

HONDA

The Power of Dreams

European
Environmental
Report

2013



BLUE SKIES FOR
OUR CHILDREN



Reducing and Reporting Environmental Impacts in 6 Regions Worldwide

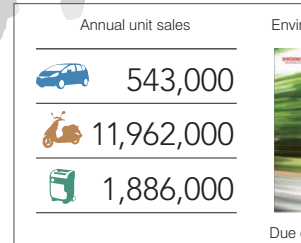
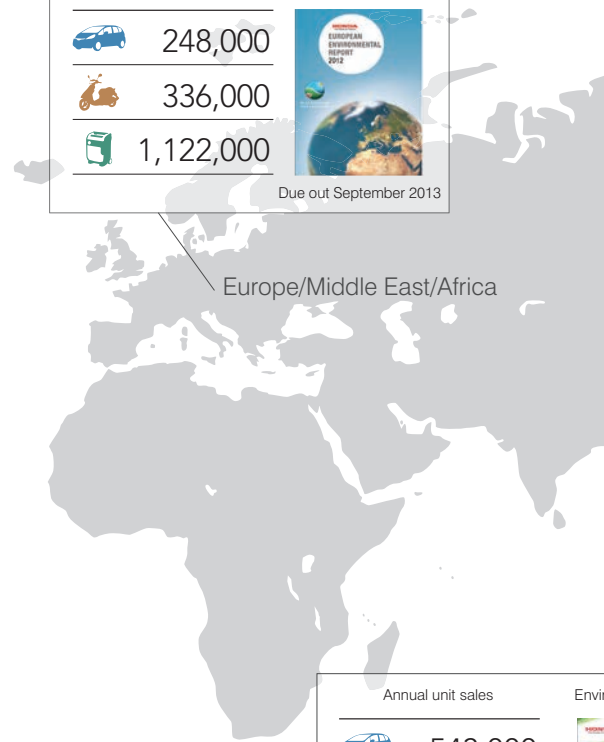
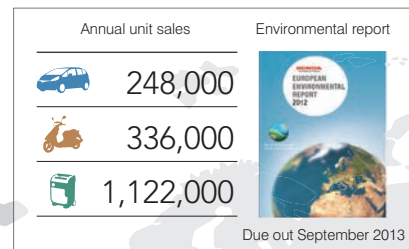
Driven by our philosophy of building products close to the customer, Honda has manufacturing operations in 6 regions worldwide. In fiscal 2013, we delivered 26 million products to customers around the world. Always conscious of the environmental impact of our operations, we are working hard to take environmental responsibility to ever-higher levels around the world. In 2010, we established a new set of CO₂ emission reduction targets for our products, aiming by 2020 to provide “good products to customers with speed, affordability, and low CO₂ emissions.” As we seek to realize the Honda Environmental and Safety Vision - to realize the joy and freedom of mobility and a sustainable society where people can enjoy life - based on these targets, we are accelerating global efforts to address climate change, energy issues, and other environmental challenges. And amidst increasing global pressure on companies to disclose their environmental impacts, we are actively working to disclose the environmental performance and initiatives of each region, the highlights of which are compiled yearly in regional environmental reports.

Information on Honda in Japan

Company overview

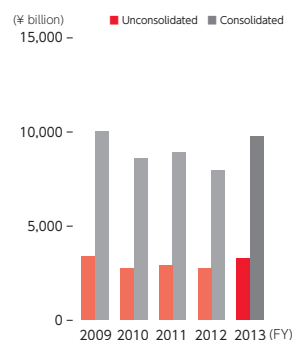
Company name: Honda Motor Co., Ltd.
 Head office: 2-1-1 Minami Aoyama, Minato-ku, Tokyo 107-8556, Japa
 Established: September 24, 1948
 President & CEO: Takanobu Ito
 Capital: ¥86.067 billion (as of March 31, 2013)
 Sales: Consolidated: ¥9.878 trillion (Results of FY2013)
 Unconsolidated: ¥3.244 trillion
 Consolidated subsidiaries: 369 (as of March 31, 2013)
 Major products: <Automobiles> Standard-sized vehicles, compact vehicles, and mini-vehicles
 <Motorcycles> Scooters, mini-bikes, motorcycles, and ATVs
 <Power products> Power product engines, lawnmowers, marine outboard engines, CIG thin film solar cells, and household gas engine cogeneration units

Annual unit sales by region (FY2013), a

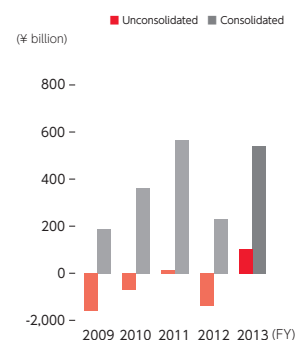


Financial information

Net sales



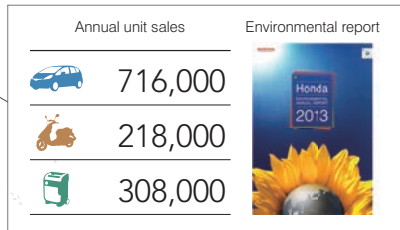
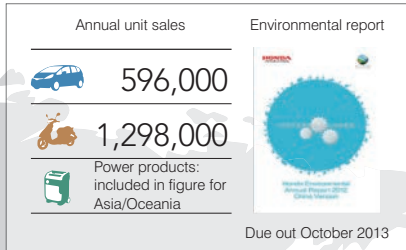
Operating income



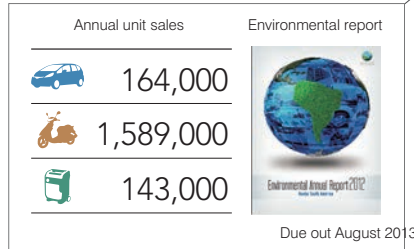
Regional environmental reports



Latest data as of March 31, 2013



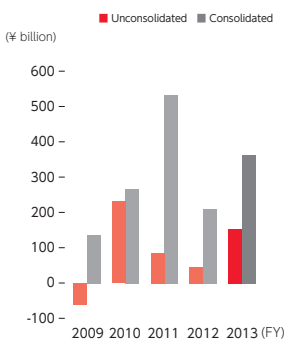
*See below for more information on Japan business



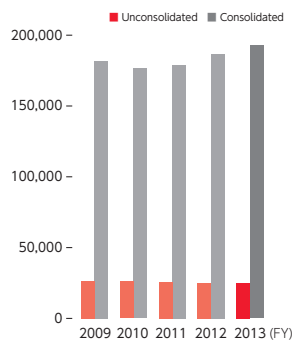
*Report covers from fiscal 2012 are shown for all regions except Japan



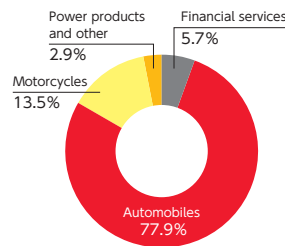
Net income



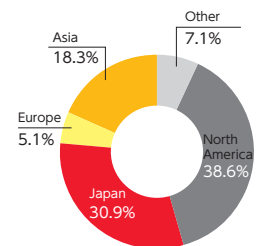
Number of associates



Net sales by operational area (consolidated: FY2013)



Net sales by region (consolidated: FY2013)



*See Honda Annual Report (print/PDF) for detailed financial information.

European Environmental Report 2013



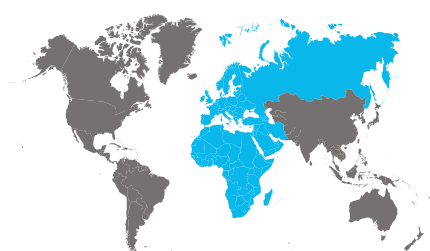
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REPORT SCOPE

Second report issued, publication November 2013 Data collection period: fiscal year base 1 April – 31 March. The year indication in the graphs is the year of the beginning of the period (1 April 2012 – 31 March 2013 is referred to as 2012 data). The year reference in the name of this report is the year of issue of the report, basically within 6 months after the reporting period end. This is a yearly report.

Areas covered by this report:

This report covers all entities that are controlled by the Regional Operation Board of the European region. This includes all sites in Europe, Near Middle East, Africa and Russia in which Honda (globally or locally) has a significant participation.



The products covered are cars, motorcycles and power equipment. The parts distribution is also covered in this report.

The report summarises the data from factories, Honda national sales offices, logistics centres and regional R&D offices as well as six Honda-owned dealers in Switzerland. The detailed locations are summarised on page 78-81.

COLOPHON

Questions about this report

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Striving to Realize the Joy and Freedom of Mobility and Sustainable Society where People Can Enjoy Life

In 2010, Honda announced its direction for the decade leading up to 2020: to provide “good products to customers with speed, affordability, and low CO₂ emissions.” The Honda Environmental and Safety Vision - to realize “the joy and freedom of mobility and a sustainable society where people can enjoy life” - was established based on this direction.

Providing the joy and freedom of mobility has been Honda's aim in the development of personal mobility products since the company's founding. The joy of mobility is not just the pleasure of driving your own car or motorcycle. It's also the excitement of making discoveries and realizing dreams through the freedom mobility provides. Realizing a sustainable society where people can enjoy life, on the other hand, will require us to focus corporate resources on addressing climate change and energy issues as top priorities. To realize the two components of our Environmental and Safety Vision, we will lead the industry in offering outstanding environmental and safety performance with products and technologies that proudly bear Honda's identity



Global operational reform

To thrive in an ever-changing global economy and market, Honda must transition to a new global organizational structure that, in every region (the six regions into which Honda has organized its worldwide operations), consistently rolls out competitive products that target local needs before other companies.

Specifically, we need to finish the work of assembling an organization that is globally optimized for producing the best products for all of our customers. This includes building development capacities for responding quickly to market needs, enacting product design and procurement structure reform, and further improving production efficiency, all while adapting these organizations and facilities to national and local industrial infrastructure in rapidly growing economies in developing nations as well as in mature economies.

The same goes for environmental management. Honda puts climate change and energy at the top of the list of global environmental issues that it needs to address. To respond to the environmental laws, standards, and challenges unique to each country and region, we believe reducing environmental impacts based on firm regional autonomy is the most appropriate business organization for Honda.

Awareness of the challenges: 2013 a year of action

Last year, we announced estimates of all greenhouse gas (GHG) emissions that resulted from Honda business activities in fiscal 2012. These figures, calculated in accordance with the Greenhouse Gas Protocol, the most widely used GHG accounting and reporting standard worldwide, included data on Scope 3 (which includes emissions from use of sold products), making Honda the first automaker in the world to release emissions data covering its entire value chain.

In fiscal 2012, Honda emitted the equivalent of 225 million tons of CO₂. Of that, 196 million tons - or 87% - came from the use of Honda products sold in that year (which includes GHGs emitted across their lifespans now and into the future). Clearly, improving the fuel efficiency of products must be our core strategy for reducing CO₂ emissions, but we think that taking all available actions to reduce emissions - regardless of the size of their impact - is the responsible approach to take as a corporate citizen.

Until last year, Honda's focus in this area was on doing research to understand the size of our environmental footprint. The next stage will include monitoring and managing GHG emissions across our value chain and devising and implementing specific strategies to reduce them, such as expanding hybrid options to our entire lineup and commencing operation of the environmentally advanced Yorii Plant. Expanding this approach beyond CO₂ emissions to include all types of environmental pollutants, improving monitoring accuracy, and realizing further reductions, will be our environmental management policy for the years ahead.

June 2013



President & CEO
Chairman, Honda World Environmental
and Safety Committee

Being “A Company Society Wants to Exist” in All Corners of the World

Honda’s six regional environmental committee chairmen look back on fiscal 2013 and forward to the years ahead

Honda manages its global production and sales networks through an organization divided into six regions: North America, South America, Europe, Asia & Oceania, China, and Japan. Six regional environmental committees, one for each region, set their own policies and plans for environmental initiatives based on the global direction and supervise and evaluate the divisions that carry out these plans. For the publication of this year’s report, the six committee chairmen were gathered and asked to provide a review of activities in fiscal 2013 as well as their future outlook for global operations.



Tetsuo Iwamura
Honda North America Regional Environmental Committee Chairman
Masahiro Takedagawa
Honda South America Regional Environmental Committee Chairman
Manabu Nishimae
Honda European Regional Environmental Committee Chairman
Hiroshi Kobayashi
Honda Asia & Oceania Regional Environmental Committee Chairman
Seiji Kuraishi
Honda China Regional Environmental Committee Chairman
Sho Minekawa
Honda Japan Environmental Committee Chairman

Interviewer: Michio Shinohara, General Manager,
Environment & Safety Planning Office



Honda South America
Regional Environmental Committee Chairman
Masahiro Takedagawa

“Next year we will begin operating a wind farm that will satisfy all the electricity needs of our automobile plant in Brazil.”

What is each region like?

First, please tell us what defines your region in terms of market characteristics and environmental challenges.

• **Iwamura:** North America is in many ways an environmentally advanced region with very eco-conscious public and private sectors. This is true not only of the U.S., which has the most stringent environmental regulations in the world, but also Canada and Mexico, which tend to follow U.S. regulations. So as a whole, North America is a region that's rather tough on environment requirements. At the center is the U.S.; its government makes decisions based on hearings with various private sector interests. Honda engages in a wide range of communication activities to take advantage of these opportunities and convey to the government our stance and how companies should act on key issues, and get those ideas reflected in long-term environmental policies.

• **Takedagawa:** South America's largest market, Brazil, has for the last 40 years been promoting the use of sugar cane-derived bioethanol fuel as a national policy. During that time, flex-fuel cars and motorcycles have moved into the mainstream. Other innovative efforts include the development of the world's largest environmental protection system, a system to monitor the Amazon rainforest using satellite technology, and the passing of an environmental crimes law, which is unusual on a global level. National environmental programs outside Brazil vary widely, so today I would like to talk mostly about Brazil, which is the most important market for Honda in South America.

• **Nishimae:** Europe has watched its automobile market contract in a deteriorating economic environment, from 16 million units in 2006 to less than 12 million units last year. Consumers are wanting smaller and more fuel-efficient vehicles. Another notable trend in recent years has been the dominance of diesel, which now accounts for more than 55% of the market. Diesel engines with a capacity of 1.6 liters or less are particularly popular among fuel-efficient models. With the EU targeting a mandatory CO₂ emission limit for passenger cars of 95 g/km—one of the lowest in the world—by 2020,

environmental regulations across Europe are also becoming increasingly strict.

• **Kobayashi:** Asia and Oceania is a very broad region that extends from Pakistan in the west to South Korea in the east, and as far south as Australia and New Zealand. As a result, a wide divergence in environmental awareness between countries is one characteristic of this region. Within that context, the automobile market in India and other emerging countries is growing quickly, which has been met with moves in these countries to introduce more progressive environmental regulations. This region also has the highest sales of Honda motorcycles, so what we do to the environmental performance of motorcycle products here will have a large impact on Honda elsewhere.

• **Kuraishi:** China is now the largest mobility market in the world, selling roughly 20 million cars and 25 million motorcycles a year. This has led the national government to set very high environmental targets and ordinary people to take more interest in environmental issues. The actual response to these issues is still inadequate when you look at, say, the problem of fine-particle pollution, but the environment is, as you would expect, a major pillar of Honda's business in China. Looking to the future, we are actively expanding the application of hybrid technologies for automobiles and electronic fuel injection (see note) for motorcycles, and aim to be the most environmentally responsible automaker as we continue growing in this market.

• **Minekawa:** Japan's triple disaster of two years ago: the earthquake, tsunami, and nuclear meltdown, have had a huge impact on the minds of Japanese people. Since then, customer expectations with regard to sustainability and renewable energy have risen substantially, meaning that companies who are failing to respond decisively to these expectations will be left behind. Furthermore, local public transport systems are going bankrupt more often due to the decline of Japan's rural population, which is increasing the need for personal vehicles as a means of transportation. Honda hopes to offer viable solutions to issues like these.



Honda North America
Regional Environmental
Committee Chairman
Tetsuo Iwamura

“In North America, we've begun the highly consequential mission of trying to meet the new fuel efficiency standards set for 2025.”

“Supplier selection and development is the key to expanding local production and procurement in Asia.”

Fiscal 2013 in review

Thank you for your informative description of each region. Next, what were the most important events that happened in your region in fiscal 2013, on both the business and environmental fronts?

• **Iwamura:** North America launched in April 2012 a Green Dealer program for Acura dealers and Honda automobile dealers in the U.S. The program is meant to encourage a stronger commitment to environmental conservation by awarding silver, gold, or platinum status to dealers based on their environmental efforts and achievements. By the end of fiscal 2013, 40 dealers were awarded, and we plan to increase this to 100 dealers by the end of fiscal 2014. We also established a partnership with a company to lease solar equipment to our customers dealers to encourage them to install solar. In production, our transmission plant in Ohio announced in January 2013 plans to develop and begin operation of a wind farm by the end of 2013. The wind farm is expected to cover about 10% of the plant’s electricity needs.

• **Takedagawa:** In South America, we held two regional environmental committee meetings where we discussed environmental performance at production sites in each country and exchanged ideas for improvement. An increasing number of sites are using smart meters and switching from liquid paint to powder coat. Fuel-efficient products were released, including the Civic and CR-V, both equipped with Eco Assist, and the PCX150 scooter with an idling stop system. In transportation, we worked to reduce both cost and CO₂ emissions by increasing the number of motorcycle units per land shipment and by shifting to marine transport.

• **Nishimae:** In Europe, we were excited to introduce a small, 1.6-liter diesel engine-which was a highly anticipated component business wise-in the Civic, which also marked the debut of Earth Dreams Technology in the region. In spring of last year we started demonstrating a new electric scooter in Barcelona, Spain, and we also released a robotic lawn mower under the name Miimo. We’re making continued efforts to reduce CO₂ emissions, for example by installing solar panels at plants and parts warehouses, and by searching for more efficient routes and modes of transport

within the complex European distribution system.

• **Kobayashi:** Asia & Oceania posted spectacular business results in fiscal 2013. Automobile sales volume exceeded prior year results by a wide margin in all countries and set a new all-time record for the region. Thailand, India, Indonesia, and a few other countries posted their own record sales. A new power product sales record was also set for the region. Environmentally, we’ve been pushing hard to reduce CO₂ emissions from product use, for example by expanding our lineup of electronic fuel injection-equipped motorcycles in Indonesia and raising fuel efficiency levels for new motorcycle models in Thailand and India. For automobiles, we began local production of hybrid vehicles in Thailand and Malaysia.

• **Kuraishi:** China saw its second consecutive year of declining automobile sales. This was largely due to impacts from the disaster in Japan and flooding in Thailand two years ago, and the Senkaku Islands issue last year. To promote the popularization of hybrid vehicles, we introduced the Insight, CR-Z, and ILX hybrid, and set the stage for fullscale adoption of eco-cars by hosting test-drive events and demonstrating the Fit EV in Guangzhou. Contrastingly, we succeeded in expanding our share of the motorcycle and power equipment markets. In production, Dongfeng Honda launched a second plant and Guangqi Honda a third production line, both of which were designed for better environmental performance and associate comfort, by recycling waste heat and using more natural light in offices, among other improvements.

• **Minekawa:** Japan achieved a significant increase in automobile sales in 2012, the driving force behind which was the release of the first mini-vehicle in Japan to feature an Earth Dreams Technology powertrain. We also worked on expanding our hybrid lineup, and the customer response to these efforts showed us that environmental awareness and the demand for better fuel efficiency is getting stronger and stronger. We also increased solar generation capacity at Honda dealers and added a web page showing in real time how much solar electricity is being generated at Honda operating sites and dealerships, which is a major step forward in communicating effectively with our external stakeholders in Japan. These achievements will form the basis for company efforts in fiscal 2014.



Honda European Regional Environmental Committee Chairman Manabu Nishimae

“In Europe, we will bolster our position by revamping all automobile engines over the next three years.”

“R&D, production, and sales divisions need to work together and figure out how to get satisfying products to more people.”

Strategies and ambitions for the future

It appears that progress is being made in both business and the environment in each region, with the right balance being struck between the two. In closing, please tell us your region's action plan for business and the environment in the years ahead.

• **Iwamura:** In North America, we've begun the highly consequential mission of trying to meet the new fuel efficiency standards set for 2025. If we don't clear these demanding targets, we won't be able to continue doing business. Not only do we need to strengthen the competitiveness of our hybrid lineup but we also need to dramatically increase the fuel efficiency of our gas-engine models. Companies that accomplish this efficiently, quickly, and cheaply will be the ones to flourish in this market. For Honda to flourish, we will bring to bear all the power we have as a company, based on close coordination between front-line associates in development, manufacturing, and sales.

• **Takedagawa:** In South America, we adopted the South America Honda Environment Statement at a regional environmental committee meeting last February. The declaration articulates our decision to put to use all human creativity and wisdom and do our very best to achieve environmental impact reductions and sustainable business activities. As a way of acting on our promise, we plan to develop enough wind capacity to satisfy all the electricity needs of our automobile plant in Brazil, which produces 160,000 units per year. The wind farm is scheduled to go into operation in September 2014 (see page 49). For products, we will market new ecoconscious motorcycle and automobile engines under the name Flex One and engage in branding activities to show how Honda is an environmental leader.

• **Nishimae:** In Europe, we plan to meet customers' needs for low emissions, high fuel-economy by revamping all automobile engines over the next three years. We hope to maintain our strong motorcycle reputation in Europe, the biggest market for sport-touring crossover bikes, by leveraging the fuel-efficient NC700 series. Honda's approach in Europe for the coming years will be about bolstering our position

as a company society wants to exist while thinking about the environment and offering advanced environmental technologies in all products-automobiles, motorcycles, and power equipment.

• **Kobayashi:** Asia and Oceania is expected to continue showing impressive growth, but environmental regulations in a number of countries will become increasingly strict. To get the upper hand in this environment we need to expand local procurement and production and find and develop new local suppliers. The key to future business is developing suppliers that can share Honda's position on the environment and will work with us to reduce impacts. Although awareness and activity vary between countries, we hope to speed up progress by actively promoting the sharing of best practices and bringing everyone up to the same level.

• **Kuraishi:** In China, Honda takes it as its mission to actively increase penetration of eco-conscious engines, the most prominent being the hybrid engine. To that end, we are making preparations to begin local hybrid production within the next three years. As we aim to become the environmental leader and offer the most fuel-efficient products in each category, we will also strive to deliver outstanding value that satisfies our Chinese customers in areas beyond environmental performance as well. By doing so, we hope to be a brand that is well-loved and that encourages positive excitement for the future.

