Approach to CSR

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.

*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.*
### Basic Policies of CSR

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.

| Customers | • 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. |
| --- | --- |
| Shareholders and Investors | • 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 | • 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 | • 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 | • 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 | • 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. |
The Yamaha Motor group is engaged in strengthening and establishing corporate governance. In addition, we are working to promote CSR and manage risk as the foundation to earning society’s trust; and to reinforce compliance.

Please click here for details of our basic policies and implementation measures. >>

**Initiatives for Advancing CSR**

Aiming for steadfast advancement of CSR, the Yamaha Motor Group shares our approach to CSR with all employees so that each and every one of them can implement it in their work. To this end, we include items in the Basic Policies of CSR which express the social responsibilities of each major stakeholder. In 2011, the Corporate Planning Division, which is responsible for driving management strategies, established supervisory departments for each stakeholder and compiled the main results and issues of initiatives conforming to the Basic Policies of CSR from each department’s work plan. It then incorporated them into a CSR Activity Plan, striving to conduct CSR through business activities.

In addition, the Yamaha Motor Group prioritizes its CSR initiatives and undertakes all related activities based on ISO 26000, an international guidance on social responsibility launched in November 2010.

ISO26000 Reference Table
http://global.yamaha-motor.com/about/csr/iso_reference_table/

**Risk Management**

We have the Risk Management and Compliance Committee, chaired by the President and Chief Executive Officer, as a system for managing risk. The role of the Committee is to comprehensively manage risks faced by the Yamaha Motor group and it acts to prevent determined major risks by identifying and evaluating risk, as well as handling measures to deal with risk if it arises.

In addition, it has established risk management regulations and initial emergency response regulations as common risk management procedures across the group. Based upon these, the Committee endeavors to prevent or quickly identify compliance-related misconduct, disasters, accidents, etc., and to take swift and appropriate responses upon discovery or revelation of such matters.
Corporate Governance

Revised Business Continuity Plan

Yamaha Motor has revised its Business Continuity Plan (BCP) to reflect changes in the simulation estimates of damage caused by the Nankai Trough earthquake as well as its contingency plan to back up production systems and to quickly identify rehabilitation procedures for the early revival of business. To improve the effectiveness of planned procedures, we have conducted emergency response drills under our contingency plan since 2012. We have also revised the BCP with regard to measures for dealing with pandemic outbreaks.

Compliance Awareness and Consistency

The Yamaha Motor group is continually implementing compliance activities based on its annual plans. We aim to raise awareness and understanding of the Code of Ethics, which stipulates standards of behavior which should be adhered to in view of the Company Pledge, passed down since the company’s foundation, and the Management Principles. In addition, we hope to serve as a model trusted by society through encouraging each and every employee to practice the Code in their daily work.

Please click here to view the Code of Ethics. >>
(PDF will open in a new window)

Implementation of Training in Compliance and Regulations

We regularly conduct rank and division-specific education and training for executives and employees of Yamaha Motor and group companies in Japan, with the intention of ensuring a thorough understanding of the Code of Ethics and the laws and regulations related to work practices.

<table>
<thead>
<tr>
<th>Target category</th>
<th>Total participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethics seminars</td>
<td>Officers, managers, supervisors, general employees 14,646</td>
</tr>
<tr>
<td>Compliance seminars</td>
<td>Group training 5,451</td>
</tr>
<tr>
<td></td>
<td>e-learning 37,239</td>
</tr>
</tbody>
</table>

Internal Reporting Systems (Hotlines)

At Yamaha Motor, we have established a Compliance Hotline for notification of behavior which violates the Code of Ethics, and for discussion or inquiry concerning compliance in general; as well as a Harassment Hotline. The Compliance Hotline is the common contact point for notifications and inquiries for group companies in Japan and strives to prevent illegal or improper behavior or enable its early detection.
Corporate Governance

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 The "STC Associate Examination" is 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 The "STC Expert Examination" is an accreditation exam demanding a higher level of ability compared to the "STC Associate Examination."
*3 Substances prohibited for use in manufacturing, etc. are substances indicated in item 1, Article 16 of the Enforcement Order of Industrial Safety and Health Law.

Initiatives for Protection of Personal Information

Under the “Privacy Policy” established in 2003, the Yamaha Motor group has created a system to appropriately manage personal information provided to us by customers and is promoting policies related to the protection of personal information. However, on November 22, 2011 it was determined that a portion of customer information managed by a group company had been leaked externally. As a result, in addition to making a formal apology to customers, we reaffirmed efforts to ensure consistent management of private information. In order to prevent a recurrence, we are reinforcing examination of case studies pertaining to the handling of personal information that are a part of the compliance training we conduct annually. Furthermore, we renewed a webpage regarding the handling of personal information on the company intranet and are strengthening measures to raise awareness among each and every employee. (No damage or unauthorized use of the leaked customer information has been confirmed.)

Privacy Policy
http://global.yamaha-motor.com/policy/
Aiming to be an engineering, manufacturing, and marketing enterprise that gives customers a sense of *Kando*

We believe that Yamaha’s product quality is enhanced through ongoing, close relationships with our customers, and we expect all employees to constantly strive to enhance the quality of our products. To strengthen our customer-oriented approach and ensure that customers’ views are reflected in our engineering, manufacturing, and marketing, the Yamaha Motor Group will continue to pursue improvements in quality so that we can deliver products with an even higher level of customer satisfaction. Our relationship with customers is one of the core components of our CSR policy, and the following are some of our priority initiatives related to customers.

* *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.

### Working to Improve Quality

YMTT* held a conference on product quality in Taiwan in July 2013, with 88 persons from 39 major business partners participating. The General Manager of Yamaha Motor’s Procurement Quality Control Division attended the conference and gave a presentation explaining our global policy for product quality. YMTT’s programs to improve product quality are based on sharing quality-related information, formulating action plans, and training. The “Taiwan Team,” consisting of YMTT and its suppliers in Taiwan will continue to provide high-quality parts to Yamaha Motor’s factories around the world.

* Yamaha Motor Taiwan Trading Co., Ltd.
Customers

Offering New Excitement

Yamaha Motor exhibited a “growing world of personal mobility,” through its core business of small vehicles for personal mobility, at the 43rd Tokyo Motor Show 2013. Exhibits included the TRICITY Concept, which uses a Leaning Multi-Wheel design to add a new dimension of enjoyment to the high degree of mobility offered by two-wheeled vehicles. The TRICITY Concept uses Yamaha’s proprietary LMW structure, in which the two front wheels tilt along with the body when turning, to achieve harmony between the vehicle’s unique design and geometry to provide a new level of enjoyment with lightweight, sporty handling along with stability when driving.

