

6-4 PERFORMANCE REPORT
Human Resources

3 times (2020) 9 times (2025)

Target number of women in management
 (compared with year 2014, Japan)



human
 resources

Basic Approach

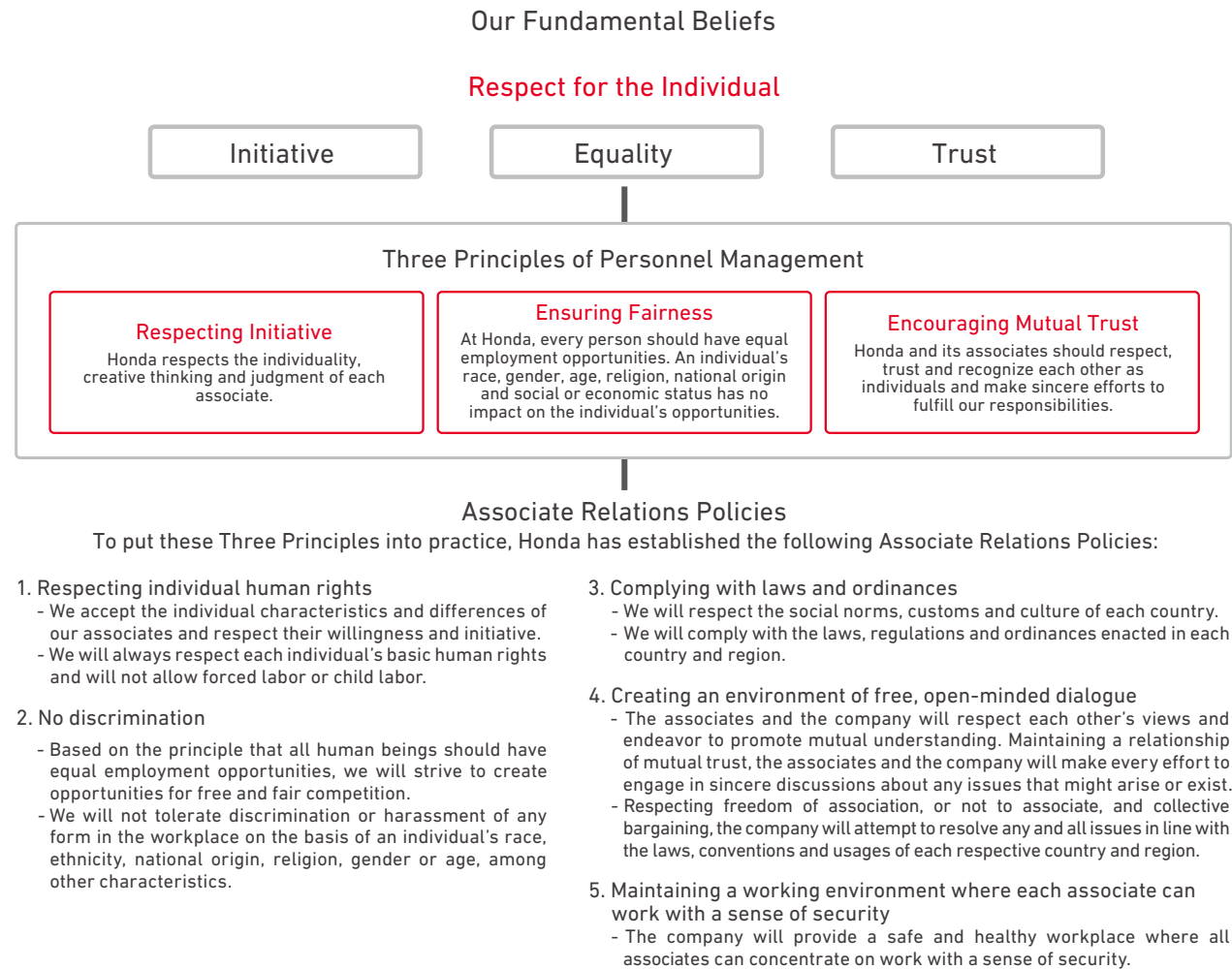
Basic Policy for Personnel Management

Honda believes that human beings are born as free and unique individuals with the capacity to think reason and create – and the ability to dream. Our wish is to nurture and promote these characteristics in our company by respecting individual differences and trusting each other as equal partners.

