Branding and Design Bringing Happiness to All

In addition to its roles in product and advanced design, the Creative Center promotes activities for proposing value in a new era with the aim of creating synergies with our brand marketing functions. In order to achieve our Long-Term Vision for 2030 of “ART for Human Possibilities: Let’s strive for greater happiness,” instead of viewing everything—from the formulation of management plans and the development of products and services to marketing—as separate, individual activities, we regard them all as “branding” and carry out all of them with equal importance and creativity. I regard this approach as our response to the expectations placed upon Yamaha Motor—long known for its design—as well as our mission and role in bringing greater happiness to all.

The Company believes that an important objective of management is to further raise the value of the Yamaha brand and make it shine. Based on our view that design contributes to management and branding, we established the Design Center in fiscal 2012 before restructuring it as the Creative Center in fiscal 2020 to boost the drivers of the brand, and we engage in a range of initiatives aimed at enhancing brand value.

Branding Connecting the History of the Unique Style of Yamaha to the Future

In conducting our internal branding, we use our Innovation Map that lays out everything from how the unique style of Yamaha has evolved over the years to our Long-Term Vision in a single connected visual narrative. This highlights and describes key individual events across the Company’s history, from our founding and onward to the future, and displays how they are all related, making it easy to grasp how our tradition of innovation has evolved. Encouraging employees to feel closer to the Company and the brand helps create a collective mindset for achieving the Long-Term Vision.

Shifting from Designing Products to Designing “Meaning”

Based on the unique perspective we have from our history and future prospects that are ours alone, we engage in design while asking ourselves what kind of value holds meaning for people’s happiness and what are truly meaningful solutions for society. Specifically, we move forward by collaborating with the various business departments in a workshop format. Interpreting the new “meaning” required for the upcoming era, we conduct design accounting for everything from business strategies and the product itself to our touchpoints with customers and society. We believe that doing so is what will allow more people around the world to identify with the types of value and solutions we offer. By “meaning,” we are referring to the fundamental part of value that lies behind our products and services. This is not simply about a product being “cool” or “beautiful.” I believe there is value to be found in design that targets the feeling of satisfaction that comes from the sense of pride or belonging—or even social consciousness—that develops by experiencing and owning a product.

The needs of modern customers are changing and becoming increasingly sophisticated. The role of the Creative Center is to satisfy those needs and bring happiness not just to our customers but to people and the world. To that end, we are engaged in a diverse array of initiatives with uniquely Yamaha approaches.

Creative Branding & Design

The Company believes that an important objective of management is to further raise the value of the Yamaha brand and make it shine. Based on our view that design contributes to management and branding, we established the Design Center in fiscal 2012 before restructuring it at the Creative Center in fiscal 2020 to boost the drivers of the brand, and we engage in a range of initiatives aimed at enhancing brand value.
Autonomous Branding—an Approach Balancing Diversity with Consistency

Autonomous Branding—the autonomization of branding activities—is an approach unique to Yamaha Motor and forms one of the foundations of its branding. Autonomous Branding is an initiative based on the unique style of Yamaha in which each involved party takes ownership of creating their own framework and carries out branding with the attitude of “divers but one at heart.” We believe that the unique style of Yamaha is the goal that we must pursue and that the methods for doing so must also be uniquely Yamaha at the same time.

We apply this thinking in the design field as well, developing designs that still retain consistency throughout our wide-ranging product lineup to achieve things only Yamaha Motor can in a creative manner. This is how we create and imbue “meaning” in our work.

Case Study of Activities with Kyoto University:
Culture Creation Process for Motorcycles

Activity Examples

Branding Activities during the COVID-19 Pandemic
We created a special logo to embody and communicate our hopes that our stakeholders and fans around the world will overcome this crisis together and return to spending their days with bright smiles and laughter.

Designing a Sense of Stability for Urban Mobility
Tricity 300
The great advantage of a Leaning-Multi-Wheel (LMW)* model’s two front wheels is the sense of stability and front-end confidence it offers riders. The Tricity 300 was designed to express the dynamic performance and agility behind that feeling as well as the meaning people seek in mobility for urban settings.

In line with its design concept of “Your Right Hand” (for supporting your work or business), the Tricity 300’s design employs an inverted trapezoid silhouette to balance the power of its 292cc engine with the sense of stability afforded by the LMW linkage.

