

# 8

## Assurance

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## Assurance (Environment)

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, 2022 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

June 20, 2022

Mr. Toshihiro Mibe,  
Director, President and Representative Executive Officer,  
Chief 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, 2022 (the "Environmental Data") included in the "Honda Sustainability Report 2022" (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



## Assurance (Social)

To disclose social data in a more transparent and reliable manner to our diverse stakeholders, Honda obtained the independent practitioner's assurance of the social data indicated with ☒ for the year ended March 31, 2022 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

### Social data assured:

- Lost time injury frequency rate (LTIFR) in Japan

**Deloitte.**

デロイト トーマツ

(TRANSLATION)

Independent Practitioner's Assurance Report

June 20, 2022

Mr. Toshihiro Mibe,  
Director, President and Representative Executive Officer,  
Chief 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 lost time injury frequency rate (LTIFR) indicated with ☒ for the year ended March 31, 2022 (the "Social Data") included in the "Honda Sustainability Report 2022" (the "Report") of Honda Motor Co., Ltd. (the "Company").

**The Company's Responsibility**

The Company is responsible for the preparation of the Social Data in accordance with the calculation and reporting standard adopted by the Company (indicated with the Social Data included in the Report).

**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 Social 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") 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:

- 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 Social 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

## GRI Content Index



For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
GRI 101: Foundation 2016					
General Disclosures					
GRI 102: General Disclosures 2016	Organizational profile				
	102-1	Name of the organization	9		
	102-2	Activities, brands, products, and services	6,7,9		
	102-3	Location of headquarters	2,9		
	102-4	Location of operations	2,9		
	102-5	Ownership and legal form	9		
	102-6	Markets served	9,10		
	102-7	Scale of the organization	9,11 2022 Form 20-F <a href="https://global.honda/investors/library/form20_f.html">https://global.honda/investors/library/form20_f.html</a> 8,9,10,11,12,33,34,F-9,F-43,F-44,F-45		
	102-8	Information on employees and other workers	133		
	102-9	Supply chain	140,148		
	102-10	Significant changes to the organization and its supply chain	2		
	102-11	Precautionary Principle or approach	2,21,22,23,26,47,48,49,50,51,60		
	102-12	External initiatives	26,27,60,154		
	102-13	Membership of associations	26,27,154		
	Strategy				
	102-14	Statement from senior decision-maker	3		
	102-15	Key impacts, risks, and opportunities	13,14,15,16,17,18,19,20,21,22,28,29, 47, 48,49,50,51,59,60,61,62,63,64,65,66,67, 68,69,70,71,80,81,82,97,113,140		
	Ethics and integrity				
	102-16	Values, principles, standards, and norms of behavior	4,13,14,15,16,17,18,19,44,146		
	102-17	Mechanisms for advice and concerns about ethics	45		
	Governance				
	102-18	Governance structure	23,31,32,33,34,35,36,37,38,39,40,41, 42,43		
	102-19	Delegating authority	23		
	102-20	Executive-level responsibility for economic, environmental, and social topics	23		
	102-21	Consulting stakeholders on economic, environmental, and social topics	23,24,25		
	102-22	Composition of the highest governance body and its committees	31,32,33,34,35,36,37,38,39,40,41,42, 43		



## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
	<b>102-23</b> Chair of the highest governance body	31,32,33,34,35,36,37,38,39,40,41,42,43			
	<b>102-24</b> Nominating and selecting the highest governance body	31,32,33,34,35,36,37,38,39,40,41,42,43 Honda Corporate Governance Basic Policies <a href="https://global.honda/investors/policy/governance.html">https://global.honda/investors/policy/governance.html</a>			
	<b>102-25</b> Conflicts of interest	31,32,33,34,35,36,37,38,39,40,41,42,43 Honda Corporate Governance Basic Policies <a href="https://global.honda/investors/policy/governance.html">https://global.honda/investors/policy/governance.html</a>			
	<b>102-26</b> Role of highest governance body in setting purpose, values, and strategy	23			
	<b>102-27</b> Collective knowledge of highest governance body	23			
	<b>102-28</b> Evaluating the highest governance body's performance	23			
	<b>102-29</b> Identifying and managing economic, environmental, and social impacts	23,47,48,49,50,51,60			
	<b>102-30</b> Effectiveness of risk management processes	23			
	<b>102-31</b> Review of economic, environmental, and social topics	23			
	<b>102-32</b> Highest governance body's role in sustainability reporting	23			
	<b>102-33</b> Communicating critical concerns	23,31			
	<b>102-34</b> Nature and total number of critical concerns	23,31,32,33,34,35,36,37			
	<b>102-35</b> Remuneration policies	31,32,33 Honda Corporate Governance Basic Policies <a href="https://global.honda/investors/policy/governance.html">https://global.honda/investors/policy/governance.html</a>			
	<b>102-36</b> Process for determining remuneration	31,35,38 Honda Corporate Governance Basic Policies <a href="https://global.honda/investors/policy/governance.html">https://global.honda/investors/policy/governance.html</a>			
	<b>102-37</b> Stakeholders' involvement in remuneration	31,35,38 Honda Corporate Governance Basic Policies <a href="https://global.honda/investors/policy/governance.html">https://global.honda/investors/policy/governance.html</a>			
	<b>102-38</b> Annual total compensation ratio	38,53 Honda Corporate Governance Basic Policies <a href="https://global.honda/investors/policy/governance.html">https://global.honda/investors/policy/governance.html</a>			
	<b>102-39</b> Percentage increase in annual total compensation ratio	38,53 Honda Corporate Governance Basic Policies <a href="https://global.honda/investors/policy/governance.html">https://global.honda/investors/policy/governance.html</a>			



## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
	Stakeholder engagement				
	102-40	List of stakeholder groups	24,25		
	102-41	Collective bargaining agreements	2022 Form 20-F <a href="https://global.honda/investors/library/form20_f.html">https://global.honda/investors/library/form20_f.html</a> 89		
	102-42	Identifying and selecting stakeholders	24,25		
	102-43	Approach to stakeholder engagement	24,25		
	102-44	Key topics and concerns raised	25		
	Reporting practice				
	102-45	Entities included in the consolidated financial statements	2 2022 Form 20-F <a href="https://global.honda/investors/library/form20_f.html">https://global.honda/investors/library/form20_f.html</a> 33,34,F-85		
	102-46	Defining report content and topic Boundaries	2,13,14,15,16,17,18,19,23		
	102-47	List of material topics	19		
	102-48	Restatements of information	2		
	102-49	Changes in reporting	2		
	102-50	Reporting period	2		
	102-51	Date of most recent report	2		
	102-52	Reporting cycle	2		
	102-53	Contact point for questions regarding the report	2		
	102-54	Claims of reporting in accordance with the GRI Standards	2		
	102-55	GRI content index	166,167,168,169,170,171,172,173,174,175,176,177		
	102-56	External assurance	164,165		



## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission			
			Part omitted	Reason	Explanation	
Material Topics						
GRI 200 Economic Standard Series						
Economic Performance						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19			
		The management approach and its components	19			
		Evaluation of the management approach	19			
	GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	11		
		201-2	Financial implications and other risks and opportunities due to climate change	58,59,60,61,62,63,64,65,66,67,68,69,70,71,77		
		201-3	Defined benefit plan obligations and other retirement plans	2022 Form 20-F <a href="https://global.honda/investors/library/form20_f.html">https://global.honda/investors/library/form20_f.html</a> F-22,F-23,F-51,F-52,F-53,F-54,F-55		
		201-4	Financial assistance received from government	-	Financial assistance received from government	This information is currently unavailable.  We will improve our information disclosure using GRI Standards with a view to completing this in time for our 2023 Sustainability Report (to be published in July 2023).
Market Presence						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19			
		The management approach and its components	19			
		Evaluation of the management approach	19			
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	136			
	202-2	Proportion of senior management hired from the local community	133			
Indirect Economic Impacts						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19			
		The management approach and its components	19			
		Evaluation of the management approach	19			
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	26,81			
	203-2	Significant indirect economic impacts	9,148,162			
Procurement Practices						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19			
		The management approach and its components	19			
		Evaluation of the management approach	19			
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	148			



## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
Anti-corruption					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19,44,45,46		
	103-2	The management approach and its components	19,44,45,46		
	103-3	Evaluation of the management approach	19,44,45,46		
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	45		
	205-2	Communication and training about anti-corruption policies and procedures	45		
	205-3	Confirmed incidents of corruption and actions taken	45		
Anti-competitive Behavior					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19,44,45,46		
	103-2	The management approach and its components	19,44,45,46		
	103-3	Evaluation of the management approach	19,44,45,46		
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	44		
Tax					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	37,54		
	103-2	The management approach and its components	37,54		
	103-3	Evaluation of the management approach	37,54		
GRI 207: Tax 2019	207-1	Approach to tax	54		
	207-2	Tax governance, control, and risk management	54		
	207-3	Stakeholder engagement and management of concerns related to tax	54		
	207-4	Country-by-country reporting	-	Country-by-country reporting	This information is currently unavailable.





## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
GRI 300 Environmental Standards Series					
Materials					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19,56,57,58		
	103-2	The management approach and its components	19,56,57,58		
	103-3	Evaluation of the management approach	19,56,57,58		
GRI 301: Materials 2016	301-1	Materials used by weight or volume	-	Materials used by weight or volume	This information is currently unavailable.  We will improve our information disclosure using GRI Standards with a view to completing this in time for our 2023 Sustainability Report (to be published in July 2023).
	301-2	Recycled input materials used	-	Recycled input materials used	This information is currently unavailable.  We will improve our information disclosure using GRI Standards with a view to completing this in time for our 2023 Sustainability Report (to be published in July 2023).
	301-3	Reclaimed products and their packaging materials	66		
Energy					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19,56,57,58		
	103-2	The management approach and its components	19,56,57,58		
	103-3	Evaluation of the management approach	19,56,57,58		
GRI 302: Energy 2016	302-1	Energy consumption within the organization	74		
	302-2	Energy consumption outside of the organization	74		
	302-3	Energy intensity	-	Energy intensity	This information is currently unavailable.  We will improve our information disclosure using GRI Standards with a view to completing this in time for our 2023 Sustainability Report (to be published in July 2023).
	302-4	Reduction of energy consumption	74		
	302-5	Reductions in energy requirements of products and services	57,58,59,60,61,62,63,64,74,75,77		
Water					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19,56,57,58		
	103-2	The management approach and its components	19,56,57,58		
	103-3	Evaluation of the management approach	19,56,57,58		
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	65,69		
	303-2	Management of water discharge-related impacts	69		
	303-3	Water withdrawal	75		
	303-4	Water discharge	65,69,75		
	303-5	Water consumption	75		



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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission			
			Part omitted	Reason	Explanation	
Biodiversity						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	19,56,57,58,70			
	103-2	The management approach and its components	19,56,57,58,70			
	103-3	Evaluation of the management approach	19,56,57,58,70			
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	70			
	304-2	Significant impacts of activities, products, and services on biodiversity	70			
	304-3	Habitats protected or restored	-	Habitats protected or restored	This information is currently unavailable.	We will improve our information disclosure using GRI Standards with a view to completing this in time for our 2023 Sustainability Report (to be published in July 2023).
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	70			
Emissions						
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	56,57,58,59,60,61,62,63,64,71,72			
	103-2	The management approach and its components	56,57,58,59,60,61,62,63,64,71,72			
	103-3	Evaluation of the management approach	56,57,58,59,60,61,62,63,64,71,72			
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	72,73,74,75			
	305-2	Energy indirect (Scope 2) GHG emissions	72,73,74,75			
	305-3	Other indirect (Scope 3) GHG emissions	72,73,74,75			
	305-4	GHG emissions intensity	61			
	305-5	Reduction of GHG emissions	72,73,74,75			
	305-6	Emissions of ozone-depleting substances (ODS)	67			
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	76			
	Waste					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	56,57,58			
	103-2	The management approach and its components	56,57,58			
	103-3	Evaluation of the management approach	56,57,58			



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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
GRI 306: Waste 2020	<b>306-1</b>	Waste generation and significant waste-related impacts	65,66,67,75		
	<b>306-2</b>	Management of significant waste-related impacts	65,66,67		
	<b>306-3</b>	Waste generated	57,65,66,67,76		
	<b>306-4</b>	Waste diverted from disposal	65,66,67		
	<b>306-5</b>	Waste directed to disposal	65,66,67		
Environmental Compliance					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its Boundary	19,56,57,58		
	<b>103-2</b>	The management approach and its components	19,56,57,58		
	<b>103-3</b>	Evaluation of the management approach	19,56,57,58		
GRI 307: Environmental Compliance 2016	<b>307-1</b>	Non-compliance with environmental laws and regulations	57		
Supplier Environmental Assessment					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its Boundary	140,146		
	<b>103-2</b>	The management approach and its components	140,146		
	<b>103-3</b>	Evaluation of the management approach	140,146		
GRI 308: Supplier Environmental Assessment 2016	<b>308-1</b>	New suppliers that were screened using environmental criteria	147		
	<b>308-2</b>	Negative environmental impacts in the supply chain and actions taken	146,149,150,151,152,153,154		
GRI 400 Social Standards Series					
Employment					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its Boundary	113,114,115		
	<b>103-2</b>	The management approach and its components	113,114,115		
	<b>103-3</b>	Evaluation of the management approach	113,114,115		
GRI 401: Employment 2016	<b>401-1</b>	New employee hires and employee turnover	133		
	<b>401-2</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees	126		
	<b>401-3</b>	Parental leave	124,134		
Labor/Management Relations					
GRI 103: Management Approach 2016	<b>103-1</b>	Explanation of the material topic and its Boundary	113,114,115		
	<b>103-2</b>	The management approach and its components	113,114,115		
	<b>103-3</b>	Evaluation of the management approach	113,114,115		
GRI 402: Labor/Management Relations 2016	<b>402-1</b>	Minimum notice periods regarding operational changes	128		