From this standpoint, Honda adopts Respect for the Individual, consisting of the three elements of initiative, equality and trust, as one of our Fundamental Beliefs. We believe this spirit should permeate all our relationships, not only with those in the Honda Group but with everyone in all companies with which we do business. We follow the Three Principles of Personnel Management, specifically Respecting Initiative, Ensuring Fairness and Encouraging Mutual Trust when managing our human resources in areas such as recruitment, training, assignment and utilization, evaluation and treatment. Honda seeks to create an environment in which each associate's ambitions and abilities can be developed, as well as a workplace where an individual's potential can be actively exercised.

As our business activities expand into various parts of the world, based on the Universal Declaration of Human Rights and other international standards, we established Associate Relations Policies in March 2012 that are applied to our daily corporate actions, putting the Three Principles of Personnel Management into practice.

Honda works to understand current conditions by conducting an assessment as to whether management operates in line with the Associate Relations Policies at each Group company and to respond appropriately in case any concerns are raised. In FY2016, there were no incidents identified.



Global Management

Human Resources Vision and Strategies

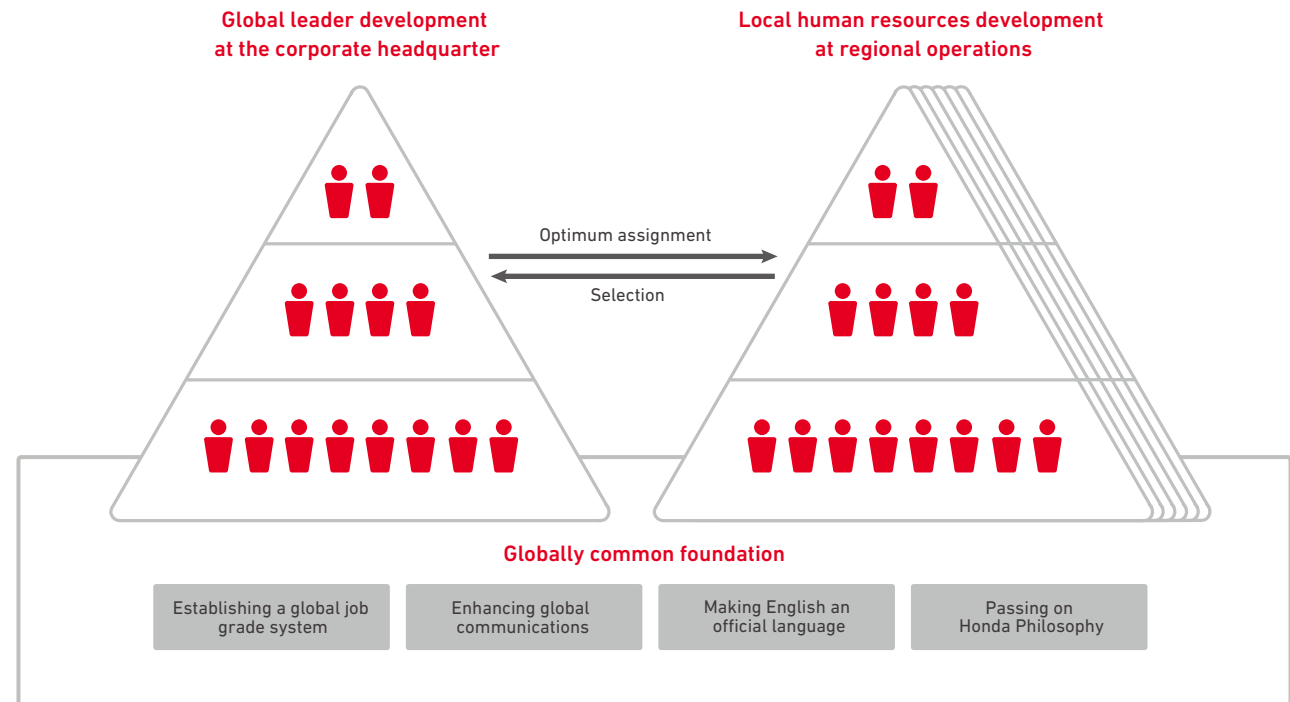
In accordance with our company principle that we are dedicated to, maintaining a global viewpoint, supplying products of the highest quality at a reasonable price for worldwide customer satisfaction, Honda has been proactively developing business with a view to entering the global markets since its foundation.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

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

To be more precise, regional operation bases used to be managed mainly by Japanese expatriates; however, this style of management is being replaced by an approach where management is run by local associates, who are most familiar with the region. By assigning associates with experience in working for local and global operations to global functions, we try to diversify and localize our workforce with multinational people in order to be able to address market changes promptly and flexibly.

Honda aims for the establishment of an organization in which we can demonstrate our total strength by coordinating our operations globally.

