

7

Human Resources



Material Issues

- Respecting human rights
- Expanding diversity and development of human resources
- Ensuring occupational health and safety

7

Performance Report

Environment

55

Safety

79

Quality

96

Human Resources

112

Basic Approach

Global Management

Human Resources Initiatives

Human Resources Data

Supply Chain

139

Social Contribution Activities

155

Basic Approach

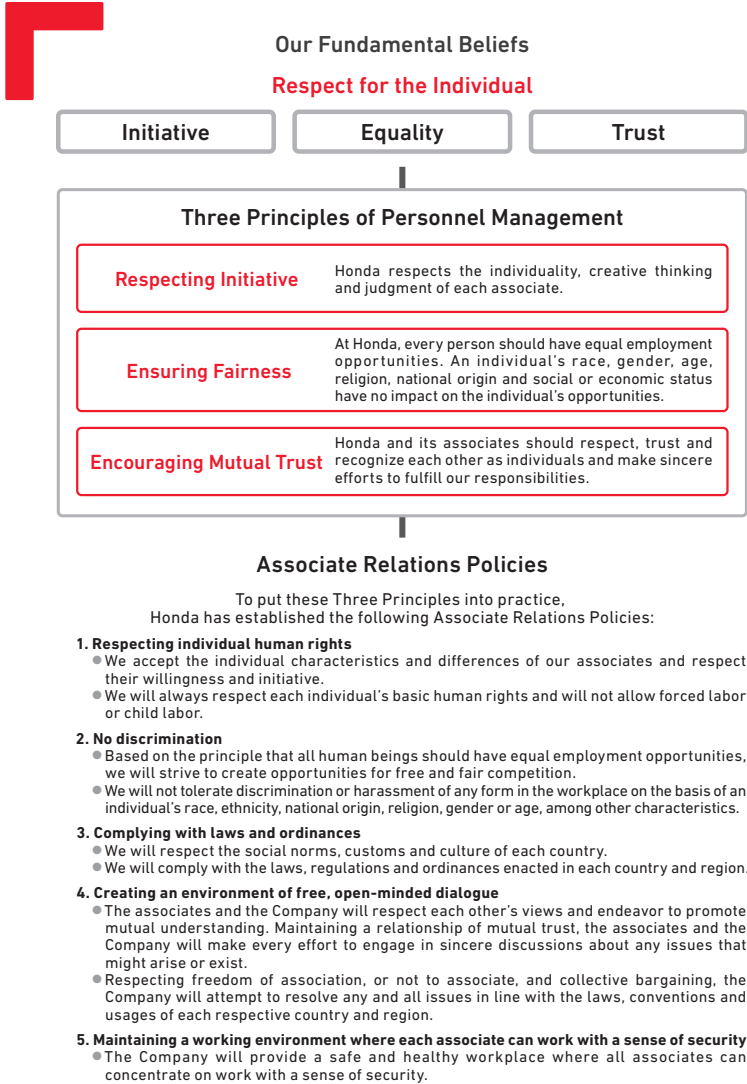
Basic Policy for Personnel Management

Honda believes that human beings are born as free and unique individuals with the capacity to think, reason and create – and the ability to dream. The Company’s wish is to nurture and promote these characteristics in Honda by respecting individual differences, trusting each other as equal partners, exercising abilities to the fullest and sharing joy.

From this standpoint, Honda adopts Respect for the Individual, consisting of the three elements of initiative, equality and trust, as one of the Company’s Fundamental Beliefs. Honda believes this spirit should permeate all its relationships, not only with those in the Honda Group but with everyone in all companies with which Honda does business.

The Company follows the Three Principles of Personnel Management, specifically Respecting Initiative, Ensuring Fairness and Encouraging Mutual Trust, when managing its human resources in areas such as recruitment, training, assignment and utilization, evaluation and treatment. Honda seeks to create an environment in which each associate’s ambitions and abilities can be developed, as well as a workplace where an individual’s potential can be actively exercised.

As Honda’s business activities expand into various parts of the world, it established Associate Relations Policies in March 2012 that are applied to Honda’s daily corporate actions, putting the Three Principles of Personnel Management into practice while taking into account “the Universal Declaration of Human Rights” as well as “the ILO Declaration on Fundamental Principles and Rights at Work.”



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

— Global Management

Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Global Management

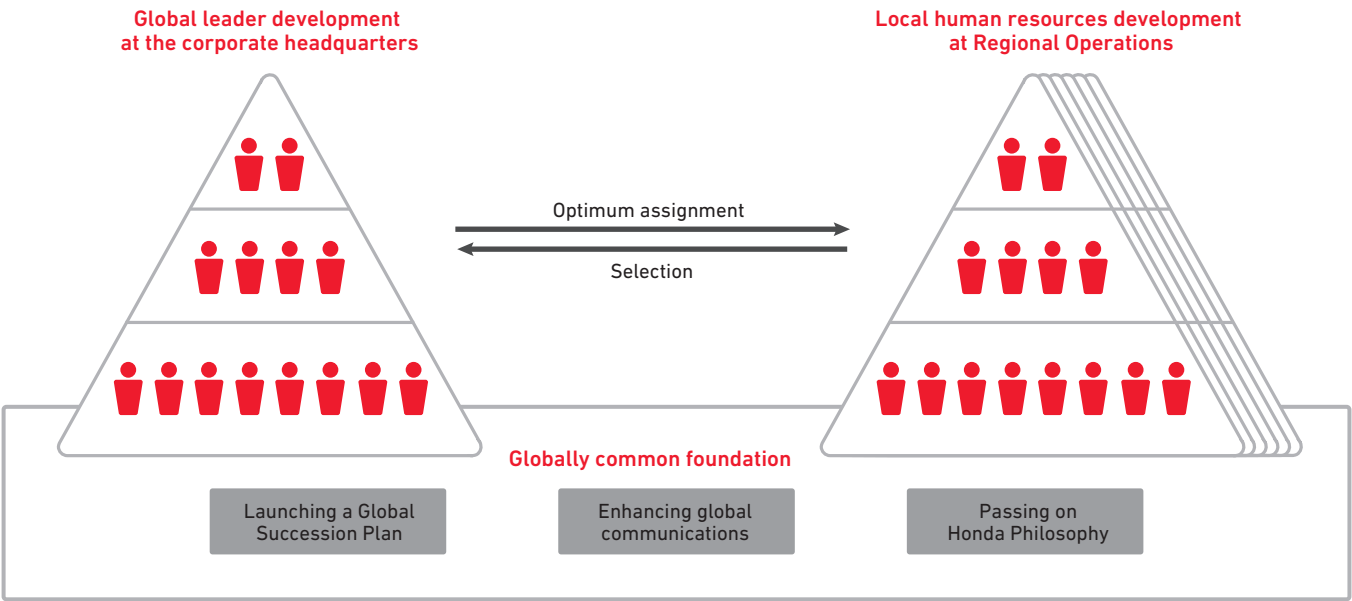
Human Resources Vision and Strategies

In accordance with its Company Principle, “maintaining a global viewpoint, Honda is dedicated to supplying products of the highest quality yet at a reasonable price for worldwide customer satisfaction,” Honda has been proactively developing business with a view to entering the global markets since its foundation. In regard to its expansion overseas, Honda’s business model has evolved from exporting to local production and then to local development. In recent years, the Company’s production and development functions are being strengthened not only in developed countries but also in emerging countries, where demand for motorization is growing. Honda is striving for the autonomy of its Regional Operations in six regions around the world.

In order to achieve this goal, Honda is pushing ahead with Global Human Resources Management Approaches. This initiative facilitates developing and assigning global personnel who plan, design and develop products that reflect market demand and who deliver quality products in a stable manner.

To be more precise, Regional Operation bases used to be managed mainly by Japanese expatriates; however, this style of management is being replaced by an approach where management is run by local associates, who are most familiar with the region. By assigning associates with experience in working for local and global operations to global functions, Honda tries to diversify and localize its workforce with multinational people in order to address market changes promptly and flexibly. Honda aims for the establishment of an organization in which it can demonstrate Honda’s total strength by coordinating its operations globally.

Global human resources management approaches



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

— Global Management

Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Global Management

Honda's Approaches

Honda takes the following approaches to developing and assigning human resources to enhance Honda's total strength on a global scale.

One of the approaches is to develop and reinforce local human resources. On the basis of the Honda Philosophy, Honda core values and competency, Honda aims to share values with Honda Group associates and vitalize communication. At the same time, Honda provides training programs tailored for each region based on its needs and conditions, while offering at the global level shared training programs to develop global leaders.