• **Minekawa:** In Japan, public expectations surrounding renewable energy and the environment have risen tremendously. Honda's technological answer to those expectations actually already exists. All that's left is to determine how affordably we can provide the technologies to our customers. R&D, production, and sales divisions need to work together to figure out how to deliver good products to customers with speed, affordability, and low CO₂ emissions. Solving this problem is an important key to achieving higher growth for our business.

Thank you all for your time today.

Honda Japan Environmental Committee
Chairman
Sho Minekawa



Honda China Regional
Environmental
Committee Chairman
Seiji Kuraishi

“In China, we're making preparations to begin local hybrid production within three years.”

The New Yorii Plant, an Experiment in Satoyama Restoration



Last March, Honda finished construction on a new 250,000-vehicle plant in Saitama, Japan. Set to begin operating in July, the Yorii Plant is not only a state-of-the-art manufacturing compound boasting world-leading energy efficiency and the most advanced equipment available, but, with more than 30% of its land area devoted to vegetation and riparian habitat, it is also ecologically responsible, specially designed for building harmonious relationships with the surrounding human and biological communities.

Yorii designated as leader of global Honda manufacturing

In July 2010, Honda announced that the Yorii Plant will be indispensable in efforts to establish the highly sophisticated next-generation manufacturing technologies necessary for the production of environmentally responsible products and development of low-carbon manufacturing. Equipped and designed to function as one of the leader plants in Japan of Honda's manufacturing sites in 27 countries, the Yorii Plant is absolutely packed with cutting-edge environmental technologies.

- **Product specialization yields 30% reduction in energy use**

Customizing the plant for production of compact vehicles - such as the new Fit to be released this year - and loading it with dedicated machinery and technologies has resulted in an extremely efficient production system. In fact, combined with the latest energy conservation and management technologies, this system uses 30% less energy per unit.

- **2.6 MW of solar power - the most of any auto factory in Japan**

Installation of Honda Soltec-brand CIGS thin-film solar panels on rooftops and other surfaces is underway, with plans to increase total generation capacity to 2.6 MW by August 2013—the most of any auto factory in Japan. This is enough to power 459 typical Japanese homes, and should cut CO₂ emissions by roughly 1,200 tons per year.

- **Produces 28% of the energy it uses through cogeneration**

Faced with nationwide restrictions on electricity use

following the 2011 disaster, the Yorii Plant was equipped with a natural gas-powered cogeneration system that will meet 28% of its electrical and thermal energy needs, reducing the plant's peak power demand by 45%. Using energy from the system, which is about twice as efficient as energy from the grid, will cut emissions by roughly 3,000 t-CO₂ per year.

- **New paint technologies reduce CO₂ emissions by 40%**

Body coating processes at the Yorii Plant will use a newly developed paint technology called Honda Smart Ecological Paint as well as a newly developed wall-mounted robotic painting system. These innovations result in a 40% shorter coating line and 40% fewer CO₂ emissions compared to conventional lines

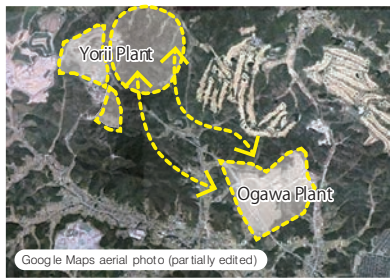
Toward better relationships with life of all kinds

The Yorii Plant is not just about cutting-edge hardware. It is also a testing ground for pioneering efforts in community engagement and environmental conservation. Efforts here will serve as a model for other Honda plants around the world.

- **Built to support healthy, active ecosystems**

Before the plant's construction, Honda hired experts to survey the site and conduct an environmental assessment. Their survey showed that the site and the area around it was once an expansive satoyama environment, one that in modern times had fallen into disuse. Meanwhile, the environmental impact assessment showed that the construction of a plant here would have, as expected, a sizable impact on the surrounding environment. Facing these findings head-on, Honda

Green corridor



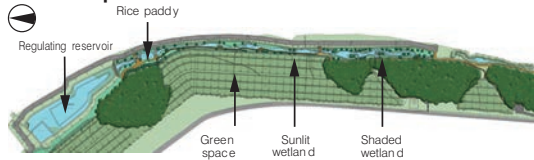
The area between the Yorii Plant and nearby Ogawa Plant forms a broad ecosystem that was preserved to keep wildlife populations from being separated. Restoration and conservation efforts are happening throughout this area.

Some of the rare animal and plant species living near Yorii Plant



Top: Rare animals - Tokyo salamander (*Hynobius tokyoensis*), Stone loach (*Lefua echigonia*), Japanese firefly (*Luciola cruciata*), Great purple emperor (*Sasakia charonda*)
 Bottom: Rare plants - Hakuun-ran (*Vexillabium nakaianum*), Tokyo wood fern (*Dryopteris tokyoensis*), Hardy orchid (*Bletilla striata*), Japanese bugbane (*Cimicifuga japonica*)
 Biotopes and other areas for conserving and creating new habitat for rare species were included in the plant construction plans. Biodiversity surveys and management will be conducted regularly even after the project is over.

East biotope



The east biotope was publicized at a press conference in April 2013.

Reintroducing rare species



Rare species were captured, bred, and reintroduced to the biotope under expert guidance. Surveys later showed the species were establishing themselves and thriving.

decided that the most responsible thing to do as a company that strives to operate in harmony with its surroundings would be not only to minimize the impact of the plant's construction on the environment but to stimulate the natural environment through the creation and continued maintenance of new habitat, and restore the satoyama to its original condition.

• 16,000 m² of life-sustaining biotope

Satoyama are rural areas in Japan where humans have actively managed and taken care of the natural environment while sustainably benefiting from the services they provide. The neglect of a satoyama environment causes it to deteriorate, adversely impacting the wildlife it supports. Honda undertook to conserve and even create new habitats for animals and plants living in the site and the surrounding area, particularly species endemic to Yorii. We dedicated 326,000 m², or 34%, of the site's 950,000 m² to vegetated land and riparian habitat for wildlife. The east and west biotopes, which comprise mixed woodlands, streams, rice paddies, and wetlands, total 160,000 m² and are given central importance in Honda's effort to cultivate a diverse ecosystem at the Yorii Plant. Special care was also taken to ensure that plants and animals can move freely from these biotopes to other vegetated land and wetland on site, and farther to unmanaged areas beyond the plant. This continuous biological community forms a green corridor that extends

Surveys show positive trend in biodiversity conservation

• Conserving rare animal species

During construction, Honda took utmost care to preserve

habitat for rare species. From the habitats of the Tokyo salamander, stone loach, and Japanese firefly - three species that have difficulty relocating and were thought to be particularly vulnerable to the construction - that could not be saved, individuals were captured and bred indoors and then later reintroduced to the biotopes.

• Conserving rare plant species

Rare plant species, such as the Tokyo wood fern, Hardy orchid, and Japanese bugbane, were conserved via transplantation. The Hakuun-ran, a type of orchid that was on Saitama Prefecture's endangered species list at the time, was given special attention. The population was preserved by propagating it through artificial pollination and growing them in sterile culture media.

• Increase in rare species confirmed

As a result of these efforts, surveys confirmed that the number of rare animal and plant species on site has been increasing since before construction of the plant.

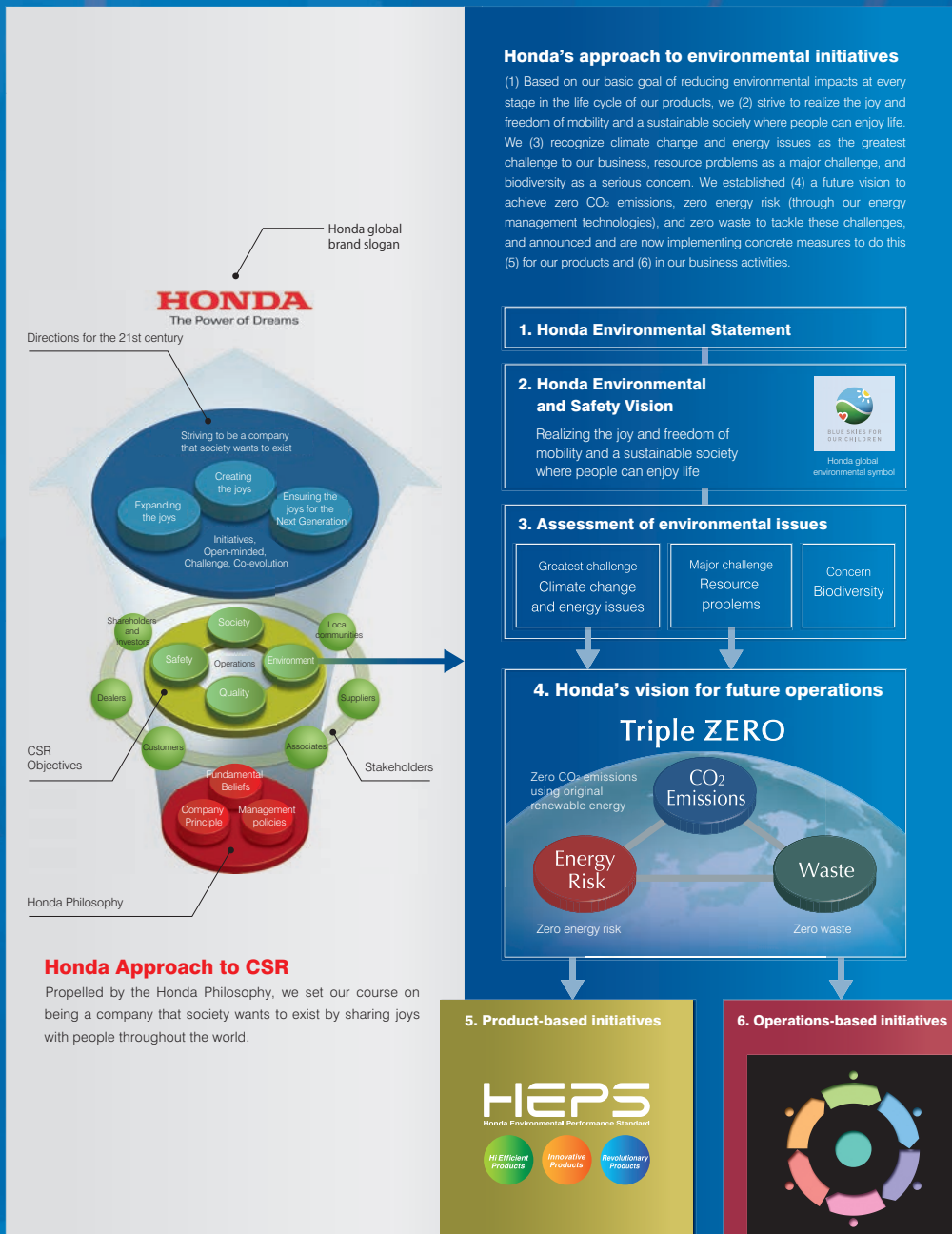
- Rare animals 69 species (2007) - 73 species (2010-2012)
- Rare plants 29 species (2007) - 35 species (2010)
- Number of rare species confirmed per area of vegetated land 6 species/ha (2007) -15 species/ha (2010)

In a program developed by the Japan Business Initiative for Biodiversity and Tohoku University for measuring the success of eco-conscious land use projects and conservation initiatives, the Yorii Plant scored an impressive 84 out of 100.

By continuing to support and expand conservation initiatives like these, Honda will strive to build relationships of symbiosis and mutual growth between the Yorii Plant and the surrounding communities.

DIRECTION

The Road to a Healthier Environment



Honda Environment Statement

Honda has endeavored to solve environmental problems since the 1960s. We introduced the Compound Vortex Controlled Combustion (CVCC) engine, becoming the world's first automaker to comply with the 1970 U.S. Clean Air Act - a challenge thought by many at the time to be insurmountable. In 1992, we released the Honda Environment Statement to articulate the basic stance we had developed until that time to reduce environmental impacts at every stage in the life cycles of our products. Today, this Honda Environment Statement is the foundation upon which we carry out all of our environmental efforts.

Honda Environmental Statement

As a responsible member of society whose task lies in the preservation of the global environment, the company will make every effort to contribute to human health and the preservation of the global environment in each phase of its corporate activity. Only in this way will we be able to count on a successful future, not only for our company, but for the entire world.

We should pursue our daily business interests under the following principles:

- 1 We will make efforts to recycle materials and conserve resources and energy at every stage of our products' lifecycle from research, design, production and sales, to services and disposal.
- 2 We will make every effort to minimize and find appropriate methods to dispose of waste and contaminants that are produced through the use of our products, and in every stage of the lifecycle of these products.
- 3 As both a member of the company and of society, each associate will focus on the importance of making efforts to preserve human health and the global environment, and will do his or her part to ensure that the company as a whole acts responsibly.
- 4 We will consider the influence that our corporate activities have on the local environment and society, and endeavour to improve the social standing of the company.

Established and announced in June 1992

Honda Environmental and Safety Vision

We announced that our direction in the years leading up to 2020 would be to provide "good products to customers with speed, affordability, and low CO₂ emissions". We dream a society where everyone can safely and confidently go anywhere and the Honda Environmental and Safety Vision was set. The vision expresses our passionate desire to contribute to the sustainable growth of society and harmony between people so we can continue to deliver excitement through products and services that support personal mobility and a better life in general.

Realizing "the Joy and Freedom of Mobility" and "a Sustainable Society where People Can Enjoy Life"

In working to achieve this vision, the following objectives shape our environmental initiatives around the world:

At each stage of a product's life cycle (products, corporate activities), Honda aims to
Minimize the use of fossil fuel and resources newly recovered from the Earth
Minimize environmental impacts, including greenhouse gas emissions

Honda aims to reduce to zero greenhouse gas emissions from Honda products used for mobility and in people's everyday lives



BLUE SKIES FOR
OUR CHILDREN

We established "Blue Skies for Our Children" as a global environmental slogan expressing our commitment to do more to realize our environmental and safety vision. The graphic on the left symbolizes the global environmental slogan.

Pursuing the Honda Environmental and Safety Vision

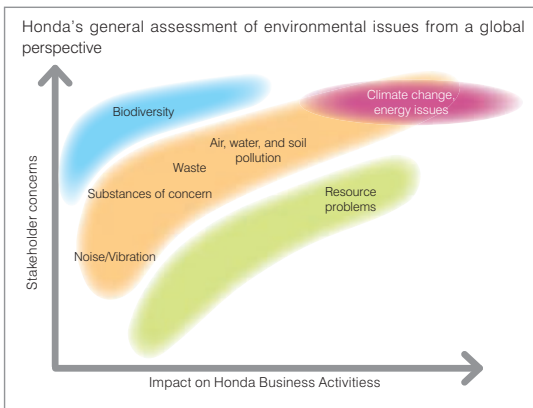
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Honda's current recognition and response to environmental issues

Current assessment of environmental issues

Climate change and energy issues are our greatest challenges

To continue doing business across the globe as a member of society and to make progress toward the Honda Environmental and Safety Vision, we must correctly assess the environmental issues that exist in the world today and the way in which Honda business activities relate to and influence them. Accordingly, Honda has organized various environmental issues and identified those that pose the greatest risk to our business and stakeholders. As a global corporation supplying mobility products, we see climate change and energy issues as the greatest challenges facing the company, followed by resource problems.

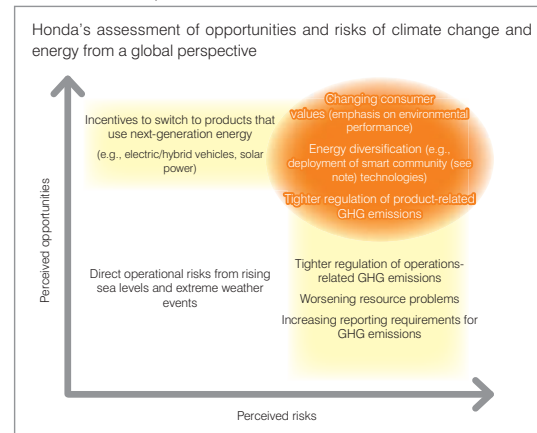


Environmental management system

To organize and analyze in a timely manner the impacts of various environmental issues on our business, particularly climate change and energy, and to develop and execute specific measures for addressing them, we have constructed a comprehensive global management system. Based on this system, we have established our own CO₂ emission reduction targets, considered to be the principal driver of climate change, and are carrying out various initiatives to realize the Honda Environmental and Safety Vision, such as stepping up efforts in each region across the globe to achieve these targets. Assessment of business activity risks and opportunities

Risks and opportunities relating to climate change and energy issues

Honda's response to the key challenges of climate change and energy issues does not just involve initiatives for environmental conservation. While these environmental issues pose risks to our business continuity, they also present opportunities to create and expand new businesses. Honda considers it essential to engage in business activities and decide and execute specific measures, having sufficiently assessed these risks and opportunities. Accordingly, we have compiled all of the major opportunities and risks we currently expect from climate change and energy issues, and have been taking measures in response.



Measures based on risk and opportunity assessment

To minimize the regulatory risk our products face as emitters of GHGs, we set forth CO₂ emission reduction targets for our automobiles, motorcycles, and power products for 2020. Major initiatives to reduce CO₂ emissions include the introduction of the new Earth Dreams Technology hybrid powertrains for automobiles, and the marketing of electric vehicles. In response to changes in consumer awareness and growing energy diversification needs, we are continuing demonstration testing of electric mobility products in Japan, the U.S., and China for the establishment of a future smart mobility society. We also are accelerating development projects, having completed the construction of a demonstration Honda Smart Home System house and a solar-powered hydrogen station in 2012.

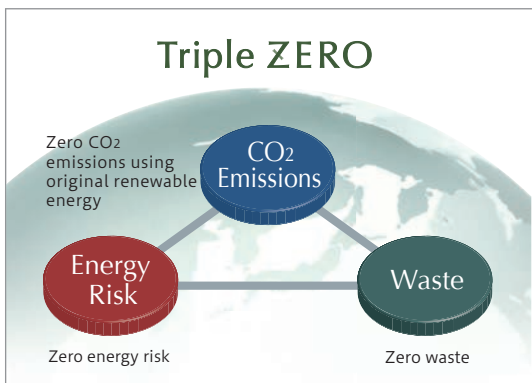
We are working to reduce GHG emissions in each region and domain of our business in order to minimize regulatory risk relating to emissions from each business site. We compile the results of our efforts and make them known to the public once a year through this Environmental Annual Report. We see the increasing scarcity of resources stemming from the response to climate change and energy issues as another major challenge. In recognition of the risk of resources becoming depleted, more difficult to obtain, and more expensive to dispose of, we are developing alternative technologies, technologies to reduce, reuse, and recycle these resources, and we are also diversifying our supply chain. In fiscal 2013, we actively engaged in measures such as establishing a scheme for the closed-loop recycling of rare earths (see note 2) extracted from nickel metal hydride batteries for hybrid vehicles.

Risk management led by the World Environment and Safety Committee

We clarify our understanding of such risks and opportunities relating to climate change and energy issues by analyzing them from three different perspectives: by product categories (motorcycles, automobiles, and power products), with a focus on our business and product development operations; by region, which is based on our unique regional management structure; and by function, such as production and sales. The Honda World Environmental and Safety Committee assesses these risks and opportunities from a global perspective, the findings of which are then used by our Regional Operations (regional environmental committees), Business Operations and Functional Operations in the formulation of various management policies and strategies, such as in formulating and updating our medium-term plans for environmental initiatives. We conduct this risk management process every six months and as needed.

Triple Zero: Toward a zero-impact society

Giving shape to the Honda Environmental and Safety Vision



Triple Zero: The ultimate zero-impact society

In order to realize the Honda Environmental and Safety Vision - our vision for the future - we are engaging with climate change, energy and resource issues through our technology and business activities, with the aim of creating a zero-impact society. As a specific model for this, Honda has announced the Triple Zero concept.

Zero CO₂ emissions through renewable energy

In response to climate change, our long-term goal is to deploy solar power and other renewable energy systems to bring well-to-wheel (see note 3) CO₂ emissions down to zero.

To get there, we will develop the technologies needed to reduce and eliminate emissions, while at the same time steadily reducing product life-cycle emissions and emissions from business activities through a range of initiatives including product fuel-efficiency improvements and increasing efficiency in product transportation.

Zero energy risk

In response to energy issues, our long-term goal is to achieve zero energy risk by becoming energy self-sufficient through the use of solar-powered hydrogen stations, and by raising the efficiency of environmental management through innovations in energy management technologies. To get there, we will reduce energy risk by cutting energy use through product fuel efficiency improvements, and by diversifying energy sources through the deployment of hybrid and other electromotive technologies. Progress in this area will also lead to reduced risk for Honda's business activities.

Zero waste

In response to resource problems, our aim is to completely close the loop for all resources and bring product lifecycle waste down to zero. We will do this by developing technologies to shift away from using precious resources, by developing and perfecting reduction, reuse, and recycling (3R) technologies, and by reducing water resource use. By reducing and eliminating the use of hazardous chemicals as well as waste, we will strive to eliminate all materials from our products and business activities that have an adverse effect on human health and the environment.

Triple Zero symbols

In this year's report, technologies, products, and initiatives that contribute to the realization of Triple Zero are marked with one of three Triple Zero symbols.



Note 2: Read more about the recycling of rare earths in Case17 of "Environmental Documentary Honda Face." (<http://world.honda.com/environment/face/2012/>)
 Note 3: Well-to-wheel: Typically, all steps from extracting petroleum resources to their use as fuel in a vehicle. It can also refer to the life cycles of non-petroleum energy resources, from generation to their final use in propelling a vehicle.

Honda Environmental Performance Standards (HEPS) and carbon reduction scenarios

Scenarios for achieving zero CO₂ emissions

Reducing CO₂ emissions in three stages

To achieve zero CO₂ emissions, one of the three objectives of Triple Zero, our aim is to eliminate the life-cycle emissions (emissions from all stages in the life of a product, from its manufacture using raw materials, to customer use, to disposal) of all Honda products, including through such strategies as renewable energy carbon offsets. However, given that many mobility products today still run on fossil fuel burned in an internal combustion engine, zero CO₂ emissions is not something we can achieve overnight. That is why we have developed three scenarios to guide us through steady reductions, and ending with the complete elimination of CO₂ emissions. These scenarios, which are to be pursued in parallel, are: 1) Reduce emissions through efficiency improvements of internal combustion engines, 2) Reduce emissions by introducing energy-diversification and environmentally innovative technologies, and 3) Eliminate emissions through the use and [comprehensive/fully integrated management] of renewable energy (see figure below).

