

Company Name Honda Motor Company
Industry Automobiles
Overall Score (*) 14.2 out of 100

Theme Score	Out of	For Theme
1.4	10	A. Governance and Policies
2.0	25	B. Embedding Respect and Human Rights Due Diligence
1.3	15	C. Remedies and Grievance Mechanisms
2.0	20	D. Performance: Company Human Rights Practices
4.4	20	E. Performance: Responses to Serious Allegations
3.1	10	F. Transparency

(*) While other sectors are being measured against a reduced set of CHRB Core UNGP Indicators this year the Automotive Manufacturing sector is being measured against the full CHRB Methodology as it is the first year that the sector has been analysed.

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: General HRs commitment: The Company states in the sustainability report: 'Honda upholds the idea of "Respect for the Individual" in the Honda Philosophy and includes "Respect of Human Rights" in the Honda Code of Conduct to show its policy to "maintain its stance as a company committed to practicing fairness and sincerity and respect human rights". The report is prefaced and signed by the Chairman & CEO. [Honda Sustainability Report 2020, 07/2020: global.honda & Code of Conduct, N/A: global.honda] Score 2 <ul style="list-style-type: none"> Not met: UNGPs Not met: OECD
A.1.2	Commitment to respect the human rights of workers	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: ILO Core: The Company states that it 'put the Three Principles of Personnel Management into practice while taking into account the ILO Declaration on Fundamental Principles and Rights at Work'. However, no statement of commitment found to respect/follow ILO Declaration. [Honda Sustainability Report 2020, 07/2020: global.honda] Score 2 <ul style="list-style-type: none"> Not met: UNGC principles 3-6

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Explicitly list ALL four ILO for MO suppliers: The Company established Supplier Sustainability Guidelines and expects its suppliers to uphold the guidelines and cascade them down their supply chain. In the Guideline, the Company states that it does not permit child labour, complies with the laws regarding the working hours, and encourages associates shall have the right to associate freely labour unions. However, however, no further evidence found, including requirements to commit to non-discrimination, forced labour and collective bargaining. [Supplier Sustainability Guidelines, 31/08/2018: global.honda] Score 2 • Not met: Explicit commitment to All four ILO Core: The Company states that it 'will not allow forced labor or child labor' and that it 'will not tolerate discrimination or harassment of any form', and it adds: 'Respecting freedom of association, or not to associate, and collective bargaining, the Company will attempt to resolve any and all issues in line with the laws, conventions and usages of each respective country and region'. However, it is not clear whether the Company respects freedom of association and collective bargaining when these are restricted under local law (through alternative or parallel mechanisms), as it indicates will respect these rights 'in line' with 'laws' and 'conventions and usages'. [Honda Sustainability Report 2020, 07/2020: global.honda] • Met: Respect H&S of workers: The Company states that it 'will provide a safe and healthy workplace to maintain a pleasant and safe work environment. We will comply with laws, regulations and company policies related to safety and health, strive to maintain a safe and healthy workplace, as well as prevent and minimize accidents.' [Code of Conduct, N/A: global.honda] • Met: H&S applies to MO suppliers: In the Supplier Sustainability Guidelines, the Company states that 'we shall ensure a safe and healthy working environment for all associates. His is a priority and we work to prevent any accident or injury.' [Supplier Sustainability Guidelines, 31/08/2018: global.honda] • Not met: Working hours for workers • Not met: Working hours for MO suppliers: In the Supplier Sustainability Guidelines, the Company states that 'we comply with the laws of each country and region regarding the setting of employees' working hours (including overtime) and the granting of scheduled days off and paid annual vacation time'. However, no evidence found regarding either requirement to respect international standards or, in addition to existing requirements, require regular working week standard of maximum of 48 hours. [Supplier Sustainability Guidelines, 31/08/2018: global.honda]
A.1.3.MO.a	Commitment to responsible sourcing of minerals	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Responsible mineral sourcing in conflict areas: The Company states that 'Honda's policy is to aim to be free from conflict minerals which contribute to the funding of armed groups or human rights infringement'. [Honda Sustainability Report 2020, 07/2020: global.honda & Supplier Sustainability Guidelines, 31/08/2018: global.honda] • Met: Based on OECD Guidance: The Company states: 'Our conflict minerals due diligence measures have been designed to conform, in all material respects, with the Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas'. [Conflict minerals report 2019, 26/05/2020: global.honda] • Not met: Requires responsible mineral sourcing from suppliers: The Company states that 'to help resolve the global problem of conflict minerals, it is actively engaged with domestic and international industry organisations and its suppliers'. In the Supplier Sustainability Guidelines, it is said that 'for procurement of mineral resources contained in the product, companies are expected to use validated conflict free smelters and refiners. No evidence found of formal requirement to responsible sourcing. [Supplier Sustainability Guidelines, 31/08/2018: global.honda] • Not met: Requires suppliers to follow the OECD Guidance <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Responsible conflict mineral sourcing covers all minerals • Not met: Suppliers expected to make similar requirements of their suppliers
A.1.3.MO.b	Commitment to respect human rights particularly relevant to the industry (ICT)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Women's Rights: The Company states in the 2020 Sustainability report that it 'supports the provisions of the Women's Empowerment Principles (WEPs), a set of principles for companies voluntarily promoting women's empowerment'. In addition, in its SR 2019 it indicates that the Company has signed the CEO Statement

