanent development of society and Honda.

Legal & risk management

ESG & sustainability

Reason for Appointment of Outside Directors

Six Outside Directors Having Abundant Experience and Deep Insight

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.

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

Kunihiko Sakai	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.
Fumiya Kokubu	Mr. Fumiya Kokubu held positions of President and CEO, and then 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 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.
Yoichiro Ogawa	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.
Kazuhiro Higashi	Mr. Kazuhiro Higashi held positions of President and then 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.
Ryoko Nagata	Ms. Ryoko Nagata held positions of Executive Officer and then 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.
Mika Agatsuma	Ms. Mika Agatsuma has extensive experience and deep expertise in the IT field, including serving as an Executive Officer at IBM Japan from October 2022 to March 2024.

Support Systems for Outside Directors

Board of Directors Office Providing Necessary Support as Appropriate

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.



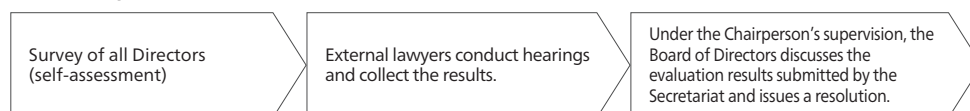
Visit to Honda Development & Manufacturing of America, LLC (East Liberty Auto Plant,ELP)

Evaluation of the Effectiveness of the Board of Directors

Conducting Questionnaire and Interviews in Each Fiscal Year to Increase Effectiveness

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 FY March 2023	Main initiatives for FY March 2024
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
Shared information	Provide information and inspection opportunities with a greater focus	<ul style="list-style-type: none"> Added information sharing items for outside directors Improved opportunities for outside directors to inspect business sites and events
Agenda items for deliberation, etc.	Enhance board discussions through effective setup of information sharing/exchange opportunities	<ul style="list-style-type: none"> Conducted information sharing/discussions on the direction of the next management plan Held meetings to exchange opinions on important management issues
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
Committee	Maintain and enhance coordination between committees and the BOD (Continued)	Conducted a director-wide discussion based on the committee's deliberations

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.

Evaluation for FY March 2024	Tasks and initiatives for the future
The current composition of the BOD is appropriate.	Further deepen the discussion on the expertise and diversity of future Directors (Continued)
<ul style="list-style-type: none"> Information is adequately provided. Outside directors have good opportunities to inspect business sites and events. It was meaningful for them to have a deeper understanding of the business and to experience the corporate culture. 	Provide information and inspection opportunities with a greater focus (Continued)
<ul style="list-style-type: none"> Discussion items are narrowed down to important matters. Opportunities for information sharing/exchange of opinions are effectively set up and efficient. 	<ul style="list-style-type: none"> Enhance discussion on business environment awareness Further enhance feedback from outside directors on their opinions
<ul style="list-style-type: none"> Discussions are active. Directors provide thought-provoking comments and questions. 	Further revitalize discussions in the BOD (Continued)
The deliberation status of each committee is being properly reported to the BOD.	Maintain and enhance coordination between committees and the BOD (Continued)

Remuneration Structure for Directors and Executive Officers

Remuneration Structure Linked to Medium- to Long-Term Business Performance

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.

Total Amount of Remuneration by Category

Category of Directors	Total amount of remuneration (millions of yen)	Total amount by type of remunerations (millions of yen)			Number of eligible Directors (Number of persons)
		Basic remuneration	Performance-linked remuneration		
			STI (Short Term Incentive)	LTI (Long Term Incentive)	
Directors (excluding Outside Directors)	300	287	0	12	4
Outside Directors	90	90	0	0	5
Executive Officers	1,395	470	483	406	10
Total	1,751	849	483	419	19

- 'Directors' in the table above does not include the three Directors who concurrently serve as Executive Officers.
- These amounts indicate remuneration paid to Directors during the fiscal year. The above includes the amount paid to one Director who retired at the closing of the 99th Ordinary General Meeting of Shareholders held on June 21, 2023.
- The amount of STI for Executive Officers was determined by the Compensation Committee held on May 7, 2024.
- The total amount of LTI is the expenses recorded for stock delivery points granted during the fiscal year in relation to the Board Incentive Plan (BIP) trust and falls under non-monetary remuneration.



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

An Evaluation System That Supports the Creation of Social and Economic Value

In FYE Mar. 31, 2024 we have redefined and organized the priority issues and materiality that we will particularly focus on, aiming to create the “joy and freedom of mobility” across the entire company. The priority issues are selected based on a comprehensive extraction of social issues from a sustainability perspective and are prioritized according to the direction we aim to pursue. Specifically, we have identified five non-financial areas as priority issues: “environment” and “safety,” which have long been key themes for management, “people” and “technology,” which are the driving forces behind our growth, and “brand,” which represents the sum of all corporate activities. By aligning these with our financial strategy, we aim to achieve the creation of both social and economic value.

For the Long-Term Incentive (LTI) programs from the Fiscal Year Ending March 31, 2025 onward, we have revised the performance evaluation methods with the aim of accelerating initiatives on key themes from the perspective of stakeholders, including shareholders, and further promoting the creation of social and economic value. For each Key Performance Indicator (KPI), financial indicators are chosen as important metrics to achieve the Return on Invested Capital (ROIC) targets set for the Fiscal Year Ending March 31, 2031, non-financial indicators are directly linked to five priority issues, and stock price indicators reflect market evaluation of the creation of social and economic value. Each indicator is selected to be objectively evaluable on an annual basis.

