

Honda Careers

BRING THE FUTURE



Honda Total Rewards



January 2022

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Total Rewards for Non-Production Associates

Introduction

Honda is proud to offer a variety of benefits to support you and your family. Your individual skills and experience bring value to Honda. Therefore, we provide a unique set of offerings to recognize and reward your contributions.

This document provides brief descriptions of some of the principal benefit programs and services Honda currently provides to associates. It does not contain all available plans or details and is only intended to be used as a guide to highlight Honda's comprehensive benefits offerings.

For additional information, you can always contact your local Human Resources team.

Compensation Philosophy

Honda's compensation philosophy is designed to attract and retain the passionate, innovative, and diverse associates who will help us drive the world forward.

Your compensation at Honda is determined by your career level and compensation grade.

- Your **career level** is defined by your level of responsibility within the organization, and what is expected of you within your role.
- Your **compensation grade** is based on what skills, experience, and knowledge you need to perform the role's duties.

The following chart outlines nine (9) career levels with exempt and non-exempt grades within the levels as follows:

Career Levels	L1	L2	L3	L4	L5	L6	L7	L8	L9				
Non-Exempt Compensation Grades	NE3	NE4	NE5	NE6	NE7	-	-	-	-	-	-	-	
Exempt Compensation Grades	-	-	-	EX1	EX2	EX3	EX4	EX5 IC1 IC2	EX6 IC3	EX7	EX8	EX9	EX10

Performance Plans & Merit Increase

Each year, you'll have the opportunity to discuss your future-focused career goals with your manager. Together, you'll work toward developing a personalized performance plan with performance goals and competencies for your career level that will guide your development and future at Honda. In addition to ongoing feedback and positive reinforcement throughout the year, you can be eligible for merit increases to your base salary based on your performance.

Regional Bonus

We're all motivated by our shared vision for the future at Honda. To recognize your drive and motivation, Honda offers associates the opportunity for greater rewards based on individual performance.

Honda's regional bonus plan includes:

- Associate's individual base wage
- Bonus factor determined by compensation grade
- Associate's annual performance goals rating
- Associate's attendance (i.e., attendance percentage and leaves of absence)
- Honda's annual global financial results (i.e., achievement of return-on-sales targets set at the start of each fiscal year)



When you succeed, Honda succeeds. Our regional bonus plan is designed to motivate and reward associates for their continued pursuit in helping to expand life's potential.

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Salary Grade Level Target Bonus Factor & Performance Factor

Career level	Grade	Target Bonus Factor (assuming 3 of 5 rating) ¹	Performance Factor 1 = 0%, 2 = 50%, 3 = 100%, 4 = 120%, 5 = 150%
6	EX6, IC3	17%	0% - 25.5%
6	EX5, IC2, IC1	15%	0% - 22.5%
5	EX4	14%	0% - 21%
4	EX3	13%	0% - 19.5%
4	EX2, NE7	12%	0% - 18%
3	EX1, NE6	11%	0% - 16.5%
2	NE4, NE5	8%	0% - 12%
1	NE1, NE2, NE3	8%	0% - 12%

¹ Bonus factor can be adjusted with manager discretion to further differentiate performance contributions.

The Regional Bonus is paid solely at Honda's discretion and its payment or amount is not guaranteed. With the exception of retirees, associates must be employed with Honda on the date of payment to be eligible to receive the Regional Bonus.

Exempt Overtime

Exempt associates in compensation grades EX1, EX2 and EX3 are eligible to earn overtime pay in addition to their normal base wage when working more than 40 hours in a workweek.

	Premium Rate of Regular Wage	
	Career Level 3 / Grade EX1	Career Level 4 / Grades EX2 & EX3
Weekday Hours (greater than 40)	1.5	1.0
Saturday (all hours)	1.5	1.0
Sunday (all hours)	2.0	1.5

Non-Exempt Overtime

Non-exempt associates will receive overtime pay for time worked that exceeds eight (8) hours per day. Additionally, any required weekend work on Saturdays will be paid at time and one-half. Sundays will be paid at double time.

Compensatory Time (Beginning June 2022)

Honda associates are committed to the pursuit of quality and occasionally work more than 40 hours in a week. This dedication is rewarded with additional paid time off work in the form of Compensatory Time.

Eligible associates can earn up to 120 hours of Compensatory Time each year to be used like paid time off or vacation.

	Weekly Threshold	If unused as of Dec 31
Career Levels 3-5 / Grade EX1 - EX4	Earned for hours greater than 40	Unused time paid out
Career Level 6 Grade EX5 and EX6	Earned for hours greater than 50	Carries over

Shift Premiums

To recognize associates working non-traditional shifts, Honda provides special premiums in addition to base wages for associates who work regularly scheduled second and third shifts.