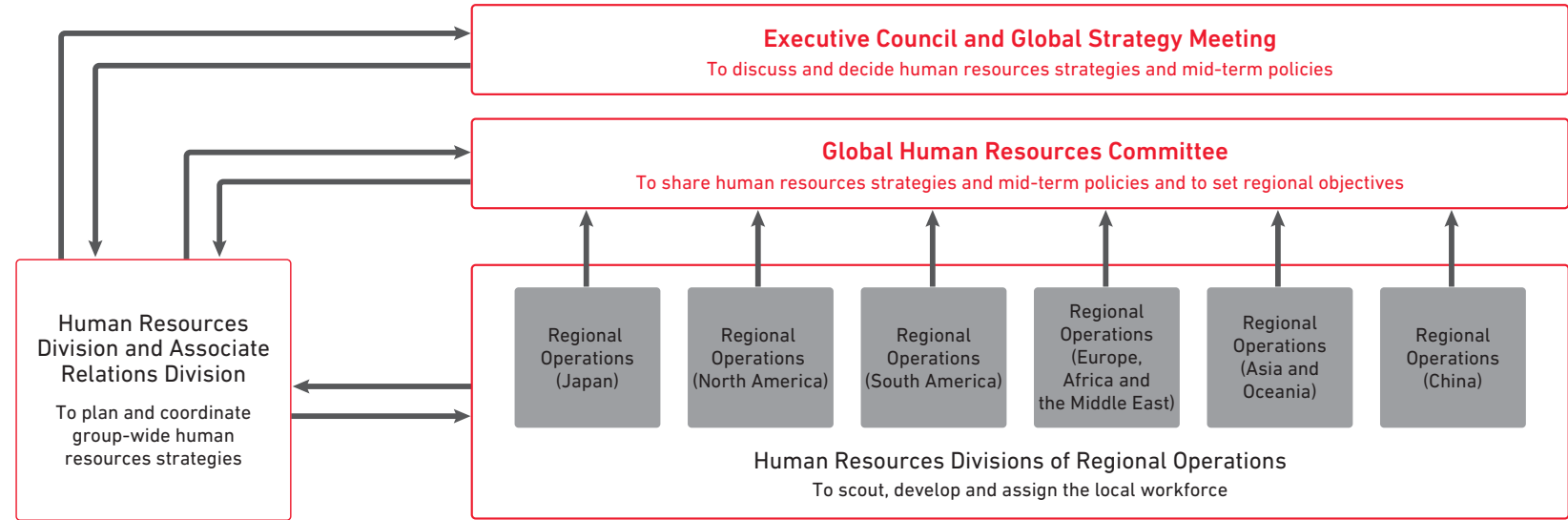
Human Resources Management Structure

At Honda, the human resources divisions of each business operation and region draw up global human resources strategies from a mid- to long-term perspective. Strategies proposed by the divisions are discussed by the management members in the Management Vision Meeting.

The directions for personnel strategies deliberated in this meeting are broken down by theme for further discussion in the Global Human Resources Committee, in which associates responsible for human resources from six regions meet. Once company-wide and regional plans and targets become concrete, activities are launched throughout the Company.



Global human resources management





7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Initiatives

Human Rights

Basic Approach

Honda upholds the idea of “Respect for the Individual” in the Honda Philosophy and includes “Respect of Human Rights” in the Honda Code of Conduct to show its policy to “maintain its stance as a company committed to practicing fairness and sincerity and respecting human rights.”

Also in the Code, Honda specifically requires its associates to “respect fellow associates, interact with them in a sincere and appropriate manner, and never engage in any form of harassment or unjust, discriminatory behavior in the workplace.”

Accordingly, based on “Respect for the Individual” in the Honda Philosophy, Honda has formulated the Honda Human Rights Policy to uphold its responsibility to respect the human rights of stakeholders affected by its business activities.

We are committed to respecting human rights that are set out in the International Bill of Human Rights and the eight ILO core conventions as set out in the Declaration on Fundamental Principles and Rights at Work. In addition, we support the United Nations Guiding Principles on Business and Human Rights and endeavor to practice these principles in business activities.

DATA

Honda Human Rights Policy

> p. 137

Specific Initiatives

Initiatives for Human Rights Due Diligence

In its company-wide risk assessment activities, Honda has set up a category on human rights. Once a year, each department conducts a risk assessment in accordance with the Honda Group’s common criteria.

The department priority risks are then identified based on the assessment results and appropriate responses are implemented accordingly.

With regard to all local subsidiaries, including joint ventures, Honda works to identify any risk concerns by conducting an annual assessment of Group companies to check if their operations comply with the Associate Relations Policies (⇒ p. 113). In FY2022, this assessment was conducted for 111 bases. Honda also performs monthly checks on the status of labor management of all local subsidiaries, including joint ventures, and shares the results in the Global Monthly Report. Moreover, to make an appropriate response when there is a risk concern, Honda has in place a system to share and discuss the issue through meetings with regional human resources officers. In FY2022, no incidents were identified.

Remedial and Corrective Actions

Honda is striving to create an open organizational culture that allows associates to report any violation related to human rights to their respective superiors or resolve the issue among themselves. At the same time, Honda has set up the Business Ethics Kaizen Proposal Line in Japan and other regions overseas to receive consultation in a fair and neutral manner.



7

Performance Report

Environment

55

Safety

79

Quality

96

Human Resources

112

Basic Approach

Global Management

Human Resources Initiatives

Human Resources Data

Supply Chain

139

Social Contribution Activities

155

Human Resources Initiatives

Education and Awareness-Raising Activities

Honda provides training on the Honda Philosophy all around the world. The Company also works to promote awareness and thorough implementation of the Code of Conduct by distributing leaflets, posting the relevant information on the corporate intranet and providing training. Additionally, level-specific pre-assignment training is provided to persons stationed overseas to cultivate awareness for the importance of local labor management based on the Associate Relations Policies.

In 2012, Honda formulated the Associate Relations Policies (⇒ p. 113), which show its approach toward “Respect of Human Rights.” The policies are explained in training programs before overseas assignment and are applied to Honda’s daily corporate actions.

Initiatives for Suppliers

As for suppliers, Honda published the Honda Supplier Sustainability Guidelines in 2018, which state Honda’s basic approach to human rights and labor matters, such as forced labor and child labor. Honda has asked its suppliers to put these guidelines into practice.

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Initiatives

Diversification Aimed at Leveraging Total Workforce Strength

Individual differences that are demonstrated by its workforce represent a strength of a company in flexibly responding to the ever-changing business environment. Honda pursues workforce diversification in accordance with the conditions and issues in each region (North America, South America, Asia/Oceania, Europe/Africa/Middle East, China and Japan), believing that these individualities integrate and evolve into innovation.

For Honda, diversification of the workforce means to enhance its total strength by providing equal opportunities to people regardless of their personal attributes, such as race, nationality, cultural background, age, gender, gender identity, sexual orientation, past career, educational background and having disabilities or not. Honda also encourages them to respect each other's individual differences and talents while exerting their own abilities to the fullest, based on Honda's philosophy of Respect for the Individual.

Specifically, each of Honda's six core regions is hiring and developing personnel by setting a target for increasing the proportion of women and minority groups (in terms of race and nationality, etc.) in management and job assignments in accordance with the conditions of each region. In addition, Honda has been implementing a variety of initiatives for all associates such as facilitating the understanding of the importance of diversity and continually carrying out enlightenment activities.

Reinforcement of Career-Centered Capability Development to Encourage Self-Improvement

Honda's approach to personnel education is built around on-the-job training (OJT), specifically, building specialized skills and professional capabilities through direct experience while placing considerable emphasis on the independence of each associate and his or her eagerness to take on a challenge.

Since 2021, Honda has been implementing the following specific

measures in steps to create an environment that enables associates to build their careers even more independently.

1. Revise OJT/off-the-job training (Off-JT) programs
2. Launch age-based career training
3. Introduce selectable learning programs (online and e-learning)
4. Introduce learning management system
5. Strengthen the development of skilled engineers through a system of mentorship by production experts

Through the implementation of the above measures, Honda will further strengthen efforts encouraging associates to continue taking up a challenge while fully understanding their individual responsibilities and the significance of their work, as well as urging the management to maintain their active engagement with and provide support to associates.

DATA

Annual training hours and cost
per associate

> p. 133

Developing a Global Succession Plan

Honda has been developing a Global Succession Plan to systematically develop and appoint competent and motivated personnel regardless of an individual's attributes (such as nationality and gender). More specifically, Honda has developed a Global Competency Model (GCM), which represents behavioral traits required of a global leader. The Company has introduced a GCM-based talent assessment system in the global training programs renewed in 2021 as part of its efforts to promote the development of successor candidates on a global basis. At the same time, by defining the preconditions and capabilities required of major global positions, Honda has started building a foundation for matching and more strategically nurturing successor candidates.