Customer Service

Outboard motor service clinic in Australia

In Australia, YMA* held two outboard motor service clinics during 2013. A joint team from YMA and Yamaha Motor visited large salmon and oyster farms and tour boat operators in Tasmania, and assessed the outboard motors being used in these rough commercial environments.

YMA will continue to hold these service clinics and other activities closely tied to its market, to maintain a solid No. 1 position in the outboard motor market and further strengthen its relationships of trust with customers.

* Yamaha Motor Australia Pty Limited

Riding Safety Promotion Activities

Yamaha Female Riding Training (YFRT) program for women in India

Following the release of the CYGNUS RAY, IYM* launched the Yamaha Female Riding Training (YFRT) program to teach safe riding to women in India. The program is held regularly throughout the year at educational institutions and universities. IYM aims to prevent traffic accidents by teaching young Indian women how to drive safely.

* India Yamaha Motor Pvt. Ltd.
Customers

Aggregate outboard motor production tops 10 million units

A ceremony was held at the Fukuroi Factory to commemorate aggregate outboard motor production surpassing 10 million units. People involved in the outboard motor business held a tape-cutting ceremony as the 10 millionth unit, a new model, the F200F, rolled off the production line.

Yamaha’s 4-stroke outboard motors are compact and lightweight, and deliver a performance that is both powerful and environmentally friendly. The F200C, F200F, F175A, F150A, F115B, F90B, and F80B models feature fuel injection. These models use multiple sensors to monitor the engine’s operation, and feature an Engine Control Module (ECM) that precisely controls combustion at an optimal level for the engine, as well as a diagnostic system to facilitate servicing. The F200F and F115B use a direct-action, in-line 4-cylinder engine and are the lightest in their classes.* In addition to lower fuel consumption and faster acceleration, these models are compatible with an even greater number of boats.

* As per Yamaha Motor’s comparison with other 200 horsepower, 4-stroke outboard motors (as of February 2014)
Shareholders and Investors

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 quarterly earnings briefings and the annual shareholders’ meeting, during 2013 the division visited and held meetings with overseas investors, provided information via the IR website, and operated a website to provide information to individual investors. To even more proactively disseminate information, the division held a business briefing for analysts and journalists in July, and made a video of the briefing publicly available to enable all shareholders and investors to better understand Yamaha Motor’s business strategy.

Materials from the business briefing (July 3, 2013)

Video of the business briefing (Japanese only)
http://www.irbroadstreaming.net/ir/7272/jigyou/#index=1

Information for shareholders and investors is available on the websites below

Disclosure Policy

Dividend Policy

For Investors (index page)
Creating an organization to facilitate co-ownership of value from a global perspective

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

Developing Human Resources

Developing Human Resources for Global Leadership

Yamaha Motor Co., Ltd. set up a committee to discuss and share business challenges with top managements of Group companies and is currently pursuing aggressive initiatives to nurture personnel for positions with global responsibility in the worldwide Yamaha Motor Group, by promoting talented employees at overseas Group companies to the top management positions and accelerating overseas work experiences among Japanese employees, in line with the globally growing business.

The third and final session of the first module of the GEP* was held in September 2013. The 15 participants from nine countries were divided into three groups, through which proposals were made for the Yamaha Motor Group’s business activities for the next 10 years. At the conclusion, the participants were presented with diplomas. This program will link the stages for Global Human Resources around the world.

* Global Executive Program

TOPICS

First Global Brand Meeting (GBM) held

With the start of a new Medium-Term Management Plan in 2013, Yamaha Motor announced the “Revs your Heart” brand slogan and a brand statement as a mutual concept for the entire Yamaha Motor Group globally, as a message to be conveyed both internally and externally. With the aim of having each Yamaha Motor Group employee around the world to embody the Yamaha brand, a GBM was held in September 2013, with brand promotion managers from 13 countries outside Japan and 10 business divisions from two locations in Japan attending.
Employees

Workplaces Thriving on Diversity

Based on our fundamental belief that "all corporate activity originates first of all with and for people," the Yamaha Motor Group has clearly defined its stance on human rights in its Basic Policies of CSR and Code of Ethics.

In accordance with our policy of "operating workplaces where the disabled can work together with the able-bodied," Yamaha Motor has established the Disabled Employment Promotion Committee, and is working to improve the workplace environment through measures such as having analyses of organizational work and other tasks conducted by committee members assigned to each division. As of December 31, 2012, the Company employed 78 severely disabled persons and 63 mildly disabled persons, thus achieving a disabled employment rate of 1.96% (141 persons in total). From April 1, 2013, the Japanese government raised the legally mandated disabled employment rate to 2.0% from 1.8%, and Yamaha Motor is implementing additional measures to raise the number of employees with disabilities. We will continue to promote the hiring of persons with disabilities going forward, as we seek to create a society in which persons with and without disabilities can live and work together.

Supporting Work-Life Balance

Aiming for a Workplace Environment that Fosters Autonomous Creativity

The Yamaha Motor Group defines its relationship with employees as a business partnership, and the Company's role as providing an attractive workplace for autonomous individuals. We aim to create workplaces that maintain a diversity of working styles and a positive work-life balance by supporting career advancement plans based on mutual assumptions, providing programs for child and nursing care leave, etc. We are also expanding the options for employees so that they can work in ways that suit their individual circumstances. The percentage of employees taking paid leave was 77.9%* in 2013.

*The percentage is calculated as the ratio of the actual leave taken during the year to the annual paid leave due for all regular employees.
Main Child Care and Family Care Support Programs (Yamaha Motor Co., Ltd.)

<table>
<thead>
<tr>
<th>Programs</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child care leave</td>
<td>Employees may take leave until the child’s second birthday (used by 106 women, 3 men in 2013).</td>
</tr>
<tr>
<td>Family care leave</td>
<td>Employees can take leave for up to one year on request (used by 1 woman in 2013).</td>
</tr>
<tr>
<td>Family illness leave</td>
<td>Employees taking care of preschool-aged children 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.</td>
</tr>
<tr>
<td>Flexible work time system</td>
<td>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.</td>
</tr>
<tr>
<td>Workload reduction</td>
<td>Limits are placed on overtime, and night work is excused for employees with a child of preschool age and employees caring for a sick or aged family member.</td>
</tr>
<tr>
<td>Short-time work system</td>
<td>Employees may reduce their working hours by two hours each day (used by 80 women in 2013).</td>
</tr>
<tr>
<td>Others</td>
<td>Designated “no overtime” days (every Wednesday; 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).</td>
</tr>
</tbody>
</table>

Workplace Safety and Health

Creating a Workplace Environment that Offers Peace of Mind and Comfort

Led by its Central Safety and Health Committee, Yamaha Motor is promoting the establishment of safer working environments globally. Risk assessment is performed in accordance with the Occupational Safety and Health Management System (OSHMS) to detect potential dangers or harmful conditions at workplaces, and measures are taken to prevent occupational accidents. Through job-specific education and training, such as safety manager training programs and skill improvement programs for supervisors, as well as holding occupational safety and health meetings, we are focused on developing human resources that can support occupational safety.