• Honda Environmental Performance Standards

To move our products along these scenarios, in fiscal 2012 we established the Honda Environmental Performance Standards (HEPS), an independent product classification and certification system designed to shed light on how Honda products are contributing to achievement of the three scenarios outlined above. Under HEPS, products are grouped into three categories, each with its own requirements for certification. By making all new Honda products compliant with one of the three standards, we will make steady progress toward realizing zero CO₂ emissions.



Hi Efficient Products

Products that emit less CO₂ emissions because of improved internal combustion engine efficiency. This category includes products that incorporate technologies for improving fuel combustion and transmission efficiency and reducing friction between engine parts. Compliance is determined based on how well a product reduces or helps reduce CO₂ emissions during use compared to preceding models.



Innovative Products

Products that emit less CO₂ because they use an environmentally innovative technology or alternative energy source. This category includes motorcycles that incorporate Honda's patented Idle Stop System, automobiles that incorporate hybrid technologies or direct-injection engine technologies, and power products with a new electronic governor technology for regulating engine speed. Alternative energy technologies include motorcycles and automobiles that can run on ethanol, and power products that can run on gaseous fuels.

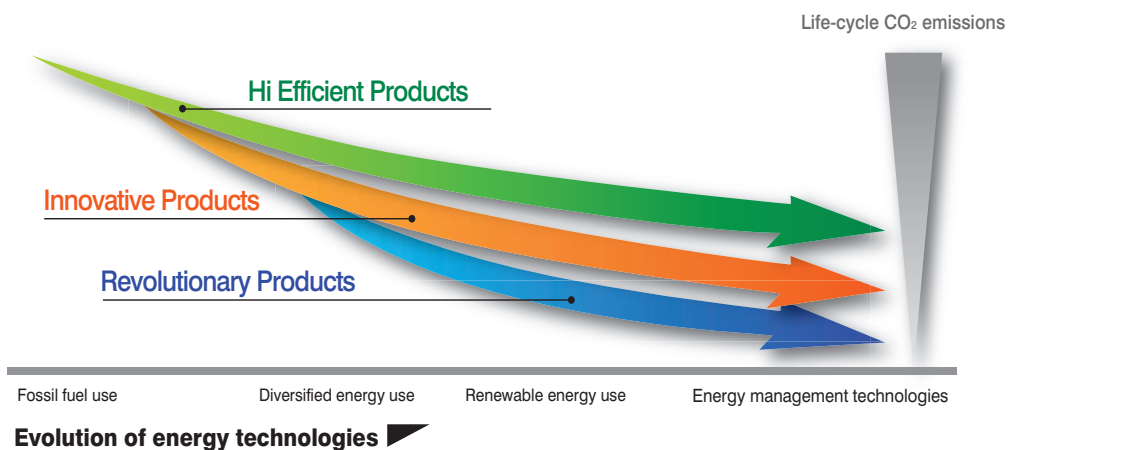
Compliance is determined based on how well a product reduces or helps reduce CO₂ emissions during use compared to preceding models.



Revolutionary Products

Products that generate or use energy from renewable sources or help manage the generation and consumption of such energy, thereby contributing to the elimination of CO₂ emissions. This category includes products that incorporate electromotive technologies or technologies for generating or using renewable energy (e.g., hydrogen fuel for automobiles, solar cells for power products).

Product-based scenarios for addressing climate change and energy issues




HEPS-compliant models released in FY2013

38 HEPS-compliant models released in FY2013

We reviewed products to see how many met the HEPS requirements. In fiscal 2013, 18 motorcycles models, 16 automobile models, and 4 power products—a total of 38 models—were HEPS-certified

Cumulatively, this brings the number of HEPS-compliant products to 66 motorcycle models, 83 automobile models, and 42 power product models, or 191 models in total. By region, 67 models in Japan, 48 models in North America, 58 models in Europe, 28 models in South America, 63 models in Asia & Oceania, and 26 models in China are now HEPS-certified.

Examples of HEPS-compliant models released in FY2013		 Hi Efficient Products	 Innovative Products	 Revolutionary Products			
Definition	Products with a more efficient internal combustion engine that emits less CO ₂		Products that use unconventional energy sources or innovative environmental technologies that emit less CO ₂		Products designed to reduce or eliminate CO ₂ emissions by harnessing renewable energies or facilitating total energy management		
Performance parameter	CO ₂ emissions from product use						
Compliant products (examples)	Motorcycles	 Super Cub C50	 PCX150	 Integra	 MSX	 EV-neo	
		 CBR125R	 Dio110	 XRE300	 CB300R	 Kushi	
		 N-ONE	 Brio	 Accord PHEV	 CITY CNG	 Fit EV	
	Automobiles	 ILX	 Crosstour	 Civic Diesel	 Fit twist Flex	 FCX Clarity	
	Power products	 GX390 engine	 GX690 engine	 EU9i GP LPG generator	 HSM1390 i hybrid snowblower	 Solar modules	
		 MCHO1.0 household cogeneration unit	 Salad CG FFV300 gas-powered tiller	 Monpal ML200 scooter	 Graspa HRE330 electric lawnmower	 Miimo 300 robotic lawnmower	

Environmental initiatives in our business activities

Reducing the amount of CO₂ emitted by our products is not all we are trying to do for the environment. Given our philosophy of reducing impacts across entire product life cycles, we were quick to start reducing the environmental impacts of our business activities themselves. Specifically, we divided our business activities into seven domains and have sought to reduce impacts by being aware of all the factors in each domain that place stress on the environment. We believe that steadily reducing environmental impacts from both our business activities and products will help us achieve the Honda Environmental and Safety Vision and also lead to recognition of Honda as a company society values.



Environmental efforts based on life-cycle assessment

Honda's Business Activities		Honda's Response																
<table border="1"> <thead> <tr> <th>Life cycle stages in Honda's business activities</th> <th>Factors considered to impact the environment</th> </tr> </thead> <tbody> <tr> <td>Product development</td> <td>Greenhouse gases Exhaust emissions Raw materials Noise/Vibration Substances of concern</td> </tr> <tr> <td>Purchasing</td> <td>Greenhouse gases Raw materials Waste Water use Wastewater</td> </tr> <tr> <td>Production</td> <td>Exhaust emissions Noise / Vibration Substances of concern</td> </tr> <tr> <td>Transportation</td> <td>Greenhouse gases Waste</td> </tr> <tr> <td>Sales and Service</td> <td>Greenhouse gases Removed parts CFCs Waste</td> </tr> <tr> <td>Product recycling (3Rs)</td> <td>Greenhouse gases End-of-life products</td> </tr> <tr> <td>Administration</td> <td>Greenhouse gases Waste</td> </tr> </tbody> </table>	Life cycle stages in Honda's business activities	Factors considered to impact the environment	Product development	Greenhouse gases Exhaust emissions Raw materials Noise/Vibration Substances of concern	Purchasing	Greenhouse gases Raw materials Waste Water use Wastewater	Production	Exhaust emissions Noise / Vibration Substances of concern	Transportation	Greenhouse gases Waste	Sales and Service	Greenhouse gases Removed parts CFCs Waste	Product recycling (3Rs)	Greenhouse gases End-of-life products	Administration	Greenhouse gases Waste	<p>Reduce environmental impacts from business activities</p> <p>Major initiatives in each domain</p> <ul style="list-style-type: none"> Promote "green laboratories" Energy and resource conservation Zero waste and emissions* initiatives Promote "green purchasing" Environmental management Energy conservation at suppliers Resource conservation Zero emissions activities at suppliers Promote "green factories" Environmental management Energy and resource conservation Zero waste and emissions initiative Promote "green logistics" Environmental management Increase transportation efficiency Use less packaging Promote "green dealers" (automobiles, motorcycles, power products) Environmental management Increase energy efficiency Do more for environmental conservation Increase parts collection, reuse, and recycling Properly process end-of-life products Provide technical support for recycling Promote "green offices" Environmental management Energy conservation Use resources effectively Social contribution activities 	<p>Reduce environmental impacts from products</p> <p>Product-based initiatives</p> <ul style="list-style-type: none"> Make products HEPS-compliant Hi Efficient Products Efficiency improvement technologies for internal combustion engines Innovative Products Environmental innovation and energy diversification technologies Revolutionary Products Renewable energy technologies
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* The aim of zero emissions initiatives is to reduce waste and substances of concern as near as possible to zero.

Honda Environment Statement

Climate change and energy issues are not our only concerns. We also pay close attention to biodiversity as an issue relating to environmental conservation, because our business activities can have an impact on vital natural resources. Tree-planting and water-recycling initiatives at our plants in the 1960s, and our Community Forest program launched in 1976, demonstrate the deep roots of our commitment to environmental conservation and living in harmony with local communities. In 2011, we created the Honda Biodiversity Guidelines as part of the contributions we strive to make to global environmental conservation, a goal set forth in our Honda Environment Statement.

Honda Biodiversity Guidelines

Basic Statement

We recognize, under the Honda Environment Statement, that biodiversity conservation initiatives are an essential part of our commitment to the preservation of the global environment. We will continue to work toward harmony between this commitment and our activities.

Priority Activities

1. Development of Environmental Technology

We will contribute to the conservation of biodiversity by developing and disseminating technologies for fuel-efficient vehicles, next-generation cars, and energy-production and other technologies for the reduction of environmental impacts.

2. Initiatives Based on Corporate Activities

We will work to reduce environmental impacts and ensure the effective use of resources through efficiency improvements.

3. Cooperation with Communities

We will implement community-based activities in cooperation with stakeholders, using expertise accumulated by Honda through its initiatives to protect ecosystems, such as the Community Forests and Hello Woods initiatives.

4. Disclosure and Sharing of Information

We will share information with society by disclosing the outcomes of our activities.

Established in May 2011

Our greatest contribution: reducing environmental impacts from products and operations

Resource exploitation, runaway development, pollution, climate change – these and many other impacts of human activities threaten biodiversity. As a manufacturer of personal mobility products, we see our business activities as being most closely associated with the growing environmental impacts resulting from emissions of greenhouse gases (GHGs) and various other pollutants. We believe that minimizing the environmental impacts that result from our business activities and products represents the greatest contribution we can make to protecting Earth's myriad life forms. We created the Honda Biodiversity Guidelines to set priorities in this effort, focusing our energies on developing environmental technologies and reducing impacts in our business activities, alongside initiatives to operate in harmony with local communities.

Develop technologies to reduce impacts on the environment

We will develop technologies to reduce the environmental impacts of personal mobility, since this represents the models—were HEPS-certified

greatest contribution we can make. Technologies include fuel-efficient and next-generation vehicles, and technologies that harness alternative energies.

Make business activities species-friendly

We aim to make our business activities more sustainable in themselves, by releasing less environmental pollutants, including GHGs, waste, and substances of concern.

Work to protect nearby ecosystems

We have already gained a wealth of knowledge about how to maintain and restore ecosystems through our Community Forest and Hello Woods initiatives. Working in collaboration with nearby communities, we will use this knowledge and experience to implement programs to protect local species and make our business activities friendlier to them.

Communicate openly with the public

We will endeavor to openly communicate with the public about the details and outcomes of activities we implement from the new perspectives offered by these biodiversity guidelines.

Collaborating with local communities

For biodiversity conservation

Honda conducts various initiatives to reduce environmental impacts from its products and business activities, based on the recognition that success in this area is most vital to the conservation of biological diversity. Forging positive relationships with local communities and partnering with them to preserve and cultivate nearby habitats is also an important endeavor in this regard.

Community Forest initiative

Following the thinking of Honda founder Soichiro Honda, who said that no concrete walls should be built to separate local communities from the grounds of Honda facilities, Honda used trees instead of walls to mark the boundary of its Sayama (now Saitama) Factory in 1964.

In 1976, this idea was expanded with the launch of the Community Forest initiative, a program to plant indigenous trees at each facility and use natural ecosystems to cultivate forests with numerous tree species. The forests were managed like the forests surrounding shrines, where native trees are left and woodland is cultivated by leaving it as untouched and natural as possible.

Now the Community Forests at Honda facilities have finally grown to resemble true forests. Birds make their nests in trees 20 meters high, small mammals are a common sighting, and luscious greenery and seasonal flowers bring peace of mind to Honda associates and local residents.

Biodiversity surveys at major business sites

With a view to establish its own biodiversity policy, Honda carried out biodiversity surveys from 2011 to 2012 to assess the natural environments surrounding our operations and determine what kinds of organisms and how many inhabit them. These surveys also included a factual survey of the Community Forest initiative spanning the three decades since its launch. Based on this, Community Forest management methods were reassessed.

Introducing satoyama methods

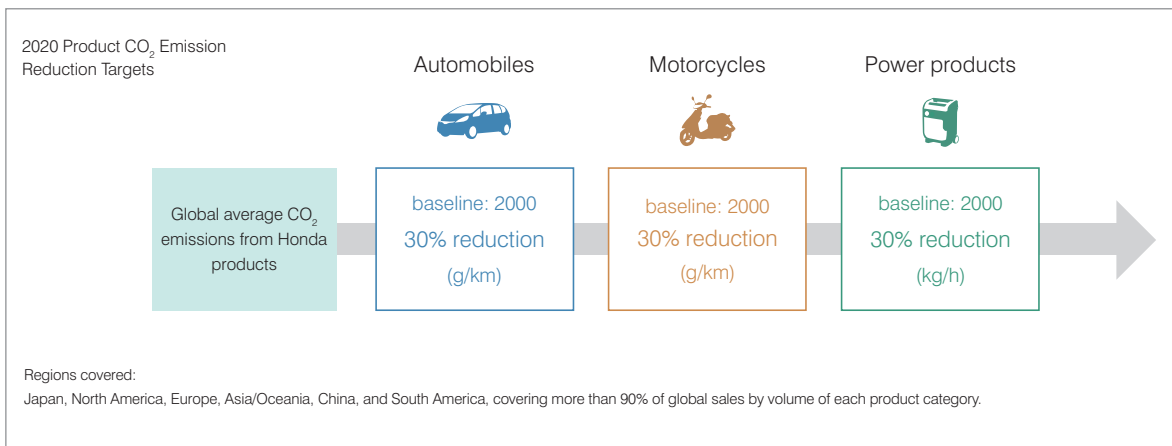
The survey results revealed several problems with the Community Forests, which had grown far larger than had been assumed three decades earlier. Trees overhanging roads were obstructing passage, large quantities of leaves were accumulating in surrounding neighborhoods, and non-native species that were propagating in the forests were found to pose a possible threat to nearby ecosystems. In order to improve this situation, we revised our Community Forest management policy from one based on a laissez-faire approach to one involving active management. We decided to introduce satoyama practices, such as thinning and pruning trees and removing foreign species, to help maintain biological vitality and diversity and make the forests more functional and beneficial to local communities.

Progress in Meeting Environmental Targets

2020 Product CO₂ Emissions Reduction Targets

Reducing CO₂ emissions from our products is a necessary step in combating climate change and energy issues, the greatest challenges to our business. That is why we created the 2020 Product CO₂ Emissions Reduction Targets, through which we seek to reduce the average

amount of CO₂ emitted per unit of automobiles, motorcycles, and power products by 30% from 2000 levels by 2020. We hope to achieve these targets by developing more efficient technologies and marketing more energy-efficient products.



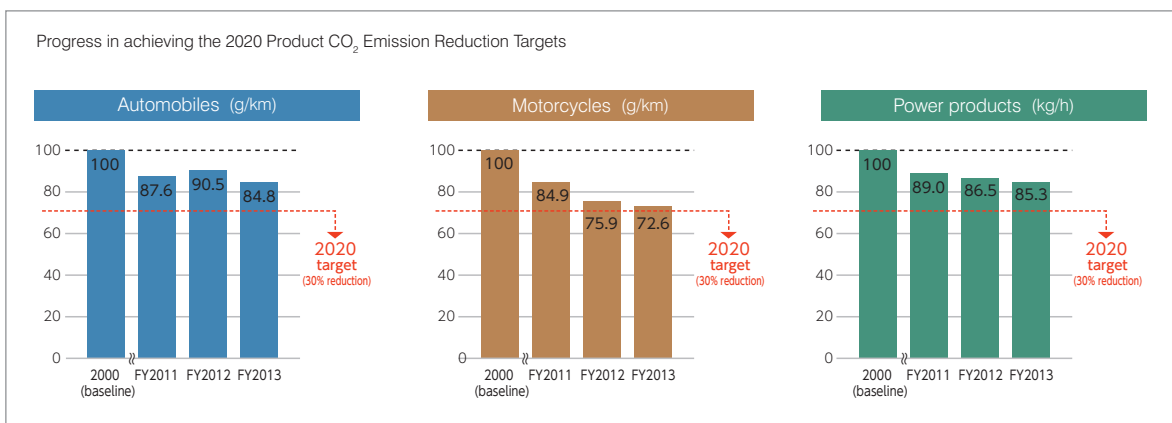
Current progress in achieving the targets

Automobile fuel efficiency increased with the introduction of redesigned core models such as the CR-V and Accord. CO₂ emissions declined substantially year-on-year thanks to the moderate recovery of the U.S. market and steady expansion of the Asian market, driving a large increase in sales.

Motorcycle CO₂ emissions saw another year-on-year decline, driven by increased sales from the introduction in Thailand of the Click 125i, a commuter vehicle with

improved fuel efficiency, and increased sales of the fuel-efficient PCX150 in Thailand, BeAT in Indonesia, and Activa in India.

Sales of large engines, which have comparatively higher per-unit emissions, increased in North America. Meanwhile in Europe, sales of low-emission household cogeneration units and zero-emission robotic lawn mowers increased, contributing to a slight year-on-year decline in CO₂ emissions for power products as a whole.



Mid-term plans

Formulating detailed plans for fiscal 2014

In our effort to minimize CO₂ emissions and all other environmental impacts stemming from our products, we created a detailed mid-term plan for product-related environmental initiatives through fiscal 2014. By following this plan, we will not only increase the energy efficiency of our products but also make improvements across their life cycles by practicing sustainable design for improved 3R performance, reducing emissions from products, and carrying out stricter management of substances of concern used in our products.

Recognizing the significant impact that our business activities have on the environment, we likewise formulated a detailed mid-term plan for operations-related environmental initiatives, with the end goal of realizing the Honda Environmental and Safety Vision. By following this plan we will reduce product life-cycle CO₂ emissions, reuse and recycle more resources, and strive to minimize water use, among other activities. Believing that these initiatives should cover all our business activities, including our supply chains, we will actively promote environmental management at our suppliers, focusing especially on greenhouse gas emissions.

Mid-term plans and results for product-related environmental initiatives

Milestones on the road to 2020		Mid-term plans for product-related environmental initiatives (FY2012 – FY2014)
Climate change and energy	Achieve global targets for reducing average product CO ₂ emissions, with the end goal of steadily reducing product life-cycle emissions over the long term	<p>1 Achieve best-in-industry fuel efficiency and accelerate technology penetration: Motorcycles: Expand use of electronic fuel-injection system (PGM-FI) and low-friction engines, especially in commuter vehicles Automobiles: Phase in upgrades to engine and transmission lineups, starting in 2012 Power products: Expand application of new electronic self-tuning regulator (STR) governor, developed for the iGX engine</p>
		<p>2 Establish and deploy next-generation electromotive technologies: Motorcycles: Market electric motorcycles that meet local needs in developed (Japan: leased) and emerging (China) countries Automobiles: Launch multiple models (especially compact vehicles) equipped with IMA hybrid technology in Japan; currently developing mid-size and larger plug-in hybrid and battery electric vehicles, with plans to launch products in Japan and the U.S. and commence production in China in 2012. Power products: Improve electric lawnmowers and expand lineup through model additions, especially in Europe</p>
	Market new products to reduce CO ₂ emissions from mobility and other products	<p>3 Launch new thin-film solar cell modules with world's highest module conversion efficiency and deploy technology globally Conduct demonstration testing of next-generation personal mobility systems in cities in Japan, the U.S., and China Through joint-implementation of the E-KIZUNA Project with Saitama City, conduct demonstration testing of the Honda Smart Home System (HSHS) with an aim to cut household CO₂ emissions by 50% from 2000 levels by 2015</p>
Material and water resources	Ramp up 3R efforts	<p>4 Products: Continue to promote structural design with an emphasis on weight reduction; higher throughput yields; easier recycling and maintenance; and sustainable design with an emphasis on easily recycled materials and use of recycled resins</p>
Substances of concern	Reduce exhaust emissions	<p>5 Steadily reduce exhaust emissions to comply with tighter emission regulations in various countries</p>
	Manage substances of concern used in products more strictly	<p>6 Promote management of substances used in products and find alternatives to substances of very high concern Operate global management systems for substances used in products to comply with applicable regulations in various countries</p>

Results of fiscal 2013 initiatives

Climate change and energy	<p>1 Motorcycles: Launched the PCX150, a next-generation compact scooter equipped with an engine with enhanced durability, quietness, and fuel efficiency (June 2012) Launched the Super Cub 50 equipped with a high-efficiency engine that employs extensive low-friction technologies (May 2012) Automobiles: Launched an Accord for the North American market equipped with a newly developed engine and CVT that realizes top-class fuel efficiency (September 2012) Launched a Civic for the European market equipped with a diesel engine incorporating extensive efficiency improvements and weight-reduction technologies (December 2012) Launched a Civic for the South American market that employs the FFV technology Flex One, eliminating the need for a secondary fuel tank (February 2013) Power products: Launched new gas-powered products to support energy diversification: the EU9i GP propane gas-powered portable generator (August 2012); and the Salad CG FFV300 tiller, which runs on butane gas canisters (March 2013)</p>
	<p>2 Motorcycles: Continued leasing the EV-neo electric scooter Continued sales of the Kushi, an electric bicycle for the Chinese market Automobiles: Launched the Accord PHEV (North America, January 2013) and Accord Hybrid (Japan, June 2013) equipped with Sports Hybrid i-MMD Began leasing the Fit EV in Japan (August 2012) and the U.S. (July 2012) Power products: Launched Miimo, a robotic lawn mower equipped with a lithium-ion battery, in the European market (April 2013)</p>
	<p>3 Japan: In Saitama Prefecture, began demonstration testing of a house equipped with the Honda Smart Home System (April 2012) Continued demonstration projects using next-generation personal mobility systems in cities in Japan, the U.S., and China</p>
Material and water resources	<p>4 Reduced the weight of parts in automobiles by employing tailored blanks and technologies for joining dissimilar metals such as steel and aluminum Built a system for extracting rare earths from used nickel metal hydride batteries from hybrid vehicles and recycling them as material for new nickel metal hydride batteries</p>
Substances of concern	<p>5 Made consistent efforts to reduce exhaust emissions to comply with tighter emissions regulations in various countries</p>
	<p>6 Continued to promote the management of substances used in products and find alternatives to substances of very high concern Continued to operate global management systems for substances used in products, to comply with applicable regulations in various countries and reduce risk</p>