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GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
Occupational Health and Safety					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113,114,115		
	103-2	The management approach and its components	113,114,115		
	103-3	Evaluation of the management approach	113,114,115		
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	129		
	403-2	Hazard identification, risk assessment, and incident investigation	129,130		
	403-3	Occupational health services	130,131		
	403-4	Worker participation, consultation, and communication on occupational health and safety	129		
	403-5	Worker training on occupational health and safety	130		
	403-6	Promotion of worker health	130,131,132		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	129		
	403-8	Workers covered by an occupational health and safety management system	129		
	403-9	Work-related injuries	129,136		
	403-10	Work-related ill health	129,136		
Training and Education					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113,114,115		
	103-2	The management approach and its components	113,114,115		
	103-3	Evaluation of the management approach	113,114,115		
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	118,133		
	404-2	Programs for upgrading employee skills and transition assistance programs	114,115,116,117,118,119,120,121,122, 123,124,125,126,135		
	404-3	Percentage of employees receiving regular performance and career development reviews	127,136		
Diversity and Equal Opportunity					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113,114,115,117,120		
	103-2	The management approach and its components	113,114,115,117,120		
	103-3	Evaluation of the management approach	113,114,115,117,120		
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	31,52,116,120,121,122,123,124,125,133, 135		
	405-2	Ratio of basic salary and remuneration of women to men	127,134		

## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
Non-discrimination					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	44,45,46,117		
	103-2	The management approach and its components	44,45,46,117		
	103-3	Evaluation of the management approach	44,45,46,117		
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	44,45,46		
Freedom of Association and Collective Bargaining					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113,140,147		
	103-2	The management approach and its components	113,140,147		
	103-3	Evaluation of the management approach	113,140,147		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	113,147,151,152,153,154		
Child Labor					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113,140,147		
	103-2	The management approach and its components	113,140,147		
	103-3	Evaluation of the management approach	113,140,147		
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	46,147		
Forced or Compulsory Labor					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113,140,147		
	103-2	The management approach and its components	113,140,147		
	103-3	Evaluation of the management approach	113,140,147		
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	147		
Security Practices					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113		
	103-2	The management approach and its components	113		
	103-3	Evaluation of the management approach	113		
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	133		
Rights of Indigenous Peoples					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113		
	103-2	The management approach and its components	113		
	103-3	Evaluation of the management approach	113		
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	146,147,148,151,152,153,154		



## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
Human Rights Assessment					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	113,114,145,146,147		
	103-2	The management approach and its components	113,114,145,146,147		
	103-3	Evaluation of the management approach	113,114,145,146,147		
GRI 412: Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	116,117,133		
	412-2	Employee training on human rights policies or procedures	116,117,133		
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Local Communities					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	24,25,56,156,157,162 <a href="https://global.honda/about/sustainability/community.html">https://global.honda/about/sustainability/community.html</a>		
	103-2	The management approach and its components	24,25,56,156,157,162 <a href="https://global.honda/about/sustainability/community.html">https://global.honda/about/sustainability/community.html</a>		
	103-3	Evaluation of the management approach	24,25,56,156,157,162 <a href="https://global.honda/about/sustainability/community.html">https://global.honda/about/sustainability/community.html</a>		
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	24,25,56,156,157,158,159,160,161,162 <a href="https://global.honda/about/sustainability/community.html">https://global.honda/about/sustainability/community.html</a>		
	413-2	Operations with significant actual and potential negative impacts on local communities	24,25,56,156,157,158,159,160,161,162 <a href="https://global.honda/about/sustainability/community.html">https://global.honda/about/sustainability/community.html</a>		
Supplier Social Assessment					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	140,146		
	103-2	The management approach and its components	140,146		
	103-3	Evaluation of the management approach	140,146		
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	147		
	414-2	Negative social impacts in the supply chain and actions taken	147,151,152,153,154		
Public Policy					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	24,25,26		
	103-2	The management approach and its components	24,25,26		
	103-3	Evaluation of the management approach	24,25,26		
GRI 415: Public Policy 2016	415-1	Political contributions	26		



## GRI Content Index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission		
			Part omitted	Reason	Explanation
Customer Health and Safety					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	80,81,82,83,84,85,86,87,88,89,92,95,97		
	103-2	The management approach and its components	80,81,82,83,84,85,86,87,88,89,92,95,97		
	103-3	Evaluation of the management approach	80,81,82,83,84,85,86,87,88,89,92,95,97		
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	95		
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	110		
Marketing and Labeling					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	44,45,46,56,57,58		
	103-2	The management approach and its components	44,45,46,56,57,58		
	103-3	Evaluation of the management approach	44,45,46,56,57,58		
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	62		
	417-2	Incidents of non-compliance concerning product and service information and labeling	62		
	417-3	Incidents of non-compliance concerning marketing communications	44,45,46		
Customer Privacy					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	47,48,49,50,51		
	103-2	The management approach and its components	47,48,49,50,51		
	103-3	Evaluation of the management approach	47,48,49,50,51		
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	50		
Socioeconomic Compliance					
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its Boundary	44,45,46		
	103-2	The management approach and its components	44,45,46		
	103-3	Evaluation of the management approach	44,45,46		
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	45		

## Financial Data

### Operating and Financial Review

#### Sales Revenue

Honda's consolidated sales revenue for the fiscal year ended March 31, 2022, increased by ¥1,382.1 billion, or 10.5%, to ¥14,552.6 billion from the fiscal year ended March 31, 2021, due mainly to increased sales revenue in Motorcycle business and Financial services business operations as well as positive foreign currency translation effects. Honda estimates that by applying Japanese yen exchange rates of the previous fiscal year to the current fiscal year, sales revenue for the year would have increased by approximately ¥671.7 billion, or 5.1%, compared to the increase as reported of ¥1,382.1 billion, which includes positive foreign currency translation effects.

