

| News<br>2013.7.29 2013 CSR website PDF released<br>2013.6.24 CSR website updated<br>2013.5.14 Annual Report 2012 released  | Approach to and Basic Policies of CSR<br>Introducing Yamaha Motor Group's<br>approach to CSR and its<br>underlying principles |
|--|---|
| Striving to Bring<br>Kando to Our Customers  | Shareholders and Investors<br>Engaging in<br>Active Communication   |
| Sharing Value<br>from a Global Perspective   | Business Partners     A Spirit of Fairness     and Cooperation  |
| > The Community<br>The Bonds for Creating<br>and Sharing Kando   | The Environment Growth that Harmonizes with the Environment   |
| <ul> <li>Corporate Governance<br/>Aiming to be a Model<br/>Company Trusted by Society</li> <li>Please click here for details of our basic<br/>policies and implementation measures.</li> </ul> | Annual Report<br>2012<br>Download<br>Back Number  |
| · · · · · · · · · · · · · · · · · · ·  | ionnaire<br>ue any comments suggestions you may have)   |

## 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                        | <ul> <li>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.</li> <li>We provide practical, helpful information about products and services to customers.</li> <li>We make every effort to protect the personal information of our customers and others involved in our business.</li> </ul>   |
|----------------------------------|--|
| Shareholders<br>and<br>Investors | <ul> <li>We aim to deliver stable, long-term growth to enhance corporate value.</li> <li>We disclose appropriate corporate operational results and financial status in a timely manner.</li> </ul>   |
| Employees                        | <ul> <li>We provide equal employment opportunities to build a diverse and discrimination-free workforce.</li> <li>We provide fair working conditions while maintaining and improving a safe and healthy working environment.</li> <li>We maintain respect for human rights and never tolerate child labor or forced labor in any form.</li> <li>We work toward building success for both our employees and the company through honest communication and dialogue founded on mutual trust.</li> </ul>   |
| Business<br>Partners             | <ul> <li>We respect our suppliers, dealers and other business partners and aim to build mutual long-term growth founded on mutual trust.</li> <li>We maintain an open door to new business partners around the world and choose companies based on comprehensive value, regardless of nationality or size.</li> <li>We respect the competition laws of each nation and region and maintain fair business practices.</li> </ul>   |
| The<br>Community                 | <ul> <li>We honor the culture and customs of every country and community, and we strive as a corporate citizen to act in balance with society.</li> <li>We work to contribute to the development of sound communities by providing means of mobility, creating employment opportunities and fulfilling our tax obligations.</li> <li>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.</li> <li>We maintain honest and fair relationships with government agencies and public authorities.</li> </ul> |
| The<br>Environment               | <ul> <li>We develop environmental technologies to create products that balance economic needs with environmental well-being.</li> <li>We aim to minimize the environmental impacts of our operations and make efficient use of limited natural resources.</li> <li>We form wide-ranging partnerships with communities around the world to perform environmental conservation activities.</li> </ul>  |



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.

Please click here to view the CSR Activity Plan Chart. >> (PDF will open in a new window)

#### **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.

#### **Business Continuity Plan (BCP) Review of Damage Expectations**

In light of the Great East Japan Earthquake and Thailand floods of 2011, we cannot expect to escape falling victim to natural disasters. Yamaha Motor has reviewed damage expectations placing a top priority on targeting an early revival of business. Going forward, we will reorganize our production system based on expected damage simulations, establish a backup system for supplying parts and engage in formulating a Business Continuity Plan (BCP) with our business partners.



#### **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.



Yamaha Motor's Code of Ethics

#### **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.

| Target category     |  | Total participants |
|---------------------|--|--------------------|
| Ethics seminars     | Officers, managers, supervisors, general employees | 14 216             |
| Ethics seminars     | Including divisional feedback meetings             | - 14,316           |
| Compliance cominare | Group training                                     | 7,919              |
| Compliance seminars | e-learning   | 42,414             |



#### **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.

#### **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<sup>\*1</sup> and STC Expert<sup>\*2</sup> 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<sup>\*3</sup> 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*\*

Engineering, manufacturing, and marketing create the value that is provided to customers. Yamaha Motor always takes a customer perspective as we plan, develop, manufacture, sell, and service products for mobility, without forgetting the importance of "looking outward." By enhancing the quality, safety, and originality of mobility products, we continue to provide value that exceeds customers' expectations.

