


Sustainability
(Initiatives for sustainability)




Top Message



To achieve a sustainable society, we commit to various international agreements and strive to become a company that earns society's trust.

Yoshihiro Hidaka
President, Chief Executive Officer and Representative Director,
Yamaha Motor Co., Ltd.

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Approach to CSR

Activities for Stakeholders



Customers



Shareholders and Investors



Employees



Business Partners

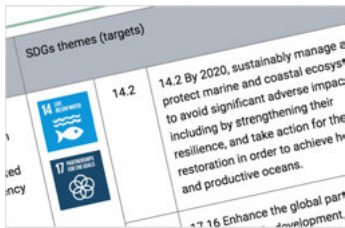


The Community



The Environment

Addressing Materiality (Material Social Issues)



Cooperating with International Initiatives



- > Sustainable Development Goals (SDGs)
- > Participating in the UN Global Compact
- > Commitment of Participation in the Science Based Targets initiative (SBTI)
- > Supporting the TCFD

External Assurance



Third-Party ESG (Environmental, Social, and Governance) Evaluations



Environmental, Social, and Governance Issues

Environment

Approach to Global Environment >	Overview of "Yamaha Motor Group Environmental Plan 2050" >	Creating Low Carbon Society >
Creating Recycling Society >	Creating Society in Harmony with Nature >	Environmental Management >
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Social

Contributing to Local Communities >	Human Rights >	Nurturing Personnel >
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Governance

Corporate Governance >	Risk Management >	Compliance >
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Download the recent reports and past sustainability reports

[Downloads >](#)

Updates

January 6, 2021

Green Procurement Guidelines (20th revision) uploaded

June 5, 2020

Sustainability (Initiatives for sustainability) web-site updated

December 19, 2018

Yamaha Motor Group Environmental Plan 2050 uploaded

March 1, 2018

Information on cooperating with international initiatives (SDGs and UN Global Compact) uploaded

> [ISO26000 Reference Table](#)

Top Message

To realize a sustainable society



Yoshihiro Hidaka

President, Chief Executive Officer and
Representative Director, Yamaha Motor Co.,
Ltd.

The Yamaha Motor Group's corporate mission is to be a "*Kando** Creating Company – Offering new excitement and a more fulfilling life for people all over the world," and we operate under three management principles: Creating value that surpasses customer expectations; Establishing a corporate environment that fosters self-esteem; and Fulfilling social responsibilities globally. Based on this corporate philosophy, we have constantly pursued new challenges, leading to the opening of new markets, the creation of unique products, and the development of a wide range of businesses. Our company as it exists today was built on this history.

At the same time, we are facing an era of major transformation.

The Paris Agreement to combat climate change, adopted in December 2015 at the 2015 United Nations Climate Change Conference, also known as COP 21 (the 21st yearly session of the Conference of the Parties (COP) to the 1992 United Nations Framework Convention on Climate Change (UNFCCC)), set a target of holding the rise in the average global temperature to less than 2°C. And now there are reports stating that we must hold warming to under 1.5°C. Additionally, in 2015, the "2030 Agenda for Sustainable Development" was adopted at a UN summit. The agenda lists sustainable development goals ("SDGs") for the international community to achieve by 2030.

Under these circumstances, in 2018, we formulated a new long-term vision looking out to 2030. In this vision, we included the phrase "Art for Human Possibilities" to reiterate our commitment to solving societal issues and achieving continuous growth by creating *Kando* in a way unique to Yamaha. This phrase signifies creating better societies and better lives using Advanced Robotics, by Rethinking Solutions to societal issues in a unique Yamaha way, and expanding human possibilities by Transforming Mobility. Under this vision, we have identified "environmental & resources issues," "transportation, education, & industrial issues," "innovation issues," and "work method issues" as four important issues that the Yamaha Motor Group should be helping with.

In 2017, the Yamaha Motor Group signed the 10 Principles of the United Nations Global Compact covering human rights, labor, the environment, and anti-corruption. As a company doing business globally, we must be aware of and comply with this framework at all times, throughout our supply chain.

In 2020, the spread of COVID-19 infections around the world has impacted all kinds of activities on a global scale, rocking the global economy to its foundations. Under these circumstances, we will work hand in hand with society to overcome this major challenge and, with our eyes set on life after the end of the COVID-19 crisis, contribute to the creation of a world where people can live fulfilling lives with peace of mind.

Going forward, we will engage in a commitment to international agreements, while emphasizing harmony with local communities, society at large and the global environment, and promote activities that will lead to the realization of a sustainable society, to become a company that earns the trust of stakeholders.

**Kando* is a Japanese word for the simultaneous feeling of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.

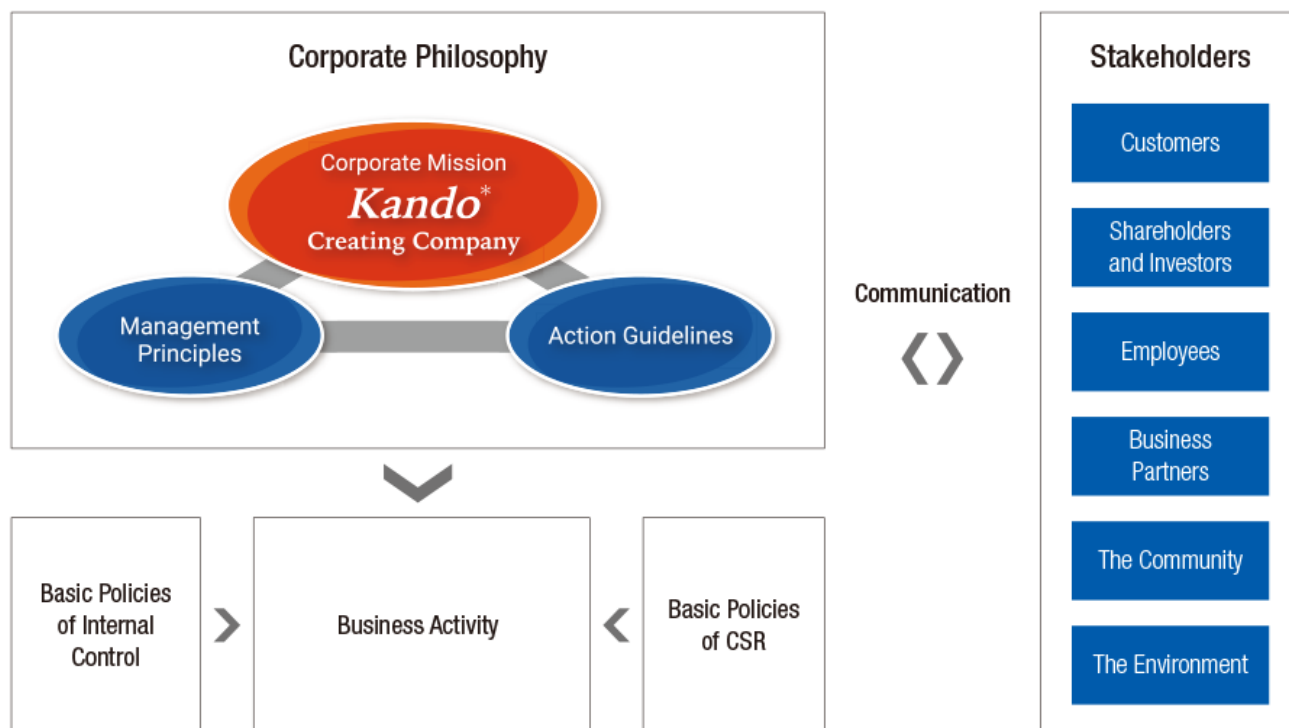
Approach to CSR

Introducing Yamaha Motor Group’s stance on CSR and its philosophy

Since our founding, our “Company Pledge” has called on all employees to contribute to society through our corporate activities.

The Yamaha Motor Group has worked to create diverse value through engineering, manufacturing and marketing based on our Corporate Mission: Offering new excitement and a more fulfilling life for people all over the world. Our three Management Principles – surpassing our customers’ expectations, fostering employee self-esteem and fulfilling global social responsibilities – embodies our stance towards our customers, employees, and society. Our Corporate Mission, Management Principles, and Action Guidelines add up to our “Corporate Philosophy.”

The Yamaha Motor Group believes the Corporate Social Responsibility (CSR) to be expected of us is a contribution to sustainable development of society through our business activities based on our “Corporate Philosophy.” Our Basic Policies of CSR reflect the especially important social responsibility we owe to our stakeholders.



Basic Policies of CSR

The Yamaha Motor Group strives to contribute to the sustainable development of society through our business activities based on our corporate philosophy and to always abide by the letter and spirit of domestic and international laws and regulations. We are dedicated to earning the trust of the global community, and we place great value on communicating with all stakeholders.

We expect all of our business partners to share our principles and to act in accordance.

<p>Customers</p>	<ul style="list-style-type: none"> • We offer new excitement and a more fulfilling life for people all over the world through high-quality products and services that combine safety and innovation. • We provide practical, helpful information about products and services to customers. • We make every effort to protect the personal information of our customers and others involved in our business.
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Shareholders and Investors	<ul style="list-style-type: none"> • We aim to deliver stable, long-term growth to enhance corporate value. • We disclose appropriate corporate operational results and financial status in a timely manner.
Employees	<ul style="list-style-type: none"> • We provide equal employment opportunities to build a diverse and discrimination-free workforce. • We provide fair working conditions while maintaining and improving a safe and healthy working environment. • We maintain respect for human rights and never tolerate child labor or forced labor in any form. • We work toward building success for both our employees and the Company through honest communication and dialogue founded on mutual trust.
Business Partners	<ul style="list-style-type: none"> • We respect our suppliers, dealers, and other business partners and aim to build mutual long-term growth founded on mutual trust. • We maintain an open door to new business partners around the world and choose companies based on comprehensive value, regardless of nationality or size. • We respect the competition laws of each nation and region and maintain fair business practices.
The Community	<ul style="list-style-type: none"> • We honor the culture and customs of every country and community, and we strive as a corporate citizen to act in balance with society. • We work to contribute to the development of sound communities by providing means of mobility, creating employment opportunities, and fulfilling our tax obligations. • We promote social action programs including personal mental and physical development, environmental preservation and safety activities, as well as supporting private initiatives undertaken by employees. • We maintain honest and fair relationships with government agencies and public authorities.
The Environment	<ul style="list-style-type: none"> • We develop environmental technologies to create products that balance economic needs with environmental well-being. • We aim to minimize the environmental impacts of our operations and make efficient use of limited natural resources. • We form wide-ranging partnerships with communities around the world to perform environmental conservation activities.

Corporate Philosophy



Basic Policies of Internal Control PDF (153KB)



Activities for Stakeholders

Introducing Yamaha Motor's relationships with stakeholders.



Customers



Shareholders and Investors



Employees



Business Partners



The Community



The Environment

Customers

Introducing our ongoing activities with regard to how we engage with our customers

Aiming to offer new excitement and a more fulfilling life for people all over the world

The Yamaha Motor Group's corporate mission is to be a "*Kando* creating company." With the aim of "offering new excitement and a more fulfilling life for people all over the world," we strive to use our ingenuity and passion to realize peoples' dreams and always be the ones they look up to for "the next *Kando*."

To this end, we listen sincerely to the voices of our customers in every step, from manufacturing processes including product planning, development, design, and production to sales and after-sales services, so that our customers will say, "I'll purchase a Yamaha again," or "My next purchase will be a Yamaha."

We continue to take on new challenges every day.

**Kando* is a Japanese word for the simultaneous feelings of deep satisfaction and intense excitement that we experience when we encounter something of exceptional value.



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Offering New Excitement

We will share some examples of our activities from the Moving You (Yamaha engineers smiles) page.



Vol. 15 Sharing Dreams

Australia

September 30, 2019

Children's dreams know no bounds. Once they find something they can't take their minds or eyes off of, somewhere they want to go or what they want to be, that genuine aspiration becomes what drives them as they grow and mature under the watchful and caring eyes of their parents.

Zane Burchell has his eyes fixed on one thing—going to the AMA in the United States to compete with some of the best dirt track racers in the world.

And one man from Yamaha Motor is the one working this field of dreams, nurturing the seeds of Yamaha Blue and helping them grow on dirt bike tracks across Australia.



Vol. 14 Hands Like His Father: Inheriting Skills and Spirit

Taiwan

December 25, 2018

At the biennial Yamaha World Technician Grand Prix, there was still a youthful look to the motorcycle mechanic representing Taiwan. This story is about a father and son who strove to be the best in the world at their profession, the respect and gratitude held by the young man for his father, and of their passion and pride as motorcycle mechanics.



Vol. 12 Quenching Thirst, Hand in Hand

Republic of Senegal

June 22, 2018

The Senegal River flows from headwaters in the Guinea Highlands and at each of ten villages scattered around the river's watershed in northern Senegal, work is underway for installing new Yamaha Clean Water Supply Systems. Permanent access to the clean water the systems will provide means healthier, happier lives for everyone. If the water changes, lives will change. The water station is a gathering place for the villagers and is lively again today with laughter and conversation.



Vol. 6 Supporting lives and livelihoods of peoples of the Far North

Russian Federation

January 31, 2014

In the harsh natural environment of Russia's northern regions, the peoples here continue to follow their traditional nomadic lifestyle of raising and herding reindeer. For these peoples, snowmobiles are necessities of life, and a recently opened Yamaha dealership in a city north of the Arctic Circle is now there to supply them. This is the story of a Yamaha man who came to the land of the northern peoples, with a respect for their native lifestyle and a desire to learn their ways and customs as he supplies the Yamaha products and service they want and need.



Vol. 2 Grow up strong and healthy! Fifty-two Miles of Adventure at Sea

Japan

October 18, 2012

Summer vacation's last training session for open-sea sailing. The children attending the yacht school at Hayama set off on a challenging adventure at sea, heading for the island of Oshima. Working together with their fellow sailors, the children went on to become stronger and stronger through their experiences in the natural environment out on the water.

Customer satisfaction regarding Yamaha Motorcycles

	2016	2017	2018	2019
Satisfied customers	92%	95%	95%	90%

Figures are the percentage of customers in each year who purchased a major motorcycle model in the previous year and gave a customer satisfaction rating of 4 or higher on a scale of 1 (lowest) to 5 (highest) in sampling surveys. At Yamaha, we continue activities aimed at further increasing customer satisfaction through surveys like these.

(Countries covered: Japan, United States, Germany, France, Spain, Taiwan, China, Brazil, India, Indonesia, Thailand, Vietnam, the Philippines and Malaysia)

Initiatives on Safety

Philosophy

The Yamaha Motor Group's corporate mission states that we "must strive to find success by always surpassing customer expectations with safe, high-quality products and services," reflecting our belief that safety of our customers comes first.

Under this philosophy, management and the employees of all Group companies work each day always putting "safety of customers" first in every stage, from planning, development, design, and production to sales and after-sales services.

To ensure safety of our products, we also work together with the governments and industry groups of each country in pursuit of the ideal in terms of safer products by joining related organizations and actively participating in the development of safety standards, let alone observing them.

Major Affiliated Organizations

- International Motorcycle Manufacturers Association (IMMA)
- Japan Automobile Manufacturers Association (JAMA)
- Japan Marine Industry Association
- Japan Snowmobile Safety Association
- Specialty Vehicle Institute of America® (SVIA)
- Personal Watercraft Industry Association (PWIA)
- Recreational Off-Highway Vehicle Association (ROHVA)
- Federal Chamber of Automotive Industries (FCAI)
- Snowmobile Safety and Certification Committee (SSCC)

Safety Risk Assessment and Advanced Safety Technologies

Yamaha Motor operates a wide range of product businesses, and they include efforts to create new products that differ from existing offerings.

When creating new products, relevant divisions conduct safety risk assessment at the planning stage to determine how to reduce risks and whether development can be continued. Of course, further assessment is carried out at each stage of the subsequent development process using failure mode and effect analysis (FMEA), fault tree analysis (FTA), and other analytical methods. We then spend considerable time on experiments using the actual testing units to eliminate risks anticipated until a new product becomes available.

In addition to these initiatives, we also make ongoing efforts to study advanced safety technologies that may be incorporated into future products.

See below for recent examples of our efforts in the area of advanced safety technologies.

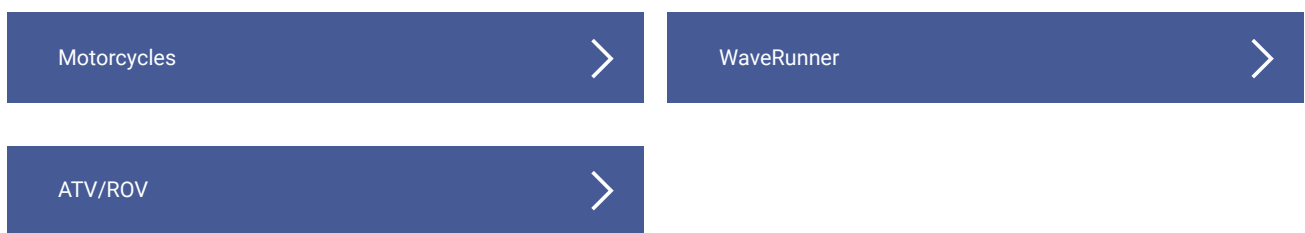
> Motorcycles become part of the connected vehicle world

Safety Communication with Customers

We make every effort to prevent accidents by conveying relevant information using various communication channels. This includes explaining the correct way to use each product in its instruction manual, of course, and highlighting particularly important items by attaching warning labels to the products to indicate proper usage. Our dealers also communicate such information to the customers in person.

Should we become aware of a nonconformity product that may put our customers at risk, we immediately announce that information using every possible means and respond appropriately through our global system established for this purpose.

We pursue global activities to promote safety with the aim of reducing accidents, sharing accident information with the government agencies and international organs such as the United Nations mentioned above. The following is a list of some of our safety promotion activities.



Initiatives on Quality

Approach to Quality

At Yamaha Motor, we always take a customer-oriented approach in our efforts to achieve safety and reliability through high-quality products and services, and to constantly provide peace of mind, confidence, and a sense of excitement to customers.

By high-quality products and services, we mean that our offerings fully reflect the quality demanded by customers, ensure safety, match their application, and have a service life of an appropriate length, in addition to being designed and manufactured to ensure they serve their functions continuously during use, and provide a high level of confidence, peace of mind, and excitement to the customers who use them.

Our factories in Japan and abroad are ISO 9001 certified and audited to ensure that all activities are carried out appropriately.

Quality Management System

We have established and implemented a quality management system based on ISO 9001 standards and our unique Groupwide quality policy declared by the President.

These global efforts are based on the three-year Medium-term Management Plan developed at the headquarters, with each Group company planning their activities and setting medium-term targets in line with this plan. The medium-term plan created by each Group company and its progress are reviewed at our annual global meeting where issues are discussed to arrive at a solution, thereby running the PDCA cycle of our quality management system.

We also have a committee that monitors whether quality information is being processed appropriately in the market based on the product problem information and warranty repair information in each market. This committee ensures timely investigations and reporting to management.

Collecting and Responding to Market Information

We have a system in place to collect information about quality issues that arise in the market through dealers around the world and ensure the factory where the product was manufactured has access to the information. The information is delivered to the design and manufacturing divisions as well as the development and production departments of suppliers, so that coordinated efforts can be made to determine the cause and implement countermeasures, while handling the issue appropriately for the customers and developing measures to prevent recurrence.

We also have in place an escalation flow that ensures information quickly reaches management in the event of a product incident or a nonconformity product that may infringe on laws and regulations, as well as a system that enables deliberations, so that timely judgment and decisions can be made.

When it is determined that market measures are necessary, we quickly notify the relevant authorities of the country where the incident or nonconformity product occurred according to its laws and regulations, then our dealers notify the users of the product that free repairs will be provided by direct mail, phone, announcement on the website, or other means.

Quality Improvement Training

We provide stratified quality improvement training each year to employees in manufacturing and quality management divisions to ensure they have ingrained, quality-related knowledge and skills. Employees in development divisions take various skill enhancement courses on methods for designing safe products, risk assessment, and other topics.

We also pursue various other efforts aimed at quality enhancement based on the knowledge and skills developed through training. One example is the "I am Yamaha" activities that we have been conducting globally since 2015. These activities encourage a strong sense of ownership in every employee, so that each individual believes, "It is I, and no one else, who is personally responsible for making the Yamaha brand shine." This attitude, along with a customer-oriented approach, allows employees to refine their powers of perception (ability to make discoveries) and to enhance the quality of not only products but also their work.

As part of these activities, we set up an exhibition space dubbed "Learning from Mistakes," where examples of past market quality problem are showcased with the aim of transferring past experience to future generations. This activity enables sharing of information between business divisions and with overseas manufacturing sites.

After-sales

Training After-sales Service Staff

The Yamaha Motor Group views after-sales such as Technical service and Parts supplying are important activity.

With regard to Technical service, we have introduced the slogan "One to One Service" for the active creation of positive relationships with each individual customer. Accordingly, we operate the Yamaha Technical Academy (YTA) program around the world to train service technicians as per our proprietary unified global standard.

Trainers in each country who have been trained in Japan hold classes that run for a certain period of time for the service staff in their country, so that they acquire technical skills that are up to Yamaha's unified global standard.

This program has three levels of accreditation – Bronze, Silver, and Gold – and we have standards defined for the number of staff that dealers have to fill for each level of accreditation. By having Yamaha-accredited service staff perform maintenance and inspection work, we continue to ensure the safety and reliability of Yamaha products for customers.

We also operate a similar global training program called Yamaha Parts & Accessories Academy for staff who handle parts.

Yamaha World Technician Grand Prix

The Yamaha World Technician Grand Prix is one of our activities to deliver even greater customer satisfaction by enhancing the technical abilities used in daily work by service staff who have been trained at the YTA. The top finishers at regional preliminary rounds gather at our headquarters once every two years to compete in a contest to determine the world champions in the areas of "high level

of technical skills," "easy-to-understand explanations," and "Kando response." Service staff from around the world participate in this competition, and their motivation to be a top finisher is reflected in their daily service activities.

- > News Release
- > Details of the Yamaha World Technician Grand Prix

Customer-oriented Activities

We want customers to use our products with peace of mind for a long time. This makes a quick and stable supply of parts indispensable. To prevent shortages, we maintain a minimum of a 10-year supply of parts, and have built a system where customers can order parts online and have them delivered quickly.

For customer convenience, we also keep a parts list published on the website.

Our Technical service activities also include a "time commitment service," mainly in the ASEAN region where many people use motorcycles as a means of daily transportation. For example, we tell the customer, "A regular inspection will take this long," or "An oil change will take this long," committing to the amount of time the customer has given us and not causing stress for the customer by saying, "We don't know when it will be finished."

These are examples of our customer-oriented activities, but all activities Yamaha undertakes are based on a customer perspective.

Use of Customer Information

The Yamaha Motor Group views opinions and requests from customers as expressions of their expectations for our products and services, so we carefully respond to each opinion and request we receive, in the belief that raising the level of customer satisfaction will lead to trust. Based on this spirit, we undertake various activities to know how customers evaluate and use our products, and to learn how to improve our products and what kinds of products to make in the future. For example, we send an Internet survey to customers who have purchased a new product, and in some cases, we may ask the customer in person for a more detailed evaluation.

Our Customer Communication Centers (CCCs) ^{*} set up at sales offices in Japan and abroad handle customer inquiries related to our products and services.

Comments received from customers are collected by YMC Service through service channels, and reported to related departments and development and manufacturing sites, with instructions for improvement given as needed, as part of our efforts to develop and improve our products and enhance our services.

* The name differs from country to country, such as "Customer Relations."

Promoting Safety

We will introduce some of the safety promotion activities undertaken by Yamaha Motor, including details of YRA for motorcycles and initiatives in various countries.

← Customers

YRA - Yamaha Riding Academy

↓ contents

1. YRA: For Safe Riding, Now and Going Forward
2. YRA Instructor Hierarchy
3. Basic YRA Programs (Case Study)
 - Taiwan - Brazil - Japan - Thailand - India - Pakistan

YRA: For Safe Riding, Now and Going Forward



In addition to achieving its corporate mission of being a “*Kando* Creating Company,” Yamaha Motor strives to fulfill its social responsibility to enable customers to ride safely. Testament to this commitment is Yamaha Riding Academy (YRA) which runs safe riding courses around the world. To ensure that our products are used properly, safely and enjoyably, and serve our customers well, we offer a wide range of activities including safe riding courses for general customers, classroom instruction for companies and organizations that use our products commercially, and courses to train instructors at affiliates around the world.



> Sustainable Development Goals (SDGs)

YRA Instructor Hierarchy

We have established a YRA instructor hierarchy to support quality YRA activities around the world. In addition to riding ability, instructors are required to be certified in the following skills:

- Understanding and being able to explain YRA's philosophy and purpose
- Manners and rules for dealing with customers
- Holding and conducting classroom lectures
- Knowledge and ability to explain safe riding
- Knowledge and ability to explain and demonstrate safe riding
- Knowledge and ability to explain products and pre-ride checks

The YRA instructor hierarchy has three levels of certification:

YMC Trainers (YMC = Yamaha Motor Company)

YMC trainers are from YMC, and visit affiliates around the world to conduct training for and certify trainers and instructors.

Trainers

Trainers are located at affiliates around the world and have been promoted to the rank of instructor after being certified by YMC trainers.

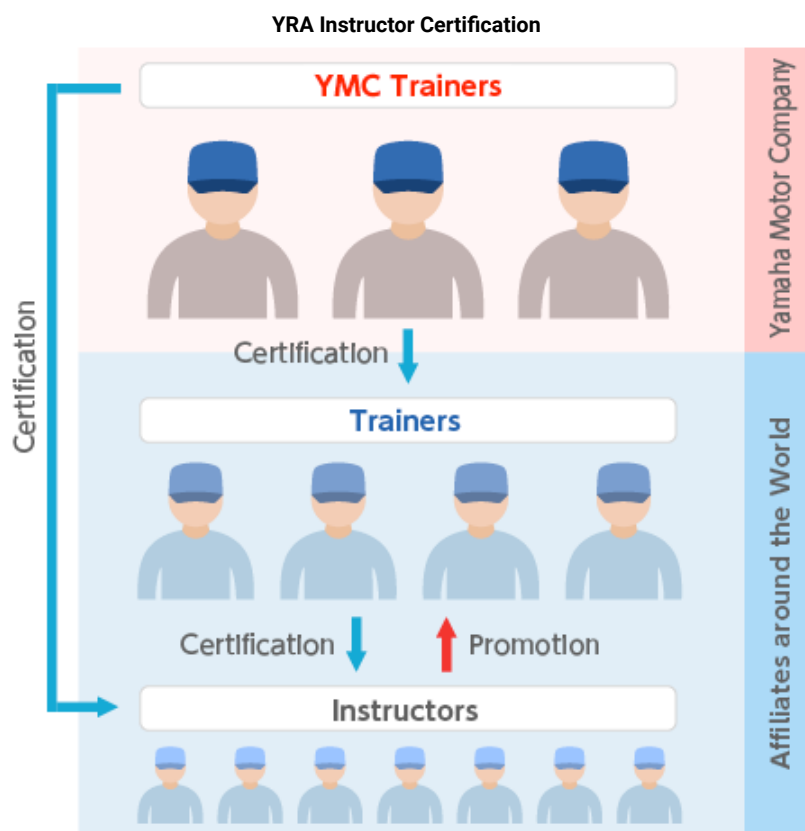
They train and are authorized to certify instructors in their own companies.

They also hold and conduct YRA classroom lectures for customers.

Instructors

Instructors are certified by YMC trainers or trainers from their own companies, and are located at affiliates around the world.

They hold and conduct YRA classroom lectures for customers.



Basic YRA Programs (Case Study)

YRA has a broad range of students, from beginners, current riders, return riders and children to companies and organizations, that use motorcycles for commercial purposes.

Basic YRA programs are held based on the needs of the customers taking the course and the characteristics of the products being used.

Actual riding instruction is carried out in cooperation with local Yamaha affiliates, founded on basic YRA programs and taking into consideration customer needs, traffic safety issues, and other local circumstances.



Taiwan

Safe riding instruction for purchasers of large motorcycles



Brazil

Workshop for Excellent Dealers



Japan

Lessons for return riders and beginners



Thailand

Courses for acquiring a rider's license



India

Children and family traffic safety program



Pakistan

Safe Riding Course for New Motorcycle Purchasers

Taiwan

We will introduce our initiatives on the promotion of safe riding and more.

Taiwan

The market for large motorcycles in Taiwan is growing, but this increase is leading to concerns of a rise in traffic accidents.

Many of our customers have been riding 125cc-class scooters and are now moving up to large scooters or motorcycles, but are unfamiliar with handling larger vehicles or operating the clutch.

Yamaha Motor Taiwan Co., Ltd. (YMT) is selling the TMAX, MT-07, and YZF-R3, and offers YRA safe riding courses to customers who purchase these models.

This includes both classroom instruction (YSRS) and hands-on lessons in riding techniques, to raise customers' awareness of safe riding as well as their knowledge and ability to enjoy our products safely.

During 2019, we held 28 courses for 221 participants, many of whom said the course was very useful.



Brazil

We will introduce our initiatives on the promotion of safe riding and more.

Brazil

In February 2020, we hosted a "YRA Dealers Instructors Award workshop" for select dealers chosen for their outstanding achievements in actively promoting safety through YRA activities.

Local trainers from Yamaha Motor do Brasil Ltda. (YMDB), our distributor in Brazil, worked with eight instructors from the selected dealers to develop their on-road/off-road riding skills.

In Brazil, high rates of fatal motorcycle accidents have become a social issue, calling for increased safety awareness of users. To help address this situation by enhancing safety training at dealers, YMDB is encouraging them to have YRA instructors available. It is also advising motorcycle users to participate in safety courses in collaboration with the government.

Yamaha Motor is leveraging its strength in its extensive network of sales channels to pursue safety promotion activities and contribute to the resolution of social issues.



Japan

We will introduce our initiatives on the promotion of safe riding and more.

Japan

In Japan, Yamaha Motor offers lessons to promote safe riding, primarily for return riders and beginners.

Return riders are mostly people in their 40s and 50s, who have taken up riding again after stopping because of factors like work, marriage and raising children. Such riders have been increasing in number in recent years.

During this long break, their physical strength and riding skills decline, and motorcycles change. Riding a motorcycle without being aware of this decline raises concerns over increased accidents as a result of avoidable mistakes.

On the other hand, there are also customers who have obtained their motorcycle license but are not confident of their riding ability and are afraid to go out on public roads. These inexperienced riders are therefore hesitant to take the next step of purchasing a motorcycle. A problem facing such people in Japan is that despite obtaining their motorcycle license at a driving school, they do so without having any riding experience on public roads, and therefore have to learn on public roads by themselves.

In 2019, we held 37 days of lessons to provide customers with an opportunity to learn the skills they need to enjoy riding motorcycles safely, and 515 people participated.

The most popular course is "Lesson & Touring," in which participants go over basic riding skills with an instructor at the lesson site, followed by a short touring on public roads. Customers who took the course have given positive feedback, such as, "It was my first ride in years, and this course was a great refresher!" and "I'd never ridden a motorcycle on public roads before. But the instructor's guidance at the lesson site set my mind at rest, and I'm pretty confident now after the whole experience."



> [More about YRA in Japan](#)

Thailand

We will introduce our initiatives on the promotion of safe riding and more.

Thailand

Yamaha Riding Academy (YRA) is a training facility, located on the grounds of Thai Yamaha Motor in Samutprakarn province. At the time it was built, Thailand had more than 70,000 motorcycle accidents annually. Thai Yamaha Motor has been active in promoting safe motorcycle riding, since 2005, and has been offering safe riding courses 40 to 50 times per year, as well as holding official tests and issuing certificate of qualification for qualified riders. To expand and enhance the quality of these activities, Yamaha Riding Academy was established in August 2008 as the Group's first overseas training facility.



At YRA, we offer a wide range of programs for customers who have yet to obtain a rider's license and for veteran riders who already own a motorcycle, as well as programs on how to safely ride scooters and large capacity motorcycles. One of these programs involves assisting riders to obtain a license.



In addition to providing instructions toward getting a license, this program has an online system connected to the Thai Ministry of Transport, allowing customers to take the license test on-site.



Even outside the facility, the YRA has signed a comprehensive agreement with vocational training schools concerning safety training operations. Yamaha Riding Academy instructors train instructors hired by the vocational training schools, who engage in various activities across the country, such as promotion of safe riding and holding kid's mini-bike classes (riding schools for kids using the PW50, TT-R50, or other mini-bike models) at various events.

Customers who need support for obtaining a motorcycle license, particularly in rural areas, can take a course at a vocational training school held with cooperation from a local Yamaha dealer and the Thai Ministry of Transport.



> [More about TYM's YRA](#)

India

We will introduce our initiatives on the promotion of safe riding and more.

India

YOSP (Yamaha Children Safety Program)

Yamaha Riding Academy is offering road safety programs for children. Here in India, we developed this activity uniquely and more creatively.

Zippy! A Mascot created by the kids, for the kids! It acts as a tutor to help educate children on sensible attitudes toward road safety and traffic rules in a more fun and interactive way.



YOSP (Yamaha Children Safety Program) is to promote awareness of road safety and we are nurturing the kids right from their budding stages.

Yes! We are more concerned about road safety of our future citizens. At Yamaha, we are committed to create and inculcate proper road safety awareness among the kids and to transform them into more responsible citizens thus paving a way for safer roads in India.

In 2019, we had more than 31,136 kids participate in 150 activities.

YFSP (Yamaha Family Safety Program)

A Corporate Social Responsibility (CSR) initiative by Yamaha Motor of India Sales Pvt. Ltd. (YMIS), promotes and assists safety activities that prevent road accidents to larger extent.

We connect with family and kids through our uniquely designed programs that strive to inculcate safe and responsible riding among all the sections of the society.



In YOSP (Yamaha Children Safety Program) , an integral part of YFSP (Yamaha Family Safety Program) is to promote road safety and we are nurturing the kids right from their budding stages.

Here, we encourage the kids to come up with more creative ways of incorporating road safety themes into their drawing and dancing. The idea is to induce safety into their subconscious mind.



Pakistan

We will introduce our initiatives on the promotion of safe riding and more.

Pakistan

In Pakistan, where small motorcycles make up a major portion of the market, there are concerns that the country's growing needs for touring may be accompanied by an increase in traffic accidents.

Yamaha Motor Pakistan Private Ltd. (YMPK) provides YRA safe riding training for customers who purchased the YBR125 series to raise their safety awareness and advise them on things to keep in mind when touring.

Participants learn the knowledge and skills they need to enjoy the product safely through classroom lectures (YSRS) and practical training, which also serve to increase their awareness about safe riding.

Customers who took the course have offered comments such as, "This was my first time to participate in the YRA. It really taught me how to ride my motorcycle safely," "I now understand the importance of the front and rear brakes. It was really helpful," and "I got the hang of balancing! I want to tell my friends about it."



Shareholders and Investors

A page with links to IR information

In order to ensure accountability by providing shareholders and investors with appropriate, accurate and timely information, Yamaha Motor has established a specialized division which engages in IR activities inside as well as outside Japan.

In addition to the annual shareholders' meeting and quarterly earnings briefings, the division holds IR meetings with investors from within and outside of Japan, and organizes business briefings. Furthermore, the division discloses IR information on the Company's website, operates a website to provide information to individual investors, and makes videos of earnings briefings and briefings for individual investors publicly available, in an effort to proactively disseminate information so that even more shareholders and investors have a better understanding of Yamaha Motor's business strategies.

Since 2019, Yamaha Motor has been issuing integrated reports as part of its efforts to be actively engaged with shareholders and investors through constructive dialog. It also holds events like small meetings with several institutional investors to discuss environmental, social, and governance (ESG) issues. In addition, IR staff visit shareholders and investors in the United Kingdom, the United States, and other overseas locations, for direct engagement on ESG and other issues.

Yamaha Motor has established the Employee Shareholding Association in order for staff to build up their assets as well as have them further increase their engagement with the Company by having an awareness of participating in management.

Through this initiative, employees making a greater contribution to business performance will be one factor driving an increase in the Company share price, which will also lead to increased value of the assets held by employees.

> Long-term Vision / Medium-term Management Plan (2019-2021) **PDF**

> Video of Presentation, Long-term Vision / Medium-term Management Plan (2019-2021) **MOVIE**

Information for shareholders and investors is available on the websites below

Disclosure Policy



Dividend Policy



For Investors (index page)



Employees

Introducing the approach and policies related to employees

Global perspective and respect for diversity

The Yamaha Motor Group strives to create workplaces that respect diversity, with the aim of achieving an organizational structure that is based on the sharing of ideas and equally high ambitions and spirit, cooperation, and joy in our work among the Company and its employees from a global perspective.



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1. Human resource system linked to achievements and performance
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 - Promoting Women's Active Participation
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Human resource system linked to achievements and performance

Under the belief that a company can build a win-win relationship with its employees only when it becomes a group of independent individuals, we support the development and active participation of our employees and adopt a human resource system linked to achievements and performance, regardless of gender, age, nationality, and other such factors.

Specifically, each individual sets work targets at the beginning of the fiscal year in light of the Companywide policy and division policy, then finalizes the targets following a review with his or her supervisor. These targets are used as a base for managing progress and directly reflected in the base salary and bonus in year-end evaluations.

Multifaceted Human Resources Development

As our business becomes increasingly global in scale, we believe we need to step up our efforts in areas such as human resources development, for which we are expanding our human resources development programs each year to address employees in a variety of positions.

Specifically, our programs include stratified training, training to refine specific functional skills, and training systems that develop human resources who are able to work at the global level through fourth-year-employee overseas experience and working as an overseas trainee, as well as coaching to enhance performance as an organization with cohesive teamwork.

This coaching was implemented full-scale in 2017 as a tool to make managers fully functional as the middle management in the organization, and is producing solid results.

Training hours per employee to enhance employees' capabilities (total training hours / No. of Yamaha Motor employees) in 2019 were 11.3 hours (excluding compliance training, training related to health and safety laws and regulations, and training for new hires).