Going forward, in collaboration with each business operation overseas and region, Honda will further stimulate discussions at the Talent Board, which was established in 2021, for promoting the development and appointment of human resources on a global basis.



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Initiatives

Development of Leaders on a Global Basis and in Each Region

Along with the launch of the Global Succession Plan, Honda has updated its leader training programs in accordance with the GCM.

Since 2021, Honda has been providing the following programs globally.

- Global Leadership Program (GLP) – Transformation
- GLP – Exploration
- GLP – Discovery

From 2022, Honda will double the scale of GLP – Discovery for young associates in order to form a group of future leader candidates. At the same time, to develop human resources in each region, the Company will continue to further implement measures centered on GCM in collaboration with the human resources divisions of each business operation and region.

Passing on the Honda Philosophy

It is important for progress of management localization to share business judgment and codes of practice to globally share a set of values. At Honda, it means sharing the Honda Philosophy, Honda core values and competency with local associates.

With this awareness in mind, Honda provides a training program to pass on the Honda Philosophy as a part of training that takes place worldwide for new associates and newly appointed associates. To make the programs as practical as possible, company executives and regional management pick business examples and introduce ones that demonstrate decision-making or managerial judgment that puts into practice the concept of “what to think and do based on the Honda Philosophy.”



7 Performance Report

Environment

55

Safety

79

Quality

96

Human Resources

112

Basic Approach

Global Management

Human Resources Initiatives

Human Resources Data

Supply Chain

139

Social Contribution Activities

155

Human Resources Initiatives

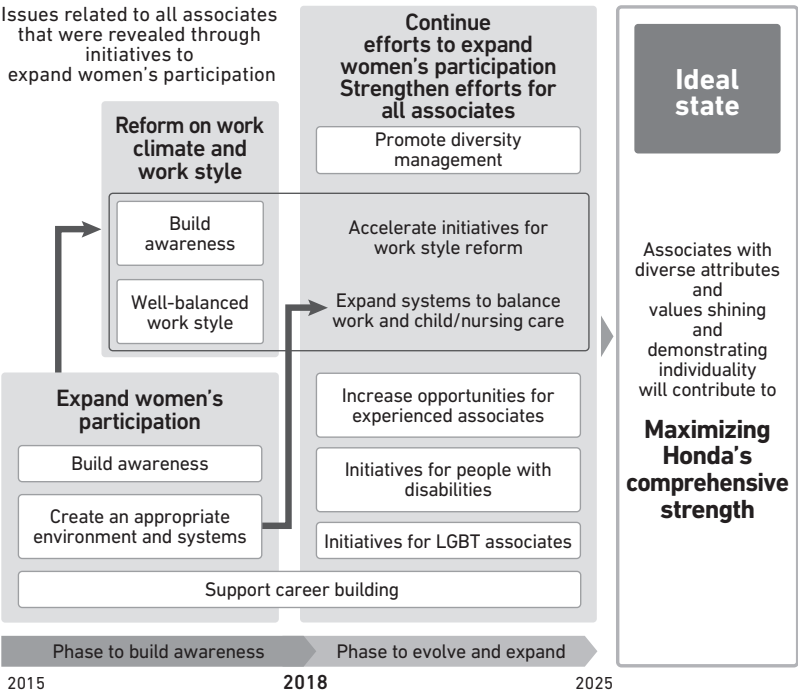
Initiatives Related to Diversity

Advancement in Workforce Diversification

Since 2015, Honda has been positioning and promoting workforce diversification as a company-wide priority task toward demonstrating the total strength of its workforce. “People” play a main role in achieving the 2030 Vision. In addition to the experience and technology that have supported Honda’s growth to date, it is now essential to spur innovation through the fusion of diverse values.

In January 2015, the Company established the Diversity Promotion Office, an organization specialized in diversifying Honda’s workforce. In Japan, Honda first embarked on the expansion of women’s participation.

Roadmap for workforce diversification at Honda



During the period from 2015 to 2017, which the Company regards as a phase to build awareness, Honda has established a foundation to realize a world where people can equally develop their careers regardless of gender.

In FY2019, the scope of efforts has extended from female associates to all associates, and Honda is moving on to the next phase of evolution and expansion. It has been promoting for all associates, including superiors responsible for managing diverse human resources, experienced associates making up the majority of its workforce, people with disabilities and the LGBT community.

WEB

Honda Diversity & Inclusion
(Japanese only)

> <https://www.honda.co.jp/diversity/index.html>

Promoting Diversity Management

Honda defines diversity management as the establishment of a framework that makes effective use of diverse members. In addition to recruiting diverse human resources, it is crucial to accept their diversity and respect individuality. Honda is proceeding with organizational management that draws out the independence of members, allows them to share objectives they can relate to and guides them to fully perform their duties. More specifically, Honda’s diversity management initiatives are led by its management in a conscious effort to promote the development of human resources and creation of an organization with a focus on the respect for individuality.

Major initiatives for promoting diversity management

Initiative	Lecture on diversity management	Training for cultivating superiors’ diversity skills
Aim	Foster an appropriate work climate to accept, nurture and leverage diversity	Identify their own challenges to clarify the way they want to be and learn how to achieve that goal
Target	Associates holding division manager or equivalent positions and those in management positions	Associates holding division manager or equivalent positions
Number of participants	Total of about 1,500 over the three years since 2018	Total of about 240 over the three years since 2018
Duration	2 hours	8 hours/session x 4 days



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Initiatives

Meaning of Expanding Women's Participation

In Japan, Honda's efforts to expand women's roles since 2007 have resulted in an increase in the proportion of female associates in the workforce from 5.0% in the 2005 base year to 8.7% in 2021.

In the meantime, while Honda carries out business operations globally, the participation of women, and consequently, the proportion of women holding management positions, lags in Japan compared with other regions. In 2015, with a renewed determination to increase women in management positions, Honda has been working to achieve its target of increasing the number threefold from the 2014 level in 2020 and ninefold in 2025. As a result of its conscious efforts since then, the number of women in management positions increased 2.6 times in FY2021 compared with 2014.

Using FY2021 as the new base year, Honda has updated its target for 2025 and also set a long-term target for 2030 to triple and quadruple the number by 2025 and 2030, respectively, compared with FY2021. Toward the new target, the Company will work to reinforce human resources development at a younger age.

In addition, Honda will encourage male associates to become more involved in child care as part of its efforts to ensure better employment practices. Specifically, the target for the percentage of men taking child care leave has been updated to 100% by 2025. In this way, Honda is working to realize a world where people can develop their careers regardless of gender.

Honda also supports the initiative advocated by the Japan Federation of Economic Organizations (Keidanren) to raise the ratio of women occupying executive positions to 30% by 2030.



Honda's Action Plan

1. Period of plan

Five years from April 1, 2021 to March 31, 2026

2. Issues at Honda

- ① Low percentage of women in management
- ② Although the rate of competition for employment is equal among men and women, there are fewer female associates.
- ③ Not many male associates take part in child care.

3. Targets

- ① Triple and quadruple the number of women holding management positions by 2025 and 2030, respectively, compared with FY2021
- ② Increase the ratio of new recruits who are women to at least 20% by 2025
- ③ Achieve the percentage of men taking child care leave to 100% by 2025

4. Details of initiatives and period of implementation

- <Initiative 1> Continue to foster awareness of the need to embrace diversity
 - Continuously disseminate information from top management (January 2015~)
- <Initiative 2> Nurture female associates and accelerate their utilization
 - Enhance career development support by supervisors based on a career development plan (April 2015~)
 - Continue to conduct interviews regarding career path through career advisors (October 2015~)
 - Continue to provide seminars on work-life balance during child-rearing years (August 2017~)
 - Increase company nurseries; establish an environment to support associates undergoing fertility treatment, including special leave systems (April 2017~)
- <Initiative 3> Continue to strengthen the employment of women
 - Continue to conduct focused publicity for female science and engineering students (March 2015~)
 - Continue to participate in events promoting selection in science and engineering for high school students (March 2015~)
 - Secure and increase points of contact with and webinars for female associates (March 2016~)
- <Initiative 4> Promote engagement of male associates in child care
 - Revise Honda's systems related to child care (April 2022~)
 - Initiatives to communicate and instill the idea of men taking part in child care and increase the use of relevant systems (October 2021~)

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Initiatives

Initiatives for Expanding Women's Participation

In order to accelerate the expansion of women's participation, Honda has been promoting initiatives under three pillars: "Build awareness and foster an appropriate work climate," "Support career building" and "Create an appropriate environment and systems." As an example of an external evaluation, Honda received the second level (★★) "L-boshi" certification*1 from the Ministry of Health, Labour and Welfare as a female-friendly company in August 2018.