Since 2008, Yamaha Motor has introduced OSHMS at its Group companies and as of the end of 2013, eight domestic companies and nine overseas companies have acquired group certification.
Employees

Supporting Employees in Maintaining a Healthy Mind and Body

Yamaha Motor promotes a wide range of initiatives for helping employees maintain and improve their emotional and physical health. We are committed to creating healthy and vital workplaces for the prevention of and recovery from lifestyle-related diseases. For instance, we support endurance improvement and obesity prevention through exercise habits, such as by hosting walk rally events and holding the Walk, Walk Campaign twice a year. In partnership with a health insurance association, we have also been providing antismoking products and are teaching smoking cessation skills to interested employees to help them in their efforts to quit smoking. Measures to reduce smoking rates and prevent second-hand smoke during 2013 included restricting smoking to certain times, setting up smoking areas outside offices, and creating support programs for persons trying to give up smoking, which resulted in a 0.8 percentage point (81-person) decrease from the previous year in the smoking rate among employees, to 30.3%. In terms of support for mental/emotional health, we have continued to engage in efforts such as health guidance given by occupational health physicians, mental/emotional health seminars for new managers and supervisors, and support for expatriates and mid-career recruits.
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 benefit. 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.

Activities in Supply Chains

The Yamaha Motor Group regards its relationship with the supply chain not just as conducting procurement, but as procurement that emphasizes the incorporation of both cost and quality into its engineering, manufacturing, and marketing. 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 engineering, manufacturing, and marketing together with suppliers and then working together to find more ways to improve cost competitiveness. We have trained some of our employees to serve as “theoretical–value instructors” in order to promote the implementation of “theoretical–value–based production” at suppliers inside and outside Japan as an initiative to strengthen our cost competitiveness in concert with them. In addition, we are promoting fair and clean procurement activities globally through training programs covering our Green Procurement Guidelines (detailing how to reduce our environmental impact and ensure the efficient use of resources and energy) and CSR Guidelines for Suppliers (which cover areas related to safety, quality, and compliance).

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

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 carries out activities to fulfill its corporate social responsibility in four main areas: developing future leaders, environmental conservation, improving traffic safety, and community issues. By focusing the social contribution activities carried out by Group companies on these areas and sharing information internally, we are continuously fostering an awareness that will lead to the creation of common social value (CSV). Below we introduce some of the activities from the CSR activity reports made by 78 Group companies (21 domestic, 57 overseas) during 2013.

### Important Areas of Activities Contributing to Society

<table>
<thead>
<tr>
<th>Key Themes</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global Issues</strong></td>
<td></td>
</tr>
<tr>
<td>Developing Future Leaders</td>
<td>• Promoting mental/emotional and physical health through sports</td>
</tr>
<tr>
<td></td>
<td>• Promoting creativity through engineering, manufacturing, and marketing</td>
</tr>
<tr>
<td>Environmental Conservation</td>
<td>• Environmental education for local communities</td>
</tr>
<tr>
<td></td>
<td>• Respecting biodiversity</td>
</tr>
<tr>
<td>Improving Traffic Safety</td>
<td>• Providing traffic safety education to the community</td>
</tr>
<tr>
<td></td>
<td>• Raising awareness</td>
</tr>
<tr>
<td><strong>Local Issues</strong></td>
<td></td>
</tr>
<tr>
<td>Community Issues</td>
<td>• Supporting the community with Yamaha Motor’s products, human resources, and know-how</td>
</tr>
</tbody>
</table>
In addition to contributing to society through its business activities, the Yamaha Motor group also undertakes social contribution initiatives by communicating with stakeholders in all countries and regions where group companies operate.

**Social Contribution Activity Examples**

- **Developing Future Leaders**
  - Australia
  - Cooperation with Variety, the Children’s Charity in Australia

- **Environmental Conservation**
  - Thailand / America
  - Global Afforestation Activities to Preserve the Environment

- **Improving Traffic Safety**
  - Indonesia
  - Yamaha Riding Academy (YRA) Held in Various Countries

- **Community Issues**
  - Philippines
  - Aid for Typhoon-Damaged Areas of the Philippines
Cooperation with Variety, the Children’s Charity in Australia

In Australia, YMA* collects funds each year to support the daily lives, health, and education of children who are sick, disadvantaged, or have special needs. The Yamaha Variety Jet Trek is a tour for Yamaha personal watercraft of various scenic locations held in cooperation with Variety, the Children’s Charity, and was held for the eighth time in 2013. Entry fees are donated to charity, enabling participants to enjoy picturesque scenery while also supporting the charity. The 2013 event brought together 60 personal watercraft and visited 11 towns, traveling a total of 667 kilometers and raising $125,000 in total.

* Yamaha Motor Australia Pty Limited
Global Afforestation Activities to Preserve the Environment

The Yamaha Motor Group is engaged in afforestation activities in cooperation with local governments in Japan and where it has local entities around the world. In Thailand, 114 employees of YPMT*1 collaborated with the environment promotion division of Chonburi Province, whose coastline faces the Gulf of Thailand, and planted 200 young mangrove trees to preserve the beautiful Sattahip seaside for future generations. In the United States, 60 employees of YMUS*2 planted cacti and participated in cleanup activities in the San Bernardino National Forest.

*1 Yamaha Motor Parts Manufacturing (Thailand) Co., Ltd.
*2 Yamaha Motor Corporation, U.S.A.
Yamaha Riding Academy (YRA) Held in Various Countries

One of the world's largest Yamaha Riding Academies for children (Kids-YSRS) was held in Indonesia in 2013, at the site of the Yamaha ASEAN Cup Race. With 500 elementary school students and their parents participating, 100 instructors from YIMM* taught traffic safety and allowed students to experience driving the PW50 and the TTR50. In addition to the children operating motorcycles for the first time, adults in attendance also got caught up in the enthusiasm generated.

* Yamaha Indonesia Motor Manufacturing
Community Issues

Aid for Typhoon-Damaged Areas of the Philippines

Representing the Yamaha Motor Group, on November 29, 2013, Yamaha Motor, YMPC, *1 and locally incorporated YMPH *2 presented emergency goods and Yamaha multi-purpose engines (with a value of ¥1 million) and a cash donation (a total of ¥13 million) to the ABS-CBN Lingkod Kapamilya Foundation, a highly regarded support organization in the Philippines.

As additional aid, YMPH and its employees distributed food supplies, including rice and water, and sanitary kits and other relief supplies (2,403 packages with a value of roughly ¥2.8 million), along with relief supplies collected by employees, in the damaged region. We will continue to support various efforts to bring about the recovery of the region and its people as quickly as possible.