YMC HR Development Program

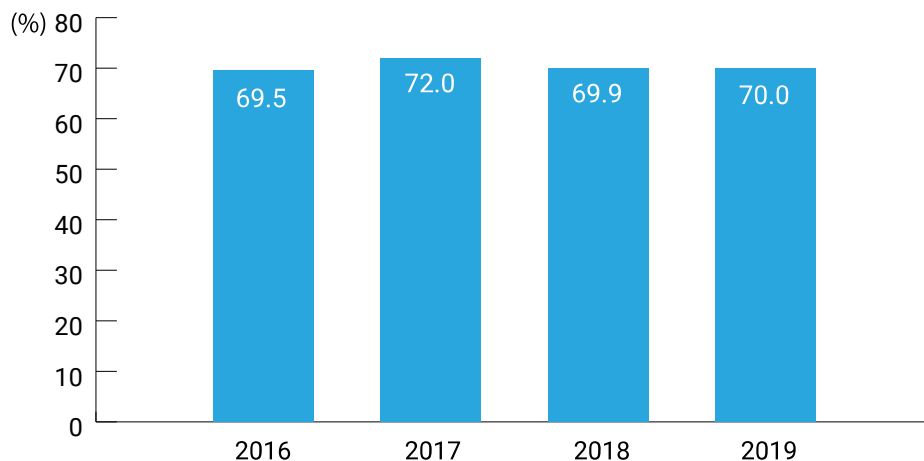
	Self Value Design					Stratified Trainings	Professional	Teamwork	Global	Selection							
Managers	General	Career Survey	YAMAHA Flex School (Correspondence Education)	Language Class (Voluntary)	Finance, Accounting and Computer Trainings	Self Value Design Developing Trainings (SVD)	Self Value Challenge (SVC In-House Recruitment)	Coaching	Trainings before Overseas Assignment	Global Executive Program (GEP)							
											Trainings for Newly Assigned Executives for Subsidiaries	Specific Skills by Function					
Newly Promoted General Manager Trainings											Marketing	Administration	Technology	Manufacturing			
Newly Promoted Manager Trainings																	
Newly Promoted Foreman Trainings																	
Team Management Trainings for Senior Supervisors															Study Abroad		
Team Leadership Trainings for Supervisors																	
Skill Up Trainings for Clerical Workers															Overseas Trainees	4th Year Employees Overseas Experience	YAMAHA Business School
New Employee Trainings															Domestic Sales OJT		

The Number of Participants in YMC HR Development Program 2019

Global/Selection (Except "Study Abroad" and "Overseas Trainees")	214
Teamwork	42
Professional	1,866
Stratified Trainings (Except "New Employees Trainings")	430
Self Value Design (Except "Self Value Challenge" and "Career Survey")	1,558

Employee Motivation

In response to the question, "Are you motivated in the performance of your job?", with a score of (5) for "Highly motivated," (4) for "Somewhat motivated," (3) for "Neither motivated nor not motivated," (2) for "Not very motivated," and (1) for "Not at all motivated."



Percentage of employees replying, "Highly motivated" or "Somewhat motivated" in response to the question, "Are you motivated in the performance of your job?"

2016: 69.5%, 2017: 72.0%, 2018: 69.9%, 2019: 70.0%

According to the third party of employee survey, the pass grade is employees' average score of 3.5 and the employee rate chosen "highly motivated" or "somewhat motivated" is around 55%. Therefore, our target sets as keeping 3.5 as average and 55% of highly or somewhat motivated employee.

Workplaces Thriving on Diversity

Based on our fundamental belief that "all corporate activity originates first of all with and for people," we have clearly defined our stance on human rights in its Basic Policies of CSR and Code of Ethics. Moreover, to maintain continuous growth, we believe it is important that our workforce incorporates diverse viewpoints and values, reflecting different experiences, skills, and attributes.

To achieve this, we have developed and implemented common management development programs around the world and introduced global human resource systems to train and hire talented staff, as we work to build an organization that utilizes global experience and knowledge.

Utilizing Global Human Resources

Since 2012, the Yamaha Motor Group has held meetings of the Global Executive Committee (GEC) as a venue for Japanese and local executives to discuss Group issues. In this committee, top management from the Group's core companies deliberate and consider topics related to global management that will later be deliberated at the Management Committee. Our brand slogan "Revs your Heart" was adopted following consideration of the GEC.

For management positions, we will promote the recruitment of competent personnel regardless of their nationality or place of birth. At overseas subsidiaries in particular, we will actively appoint local managers to fill management positions, aiming at a localization rate of 60%. Meanwhile, in 2016 we started appointing individuals employed at overseas subsidiaries to general manager or higher posts at the headquarters as well. Currently, we are working to promote the placement of the right people in the right jobs at the right time by going beyond the relationship of "the headquarters and overseas subsidiaries," and expanding the scope of international transfers between Group companies to include non-executive employees.

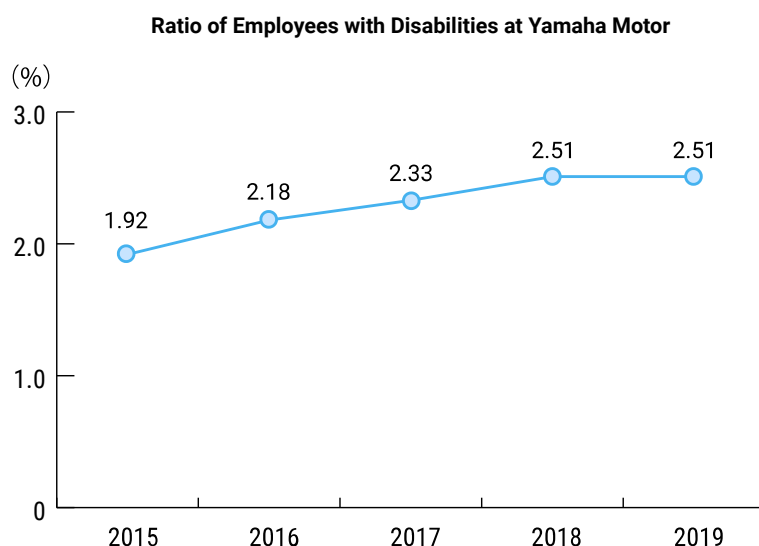
Promoting Women's Active Participation

To promote active participation by women, we have set targets of doubling the number of women hired for managerial positions in 2014 by 2020 and tripling it by 2025. In 2019, we already achieved our target for 2020.

We have been pursuing various measures to promote women's active participation. Currently, we provide a work-life balance support workshop for pregnant female employees where they can discuss how to think about maternity leave with their eyes set on a long career. We also have various training programs, including leadership training for women, training on managing female subordinates, and personal branding training for employees who want to understand their tendencies and enhance their ability to motivate themselves. We now also allow employees to take a leave of absence to receive fertility treatment.

Promoting Employment and Raising Motivation for People with Disabilities

For people with disabilities, in October 2015, we established Yamaha Motor MIRAI Co., Ltd., to provide a place where they can participate actively in accordance with their capabilities, and to promote their social independence. The company began full-scale operations in 2016, and has expanded its areas of business while holding various events such as company tours and workshop presentations in an effort to enhance the job satisfaction and motivation of employees. In addition, we promote understanding and cooperation throughout the Group by introducing the activities of Yamaha Motor MIRAI through our bulletin boards and company newsletters.



Supporting Work-Life Balance

We support career planning that is based on the assumption of mutual confirmation by both the employee and the Company, and aim to create workplaces that promote a healthy work-life balance.

We are enhancing our systems so that employees can work in ways that suit their individual circumstances, by providing childcare leave, nursing care leave, and family illness leave, as well as systems such as flexible work time, short working hours, and the rehiring of employees who resigned to accompany their spouse on overseas postings. We are also working to support employees raising children through "Wai-Wai Land," an in-house childcare facility providing broad-based support for both "work and family." In 2016, we expanded the size of this facility and increased the number of children who can be accepted. Starting in April 2020, we have given our employees at the headquarters an option to work from home, which had been available to employees at some of our subsidiaries. Going forward, we will identify issues and develop countermeasures to be fully implemented from 2021.

Our policy is to reduce excessive work hours with the aim of reducing overtime, and in consideration of maintaining mental and physical health. We have also established Rules Regarding Overtime Work, which are stricter than the legal requirements, based on

labor-management consultations. In addition, the Labor-Management Committee on Working Hours, comprising participants from both the labor union and the Company, meets every month to confirm the present state of working hours.

Regarding the use of paid leave, we comply with the Work Style Reform Act, set targets between employees and management based on the Act, and promote the taking of paid leave through initiatives including a system for taking consecutive days of paid leave.

In particular, we are raising awareness and increasing the effectiveness of this system by sending special notices to those eligible for five consecutive days of paid leave.

Main Work-Life Balance Support Programs (Yamaha Motor Co., Ltd.)

Programs	Details
Child care leave	Employees may take leave until the child's second birthday.
Family care leave	Employees may take leave for up to one year on request.
Family illness leave	Employees taking care of children up to the third grade can take up to 5 days per year in the case of 1 child, and up to 10 days if they have two or more preschool-aged children.
Flexible work time system	Working hours* can be set at any time between 6:30 a.m. and 9:45 p.m. *Core working hours are from 10:15 a.m. to 3:00 p.m.
Workload reduction	Limits are placed on overtime, and night work is excused for employees with a child up to the third grade and employees caring for a sick or aged family member.
Short-time work system	Employees may reduce their working hours by one or two hours each day.
Others	Designated "no overtime" days (every Wednesday; any day preceding a company holiday; paydays; and bonus payment days). Employees can take three consecutive days of paid leave every year (from age 30, employees can take a consecutive five-day paid leave every five years).

Occupational Health and Safety

Under the leadership of the Central Safety and Health Committee, with authority delegated by the President and Chief Executive Officer, Yamaha Motor is promoting the establishment of safe and healthy working environments around the world. We are also engaged in various activities with the aim of zero occupational injuries.

For example, we strive to prevent occupational injuries by performing risk assessments in accordance with the Occupational Safety and Health Management System (OSHMS), to detect potential dangers and harmful conditions in the workplace. We implement detailed risk assessments when new equipment is installed and when new projects are launched.

We monitor situations with regard to occupational illnesses (caused by exposure to chemical substances, organic solvents, dust, etc.) through workplace patrols, special health examinations, and other measures. In addition, regular checks based on ergonomics are carried out to ensure that workplaces are safe and comfortable.

Item	Measures taken
Lighting	Semiannually measure lighting in workplaces with illuminometers to ensure that illuminance does not fall below the intensity stipulated in the Ordinance on Health Standards in the Office of the Industrial Safety and Health Act.
Noise	Semiannually measure that noise at manufacturing sites does not exceed 85 decibels.
Air quality	Circulate using central air conditioning systems, and at designated workplaces air quality is measured semiannually by a working environment measurement expert accredited by the national government.
Temperature and humidity	Measure simultaneously as a wet-bulb globe temperature (WBGT) reading, to ensure that workplaces provide a physically comfortable environment.

In addition to the above, health managers patrol weekly the workplaces for which they are responsible and safety managers patrol manufacturing and testing sites daily, to ensure that workplace environments are safe and comfortable.

We are focused on developing human resources that can support workplace safety and a healthy occupational environment through job-specific stratified education and training to improve the skills of safety managers, supervisors, and operations chiefs, and by holding occupational safety and health meetings. The following training programs on workplace safety were held during 2019.

Training	No. of participants
Training for senior safety and health managers	18
Training for newly appointed floor managers (2-day legally mandated training)	40
Training for persons appointed as safety managers (1-day legal and regulatory training)	49
Training to enhance the skills of safety managers (half-day legal and regulatory training)	53
Hazard prediction drills	46
Special training for operations involving dust (1-day legally mandated training)	26

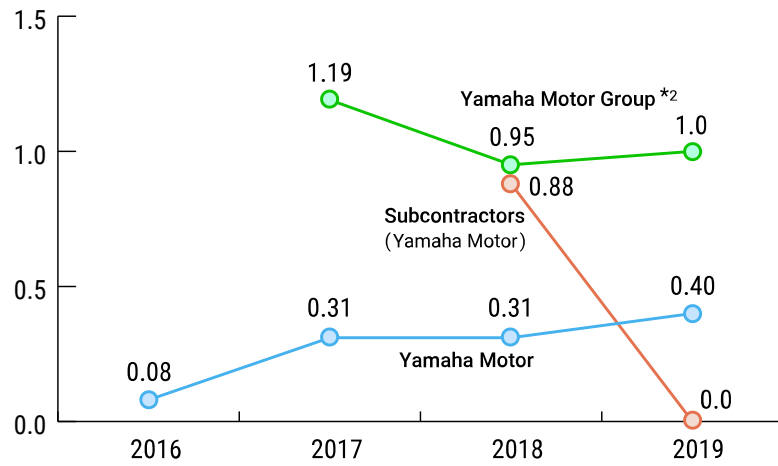
We also thoroughly manage lighting, noise, air quality, temperature, and humidity overseas as well, based on laws, regulations, and in-house standards, and proactively implement occupational health and safety education and training.

In addition, in 2008, we developed an Occupational Safety and Health Management System (OSHMS) for Yamaha's main manufacturing centers, in an effort to prevent accidents. For centers obtaining Group certification, we have introduced a system under which headquarters conducts regular follow-ups with the aim of improving the level of management, performs inspections to determine whether the centers are meeting OSHMS levels, and grants Group certification to those that have achieved the required level, with follow-ups conducted on a regular basis.

We also make efforts to prevent occupational injuries among outside subcontractors by establishing work safety guidelines.

Lost Time Injury Frequency Rate

External Assurance



*1 Lost time injury frequency rate: Number of lost time injuries occurring in a workplace per million work hours

*2 Calculated from data for a total of 22 companies, comprising Yamaha Motor and its consolidated subsidiaries and affiliated companies with manufacturing functions.

During 2019, there were a total of 19 accidents at Yamaha Motor, including nine accidents that resulted in lost work time. Workplace accidents tend to occur when riding motorcycles on a test course, and we disseminate information about accidents Companywide in an effort to prevent recurrence.

There were no incidents of occupational illness in 2019 (Occupational Illness Frequency Rate: 0%).

External Assurance

Employee Health

Yamaha Motor Health Declaration

"Health" is by no means something that can be taken for granted, even though we may have thought so before.

The COVID-19 pandemic has brought home to me as a corporate manager the fact that the continuation and development of business depend on the health of the employees and stakeholders.

With the belief that employees' health and safety are the foundation of a company's growth, Yamaha Motor will promote health and productivity management.

Unless we constantly maintain a physical and mental state that allows us to be full of vigor and excitement, we will be unable to deliver Kando to people.

Take good care of yourselves and stay healthy.

October 1, 2020

Yoshihiro Hidaka *President and Chief Executive Officer*

Policy

As a "Kando Creating Company," Yamaha Motor aims to provide customers with new excitement and more fulfilling lives. This requires that each and every one of our employees be "healthy," both mentally and physically. We believe this enables them to make full use of their abilities and passion, leading to customers' trust in the products and services we provide.

We consider employee health to be a key management issue for the Company's development, and are working together with all employees to maintain and promote the health of our employees.

1. We will work to reduce health risks in workplaces and create comfortable workplace environments, so that employees can perform their jobs with vigor and in good health.
2. Working with our health insurance association, we will proactively support self-care initiatives to promote employee health.
3. Employees will take an interest in, and responsibility for, their own health.

Promotion System

To promote health measures, we have established the Central Safety and Health Committee (chaired by executive officer and chief general manager of Human Resources & General Affairs Center and comprising occupational health physicians, representative supervisors of manufacturing, technology, and administrative divisions, and the labor union, among others). We evaluate how well we are promoting health and productivity management, make any necessary improvements, and formulate medium-term and annual plans. We discuss implementation of specific measures at the Health Promotion Team Meeting (comprising the Human Resources Division, occupational health physicians, the Health Promotion Center, and occupational health nurses, among others), and we use achievement indicators to review the implementation status as we move forward. We also hold monthly health policy joint promotion meetings with the health insurance society to discuss collaboration on measures.

Health Checkups and Follow-up Measures

We conduct statutory health checkups with the goal of achieving a 100% participation rate. We also emphasize following up on the results of health checkups, and have occupational health physicians provide thorough health guidance to prevent aggravation and assess whether an individual is fit for employment according to internal regulations on follow-up measures. Occupational health physicians assess employment categories for all checkup results (assessment rate of 100%).

Measures against Overwork and Maintenance of Work-Life Balance

The human resources management division and health promotion division work together to promote proper working hour management, and ensure thorough implementation of health maintenance measures at the workplace. Employees who work excessively long hours are given guidance in consultations with an occupational health physician that follow more stringent standards than what is required by law. The average number of days of paid leave taken has increased from 14.3 days in 2010 to 18.0 days in 2019.

Measures against Lifestyle-related Diseases

Employees who were found to be at risk for a lifestyle-related disease in a health checkup receive ongoing health guidance (specified health guidance) by nursing staff and registered dietitians. As for anti-smoking measures, we created an internal rule that prohibits smoking during working hours, and we provide guidance and various support tools to help employees quit smoking. The smoking rate among employees has dropped from 33.4% in 2010 to 26.5% in 2019.

Health Promotion

As part of our Companywide "Well-Be " health activities, we conduct various health programs including walking events and a "health mileage" program in which employees can earn points by improving lifestyle habits, such as exercising and eating well. We also support employees' health from a nutritional aspect as well by, for example, providing a cafeteria menu tailored to each workplace based on an analysis of the health checkup results.

Health Support for Women

To address health issues unique to female employees, we have a special consultation desk and seminar programs. We also coordinate with the health insurance society regarding gynecological exams to make it easier for female employees to take the exams, while also ensuring they receive the follow-up support they need.

Health Support for Employees Stationed Overseas

In addition to making sure employees stationed overseas take health checkups, we send occupational health physicians to overseas subsidiaries to monitor the local healthcare situation and living environment. Before sending employees overseas to take a new post, we provide vaccinations and training on health management including preventing infectious diseases such as viral hepatitis. We also

provide prophylactic medications to employees who are traveling to areas where there is a risk of contracting endemic diseases such as malaria.

Performance Indicators for the Promotion of Health and Productivity Management

In promoting health and productivity management, reducing the risk of lifestyle-related diseases among employees is one of the biggest issues at present. We are taking a comprehensive approach to addressing this issue by setting numerical and achievement targets with the aims of preventing aggravation among those at high risk and improving the health literacy of all employees.

Target values for 2020

Achievement targets		Numerical targets
Improvement of acquisition status	Improvement of lifestyle habits	Improvement of organizational performance
Periodic health checkup participation rate : 100%	Obesity : 27% or less	Rate of employees in need of employment classification : 2.75% or less
Health guidance provision rate : 100%	Lack of exercise habit : 71% or less	Employees with improved health
Specified health guidance completion rate : 45%	Sleep deprivation : 47% or less	Rate of employees in need of active support : 10.5% or less
	Smoking : 26% or less	

Support for Mental Health

System

Stress checks are performed each year together with health checkups, and analysis results are provided to individuals as feedback in the form of a radar chart. We have also put in place a system for follow-ups with an occupational health physician as necessary. We have resident counselors who work with those who have mental health issues and help them develop mental toughness through counseling and coaching. Furthermore, we have introduced an in-house mental health physician system and are clarifying various aspects of diagnoses and policies.

For employees who return to work after a leave of absence, the “Rework Program” helps prevent a relapse. The relevant manager, Human Resources Division, and occupational health physician cooperate to support the individual for about a year after his or her return to the job.

Training

To ensure that mental health issues are promptly identified and addressed, we conduct training for newly appointed managers, supervisors and general managers on such matters as knowledge about mental health and how to handle it at the workplace.

Expanding the System Overseas

Since 2005, we had been providing a telephone consultation service available 24 hours a day for employees stationed overseas, and have revised the system to take a more proactive approach. The stress checks carried out in Japan have been conducted in the United States since 2016, and in India since 2017. We expanded the checks to all employees stationed overseas in 2018.

Relationship with Labor Union

Yamaha Motor has concluded a labor agreement with its labor union “to establish working conditions and management systems that are based on mutually fair understanding and good faith.”

Under this agreement, the Company provides the labor union with appropriate explanations of various measures to be implemented and publishes reports on labor management in an effort to ensure employees' understanding of these issues. Moreover, the Company holds labor-management conferences and committee meetings regularly, as well as additional labor-management conferences taking up themes based on management initiatives or to address issues raised by the labor union. Officers of the labor union also participate in the management and operation of the corporate pension fund, the health insurance cooperative, and the mutual aid association.

An agreement dedicated to maintaining minimum wages is also concluded between the labor union and management each year. Yamaha Motor adopts a union shop system in which non-managerial employees are members of the labor union, where the participation ratio is 82% of all employees, and 58% globally. Domestic Group companies have also established labor unions or labor committees and engage in labor-management dialog through those bodies. Labor unions of Group companies including the Yamaha Motor Labor Union are members of the Federation of All Yamaha Workers Unions, and are pursuing mutual cooperation through the federation. Overseas Group companies have established structures for engaging in appropriate labor-management dialog based on the labor practices of the respective country or region, and wages are paid in compliance with local regulations.

Addressing Overseas Labor Risks

Many of our production sites are located in ASEAN member states, India, and China, where the risk of labor disputes is high. Accordingly, situations in these countries must be watched closely as we carry on our business activities. For this reason, we incorporate "shutdown due to labor disputes (strike, etc.)" into a risk management ledger employed across the Group, so that we can use it to monitor self-inspections and development of countermeasures.

Manufacturing companies regularly collect information about the legislation in each country and regional labor issues, work to strengthen labor-management relations, and ensure people know where to report and discuss labor issues. At the headquarters, we are working on sharing the know-how within the Group and maintaining and strengthening the communication system for emergencies, leveraging the knowledge accumulated over the years on labor dispute cases.

In 2019, a nationwide general strike in India slightly impacted operations, but it did not cause any major problem.

Employee-Related Data



Employee-Related Data

Introduces data related to employees.

← Employees

Employee data

Item	Unit	2017	2018	2019
Number of employees (consolidated) <Non-Japanese>		53,579 <42,334>	53,977 <43,730>	55,255 <45,154>
Number of employees (non-consolidated) *1 <Non-Japanese>		10,464 <86>	10,346 <99>	10,208 <107>
	Male	9,365	9,199	9,001
	Female	1,099	1,147	1,207
Average age (non-consolidated)		41.7	41.5	41.3
	Male	41.9	41.7	41.6
	Female	39.8	39.6	39.2
Years of continuous service (non-consolidated)		18.1	17.9	17.6
	Male	18.2	18.0	17.7
	Female	16.6	16.4	16.2
Number of new graduates hired (non-consolidated)		269	278	244
	Male	215	214	174
	Female	54	64	70
Total number of managers (non-consolidated)		1,406	1,401	1,647
	Male	1,379	1,367	1,610
	Female	27	34	37
Number of managers (non-consolidated)		1,023	1,001	1,165
	Male	1,000	972	1,135
	Female	23	29	30
Number of general managers or higher (non-consolidated)		383	400	482
	Male	379	395	475
	Female	4	5	7

Item		Unit	2017	2018	2019	
Number of general managers or higher (consolidated)			—	—	566	
	Male		—	—	555	
	Female		—	—	11	
Number of managers other than corporate (non-consolidated)			1,269	1,288	1,495	
	Male		1,254	1,268	1,474	
	Female		15	20	21	
Average annual salary (non-consolidated)		yen	7,404,192	7,598,026	6,963,859 *2	
Number of temporary employees (non-consolidated)			109	91	76	
Status of employees leaving the *3 Company (non-consolidated)	Used early retirement program		—	0	59	
		Male	—	0	52	
		Female	—	0	7	
	Voluntary		—	81	94	
		Male	—	65	84	
		Female	—	16	10	
	Involuntary		—	0	0	
		Male	—	0	0	
		Female	—	0	0	
	Transfer		—	0	2	
		Male	—	0	0	
		Female	—	0	2	
	Other		—	1	3	
		Male	—	1	2	
		Female	—	0	1	
Ratio of female employees (by region)		Japan	%	—	14.0	14.4
		North America		—	30.5	29.7
		Europe		—	24.9	24.7
		Asia		—	26.5	32.2
		Other		—	20.2	20.2

Item		Unit	2017	2018	2019
	(Overall)		—	22.9	25.9

*1 The "non-consolidated" include the number of Yamaha Motor Co., Ltd. employees dispatched to other companies.

*2 The ratio to the annual compensation amount of the President and Representative Director in 2019 was 1:26.

*3 As for the global status of employees who left the Company in 2019, the turnover rate (including mandatory retirement) was 5.8%, of which 2.9% was voluntary retirement.

Business Partners

Introducing our partnerships with suppliers and business partners in the supply chain

A global procurement and sales network based on a spirit of cooperation and fairness

Yamaha Motor products are created through collaboration with numerous suppliers in Japan and other countries. As our procurement and sales structures expand with our increasingly global business, the Yamaha Motor Group is establishing cooperative relationships with suppliers and dealers in Japan and around the world based on a spirit of mutual trust and mutual prosperity. For this reason, we strive to conduct fair business in compliance with the competition laws of all countries and regions while working to create partnerships that aim for mutual, sustainable growth.



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Two Policies Underpinning Procurement

As a *Kando* Creating Company, Yamaha Motor provides new excitement and a more fulfilling life for people all over the world, delivering unique, highly functional, high-quality products for use on land, on water, and in the air. To continue to do and build upon this, we consider it essential to take a broad, global view for our procurement of many types of high-quality parts and materials.

This is the thinking underlying our Basic Purchasing Policies, in which Yamaha Motor commits to “conduct fair trading, based on trust and cooperation, and to constantly strive to build better relationships with suppliers through activities to improve quality, price, delivery times, and other factors.” We have also implemented the policies in the five areas of an open door policy, just/fair trade, compliance/non-disclosure, respect to global environment, and mutual trust/prosperity. The Basic Purchasing Policies are based on our CSR Procurement Policies, which state, “The Yamaha Group builds trust with its suppliers through positive communication, and strives to realize mutual prosperity.”

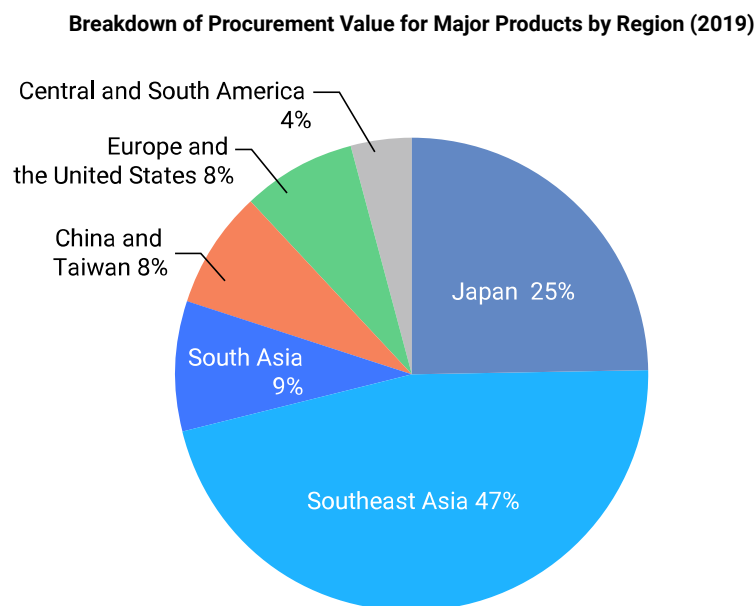
The Basic Purchasing Policies and CSR Procurement Policies play an important role as the basis for understanding all aspects related to procurement, from the conclusion of new contracts to procurement activities and ongoing transactions.

Structure for Promoting Policy Development

The procurement headquarters has organized the Global Procurement Officers Committee as a meeting body responsible for ensuring that the Basic Purchasing Policies and the CSR Procurement Policies are adhered to and reflected in our procurement activities, and gives instructions to promote the items stated in the CSR Guideline for Suppliers.

The Global Procurement Officers Committee receives reports and deliberates issues regarding current circumstances, and gives instructions for the implementation of its decisions based on the principle of mutual prosperity with suppliers. These decisions are then translated into specific global measures by the Committee, and all points of procurement are made thoroughly aware of these measures as Companywide policies. In addition, a Global Suppliers Conference is held annually, bringing together suppliers from around the world, and these conference and training programs held in conjunction with various events help to ensure a thorough understanding of these policies. Best practices are also announced at the Global Suppliers Conference to encourage broad application through the sharing of ideas.

The breakdown of procurement value for Yamaha Motor's main products by region is as follows.



Important Partners in Supporting the Supply Chain

For the Yamaha Motor Group, our suppliers are vital partners in supporting the entire supply chain. When it comes to providing safe products to our customers and to society, we emphasize not only volume and monetary value but also quality and the procurement process. In particular, we strive to ensure that suppliers of important parts share and understand our vision and policies, and engage in activities to deliver excitement to our customers. Cooperation with our main suppliers is also important in terms of raising the quality of the entire supply chain, and must be assigned greater priority, going forward.

Promoting Sustainability Throughout the Entire Supply Chain

Under the Yamaha Motor Group's Basic Policies of CSR, we expect our business partners to support the intent of the policies and to act accordingly. To have suppliers engage in sustainability activities that enable them to respond appropriately to the demands and expectations of society, our CSR Guideline for Suppliers informs our suppliers around the world of our policies with regard to issues including safety and quality, human rights and work environment, consideration for the environment, risk management, and compliance from the perspective of the environment, society, and governance (ESG), and we obtain a Commitment form from each supplier and

promote sustainability activities throughout the entire supply chain. For the Medium-term Management Plan (2019–2021), we provided the CSR Guideline for Suppliers to more than 1,000 suppliers targeting approximately 90% of our global supply chain in purchase value terms, and we received a Commitment form from about 600 of them.

Matters stated in the CSR Guideline for Suppliers are evaluated by the suppliers themselves, and in 2019, the first year of the Medium-term Management Plan, about 60% of the business partners that submitted a Commitment form conducted self-assessments.

Going forward, we will review the figures obtained through self-assessments and incorporate them into our evaluation system for business partners, thereby promoting more effective measures. Based on issues identified through this process, our subsidiaries in each region will create a risk control activity schedule outlining improvements for the entire supply chain. Information will be shared with the headquarters to help manage progress.

Specific environmental activities are covered in the Green Procurement Guideline, and cover ways in which Yamaha Motor works with its suppliers in areas like managing and reducing environmentally hazardous substances and the efficient use of resources and energy. From 2018 uniform information on chemical substances as determined by the automobile industry is included in the Yamaha Motor Technical Standards, to inform suppliers and ensure their thorough compliance. We use the International Material Data System (IMDS) as evidence for conformity with the Yamaha Motor Technical Standards, which is required in drawings and specifications. We have registered 10,000 parts as of the end of 2019. Going forward, we will work to further increase coverage of existing mass-produced parts while enhancing our system with the aim of registering all new parts.

In addition, the Basic Purchasing Contract that we conclude individually with each supplier guarantees legal and regulatory compliance by requesting that suppliers “comply with related laws and regulations, directives, and other guidelines.”

Meanwhile, we invite lawyers to hold workshops on the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors for the procurement staff at the headquarters, in addition to other CSR training programs designed to raise awareness.

Through these activities, Yamaha Motor is promoting sustainability throughout its entire supply chain.

> [CSR Guideline for Suppliers](#) PDF

> [Green Procurement Guideline](#) PDF

Addressing Human Rights Issues at Suppliers

Approximately 50% (in value terms) of the parts used for our major products are sourced from Southeast Asia, and this region is generally said to be at high risk for human rights abuses. For these reasons, in 2019 we had a third party conduct trial assessments of our suppliers' labor environment including issues of human rights abuses.

Specifically, we chose three suppliers in Indonesia, the largest production base for Yamaha motorcycles, from sectors that are said to be at high labor environment risk, and assessed the status of policy creation and promotion; interviewed top management; investigated labor practices, actual work situations, remedial actions, etc.; and conducted on-site inspections. We fed back recommendations for improvement to the relevant suppliers, tier 1 suppliers that place orders, and our Group companies.

Addressing Procurement Risk

Based on a spirit of mutual trust and mutual prosperity, Yamaha Motor strives to prevent the occurrence and minimize the impact of events related to risks at business partners, including natural disasters, quality problems, and management issues.

With regard to management issues and quality problems, business partners are monitored annually by headquarters, which produces an evaluation of the partner in a total package that covers both business continuity planning and the non-use of environmentally harmful materials. Based on this evaluation, corrective measures are put in place if necessary, and the progress of those measures is confirmed.

In addition, supply chains from beginning to end are registered into a database, and this data is used to track procured parts until manufacturing is completed and to identify risk factors.

Working Together on “Procurement for Engineering, Manufacturing and Marketing”

In our interaction with the supply chain, we do not simply procure by purchasing; we emphasize procurement for comprehensive engineering, manufacturing and marketing by working with suppliers so that procurement incorporates both cost and quality.

An example of these activities is the implementation of “theoretical-value-based production” with suppliers. This does not simply mean demanding cost reductions, but instead involves analyzing the absolute value of production activities together with suppliers, and then working to find more ways to improve cost competitiveness. In order to promote these activities, Yamaha Motor has trained some employees to serve as “theoretical-value instructors” at suppliers. We are currently expanding the application of “theoretical value” beyond manufacturing processes to cover all activities related to procurement as well. We are also training supervisors at suppliers to ensure that all suppliers’ employees thoroughly understand these policies.

In terms of quality, Yamaha Motor employees visit suppliers to instruct them in the concept and methods of quality management and to train supervisors, similar to how we implement theoretical-value-based production.

Activities at Dealerships

As our contact point with customers around the world, dealerships play an important role in conveying Yamaha’s “next *Kando*.” By strengthening relationships with dealers through regularly held dealer meetings and activities to promote safe driving and support local communities, the Yamaha Motor Group is building a sales network that provides common value.

In Japan, dealers mainly in Yamaha Sports Plaza (YSP), an official Yamaha sports bike dealer system, and Yamaha Motorcycle Sales Japan Co., Ltd., play an important role in building ties with local communities and society by cooperating in a range of measures including motorcycle infrastructure development, motorcycle etiquette training, motorcycle recycling, tree planting, and other environmental campaigns, as well as fundraising for seeing-eye dog training.






The Community

Introducing the approach and policies related to local communities

Coexistence and Mutual Prosperity of the Company and Local Communities

The Yamaha Motor Group operates in locations around the world, and our business activities help support those local communities. Our products also play a role in enriching the lives of people around the world. We recognize the importance of maintaining a sustainable relationship through which the Company and local communities can coexist and mutually prosper, and to achieve this, we place great importance on maintaining and enhancing a relationship of trust through daily communication with stakeholders in those communities. The Yamaha Motor Group has designated four important areas—Developing Future Leaders, Environmental Conservation, Improving Traffic Safety, and Resolving Local Community Issues—and uses Yamaha Motor’s strengths to contribute to society in line with its business strategy, leading to the enhancement of both social and corporate value.

Important Areas of Activities

	Key Themes	Corresponding SDGs	Activities
Global Issues	<u>Developing Future Leaders</u>		<ul style="list-style-type: none"> Promoting mental/emotional and physical health through sports Promoting creativity through engineering, manufacturing, and marketing
	<u>Environmental Conservation</u>	 	<ul style="list-style-type: none"> Environmental education for local communities Respecting biodiversity
	<u>Improving Traffic Safety</u>		<ul style="list-style-type: none"> Providing traffic safety education to the community Raising awareness
Local Issues	<u>Resolving Local Community Issues</u>		<ul style="list-style-type: none"> Supporting the community with Yamaha Motor’s products, human resources, and know-how

Amounts Used in Social Contribution Activities



Developing Future Leaders

Introducing examples of activities that contribute to the nurturing of future leaders in the communities

11th Yamaha Cup Finals Held in Taiwan

Yamaha Motor Taiwan (YMT) continually sponsors the Yamaha Cup, an activity designed to promote soccer among elementary school students with the aim of facilitating healthy development of youths through sports. The 11th Yamaha Cup held recently generated considerable excitement from the regional preliminary stage, in which 183 teams participated. The eight teams that made it through the qualifying rounds held across the country met at the Chaoma Football Field in Taichung on December 21 for the final tournament.

A total of 29,000 children have taken part in the Yamaha Cup to date, and it is a widely recognized, much-talked-about event in Taiwan's soccer community. YMT's approach to social contribution through the promotion of sports has been highly rated by the Ministry of Education of Taiwan, winning the Sports Activist Award seven years in a row.



Environmental Conservation

Introducing examples of activities that contribute to environmental preservation in the communities

Beach Cleanup in Southern California to Give Back to the Community

Yamaha Motor Finance Corporation, U.S.A. (YMFUS) held a beach cleanup event in cooperation with the Inside the Outdoors Foundation, headquartered at Bolsa Chica State Beach in Southern California. A total of 63 YMFUS and Yamaha Motor Corporation, U.S.A. (YMUS) employees volunteered to participate in this event. Seven local boy scouts joined our group to help with the cleanup.

The waste removed from the beach included 55.5 lbs. (approx. 25 kg) of microplastics.

> Sustainable Development Goals (SDGs)



Improving Traffic Safety

Introducing examples of activities that contribute to riding safety in the communities

Promoting Traffic Safety in Cooperation with the Government

Yamaha Motor do Brasil Ltda. (YMDB) approached DETRAN, Brazil's transportation authority, to recommend new riders to take a safe riding course within one year of obtaining a motorcycle license as a way to raise awareness of traffic safety.

In Maringá, Paraná, YMDB submitted a proposal to make it a municipal ordinance and took part in creating a framework for a motorcycle traffic safety course. Local Yamaha dealers help run the practical training. In the state of Pernambuco, an officer of the state transportation department presented examples of the initiative to the general assembly and pushed for implementation in other states as well.



Resolving Local Community Issues

Introducing examples of activities that contribute to solutions for community issues

Support for Regions Impacted by Australia Bushfires

Yamaha Motor Australia (YMA) has offered assistance to communities in the northern region of New South Wales (NSW) affected by the major bushfires that have been raging across Australia since September 2019. YMA donated EF3000iS generator to the fire department of Wauchope, NSW to assist homes ravaged by the fires, and PW50 motorcycle to the Lions Club of Tully, NSW as lottery prizes for a bushfire relief charity.

The funds raised through this charity lottery were used to support local volunteer firefighters.