\**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**

Quality is improved through a close relationship with the customer and we believe that all employees must continuously work to improve and enhance quality. In order to further our customer-oriented approach and to ensure that the customer's views are reflected in our engineering, manufacturing, and marketing, the Yamaha Motor Group will continue our quality improvement initiatives so that we can deliver products with an even higher level of customer satisfaction.

#### **Offering New Excitement**

As a member of the Toyota City Low-Carbon Society Verification Promotion Council since April 2012, Yamaha Motor is participating in the Toyota City Low-Carbon Society Verification Project, and preparations for practical field tests are under way. The "Ha:mo" urban transportation system began operating in October 2012, and we have been participating since November with the aim of creating a user-, town-, and community-friendly transportation network.



http://global.yamaha-motor.com/news/2012/1113/toyota-city.html

## Customers



#### **Customer Services**

The Yamaha Motor Group operates the Yamaha Technical Academy (YTA) as a common global training program to provide customers around the world with uniformly high-quality Yamaha service. Roughly 30,000 service technicians have completed the course, and are providing services as YTA-certified service staff in all of our markets.

At the Yamaha World Technician GP 2012, held in October, 28 top service technicians from 20 countries, who qualified by winning preliminary competitions, gathered to compete for the title of No. 1 Yamaha motorcycle technician in the world, based on their knowledge, techniques, and customer interaction.



Yamaha Motor Powered Products (YMPC) also launched the Yamaha Golf Car Academy (YGA) as a training program to further enhance the technical skills and customer service of golf car service staff around the world.



For inquiries on products (in Japanese only): http://www.yamaha-motor.co.jp/support/ Recall-related information (in Japanese only): http://www.yamaha-motor.co.jp/recall/ Privacy policy: http://global.yamaha-motor.com/policy/

## Customers



#### **Riding Safety Promotion Activities**

In order to more actively promote motorcycle riding safety, the Yamaha Motor Group has been conducting its Yamaha Riding Academy (YRA) courses in locations all around the world and the curriculum integrates and organizes the three elements of promoting safety, promoting motorsports, and promoting products. Our activities for the promotion of riding safety are based on curricula developed to reflect the social, transportation, and user requirements of each specific region. Our initiatives focus on Yamaha motorcycles but also include the product areas of all-terrain vehicles (ATVs), personal watercraft (PWCs), and snowmobiles. We are promoting such initiatives particularly in rapidly growing markets, such as those in the ASEAN countries, Central and South America, the Middle East, Russia and Africa, where the lack of riding safety instruction and rider awareness education has become an acute social problem.



to experience various situations without risk

#### Topics

Yamaha Motor's 2012 TMAX, a European market sporty commuter model powered by a 530cc engine with CVT, won the internationally renowned red dot design award in the "product design 2012" category. Since its launch in 2000, the TMAX has been highly regarded in the European markets as a sporty commuter model. The 2012 European model TMAX underwent a full model change, with enhanced engine and drive train performance, bringing the running performance to an even higher level. A new exterior design was also introduced to achieve a more aggressive look while maintaining the TMAX's distinctive design character, based on visually linking the front and rear wheels.



## 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 2012, in addition to announcing financial results and holding meetings for shareholders at the end of each quarter, the division visited investors in the U.S. and U.K. and disclosed IR information through its website. The division also runs a section of the website for individual investors. Furthermore, as one more part of actively disclosing information, there was a tour of the marine engine production facility as well as a briefing on our marine products business for analysts and journalists in June.

#### Information for shareholders and investors is available on the websites below.

Disclosure Policy http://global.yamaha-motor.com/ir/policy/index.html Dividend Policy http://global.yamaha-motor.com/ir/shareholder/dividend/index.html For Investors (index page) http://global.yamaha-motor.com/ir/index.html



## 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 first module of the "Global Executive Program (GEP)" was held in August 2012 as a training for the next generation of Yamaha Motor Group executives. It will link the stages for Global Human Resources around the world.