Mid-term plans and results for operations-related environmental initiatives

Milestones on the road to 2020		Mid-term plans for operations-related environmental initiatives (FY2012 – FY2014)	
Climate change and energy	Strengthen initiatives that span entire product life cycles	1	Global operations: Reduce CO ₂ emissions per unit of production by 5% by FY2014 (baseline: FY2009) ¹
		2	Purchasing domain: Promote measurement and reduction of suppliers' GHG emissions under the revised Green Purchasing Guidelines
		3	Production domain: Install cutting-edge environmental technologies at Yorii Plant (production scheduled to begin in 2013) and make preparations to deploy the technologies globally Set benchmarks for energy use and set higher efficiency standards
		4	Transportation domain: Increase transportation efficiency in each region by implementing modal shifts, deploying more fuel-efficient trucks, etc.
		5	Sales and services, administration, product development domains: Promote energy conservation by encouraging eco-etiquette and more efficient use of facilities
Material and water resources	Ramp up 3R efforts	6	Production domain: Strengthen resource-use-reduction initiatives by increasing throughput yields to reduce by-products Collaborate with suppliers to increase use of metal scraps Maintain zero landfill waste performance (Japan and Europe)
	Minimize water use	7	End-of-life product recycling: Make steady efforts to comply with end-of-life vehicle recycling laws in various countries
Substances of concern	Reduce VOC ² emissions from production processes	8	Production domain: Reduce use according to conditions in each region, for example by conserving water and using recycled water in production processes
Biodiversity	Local conservation initiatives in accordance with the Honda Biodiversity Guidelines	9	Production domain: Develop VOC-emissions-reduction technologies for coating processes and expand application to overseas facilities and motorcycle coating processes
		10	Corporate initiatives: Educate suppliers on the destructive impacts of hazardous substances and water use on ecosystems Collaboration with local communities: Conduct biodiversity surveys at business sites in Japan Develop policies, guidelines, and practical know-how at each business site Assess possibilities of introducing biodiversity initiatives at overseas business sites
Environmental management	Strengthen global/regional promotional frameworks and increase disclosure of environmental data	11	Strengthen independent, voluntary promotional frameworks in each region, and strengthen global collaboration
		12	Expand Honda Environmental Annual Report into a global report, and increase disclosure of environmental data in each region



Results of fiscal 2013 initiatives		
Climate change and energy	1	Reduced average per-unit CO ₂ emissions by 7% in FY2013 (baseline : FY2009)
	2	Promoted measurement of GHG emissions from suppliers in a broader range of activities covering product life cycles Asia/Oceania: Deployed the Energy Conservation Caravan to visit suppliers and monitor energy consumption
	3	Used energy use monitoring of each production process to make the production system more efficient Asia/Oceania: Made progress in switching from diesel generators to natural gas cogeneration systems
	4	Transportation modal shifts in each region South America: Began shifting to coastal routes and actively avoiding trucking for the transportation of motorcycles
	5	Promoted energy conservation through eco-awareness and etiquette-raising activities and improvements in equipment use Installed high-efficiency devices (LED lighting, compressors, HVAC systems, IPM motors) North America: Increased the number of participants in the Green Dealer program launched the previous year and enhanced program development
Material and water resources	6	Implemented measures to improve throughput yields in the design stage Increased use of stamping press scrap steel South America: Promoted sand mold recycling in the storage process
	7	Continued efforts to comply with the automobile recycling regulations of each country
	8	Promoted use of recycled water and water-conservation activities in each region Asia/Oceania: Introduced rainwater storage systems
Substances of concern	9	Started using low-VOC coatings in coating processes Used low-VOC coatings for prototype models in product development North America: Introduced new processing equipment to reduce VOC emissions in the bumper coating process
Biodiversity	10	Conducted biodiversity surveys at business sites in Japan
Environmental management	11	Convened Regional Environmental Committees and trained environmental officers in all regions
	12	Issued a fiscal 2013 regional environmental report in each region (North America, South America, Europe, Asia & Oceania, China, and Japan)

Note 1: A single per-unit-of-production value was calculated by weighting the average reduction percentages for motorcycles, automobiles, and power products with the CO₂ emissions associated with their respective life cycles.

Note 2: VOC (Volatile Organic Compounds): Organic chemical substances that cause photochemical smog and are commonly used in the solvents of paints and thinners.

自分の限界を、自分で決めていないか。過去の常識にしばられていないか。本
自由であるはずの人間が、自ら自由を手放してどうする。し、そんな限界も常識
創造を邪魔する過去など、忘れてしまおう。新しい知恵で困難に立ち向かえ。時
の枠の中に、未来はないのだから。そう、僕たちは、なんにでもな、

枠にはまるな。

Live outside the box.



SAFARI
SAFARI
SAFARI

GLOBAL

Always conscious of the environmental impact of its manufacturing operations, Honda is working hard to take environmental responsibility to ever higher levels around the world through operating management systems in six regions worldwide.

Global Environmental Management

Honda has created an institutional framework to put into practice the environmental principles articulated in the Honda Environment Statement, and has expanded it to the global level.

We are actively working to build environmental management systems at all business sites and obtain ISO 14001 certification at certain sites.

Environmental management promotion structure

Organizational structure

In December 1991, Honda created what is now the Japan Environmental Committee and assigned it a central role in governing the environmental affairs of the company. This structure has been expanded into a global environmental management system with regional environmental committees in North America, South America, Europe, Asia & Oceania, and China. In March 1995, the World Environment and Safety Committee was established to manage environmental as well as safety initiatives (see note), through which Honda aims to create a motorized society that is safe for all people. The World Environment and Safety Committee discusses, determines, and reviews annual plans for implementing environmental conservation activities at the global level based on mid-term business plans, and has created an environmental management system that integrates activities on the global level with those on the factory floor. The company's president and CEO currently chairs the committee, a reflection of Honda's recognition that environmental issues, especially climate change and energy, are critical to Honda's business operations.

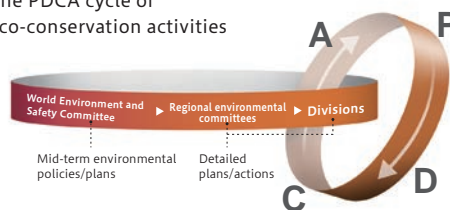
The World Environment and Safety Committee develops mid-term policies and plans for global environmental initiatives based on mid-term policies and management plans determined by the Management Council. Individual divisions prepare detailed plans for each region and business area, and then finalize the overall plans after discussion and approval by the regional environmental committees.

The regional environmental committees discuss and evaluate annual achievements under the plans and, based on the results, create new targets and plans with the objective of achieving mid-term policies and plans. The progress of environmental initiatives by Honda Group companies, as well as themes affecting multiple domains around the world, are reported to the World Environment and Safety Committee and then factored into the next year's annual plans and the next mid-term business plans and policies. Honda follows the Plan-Do-Check-Act cycle to promote continuous improvement in environmental performance in each region: Japan, North America, South America, Europe, Asia/Oceania, and China.

One hallmark of this system is that planning and implementation are not simply delegated to specialized staff, but that all associates are expected to be involved. The basic thinking is that all associates should be actively tackling environmental issues as a part of their daily work.

Note: For information on safety initiatives, see the Honda CSR Report and Honda Driving Safety Promotion Activities.

The PDCA cycle of eco-conservation activities



Honda's organizational structure for environmental affairs



as of June 2013

Regulatory compliance

In accordance with the Honda Environment Statement, Honda introduces environmental management systems at all business sites and in each division, promotes continuous efforts to improve environmental performance, and strives to comply with voluntary environmental standards that are more stringent than national and regional regulations.

We revised the Honda Conduct Guidelines in April 2013 (formulated 2010) and are implementing it throughout the Honda Group in Japan and worldwide. The document calls on Honda associates to comply with laws and regulations, company rules, and social norms and, for the purposes of environmental conservation, to strive to

reduce environmental impacts in one's work by conserving and recycling resources and energy in accordance with environmental laws and regulations, company policies, and internal standards. We have appointed corporate directors to serve as Compliance Officers, and work systematically to enhance compliance and risk management under the supervision of directors in charge of each part of the organization.

Emergency protocols

In anticipation of accidents and emergencies that could cause environmental pollution, each factory and division has clearly-defined procedures for preventing pollution.

Environmental management at Honda business sites

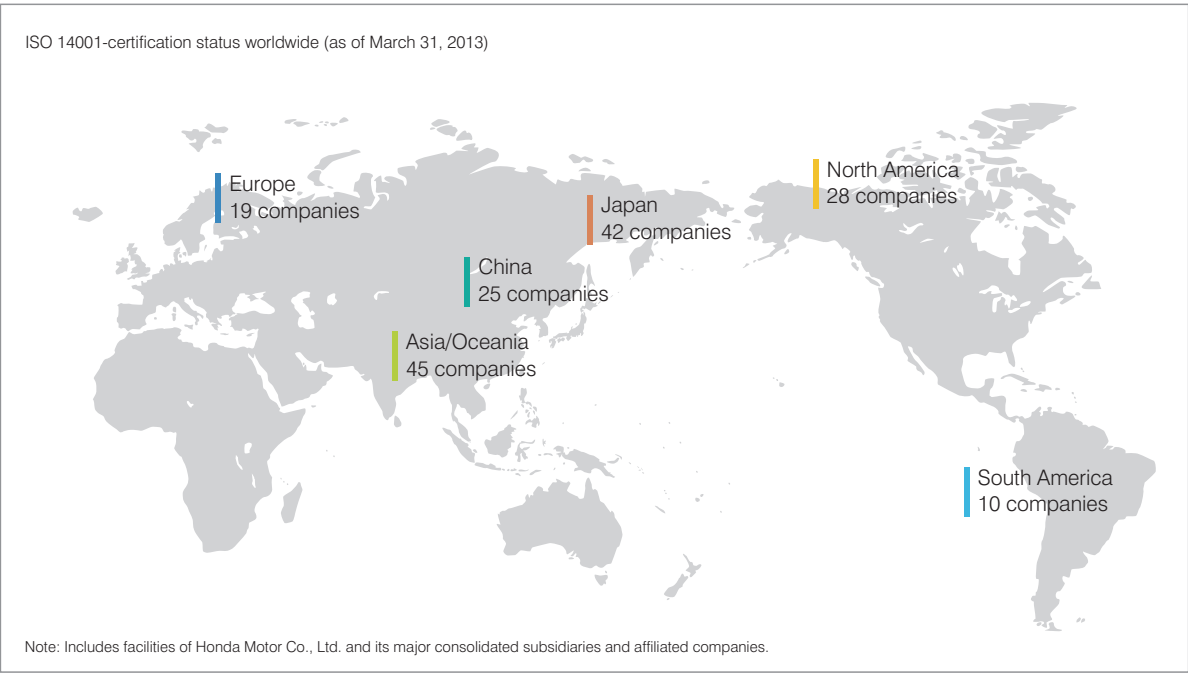
Along with development of environmental management systems at the group-wide level, we have been introducing such systems at each business site in order to continuously improve their environmental performance and to control environmental pollutants. We have been working actively to acquire ISO 14001, an international certification for environmental management, particularly at our production facilities.

After acquiring certification at each of our five major production facilities in Japan, we combined their certification for integrated operation of their management systems. Going forward, we plan to promote acquisition and expand our integrated system to include environmental management of the Saitama Factory's Yorii Plant, newly

completed in March 2013. We also combined the certification registration for Honda head office buildings and district buildings in fiscal 2012.

We will continue developing our environmental management systems and seeking ISO 14001 certification (or in Europe, EMAS). We will continue working to ensure that business sites with certified environmental management systems remain certified, and also continue to apply the PDCA cycle at each site for continuous improvement in reducing the environmental impact of our operations.

Honda Conduct Guideline
<http://world.honda.com/conductguidelin>



Disclosure of total GHG emissions

Organizational structure

As a responsible company operating in the mobility industry, Honda believes in the importance of calculating and disclosing greenhouse gas (GHG) emissions in order to drive progress in initiatives to reduce global emissions.

As the first milestone in this endeavor, in August 2012 Honda became the world's first mobility company to disclose estimates of all GHG emissions from its entire value chain in conformity with the Greenhouse Gas Protocol (GHG Protocol)¹, currently the world's most widely used GHG emissions accounting standard. Honda released estimates of not only emissions from our own business activities (scope 1 and 2), but also all upstream and downstream activities (scope 3), from the procurement of raw materials, to the transportation and customer use of Honda products, and finally to the treatment of end-of-life products²

Now we are taking steps to get a more accurate reading of the emissions that come from our entire value chain. We are doing this by expanding the boundaries of data collection³ and improving the accuracy of calculation methods used for categories that account for the largest percentage of scope 3 emissions (other indirect emissions).

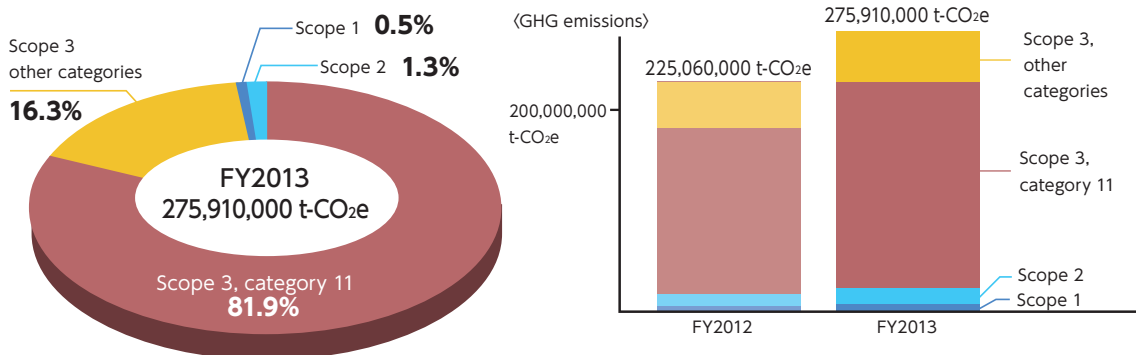
As a result, the latest calculations show that GHG emissions from Honda business activities in fiscal 2013 were 4,950,000 t-CO₂e, and total value chain emissions, which also includes other indirect emissions, were 275,910,000 t-CO₂e.

We hope to leverage these improvements in data measurement and management to devise more effective emission reduction strategies.

GHG emissions from the entire Honda value chain

	FY2012	FY2013
Scope 1* direct emissions from Honda business activities	1,240,000 t-CO ₂ e	1,410,000 t-CO ₂ e
Scope 2* indirect emissions from energy use	2,960,000 t-CO ₂ e	3,540,000 t-CO ₂ e
Scope 3* other indirect emissions	220,860,000 t-CO ₂ e	270,960,000 t-CO ₂ e
Emissions from entire value chain (total of scope 1, 2, and 3)	225,060,000 t-CO ₂ e	275,910,000 t-CO ₂ e
Other totals:		
All emissions from Honda business activities (scopes 1, 2)	4,200,000 t-CO ₂ e	4,950,000 t-CO ₂ e
Emissions from use of sold products (scope 3, category 11*)	195,880,000 t-CO ₂ e	225,950,000 t-CO ₂ e

Breakdown and changes in Honda GHG emissions

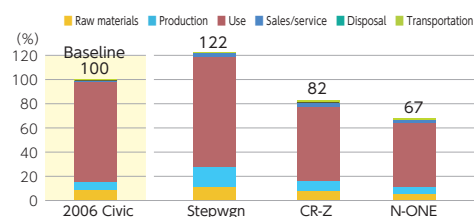


*See notes on page 45 for detailed descriptions of scope 1, scope 2, scope 3, and category 11 of scope 3.

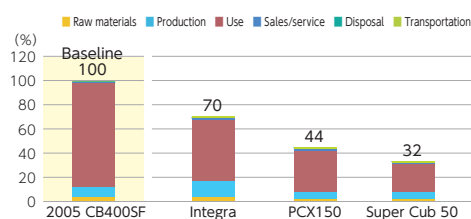
Promoting lifecycle assessment (LCA)

We have been developing our own methods to reduce the environmental impacts of our business activities and across product life cycles, from production through disposal. In March 2002, we built the Honda Life-Cycle Assessment (LCA) Data System, a system for measuring CO₂ emissions from all business activities, and since then have been making focused efforts to meet reduction targets set for each domain—production, purchasing, sales and services, administration, transportation, and so forth. In fiscal 2007, we began operating a new, model-specific LCA system for calculating the life-cycle emissions of a single vehicle, from the procurement of raw materials through disposal. The LCA data of each product model obtained through this system is being used to develop more effective strategies for reducing life-cycle emissions.

LCA results for major automobile models released in FY2013 (Japan)



LCA results for major motorcycle models released in FY2013 (Japan)



*Honda's model-specific LCA system assumes a product lifetime driving distance of 100,000 km for automobiles and 50,000 for motorcycles. These figures are different from those assumed for scope 3, category 11 emissions under the GHG Protocol.

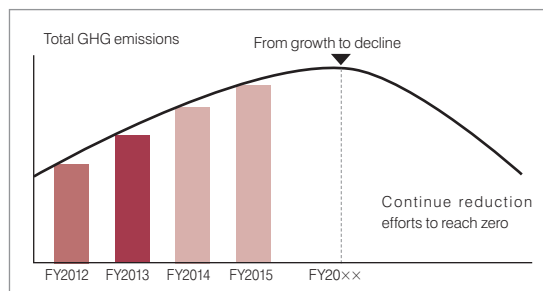
Reducing GHG emissions from use of sold products

Scope 3, category 11 emissions, emissions from use of products sold to our customers, accounted for more than 80% of emissions that took place across our value chain. This means that determining how to reduce GHG emissions from the use of Honda products poses the greatest challenge to reducing total emissions. The biggest step in reducing emissions from product use is improving fuel efficiency. We set a 2020 target to reduce global average product CO₂ emissions by 30% from 2000 levels, based on which we will strive to improve product fuel efficiencies year after year.

During this time, however, we still expect our scope 3, category 11 emissions to continue growing. Production growth, which follows global economic growth, particularly in Asia, is occurring at a faster rate than improvements in fuel efficiency, so the net effect will be an increase in GHG emissions.

But still, at some point we need to turn this growth curve downward. Honda's vision is to reach a point where total emissions from product use are declining even as production is expanding. To achieve that turnaround, we set our own standards called the Honda Environmental Performance Standards (HEPS).

The goal is eventually to reduce environmental impacts to zero, an initiative we call Triple Zero. Along with HEPS we developed scenarios that represent the steps we plan to take in reducing GHG emissions by complying with the standards, including improving product fuel efficiency and increasing use of renewable energy.



Emissions from Honda operations: Conceptual projection

Scope 1: Direct GHG emissions from business activities, as defined by the GHG Protocol (examples: combustion of fuel oil at a manufacturing plant, emissions from work vehicles and company cars). The scope 1 figures presented in this report include all GHGs emitted directly by Honda Motor Co. and its 461 consolidated subsidiaries and affiliated companies worldwide.

Protocol 2: Indirect GHG emissions from a company's use of energy, as defined by the GHG Protocol (examples: electrical energy used by a manufacturing plant or office). The scope 2 figures presented in this report include all GHGs emitted directly by Honda Motor Co. and its 461 consolidated subsidiaries and affiliated companies worldwide.

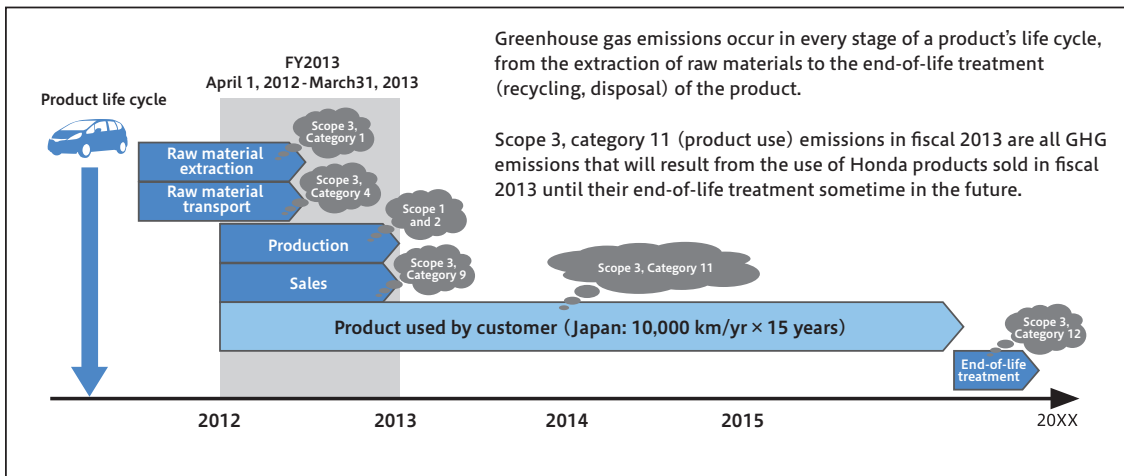
Scope 3: Other indirect GHG emissions not included in scope 1 and scope 2, as defined by the GHG Protocol. Scope 3 is systematically broken down into 15 categories (examples: category 11 includes emissions arising from the use of sold products; category 12 includes emissions arising from the end-of-life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

The category 11 figures presented in this report represent the cumulative amount of greenhouse gases that will have been emitted by products sold by Honda in fiscal 2012 (automobiles, motorcycles, power products) as a result of their use by customers from the time they received those products until they dispose of them in the future. The "scope 3, other categories" figures presented in this report are the sum of emissions from categories 1, 2, 3, 4, 5, 6, 7, 10, 12, and 15. As per the GHG Protocol, Honda excludes categories 8, 13, and 14 from its calculations, as these categories are either not part of Honda business activities or emissions from these categories are accounted for in other categories.