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>of Support for the WEPS. [Honda Sustainability Report 2020, 07/2020: global.honda & Sustainability report 2019, 31/08/2019: global.honda]</p> <ul style="list-style-type: none"> • Not met: Children's Rights • Not met: Migrant worker's rights • Not met: Expecting suppliers to respect these rights <p>Score 2</p> <ul style="list-style-type: none"> • Met: CEDAW/Women's Empowerment Principles: The Company states in its SR 2020 that it 'supports the provisions of the Women's Empowerment Principles (WEPS), a set of principles for companies voluntarily promoting women's empowerment.' In addition, in its SR 2019 it indicates that the Company has signed the CEO Statement of Support for the WEPS. [Sustainability report 2019, 31/08/2019: global.honda & Honda Sustainability Report 2020, 07/2020: global.honda] • Not met: Child Rights Convention/Business principles • Not met: Convention on migrant workers • Not met: Respecting the right to water: The Company states that 'since Honda seeks out communities where harmonious coexistence with nearby water sources is viable as potential plant locations, and builds plants in compliance with host countries' environmental assessment laws and regulations, no water sources are significantly impacted by the Company's water use.' However, no evidence found of a statement of commitment to right to water. [Honda Sustainability Report 2020, 07/2020: global.honda] • Not met: Expecting suppliers to respect these rights
A.1.4	Commitment to engage with stakeholders	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to stakeholder engagement: The Company states that it 'strives for appropriate communication with customers, business partners, shareholders and investors, local communities, and other stakeholders'. However, to 'strive' does not describe a formal statement of commitment according to CHRB wording criteria. [Code of Conduct, N/A: global.honda] • Met: Regular stakeholder engagement: The Company states that it 'engages in dialogues globally through various opportunities. These dialogues are conducted between key stakeholders (that are either impacted by Honda's business activities or whose activities impact Honda's business activities)[...]'. In its SR it discloses a table summarizing its engagement activities per stakeholder group: 'Local communities: Beach clean-up project; Associates: Associate survey; Suppliers: Business plan networking events and meetings to share business status, Third-party audit of suppliers; [...]'. [Honda Sustainability Report 2020, 07/2020: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to engage stakeholders in design • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to remedy: The Company states that makes 'an appropriate response when there is a risk concern, Honda has in place a system to share and discuss the issue through meetings with regional human resources officers'. However, no evidence found of formal commitment to remedy. [Honda Sustainability Report 2020, 07/2020: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Not obstructing access to other remedies • Not met: Collaborating with other remedy initiatives • Not met: Work with MO suppliers to remedy impacts
A.1.6	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Zero tolerance attacks on HRs Defenders (HRDs) <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Expects MO suppliers to reflect company HRD commitments

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: CEO or Board approves policy

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			<ul style="list-style-type: none"> • Not met: Board level oversight for HRs: The Company indicates in its Sustainability report that: 'In order to respond to the mandate of the shareholders to achieve sustainable growth and enhance the corporate value of the Company over the medium to long term, the duties of the Board of Directors include making decisions concerning key Company matters such as its basic management policies and monitoring of operations by Directors. In addition, the Board of Directors discusses and makes decisions concerning matters specified in the regulations of the Board of Directors, as well as matters set forth in the Articles of Incorporation and applicable laws.' However, no specific information related to human rights oversight was found. [Honda Sustainability Report 2020, 07/2020: global.honda] Score 2 <ul style="list-style-type: none"> • Not met: Speeches/letters by Board members or CEO
A.2.2	Board discussions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Board/Committee review of salient HRs • Not met: Examples or trends re HR discussion Score 2 <ul style="list-style-type: none"> • Not met: Both examples and process
A.2.3	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Incentives for at least one board member: The Company states that 'the indicator for stock-based remuneration includes growth rates for financial indicators, such as consolidated operating profit margin, and growth rates for non-financial indicators, such as brand value and ESG.' However, it is not clear whether human rights issues are covered in the remuneration. [Corporate Governance Report 2020, 26/06/2020: global.honda] Score 2 <ul style="list-style-type: none"> • Not met: At least one key MO HR risk, beyond employee H&S • Not met: Performance criteria made public

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions • Not met: Senior responsibility for HR: The Company indicates in its SR Report: 'Honda has adopted a company with Audit and Supervisory Committee system in order to delegate the decision-making authority of executing important business matters from the Board of Directors to the Directors in accordance with the provisions of the Company's Articles of Incorporation and resolutions approved by the Board.' However, it is not clear who holds the overall management responsibility for human rights issues at senior management level, needed to award this indicator. [Honda Sustainability Report 2020, 07/2020: global.honda] Score 2 <ul style="list-style-type: none"> • Not met: Day-to-day responsibility • Not met: Day-to-day responsibility for MO in supply chain: The Company states that its 'regional working groups continued to conduct the due diligence measures (for supply chain) in each region where Honda is operating its business. Honda allocated the responsibility to conduct the due diligence procedures to each of these regional working groups, and their activities were periodically reported to and monitored by the Regional Operating Board and the internal committee for conflict minerals to take appropriate action when we find any concern'. However, to award this indicator, the overall management responsibility for human rights issues in general is needed. No new relevant evidence found in latest documents. [Conflict Minerals Report, 29/05/2019: global.honda]
B.1.2	Incentives and performance management	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Senior manager incentives for human rights • Not met: At least one key MO HR risk, beyond employee H&S Score 2 <ul style="list-style-type: none"> • Not met: Performance criteria made public
B.1.3	Integration with enterprise	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: HR risks is integrated as part of enterprise risk system: The Company states that it 'In its company-wide risk management activities, Honda regards