Related news release (released January 12, 2012): Developing Human Resources for Global Leadership http://global.yamaha-motor.com/news/2012/0112/info.html



#### **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 Code of Ethics.

In accordance with our policy of "operating workplaces where the disabled can work together with the able-bodied," Yamaha Motor Co., Ltd. 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). Furthermore, in order to provide multi-faceted support for workplaces where people with disabilities work, the Company is also putting a great deal of effort into measures for improving communication, such as offering sign language and note-taking classes, etc.

#### Supporting the 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 77.2%\* in 2012.

\*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.

## Employees



Main Child Care and Family Care Support Programs (Yamaha Motor Co., Ltd.)

| Programs                        | Details  |
|---------------------------------|--|
| Child care<br>leave             | Employees may take leave until the child's second birthday<br>(used by 66 women in 2012)   |
| Family care<br>leave            | Employees can take leave for up to one year on request (used by 2 women in 2012)   |
| Family<br>illness<br>leave      | 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.  |
| Flexible<br>work time<br>system | Work hours can be set at any time between 6:30 a.m. and 9:45 p.m. *core working hours are from 10:15 a.m. to 3:00 p.m.   |
| Workload reduction              | Limits are placed on overtime, and nighttime work is excused for employees with a child of preschool age and employees caring for a sick or aged family member.  |
| Short-time<br>work<br>system    | Employees may reduce their working hours by two hours each day (used by 68 women and 1 man in 2012)  |
| Others                          | Designated "no overtime" days (every Wednesday; day preceding a company holiday;<br>paydays; and bonus payment days).<br>Employees can take three consecutive days of paid leave every year (from age 30,<br>employees can take a consecutive five-day paid leave every five years). |



#### 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 position-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 2012, eight domestic companies and nine overseas companies have acquired group certification.

Since April 1, 2011, Yamaha Motor has operated an Integrated Management System that combines the above system with the environmental management system.

Please click here for the Integrated Management Policy (PDF file will open in a new window)

#### Safety and Health Meetings to Improve Workplace Occupational Safety and Health

Yamaha Motor is proceeding with the acquisition of OSHMS certification at Group companies around the world. At regularly held safety and health meetings, group companies introduce their safety and health activities and engage in a group-wide effort to create safer, more secure workplaces.



Introduction of U.S. manufacturing subsidiary Yamaha Motor Manufacturing Corporation's safety and health activities at a health and safety meeting held in August 2012

#### 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 make efforts for 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 the health insurance association, we have also been providing antismoking products to interested employees to help them in their efforts to quit smoking. The company's smoking rate has declined from 33.2% in 2011 to 31.1%.

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.

### **Business Partners**



Supply Chains

Dealerships

## 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 idea of incorporating both cost and quality into our engineering, manufacturing and marketing. An example of these activities is the implementation of "theoretical-value-based production" with our suppliers. This does not simply mean demanding cost reductions, but instead involves analyzing the absolute value of engineering, manufacturing and marketing together with our suppliers and 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 our 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).

The Yamaha Motor Group Green Procurement Guidelines are available for download here.



#### **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.

\**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.

## 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 help areas—developing future leaders, environmental conservation, improving traffic safety, and community issues—in which we utilize the knowledge and experience we have gained through our business. In 2012, 63 companies in the Yamaha Motor Group (23 domestic, 40 overseas) participated in CSR activities in support of local communities around the world.

|                  | Key Themes                    | Activities  |  |  |  |
|------------------|-------------------------------|---|--|--|--|
| Global<br>Issues | Developing Future<br>Leaders  | <ul> <li>Promoting mental/emotional and physical health through sports</li> <li>Promoting creativity through engineering, manufacturing, and marketing</li> </ul> |  |  |  |
|                  | Environmental<br>Conservation | <ul><li>Environmental education for local communities</li><li>Respecting biodiversity</li></ul>   |  |  |  |
|                  | Improving Traffic<br>Safety   | <ul><li>Providing traffic safety education to the community</li><li>Raising awareness</li></ul>   |  |  |  |
| Local<br>Issues  | Community Issues              | <ul> <li>Supporting the community with Yamaha Motor's products,<br/>human resources, and know-how</li> </ul>  |  |  |  |

#### Important Areas of Activities Contributing to Society

## **Social Contribution Activity Examples**



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.