The thinking behind scope 3, category 11 (emissions from product use)

Scope 3, category 11 accounts for more than 80% of all CO₂ emissions that occur in Honda's value chain. The reason category 11 is so large is because it includes not only the CO₂ that Honda products sold in fiscal 2013 emitted in fiscal 2013, but also the CO₂ those products will emit in the future. In other words, when a customer in Japan purchases a Honda vehicle, we expect that customer to drive the vehicle 10,000 km a year for 15 years*1. Scope 3, category 11 is where we calculate all the CO₂ that will be emitted during that time.

Scope 3 includes future emissions because it is based on an accounting method that counts emissions not when they occur but when the business activities that will result in those emissions occur. The 26 million automobiles, motorcycles, and power products that Honda sold to customers around the world in fiscal 2013 will continue emitting CO₂ as they are used and until they are disposed of at some point in the future. Scope 3 says that these emissions are the result of Honda having sold its products in fiscal 2013.



*1 Annual distance traveled, product lifetime in years: Based on the WBCSD's SMP Model developed by the International Energy Agency

Expanding environmental accounting worldwide

Honda discloses information on the emissions treatment, waste disposal, environmental management, remediation and prevention as well as the overall environmental efficiency of our business in order to advance environmental management on a practical level and realize our environmental vision. These data serve not only as an indicator of corporate value for external stakeholders but also as a reference for making administrative management decisions regarding environmental initiatives. As a result, for fiscal 2013 we are disclosing the environmental conservation expenditures that were recorded in Japan in the format suggested by the GRI Guidelines*2, which is the same format used last year to disclose automobile R&D expenditures in North America. These changes have been made in an effort to improve the accuracy of data collected from our operating sites worldwide and to determine an appropriate method for disclosing sustainability information from our global operations.

Environmental conservation expenditures in Japan

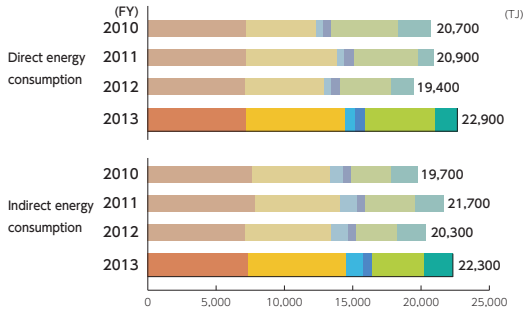
	Investments (million yen)	Expenditures (million yen)
Emissions treatment	2,285	2,352 1,102
Waste disposal	254	6,301
Environmental management	564	4
Remediation	0	186,513
Prevention	16,456	196,272
Total	19,559	

2. International guidelines issued by the Global Reporting Initiative (GRI) to promote concrete action for environmental, social, and economic progress. At the end of this report is an index specifying the pages in this report where the general standard disclosures and environmental performance indicators required by the guidelines can be found.

Global Environmental Impact

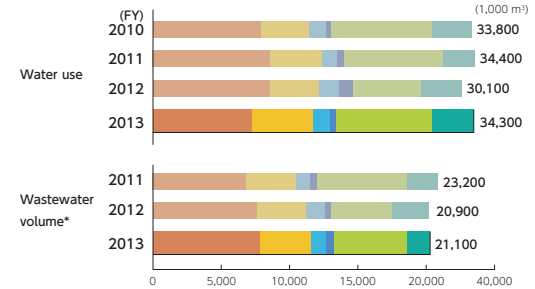
Japan N. America S. America Europe Asia/Oceania China

Energy consumption



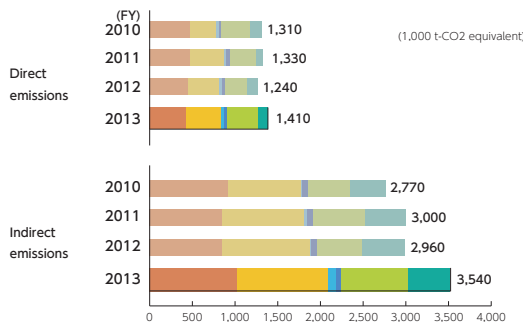
Companies covered: Nearly all consolidated subsidiaries and affiliated companies of the Honda Group
 Notes: • Purchased electricity has been converted to joules using the international standard 3.6 GJ/MWh.
 • Calculations based mainly on energy consumed by stationary sources.
 • A terajoule (TJ) is a unit of energy, "tera" meaning 10¹².

Water use, wastewater volume



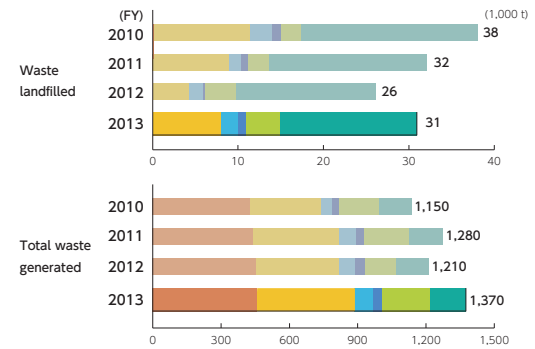
Companies covered: Nearly all consolidated subsidiaries and affiliated companies of the Honda Group
 *Disclosure of wastewater volume begun in fiscal 2011.

Greenhouse gas emissions



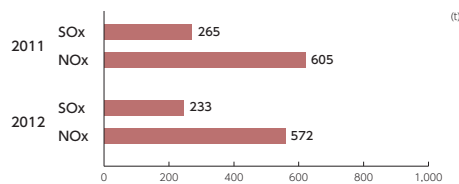
Companies covered: Nearly all consolidated subsidiaries and affiliated companies of the Honda Group
 Notes: • Greenhouse gas emissions were calculated while referring mainly to the WRI and WBCSD's 2004 'The Greenhouse Gas Protocol (Revised Edition)'.
 • Calculations based mainly on emissions from stationary sources.

Waste generated, landfilled



Companies covered: Nearly all consolidated subsidiaries and affiliated companies of the Honda Group
 Notes:
 • Landfilled amounts for waste outside Japan also include other waste treatment methods
 • Figures for Japan indicate amounts actually brought to landfills.

Atmospheric pollutants



Companies covered: Nearly all consolidated subsidiaries and affiliated companies of the Honda Group
 Notes: • Calculations based on fuel consumption.

Environmental data for manufacturing, by region (FY2013)

		Japan	N. America	S. America	Europe	Asia/Oceania	China
Energy	Purchased electricity (1,000 MWh)	1,560	1,820	322	151	1,020	590
	Natural gas (1,000 GJ)	85	6,410	240	526	1,200	893
	Liquefied petroleum gas (1,000 GJ)	806	273	336	7	1,260	296
	Diesel (1,000 GJ)	8	301	41	7	1,690	98
Waste	Landfilled waste (t)	0	6,700	1,300	0	3,900	16,400
	Volume recycled (t)	414,000	394,000	66,000	47,000	188,000	110,000
Water use	Municipal water (1,000)	3,590	3,130	210	660	5,850	4,120
	Groundwater (1,000)	4,400	2,110	1,730	10	3,440	0
	Rainwater (1,000)	50	90	80	0	20	0

Note: LNG is not included.

HONDA

The Power of Dreams



HONDA IN EUROPEAN REGION

This covers all entities that are controlled by the Regional Operation Board of the European region. This includes all sites in Europe, Near Middle East, Africa and Russia in which Honda (globally or locally) has a significant participation.

Environmental Message





BLUE SKIES FOR
OUR CHILDREN

Environmental Message of Mr Manabu Nishimae

With ever-increasing demand across Europe for smaller and more fuel-efficient vehicles, and a significant shift towards diesel, I am delighted to report on the successful introduction of our new 1.6-litre diesel engine earlier this year. Highly anticipated, it also marked the European debut of Honda's Earth Dreams Technology powertrain series. At a time when new car demand is contracting due to the wider economic environment, these advances are a huge step forward in meeting the needs of customers. Diesel now accounts for 55% of the European market, with engine capacity of 1.6-litres or less particularly popular among fuel-efficient models.

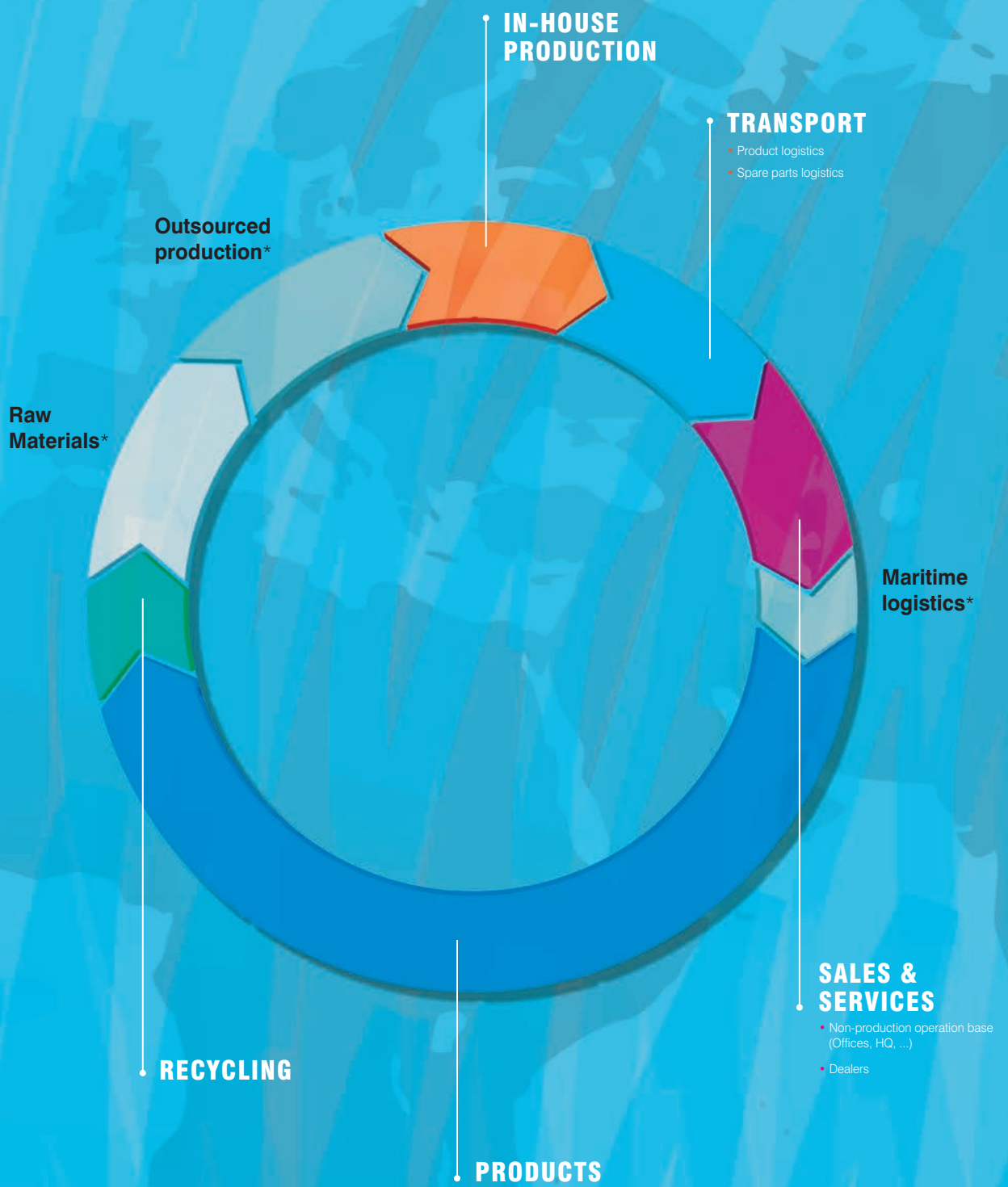
These developments do more than simply meet customer demand. With the EU targeting a mandatory CO₂ emission limit for passenger cars of 95g/km -one of the lowest in the world- by 2020, they are also a significant part of Honda's response to the increasingly strict environmental regulations being introduced across Europe.

Our continued development in fuel-efficient product goes beyond cars. In spring of last year we started demonstrating a new electric scooter in Barcelona, Spain, and we recently introduced Honda Miimo, a zero-emission robotic lawn mower.

We continue in our efforts to reduce CO₂ emissions across our operations. For example, we are installing solar panels at plants and parts warehouses, and searching for more efficient routes and modes of transport within the complex European distribution system. I am also pleased to report that this year, once again, we have achieved zero waste to landfill across our European production sites. This year marks the third consecutive year of zero waste to landfill for power equipment production; and two years for cars, motorcycle and parts production.

As for our plans moving forward, we will continue to meet customer demand for low emissions and high fuel-economy by revamping our automobile engines. We are also committed to maintaining our strong motorcycle reputation in Europe, the biggest market for sport-touring crossover models, by leveraging the fuel-efficient NC700 series. Honda's approach in Europe for the coming years will be about bolstering our position as a company society wants to exist, offering advanced environmental technologies across all of our products.

Manabu Nishimae,
C.O.O. and Chairman
European Regional Operational Board and
the European Environmental Committee



The LCA Cycle: basis for the Environmental Report

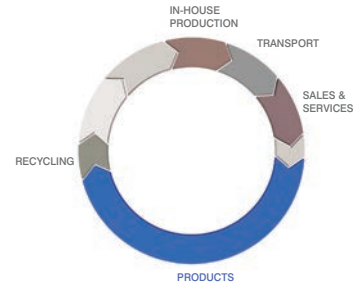
As it implements initiatives designed to realize its environmental vision, Honda recognizes the importance of product-related environmental impacts, especially CO₂ emissions through use of its products, to its efforts to reduce environmental impacts across the company's full products' life cycles.

As the life cycle approach is so important for Honda we have chosen the life cycle image as a guide through the regional data of the report. The white life cycles aspects (and marked with *) are not in the scope of this report.

If sites are fulfilling different LCA topics (or sub-LCA topics), the values which are not directly attributable are split based on the used facility surface share (see also the company overview at the end of the report).

E.g. If the premises are shared by sales entities, warehousing activities or R&D facilities and there is no separate measurement of the respective environmental data, the split is made based on surface used in the buildings by each of the activities

PRODUCTS

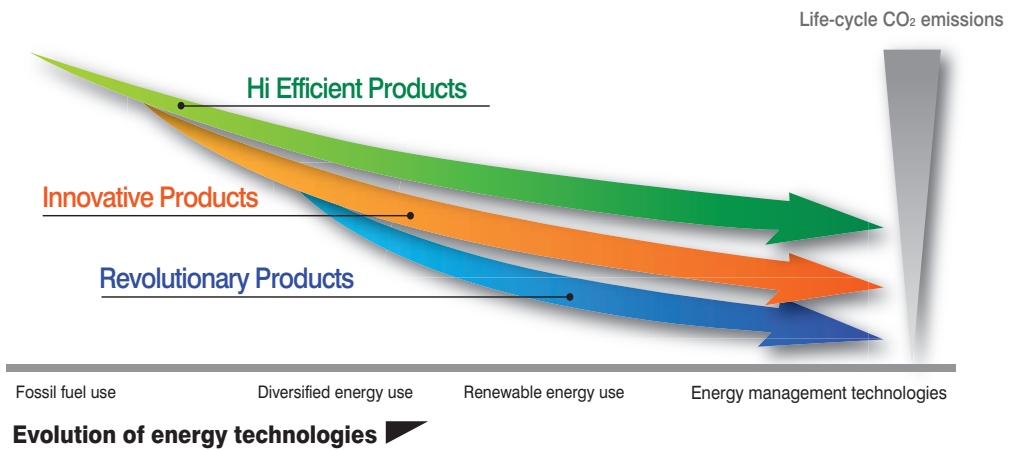


Honda Environmental Performance Standards (HEPS)

In order to constantly evaluate the environmental performance of all products under one framework, Honda has introduced the HEPS criteria. HEPS categorises three types of product which contribute towards Honda's ongoing efforts to reduce full life-cycle CO₂ emissions, as follows:

- Hi-efficiency products: efficiency improvement technologies for internal combustion engines
- Innovative products: environmental-innovation and energy diversification technologies
- Revolutionary products: renewable energy technologies

Product-based scenarios for addressing climate change and energy issues:



Based on this definition we count 58 Honda models coming under one of these categories for Europe. Samples of those models can be found hereafter.*

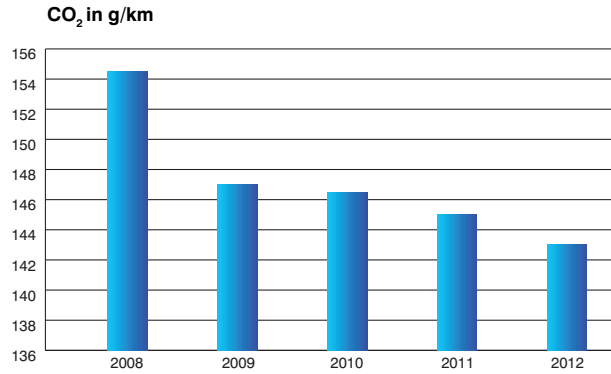
* not all of these models are commercially available

1 Cars

Average CO₂ Emissions

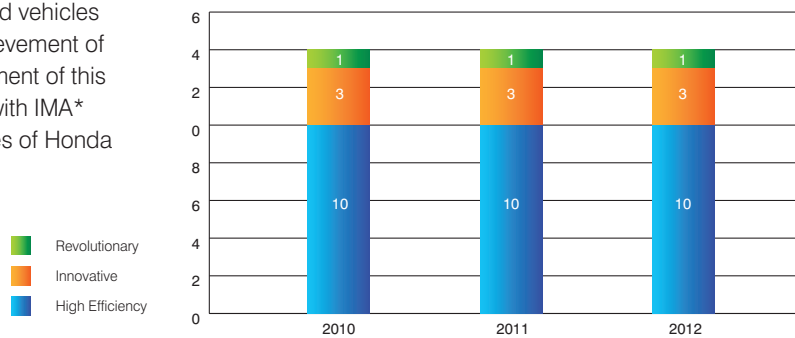
Once again overall CO₂ emissions across Car have fallen, due to continued development in more efficient products, most notably the introduction of the new-generation engine series, Earth Dreams Technology (please see below).

The number of models falling under the HEPS criteria remains unchanged from the last two previous years, but market demand for more efficient models continues to increase.



Providing more fuel-efficient technologies in cars and offering a model range based on the market demand, the CO₂ emission of the sold vehicles could be reduced year-on-year. Achievement of this target was linked to our achievement of this target was linked to our hybrid cars with IMA* technology and especially to the sales of Honda diesel engine models

Car Models per HEPS Category



Earth Dreams technology, implemented mainly in cars, generated a high number of models in the categories 'hi efficiency' and 'innovative'. The FCX-Clarity, available in Europe in test mode mean that cars are also represented in the category 'revolutionary products'.

Samples of 2012 Cars

Hi Efficient Products



Accord



Civic 5Dr



Jazz

Innovative products



Insight



Jazz Hybrid

Revolutionary Products



FCX Clarity

Case study

Earth Dreams Technology – Honda's new generation of drive trains

EARTH DREAMS TECHNOLOGY

Earth Dreams Technology is Honda's new generation engine series, balancing excellent performance with high efficiency. The first engine in the series for Europe, the new 1.6-litre i-DTEC, debuted on the 9th generation Civic and was specifically designed for the European market to meet growing demand for low emission diesel vehicles.

The holistic approach of Earth Dreams Technology extends to aerodynamic and suspension revisions, which with the super-light engine create a very agile, light-footed car without compromising the Civic's comfortable ride quality.

“Developing this car has been all about smart, pure engineering. Our motivation has been to make many small detail improvements that, together, make a major difference. That is the challenge and the beauty of the Earth Dreams Technology philosophy.”

Suehiro Hasshi,

Large Project Leader for Civic 1.6-litre i-DTEC.



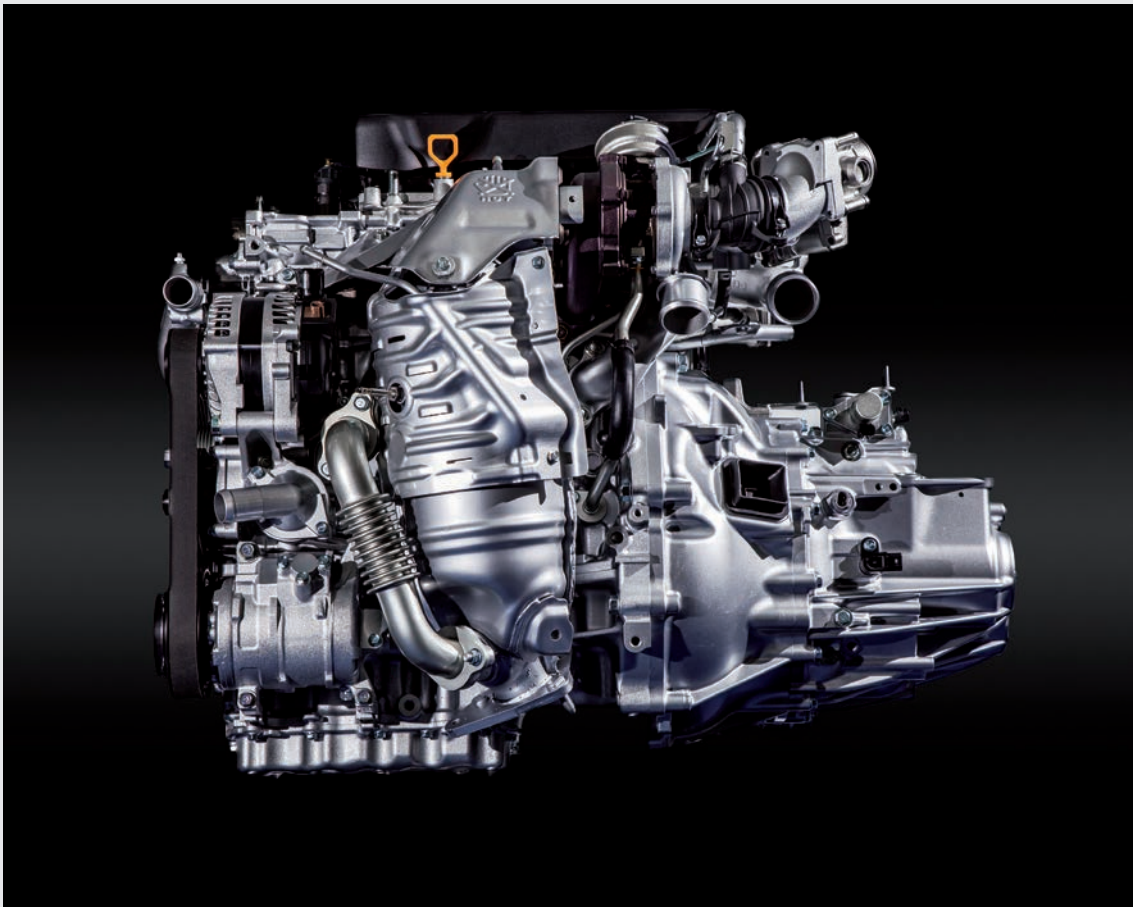
Honda's lightest in class 1.6 diesel engine

The new 1.6-iDTEC combines competitive power (120 PS) and 300Nm of torque with CO₂ emissions of just 94g/km, offering an impressive balance between fuel economy and performance. The new engine is lightest in class, weighing 47kg less than Honda's 2.2-litre i-DTEC. Comprising an aluminium cylinder head joined to an open deck aluminium block, all components have been redesigned to minimise their weight and size, while advanced production techniques have helped to reduce weight even further.