Explaining the purpose of the donation, YMA's marketing manager said, "YMA and our partner Ride ADV regularly use the trails around Wauchope. With the town hit by unprecedented fires, it's time for us to give back to the community."



Amounts Used in Social Contribution Activities

Disclosing the amounts used in social contribution activities

← The Community

(Yamaha Motor; Unit: million yen)

	2016	2017	2018	2019
Total	307	355	288	296 (397)
Charitable donations	184	221	202	196 (255)
Voluntary employee activities	99	99	50	60 (83)
Provision of goods	6	8	6	5 (24)

* Figures in parentheses indicate amounts including major Group companies

The Environment

Introducing the approach and policies concerning the global environment

<p>Approach to Global Environment ></p>	<p>Overview of "Yamaha Motor Group Environmental Plan 2050"  ></p>	
<p>Creating Low Carbon Society ></p>	<p>Creating Recycling Society ></p>	<p>Creating Society in Harmony with Nature ></p>
<p>Environmental Management ></p>	<p>Data Collection ></p>	

Approach to Global Environment

We take into account harmony with the environment in all our business activities

Initiatives to achieve harmony with the global environment

Many environmental and resource-related issues which influence the realization of a sustainable society, such as advancing global warming, excessive energy and water consumption, and the loss of biodiversity, are becoming increasingly more serious on a global scale. Against this backdrop, the Paris Agreement, which sets a goal of “holding the increase in the global average temperature to well below 2°C above pre-industrial levels” was adopted at the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 21) held in 2015.

Against this social backdrop, the Yamaha Motor Group considers it important, as a manufacturer, to address environmental considerations through initiatives to prevent global warming, conserve energy, prevent pollution, reduce waste and conserve resources, and also through its core business of personal mobility. This includes the development of compact vehicles with little environmental impact through technological innovation, the spread of Smart Power* products such as electrically power assisted bicycles and electric motorcycles, the research and development of next-generation power sources, and the implementation of programs that contribute to society by using the human resources, assets, and know-how accumulated through our business.

In addition, initiatives to lessen global warming, reduce energy consumption, use resources effectively, improve efficiency, preserve biodiversity, and reduce our environmental impact are carried out across the entire supply chain, with our position regarding the global environment made known to the entire Group as well as to business partners including suppliers and distributors.

*Smart Power: New power sources, primarily for electric vehicles, designed to create a new paradigm of mobility

The Yamaha Motor Group discloses important information related to climate change according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board, an international organization.



> [Yamaha Motor Agrees with Task Force on Climate-Related Financial Disclosures \(News\)](#)

Overview of "Yamaha Motor Group Environmental Plan 2050"

Introducing an overview of the Yamaha Motor Group Environmental Plan 2050




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Environmental Plan 2050

Yamaha Motor Co., Ltd. announced the "Yamaha Motor Group Environmental Plan 2050" in December 2018. This Plan aims to reduce "CO₂ emissions during product use," "CO₂ emissions during manufacturing and transport" and "the volume of resources usage" by 50% from the base year 2010 by the target year 2050. At the same time, the Plan also involves taking initiatives regarding environmental preservation and biodiversity from a global perspective.

Overview of the Plan

Action Themes	2050 Targets	Priority Actions	
Low Carbon Society 	(Products) Providing environmentally friendly personal mobility 50% reduction of CO ₂ emissions from products by 2050 (on FY2010 levels)		
	1	Reduction of CO ₂ emissions from use of products by users (t-CO ₂ /unit sales)	Promotion of development to improve fuel efficiency
	2	Development, promotion and spread of next-generation mobility	Promotion of development and the spread of products that respond to energy diversification

Action Themes	2050 Targets		Priority Actions
	(Business Activities) 50% reduction of CO ₂ emissions throughout life cycle (on FY2010 levels)		
	3	Reduction of CO ₂ emissions generated in operation of productions (t-CO ₂ /net sales)	Reduction of CO ₂ emissions per sales at factories globally
	4	Reduction of CO ₂ emissions in logistics	Reduction of CO ₂ emissions per transportation unit
Recycling Society 	(Resource) 50% reduction of "resource use" (on 2010 levels)		
	5	Reduction of new resources use by recyclable resources use	Promotion of saving of limited resources by 3R development/manufacturing
	6	Reduction of waste generated in operation of production	Promotion of waste reduction
	7	Reduction of water consumption in operation of production	Promotion of water consumption reduction activities based on water stress scenarios
	8	Reduction of packing materials in logistics	Enhancing returnable packing materials
Society in Harmony with Nature 	Addressing environmental preservation and biodiversity globally		
	9	Activities to protect fields of product use by users (land, sea and air)	Promotion of activities to preserve nature globally
	10	Activities to protect ecosystems of land/ocean	Promotion of activities in line with our outline of biodiversity initiatives
	11	Activities to contribute to solving environmental issues of each country and region	Carrying out activities by all employees to contribute to a sustainable world
Management	Management		
	12	Strengthening of compliance with environmental laws and regulations and management of chemical materials in products	Thorough implementation of environmental compliance in business activities in each country and region
	13	Contribution to alleviation of air pollution globally	Introduction of mobility in conformity with regulations on exhaust emissions in each country and region
	14	Reduction of VOC emissions in operation of production	Promotion of VOC reduction per unit of painted area
	15	Promotion of environmental activities in collaboration with suppliers	Promotion of engagement with suppliers and reduction of burden through environmental surveys
	16	Fostering awareness of environmental preservation through environmental education globally	Carrying out environmental education according to environmental issues in each country and region

2050 Society

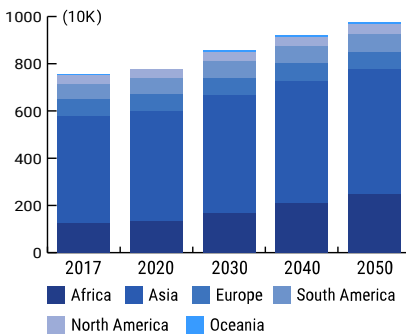
The current global population of 7.7 billion is predicted to reach 9.7 billion by 2050, increasing 2 billion over the next three decades. Economic growth in Africa and India, among other regions, will drive the world's consumption of primary energy, increasing 1.4-fold from the current level of 13.9 billion tons to 19.2 billion tons by 2050. Based on these predictions, it is assumed that the world will face a significant shortage of resources and energy in 2050.

In terms of the global environment, the world is moving toward decarbonization in an effort to reduce CO₂ emissions—believed to be the primary cause of global warming—shifting from fossil fuels to alternative energy sources in the use of primary energy. In light of these predictions and assumptions concerning society and our business environment in 2050, we identified long-term environmental issues.

Population Growth

2017
7.5 billion ▶ 2050
9.7 billion

x1.3



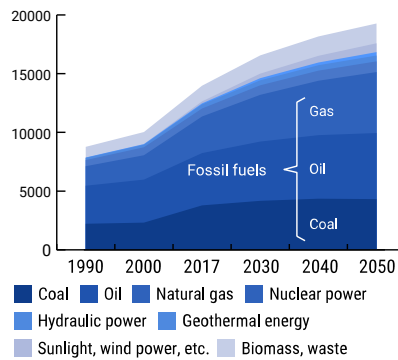
Africa, India, and China combined account for 55% of the total population.
(Africa: 2.4 billion / India: 1.6 billion / China: 1.4 billion)

Source: Based on data from World Population Prospects 2019

Increased Primary Energy Consumption

2017
13.9 billion tons ▶ 2050
19.2 billion tons

x1.4

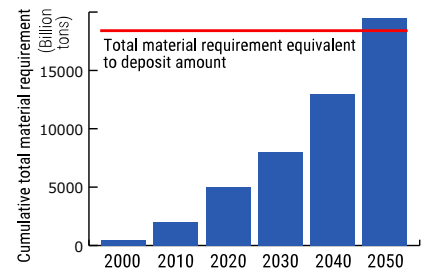


Use of fossil fuels, which cause global warming, makes up 83%.

Source: Based on data from IEA's World Energy Balances

Depletion of Resources

Some experts predict that if the economic development of emerging nations continues to drive the rapid growth of demand for mineral and fossil resources, all known deposits of underground mineral resources will be exhausted by 2050.



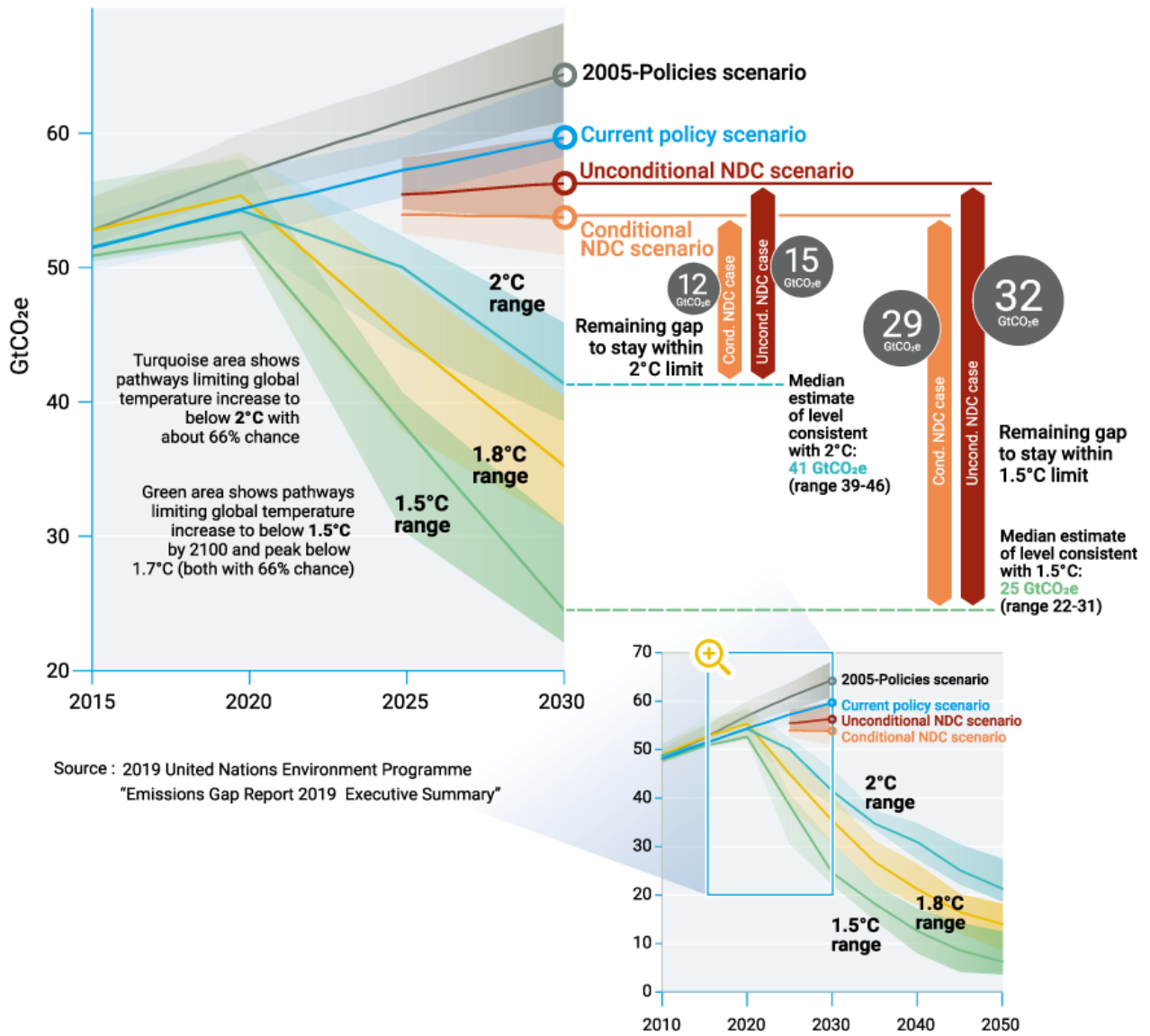
Stacked bar graph: Representing different metals

Red line: Total material requirement of deposit amount

Source: Based on National Institute for Materials Science data

Risks concerning Global Reduction of Greenhouse Gases

The Paris Agreement, an international treaty adopted at the 21st Conference of the Parties (COP21) to the UN Framework Convention on Climate Change, was ratified by 185 countries on April 26, 2016. With the aim of enhancing worldwide efforts against the threat of climate change, the Paris Agreement established "mitigation" through reduction and absorption of greenhouse gas emissions and "adaptation" to the impacts of greenhouse gases as two key elements in achieving the goal of keeping the rise in the global average temperature to well below 2°C above pre-industrial levels, or to limit it to 1.5°C by the end of the 21st century. According to the "Special Report on Global Warming of 1.5°C," even if all the countries fulfilled the nationally determined contributions (NDCs) for 2030 that they submitted in connection with the Paris Agreement, we will still be 12 gigatons short of achieving the 2°C target, and 29 gigatons short with regard to the 1.5°C target.






Identification of Material Issues (Materiality)

We intend to address not just climate-related risks but also a variety of social issues in ways that embody the unique style of Yamaha. Resolving social issues is also very important for Yamaha Motor's sustainable growth, and therefore, in formulating our long-term vision and medium-term management plan, we have used the steps shown below to identify material social issues that we can resolve using our strengths.

step 1 ▶	step 2 ▶	step 3 ▶	step 4
<p>Selection of social issues</p> <p>The Corporate Communication Division and the Sustainability Division looked at the wide range of social issues referenced in the SDGs and the Global Risks Report, and selected those that will have the greatest impact on our use and procurement of management resources, and for which the resolution will make the greatest contribution to the enhancement of our corporate value. We also evaluated the materiality of social issues from the perspective of stakeholders, referencing the valuations of ESG rating institutions.</p>	<p>Categorization of social issues</p> <p>Through consultation with operating divisions, functional divisions, and corporate divisions, the divisions clarified the relationships between the issues selected in Step 1 and each division's policies and activities, and those that should be addressed Companywide were aggregated and categorized.</p>	<p>Identification of material social issues</p> <p>All of the Company's officers deliberated social issues aggregated and categorized in Step 2 at the Management Committee and the Board of Directors meetings, and identified "material social issues" that should be addressed Companywide using our strengths, corporate philosophy, and unique capabilities.</p>	<p>Incorporation into medium-term management plan</p> <p>Initiatives to resolve the identified material social issues have been incorporated into the medium-term management plan. The rigorous implementation of these initiatives will be monitored going forward.</p>









> Addressing Materiality (Material Social Issues)

Importance to stakeholders ↑

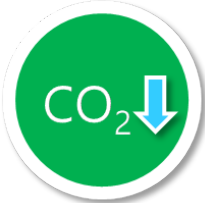


Material issue areas		
<ul style="list-style-type: none"> Financial crisis in important economic zones Unmanageable inflation Failure of national governance Failure of regional or global governance Inter-government conflict over regional problems Deepened social uncertainty Abuse of technological progress 	<ul style="list-style-type: none"> Introduction of industrial processes taking into account clean technologies and efficient use of resources Heightened awareness of sustainability Promotion of economic growth based on fair work environments Reduction of waste materials Curtailment of corruption and bribery <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p> </div> <div style="text-align: center;">  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> </div> </div>	<ul style="list-style-type: none"> Improved energy efficiency (including promotion of use of renewable energy) Promotion of use of inexpensive, reliable energy Promotion of safe and secure work environments Advancement of diversity and inclusion Effective use of water resources and prevention of pollution Securing of clean water resources <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>7 AFFORDABLE AND CLEAN ENERGY</p> </div> <div style="text-align: center;">  <p>6 CLEAN WATER AND SANITATION</p> </div> </div>
<ul style="list-style-type: none"> Abolition of inequality Responses to multi-stakeholders Promotion of innovation (active use of global partnerships) Implementation of fair taxation Promotion of sustainable industrialization 	<ul style="list-style-type: none"> Elimination of discrimination against women/protection of human rights Use of women's skills Strengthened disaster prevention and response Eradication of forced labor, human trafficking, and child labor Increased employment for socially vulnerable people <div style="text-align: center; margin-top: 10px;">  <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> </div>	<ul style="list-style-type: none"> Prevention of pollution and damage from harmful chemical substances Strengthened measures to address climate change Sustainable use of natural resources Promotion of innovation (promotion of sustainable industrialization) Promotion of innovation (promotion of sustainable forms of consumption and production in developing countries) <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;"> <div style="text-align: center;">  <p>13 CLIMATE ACTION</p> </div> <div style="text-align: center;">  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> </div> </div>
<ul style="list-style-type: none"> Strengthened support for emerging and developing countries 	<ul style="list-style-type: none"> Promotion of protection and recovery of land ecosystems Provision of stable living environment Halting of deforestation Protection and recovery of marine ecosystems <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;"> <div style="text-align: center;">  <p>14 LIFE BELOW WATER</p> </div> <div style="text-align: center;">  <p>15 LIFE ON LAND</p> </div> </div>	<ul style="list-style-type: none"> Expansion of educational systems (including vocational training) Enhanced education environment in developing countries Promotion of social infrastructure development Prevention of traffic accidents Protection of small-scale agricultural and fishing industries Advancement of sustainable fishing industry Improved access to fishing areas and markets in least developed countries

Importance to Yamaha Motor →

Climate-related Risks and Opportunities

Material environmental and social issues	<ul style="list-style-type: none"> Strengthened measures to address climate change Improved energy efficiency  	<ul style="list-style-type: none"> Effective use of water resources and prevention of pollution Reduction of waste materials Introduction of industrial processes taking into account clean technologies and efficient use of resources Sustainable use of natural resources    	<ul style="list-style-type: none"> Promotion of protection and recovery of land ecosystems Halting of deforestation Protection and recovery of marine ecosystems  
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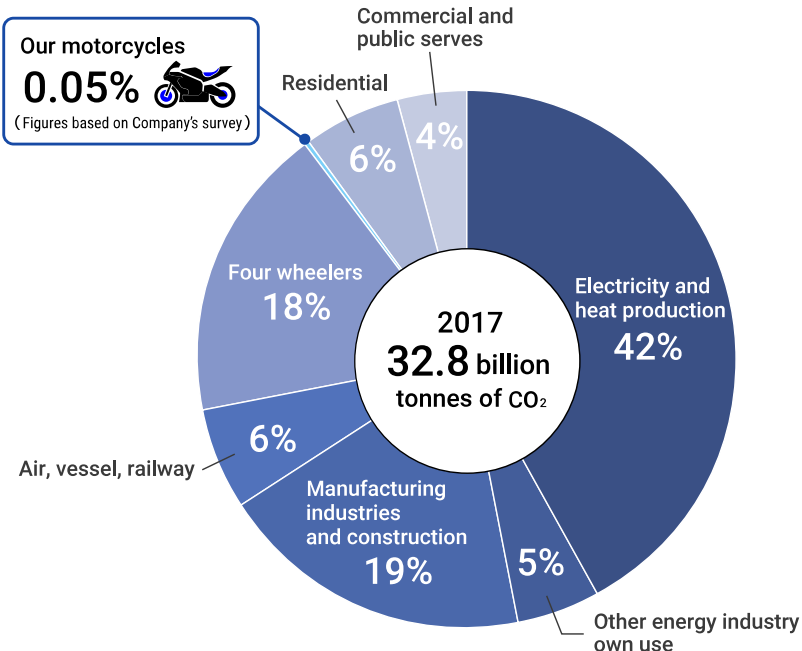
Action Themes	<p>Low carbon society</p> 	<p>Recycling loops in society</p> 	<p>Society in harmony with nature</p> 
Risks	<p>Short-term Costs for addressing regulations may increase significantly, with each country and territory moving to tighten motorcycle emission standards, and the U.S. introducing more stringent EPA and CARB emission standards for marine engines.</p> <p>Medium-term Growth of demand in India, Africa, and other regions may increase CO₂ emissions from the distribution of goods, and the introduction of carbon tax may increase logistics costs.</p> <p>Long-term Heightened environmental awareness may lead to decreased sales of products that use fossil fuels. Introduction of carbon tax may increase manufacturing costs.</p>	<p>Short- to medium-term In emerging nations and elsewhere, severe air pollution from the use of motorcycles may lead to tighter regulations, including a ban on riding motorcycles in cities.</p> <p>Long-term Increased consumption of resources accompanying the economic growth of emerging nations may heighten procurement risks, including a shortage of resources and cost increase.</p>	<p>Short- to long-term Climate change may trigger abnormal weather events, including forest fires, droughts, extreme temperature changes, storms, and snowfall, destroying the ecosystems of the oceans, mountains, and forests where our products are used.</p>
Opportunities	<p>Short- to medium-term Sales of models with improved fuel economy may increase. In emerging nations, motorcycles may be widely adopted as an inexpensive means of transportation with minimal social infrastructure costs.</p> <p>Long-term</p>	<p>Short-term Lightweight and compact low-speed mobility vehicles (land cars) may be widely adopted as a means of transportation that helps minimize social infrastructure resources and costs.</p> <p>Medium-term</p>	<p>Short- to long-term Increased awareness of the need to conserve the natural environment may trigger growth of the outdoor market where people seek and cherish interaction with nature.</p>

	<p>Electric models may be widely adopted.</p>	<p>Motorcycle and marine rental business may grow.</p> <p>Long-term In terms of engineering, manufacturing, and marketing, ultra-compact mobility vehicles that are small, lightweight, and resource-saving may be incorporated into the social infrastructure.</p>	
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Impact of CO₂ Emissions

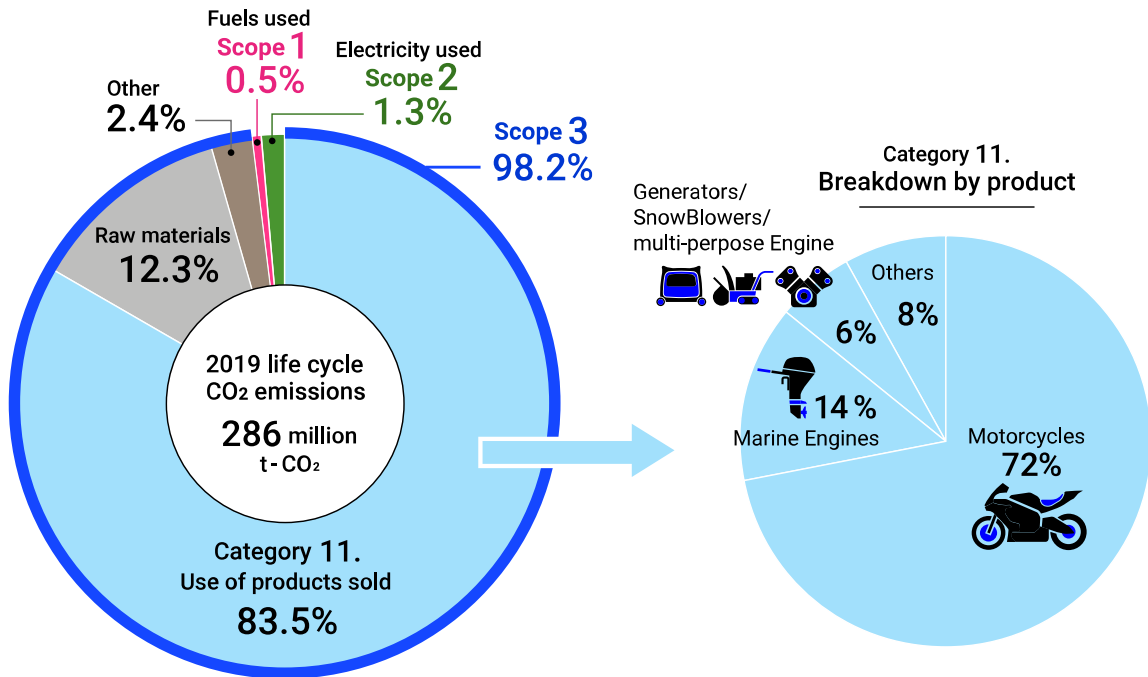
The world produced 32.8 billion tons of CO₂ emissions in 2017. Of this amount, motorcycles accounted for just 0.05% of the total as a source of emissions and are therefore a mobility option with an extremely low environmental impact. In 2019, CO₂ emissions across the Yamaha Motor Group's entire supply chain were 155,847 t-CO₂ for Scope 1, 384,258 t-CO₂ for Scope 2, 28,041,247 t-CO₂ for Scope 3, and 28,581,352 t-CO₂ overall. Scope 3 "Category 11. Use of products sold" accounted for 83.5%, followed by "Category 1. Purchased products and services (Emissions associated with sourcing of raw materials)" at 12.3%. In setting reduction targets for CO₂ emissions, we recognize the importance of improving the fuel (electric) efficiency of our products, promoting the adoption of next-generation mobility vehicles, and using resources efficiently.

The world CO₂ emissions - Source of emissions



Source : IEA "CO₂ Emissions from Fuel Combustion 2018 Highlights"

Breakdown of CO₂ emissions for the entire life cycle

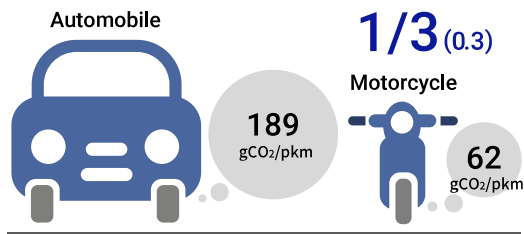


Impact of CO₂ emissions as personal mobility

Motorcycles are seen as the fastest and most fuel-efficient option as a means of mobility for urban transportation, and the impact of CO₂ emissions on a 1-km movement per passenger is about 1/3 (0.3) compared to that of automobiles.

Impact of CO₂ emissions on a 1-km movement per passenger in urban driving

(Figures based on Company's survey)

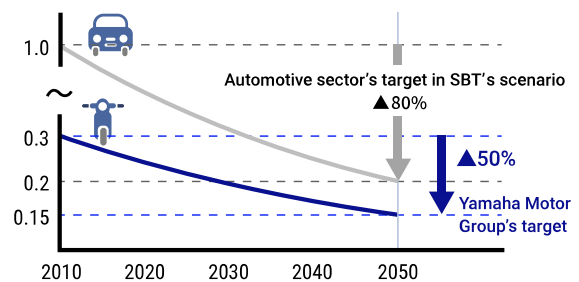


Source: JAMA "2010 Passenger car JC08 Average fuel consumption"
JAMA "Comparison of average speed of vehicles in cities"
EEA "Average number of passengers"
NILIM "Running speed and CO₂ emission intensity"

Environmental Plan 2050 targets

When we established targets in 2017, we referenced information on the automotive sector in the Sectoral Decarbonization Approach (SDA) developed by SBTi to formulate a reduction scenario for our key motorcycle business, and we set 50% reduction by 2050 as a common target for all operating divisions.

Yamaha Motor Group Environmental Plan 2050 Use-phase CO₂ reduction by 50%



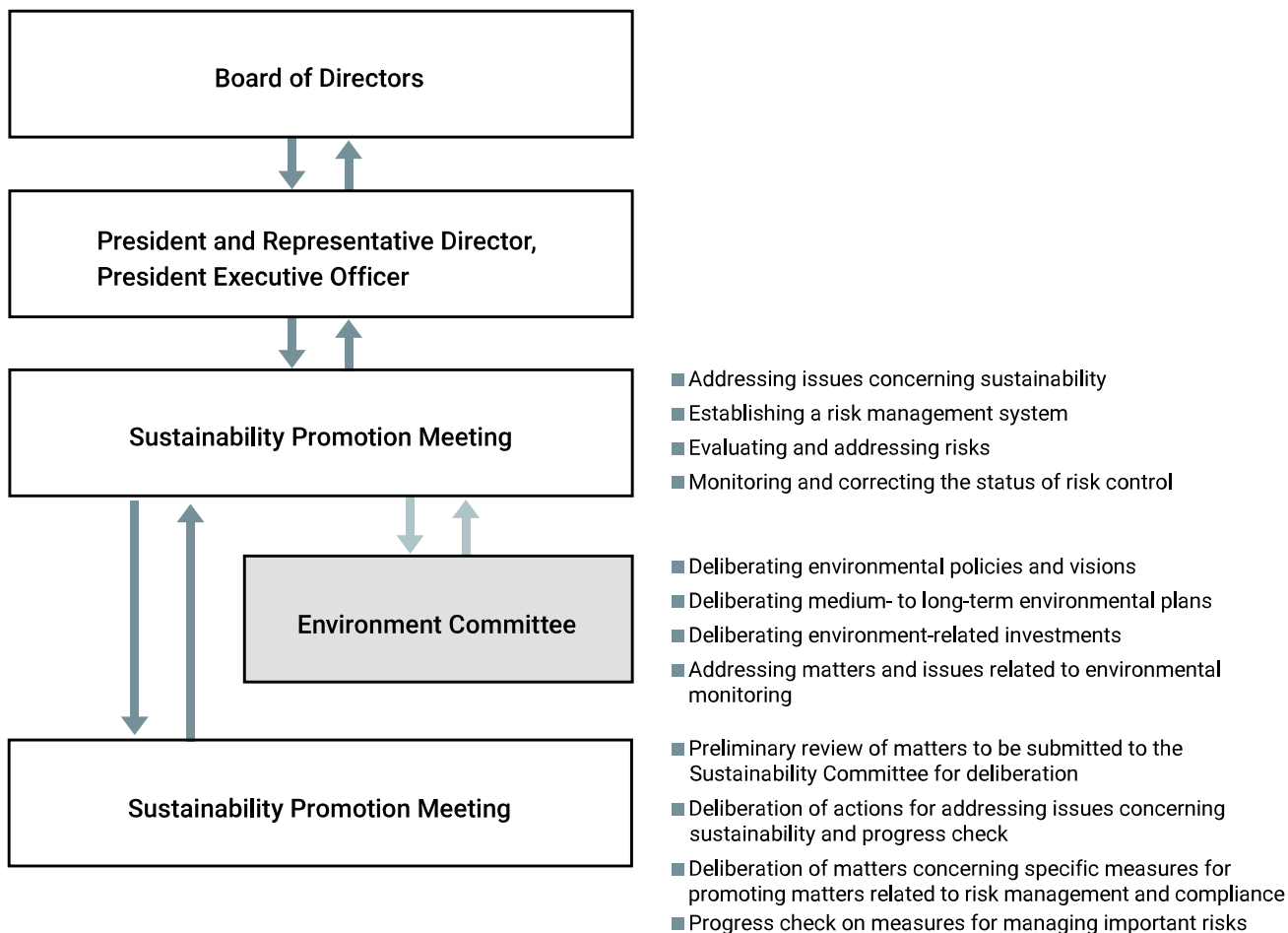
Governance

Roles of the Board of Directors of an Organization in Overseeing Climate-related Issues

Yamaha Motor contributes to solutions to issues that involve realizing a sustainable society in a variety of countries and regions by utilizing its businesses and human resources, tangible assets and know-how built through its business operations. At the same time, we aim to be a sustainable company, as a member of the global society. Therefore, under the Groupwide "Basic Policies of CSR," we position "environment and resources," "transportation, education and industry," "innovation" and "work-life balance and productivity" as material social issues that require the attention of Yamaha Motor in the medium- to long-term growth strategies in order to achieve the

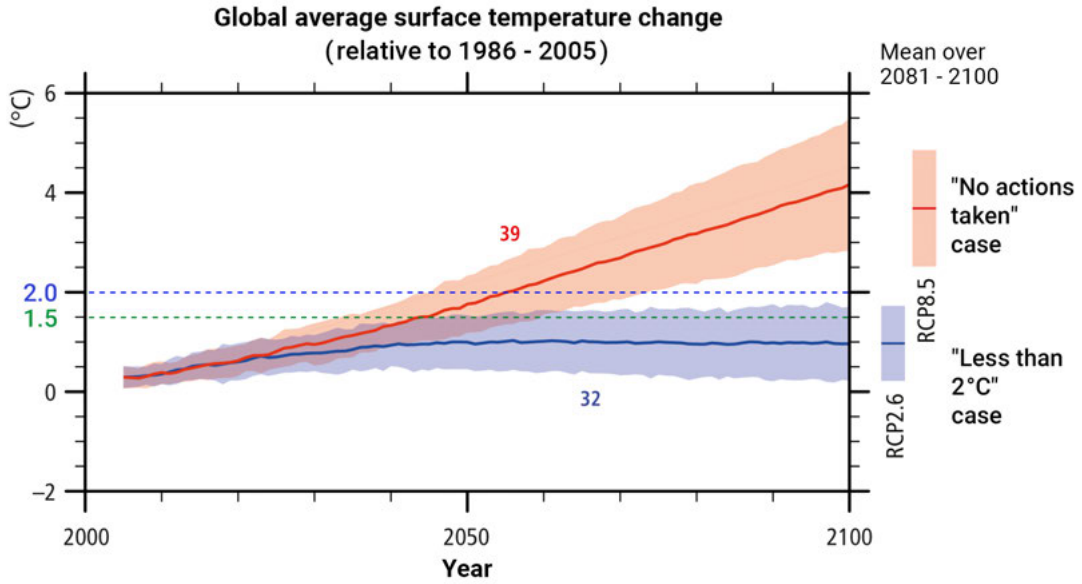
internationally agreed targets of the SDGs. We also set the KPIs associated with the goals of each business to seize growth opportunities. Meanwhile, we believe that dealing with social issues is an important part of risk management. We have signed the UN Global Compact, and we appropriately deal with global risks that impede sustainability by practicing the principles of "human rights," "labor," "environment" and "anti-corruption." We properly disclose information so that our stakeholders can easily obtain information on these initiatives.

The Board of Directors formulates policies on dealing with issues concerning sustainability and regularly reviews their implementation status. With regard to issues concerning sustainability, the Board of Directors oversees the Sustainability Committee, chaired by the President and Chief Executive Officer and comprising executive officers appointed by the Board of Directors.



With regard to issues concerning sustainability, we positioned the environmental field in particular as an important area to be tackled by management, and established the Environment Committee, chaired by an executive officer in charge of environmental activities. The Environment Committee meets three times a year to discuss policies concerning the environment (e.g., policies on how to respond to recommendations from the TCFD) and visions, formulate the Yamaha Motor Group's long-term environmental plan (Environmental Plan 2050), and conduct annual reviews of how each operating division has performed against its targets. It reports its findings to the Board of Directors at least twice a year.

World in a 1.5°C Scenario and 2°C Scenario



Source: Based on data from the IPCC Fifth Assessment Report

In the scenario corresponding to the pathway with the highest greenhouse gas emissions (RCP8.5 scenario), the global average surface temperature is predicted to rise by up to 4.8°C by 2100, causing a significant impact on human society and the ecosystem. The impact will vary considerably depending on to what degree the global temperature rise can be kept relative to pre-industrial levels. According to the IPCC's "Special Report on Global Warming of 1.5°C," in order to limit global warming to 1.5°C, CO₂ emissions must be reduced by 45% from 2010 levels by 2030, and net zero emissions must be reached by 2050.

Human activities have caused the global average temperature to rise by about 1°C from pre-industrial levels (likely in the range of 0.8°C to 1.2°C), and the impact on nature and human activities is already evident. (Abnormal weather, rising sea levels, and declining volume of Arctic sea ice, for example.) If global warming continues at the current rate, temperatures are likely to rise by 1.5°C between 2030 and 2052, and its possible impacts and risks have been reported.

Scenario Analysis

Physical Risks Associated with Climate Change

1. Sea level rise, coastal flooding
2. Flooding in megacities
3. Disruptions of infrastructure services, etc., due to extreme events
4. Deaths and illnesses due to heat waves
5. Threats to food security due to temperature rise, droughts, etc.
6. Income loss in rural areas due to water shortage and reduced agricultural production
7. Loss of marine ecosystems essential to the livelihoods of coastal areas
8. Loss of terrestrial and inland freshwater ecosystem services

Major Impacts

Sea Level Rise

[1.5°C] Global mean sea level rise is projected to be in the range of 0.26 to 0.77 m by 2100 (M), approximately 0.1 m less than for a global warming of 2°C (M), and up to 10 million fewer people would be exposed to related risks (M).

[1.5–2°C] Main ice sheet instability in Antarctica and/or irreversible loss of the Greenland ice sheet could result in multi-meter rise in sea level over hundreds of thousands of years.

Flooding

The percentage of major rivers impacted by flooding will increase with global warming. Relative to 1976–2005 levels, population affected by flood hazards is projected to increase by:

[1.5°C] 100% (M).

[2°C] 170% (M).

Food

A rise in temperature by more than 4°C from the level at the end of the 20th century, combined with an increase in food demand, may pose a significant risk to global and regional food security (H). This risk is greater in low-latitude regions.

[1.5°C] Compared with 2°C, smaller reductions in yields and less quality deterioration of cereal crops in sub-Saharan Africa, Southeast Asia, and Central and South America (H).

[2°C] Compared with 1.5°C, reductions in food availability are larger in the Sahel, southern Africa, the Mediterranean, central Europe, and the Amazon (M).

Ecosystems

Global warming is expected to alter the global distribution of marine species. In susceptible areas, biodiversity is expected to decline (H). Experts believe that many species will be unable to follow the climate suitable for habitation at a medium to high rate of climate change (M).

[1.5°C] Coral reefs are projected to decline by a further 70–90% (H). 6% of insects, 8% of plants, and 4% of vertebrates are projected to lose over half of their habitats.

[2°C] Over 99% of coral reefs are projected to be lost (VH). The irreversible loss of marine ecosystems increases (H). 18% of insects, 16% of plants, and 8% of vertebrates are projected to lose over half of their habitats.

Source: IPCC's "Special Report on Global Warming of 1.5°C"

VH: Very high confidence H: High confidence M: Medium confidence

Major Risks Associated with Transitioning to a Low Carbon Society

Regulatory Risks

Leveraging our technological strengths in small, high-performance engines, we develop a wide range of products including motorcycles, outboards, personal watercraft, boats, fishing boats, ATVs, golf cars, and generators, and market them around the world. Our core business of motorcycle engines is significantly affected by the emission standards of each country and territory. If we are unable to develop a product that conforms to the standards, we face the risk of losing sales opportunities.

With regard to this risk, the regulations and certification division collects information about regulatory trends in each country and territory. In addition, the Environmental Regulation Management Committee, chaired by the executive officer in charge of the powertrain technology development division and comprising the Quality Assurance Division, Production Control Division, Powertrain Development Section, Electronics System Development Division, and Combustion System Development Division, works to accelerate decision-making on the advance development of technology to address the tightening of regulations and on the development of powertrains, and to minimize risks associated with the strengthening of emission standards in each country and territory.