Mexico Pavilion for First-Hand Work Experience at Kidzania in Mexico

#### **Environmental Conservation**



Thailand Global Afforestation Activities to Preserve the Environment

#### **Community Issues**



India Kids' Yamaha Riding Academy in India



Senegal OMDO's Clean Water Activities



#### Pavilion for First-Hand Work Experience at Kidzania in Mexico

KidZania is a network of workplace-themed entertainment centers that is popular with children in Japan and around the world. A Yamaha Workshop was created in October 2012 at KidZania Cuicuilco in Mexico, where KidZania originated. This Yamaha Motor Workshop is the world's first KidZania on traffic safety, and aims to reduce traffic accidents by teaching children about traffic safety from infancy. The Yamaha Workshop is supported by our local company YMMEX,\* and offers courses in traffic safety and mini-bike license acquisition, and



courses in motorcycle maintenance that involve using real tools and cover five items each. Roughly 15,000 children participated in the motorcycle maintenance courses from October through late December.

\* Yamaha Motor de Mexico, S.A. de C.V.



#### **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 we have local entities around the world.

In Thailand, 209 persons participated in a YETH<sup>\*1</sup> event in May 2012 to plant 200 mangrove saplings in Srinakhon Khuaen Khan Park outside Bangkok. This tree-planting activity will contribute to the preservation of the environment, with the saplings being cared for by a local forestry organization and the local government as they grow.



In China, 32 young employees of ZYS<sup>\*2</sup> participated in an event sponsored by the Zhuzhou city government in March 2012 and planted 47 camphor trees.

\*1 Yamaha Motor Electronics Thailand Co., Ltd.

\*2 Zhuzhou Yamaha Motor Shock-absorber Co., Ltd.

## Improving Traffic Safety



#### Kids' Yamaha Riding Academy in India

Against a backdrop of rapid growth of automobiles and motorcycles with insufficient traffic infrastructure, India has needs in the area of traffic safety education, and we have been holding Kids' YRA events to teach children how to avoid traffic accidents. During 2012, we held 44 events in which 3,657 children participated, mainly in Delhi and Mumbai.



## **Community Issues**



#### **OMDO's Clean Water Activities**

Overseas Market Development Operations (OMDO) liaison offices are providing clean water and helping to improve sanitation in developing countries. A clean water facility fitted with solar power generation equipment was donated to a village outside the city of Saint-Louis in Senegal in 2011.

The facility is currently operated by a water management committee of local citizens. OMDO's activity provides the village with light as well as water, and allows the villagers to charge their mobile phones, proving very popular in the village.

Elsewhere in Africa, a clean water facility equipped with a solar power generator was built with the help from the Japanese government's official development assistance in Diawling National Park in Mauritania, in December 2012.

In Asia, 20 local NGOs and companies including Group company YIMM\* worked together to build facilities in a village near the city of Pontianak in Indonesia in 2012.

\* PT. Yamaha Indonesia Motor Manufacturing





Photograph by Shinichi Kuno/JICA

## Volunteer Activities Examples



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 examples from Japan are discussed below.

#### 40,000 People's V Campaign Encourages Volunteerism in Group Employees

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 such activities. The aim is for all employees to volunteer at least once each year so that total participation in social contribution programs for the entire Group reaches 40,000 people. In 2012, participation reached 40,105; thus, the target of "40,000 people a year" was met for the fifth consecutive year.

During 2012, Group employees participated in a project, started in 2010, to revitalize Okinawa's beautiful coral reefs by planting coral in the water around Manzamo, under the guidance of the Onna-Son Fishery Cooperative. In addition, the Fun Engine Lab volunteer group of current and former employees held "Make Children Smile! Support Tohoku Project 2012" to continue their work from 2011 in the area damaged by the Great East Japan Earthquake. The Group held workshops in the town of Ongawa and the city of Sendai in Miyagi Prefecture to teach more than 250 participants how to make model wind-powered cars.