In March 2019, Honda was selected for the Ministry of Economy, Trade and Industry's New Diversity Management Selection 100. The designation is designed to increase the number of companies engaging in diversity management and to award those achieving value creation by leveraging the abilities of diverse human resources.

Through efforts undertaken since 2015, Honda has successfully established a foundation for expanding women's participation.

From 2019 to 2020, Honda focused on enhancing systems to help associates balance work and child/nursing care. This effort was geared to promote the realization of diverse workstyles that enable individual associates to yield their maximum performance regardless of their circumstances.

In FY2022, Honda initiated an effort to foster a work climate that encourages male associates to become more involved in child care. In this and other ways, the Company is increasingly working toward the creation of a corporate culture where diverse human resources can feel greater motivation at work.

DATA

Ratio of women in management positions
in the Honda workplace in Japan

> p. 134

DATA

Base salary and ratio of total compensation
for males and females in Japan

> p. 134

DATA

Percentage of women in the
Honda workplace: FY2022

> p. 134

DATA

Major Initiatives for Expanding
Women's Participation
(from 2015)

> p. 135

Initiatives for LGBT Associates

With the aim of eliminating discrimination in terms of gender identity and sexual orientation and realizing workforce diversification, Honda has been working to create a corporate culture and environment that naturally accepts LGBT since 2019. In order to cultivate a culture to understand and accept diversity, Honda held a seminar for members of company management in 2019 and provided an e-learning program to associates in management positions in 2020. In 2021, Honda extended the target of the program to general associates as well as held an "ally"*2 seminar, which was solicited from the public, for associates to gain basic knowledge required as a supporter and show voluntary and proactive action.

In the area of personnel and welfare systems, Honda is treating associates' same-sex partners as spouses and has established an LGBT counseling hotline. By doing so, the Company has created appropriate systems and work environment, which eliminate discrimination and provide comfort and motivation. Additionally, Honda is promoting corporate activities to facilitate society's understanding of LGBT and is supporting LGBT-related and other events.

As a result of these efforts, Honda has received the highest Gold rating in the PRIDE Index, which was created by the voluntary organization "work with Pride" to evaluate companies' efforts to create an LGBT-friendly workplace in Japan, for two consecutive years since 2020.



*1 A certification program under the Act on Promotion of Women's Participation and Advancement in the Workplace. Among companies which have created and submitted an action plan, the Minister of Health, Labour and Welfare certifies those showing excellent progress in implementing initiatives for increasing women's participation.

*2 Associates who have basic knowledge of LGBT issues, personally regard LGBT issues and think and act as supporters on their own accord



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Initiatives

Increasing Opportunities for Experienced Associates to Expand Their Roles

In promoting age-based diversity, Honda seeks to expand opportunities of active participation for every associate regardless of age. In order for Honda to maximize its comprehensive corporate strength toward the realization of the 2030 Vision, each associate needs to adapt to a likely change in his or her work resulting from the anticipated changes in company operations. As experienced associates aged 50 or over, who have supported its growth to date, are growing in numbers, Honda has been conducting career story training since 2018. Focusing on individuals, rather than treating them as a group, the program offers an opportunity for individual associates to think about their career development by themselves.

In terms of the creation of necessary systems, Honda introduced a flexible retirement system in April 2017 to allow associates to choose when to retire (up to the age of 65) according to their plan in order to provide a more suitable working environment for people aged 60 and over.

With the aim of responding to changes in the working environment and more diverse senses of value, Honda implemented a career change support system and a system of shorter workweek and shorter working hours in April 2021 for associates aged between 55 and 58. In step with the times, the Company thereby supports associates' new challenges for demonstrating their strengths in new fields and for following their own lifestyles.

Overview of career story training

Initiative	Career story training
Aim	Provide an opportunity to clarify individuals' ideas of work and life and integrate these ideas into their future lives
Target	General associates aged 55 to 59
Number of participants	Total of about 890 over the four years since 2018
Duration	7 hours/session x 2 days

Employment of People with Disabilities

Honda actively provides jobs to people with disabilities at its business sites in compliance with laws in each country where it does business.

In Japan, based on the idea of normalization, Honda has led society in promoting the employment of people with disabilities.

Honda seeks to enable working people to exert their unique abilities and take an active role in society through their work regardless of the presence or absence of disabilities. Accordingly, the Company has been striving to create an environment that allows associates with and without disabilities to work alongside one another in addition to making adaptations to ensure that workplaces and opportunities are fully accessible.

Honda also established three affiliates in Japan to empower and provide employment opportunities to people with disabilities: Honda Sun Co., Ltd. in 1981, Kibounosato Honda Co., Ltd. in 1982 and Honda R&D Sun Co., Ltd. in 1992 (merged with Honda Sun Co., Ltd. on April 1, 2021).

Employment of individuals with disabilities at Honda Group companies in Japan in FY2022 stands at 2.45%, or 1,147 individuals, which is above the legally mandated level of 2.3%.

DATA

Number of associates with disabilities and percentage of employment of individuals with disabilities in Japan

> p. 134



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Initiatives

Advancement of Diversification in Employment

Honda will strive to raise the total strength of its global workforce by proactively hiring human resources with diverse backgrounds and enabling these diverse human resources to fully demonstrate their abilities.

The main initiatives undertaken in Japan are as follows.

■ Employment of women

With the goal of increasing the ratio of new recruits who are women to at least 20% by 2025, Honda is strengthening initiatives such as participating in and holding industry and company information sessions especially targeting female students majoring in math and science.

■ Mid-career employment

Amid major changes in the business environment, Honda is strengthening and expanding the employment of work-ready, mid-career workers. In FY2022, mid-career associates accounted for approximately 30% of the total number of new hires.

Moreover, mid-career associates constituted roughly 30% of new managers appointed in FY2022 and play active roles as core human resources after joining the Company.

■ Employment of people with disabilities

Honda proactively hires people with disabilities not only at affiliates but also at each business site and promotes the creation of a comfortable working environment.

■ Global hires

Honda has been recruiting foreign exchange students studying at universities and graduate schools in Japan and started a Global Employment Program to hire human resources directly from overseas labor markets.

DATA

Number of global hires

> p. 134

Helping Associates Balance the Demands of Work, Parenting, Nursing Care and Medical Treatment

In Japan's increasingly aging society with a declining birthrate, establishing an environment where people can balance work, parenting, nursing care and medical treatment is a social issue. Under such circumstances, Honda works actively to provide programs that help associates balance the demands of work, parenting, nursing care and disease or fertility treatment, and to gain an understanding of these programs by sending information by means of guidebooks and the corporate intranet.

In April 2014, Honda introduced a Selection-based Welfare Program (Cafeteria Plan) giving associates the options of support for nursing care, as well as life events such as childbirth and child care, including babysitter agent services and child-care items rental.

As a result of these initiatives, Honda has been certified as a company that supports child-rearing by the Japanese Minister of Health, Labour and Welfare. Honda has been implementing other initiatives as well to meet diverse needs of individual associates. Specifically, the Company introduced a system of transfer and a system of leave in April 2018 for associates to accompany their spouses being transferred. In April 2019, the Company also extended the scope of its existing system of short working hours, system of working at home and half-day paid leave system. Beginning from April 2020, Honda introduced a system of short-term leave for disease and fertility treatment and a system of long-term leave for fertility treatment.

Honda will continue to establish systems and an environment to accelerate initiatives related to diversity (⇒ p. 120) and enable both varied lifestyles and careers desired by individual associates.

DATA

Number of associates who utilize
child/nursing care support in Japan

> p. 134

DATA

Reinstatement rate (%) in Japan
after taking child care leave

> p. 134



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Initiatives

External Evaluations of Honda's Initiatives
for Promoting Diversity

“L-boshi” Certification

In August 2018, Honda received the “L-boshi” certification from the Japanese Minister of Health, Labour and Welfare as a company promoting the participation of women.



“Kurumin” Certification

In July 2012, Honda received the “Kurumin” certification from the Japanese Minister of Health, Labour and Welfare as a company supporting child-rearing.



PRIDE Index 2021

In November 2021, Honda received the highest Gold rating in the PRIDE Index, an index to evaluate companies' efforts to create a workplace that is friendly to sexual minority groups, including LGBTQ.

Selected for the New Diversity Management
Selection 100

In March 2019, Honda was commended by the Minister of Economy, Trade and Industry for its diversity management which leads to value creation by leveraging the abilities of diverse human resources.



