

4 Overview of Honda

Business Domains	11
alue Creation History	13
Jnit Sales and Principal Operation Bases	14
Aatrix Management System	15
inancial Highlights	16

Overview of Honda

Business Domains

Principal Businesses Segments

Motorcycles

Motorcycles represent the origin of both Honda's "mono-zukuri (the art of manufacturing)" and business. Under the philosophy of "building products close to the customer," Honda has practiced mono-zukuri rooted in each country and region and has delivered a cumulative total of more than 400 million motorcycles to customers. In 2020, annual sales amounted to approximately 15 million units across the world in spite of the impact of COVID-19.

Since fall 2020, Honda has been selling the Rebel 1100 large cruiser model that offers the joy of mobility and a fun riding experience in the United States, Europe, Japan and Asia.

As a way to respond to the growing global concerns about environmental issues, Honda has also expanded its lineup of Honda e: business-use motorcycles and now sells, in addition to the existing Benly e: series of electric motorized scooters, the Gyro e: series and Gyro Canopy e: series. In this way, Honda remains committed to meeting the expectations of customers worldwide and opening up new frontiers for the motorcycle market, thus becoming a driving force in the global motorcycle industry.

Automobiles

"Let's change the landscape of the automobile industry." Honda's automobile business began under this slogan in 1963 and has now grown to sales of about 5 million vehicles globally each year. To enrich the lives of its customers, Honda seeks to provide automobiles and services that are secure, stress-free and uniquely Honda and that support the freedom of mobility for all.

Honda has been working to realize carbon neutrality by 2050 and has already released the Honda e electric vehicle, designed for a society that is connected via energy. Recent initiatives include the commencement on a global scale of the sales of the electric versions of the City and HR-V (Vezel in Japan) models equipped with a two-motor hybrid system.

Additionally, Honda has been actively engaged in research and developing automated driving technologies to improve the performance of its Honda Sensing, a safety and driver-assistance system, as part of its ongoing efforts to promote the evolution of safety technologies. Under these efforts, Honda has released the Legend equipped with a Level 3 automated driving system.







Gyro Canopy e:, Gyro e: and Benly e:



Honda e electric vehicle



New Legend model

Overview of Honda

Business Domains

Life Creation

As part of its Power Products Business, Honda has provided a diverse range of items, including general-purpose engines, tillers, generators, snow throwers, lawnmowers, pumps and outboard engines. Cumulative global production of power products reached 150 million units in September 2019, and to date customers in more than 50 countries have selected Honda's products.

Recently, Honda launched mass production of a professional-use, electrified power unit offering the same levels of reliability and installation compatibility as the GX series of engines, which are regarded as the world standard power source for various types of commercial-grade work equipment. For general customers, Honda now offers a cordless lawnmower and has been rapidly expanding its lineup of electrified products that are easier to use, quiet to operate and environmentally friendly.

In April 2019, Honda changed the name of the Power Products Business to the Life Creation Business, to expand its domain to include portable batteries and other new businesses for the future.

Consumer use

HRG416 cordless lawnmower



Professional use



GX160 general-purpose engine



eGX electrified power unit

Aircraft and Aircraft Engines

The development of aircraft and aircraft engines has been an important R&D theme since the establishment in 1986 of the Wako Center, which engages in research on basic technologies, and a dream since the founding of Honda itself. In 2003, a proof-of-concept version of the HondaJet, fitted with the HF118, a high-efficiency turbofan engine originally and wholly designed by Honda, successfully made its first flight. Subsequently, in 2004 Honda established GE Honda Aero Engines LLC to jointly develop and commercialize engines with General Electric (GE) as well as Honda Aero, Inc. to manufacture engines. The Company also established Honda Aircraft Company in 2006 to develop, manufacture and sell the HondaJet.

The HondaJet is noteworthy for its main wing airfoil and fuselage nose shape, which features Honda's original Natural Laminar Flow (NLF) to reduce aerodynamic drag, as well as its revolutionary Over-The-Wing Engine Mount (OTWEM) design. The HondaJet fitted with a production version of the HF120 engine reached the market in 2015, followed by the release of the HondaJet Elite with upgraded performance in 2018.