“The key focus of our Earth Dreams Technology philosophy is to balance environmental efficiency with the dynamic performance expected of a Honda.”

Suehiro Hasshi,

Large Project Leader for Civic 1.6-litre i-DTEC.



Small Diesel Engine, 1.6-litre i-DTEC

Case study

Built for Europe, in Europe

Demonstrating the importance of this new diesel engine to Honda's sales plans in Europe, a new purpose built diesel engine production line has been installed at Honda of the UK Manufacturing Ltd (HUM). This new line is capable of producing up to 500 diesel engines in one day. The line will produce both the new 1.6 litre i-DTEC and existing 2.2 litre i-DTEC engines.

Earth Dreams Technology will be rolled out across the Honda entire range, with the new CR-V and Civic Tourer next to benefit from the super-light 1.6 diesel engine.



Honda Civic Tourer concept

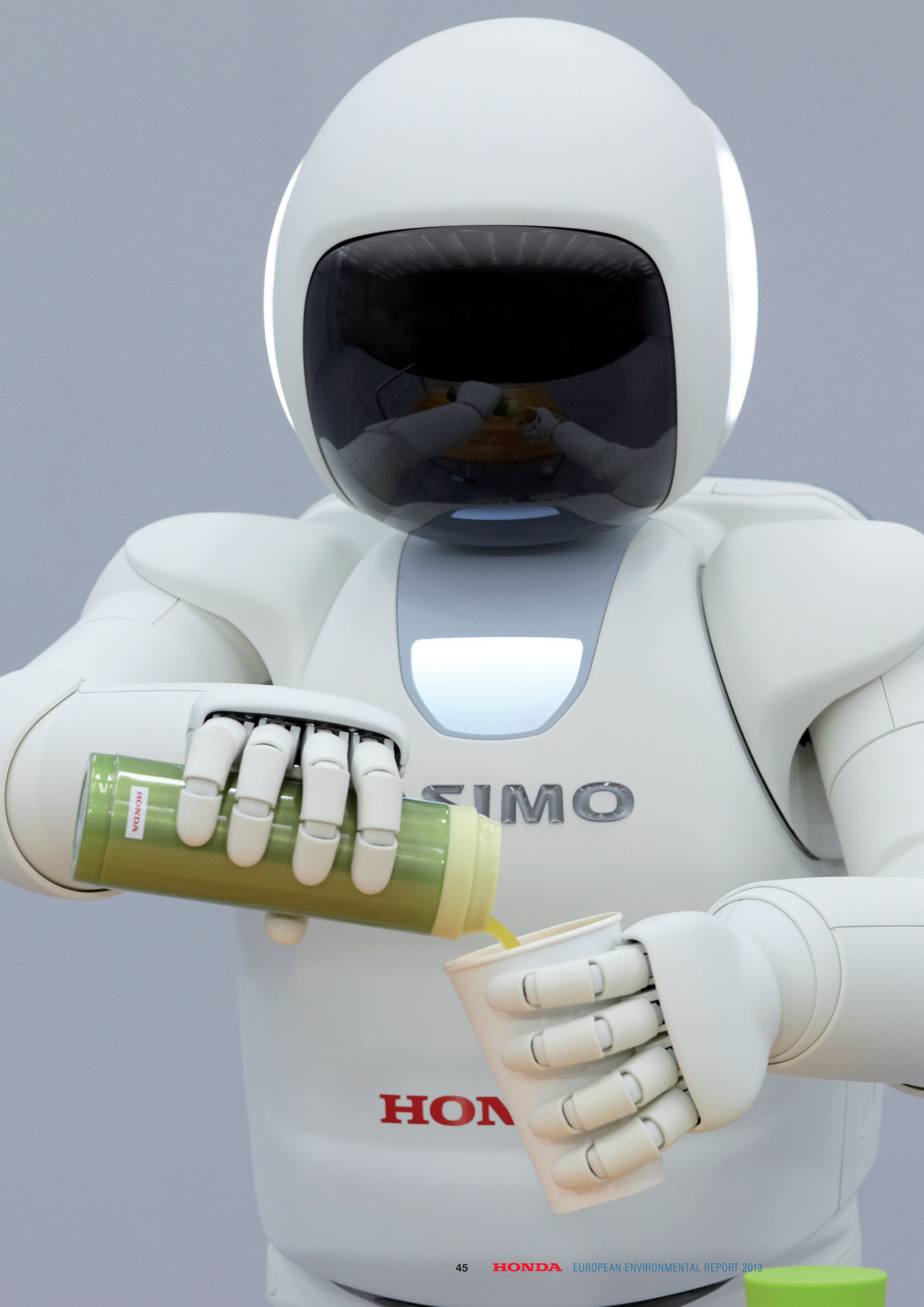
Case study

Honda signs agreement for market introduction of fuel cell electric vehicles in Nordic countries

In September 2012, Honda and a range of other manufacturers signed a Memorandum of Understanding with organisations from the Nordic countries to support the market introduction of fuel cell electric vehicles (FCEVs) and hydrogen refuelling infrastructure from 2014 to 2017. The agreement aims to generate further dialogue with public and private stakeholders in Norway, Sweden, Iceland, and Denmark on accelerating the market introduction of FCEVs. Honda also announced in September 2012 that an all-new FCEV model for Japan, the US, and Europe will be launched in 2015. Signing the agreement underlines Honda's commitment to FCEVs as the ultimate zero-emission technology.



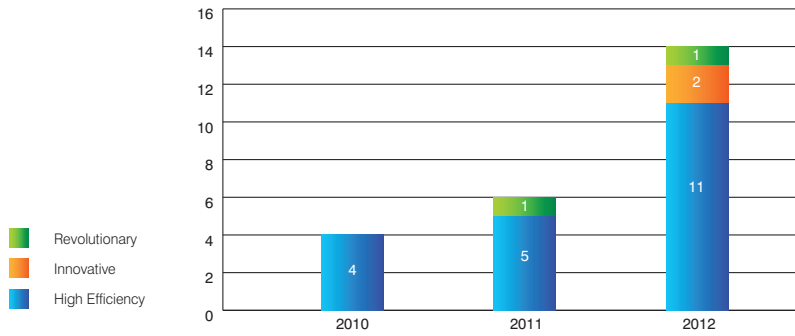
Sketch for FCEV



2 Motorcycles

This year the number of models falling under the High-efficiency category of HEPS has more than doubled, while the Innovative category has welcomed two new models.

Motorcycle Models per HEPS Category



Samples of 2012 Motorcycles

Hi Efficient Products



CB600F



NT700V

Innovative products



SH125

Revolutionary Products



EV-neo

Case study Enhanced Smart Power

In 2006, Honda was the first manufacturer to announce voluntary, per-unit CO₂ emission reduction targets for all of its products and the plants that produce them – signalling a strong ongoing commitment to environmental innovation.

In April 2012, Honda announced that Europe's best-selling motorcycle in 2011, the PCX125, would be enhanced with its new next generation engine technology, eSP (enhanced Smart Power). This single-cylinder, liquid-cooled four-stroke unit delivers the optimum combination of fuel economy, power and torque, coupled with quiet operation. Development has seen a relentless focus on reducing friction and weight, which along with Idling Stop make for an incredibly efficient package - in the case of the PCX125 delivering fuel economy of 133.9mpg. Later in 2012 Honda announced that eSP would be rolled out even further – to the popular SH125 scooter range. As a result the SH125 delivers the same outstanding fuel economy as the PCX125.

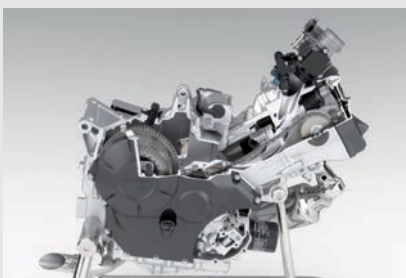


PCX125

Case study All-new 700cc engine

In October 2011 Honda announced a new 670cc engine for the mid-capacity 700 Series, delivering both powerful torque in low to mid-speed range and top class fuel-efficiency.

The new engine features a variety of technologies inspired by automotive development. Programmed Fuel Injection (PGMFI) ensures maximum combustion efficiency by delivering the optimal air: fuel ratio of 14:1, while the number and size of parts has been reduced to bring down weight. Additionally it uses just one throttle body for both cylinders, and the smaller, lighter catalyser is situated closer to the engine, enabling it to warm up faster. The new engine is the centre-pin for Honda's mid-class range, debuting on the NCD700 Integra in 2012, delivering 76.35mpg, followed by the very popular NC700X and NC700S.



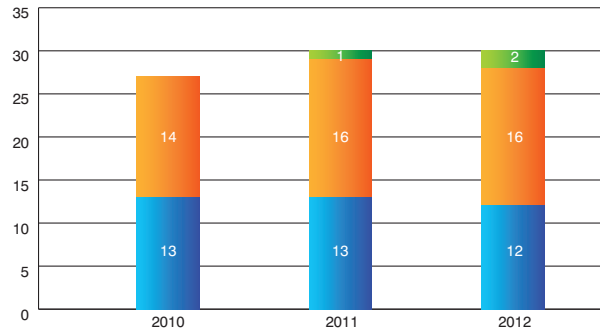
New 700cc Engine

3 Power Equipment

While market demand for certain products has moved towards the High-efficiency HEPS category, complimentary models have made the total category reduce by one product. The introduction of Honda Miimo across Europe this year (see next page), sees the Revolutionary category welcome a second product.



Power Equipment Models per HEPS Category



Samples of 2012 Power Equipment

Hi Efficient Products



GX240



GX270



GX690

Innovative products



BF90



EU65is iGX390

Revolutionary Products



Honda Miimo

Case study

Honda's first commercial robotic product – Honda Miimo

During 2012, Honda's first commercial robotic product, Honda Miimo, was introduced across Europe. Miimo is an autonomous lawn mower for domestic use. Powered by a rechargeable lithium-ion battery, Miimo automatically mows the lawn on the owner's preselected day and time, cutting the grass into a fine mulch that acts as a natural fertilizer and eliminates the need to bag and dispose of clippings. Battery-powered motor propulsion and optimised blade speed made possible through the application of a unique blade disk with a fan significantly reduces noise. It emits a sound power level of 32dB(A) lower than the conventional petrol lawn mower - less than the sound of tree leaves rustling in the wind.

Miimo's high-performance lithium-ion battery is lighter and has a larger energy capacity than lead or nickel-metal hydride alternatives, and since it degrades less over many hours of use, it has a longer replacement cycle. Miimo not only emits zero CO₂, CO, HC, and NO_x during operation, but also has dramatically lower lifecycle CO₂ emissions - approximately 75% lower than that of a petrol lawn mower in the same class.



Honda Miimo with Asimo

Site Data

Data reported on have been collected based on the following collection and calculation rules:

Energy data related to direct energy consumption (as being primary energy sources as purchased and used by the reporting organisation, including natural gas, fuels from distilled crude oil, or from other renewable resources) and indirect energy consumption (through purchasing of electricity, heat, steam, from fossil, nuclear or renewable sources and as used on the respective sites)

Energy used is derived from meter readings and invoices from the energy suppliers. Where conversion is required, the conversion rate is applied as based on:

- the information provided by the energy supplier, or, if not available
- national standard conversion values, or, if not available
- international conversion factors
- calculations based on chemical conversions

For the conversion to CO₂ equivalents the following priority of conversion factors is used:

- the information provided by the energy supplier, or, if not available
- national sector standard conversion values, or, if not available
- national conversion values as published by the country, or, if not available
- national standard conversion values (GHG Protocol country data), or, if not available
- international conversion factors (GHG Protocol data)
- calculations based on chemical conversions (only applicable for primary energy resources)

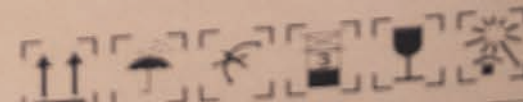
These rules apply per site. Site data is consolidated after conversions.

To make the performances comparable we normalise the values:

- For cars, motorcycle and power equipment production sites and transport: per unit output
- For parts production and transport: per turnover (referring to base year data = 100%)
- For logistics sites, for offices and for dealers: per area (m²) building

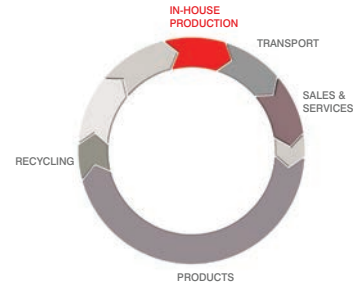


Name Of Goods	Motorcycle	
Model	NSC50	
Qty	Unit	
Weight	Gross Weight	1422kg
	Net Weight	1310kg
Size	1800x760x122 (mm)	
Country of Origin	China	
Manufacturer	Wuyang-Honda Motor (Guangzhou) Co., Ltd.	



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Country of Origin	China	
Manufacturer	Wuyang-Honda Motor (Guangzhou) Co., Ltd.	

IN-HOUSE PRODUCTION



Honda continues to work to minimise the impact of its manufacturing on the global environment, to improve associates' working environment and to enhance cooperation with local communities. Honda wants communities to be proud of its factories, and so it strives to realise the ideal of manufacturing products with the smallest environmental footprints in the most environmentally-responsible factories.

Honda operates six manufacturing facilities in Europe. Honda's efforts in minimising the environmental impact of its manufacturing operations in Europe include reducing the energy intensity of production, as well as initiatives to use water and other natural resources more efficiently, and to reduce air emissions and waste generation. During 2012 we once again realised the ideal of all production facilities in Europe sending zero waste to landfill.

Case study

Honda Turkey A.S. (HTR) wins Environmentally Friendly Plant Award

HTR recently received the "Environmentally Friendly Plant Award" from the Turkish Healthy Cities Association. The association's member municipalities praised HTR's tree-planting activities in Kargali Village, held as an Environment and Corporate Responsibility Project in 2011 and 2012. The Turkish Healthy Cities Association was founded in 2005 and currently has a membership of 46 cities. The association uses the Award to encourage manufacturers to invest in the environment.



Case study

HUM and HTR harness the power of the sun to reduce CO₂ emissions

HUM and HTR are harnessing the power of the sun to deliver a cost-effective reduction in CO₂ emissions. In October 2011, HUM switched on a 5MWp solar-array consisting of more than 21,000 ground mounted panels covering a development area of 32 acres. The installation generated 4.5 GWh of renewable energy, equating to 4.4% of the site's total electricity requirement for the year. HUM invested zero capital cost for the development, and in its first year of operation delivered considerable cost savings compared to buying grid supplied energy was realised. CO₂ emissions were reduced by almost 2000 tons.

Similarly HTR has been successfully using solar power in its operations, recently installing solar panels and invertors on site. To date the site has generated 124,000 Kwh per year of renewable energy, resulting in a CO₂ reduction of 54 tons.



Case study

Reducing energy usage through more efficient lighting

HUM's High Bay lighting metal halide fittings were using 450 watts of electricity per hour, based on 24/7 operation. A review of alternatives was carried out with the aim of reducing both energy usage and electricity costs. The solution was a new, more efficient light fitting, using just 220 watts of electricity per hour - less than half that of the previous version. To date this initiative has resulted in a saving of 637MWh of electricity and significant cost reductions. Further improvements are being implemented, for example the introduction of movement sensors that switch off the lights when they are not needed.



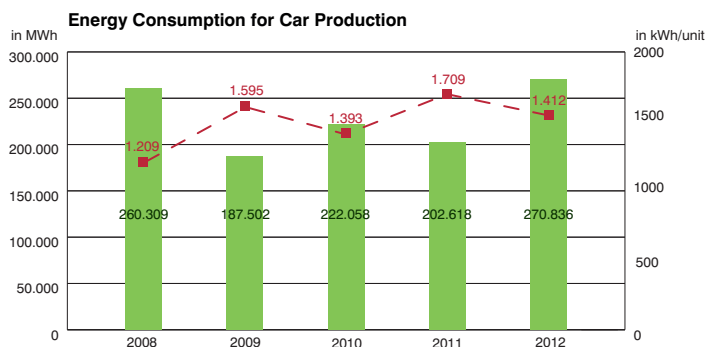
1 Car Production

Total energy consumption increased this year, the result of a rise in production volumes and a very long and harsh winter across Europe. Energy per unit has improved, however, due to higher efficiency. The split between gas, electricity and LPG as sources remains the same as last year.

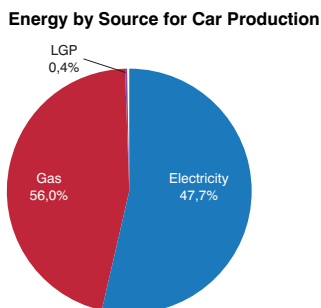
Despite the increase in energy consumption, we have managed to bring down overall emissions levels, with a fall in CO₂ in both absolute value and per produced car. Once again the result of higher efficiency, but also, significantly, by HUM purchasing certified CO₂ free electricity and the introduction of solar energy at both HUM (2nd phase) and Honda Turkey A.S. (HTR).

This year has seen an increase in absolute figures of water usage due to increased production volumes, yet consumption per unit produced remains stable, in fact slightly lower than last year. Finally, we celebrate a very significant achievement, our second consecutive year of zero waste to landfill across both HUM and HTR.

Energy Consumption

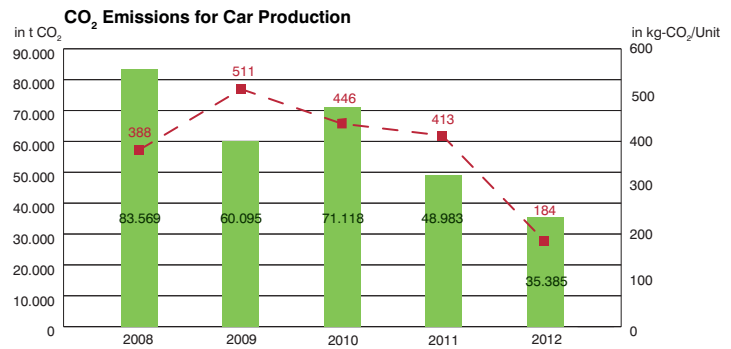


Energy by Source

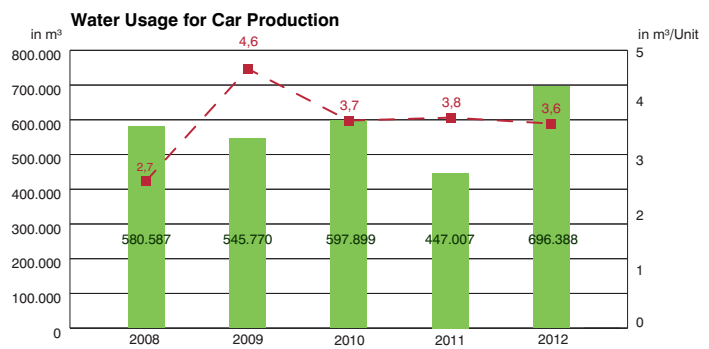


■ Total amount
■ per unit

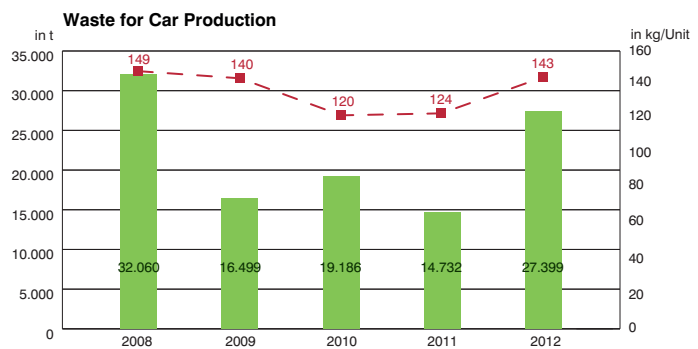
CO₂ Emissions



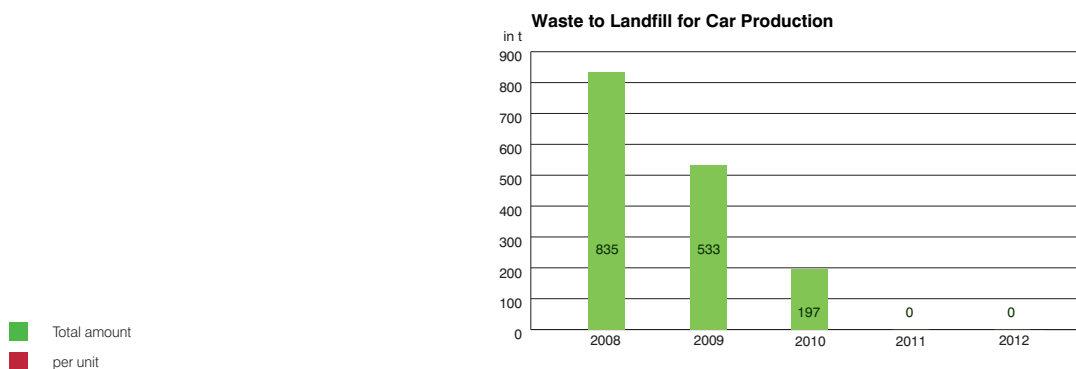
Water Usage



Waste



Waste to Landfill

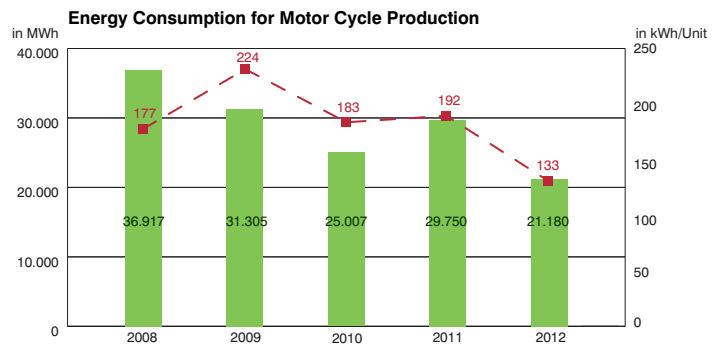


2 Motorcycles Production

Energy usage has fallen this year in both absolute and per unit terms, owing largely to the drop in production volumes at Montesa Honda (Spain) and Atessa (Italy) factories. Conversely, production volumes at Honda Manufacturing Nigeria (HMN) have increased in this period, a site which only uses electricity. This is reflected in the energy-split, with gas usage share falling compared to last year. As a result, emissions levels have fallen significantly – completely in-line with energy usage. Water consumption in motorcycle production has also reduced this year, largely due to the fall in production at Atessa, where a significant amount of painting takes place.