Direction of Future Initiatives

In addition to recruiting diverse human resources, Honda views the acceptance of diversity as an integral element of its philosophy on diversity. Honda believes that respect of the individual will help foster individuality and draw out each person's unique abilities, thus increasing motivation at work.

Honda will maintain its ongoing initiatives to expand the participation of women. At the same time, it will extend their scope to all associates to further advance and expand diversity in the true sense of the word. As the world enters an era of great uncertainty and an era of the 100-year life, Honda is reaching the second foundation phase and it is becoming more important that each and every associate will autonomously explore his or her own career, exercise independence and achieve personal growth. By going ahead with the establishment of a system to support associates' voluntary career development, Honda will strive to provide greater motivation at work for associates and strengthen both individual and organizational competitiveness.



human resources

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Initiatives

Building Motivating Work Environments

Realizing Work Styles That Pursue the Quality of Output and More Effective Use of Time

As expressed in the saying “Work hard and play hard,” Honda has been striving to increase the density of working hours through new ideas and ingenuity and generate more time to enjoy life. Toward this goal, proactive efforts have been made to build work environments that enhance associates’ motivation at work. These efforts date back more than 50 years to the 1970s and include the introduction of shorter work hours and implementation of an initiative jointly promoted by labor and management to encourage associates to use their allotted vacation time in full*.

From the viewpoint of work style reform, Honda is further evolving its initiatives to create a culture and environment that enables diverse human resources to demonstrate their abilities to the fullest in order to pursue the quality of output and make the most effective use of limited time. While implementing appropriate time management, Honda has been making efforts to encourage flexible work styles for increasing output within a limited amount of time and to raise awareness of both management and associates for streamlining work and promoting the delegation of authority. Honda has also been engaging in additional year-round activities geared toward improving productivity.

As a result, total annual working hours averaged 1,964 per associate in FY2022, and associates averaged 18.3 paid vacation days.

DATA

Total working hours per associate and average paid vacation days taken in Japan

> p. 136

*An initiative to prevent vacation days from being lost when the number of annual paid vacation days that can be carried over to the next year is exceeded

Counseling Hotlines for Associates

Honda supports associates by operating a variety of counseling hotlines as a way to build a healthier work environment.

Examples of counseling hotlines in Japan

Hotlines	Description
Counseling hotlines dedicated to balancing work, parenting, family life responsibilities and medical treatment	Honda operates a counseling hotline at each worksite's human resources and general affairs department to accommodate counseling requests from associates striving to balance work and family responsibilities, and to promote awareness and utilization of the Company's support programs. Each hotline is staffed by a pair of male and female counselors, who field counseling requests from associates themselves and from their supervisors.
Harassment counseling hotline	Honda operates a harassment counseling hotline for all associates in order to prevent any harassment in the workplace and to facilitate the rapid and appropriate resolution of incidents.
LGBT counseling hotline	Honda operates a hotline for LGBT associates to accommodate requests for advice on their worries and problems and inquiries about support programs. The hotline also provides advice to other parties concerned, who are unsure of how to respond to LGBT associates, and works to prevent negative consequences of unintended outing.
Life planning seminar hotline	Honda offers life planning seminars to give associates an opportunity to start thinking about their life purpose, health and economic planning so that they will be able to lead a rich and fulfilling life. Seminars are also open to associates' spouses. In-house seminar instructors and a secretariat offer one-on-one counseling for associates who have participated in the seminar.



7

Performance Report

Environment

55

Safety

79

Quality

96

Human Resources

112

Basic Approach

Global Management

Human Resources Initiatives

Human Resources Data

Supply Chain

139

Social Contribution Activities

155

Human Resources Initiatives

Evaluation and Treatment

Personnel Evaluation System

In accordance with Respecting Initiative, Ensuring Fairness and Encouraging Mutual Trust based on the Three Principles of Personnel Management, Honda has introduced to Regional Operations in the six regions human resources evaluation programs adapted to the needs and conditions of each region.

For example, in Japan, Honda places emphasis on two-way communication with supervisors in associate development and evaluation, and all associates have at least five interviews with their supervisors each year. During the first interview in April, which is the beginning of the fiscal year, associates come out with a clear vision for the future and how to realize that aspiration through their supervisor's advice. They then work out their individual role and action targets based on the organization's business goals for the fiscal year in question. At biannual interviews, associates themselves look back on their performance during the preceding six months and report to supervisors. Feedback interviews are then conducted, in which supervisors evaluate associate performance and initiatives and feed back each associate's strengths and weaknesses. Additionally, by facilitating a discussion of subjects such as future objectives and career directions, the interviews pave the way for associates' skill development and raising motivation.

DATA

Percentage of associates going through the evaluation programs

> p. 136

Compensation and Incentives

Based on the Three Principles of Personnel Management, Honda gives its associates equal opportunities to make the most of their individual potential and carefully evaluate their abilities and accomplishments at business sites regardless of personal factors. Honda's compensation and evaluation system is built in line with the above approach in consideration of the needs and conditions of each region.

Honda in Japan has adopted a compensation and evaluation system in which performance of general associates is evaluated in two stages: development of abilities and demonstration of abilities. In the former stage, Honda places emphasis more on how associates' abilities evolve, whereas associates' demonstration of abilities and achievement are focused on in the latter stage. An annual salary system is applied to compensation for associates in management positions or higher. The higher their positions are, the more their accomplishments and company performance are taken into consideration.

DATA

Percentage of performance-based remuneration in Japan

> p. 136

DATA

Starting salary in Japan

> p. 136

7 Performance Report

Environment	55
Safety	79
Quality	96

— Human Resources 112

Basic Approach
Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain	139
--------------------	-----

Social Contribution Activities ..	155
-----------------------------------	-----

Human Resources Initiatives

Establishing a Good Relationship with Associates

Creating an Environment of Free and Open Dialogue

In accordance with Encouraging Mutual Trust based on the Three Principles of Personnel Management, Honda declares in the Associate Relations Policies that associates and the Company will respect each other's views and endeavor to promote mutual understanding. Maintaining a relationship of mutual trust, associates and the Company will make every effort to engage in sincere discussions about any issues that might arise or exist. In line with the policies, Honda strives to maintain a good relationship and resolve issues that arise through dialogues with its associates.

In addition, an appropriate notification period is set in advance in case of the implementation of important corporate measures that have a marked impact on associates.

Measurement of Associate Engagement

Honda measures associate engagement in all regions to obtain associate feedback for building a healthier and more comfortable work environment. The measurement is conducted based on the common criteria within each region, with the target of achieving a "very good" engagement level of associates working at Honda in each region. The measurement results are used as basic data in activities to create a work environment in which each associate shines and demonstrates individuality.

In Japan, Honda has been monitoring changes in associates' engagement level every year since 2018. The comparison results with other companies are fed back to each workplace. The purpose is to encourage each workplace to undertake initiatives to invigorate people and organizations. By doing so, Honda aims to create an environment that provides greater motivation at work for diverse human resources.

DATA

Associate engagement in
Japan

> p. 136



Occupational Safety and Health

Honda's efforts to build a safe and secure work environment have their origin in the Company Principle formulated in 1956. They are also based on the Fundamental Beliefs of "Respect for the Individual" and "The Three Joys."

Under the fundamental safety principle of "no safety, no production," which has been passed on since its founding, Honda seeks to realize a work environment that brings the joy that all people can work with a true sense of security.

Based on this principle, Group companies in all parts of the world have established basic policies for occupational health and safety based on respective regional needs and conditions. To eliminate serious industrial accidents in Japan and overseas, Group companies also promote activities aimed at preventing industrial accidents and their recurrence, as well as ensuring the health of associates.

Honda and its associates act in accordance with the Honda Code of Conduct (⇒ p. 44), which outlines the behavior to be practiced by associates around the world. In the field of safety and health, Honda strives to create a health and safety workplace, while each associate works to maintain such a workplace and to prevent and minimize accidents.

Excerpt from the Relations with Colleagues / Working Environment
(Safety and Health section), Honda Code of Conduct

Honda's policy

Honda will provide a health and safety workplace to maintain a pleasant and safe work environment.

Required conduct

As a member of Honda, I will comply with laws, regulations and company policies related to safety and health, and strive to maintain a health and safety workplace, as well as to prevent and minimize accidents.

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Initiatives

Collaboration with Overseas Group Companies

With Honda’s global mid-term occupational health and safety policy, which advocates for realizing a healthy and safe work environment, head offices in each region are taking the lead in realizing such a comfortable workplace by improving the work environment and implementing controls for safety.

For production activities, in particular, Honda aims to increase the effectiveness of safety management in each country and region. To this end, the Regional Operations take the lead in carrying out proactive activities by focusing on the implementation of an occupational health and safety management system, diffusion and execution of risk assessment and the establishment of explosion and fire prevention measures.