	KPIs	Evaluation method
Financial indicators	Consolidated operating profit margin	Evaluation based on target achievement for the assessed year
	Profit attributable to owners of the parent company	
Non-financial indicators	Brand value	
	Total CO ₂ emissions	
	Employee engagement	
Stock price indicators	Total shareholder return	Evaluation based on comparison with the dividend-inclusive TOPIX growth rate for the assessed year

Note: For non-financial indicators, the evaluation will be based on the following metrics:

- Brand value: Brand value assessment conducted by a third-party research company
- Total CO₂ emissions: CO₂ emissions from corporate activities and products, calculated using standardized methods applicable in Japan (and globally)
- Employee engagement: Employee engagement survey conducted by a third-party research company

Remuneration of Accounting Auditors

Determining Remuneration with Prior Approval to Uphold Independence

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.

The duration of continuous auditing by KPMG AZSA LLC is 19 years.

This period refers to the period during which KPMG AZSA LLC, the current auditor, has continuously audited the consolidated financial statements and financial statements included in the Company's Securities Report. In addition, KPMG, to which KPMG AZSA LLC belongs as a member firm, has been conducting audits of the Company for U.S. SEC registration purposes since 1962.

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).

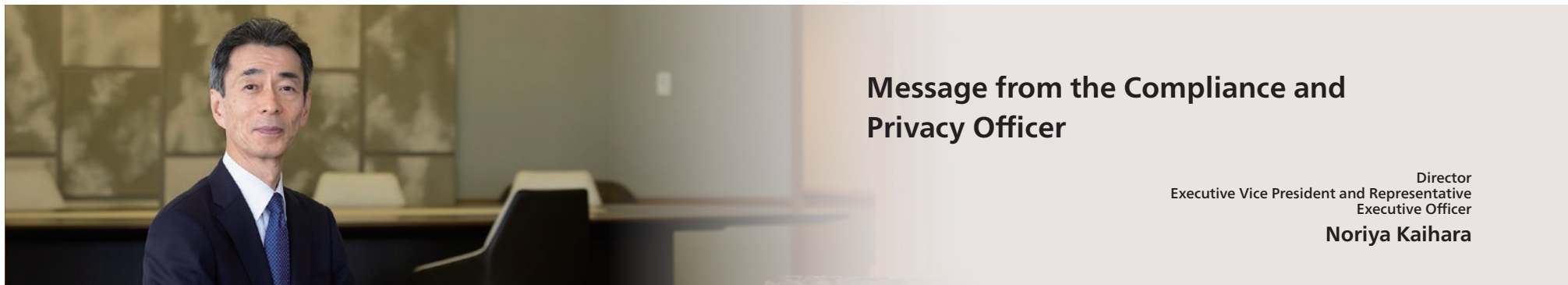
In deciding the amount of remuneration for services rendered by the Accounting Auditor, various factors are taken into consideration in discussions with the accounting firm, including the Company's size/ characteristics, the time schedule for the audit and other matters. In addition, to preserve the independence of the Accounting Auditor, remuneration to be paid is required to obtain the prior approval of the Audit Committee.



“Form 20-F”

https://global.honda/en/investors/library/form20_f.html

Governance | Compliance



Message from the Compliance and Privacy Officer

Director
Executive Vice President and Representative
Executive Officer
Noriya Kaihara

To Remain a Company People and Society Want to Exist

In 1962, the founder, Soichiro Honda, gave a speech to associates stating, “Before making a profit, there is one important condition: whether something is “right” or not.”

At Honda, “compliance” means not only adhering to laws and regulations but also being sincere and ethical towards customers and society. This concept is connected to the words of the founder and remains the unchanging foundation from the Company’s inception to the present, guiding Honda in conducting transparent and trustworthy business operations.

As a concrete compliance initiative, in 2016, Honda established the “Honda Code of Conduct,” which outlines the sincere actions that associates should practice. Currently, global efforts are ongoing to raise awareness of this code. Additionally, an internal reporting system called the “Business Ethics Kaizen Proposal Line (Corporate Ethics Improvement Proposal Hotline)” has been established to accept reports of legal violations, fraud, and other issues.

To manage and oversee the progress of these initiatives, Honda has appointed the Executive Vice President and Representative Executive Officer as the Compliance & Privacy Officer, who is responsible for compliance across the Honda Group. The Compliance & Privacy Officer also serves as the Chair of the “Compliance Committee,” which deliberates on important compliance matters within the group.

In the “Inappropriate type designation found in applications of automobiles*,” which was disclosed in June 2024, we caused significant concern to many of our stakeholders. Along with implementing specific measures to prevent this issue from recurring, we will reassess Honda’s compliance system and awareness. Moving forward, we will strengthen and improve our ongoing efforts to restore the trust of our stakeholders.

In recent years, with the advancement of digital transformation and the increasing collection and utilization of various types of data, the global importance of personal information management and privacy protection, through compliance with related laws, has grown significantly. In this environment, to fulfill its corporate responsibilities, We changed the title of the former Compliance Officer to “Compliance & Privacy Officer” as of April 1, 2024, clarifying the role responsible for data governance.

