

Assurance

To disclose environmental data in a more transparent and reliable manner to our diverse stakeholders, Honda obtained the independent practitioner's assurance of the environmental data indicated with ☒ for the year ended March 31, 2021 in the Japanese version of this report by Deloitte Tohmatsu Sustainability Co., Ltd., a subsidiary of Deloitte Touche Tohmatsu LLC, which is a member firm of Deloitte Touche Tohmatsu Limited.

Scope of Assurance

Environmental data assured:

- Direct emissions from business activities (Scope 1), Indirect emissions from energy use (Scope 2) and Emissions from customer use of sold products (Scope 3, category 11) out of Honda's total GHG emissions
- GHG emissions (direct emissions (Scope 1), Indirect emissions (Scope 2), Total emissions (Scope 1 and 2))
- Energy consumption (Direct energy consumption, Indirect energy consumption and Total energy consumption)
- Water intake/Wastewater volume
- Atmospheric pollutants (SOx emissions, NOx emissions)
- Waste generated

Deloitte.
デロイト トーマツ
(TRANSLATION)

Independent Practitioner's Assurance Report

July 1, 2021

Mr. Toshihiro Mibe,
Director, President and Representative Executive Officer,
Honda Motor Co., Ltd.

Masahiko Sugiyama
Representative Director
Deloitte Tohmatsu Sustainability Co., Ltd.
3-2-3, Marunouchi, Chiyoda-ku, Tokyo

We have undertaken a limited assurance engagement of the environmental data indicated with ☒ for the year ended March 31, 2021 (the "Environmental Data") included in the "Honda Sustainability Report 2021" (the "Report") of Honda Motor Co., Ltd. (the "Company").

The Company's Responsibility

The Company is responsible for the preparation of the Environmental Data in accordance with the calculation and reporting standard adopted by the Company (indicated with the Environmental Data included in the Report). Greenhouse gas quantification is subject to inherent uncertainty for reasons such as incomplete scientific knowledge used to determine emissions factors and numerical data needed to combine emissions of different gases.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. We apply International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Environmental Data based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements ("ISAE") 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board ("IAASB"), ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the IAASB and the *Practical Guideline for the Assurance of Sustainability Information*, issued by the Japanese Association of Assurance Organizations for Sustainability Information.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. These procedures also included the following:

- Evaluating whether the Company's methods for estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or reperforming the estimates.
- Performing interviews of responsible persons and inspecting documentary evidence to assess the completeness of the data, data collection methods, source data and relevant assumptions applicable to the sites.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Environmental Data is not prepared, in all material respects, in accordance with the calculation and reporting standard adopted by the Company.

The above represents a translation, for convenience only, of the original Independent Practitioner's Assurance report issued in the Japanese language.

Member of
Deloitte Touche Tohmatsu Limited

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Environmental Data

Honda's total GHG emissions

			FY2018	FY2019	FY2020	FY2021	(million t-CO ₂ e)
GHG emissions from the entire Honda value chain			(Scopes 1, 2 and 3)	308.33	315.29	303.12	254.48
Breakdown	Direct emissions from business activities	(Scope 1)	1.35	1.38	1.24	1.12	✓
	Indirect emissions from energy use	(Scope 2)	4.17	4.09	3.79	3.38	✓
	Emissions from Honda business activities	(Total of Scopes 1 and 2)	5.52	5.47	5.03	4.50	
	Emissions from customer use of sold products	(Scope 3, category 11)	249.71	256.10	247.25	202.21	✓
	Other emissions	(Scope 3, other categories)	53.10	53.72	50.84	47.77	
Other indirect emissions			(Total of Scope 3)	302.81	309.82	298.09	249.98

● Scope 1: Direct GHG emissions from business activities, as defined by the GHG Protocol (e.g., Combustion of fuel oil at a manufacturing plant, emissions from work vehicles and company cars). The Scope 1 figures presented in this report include all GHGs emitted directly by Honda Motor Co., Ltd. and its consolidated subsidiaries and affiliated companies worldwide (excluding relatively small-scale companies). In Japan, Honda uses the emission factor based on the Act on Promotion of Climate Change Countermeasures and in each region except Japan, emission factors from the 2006 IPCC Guidelines for National GHG Inventories. Figures for climate change potential coefficient are derived from the IPCC's Fourth Assessment Report (2007).