New Regulatory Risks

If tighter regulations such as a ban on inner-city use of motorcycles and other vehicles that run on fossil fuels are introduced not only in Europe and other environmentally advanced countries but also in emerging countries faced with severe air pollution, we will end up losing sales opportunities unless we respond by electrifying our motorcycles and developing battery charging infrastructure.

With regard to this risk, staff in charge of the environment collect information on moves made by national governments and trends related to energy policy, and report their findings at Environment Committee meetings. Each operating and functional division discusses and determines how to respond, reports its decisions to the Board of Directors, and reflects them in specific business strategies.

We conduct manufacturing operations for our main motorcycle business at 30 locations in 20 countries, mainly in the ASEAN region. A considerable amount of energy is used during manufacturing, particularly in the engine casting process as well as painting process. If countries and territories around the world introduce regulations mandating a shift from fossil fuels to renewable energy sources, we face the risk of becoming less competitive due to increased energy costs.

To minimize risks associated with the tightening of energy standards in each country and territory, the Manufacturing and Production Engineering Center and the environmental facility division collect information on regulatory trends concerning energy costs in each country and territory. Moreover, the Environment Committee deliberates and discusses energy-related investment plans, how to procure renewable energy, and other matters, and the findings are reported to the Board of Directors following a review by the Management Committee.

According to a report by the Carbon Pricing Leadership Coalition (CPLC), carbon taxes will reach 80 dollars/t-CO₂ by 2020 and 100 dollars/t-CO₂ by 2030, assuming that all signatories to the Paris Agreement meet their reduction targets. Given that our CO₂ emissions from production activities are the same as in 2019, the increase in production costs based on the above carbon taxes is estimated to be between 1.29 and 1.62 billion yen per year.

Information Disclosure Risks

If we fail to disclose a sufficient amount of information on the risks associated with climate change, we face the risk of a lawsuit being filed by stakeholders. With regard to this risk, staff in charge of the environment collect information on international trends related to information disclosure on matters concerning climate change, and report their findings at Environment Committee meetings. The Environment Committee deliberated and determined long-term environmental plans targeting 2050, as well as policies on how to respond to the SBTi and TCFD as an international requirement. It reported its decisions to the Management Committee and the Board of Directors, which voted on the matters. As a result, we declared our commitment to the SBTi in May 2018, announced the Yamaha Motor Group Environmental Plan 2050 in December 2018, and agreed to the recommendations of the TCFD in May 2019.

Technological Risks

Leveraging our technological strengths in small, high-performance engines, we develop mobility products with minimal environmental impact in terms of CO₂ emissions and resource use, and market them around the world. Our efforts on the electrification of mobility vehicles date back to 1978 when we released an electric unit for golf cars, and in 1993 we launched PAS, the world's first electrically power assisted bicycle. By applying the control technology of the Robotics Business Unit, we are pursuing electrification of various product groups. For example, we released an electric unit for wheelchairs in 1995, an electric motorcycle in 2002, and an industrial-use drone in 2018.

Once manufacturers start accelerating their efforts to electrify automobiles and other vehicles, demand for rare earth will increase, potentially making it difficult to source raw materials. To address this risk, we are using materials and developing material technology that make less use of rare earth.

Market Risks

If governments introduce a ban on inner-city use of motorcycles and other vehicles that run on fossil fuels and similar regulations not only in Europe and other environmentally advanced countries but also in emerging countries faced with severe air pollution, we will end up losing sales opportunities unless we respond by electrifying our products and developing the necessary infrastructure. With regard to this risk for motorcycles, staff in charge of the environment collect information on moves made by national governments and trends related to energy policy, and report their findings at Environment Committee meetings. Each operating and functional division discusses and determines how to respond, reports its decisions to the Board of Directors, and reflects them in specific sales strategies. In Taiwan, electrification of motorcycles is being promoted as part of an effort to combat air pollution, and the government has announced that it will ban the sales of gasoline motorcycles starting in 2035. As stated in our Environmental Plan 2050, we are aiming to reduce CO₂ emissions from our products by 50% from 2010 levels. Under a policy of promoting the manufacturing and sales of small electric products, we have developed and launched our EC-05 electric scooter in Taiwan in a collaborative EV business with Gogoro Inc.

Reputation Risks

Efforts made by companies to address climate change have a major impact on their corporate value such as ESG investments. If we do not address climate change issues and disclose information to stakeholders appropriately, our corporate value may decrease. To deal with this risk, in 2019 the IR and SR staff of the Corporate Communication Division at our headquarters held six briefing sessions for some 300 retail investors in Tokyo, Nagoya, and Osaka. In addition, similar briefing sessions for 30 to 100 participants from brokerage firms were held 21 times across the country, as well as two online briefing sessions. In North America, we visited one institutional investor. We also held one ESG small meeting and nine ESG interviews, where we explained that we are working to achieve 50% reduction of use-phase CO₂ emissions by 2050 as part of our initiatives on material social issues, environmental and resource issues in particular, in an effort to avoid reputation risks.

Customer Risks

We deliver products such as automotive engines, multi-purpose engines, and industrial robots to customers. Some of our corporate customers request suppliers that emit large amounts of CO₂ to set CO₂ reduction targets and disclose environmental information. Those that cannot meet these requests risk losing business in the worst case. To avoid facing this risk, our staff in charge of the environment collect and disclose information appropriately according to each customer's requests, making sure every requirement is met.

Short-term, Medium-term, and Long-term Risks and Opportunities

We discuss short-term, medium-term, and long-term risks in the following time frames.

Short-term Risks	Risks that may have an immediate impact on business performance (including risks that may materialize in a period of 0 to 3 years)
Medium-term Risks	Risks that may have a significant impact on our business performance through the materialization of long-term climate-related impacts, and that may necessitate a major adjustment of our strategies (including risks that may materialize in a period of 3 to 6 years)
Long-term Risks	Risks that may radically impact the feasibility of our long-term strategies and business models (including risks that may materialize in a period of 6 years or more)

We evaluate the materiality of climate-related risks based on whether they are likely to materialize in the short term, medium term, or long term, and the estimated scale of the resulting financial impact.

Short-term Risks (0–3 Years)

In the motorcycle market, many governments have tightened or are planning to tighten emission standards. Since our products are subject to these standards, costs required to ensure compliance will increase. If these costs cannot be absorbed, they will be passed on to retail prices, which will make our products less competitive and may reduce operating income.

In 2020, Europe has moved to more stringent Euro 5 emission standards. ASEAN, India, and China tend to introduce regulations based on European standards three to five years later. India, where 21 million new vehicles are sold in a year, is a critical market for Yamaha Motor, and increased compliance costs will pose a significant risk to our product competitiveness and have a major financial impact.

Our regulations and certification division collects information about emission standards in each country. This information is reflected in product plans for our motorcycle business as required. In developing fuel-efficient engines and electric motor products, we seek to increase product appeal by improving power performance and rideability at the same time, instead of simply conforming to regulations. In other words, we are striving to increase profit by enhancing added value, as exemplified by our BLUE CORE engines.

In terms of risk management, local sales divisions obtain the latest information on the tightening of regulations and report the findings to development divisions. Our global models are developed to conform to European standards as a measure to minimize risks in case ASEAN, India, and other countries suddenly decide to tighten their regulations.

As for marine engines, the U.S. EPA and CARB emission standards, which already cover the inboard and sterndrive engine categories, are slated to be further enhanced going forward. Our outboards boast a global share of more than 40% and maintain an overwhelming advantage in the market. However, if these standards are applied to outboards and sport boats as well, compliance costs will increase. If these costs cannot be absorbed, they will be passed on to retail prices, which will make our products less competitive and may reduce operating income.

Our regulations and certification division collects information about regulations concerning air pollution in each country. This information is reflected in product plans for our marine business as required. In developing fuel-efficient engines and lighter hulls, we seek to increase product appeal by improving power performance and comfort at the same time, instead of simply conforming to regulations. In other words, we are striving to increase profit by enhancing added value. In terms of risk management, local sales divisions obtain the latest information on the tightening of regulations and report the findings to development divisions. As a leading company in the marine industry, we are pursuing plans to achieve 4 STAR Voluntary Standards (2015–2020 exhaust emission standards) ahead of time to minimize associated risks.

Medium-term Risks (3–6 Years)

Our core motorcycle business expects to see continued significant market expansion going forward, including in India, the world's largest motorcycle market where approximately 22 million vehicles are sold each year. This will be accompanied by an increase in the amount of goods distributed. For example, India stepped up its emission standards to Bharat Stage 6 in April 2020, so logistics operators will need to replace their fleet of transport vehicles. Moreover, if carbon taxes that are being considered around the world are applied to fuel charges, the fuel costs of logistics operators will increase. These developments will result in increased distribution costs for us as well. In 2019, 242 thousand tons of CO₂ were emitted from distribution activities.* Based on Company's survey in 2018

According to a report by the Carbon Pricing Leadership Coalition (CPLC), carbon taxes will reach 80 dollars/t-CO₂ by 2020 and 100 dollars/t-CO₂ by 2030, assuming that all signatories to the Paris Agreement meet their reduction targets. Given that our CO₂ emissions from distribution activities are the same as in 2019, the increase in distribution costs based on the above carbon taxes is estimated to be between 2.1 and 2.61 billion yen per year.

Our global distribution centers obtain data on fuel usage and fuel economy from logistics operators to monitor the CO₂ emissions from the distribution of goods. We also provide guidance on loading and consolidating cargo to increase delivery efficiency, as well as conducting periodic reviews of delivery routes and training on environmentally friendly driving techniques, to reduce the risk of increased CO₂ emissions. To improve the load factor, we also plan and develop packing technology including product design.

Management costs comprise 3 million yen in system operation expenses and maintenance and inspection costs, and approximately 7.6 million yen in labor costs.

Long-term Risks (6+ Years)

As consumers become more environmentally aware, they may start avoiding gasoline-powered products, reducing our sales and profits. We pursue diverse business operations based on a core strength in small, lightweight engines, offering products ranging from motorcycles and outboards to golf cars and generators. As such, we will be severely impacted if the use of fossil fuels is banned.

To address this risk, we will develop mobility products that use next-generation power sources instead of fossil fuels (electric motorcycles, PAS, low-speed electric land cars, etc.) and propose sharing services in collaboration with local governments. We will also expand robotics and other solution businesses. In terms of risk management, we will push ahead* with collaboration with partners to ensure our products are incorporated into the social infrastructure, keeping an eye on the CASE trends in the automotive industry. To make sure we do not miss any opportunity in expanding market areas, we are studying combinations of our proprietary technologies, carrying out M&As as necessary, in an effort to reduce the risks that we will face if the use of fossil fuels is banned.

* CASE refers to "connected" cars, "autonomous" driving, car "sharing and services," and "electric" vehicles, which are the four major trends that the automotive industry must pursue in the next generation.

Each year, we manufacture over 5 million motorcycles around the world, with Indonesia (31%), India (17%), and Vietnam (17%) accounting for 65% of the production volume. In climate pledges drafted under the Paris Agreement, Indonesia set a CO₂ reduction target of 29% (41% with cooperation from developed countries), India 33–35%, and Vietnam 8% (25% with cooperation from developed countries) by 2030. If the governments of these three countries, where our major production bases are located, make it mandatory for factories to report CO₂ emissions and introduce fines for failure to meet reduction targets, there will be major impacts on our business operation, including financial impacts. In 2019, 527 thousand tons of CO₂ were emitted from production activities.

According to a report by the Carbon Pricing Leadership Coalition (CPLC), carbon taxes will reach 80 dollars/t-CO₂ by 2020 and 100 dollars/t-CO₂ by 2030, assuming that all signatories to the Paris Agreement meet their reduction targets. Given that our CO₂ emissions from production activities are the same as in 2019, the increase in costs based on the above carbon taxes is estimated to be between 4.553 and 5.692 billion yen per year. The Manufacturing and Production Engineering Center at our headquarters monitors CO₂ emissions from the production activities at all manufacturing sites, and provides guidance to help them achieve reduction targets. Each production base constantly monitors trends related to environmental regulations in the country where it operates. Other environmental trends including regulations are being followed by the secretariat of the Environment Committee at our headquarters, and important relevant matters are submitted to the Environment Committee for deliberation. Management costs mainly consist of travel expenses

for dispatching experts from the Manufacturing and Production Engineering Center at the headquarters, which amounted to 8 million yen in 2019.

Yamaha Motor's Adaptation Measures

Urgent Physical Risks

Our major manufacturing bases are concentrated in the ASEAN region, and factories located in the Philippines and Thailand, where typhoons pass over, face operational risks such as flooding of factory floors due to heavy rains.

To prepare for such risks, Companywide risks including natural disasters, violations of laws related to product quality, critical product accidents, and cybersecurity are incorporated into the activity policies of each headquarters division and overseas Group company, and those that we particularly need to focus on to prevent and address are established as significant risks at the Group level. Based on the Rules of Risk Management, we established the Sustainability Committee, chaired by the President and Chief Executive Officer, to monitor the overall risk status of the Group, as well as designating significant risks at the Group level to be tackled as priorities and checking on activities to address risks, in an effort to reduce Groupwide risks. In addition, to prepare against envisioned risks that could impact the continuity of our business, we have formulated the Rules of Business Continuity, which seek to minimize damage through appropriate response.

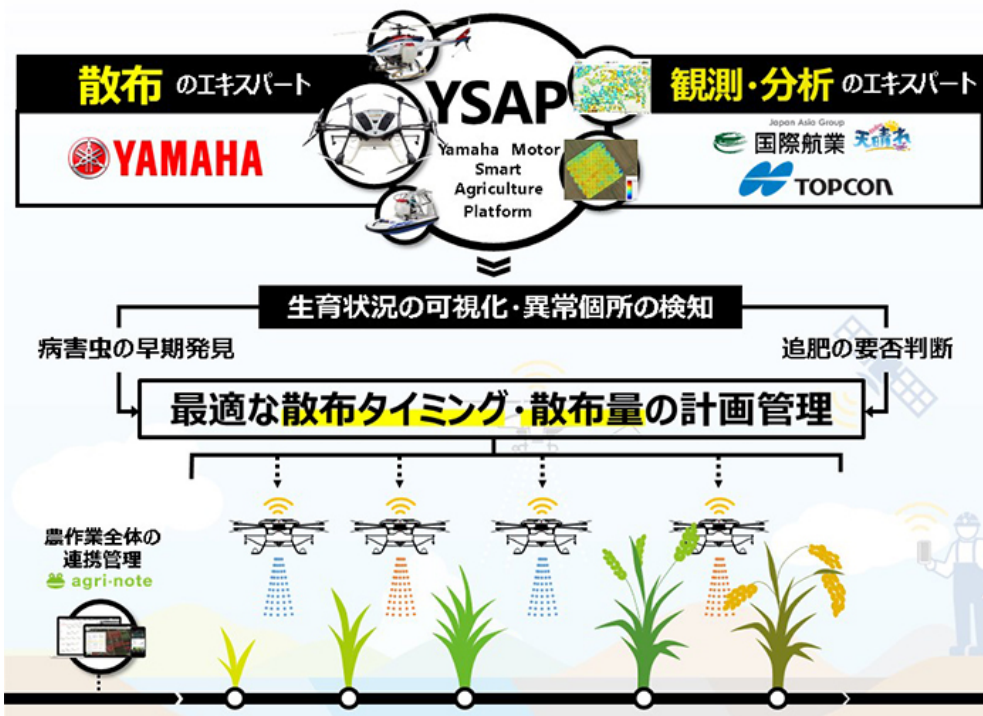
Chronic Physical Risks

Increased flood damage due to climate change spreads the pollution of water sources, deteriorating people's health conditions and adding to the number of the sick, which in turn impede social and economic development.

To address this risk, our staff in charge of the environment collect relevant information, evaluate water risks in each country based on water withdrawal and water stress using Aqeduct, a tool made available by the World Resources Institute (WRI), and implement measures according to the level of water risk to minimize water use. In addition, we developed a small water purification system called the Yamaha Clean Water Supply System to help improve people's health conditions and contribute to social and economic development through a new business, and started introducing it around the world in 2010. Adaptation measures in the area of water supply consist of addressing water pollution caused by climate change and improving people's health conditions and the social and economic environment. As of the end of March 2020, we have installed 41 units in 14 countries.

Global warming is raising concerns worldwide that it will have negative impacts on the agricultural field, such as reduction of farmland, fluctuations in yield, and movement of land suitable for cultivation due to temperature rise, droughts, floods, and other factors.

We will contribute to the realization of sustainable agriculture by providing a solution that uses our YMR-08 multi-rotor agricultural drones and industrial-use unmanned helicopters to conduct highly efficient and accurate pest control and top-dressing operations, and manage spraying data to increase the value and efficiency of spraying operations. Moreover, to enhance the value of using this service in areas such as crop growth analysis, field soil analysis, optimal fertilization planning, and load reduction of pesticide spraying work, we are collaborating with various partners. These include Kokusai Kogyo Co., Ltd., which provides Appare, a service that works to improve farming productivity using satellite image analysis; TOPCON Corporation, which offers Crop Spec, laser-based crop sensors indispensable in the operation of a variable top-dressing system; and WaterCell Inc., which offers agri-note, an agricultural support system that can unify the management of process data for a series of agricultural work.



YSAP : Yamaha Motor Smart Agriculture Platform

A software service that uses smartphones and computers to manage data and operations of pesticide spraying and fertilization work performed by YMR-08 and industrial-use unmanned helicopters

Yamaha Motor's Mitigation Measures

Promotion of Low Carbon Products

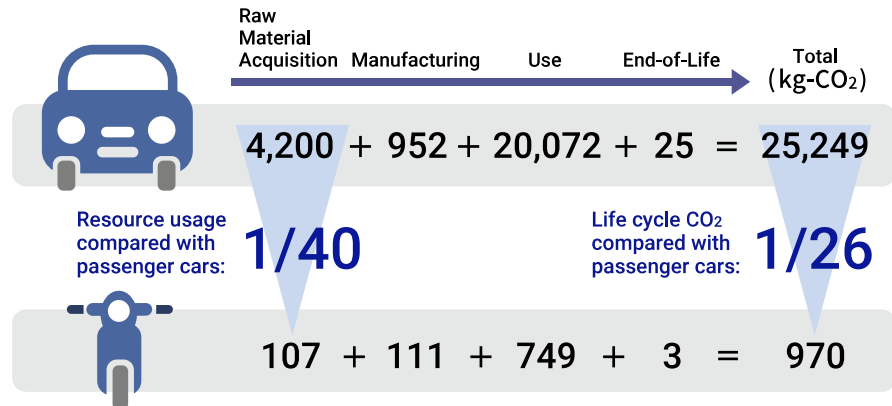
The products we provide, including our core product line of motorcycles, are characterized by their light weight and compact forms. They have small environmental impacts in terms of resource use during the manufacturing phase, and during the use phase they serve as a convenient means of transportation with excellent maneuverability for freely traveling short distances. Motorcycles, a relatively compact and inexpensive type of mobility vehicles, meet the demand for transportation of goods and services, particularly in emerging nations that are undergoing rapid economic growth. They also expand the spheres in which people live their daily lives, giving them more options in terms of work and educational opportunities. Moreover, they do not require any major infrastructure development, so they will not cause significant damage to the global environment.

Under our BLUE CORE motorcycle engine design concept, which balances fuel economy and environmental performance at a high level, we release a new model with improved fuel efficiency to the global market each year, as we position the reduction of Scope 3 Category 11 "Emissions from use of products," which account for 83.5% of our CO₂ emissions, as one of our most important initiatives.

Motorcycles are an environmentally friendly and sustainable mobility option with 1/26th the product life-cycle CO₂ emissions (from resource mining to disposal) and 1/40th the resource usage of passenger cars.

Comparison of CO₂ emission in product life cycles

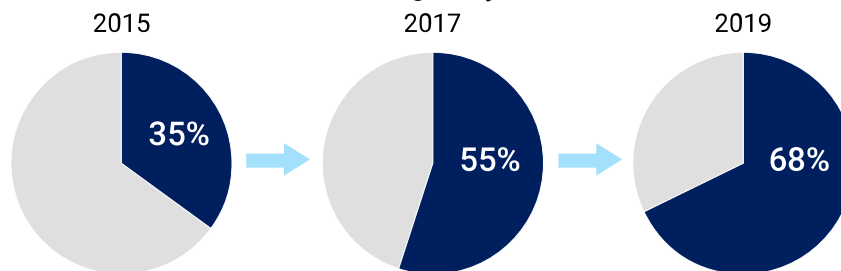
Figures based on company's survey



A motorcycle engine design concept that balances fuel economy and environmental performance at a high level

In 2019, approximately 84% of our motorcycles were shipped to the ASEAN region, making it an area with the largest use-phase CO₂ emissions. In the ASEAN region, motorcycles are a primary means of transportation for commuting to work or school and in other daily situations. They also serve an important role as part of the social infrastructure that supports the movement of goods and services. We promote our low-carbon product models featuring BLUE CORE globally as a mobility option that contributes to economic growth and the resolution of environmental issues.

Percentage of models featuring BLUE CORE among the number of motorcycles sold globally



Promotion of Electrically Power Assisted Bicycles

Prompted by an awareness of global environmental issues and the social issues of a declining birthrate and an aging population, which came to the fore in the 1980s, we embarked on the development of a new vehicle that did not belong to any existing category. Our development concept: "a personal commuter that is both people friendly and environmentally friendly, and places top priority on human sensibilities." This effort culminated in the 1993 launch of the PAS, the world's first electrically power assisted bicycle. Since then, we have developed various businesses around this product, including the sales of completed vehicles and supply of drive units in Japan,

as well as the global supply of system kits for electrically power assisted bicycles starting in 2012, based on enhanced and expanded collaboration with European bicycle manufacturers. In February 2019, cumulative production of drive units for electrically power assisted bicycles reached 5 million units.



Ceremony commemorating the cumulative production of 5 million drive units for electrically power assisted bicycles
(Main Factory of Yamaha Motor Electronics Co., Ltd.)

Specific product-based mitigation measures aimed at 2025 milestones

		Contribution to Low Carbon Society			Contribution to Recycling Society	Contribution to Society in Harmony with Nature
		Electrification Alternative fuels	Improved fuel efficiency Improved electric efficiency		Lighter weight Durability	Recycling and rental Sharing, etc.
Land Mobility	Motorcycles	Launch of EC-05 in Taiwan	Support for Indian market standards	Aluminum cast wheel for NIKEN wins the Casting of the Year Award	Establishment of a consortium on replaceable batteries for electric motorcycles Start of joint initiatives toward realization of MaaS Promotion of Yamaha bike rental	Cleaning activities at MC events Support for "LOVE the Earth" activities
	Electrically power assisted bicycles	Field testing of small electric stand-up mobility				
Marine Products	ROVs	New adoption of electric assist Smart Power mode				
	SMBs					
Marine Products	ATVs					
	Marine engines	Addition of small electric models	Improvement of propulsion efficiency	Expanding introduction of aluminum pontoons	Active use of the Japan Marine Industry Association's recycling system	
Marine Products	Boats	Development of low-drag hull form		Significant increase in maximum loading capacity	Promotion of Sea-Style	Support for coral reef conservation activities Performance of Baby Turtle Observation Tour and Sustainable Beach Project beach cleanup activities Performance of Marine Cleanup Activities at Lake Hamana Support for investigation of marine plastics
	Personal watercraft					
Marine Products	Pools					
Robotics	Industrial robots	Reduction of cycle time			Expansion of opportunities to provide labor-saving, high-efficiency multi-solutions	Investigation of forest conditions Conservation of world heritage sites
	Industrial-use unmanned helicopters	Provision of smart agriculture software services				

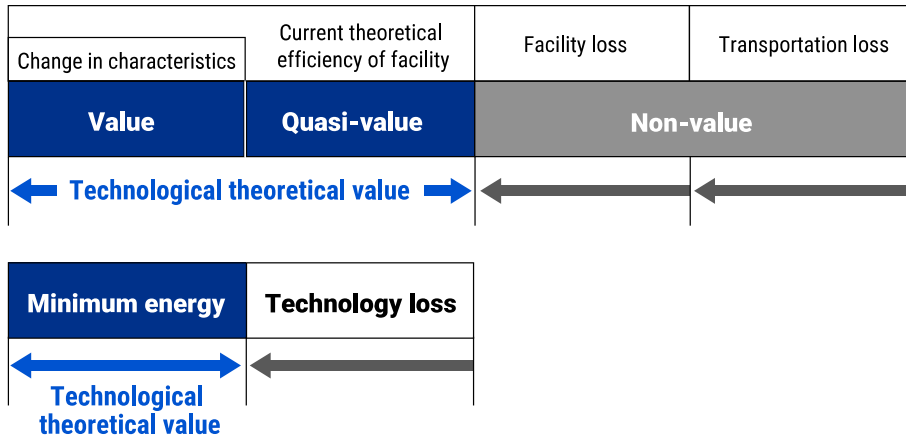
Others	Golf cars	Development of New Concept Cart SC-1 concept model vehicle	Promotion of models with improved fuel economy	Transportation system with minimal environmental impact	Joint initiatives toward realization of MaaS	Expansion of rental plans	Observation of volcanoes
	Electric wheelchairs						
	Automotive engines	Entrusted with prototype development of an electric motor unit for EVs	Improvement of battery unit efficiency	Investigation of new materials	Single-rider mobility proposals		
	Multi-purpose engines						
	Generators						
	Snow blowers						

Global Implementation of Theoretical Value Energy Activities in Production Operations

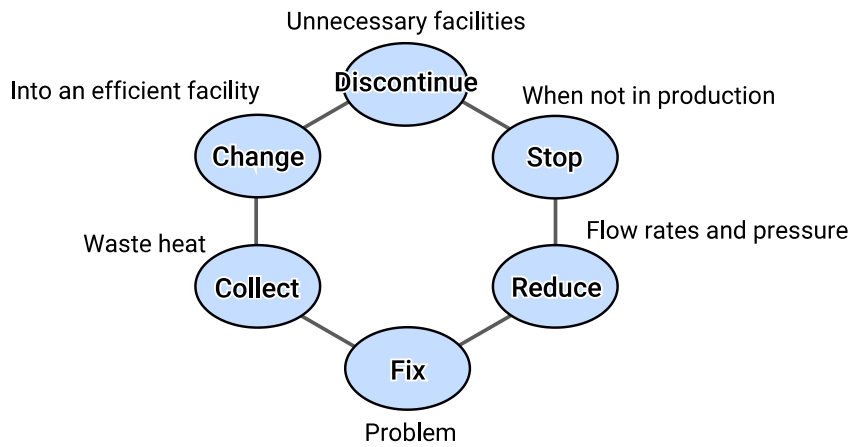
At Yamaha Motor, we are working to reduce CO₂ emissions of the entire Group by cooperating with overseas Group companies, sharing energy-saving know-how accumulated within Japan. Specifically, we are implementing a "theoretical value energy" approach, in which we define the value and quasi-value of each facility and process at our production bases in Japan and abroad, identify the essential functions, and aim to minimize loss. To date, we have visited 30 locations in 13 countries, covering 98% of Groupwide CO₂ emissions, in our effort to reduce energy loss.

Theoretical Value Energy

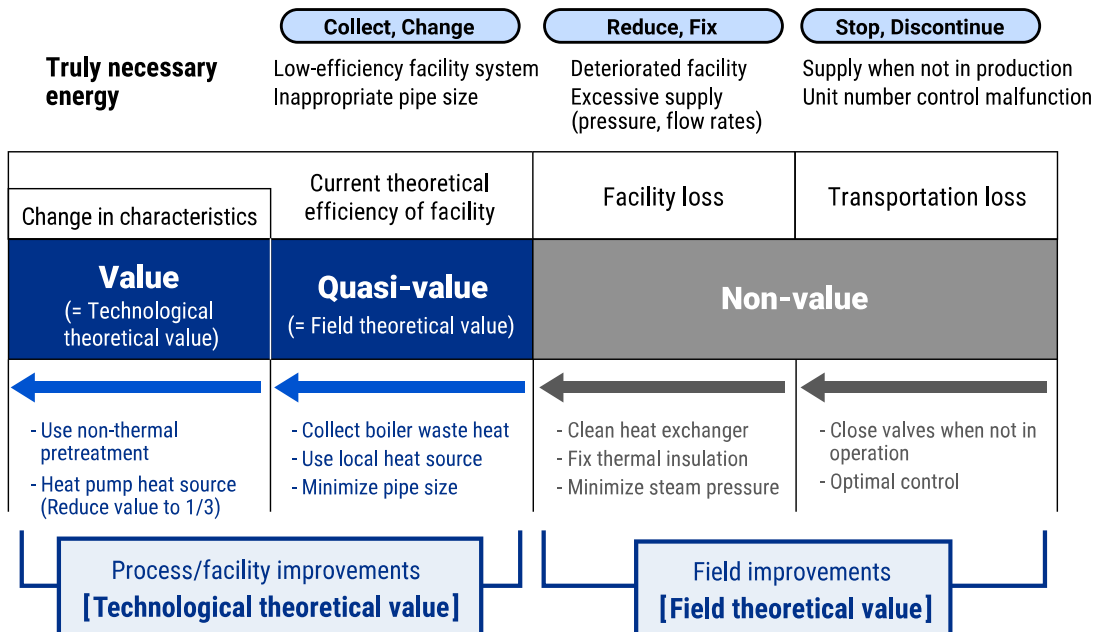
In this approach, we pursue energy minimization by defining the energy theoretically required in facilities and processes as "value energy," and thoroughly eliminating quasi-value and non-value areas through improvements in both facilities and operations. We are implementing this approach at suppliers as well as Group companies in Japan and overseas.

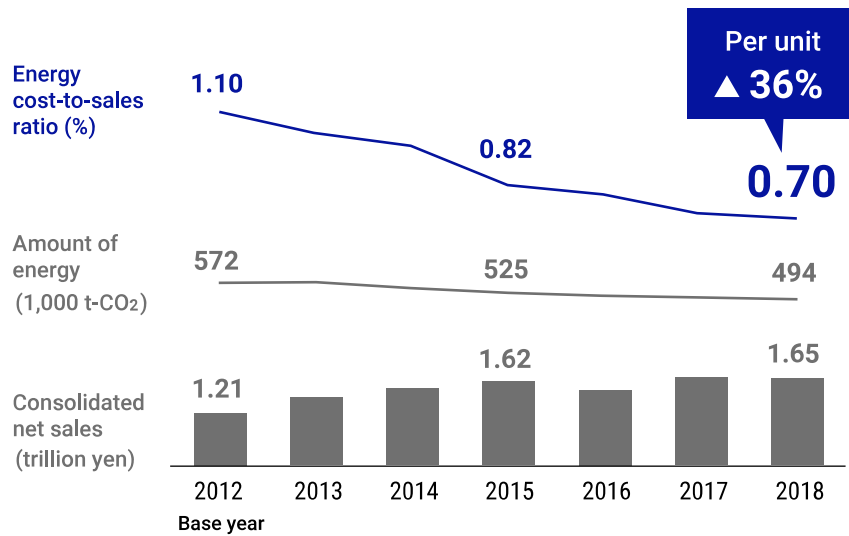


Six-perspective Approach



Example: Theoretical value energy approach applied to a boiler facility





Amount of energy is reduced each year while net sales increase

Expanding Use of Renewable Energy at Production Sites

We are installing power generation systems that use solar and wind power. Following the installation of a solar power generation system at the Main Factory in 2004, these systems have been successively installed elsewhere and the use of renewable energy is expanding. Installations continue at overseas locations including in the United States, Thailand, and Taiwan, and in 2019, solar power generation systems were introduced at production sites in India. The amount of power generated in 2019 totaled 17,032 MWh (equivalent to a reduction of roughly 14,231 t-CO₂), and was used for various factory operations and office lighting and air conditioning.



IYM-CHE, India

Process of Identifying and Evaluating Climate-related Risks

We identify and evaluate climate change risks from two perspectives: business strategy and business continuity.

Identification of Risks

Each operating division and functional division categorize short-term, medium-term, and long-term climate-related risks into "risks related to transitioning to a low-carbon economy" and "risks related to physical changes caused by climate change." Then, they consider the financial impacts of these risks on business, as well as the financial impacts on business with climate change mitigation measures and adaptation measures as opportunities for management reform, and identify risks and opportunities in the medium-term business plan.

Companywide business continuity risks including climate-related risks, violations of laws related to product quality, critical product accidents, and cybersecurity are incorporated into the activity policies of each headquarters division and overseas Group company, and those that we particularly need to focus on to prevent and address are identified as significant risks at the Group level. In this manner, climate-related risks are incorporated into the Groupwide system for risk management.

Evaluation of Risks

The Environment Committee, chaired by the executive officer in charge of environment activities, evaluates specific initiatives undertaken as a business strategy on risks and opportunities identified by each operating division and functional division.

The Sustainability Committee, chaired by the President and Chief Executive Officer, evaluates specific initiatives on significant risks at the Group level, particularly Companywide business continuity risks, including climate-related risks, that the Company needs to focus on to prevent and address. In this manner, climate change-related risks are incorporated into the Groupwide system for risk management.

Process of Managing Climate-related Risks



The Environment Committee manages the annual progress toward the goals and targets of specific initiatives undertaken as a business strategy on risks and opportunities identified by each operating division and functional division. It reports results to the Sustainability Committee, which consists of the same members as the Management Committee, and the Board of Directors.

Specifically, each operating division and functional division considered short-term, medium-term, and long-term risks and opportunities, their business, strategic, and financial impacts, and the climate scenario of the 2°C target, based on the designated climate change materialities of a "low carbon society," "resource recycling society," and "society in harmony with nature." Then they formulated specific numerical targets for 2025 and 2050 (reduction of use-phase CO₂ emissions by 19% per unit sales by 2025, 50% by 2050, from 2010 levels, and reduction of production-phase CO₂ emissions by 19% per net sales by 2025, 50% by 2050, from 2010 levels). The Environment Committee manages progress and deliberates matters that have a significant impact on business, and submits reports or resolution matters to the Board of Directors at least twice a year.

Indicators and Targets

Setting 2025 milestones

Indicators and Targets

Action Themes		Targets		Specific Actions
		2050	2025	
Low Carbon Society 	Reduction of CO ₂ emissions from use of products by users	50% reduction (on 2010 levels)	19% reduction (on 2010 levels)	<ul style="list-style-type: none"> ■ Details by product
	Reduction of CO ₂ emissions generated in operation of production	50% reduction (on 2010 levels)	19% reduction (on 2010 levels)	<ul style="list-style-type: none"> ■ Increase deployment rate of existing items <ul style="list-style-type: none"> - Automated shutdown (motors, air) - Shift to inverters - Reduction of heat radiation ■ New energy conservation expertise <ul style="list-style-type: none"> - Steamless - Exhaust heat recovery (furnaces, compressors, etc.) - Shift to servomotors ■ Theoretical value energy <ul style="list-style-type: none"> - Visualization of valuable and non-valuable energy - Thorough elimination of non-valuable energy ■ Expand introduction of low carbon energy <ul style="list-style-type: none"> - Installation of solar power generation systems, etc.
Recycling Society 	Reduction of waste generated in operation of production	50% reduction (on 2010 levels)	14% reduction (on 2010 levels)	<ul style="list-style-type: none"> ■ Make definition of waste known and understand current situation <ul style="list-style-type: none"> - Establish and make known global common definition of waste, build aggregation system - Understand waste volume using global aggregation system - Conduct site investigation to find and understand issues ■ Deploy reduction package <ul style="list-style-type: none"> - Summarize reduction measures that were effective in the past, and deploy these globally (Sludge dewatering, making coolant fluid last longer, etc.) ■ Develop waste reduction technologies and measures <ul style="list-style-type: none"> - Develop new reduction technologies and measures through exchange and collaboration with other companies (Foundry sand, distribution waste, etc.) ■ Operate waste reduction organizations <ul style="list-style-type: none"> - Make effective use of environmental governance organizations to promote reduction of waste globally - Foster waste reduction promoters
	Reduction of water consumption in operation of production	Aiming to reduce water consumption through initiatives according to water risk in each area *Water risk is a water supply-and-demand indicator independently defined by Yamaha Motor, with reference to Aqueduct and other tools made available by the World Resources Institute.		

Action Themes		Targets		Specific Actions
		2050	2025	
Management	Strengthening of compliance with environmental laws and regulations and management of chemical materials in products	Zero harmful substances in products	Strengthening of compliance with environmental laws and regulations and management of chemical materials in products	<ul style="list-style-type: none"> ■ Reduce environmentally hazardous substances in products ■ Enhance system and mechanisms, activities for raising awareness ■ Risk management of environmentally hazardous substances control ■ Carry out thorough compliance

Creating Low Carbon Society

Yamaha Motor is working to create a low carbon society through business activities.



Contents

1. Reduction of CO₂ Emissions from Products
 - The 4-stroke Challenge and Expansion of Product Categories
 - BLUE CORE
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2. Development and Promotion of Next-generation Mobility Options
 - 1980s Mark the Start of Efforts to Address Global Environmental Issues
 - Medium-term (2019–2021) Electric Product Strategy
 - Creating Solutions in the Unique Style of Yamaha
3. Reduction of CO₂ Emissions from Production Operations
4. Total Global CO₂ Emissions and CO₂ Emissions per Unit Sales
5. Reduction of CO₂ Emissions from Distribution Operations
 - Improvement of Transportation Efficiency
 - Monitoring CO₂ Emissions from Distribution Operations at Overseas Locations
6. Addressing Scope 3 Emissions

1. Reduction of CO₂ Emissions from Products

Compact and lightweight, motorcycles emit small amounts of CO₂ during use as a mobility option, and they can also be manufactured using minimal resources as raw materials. For these reasons, motorcycles are deemed "environmentally friendly products" in life cycle assessments (LCA), which assess the environmental impact of a product throughout its entire life cycle, from raw materials to disposal and recycling. However, it is also true that motorcycles add to the overall environmental burden of human activities in the urban areas of the ASEAN region, a major market for Yamaha Motor, by contributing to traffic congestion and air pollution.