Honda is driving significant transformations for further growth as it works toward realizing its “desired state.” Moving forward, we aim to maintain a transparent and trustworthy corporate operation while fostering a foundation for the unique challenges Honda undertakes. By ensuring that every member of management and each associate acts with integrity and ethics toward customers and society, we strive to continue being a “company society wants to exist.”

* Reference: News Release dated June 3, 2024, disclosure of an inappropriate incident in the application for type approval of automobiles (in Japanese)

Honda Code of Conduct

Formulation and Dissemination of Integrity Guidelines to be Observed by Honda Associates around the World

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.

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



Honda Code of Conduct



Intranet

Compliance Committee

Establishment and Operation of Committees to Improve the Group's Compliance

To improve compliance in the Honda Group, Honda has established a Compliance Committee, headed by a Compliance & Privacy Officer designated by the Board of Directors. This Committee is composed of the Compliance & Privacy Officer as well as Executive Officers and other 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 FY March 2024 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 FY March 2024.

Business Ethics Kaizen Proposal Line

Establishment and Operation of a Consultation Desk that Provides Consultation from a Fair and Neutral Standpoint

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 FY March 2024, 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

Developing and Disseminating Anti-Bribery Policies to Ensure the Soundness of Corporate Activities

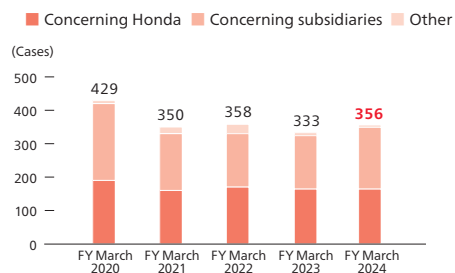
Honda prohibits bribery and corruption.

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.”

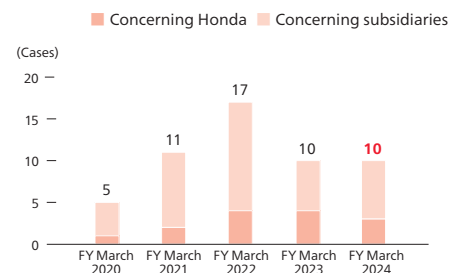
In addition to the above, the Company also established the Honda Policy on the Prevention of Bribery and Corruption, which stipulates basic policy about bribery and corruption, and the Honda Guideline for the Prevention of Bribery and Corruption, which stipulates specific compliance items and prohibited 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.

Proposals and Consultations with the Business Ethics Kaizen Proposal Line (including External Contacts)



Number of Disciplinary Actions Taken as a Result of Investigating Cases Proposed to the Office



Governance | Risk Management

Risk Management Committee

Responding Flexibly to the Complexity and Uncertainty of Risks

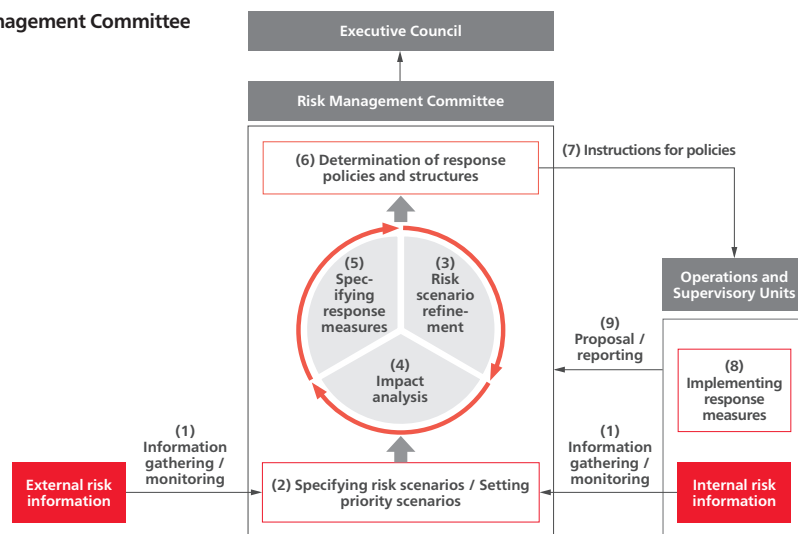
The business environment has undergone drastic changes in recent years in all business categories. Accordingly, the complexity and uncertainty of risks are rising, which requires effective risk management activities. Honda set up the Risk Management Committee chaired by a company-wide Risk Management Officer (RMO), to identify, discuss, and monitor important risks from a holistic perspective. In FY March 2024, 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



Company-Wide Priority Risks

Identifying Company-Wide Priority Risks and Addressing them in the Lead Department

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

Foreseeing the Potential Risks to Honda's Business and Responding Pre-Emptively

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.