*1 Yamaha Motor Powered Products Co., Ltd.
*2 Yamaha Motor Philippines, Inc.
Volunteer Activities

In addition to the social contribution initiatives that the Yamaha Motor Group conducts through its business activities, the Group also supports employee volunteer activities using a system that provides information via the Company intranet. Some specific initiatives from Japan are discussed below.

Employee Volunteer Activities Recognized at 38th President’s Awards

We initiated the “40,000 People’s V Campaign” in 2004 with the objective of raising awareness among employees about volunteering and also providing the required impetus for employees to participate in volunteer activities. The aim is for all employees to volunteer at least once a year, meaning that total participation in social contribution programs for the entire Group reaches 40,000 people. Participation in 2013 totaled 37,730, falling short of our 40,000 target, but we will analyze the circumstances behind this and continue to promote measures that foster a sense of volunteerism in employees.

The Yamaha Motor Group also holds regular President’s Awards to identify and recognize individuals or organizations that have contributed to business results and the enhancement of Yamaha brand value, as a way of providing motivation and encouragement to individuals and organizations. The criteria for selection are: “Achieving superior earnings or results through activities that are consistent with Yamaha Motor’s corporate mission and philosophy,” “Making a significant contribution to the enhancement of Yamaha brand value,” and “Making a major contribution to society.” In 2013, the award was presented to 20 persons from employee volunteer groups for “contributing to earnings and enhancing brand value by building and providing utility boats for the revival of fishing in Tohoku,” and the “Fun Engine Lab course on Monozukuri for children.”
<table>
<thead>
<tr>
<th>Growth that Harmonizes with the Environment</th>
<th>2013 Plans and Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Management</td>
<td>Reducing CO₂ Emissions</td>
</tr>
<tr>
<td>Reducing Environmentally Hazardous Substances</td>
<td>Reducing, Reusing, and Recycling</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>Environmental Communication</td>
</tr>
</tbody>
</table>

Growth that Harmonizes with the Environment
Introducing the approach and policies concerning 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.

The Yamaha Motor Group believes that the social responsibility of enterprises involved in the global supply of products which support mobility requires substantive measures to address these issues. We recognize that personal mobility, which constitutes the core of our business, will play a substantial role and we take into account harmony with the environment in all our business activities. 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.

*Smart Power: New power sources, primarily for electric vehicles, designed to create a new paradigm of mobility
# Growth that Harmonizes with the Environment

<table>
<thead>
<tr>
<th>Yamaha Motor Group Environmental Plan 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Action Areas</strong></td>
</tr>
<tr>
<td><strong>Eco Products</strong></td>
</tr>
</tbody>
</table>
| **Eco Operations** | Environmental preservation through global business activities that aim to minimize environmental impact | ● Reduce risks from environmentally hazardous substances  
 ● Implement green procurement |
| **Eco Management** | Environmental management through reinforcement of Group environmental governance systems | Create and operate Group-wide environmental management systems |
| **Eco Mind** | Environmental contributions through diverse initiatives that seek to create a sustainable environment | Change attitudes through continuous environmental education |

### Priority Actions

- **Eco Products**
  - Reduce risks from environmentally hazardous substances
  - Implement green procurement

- **Eco Operations**
  - Reduce emissions of greenhouse gases
  - Implement the 3 R’s through the 3 E’s (3 Es: Easy to make, Easy to repair, Easy to disassemble)  
  - Reduce water consumption (3 Rs: Reduce, Reuse, Recycle)

- **Eco Management**
  - Link Group-wide operations with local activities

- **Eco Mind**
  - Proactively disclose information from an environmental perspective
  - Identify environmentally hazardous substances and support the use of alternatives
  - Support the effective use and recycling of limited resources
  - Reduce CO₂ emissions per unit of sales by 1% (annual average)
  - Change attitudes through continuous environmental education
  - Support the effective use and recycling of limited resources
  - Link Group-wide operations with local activities

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<table>
<thead>
<tr>
<th>Action Areas</th>
<th>Priority Actions</th>
<th>2013 Plans</th>
<th>2013 Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eco Products</strong></td>
<td>Raise environmental attractiveness through product development from the perspectives of the environment and customers</td>
<td>Develop products to raise environmental attractiveness</td>
<td>Implemented in the medium-term plans of each business unit</td>
</tr>
<tr>
<td>Reduce risks from environmentally hazardous substances</td>
<td>Reduce risks from environmentally hazardous substances CO₂ emissions assessment and reduction</td>
<td>Each group company to reduce emissions by 1% (annual average) per unit of sales</td>
<td>Group companies have set a target of a 1% reduction in CO₂ emissions intensity per year and are working to reduce greenhouse gases in their overall business activities.</td>
</tr>
<tr>
<td>Reduce emissions of greenhouse gases</td>
<td>Reduction of CO₂ emissions from manufacturing processes</td>
<td>Reduce by 4% per unit of sales compared with 2009</td>
<td>19% reduction in emissions intensity (goal achieved)</td>
</tr>
<tr>
<td></td>
<td>Reduction of CO₂ emissions from distribution operations</td>
<td>Reduce by 1% (annual average) per unit of sales</td>
<td>1.4% worsening (year on year)</td>
</tr>
<tr>
<td></td>
<td>VOC reduction</td>
<td>Maintain level of VOC emissions per consumption rate to prevent deterioration from 2010</td>
<td>Continuation of reduction activities</td>
</tr>
<tr>
<td>Implement green procurement activities</td>
<td>Green procurement activities</td>
<td>Adhere to rules regarding prohibited or restricted substances (zero harmful substances in our products)</td>
<td>Conducted green procurement in accordance with the applicable laws and regulations of each country and voluntary industry standards</td>
</tr>
<tr>
<td>Reduce water consumption</td>
<td>Reduce water consumption</td>
<td>Understand actual water consumption status of group companies</td>
<td>Investigation of water consumption status completed at 77 of 83 target companies (93%)</td>
</tr>
<tr>
<td><strong>Eco Operations</strong></td>
<td><strong>Implement the 3 R’s through the 3 E’s</strong></td>
<td><strong>Promotion of 3 R’s in product development</strong></td>
<td>Reusing/recycling initiatives</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Keep waste materials for direct/indirect landfill disposal to 0 tons</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Achieve recycling rate of 100% in manufacturing processes</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Reduce packaging materials, making 68% of packaging materials returnable</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Goal achieved with 72.3% returnable rate</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Eco Management</strong></td>
<td>Create and operate Group-wide environmental management systems</td>
<td>Increase number of companies using integrated certification system (target: 14 companies)</td>
<td>Result: 14 companies Preliminary activities undertaken by the companies, which will use integrated certification system in 2014</td>
</tr>
<tr>
<td>Reassess self-certification system with aim of adopting fee-paying system</td>
<td></td>
<td>Proposals and system amendments approved by Environment Committee</td>
<td></td>
</tr>
</tbody>
</table>
## 2013 Plans and Performance