Global human resources management approaches



Global Management

Honda's Approaches

Honda takes two approaches to supporting self-reliant operations in six global regions and developing and assigning human resources to enhance Honda's total strength.

One approach is to develop and reinforce local human resources. Starting with the Honda Philosophy, Honda core values and competency, Honda aims to share values with Honda Group associates and vitalize communication by creating a communication environment and making English our official language for working with overseas business operations. We provide training programs tailored for each region based on its needs and conditions, while offering at the global level shared training programs to develop global leaders.

Furthermore, in order for these global human resources to be able to play active roles worldwide, Honda has adopted a Global Job Grade System (page 66) in which managerial positions varying from one operation base to another are defined by common grades across the group. We aim to realize ideal management-level assignments with the competent local personnel actively demonstrating their abilities in response to the needs of global operation bases.

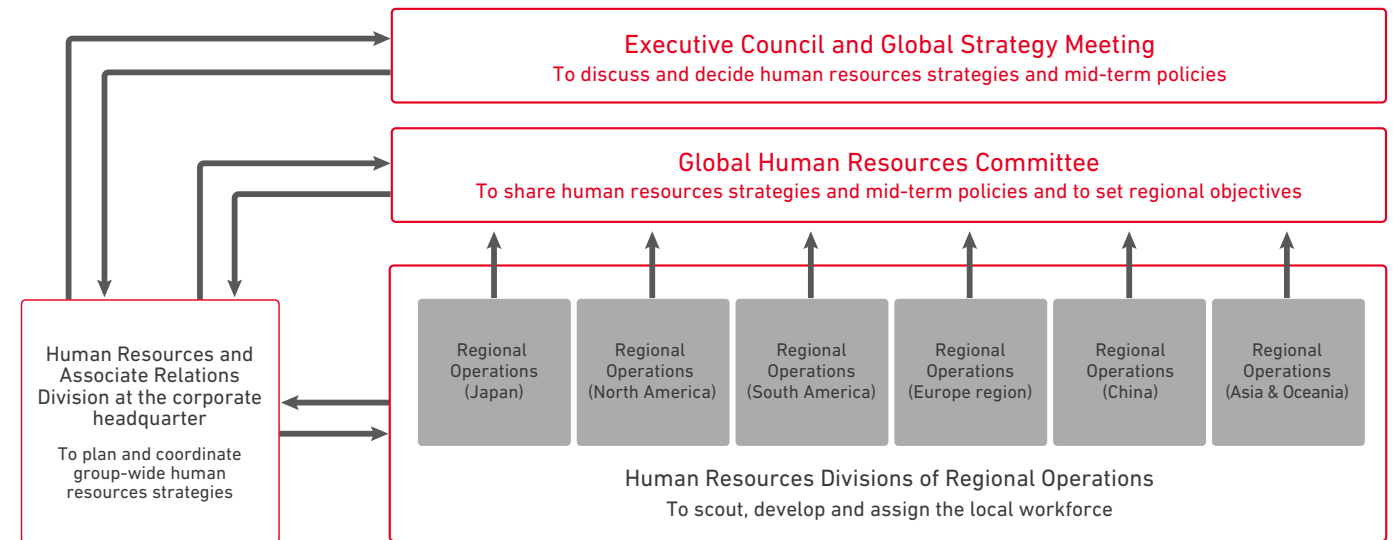
Human Resources Management Structure

At Honda, the Human Resources and Associate Relations Division at the corporate headquarters draws up global human resources strategies from the mid- to long-term perspective in coordination with operations in each region. Strategies proposed by the division are discussed annually by the management members in the Global Strategy Committee.

The directions for personnel strategies deliberated in this meeting are broken down by theme for further discussion in

the Global Human Resources Committee, in which associates responsible for human resources from six regions meet once a year. Once company-wide and regional plans and targets become concrete, activities are launched throughout the company.

Global HR* management



*Human Resources



Human Resources Initiatives

An Approach Based on On-the-Job Training

Honda's approach to personnel education is built around on-the-job training (OJT), specifically, building specialized skills and professional capabilities through direct experience. In order to facilitate effective OJT, Honda has established for every job description and area of expertise training programs with systemized contents and levels for the knowledge and skills required. These programs provide an opportunity to understand each associate's level of expertise and control capabilities, while serving as indicators to know if further development is needed. To supplement these OJT training programs, Honda also offers off-the-job training (Off-JT) designed to provide associates with an opportunity to enhance their careers by developing new specialized skills or management capabilities. These training programs are level-specific and include specialized training for each job description, entry level training, basic training based on the Honda Philosophy, management training provided for acquisition of new qualifications, quality training and other training.