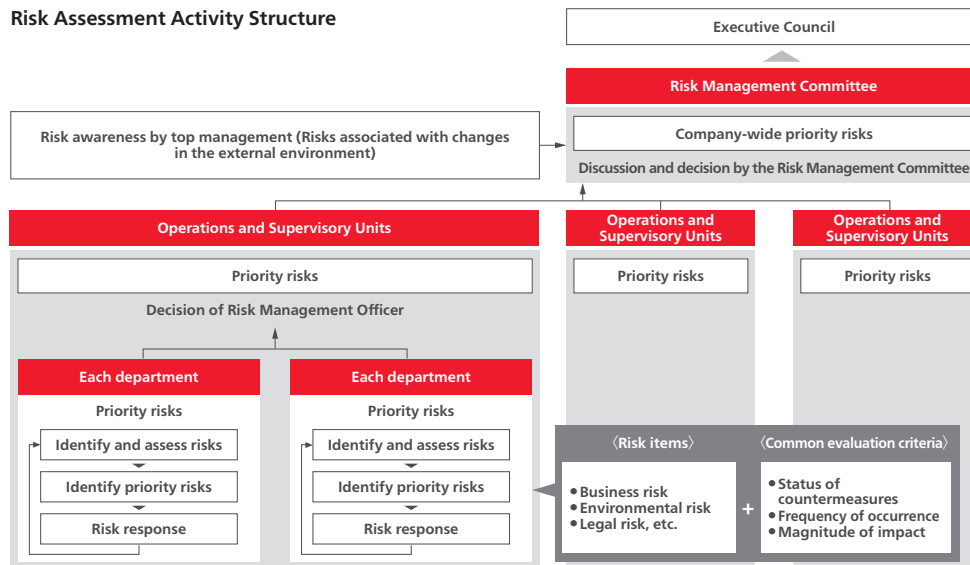
Each department performs an annual risk evaluation using the Group's common risk items and evaluation criteria to identify the divisional priority risks.

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



Crisis Response

Monitoring, Reporting and Quickly Responding to Signs of Crisis

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

Protection of Information Assets, Including Confidential and Personal Information, throughout the Group

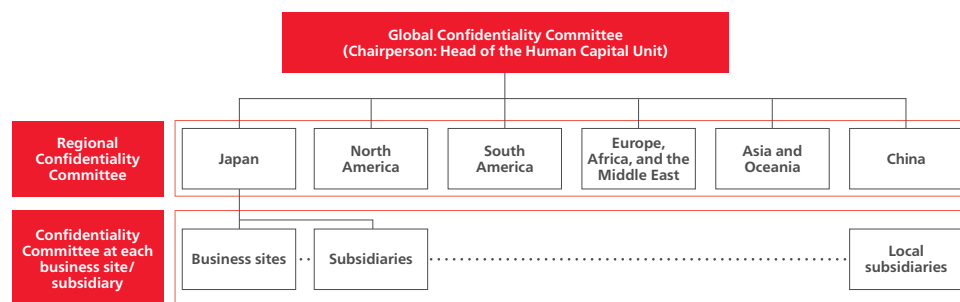
To protect information assets, including confidential information and personal information, Honda has formulated the Global Confidentiality Policy and the Global IT Security Policy, the scope of which extends to Group subsidiaries. These policies stipulate the adoption of a systematic response structure,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



Governance | Directors and Executive Officers

Directors (as of June 19, 2024)