The HondaJet is a fusion of its beautiful and unique fuselage design, innovative aerodynamic and structural technologies and highly efficient engine. The fusion has led to excellent fuel efficiency, high flight performance, a more spacious cabin (about 30% larger than that of other companies' equivalent models) and less noise. These and other features earned high marks, and as a result, the HondaJet became the most delivered aircraft* in the very light business jet category for the fourth consecutive year since 2017.

*Survey by the General Aviation Manufacturers Association (GAMA)



HondaJet Elite



HF120 turbofan engine



Electrified products

2 Top Message 3 Honda Philosophy Overview of Honda

5 Strategy

6 Governance

7 Performance Report Assurance GRI Content Index Financial Data

Overview of Honda

Value Creation History

2012

First in industry to disclose estimated CO₂ emissions from product use

2014

Secures 100% in disclosure score for CDP 2014

2014

Achieves cumulative global motorcycle production volume of 300 million units

2015

Enters aircraft industry with the HondaJet



2016

Achieves cumulative global automobile production volume of 100 million units

2017

Cumulative global production of Honda Super Cub reaches 100 million-unit milestone

2040

All automobiles sold by Honda to be EVs and FCVs

2010s onward

1980s ~ 2000s

2011

Achieves cumulative power products production volume of 100 million units

2014

Establishes world's first single-package Smart Hydrogen Station in conjunction with Iwatani Corporation



2015

Launches Honda Walking Assist Device for use in the training of walking



2016

Revises Honda Corporate Governance Basic Policies

2017

Selected as a member of the Dow Jones Sustainability World Index

2050

Carbon neutrality for all products and corporate activities Zero traffic collision fatalities involving Honda motorcycles and automobiles

2005

Starts leasing world's first fuel cell vehicle



1997

Attains ISO14001 certification in Belgium and at the Hamamatsu Factory and Tochigi Factory

1993

Honda's general-purpose engine first in world to receive approval for conformity with U.S. exhaust gas regulations



1987

Launches Japan's first airbag-equipped automobile



1981

Completes first domestically produced automobile equipped with driver assistance features for persons with upper-arm disabilities (Civic)



2006 Develops flexible-fuel vehicle (FFV) for Brazil





1996

Launches world's first self-regulating, two-legged humanoid walking robot



1990

Introduces flex-time/childcare leave system

1986

Secures top place in U.S. CSI Study

1981

Launches Honda Electro Gyro-Cator navigation system



1947

Starts production of the A-Type auxiliary bicycle engines

1948

Formulates "The Three Joys"

1949

Starts motorcycle production with the Honda C-Type



1953

Starts production of first power product, the H-Type engine



1960

Introduces human resources qualification system

1963

Starts automobile production with the T360



1940s ~ 1970s

1946

Establishes Honda Technical Research Institute

1948

Establishes Honda Motor Co., Ltd.

1953

Communicates policy of "120% Quality"

1958

Launches the Super Cub



1960

Separates R&D Center into an independent entity (Honda R&D Co., Ltd. established)