Honda also conducts occupational health and safety audits and reviews based on a plan to share recognition of health and safety management. At the same time, the Company strives to improve the management system as well as to develop human resources for safety control in each country and region.

DATA

Lost time injury frequency rate (LTIFR)

> p. 136



* A standard for occupational health and safety formulated by an international consortium

Health and Safety Governance Structure

As a workplace health and safety governance structure, Honda has established a Health and Safety Committee, led by the Health and Safety Management Division, to enforce safety and health governance. Issues are shared and discussed jointly among labor and management for establishing a system to realize a safe and comfortable work environment.

Additionally, Honda conducts occupational health and safety audits to check on the operation of an Occupational Safety and Health Management System (OSHMS) and progress in implementing compliance-related matters. These audits follow an OSHMS approach and are conducted by the Company-wide Health and Safety Audit Committee chaired by the head of the supervisory unit (production activities).

Occupational Safety and Health Management System (OSHMS)

Honda has implemented an OSHMS in order to ensure continuous and voluntary health and safety management and constantly improve the level of health and safety at its workplaces.

Activities based on an OSHMS approach

In FY1998, Honda set up a Health and Safety Audit Committee that performs health and safety audits throughout the Company based on the Occupational Health and Safety Assessment Series (OHSAS)*. Starting from FY2014, these audits have been conducted by using an OSHMS approach. Following the introduction of ISO45001 standard in 2018, Honda also included matters related to health promotion in these audits.

Safety and health audits check on how an OSHMS is operated in workplaces; safety and accident recurrence prevention measures incorporated into routine safety and health activities; and a system and its operation to ensure continuous horizontal deployment of these measures among workplaces. These audits also check the implementation and management status of various requirements following revisions to relevant laws.

By performing health and safety audits to verify its health and safety activities, Honda works to improve and maintain a high level of safety and health throughout the entire Group.

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Initiatives

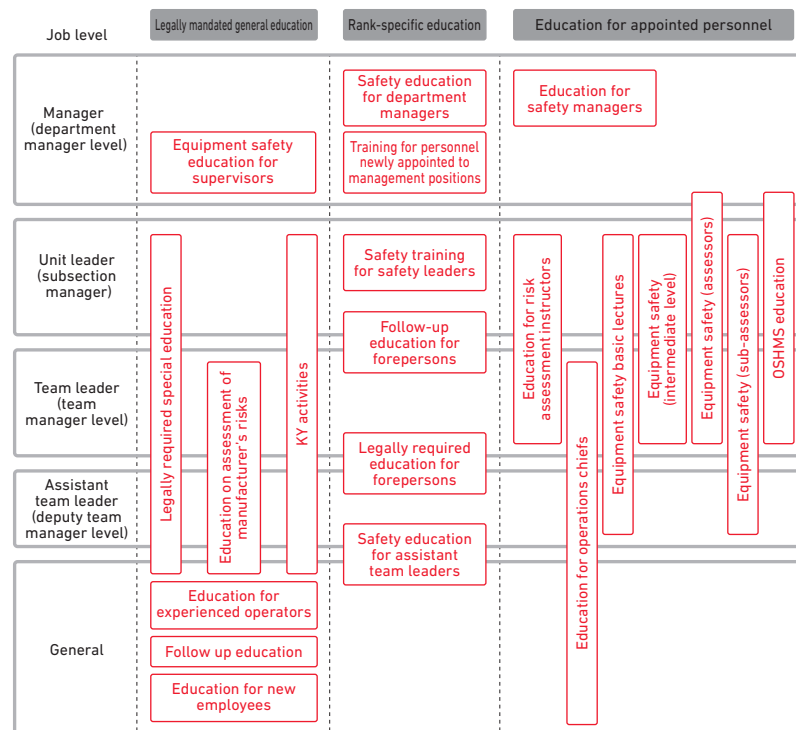
Creating working environment criteria

Honda stipulates workshop environmental criteria in its Comfortable Workplace Guidelines and Hazardous Operations Management Regulations. In accordance with the three basic items of work and health management*, the Company performs periodic inspections and improvements to appropriately maintain and manage its working environments.

Health and safety education and training

The department, responsible for supervising company-wide health and safety, plays a key role in providing training to develop health and safety experts both in Honda and in its Group companies. This includes training to

Diagram of Honda's health and safety training scheme (production activities)



*Refers to working environment management, work management and health management and constitutes the fundamental approach to work and health management.

nurture company-wide health and safety auditors and health officers.

Each business site also provides various training programs for its associates.

Initiatives for Health and Productivity Management

Honda hopes that all of its associates remain healthy in the same way we strive for safety.

Honda aims to become a company in which each associate works safely and energetically while remaining healthy both physically and mentally as they make their own efforts to maintain and promote their health for their own future in a comfortable work environment.

Toward achieving this goal, Honda has formulated a Health Statement and set three pillars and five matters, which represent its health and productivity management policies. Under the top message "Keep taking up a challenge in maintaining and improving health, as strengths of individuals lie in being healthy," Honda is promoting health and productivity management in which everyone voluntarily strives to maintain and improve health.

Three Pillars

- Promote more educational activities on how each individual can work toward becoming healthier and staying healthy; Provide more feedback on results of the periodic health checkups and physical fitness tests**
Help associates gain a more accurate understanding of their own physical and mental conditions and support them as they carry out their own duties for remaining healthy.
- Conduct activities involving the whole workplace for promoting more health awareness**
Utilize data visualization to further reinforce the duty of care of managers and supervisors.
- Promote activities for continuously improving the workplace environment**
Expand and improve the healthy dishes on the menus; provide an environment to ban all smoking on the premises by 2030 and encourage physical exercise habits.

Five Matters for Better Health Management

- Enough good quality sleep
- Nutritionally well-balanced meals
- Habit of regular physical exercise
- No smoking
- Only moderate drinking

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Initiatives

External Evaluations

Recognized under the 2022 Certified Health & Productivity Management Organizations Recognition Program

Following the previous year, Honda was again recognized in the large enterprise category of the 2022 Certified Health & Productivity Management Organization Recognition Program. Jointly promoted by Japan's Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi, the program recognizes companies that consider health management of employees from a corporate management viewpoint and strategically promote related efforts.



Recognized under the Sports Yell Company 2022

Honda was recognized under the Sports Yell Company 2022 sponsored by the Japan Sports Agency as a company proactively encouraging its employees to enjoy sports for health promotion.



Major Activities under the Three Pillars

(1) Promote more educational activities on how each individual can work toward becoming healthier and staying healthy; Provide more feedback on results of the periodic health checkups and physical fitness tests
For realizing lifelong health, Honda strives to create an appropriate environment for carrying out enlightenment activities and making health promotion efforts. Such efforts include providing monthly newsletters on topics concerning the Five Matters for Better Health Management and operating a specialized website on health-related information.

As another example, Honda has distributed cards bearing information on good quality sleep and alcohol consumption in order to instill good lifestyle habits for quality sleep and moderate drinking, among others.

(2) Conduct activities involving the whole workplace for promoting more health awareness

Honda encourages more proactive health promotion efforts at the workplace by aggregating and sharing information on the status of initiatives related to the Five Matters for Better Health Management by workplace or department.

(3) Promote activities for continuously improving the workplace environment

To encourage its associates to take well-balanced meals, Honda offers daily healthy menus that give appropriate consideration to the caloric intake, salt content and vegetable intake at its company cafeterias. On the monthly "Healthy Food Day," Honda provides health-themed dishes by making full use of the characteristics of the ingredients in all menus.

To make physical exercise a habit, the Honda Health Insurance Association allots points based on daily pedometer records. Honda also encourages exercise by providing financial support to associates using fitness and sports facilities, participating in sporting events and purchasing sporting goods as part of its welfare program.

As for implementing a ban on all smoking on the premises in April 2023, Honda is creating the necessary environment and holds a seminar as specific support for smokers to help them quit smoking.



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

— Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Initiatives

Measures to Promote Mental Health

In 2009, Honda announced a Mental Health Policy and has since been working on both creating vitality in associates and in the workplace and providing problem-solving support in an organized, systematic and ongoing manner.

Honda-Wide Mental Health Policy

Basic approach

Based on its fundamental belief of Respect for the Individual, Honda embraces individual diversity and values communication, and by doing so, will make its utmost efforts to maintain well-being so that all associates dedicate themselves to their jobs with enthusiasm while drawing energy from and taking pride in their work.

Activity structure

To implement mental health activities, Honda has established a company-wide mental health promotion team specialized in activity planning and management. Each of Honda’s business sites has also established its own workplace mental health promotion team.