Of the total life cycle CO₂ emissions produced by the Yamaha Motor Group, emissions from products account for 85%, of which motorcycles account for 72%. The Paris Agreement adopted in 2015 commits the international community to tackling global warming, with the goal of keeping the rise in global temperatures to less than 2 °C above pre-industrial levels. At Yamaha Motor, we are working hard to contribute to the creation of a low carbon society and resolution of regional issues in various ways. These include the shift from 2-stroke to more environmentally friendly 4-stroke engines, and in 2014 we released a next-generation high-performance compact motorcycle engine based on the BLUE CORE concept, which strives to take riding enjoyment, fuel efficiency, and environmental performance to a whole new level. Various models sold in the ASEAN region and elsewhere are equipped with BLUE CORE engines.

The 4-stroke Challenge and Expansion of Product Categories



Launched the YZF-R1 4-stroke supersport (1998)

Its engine featured a 5-valve layout that made it easier to give the combustion chamber a lens-like form to achieve a high compression ratio. The resulting rapid combustion produced a lot of power. The area around the cylinder head also had a compact design, leading to a smaller overall chassis size.



Launched the F100A 4-stroke outboard (1998)

In addition to the advantages of a 4-stroke design, including clean emissions, quiet operation, and excellent fuel efficiency, this new-generation outboard featured speed and acceleration performance that rivaled those of 2-stroke outboards.



Launched the FX140, the world's first personal watercraft with a 4-stroke engine (2002)

4-stroke personal watercraft offer dramatically better environmental characteristics such as fuel efficiency, cleanliness of exhaust, and quietness, while providing a smooth dynamic ride. Yamaha has since expanded its range of personal watercraft, from sporty models to cruising models.



Launched the RX-1 4-stroke snowmobile (2003)

This snowmobile featured a new engine based on the engine of the YZF-R1, Yamaha's flagship motorcycle model, and mounted on an aluminum frame specially designed to accommodate a 4-stroke engine.



Launched the FAZER, a 4-stroke industrial-use unmanned helicopter (2013)

This environmentally friendly product cut fuel consumption by 20% by adopting a 4-stroke engine. It also achieved enhanced exhaust performance, including a 95% reduction in hydrocarbons.

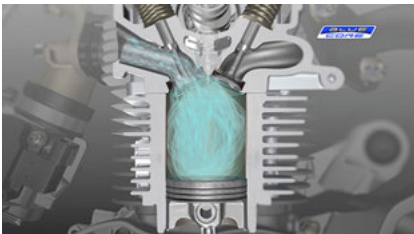
BLUE CORE

The ideal behind all "BLUE CORE" engines is "Fun & Eco!" After all, if it's not fun, it's not a Yamaha. These engines are developed not only to achieve high fuel efficiency, but also to deliver the fun-to-ride performance we want all Yamaha customers to enjoy. "BLUE CORE" engines are our answer to what an eco-friendly Yamaha engine should be, and they are products of Yamaha "Sports DNA" and over 60 years of our unwavering Yamaha Monozukuri spirit of craftsmanship. But this ideal has no final answer, and that's why Yamaha will continue to evolve "BLUE CORE" technology into the future.

A motorcycle engine design concept that balances fuel economy and environmental performance at a high level



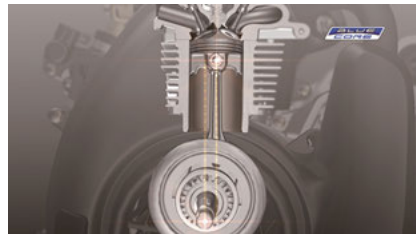
Increasing Combustion Efficiency / Reducing Power Loss / Increasing Cooling Efficiency



Increasing Combustion Efficiency

Clean Combustion Enables "Fun & Eco"

A key point of BLUE CORE engines is their low fuel consumption, but achieving that alone isn't our aim. Yamaha's quest is for the ultimate balance of the compression ratio, combustion chamber shape, air intake path, combustion flame propagation, and more, because cleaner combustion is what makes it possible for us to give BLUE CORE engines an ideal combination of both strong power delivery and fuel efficiency.



Reducing Power Loss

Light & Simple Means Waste-less Performance

Engines run on the power of burning fuel. Our desire to get the fullest use out of every last bit of that power led us to try to reduce power losses inside the engine as much as possible. To accomplish this, we turned our attention to the metals of each and every part to make them as lightweight as we could and reduce frictional losses to an absolute minimum.








Increasing Cooling Efficiency





Always Cool for Maximum Power

For an engine to deliver stable performance across a wide range of operating conditions, optimal cooling performance is essential. If the engine runs too hot or too cool, the power it will deliver weakens. We design each BLUE CORE engine—whether it's air-cooled or liquid-cooled—to keep its temperatures down but still up where we can maximize the power of each drop of fuel burned.

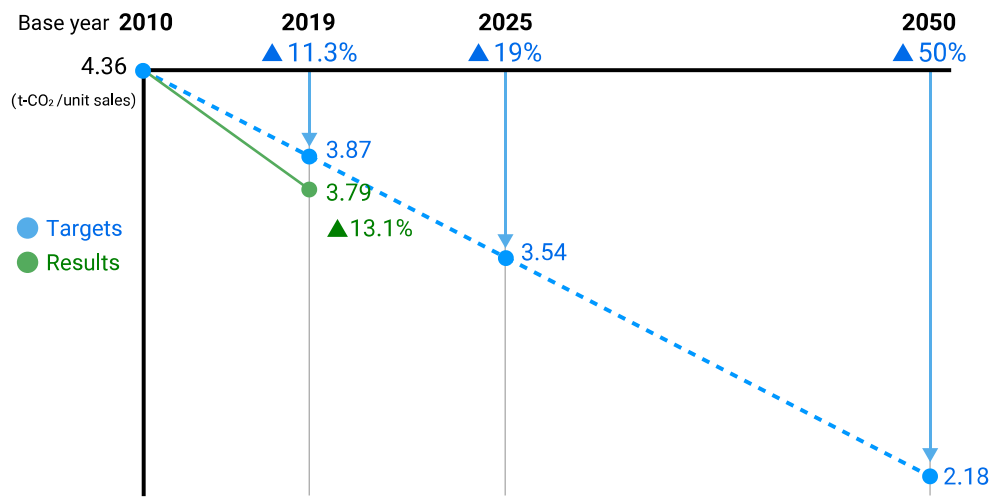
2019 Results on Reduction of Use-phase CO₂ Emissions Specified in the Yamaha Motor Group Environmental Plan 2050

In the Environmental Plan 2050, we set a use-phase CO₂ emissions reduction target of 50% per unit sales from 2010 levels by 2050. All operating divisions have set milestone 2025 targets and are working on specific measures within the time frame of a three-year medium-term plan (2019–2021). The Environment Committee checks progress toward their targets three times a year and reports the status to the Board of Directors at least twice a year.

2050 Targets	Segment	2025 Targets (Reduction of 1.25%/year)	2019 Plans	2019 Results	Assessment
 <p>CO₂ ↓ reduce by 50% (on 2010 levels)</p>	Land Mobility	 <ul style="list-style-type: none"> Internal combustion engine fuel efficiency target 52.8 km/L (reduce by 19%) Electrification sales target 	<p>Improved fuel efficiency</p> <p>Electrification</p> <ul style="list-style-type: none"> Introduce fuel-efficient models Liquid-cooled SC NMAX155 41.5 km/LWMTC Equip products with the Smart Motor Generator System Air-cooled ST 09H: Achieve compliance with BS6 Indian emission standards Launch EC-05 	<ul style="list-style-type: none"> 41.7 km/L Completed steps to achieve compliance with BS6 Launched EC-05 	◎
		 <ul style="list-style-type: none"> Weight reduction of overseas E-KIT (reduce by 1.3 kg) 	<p>Lighter weight</p> <ul style="list-style-type: none"> Develop a new lightweight drive unit 	<ul style="list-style-type: none"> Reduced weight by 1.23 kg 	○
	Marine Products	 <ul style="list-style-type: none"> Fuel efficiency improvement of large outboards Preparations for compliance with four-star exhaust emission standards 8% improvement of propulsion performance Electric propeller sales target 	<p>Improved fuel efficiency</p> <p>Electrification</p> <ul style="list-style-type: none"> Improve direct injection fuel efficiency Improve device and knock resistance 8% improvement of propulsion performance Deliberation of electrification models 	<ul style="list-style-type: none"> Advance development of outboards meeting four-star exhaust emission standards Completed technological development for improving propulsion performance by 6% Creation of an electrification roadmap 	○
Robotics	 <ul style="list-style-type: none"> Reduction of power consumption 0.003524 in 2010 to 0.02643 in 2025 (reduce by 25%) 	<p>Improved electric efficiency</p> <ul style="list-style-type: none"> Power consumption 0.03348 Wh/chip (5% reduction from 0.03524 Wh/chip in 2010) 	<ul style="list-style-type: none"> Reduction of power consumption 0.02512 Wh/chip 	◎	

2050 Targets	Segment	2025 Targets (Reduction of 1.25%/year)	2019 Plans	2019 Results	Assessment
		 <p>Agricultural-use</p> <ul style="list-style-type: none"> Fuel consumption: reduce by 50% Electric models: Use for 20% of sprayed area in Japan Transportation, observation/flight time: reduce by 40%, double payload 	<p>Electrification</p> <ul style="list-style-type: none"> Develop a sprayer with a high discharge rate (4–6 L/min) Promote electric types (500 units/year) 	<ul style="list-style-type: none"> Launched a sprayer capable of discharging 4 L/min Sold 70 units of electric types 	○
	Others	 <ul style="list-style-type: none"> 2010 model (Ni-MH): Improve to 17 km per charge from 15 km per charge 	<p>Improved electric efficiency</p> <ul style="list-style-type: none"> Fully revamp flagship JWX-1 model and increase cruising distance by improving efficiency 	<ul style="list-style-type: none"> Kicked off a project with the participation of the JW Product Planning Team of the Design Center 	○
		 <ul style="list-style-type: none"> Internal combustion engine: improve efficiency by 20% Engine loss: reduce by 5% 	<p>Improved fuel efficiency</p> <ul style="list-style-type: none"> Conduct advance development of GC400 Improve ratio for inverter generator models 	<ul style="list-style-type: none"> Launched GC400 in January 2020 Launched project for EF2200IS 	○
		 <ul style="list-style-type: none"> Internal combustion engine: 10.4 km/L (improve by 30%) Sell 26,000 units of electric models (launch Li model in the US) Improve electric efficiency by 10% 	<p>Improved fuel efficiency</p> <p>Electrification</p> <ul style="list-style-type: none"> YDR: Improve fuel efficiency by 25% Start development of Hybrid 1.0 (SMG) X Promotion target with the introduction of Low Cost AC drive model: 18,694 units G30: Target 5% electric efficiency improvement; develop Low Cost AC drive model X 	<ul style="list-style-type: none"> Found issues in feasibility check for 25% fuel efficiency improvement and fed them back for advance development Achieved 16,085 units (90% progress rate) 	○

We set a CO₂ reduction target of 50% per unit sales from 2010 levels by 2050 (t-CO₂/unit sales), in terms of the amount of CO₂ emitted from products sold. In 2019, we achieved a reduction of 13.1%, far exceeding the year's target of 11.3%.



Motorcycle Topics



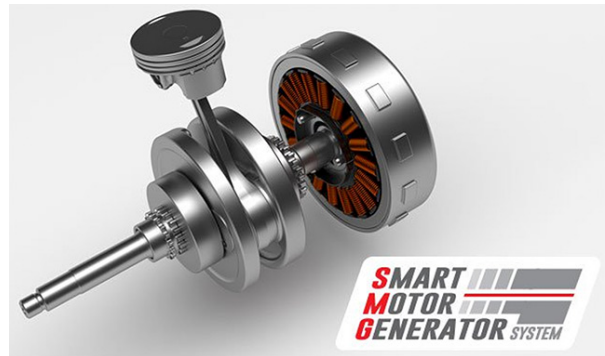
NMAX155

BLUE CORE Engine

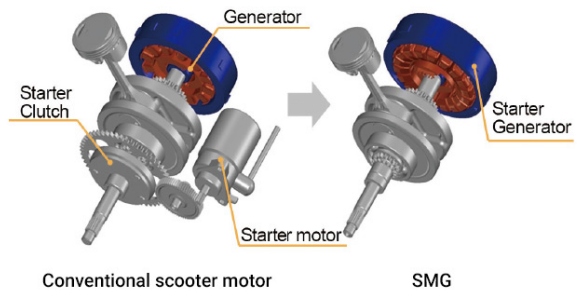


The NMAX155 features a 155-cm³ liquid-cooled, 4-stroke, SOHC, single-cylinder, 4-valve FI engine focused on high-efficiency combustion, high cooling performance, and loss reduction. This engine was developed and set up based on Yamaha's original BLUE CORE engine design concept, which strives to take riding enjoyment, fuel efficiency, and environmental performance to a whole new level. It uses a forged aluminum piston, all-aluminum DiASil cylinder, offset cylinder, and variable valve actuation (VVA) mechanism to promote high-efficiency combustion. These elements combine to deliver a powerful ride, excellent fuel efficiency, and superb acceleration feel.

Making the Engine Lighter and Smaller

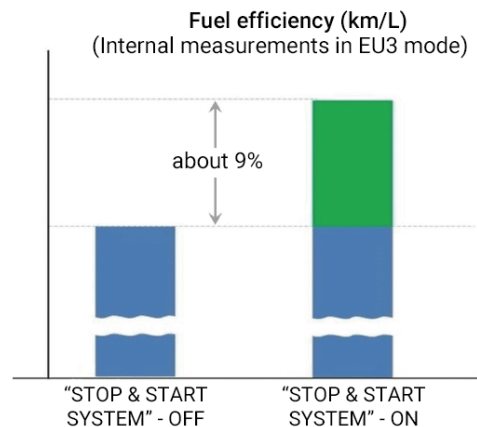


The Smart Motor Generator System controls the direction in which an electric current flows toward the starter generator to allow it to function both as a generator and starter motor. As a result, the engine can operate without a conventional starter motor and gears, making it approximately 900 g lighter and smaller.



Stop & Start System

This system reduces fuel consumption by immediately stopping the engine when the vehicle is stopped at a red light, etc., and also ensures the restart is quiet. It improves fuel efficiency by approximately 9%.



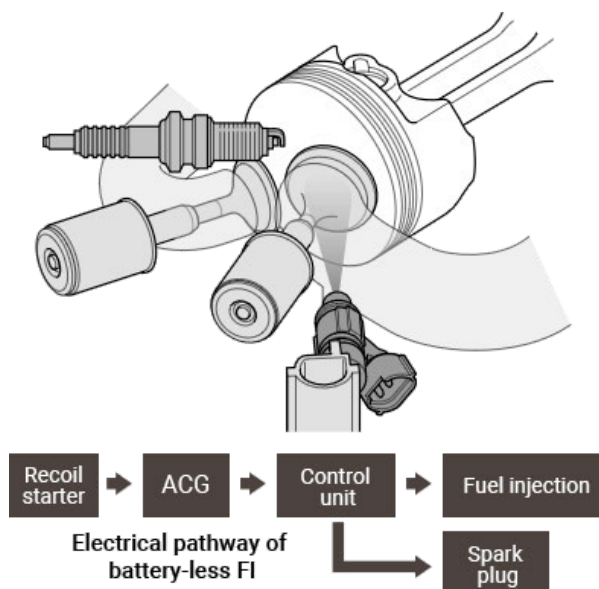
Marine Topics



「F20G」
Launched on April 1, 2019

Battery-less Fuel Injection

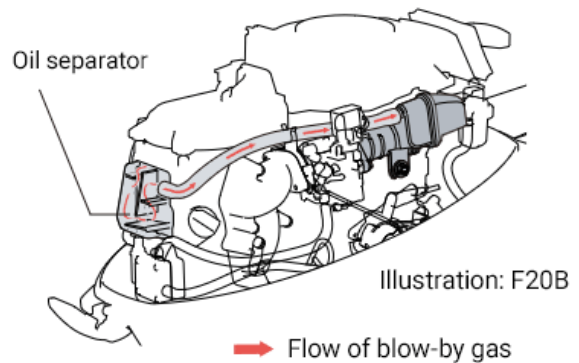
Our new outboard features a battery-less fuel injection system for easy engine starts even under harsh operating conditions, as well as enhanced acceleration performance.



Blow-by Gas Reburning System*

We adopted the blow-by gas reburning system* as an environmental measure to achieve clean exhaust that meets the 2008 emission standards of the California Air Resources Board (CARB), 2010 emission standards of the US Environmental Protection Agency (EPA), and EU marine emission standards.

* The engine oil mixed into blow-by gas is separated, and only the fuel is sent back to the combustion chamber via the intake system. This keeps the exhaust gas clean because oil is not burned during the combustion process.



Electrically Power Assisted Bicycle Topics

Yamaha Receives Japan's Technology Management and Innovation Award

Ever since we developed the world's first electrically power assisted bicycle and put it on the market in 1993, we have made various improvements in subsequent models by incorporating new technologies. Along the way, we have acquired a broader user base, created a new category of product that is neither a bicycle nor a motorcycle, and fulfilled the initial development objectives of contributing to society and the resolution of social issues. In recognition of these accomplishments, we received the Minister of Economy, Trade and Industry award at the 8th Technology Management and Innovation Awards, an event hosted by the Japan Techno-Economics Society.



Initial model (1993)



Latest model (2020)

Development and Promotion of Next-generation Mobility Options

It is widely believed that global warming is caused by a rise in CO₂ levels in the atmosphere. The international community is moving toward the creation of a carbon-free society in order to make this planet and the next generation of ecosystems sustainable. This means that CO₂ emissions from burning oil, coal, and other fossil fuels used as an energy source by humans must be reduced to zero or negative by 2100. Countries and territories around the world are encouraging the use of fuel-efficient motorcycles and tightening emission standards, while developing the necessary infrastructure to lay the groundwork for the next generation of mobility society and popularization of electric motorcycles.

1980s Mark the Start of Efforts to Address Global Environmental Issues

We have constantly pursued the creation of new value in a variety of fields including mobility. In 1993, we released PAS, the world's first electrically power assisted bicycle marketed as a personal commuter vehicle that is both people-friendly and environmentally friendly. Then in 2002, we introduced Passol, an environmentally friendly electric scooter for urban commuters. Subsequently, we went on to electrify various product categories, including golf cars, wheelchairs, and outboards. For many years, we have worked to provide a fulfilling life to people all over the world, making sure that we, as a manufacturer of transportation equipment, meet our social responsibility of consideration for the environment through our businesses and products.



PAS, the world's first electrically power assisted bicycle (1993)



Passol electric commuter (2002)



Towny Joy, a lightweight electric wheelchair (2004)

Medium-term (2019–2021) Electric Product Strategy

In the Long-term Vision and Medium-term Management Plan announced at the end of 2019, we specified resource and environmental issues as one of the material social issues that we can help to address by leveraging our strengths. We aim to reduce CO₂ emissions from our products by 50% by 2050 from 2010 levels. The EC-05 represents the first launch under the electric product strategy in this Medium-term Management Plan period, with more releases to come. The EC-05 is the fifth electric motorcycle launched by Yamaha Motor, after the Passol in 2002, the EC-02 in 2005, the EC-03 in 2010, and the E-Vino in 2014.



EC-02 (2005)



EC-03 (2010)



E-Vino (2016)



EC-05 (2019) Taiwan

Creating Solutions in the Unique Style of Yamaha

Currently, we are witnessing a step change in how people travel and how goods are transported. "Connected," "autonomous," "shared," and "electric" (CASE) are the keywords that represent the four interlinked elements behind the innovative technologies and services that are driving this transformation. At Yamaha Motor, we are working to create solutions that address such themes as "a new relationship between humans and vehicles," "rebuilding of traffic infrastructure in urban and depopulated areas," and "ideal forms of mobility in an aging society," which have become matters of global concern, particularly in developed countries. In this effort, we are building on a foundation of our technologies and know-how cultivated over the years, ever since our foundation, in relation to motorcycles and various other means of mobility, and combining the latest robotics technologies that realize automation and autonomy.



MOTOBOT Ver.2

An autonomous riding robot capable of operating a motorcycle designed for humans and riding around a racetrack at high speeds, as an approach to completely automated operation.



MOTORiD

A proof-of-concept experimental electric motorcycle that features AI to enable balance control when stationary and moving at low speeds, as well as automated riding.



YG-M FC

A prototype model equipped with hydrogen fuel cells that proposes the next generation of last-mile mobility.



06GEN Automated

An autonomous vehicle aimed at realizing a new service system for traveling a short distance, using an original approach applying the technologies and know-how developed with golf cars. (Concept model)



TRITOWN

A compact electric vehicle with twin front wheels that is ridden standing up. Makes last-mile mobility a fun and exciting experience. (Field test model)

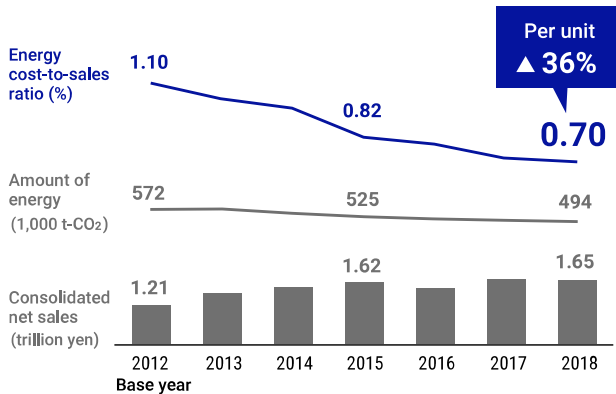


YNF-01

A concept model of a mobility vehicle that anyone can enjoy.

Reduction of CO₂ Emissions from Production Operations

Our main initiative with respect to CO₂ emissions from production operations has been the rollout of the Global Utility Cost Reduction Project (Theoretical Value Energy Project) since 2013, for energy conservation at Group companies in Japan and overseas. This project builds on the energy conservation expertise accumulated in Japan by sharing this know-how with overseas Group companies and working together to reduce CO₂ emissions across the Group. Initiatives during 2019 included the use of waste heat recovered from furnaces for air conditioning, and non-heated pretreatment for coating. These led to the lowering of CO₂ emissions per net sales and reductions in CO₂ emissions.

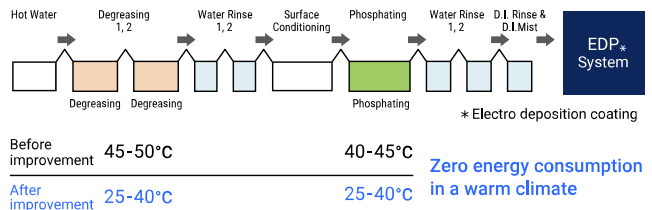


IYM-CHE for using waste heat recovered from furnaces for air conditioning

Introduced an absorption chiller-heater



TYM for non-heated pretreatment for coating



Verified energy conservation in the coating of not only metal products but also plastics

To date, we have visited 30 locations in 13 countries, including Group companies in Japan and covering 98% of Groupwide CO₂ emissions, in our effort to reduce energy loss. Going forward, we will continue our initiatives to further reduce CO₂ emissions from our factories and offices.

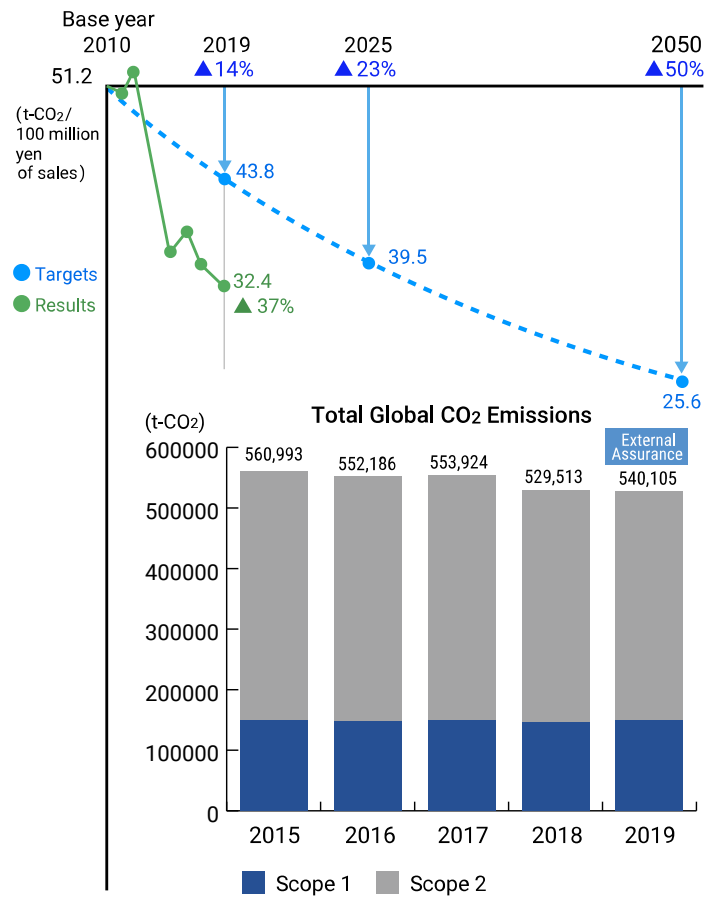
Total Global CO₂ Emissions and CO₂ Emissions per Unit Sales

In 2019, our total global CO₂ emissions were 540,105 t-CO₂, with Asia (55%) and Japan (27%) combined accounting for 82% of the total.

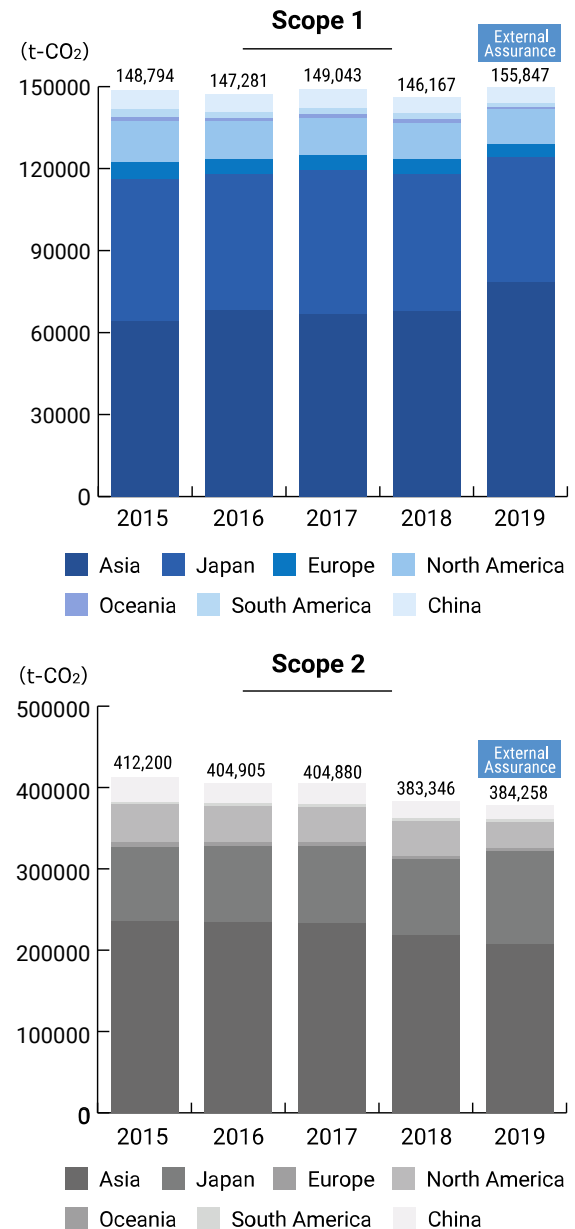
We set a CO₂ reduction target of 50% per net sales from 2010 levels by 2050 (t-CO₂/net sales), in terms of the amount of CO₂ emitted from production operations. In 2019, we achieved a reduction of 37%, far exceeding the year's target of 14%.

Boundary: 110 out of 112 companies within the scope of global environmental consolidation

Total Global CO₂ Emissions (Scope 1 + 2)



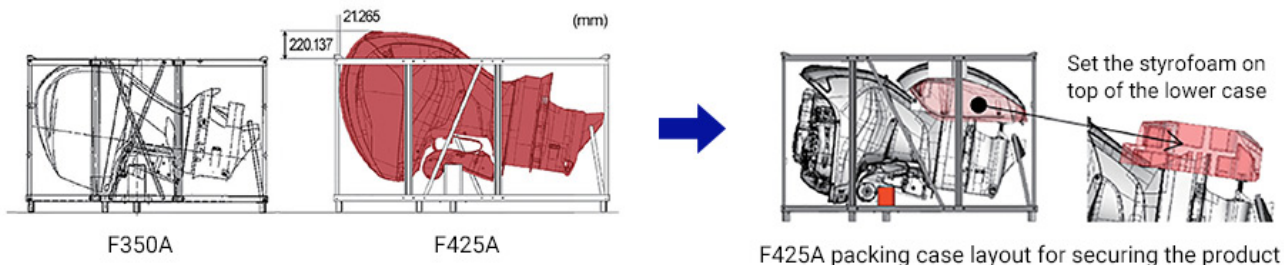
CO₂ Emissions by Region and Scope



Reduction of CO₂ Emissions from Distribution Operations

We are working to improve transportation efficiency with the aim of reducing CO₂ emissions from distribution operations. We are also taking active steps to monitor CO₂ emissions from distribution operations at overseas locations in a Groupwide effort to promote reduction activities.

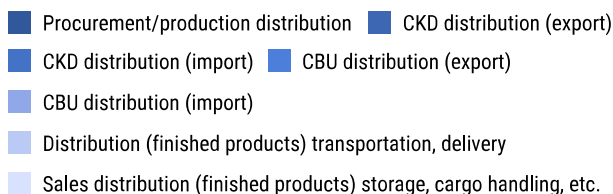
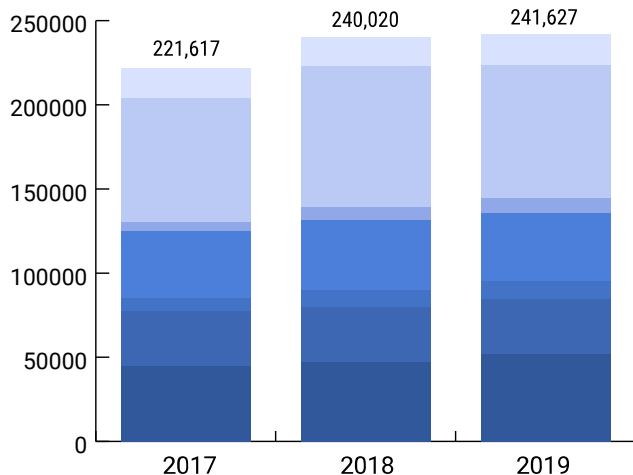
Improvement of Transportation Efficiency



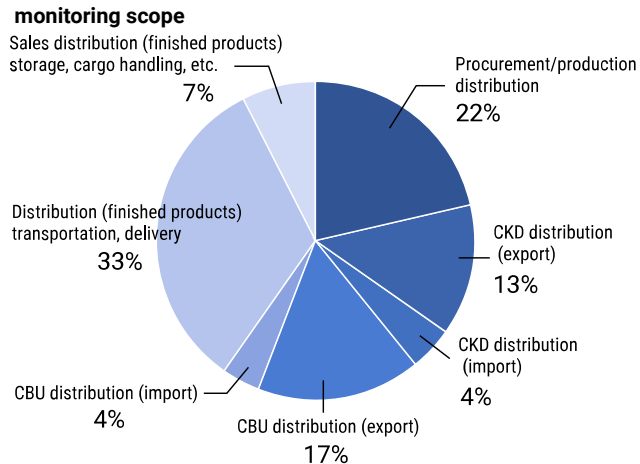
The large-displacement V8 5.6-liter F425A outboard, Yamaha's flagship model, had a much longer overall length than the previous F350A model, and also much heavier. However, by improving container loading efficiency, we were able to maintain the same level of loading efficiency as before and reduce transportation costs.

Monitoring CO₂ Emissions from Distribution Operations at Overseas Locations

Global CO₂ emissions from distribution (t-CO₂)



2019 Breakdown of CO₂ emissions from distribution by monitoring scope



In 2019, 241,627 tons of CO₂ were emitted globally from distribution operations. By monitored scope, sales distribution involving the export and import of finished products accounted for the largest share at 33%. This was followed by procurement and production distribution involving the transportation of parts and raw materials, which accounted for 22%. In particular, global sales of motorcycle models manufactured at overseas factories are increasing year after year, so we will continue to promote and monitor our global efforts to reduce CO₂ emissions from distribution operations.

Addressing Scope 3 Emissions

At Yamaha Motor, as part of our efforts to reduce the CO₂ emissions of the whole supply chain, we are striving to monitor not only our own CO₂ emissions (Scopes 1, 2), but all emissions related to our business activities, including sourcing of raw materials, transportation, business trips and commuting of employees, use of products by customers, and disposal (Scope 3). In 2019, our supply chain emissions were 155,847 t-CO₂ for Scope 1, 384,258 t-CO₂ for Scope 2, 28,041,247 t-CO₂ for Scope 3, and 28,581,352 t-CO₂ overall. "Category 11" emissions from the use of products (83.5%) and "Category 1" emissions from extraction of resources to manufacturing (12.3%) added up to account for 95.8% of the total. In setting reduction targets for CO₂ emissions, we recognize the importance of improving fuel efficiency, promoting the development and adoption of next-generation mobility vehicles, and using resources efficiently.

CO₂ emissions across the entire supply chain (2019)

The Company's CO₂ emissions	Emissions (t-CO ₂)	Percentage of emissions (%)
Scope 1 (Greenhouse gases directly emitted by fuel use and industrial processes)	155,847 External Assurance	(0.5)
Scope 2 (Greenhouse gases emitted indirectly through the use of purchased electricity, steam, heat, cooling, etc.)	384,258 External Assurance	(1.3)
All CO₂ emissions related to business activities Scope 3	Emissions (t-CO ₂)	Percentage of emissions (%)
Category 1: Purchased goods and services (Emissions from extraction of resources to manufacturing)	3,522,932	(12.3)
Category 2: Capital goods (Emissions from construction/manufacture of Company's capital goods)	249,256	(0.9)
Category 3: Fuel and energy-related activities (not included in Scope 1 or 2)	56,300	(0.2)
Category 4: Upstream transportation and distribution (Emissions from the distribution of purchased products and services)	241,627	(0.8)
Category 5: Waste generated in operations (Emissions from processing waste generated by business activities)	15,589	(0.1)
Category 6: Business travel (Emissions from means of transportation used to transport employees for business travel, etc.)	24,266	(0.1)
Category 7: Employee commuting (Emissions from means of transportation used to transport employees for commuting)	8,180	(0.0)
Category 8: Upstream leased assets	—	—
Category 9: Downstream transportation and distribution	—	—
Category 10: Processing of sold products (Emissions from processing of manufactured intermediate products by downstream businesses)	5,730	(0.0)
Whole supply chain	28,581,352	(100)

All CO₂ emissions related to business activities Scope 3	Emissions (t-CO ₂)	Percentage of emissions (%)
Category 11: Use of sold products (Emissions from use of products)	23,859,974 External Assurance	(83.5)
Category 12: End-of-life treatment of sold products (Emissions from disposal and processing of products and packaging)	57,393	(0.2)
Category 13: Downstream leased assets	—	—
Category 14: Franchises	—	—
Category 15: Investments	—	—
Total for Categories 1–15	28,041,247	(98.2)
Whole supply chain	28,581,352	(100)

Scope 3: Other indirect emissions are calculated using the Emission Unit Value Database (ver. 2.6) as per the Ministry of the Environment's Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.3; December 2017). Source: https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/GuideLine_ver2.3.pdf

Category 8. Upstream leased assets

Operating times for copiers and personal computers under lease contracts are included in electricity charges under Scope 2. The emission volume for this category is 0.

Category 9. Downstream transportation and distribution

Motorcycles account for roughly 80% of the number of items shipped by all operating divisions, and almost all product deliveries to customers in all countries and territories are made at dealerships. The emission volume for this category is 0.

Category 11. Use of sold products

Energy usage per vehicle based on average fuel consumption or rate of electricity use, multiplied by product lifetime in years and annual number of units sold.

Category 13. Downstream leased assets

This applies to leased motorcycles, electrically power assisted bicycles, boats, etc. Because Yamaha Motor provides the same products for leasing, this is included in Category 11, "Use of sold products." The emission volume for this category is 0.

Category 14. Franchises

As Yamaha Motor does not have a franchising system, the emission volume for this category is 0.

Category 15. Investments

As Yamaha Motor is not considered an investor for the purpose of gaining profit, this is excluded from the calculation.

Creating Recycling Society

Yamaha Motor is working to create a recycling-oriented society through business activities.

The 3R concept (Reduce, Reuse, Recycle) is becoming ever more important in all phases of product life cycles, from development and production to use and final disposal, in order to create a recycling-oriented society. The Yamaha Motor Group set "promoting recycling and the effective use of limited resources" as a goal and has undertaken various initiatives to meet it.

Going forward, we will continue to adopt various approaches to conserve natural resources and enhance recycling efficiency. In addition to actively utilizing recyclable materials, we are reducing the number of parts and making them smaller by pursuing optimal size. We also use LED technologies to lengthen product life while adopting designs that facilitate dismantling and improving the recyclability of parts. Our aim is to improve the applicability of the 3R concept to our products.



Contents

1. Reduction of New Resource Use through the Use of Renewable Resources
 - 3R Design in Motorcycles
 - Motorcycle Recycling System
 - Recycling System for Small FRP Boats
 - FRP Pool—Renewal
 - FRP Pool—Reduce
 - FRP Pool—Reuse
 - FRP Pool—Recycle
2. Measures to Reduce Waste and Conserve Resources at the Manufacturing Stage
3. Measuring and Reducing Water Consumption

Reduction of New Resource Use through the Use of Renewable Resources

3R Designs and Product Recycling

The Yamaha Motor Group is proactively incorporating the "3R (Reduce, Reuse, Recycle) design" in its various products. In Japan, we continue to work with other companies in our industry in the "motorcycle recycling system" for appropriate disposal by stores handling motorcycle scrapping. We also participate in a similar "recycling system for small FRP boats" in the marine segment, and are also implementing "renewal, reduce, reuse, recycle" initiatives for FRP pools.