### Eco Mind

<table>
<thead>
<tr>
<th>Action Areas</th>
<th>Priority Actions</th>
<th>2013 Plans</th>
<th>2013 Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expansion and support of diverse Eco activities</strong></td>
<td>Achieve 67% participation rate in eco-commuting</td>
<td>Participation rate in eco-commuting reached 70.7%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Establish the Eco Point system</td>
<td>Number of persons participated in activities under the Yamaha Eco Point system: 6,024 (system firmly in place)</td>
<td></td>
</tr>
<tr>
<td><strong>Change attitudes through continuous environmental education</strong></td>
<td>Provide environmental education in each segment</td>
<td>Implemented for new employees, general employees, supervisors and general managers</td>
<td></td>
</tr>
<tr>
<td><strong>Communication with communities</strong></td>
<td>Continue participation of a cumulative total of 40,000 Yamaha Motor group people in the 40,000 People’s V Campaign</td>
<td>Target not reached in 2013, with participation by 37,730 persons (down 5.9% from 2012), partly affected by environmental events canceled due to rain</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Give lectures on corporate environmental initiatives at community events and schools</td>
<td>Gave lectures on corporate environmental initiatives at two universities in Shizuoka Prefecture</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Continue environmental preservation activities in concert with local municipalities and other corporations</td>
<td>Participated in tree thinning in areas planted by Iwata City, beach cleanup program in Hamamatsu City, a cleanup campaign for Lake Hamana in Kosai City, a cleanup activity for Lake Hamana and other programs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Participate in events intended to improve communication with local communities</td>
<td>Held dialogues with local governments</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Participated at environmental events sponsored by local non-profit organizations (communication with non-profit organizations and local residents)</td>
<td></td>
</tr>
<tr>
<td><strong>Preserve ecosystems</strong></td>
<td>Loggerhead sea turtle preservation activities Eco-system monitoring activities</td>
<td>Cooperation in loggerhead sea turtle preservation activities and monitoring aimed at protecting endangered orchids and Penthorum chinense at Kikugawa Test Course site and in natural parks</td>
<td></td>
</tr>
<tr>
<td><strong>Communicating environmental information in relation to products, technologies, and services</strong></td>
<td>Disclose information on environmental products</td>
<td>Exhibited environmental products at Yamaha Communication Plaza</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Promote environmental product information dissemination</td>
<td>Ongoing disclosures on the company website of environmental information for each motorcycle model and information on 3R designs, and motorcycle/FRP recycling systems, etc.</td>
<td></td>
</tr>
</tbody>
</table>
Organizational Structures for Promoting Environmental Management

Within the Yamaha Motor Group, the Environment Committee is positioned as a central organization in the implementation of domestic and overseas environmental initiatives and receives counsel from Chief General Managers who are responsible for those initiatives. 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 Yamaha Motor Group Organizational Structure for Environmental Planning and Promotion

[Diagram showing the organizational structure with the Environment Committee at the top, followed by divisions for different regions such as Japan, North America, Europe, Oceania, Asia, Central & South America, and China, each with specific working groups for environmental initiatives like reduction of CO2 emissions from product logistics, energy saving, waste reduction, and paint VOCs.]
Environmental Management

Environmental ISO Certification: 
Unifying 39 Companies Around the World (as of December 31, 2013)

Yamaha Motor began work in April 2012 to receive single registration of the ISO 14001 environmental management system installed at Group companies in Japan and around the world. Currently, 39 Yamaha Motor Group companies in Japan, Europe, North and South America, ASEAN countries, China, Taiwan, and India have installed the system and have been individually inspected by certification bodies. By unifying globally with one certification body, we expect to enhance corporate governance through centralized management, raise the level of our environmental activities, and significantly reduce costs through greater efficiency.

Global Environmental Information Network System (GYECOS)

The Yamaha Motor Group uses a proprietary global environment information network system known as G-YECOS to share information concerning activities related to its environmental management systems and environmental performance, promoting two-way communication throughout the Group. As of December 31, 2013, G-YECOS was in operation at 84 domestic and overseas companies, and has been introduced at all target companies.

Integrated Management System Audits

In 2011, Yamaha Motor commenced operations of its environmental and safety management systems. In the ensuing two years, we have unified various shared processes, including internal audits and document management. The result has been a remarkable improvement in efficiency compared with the previous method, in which tasks were undertaken individually. It has also helped us foster multi-talented human resources well-versed in both environmental and safety-related matters.

Environmental Management Costs

Yamaha Motor discloses quantitative information concerning its environmental preservation measures and calculates environmental costs and the effects of these costs based on the Environmental Accounting Guidelines of Japan’s Ministry of the Environment (2005 edition) so that it can conduct more effective environmental management.

Total environmental costs, including capital investment and operating costs, were approximately 6.7 billion yen in 2013, an increase of approximately 30% from the previous year. Pollution prevention cost (18%), Global environment preservation cost (89%), R&D costs (36%), and social activity costs (16%) increased. Resource recycling cost (25%), administration cost (24%) and environmental remediation costs (49%) decreased.
## Environmental Management

2013 Environmental Costs and Economic Effects (The scope of environmental accounting is the YMC integrated management system.)

<table>
<thead>
<tr>
<th>Category</th>
<th>Environmental Costs</th>
<th>Economic Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment</td>
<td>Cost</td>
</tr>
<tr>
<td>Pollution prevention cost</td>
<td></td>
<td>321</td>
</tr>
<tr>
<td>Global environment preservation cost</td>
<td>212</td>
<td>383</td>
</tr>
<tr>
<td>Resource recycling cost</td>
<td>1</td>
<td>151</td>
</tr>
<tr>
<td>Subtotal</td>
<td>241</td>
<td>684</td>
</tr>
<tr>
<td>Upstream/Downstream costs</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>Administration costs</td>
<td>8</td>
<td>275</td>
</tr>
<tr>
<td>R&amp;D costs</td>
<td>203</td>
<td>5,285</td>
</tr>
<tr>
<td>Social activity costs</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Environmental remediation costs</td>
<td>0</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>452</td>
<td>6,264</td>
</tr>
</tbody>
</table>

Unit: Millions of yen. Figures may not add up due to rounding.