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	risk management		<p>human rights as an important risk and manages it accordingly. As a measure to prevent the risk from occurring, Honda works to identify any risk concerns by conducting an annual assessment of Group companies to check if their operations comply with the Associate Relations Policies'. [Honda Sustainability Report 2020, 07/2020: global.honda]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) within Company's own operations	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to ILO core conventions: See indicator A.1.2 • Not met: Communicates its policy to all workers in own operations: The Company states that it 'provides training on the Honda Philosophy all around the world. The Company also works to promote awareness and thorough implementation of the Code of Conduct by distributing leaflets, posting the relevant information on the corporate intranet and providing training. [...] The Company works to instill the Honda Code of Conduct in each and every associate through actions such as the distribution of leaflets, posting of information on its intranet and through training. Each of Honda's departments and subsidiaries regularly checks the status of such activities to ensure awareness of the Code and reports to the Compliance Committee.' However, no evidence found such as use of local languages, whether all workers are reached either by communications or by training that includes human rights commitments. [Honda Sustainability Report 2020, 07/2020: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Commits to all 4 ILO core conventions: See indicator A.1.2 • Not met: Communication of policy commitments to stakeholder • Not met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s) to business relationships	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Commits to all 4 ILO core conventions for suppliers • Not met: Communicating policy down the whole MO supply chain • Met: Requiring MO suppliers to communicate policy down the chain: The Company published the Honda Supplier Sustainability Guidelines and Honda Green Purchasing Guidelines, which covers human rights issues. In the guidelines, the Company states that supplier shall disseminate the guidelines fully and cascade throughout the supply chain. [Supplier Sustainability Guidelines, 31/08/2018: global.honda & Sustainability report 2019, 31/08/2019: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Met: How HR commitments made binding/contractual: The Company's Supplier Guidance states that 'Honda may request that all suppliers who receive the "Honda supplier sustainability guidelines" submit the "Supplier Commitment" form signed by a representative. By signing this form, the supplier acknowledges having read and accepted all the aforementioned terms and conditions of these guidelines pertaining to all parts, materials or services ordered by or delivered to Honda'. [Supplier Sustainability Guidelines, 31/08/2018: global.honda] • Not met: Including on MO suppliers
B.1.5	Training on Human Rights	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2 • Not met: Trains all workers on HR policy commitments: The Company states that it 'provides training on the Honda Philosophy all around the world. The Company also works to promote awareness and thorough implementation of the Code of Conduct by distributing leaflets, posting the relevant information on the corporate intranet and providing training. [...] The Company works to instill the Honda Code of Conduct in each and every associate through actions such as the distribution of leaflets, posting of information on its intranet and through training. Each of Honda's departments and subsidiaries regularly checks the status of such activities to ensure awareness of the Code and reports to the Compliance Committee.' However, no further evidence found whether all employees received the training, covering human rights, as all employees seem to be covered but using different means, including either communications or training. [Honda Sustainability Report 2020, 07/2020: global.honda] • Met: Trains relevant MO managers including procurement: The Company states that 'To ensure that every associate involved in Honda's purchasing operations promotes honest and fair initiatives, Honda has prepared manuals and personnel development programs in each region. For example, in North America Honda takes up various topics through seminars, e-learning and on-the-job training (OJT). In its Basic Training Course, the Company shares its approach in such areas as the

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>selection of suppliers and initiatives to strengthen QCDDDE. Honda's Building Business Relations training emphasizes the importance of the Company's code of conduct [contains general HR commitment], legal compliance and confidentiality in developing positive long term relationships with suppliers'. No clear human rights context for this found in latest report. [Honda Sustainability Report 2020, 07/2020: global.honda & Sustainability report 2019, 31/08/2019: global.honda]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2 • Not met: Both requirements under score 1 met
B.1.6	Monitoring and corrective actions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Scores at least 1 on A.1.2 • Not met: Monitoring implementation of HR policy commitments • Met: Monitoring MO suppliers: The Company states that it 'distributed a checklist to suppliers requesting independent inspection in order to confirm the status of initiatives relative to guidelines. Honda introduced a third-party audit in Japan in 2016 for suppliers with large business volume and significant influences on the Company in line with rising expectations worldwide to fulfill corporate social responsibility that also includes the supply chain. [...] The audit check sheet sets broad categories for evaluation that include the environment, compliance and information disclosure in addition to human rights and labor matters, such as child labor and forced labor, in an effort to verify supplier activities'. [Honda Sustainability Report 2020, 07/2020: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Score of 2 on A.1.2 • Not met: Describes corrective action process: The Company states that 'For items requiring improvement, an improvement plan and a report on results are issued. A follow-up investigation is employed if needed to confirm that the PDCA cycle for the improvement plan is up and running and that it is linked to ongoing improvement activities.[...] There were no instances of issues bearing significant risk in FY2020.' To award this indicator, numbers of incidence data is needed. [Honda Sustainability Report 2020, 07/2020: global.honda] • Not met: Example of corrective action • Not met: Discloses % of MO supply chain monitored
B.1.7	Engaging business relationships	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HR affects MO selection of suppliers: The Company states that 'When selecting suppliers for components and raw materials based on these sustainability policies, Honda confirms their initiatives on Quality, Cost, Delivery, Development and Environment (QCDDDE), human rights, labor, safety, compliance, risk, protection of information and other aspects to determine the best and most sustainable supplier'. [Honda Sustainability Report 2020, 07/2020: global.honda] • Met: HR affects on-going MO supplier relationships: The Company states that 'If a supplier fails to follow the [Supplier Sustainability and Honda Green Purchasing] Guidelines, Honda immediately receives a report from the supplier and works to prevent a recurrence by requesting them to analyze the cause and draw up the corrective action plan. If the corrective action plan received from the supplier is determined to be inappropriate, Honda considers its future business relation with them, taking into account the social impact of the problem'. [Honda Sustainability Report 2020, 07/2020: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Both requirement under score 1 met • Not met: Working with MO suppliers to improve performance
B.1.8	Approach to engagement with potentially affected stakeholders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Stakeholder process or systems: The Company discloses information about its stakeholder engagement 'cycle': '1) appropriately and accurately convey to society the value that it seeks to provide; 2) engage in dialogue with diverse stakeholders to grasp and understand the demands and expectations placed on the Company; 3) translate these into concrete measures and implement them; and 4) listen to stakeholders' evaluations of its activities. [...] Honda engages in dialogues globally through various opportunities. These dialogues are conducted between key stakeholders (that are either impacted by Honda's business activities or whose activities impact Honda's business activities)[...]' In addition, it summarizes in a table its engagement activities per stakeholder groups. However, it is not clear the process to identify affected stakeholder with whom to engage, and how specifically engaged them in the last two years. [Honda Sustainability Report 2020, 07/2020: global.honda]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Frequency and triggers for engagement: The Company states that it 'engages in dialogues globally through various opportunities. These dialogues are conducted between key stakeholders (that are either impacted by Honda's business activities or whose activities impact Honda's business activities)[...]'. In its SR it discloses a table summarizing its engagement activities per stakeholder group and their frequency: 'Local communities: Beach clean-up project; Associates: Associate survey; Suppliers: Business plan networking events and meetings to share business status, Third-party audit of suppliers. Associate survey'. However, no further information found including triggers for engagement on human rights (also associate survey takes place every three years, which is not considered regular engagement according to CHRB criteria). [Honda Sustainability Report 2020, 07/2020: global.honda] • Not met: Workers in MO SC engaged • Not met: Communities in the MO SC engaged Score 2 <ul style="list-style-type: none"> • Not met: Analysis of stakeholder views and company's actions on them