* Learning Multi-Wheel: Yamaha Motor’s designation for vehicles with three or more wheels that lean like a motorcycle through turns (Japan Patent Office Trademark #5646157)

Collaborations between Industry and Academia to Design “Meaning”
From our corporate mission of creating Kando, we are working together with cutting-edge research institutes in Japan and abroad in a collaborative effort between industry and academia. This research matches Yamaha Motor's experience and accumulated “ART” with science to ask what kind of Kando resonates with people's hearts and society and what must be done to create it. This enables us to not only design what brings happiness to people and society from the core but also allows us to design new value from possibilities that people are still not aware of. From these endeavors, we gain an understanding of what holds “new meaning” for customers and the crucial elements for creating experiential value and happiness for the next generation.

Yamaha VR Marina
Through a unique approach, we are moving forward with the research and implementation of our Design DX to innovate the processes in product development under the “Y-DX2: Strengthen the Present” action theme. We employed digital technology to launch the Yamaha VR Marina, a virtual showroom that we unveiled at the Japan International Boat Show in April 2020. Even those not able to visit the show in person could still see every detail of our boats, as if they were actually there.

Yamaha VR Marina

ART
Experience and Emotion

Science
Sociological analysis
Psychological analysis

Case Study of Activities with Kyoto University:
Culture Creation Process for Motorcycles

Yamaha VR Marina

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The environment for mobility is said to be undergoing a once-in-a-century revolution, including efforts to achieve carbon neutrality, the major steps made toward “connected, autonomous, shared, and electric” (CASE) vehicles, and new electric vehicle (EV) manufacturers joining the industry. Yamaha Motor is conducting research and development to address and bring change to a variety of mobility-related societal issues. The Company is also pursuing the development of technologies that bring fun to mobility, one of the intrinsic values of personal mobility, while never straying from the unique style of Yamaha.

We will create mobility that brings greater happiness to people with R&D aimed at addressing societal issues as our top priority.

Yamaha Motor’s Course of Action for Achieving Carbon Neutrality

Various governments and numerous companies have set targets for achieving carbon neutrality between 2030 and 2060. Nonetheless, as carbon-based emissions are deeply embedded in our lives, achieving a carbon-free world is expected to present daunting challenges. Toward achieving carbon neutrality in mobility, many technologies and approaches are being examined, from hybrid electric vehicles (HEVs), plug-in hybrid electric vehicle (PHEVs), and fuel-electric vehicles (FCEVs) to fuel-cell vehicles (FCEVs) and synthetic liquid fuel. However, when assessing things from a product life cycle perspective, the cleanliness levels of the energy sources utilized in production processes and during product use exert a significant environmental impact, making the shift away no easy task. In addition, for smaller and lighter forms of mobility like motorcycles, the issues of luggage capacity and purchase price weigh in more heavily than they do for automobiles, which makes finding optimal solutions incredibly difficult. It will be hard to maintain the value presented by conventional forms of personal mobility with the technological methods currently under consideration. For that very reason, we believe we must create personal mobility with new forms that also offer new value.

The Fun of Mobility Itself Is a Key Value

Today, as the value of mobility is being reassessed, what lies at the center of this is a tendency to focus on making mobility easier and more relaxed, for example, as symbolized by the CASE movement. CASE places value on safely reaching a destination by automatic means and in a shorter time. However, we believe that a key value of personal mobility is the fun of mobility itself. Needless to say, while the resolution of societal issues is a top priority, what we want to aim for is fun and eco-friendly mobility that is there and ready for you when a sunny day and good mood entice you to go out for a quick jaunt. The key phrase of our Long-Term Vision is “Let’s strive for greater happiness.” Guided by this phrase, we will create mobility that brings greater joy while tackling societal issues in the unique style of Yamaha.

Our Four Core Competencies for Creating Next-Generation Mobility

Our four core competencies are our platform for creating mobility that brings greater happiness. We are advancing the development of next-generation mobility by fully applying all of our competencies as well as ensuring seamless coordination between them.

Yamaha Motor will expand its domains of operation by linking Company-wide businesses and technological fields to create new technologies and businesses.

- Serve as a bridge linking core technologies among each business
- Create new technologies and businesses aimed at creating new value
- Expand technologies and businesses into growing peripheral as well as new domains in line with the focus of each business

Our Four Core Competencies for Creating Next-Generation Mobility

- Electronic Control
- Chassis and Hulls
- Powertrains
- Manufacturing

Yamaha Motor’s product range includes the Leaning Multi-Wheel (LMW) category—situated between automobiles and motorcycles—and the Company is developing next-generation mobility by applying and adapting its LMW technology. Our mobility proposals aim to improve on the shortcomings of motorcycles—vulnerability to changes in the environment and outside interference, the possibility of falling over, and the required skills to ride properly—while leveraging their advantages of small size, minimal road and parking space requirements, a small environmental footprint, and their ability to quickly navigate urban areas. In addition, while not to the same extent as automobiles, our next-generation mobility vehicles are equipped with a simple cabin, are self-standing thanks to automatic control technology, and can lean through turns like a motorcycle. It goes without saying that no special skills are required to ride or operate these vehicles. The automatic attitude control systems governing their self-standing and leaning capabilities are being developed using the latest model-based systems engineering (MBSE)* methods as well as the technologies and know-how acquired through the development of MOTOROiD—an autonomous motorcycle-riding robot capable of circulating a racetrack at high speed—and MOTOROiD—a proof-of-concept model equipped with artificial intelligence.