3R Design in Motorcycles

MXT850 (NIKEN)



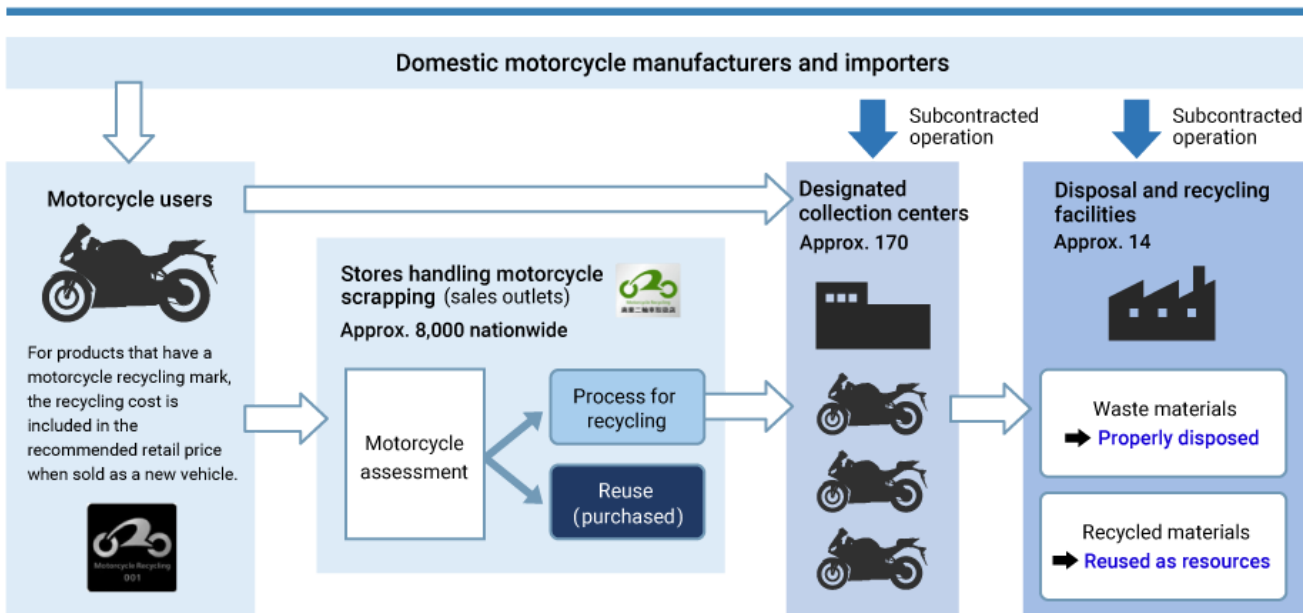
Motorcycle Recycling System

To promote the appropriate disposal of scrapped motorcycles and the recycling and reuse of resources, 4 domestic motorcycle manufacturers^{*1} and 6 importers^{*2} are cooperating in a voluntary initiative to achieve a recycling-oriented society. In 2019, Our recycling rate was 97.4%. Along with promoting the use of the motorcycle recycling system, the Yamaha Motor Group takes responsibility for the appropriate disposal and recycling of Yamaha end-of-life motorcycles that customers wish to scrap.

*1: Yamaha Motor Co., Ltd., Honda Motor Co., Ltd., Suzuki Motor Corporation, Kawasaki Heavy Industries, Ltd.

*2: EKA Co., Ltd., Bright Co., Ltd., Ducati Japan Ltd., BMW Japan Corp., SPK Corporation, Kymco Japan, Inc. (as of July 1, 2020)

Process of the Motorcycle Recycling System

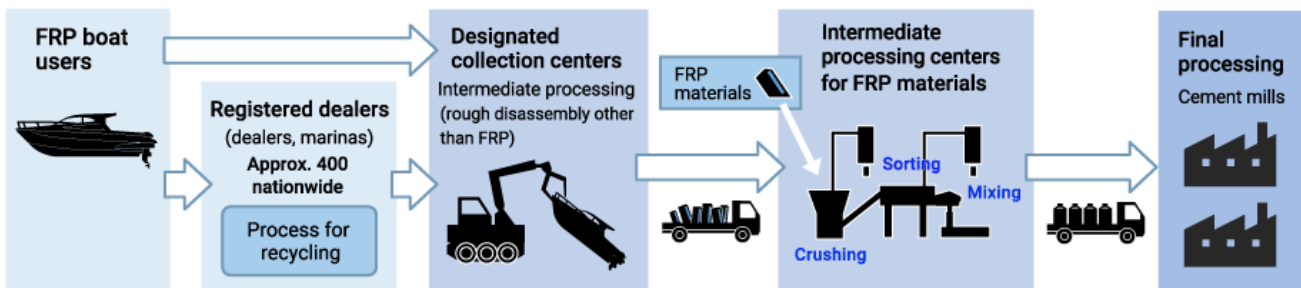


Recycling System for Small FRP Boats

The recycling system for small boats (boats, yachts, personal watercraft, fishing boats, etc.) made from glass fiber-reinforced plastic (FRP) is mainly carried out by the Japan Marine Industry Association's FRP Boat Recycling Center. After scrapped FRP boats are taken to subcontracted, designated collection centers and roughly disassembled, FRP materials are taken to an intermediate processing center where they are crushed and sorted, and finally calcined to cement for recycling (material thermal recycling).

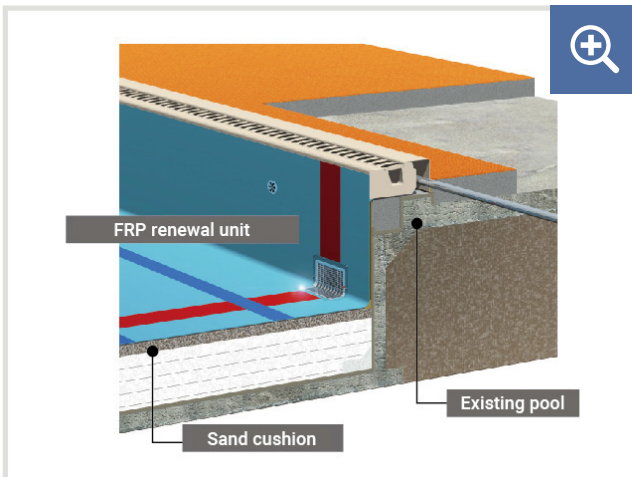
Yamaha Motor participates in this recycling system, and takes responsibility for appropriately disposing of and recycling FRP boats that customers wish to scrap and have recycled.

Process of Recycling System for Small FRP Boats



FRP Pool—Renewal

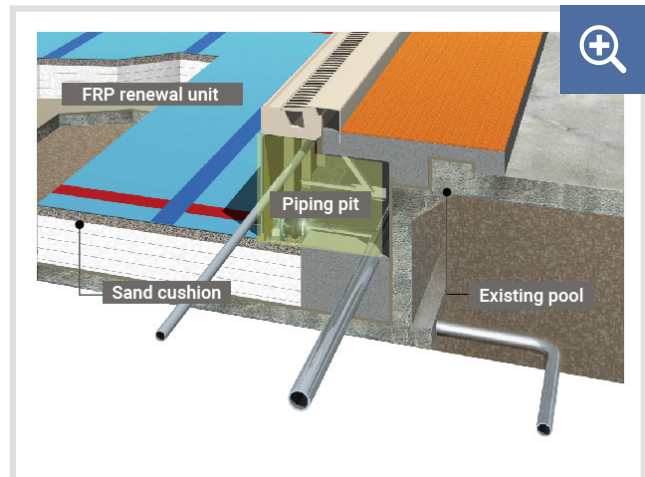
Yamaha Motor contributes to the realization of a recycling-oriented society by developing technology for creating environmentally friendly pools that leverage the merits of FRP materials. Yamaha Motor's renewal construction method makes the most of the structures of existing concrete pools, and therefore it minimizes the crushing noise generated by vibration drills and operating noise of large heavy machinery during disassembly. Moreover, while disassembling concrete pools normally produces about 350 tons of waste materials, this method requires only partial removal of the existing structure, reducing the amount of waste materials by approximately 85%. Compared with typical reconstruction and renewal work, it significantly reduces environmental burden.



Full renewal construction method

This is a basic construction method that makes the most of an existing concrete pool in renewing it as an FRP pool. The original concrete pool is covered with an FRP renewal unit that is secured with special stays. A layer of sand filled underneath the FRP floor panel serves as a cushion to reduce impact.

Full renewal using this method is completed in approximately 45 days, much shorter than the average construction period required to build a new pool.



Pit renewal construction method

Old concrete pools often have buried pipes, which require a considerable amount of time and effort to deal with any pipe problems. With the pit renewal construction method, new piping pits are installed between the existing concrete pool and the FRP unit. This ensures the new pool can be maintained more easily with minimal costs.

FRP Pool—Reduce

In a recycling-oriented society, reducing waste is the top priority. FRP pools boast excellent corrosion and earthquake resistance and a long service life, enabling them to be used over an extended period of time by providing regular maintenance. The first school pool delivered more than 40 years ago in 1978 is still safely used today.



Installed in 1978 (Iwata City Tobu Elementary School, Shizuoka Prefecture)



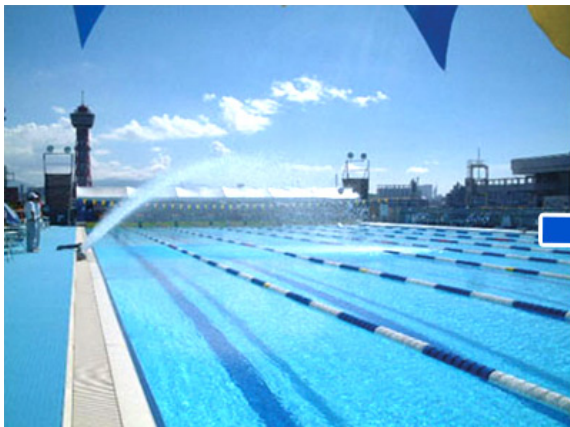
Installed in 1988 (Tsumagoi Water Park)



FRP Pool—Reuse

Yamaha Motor's FRP reuse construction method employs a unique modular construction that enables the pools to be disassembled and relocated for reuse.

The temporary pool used at the FINA World Championships was disassembled and relocated to be reused as a permanent pool



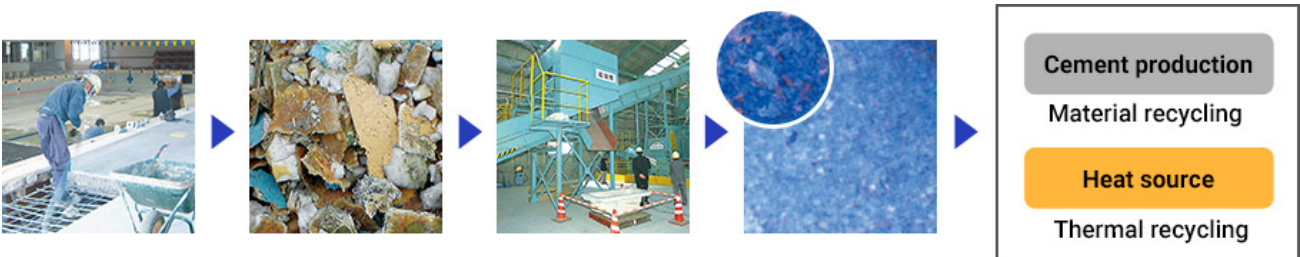
Warming-up pool for the FINA World Championships 2001 in Fukuoka



Swimming pool for the national athletic meet in Okayama

FRP Pool—Recycle

FRP materials can be recycled in various ways, such as melting them so that they can be reused as resources and heat recovery (power generation). Now, they can also be recycled to be used as materials and a thermal energy source for making Portland cement. With these methods, FRP can be recycled at a rate of almost 100%.



Use of Renewable Resources in Packing Materials

Yamaha Motor has begun to use "biomass plastic," a type of plastic with a plant-derived component, for the bags to package motorcycle instruction manuals and some packing materials as one of its environmental measures. This "biomass plastic" is a plastic made of a plant-derived resin component, which is a renewable resource, to replace un-renewable fossil resources like petroleum and coal. Many biomass plastics are made with industrial-use and livestock feed-use corn. The biomass plastic used by Yamaha for package bags and packing materials is one of these corn-based types with a biomass ratio of approximately 30%.

Measures to Reduce Waste and Conserve Resources at the Manufacturing Stage

In 2019, Yamaha Motor generated a total of 20.9 thousand tons of waste.*1 We separate metal, plastic, foundry sand, and other waste for reuse and recycling as raw materials. We also subject oil and some plastics to a thermal recycling process to create materials that can be used as combustion improvers. In addition, we use post-combustion residue as a raw material in cement and roadbeds. As a result, we have maintained our direct and indirect landfill record of "zero tons" (a 100% recycling rate).

The Yamaha Motor Group began tracking its volume of waste from 2016. Group companies in Japan and overseas have been working to reduce their volumes of waste by thoroughly separating waste, introducing returnable packing materials, and using longer-lasting cutting fluids and oils. The Yamaha Motor Group's waste material volume (Boundary: 86 out of 112 companies within the scope of global environmental consolidation) in 2019 was 55 thousand tons [External Assurance](#) .

*1 Aggregate volume of materials discharged (including industrial waste, specially controlled industrial waste and materials with value)

Specially controlled industrial waste from Yamaha Motor *2

2015	2016	2017	2018	2019
566 t	290 t	277 t	229 t	288 t

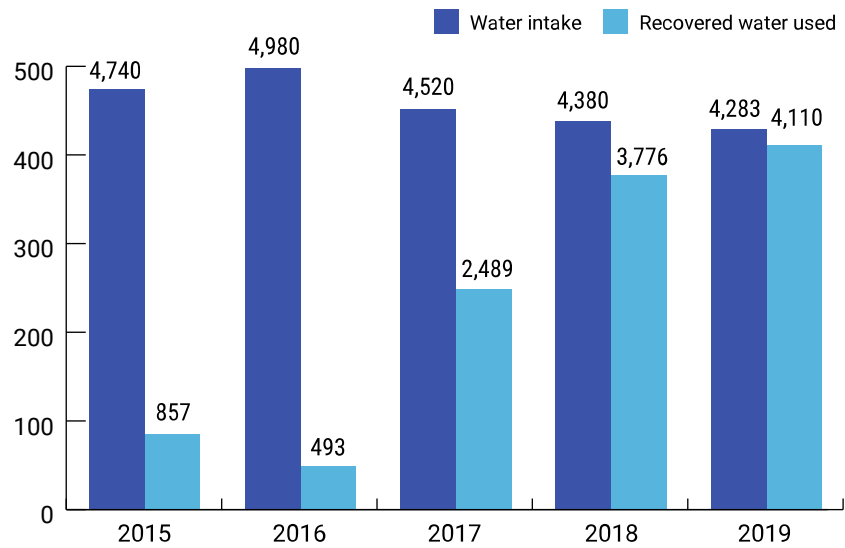
*2 Industrial waste materials that are explosive, poisonous, infectious, or otherwise harmful or potentially harmful to human health or the environment

Measuring and Reducing Water Consumption

The Yamaha Motor Group is working to reduce consumption of water. In accordance with our 2050 goal of "reducing water usage in production activities," we continue to strive to measure our global use of water and reduce consumption Groupwide through programs including the reuse of coolant water and water collection (rainwater and other sources) at factories, the reuse of water using reverse osmosis (RO) membranes, posters to remind employees to conserve water, and the installation of water-saving packing in faucets.

In 2019, Yamaha Motor's water intake volume was 1,078 thousand m³ and wastewater volume was 1,181 thousand m³ [External Assurance](#) .

Water Intake and Recovered Water Used at the Yamaha Motor Group



Boundary: 95 out of 112 companies within the scope of global environmental consolidation

Breakdown of Water Intake at the Yamaha Motor Group (thousand m³)

	2015	2016	2017	2018	2019
Underground water	1,987	1,772	2,221	1,501	1,723
Industrial water	2,253	1,798	1,487	1,448	934
Tap water	391	1,317	575	946	1,251
Other fresh water	114	85	167	258	375
Total water intake	4,745	4,972	4,450	4,153	4,283
					External Assurance

Note: Breakdown includes estimated figures.

Creating Society in Harmony with Nature

Yamaha Motor is working to create a sustainable society in harmony with nature.



Contents

1. Impact on Biodiversity
2. Outline of Yamaha Motor's Main Biodiversity Initiatives
3. Initiatives for Creating a Society in Harmony with Nature
4. Global Activity Reports
 - Activity reports from Japan
 - Activity reports from the Americas
 - Activity reports from Asia & Oceania
 - Activity reports from Europe

Impact on Biodiversity

At Yamaha Motor, we understand that our business activities are heavily dependent on the blessings of nature that biodiversity produces, and that those activities may impact the ecosystem. With this understanding, we will aim to create a sustainable society in harmony with nature, where humans and every other creature that lives on Earth can coexist harmoniously and continue to enjoy the blessings of nature.

Outline of Yamaha Motor's Main Biodiversity Initiatives

Background

We recognize the importance of preserving biodiversity and other issues related to sustainability, and also that addressing these issues can lead to opportunities for growth.

Yamaha Motor has always attempted to harmonize all of its corporate activities with the global environment, through initiatives including technological innovation in smaller, more environmentally friendly engines, the creation of products such as electrically power assisted bicycles and electric motorcycles that use smart power technologies, and research and development of next-generation power sources.

We have therefore formulated the "Outline of Yamaha Motor's Main Biodiversity Initiatives" to build on these programs as we address biodiversity.

Concept

We will address biodiversity independently, systematically and continuously, based on our corporate philosophy, the Yamaha Motor Group Basic CSR Policy, and the Environmental Plan 2020, from the perspectives of “diversity of ecosystems, biological species, and genes,” “activities that supplement the benefits of nature,” and “minimizing the impact created.”

Contribute with intellectual technologies that respect the earth



Make strides in environmental communication and information disclosure



【Declaration】

Pursue activities that are in harmony with the earth's environment



Contribute with intellectual technologies that respect the earth

.....

We are deeply aware of the significant benefits of nature on our product fields, and aim to use technology to preserve biodiversity.

Pursue activities that are in harmony with the earth's environment

.....

We will continue to systematically address biodiversity by cultivating an ecological mindset and taking greater initiative.

Where biodiversity is threatened, we will promote activities at a global level that protect and foster nature in harmony with the earth's environment.

Make strides in environmental communication and information disclosure

.....

We will cooperate and work together with broad segments of society in our activities to address biodiversity, and strive to disclose information as appropriate.

Initiatives for Creating a Society in Harmony with Nature

We view environmental conservation activities that embody the unique style of Yamaha from the following four perspectives.



Activities to protect the natural environment where our products are used

We continuously engage in activities to protect mountains, oceans, and other natural environments where our products including motorcycles, ATVs, snowmobiles, personal watercraft, and boats are used, as we view such activities are vital to continuing our business.



Activities that use our products

Our products are used to help protect nature, such as in conservation activities and unmanned survey operations in areas that cannot be easily accessed by humans.



Activities in collaboration with Yamaha users

There are many customers around the world who use our products. We will work with these customers to promote activities that protect the global environment.



Activities that contribute to solving regional environmental issues

We operate our business in various regions across the world. With the understanding that our business activities are founded on the environment of these regions, we will also tackle regional environmental issues.

Global Activity Reports



Activity reports from Japan



Activities to protect the natural environment where our products are used



Activities in collaboration with Yamaha users



Activities that use our products



Activities that contribute to solving regional environmental issues



Company

Yamaha Motor Co., Ltd.

Activities

[Every month]
Protecting and monitoring threatened plant species transplanted within the premises of the Yamaha Motor Kikugawa Test Course when the course was developed (organized by Yamaha Motor)

Achievements

Bletilla striata and Penthorum chinense, both near-threatened species, increased in number



Company

Yamaha Motor Co., Ltd.

Activities

[March 15, 2019]
Participated in reforestation activities aimed at nurturing the abundant groundwater of the area around Iwata City as part of the city's 20th Groundwater Recharge Project (organized by Iwata City)

Achievements

Planted approx. 300 trees



Company

Yamaha Motor Co., Ltd.

Activities



[March 23, 2019]
Participated in the Iwata City Coastal Disaster Prevention Forest Tree-planting Event to create a green coastal levee (organized by Iwata City, Shizuoka Prefecture)

Achievements



Planted approx. 500 trees








Company	Yamaha Motor Co., Ltd.
Activities	[April 20, November 16, 2019] Thinned moso bamboo that grows on company-owned land adjacent to Lake Hamana to prevent unwanted effects on the surrounding land and Lake Hamana (organized by Yamaha Motor)
Achievements	Thinned 180 bamboo culms, 70 participants  





Company	Yamaha Motor Co., Ltd.
Activities	[May 12, 2019] Participated in the 30th Loggerhead Turtle Cleanup Campaign to protect the environment for the endangered loggerhead sea turtles to come ashore to nest (organized by Hamamatsu City)
Achievements	Collected approx. 3 tons of garbage, with approx. 3,500 participants (120 from Yamaha Motor)  





Company	Yamaha Motor Co., Ltd.
Activities	[May 24, 2019] Organized the 11th Marine Cleanup Activities at Lake Hamana to carry out cleanup activities using our products such as personal watercraft and boats to access shores that cannot be reached by land (organized by Yamaha Motor)
Achievements	Collected 450 kg of garbage, with 114 participants   




Company	Yamaha Motor Co., Ltd.
Activities	[June 2, 2019] Participated in the 41st Lake Hamana Cleanup Campaign to help protect the region's natural resources of Lake Hamana (organized by Hamamatsu City and Kosai City)
Achievements	Collected approx. 5 tons of garbage, with approx. 3,000 participants (81 from Yamaha Motor)
	 



Company	Yamaha Motor Co., Ltd.
Activities	[June 15, November 9, 2019] Cooperated with coral planting in Okinawa Prefecture as a supporting company for Team Tyura Sango, a project to restore the coral reefs (organized by Team Tyura Sango)
Achievements	Planted approx. 400 coral seedlings, with approx. 300 participants (41 from Yamaha Motor)
	 



Company	Yamaha Motor Co., Ltd.
Activities	[June to July, 2019] Conducted environmental beautification activities in the neighborhoods of our offices during the Environment Months (organized by Yamaha Motor)
Achievements	Participants: approx. 3,000
	



Company Yamaha Motor Co., Ltd.

[September 7, 2019]
Organized a Baby Turtle Observation Tour and "Sustainable Beach" Project to carry out beach cleanup and coastal restoration activities to protect the endangered loggerhead sea turtles, and remove alien plant species to protect the endangered riverside tiger beetle (organized by Yamaha Motor)

Achievements Collected 167 kg of garbage, installed 60 sandbags for restoring the beach, removed 64 kg of grass, with 325 participants

Achievements



Company Yamaha Motor Co., Ltd.

[September 27, 2019]
Called on participants at the Yamaha Motorcycle Day fan event to join activities for harmonious coexistence with nature (organized by Yamaha Motorcycle Sales Japan)

Achievements Participants: approx. 3,300 (of which 300 signed an environmental declaration at the booth)

Achievements



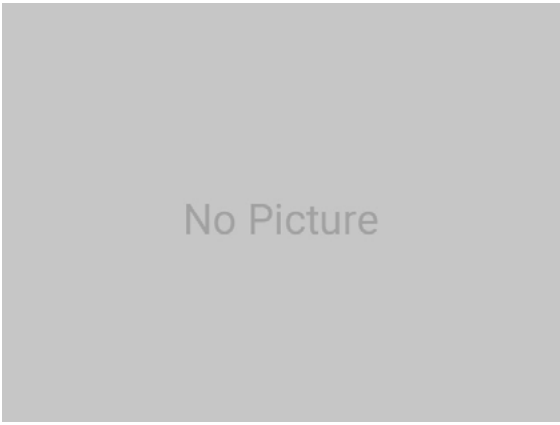
Company Yamaha Motor Co., Ltd.

[October 26, 2019]
Planted trees to help restore the Enshunada coastal forest (organized by Yamaha)

Achievements Planted approx. 300 trees, with 150 participants (15 from Yamaha Motor)

Achievements





Company Yamaha Motor Precision Parts Manufacturing Co., Ltd.

[June 14, 2019]
Participated in neighborhood cleanup activities and cleaned ditches around the company

Activities



Company Yamaha Kumamoto Products Co., Ltd.

[June 21, September 27, 2019]
Carried out beautification activities around the company as part of an effort to create a people-friendly and environmentally friendly factory (organized by Yamaha Kumamoto Products)

Activities



Achievements

Participants: 328, 304



Company Yamaha Kumamoto Products Co., Ltd.

[June 22, 2019]
Participated in river and beach cleanup activities around the Yatsushiro Sea (organized by Yatsushiro City)

Activities




Achievements

Participants: 48



Company	Yamaha Kumamoto Products Co., Ltd.
Activities	[October 19, 2019] Participated in cleanup activities at a green space along the Kuma River the day after an All Japan Fireworks Competition (organized by competition secretariat)
Achievements	Participants: 90  




Company	Yamaha Motor Solutions Co., Ltd.
Activities	[June 21, 2019] Carried out sidewalk cleanup activities around the company
Achievements	Participants: 300 




Company	Yamaha Amakusa Manufacturing Co., Ltd.
Activities	[July 11, 2019] Carried out cleanup activities around the company
Achievements	Participants: 80 



Company	Sugo Co., Ltd.
Activities	[August 19, 2019] Carried out cleanup activities around Sportsland SUGO
Achievements	Participants: 25 



Company	Yamaha Motor Engineering Co., Ltd.
Activities	[September 5, 2019] Carried out sidewalk cleanup activities around the company
Achievements	Participants: 22 

Activity reports from the Americas



Activities to protect the natural environment where our products are used



Activities in collaboration with Yamaha users



Activities that use our products



Activities that contribute to solving regional environmental issues



Country
Company

U.S.A.
Yamaha Motor Manufacturing Corporation of America

Activities

[June 27, 2019]
Conducted environmental education in collaboration with local schools (survey of aquatic life)

Achievements

Participants: 55



Country
Company

U.S.A.
Yamaha Motor Corporation, U.S.A

Activities

[August 15–16, 2019]
Supported activities by a non-profit organization to prevent marine pollution by plastics

Achievements

Donated 5,000 dollars



Country
Company

U.S.A.
Yamaha Motor Corporation, U.S.A

Activities

[August 24, 2019]
Carried out beach cleanup activities in cooperation with a local volunteer group

Achievements

Collected 25 kg of plastic waste, with 63 participants



Activity reports from Asia & Oceania



Activities to protect the natural environment where our products are used



Activities in collaboration with Yamaha users



Activities that use our products



Activities that contribute to solving regional environmental issues



Country Thailand
Company Yamaha Motor Electronics Thailand

Activities [June 8, 2019]
Carried out beach cleanup activities for the World Environment Day

Achievements Participants: 234



Country Thailand
Company Thai Yamaha Motor

Activities [June 15, 2019]
Planted trees and created a dam for disaster prevention at a national park

Achievements Participants: 163



Country Thailand
Company Thai Yamaha Motor

Activities [July 26, 2019]
Organized a volunteer cleanup program

Achievements Participants: 30





Country Thailand
Company Yamaha Motor Part Manufacturing (Thailand)

Activities [June 19, July 31, August 20, 2019]
Planted trees as part of an industrial park greening effort in collaboration with the community

Participants: 10, 10, 10

Achievements



Country Thailand
Company Yamaha Motor Parts Manufacturing (Thailand)

Activities [June 30, 2019]
Carried out beach cleanup activities along the Chonburi coast

Participants: 150

Achievements



Country The Philippines
Company Yamaha Motor Philippines, Inc.

Activities [July 19, 2019]
Participated in a tree-planting project organized by a local environmental group to help preserve an environment full of greenery

Planted 100 trees, with 5 participants from Yamaha Motor

Achievements



Country Vietnam
Company Yamaha Motor Vietnam

Activities [June 11, 2019]
Employees carried out early-morning beach cleanup activities

Participants: 500

Achievements





Country Vietnam
Company Yamaha Motor Vietnam

Activities [July 24, 2019]
Carried out facility cleanup activities in the community

Achievements Participants: 150



Country Taiwan
Company Yamaha Motor Electronics Taiwan

Activities [October 26, 2019]
Participated in beach cleanup activities organized by a local NPO

Achievements Collected 35 bags of garbage, with 118 participants (88 from Yamaha Motor)



Country China
Company Yamaha Motor Powered Products Jiangsu

Activities [November 22, 2019]
Carried out promenade cleanup activities around the company

Achievements Participants: 24



Activity reports from Europe



Activities to protect the natural environment where our products are used



Activities that use our products



Activities in collaboration with Yamaha users



Activities that contribute to solving regional environmental issues



Country Portugal
Company Yamaha Motor Europe Portuguese Branch

[May 23, 2019]
Carried out Tagus River cleanup activities using two boat outboards in cooperation with local university, NGOs, and governments

Achievements Participants: 30



Country Portugal
Company Yamaha Motor Europe Portuguese Branch

[May 31, 2019]
Supported beach cleanup activities organized by a local NGO, while working to reduce the amount of plastic products used within the company

Achievements Collected garbage along a 15-km coastal strip with the aid of ATVs



Environmental Management

Introducing information concerning environmental management activities



Contents

1. Basic Policies (from the "Yamaha Motor Group Basic Policies of CSR")
2. Promotion Structure
3. Environmental Consolidated Scope
4. Strengthening Environmental Governance through Global Environmental ISO 14001 Unified Certification
5. Global Yamaha Motor Environment & CSR Operation System
6. Integrated Management System Operation
7. Life Cycle Assessment
8. Strengthening Compliance with Environmental Laws and Regulations and Control of Chemicals in Products
9. Green Procurement Guidelines
10. Contributing to Reduction of Air Pollution in Each Country and Region
11. Reduction of VOC Emission through Production Activities
12. Promotion of Environmental Activities in Collaboration with Suppliers
13. Raising Environmental Awareness of Employees

Basic Policies (from the "Yamaha Motor Group Basic Policies of CSR")

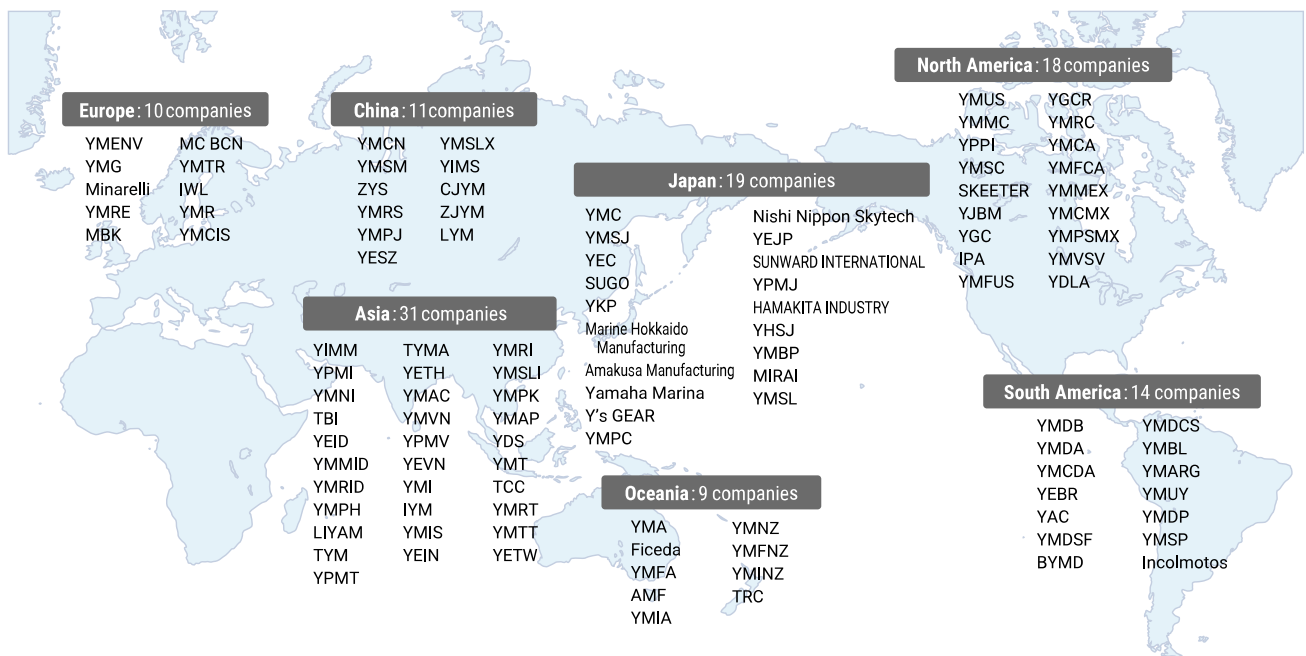
- We develop environmental technologies to create products that balance economic needs with environmental well-being.
- We aim to minimize the environmental impacts of our operations and make efficient use of limited natural resources.
- We form wide-ranging partnerships with communities around the world to perform environmental conservation activities.

Promotion Structure

The Yamaha Motor Group has established an Environment Committee, chaired by Director, as the central organization responsible for the Group's environmental activities in Japan and overseas. The committee deliberates on policies and visions for the future concerning environmental initiatives, medium- and long-term environmental policies, strategic investment proposals relating to environmental preservation, environmental monitoring topics and responses to issues, and other key issues relating to environmental management. The policies and activities discussed are reported to the Board of Directors as necessary.

Environmental Consolidated Scope

The scope includes consolidated subsidiaries under financial accounting and affiliated companies determined to be important for environmental management. As of March 31, 2020, 112 companies are within the scope of global environmental consolidation.



Enhancement and Promotion of Integrated Management

Strengthening Environmental Governance through Global Environmental ISO 14001 Unified Certification

In accordance with our Basic Policies of CSR, the Group has pursued global environmental ISO 14001 unified certification mainly for manufacturing companies in Japan, Asia, Europe, the United States, and South America, as an environmental management initiative. In 2018, two more participating companies were added, and the 46 target companies received unified certification.

Meanwhile, we are carrying out risk-based environmental management for companies with relatively low environmental risk, including the introduction of in-house certification systems.

*

We will also enhance the features of G-YECOS, which was created as a proprietary information network system, making environmental information more comprehensive, ensuring thorough legal and regulatory compliance, achieving Group environmental targets and improving environmental performance, as well as making our management systems more efficient and further strengthening environmental governance by sharing issues at each company with the entire Group.

Third-party audits of legal compliance regarding the environment and safety have been carried out at certain business offices in Japan and domestic Group companies since 2018.

* G-YECOS : Global Yamaha Motor Environment & CSR Operation System

> [Yamaha Motor Group ISO 14001 Certificate](#) PDF

Global Yamaha Motor Environment & CSR Operation System



The Yamaha Motor Group makes use of its proprietary global environmental & CSR operation system (G-YECOS) to promote sharing and visualizing of Group companies' environmental information and CSR activities, and to improve communication among Group companies including headquarters. G-YECOS also serves as a tool for appropriate and timely collection and analysis of various types of environmental data for the purpose of disclosure to stakeholders. We will continue to enhance the utility of the system as a portal site of the Yamaha Motor Group for ESG information including environmental information.





Integrated Management System Operation

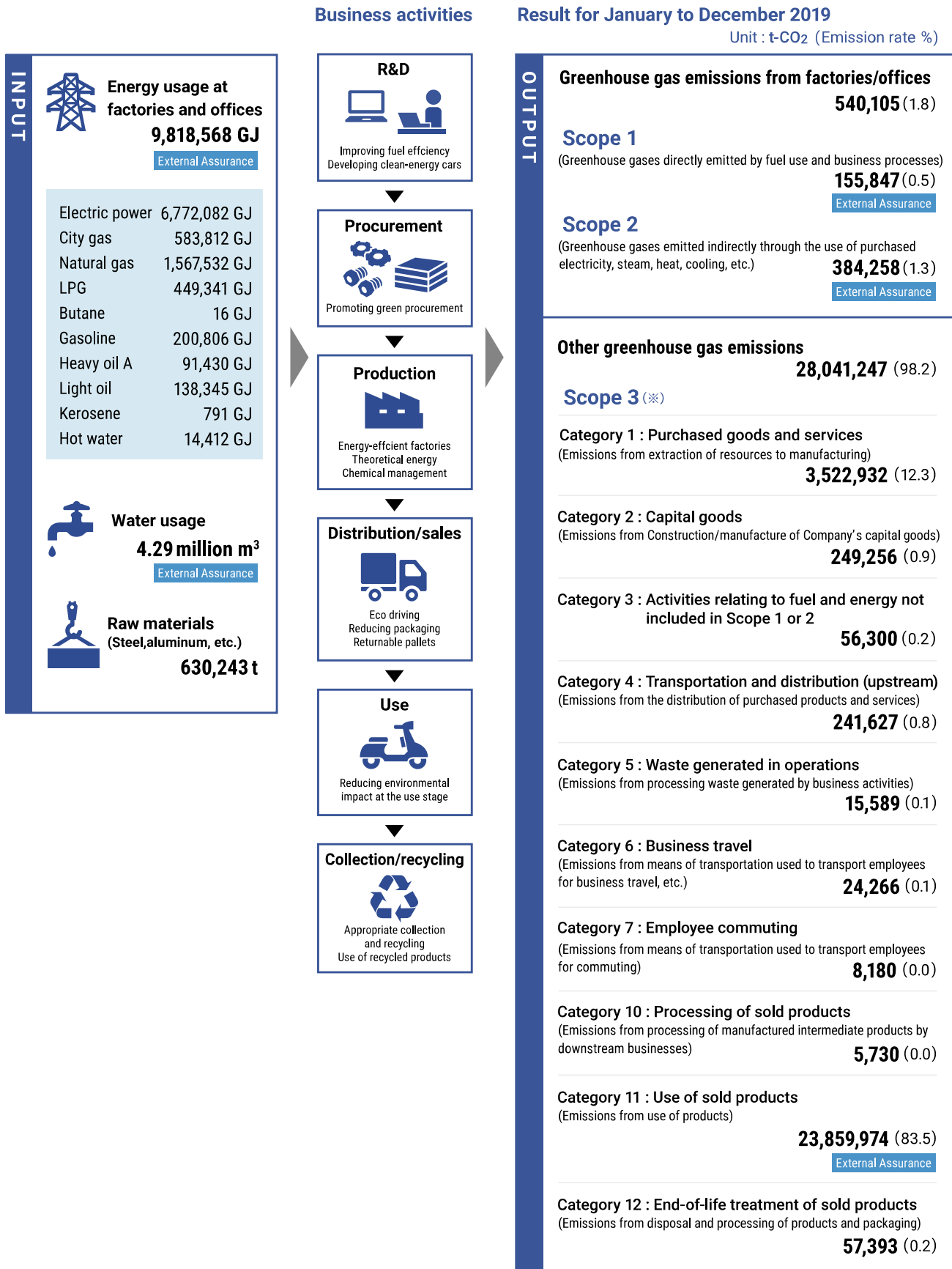
Yamaha Motor has introduced an integrated management system that integrates environmental and safety management, which has led to improvement and greater efficiency in on-site business processes. We are working to improve the effectiveness of the management system through continual improvement using the PDCA (Plan, Do, Check, and Act) cycle.