#### Operating Costs and Expenses

Operating costs and expenses increased by ¥1,171.1 billion, or 9.4%, to ¥13,681.4 billion from the previous fiscal year. Cost of sales increased by ¥1,128.2 billion, or 10.8%, to ¥11,567.9 billion from the previous fiscal year, due mainly to an increase in costs attributable to increased consolidated sales revenue in Motorcycle business and Financial services business operations. Selling, general and administrative expenses decreased by ¥5.2 billion, or 0.4%, to ¥1,326.4 billion from the previous fiscal year, due mainly to a decrease in expenses. Research and development expenses increased by ¥48.1 billion, or 6.5%, to ¥787.0 billion from the previous fiscal year.

#### Operating Profit

Operating profit increased by ¥211.0 billion, or 32.0%, to ¥871.2 billion from the previous fiscal year, due mainly to an increase in profit attributable to sales impacts as well as positive foreign currency effects, which was partially offset by a decrease in profit attributable to price and cost impacts. Honda estimates that by excluding positive foreign currency effects of approximately ¥168.9 billion, operating profit would have increased by approximately ¥42.1 billion.

With respect to the discussion above of the changes, management identified factors and used what it believes to be a reasonable method to analyze the respective changes in such factors. Management analyzed changes in these factors at the levels of the Company and its material consolidated subsidiaries. "Foreign currency effects" consist of "translation adjustments", which come from the translation of the currency of foreign subsidiaries' financial statements into Japanese yen, and "foreign currency adjustments", which result from foreign-currency-denominated transaction. With respect to "foreign currency adjustments", management analyzed foreign currency adjustments primarily related to the following currencies: U.S. dollar, Japanese yen and others at the level of the Company and its material consolidated subsidiaries. The estimates excluding the foreign currency effects are not on the same basis as Honda's consolidated financial statements, and do not conform to IFRS. Furthermore, Honda does not believe that these measures are substitute for the disclosure required by IFRS. However, Honda believes that such estimates excluding the foreign currency effects provide financial statements users with additional useful information for understanding Honda's results.

#### Profit before Income Taxes

Profit before income taxes increased by ¥156.1 billion, or 17.1%, to ¥1,070.1 billion from the previous fiscal year. The main factors behind this increase, except factors relating to operating profit, are as follows:

Share of profit of investments accounted for using the equity method had a negative impact of ¥70.2 billion, due mainly to recognition of reversal of impairment losses in previous fiscal year, which had been previously recognized on the investments in certain companies accounted for using the equity method.

Finance income and finance costs had a positive impact of ¥15.3 billion, due mainly to increased interest income.

#### Income Tax Expense

Income tax expense increased by ¥90.8 billion, or 41.6%, to ¥309.4 billion from the previous fiscal year. The average effective tax rate increased by 5.0 percentage points to 28.9% from the previous fiscal year.



## Financial Data

### Profit for the Year

Profit for the year increased by ¥65.2 billion, or 9.4%, to ¥760.7 billion from the previous fiscal year.

### Profit for the Year Attributable to Owners of the Parent

Profit for the year attributable to owners of the parent increased by ¥49.6 billion, or 7.6%, to ¥707.0 billion from the previous fiscal year.

### Profit for the Year Attributable to Non-controlling Interests

Profit for the year attributable to non-controlling interests increased by ¥15.6 billion, or 41.1%, to ¥53.6 billion from the previous fiscal year.

### Operating segments and geographic segments in financial data

Segment	Principal products and services	Functions
Motorcycle Business	Motorcycles, all-terrain vehicles (ATVs), side-by-sides (SxS) and relevant parts	Research and development, Manufacturing, Sales and related services
Automobile Business	Automobiles and relevant parts	Research and development, Manufacturing, Sales and related services
Financial Services Business	Financial services	Retail loan and lease related to Honda products, Others
Life Creation and Other Businesses	Power products and relevant parts, and others	Research and development, Manufacturing, Sales and related services, Others

- Operating segments are defined as the components of Honda for which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The accounting policies used for these reportable segments are consistent with the accounting policies used in the Company's consolidated financial statements.
- Life creation business has been renamed Power product business as a result of organizational changes effective April 1, 2022.

Area	Major countries
North America	United States, Canada, Mexico
Europe	United Kingdom, Germany, Belgium, Italy, France
Asia	Thailand, China, India, Vietnam, Malaysia
Other Regions	Brazil, Australia

- Segmentation by country and region is based on geographical proximity.

## Financial Data

### Motorcycle Business

#### Honda Group Unit Sales\* (thousands)

	FY21	FY22	Change	%
<b>Total</b>	15,132	<b>17,027</b>	<b>1,895</b>	<b>12.5</b>
Japan	215	<b>244</b>	<b>29</b>	<b>13.5</b>
North America	332	<b>437</b>	<b>105</b>	<b>31.6</b>
Europe	234	<b>317</b>	<b>83</b>	<b>35.5</b>
Asia	13,319	<b>14,589</b>	<b>1,270</b>	<b>9.5</b>
Other Regions	1,032	<b>1,440</b>	<b>408</b>	<b>39.5</b>

#### Consolidated Unit Sales\* (thousands)

	FY21	FY22	Change	%
<b>Total</b>	10,264	<b>10,721</b>	<b>457</b>	<b>4.5</b>
Japan	215	<b>244</b>	<b>29</b>	<b>13.5</b>
North America	332	<b>437</b>	<b>105</b>	<b>31.6</b>
Europe	234	<b>317</b>	<b>83</b>	<b>35.5</b>
Asia	8,451	<b>8,283</b>	<b>(168)</b>	<b>(2.0)</b>
Other Regions	1,032	<b>1,440</b>	<b>408</b>	<b>39.5</b>

\*Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries.

Total demand for motorcycles in India\*<sup>1</sup>, the largest market within Asia, increased by around 2% from the previous year to approximately 14,450 thousand units in calendar year 2021. Total demand for motorcycles in other countries in Asia\*<sup>2</sup> increased by around 16% from the previous year to approximately 19,890 thousand units, mainly due to an increase in demand in Indonesia. Although Honda's consolidated unit sales in Asia increased in calendar year 2021, it decreased by 2.0% from the previous fiscal year to 8,283 thousand units in fiscal year 2022, mainly due to a decrease in sales units of the Activa model series for the fiscal fourth quarter in India. Honda's consolidated unit sales do not include sales by P.T. Astra Honda Motor in Indonesia, which is accounted for using the equity method. P.T. Astra Honda Motor's unit sales for fiscal year 2022 substantially increased by around 44% from the previous fiscal year to approximately 3,870 thousand units, mainly due to the increases in sales units of the BeAT and Vario model series.