1970

Establishes Driving Safety Promotion Center

1971

Launches low-pollution CVCC engine



1 Editorial Policy 2 Top Message 3 Honda Philosophy 4 Overview of Honda

5 Strategy

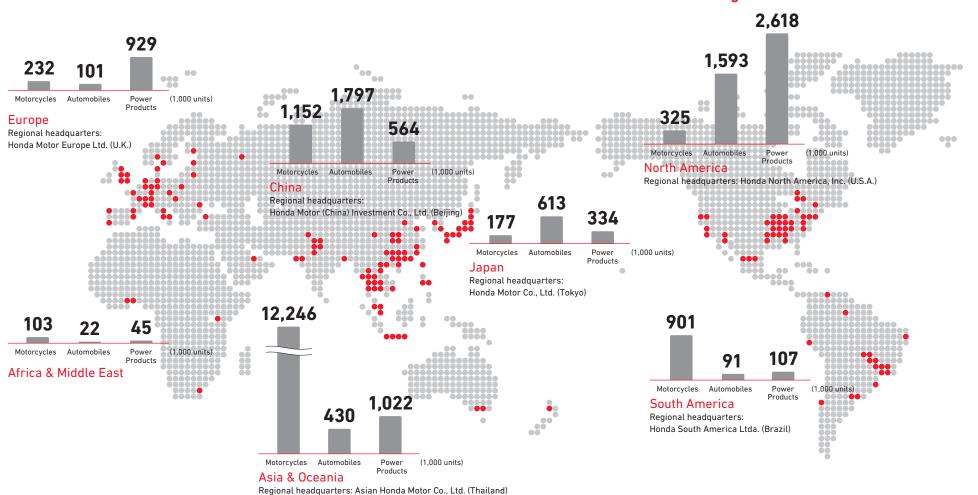
6 Governance

7 Performance Report Assurance GRI Content Index Financial Data

Overview of Honda

Unit Sales and Principal Operation Bases

Joy of mobility to 25.4 million people transcending national borders



Company name: Honda Motor Co., Ltd.

Established: September 1948

Director, President and Representative Executive Officer Toshihiro Mibe

Capital: 86,067 million yen (as of March 31, 2021)

 The graphs show unit sales (retail) of motorcycles, automobiles and power products (in units of 1,000) for FY2021.
 (April 2020 to March 2021).

The symbol • represents the approximate locations of Honda Group companies.



Overview of Honda

Matrix Management System

Organizational Operating System

Honda employs a matrix management system. In this matrix, the vertical axis represents the organizations for each region, while the horizontal axis denotes individual businesses.

On the vertical axis are organizations in Japan and six overseas regions (North America, South America, Europe, Asia & Oceania, China and Africa/Middle East). Based on Honda's Fundamental Beliefs, these organizations engage in business grounded in each region from a long-term perspective.

On the horizontal axis are the business domains of the Automobile Business and Motorcycle Business, as well as the Life Creation Business, which includes power products. Each organization develops medium-to-long-term plans for its respective products and works closely with regions to optimize and facilitate global business operations.

Also on the horizontal axis are the Company's Functional Operations — Brand and Communication, Business Management, Human Resources and Corporate Governance, IT, Production, Purchasing and Customer First. Each of these functional operations supports and coordinates efforts to increase the effectiveness and efficiency of the Honda Group as a whole.

In addition, R&D activities targeting products and technologies with new value, as well as products in the Life Creation Business, are conducted mainly by Honda R&D Co., Ltd., which is an independent subsidiary of the Company, and its subsidiaries. Honda aims to use cuttingedge technology to create new value that is distinctive and internationally competitive.

	Regions							
	Japan	North America	South America	Europe	Asia & Oceania	China	Africa/ Middle East	
Businesses								
Motorcycles								
Automobiles								
Life Creation								
Functions								
Brand and Communication Business Management Human Resources and Corporate Governance IT								
Production Purchasing Customer First								



1 Editorial Policy 2 Top Message 3 Honda Philosophy Overview of Honda

5 Strategy

6 Governance

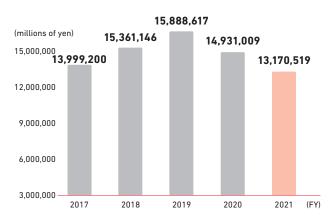
7 Performance Report Assurance GRI Content Index Financial Data

<> < >

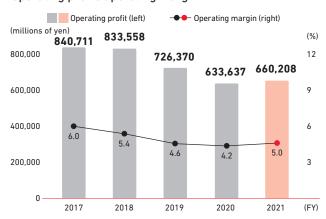
Overview of Honda

Financial Highlights

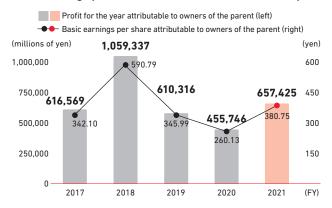
Sales revenue



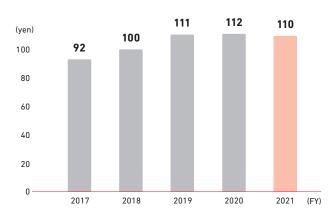
Operating profit/Operating margin



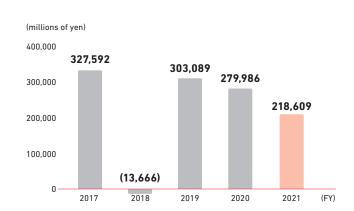
Profit for the year attributable to owners of the parent/ Basic earnings per share attributable to owners of the parent



Dividend per share



Income tax expense



Additions to property, plant and equipment/Depreciation