* Model-based systems engineering (MBSE): Systems engineering utilizing models
Yamaha Motor promotes its global intellectual property strategies toward creating, protecting, and utilizing its intellectual property rights to raise both corporate and brand value.

**IP for Business**

Under the banner of “IP for Business,” Yamaha Motor carries out its intellectual property tasks based on its Four Policy Pillars of Intellectual Property Activities. The company primarily views new technologies for electrification, automated driving, and the like as well as new markets such as agriculture and medicine as advanced fields for growth that will play key roles in securing pioneer status and market expansion. We are currently moving forward with efforts to create new value together with our business departments by capitalizing on today’s intellectual property landscape. Efforts to create, protect, and utilize the intellectual property rights that will support the sustainable growth of Yamaha Motor are being carried out through patent position analyses in major markets and regions of operation. Meanwhile, in new technological fields such as connected, autonomous, shared, and electric (CASE) vehicles and systems, we propose focus areas and co-creation opportunities after performing SWOT (strengths, weaknesses, opportunities, and threats), STP (segmenting, targeting, and positioning), and other analyses to transform the advanced intellectual properties powering Yamaha Motor's value creation into corporate assets.

### Four Policy Pillars of Intellectual Property Activities

1. **Move one step ahead of conventional intellectual property activities that currently primarily of intellectual property creation linked to product and technology development in existing businesses.**
2. **Pursue intellectual property activities that preempt technological developments and the expansion of business areas by looking beyond our existing technologies and markets.**
3. **Indicate advanced fields that target further expansion and business area expansion through analysis of the intellectual property landscape.**
4. **Contribute to management decisions and strategy formulation from the perspectives of intellectual property analysis and market and technological growth analysis.**

**Intellectual Property Activities Contributing to the SDGs**

Committed to contributing to society through its businesses, Yamaha Motor has designated “transportation, education, and industry” and “Innovation” as two of its four important societal issues (materially related). The intellectual property department works to address these societal issues by taking part right from the business model development phase and creating the intellectual properties that will be at the heart of these business models in order to further our work toward achieving the United Nations’ Sustainable Development Goals (SDGs).

- **Verification Testing of Mobility Support for Persons with Limited Mobility**
- **Helm Master™ Next-Generation Boat Control System Bringing Automation to Boating**
- **Digital Transformation for Promoting Riding Safety**
- **High-Versatility Agricultural UGV (Unmanned Ground Vehicle)**

**Intellectual Property Rights Underpinning Business Strategies**

Yamaha Motor utilizes an intellectual property mix combining patents, design rights, and trademarks. The Company prides itself on the unique designs of its products. Thus we pursue steps to secure not only the design rights for external designs but also patents for external designs that serve a role from a functional or technological perspective in order to comprehensively protect Yamaha product designs and create unique value. In addition to protecting the intellectual properties that underpin

Yamaha Motor’s unique product designs and business activities, we coordinate with the intellectual property authorities and other bodies in each market to formulate a suitable response to any violations of our intellectual property rights. Furthermore, the Yamaha brand has been registered as a trademark in almost every corner of the world to lead the Company’s value creation in countries across the globe from the perspective of intellectual property.

**First-Ever Commissioner of the Japan Patent Office Award at Intellectual Property Achievement Awards**

Yamaha Motor believes that product design makes significant contributions to its management and branding, and positions design alongside concepts and technologies as part of its management foundation. To that end, we have remained committed to creating organizational and developing human resources in the field of design, and these efforts have been recognized with the Company’s first-ever Commissioner of the Japan Patent Office Award at the Intellectual Property Achievement Awards held in April 2021. This award signifies that Yamaha Motor is practicing design-based management effectively utilizing intellectual property rights.

Going forward, Yamaha Motor will continue to offer new excitement and a more fulfilling life for people all over the world as a Kando Creating Company while carrying on its initiatives aimed at raising corporate and brand value.