Principal Off-JT programs

1. Self-improvement training (career development)
2. Work performance training (skill development)
3. Management leadership training (management training)

Training hours and cost per associate

	Annual training time (hour)	Annual training cost (yen)
Japan	22.9	53,500
North America	9.1	28,400
South America	11.2	14,700
Asia & Oceania	5.6	4,300
China	33.5	11,600

Note: Information on the Europe is to be confirmed

Global Leader Development

As part of efforts to develop global leaders, Honda provides training to associates chosen from operation bases all around the world, including Japan, who will undertake global management in the future.

The Honda Executive Advanced Development School (HEADS) program, a combination of the executive leadership training (Off-JT) and an activity to draw up plans to resolve management issues in a cross-functional team, was launched in 2012 in addition to the Leadership Development Training (LDT) program.

Establishing the Global Job Grade System

Besides providing training to develop global leaders who undertake global management functions, Honda introduced the Global Job Grade System in 2011 for assigning its associates to the most suitable positions.

In this system, individual positions existing in each operation base of Honda such as development, production and sales facilities are evaluated and weighed based on roles and responsibilities and defined by common grades to be used group-wide in order to facilitate the transfer of associates to posts and locations in which they can demonstrate their abilities better beyond the limits of regions and operations. Honda has adopted this system for the positions of department and division managers of the corporate headquarters and higher in order to proactively promote local associates. We will strive to assign the most appropriate human resources actively to operation bases in the world and utilize them in line with our growth strategies through the Global Talent Board and Regional Talent Board that manages key posts and key talent around the world.



Human Resources Initiatives

Passing on the Honda Philosophy

It is important for progress of management localization to share business judgment and codes of practice, that is to say, to globally share a set of values such as the Honda Philosophy, Honda core values and competency with local associates.

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

Promoting Use of English as an Official Language

In order for the Honda Group to exercise its total strength while operation bases in regions operate autonomously, it is essential to create an environment where its associates in the six regions can communicate closely.

In an effort to achieve this, Honda is working to make English an official language by 2020. With the adoption of this initiative, whenever interregional communication takes place, any information to be sent out will be sent in English. Documents to be used in meetings that involve regional operation bases along with any communication for information-sharing will also be in English.

As a part of this initiative, we strive to reinforce training programs to improve the level of English among associates in Japan. English proficiency will be required for associates to be promoted to managerial positions in the future.

T O P I C S

Launching a Human Resources Development Program for the Future of the U.S. Manufacturing Industry

According to a study conducted by Deloitte, U.S. accounting firm, and the Manufacturing Institute, a U.S. NPO, although the manufacturing industry in the U.S. will generate more than 3.4 million jobs within the next 10 years, 2 million of these jobs, or approximately 60%, will be unfilled due to a shortage of talent.

Taking these circumstances into consideration, Honda North America, Inc. announced in March 2015 that it will provide a new training program to develop the next-generation workforce to be involved with cutting-edge technologies in the manufacturing industry. The initiative intends to create interest in manufacturing by providing educational and training opportunities to junior high, high school and college students, as well as to offer continued learning opportunities to current production area associates at the Honda Group.

The program includes all sorts of educational projects tailored to each generation and takes place in Ohio where Honda's production base is located. For example, Honda created a video game themed on making things (*monozukuri*) and a moving lab for junior high school students to learn while having fun. For high school students, Honda not only partners with local high schools to develop the curriculum required for manufacturing jobs but also funds science and engineering curricula. Scholarships are provided by Honda to college students who pursue an associate degree in Manufacturing or Mechanical Engineering Technology, in addition to an opportunity to participate in the work-study pilot program which allows students to go to school while working at Honda.

These programs are also designed to be utilized by Honda suppliers for their human resources development.

Through these efforts, Honda strives to keep attracting people with willingness and skills and to contribute to the advancement of the manufacturing industry, the key to the U.S. economy, by carrying out the continued activity.