● Scope 2: Indirect GHG emissions from a company's use of energy, as defined by the GHG Protocol (e.g., electrical energy used by a manufacturing plant or office). The Scope 2 figures presented in this report include all GHGs emitted directly by Honda Motor Co., Ltd. and its consolidated subsidiaries and affiliated companies worldwide (excluding relatively small-scale companies). Honda adopts to the GHG Protocol's standard market-based method. In Japan, Honda uses electricity utilities emission factors based on the Act on Promotion of Global Warming Countermeasures. In each region except Japan, Honda uses electricity utilities emission factors and latest regional emission factors, and if unavailable, national emission factors from the IEA's Emissions from Fuel Combustion.

● Scope 3: Other indirect GHG emissions not included in Scope 1 and Scope 2, as defined by the GHG Protocol. Scope 3 is systematically broken down into 15 categories (e.g., category 11 includes emissions arising from the use of sold products; category 12 includes emissions arising from the end-of-life treatment of sold products).

● The "Scope 3, category 11" figures presented in this report represent the cumulative amount of GHGs that will have been emitted by products sold by Honda in the applicable fiscal year (automobiles, motorcycles, power products and aircraft) as a result of their use by customers from the time they received those products until they dispose of them in the future. Calculations cover the emission of approximately 90% of all motorcycles, automobiles, power products and aircraft sold worldwide under the Honda brand name. These emissions are calculated using the following formula for each model and adding the results: CO₂ emissions intensity x Annual distance traveled or Annual usage in hours x Product lifetime in years x Annual unit sales.

● CO₂ emissions intensity: Average annual mileage of each model set at same value per region or Annual consumption of each model and Average annual used time distinguish general business from business use

● Annual mileage / Lifetime years of use: Referring to IEA estimation model, "SMP Model," etc.

● CO₂ emission factor: Referring to the GHG calculation guidelines that public authorities in each region issued. If there are no appropriate guidelines, reference from the ones of Japanese.

● The "Scope 3, other categories" figures presented in this report are the sum of emissions from categories 1, 2, 3, 4, 5, 6, 7, 9, 10, 12 and 15. As per the GHG Protocol, Honda excludes categories 8, 13 and 14 from its calculations, as these categories are either not part of Honda business activities or emissions from these categories are accounted for in other categories.

Data indicated with ✓ received the independent practitioner's assurance.



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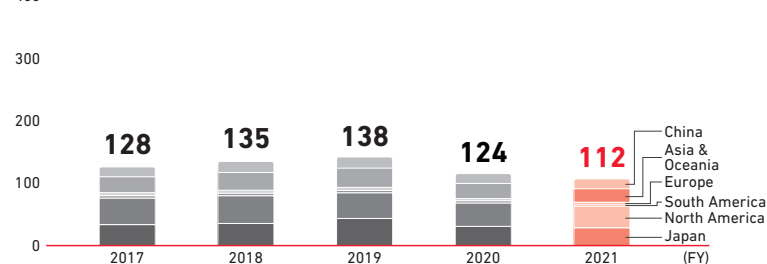
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GHG emissions

Direct emissions (Scope 1) ☒(10,000 t-CO₂e)

Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)

Calculation method: Emissions amount = Σ [Volume of fuel usage x CO₂ emission factor] + CO₂ emissions from non-energy sources + Σ [Volume of non-CO₂ GHG emissions x Global warming factors]