Total demand for motorcycles in Brazil\*<sup>3</sup>, the principal market within Other Regions, substantially increased by around 22% from the previous year to approximately 1,140 thousand units in calendar year 2021. Honda's consolidated unit sales substantially increased by 39.5% from the previous fiscal year to 1,440 thousand units in fiscal year 2022, mainly due to the increases in sales units of the CG160 and Biz model series in Brazil.

\*<sup>1</sup> Based on Honda research.

\*<sup>2</sup> Based on Honda research. Only includes the following seven countries: Thailand, Indonesia, Malaysia, the Philippines, Vietnam, Pakistan, and China.

\*<sup>3</sup> Source: ABRACICLO (the Brazilian Association of Motorcycle, Moped, and Bicycle Manufacturers)

## Financial Data

### Automobile Business

#### Honda Group Unit Sales\* (thousands)

	FY21	FY22	Change	%
<b>Total</b>	4,546	<b>4,074</b>	<b>(472)</b>	<b>(10.4)</b>
Japan	592	<b>547</b>	<b>(45)</b>	<b>(7.6)</b>
North America	1,480	<b>1,283</b>	<b>(197)</b>	<b>(13.3)</b>
Europe	101	<b>100</b>	<b>(1)</b>	<b>(1.0)</b>
Asia	2,247	<b>2,022</b>	<b>(225)</b>	<b>(10.0)</b>
Other Regions	126	<b>122</b>	<b>(4)</b>	<b>(3.2)</b>

#### Consolidated Unit Sales\* (thousands)

	FY21	FY22	Change	%
<b>Total</b>	2,617	<b>2,424</b>	<b>(193)</b>	<b>(7.4)</b>
Japan	520	<b>476</b>	<b>(44)</b>	<b>(8.5)</b>
North America	1,480	<b>1,283</b>	<b>(197)</b>	<b>(13.3)</b>
Europe	101	<b>100</b>	<b>(1)</b>	<b>(1.0)</b>
Asia	390	<b>443</b>	<b>53</b>	<b>13.6</b>
Other Regions	126	<b>122</b>	<b>(4)</b>	<b>(3.2)</b>

\*Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed products of Honda and its consolidated subsidiaries. Certain sales of automobiles that are financed with residual value type auto loans and others by our Japanese finance subsidiaries and provided through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to the external customers in our Automobile business. Accordingly, they are not included in Consolidated Unit Sales, but are included in Honda Group Unit Sales of our Automobile business.

Total demand for automobiles in Japan\*<sup>1</sup> decreased by around 9% from the previous fiscal year to approximately 4,210 thousand units in fiscal year 2022. Honda's consolidated unit sales in Japan\*<sup>2</sup> decreased by 8.5% from the previous fiscal year to 476 thousand units in fiscal year 2022, mainly due to a decrease in sales units of the FIT model, attributable to the impacts of the semiconductor supply shortage, which offset the effects of launching the new VEZEL model. Honda's unit production of automobiles in Japan decreased by 7.7% from the previous fiscal year to 634 thousand units in fiscal year 2022.

Total demand for automobiles in the United States\*<sup>3</sup>, the principal market within North America, increased by around 3% from the previous year to approximately 15,070 thousand units in calendar year 2021. Honda's consolidated unit sales in North America decreased by 13.3% from the previous fiscal year to 1,283 thousand units in fiscal year 2022, mainly due to a decreases in sales units of the CR-V and CIVIC models, attributable to the impacts of the semiconductor supply shortage. Honda's unit production of automobiles in North America decreased by 9.0% from the previous fiscal year to 1,271 thousand units in fiscal year 2022.

Total demand for automobiles in Asia\*<sup>4</sup> increased by around 17% from the previous year to approximately 7,090 thousand units in calendar year 2021. This was mainly due to the increases in demand in India and Indonesia. Total demand for automobiles in China\*<sup>5</sup> increased by around 4% from the previous year to approximately 26,270 thousand units. Honda's consolidated unit sales in Asia increased by 13.6% from the previous fiscal year to 443 thousand units in fiscal year 2022, mainly due to the effects of launching the new CITY model and an increase in sales units of the BRIO model in Indonesia. Honda's unit production by consolidated subsidiaries in Asia\*<sup>6</sup> substantially increased by 21.2% from the previous fiscal year to 487 thousand units in fiscal year 2022. Meanwhile, unit production by Chinese joint ventures

Dongfeng Honda Automobile Co., Ltd. and GAC Honda Automobile Co., Ltd. decreased by 13.7% from the previous fiscal year to 1,620 thousand units in fiscal year 2022.

\*1 Source: JAMA (Japan Automobile Manufacturers Association), as measured by the number of regular vehicle registrations (661cc or higher) and mini vehicles (660cc or lower)

\*2 Certain sales of automobiles that are financed with residual value type auto loans and others by our Japanese finance subsidiaries and provided through our consolidated subsidiaries are accounted for as operating leases in conformity with IFRS and are not included in consolidated sales revenue to external customers in the Automobile business. Accordingly, they are not included in consolidated unit sales.

\*3 Source: Autodata

\*4 The total is based on Honda research and includes the following eight countries: Thailand, Indonesia, Malaysia, the Philippines, Vietnam, Taiwan, India and Pakistan.

\*5 Source: CAAM (China Association of Automobile Manufacturers)

\*6 The total includes the following seven countries: Thailand, Indonesia, Malaysia, Vietnam, Taiwan, India and Pakistan.

## Financial Data

### Life Creation and Other Businesses

#### Honda Group Unit Sales/Consolidated Unit Sales\* (thousands)

	FY21	FY22	Change	%
<b>Total</b>	5,623	<b>6,200</b>	<b>577</b>	<b>10.3</b>
Japan	336	<b>353</b>	<b>17</b>	<b>5.1</b>
North America	2,617	<b>2,738</b>	<b>121</b>	<b>4.6</b>
Europe	929	<b>1,189</b>	<b>260</b>	<b>28.0</b>
Asia	1,405	<b>1,487</b>	<b>82</b>	<b>5.8</b>
Other Regions	336	<b>433</b>	<b>97</b>	<b>28.9</b>

\*Honda Group Unit Sales is the total unit sales of completed products of Honda, its consolidated subsidiaries and its affiliates and joint ventures accounted for using the equity method. Consolidated Unit Sales is the total unit sales of completed power products corresponding to consolidated sales revenue to external customers, which consists of unit sales of completed power products of Honda and its consolidated subsidiaries. In the Life Creation business, there is no discrepancy between Honda Group Unit Sales and Consolidated Unit Sales since no affiliate and joint venture accounted for using the equity method was involved in the sale of Honda power products.