## Growth That Harmonizes with the Environment

Introducing the approach and policies concerning the global environment

Growth That Harmonizes with the Environment

> 2012 Plans and Performance

- > Environmental Management
- Reducing Environmentally Hazardous Substances
- > Biodiversity

- Reducing CO2 Emissions
- > Recycling, Reusing and Reducing
- > Environmental Communication

## Growth That Harmonizes with the 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



| Yamaha Motor Group Environmental Plan 2020                                  |  |  |   |  |  |  |
|---|--|--|---|--|--|--|
|   | Action Areas   | Priority Actions   | 2020 Targets  |  |  |  |
| Eco<br>Products   | Raise environmental attractiveness<br>through product development from the<br>perspectives of the environment and<br>customers   | In the Eco Products area, implement the Frontier 2020 gr<br>wide long-term vision.   |   |  |  |  |
|   |  | <ul> <li>Reduce risks from<br/>environmentally<br/>hazardous<br/>substances</li> <li>Implement green<br/>procurement</li> </ul>                            | Identify environmentally hazardous<br>substances and support the use of<br>alternatives                   |  |  |  |
| Eco   | Environmental preservation through global  | Reduce emissions of greenhouse gases   | Reduce CO2 emissions per unit of sales by 1% (annual average)   |  |  |  |
| Operations business activities that aim to minimize<br>environmental impact | <ul> <li>Implement the 3 Rs<br/>through the 3 Es</li> <li>Reduce water<br/>consumption<br/>(3 Es: Easy to make,<br/>easy to repair, easy<br/>to disassemble)<br/>(3 Rs: Reduce,<br/>Reuse, Recycle)</li> </ul> | Support the effective use and recycling of limited resources   |   |  |  |  |
| Eco<br>Management   | Environmental management through<br>reinforcement of group environmental<br>governance systems   | Create and operate<br>group-wide<br>environmental<br>management systems  | Link group-wide operations with local activities  |  |  |  |
|   |  | Change attitudes<br>through continuous<br>environmental<br>education   | Have all group employees actively<br>undertake environmental measures<br>with a high awareness of targets |  |  |  |
| Eco<br>Mind   | Environmental contributions through<br>diverse initiatives that seek to create a<br>sustainable environment  | <ul> <li>Improve sensory<br/>environments<br/>(odors, noise, etc.)</li> <li>Communicate with<br/>local communities</li> <li>Preserve ecosystems</li> </ul> | Be trusted and respected as a corporate citizen by local communities                                      |  |  |  |
|   |  | Proactively disclose<br>information from an<br>environmental<br>perspective  | Well received by the community as<br>an environmentally advanced<br>company                               |  |  |  |

## 2012 Plans and Performance



| Action Areas      | Priority   | Actions  | 2012 Plans   | 2012 Performance   |
|-------------------|--|--|--|--|
| Eco Products      |  |  | Develop products to<br>raise environmental<br>attractiveness   | Implemented in the medium-term plans of each business unit   |
|                   | Reduce risks<br>from<br>environmentally<br>hazardous<br>substances         | CO2<br>emissions<br>assessment<br>and reduction                        | reduce emissions by 1%   | 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. |
|                   |  | Reduction of<br>CO2<br>emissions<br>from<br>manufacturing<br>processes | Reduce by 2% per unit<br>of sales compared to<br>2009  | 13% reduction in emissions intensity (goal achieved)   |
|                   | Reduce<br>emissions of<br>greenhouse                                       | Reduction of CO2   | Reduce by 1% (annual average) per unit of sales  | 3.2% worsening (year on year)  |
|                   | gases  | emissions<br>from<br>distribution<br>operations                        | Reduce by 6%<br>compared to 2006<br>(Transportation<br>Efficiency)   | 2.7% worsening compared to the basis year (goal<br>not achieved) (Impact of higher unit sales of utilit<br>boats and generators in eastern Japan)                        |
|                   |  | VOC reduction  | Continuation of reduction activities   | Continuation of reduction activities   |
|                   | Implement<br>green<br>procurement  | Green<br>procurement<br>activities                                     | Adhere to rules<br>regarding prohibited or<br>restricted substances<br>(zero harmful<br>substances in our<br>products) | Conducted green procurement in accordance with<br>the applicable laws and regulations of each countr<br>and voluntary industry standards                                 |
| Eco<br>Operations |  | Promotion of<br>"3R" in<br>product<br>development                      | Reusing/recycling<br>initiatives   | Continued initiatives  |
|                   | Implement the ma<br>3 Rs through ma<br>the 3 Es pr<br>Es<br>of<br>sy<br>pr | Promotion of<br>"3R" in  | Keep waste materials<br>for direct/indirect<br>landfill disposal to 0<br>tons  | 0 tons   |
|                   |  | manufacturing  | Achieve recycling rate<br>of 100% in<br>manufacturing<br>processes   | 100%   |
|                   |  | manufacturing<br>processes   | Continue super-zero<br>emissions   | Achieved super-zero emissions again  |
|                   |  | Establishment<br>of recycling<br>system for<br>products in<br>Japan    | Voluntary initiatives to<br>maintain a motorcycle<br>recycling system  | Proper handling and recycling of motorcycles were implemented through dealerships (Japan only)   |
|                   |  | Reduction of<br>parts<br>packaging<br>materials                        | Reduce packaging<br>materials, making 68%<br>of packaging materials<br>returnable                                      | Goal achieved with 74% returnable rate   |
|                   |  | Promotion of<br>recycling<br>through sales<br>channels                 | ASEAN region   | Implementation of ASEAN region and national government policies  |
|                   | Reduce water consumption Reduce water                                      |  | Understand actual water<br>consumption conditions<br>of group companies  | Investigation of water consumption conditions completed at 76 of 84 target companies (90%)   |