Statistics on Human Resources



Employment Situation

Consolidated number of associates

	FY2014	FY2015	FY2016
Japan	66,355	65,788	64,975
North America	44,608	48,024	50,624
South America	18,144	16,635	16,297
Europe	9,055	8,597	8,111
Asia & Oceania	47,067	50,649	52,364
China	13,332	15,037	16,028
Total	198,561	204,730	208,399

Number of associates by gender

		FY2014	FY2015	FY2016
Japan	Male	49,863	47,689	46,715
	Female	46,478	44,363	43,674
		3,385	3,326	3,041

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

Number of new permanent associates

		FY2014	FY2015	FY2016
Japan	Male	726	719	762
	Female	621	636	660
		105	83	102
		5,012	4,778	4,051
North America	Male	–	–	3,008
	Female	–	–	1,043
		1,259	814	767
South America	Male	1,102	649	679
	Female	157	165	88
		–	–	340
Europe	Male	–	–	258
	Female	–	–	82
		8,138	4,720	3,174
Asia & Oceania	Male	7,261	4,252	2,795
	Female	877	468	379
		2,955	2,190	1,721
China	Male	2,714	1,962	1,541
	Female	241	228	180

Attrition rate (%) (including compulsory retirees)

		FY2014	FY2015	FY2016
Japan	Male	1.8	1.8	1.9
	Female	1.7	1.8	1.9
		3.1	2.5	2.1
North America		6.4	6.0	7.8
South America		12.8	10.9	12.0
Europe		–	–	8.2
Asia & Oceania		5.8	6.6	4.0
China		4.2	2.4	4.4

Percentage of associates from local communities taking upper management positions

Percentage of associates from local communities in entire upper management positions	
North America	57
South America	39
Europe	48
Asia & Oceania	38

Note: Only data from regions outside Japan have been included since the headquarters is in Japan.

Number of associates by employment contract and type

		FY2014	FY2015	FY2016
Japan	By contract			
	Permanent	42,953	42,342	41,622
	Non-permanent	6,910	5,347	5,093
By type	Full-time	49,736	47,549	46,608
	Part-time	127	140	107

Statistics on Human Resources



Human Rights

Human rights training for associates

The Three Principles of Personnel Management, Honda Code of Conduct and their basis, the Honda Philosophy, mention Honda's policy concerning human rights. Honda provides training on the Honda Philosophy all around the world to new associates, with the aim of promoting awareness of the Honda Philosophy concept. All 762 associates newly hired in FY2016 in Japan have gone through this training (22.9 hours of training in total).

Promoting Diversity

Fundamental approach to diversified workforce

Based on our fundamental belief of Respect for the Individual, Honda pushes forward with our policy on diversity, considering the promotion of diversity as an activity to enhance our company's total strength, which is achieved by members of a diverse workforce fully exercising their abilities, while recognizing and respecting individual differences regardless of nationality, race, gender, age, educational background, with or without disabilities and other aspects.

By adding of the HondaJet and ASIMO humanoid robot to our principal businesses of motorcycles, automobiles and power products, Honda intends to have more encounters with new customers globally in the future by way of creating new products and technologies. We pursue the diversification of our workforce in line with the diversification of our business.

Action plan based on the Act of Promotion of Women's Participation and Advancement in the Workplace

Based on our aim of becoming a truly global company, we have positioned the diversification of human resources in support of this goal as an important management challenge. In Japan, we

perceive the expansion of women's roles as a key issue, and we are working on three pillars to promote this concept: "Build awareness and foster an appropriate work climate," "Support career building with a focus on the individual" and "Create an environment that enables career building among women."

Honda's Action Plan

1. Period of plan
April 1, 2016 to March 31, 2018
2. Issues at Honda
 - (1) Low percentage of women in management
 - (2) Although the rate of competition for employment is equal among men and women, there are fewer female associates
3. Targets
 - (1) At least triple the number of women holding management positions by 2020 and realize at least nine times the number by 2025 compared with FY2015
 - (2) Increase the ratio of new recruits who are women to at least 20% by 2020
4. Details of initiatives and period of implementation
 - <Initiative 1> Foster awareness of the need to embrace diversity
 - Continuously disseminate information from top management regarding initiatives aimed at expanding participation of women (January 2015~)
 - Conduct rank-based training concerning expansion of participation of women in management positions (September 2015~)
 - <Initiative 2> Nurture female associates and accelerate their utilization
 - Formulate a career (development) plan (April 2015~)
 - Conduct interviews regarding career path through career advisors (October 2015~)
 - Conduct training on career/leader development for female associates (October 2016~)
 - Implement program supporting career reinstatement following maternity leave (July 2016~)
 - <Initiative 3> Create an environment enabling women to build a career
 - Introduce a system of working at home for people engaged in childcare and nursing care (October 2016~)
 - Extend the period of short working hours until the fourth year at elementary school (October 2015~)
 - Establish company nurseries (April 2017~)
 - <Initiative 4> Strengthen the employment of women
 - Conduct focused publicity for female science and engineering students (March 2015~)
 - Participate in events promoting selection in science and engineering for high school students (March 2015~)
 - Increase the number of points of contact with female associates and hold tours of business sites (March 2016~)

Expanding participation of women

Honda has been pursuing awareness-raising activities through such means as company magazines, lectures and training sessions since 2008 based on the decision to focus on expanding opportunities for participation by women in Japan. As a result, the proportion of female associates in the workforce has increased from 5.0% to 7.0% within the past 10 years.