 <p>Director, President and Representative Executive Officer</p> <p>Toshihiro Mibe</p> <ul style="list-style-type: none"> Member of the Nominating Committee Chief Executive Officer Chairman of the Board of Directors 	Apr. 1987	Joined Honda Motor Co., Ltd.	Apr. 2019	In Charge of Intellectual Property and Standardization of the Company	
	Apr. 2014	Operating Officer	Apr. 2020	Senior Managing Officer	
	Apr. 2014	Executive in Charge of Powertrain Business for Automobile Operations	Apr. 2020	In Charge of Mono-zukuri (Research & Development, Production, Purchasing, Quality, Parts, Service, Intellectual Property, Standardization and IT)	
	Apr. 2014	Head of Powertrain Production Supervisory Unit of Automobile Production for Automobile Operations	Apr. 2020	Intellectual Property, Standardization and IT	
	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)	Apr. 2024	Chairman of the Board of Directors (present)		
 <p>Director, Executive Vice President and Representative Executive Officer</p> <p>Aoyama Shinji</p> <ul style="list-style-type: none"> Risk Management Officer 	Apr. 1986	Joined Honda Motor Co., Ltd.	Apr. 2019	Chief Officer for Regional Operations (North America) of the Company	
	Apr. 2012	Operating Officer	Apr. 2019	President, Chief Executive Officer and Director of Honda North America, Inc.	
	Apr. 2013	Chief Officer for Motorcycle Operations	Apr. 2019	President, Chief Executive Officer and Director of American Honda Motor Co., Inc.	
	Jun. 2013	Operating Officer and Director	Apr. 2019	Managing Officer in Charge of Electrification of the Company	
	Apr. 2017	Chief Officer for Regional Operations (Asia & Oceania)	Jul. 2021	Managing Officer in Charge of Electrification of the Company	
	Apr. 2017	President, Chief Executive Officer and Director of Asian Honda Motor Co., Ltd.	Oct. 2021	Managing Executive Officer	
	Jun. 2017	Operating Officer of the Company (resigned from position as Director)	Apr. 2022	Senior Managing Executive Officer	
	Apr. 2018	Managing Officer	Apr. 2022	Chief Officer for Business Development Operations	
	Apr. 2018	Vice Chief Officer for Regional Operations (North America)	Apr. 2022	Corporate Brand Officer	
	Apr. 2018	Senior Executive Vice President, Chief Operating Officer and Director of Honda North America, Inc.	Jun. 2022	Chief Officer for Automobile Operations	
	Apr. 2018	Senior Executive Vice President, Chief Operating Officer and Director of American Honda Motor Co., Inc.	Jun. 2022	Director and Senior Managing Executive Officer	
	Apr. 2018	Senior Executive Vice President, Chief Operating Officer and Director of American Honda Motor Co., Inc.	Apr. 2023	Director, Executive Vice President and Representative Executive Officer (present)	
	Nov. 2018	President, Chief Operating Officer and Director of Honda North America, Inc.	Apr. 2023	Chief Operating Officer	
	Nov. 2018	President, Chief Operating Officer and Director of American Honda Motor Co., Inc.	Apr. 2023	Member of the Compensation Committee	
Apr. 2023	Risk Management Officer (present)	Apr. 2023	Risk Management Officer (present)		
Apr. 2023	In Charge of Government and Industry Relations	Apr. 2023	In Charge of Government and Industry Relations		
 <p>Director, Executive Vice President and Representative Executive Officer</p> <p>Norihiro Kaihara</p> <ul style="list-style-type: none"> Compliance and Privacy Officer 	Apr. 1984	Joined Honda Motor Co., Ltd.	Apr. 2020	Head of Business Supervisory Unit for Automobile Operations	
	Apr. 2012	General Manager of Automobile Quality Assurance Division	Apr. 2021	Chief Officer for Customer First Operations	
	Apr. 2013	Operating Officer	Apr. 2021	Risk Management Officer	
	Apr. 2013	Chief Quality Officer	Jun. 2021	Managing Executive Officer	
	Jun. 2013	Operating Officer and Director	Oct. 2021	Managing Officer	
	Apr. 2014	Chief Officer for Customer Service Operations	Oct. 2021	Chief Officer for Regional Operations (North America)	
	Apr. 2014	Head of Service Supervisory Unit for Automobile Operations	Oct. 2021	President, Chief Executive Officer and Director of American Honda Motor Co., Inc.	
	Apr. 2016	Chief Officer for Customer First Operations	Apr. 2023	Senior Managing Executive Officer of the Company	
	Jun. 2017	Operating Officer (resigned from position as Director)	Jun. 2023	Director, Senior Managing Executive Officer	
	Apr. 2018	Managing Officer	Apr. 2024	Director, Executive Vice President and Representative Executive Officer (present)	
	Apr. 2018	Chief Officer for Purchasing Operations	Apr. 2024	Compliance and Privacy Officer (present)	
	 <p>Director, Managing Executive Officer</p> <p>Eiji Fujimura</p> <ul style="list-style-type: none"> Member of the Compensation Committee Chief Financial Officer Chief Officer for Corporate Management Operations 	Apr. 1993	Joined Honda Motor Co., Ltd.	Apr. 2024	Managing Executive Officer
		Apr. 2017	General Manager of Finance Division for Business Management Operations	Jun. 2024	Director, Managing Executive Officer (present)
		Apr. 2019	General Manager of Regional Operation Planning Division for Regional Operations (North America)	Jun. 2024	Member of the Compensation Committee (present)
		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)				
 <p>Director</p> <p>Asako Suzuki</p> <ul style="list-style-type: none"> Member of the Audit Committee (Full-time) 	Apr. 1987	Joined Honda Motor Co., Ltd.	Apr. 2019	Chief Officer for Human Resources and Corporate Governance Operations	
	Apr. 2014	President of Dongfeng Honda Automobile Co., Ltd.	Apr. 2020	Operating Executive	
	Apr. 2016	Operating Officer of the Company	Jun. 2021	Director (present)	
	Apr. 2018	Vice Chief Officer for Regional Operations (Japan)	Jun. 2021	Member of the Audit Committee (Full-time) (present)	