Meanwhile, integrated management system audits use a proprietary system led by internally certified auditors to increase the skills of employees in a systematic manner, taking a process-orientated approach to improve on-site business processes. We have also reinforced governance by setting priority audit items each year and applying them Group-wide.

Life Cycle Assessment

Business Activities	Initiatives for Reducing Environmental Burden	Impact on Global Warming (CO ₂ Emissions)
R&D 	Development phase To promote recycling and the effective use of limited resources, we implement "3R design" in the development phase, which involves giving consideration to resource saving, reusability, recyclability, and ease of treatment and disposal.	Included in Scopes 1, 2
Procurement 	Procurement phase To procure necessary raw materials and parts sustainably, we provide suppliers with Green Procurement Guidelines, in which we ask them to engage in efforts to minimize the use of limited resources (mineral resources, energy resources mainly composed of fossil fuels, water resources, land use, etc.). We also monitor and report the amounts of chemicals harmful to humans and the ecosystem contained in our products, effluent, and waste, according to the regulations in each country.	Scope 3 Category 1

Business Activities	Initiatives for Reducing Environmental Burden	Impact on Global Warming (CO ₂ Emissions)
Production 	<p>Production phase</p> <p>Chemicals used during the production phase may also deplete the ozone layer and harm human health and the ecosystem if they are not managed properly. In Japan, environmentally hazardous substances emitted from factories are managed and reported in accordance with the PRTR Act and relevant ordinances. We are striving to reduce the emission of environmentally hazardous substances through various activities, including curbing NO_x generation by optimizing the operating conditions of equipment, reducing fuel usage by improving thermal efficiency, and switching to low-nitrogen, low-sulfur fuels. Moreover, we are voluntarily taking steps to reduce the emission of volatile organic compounds (VOCs) from our factories. VOCs emitted during painting operations are believed to be a cause of air pollution from suspended particulate matter and photochemical oxidants.</p>	<p>Scope 1</p> <p>Scope 2</p>
Distribution/sales 	<p>Distribution phase</p> <p>We are actively moving forward to reduce CO₂ emissions from distribution, including our supply chain, as well as reducing the use of packing and packaging materials.</p>	<p>Scope 3</p> <p>Category 4</p>
Use 	<p>Use phase</p> <p>Reducing CO₂ emissions by improving fuel economy</p> <p>Increasing lineup of electrified products and promoting development of next-generation mobility devices</p>	<p>Scope 3</p> <p>Category 11</p>
Collection/recycling 	<p>Disposal phase</p> <p>"3R design" during the development phase, giving consideration to reusability and recyclability</p> <p>Recycling systems for motorcycles and small FRP boats, FRP pools; renewal, reduce, reuse, recycle</p>	<p>Scope 3</p> <p>Category 12</p>



(*) Scope 3: Other indirect emissions are calculated using the Emission Unit Value Database (ver. 2.6) as per the Ministry of the Environment's Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain (ver. 2.3; December, 2017). Source:https://www.env.go.jp/earth/ondanka/supply_chain/gvc/files/tools/GuideLine_ver2.3.pdf

Strengthening Compliance with Environmental Laws and Regulations and Control of Chemicals in Products

Countries around the world are steadily tightening regulations on the use of environmentally hazardous substances, and the number of controlled substances is increasing as well. Against this backdrop, the Yamaha Motor Group is steadily moving forward with its environmental management activities at its factories in Japan and abroad. For example, we completed measures to bring applicable products into conformity with the amended RoHS Directive (directive to restrict the use of certain substances in electrical and electronic equipment in Europe) well before it took effect on July 22, 2019, and we are currently taking steps to ensure our major products conform to the REACH amendment specifying the conditions of restriction for the use of certain phthalates in plasticized materials, effective as of July 7, 2020.

In the United States, we have already updated our warning labels in response to the amendments to California's Proposition 65 warning regulations, for products marketed in the state that contain chemical substances requiring new warnings under the new regulations.

※RoHS: Directive 2011/65/EU on the Restriction of the use of certain Hazardous Substances in electrical and electronic equipment "Directive 2011/65/EU on the Restriction of the use of certain Hazardous Substances in electrical and electronic equipment" and the directives amending it ※REACH: Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals

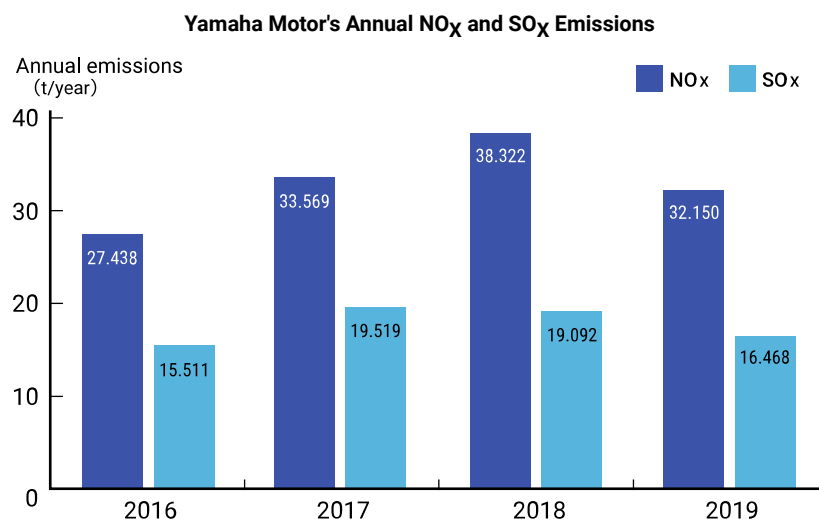
Green Procurement Guidelines

The Yamaha Motor Group is working with suppliers to control and reduce environmentally hazardous substances and make more efficient use of natural resources and energy in accordance with its Green Procurement Guidelines.

> [Green Procurement Guidelines](#) [PDF](#)

Contributing to Reduction of Air Pollution in Each Country and Region

Yamaha Motor controls the emission of environmentally hazardous substances from its factories according to laws and ordinances. We strive to reduce the emission of such substances through various efforts, including optimization of equipment operation conditions to reduce NO_x generation, improvement of thermal efficiency to reduce fuel usage, and replacing existing fuels with low-nitrogen, low-sulfur alternatives.



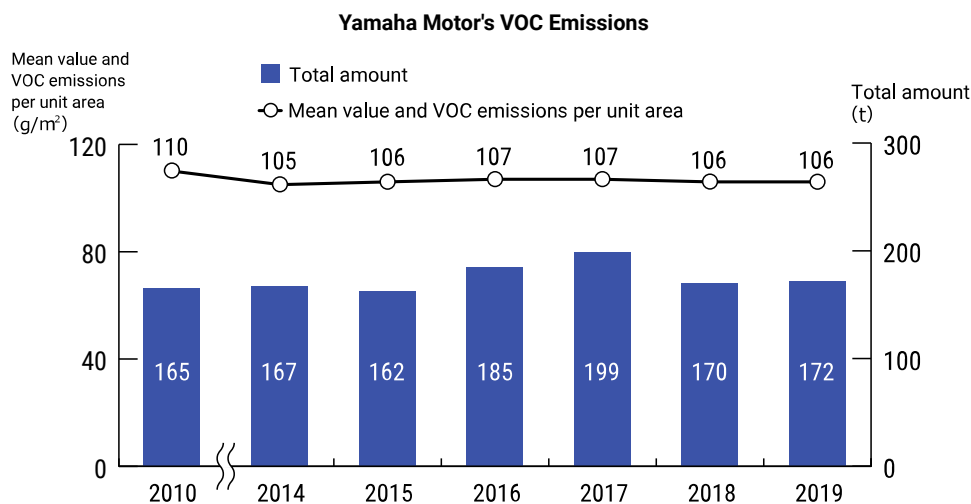
Reduction of VOC Emission through Production Activities

The Yamaha Motor Group monitors and reports emissions of chemical substances harmful to humans and the environment and amounts of such substances contained in waste according to the regulations of each country. Over 99% of substances subject to reporting under the Pollutant Release and Transfer Register (PRTR) scheme that Yamaha Motor releases into the environment are volatile organic compounds (VOCs), and most of them are used in painting operations.

Painting booth equipment at the Iwata Main Factory was renewed in 2013, and the factory currently uses paints with minimal VOC content. The new engine component line established in 2015 employs robot painting booths equipped with a state-of-the-art airflow control system to reduce paint usage.

Similar measures including optimization of painting robot systems are taken at other factories as well to reduce VOC emissions.

The Yamaha Motor Group will continue to promote efforts to increase the use of paints with minimal VOC content, improve coating efficiency, and reduce paint wastes.



Promotion of Environmental Activities in Collaboration with Suppliers

Since 2019, our environmental facility division and procurement division have been working together to help suppliers promote environmental activities. Specifically, they select companies deemed to have high environmental impact from a list of suppliers in Japan and abroad. Then the environmental facility division measures their power usage, identifies the amounts of power loss, and provides advice and know-how based on its findings. The suppliers initiate activities based on the input and introduce the same improvements at the rest of their factories. Going forward, we will further pursue these activities as a Groupwide effort including suppliers, with different suppliers targeted each year. In 2019, we were able to reduce approximately 830 t of CO₂.

Raising Environmental Awareness of Employees

Introduced Yamaha Eco Point System

In January 2008, Yamaha Motor introduced its Yamaha Eco Point System targeting employees. This system assigns points to environmental activities including participation in eco-commuting and cleanup programs, and allows members to select eco prizes according to the number of activities conducted and the number of points earned during the year.

Using the Intranet to Foster an "Eco Mind"

Yamaha Motor uses its corporate intranet to report in a timely manner on the status of eco-commuting and employee volunteerism and to disseminate information on cleanup programs for beaches and areas in the vicinity of Company facilities as well as environmental

communication with local communities and the public. These efforts serve to raise employee awareness concerning the environment and to encourage participation.

Distribution of ESG-related Information by Email

Since January 2019, we have been sending a monthly email to employees at Yamaha Motor and Group companies in Japan, containing ESG-related information including environmental information. The articles contained in these emails are also posted to our intranet so they can be accessed at overseas Group companies.

Articles to date have included explanations of the external environment affecting environmental issues and the Yamaha Motor Group Environmental Plan 2050.

Environmental Education

In response to a request for partnership (provision of funding and support) from a teacher at Eastside Elementary School in the United States, Yamaha Motor Manufacturing Corporation (YMMC) launched an environmental education project to help students learn about their natural surroundings. Students had the valuable experience of studying environmental issues such as ecosystems, the food chain, and pollution in the midst of nature near West Point Lake. They came up with ways to improve air quality in the elementary school and carried out tree planting.



Data Collection

The Yamaha Motor Group's environmental data for the past five years.

[Green Procurement Guidelines](#)



Contents

1. Sales of low carbon products
2. Global energy consumption
3. Global CO₂ emissions
4. Conversion factors used for energy consumption and CO₂ emissions
5. SASB requirements

Sales of low carbon products

Item	Unit	2015	2016	2017	2018	2019
Number of fuel-injected motorcycles sold	K vehicles	3,288	3,203	3,524	3,564	4,246
Number of motorcycles featuring a BLUE CORE engine sold		1,556	1,994	2,538	2,800	2,901
Number of electrically power assisted bicycles sold (including number of drive units)		356	448	489	569	648

Global energy consumption

Energy consumption by region

Item	Unit	2015	2016	2017	2018	2019
Asia	GJ	4,958,812	4,762,666	4,589,429	4,372,462	4,643,304
Europe		314,784	298,122	291,754	276,040	314,128
North America		980,963	910,487	884,450	874,540	927,928
Japan		3,432,997	3,435,581	3,376,165	3,289,194	3,273,060
Oceania		3,509	18,652	20,509	19,657	27,244
Central and South America		347,753	289,407	290,325	311,398	317,855
China		475,902	410,264	428,597	363,525	315,049
Total			10,514,720	10,125,179	9,881,229	9,506,816

Energy consumption by type

Item	Unit	2015	2016	2017	2018	2019	
Electricity purchased	GJ	7,582,378	7,503,159	7,148,056	6,862,753	6,772,082	
City gas		532,385	539,939	571,882	562,792	583,812	
Natural gas		1,430,314	1,122,477	1,193,943	1,152,276	1,567,532	
LPG		513,319	488,408	511,940	482,557	449,341	
Butane		710	755	776	11	16	
Gasoline		220,895	232,358	223,042	224,327	200,806	
Heavy oil A		118,482	101,450	101,299	88,011	91,430	
Light oil		106,374	133,124	126,633	131,940	138,345	
Kerosene		8,705	1,898	2,398	1,244	791	
Hot water		1,158	1,611	1,260	905	14,412	
Total			10,514,720	10,125,179	9,881,229	9,506,816	9,818,568 External Assurance

Global CO₂ emissions

Item	Unit	2015	2016	2017	2018	2019
Scope 1						
Asia	t CO ₂	64,204	68,267	66,751	67,784	78,992
Europe		6,112	5,483	5,595	5,289	5,437
North America		15,246	13,810	13,716	13,290	13,660
Japan		51,919	49,702	52,440	50,247	49,581
Oceania		1,148	1,134	1,265	1,213	1,000
Central and South America		3,025	2,329	2,526	2,336	2,081
China		7,138	6,556	6,750	6,008	5,096
Total			148,794	147,281	149,043	146,167
Scope 2						
Asia	t CO ₂	235,152	234,020	233,054	218,805	219,285
Europe		4,955	4,834	4,821	4,556	4,728
North America		47,146	44,594	43,448	42,701	32,066
Japan		92,103	93,924	94,739	92,769	108,834
Oceania		29	29	27	26	928
Central and South America		3,061	2,545	2,517	2,669	2,989
China		29,753	24,957	26,274	21,820	15,428
Total			412,200	404,905	404,880	383,346
Scope 3						
01.Purchased products and services	t CO ₂	—	3,306,339	3,563,262	3,531,412	3,522,932
02.Capital goods		—	55,352	89,156	174,557	249,256
03.Energy-related activities		—	59,865	58,728	56,700	56,300
04.Transport and delivery (upstream)		—	239,303	221,617	240,020	241,627
05.Waste materials emitted by businesses		—	15,483	16,157	16,494	15,589
06.Business trips		—	24,137	27,504	26,739	24,266

Item	Unit	2015	2016	2017	2018	2019
07. Employees' commuting		—	6,958	7,701	8,364	8,180
08. Leased assets (upstream)		Included in Scopes 1, 2				
09. Transport and delivery (downstream)		Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
10. Processing of products sold		—	6,495	6,495	6,219	5,730
11. Use of products sold		26,753,328	23,862,973	25,753,328	25,963,326	23,859,974 External Assurance
12. Disposal of products sold		—	40,509	57,668	58,683	57,393
13. Leased assets (downstream)		Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
14. Franchises		Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
15. Investments		Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Total		—	27,617,414	29,801,616	30,082,514	28,041,247
Scope 1, 2, 3 Total		—	28,169,599	30,355,540	30,612,027	28,581,352

Conversion factors used for energy consumption and CO₂ emissions

Conversion factors (variable factors) used for 2019 results in the Environmental Plan 2050

* With regard to actions relating to the Environmental Plan 2050, results for 2019 onwards are calculated using variable factors and therefore cannot be compared with past data.

Item name	Common unit	Calorific value per unit factor	CO ₂ emission factor
		GJ/Common unit	t-CO ₂ /Common unit
Electricity	K kWh	9.76	*Note 1
Kerosene	kL	36.7	2.49
Heavy oil A	kL	39.1	2.71
LPG	t	50.8	3
Butane	t	49.7	3.03
City gas (Japan)	1000Nm ³	45	2.24
City gas (other than Japan)	1000m ³	40	1.81
Gasoline	kL	34.6	2.32

Item name	Common unit	Calorific value per unit factor	CO ₂ emission factor
		GJ/Common unit	t-CO ₂ /Common unit
Bioethanol-blended gasoline	kL	34.6	By mixture ratio
Light oil	kL	37.7	2.58
Bioethanol-blended light oil	kL	37.7	By mixture ratio
Industrial steam	GJ	1.02	0.06
Non-industrial steam	GJ	1.36	0.057
Hot water	GJ	1.36	0.057
Waste oil	t	38.3	2.91
Waste plastic	t	29.3	2.55

***Note 1**

Domestic: Basic emission factors by electric utility for the most recent year announced by the Ministry of the Environment. Overseas:

As a rule, emission factors by electric utility.

Otherwise, CO₂ emission factors by country announced by the International Energy Agency (IEA)

(From a coefficient of 「GHG Protocol Purchased_Electricity_Tool_Version-4_8_0」 2008, 2010 years or 2012)

Conversion factors (fixed factors) used for 2009 to 2018 in the Environmental Plan 2020

Energy Segment		Reporting Unit	Calculation coefficient		
			Calorie	CO ₂ (tCO ₂)	Data source
Electricity purchased (electric utilities in each country)		K kWh	Individual setting (IEA values by country)		
	Japan: daytime electricity	K kWh	9.97		Energy Saving Act
	Japan: nighttime electricity	K kWh	9.28		
	Japan: Chubu Electric Power	K kWh		0.451	Published values
Gasoline (including aviation gasoline)		kl	34.6	2.32	Act on Promotion of Global Warming Countermeasures
Kerosene (including jet fuel)		kl	36.7	2.49	Act on Promotion of Global Warming Countermeasures
Light oil (diesel fuel)		kl	38.2	2.62	Act on Promotion of Global Warming Countermeasures
Heavy oil A (for small and medium-sized boiler fuels)		kl	39.1	2.71	Act on Promotion of Global Warming Countermeasures
Petroleum gas	Liquefied petroleum gas (LPG)	t	50.2	3	Act on Promotion of Global Warming Countermeasures

Energy Segment		Reporting Unit	Calculation coefficient		
			Calorie	CO ₂ (tCO ₂)	Data source
	Butane	t	49.6	3.03	Supplier data
Natural gas	Natural gas (overseas)	K m ³	(35.2)	(1.81)	Individual setting (IEA global average)
	City gas 13A (Japan)	K m ³	41.1	2.08	Act on Promotion of Global Warming Countermeasures

SASB requirements

	SASB Index *	Item	Unit	2019	
Activity Metrics	TR-AU-000.A	Number of motorcycles manufactured	K vehicles	4,960	
	TR-AU-000.B	Number of motorcycles sold	K vehicles	5,056	
Product Safety	TR-AU-250a.2	Percentage of safety-related defect complaints investigated	%	100 * Investigated all complaints that the Ministry of Land, Infrastructure, Transport and Tourism of Japan has requested to investigate.	
	TR-AU-250a.3	Number of motorcycles recalled (in Japan)	Number	17,696 (in Japan)	
Labor Practices	TR-AU-310a.1	Percentage of active workforce covered under collective-bargaining agreements	%	58	
	TR-AU-310a.2	Number of work stoppages due to strikes and lockouts	Number	0	
		Number of workers involved in work stoppages, multiplied by number of days idle	Man-days	0	
Fuel Economy & Use-phase Emissions	TR-AU-410a.1	Sales-weighted average fuel economy, by region	Asia	km/L	49
			Europe	gCO ₂ /km	89
			North America	mpg	56
			Japan	km/L	42
			Oceania	km/L	26
			Central and South America	km/L	48
			Other	km/L	48
	TR-AU-410a.2	Number of (1) zero emission vehicles (ZEV) sold, (2) hybrid vehicles (HEV) sold, and (3) plug-in hybrid vehicles (PHEV) sold	Number	Not applicable	
	TR-AU-410a.3	Strategy for managing model-year fuel economy and emissions risks and opportunities		Short-term, Medium-term, and Long-term Risks and Opportunities > Short-term Risks (0-3 Years)	
Materials Sourcing	TR-AU-440a.1	Management of risks associated with the use of critical materials		Major Risks Associated with Transitioning to a Low Carbon Society > Technological Risks	
Material Efficiency & Recycling	TR-AU-440b.1	Total amount of waste from manufacturing	t	64,738	

	SASB Index [*]	Item	Unit	2019
		Percentage of above waste recycled	%	70.1
	TR-AU-440b.2	Weight of end-of-life products recovered	t	—
		Percentage of materials recycled from end-of-life products	%	97.4 (on a weight basis) * 2019 domestic recycling results
	TR-AU-440b.3	Recyclability of products	%	Target value: Set at 90%

* A disclosure index for the auto industry required by the Sustainability Accounting Standards Board (SASB) TR: Transportation; AU: Automobiles

Addressing Materiality (Material Social Issues)

Introducing initiatives for addressing material social issues based on the unique style of Yamaha Motor



Contents


1. Environment & Resources
2. Transportation, Education & Industry
3. Innovation
4. Human Capital Management

SDGs : International goals adopted in the UN summit held in 2015 for achievement by 2030, comprising 17 goals and 169 targets


Environment & Resources

Initiatives based on the unique style of Yamaha


Initiatives for creating a low carbon society

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
25% reduction of CO ₂ emissions from products (on 2010 levels, relative to sales volume) (50% reduction targeted for 2050)	13.75% reduction	13.1% reduction		13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
25% reduction of CO ₂ emissions in operation of production (on 2010 levels, relative to sales) (50% reduction targeted for 2050)	17.36% reduction	32.4% reduction			



Initiatives based on the unique style of Yamaha
Initiatives for creating a recycling society

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
18.7% reduction of waste generated in operation of production (on 2010 levels, relative to sales) (50% reduction targeted for 2050)	10.5% reduction (Yamaha Motor)	15.7% reduction (Yamaha Motor)		12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
				12.5	By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.


Initiatives based on the unique style of Yamaha
Provide clean water for everyone

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Help rural community development by contributing to the sharing of clean water	Improve living environments and sanitation by facilitating access to clean water Total number of water purification systems (Yamaha Clean Water Supply Systems) installed: 60	Number of water purification systems installed: 41		6.1	By 2030, achieve universal and equitable access to safe and affordable drinking water for all.
				6.5	By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate.
				6.b	Support and strengthen the participation of local communities in improving water and sanitation management.

Establish technological foundation for electrification

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Promote development to enable the timely launch of electrified products, while closely watching electrification policies and battery technology innovations in each country	Launch electrified products in the unique style of Yamaha in many product lines, including motorcycles, marine products, PAS and drones, and establish a foundation for the development of electrified products	<ul style="list-style-type: none"> - Launched EC-05 electric scooter in Taiwan - Conducted field testing of TRITOWN small electric stand-up mobility vehicle - Developed HARMO electric propeller (exhibited at boot Düsseldorf 2020 as a reference model) - Developed PAS RIN electrically power assisted bicycle (launched in February 2020) - Developed YPJ-YZ electrically power assisted bicycle (exhibited at Tokyo Motor Show 2019 as a reference model) - Achieved cumulative production of 5 million drive units for electrically power assisted bicycles - Developed YMR-08AP multi-rotor agricultural drone (launched in March 2020) 	 	9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
				9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
				13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.


Create a sustainable marine society

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Address issues related to the marine environment	Initiatives for addressing the issue of marine plastics	Participate in the "Scientific Research on Marine Plastic Pollution" conducted by the Japan Agency for Marine-Earth Science and Technology as a research partner		14.2	By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans.

Transportation, Education & Industry


Initiatives based on the unique style of Yamaha

Reduce traffic congestion and improve the environment

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Market electrically power assisted bicycles in at least two emerging and developing nations	Market electrically power assisted bicycles in India	Test launch in India in September		9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
				9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.


Initiatives based on the unique style of Yamaha

Organize educational programs to reduce traffic accidents

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Reduce traffic accident fatalities	<ul style="list-style-type: none"> - Conduct a total of 2,000 Yamaha Riding Academy safe riding courses for 180,000 participants (2021) - Number of countries with trainers: 20 	<ul style="list-style-type: none"> - Safe riding courses: 1,272 courses held with 117,000 participants - Number of countries with trainers: 15 		3.6	By 2020, halve the number of global deaths and injuries from road traffic accidents.



Initiatives based on the unique style of Yamaha

Create a sustainable marine society

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Protect life below water (marine resources)	Propose solutions for the fishery industry	Initiated talks with fishing companies on smart fishery, including aquaculture		9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.


Initiatives based on the unique style of Yamaha

Promote various mobility devices for the elderly

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Electrically power assisted bicycles are widely adopted as an alternative mobility device by senior citizens in Japan who have surrendered their driver's licenses	Thousands of electrically power assisted bicycles are supplied to municipalities through cooperation with the national government	The Ministry of Economy, Trade and Industry's Diverse Mobility Promotion Council has noted that electrically power assisted bicycles could replace automobiles as an alternative means of transportation for the elderly, so we started discussing support for test-ride events	 	11.2	By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
				17.17	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.



Initiatives based on the unique style of Yamaha

Install digital devices to ensure proper maintenance

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Install in a total of 4 million vehicles (by 2024)	Put at least 200,000 motorcycles equipped with these devices on the market each year	Developed a new NMAX scooter featuring a communication control unit (launched in February 2020)		3.6	By 2020, halve the number of global deaths and injuries from road traffic accidents.

Initiatives based on the unique style of Yamaha


Provide low-speed mobility services

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Market unmanned ground systems	Commercialization of a low-speed mobility service is within sight	Know-how accumulated from a total of 20 field tests conducted with local governments and various businesses	 	9.1	Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.
				11.2	By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

Innovation

Initiatives based on the unique style of Yamaha

Develop new mobility devices

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Launched a new mobility device model that is driving business	Increase LMW(Leaning Multi Wheels) model lineup to promote it in the market as a new value	<ul style="list-style-type: none"> - Developed TRICITY300 - Conducted field testing of TRITOWN - Exhibited MW-VISION at the Tokyo Motor Show 		9.4	By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.



Initiatives based on the unique style of Yamaha

Promote economic development


Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Improve production efficiency	Develop a high-efficiency multifunctional platform and high-speed platform for the robotics industry	Developed YRM20 as the first product in a series employing a high-efficiency multifunctional platform (launched in April 2020)		8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors.




Initiatives based on the unique style of Yamaha

Promote automation as a means to free workers from menial labor

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Optimize entire factories	Collaboration with other companies on automatic guided vehicles (AGVs) in factories	Prepare to establish a joint venture company for an automated transportation solution		8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors.
Agricultural and logistics solution provider	Launch an autonomous drone	Develop YMR-08AP (Launched in March 2020)		2.4	By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

Provide robotics technology solutions to the agricultural industry

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Realize unmanned agricultural operations for a number of crops	Realization of unmanned harvesting operation is within sight for at least one type of crop	Start harvesting test on an actual farm		2.4	By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.

Goal (2030)	Medium-term targets (2019–2021)	Progress (2019)	SDGs themes (targets)		
Internationalization of human resources	<ul style="list-style-type: none"> - Promote activities aimed at increasing the percentage of local talent among executives at overseas subsidiaries to 60% - Continue to hire global talent at the headquarters (at least 10% of all new graduates hired for management track positions) 	<ul style="list-style-type: none"> • 52% • 10% 		10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.
A front-runner in the active participation of female employees	<ul style="list-style-type: none"> - Increase the number of female managers (2014: 16) • 2020: 32 • 2025: 48 (Including Yamaha Motor employees on loan to Group companies) - Run a trial for an after-school daycare program in the unique style of Yamaha - Obtain the "Eruboshi," "Kurumin," and "Platinum Kurumin" certifications (Japan) 	<ul style="list-style-type: none"> - Number of female managers: 37 - After-school childcare pilot program (planned for August 2020) - Implement measures to reinforce efforts on unmet items toward acquisition 		5.1	End all forms of discrimination against all women and girls everywhere.
				5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
				5.C	Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.
				8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Cooperating with International Initiatives

Introducing Cooperating with International Initiatives

Sustainable Development Goals (SDGs) >

Participating in the UN Global Compact >

Commitment of Participation in the Science Based Targets initiative (SBTi) >

Supporting the TCFD >

Sustainable Development Goals (SDGs)

Introducing the Yamaha Motor Group's key initiatives on Sustainable Development Goals (SDGs)
















Approach to SDGs

The United Nations Sustainable Development Summit was held in September 2015, and passed Sustainable Development Goals (SDGs) comprising 17 goals and 169 targets as a “plan of action for people, planet and prosperity.”

The Yamaha Motor Group is engaged in business activities around the world, with the corporate mission of being a “Kando Creating Company—Offering new excitement and a more fulfilling life for people all over the world.” We have laid out our approach to the Group’s sustainability in the preamble of our Basic Policies of CSR, adopted in 2011, which states that the Group “strives to contribute to the sustainable development of society through our business activities based on our corporate philosophy.”

We are pursuing the SDGs as part of our commitment to sustainability, with the aim of achieving corporate growth through the resolution of social issues in the countries and communities in which we operate, as a company that all stakeholders, including society, always look to for the next advances and innovations.

Initiatives related to SDGs

Activity	Related SDG
> Supporting employment and education with motorcycles	  
> Vitalizing local communities through increased overseas manufacturing	  
> Promoting traffic safety	 
> Improving the technical skills of motorcycle technicians	 
> Developing technical skills by leveraging Japanese-style manufacturing	 
> Modernizing fishing industries in developing countries with outboard motors	    
> Training engineers by transferring FRP boat manufacturing technology	   
> Verification testing of mobility support for persons with limited mobility	
> Increasing productivity by spreading pesticides with drones	

<p>> Yamaha Clean Water Supply System</p>	
<p>> Cleaning up beaches to protect endangered species</p>	
<p>> Cleaning up lakeshores using marine products</p>	
<p>> Protecting rare plant species</p>	
<p>> Removing alien plant species</p>	
<p>> Yamaha Motor Foundation for Sports</p>	

Approach to Sustainable Development Goals (SDGs)

Introducing the Yamaha Motor Group's SDGs

↓ Contents

1. Creating possibilities and enriching the lives of young people
2. Improving local economies through globalization of business
3. Correct and safe use of products
4. Yamaha Technical Academy
5. Aiming to raise the level of local manufacturing skills
6. Promoting the fishing industry with marine engines
7. From wooden boats to FRP boats
8. Building community-friendly transport systems
9. Further contribution to labor saving and efficiency in the agricultural field
10. Bringing smiles to faces through clean water
11. Protecting the ocean, our business field
12. Effective lake cleanups with our products
13. Preserving biodiversity
14. Removing alien plant species from seashores
15. Creating healthy people and society through sports

Creating possibilities and enriching the lives of young people



Supporting employment and education with motorcycles

More than 85% (unit sales basis) of Yamaha's motorcycles—our main business—are sold in Asia outside Japan. Their primary use is for daily mobility. As a means of commuting to school or to work, these motorcycles are creating possibilities and enriching the lives of young people in these countries.

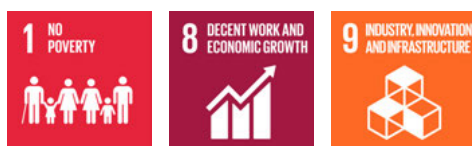


Improving local economies through globalization of business



Vitalizing local communities through increased overseas manufacturing

With approximately 150 Group companies operating in over 30 countries and territories around the world, we develop, manufacture, and sell a wide range of products, and we are a major contributor to the growth of local employment opportunities.



Correct and safe use of products



Promoting traffic safety

We are engaged in a wide range of activities to promote motorcycle safety, from safe riding courses for general customers, to workshops for companies and organizations that use our products commercially and the training of instructors at affiliated companies in various countries.

- > Yamaha Riding Academy **Movie**
- > Yamaha Riding Academy
- > Parent-Child Motorcycle Class **Movie**



Yamaha Technical Academy



Improving the technical skills of motorcycle technicians

Yamaha Technical Academy is an educational program for Yamaha motorcycle technicians. Enhancing the skills of these technicians increases customer satisfaction and benefits our sales network, enriching the lives of the people involved in these activities.

- > Yamaha World Technician Grand Prix (2018) **Movie**
- > Yamaha World Technician Grand Prix (2012) **Movie**
- > Yamaha World Technician Grand Prix
- > Yamaha Training Schools **Movie**



Aiming to raise the level of local manufacturing skills

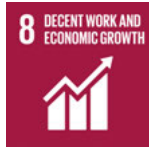


Developing technical skills by leveraging Japanese-style manufacturing

Yamaha Motor's Indian subsidiaries and local NGOs have been setting up Yamaha Training Schools since 2013. In 2017, Yamaha Motor NTTF Training Center was opened to develop human resources in India, as part of the public-private sector Manufacturing Skill Transfer Promotion Program. Both facilities are contributing to higher levels of technology and enriching daily lives in the communities in which they operate.

- > India Institute for Manufacturing





Promoting the fishing industry with marine engines

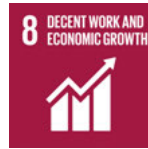


Modernizing the fishing industry with Enduro, an outboard motor tailored to the difficult environments of developing countries

We help modernize the fishing industry by introducing outboard motors as well as the Japanese way of fishing, and handling and processing fish in countries where people use wooden boats with oars and sails. This expands accessibility to larger fishing grounds, increases the types of fish caught, and brings them back to market more quickly. Given the potential threat of outboard motor breakdowns on the lives of fishermen, Enduro was invented for use in difficult environments while running on inferior fuel. Our efforts to train local mechanics and set up parts networks are also widely supported by fishing communities.



- > Enduro
- > Fishery Journal Digital Archive



From wooden boats to FRP boats



Training engineers by transferring FRP boat manufacturing technology

We have launched “technical assistance factories” for FRP boats around the world. Today, 18 facilities spanning 15 countries produce 1,500 boats annually, and also play a role in training technicians, creating employment, and promoting the fishing, tourism, and transport industries. The transition to FRP boats from wooden boats also reduces deforestation as well as operating costs for small-scale fishermen and fisherwomen, while reducing CO₂ emissions through low fuel consumption. FRP boats also reduce accidents associated with wooden boats and promote the safety of boat operations and fishing.



- > FRP Boats in Mauritania Movie
- > Modernizing Fishery in Africa Movie



Building community-friendly transport systems



Verification testing of mobility support for persons with limited mobility

We carried out verification testing in Japan for automated driving services using golf car-based vehicles, as part of a Ministry of Land, Infrastructure, Transport and Tourism-led project to create safe transport for people and goods in rural areas with aging populations.

- > Yamaha Motor Begins Evaluation Trial of Low-Speed Autonomous Driving Vehicles in Iwata City
- > Unnan City Demonstration by Green Slow Mobility – Supporting the creation of towns where people love walking –



Further contribution to labor saving and efficiency in the agricultural field



Increasing productivity by spreading pesticides with drones

Yamaha Motor's industrial-use unmanned helicopters are dramatically increasing the efficiency of agricultural operations through remote operations for spreading pesticides and direct rice seeding. Launched a multi-rotor agricultural drone in 2019 to help boost productivity in Japan's agriculture, which is faced with the issue of an aging workforce, and further contribute to the achievement of labor saving and greater efficiency



- > Rev Story: Transforming Agriculture from the Air [Movie](#)
- > Joint business to offer software and services for smart agriculture



Bringing smiles to faces through clean water



Yamaha Clean Water Supply System

We have developed the Yamaha Clean Water Supply System, which purifies surface water, and installed the system in areas where it is difficult to access clean drinking water. In addition to improving the lives of people in these areas by alleviating illnesses caused by contaminated water, this initiative has provided more time for women and children, who are primarily responsible for drawing and carrying water, to engage in studies and other productive activities. The system also contributes to promoting water sales and delivery businesses, and to less burning of wood by eliminating the need to boil water.



- > Yamaha Yamaha Motor Providing 10 Compact Water Purification Systems in Senegal
- > Yamaha Clean Water Supply System
- > Quenching Thirst, Hand in Hand [Movie](#)
- > Working to Change Water and Lives in Africa [Movie](#)
- > Bringing Beautiful Change to People's Lives [Movie](#)
- > Improving living conditions through Clean Water Supply System



Protecting the ocean, our business field



Cleaning up beaches to protect endangered species

Since 1991, we have been carrying out ongoing beach cleanups and baby loggerhead sea turtle observation tours at the Nakatajima Sand Dunes (in the southern part of Hamamatsu, Shizuoka Prefecture), where turtles come to lay their eggs, to protect endangered loggerhead sea turtles.



Effective lake cleanups with our products



Cleaning up lakeshores using marine products

To protect the natural environment of Lake Hamana in Shizuoka Prefecture, we have held semiannual "Marine Cleanup Activities at Lake Hamana" continuously since 2013, using Yamaha Motor's boats and outboard motors. We conduct effective cleanups by utilizing the distinctive features of our products.



Preserving biodiversity



Protecting rare plant species

Prior to the construction of our motorcycle test course in Kikukawa, Shizuoka Prefecture, in 2008 we carried out a one-year environmental assessment of the site and surrounding area. Thereafter, we transplanted rare plant species, and we continue to carry out activities to protect and monitor rare plant species.



Removing alien plant species from seashores



Removing alien plant species

Together with our beach cleanup activities at the Nakatajima Sand Dunes (in the southern part of Hamamatsu, Shizuoka Prefecture), we remove alien plant species including *Oenothera laciniata* and *Diodia teres* in May and September of each year, to create an environment compatible for the endangered riverside tiger beetle.



Creating healthy people and society through sports



Yamaha Motor Foundation for Sports

The Yamaha Motor Foundation for Sports supports activities for sports enthusiasts and provides opportunities for children to experience sports, with the aim of creating people and a society that shares a passion for pursuing challenges.