However, women in management positions account for as little as 0.7%, highlighting the need for additional support for career development of female associates. As a part of this effort, in January 2015 Honda established the Diversity Promotion Office, an organization specialized in diversifying our workforce, where full-time career advisors help female associates and their supervisors to develop their careers.

As a management indicator for career development of female associates, Honda has also set targets to at least triple the number of women holding management positions in FY2015 by 2020, as well as realize at least nine times the number in FY2015 by 2025. By linking the Diversity Promotion Office with each domain to implement initiatives in the future to further support the career development of each associate and to improve childcare support programs to gear up career development, Honda aims to achieve the targets.

In addition, we welcome the provisions of the Women's Empowerment Principles (WEPs).

Percentage of women in the Honda workplace: FY2016

	Ratio of women in the entire workforce	Ratio of women in management positions
Japan	7.0	0.7
North America	22.7	16.2
South America	11.5	8.6
Europe	17.8	10.6
Asia & Oceania	12.6	10.5
China	10.6	10.8

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

	Base salary (Female : Male)	Total compensation (Female : Male)
Management positions	1:1.06	1:1.08
General associates	1:1.23	1:1.38

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

Statistics on Human Resources



Global employment

As a part of efforts to diversify our human resources, Honda has started a Global Employment Program where some of the new graduates who join our company are hired directly from overseas labor markets. We especially put emphasis on hiring from labor markets in emerging countries where Honda plans to further develop business.

We strive to raise the total strength of our global workforce by developing these associates to be a core of our human resources who will drive Honda's global business in the future.

Number of global hires

	FY2015	FY2016	FY2017 (Forecast)
Number of people hired	15	18	15

Employment of people with disabilities

Honda actively provides jobs to people with disabilities at its facilities in compliance with laws in each country where we do business. We strive to create an environment that allows associates with and without disabilities to work alongside one another in addition to making adaptations to ensure that workplaces and opportunities are fully accessible.

We also offer employment at our affiliates in Japan, specifically Honda Sun Co., Ltd., Honda R&D Sun Co., Ltd. and Kibounosato Honda Co., Ltd. Employment of individuals with disabilities at Honda Group companies in Japan in FY2016 stands at 2.30%, or 1,094 individuals, which is well above the legally mandated level of 2.0%.

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

	FY2012	FY2013	FY2014	FY2015	FY2016
Number of associates*	1,052	1,066	1,084	1,089	1,094
Percentage of employment*	2.27	2.31	2.27	2.28	2.30

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

Rehiring retirees

In Japan's super aging society in which people aged 65 years or older account for about 25% of its population, we face challenges including the stable employment of senior citizens and how to pass on their skills and experience.

Honda introduced a system in April 2003 to create opportunities for those associates who reach the retirement age of 60. Our proactive approach preceded the 2004 amendments of the Act on Stabilization of Employment of Elderly Persons. Honda instituted changes of the system in April 2010, in principle, to offer all interested associates re-employment until the age of 65 in operations that utilize each individual's specialized knowledge.

As a result, currently about 65.7% of all associates retired at the mandatory age of 60 are re-employed, drawing on their extensive experience and specialized knowledge to contribute actively in a variety of workplaces throughout the company.

Number of re-employed retirees in Japan

	FY2012	FY2013	FY2014	FY2015	FY2016
Number of re-employed retirees	452	434	567	622	711

Building Healthy Working Environments

Helping associates balance the demands of work, parenting and nursing care

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

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

As a result of these initiatives, Honda has been certified as a company that supports child-raising by the Japanese Minister of Health, Labour and Welfare.