 <p>Director</p> <p>Jiro Morisawa</p> <ul style="list-style-type: none"> Member of the Audit Committee (Full-time) 	Apr. 1989	Joined Honda Motor Co., Ltd.	Apr. 2019	Operating Officer
	Apr. 2016	General Manager of Regional Operation Planning Office for Regional Operations (Japan)	Apr. 2019	Chief Officer for Business Management Operations
	Apr. 2017	General Manager of Accounting Division for Business Management Operations	Apr. 2020	Operating Executive
	Apr. 2018	Vice Chief Officer for Business Management Operations and General Manager of Accounting Division for Business Management Operations	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)			
 <p>Director</p> <p>Kunihiro Sakai</p> <ul style="list-style-type: none"> Member of the Nominating Committee Member of the Audit Committee 	Apr. 1979	Public Prosecutor of Tokyo District Public Prosecutors' Office	Apr. 2017	Advisor Attorney to TMI Associates (present)
	Jul. 2014	Superintending Prosecutor of Takamatsu High Public Prosecutors' Office	Jun. 2018	Outside Audit & Supervisory Board Member of Furukawa Electric Co., Ltd. (present)
	Sep. 2016	Superintending Prosecutor of Hiroshima High Public Prosecutors' Office (resigned in March 2017)	Jun. 2019	Outside Director (Audit and Supervisory Committee Member) of the Company
	Apr. 2017	Registered with the Dai-Ichi Tokyo Bar Association	Jun. 2021	Outside Director (present)
	Jun. 2021	Member of the Nominating Committee (present)	Jun. 2021	Member of the Audit Committee (present)
 <p>Director</p> <p>Fumiya Kokubu</p> <ul style="list-style-type: none"> Member of the Nominating Committee (Chairperson) Member of the Compensation Committee 	Apr. 1975	Joined Marubeni Corporation	Jun. 2021	Member of the Compensation Committee (present)
	Apr. 2013	President and CEO, Member of the Board of Marubeni Corporation	May 2022	Chairperson of Japan Machinery Center for Trade and Investment (present)
	Apr. 2019	Chairman of the Board of Marubeni Corporation (present)	May 2022	Chairman of Japan Foreign Trade Council, Inc. (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)		
 <p>Director</p> <p>Yoichiro Ogawa</p> <ul style="list-style-type: none"> Member of the Audit Committee (Chairperson) Member of the Compensation Committee 	Oct. 1980	Joined Tohmatsu & Aoki Audit Corporation (currently Deloitte Touche Tohmatsu LLC)	Jun. 2018	Senior Advisor of Deloitte Tohmatsu Group (resigned in October 2018)
	Mar. 1984	Registered as Japanese Certified Public Accountant	Nov. 2018	Founder of Yoichiro Ogawa CPA Office (present)
	Oct. 2013	Deputy CEO of Deloitte Touche Tohmatsu LLC	Jun. 2020	Independent Audit and Supervisory Board Member of Recruit Holdings Co., Ltd. (present)
	Oct. 2013	Deputy CEO of Tohmatsu Group (currently Deloitte Tohmatsu Group)	Jun. 2021	Outside Director of the Company (present)
	Jun. 2015	Global Managing Director for Asia Pacific of Deloitte Touche Tohmatsu Limited (United Kingdom) (resigned in May 2018)	Jun. 2021	Member of the Audit Committee (Chairperson) (present)
	Jun. 2021	Member of the Compensation Committee (present)	Jun. 2021	Member of the Compensation Committee (present)
	Jul. 2015	CEO of Deloitte Tohmatsu Group		
 <p>Director</p> <p>Kazuhiro Higashi</p> <ul style="list-style-type: none"> Member of the Nominating Committee Member of the Compensation Committee (Chairperson) 	Apr. 1982	Joined Resona Group	Apr. 2018	Chairman of the Board, President, Representative Director and Executive Officer of Resona Bank, Limited
	Apr. 2013	Director of Resona Holdings, Inc.	Apr. 2020	Chairman and Director of Resona Holdings, Inc. (resigned in June 2022)
	Apr. 2013	President and Representative, Executive Officer of Resona Holdings, Inc.	Apr. 2020	Chairman and Director of Resona Bank, Limited (resigned in June 2022)
	Apr. 2013	Representative Director, President of Resona Bank, Limited	Jun. 2020	Outside Director of Sampo Holdings, Inc. (present)
	Jun. 2013	Chairman of Osaka Bankers Association (resigned in June 2014)	Jun. 2021	Outside Director of the Company (present)
	Apr. 2017	Chairman of the Board, President and Representative Director of Resona Bank, Limited	Jun. 2021	Member of the Compensation Committee (Chairperson) (present)
	Jun. 2017	Chairman of Osaka Bankers Association (resigned in June 2018)	Jun. 2022	Senior Advisor of Resona Holdings, Inc. (present)
Jun. 2022	Senior Advisor of Resona Bank, Limited (present)	Jun. 2022	Senior Advisor of Resona Bank, Limited (present)	
 <p>Director</p> <p>Ryoko Nagata</p> <ul style="list-style-type: none"> Member of the Audit Committee 	Apr. 1987	Joined Japan Tobacco Inc.	Mar. 2023	External Corporate Auditor of Medley, Inc. (present)
	Jun. 2008	Executive Officer of Japan Tobacco Inc.	Jun. 2023	Outside Director of UACJ Corporation (present)
	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)			
 <p>Director</p> <p>Miaka Agatsuma</p> <ul style="list-style-type: none"> Member of the Nominating Committee 	Apr. 1987	Joined IBM Japan, Ltd.	Jun. 2023	In Charge of Hybrid Cloud Platform for IBM Consulting of IBM Japan, Ltd.
	Aug. 2017	Vice President of IBM Japan, Ltd.	Jun. 2024	Outside Director of the Company (present)
	Aug. 2017	In Charge of Cloud Application Innovation for Global Business Services of IBM Japan, Ltd.	Jun. 2024	Member of the Nominating Committee (present)
	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.		

Executive Officers (as of June 19, 2024)

For the detailed information on Executive Officers, please click here. (<https://global.honda/en/about/management.html>).

Governance | Fundamental Approach to ESG (Environmental, Social, and Governance)

The “Honda Philosophy” is composed of the Fundamental Beliefs, which include “Respect for the Individual” and “The Three Joys,” as well as the Company Principle and Management Policies. These elements are shared as values among all Honda Group companies and their associates and serve as the basis for corporate management, business activities, and the behavior and decisions of associates. Honda recognizes the global challenges of environmental destruction, resource and energy depletion, and food

issues. The Company is committed to advancing and evolving its current business while also addressing these global challenges. In carrying out these initiatives, rather than adopting a trade-off approach that sacrifices economic value, Honda operates under the trade-on philosophy of “expanding economic value through the pursuit of social value, thereby creating a new growth trajectory for the company.”