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Identifying risks in own operations • Not met: Identifying risks in MO suppliers Score 2 <ul style="list-style-type: none"> • Not met: Ongoing global risk identification • Not met: In consultation with stakeholders • Not met: In consultation with HR experts • Not met: Triggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Salient risk assessment (and context) • Not met: Public disclosure of salient risks Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Action Plans to mitigate risks • Not met: Including in MO supply chain • Not met: Example of Actions decided Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: System to check if Actions are effective • Not met: Lessons learnt from checking effectiveness Score 2 <ul style="list-style-type: none"> • Not met: Both requirement under score 1 met
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Comms plan re identifying risks • Not met: Comms plan re assessing risks • Not met: Comms plan re action plans for risks • Not met: Comms plan re reviewing action plans • Not met: Including MO suppliers Score 2 <ul style="list-style-type: none"> • Not met: Responding to affected stakeholders concerns • Not met: Ensuring affected stakeholders can access communications

C. Remedies and Grievance Mechanisms (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Company states that it established the Business Ethics Improvement Proposal Line: 'This hotline addresses issues involving corporate ethics in cases of actions that violate laws or internal rules. This allows the Company to accept proposals and provide consultation, from a fair and neutral standpoint, for associates who face barriers in improving or resolving issues in the workplace for reasons such as difficulties in consulting with superiors. [...] Proposals are accepted by email, letter, telephone or fax from all subsidiaries and suppliers in Japan and overseas, as well as from the parent company. [...] <p>Moreover, the Company established a point of contact within an external law office to facilitate associates to submit proposals. As for overseas, local points of contact have been established in all Regional Operations, while some subsidiaries set up their own points of contact.' [Honda Sustainability Report 2020, 07/2020: global.honda]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Number grievances filed, addressed or resolved: The Company reports that in FY 2020, 429 suggestions and consultations were handled by the Business Ethics Improvement Proposal Line. However, no evidence found how many of the cases were related to human rights. [Honda Sustainability Report 2020, 07/2020: global.honda] • Not met: Channel is available in all appropriate languages • Not met: Expect MO supplier to have equivalent grievance systems • Not met: Opens own system to MO supplier workers: The Company states that 'via the Business Ethics Improvement Proposal Line, Honda accepts reports and requests for consultation from all suppliers from a fair and neutral standpoint.' However, it is not clear whether the employees of suppliers can raise any concerns or suggestions using the Proposal line. [Sustainability report 2019, 31/08/2019: global.honda]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Grievance mechanism for community <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Describes accessibility and local languages • Not met: Expects MO supplier to have community grievance systems • Not met: MO supplier communities use global system
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Engages users to create or assess system • Not met: Example of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Engages with users on system performance • Not met: Provides user engagement example on performance • Not met: MO suppliers consult users in creation or assessment
C.4	Procedures related to the mechanism(s)/channel(s) are publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Response timescales • Not met: How complainants will be informed • Not met: Who is handling the complaint <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Escalation to senior/independent level
C.5	Commitment to non-retaliation over complaints or concerns made	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Public statement prohibiting retaliation • Met: Practical measures to prevent retaliation: The Company states that it established the Business Ethics Improvement Proposal Line: 'Proposals are accepted by email, letter, telephone or fax from all subsidiaries and suppliers in Japan and overseas, as well as from the parent company. We ensure protection of the Kaizen proposers and anonymous proposals are also accepted'. [Honda Sustainability Report 2020, 07/2020: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Has not retaliated in practice

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Expects MO suppliers to prohibit retaliation
C.6	Company involvement with State-based judicial and non-judicial grievance mechanisms	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Won't impede state based mechanisms • Not met: Complainants not asked to waive rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Will work with state based or non judicial mechanisms • Not met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts and incorporating lessons learned	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Describes how remedy has been provided • Not met: Says how it would remedy key sector risks <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Changes introduced to stop repetition • Not met: Approach to learning from incident to prevent future impacts • Not met: Evaluation of the channel/mechanism