**Wining Points of Prize (Excerpt)**

- Established the Design Center in 2012 based on the president at the time’s (currently chairman of the Board of Directors) uncompromising stance to protect the Company’s concepts and designs, and promoted the application of concepts and designs that previously infringed businesses.
- Practiced design-based management based on strong recognition of the need to communicate to customers the meaning and significance of purchasing a Yamaha in a world where products quickly become commodities.
- In addition to having the head of design present at management meetings, designers participate in formulating business strategies, thus the Company supports the process of clarifying the meaning behind the value to be delivered to customers.
- Efforts taken by intellectual property departments to improve corporate value through intellectual property activities that contribute to the business under the “IP for Business” banner.

**Topic**

- [Image] Patents
- [Image] Design rights
- [Image] Patent application submitted that treats the unique front cover design as a functional part
- [Image] Patent for the front design accounting for water resistance
- [Image] Patent for the front design for increasing passenger comfort
- [Image] Patent application submitted for vehicle system architecture (right)
- [Image] Patent for technology that increases convenience of low-speed automated driving systems
- [Image] Patent for joystick control system (center)
- [Image] Patent for bow heading control system (left)
Procurement

To deliver our unique, high-performance, high-quality products throughout the world, procuring a diverse variety of quality parts and materials with a global perspective becomes crucial. By proactively communicating with our suppliers and business partners, we develop trusting relationships and engage in Monozukuri based on a spirit of co-creation with uniquely Yamaha efforts that not only raise global competitiveness but also earn the respect and appreciation of society and mutually raise the corporate value of all parties.

“Theoretical-Value-Based Procurement” and the Supply Chain

Monozukuri Procurement Evolving amid the COVID-19 Pandemic

“Monozukuri” procurement is an initiative unique to the Company underway in collaboration with its business partners. This approach—implemented with our partners—extends to procurement the theoretical-value-based production approach applied to our manufacturing and production processes. In other words, first drawing up an ideal vision and then conducting improvement activities striving to achieve high-quality output.

Yamaha Motor is standardizing procedures and developing frameworks for its business partners to take independent action as the global COVID-19 pandemic has placed significant restrictions upon on-site activities. For example, we have begun conducting verifications and offering support via video by connecting with business partners through online conference systems. We have also launched co-creative concurrent engineering activities in which we collaborate with business partners from the product planning phase utilizing actual procurement items. Through these efforts, we aim to raise productivity and quality as well as reduce raw material costs, and we are also able to generate ideas for raising product value in the early stages of development.

As of fiscal 2020, 428 suppliers around the world have adopted our theoretical-value-based production approach. This has enabled us to go beyond simply procuring the necessary components based on blueprints and instead engage in more ideal Monozukuri with business partners that includes consideration for materials and manufacturing processes. By evolving our Monozukuri procurement approach even amid the COVID-19 pandemic, we are aiming to create a more robust procurement network.

Strengthening Our Ties with Business Partners

Yamaha Motor openly shares its policies with its suppliers and exchanges of information and opinions are facilitated through various venues to help align us toward a common goal.

As one such venue, the Company holds the annual Global Suppliers Conference that gathers major business partners and suppliers from around the world. This event serves as an opportunity to share Yamaha Motor’s vision and explain its initiatives. In addition, the conference includes the presentation of awards to excellent partners in each business, the introduction of examples of theoretical-value-based procurement in practice, and the display of new products.

The COVID-19 pandemic forced an abrupt cancellation of the 2020 Global Suppliers Conference and the 2021 conference was held online instead. A total of 250 business partners from 13 countries were invited to this online conference, at which we sought ways to resolve societal issues together with business partners through our focus areas of Advancing Robotics, Rethinking Solution, and Transforming Mobility, and shared with our Monozukuri partners our dedication to co-creation that heightens corporate value for everyone. The pandemic has impaired our ability to hold face-to-face and group events, but we nevertheless remain committed to promoting mutual communication with an even wider range of business partners by transitioning to virtual information-sharing and communication methods via ICT and capitalizing on the benefits thereof.

Global Implementation of Theoretical-Value-Based Production

Use of online conference systems

Sharing details on initiatives at the 2021 Global Suppliers Conference, which was held online

Globally Promoting Sustainability across the Entire Supply Chain

Based on a belief of mutual trust and mutual prosperity, the Yamaha Motor Group seeks to avoid risks and minimize the potential damages in crises that can affect our business partner, such as the global supply chain disruptions wrought by the COVID-19 pandemic, natural disasters, quality issues, and management-related circumstances. Risks associated with management and quality issues are addressed through annual monitoring by Yamaha Motor headquarters and comprehensive evaluations of business partners that examine business continuity plans (BCPs) and the use of substances hazardous to the environment. Further, when deemed necessary, corrective measures are implemented and their progress checked after implementation. Moreover, a supply chain risk management system is utilized to clarify the supply chains connecting raw materials to finished parts and components procured by the Group in order to analyze and monitor risk factors and facilitate robust RCP management. We are also enhancing our systems for stable procurement in preparation for emergencies to safeguard against global procurement risks.