> Yamaha Motor Foundation for Sports



Yamaha Motor signed the UN Global Compact

Introducing the Yamaha Motor Group's support of the UN Global Compact

The UN Global Compact is a set of 10 voluntary principles in four areas, proposed by then UN Secretary-General Kofi A. Annan at the World Economic Forum held in January 1999. Yamaha Motor Group's president signed the UN Global Compact, registering as a participating company on December 5, 2017.



Yamaha Motor Group aims to - in addition to promoting our own CSR practices - further promote initiative towards Sustainable Development Goals(SDGs), working towards corporate growth through solving societal issues in the countries and regions in which it operates. We report annually our concrete activities for the pursuit of the Global Compact Principles to the UN Global Compact and participate in the working groups including "Human Rights Due Diligence "subcommittee of the Global Compact Network Japan.

The Ten Principles of the UN Global Compact

Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights Principle 2: Businesses should make sure that they are not complicit in human rights abuses
Labour	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining Principle 4: Businesses should eliminate all forms of forced and compulsory labour Principle 5: Businesses should effectively abolish child labour Principle 6: Businesses should eliminate discrimination in respect of employment and occupation
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

Commitment of Participation in the Science Based Targets initiative (SBTi)

The Yamaha Motor Group committed its participation in SBTi in May 2018.

The Science Based Targets initiative (SBTi) involves companies publicly declaring, setting, and implementing scientifically-based greenhouse gas emissions reduction targets in order to reach the Paris Agreement target of keeping the global temperature increase below 2°C. This is an international initiative supported by international NGOs in environmental fields such as climate change, including the CDP, World Resources Institute (WRI), World Wide Fund for Nature (WWF), and United Nations Global Compact.

The Yamaha Motor Group committed its participation in SBTi in order to contribute to the decarbonization of society. Moving forward, the Group will take initiatives toward the setting and realizing of targets.

External Assurance

External assurance of information disclosed by the Company is described below.

To ensure a high degree of transparency and reliability in disclosure of environmental and social data, Yamaha Motor engaged KPMG AZSA Sustainability Co., Ltd. to perform external assurance of the items listed below for fiscal 2019.

Scope of Assurance

- The Yamaha Motor Group's energy consumption, Scope 1 CO₂ emissions (total), Scope 2 CO₂ emissions (total), CO₂ emissions from the use of sold products, water intake (total) and waste generation
- Yamaha Motor Co., Ltd.'s waste water
- The Yamaha Motor Group's lost time injury frequency rate
- The frequency rate of occurrence of industrial accidents among Yamaha Motor Co., Ltd.'s contractors
- Yamaha Motor Co., Ltd.'s occupational illness frequency rate

※ Items that have been checked by the provider of external assurance are marked. External Assurance

Third-Party ESG (Environmental, Social, and Governance) Evaluations

Introducing third-party ESG (environmental, social, and governance) evaluations

With an increasing emphasis on socially responsible investment (SRI) that identifies companies for investment using evaluations from environmental and social perspectives in addition to financial analysis, Yamaha Motor proactively releases ESG-related information. The following are some of third-party evaluations we have received.

FTSE4Good / FTSE Blossom Japan



FTSE4Good



FTSE Blossom
Japan

Yamaha Motor is included in the world renowned ESG (Environment, Society, and Governance) index “FTSE4Good Index Series” as well as “FTSE Blossom Japan Index”, which has been adopted by the Government Pension Investment Fund (GPIF).

DJSI Asia Pacific Indices

Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

Yamaha Motor is included in “Dow Jones Sustainability Asia Pacific Indices” selected among companies in Asia Pacific.

S&P Japan 500 ESG

Yamaha Motor is included in “S&P Japan 500 ESG,” created by S&P Dow Jones Indices LLC of the U.S., the world’s largest financial index production company.

SNAM Sustainability Index



Yamaha Motor is included in the 2020 SNAM Sustainability Index, managed by Sompo Japan Nipponkoa Asset Management Co., Ltd., to facilitate SRI for pension funds and institutional investors investing in a broad range of companies that are highly rated for their environmental, social, and governance activities.

Health and Productivity



Yamaha Motor was recognized in 2020 in the Certified Health and Productivity Management Organization Recognition Program (Large Enterprise Category), jointly run by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi, for the third consecutive year.

Human Rights

Thoughts on Human Rights

As described in Basic Policies of CSR, the Yamaha Motor Group strives to contribute to the sustainable development of society through our business activities based on our corporate philosophy and to always abide by the letter and spirit of domestic and international laws and regulations. We are dedicated to earning the trust of the global community, and we place great value on communicating with all stakeholders. We recognize that respect for human rights is an issue of vital importance.

In 2017, the Yamaha Motor Group signed on to the UN Global Compact advocated by the United Nations. As a corporate group, we have and will continue to support the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Guiding Principles on Business and Human Rights, and the Children's Rights and Business Principles, which support the principles related to human rights and labor in the UN Global Compact.

The Yamaha Motor Group strives to ensure legal compliance in every country and community where the Group companies pursue business activities. But no matter what laws and regulations might prevail, business is conducted with priority given to international agreements and the spirit of the UN Global Compact. In addition, the scope of respect for human rights goes beyond employees of the Yamaha Motor Group to include suppliers and other business partners.

[Supporting the UN Global Compact](#)



The Yamaha Motor Group maintains the following policies and guidelines related to human rights.

Respect Employees' Human Rights

Basic Policies of CSR

We will provide equal employment opportunities and fair working conditions to employees, recognizing diversity and refraining from discriminatory practices, prohibit child labor and forced labor, and engage employees in honest communication and dialogue.

[Basic Policies of CSR—Employees' column](#)



Code of Ethics

We will forbid derogatory comments against employees on the basis of race, nationality, ideals, principles in life, physical characteristics, personality, relatives, etc., that abuse or deny a person's character, and harassment of any kind, including sexual harassment.

[Code of Ethics V. Respect for Human Rights
1. Human Rights and 2. Prevention of Harassment \(PDF 801KB\)](#)



Respecting Suppliers and Other Business Partners' Human Rights

Basic Policies of CSR

We will respect our suppliers and business partners and maintain an open door to new business partners around the world to find suppliers, regardless of nationality or size.

Basic Policies of CSR—Business Partners' column



Requiring Suppliers and Other Business Partners to Respect Human Rights

CSR Guideline for Suppliers

We ask that our suppliers strive in all aspects of employment to eliminate discrimination on the basis of race, ethnicity, nationality, religion, sex and other issues, to refrain from the use of child labor or forced labor, to ensure fair working hours and wages, and to engage employees in dialogue and communication in good faith.

CSR Guideline for Suppliers



Preamble to Basic Policies of CSR

Suppliers are asked to uphold the Basic Policies of CSR maintained by the Yamaha Motor Group.

Approach to CSR



Statement on UK Modern Slavery Act

Each year we update our statement, first issued in July 2017, in accordance with the UK Modern Slavery Act.

UK Modern Slavery Act Transparency Statement



Key Measures and Due Diligence Processes

Our risk management system, which covers all business units and subsidiaries under the Group umbrella, has a human rights-related component addressing associated risk in our own operations and across the supply chain. We monitor, assess and formulate measures to mitigate such risk. In 2019, risk related to human rights was identified at six Group companies through this risk assessment. Of the issues that came to light, most had to do with harassment. At each company, surveys and interviews were conducted to monitor the situation, and training and other measures were taken to raise awareness of harassment and ensure compliance.

Risk Management



In addition to the use of a risk management system, we conduct a Groupwide compliance awareness survey each year to gauge how aware employees are about human rights. We also have a reporting line established to enable employees to report a problem right away in the event a situation arises, and we maintain and operate a whistle-blowing system.

Compliance



The Yamaha Motor Group has a whistle-blowing system that enables employees to report a situation anonymously should they themselves encounter infringement of human rights, including harassment, or they see or hear of others experiencing a violation of human rights. In addition, Yamaha Motor has a Fair Business Hotline as a contact point for suppliers and other business partners to make issues known to us.

We also participate in and implement the activities of the Human Rights Due Diligence Working Group of the Global Compact Network Japan (the Japan office for the UN Global Compact), and are also working to raise the level of support for human rights at Yamaha Motor.

We believe that education is the most vital means to prevent the risk of human rights violations from occurring. We work to raise awareness of human rights by providing an educational program about the Code of Ethics for all employees in the Group. In 2019, we ran compliance training for executive officers on the theme of harassment.

Compliance and Legal and Regulatory Training



Note that the Yamaha Motor Group had no reports of human rights violations in 2019.

Risk Management

An introduction to the Yamaha Motor Group's initiatives in the areas of risk management, crisis management, and business continuity



Contents

1. Risk Management Structure
2. Risk Management Activity Cycle
3. Significant Risks at the Group Level
4. Crisis Management Structure and Activities
5. Business Continuity Planning
6. Cybersecurity
7. Management of Information

Risk Management Structure

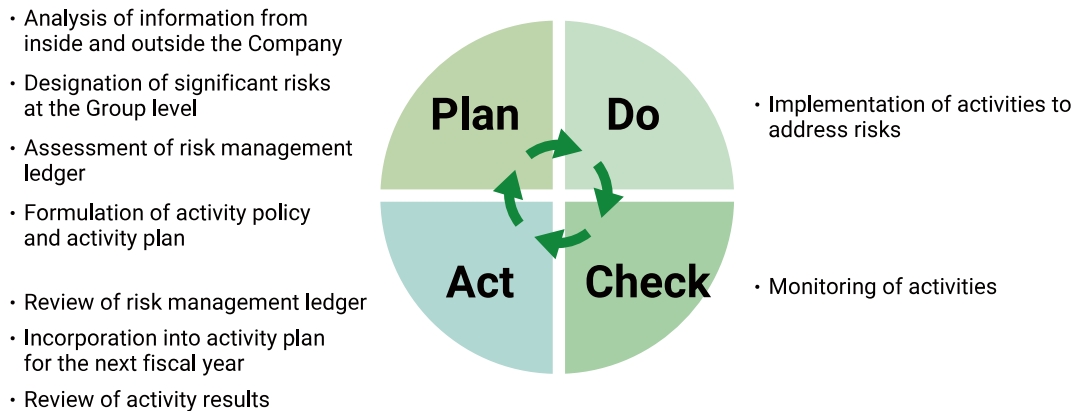
Based on the Rules of Risk Management, the risk management structure works toward the thorough reduction of risks on a Groupwide basis, and is led by the Sustainability Committee and its subordinate council, the Sustainability Promotion Meeting, which comprises the risk management supervising section and divisions in charge of risk management. The Committee, chaired by the President and Chief Executive Officer, monitors risks on a Groupwide basis while also designating significant risks at the Group level to be tackled as priorities and checking on activities to address risks.

Furthermore, the divisions in charge of risk management formulate response policies and rules for the risks under their charge, promote activities to address risk based on these response policies, etc., and monitor activities at headquarters divisions and Group companies.



Risk Management Activity Cycle

Risk management activities are promoted through the repetition of the following PDCA (plan, do, check, and act) cycle. The Yamaha Motor Group has prepared a risk management ledger of all risks that need to be covered, and works to reduce risk by appropriately managing and operating the risk management ledger.



Significant Risks at the Group Level

Each year, risks that need to be prevented and addressed as special priorities are determined to be significant risks at the Group level. In addition to the results of risk assessment at the Group level, significant risks at the Group level can be comprehensively determined and designated based on the Group's business strategy, legal and regulatory changes inside or outside the Group, or other developments including information concerning the likelihood of a risk event occurring or the operating environment.

2020 Significant Risks at the Group Level	Background	Measures
Damage caused by natural disasters	Many manufacturing plants in Japan are concentrated near the epicenter of the predicted Nankai Trough Megaquake, and measures must be taken to prepare for typhoons, localized torrential rains, and other natural disasters that far exceed previous assumptions. Damage caused by natural disasters have, therefore, been designated a significant risk.	The Group is promoting measures to prevent damage from a Nankai Trough Megaquake or flooding due to heavy rains, and to raise awareness about the need for disaster preparedness.
Cybersecurity	The degree of reliance on and the importance of information systems within the Group's business activities are increasing. Measures are needed to prevent leaks of personal or confidential information, information system failures, etc., caused by cyberattacks and computer virus infections. Cybersecurity has, therefore, been designated a significant risk.	The Group has established a Cybersecurity Policy and is taking measures covering both tangible and intangible aspects of cybersecurity to increase protection against external attacks, to detect attacks at an early stage, and to minimize damage in the event of an attack.

2020 Significant Risks at the Group Level	Background	Measures
Major accidents involving Yamaha products	Major accidents involving Yamaha products are one of the causes of market penalties such as large-scale recalls. The Group must make continual efforts to ensure zero incidence of such accidents. Major accidents involving Yamaha products have, therefore, been designated significant risks.	The Group is promoting information-gathering activities linked to product accidents and making efforts to raise quality awareness among all employees.
Violation of laws and regulations concerning product quality	Compliance with regard to product quality is a fundamental and important issue for manufacturers. Further strengthening the structures put in place by the Group to prevent the violation of laws and regulations is necessary. Violation of laws and regulations concerning product quality has, therefore, been designated a significant risk.	The Group strives to gain information regarding the establishment of and changes to laws and regulations concerning product quality. In addition, the Group works to create systems that reflect this information appropriately in internal regulations and standards, while pursuing improvement activities and other efforts.
Improper import/export customs declaration procedures	In light of the growing number of bilateral and multilateral free trade agreements, and increasing need for import/export procedures for global logistics among Group companies, the Group must further enhance its system for preventing any violation of laws, regulations, and ordinances. Improper import/export customs declaration procedures have, therefore, been designated significant risks.	The Group strives to gain information regarding the establishment of and changes to free trade agreements. In addition, the Group works to create systems that reflect this information appropriately in internal regulations and training, while monitoring for their appropriate implementation by the Group companies.
Products containing environmentally hazardous substances	Countries around the world have been steadily tightening regulations on environmentally hazardous substances, and the Group must strengthen control structures to prevent violation of laws and regulations by the products it manufactures. Products containing environmentally hazardous substances have, therefore, been designated significant risks.	The Group strives to ensure information is obtained about laws and regulations in the countries where its products are sold, and accurate information is communicated to relevant divisions inside and outside the Company. The Group also provides relevant training where necessary, and takes steps to prevent violation of laws, regulations, and ordinances by establishing proper control structures and methods to address laws and regulations that grow increasingly complicated.

Crisis Management Structure and Activities

The Yamaha Motor Group works to minimize the damage from and quickly resolve crisis situations as per the “Rules for Initial Response to an Emergency.”

In the event of a disaster, accident, or compliance-related incident at the Group, the division involved will report to the risk management supervising section or the divisions in charge of risk management as per standards for determining the level of reporting, which are set in advance. If the reported event is of a scale significant enough to warrant the involvement of Group management or multiple divisions and/or companies, the risk management supervising section will refer the matter to a response team designated in advance, and an Emergency Countermeasure Headquarters, chaired by the President, will be established. The headquarters will work to understand the situation and formulate a provisional response, and, if necessary, will promptly report on the matter to customers and related parties.

Business Continuity Planning

To prepare against envisioned risks that could impact the continuity of our business, Yamaha Motor has formulated “Rules of Business Continuity” and responds as per those Rules.

Yamaha Motor’s primary operations are concentrated in Shizuoka Prefecture, and could be affected if a major earthquake were to occur in the Nankai Trough. To prepare for this, we have formulated a Business Continuity Plan to maintain the continuity of business operations, based on the damage projected by government bodies and are placing foremost priority on the lives and safety of our employees.

Specifically, buildings and equipment have been made earthquake and tsunami resistant, emergency stockpiles of food, water, and other essentials are maintained, emergency methods for telecommunications are in place, and Companywide evacuation drills (including at Group companies located nearby and night drills) and safety confirmation drills are carried out regularly. Also, regular initial response drills are carried out at the headquarters and individual business units, procedures to restore operations have been clarified, and a system for gathering supply chain information is in place. These and other measures addressing both tangible and intangible effects are carried out comprehensively and continuously.

Another concern is the outbreak of a potentially global pandemic. To prepare for this possibility, Group companies identify issues that could affect the continuity of their operations and formulate response plans. Drills simulating actions to be taken at various stages prior to the full-scale outbreak of a pandemic are carried out regularly, and a structure is in place to guarantee that businesses are able to continue operating.

Cybersecurity

Cyberattacks have become increasingly advanced and sophisticated in recent years, and businesses are faced with a heightened risk for infection by computer viruses, leakage of personal and confidential information, and information system failures. The Yamaha Motor Group has established a Cybersecurity Policy with the aim of protecting the products and services used by our customers, as well as our information assets.

In addition to the basic defensive measures already in place, such as monthly vulnerability analysis that includes anti-malware measures, the Group has a Security Operation Center (SOC) that monitors for irregularities to enable early detection and response and a Computer Security Incident Response Team (CSIRT) that responds to incidents to prepare for contingencies. The Group also provides training to increase employees’ cybersecurity literacy, conducts assessments to ascertain the situation at each Group company and develop improvement plans, and makes other ongoing efforts to reduce cyber risks.

[Cybersecurity Policy \[PDF\]](#)

Management of Information

The Yamaha Motor Group formulated the Yamaha Motor Group – Privacy Policy in 2003 and complies with the local laws and regulations related to the protection of personal information in each of the countries in which it operates. In Japan, we responded proactively to the introduction of the My Number system in 2016 by formulating the Yamaha Motor Group Detailed Operational Guidelines relating to the Protection of Designated Personal Information in 2015. We have also reflected the 2017 revisions to the Act on the Protection of Personal Information in the previously formulated Group Operational Guidelines for Protecting Personal Information and expanded coverage to the Group’s subsidiaries in Japan. As for the GDPR (General Data Protection Regulation) enacted in Europe in 2018, Yamaha Motor Europe N.V. and the parent company are working together toward global compliance.

Employees handling personal information undergo training and education via compliance seminars held by the risk management supervising section and e-training. The divisions in charge of risk management also provide direct advice and guidance and other measures to ensure that customer information is handled appropriately.

In 2019, no complaints were filed by any authority concerning violations of our customers’ privacy.

Cybersecurity

Aim

The following policy is established with the aim of protecting the products and services used by our customers and information assets handled by the Yamaha Motor Group, including personal information, from cyber risks.

Yamaha Motor Group Cybersecurity Policy

1. We will comply with laws and regulations related to cybersecurity, guidelines and regulations provided by each country, union, etc., and other social norms.
2. We will establish control structures for cybersecurity.
3. We will identify cyber risks and their severity, and strive to maintain appropriate defenses and detection measures.
4. In the event of cybersecurity incidents, we will strive to respond rapidly.
5. We will conduct training and awareness-raising activities related to cybersecurity regularly and as needed.
6. We will review and continually improve activities related to cybersecurity.

Yamaha Motor Co., Ltd.

Compliance

An introduction to the Yamaha Motor Group's initiatives in the area of compliance.



Contents

1. [Compliance Structure](#)
2. [Code of Ethics](#)
3. [Compliance Risk Assessment](#)
4. [Compliance and Legal and Regulatory Training](#)
5. [Whistle-Blowing Systems \(Compliance Hotlines\)](#)
6. [Thorough Import and Export Management](#)

Compliance Structure

The Yamaha Motor Group has established a Sustainability Committee, chaired by the President and Chief Executive Officer, to create a structure to ensure legal and regulatory compliance throughout the entire Group. The Committee deliberates plans to ensure compliance, and monitors the implementation of those plans and the corporate culture with regard to compliance. The outcomes of these deliberations and monitoring are reported, as appropriate, to the Board of Directors as items deliberated by the Sustainability Committee, together with ESG risks, and a structure has been established to ensure their effectiveness.

Specific activities are carried out as per the "Compliance Management Rules," and the compliance supervising section manages the Group's overall activities.

As a way to ensure that compliance is incorporated into the corporate culture, Groupwide compliance awareness surveys are carried out each year to confirm the effectiveness of compliance measures, including the degree of understanding and scope of implementation of the Code of Ethics, the extent to which reporting lines and hotlines are used, and the effectiveness of training programs. Based on the results of these surveys and social trends, the Code of Ethics Guidebook is updated annually, and the Code of Ethics is reviewed regularly.

Code of Ethics

The Yamaha Motor Group has formulated and disseminated throughout the Group its Code of Ethics, which stipulates standards of behavior to be observed based on the Company Pledge, passed down since the Company's foundation, and the Management Principles. The Code has been translated into local languages at overseas Group companies, and an educational video has been prepared in 11 languages for use in training at Group companies to further familiarize all employees with the Code of Ethics. Group companies also hold training sessions on the Code of Ethics for new employees.

Code of Ethics (PDF)



In the 2019 compliance awareness survey, in response to the question, “Do you have a full understanding of the contents of the Code of Ethics?,” 79.38% of respondents answered “Yes” while 2.8% answered “No.”

Compliance Risk Assessment

A Groupwide risk assessment is carried out each year to identify the common compliance risks that need to be recognized, including bribery and corruption, cartels, and security-related export controls. These risks are then assessed at individual operating divisions and Group companies, appropriate countermeasures are implemented, and their implementation status is monitored.

Compliance and Legal and Regulatory Training

A compliance activity plan is formulated each year, and various opportunities are used to conduct compliance training based on this plan.

a. Compliance training as part of level-specific training

All new employees – both new graduates as well as mid-career hires – and temporary staff take compliance training that focuses on the Code of Ethics when they join the Company. In addition, when an employee is newly promoted to a managerial or supervisory position, division manager, or head of a business site, they take compliance training focused on that position or function each year or as required. This training includes examples of harassment, and how to respond when cases are brought to their attention for consultation.

Thanks to activities like these, in the 2019 compliance awareness survey, in response to the question, “When you are unsure of something in the course of your work, do you place top priority on compliance?,” 85.2% of respondents answered “Yes” and 1.7% answered “No.”

b. Compliance training for all employees

All persons who work for Yamaha Motor take compliance training, with the aim of each employee creating a model that will earn the trust of society for the Company as a whole by practicing compliance. This compliance training is carried out each year (including for temporary staff), and records of attendance are retained. In addition, division managers and executive officers who are primarily engaged in operating activities take annual compliance training on given topics in an effort for top management themselves to implement compliance.

c. Specialized training on laws and regulations

Group training programs covering laws and regulations deemed to entail significant risk in the execution of the Company's business activities are carried out annually on select topics. Our legal and regulatory training in 2019 included such topics as the "Antimonopoly Act," "import/export controls," "Subcontracting Act related topics," "prevention of insider trading," "intellectual property rights," and "IT risk." In addition to group training programs, e-learning is used to provide training in a wide range of fields.

In the 2019 compliance awareness survey, in response to the question, "Do you consider the Company's compliance training to be meaningful?", 74.1% of respondents answered "Yes" and 5.7% answered "No."

Training in the Code of Ethics and legal and regulatory training is also carried out for new employees of overseas Group companies, and the results are monitored at the head office.

Compliance Training in Japan - No. of Attendees (Aggregate Attendees)	
Executive officer training	35
Division manager training	206
Workplace training	17,003
Laws and regulations training	8,301
E-learning	72,620
Level-specific stratified training (division manager, manager, floor manager, new hires, mid-career hires and temporary staff, etc.)	2,352

Compliance Training at Overseas Group Companies - No. of Attendees (Aggregate Attendees)					
North America, Europe, Australia	Central and South America	ASEAN	East Asia	China and Taiwan	Total
17,230	3,660	22,999	7,535	2,149	53,575

Whistle-Blowing Systems (Compliance Hotlines)

The Yamaha Motor Group has a whistle-blowing system for reporting any acts that may be in violation of the Code of Ethics. In addition to the Yamaha Motor Group Compliance Hotline provided for Yamaha Motor and domestic Group companies, a Global Compliance Hotline was established in 2018 for the top management and senior executives of overseas Group companies. Both hotlines are established at outside institutions as a contact point for employees to report issues anonymously. By making it easy to report issues, we are making global efforts to prevent the occurrence of illegal or unfair practices, and detect such practices at an early stage.

To protect whistle-blowers, internal regulations clearly state that any disadvantageous treatment for the use of the whistle-blowing system is strictly prohibited, and employees are reminded of this in compliance training programs held each year. We are striving to create a system and culture of compliance by ensuring employees have a deep understanding of the whistle-blowing system, and enabling rapid and proper functioning of the system.

Yamaha Motor established a Fair Business Hotline in 2017 as a contact point for suppliers, and since 2019, its use has been expanded to include all business partners with which we have ongoing transactions.

Issues reported via the hotlines will be carefully investigated according to internal regulations. Once the facts are confirmed, issues will be strictly addressed.

	2015	2016	2017	2018	2019 (Results)
Reports made	63	76	108	120	159

Subject of Reports in 2019	Percent of Total
Human resources and labor relations	46%
Financial/accounting	12%
Information management	7%
Other regulatory violations	21%
Human rights violation	3%
Corruption prevention	1%
Other	10%

* Percentage of each subject is based on reports received.

Whistle-blowing systems have also been established and operated individually at major Group companies, based on the local laws and regulations and other circumstances specific to each respective company.

Thorough Import and Export Management

Because a large proportion of the Yamaha Motor Group's business activities are conducted outside of Japan, we are constantly engaged in activities which place importance upon the management of imports and exports.

As an initiative related to exports, at Yamaha Motor Co., Ltd., we conduct Security Trade Control (STC) study sessions and liaison meetings based upon compliance with the Foreign Exchange and Foreign Trade Act and other related laws and regulations. For relevant departments and Group companies, regular and comprehensive educational training sessions are implemented. As one aspect of training for those engaged in trade, we encourage employees to take the STC Associate^{*1} and STC Expert^{*2} examinations and we have had successful candidates each year.

We continue our initiatives to prevent the order, import, transfer and supply of goods which are confirmed to contain substances prohibited for use in manufacturing^{*3} or where the inclusion of such substances cannot be confirmed.

- ※1 A practical accreditation exam for security trade control conducted by the Center for Information on Security Trade Control (CISTEC), a non-profit and non-governmental organization
- ※2 An accreditation exam demanding a higher level of ability compared to the "STC Associate Examination"
- ※3 Substances indicated in Item 1, Article 16 of the Enforcement Order of Industrial Safety and Health Law

Anti-Corruption Measures

An introduction to the Yamaha Motor Group's initiatives in the area of anti-corruption measures

Yamaha Motor Group declares in its “Code of Ethics”, which stipulates the standards of conduct to be observed by our officers and employees, to restrict providing gifts and entertainment to public officials and pledges to always maintain the relations with public officials to be transparent and sound. Yamaha Motor Group also signed the “United Nations Global Compact” that aims to eliminate corruption, and further explicitly prevents corruption in the “CSR Guidelines for Suppliers”, working together with the entire supply chain of Yamaha Motor Group to combat bribery. In order to further promote these anti-bribery efforts on a global scale, and to contribute to the sustainable development of the countries, regions, and societies in which Yamaha Motor Group is involved, Yamaha Motor Group established the “Yamaha Motor Group Anti-Bribery Policy” and pursues various anti-bribery activities.

[> Yamaha Motor Group Anti-Bribery Policy](#) 

As referenced in the “Anti-Bribery Policy”, with regard to preventing bribery, risks evaluated on a common basis Groupwide are included under “corruption” in the comprehensive risk management ledger, and bribery is included in the corrupt practices whose risks are evaluated by the operating divisions and Group companies. The Board of Directors monitors management status as an ESG issue, while also receiving regular reports from the Sustainability Committee. In addition, a Guidebook to Prevent Bribery of Public Officials has been prepared and disseminated throughout the Yamaha Motor Group. Other programs have been established to ensure the thorough prevention of corruption, including training on laws and regulations and training intended for specific groups or individuals (in particular, persons scheduled for overseas assignments or other positions where they may be exposed to potential high risks). A prior consultation system has also been introduced to prevent bribery, and prior consultation with the relevant legal affairs division is mandatory in cases where benefits are provided to public officials in Japan or any other country, or for subcontracting where there are existing possibilities of contact with public officials in Japan or any other country. Mandatory procedures are also in place for political contributions, based on the laws of each country involved.

There were no significant legal violations, penalties, surcharges, etc. related to anti-corruption in 2019.

YAMAHA MOTOR GROUP ANTI-BRIBERY POLICY

Based on our corporate mission of “*Kando Creating Company*”, Yamaha Motor Group pursues “Fulfilling social responsibilities globally” as one of the management principles. The Code of Ethics, which stipulates the standards of conduct to be observed by our officers and employees, restricts providing gifts and entertainment to public officials and pledges to always maintain the relations with public officials to be transparent and sound. Yamaha Motor Group signed the United Nations Global Compact that aims to eliminate corruption, and further explicitly prevents corruption in the CSR Guidelines for Suppliers, working together with the entire supply chain of Yamaha Motor Group to combat bribery. Yamaha Motor Group hereby establishes the Anti-Bribery Policy to further promote these anti-bribery efforts on a global scale, and to contribute to the sustainable development of the countries, regions, and societies in which Yamaha Motor Group is involved.

1. Prohibition of Bribery

Yamaha Motor Group will not, whether directly or indirectly through third parties, engage in any bribery nor any act that may be seen as bribery with any public official (including any person equivalent to or related to a public official). Yamaha Motor Group rejects to obtain profit from improper conducts, and when requested by any public official to provide bribery, will flatly refuse the request in accordance with the “Compliance Comes First” policy, and take appropriate measures including reporting to the relevant authorities.

2. Compliance with Anti-Bribery Laws

Yamaha Motor Group will strive at all times to comply with any and all national and local anti-bribery laws and regulations applicable to Yamaha Motor Group and its business activities including the Unfair Competition Prevention Act of Japan, the Foreign Corrupt Practices Act of the United States of America, and the Bribery Act of the United Kingdom.

3. Anti-Bribery Management System

Yamaha Motor Group, in order to strengthen its anti-bribery activities, establishes and operates the “Anti-Bribery Management System” that includes (i) the prior consultation rule that requires officers and employees to consult with a division-in-charge before providing benefits to public officials or subcontracting services to third parties that may come into contact with public officials, (ii) the use of anti-bribery clause in designated contracts, and (iii) the appointment of anti-bribery officer at each group company. Yamaha Motor Group strives to continuously improve the Anti-Bribery Management System by evaluation of corrupt behaviors through the risk assessment activities, the compliance awareness surveys, and other monitoring activities conducted by the group companies.

4. Compliance System

At Yamaha Motor Group, the Sustainability Committee deliberates the compliance measures and monitors the implementation. The results of these deliberation and monitoring are then reported to the Board of Directors. As part of these efforts, the Risk

Compliance Officer appointed by the Chairman of the Sustainability Committee directs the Legal Division together with other divisions and the anti-bribery officers of group companies to promote global and systematic anti-bribery activities.

5. Ensuring Effectiveness

Yamaha Motor Group conducts risk assessments and compliance awareness surveys for group companies each year to confirm the effectiveness of the compliance measures including the anti-bribery activities. Based on the results of these assessments and surveys and the social trend considerations, we periodically improve each compliance measure including the anti-bribery activities. We further ensure anti-bribery at our group companies through distribution of the Code of Ethics Guidebook and the Anti-Bribery Guidebook, and the anti-bribery e-learning programs, legal trainings, and HR trainings.

6. Whistle-Blowing System and Consultations

Yamaha Motor Group maintains and operates hotlines addressing conducts of the officers and employees of domestic Yamaha Motor Group companies as well as the directors and executive managements of the overseas Yamaha Motor Group companies. The Legal Division is responsible for anti-bribery consultations and establishes the anti-bribery officer in each division and each group company. Through these efforts, Yamaha Motor Group aims to detect bribery concerns at an early stage and to take appropriate measures.

7. Measures Against Bribery

Upon detecting bribery concerns involving the officers and employees, Yamaha Motor Group will promptly conduct necessary investigations, enforce disciplinary actions and other strict measures against the persons involved in accordance with the corporate rules, and take appropriate measures including reporting to the relevant authorities.

8. Business Partners

Yamaha Motor Group asks our business partners to join efforts in preventing bribery through initiatives such as the anti-corruption measures under the CSR Guidelines for Suppliers and adoption of anti-bribery clause in designated contracts. Through these efforts, the Yamaha Motor Group and its entire supply chain join hands to combat bribery.

Established on October 1, 2020

Yoshihiro Hidaka

President, Chief Executive Officer, and
Chairman of the Sustainability Committee

Amounts Used for Political Contributions, Lobbying, etc.

Amounts used for political contributions, lobbying, etc. can be viewed from here.

Amounts used for political contributions, lobbying, etc.

(not including donations to business organizations, NGOs, etc.)

Yamaha Motor: Unit – million yen

	2016	2017	2018	2019
Amount	15	13	14	13

Note: The amount shown above for contributions to political organizations in 2019 includes ¥5 million to the People's Political Association.

Amounts used for business organizations, etc.

(Japan Automobile Manufacturers Association, Inc., Japan Marine Industry Association, etc.)

Yamaha Motor: Unit - million yen

	2016	2017	2018	2019
Amount	219	220	227	218

Tax matters

This section introduces initiatives we have in place at the Yamaha Motor Group for tax governance.



Contents

1. Basic Tax Policy
2. Aims
3. Three Basic Elements
4. Structural framework to secure the above three elements

Basic Tax Policy

The Yamaha Motor Group has established the following basic tax policy. The tax function of the head office is to carry out required tax duties in accordance with the company's tax policy and report the status of its progress to the director in charge of the corporate planning and financial domains in a timely manner.

Based on the company's basic tax policy, the tax function of the head office provides employees throughout the company and within the Yamaha Motor Group companies with appropriate guidance on taxation. The head office also works to maintain a governance system related to taxation across the group itself.

Aims

Contributing to the nation and society through tax payment is one of Yamaha Motor's management principles and is part of the company's global implementation of social responsibility. In pursuit of this philosophy, Yamaha Motor Group companies always pay their taxes both correctly and in a timely manner.

Three Basic Elements

Legal Compliance	The Yamaha Motor Group complies with the tax laws of each country, and respects standards set out by international organizations.
Maintaining Transparency	Yamaha Motor will disclose tax payment information to stakeholders including tax authorities in a timely and appropriate manner.
Relationship with Tax Authorities	Yamaha Motor strives to establish and maintain appropriate relationships with the tax authorities based in each country. Yamaha Motor endeavors to be fully accountable to ensure against any discrepancies with the tax authorities on individual matters. In the event of a differing viewpoint with an authority, Yamaha Motor will always take appropriate measures to solve any dispute, and in this way, maintain our business value.

Structural framework to secure the above three elements

Tax Governance System	Yamaha Motor positions tax governance as management responsibility for the director in charge of corporate planning and financial domains and gives corporate tax function its executive authority. The Yamaha Motor group companies and their employees receive appropriate guidance from the head office tax function as required and carry out business activities in accordance with Group Financial and Accounting Detailed Guidelines.
Tax Function Responsibilities	The head office tax function establishes and manages the tax governance system within the group based on this basic tax policy and monitors that business activities are properly conducted in accordance with this policy.
Business Activity Principles	Role and cost sharing among group companies are based on the beneficiary-to-pay principle. For regular transactions between group companies, we recommend the setting of transaction prices based on the arm's length principle. Yamaha Motor does not set up transaction structures that lack economic substance for the purpose of any tax avoidance.
Double Taxation Avoidance	Through various activities aimed at avoiding double taxation, Yamaha Motor has established and maintains appropriate relations with tax authorities and works to optimize mid- and long-term tax related expenses.
Application of Preferential Tax Benefits	Yamaha Motor considers the applications of any preferential tax benefits and strives to optimize all tax-related expenses in the planning and promotion of its business activities.

ISO26000 Reference Table

Presenting a Table of ISO26000 concerning information in Sustainability website

ISO 26000 Core Subjects	Issues		Web Links
Organizational Governance			<ul style="list-style-type: none"> - Approach to CSR - Corporate Governance
Human Rights	1	Due diligence	<ul style="list-style-type: none"> - Promoting CSR Throughout the Entire Supply Chain - Whistle-Blowing Systems (Compliance Hotlines) - Workplaces Thriving on Diversity - Relationship with Labor Union - Supporting the UN Global Compact
	2	Human rights risk situations	
	3	Avoidance of complicity	
	4	Resolving grievances	
	5	Discrimination and vulnerable groups	
	6	Civil and political rights	
	7	Economic, social and cultural rights	
	8	Fundamental principles and rights at work	
Labor Practices	1	Employment and employment relationships	<ul style="list-style-type: none"> - Supporting Work-Life Balance - Relationship with Labor Union - Occupational Health and Safety - Employee Health - Multifaceted Human Resources Development - Workplaces Thriving on Diversity - Supporting the UN Global Compact
	2	Conditions of work and social protection	
	3	Social dialogue	
	4	Health and safety at work	
	5	Human development and training in the workplace	
The Environment	1	Prevention of pollution	<ul style="list-style-type: none"> - Approach to Global Environment - Creating Low Carbon Society - Creating Recycling Society - Creating Society in Harmony with Nature
	2	Sustainable resource use	
	3	Climate change mitigation and adaptation	
	4	Protection of the environment, biodiversity and restoration of natural habitats	
Fair Operating Practices	1	Anti-corruption	<ul style="list-style-type: none"> - Anti-Corruption - Two Policies Underpinning Procurement - Promoting Sustainability Throughout the Entire Supply Chain - Activities at Dealerships - Supporting the UN Global Compact
	2	Responsible political involvement	
	3	Fair competition	
	4	Promoting social responsibility in the value chain	
	5	Respect for property rights	

ISO 26000 Core Subjects	Issues		Web Links
Consumer Issues	1	Fair marketing, factual and unbiased information and fair contractual practices	<ul style="list-style-type: none"> - Thorough Import and Export Management - Approach to Quality - Riding Safety Promotion Activities - Management of information - Responding to Customers - Use of Customer Information
	2	Protecting consumers' health and safety	
	3	Sustainable consumption	
	4	Consumer service, support, and complaint and dispute resolution	
	5	Consumer data protection and privacy	
	6	Access to essential services	
	7	Education and awareness	
Community Involvement and Development	1	Community involvement	<ul style="list-style-type: none"> - Social Contribution Activities - Yamaha Motor Foundation for Sports - Sustainable Development Goals (SDGs)
	2	Education and culture	
	3	Employment creation and skills development	
	4	Technology development and access	
	5	Wealth and income creation	
	6	Health	
	7	Social investment	

Yamaha Motor : Sustainability (Initiatives for sustainability) 2020

<https://global.yamaha-motor.com/about/csr/>

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