- R&D costs do not include product development premised on sales.
- Economic effects do not include deemed effects such as risk avoidance and enhancement of corporate image.
- Calculations are on a cash flow basis and do not include depreciation or reserves.
### Environmental Preservation Effects

<table>
<thead>
<tr>
<th>Category</th>
<th>Within FY</th>
<th>Full-year equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced energy (GJ)</td>
<td>11,942</td>
<td>23,216</td>
</tr>
<tr>
<td>Reduced CO₂ (t-CO₂)</td>
<td>674</td>
<td>1,364</td>
</tr>
<tr>
<td>Conserved water (t)</td>
<td>44,776</td>
<td>87,776</td>
</tr>
<tr>
<td>Reduced waste (t)</td>
<td>1,173</td>
<td>1,175</td>
</tr>
<tr>
<td>Reduced VOC (t)</td>
<td>31</td>
<td>32</td>
</tr>
</tbody>
</table>

All of the environmental preservation effects are estimated based on environmental conservation costs.

- Reduced energy: effects of reducing electricity, oil, gas, etc., are corrected in the unit of energy
- Effect of reducing CO₂: effect of reducing energy origin CO₂

### Change in Environmental Costs

<table>
<thead>
<tr>
<th>Category</th>
<th>Investment</th>
<th>Cost</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business area costs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pollution prevention cost</td>
<td>93</td>
<td>15</td>
<td>69</td>
</tr>
<tr>
<td>Global environment preservation cost</td>
<td>105</td>
<td>100</td>
<td>172</td>
</tr>
<tr>
<td>Resource recycling cost</td>
<td>8</td>
<td>13</td>
<td>1</td>
</tr>
<tr>
<td>Subtotal</td>
<td>206</td>
<td>128</td>
<td>241</td>
</tr>
<tr>
<td>Upstream/Downstream costs</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Administration costs</td>
<td>0</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>R&amp;D costs</td>
<td>120</td>
<td>189</td>
<td>203</td>
</tr>
<tr>
<td>Social activity costs</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Environmental remediation costs</td>
<td>0</td>
<td>0</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>326</td>
<td>325</td>
<td>452</td>
</tr>
</tbody>
</table>

Unit: Millions of yen
## Change in Economic Effects

<table>
<thead>
<tr>
<th>Category</th>
<th>2011 Fiscal year-end</th>
<th>2012 Fiscal year-end</th>
<th>2013 Fiscal year-end</th>
<th>2011 Calendar year-end</th>
<th>2012 Calendar year-end</th>
<th>2013 Calendar year-end</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business area costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pollution prevention cost</td>
<td>22</td>
<td>22</td>
<td>18</td>
<td>18</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Global environment preservation cost</td>
<td>22</td>
<td>41</td>
<td>31</td>
<td>53</td>
<td>19</td>
<td>43</td>
</tr>
<tr>
<td>Resource recycling cost</td>
<td>31</td>
<td>31</td>
<td>24</td>
<td>27</td>
<td>42</td>
<td>42</td>
</tr>
<tr>
<td>Subtotal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>76</td>
<td>95</td>
<td>73</td>
<td>98</td>
<td>79</td>
<td>103</td>
</tr>
<tr>
<td>Upstream/Downstream costs</td>
<td>0.4</td>
<td>0.4</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Administration costs</td>
<td>5</td>
<td>5</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>R&amp;D costs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Social activity costs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Environmental remediation costs</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>81</td>
<td>100</td>
<td>75</td>
<td>100</td>
<td>82</td>
<td>106</td>
</tr>
</tbody>
</table>

Unit: Millions of yen
As a manufacturer of motorcycles and other transportation machinery, the Yamaha Motor Group considers the reduction of greenhouse gas emissions to be the most critical environmental issue facing the world today.

We are targeting an annual 1% reduction in CO₂ emissions per unit of sales as a common goal for the entire Group, and are working to reduce emissions in all of our business activities including product development and manufacturing. In 2013, we reduced CO₂ emissions per unit of sales by 14% compared with 2012, and despite an increase in production volume, the Group’s CO₂ emissions were reduced by two thousand tons, to 619 thousand tons. Going forward, we will work to reduce greenhouse gas emissions effectively, by monitoring efforts to reduce energy usage at Group companies in Japan and overseas, and providing support to Group companies.

### Yamaha Motor Group CO₂ emissions

![Graph showing CO₂ emissions](image)

### Yamaha Motor Group CO₂ emissions by region

![Graph showing CO₂ emissions by region](image)
Reducing CO₂ Emissions at the Manufacturing Stage

Yamaha Motor’s 2013 target for all of its manufacturing facilities was a 4% reduction in CO₂ emissions per unit of sales compared with 2009 (equivalent to 84 thousand t-CO₂ in total CO₂ emissions). However, we easily surpassed that, achieving a 19% reduction in CO₂ emissions per unit of sales (down to 74 thousand t-CO₂). In addition, new energy sources such as solar power and natural gas cogeneration accounted for 41 thousand MWh (21% of total electric power consumption), resulting in a 13 thousand t-CO₂ reduction (thermal power generation conversion). We are committed to continuing the introduction of energy-saving devices and improving our operational management system.

CO₂ emissions and CO₂ emissions per unit of sales at the manufacturing stage at Yamaha Motor

Use of new energy sources* by Yamaha Motor

*In accordance with Japan’s “Act on Special Measures for the Promotion of New Energy Use, etc.,” Yamaha Motor regards solar power, wind power, and natural gas cogeneration as three innovative technologies with a high degree of application and refers to them as “new energy.”

Note: In 2012, as part of peak shaving activities, we increased new energy use by increasing natural gas cogeneration output.
Power Generation System Using Solar and Wind Power at Factories

Yamaha Motor is installing power generation systems that use solar and wind power. The Nakaze Factory, which forms and paints motorcycle exterior parts, installed solar and wind power generation systems for concurrent operation in 2008, the first installation of its kind by Yamaha Motor. Along with the solar generation systems installed at other factories, 402 MWh of total power was generated, reducing CO₂ emissions by approximately 277 tons in 2013. The power is used for lighting and air conditioning in the office buildings at the factories.

Solar generation system introduced through a joint research project with NEDO (Nakaze Factory)

Vertical wind power generation system, which is quieter than the propeller type (Nakaze Factory)

Fukuroi Factory
Morimachi Factory

Installation of a New Heat Pump Heating System (Hamakita Factory)

Our Hamakita Factory installed a new heat-pump-type heating system to reduce the electricity consumption of washing equipment. With this system, we were able to reduce electricity consumption by 25% compared with conventional electric heaters. This is the second Yamaha Motor factory to use this system, after the Fukuroi Minami Factory, which installed a heat pump system in 2011.

Going forward, we plan to introduce heat-pump-type heating systems in factories in other countries and regions.
Reducing CO₂ Emissions at the Distribution Stage

Yamaha Motor has established the goal of "Improving transportation efficiency by 1% a year (compared with 2006)" for all divisions. Yamaha Motor’s basic approach is to implement measures beginning with those that will have the greatest CO₂-limiting impact while balancing the energy conservation benefit with cost benefit. Yamaha Motor has also established a working group that centrally promotes CO₂ emissions reduction in distribution.