D. Performance: Company Human Rights Practices (20% of Total)

D.5 Automotive Manufacturing

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.1.a	Living wage (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Living wage target timeframe • Not met: Describes how living wage determined <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Achieved payment of living wage • Not met: Regularly review definition of living wage with unions
D.5.1.b	Living wage (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Living wage in supplier code or contracts • Not met: Improving living wage practices of suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends demonstrating progress
D.5.2	Aligning purchasing decisions with human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Avoids business model pressure on HRs • Not met: Positive incentives to respect human rights <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met
D.5.3	Mapping and disclosing the supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Identifies suppliers back to product source <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Discloses significant parts of supply chain and why
D.5.4.a	Prohibition on child labour: Age verification and corrective actions (in own production or manufacturing operations)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Does not use child labour: In the Associate Relations Policies, the Company states that it 'will not allow forced labor or child labor'. [Honda Sustainability Report 2020, 07/2020: global.honda] • Not met: Age verification of job applicants and workers <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Remediation if children identified
D.5.4.b	Prohibition on child labour: Age verification and corrective actions (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not met: Child Labour rules in codes or contracts: In the Supplier Sustainability Guidelines, the Company states that 'we do not permit the employment of minors who do not meet the legal minimum working age of each country and region'. However, to award this indicator, evidence on verifying the age of job applicants and workers and remediation programmes are needed. [Supplier Sustainability Guidelines, 31/08/2018: global.honda]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: How working with suppliers on child labour: The Company states that 'The audit check sheet sets broad categories for evaluation that include the environment, compliance and information disclosure in addition to human rights and labor matters, such as child labor and forced labor, in an effort to verify supplier activities.' However, it is not considered as 'working together with suppliers' to eliminate child labour and to improve working conditions, but supplier monitoring/evaluation. [Honda Sustainability Report 2020, 07/2020: global.honda] Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends demonstrating progress
D.5.5.a	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Pays workers in full and on time • Not met: Payslips show any legitimate deductions Score 2 <ul style="list-style-type: none"> • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters
D.5.5.b	Prohibition on forced labour: Debt bondage and other unacceptable financial costs (in the supply chain)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Debt and fees rules in codes or contracts: In the Supplier Sustainability Guidelines, the Company states that 'we will not partake in any form of human trafficking, forced, bonded (including debt bondage) or indentured labour, slavery or trafficking of persons will not be tolerated.' [Supplier Sustainability Guidelines, 31/08/2018: global.honda] Score 2 <ul style="list-style-type: none"> • Not met: How working with suppliers on debt & fees • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.5.5.c	Prohibition on forced labour: Restrictions on workers (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Does not retain documents or restrict movement Score 2 <ul style="list-style-type: none"> • Not met: How sure about agencies or brokers
D.5.5.d	Prohibition on forced labour: Restrictions on workers (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Free movement rules in codes or contracts • Not met: How these practices are implemented and monitored for agencies, labour brokers or recruiters Score 2 <ul style="list-style-type: none"> • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.5.6.a	Freedom of association and collective bargaining (in own production or manufacturing operations)	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Commits not to interfere with union rights and collective bargaining and prohibits intimidation and retaliation: In the Associate Relations Policies, the Company states that it respects 'freedom of association, or not to associate, and collective bargaining, the Company will attempt to resolve any and all issues in line with the laws, conventions and usages of each respective country and region'. However, it is not clear if the Company is committed to respect these rights in contexts where these rights are restricted under local laws, as it indicates that will respect this rights 'in line with the laws' and 'conventions and usages'. No evidence found, of formal commitment to not interfere with the exercise of these rights. [Honda Sustainability Report 2020, 07/2020: global.honda] Score 2 <ul style="list-style-type: none"> • Met: Discloses % covered by collective bargaining: The Company reports that approximately 85% of the employees of the Company and its Japanese subsidiaries were members of the Federation of All Honda Workers' Union (AHWU) as of 31 March 2020. [Form 20F 2020, 06/2020: global.honda] • Not met: Both requirement under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.6.b	Freedom of association and collective bargaining (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: FoA & CB rules in codes or contracts: In the Supplier Sustainability Guidelines, the Company states that 'associates shall, in accordance with local laws, have the right to associate freely, and join - or choose not to join - labour unions or workers' councils. However, it does not explicitly state about collective bargaining in the supplier guidelines and how to deal with suppliers located in countries where the freedom of association and collective bargaining are restricted by the laws. [Supplier Sustainability Guidelines, 31/08/2018: global.honda] Not met: How working with suppliers on FoA and CB <p>Score 2</p> <ul style="list-style-type: none"> Not met: Both requirements under score 1 met Not met: Provide analysis of trends in progress made
D.5.7.a	Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Met: Lost days or near miss disclosure: In FY 2020, the number of lost workday injuries per one million work hours was 0.29 globally. [Honda Sustainability Report 2020, 07/2020: global.honda] Met: Fatalities disclosures: In FY 2020, the number of industry accident fatalities was 0. [Honda Sustainability Report 2020, 07/2020: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> Not met: Set targets for H&S performance Not met: Met targets or explains why not
D.5.7.b	Health and safety: Fatalities, lost days, injury rates (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Sets out clear Health and Safety requirements Not met: Injury rate disclosures Not met: Lost days or near miss disclosures Not met: Fatalities disclosures <p>Score 2</p> <ul style="list-style-type: none"> Not met: How working with suppliers on H&S Not met: Provide analysis of trends in progress made
D.5.8.a	Women's rights (in own production or manufacturing operations)	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> Not met: Process to stop harassment and violence: The Company states that it 'operates a harassment counseling hotline for all associates in order to prevent any harassment in the workplace and to facilitate the rapid and appropriate resolution of incidents.' However, it fails to state a clear process to prohibit harassment and violence against women. [Honda Sustainability Report 2020, 07/2020: global.honda] Not met: Working conditions take account of gender: The Company states that it provides programme to 'Expand women's participation', including the following initiatives: 'Continue to support career development during child care leave (July 2016~)[...] Continue to provide seminars on the know-how of balancing work and child care (August 2017~); Initiative 3: Constantly strive to create an environment enabling women to build a career, Establish and increase company nurseries (April 2017~) [...]'. However, no further details found including how take into consideration reproductive health. [Honda Sustainability Report 2020, 07/2020: global.honda] Met: Equality of opportunity at all levels: The Company states that it 'has established a foundation to realize a world where people can equally develop their careers regardless of gender.' It also set Honda's action plan to expand women's participation and increase the ratio of female workers. In addition, the Company states that it provides a programme to 'Expand women's participation', including the following initiatives: 'Initiative 2. Nurture female associates and accelerate their utilization: Enhance career development support by supervisors based on a career development plan (April 2015~), Continue to conduct interviews regarding career path through career advisors (October 2015~), Continue to support career development during child care leave (July 2016~); Conduct training on career/leader development for female associates (October 2016~) [...]'; Initiative 3. Constantly strive to create an environment enabling women to build a career, [...] Initiative 4. Continue to strengthen the employment of women: Continue to conduct focused publicity for female science and engineering students (March 2015~)[...]'. The Company discloses the following figures: Ratio of women in management positions in the Honda workplace in Japan, Percentage of women in the entire workforce and in management positions, Base salary and ratio of total compensation for males and females. [Honda Sustainability Report 2020, 07/2020: global.honda]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 • Not met: Meets all of the requirements under score 1
D.5.8.b	Women's rights (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Women's rights in codes or contracts • Not met: How working with suppliers on women's rights Score 2 • Not met: Both requirement under score 1 met • Not met: Provide analysis of trends in progress made
D.5.9.a	Working hours (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Respects max hours, min breaks and rest periods in its own operations Score 2 • Not met: How it implements and checks this
D.5.9.b	Working hours (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Working hours in codes or contracts: In the Supplier Sustainability Guidelines, the Company states that 'we comply with the laws of each country and region regarding the setting of employees' working hours (including overtime) and the granting of scheduled days off and paid annual vacation time'. However, no evidence found regarding either requirement to respect international standards or, in addition to existing requirements, require regular working week standard of maximum of 48 hours. [Supplier Sustainability Guidelines, 31/08/2018: global.honda] • Not met: How working with suppliers on working hours Score 2 • Not met: Both requirements under score 1 met • Not met: Provide analysis of trends in progress made
D.5.10.a	Responsible Mineral Sourcing: Arrangements with Suppliers and Smelters/Refiners in the Mineral Resource Supply Chains	0	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Due diligence in accordance with OECD Guidance in supplier contracts • Not met: Works with smelters/refiners and suppliers to build capacity Score 2 • Not met: Contractual requirement to disclosure smelter/refiner information • Not met: Contractual requirement covers all minerals
D.5.10.b	Responsible Mineral Sourcing: Risk Identification in Mineral Supply Chain	0.5	The individual elements of the assessment are met or not as follows: Score 1 • Not met: Risk identification and disclosure in line with OECD Guidance • Met: Identification of smelter/refiners and OECD Guidance: The Company states that it 'requested information from suppliers about the smelters and refiners in their supply chains using the CMRT. Honda reviewed responses from direct suppliers and those responses identified some, but not all of the smelters and refiners in our supply chains. Honda leveraged the Responsible Minerals Assurance Process ("RMAP"), initiated by the RMI, and used RMI's website to determine whether the smelters and refiners identified by our suppliers are verified as RMAP conformant smelters and refiners'. [Conflict minerals report 2019, 26/05/2020: global.honda] Score 2 • Met: Discloses smelters/refiners judged in line with OECD Guidance: The Company lists the smelters or refiners reported as certified conflict-free by its suppliers, which it has matched with RMAP conformant smelters and refiners listed on the RMI website. [Conflict minerals report 2019, 26/05/2020: global.honda] • Not met: Risk identification and disclosure covers all minerals