Emission factors

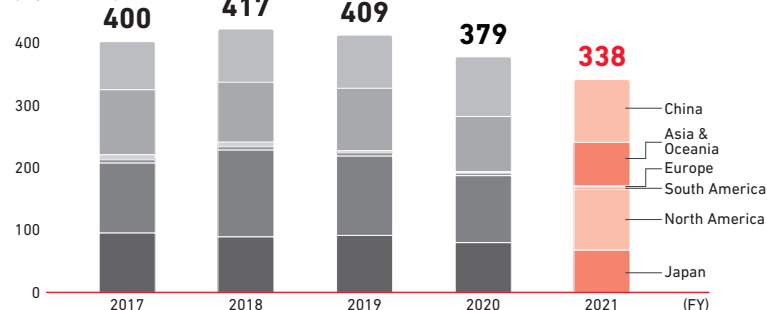
Japan: Emission factors based on the Act on Promotion of Global Warming Countermeasures

Regions outside of Japan: Emission factors from 2006 IPCC Guidelines for National GHG Inventories Figures for global warming potential coefficient: The IPCC's Fourth Assessment Report (2007)

* Figures of GHG emissions from non-energy source include some estimated values.

* Calculations are mainly based on emissions from stationary combustion sources.

* Expressed in three significant digits

Indirect emissions (Scope 2) ☒(10,000 t-CO₂e)

Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group

Calculation method: Emissions amount = Σ (Purchased electricity consumption, etc.*1 x emission factor)

Honda adopts to the GHG Protocol's standard market-based method.

Emission factor:

Japan: Electricity utilities emission factors based on the Act on Promotion of Global Warming Countermeasures

Regions outside of Japan: Electricity utilities emission factors and latest regional emission factors, if unavailable, national emission factors from the IEA's Emissions from Fuel Combustion.

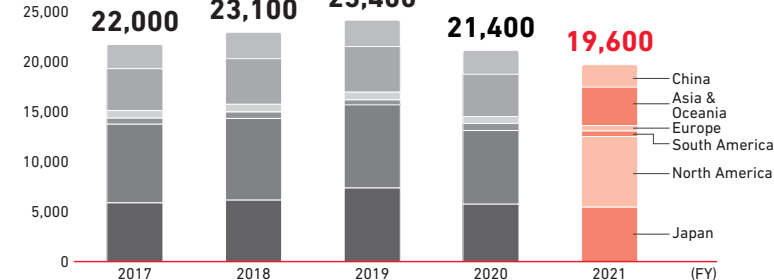
*1 Other includes steam and hot water, the emission factors are based on the Act on Promotion of Global Warming Countermeasures.

* Expressed in three significant digits

Energy consumption

Direct energy consumption ☒

(TJ)



Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)

Calculation method: Consumption amount = Σ (Fuel consumption x unit calorific value)

Unit calorific value:

Japan: Unit calorific value from Reporting and Disclosure System based on the Act on Promotion of Global Warming Countermeasures

Regions outside of Japan: Derived from 2006 IPCC Guidelines for National GHG Inventories

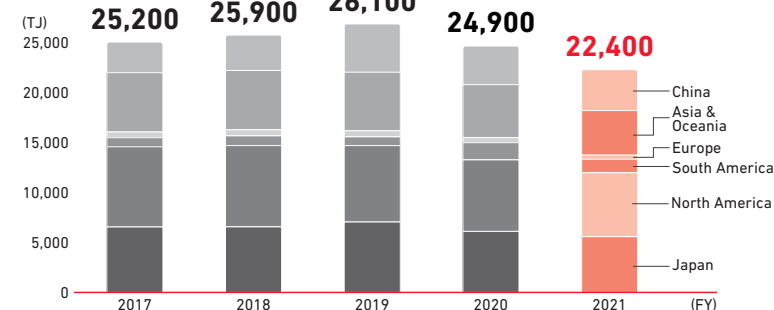
* Calculations are mainly based on energy consumed by stationary exhaust sources.

* A terajoule (TJ) is a unit of energy, "tera" meaning 10¹².

* Expressed in three significant digits

Indirect energy consumption ☒

(TJ)



Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)

Calculation method: Consumption amount = Σ (Purchased electricity consumption etc.*1 x unit calorific value)

Purchased electricity has been converted to joules using the international standard 3.6 GJ/MWh.