## 2012 Plans and Performance



| Eco        | Create and operate group-wide<br>environmental management |  | Integrated certification obtained at 7 companies in<br>Group 1<br>Sequential expansion of integration with the aim of<br>worldwide integration in 2016   |  |  |
|------------|---|--|--|--|--|
| Management | systems   | Institution of the YEMCS<br>independent<br>certification system  | New registration at 2 companies, renewed<br>registration at 2 companies<br>Planned new registration at 5 companies from 2013<br>onward   |  |  |
|            | Expansion and support of<br>diverse Eco activities        | Achieve 67%<br>participation rate in<br>eco-commuting  | Employees were encouraged to participate through<br>the company intranet and via email. Participation<br>reached 70%<br>(12 business sites are registered under the Ministry<br>of Land, Infrastructure, Transport and Tourism's<br>Eco-Commuting Business Site certification program) |  |  |
|            | Change attitudes through continuous environmental         | Establish the Eco Point<br>system<br>Implemented by-<br>segment environmental  | 6,875 persons participated in activities included in<br>the Yamaha Eco Point system<br>Implemented for new employees, general<br>employees, supervisors and general managers   |  |  |
|            | Communication with<br>communities                         | education<br>Continue participation<br>of a cumulative total of<br>40,000 Yamaha Motor<br>group people in the<br>40,000 People's V<br>Campaign | (Distribution of environmental information)<br>2012 was the fifth consecutive year in which over<br>40,000 people participated (20,100 in the<br>environmental field and 20,000 in the social<br>contribution field)   |  |  |
| Eco Mind   |   | Give lectures on<br>corporate<br>environmental<br>initiatives at community<br>events and schools   | Gave lectures on corporate environmental initiatives<br>at two universities in Shizuoka Prefecture   |  |  |
|            |   | preservation activities in<br>concert with local   | Participated in tree thinning in areas planted by<br>Iwata City, beach clean-up program in Hamamatsu<br>City, a clean-up campaign for Lake Hamana in Kosai<br>City, a tree planting program in Nakatajima<br>conducted by another company and other programs                           |  |  |
|            |   | Participate in events<br>intended to improve<br>communication with<br>local communities  | Held dialogues with local governments<br>Participated at environmental events sponsored by<br>local non-profit organizations (communication with<br>non-profit organizations and local residents)  |  |  |
|            | Preserve ecosystems                                       | Sea turtle preservation<br>activities<br>Eco-system monitoring<br>activities   | Cooperation in sea turtle preservation activities and<br>transplantation of endangered orchids and<br>Penthorum chinense from the planned Kikugawa<br>Test Course construction site to a forest neighboring<br>Yamaha premises.  |  |  |
|            | Communicating environmental information in relation to    | Exhibit environmentally<br>friendly products at Eco<br>Products Expo   | Exhibited PAS electric-power assisted bicycles at an Eco Bicycle booth (with test-ride events)   |  |  |
|            | products, technologies and<br>services                    | Promote environmental<br>product information<br>dissemination  | Ongoing disclosures on the company website of<br>environmental information for each motorcycle<br>model and information on 3R designs, and<br>motorcycle/FRP recycling systems, etc.   |  |  |

\*1: Yamaha Motor Group Environmental Management Certification System \*2: Yamaha Motor Support & Service Co., Ltd.