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.5.10.c	Responsible Mineral Sourcing: Risk Management in the Mineral Supply Chain	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Describes mineral risk management plan for supply chain: The Company disclosed risk mitigation steps it will take: 'Honda will continue to work with any relevant industry groups, including JAMA, JAPIA and AIAG, to define and improve best practices and build leverage over the supply chain in accordance with the OECD Guidance; Honda will continue to engage with its direct suppliers and direct them to obtain responses from all lower tier suppliers subject to the RCOI survey, and to improve the content of the RCOI survey responses'. However, no further details found in specific actions taken with the aim of mitigating risk beyond working with relevant industry groups to define and improve practices. [Conflict minerals report 2019, 26/05/2020: global.honda] Not met: Monitoring, tracking and whether better risk prevention/mitigation over time Score 2 <ul style="list-style-type: none"> Not met: Disclose better risk prevention/mitigation over time Not met: Suppliers and stakeholders engaged in risk management strategy Not met: Risk management and response processes cover all minerals
D.5.11	Responsible Materials Sourcing	[SD.5.10]	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Due diligence for raw materials in supplier code/contracts Not met: Works with suppliers to build capacity in risk assessment and due diligence Score 2 <ul style="list-style-type: none"> Not met: Meets all requirements under score 1 Not met: Identify the sources of high-risk raw materials in its supply chain