*1 Other

Unit calorific value:

Japan: Unit calorific value from Reporting and Disclosure System based on the Act on Promotion of Global Warming Countermeasures

Regions outside of Japan: 2006 IPCC Guidelines for National GHG Inventories

* Expressed in three significant digits





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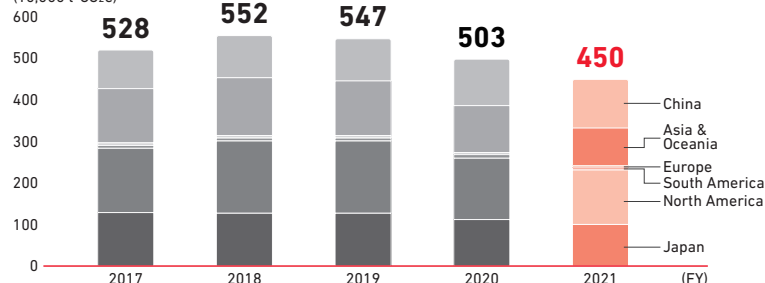
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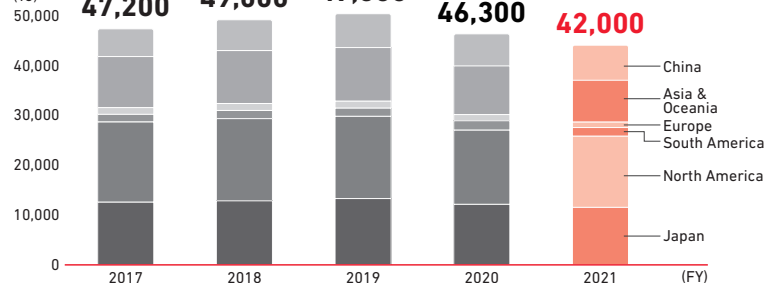
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Total GHG emissions (Scope 1 and 2) ☒(10,000 t-CO₂e)

Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)
 Calculation method: Total GHG emissions (Scope 1 and 2) = Direct GHG emissions + Indirect GHG emissions
 • Expressed in three significant digits

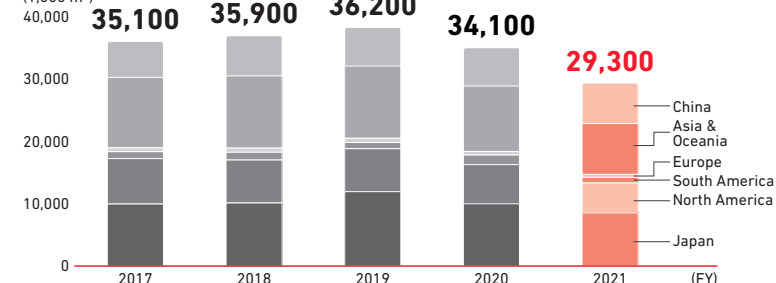
Total energy consumption ☒

(TJ)

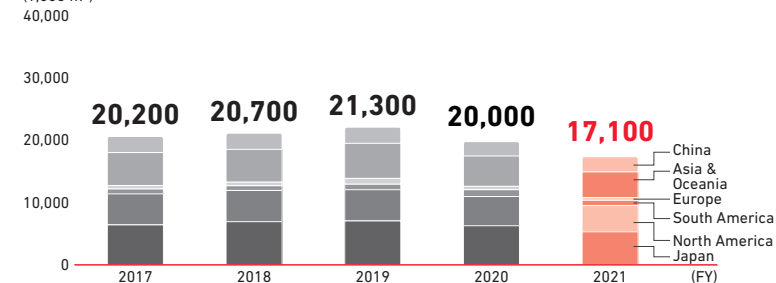


Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)
 Calculation method: Total energy consumption = Direct energy consumption + Indirect energy consumption
 • Expressed in three significant digits