#### **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.

Yamaha Motor group's Organizational Structure for Environmental Planning and Promotion



(As of April 1, 2013)



#### **Environmental ISO Certification: Beginning to Unify 41 Companies Around the World**

Yamaha Motor began work in April 2012 to receive unified certification of the ISO 14001 environmental management system installed at Group companies in Japan and around the world.

Currently, 41 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 this globally at 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.



Unified certification registration form

#### **Global Environmental Information Network System (G-YECOS)**

The Yamaha Motor group uses an original Global Environmental Information Network System known as G-YECOS to share information relating to ISO 14001 environmental management systems and environmental performance, examples of environmental programs, and so forth, with the aim of raising the level of environmental initiatives throughout the group.

By introducing G-YECOS, domestic and overseas group companies can share information with the parent company, as well as with other group companies, to learn about the application of environmental laws in other countries and the results of environmental monitoring, which will lead to more effective environmental initiatives.

As of the end of December 2012, G-YECOS was in operation at 79 companies.



#### **Integrated Management System Audits**

Since April 2011, Yamaha Motor has worked to integrate the Occupational Safety and Health Management System (OSHMS) and Environmental Management System (EMS).Group companies in Japan and overseas have reached the point of engaging in integrated operation of different environmental, occupational health and safety, and quality management systems and pursuing efficiency.

#### **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 it can conduct more effective environmental management.

Total environmental costs, including capital investment and operating costs, were approximately 5.1 billion yen in 2012, an increase of approximately 9% from the previous year. Global environment preservation cost (37%), resource recycling cost (6%), upstream/downstream costs (18%), R&D costs (14%), and social activity costs (81%) increased. Pollution prevention cost (20%) and environmental remediation costs (22%) decreased.

2012 Environmental Costs and Economic Effects (The scope of environmental accounting is the YMC integrated management system.)

| Category                 |   | Environmental Costs   |            |      | Economic Effects |           |                         |
|--------------------------|---|---|------------|------|------------------|-----------|-------------------------|
|                          |   | Content   | Investment | Cost | Total            | Within FY | Full-year<br>equivalent |
|                          | Pollution<br>prevention<br>cost<br>Pollution<br>processing/test, war<br>contamination preven<br>odor prevention |   | 15         | 314  | 329              | 18        | 18                      |
| Business<br>Area<br>Cost | Area preservation   | Energy preservation at plants, energy preservation in logistics | 100        | 102  | 202              | 31        | 53                      |
|                          | Resource<br>recycling<br>cost<br>Resource<br>recycling<br>facility  |   | 13         | 190  | 203              | 24        | 27                      |
|                          | Sı  | ıbtotal   | 128        | 606  | 734              | 73        | 98                      |



| Upstream/Downstream<br>Costs       |  |     | 9     | 9     | 1  | 1   |
|------------------------------------|--|-----|-------|-------|----|-----|
|                                    | for Eco-commuting  |     |       |       |    |     |
| Administration Costs               | Implementation of<br>environmental ISO,<br>environmental staff costs   | 7   | 367   | 374   | 1  | 1   |
| R&D Costs                          | Development of eco power<br>unit and lightweight<br>materials, future<br>development of<br>environmental products  | 189 | 3,847 | 4,037 | 0  | 0   |
| Social Activity Costs              | Beach cleanup programs,<br>events including the Baby<br>Turtle Release program,<br>and tree-planting<br>management | 0   | 3     | 3     | 0  | 0   |
| Environmental<br>Remediation Costs | Cleanup of contaminated soil   | 0   | 17    | 17    | 0  | 0   |
| -                                  | Fotal  | 325 | 4,849 | 5,174 | 75 | 100 |