Furthermore, we ask our business partners to support the Yamaha Motor Group’s Basic Policies of CSR and expect them to act on the basis of these policies. Our current Medium-Term Management Plan (2019–2023) calls for the rollout of these policies to cover approximately 92% of our total worldwide procurement value, translating into more than 1,000 companies across the supply chain. We also plan to gradually broaden the scope of these activities to include more countries based on the unique human rights issues each faces while making refinements to implementation methods.

Supply Chain-Spanning Initiatives for a Carbon-Free Society

To achieve the Yamaha Motor Group’s goals for carbon neutrality, we will be coordinating with industry bodies to build systems for tracking and managing CO2 emissions across the entire supply chain. Energy-saving initiatives targeting the production sites of suppliers were rolled out in fiscal 2019 as part of our wide-ranging activities for building a carbon-free supply chain together with our business partners. In addition, we will actively promote the effective utilization of resources, such as the use of renewables, and practice co-creation with business partners in the pursuit of technological innovations for reducing CO2 emissions in the production of raw materials and products.

Information on the Company’s policies for such initiatives and our trajectory forward are shared at the annual Global Suppliers Conference in the effort to accomplish our goals together with our partners.

Message from Management

Long-Term Procurement Policies Supporting Risk Management and Ongoing Social Contributions

Our procurement activities must be constantly adapted to changes and societal issues. We must not become preoccupied with improving efficiency and competitiveness through approaches dependent on production volumes and instead focus on constantly enhancing the value we offer customers. Whether it is pandemics, distribution disruptions, or new regulations, risks to supply chains are growing on a global scale.

It is therefore crucial for us to work to ensure the ongoing growth of both Yamaha Motor and its business partners alongside our efforts to strengthen our global procurement networks and boost competitiveness. It was for this reason that the Procurement Global Executive Committee, of which I am a co-chair, established new long-term procurement policies for global rollout.

Olivier Prevost
Deputy Executive Officer, Director, PPM Manufacturing & Engineering, Yamaha Motor Europe N.V. (YMEN)

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Foundations for Creating Competitiveness

Yamaha Motor Europe N.V. (YMENV)
Deputy Executive Officer, Director, PPM Manufacturing & Engineering
Olivier Prevost

Theoretical-Value-Based Energy Concept for Generating Energy Value

The growing severity of global warming is placing increasing importance on reducing the emissions of greenhouse gases like CO2. In response, the Japanese government announced its goal of achieving carbon neutrality by 2050, sparking unprecedented concern and efforts among companies to achieve a carbon-free society.

With these movements in the external environment, Yamaha Motor announced its own goal of achieving carbon neutrality by 2050 and is working not only to minimize the energy consumed in its business activities but also to increase its use of renewable energy sources.

Toward minimizing energy consumption in its business activities, the Company is putting in place initiatives based on a “theoretical-value-based energy” concept. This frames only the energy used to transform materials into products as having value while considering all other types of energy consumption as targets for improvement. Applying this theoretical-value-based approach to the energy consumed in production processes, we will identify the types of energy use that are truly necessary. Instead of using a buildup approach by looking at energy losses, this looks at the absolute targets presented by theoretical ideal values and allows us to produce a vision of the ideal energy consumption scheme.

We then work to bridge the gap between our current situation and this ideal. The Company first launched this unique approach for theoretical-value-based energy in fiscal 2013. Now implemented at subsidiaries around the world, the program has led to substantial success and we began encouraging our business partners to also adopt this approach in fiscal 2019. To date, we have visited four Japanese companies and two overseas companies to collaborate in minimizing their energy consumption. These visits entailed diagnoses of equipment using measuring instruments and analyzing energy losses based on the theoretical ideal to identify and explain areas for potential improvement. Plans were then formulated to guide co-run improvement activities over the next year or two. In this manner, we aim to help business partners enhance their own Monozukuri operations by reducing their CO2 emissions and energy costs.

These efforts have resulted in a 41% reduction of CO2 per unit compared with fiscal 2010 in Groupwide CO2 emissions in fiscal 2020. This reduction translates to an average annual reduction of around 5%, an achievement several times over previous figures. Furthermore, as these efforts have progressed, they have generated synergistic benefits, such as increased ease of conversation due to lower equipment noise, cooler and more comfortable workplaces with equipment producing less heat, and longer maintenance intervals as equipment is used less. In that sense, these activities not only save energy but also bring added value welcomed on the production floor, such as making factory quieter during breaks, increasing workplace comfort, and extending the useful life of equipment. The Company also aims to make these energy-saving initiatives more engaging so that employees take part in them of their own volition.