Honda’s major mental health initiatives to promote the mental well-being of its associates include “preventative education,” “improving working environments,” “checking stress levels,” “enhancing counseling programs” and “support for those returning to work after taking time off.” The Company also distributes leaflets and pamphlets to associates aimed at facilitating an understanding of mental health care.



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

Human Resources Initiatives

— Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Data

Consolidated number of associates

	FY2020	FY2021	FY2022
Japan	67,144	67,496	65,673
North America	52,598	49,358	50,645
South America	15,870	14,877	13,996
Europe/Africa/ Middle East	8,658	8,378	3,851
Asia & Oceania	57,320	53,913	52,698
China	17,084	17,352	17,172
Total	218,674	211,374	204,035

Number of associates by gender

	FY2020	FY2021	FY2022
Japan	48,369	47,114	44,525
Male	44,257	42,931	40,290
Female	4,112	4,183	4,235

• With the exception of the item "Consolidated number of associates," HR data for Japan is tabulated from numbers for the following companies: Honda Motor Co., Ltd., Honda R&D Co., Ltd., Honda Racing Corporation, Honda Technical College and Honda Access Corporation.



Number of new permanent associates

	FY2020	FY2021	FY2022
Japan	1,485	1,302	1,155
Male	1,234	1,065	949
Female	251	237	206
North America	2,549	3,901	8,468
Male	1,731	2,688	5,696
Female	818	1,213	2,772
South America	1,428	325	737
Male	1,191	263	605
Female	237	62	132
Europe/ Africa/ Middle East	158	158	149
Male	101	127	112
Female	57	31	37
Asia & Oceania	4,160	918	1,839
Male	3,512	629	1,437
Female	648	289	402
China	2,141	2,228	1,292
Male	1,837	1,894	1,037
Female	304	334	255

Number of associates by employment contract and type

	FY2020	FY2021	FY2022
By contract			
Permanent	43,173	43,472	41,892
Non-permanent	5,151	3,599	2,574
By type			
Full-time	48,142	47,028	44,407
Part-time	182	43	59

Attrition rate (%) (including compulsory retirees)

	FY2020	FY2021	FY2022
Japan	1.7	2.3	6.5
Male	1.6	2.3	6.8
Female	2.4	2.3	4
North America	11.2	15.9	15.5
South America	4.7	5.0	13.3
Europe/Africa/ Middle East	6.6	6.9	105.9
Asia & Oceania	5.7	4.8	4.5
China	5.8	5.4	4.5

Percentage of associates from local communities taking upper management positions

Percentage of associates from local communities among members of the Regional Operating Boards

North America	66
South America	16
Europe	0
Asia & Oceania	0
China	0

Annual training hours and cost per associate

	Annual training time (hours)	Annual training cost (yen)
Japan	14.22	26,967
North America	6.9	10,127
South America	9.9	16,410
Europe/Africa/ Middle East	15.29	22,898
Asia & Oceania	13.69	25,890
China	38.33	16,559

• Amounts are approximate estimates.

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

Human Resources Initiatives

— Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Data

Ratio of women in management positions in the Honda workplace in Japan

	FY2015 (base year)	FY2020	FY2021	FY2022
Compared with FY2015 (times)	1.00	2.10	2.60	2.97

Percentage of women in the Honda workplace: FY2022

	Ratio of women in the entire workforce	Ratio of women in management positions
Japan	8.7	1.8
North America	26.3	15.3
South America	14.2	9.7
Europe/Africa/Middle East	26.3	13.4
Asia & Oceania	13.1	17.6
China	12.1	19.3
Total	15.1	9.6

Base salary and ratio of total compensation for males and females in Japan

	Base salary (Female : Male)	Total compensation (Female : Male)
Management positions	1 : 1.03	1 : 1.06
General associates	1 : 1.19	1 : 1.27

*The same pay scale is applied to male and female associates. Gaps are due to differences in factors such as age distribution and the ratio of males and females in pay grades.

Number of persons over 60 employed by Honda in Japan

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of persons*	1,097	1,155	1,111	1,379	829

*Includes persons who turned 60 and continued employment in each fiscal year

Number of associates with disabilities and percentage of employment of individuals with disabilities in Japan

	FY2018	FY2019	FY2020	FY2021	FY2022
Number of associates*	1,041	1,055	1,096	1,142	1,147
Percentage of employment*	2.31	2.32	2.30	2.38	2.45

*Laws governing the employment of people with disabilities stipulate that employment of one individual with a serious disability is equivalent to employing two less severely disabled individuals for purposes of calculating the number of associates with disabilities and percentage of employment. Data depicted in the table are current as of June 1 of each year.

Number of global hires

	FY2021	FY2022	FY2023
Number of people hired	4	13	21

Number of associates who utilize child/nursing care support in Japan

		FY2018	FY2019	FY2020	FY2021	FY2022
Short working hours to facilitate child care		269	319	311	299	301
	Male	14	22	19	19	16
	Female	255	297	292	280	285
Administrative leave to facilitate child care		454	459	506	531	674
	Male	50	80	124	170	297
	Female	404	379	382	361	377
Nursing care leave for children		1,797	1,662	1,812	1,347	1,447
	Male	1,245	1,212	1,336	945	998
	Female	552	450	476	402	449
Work at home during child raising		249	445	869	918	749
	Male	76	192	518	545	377
	Female	173	253	351	373	372
Childcare cost subsidy		150	180	210	157	106
	Male	5	6	15	7	11
	Female	145	174	195	150	95
Short working hours to facilitate nursing care		5	6	8	6	5
	Male	3	2	4	1	3
	Female	2	4	4	5	2
Administrative leave to facilitate nursing care		22	25	26	23	16
	Male	13	19	18	18	11
	Female	9	6	8	5	5
Nursing care leave		37	40	376	512	582
	Male	31	30	316	424	479
	Female	6	10	60	88	103
Work at home during nursing care		29	47	115	146	123
	Male	17	27	81	106	93
	Female	12	20	34	40	30

Reinstatement rate (%) in Japan after taking child care leave

		FY2018	FY2019	FY2020	FY2021	FY2022
Reinstatement rate		96.5	98.4	99.2	99.3	99.8
	Male	100.0	100.0	100.0	100.0	100.0
	Female	95.7	97.8	98.7	98.9	99.7





7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

Human Resources Initiatives

— Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Data

Major Initiatives for Expanding Women's Participation (from 2015)

Pillars of initiatives	Objective	Target	Description		
Build awareness and foster an appropriate work climate	Cultivate awareness	Management-level associates	Members of company management	Lecture for increasing women's participation (about 30 participants)	
			General, office and plant managers	Lecture for increasing women's participation (total of 8 times; about 230 participants)	
		Female associates	Associates in management positions	Lectures and seminars (total of 39 times from 2015 to 2018; 3,600 participants)	
			All associates	Shine at Work – Seminar to Raise Awareness for Self-Reliant Human Resources (total of 31 times from 2015 to 2017; 2,300 participants)	
	Form a network	Female associates	Associates in management positions	Diversity Forum 2016 (total participation of about 30 associates)	
			Chief supervisors	Diversity Forum 2017 (total participation of about 500 associates)	
Foster an appropriate work climate and build work style awareness	Management-level associates	Members of company management	Work climate and work style lecture (total of 19 times; about 800 participants)		
		General, office and plant managers	Management support workshop (total of 7 times; about 100 participants)		
Support career building	Nurture associates with a focus on the individual	Female associates	Applicants	Introduction of career development plans. Individual interviews with career advisors with a total of about 4,170 female associates over the seven years since 2015	
			Middle- and higher-level associates	Career theme training	
			Young associates	Career base training	
		Support associates in child-rearing years	Associates taking maternity leave and/or child care leave	• Program to support career development during child care leave (used by about 240 associates) • Seminar on work-life balance during child-rearing years (for associates and their spouses) (total of 43 times over the five years since 2017; about 1,170 participants)	
	Create an appropriate environment and systems	Create an environment to facilitate participation of diverse human resources	Associates engaging in child care or nursing care	• Enhancement of the child care leave system (since April 2006) • *Available until the end of April immediately following the child's third birthday (Legal requirement: Until the child turns one year old) • Establishment of the remote work system for associates engaged in child care/nursing care (since October 2016) (paid maternity & paternity leave) • Enhancement of the system of short working hours (since October 2016) • *Available until the fourth grade and for a family member in need of nursing care (Legal requirement: Until the child turns three years old) • Introduction of a system to provide financial support for child care (since October 2016) • Company nurseries (opened in the Tochigi district in April 2017 and in the Wako district in April 2018) • Enhancement of the system of temporary nursery services for associates working on public holidays (since April 2017) • Enhancement of children's nursing care leave (since September 2017) • *A system of paid leave available until the fourth grade (Legal requirement: Until the child starts elementary school; no specification as to whether it should be a paid or unpaid leave) • Enhancement of a system of nursing care leave (since April 2019) • Establishment of fixed-shift system for shift work associates at manufacturing workplaces (since April 2019) • Enhancement of the remote work system (since April 2020)	
Associates undergoing disease or fertility treatment				• Introduction of a system of working at home for disease or fertility treatment (since April 2020) • Introduction of a system of short-term leave for disease or fertility treatment (since April 2020) • Introduction of a system of long-term leave for fertility treatment (since April 2020)	
Associates leaving their job following a transfer of their spouses				• Operation of a system of transfer for associates to accompany their spouses being transferred (since April 2018) • Introduction of a system of leave for associates to accompany their spouses being transferred (since April 2018) • Revision of the career reinstatement registration program (since April 2018)	
Strengthen the employment of women			Increase the percentage of women	New graduates	Increasing recruitment of women majoring in science and engineering