- Non-exempt associates receive an additional \$1.10 per hour as a shift premium
- Exempt associates receive an additional \$1.70 per hour as a shift premium

Payroll Practices (Beginning June 2022)

All associates will receive regular paychecks on a bi-weekly basis beginning in June 2022. Pay periods begin on a Monday, end on a Sunday, and all regular wages and overtime are paid on the following Friday.



Honda Federal Credit Union

The Honda Federal Credit Union is another way you can invest in your future. Honda associates and their families are eligible to join the Honda Federal Credit Union (HFCU).

This is a federally chartered and insured credit union with over 55,000 members. The credit union provides banking services to members including checking, savings, ATMs, installment loans, mortgages, IRAs, traveler's checks, online and interactive voice response (IVR) banking, and Visa credit cards. To contact the HFCU, call 1-800-634-6632, or visit the website at www.hondafcu.org to view the great services the credit union offers.

Healthcare Benefits (Medical, Prescription, Dental, & Vision)

Honda is committed to providing you with a comprehensive benefits package that supports the physical, emotional, and financial wellbeing of you and your family. Even more, Honda pays the majority of the cost. For more information, current associates can access www.myhondaconnect.com for additional benefits resources.

Medical Coverage Options

- **The Health Savings Account (HSA) Plan:** The HSA Plan offers a network of healthcare providers and a higher level of coverage when you see an in-network provider. It also gives you the opportunity to open a tax-advantaged Health Savings Account (HSA), which offers more control over how you spend and save your healthcare dollars. Honda makes a contribution to your Health Savings Account. You also have the option to contribute. You own your HSA and the funds roll over year to year.
- **The Preferred Provider Organization (PPO) Plan:** While you can go to any healthcare professional you want without a referral – in-network or out-of-network, staying in-network means smaller copays and full coverage.
- Associates also have the option to waive medical coverage.

Dental Coverage

Honda offers two comprehensive dental plans. Both plans cover preventive and diagnostic services at 100%. Plus, preventive care does not count toward your annual benefit maximum. You can choose the amount of coverage that best meets your needs and the needs of your dependents.

Vision Coverage

Vision coverage helps you care for your vision by helping you pay for eye exams, glasses, and contact lenses.

Prescription Coverage

When you enroll in a Honda medical plan, you automatically receive prescription drug benefits.

The prescription benefit provider offers three types of pharmacy services.

- Retail pharmacy for short-term prescriptions
- Mail order for long-term medications, or 90-day Maintenance Choice supply from your local CVS Pharmacy
- Specialty medications for chronic or genetic condition

Income Protection

Honda provides at no cost to associates the following benefits

- Company Paid Short Term Disability
- Company Paid Long Term Disability
- Basic Life and Accident Insurance
- Business Travel Life Insurance

Healthcare Navigation & Coordination by Quantum Health

No one should have to navigate the cost and complexity of healthcare alone. Honda provides support from MyQHealth Care Coordinators and medical professionals.

Care Coordinators help you and your dependents navigate the health benefits program. They'll guide you through selecting in-network providers, point out solutions within the plan, and assist you with claims.

In addition to healthcare navigation, you have access to dedicated nurses who can guide you at each step of your health journey, from explaining complicated diagnoses to checking on the emotional well-being of your families. Their nurses are trained to see and understand the big picture. They provide decision support, needs assessment, care plans, and relief so you can stay focused on your future.



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Telemedicine

Honda associates and their participating family members have 24/7 access to TELADOC, a virtual network of licensed and trained medical professionals that can diagnose, treat, and prescribe medication for a wide range of conditions so you can get well sooner without having to visit a doctor's office or hospital.

Connect To Your Wellbeing Program

Honda's Connect to Your Wellbeing program offers every associate an opportunity to create and reach your wellbeing goals through small, everyday changes focused on areas you want to improve the most. Through your participation in this program, you can build or maintain healthy habits that will have a lasting positive impact to your overall wellbeing. There is no cost to you, and you can earn financial incentives along your journey to better wellbeing.