To Realize a Zero Environmental Impact Society → p. 44, To Realize a Zero Traffic Collision Society → p. 64, Governance → p. 95

Quality

The founder’s principle of “striving for 120% quality to ensure that 1% of defective products are not tolerated” forms the foundation of Honda’s goal to be a “company society wants to exist.” This philosophy is central to Honda’s identity, reflecting its commitment to always exceed customer expectations in product development. Based on this principle, Honda is dedicated to enhancing product reliability with a focus on “safety” and achieving exceptionally high product quality. To accomplish this, Honda has established the “Honda Quality Cycle,” which involves continuous improvement and enhancement of quality at every stage—from planning and development to production, sales, and service. Moreover, to realize its Fundamental Beliefs of “Respect for the Individual” and “The Three Joys (the joy of buying, selling, and creating),” Honda has set the achievement of “customer satisfaction No.1 at all points of contact” as a key focus. Honda works closely with its sales companies to improve customer satisfaction throughout every stage, from purchase to after-sales service, ensuring ongoing high levels of customer satisfaction. (For more details, please refer to the ESG Data Book.)

WEB “ESG Data Book 2024” Quality Section

https://global.honda/en/sustainability/cq_img/report/pdf/2024/honda-SR-2024-en-007.pdf



Human Rights

Honda upholds “Respect for the Individual” as part of its philosophy and, within its Code of Conduct, demonstrates its commitment to being an honest and fair company that respects human rights. It clearly requires associates to “respect other associates and interact with them with integrity and fairness, and to refrain from any form of harassment or unjust discrimination in the workplace.”

In line with this commitment, Honda has established the Honda Human Rights Policy under the Fundamental Beliefs of “Respect for the Individual.” This policy applies to all executives and associates of the Honda Group (Honda Motor Co., Ltd. and its subsidiaries). Additionally, Honda seeks the understanding of all business partners, including suppliers and dealers, regarding this policy, and collaborates with them to address and resolve related issues. (For details, please refer to the ESG Data Book.)

WEB “ESG Data Book 2024” Human Rights Section

https://global.honda/en/sustainability/cq_img/report/pdf/2024/honda-SR-2024-en-008.pdf



The Evolution of Human Capital Management → p. 72

Supply Chain

Building and optimizing a supply chain with partners around the world, while considering environmental and human rights issues, is essential for providing better products and services to customers quickly and reliably. The automotive industry, supported by a broad network of suppliers, must pursue environmental impact reduction across the entire supply chain, not just within the Company itself. With growing global awareness of compliance and human rights issues, it is crucial for companies to appropriately assess the labor conditions and legal compliance of their suppliers and take corrective actions when necessary. Honda has developed the “Honda Supplier Sustainability Guidelines” to share its sustainability philosophy with suppliers worldwide and to promote joint efforts in sustainable practices. Based on these guidelines, Honda works with its partners to actively advance sustainable initiatives at each development and manufacturing site. The goal is to build a supply chain that is rooted in and appreciated by local communities, and to achieve a harmonious coexistence with society as a company that is wanted to exist. (For details, please refer to the ESG Data Book.)

WEB “ESG Data Book 2024” Supply Chain Section

https://global.honda/en/sustainability/cq_img/report/pdf/2024/honda-SR-2024-en-010.pdf



Social Contribution Activities

Since its founding, Honda has provided various forms of joy to society and customers through its products and technologies. Based on the principle that “a company must be rooted in and integrated with the local community,” Honda began its social contribution activities in the 1960s, during its early years, by focusing on building connections with the community. Today, Honda continues to pursue its goal of “sharing joy with people around the world and being a company society wants to exist” through various social contribution activities across seven regions worldwide. The company also supports initiatives tailored to the specific needs of each region. Honda will continue to expand its social contribution efforts while engaging with customers and local communities. (For details, please refer to the ESG Data Book.)

WEB “ESG Data Book 2024” Social Contribution Activities Section

https://global.honda/en/sustainability/cq_img/report/pdf/2024/honda-SR-2024-en-011.pdf



WEB For information on overall ESG initiatives, please refer to the “ESG Data Book 2024.”

https://global.honda/en/sustainability/cq_img/report/pdf/2024/honda-SR-2024-en-all.pdf



Governance | Messages from Outside Directors

We interviewed the chairs of each committee about Honda's mission, current challenges, Honda's distinctive value, and the initiatives of each committee.



**Nominating Committee
Chairperson**
Outside Director

Fumiya Kokubu

**Audit Committee
Chairperson**
Outside Director

Yoichiro Ogawa

**Compensation Committee
Chairperson**
Outside Director

Kazuhiro Higashi



Pioneering Honda's Future through the Fusion of Diverse Knowledge

Exceeding Customer Expectations

Honda is a company that faces a higher bar than others, as it is expected to do "something interesting" by society. Meeting this high expectation involves providing "surprises that no one has imagined" and "exciting products and services with dreams." I believe that fulfilling these expectations is Honda's mission.

Combining Power Across Segments

Honda possesses a wide range of assets not only in the motorcycle and automobile segments but also in power products, marine, aviation, and various other fields. If we focus solely on inward-looking work within each business segment, we cannot fully leverage these strengths. By adopting a more open-minded approach and embracing a "multiplication" mindset rather than mere addition, we believe that by synergizing the knowledge and technologies each segment possesses, we can create unique value that is distinctly Honda. I believe that when the power of each individual's "dream" collides and fuses with diverse knowledge, it will elevate into new value, opening up infinite possibilities.