Honda's consolidated unit sales in North America increased by 4.6% from the previous fiscal year to 2,738 thousand units in fiscal year 2022, mainly due to the increases in sales of OEM engines\* and lawnmowers, which offset a decrease in the sales of generators.

Honda's consolidated unit sales in Europe substantially increased by 28.0% from the previous fiscal year to 1,189 thousand units in fiscal year 2022, mainly due to the increases in sales of OEM engines and lawnmowers, which offset a decrease in the sales of generators.

Honda's consolidated unit sales in Asia increased by 5.8% from the previous fiscal year to 1,487 thousand units in fiscal year 2022, mainly due to an increase in sales of OEM engines, which offset a decrease mainly in sales of water pumps.

\*OEM (Original Equipment Manufacturer) engines: refers to engines installed on products sold under a third-party brand.



## Financial Data

## Consolidated Statements of Financial Position

March 31, 2021 and 2022

Yen (millions)

Assets	2021	2022
<b>Current assets:</b>		
Cash and cash equivalents	¥2,758,020	¥3,674,931
Trade receivables	801,814	896,768
Receivables from financial services	1,794,654	1,694,113
Other financial assets	295,307	217,743
Inventories	1,545,600	1,918,548
Other current assets	383,696	439,322
Total current assets	7,579,091	8,841,425
<b>Non-current assets:</b>		
Investments accounted for using the equity method	891,002	967,404
Receivables from financial services	3,619,896	3,740,383
Other financial assets	628,533	819,654
Equipment on operating leases	4,919,916	5,159,129
Property, plant and equipment	3,021,514	3,079,407
Intangible assets	818,763	849,507
Deferred tax assets	99,552	91,592
Other non-current assets	342,763	424,652
Total non-current assets	14,341,939	15,131,728
Total assets	¥21,921,030	¥23,973,153

Yen (millions)

Liabilities and Equity	2021	2022
<b>Current liabilities:</b>		
Trade payables	¥1,088,061	¥1,236,233
Financing liabilities	3,005,624	3,118,304
Accrued expenses	415,106	375,601
Other financial liabilities	182,145	236,900
Income taxes payable	47,793	96,116
Provisions	362,151	268,388
Other current liabilities	614,577	672,857
Total current liabilities	5,715,457	6,004,399
<b>Non-current liabilities:</b>		
Financing liabilities	4,715,361	4,984,252
Other financial liabilities	280,809	282,083
Retirement benefit liabilities	358,532	282,054
Provisions	278,890	253,625
Deferred tax liabilities	842,001	990,754
Other non-current liabilities	357,141	403,440
Total non-current liabilities	6,832,734	7,196,208
Total liabilities	12,548,191	13,200,607
<b>Equity:</b>		
Common stock	86,067	86,067
Capital surplus	172,049	185,495
Treasury stock	(273,786)	(328,309)
Retained earnings	8,901,266	9,539,133
Other components of equity	196,710	990,438
Equity attributable to owners of the parent	9,082,306	10,472,824
Non-controlling interests	290,533	299,722
Total equity	9,372,839	10,772,546
Total liabilities and equity	¥21,921,030	¥23,973,153

## Financial Data

### Consolidated Statements of Income

Years ended March 31, 2021 and 2022

Yen (millions)

	2021	2022
<b>Sales revenue</b>	¥13,170,519	<b>¥14,552,696</b>
<b>Operating costs and expenses:</b>		
Cost of sales	(10,439,689)	<b>(11,567,923)</b>
Selling, general and administrative	(1,331,728)	<b>(1,326,485)</b>
Research and development	(738,894)	<b>(787,056)</b>
Total operating costs and expenses	(12,510,311)	<b>(13,681,464)</b>
<b>Operating profit</b>	660,208	<b>871,232</b>
<b>Share of profit of investments accounted for using the equity method</b>	272,734	<b>202,512</b>
<b>Finance income and finance costs:</b>		
Interest income	19,805	<b>25,627</b>
Interest expense	(13,877)	<b>(16,867)</b>
Other, net	(24,817)	<b>(12,314)</b>
Total finance income and finance costs	(18,889)	<b>(3,554)</b>
<b>Profit before income taxes</b>	914,053	<b>1,070,190</b>
<b>Income tax expense</b>	(218,609)	<b>(309,489)</b>
<b>Profit for the year</b>	¥695,444	<b>¥760,701</b>
<b>Profit for the year attributable to:</b>		
Owners of the parent	¥657,425	<b>¥707,067</b>
Non-controlling interests	38,019	<b>53,634</b>
<b>Earnings per share attributable to owners of the parent (Yen)</b>		
Basic and diluted	380.75	<b>411.09</b>

### Consolidated Statements of Cash Flows

Years ended March 31, 2021 and 2022

Yen (millions)

	2021	2022
<b>Cash flows from operating activities:</b>		
Profit before income taxes	¥914,053	<b>¥1,070,190</b>
Depreciation, amortization and impairment losses excluding equipment on operating leases	624,239	<b>611,063</b>
Share of profit of investments accounted for using the equity method	(272,734)	<b>(202,512)</b>
Finance income and finance costs, net	22,630	<b>(56,352)</b>
Interest income and interest costs from financial services, net	(137,178)	<b>(155,872)</b>
Changes in assets and liabilities		
Trade receivables	(133,788)	<b>(24,037)</b>
Inventories	68,281	<b>(208,895)</b>
Trade payables	101,301	<b>50,122</b>
Accrued expenses	(40,927)	<b>(68,811)</b>
Provisions and retirement benefit liabilities	106,829	<b>(156,079)</b>
Receivables from financial services	(59,934)	<b>509,741</b>
Equipment on operating leases	(161,579)	<b>171,600</b>
Other assets and liabilities	(72,473)	<b>28,981</b>
Other, net	5,190	<b>(19,782)</b>
Dividends received	191,112	<b>193,555</b>
Interest received	236,729	<b>237,724</b>
Interest paid	(113,100)	<b>(97,884)</b>
Income taxes paid, net of refund	(206,272)	<b>(203,130)</b>
<b>Net cash provided by operating activities</b>	1,072,379	<b>1,679,622</b>