Water intake/Wastewater volume

Amount of water intake ☒(1,000 m³)

Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)
 Calculation method: Amount of water intake = Σ (Purchased from the water facilities + Groundwater intake + Rainwater utilization amount + Surface such as rivers water intake)
 • Expressed in three significant digits

Wastewater volume ☒(1,000 m³)

Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)
 Calculation method: Volume amount = Σ (Wastewater processed by other companies + Discharge directly into public waters)
 • Figures include some estimated values.
 • Expressed in three significant digits





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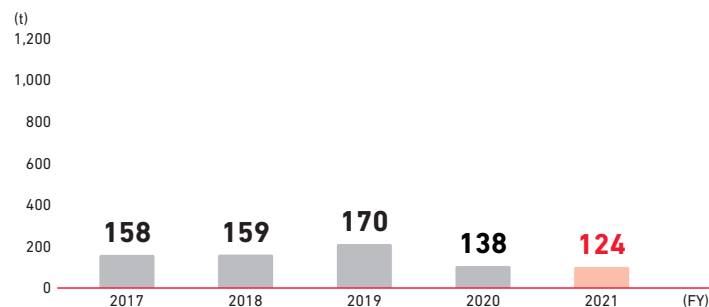
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Atmospheric pollutants

SOx emissions ☒

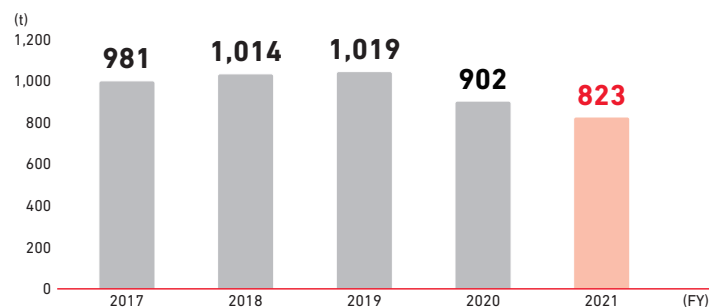
Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)

Calculation method: Emissions amount = Σ (Fuel consumption x Density x Sulfur content x 64/32)

• Calculations are based on fuel consumption.

Density: Derived from the translation coefficient list in Statistics Information by Petroleum Association of Japan

Sulfur content: Derived from Act on the Quality Control of Gasoline and Other Fuels or the standard of LP gas (JIS K 2240)

NOx emissions ☒

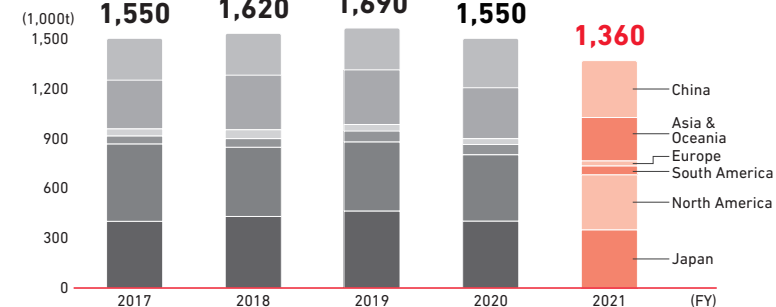
Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)

Calculation method: Emissions amount = Σ (Fuel consumption x Emission factor for each fuel)

• Calculations are based on fuel consumption.

Emission factor for each fuel: Derived from NOx emissions calculation table (combustion facilities that do not measure the amount of exhaust gas, etc.) on Environmental Activity Evaluation Program (Ministry of the Environment).

Waste generated

Waste generated ☒

Companies covered: All consolidated subsidiaries and affiliated companies of the Honda Group (excluding relatively small-scale companies)

Calculation method: Emissions amount = Σ (Industrial waste + general administrative waste + valuable resources emission)

• However, regions outside of Japan are beyond the scope of data for industrial waste (excluding harmful waste defined in accordance with regulations in respective countries) and general administrative waste.

• Expressed in three significant digits