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> Headline: A subsidiary of Honda pays \$1.2 million and apologises to family of a man who committed suicide by overwork Area: Working hours Story: On January 17th, 2018, Honda Cars Chiba, a subsidiary of Honda Motor, announced it has agreed to apologize and to pay compensation to the family of one of its managers who committed suicide following masses of overtime on behalf of his subordinates. <p>According to the lawsuit, the former employee killed himself in 2016 at the age of 48 after putting in up to 87 hours in monthly overtime to reduce his staff's extra hours. His suicide was officially recognised as death from overwork by the Chiba Labor Standards Inspection Office on June 16, 2017.</p> <p>He was reported missing in June 2015, but returned two months later and was diagnosed with stress-induced depression. He was fired in August of that year for being absent without permission and killed himself on December 20th, 2016. The settlement's amount was not revealed, but the family had sought about USD 1.2 million (JPY 135 million) in compensation.</p> <ul style="list-style-type: none"> Sources: [The Asahi Shimbun - 18/01/2018: web.archive.org][][][]
E(1).1	The Company has responded publicly to the allegation	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Public response available: "We express condolences from our hearts because we caused deep sadness and mental pain, not only to him but also to his bereaved family," said the sales subsidiary of Honda Motor Co. [Honda dealership apologizes for worker's overwork-induced suicide, settles with family, 18/01/2018: mainichi.jp] Score 2 <ul style="list-style-type: none"> Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Company policies address the general issues raised Not met: Policies apply to the type of business relationships involved: The Supplier Sustainability Guidelines includes policy about working hours but it is a general statement which doesn't set limit of 48hr for normal week and overtime has to be agreed and not exceed 60hs a week [Supplier Sustainability Guidelines, 31/08/2018: global.honda] Score 2 <ul style="list-style-type: none"> Not met: Policies address the specific rights in question
E(1).3	The Company has taken	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not met: Engages with affected stakeholders

Indicator Code	Indicator name	Score (out of 2)	Explanation
	appropriate action		<ul style="list-style-type: none"> • Met: Provides remedies to affected stakeholders: According to the press, 'Honda Cars Chiba has released a statement, saying that it would like to "offer a sincere apology for causing the man as well as his family great sorrow and emotional pain," while admitting that the man's dismissal should be nullified and that the firm had breached its obligation to pay proper attention to labor safety.' The Company, after admitting the suicide was caused by overwork, settled with the family. [Honda dealership apologizes for worker's overwork-induced suicide, settles with family, 18/01/2018: mainichi.jp] • Not met: Has reviewed management systems to prevent recurrence Score 2 • Met: Remedies are satisfactory to the victims: As the family and the company reached a settlement, it is considered satisfactory to the victims. [Honda dealership apologizes for worker's overwork-induced suicide, settles with family, 18/01/2018: mainichi.jp] • Not met: Has improved systems and engaged affected stakeholders
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> • Headline: Explosion at Honda Atlas factory kills six workers in Pakistan • Area: health and safety • Story: An incident at Honda Atlas factory in Karachi, Pakistan, on November 14, 2020, resulted in the deaths of six workers. The victims, Shah Zaman, 34, Muhammad Saleem, 35, Imran, 30, Khalid, 33, Aamir Sufi, 35, and Inayat, 25 were rushed to the Dr. Ruth Pfau Civil Hospital in Karachi for treatment but all succumbed to their wounds. All had experienced 100 percent burns. The only survivor brought to the hospital, Faheem, was subject to 10 percent burns. In response to the incident, a First Information Report, citing management for negligence as the cause of the incident, was filed at Karachi's Shah Latif Town police station against Honda Atlas, a joint venture between Honda Motor Company Ltd. and Atlas Group. According to the Tribune, the Honda Atlas management attempted to compensate for the decline in demand for batteries by experimenting with the factory's ability to refine aluminum. The experiment, however, failed as the furnaces, not designed to handle aluminum, malfunctioned. Once the liquid metal reached 500 degrees Celsius, it exploded. Boiling metal then surged from the furnace, spilled over the workers, and caused severe burns. • Sources: [Dawn - 15/11/18: dawn.com][Times of Islamabad - 16/11/18: timesofislamabad.com][The Pakistan Tribune - 26/11/18: thepakistantribune.com][Tribune - 15/01/19: tribune.com.pk]
E(2).1	The Company has responded publicly to the allegation	0	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Not met: Public response available: Honda Motor Company Ltd. failed to provide a response. Score 2
E(2).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: Honda Motor Group Co. Ltd.'s (Honda) Safety and Health policy requires Honda to provide a safe and healthy workplace to maintain a pleasant and safe work environment. It also requires Honda to comply with laws, regulations and company policies related to safety and health, strive to maintain a safe and healthy workplace, as well as prevent and minimize accidents. [Code of Conduct, N/A: global.honda] • Met: Policies apply to the type of business relationships involved: Honda Motor Group Co. Ltd.'s (Honda) Safety and Health policy applies to suppliers [Supplier Sustainability Guidelines, 31/08/2018: global.honda] <p>Score 2</p> <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question: The company does not appear to disclose qualitative information related to injury rates or lost days and fatalities.
E(2).3	The Company has taken appropriate action	1	<p>The individual elements of the assessment are met or not as follows: Score 1</p> <ul style="list-style-type: none"> • Met: Engages with affected stakeholders: There is evidence that Atlas group may have reached an agreement with the 'legal' heirs of the victims, who did not want to pursue a criminal case against the company. [News source, 26/12/18: nayadaur.tv] • Not met: Encourages linked business to engage affected stakeholders: There is no evidence that linked business have been asked to engage. • Met: Provides remedies to affected stakeholders: There is evidence that Atlas group may have reached an agreement with the 'legal' heirs of the victims, who did not want to pursue a criminal case against the company. [News source, 26/12/18: nayadaur.tv]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not met: Has reviewed management systems to prevent recurrence: There is no evidence that the company reviewed management systems. Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims: Although here is evidence that some of 'legal' heirs of the victims did not want to pursue the case as they had reached an agreement with the company, it is clear that the remedy was not satisfactory to all the victims as some of the families are pursuing justice [News source, 26/12/18: navadaur.tv] • Not met: Has improved systems and engaged affected stakeholders • Not met: Denies allegations, and ensures systems prevent such impacts
E(3).0	Serious allegation No 3		<ul style="list-style-type: none"> • Headline: Hero MotoCorp, Honda Motorcycle and Scooter India, and Maruti Suzuki India urged to address work safety issue in supply chain in India • Area: health and safety • Story: Of the 1369 cases of serious injuries reported in four years in the automotive belt of Gurugram-Manesar, India, an 'overwhelming number' of those injured were from Maruti-Suzuki, Hero MotoCorp and Honda Motorcycle and Scooter India, according to the press. Allegedly, two other firms have had similar problems -- Harley Davidson and Suzuki Motorcycle -- but they reportedly have a significantly lower scale than the aforementioned companies. According to the report from the organization SafeInIndia, these accidents were related to crush injuries, which resulted in 61% of workers affected losing their hands or fingers. These accidents were usually caused by safety sensors or other safety mechanisms malfunctioning, but other causes attributed include lack of/poor safety gear, lack of operating and/or safety training, and excessive production pressure from supervisors. • Sources: [Business Insider - 11/08/2019: businesstoday.in][SafeInIndia - 07/2019: 60d15e1f-27ff-4be1-8827-f7f0b5f74084.filesusr.com]
E(3).1	The Company has responded publicly to the allegation	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Public response available Score 2 <ul style="list-style-type: none"> • Not met: Response goes into detail
E(3).2	The Company has appropriate policies in place	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: According to the Code of Conduct, the Company provides a safe and healthy workplace. [Code of Conduct, N/A: global.honda] • Met: Policies apply to the type of business relationships involved: The same is expected of suppliers. [Supplier Sustainability Guidelines, 31/08/2018: global.honda] Score 2 <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question
E(3).3	The Company has taken appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Provides remedies to affected stakeholders • Not met: Has reviewed management systems to prevent recurrence Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders
E(4).0	Serious allegation No 4		<ul style="list-style-type: none"> • Headline: Two workers killed and 23 injured in fire at the Al Badar Factory in Pakistan • Area: health and safety • Story: In February 2017, a fire broke out at a factory contracted to make parts for Honda motorcycles near Lahore, Pakistan. It was allegedly caused by a boiler exploding in the factory, killing two and injuring 23 workers. This reportedly was not the first fire at a Honda factory in Pakistan, and would not be the last. A year and a half later, in November 2018, another boiler blast caused a fire in the Karachi factory, this time allegedly killing six and injuring one. • Sources: [Marxist - 16/02/2017: marxist.com][Dawn - 15/11/2018: dawn.com]
E(4).1	The Company has responded publicly to the allegation	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Public response available Score 2 <ul style="list-style-type: none"> • Not met: Response goes into detail