Supplemental & Voluntary Benefits

In addition to Honda's healthcare plans, associates have access to supplemental and voluntary benefits including but not limited to:

- Flexible Spending Accounts (FSAs)
- Group Auto and Homeowners Insurance
- Associate Assistance Program
- Adoption Assistance
- The Group Legal Plan
- Associate Stock Purchase Plan
- Long-term Disability Insurance
- Supplemental Life Insurance
- Survivor Medical Insurance
- Voluntary Death and Dismemberment Insurance



Retirement Savings (401k)

While you're focused on helping us reach our goals as a company, Honda is setting you up for your financial future. Associates become eligible to participate in the Retirement Savings Plan (401k) the first day of the month following three months of service. Associates are automatically enrolled in the plan at a pretax rate of 6% that includes Honda's Annual Increase Program, a service that helps you keep pace on your journey towards your retirement goals.

In addition to the company match, up to 6% on your contributions, Honda provides you with the Company Service Contribution. This contribution is based on your completed years of service at Honda. Each pay period, Honda will contribute to your Honda (401k) Savings Plan equal to a percentage of your eligible pay.

Years of Service	Honda's Contribution
0-4 Years	2%
5-9 Years	3%
10-14 Years	4.5%
15-19 Years	6.5%
20+ Years	8%

Associates are gradually vested in the Company Service Contribution; once you are with Honda for 5 years you receive 100% of these contributions should you leave Honda for any reason.

Short & Long-Term Disability

Short-Term Disability (STD) benefits will provide 60% of base wage replacement for associates who are on a continuous leave of absence, under the care of a qualified healthcare provider, and are actively seeking medical treatment.

Long-Term Disability (LTD) benefits are also available to all associates in the event they become disabled while covered under the plan, and the disability continues for more than 180 days (210 days in California). Associates can receive up to 50% of their base monthly earnings, with a maximum benefit of \$18,000 per month. Associates can also elect to increase the LTD benefit by an additional 10%.

Honda Disability Allowance

As an added benefit for exempt and non-exempt professional staff, associates are eligible for the Honda Disability Allowance (HDA). This benefit provides up to 40% wage replacement benefits in addition to Short-Term Disability benefits as follows:

Service Length (Full Time & Continuous)	Benefit Level
0 - 90 days	Not yet eligible for Honda Disability Allowance
91 st Day - 2.99 years	Month 1: 40% based wage + Short-Term Disability benefit Months 2-6: 15% base wage + Short-Term Disability benefit
3.00 - 3.99 years	Months 1-2: 40% based wage + Short-Term Disability benefit Months 3-6: 15% base wage + Short-Term Disability benefit
4 years or more	Months 1-3: 40% based wage + Short-Term Disability benefit Months 4-6: 15% base wage + Short-Term Disability benefit

Paid Time Off (PTO) / Vacation

As a continuous reward for your dedication in helping us reach our future-focused goals, you'll earn additional paid time off (PTO) / vacation as you grow your career with Honda.

Associate Service	Amount Earned
1-4 years	10 Days (80 hours)
5-14 years	15 Days (120 hours)
15 years or more	20 Days (160 hours)

PTO / vacation balances are made available once a year on the first day of your anniversary month. A maximum of two times your PTO / vacation can be carried over in addition to your available annual PTO / Vacation. PTO / vacation that exceeds the carry-over limit will be paid out automatically.

You can also request to cash in available PTO / vacation at any time to be paid out at your base rate of pay.

Paid Holidays & Shutdowns

Honda associates are proud of the role they play in bringing joy to our customers and share a tireless commitment to quality year-round. While we admire a disciplined work ethic, it's important to us that you have time each year to rest and recharge. These paid holidays and shutdowns include:



Paid Holidays / Shutdown

New Year's Day

Martin Luther King, Jr. Day

Memorial Day

Independence Day

Summer Shutdown Week*

Labor Day

Thanksgiving Day

Day After Thanksgiving Day

Christmas Day

Winter Shutdown Week

New Year's Eve

*American Honda (AHM) associates will receive four (4) Paid Personal Days as equivalent to Summer Shutdown as previously communicated.



Paid Bereavement

In the event of the death of a family member, Honda supports associates by providing up to five (5) paid days off. Please contact Human Resources for more information.

Virtual Work Opportunities

As part of our journey toward the future, Honda embraces multiple ways to experience the workplace, including where work gets done. No matter whether you're working offsite, or in one of our facilities, you'll have an impact on our vision to serve people worldwide with the "joy of expanding life's potential."

Honda will reimburse qualifying expenses.

- Associates in a bachelor's, GED, or other equivalent certificate program = Up to \$5,250 annually
- Associates in a master's level or equivalent certificate program = Up to \$7,000 annually

Education assistance is provided as a tax-free fringe benefit up to the maximum of \$5,250 annually.

Referral Bonus

We encourage you to invite friends, family, and others in your professional network to apply and help us Bring the Future. You could earn up to \$1,000 for each of your referrals who is hired into a full-time position at Honda.