Through these initiatives, Yamaha Motor will strive to create ultra-energy-efficient factories, contribute to preserving the global environment, enhance the Monozukuri of its business partners, and create more comfortable, worker-friendly production sites.

Yamaha Motor Smart Factory Initiatives

- Applying our Yamaha Motor Craftsmanship to Monozukuri operations at our manufacturing and production sites is essential to giving added value to products for our customers. At the same time, the digitalization of manufacturing processes is crucial to raising the quality of each and every product and for generating value in an efficient manner. Data can be used to drive improvements, but we believe designing the important messages hidden within it requires real experience on the factory floor and theoretical-value-based thinking.

- At Yamaha Motor’s smart factories, people are the key players in a process of utilizing data and experience gained on the floor to guide theoretical-value-based activities. The Company defines a “smart factory” as a system that links and unifies data on people, equipment, and products and information in manufacturing, markets, and engineering and which visualizes disparities and fluctuations between theoretical value and effective value in real time. The system is utilized to have worklists apply theoretical-value-based thinking to address resolvable issues and to improve the value provided to customers as well as important management indicators through theoretical-value-based activities.

- Yamaha Motor is building factory environments in which employees work alongside collaborative robots in work areas, so that simple tasks are entrusted to these “cobots” while people are able to focus on value-adding processes that add to customer satisfaction. As we automate work processes, we aim to raise quality as well as reduce manufacturing costs by carefully delineating what tasks can be performed instead by robots and work requiring human eyes and hands for Yamaha Motor Craftsmanship.

Successes like the above will be deployed in Japan and overseas in the future to bring high-quality, cost-competitive Monozukuri to our facilities worldwide.

Message from Management

Launch of Three GET Manufacturing Projects

The manufacturing arm of the Global Execution Transformation (GET) team was established in fiscal 2020 and has launched three projects: 1) the evolution of the Monozukuri Conference, 2) global manufacturing human resource development, and 3) the galvanization of key themes such as demand chain innovation (DCI),* ** theoretical-value-based production (TVP),** and the Smart Factory. In the team’s first year in fiscal 2020, we focused on making improvements to the Monozukuri Conference and setting up the Global Manufacturing Committee to take the lead with our DCI and TVP efforts. The Monozukuri Conference was held online last year with over 1,000 employees participating, demonstrating to us firsthand that this was an effective method to share meaningful information. In addition to these activities, in fiscal 2021 we are formulating plans that tie into global manufacturing human resource development and are bolstering measures for reducing Scope 1 and Scope 2 emissions globally toward achieving carbon neutrality.

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* 1 An initiative aiming to maximize sales by adapting production to changes in the market while maintaining appropriate inventory levels.

** An initiative to be carried out at all times with the participation of all employees that defines essential functions from the perspective of customers as theoretical value on this Monozukuri front line to create the gap between the current state of production and theoretical value.
Marketing positions customer needs as the starting point of all corporate endeavors and our endless pursuit of greater customer satisfaction is how we seek to achieve sustainable growth.

**Marketing That Showcases and Augments Yamaha Motor’s Strengths**

The Company established “The Global Yamaha Way in Marketing in Sales” to clarify our shared values for conducting marketing in the realm of sales. The overarching vision of this manifesto is “Continuing to Create Lifetime Yamaha Customers,” and the program itself brings Yamaha sales bases around the world together to globally share, teach, and learn from one another the knowledge they have cultivated individually while spurring each other to greater heights.

Yamaha Motor divides the customer journey into its own seven steps and conducts customer-centric activities for each. This provides a common framework for deliberation among our bases around the world in order to define the objectives, identify the target customers, and thoroughly determine aims and actions aligned with said customers. In sharing successful marketing cases, we employ a “teach and learn” approach that examines why the case was successful, what difficulties were faced, and what is needed for continued success. Doing so leads to in-depth study and discerning of the key factors of the case, and the knowledge born of the discussions is then formulated, accumulated, and shared globally, leading to new successes. Having members from around the world who share the same values gather in the same location for meaningful, customer-centric discussion not only enhances teamwork but also enables the application of knowledge from other countries and will propel us to the front of global competition.

**Accelerating the Sharing of Dealership Successes: MIS Activities Permeating Sales Efforts in Indonesia**

Yamaha Motor’s Marketing in Sales (MiS) activities are permeating all levels of sales in Indonesia, spreading not just among in-house sales and marketing representatives but also our dealership partners and their staff. In these activities, dealerships in various areas come together to share individual successes they have had based on common themes and mutually communicate insights, teaching and learning from one another via discussion.