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(4).2	The Company has appropriate policies in place	1	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Company policies address the general issues raised: The Code of Conduct contains policy relating to health and safety. [Code of Conduct, N/A: global.honda] • Met: Policies apply to the type of business relationships involved: Suppliers are also expected to provide a safe and healthy working environment. [Supplier Sustainability Guidelines, 31/08/2018: global.honda] Score 2 <ul style="list-style-type: none"> • Not met: Policies address the specific rights in question
E(4).3	The Company has taken appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not met: Engages with affected stakeholders • Not met: Provides remedies to affected stakeholders • Not met: Has reviewed management systems to prevent recurrence Score 2 <ul style="list-style-type: none"> • Not met: Remedies are satisfactory to the victims • Not met: Has improved systems and engaged affected stakeholders

F. Transparency (10% of Total)

Indicator Code	Indicator name	Score	Explanation
F.1	Company willingness to publish information	1.13 out of 4	Out of a total of 60 indicators assessed under sections A-D of the benchmark, Honda made data public that met one or more elements of the methodology in 17 cases, leading to a disclosure score of 1.13 out of 4 points.
F.2	Recognised Reporting Initiatives	2 out of 2	The individual elements of the assessment are met or not as follows: Score 2 <ul style="list-style-type: none"> • Met: Company reports on GRI: The Company is reporting against the GRI and list the GRI content index in its sustainability report. [Honda Sustainability Report 2020, 07/2020: global.honda] • Not met: Company reports on SASB • Not met: Company reports on UNGPRF
F.3	Key, High Quality Disclosures	0 out of 4	Honda met 0 of the 10 thresholds listed below and therefore gets 0 out of 4 points for the high quality disclosure indicator. Specificity and use of concrete examples <ul style="list-style-type: none"> • Not met: Score 2 for A.2.2 : Board discussions • Not met: Score 2 for B.1.6 : Monitoring and corrective actions • Not met: Score 2 for C.1 : Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers • Not met: Score 2 for C.3 : Users are involved in the design and performance of the channel(s)/mechanism(s) Discussing challenges openly <ul style="list-style-type: none"> • Not met: Score 2 for B.2.4 : Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts • Not met: Score 2 for C.7 : Remedying adverse impacts and incorporating lessons learned Demonstrating a forward focus <ul style="list-style-type: none"> • Not met: Score 2 for A.2.3 : Incentives and performance management • Not met: Score 2 for B.1.2 : Incentives and performance management • Not met: Score 1 for D.5.1.a: Living wage (in own production or manufacturing operations) • Not met: Score 2 for D.5.7.a: Health and safety: Fatalities, lost days, injury rates (in own production of manufacturing operations)

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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