Upon an employment offer, candidates are asked to provide their referral source and your referral bonus is automatically paid in an upcoming paycheck.

HondaGo: Volunteer Grants & Matching Gifts

At Honda, we're proud of our commitment to society and the planet. The HondaGO Volunteer Program supports volunteer efforts and amplifies the company's ongoing commitment to empowering associates in the communities where we live and work. HondaGO includes two programs:

- **Volunteer Grant Program:** For Honda associates who donate at least five hours of their personal time to their eligible charity of choice, Honda will donate a monetary grant to the organization.
- **Matching Gift Program:** Honda associates who make a monetary donation to an eligible organization can have their donation matched dollar-for-dollar by Honda up to \$1,000.

Team Honda Purchase Program (Autos) & Power Equipment, Powersports, and Marine Product Discounts

Ready to own your next Honda or Acura product? We want you to experience, first-hand, why we are so proud of our quality products. Honda's associate discounts can help you purchase the Honda or Acura products that bring you joy, including automobiles and power equipment, powersports and marine products. These programs are an exclusive benefit for associates, both current and retired, and their extended families.

Eligible participants include:

- Current and retired associates
- Spouses and domestic partners
- Parents
- Spouses/ and domestic partners' parents
- Children (includes sons-in-laws and daughters-in-law, and stepchildren)
- Siblings (includes brothers-in-laws and sisters-in-law, half-siblings, and stepsiblings)

Eligible participants can access special pricing on select models and purchase directly from participating Honda and Acura dealerships.

Used Auto Sales

Looking for a pre-owned Honda or Acura? Associates can also purchase pre-owned company vehicles from Honda at select locations and receive a 10% discount on the Black Book wholesale price. Associates can purchase up to two used vehicles per calendar year.



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Honda Associate Lease Opportunity

The goal of the Honda Associate Lease Opportunity is to provide every associate the opportunity to lease Honda and Acura automobiles at exclusive associate-only lease pricing.

The program leverages American Honda Finance Corporation (AHFC) for credit qualification and allows associates to take advantage of qualified incentive offers and/or terms to secure an attractive monthly payment. An outline of the Honda Associate Lease Opportunity is shown below:

Eligible Associates	All Honda Associates
Total Vehicles	Up to 2 vehicles may be leased at a time
Eligible Vehicles ¹ (see notation below)	Honda & Acura Automobile lineup - Vehicles leased from dealer inventory
Lease Vehicle Pricing	Exclusive associate lease pricing <ul style="list-style-type: none"> • Lease Vehicle Price = THPP Price minus an Exclusive Lease Discount % ² • Additional qualified lease discounts may apply
Lease Term Options	Choose available AHFC lease terms and mileage options
Accessories	Accessories can be purchased from the dealer and included in the lease payment
Insurance	Honda company-provided insurance through a payroll deduction or associate has the option to secure other qualified insurance
Maintenance	Associate responsible for maintenance. AHM maintenance program can be purchased and included in lease payment.
Destination and Handling	Destination and handling included
Other Fees	Taxes, license and registration, dealer documentation fees, dealer installed accessories with labor and installation and maintenance plans are not included.

¹ Lease options exclude NSX, Type R/S, and select models/trims based upon availability.

² THPP - Team Honda Purchase Program. See HondaWeb for THPP information.

Manager Vehicle Program

For associates in Career Level 5 or above, Honda offers a company vehicle as a very special benefit. Eligible associates can drive one company-provided vehicle at no cost from a list of models and trims tiered by grade. Additionally, the program includes maintenance and insurance coverage.

	Eligible Grades		
	CL5 / EX4	CL6 / EX5 (IC3/IC1) and EX6 (IC3)	CL7+ / EX7 and above
Total Vehicles	1 vehicle		
Eligible Vehicles ¹ (see notation below)	Honda lineup (All trims)	Honda lineup (All trims) Acura lineup (Standard & Tech trims)	Honda lineup (All trims) Acura lineup (All trims)
Vehicle Accessories ² (see notation below)	Yes		
Maintenance Included	Yes		
Insurance Included	Yes		
Fuel Reimbursement	Business travel only		
Payment (Contribution)	\$0		
Imputed Income	Yes		
Term	24 months		

¹ Excludes some models like NSX, Type R, Type S, PMC Editions and other excluded models/trims.

² Associate can select up to six accessories from an approved list.



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Disclaimer

Nothing in this brochure should be viewed as a contract or guarantee of employment, and all associates remain at will. Honda reserves the right to modify, suspend, or discontinue the policies, programs, and plans described within at any time, for any reason, and with no notice.