Qualities Required of Leaders in Uncertain Times

The current business environment is like driving full throttle on a foggy mountain road. In such

conditions, leaders who are responsible for guiding the way to the target destination need more than just the basic qualities of a manager. They must also possess sharpened senses, keen dynamic vision, a healthy sense of skepticism, and the courage to acknowledge failure.

It is important for leaders to have the strength to push forward on the path they believe in.

At the same time, it is equally crucial that they objectively perceive changes in both internal and external environments and maintain a skeptical perspective on the current situation. Especially in such uncertain times, leaders need the qualities to make balanced judgments, combining both rigidity and flexibility, so that they can adjust their course appropriately according to the circumstances.

The primary mission of the Nomination Committee is to select leaders who are aligned with the times. Considering the lasting impact a leader can have on the organization, a mismatch is unacceptable.

We will enhance succession planning for next-generation leaders and ensure continuous engagement by increasing opportunities for direct dialogue with future management candidates. By doing so, we aim to evolve our efforts and select the most suitable leaders for the organization.



Supporting Innovation and Growth with Robust Governance

“Environment” and “Safety” Are Honda’s Unwavering Mission

At Honda, we focus not only on short-term gains but also on realizing our “dreams” with a long-term perspective. A reaffirmation of this approach came with the redefinition of our Global Brand Slogan in 2023. Through this process, while closely observing the ever-changing business environment, we reiterated our commitment to achieving “zero environmental impact” and “zero traffic collisions” by 2050. We remain dedicated to delivering the joy of mobility while upholding our unwavering mission. This, I believe, is what defines Honda’s uniqueness and strength.

Accelerating Forward-Looking Investments and Collaboration

As we navigate a period of unprecedented transformation, often described as a once-in-a-century shift, it is essential for Honda to meet societal expectations and achieve sustainable growth. To do so, we must generate financial capacity through our existing businesses while accelerating forward-looking investments in technology development and talent acquisition. In particular, securing highly specialized talent in digital and software domains will require a significant reevaluation of traditional employment values, including our human resource systems and compensation structures.

Furthermore, it will be necessary to not only adhere to internal solutions alone, but to incorporate new insights in a timely manner through collaboration with external partners.

Strong Governance Is the Basis for Strong Management

In the current global situation, where geopolitical risks and economic security challenges intersect, the EV business strategy is accompanied by significant uncertainty. What is crucial here is engaging in open and transparent discussions based on a strong governance framework. While keeping the unwavering “ideal state” in mind, it is necessary to anticipate risk scenarios and decision triggers from all angles and make swift and accurate management decisions in response to changes in the business environment.

The role of the Audit Committee is to monitor management and execution from an independent standpoint and establish a high-quality corporate governance system by visiting the actual place. By thoroughly assessing whether the fundamental principle of “doing the right thing in the right way” is effectively integrated into every corner of the organization, the committee will continue to fulfill its important role in governance as one of the crucial component in enhancing corporate value.



Challenges and Creativity in the Era of Change: Embracing the Founder’s Words “Become a Person Who Tries”

Determination to Overcome an Era of Turmoil through Experimentation and Innovation

We live in an era where it is challenging to foresee clear answers due to climate change, deepening international and political turmoil, increasing geopolitical risks, and changes in social structures driven by AI. It is precisely in times like these that we need to remember the founder’s words, “Be a person who tries.” Honda has continuously created attractive technologies and products like the CVCC engine*, ASIMO, and the HondaJet by persevering through trial and error, never giving up on our “Dream.” I feel that we are now being tested to see if we have the resolve to continue meeting societal expectations with the belief that “Honda will deliver something remarkable.”

Strength in Harmonizing Dreams and Reality

Honda’s mission is to protect the Earth’s environment while providing safe and enjoyable mobility for people around the world. To offer new value to society and fulfill this mission, we believe that an unrelenting pursuit of “dreams” is the most crucial factor.

On the other hand, to bring appealing products that have materialized from our “dreams” into widespread use, we must also uphold a stable supply responsibility. This means navigating between two contrasting processes: “challenging dreams that do not yet exist in the world” and “addressing real-world constraints and

risks.” The ability to balance and excel in both of these high-level processes is, I believe, Honda’s strength.

A Remuneration System That Promotes Innovation

We have recently revised the executive remuneration system to better align with long-term management vision. Specifically, we have introduced non-financial KPIs such as “brand value,” “total CO₂ emissions,” and “employee engagement” into the Long-Term Incentive (LTI) performance-based remuneration metrics, which are provided in the form of company stock.

These three KPIs each represent indicators of “trust from customers,” “trust from society,” and “trust in the Honda organization as a whole.” We believe that incorporating these into the executive remuneration system reflects our commitment to fully meeting the trust of our stakeholders.

We have also introduced a new indicator: relative Total Shareholder Return (TSR) compared to TOPIX. This aims to further motivate the management team to enhance corporate value through transformation and to strengthen our alignment with shareholders.

Going forward, we aim to support challenges and innovations suitable for the era of transformation by continually reviewing and refining our remuneration system and other related aspects.

* CVCC Engine: Honda’s low-emission engine that was the first in the world to meet the U.S. “Muskie Act” (Clean Air Act) regulations.