	2021	2022
<b>Cash flows from investing activities:</b>		
Payments for additions to property, plant and equipment	¥(318,410)	<b>¥(268,143)</b>
Payments for additions to and internally developed intangible assets	(232,727)	<b>(181,083)</b>
Proceeds from sales of property, plant and equipment and intangible assets	6,770	<b>27,108</b>
Payments for acquisitions of subsidiaries, net of cash and cash equivalents acquired	2,230	—
Payments for acquisitions of investments accounted for using the equity method	(110,747)	—
Proceeds from sales of investments accounted for using the equity method	12,570	—
Payments for acquisitions of other financial assets	(433,375)	<b>(488,631)</b>
Proceeds from sales and redemptions of other financial assets	276,808	<b>534,693</b>
<b>Net cash used in investing activities</b>	(796,881)	<b>(376,056)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from short-term financing liabilities	9,115,347	<b>7,487,724</b>
Repayments of short-term financing liabilities	(9,294,859)	<b>(7,960,144)</b>
Proceeds from long-term financing liabilities	1,948,835	<b>2,002,823</b>
Repayments of long-term financing liabilities	(1,798,429)	<b>(1,761,561)</b>
Dividends paid to owners of the parent	(145,090)	<b>(188,402)</b>
Dividends paid to non-controlling interests	(41,755)	<b>(53,813)</b>
Purchases and sales of treasury stock, net	154	<b>(62,180)</b>
Repayments of lease liabilities	(67,628)	<b>(80,165)</b>
Other, net	(555)	—
<b>Net cash provided by (used in) financing activities</b>	(283,980)	<b>(615,718)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	94,149	<b>229,063</b>
<b>Net change in cash and cash equivalents</b>	85,667	<b>916,911</b>
<b>Cash and cash equivalents at beginning of year</b>	2,672,353	<b>2,758,020</b>
<b>Cash and cash equivalents at end of year</b>	¥2,758,020	<b>¥3,674,931</b>

## Financial Data

### Segment Information

Segment information as of and for the years ended March 31, 2021 and 2022 is as follows:

As of and for the year ended March 31, 2021

Yen (millions)

	Motorcycle Business	Automobile Business	Financial Services Business	Life Creation and Other Businesses	Segment Total	Reconciling Items	Consolidated
Sales revenue:							
External customers	¥1,787,283	¥8,567,205	¥2,494,294	¥321,737	¥13,170,519	—	¥13,170,519
Intersegment	—	212,144	12,494	20,107	244,745	(244,745)	—
Total	1,787,283	8,779,349	2,506,788	341,844	13,415,264	(244,745)	13,170,519
Segment profit (loss)	224,608	90,255	356,980	(11,635)	660,208	—	660,208
Segment assets	1,555,057	8,643,109	10,832,645	374,169	21,404,980	516,050	21,921,030
Depreciation and amortization	68,258	515,241	825,975	15,644	1,425,118	—	1,425,118
Capital expenditures	48,800	500,431	2,006,264	11,609	2,567,104	—	2,567,104

As of and for the year ended March 31, 2022

Yen (millions)

	Motorcycle Business	Automobile Business	Financial Services Business	Life Creation and Other Businesses	Segment Total	Reconciling Items	Consolidated
Sales revenue:							
External customers	¥2,185,253	¥9,147,498	¥2,820,667	¥399,278	¥14,552,696	—	¥14,552,696
Intersegment	—	213,095	2,656	22,480	238,231	(238,231)	—
Total	2,185,253	9,360,593	2,823,323	421,758	14,790,927	(238,231)	14,552,696
Segment profit (loss)	311,492	236,207	333,032	(9,499)	871,232	—	871,232
Segment assets	1,448,926	9,563,553	11,318,756	475,124	22,806,359	1,166,794	23,973,153
Depreciation and amortization	65,423	510,755	883,712	17,018	1,476,908	—	1,476,908
Capital expenditures	49,203	410,169	2,028,700	15,748	2,503,820	—	2,503,820

#### Explanatory notes:

- Intersegment sales revenues are generally made at values that approximate arm's-length prices.
- Reconciling items include elimination of intersegment transactions and balances as well as unallocated corporate assets. Unallocated corporate assets included in reconciling items as of March 31, 2021 and 2022 amounted to ¥696,327 million and ¥1,319,995 million, respectively, which consist primarily of the Company's cash and cash equivalents and financial assets measured at fair value through other comprehensive income.



## Financial Data

### Motorcycle Business

Sales revenue from external customers increased by ¥397.9 billion, or 22.3%, to ¥2,185.2 billion from the previous fiscal year, due mainly to increased consolidated unit sales.

Operating profit increased by ¥86.8 billion, or 38.7%, to ¥311.4 billion from the previous fiscal year, due mainly to an increase in profit attributable to sales impacts as well as positive foreign currency effects, which was partially offset by increased expenses.

### Automobile Business

Sales revenue from external customers increased by ¥580.2 billion, or 6.8%, to ¥9,147.4 billion from the previous fiscal year, due mainly to positive foreign currency translation effects, which was partially offset by decreased consolidated unit sales.

Operating profit increased by ¥145.9 billion, or 161.7%, to ¥236.2 billion from the previous fiscal year, due mainly to decreased expenses as well as positive foreign currency effects, which was partially offset by a decrease in profit attributable to price and cost impacts.

### Financial Services Business

Sales revenue from external customers increased by ¥326.3 billion, or 13.1%, to ¥2,820.6 billion from the previous fiscal year, due mainly to increased revenues on disposition of lease vehicles.

Operating profit decreased by ¥23.9 billion, or 6.7%, to ¥333.0 billion from the previous fiscal year, due mainly to difference in the amount of the allowance for credit losses.

### Life Creation and Other Businesses

Sales revenue from external customers increased by ¥77.5 billion, or 24.1%, to ¥399.2 billion from the previous fiscal year, due mainly to increased consolidated unit sales in Life creation business.

Operating loss was ¥9.4 billion, an improvement of ¥2.1 billion from the previous fiscal year, due mainly to an increase in profit attributable to sales impacts, which was partially offset by increased expenses. In addition, operating loss of aircraft and aircraft engines included in Life creation and other businesses was ¥33.7 billion, an increase of ¥1.4 billion from the previous fiscal year.