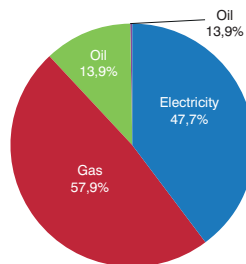
Inevitably increased overall production volumes have resulted in an in-line increase in total waste volume. Once again, however, we should celebrate the fact that motorcycle production, as with all European production, has achieved its' target of zero waste to landfill for the second year running.

Energy Consumption



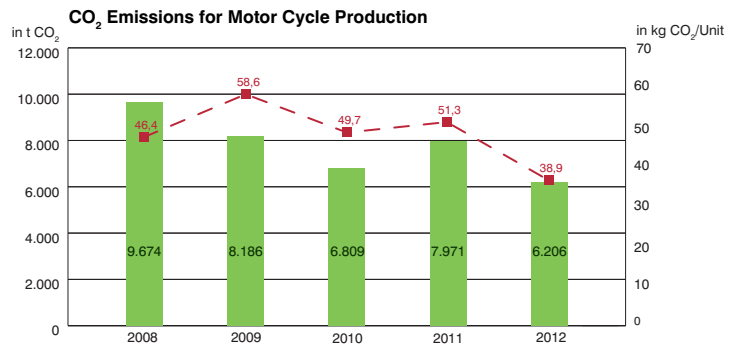
Energy by Source

Energy by Source for Motor Cycle Production

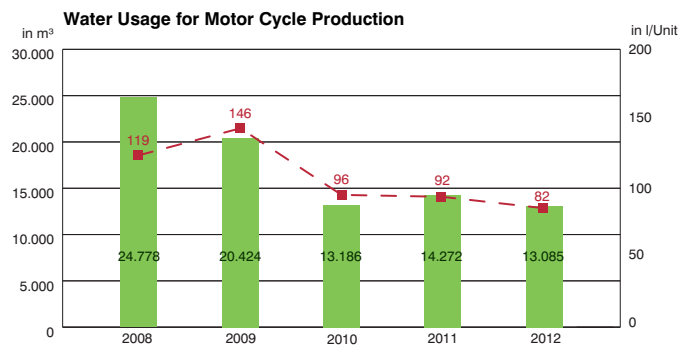


■ Total amount
■ per unit

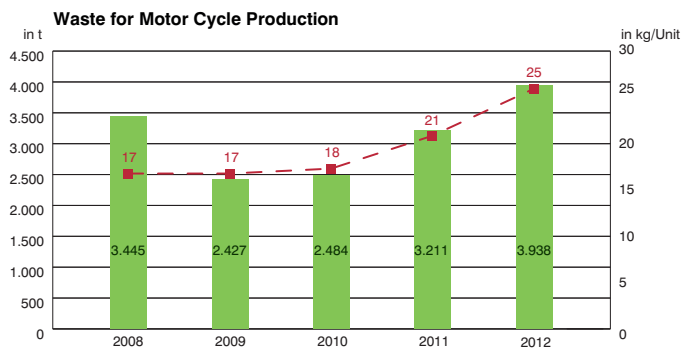
CO₂ Emissions



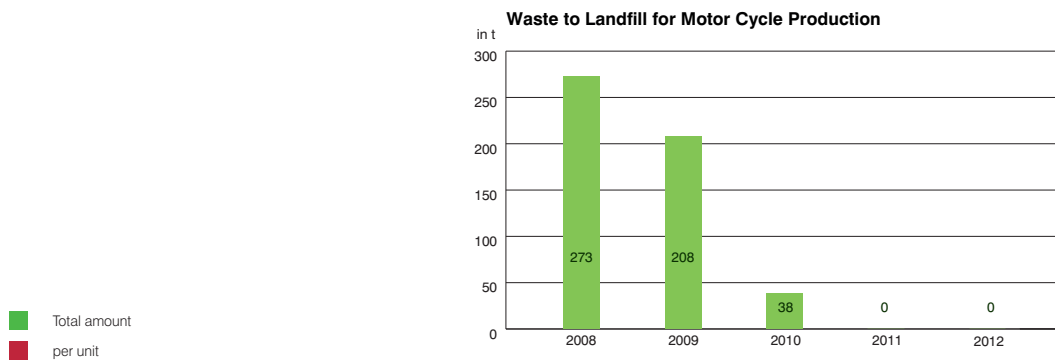
Water Usage



Waste



Waste to Landfill



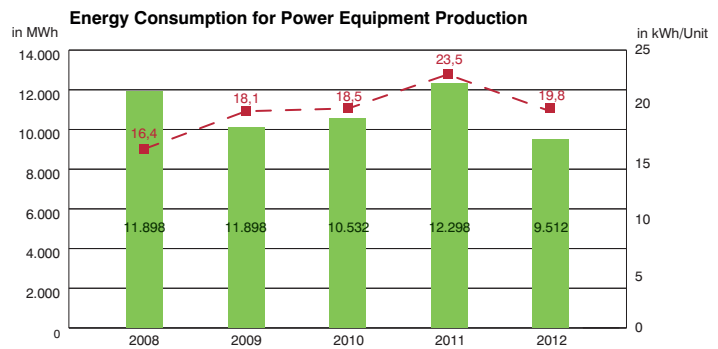
■ Total amount
■ per unit

3 Power Equipment Production

Energy usage has fallen by a remarkable 29.8% this year due to a number of operational initiatives to increase efficiency. Although production was reduced by 8% at the Atessa facility this year, with a resulting decrease in energy usage, this significant reduction of almost a third reflects a huge amount of effort. As a result, total emissions volume and volume per unit are down significantly. The year also saw a small shift towards electricity in the energy mix.

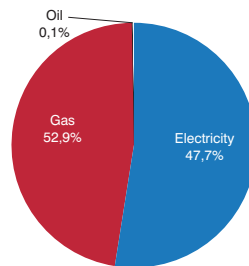
While total waste increased this year, we can once again be very proud of the fact that no waste was sent to landfill – for the third year in a row.

Energy Consumption



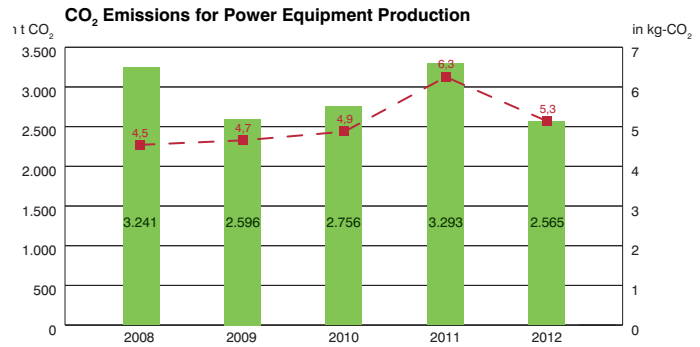
Energy by Source

Energy by Source for Power Production

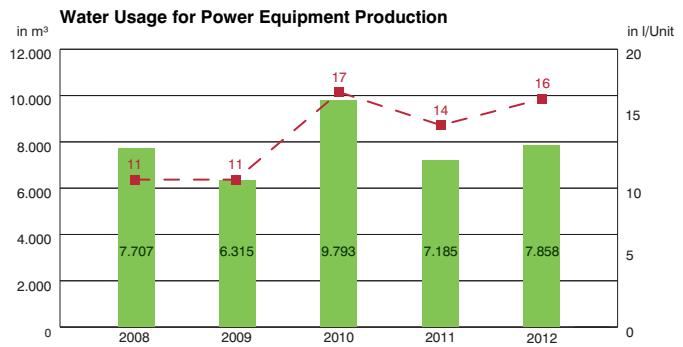


■ Total amount
■ per unit

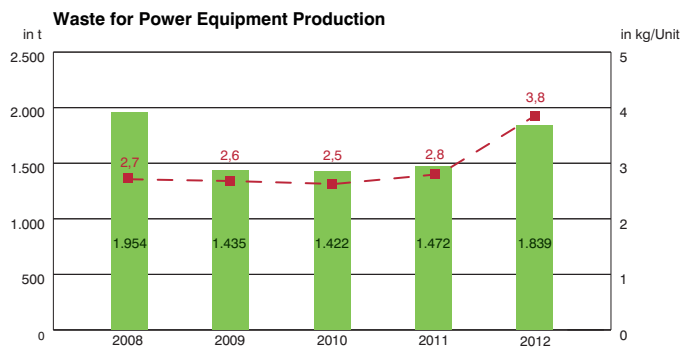
CO₂ Emissions



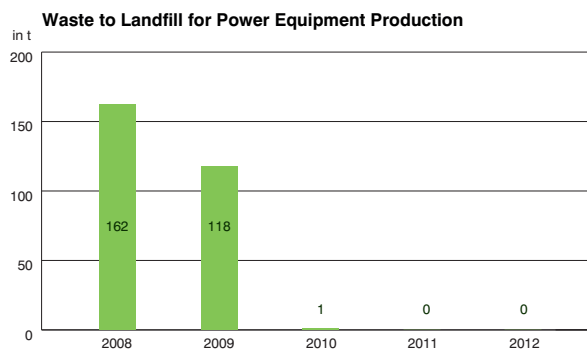
Waste



Waste



Waste to Landfill



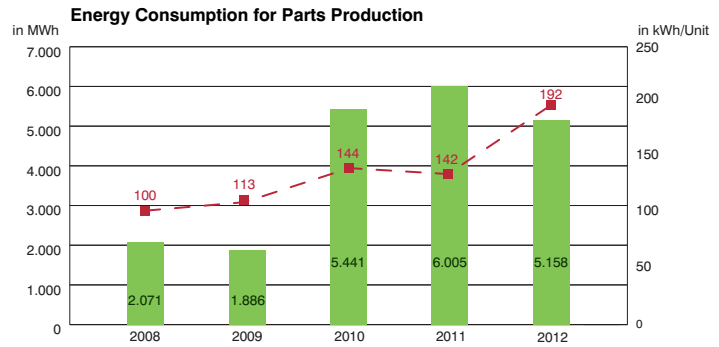
■ Total amount
■ per unit

4 Parts Production

Energy consumption in parts production fell this year due to a decrease in total volumes. However, the inevitable result in a fall in production volume is lower efficiency – reflected by the fact that energy use per unit has increased this year. Similarly, water consumption and waste volumes both dropped overall, but increased per unit.

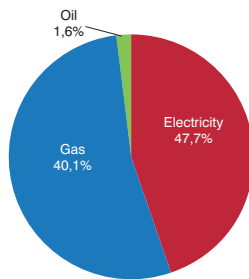
Once again parts production recorded a second consecutive year of zero waste to landfill.

Energy Consumption

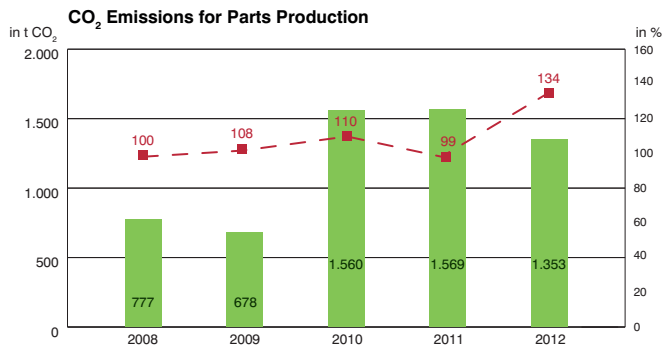


Energy by Source

Energy by Source for Parts Production

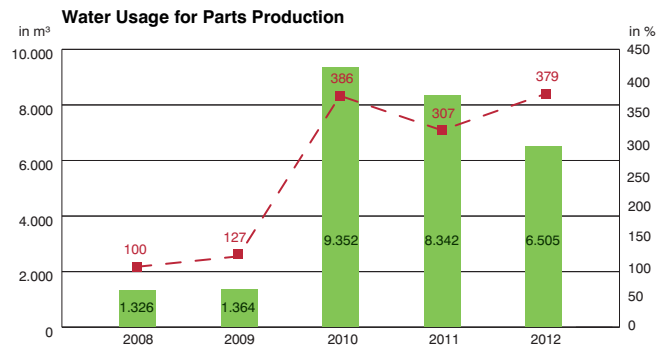


CO₂ Emissions

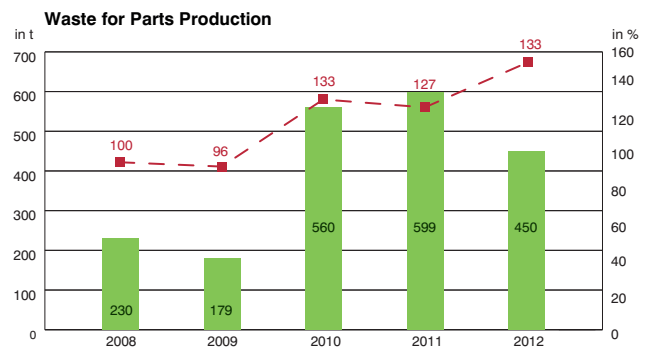


■ Total amount
■ per unit

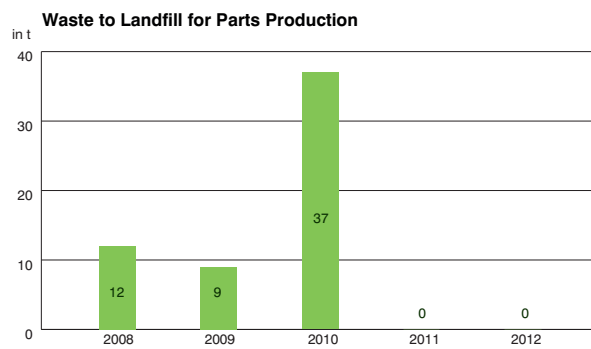
Water Usage



Waste

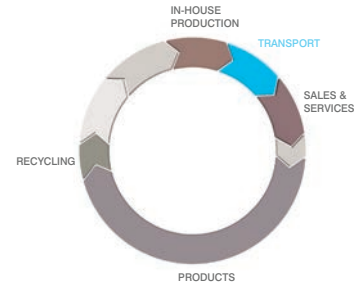


Waste



■ Total amount
■ per unit

TRANSPORT

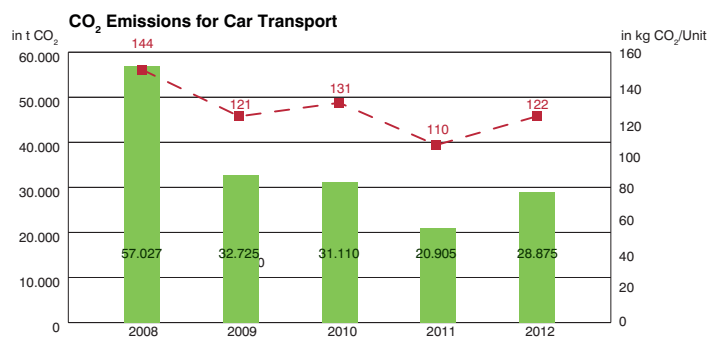


For transport the following data is included : logistics inbound (for products delivered from outside the region, this includes the transport from the arriving harbour to the reference site or for the products from inside the region, the transport from the non-Honda delivery site to the receiving Honda entity), logistics outbound (for product delivered inside the region the transport to the dealer and for products delivered outside the region the transport until the harbour at the receiving region) and the transport between the Honda sites. Specifically for outbound transport the data provided here covers the distribution to dealers in countries with a sales subsidiary. As the distribution is done by third parties, the distance travelled in-country to deliver a product to the dealer is estimated based on the number of required trucks and the surface of the country (or the considered area). Efforts are being done to optimise the truck load and to optimise the transport route to the dealer together with the transport company. The transporters are requested to use the most fuel-efficient trucks for Honda deliveries.

1 Car Transport

Emissions

Transport volumes have increased this year, resulting in a rise in both per unit and overall CO₂ emissions. Future planned improvements to the situation include the introduction of Euro 6 norm trucks, which emit less CO₂.

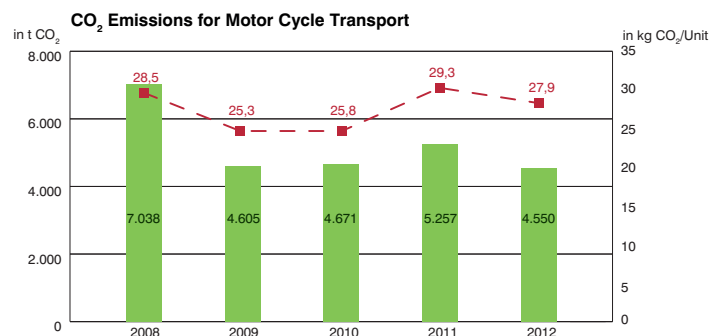


2 Motor Cycle Transport

For motorcycle transport the figures presented cover all transport as organised by Honda entities. The same limitations and similar estimation methods are being used as in car distribution.

Emissions

2011 saw reduced sales (outbound) leading to increased stock levels held (inbound), ultimately resulting in the instability of overall CO₂ volumes. This year overall emissions levels have stabilised as the ratio of inbound to outbound volume has become more aligned.



■ Total amount
■ per unit

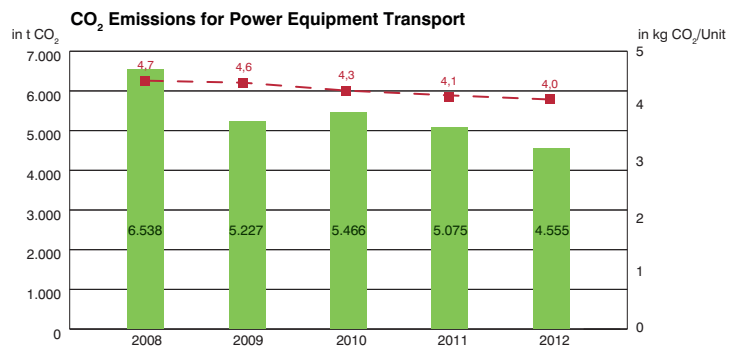


3 Power Equipment Transport

Only Honda-controlled transport is included in the data used. Contradictory to what is happening for cars and motorcycles, it often happens that full truckloads (especially with engines) are directly delivered to the producer who makes use of the Honda engine. This not only is easier to control but is also very efficient, especially from a service perspective.

Emissions

This year we are pleased to report a reduction in both absolute and relative emissions volumes. Much of this success can be attributed to improvements in our logistic routing and stock management. For the first time, we have also this year included data from the supply of our multi-purpose engines to other OEM's, in addition to our own marketed Power Equipment products. This is part of our continued efforts to improve the accuracy of our data management and reporting.



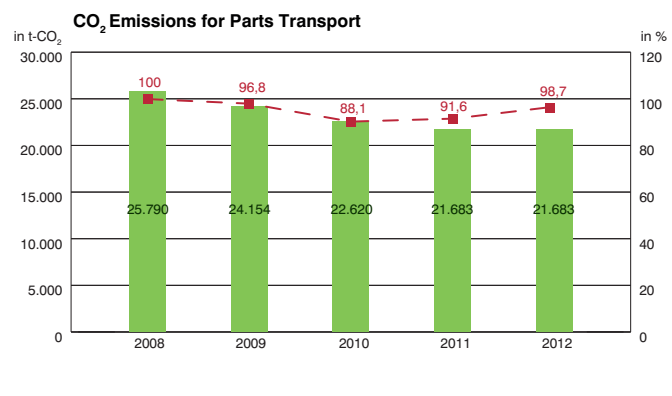
4 Parts Transport

For Parts Transport following data was included : Logistics Inbound (transport of parts from local supplier or port to Honda warehouses), Logistics Outbound (transport of parts from Honda warehouses to dealers) and transport between the warehouses.

The reference value in the parts business is turnover. However, as turnover is not a tangible data set, the related value in 2008 is set to 100 (%). This allows us to see the evolution of the performance made in CO₂ emission reduction efforts in a standardised manner.

Emissions

With overall production volumes falling this year, per unit emissions increased due to the resulting lower levels of production efficiency. Absolute emissions levels remain the same as in 2011.



■ Total amount
■ per unit

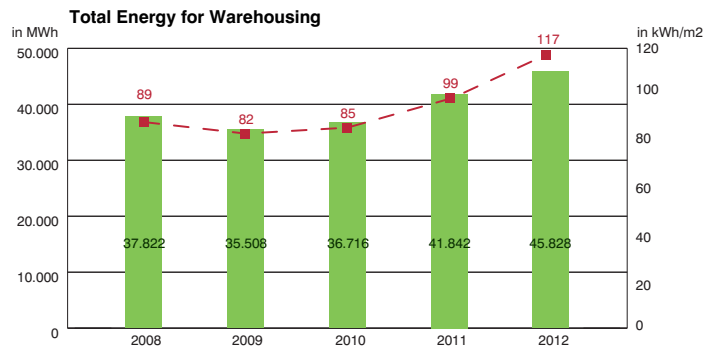
5 Warehousing

Honda has an extensive network of dealers in Europe. To provide continuous and fast delivery of our products and parts, several warehouses are run by Honda.

The data in the graphs provided include the in-house energy consumption of the warehouses. The major energy consumers in the warehouses are lighting, heating and cooling.

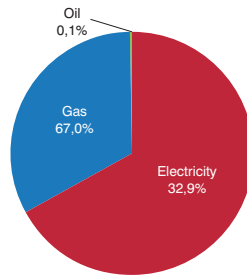
Energy

Total energy consumption in Warehousing increased this year, largely due to the long and harsh winter across many parts of Europe, which increased heating costs. Coupled with a reduction in storage space compared to 2011, and the fact that emissions are measured in CO₂/m², the result was an increase in overall emissions levels.