These activities were moved online and continued under the COVID-19 pandemic for Yamaha’s One Team to continue creating lifelong customers even in the face of market stagnation and activity restrictions. To further accelerate such activities, the Company plans to hold a shop manager competition in fiscal 2021 for 1,200 dealership managers selected from various regions around Indonesia.

**Bolstering Our One-to-One Marketing and Driving Digital Transformation with an Eye on the Post-COVID-19 New Normal**

In India, we are implementing various user experience-driven initiatives for increasing customer touchpoints and generating engagement benefits in preparation for the new normal to come following the COVID-19 pandemic.

Specifically, we are raising the targeting accuracy of conventional means by utilizing lead marketing and customer data in online advertisements and the like while developing online sales systems for vehicles, parts, and accessories. Websites have been positioned as venues for stimulating the purchasing intent of customers who will not—or cannot—visit dealerships and for taking actions that lead to purchases. Content, user flow paths, data structures, and more are being improved with this in mind.

In addition, virtual stores have been created as a new type of content that accommodates the coming new normal, featuring reservation systems based on current dealership inventories, product image displays tailored to customer traits, and more.

**Digital Marketing Initiatives in India**

- **1. Website Renovation**
  - Bold utilization of digital technologies for conducting communication tailored to each individual customer’s intent and situation
  - Yamaha Motor Co., Ltd. Integrated Report 2021

- **2. Online Sales**
  - Proactive approach from Yamaha Motor based on website viewing history
  - Yamaha Motor Co., Ltd. Integrated Report 2021

**Message from Management**

Dealerships in Russia Sharing Their Experiences to Facilitate Mutual Learning

In Russia, we are running the Yamaha University Bus program in which we visit dealerships together with representatives from other dealerships so that they can learn from each other’s strengths in order to deliver better experiences to customers. Applying lessons we learned from a successful initiative in Brazil, we are endeavoring to extend our customer-oriented focus to our dealers.

During fiscal 2020, the COVID-19 pandemic forced lockdowns and brought forth challenging business conditions for us. However, even amid this adversity, we have continued to promote the sharing of experiences among dealerships for mutual learning through the same “Teach and Learn” approach being applied on a global scale in order to overcome our current difficulties. By sharing successful initiatives by dealerships, we are facilitating action based on The Global Yamaha Way in Marketing in Sales.

Kyoko Shimoishi
General Director, LLC “Yamaha Motor CIS (YMCIS)”
Human Resource Development

The Company endeavors to create work environments that serve as sources for the unique style of Yamaha Motor while fostering and encouraging diversity and inclusion. We are aiming for even greater heights in the coming future, accelerating workstyle reforms with a global perspective in order to attract talented human resources from around the world.

Our Fundamental Beliefs

As part of our global business operations, the Company is striving to create an organizational structure with the agility required to respond to changing and evolving market needs. We believe that if individual workers and their companies share ambitious goals and work together to bring about not just business growth but also personal growth, we can offer Yamaha Kando to customers without fail. Premised on our fundamental belief that all corporate activities begin with people, it is essential that our employees work in harmony together and incorporate differing viewpoints and values. Working to build individual skills, securing specialists in numerous technical fields, and applying our expertise in both developed and emerging markets are the types of efforts we believe will lead to fulfilling the Company’s Long-Term Vision for 2030 of ART for Human Possibilities.

As part of implementing this fundamental approach, we have created and put in place employee development programs around the world and run training sessions that cover not only the skills needed for the job field in question but also skills for business administration and strategic leadership. The skilled staff nurtured through these programs is not limited to placements in specific regions. The Company’s policy is to examine postings around the world where such staff can best apply their skills before reassignment. Accordingly, we are building frameworks and rules appropriate for global human resources.

Global Execution Transformation for Human Resources

—Empowerment of Women Employees

For Yamaha Motor to realize sustainable growth, it is absolutely essential that we promote diversity and inclusion at a global level. In keeping with these principles, we are developing and driving new activities to encourage women employees who embody the unique style of Yamaha to actively communicate new business ideas and perspectives.

Global Communication Aimed at Reform

—English Proficiency Made a Promotion Criterion

To facilitate smoother in-house communication and embrace cultural diversity from numerous geographies, the decision was made in fiscal 2019 to make English proficiency a promotion criterion at Yamaha Motor in Japan. We began providing English training opportunities to staff at all levels in fiscal 2020 for raising the level of English proficiency among headquarters employees, and the language was made a requirement for promotion in fiscal 2021.

Messages from Management

Engagement and Quick Response to Drive Changes

To better clarify the internal issues we face, we completely revised our employee engagement survey in fiscal 2020 to facilitate making quicker improvements. There were three major changes: (1) the revision of key performance indicators; (2) an emphasis in feedback from “employee satisfaction” to “employee engagement”; and (3) the introduction of HR-Tech (online HR system), and (3) the inclusion of items pertaining to workplace dialogue (sharing of awareness and thoughts and visualization).

