	Corporate Governance · · · · · ·	25
	Compliance · · · · · · · · · · · · · · · · · · ·	33
_	Risk Management · · · · · · · · · · · · · · · · · · ·	36
	Governance Data · · · · · · · · ·	39

Risk Management

Establishing an Effective Risk Management Structure

Honda formulated the Honda Global Risk Management Policy, with Group subsidiaries included in its scope of application.

The Honda Global Risk Management Policy aims at driving the Company's sustainable growth and stabilizing management based on the Honda Philosophy and targets all risks with the potential to impact operations on a global scale.

In implementing its risk management activities, Honda is creating a relevant framework and is taking follow-up measures to support implementation, with efforts centered around a company-wide Risk Management Officer elected by the Board of Directors.

Additionally, each organization is building its own independent risk management structure after setting up a Risk Management Secretariat. These organizations are responsible for promoting their own independent risk management activities in accordance with the basic policies of these regulations.

As main initiatives, Honda is implementing risk assessment activities throughout the Company for identifying, evaluating and responding to risks based on standard methods.

When a crisis occurs, the Company establishes a Global Emergency Headquarters for crisis response proportionate to the anticipated magnitude of impact.

Risk Assessment Activities

Since FY2014, Honda has been carrying out risk assessment activities for each of its Regional Operations, Business Operations and Functional Operations.

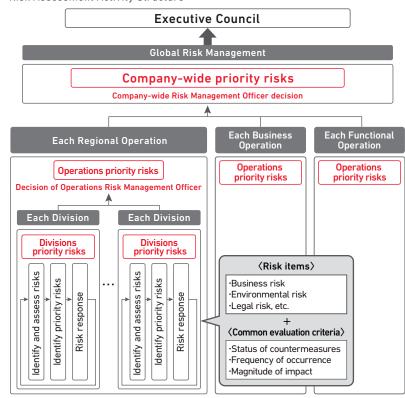
The purpose of these activities is to foresee potential risks surrounding Honda's businesses and respond beforehand to minimize these risks.

Each department performs annual risk evaluation using common evaluation criteria for the 91 risk items identified by the Honda Group and chooses the division priority risks.

Each of the Operations carries out repeated discussions in accordance with the results of the risk assessment of each department. They then choose and respond to the Operations priority risks based on the judgement of the Operations Risk Management Officer.

Moreover, Honda identifies company-wide priority risks based on the judgement of the company-wide Risk Management Officer, giving consideration to the risk status of each of the Operations. The Company then shares and discusses company-wide priority risks at the Executive Council.

Risk Assessment Activity Structure



In FY2019 as well, Honda identified company-wide priority risks and is monitoring its response status.

Through these activities, Honda will continue to strive to reduce risk across the Group while ensuring these activities raise the risk awareness of each and every associate.

6 Governance

Compliance			-	-	-	-	-	-	-	-	-	33
Risk Manager	ment	t			٠	•	•	•	•			36
Governance I	lata											39

Corporate Governance 25

Risk Management

Crisis Response

Honda carries out risk sensing activities to monitor and report on signs of crisis and ensures that this leads to quick responses.

When a crisis occurs, the Company sets up a Global Emergency Headquarters for crisis response proportionate to the anticipated magnitude of impact. In this way, Honda lays out a structure to prevent the situation from spreading and to quickly bring the situation under control.

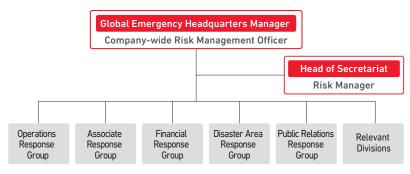
Since the Kumamoto earthquakes that occurred in April 2016, the activities of Honda's Global Emergency Headquarters strive to strengthen functions.

As the first step, to share information and discuss activities on a daily basis, group leader meetings were newly established that convene the group leaders essential for crisis responses. By holding these meetings, Honda is striving to raise the level of its crisis response capabilities as well as create a culture that enables effective cooperation when a crisis occurs.

Next, Honda regularly holds Emergency Headquarters drills as a verification of its crisis response capabilities. In FY2018, Honda implemented drills aimed at verifying the effectiveness of the response manual used since the Kumamoto earthquakes. In FY2019, to further improve effectiveness, Honda held drills for making crisis responses spanning multiple business bases on the assumption that a large earthquake occurs directly under the Tokyo metropolitan area.

Also with regard to disaster drills, besides ensuring the safety of human life and procedures to account for its associates, from FY2017 Honda has continuously held training from a business continuity planning (BCP) viewpoint on procedures to share information for the purpose of identifying the impact on business at an earlier stage.

Global Emergency Headquarters Structure



6 Governance

Corporate Governance	25
Compliance ·····	33
Risk Management · · · ·	36
Misk Management	30

Risk Management

Information Management

To ensure the protection of the personal information of its customers, associates and others, the proper handling of company information, and in response to the increase in the handling of high-level, confidential information globally such as 3D blueprint data, Honda formulated the Global Confidentiality Policy (GCP) in FY2015. At the same time, the Company also established the Global Confidentiality Committee, with the Chief Officer of the Human Resources and Corporate Governance Operations as its chairperson. At the Global Confidentiality Committee held in FY2018, Honda confirmed that the establishment of an information management system has been completed in each region. At a meeting of the Global Confidentiality Committee, Honda determined the global confidentiality action policies and initiatives for the next three years starting from FY2019 and is implementing various activities.

In addition to the already implemented Global Privacy Policy (GPP) and the Electronic Conferencing Policy, the Global Document Management Policy was decided at a Global Confidentiality Committee meeting held in December 2016 and the formulation of all GCP-related regulations has been completed.

In Japan, in response to the determination of the policies of the Global Confidentiality Committee, Honda promotes initiatives to strengthen information management throughout the year, led by the Japan Confidentiality Committee.

The Global Confidentiality Committee is collaborating with the Japan Confidentiality Committee in responding to cyberattacks that have become increasingly sophisticated and complex in recent years and is implementing initiatives for strengthening information security.

Protection of Personal Information

In each department subject to Honda's personal information management policy, the Company appoints persons to handle information, supervise information and manage information and requires all of them to receive training on the protection of personal information.

Also, restrictions are placed on access to digital data containing personal information and an access log is kept. Personal information in print form is stored with rigorous security, including in cabinets with locks. The Company conducts a review of personal information at least once each year and any unnecessary personal information is deleted.

Honda has completed its responses to the Amended Act on the Protection of Personal Information (Japan), which took effect in May 2017, as well as to the General Data Protection Regulation (GDPR) in Europe, which went into effect in May 2018. In addition, at the FY2019 Global Confidentiality Committee, all regions formed a consensus regarding the approach toward personal information protection laws in each country that are expected to be continually strengthened in the future. Accordingly, Honda is coordinating responses company-wide.

In FY2019, no complaints were filed with Honda globally concerning any leak of personal information.