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

	FY2012	FY2013	FY2014	FY2015	FY2016
Short working hours to facilitate child care	108	171	153	172	182
Child care leave	297	314	305	392	397
Short working hours to facilitate nursing care	0	0	1	3	3
Nursing care leave	7	11	15	9	11

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

	FY2012	FY2013	FY2014	FY2015	FY2016
Reinstatement rate	99.7	99.7	99.7	99.2	98.3

Optimizing work hours

While cases of workers working long hours and taking few paid days off are raised as social issues in Japan, Honda has always been an industry leader in introducing shorter workweeks. The company instituted a five-day workweek on alternating weeks in 1970, followed by a true five-day workweek in 1972. Other initiatives enjoyed by associates for more than 40 years include the banning of overtime on Wednesdays and Fridays and the introduction of a policy encouraging all associates – both labor and management – to use their allotted vacation time in full.*

Furthermore, to encourage our associates to take regular annual paid vacations and use their vacation time effectively to refresh themselves and increase motivation, Honda has recently introduced a system whereby associates are accorded blocks of three to five consecutive paid holidays depending on their years of continuous service.

As a result, total working hours averaged 1,964 per associate in FY2016, and associates averaged 18.4 paid vacation days, putting Honda at the top level of the automobile industry in terms of reducing actual working hours.

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

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

	FY2012	FY2013	FY2014	FY2015	FY2016
Total working hours per associate	1,840	1,950	1,900	1,890	1,964
Average vacation days taken	19.9	18.7	19.2	19.4	18.4

Statistics on Human Resources

Counseling hotlines for associates

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

Examples of counseling hotlines in Japan

Hotlines	Description
Counseling hotlines dedicated to balancing work, parenting and family life responsibilities	Honda created a counseling hotline at each worksite's general affairs department to accommodate counseling requests from associates striving to balance work and family responsibilities, and to promote awareness and utilization of the company's support programs. Each hotline is staffed by a pair of male and female counselors, who field counseling requests from associates themselves and from their supervisors.
Sexual harassment counseling hotline	Honda operates a sexual harassment counseling hotline for all associates in order to prevent sexual harassment and to facilitate the rapid and appropriate resolution of incidents.
Life planning seminar hotline	Honda offers life planning seminars to give associates an opportunity to start thinking about life purpose, health and economic planning so that they will be able to lead a rich and fulfilling life after age 60. Seminars are also open to associates' spouses. In-house seminar instructors and a secretariat offer one-on-one counseling for associates who have participated in the seminar.

Evaluation and Treatment

Personnel evaluation system

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

For example, in Japan, Honda places emphasis on two-way communication with supervisors in associate development and evaluation, and all associates have at least three interviews with their supervisors each year. During the first interview in April, associates come out with a clear vision for the future and their direction going forward through their supervisor's advice. They then work out their individual role based on the organization's business goals for the fiscal year in question. During interviews in June and December, supervisors evaluate associate performance during the preceding six months and share an assessment of each associate's strengths and weaknesses. By facilitating a discussion of subjects such as future objectives and career directions, the interviews pave the way for associates' skill development.

Percentage of associates going through the evaluation programs

Percentage of associates to be targeted for the evaluation programs	
North America	98.4
South America	100.0
Europe	100.0
Asia & Oceania	99.9
China	99.7

Compensation and incentives

Based on the Three Principles of Personnel Management, Honda gives its associates equal opportunities to make the most of their individual potential and recognizes and respects their abilities and accomplishments equally at worksites regardless of personal factors. Our compensation and evaluation system is built in line with this basic approach in consideration of the needs and conditions of each region.

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

Percentage of performance-based remuneration in Japan

Level	Director, Operating Officer positions
Management positions	28.0*
Proportion of performance-based remuneration in the entire compensation	37.3

*A certain level of stock options is included in remuneration for director and operating officer positions

Establishing a Good Relationship with Associates

Creating an environment of free and open dialogue

In accordance with Encouraging Mutual Trust based on the Three

Principles of Personnel Management, Honda declares in the Associate Relations Policies that associates and the company will respect each other's views and endeavor to promote mutual understanding. Maintaining a relationship of mutual trust, associates and the company will make every effort to engage in sincere discussions about any issues that might arise or exist.

In line with the policies, Honda strives to maintain a good relationship and resolve issues that arise through dialogues with our associates. In addition, an appropriate notification period is set in advance in case of the implementation of important corporate measures that have a marked impact on associates.

Associate survey

Honda conducts an associate survey in all regions to solicit worker feedback for building a healthier work environment.

Taking place once every three years in Japan to coincide with the company's mid-term plan, the surveys include a variety of questions designed to gauge associate views on organizational culture, the company's personnel system and management. Survey results are fed back to associates through in-house publications and are also incorporated into HR-related initiatives, such as management training and changes to the personnel system.