In 2013, emissions worsened by 4.5% compared with the base year due to an ongoing increase in shipments of utility boats to northeastern Japan. Yamaha Motor will continue enhancing long-distance product transport and examining its distribution methods. We will also implement measures to improve transport efficiency, including the sharing of activity details of relevant divisions.

### CO₂ emissions in distribution at Yamaha Motor

<table>
<thead>
<tr>
<th>Year</th>
<th>Product Distribution</th>
<th>Production Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>1.4</td>
<td>9.2</td>
</tr>
<tr>
<td>2011</td>
<td>0.8</td>
<td>7.8</td>
</tr>
<tr>
<td>2012</td>
<td>0.8</td>
<td>6.2</td>
</tr>
<tr>
<td>2013</td>
<td>0.6</td>
<td>6.0</td>
</tr>
</tbody>
</table>

### Transport efficiency at Yamaha Motor

<table>
<thead>
<tr>
<th>Year</th>
<th>Efficiency (kL/thousand ton-km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>0.0592</td>
</tr>
<tr>
<td>2011</td>
<td>0.0589</td>
</tr>
<tr>
<td>2012</td>
<td>0.0608</td>
</tr>
<tr>
<td>2013</td>
<td>0.0619</td>
</tr>
</tbody>
</table>

*Unit volume calculated by converting the fuel energy necessary to move 1 ton of freight 1 km into crude oil.
Reducing CO₂ Emissions from Products

The Yamaha Motor Group comprehensively assesses the environmental impact of its products throughout their entire life cycle, including their development, production, usage, and disposal phases. Since the products Yamaha Motor manufactures emit the largest volume of CO₂ during the usage phase, we are actively taking steps to reduce the amount of CO₂ emitted during use.

Going forward, we will continue our efforts to reduce CO₂ emissions by improving product fuel efficiency.

New model of FAZER, developed as next-generation industrial-use unmanned helicopter, released in early November 2013

The FAZER was developed with the main features of 1) maintaining a stable payload; 2) offering a highly adaptable next-generation body platform; and 3) being compliant with future environmental regulations, as a product that can contribute to the “offensive agriculture” that is part of our growth strategy for Japan. The FAZER also has the capacity and utility to be adaptable overseas for use in agriculture and in measuring, monitoring, and surveying.

This new model builds on previous models with 1) increased engine output (+24% compared with previous models) for heavier load capacity (+50%); 2) a newly designed transmitter and new control system for improved operability; and 3) a 4-stroke engine with fuel injection for clean exhaust and low noise.

Environmental Features

- Reduced noise: 75dB → 70dB
  (Yamaha Motor’s measurement, from a distance of 50 meters)
- Reduced fuel consumption
  Fuel consumption rate reduced by 20% (approx. 20 litres/day)
- Improved emission performance
  The 4-stroke engine reduces hydrocarbons by more than 65%
Reducing CO₂ Emissions from Products

The Yamaha Motor Group comprehensively assesses the environmental impact of its products throughout their entire life cycle, including their development, production, usage, and disposal phases. Since the products Yamaha Motor manufactures emit the largest volume of CO₂ during the usage phase, we are actively taking steps to reduce the amount of CO₂ emitted during use.

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Yamaha Motor Group CO₂ Emissions Data

Yamaha Motor Group CO₂ Emissions Data (By Energy Source)

Yamaha Motor Group CO₂ Emissions Data (By Area)

Yamaha Motor Group CO₂ Emissions Data (Top 10 Countries)

As a manufacturer of motorcycles and other transportation machinery, the Yamaha Motor Group considers the reduction of greenhouse gas emissions to be the most critical environmental issue facing the world today.

We are targeting an annual 1% reduction in CO₂ emissions per unit of sales as a common goal for the entire Group, and are working to reduce emissions in all of our business activities including product development and manufacturing. In 2013, we reduced CO₂ emissions per unit of sales by 14% compared with 2012, and despite an increase in production volume, the Group’s CO₂ emissions were reduced by two thousand tons, to 619 thousand tons. Going forward, we will work to reduce greenhouse gas emissions effectively, by monitoring efforts to reduce energy usage at Group companies in Japan and overseas, and providing support to Group companies.
Reducing Environmentally Hazardous Substances

Reducing PRTR* Substances

In accordance with various countries’ regulations, the Yamaha Motor Group tracks and reports the content of chemical substances that may be harmful to human health or the environment in the waste materials it generates or discharges. More than 99% of the PRTR substances released by Yamaha Motor are VOCs**, most of which are generated in painting processes.

In 2013, we upgraded the painting booth at our main Iwata Factory, which now uses low-VOC paints. At other factories, as well, we are reducing VOC emissions through optimization of the paint robot system and other means.

We plan to continue reducing VOC volumes by promoting expanded use of low-VOC paints, improving coating efficiency, and reducing paint volumes.

Trends in VOC release

Average of VOC emissions per unit area (unit: g/m²)

![Graph showing trends in VOC release from 2011 to 2013]

*PRTR: Pollutant Release and Transfer Register
**VOCs: Volatile Organic Compounds

Complying with the REACH Regulation

In response to the enactment of Europe's Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation in June 2007, the Yamaha Motor Group is strengthening its chemical substance management. We will continue to share pertinent information throughout our entire supply chain, and strive to further enhance the management of chemical substance information.
Reducing, Reusing, and Recycling

The 3 R’s 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.

We are adopting various approaches to conserve natural resources and enhance recycling efficiency. In addition to actively utilizing recyclable materials, we are reducing the number of parts 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.

Measures to Reduce Waste and Conserve Resources at the Manufacturing Stage

In 2013, Yamaha Motor generated a total of 22 thousand tons of industrial waste. Waste is appropriately processed through material recycling and thermal recycling. As a result, Yamaha Motor has been able to continuously achieve 0 tons of direct/indirect landfill waste (a recycling rate of 100%).
Reducing, Reusing, and Recycling

3R Designs and Product Recycling

The Yamaha Motor Group is actively adopting designs based on the 3R concept (Reduce, Reuse, Recycle) for various products. In Japan, we are continuing operation of the Motorcycle Recycling System in cooperation with other industry firms to facilitate appropriate processing of end-of-life motorcycles by dealers.