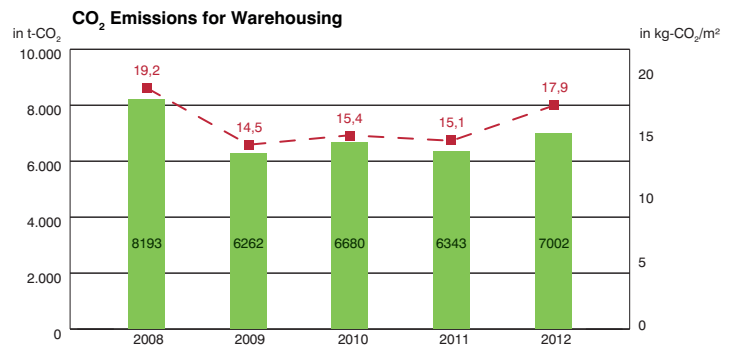


Energy by Source

Energy by Source for Warehousing

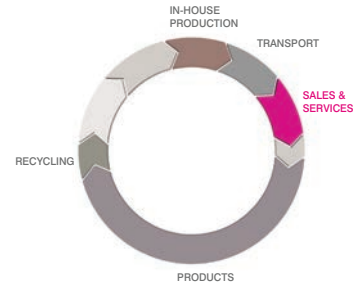


Emissions



■ Total amount
■ per unit

Sales & Services

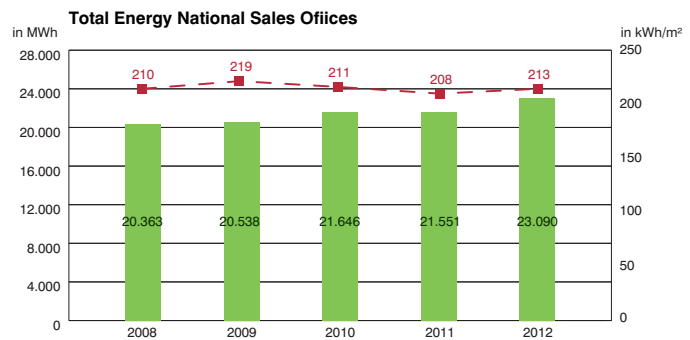


Honda continues to proactively promote environmental activities in the sales and service domain. Through these efforts, Honda can bring enhanced value to customers and communities, and earn their trust.

Sales subsidiaries

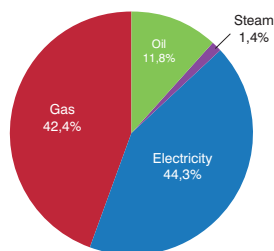
Total Energy

This year we have introduced a global collection system for environmental data, 'Slimoffice'. This has improved the accuracy and timeliness of data collected, further enhanced by a move from annual to bi-annual collection. Because of this change in reporting, figures vary slightly from those of 2011, but provide a more accurate analysis of the situation.



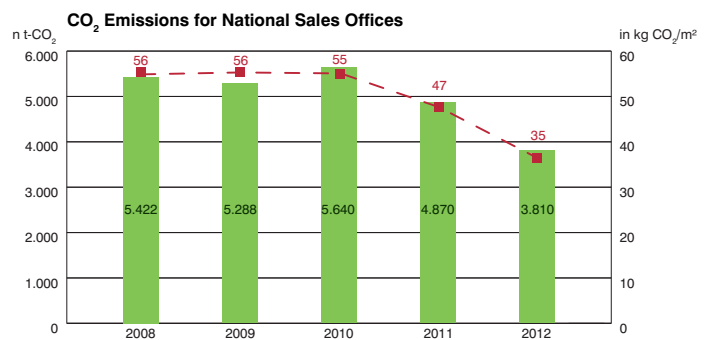
Energy

Energy by Source for National Sales Offices



Emissions

Energy consumption for National Sales Offices remained consistent this year, while, encouragingly, overall CO₂ emissions levels continued to fall.



■ Total amount
■ per unit



2 Dealers

In this report we only include consolidated Honda sites. Six dealers in Switzerland are historically owned by our Swiss sales subsidiary and they are thus the only basis for the reporting in this section.

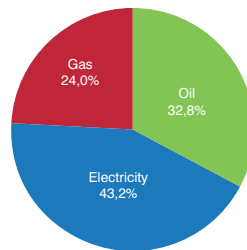
Total Energy

Total energy consumption across the dealer network remained fairly stable throughout the year. While the long winter meant an increase in heating used, the total surface area used was reduced. As a result of increased heating, and a continued shift away from oil to gas powered-heating, gas takes a much bigger proportion of the energy mix compared to previous years.

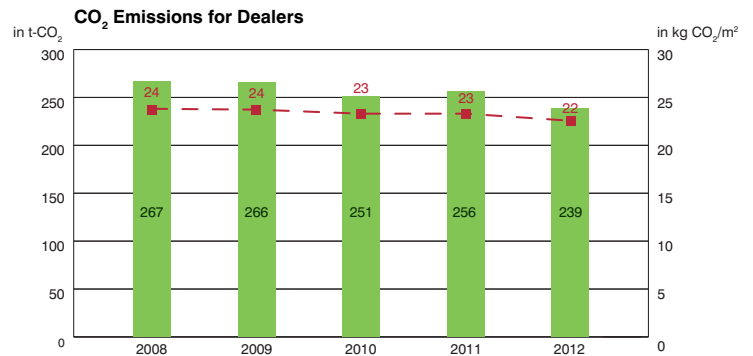


Energy

Energy by Source for Sales Dealers



Emissions

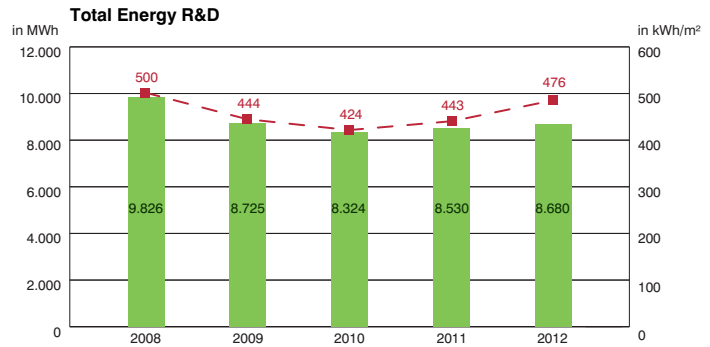


■ Total amount
■ per unit

3 Research and Development

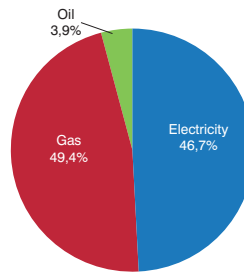
Total Energy

Total energy consumption within R&D remained fairly stable throughout the year. While the long winter meant an increase in heating used, the total surface area used and heated was reduced.



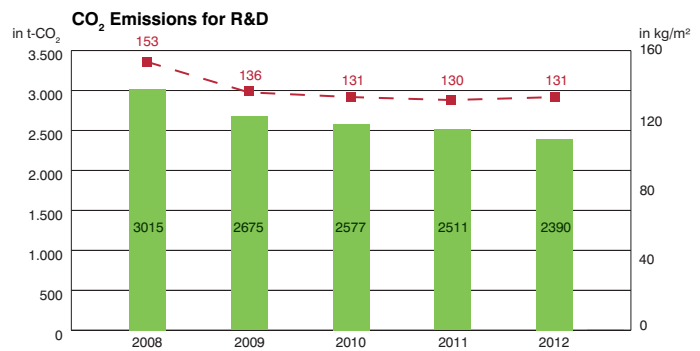
Energy

Energy by Source for R&D



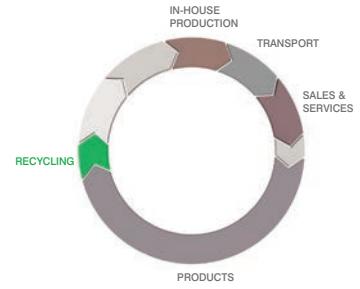
Emissions

Total emissions were further reduced by another 5%, due to the purchase of CO₂-free electricity by our R&D facility in Swindon. The increase in gas usage in the energy mix reflects the increased use of heating.



■ Total amount
■ per unit

Recycling

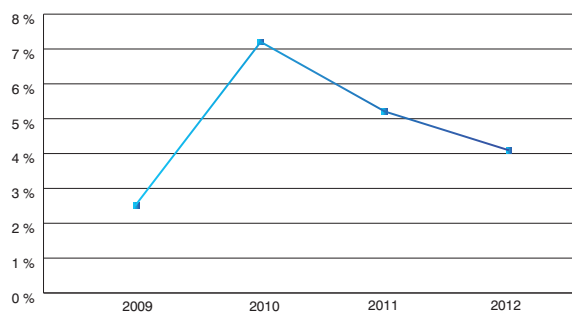


1 Bumper collection

% Replaced bumpers

Bumper collection remains an important part of Honda's efforts to minimise environmental impact. Over this reporting year, bumper collection in Germany has ceased because of a low share of dealer participation. Collection continues in the UK, as it is a source of recycled plastics which can be used by HUM. However, in the UK we are seeing a decreasing trend of share of replaced bumpers which have been requested for collection.

% Replaced bumpers to Recycling

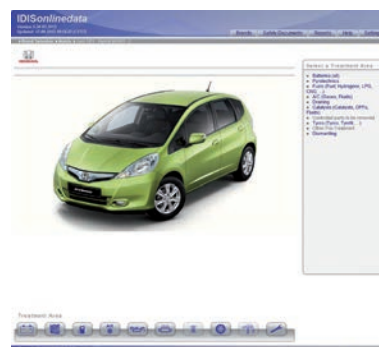
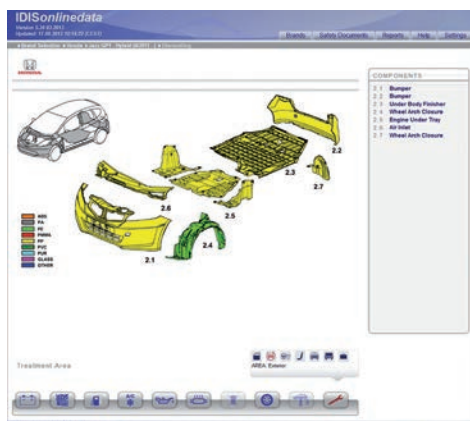


2 End-of-Life Vehicles

Honda continues to promote the recycling of cars at end-of-life, in cooperation with authorised treatment facilities (ATF).

Honda's approach across Europe is to work with national collection systems where possible, and with authorised dismantlers where legislation obliges it to. In these cases, all authorised treatment facilities are invited to join the Honda network under standardised contract conditions.

Dealers and consumers are asked to deliver their end-of-life vehicle (ELV) to the authorised treatment facility of the Honda network or of the national collection system. All ATFs are supported by information provided by Honda through IDIS (International Dismantling Information System). IDIS promotes the environmental depollution of ELVs for most, if not all, car manufacturers with an official network in Europe. It provides information on materials which could be removed for recycling prior to shredding the wreck and the separation of those materials from the (A)SR (Automotive Shredder Residue) by post-shredder technologies. Honda Motor Europe remains a very active member of the organisation responsible for providing this information.



Philanthropy

Case study

Honda Motor Nigeria (HMN) - providing vital water to the local community

Clean water is in scarce supply for the local community of HMN, particularly in the annual dry season when much of the water is not pure enough for domestic usage. There is no public water supply, so residents previously had to queue for a long time to get their water from a bore-hole. To help with the problem, HMN has installed a tap with metering equipment outside its external fence, providing chlorinised and filtered, and therefore purified, water directly from the factory. During FY2013 HMN provided 1,245 cubic metres of free clean water to the local community, meaning less queuing, and a continuous supply throughout the year, even during the dry season.



Case study

School of Dreams - taking Honda philosophy into UK classrooms

Since 2006, Honda (UK) has taken the 'School of Dreams' programme into 200 schools across the UK, directly engaging with more than 10,000 students aged 11-13 years. School of Dreams uses the key Honda philosophy of 'The Power of Dreams' as the basis for teaching skills and strategies which help children turn their dreams and ambitions into a reality.

Developed by Honda (UK) and a team of independent education experts, School of Dreams is part of the company's commitment to giving back to the local communities in which it operates. The programme has been designed to help students discover different, creative, and fun ways to think and learn. Crucially, it encourages participants of the importance of perseverance, based on the company founder, Soichiro Honda's belief that "success is 99% failure".

Held in schools as a two-day workshop, School of Dreams has also been designed to create an ongoing legacy for months or years to come. Students are encouraged to become 'Sharers' and 'Doers', by both taking what they have learnt and passing it on to others; and by organising projects and initiatives which change something in their local community for the better. The programme runs an award scheme which recognises this sharing and doing, as well as offering ongoing advice and support materials. It is estimated that to date more than 30,000 further students and teaching staff have benefitted from the cascade programme.



HONDA SITES

included in Report

Production

Name	City	Country
Honda of the UK Manufacturing Ltd (cars)	Swindon	UK
Honda Türkiye A.S. (cars)	Gebze	Turkey
Honda Italia Industriale S.P.A. (motorcycles and power equipment)	Atessa	Italy
C.I.A.P. S.P.A. (parts)	Bologna	Italy
Montesa Honda S.A. (motorcycles)*	San Perpetua de Mogoda (Barcelona)	Spain
Honda France Manufacturing S.A.S. (power equipment)	Ormes (Orléans)	France
Honda Mfg. (Nigeria) Ltd (motorcycles)	Lagos	Nigeria

* included in motorcycle production data until 2009.

Logistics – Distribution

Name	City	Country
Honda Europe NV	Gent	Belgium
Honda Belgium Factory N.V.	Aalst	Belgium
Honda Logistics Center Austria GmbH	Guntramsdorf	Austria
Honda Logistics Center Central Europe Sp.z.O.Z.	Pniewy	Poland
Honda Logistics Center Spain AS	Barcelona	Spain
Honda Logistics Centre Italy SPA	Collognola Al Colli	Italy
Honda Logistics Center Sweden AB.	Arlöv	Sweden
Honda Logistics Centre UK Ltd	South-Marston	UK
Honda Motor Company South Africa*	Midrand	South Africa
Honda Gulf Fze	Dubai	United Arab Emirates
Honda Motor Rus LLC*	Moscow	Russia
Honda Ukraine LLC*	Kyiv	Ukraine

* Data split from total site data



Barcelona, Spain



Malmö, Sweden



Pniewy, Poland



Swindon, UK



Verona, Italy



HONDA

Honda Europe NV



HONDA

HONDA

Honda Akademie

Sales subsidiaries (Administration)

Name	City	Country
Honda Motor Europe Ltd (European headquarters)	Slough (London)	United Kingdom
Honda Belgium – Sales Office	Zellik	Belgium
Honda Nederland BV	Schiphol-Rijk	The Netherlands
Honda Nordic AB	Malmö	Sweden
Honda Motor Europe Ltd – Norge	Drammen	Norway
Honda Motor Europe Ltd - Denmark	Kolding	Denmark
Honda Motor Europe Ltd – Finland	Helsinki	Finland
Honda Motor Europe - Estonia	Tallinn	Estonia
Honda Motor Rus LLC*	Moscow	Russia
Honda Ukraine LLC*	Kyiv	Ukraine
Honda Turkey AS	Kocaeli	Turkey
Honda Motor Co., Middle East Office	Jebel Ali South Free Zone	United Arab Emirates
Honda Motor Company South Africa*	Midrand	South Africa
Honda Portugal SA	Sintra	Portugal
Honda Automoviles España SA	Barcelona	Spain
Montesa Honda SA	Barcelona	Spain
Honda France SA	Marne la Vallée	France
Honda Italia Industriale - Atessa	Atessa - chieti	Italy
Honda Italia Industriale Spa - Roma Office	Roma	Italy
Honda Automobili Italia Spa	Verona	Italy
Honda (Suisse) SA	Vernier Geneve	Switzerland
Honda Automobile Suisse SA	Satigny-Geneve	Switzerland
Honda Deutschland GmbH	Offenbach	Germany
Honda Austria Gesellschaft Mbh	Wiener Neudorf	Austria
Honda Hungary	Budaörs	Hungary
Honda Slovakia	Bratislava	Slovakia
Honda Ceska republika, spol. s r.o.	Praha 5	Czech Republic
Honda Poland Ltd	Warszawa	Poland

* Data split from total site data

Research and Development

Ref.	City	Country
Honda Research Institute Europe GmbH	Offenbach am Main	Germany
Honda R&D Europe (Deutschland) GmbH	Offenbach am Main	Germany
Honda R&D Europe (U.K.) Ltd	South Marston (Swindon)	United Kingdom
Honda R&D Europe (Italia) S.r.l.	Roma	Italy

Dealers

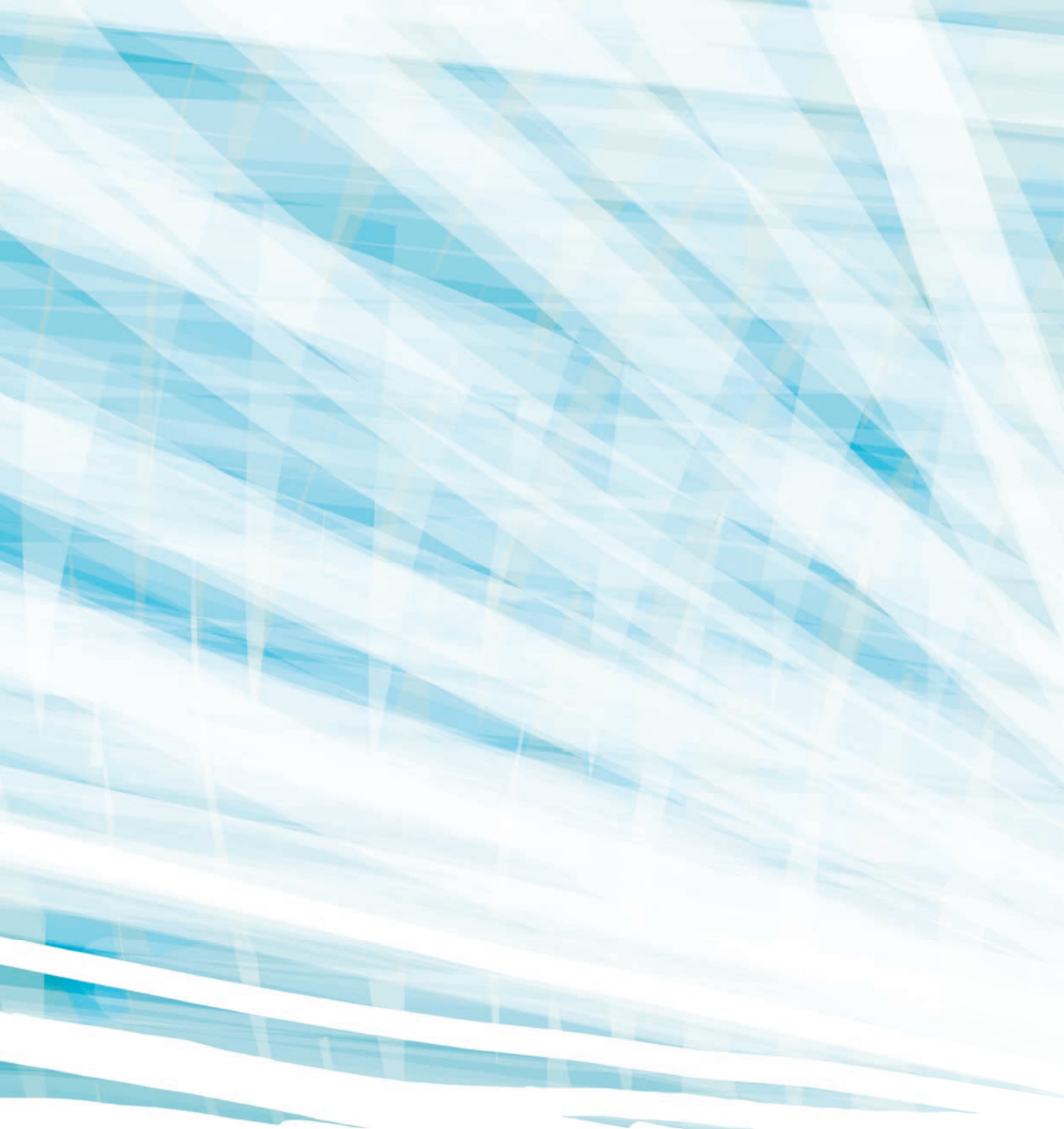
Name	City	Country
Garage du golf	Aigle	Switzerland
Garage city servette	Geneve	Switzerland
Garage de belleaux	Lausanne	Switzerland
Garage des jordils	Neuchatel	Switzerland
Garage de villars chandolan	Fribourg	Switzerland
Letzigraben garage	Zurich	Switzerland

GRI Reference List

Based on the G3 GRI Reporting recommendations, please find here the information where the GRI topic can be found in the report:

Ref.	GRI Description	Report page
1.1	CEO statement	6-11, 37
1.2	Key impacts, risks and opportunities	10, 16-17, 20
2.1	Name of the organization	5
2.2	Brands, products and services	5
2.3	Operational structure	28-29
2.4	Location of organization's headquarters	77
2.5	Countries of operation	5, 74-77
2.9	Significant changes during the reporting period	none to report
3.1	Reporting period	5
3.2	Date of most recent previous report	5
3.3	Report cycle	5
3.4	Contact	5
3.6	Boundary of report	5
3.7	Specific limitations on the scope or boundary of the report	5
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, etc...	5
3.9	Data measurement techniques	50
3.11	Significant changes from previous reporting periods	none to report
3.12	Table identifying the location of the standard disclosures in the report	5, 78
4.1	Governance structure	28
4.8	Internally developed statements of mission or values, codes of conduct and principles	14-15
4.9	Management of economic, environmental and social performance	28-29
4.17	Key topics and concerns	24-25
EN2	Recycled input materials	70
EN3	Direct Energy Consumption by primary source	54-69
EN6	Energy efficient products and services	18-19, 40-48
EN13	Habitats protected or restored	12-13, 52
EN16	Direct and indirect greenhouse gas emissions	54-69
EN18	Reduction in greenhouse gas emissions	54-69
EN22	Total amount of waste	55-61
EN26	Environmental impact of products and services	23, 41, 66-69
EN28	Incidents of non-compliance	none to report
EN29	Impacts of transport	62-65





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