Results of associate surveys in Japan (Level of satisfaction: Working at Honda) (%)

	FY2011	FY2014
All	80.8	80.0
Male	81.0	80.2
Female	79.5	77.9
Percentage of respondents for all employees	95.1	94.3

Statistics on Human Resources

Initiatives for Occupational Health and Safety Management

Occupational health and safety

As a company that holds “Respect for the Individual” as one of our Fundamental Beliefs, “no safety no production” has been a slogan shared throughout the Honda Group since its founding. Based on this value, Honda Group companies in all parts of the world have established basic policies for occupational health and safety, now strongly ingrained in each region, and promote activities aimed at preventing industrial accidents and any recurrence thereof.

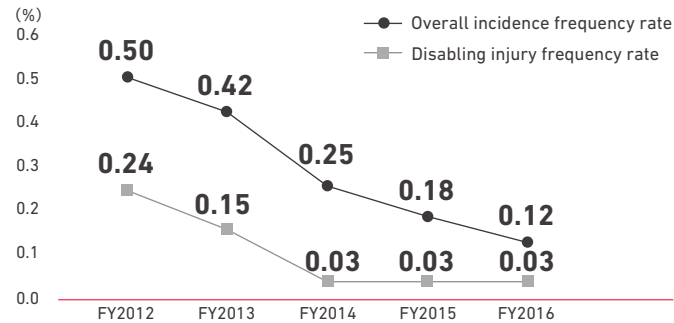
With our global mid-term workplace safety policy of nurturing a safety-first culture and building organizational infrastructure that instills safety assurance as part of our corporate foundations, Honda is pursuing the following key measures.

1. Development, purchasing, production, sales, management, etc., instigating area-specific initiatives aimed at totally eliminating industrial accidents
2. Building up safety support systems for global operations
3. Standardizing fire prevention management systems
4. Totally eliminating traffic accidents by strengthening safe driving management and implementing awareness-raising activities (Japan)

In FY2016, we undertook initiatives to share information on our policy for occupational health and safety worldwide, firmly entrenched high-level activities to prevent workplace accidents globally and established the foundation for the stable implementation of our three-pronged approach*. In FY2017, we will promote the reinforcement of a framework to create a safety support system and reduce risk of serious accident worldwide.

*Three-pronged approach: Consists of safety management structure with disciplinary, rule-making and administrative roles.

Incidence of industrial accidents in Japan



Global administration for safety

Head offices in each region are taking the lead in implementing global controls for safety.

For production activities, in particular, local offices are leading activities strongly focusing on implementation of an occupational health and safety management system, diffusion and execution of risk assessment and the establishment of explosion and fire prevention measures. We conduct occupational health and safety audits and reviews as needed to share recognition of health and safety management, while striving to improve the management system, as well as develop human resources for safety control in each country and region.

Further supporting associates' good health from the perspective of health management

The Honda Group hopes that all of its associates around the world remain healthy in the same way we strive for safety on a global basis. We believe in continuously seeking to maintain and improve the health of our associates.

In addition to complying with laws and regulations, we examine and promote ideas for activities aimed at enabling the joy of being healthy into the future.

Health management efforts in Japan

Medical checkups	Beginning with new hire medical checkups, regular health checkups and specific examinations necessary for certain lines of work, and including checkups for business trips abroad or long-term assignments overseas, Honda has implemented a program of as-needed medical examinations for associates. Targeted checkups are offered to associates aged 35 or older instead of the statutory age of 40 or older with the aim of early detection and early response to illness.
Health guidance	In light of results of checkups, we provide health guidance, nutrition guidance and exercise instruction to improve lifestyle habits in order to prevent adult-onset diseases and severe illness.
Activities to maintain and promote health	Honda carries out activities for associates to get and stay healthy through initiatives including health-promoting events such as a walking event or measuring physical fitness to spur associates to develop good exercise habits. We have also introduced a selection-based welfare program so that associates can voluntarily seek to promote their own health.
Preventing danger from second-hand smoke	Honda is working to ensure that our workplaces are free from the danger of second-hand smoke inhalation. Our activities, which are tailored to the needs and conditions of our operation facilities, include prohibiting smoking inside buildings, setting non-smoking hours, holding events to coincide with World No Tobacco Day and allocating a given day each month as a no-smoking challenge day. We also carry out educational activities for smokers and extend support to associates who smoke but wish to quit.
Mental health care	Honda is working to promote our associates' mental well-being. To this end, we have put together mental health promotion teams in each of our facilities. Our mental health initiatives are underpinned by the key policies as follows: “preventative education,” “improving working environments,” “checking stress levels,” “enhancing counseling programs” and support for those returning to the workplace after taking time off. We also distribute leaflets and pamphlets to associates aimed at facilitating an understanding of mental health care.