These new surveys revealed employees’ strong desire to contribute to the Company and their department, two important indicators of engagement, and the scores for interpersonal relationships were very high. Conversely, the survey cast light on a lack of understanding regarding Yamaha Motor’s vision. To address this issue, reforms were arranged for the president to explain the Company’s trajectory and for employees to give their feedback. The benefits of these forums are already beginning to materialize. As we move forward, we will continue to pursue higher levels of engagement with an eye on possible global implementation in the future.

Globalization, Diversity, and Inclusion

The role of global human resources finds its foundation in the development and enhancement of commercial and governance frameworks. These, in turn, embrace cultural diversity, technological advancements, and the unique style of Yamaha in supporting dynamic global business initiatives. Developing employees in a manner that allows for agile deployment is imperative in Yamaha Motor gaining a competitive advantage. Diversity is a cornerstone of the Yamaha brand and has been part of our organizational DNA from the outset. By nurturing and actively developing a global workforce that reflects our society and embraces diversity and inclusion, the Yamaha Motor Group will be well positioned to achieve sustainable growth in meeting its customers’ evolving needs.

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Yamaha Motor’s Sporting Activities

Since its founding, Yamaha Motor has opened new pathways forward and flourished driven by its Spirit of Challenge. This spirit is embedded in our corporate culture and passed on from one generation to the next, rooted as an underlying principle in not just the Company but in the hearts of all Group employees.

Playing, watching, and supporting sports contributes to the physical and mental development of young people and aids in the forming of communities. Sports also deliver social value by contributing to healthy international relations and economic development. Yamaha Motor’s involvement in sporting activities aims to help create this social value, to communicate the beauty of chasing one’s dreams and the dignity of tackling new challenges, and to share Kando with people around the world through sports.

Motorcycle Racing

In motorcycle racing, riders battle each other to the checkered flag under strict rules and regulations. This motorsport therefore doubles as a testing ground for developing cutting-edge technologies and epitomizes Yamaha Motor’s Spirit of Challenge. Yamaha competes for championship titles in various race categories, including the world’s premier motorcycle racing series, MotoGP. In addition, Yamaha Motor actively works to promote the sport by nurturing and supporting up-and-coming young riders in order to foster racing culture in countries and regions around the world.

Soccer

The Jubilo Iwata professional soccer team is a J.League club with roots in Iwata. The club was formed with the goal of becoming a team closely connected to and loved by the local community, and in the roughly 50 years since, it has continued to contribute to the promotion of soccer by operating soccer schools and arranging sports competitions.

Rugby

Yamaha Motor’s rugby club, Yamaha Motor Iwata, competes in the Top League—Japan’s foremost rugby league—and the team claimed the title of No. 1 in the country in 2015 by winning the 52nd All-Japan Rugby Football Championship. In addition, former players take the lead in running a rugby outreach program for elementary and junior high school students, visiting local elementary schools to teach rugby classes, and making other contributions toward the healthy development of Japan’s youths through the promotion of rugby.

Sports Challenge: Grant

YMFs offers experience grants to support the ambitions of athletes, instructors, referees, and others as well as research grants to support the work of sports scientists and other researchers. To date, grants have been provided to more than 400 individuals to support them in pursuing their dreams and achieving their goals. The grant programs of YMFs are designed to back people with fairy passion and exciting future potential while offering robust support through a unique curriculum that includes self-growth analysis via PDCA (plan-do-check-act) cycles and presentation forums to promote exchanges between athletes and researchers. This broad support accelerates the development of promising individuals with the potential to shine on the world stage.

Boccia

Boccia was born as a parasport but has since evolved into a universal sport (UniSpo) that can be enjoyed by and which encourages exchanges between people of all ages and physical capacities. YMFs arranges classes at elementary and junior high schools in Shizuoka Prefecture for students to experience boccia while also doubling as opportunities for academic study.

Tadao Isaka

Vice President
Ritsumeikan University
Yamaha Motor Foundation for Sports
Sports Challenge Grant Committee Chairman

The Yamaha Motor Foundation for Sports (YMFS) was established in November 2006 to commemorate Yamaha Motor’s 50th anniversary. Since its inception, YMFS has continued to advance various projects for supporting people pursuing their dreams and goals through sports. Yamaha Motor supports YMFS and its activities as a corporate backer.

Sports Challenge Awards

Yamaha Motor presents awards to the unsung heroes behind the sports industry. The awards honor these individuals and highlight their stories to communicate to society how hard work pays off and the respect that comes from tackling new challenges.

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