7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

Human Resources Initiatives

— Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155

Human Resources Data

Total working hours per associate and average paid vacation days taken in Japan

	FY2018	FY2019	FY2020	FY2021	FY2022
Total working hours per associate	1,932	1,909	1,997	1,953	1,955
Average paid vacation days taken	18.7	19.3	18.8	17.2	19.5

Percentage of associates going through the evaluation programs

Region	Percentage of associates to be targeted for the evaluation programs
North America	99.8
South America	96.3
Europe/Africa/Middle East	100.0
Asia & Oceania	96.3
China	98.6

Percentage of performance-based remuneration in Japan

Level	Proportion of performance-based remuneration in entire compensation
Director, Operating Officer positions	50*
Management positions	37

*A certain level of stock options is included in remuneration for Director and Operating Officer positions.

Starting salary in Japan

	Monthly salary (yen)	Compared to minimum wage (%)
High school	182,900	111
Technical college and junior college	204,300	124
Undergraduate	228,000	139
Graduate school (Master's degree)	254,900	155

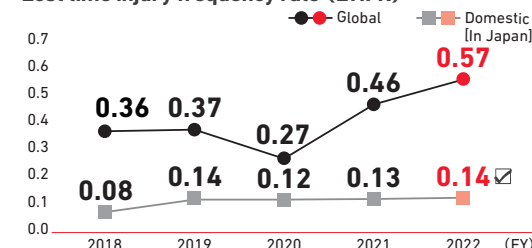
• Minimum wage is calculated using 20.3 eight hour days as one month based on the minimum wage for the Tokyo metropolitan area (1,013 yen/hour). This is a graded salary system and there is no difference in salary for males and females with the same qualification level.

Associate engagement in Japan (Total of 24 questions in six categories; average on a scale of 1 to 5)
Target: 3.50 points or more (Status of “very good” engagement levels* working at Honda)

	FY2021	FY2022
All associates	3.55	3.48
Percentage of respondents for all associates	97.0%	94.5%

*Honda assesses the status of “very good” engagement levels in six categories: an open-minded workplace; rewarding tasks; an environment that makes hard work worthwhile; being proud to work at Honda; trustworthy management; and a pleasant work environment.

Lost time injury frequency rate (LTIFR)



• Global (Lost time injury frequency rate (LTIFR)): The number of lost time injuries per one million work hours at Honda's 5 production bases in Japan and 64 overseas production bases

• In Japan (Lost time injury frequency rate (LTIFR)): The number of lost time injuries per one million work hours at companies to which Honda's labor agreement applies

*Scope of target for lost time injury frequency rate in Japan:

Honda's labor agreement applies

- Honda Motor Co., Ltd.
- Honda R&D Co., Ltd.
- Honda Racing Corporation
- Honda Technical College
- Honda Access Corporation

Data indicated with received the independent practitioner's assurance.



7 Performance Report

Environment 55

Safety 79

Quality 96

Human Resources 112

Basic Approach

Global Management

Human Resources Initiatives

Human Resources Data

Supply Chain 139

Social Contribution Activities .. 155



Human Resources Data

Honda Human Rights Policy

Since our founding in 1948, Honda has continuously worked to provide value to help people and create a better society through our technologies, ideas and designs. The starting point of such efforts is our desire to “help people and society” and “expand the potential of people’s lives.” The underlying basis of these efforts is the concept of “Respect for the Individual,” which constitutes Honda’s Fundamental Beliefs.

Honda believes that human beings are born as free and unique individuals with the capacity to think, reason and create — and the ability to dream. Our wish is to nurture and promote these characteristics in Honda by respecting individual differences, trusting each other as equal partners, exercising abilities to the fullest and sharing joy. From this standpoint, we adopt Respect for the Individual, consisting of the three elements of initiative, equality and trust, as one of our Fundamental Beliefs. We believe this spirit should permeate all our relationships with everyone.

Based on the concept of Respect for the Individual, Honda has formulated the Honda Human Rights Policy (“the Policy”) to fulfill our responsibility to respect the human rights of stakeholders who may be affected by our business activities.

By putting the Policy into practice, we will cooperate with our stakeholders to undertake business activities in a sustainable manner in order to continue to be a company society wants to exist.

1. Commitment to the “respect for human rights”

Honda recognizes that our business activities may impact the human rights of internal and external stakeholders.

We are committed to respecting human rights that are set out in the International Bill of Human Rights and the eight ILO core conventions as set out in the Declaration on Fundamental Principles and Rights at Work. In addition, we support the United Nations Guiding Principles on Business and Human Rights and endeavor to practice these principles in business activities.

We also comply with applicable laws and regulations of each of the countries and regions in which our business activities are conducted. If requirements of the local laws and regulations are in conflict with internationally recognized human rights, we will seek ways to honor the internationally recognized human rights to the greatest extent possible.

2. Scope of responsibility

The Policy applies to all executives and associates of the Honda Group (Honda Motor Co., Ltd. and its subsidiaries). In addition, we expect all of our business

partners to understand the Policy.

3. Governance

Honda positions respect for human rights as one of our key management issues, and we will also establish an adequate internal structure to reflect the Policy in necessary business policies and procedures while clearly specifying the Director responsible for the formulation and execution of the Policy.

4. Human rights due diligence

Honda will establish and continuously implement a system of human rights due diligence, which will identify adverse impacts on human rights and prevent or mitigate such impacts.

5. Remedy

When it becomes clear that Honda has caused or contributed to an adverse impact on human rights, we will work to remediate such an impact. In addition, we will work to establish a practical grievance mechanism to enable appropriate remedies.

6. Engagement with stakeholders

In enhancing and improving its efforts to respect human rights, Honda will leverage external knowledge and engage with relevant stakeholders.

7. Education

Honda will undertake appropriate education and awareness-raising activities to facilitate an understanding of the Policy and put it into practice.

8. Information disclosure

Honda will make disclosure of its efforts to respect human rights through our corporate website and other means on a regular basis.

* The Policy has been approved by the Executive Council and Board of Directors of Honda Motor Co., Ltd.

June 1, 2022

Honda Motor Co., Ltd.

Director, President and Representative Executive Officer, Chief Executive Officer

7 Performance Report

Environment 55

Safety 79

Quality 96

— Human Resources 112

Basic Approach

Global Management

Human Resources Initiatives

— Human Resources Data

Supply Chain 139

Social Contribution Activities •• 155

Human Resources Data

[Human Rights Policy Appendix: Human Rights Issues Addressed by Honda]

Honda proactively addresses human rights issues, including those listed below, in order to respect the human rights of all people with whom we engage through our business activities.

The human rights issues included in this appendix will be reviewed periodically based on changes in societal demand, including legal requirements, and in our businesses.

(1) Prohibiting forced labor and child labor

We respect each individual's fundamental human rights and do not allow forced labor or child labor of any form, including human trafficking.

(2) No discrimination and harassment, respect for diversity & inclusion

Based on the principle that all human beings are equal, we respect diversity & inclusion and prohibit any discrimination and do not tolerate harassment of any form on the basis of an individual's race, ethnicity, national origin, religion, gender, gender identity, sexual orientation, age or disabilities, among other characteristics.

(3) Creating an environment of free, open-minded dialogue

- The associates and the company respect each other's views and endeavor to promote mutual understanding. Maintaining a relationship of mutual trust, the associates and the company make every effort to engage in sincere discussions about any issues that might arise or exist.
- Respecting freedom of association, or not to associate, and collective bargaining, the company attempts to resolve issues in line with the laws, conventions and customs of each respective country and region.

(4) Maintaining a working environment where each associate can work with a sense of security

The company provides a safe and healthy workplace where all associates can concentrate on work with a sense of security.