Example of 3R Design (model released in 2013)

BOLT

[Headlight] Adapted LEDs for longer life

[Frame] Smaller and lighter due to design optimization

[Battery box] Made of recycled PP resin

[Wire harness fixture] Use of rubber bands enabling recycling

[Breather pipe fixture] Easy to dismantle through use of resin rivets and grommets

3R Initiatives in Spare Parts Distribution

The Yamaha Motor Group is taking various steps to reuse and recycle resources and reduce resource usage during parts distribution. For example, we are implementing snugly interfitted packing inside cargo containers (thus increasing loading density and reducing the number of containers necessary), increasing the number of regions that use returnable shipping pallets with the start of operations at the Latin America distribution center (thus increasing reuse rate), and manufacturing returnable pallets from the plastic resins discharged from our sites (thus recycling the waste materials within sites). In 2013, Yamaha Motor achieved a 72% returnable rate for export containers, maintaining the level of the previous year.
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Percentage of returnable Yamaha Motor parts containers for overseas shipment

Measuring and Reducing Water Resources

The Yamaha Motor Group endeavors to measure the amount of water resources it uses. The Group used 6.76 million m³ of water resources in 2013, of which 2.71 million m³ (40.1%) was industrial water and 2.67 million m³ was underground water.

We strive to use limited water resources effectively, including through recycling. We will continue to strive to measure our global use of water resources, and reduce our water resource consumption through programs including the reuse of coolant water and water collection (rainwater and other sources) at factories.

Water Resource Consumption at the Yamaha Motor Group
Reducing, Reusing, and Recycling

Yamaha Motor water consumption

Water consumption (unit: 10,000 m³)

- **Groundwater**
- **Tap water**
- **Industrial water**

<table>
<thead>
<tr>
<th>Year</th>
<th>Groundwater</th>
<th>Tap water</th>
<th>Industrial water</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>109.9</td>
<td>14.8</td>
<td>15.0</td>
</tr>
<tr>
<td>2012</td>
<td>117.2</td>
<td>14.0</td>
<td>15.4</td>
</tr>
<tr>
<td>2013</td>
<td>125.3</td>
<td></td>
<td>16.0</td>
</tr>
</tbody>
</table>

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Biodiversity

Yamaha Motor is maintaining wildlife diversity as well as preserving the environment through measures such as protecting a certain swath of existing vegetation around the perimeter of the test course. In 2008, before construction started, the Company conducted an environmental assessment of the site and surrounding area. In the following year, 2009, a Natural Environment Conservation Agreement was prepared. This became the basis for the preservation of plants (six species), mammals (one species), birds (four species) and fish (one species) identified from amongst those species listed in the Shizuoka Prefecture Red Data Book (Classification: Vulnerable, and Near Threatened). Yamaha Motor submitted the agreement to the related department of the Shizuoka Prefectural Government in 2010. We continue to monitor the environmental impact of the test course, which began operation in 2013.

Beach Cleanup and Baby Turtle Watching Event

Since 1991, the Yamaha Motor Group has held a beach cleanup and baby loggerhead sea turtle watching event at Nakatajima Sand Dunes (in the southern part of Hamamatsu, Shizuoka Prefecture), where endangered loggerhead sea turtles come to lay their eggs. Around 250 persons including employees, family members, and friends participated in the 24th beach cleanup event, held in May 2013.
Biodiversity

Water Vehicle Cleanup Campaign at Lake Hamana

Yamaha Motor sponsors a biannual cleanup campaign at Lake Hamana in Shizuoka Prefecture to preserve the lake’s natural habitat. Using the Company’s boats, personal watercraft, and other water vehicles, 60 participants, including employees from the Water Vehicle Business Unit, collected trash and debris in and around the lake.
Environmental Communication

In order to help achieve sustainable growth for local communities and coexistence with the global environment while providing our products and services, the Yamaha Motor Group believes that it is important to promote environmental protection activities and to strengthen cooperation with all of our stakeholders through obtaining their understanding and participation. We also believe that clearly communicating to the world our approach to environmental preservation is one of our corporate social responsibilities.

With the goal of “being trusted and esteemed as a corporate citizen by local communities” in the Yamaha Motor Group Environmental Plan 2020, we are strengthening our communication with stakeholders by holding environmental symposiums in response to external requests regarding our environmental activities (such as eco-commuting, beach cleanups, and the Baby Turtle Watching Event) and by disseminating information through CSR reports and other means.

Yamaha Motor has promoted eco-commuting initiatives since 2004. It now has 12 sites registered under the Excellent Eco-Commuting Business Site Accreditation System of Japan’s Ministry of Land, Infrastructure, Transport and Tourism (MLIT). The Company’s ongoing efforts were recognized by the Ministry, receiving an MLIT award for environmental protection excellence in the transport industry in December 2013.

Introducing the Eco Point System

One of the goals of the Yamaha Motor Group Environmental Plan 2020 is to have “every Group member strongly motivated to proactively participate in environmental programs.” To help group members achieve this goal, Yamaha Motor introduced an Eco Point System in January 2008. This system established an index that assigns points to environmental activities and allows members to select eco prizes according to the number of activities conducted and the number of points earned in one year. In 2013, participation in this program reached 6,024 persons (the number of persons who participated in activities included in the system).

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.
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Around 100 employees participated in the 36th Lake Hamana cleanup campaign

“Green curtain” at Nakase

Yamaha Motor holds a regular event, displaying the installation of a “green curtain” made of bitter melon vines at its Nakase Factory as a global warming countermeasure. The curtain reduces the outside temperature by 5–6 degrees, which helps conserve electricity.
## ISO26000 Reference Table

<table>
<thead>
<tr>
<th>ISO 26000 Core Subjects</th>
<th>Issues</th>
<th>Web Links</th>
</tr>
</thead>
</table>
| **Organizational Governance** | | | • Approach to CSR  
• Basic Policies of CSR  
• Corporate Governance |
| **Human Rights** | | |  
1 Due diligence | • Workplaces Thriving on Diversity  
• Internal Reporting Systems (Hotlines)  
• Activities in Supply Chains |
| | | |  
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 | • Developing Human Resources  
• Supporting Work-Life Balance  
• Workplace Safety and Health  
• Supporting Employees in Maintaining a Healthy Mind and Body  
• SPECIAL FEATURE 2: Paving New Roads Together with Indian Society (Supporting women’s increased public role) |
| | | |  
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 | • Growth That Harmonizes with the Environment  
• Environmental Management  
• Reducing CO₂ Emissions  
• Reducing Environmentally Hazardous Substances  
• Reducing, Reusing, and Recycling  
• Biodiversity  
• Global Afforestation Activities to Preserve the Environment |
| | | |  
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 | • Activities in Supply Chains  
• Activities at Dealerships |
| | | |  
2 Responsible political involvement |  
3 Fair competition |  
4 Promoting social responsibility in the value chain |
| | | |  
5 Respect for property rights |
## ISO26000 Reference Table

| Consumer Issues | 1  | Fair marketing, factual and unbiased information and fair contractual practices |
|                | 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 |
|                                         | 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 |

- Offering New Excitement
- Customer Service
- Riding Safety Promotion Activities
- Thorough Import and Export Management
- Initiatives for Protection of Personal Information
- Important Areas of Activities Contributing to Society
- SPECIAL FEATURE 3: Yamaha Clean Water Supply System