## Financial Data

# Financial Summary

Fiscal years ended March 31

	U.S. GAAP Yen (millions)					IFRS Yen (millions)								
	2012	2013	2014	2015		2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Sales, income and dividends</b>					<b>Sales, income and dividends</b>									
Net sales and other operating revenue	¥7,948,095	¥9,877,947	¥11,842,451	¥12,646,747	Sales revenue	¥12,506,091	¥13,328,099	¥14,601,151	¥13,999,200	¥15,361,146	¥15,888,617	¥14,931,009	¥13,170,519	¥14,552,696
Operating income	231,364	544,810	750,281	606,878	Operating profit	823,864	670,603	503,376	840,711	833,558	726,370	633,637	660,208	871,232
Operating margin	2.9%	5.5%	6.3%	4.8%	Operating margin	6.6%	5.0%	3.4%	6.0%	5.4%	4.6%	4.2%	5.0%	6.0%
Income before income taxes and equity in income of affiliates	257,403	488,891	728,940	644,809	Share of profit of investments accounted for using the equity method	130,916	96,097	126,001	164,793	247,643	228,827	164,203	272,734	202,512
Income taxes	135,735	178,976	252,662	235,204	Profit before income taxes	933,903	806,237	635,450	1,006,986	1,114,973	979,375	789,918	914,053	1,070,190
Equity in income of affiliates	100,406	82,723	132,471	126,570	Income tax expense	267,992	245,139	229,092	327,592	(13,666)	303,089	279,986	218,609	309,489
Net income attributable to non-controlling interests	(10,592)	(25,489)	(34,642)	(43,168)	Profit for the year	665,911	561,098	406,358	679,394	1,128,639	676,286	509,932	695,444	760,701
Net income attributable to Honda Motor Co., Ltd.	211,482	367,149	574,107	493,007	Profit for the year attributable to owners of the parent	624,703	509,435	344,531	616,569	1,059,337	610,316	455,746	657,425	707,067
Cash dividends paid during the period	108,138	129,765	142,381	158,601	Dividends paid to owners of the parent	142,381	158,601	158,601	162,205	174,221	194,271	196,795	145,090	188,402
Research and development	519,818	560,270	634,130	662,610	R&D expenditures	625,698	670,331	719,810	659,918	730,734	820,037	821,478	780,065	804,025
Interest expense	10,378	12,157	12,703	16,598	Interest expense	12,803	18,194	18,146	12,471	12,970	13,217	24,689	13,877	16,867
<b>Assets, long-term debt and shareholders' equity</b>					<b>Assets, liabilities and equity</b>									
Total assets	¥11,787,599	¥13,635,357	¥15,622,031	¥18,088,839	Total assets	¥16,048,438	¥18,425,837	¥18,229,294	¥18,958,123	¥19,349,164	¥20,419,122	¥20,461,465	¥21,921,030	¥23,973,153
Long-term debt	2,235,001	2,710,845	3,234,066	3,933,860	Financing liabilities (Non-current liabilities)	3,224,512	3,926,276	3,736,628	4,022,190	3,881,749	4,142,338	4,221,229	4,715,361	4,984,252
Total Honda Motor Co., Ltd. shareholders' equity	4,398,249	5,043,500	5,918,979	6,696,693	Equity attributable to owners of the parent	6,335,534	7,108,627	6,761,433	7,295,296	7,933,538	8,267,720	8,012,259	9,082,306	10,472,824
<b>Capital expenditures (excluding purchase of operating lease assets)</b>	424,413	630,408	782,027	714,502	<b>Additions to property, plant and equipment</b>	803,231	703,920	687,306	588,360	484,778	466,657	455,169	390,081	366,829
<b>Depreciation (excluding property on operating leases)</b>	345,105	335,536	442,318	490,375	<b>Depreciation</b>	419,022	451,052	486,410	484,133	513,455	499,036	470,320	428,063	438,269

## Financial Data

### Financial Summary (continued)

Fiscal years ended March 31

	2012	2013	2014	2015	U.S. GAAP Yen		2014	2015	2016	2017	2018	2019	2020	2021	2022	IFRS Yen
<b>Per common share</b>						<b>Per share</b>										
Net income attributable to Honda Motor Co., Ltd.:						Profit for the year attributable to owners of the parent										
Basic	¥117.34	¥203.71	¥318.54	¥273.54		Basic	¥346.62	¥282.66	¥191.16	¥342.10	¥590.79	¥345.99	¥260.13	¥380.75	¥411.09	
Diluted	117.34	203.71	318.54	273.54		Diluted	346.62	282.66	191.16	342.10	590.79	345.99	260.13	380.75	411.09	
Dividends	60	76	82	88		Dividends	82	88	88	92	100	111	112	110	120	
Honda Motor Co., Ltd. shareholders' equity	2,440.35	2,798.37	3,284.14	3,715.66		Equity attributable to owners of the parent	3,515.27	3,944.23	3,751.59	4,047.81	4,461.36	4,698.74	4,640.46	5,260.06	6,122.31	
	Yen (millions)						Yen (millions)									
<b>Sales</b>						<b>Sales</b>										
Sales amounts:*						Sales revenue:*										
Japan	¥1,517,927	¥1,652,995	¥1,912,504	¥1,810,283		Japan	¥1,920,114	¥1,800,439	¥1,754,167	¥1,799,772	¥1,919,130	¥2,042,891	¥1,985,945	¥1,849,268	¥1,943,649	
	19%	17%	16%	14%			15%	14%	12%	13%	12%	13%	13%	14%	13%	
Overseas	6,430,168	8,224,952	9,929,947	10,836,464		Overseas	10,585,977	11,527,660	12,846,984	12,199,428	13,442,016	13,845,726	12,945,064	11,321,251	12,609,047	
	81%	83%	84%	86%			85%	86%	88%	87%	88%	87%	87%	86%	87%	
Total	¥7,948,095	¥9,877,947	¥11,842,451	¥12,646,747		Total	¥12,506,091	¥13,328,099	¥14,601,151	¥13,999,200	¥15,361,146	¥15,888,617	¥14,931,009	¥13,170,519	¥14,552,696	
	100%	100%	100%	100%			100%	100%	100%	100%	100%	100%	100%	100%	100%	
	Thousands						Thousands									
Unit sales:						Unit sales:										
Motorcycle Business	15,061	15,494	17,021	17,765		Motorcycle Business	17,008	17,592	17,055	17,661	19,554	20,238	19,340	15,132	17,027	
Automobile Business	3,108	4,014	4,323	4,364		Automobile Business	4,340	4,367	4,743	5,028	5,199	5,323	4,790	4,546	4,074	
Life Creation Business	5,819	6,071	6,036	6,001		Life Creation Business	6,018	5,983	5,965	6,121	6,262	6,301	5,701	5,623	6,200	
<b>Number of employees</b>	187,094	190,338	198,561	203,902		<b>Number of employees</b>	199,368	204,730	208,399	211,915	215,638	219,722	218,674	211,374	204,035	
<b>Exchange rate</b> (yen amounts per U.S. dollar)						<b>Exchange rate</b> (yen amounts per U.S. dollar)										
Rates for the period-end	¥82	¥94	¥103	¥120		Rates for the period-end	¥103	¥120	¥113	¥112	¥106	¥111	¥109	¥111	¥122	
Average rates for the period	79	83	100	110		Average rates for the period	100	110	120	108	111	111	109	106	112	

\* The geographic breakdown of sales amounts is based on the location of customers.



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