Unit: million yen. Individual figures may not add up to the total because of 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      |        |        |  |  |  |  |  |
|---|--------|--------|--|--|--|--|--|
| Category Within FY Full-year equivalent |        |        |  |  |  |  |  |
| Reduced energy (GJ)                     | 22,959 | 35,785 |  |  |  |  |  |
| Reduced CO2 (t-CO2)                     | 833    | 1,493  |  |  |  |  |  |
| Conserved water (t)                     | 4,081  | 21,715 |  |  |  |  |  |
| Reduced waste (t)                       | 583    | 917    |  |  |  |  |  |
| Reduced VOC (t)                         | 34     | 38     |  |  |  |  |  |

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

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



#### Change in Environmental Costs

| Category                        |                                      | Environmental Costs |            |      |       |       |       |       |       |       |
|---------------------------------|--------------------------------------|---------------------|------------|------|-------|-------|-------|-------|-------|-------|
|                                 |                                      | In                  | Investment |      | Cost  |       |       | Total |       |       |
|                                 |                                      | 2010                | 2011       | 2012 | 2010  | 2011  | 2012  | 2010  | 2011  | 2012  |
|                                 | Pollution prevention cost            | 73                  | 93         | 15   | 515   | 317   | 314   | 588   | 410   | 329   |
| Business<br>Area Cost           | Global environment preservation cost | 103                 | 105        | 100  | 130   | 43    | 102   | 233   | 148   | 202   |
|                                 | Resource recycling cost              | 3                   | 8          | 13   | 524   | 184   | 190   | 527   | 192   | 203   |
|                                 | Subtotal                             | 179                 | 206        | 128  | 1,169 | 544   | 606   | 1,348 | 750   | 734   |
| Upstream/Do                     | wnstream Costs                       | 0                   | 0          | 0    | 151   | 7     | 9     | 151   | 7     | 9     |
| Administratio                   | n Costs                              | 15                  | 0          | 7    | 439   | 392   | 367   | 454   | 392   | 374   |
| R&D Costs                       |                                      | 232                 | 120        | 189  | 6,540 | 3,431 | 3,847 | 6,772 | 3,551 | 4,037 |
| Social Activity Costs           |                                      | 0                   | 0          | 0    | 4     | 2     | 3     | 4     | 2     | 3     |
| Environmental Remediation Costs |                                      | 0                   | 0          | 0    | 10    | 22    | 17    | 10    | 22    | 17    |
|                                 | Total                                | 425                 | 326        | 325  | 8,312 | 4,398 | 4,849 | 8,738 | 4,724 | 5,174 |

Unit: million yen

#### Change in Economic Effects

| Category                        |                                      | Economic Effects       |                      |                        |                      |                        |                      |
|---------------------------------|--------------------------------------|------------------------|----------------------|------------------------|----------------------|------------------------|----------------------|
|                                 |                                      | 2010                   |                      | 2011                   |                      | 2012                   |                      |
|                                 |                                      | Fiscal<br>year-<br>end | Calender<br>year-end | Fiscal<br>year-<br>end | Calender<br>year-end | Fiscal<br>year-<br>end | Calender<br>year-end |
| Business<br>Area Cost           | Pollution prevention cost            | 30                     | 31                   | 22                     | 22                   | 18                     | 18                   |
|                                 | Global environment preservation cost | 48                     | 80                   | 22                     | 41                   | 31                     | 53                   |
|                                 | Resource recycling cost              | 33                     | 37                   | 31                     | 31                   | 24                     | 27                   |
| Subtotal                        |                                      | 111                    | 148                  | 76                     | 95                   | 73                     | 98                   |
| Upstream/Downstream Costs       |                                      | 1                      | 306                  | 0.4                    | 0.4                  | 1                      | 1                    |
| Administration Costs            |                                      | 5                      | 5                    | 5                      | 5                    | 1                      | 1                    |
| R&D Costs                       |                                      | 0                      | 0                    | 0                      | 0                    | 0                      | 0                    |
| Social Activity Costs           |                                      | 0                      | 0                    | 0                      | 0                    | 0                      | 0                    |
| Environmental Remediation costs |                                      | 0                      | 0                    | 0                      | 0                    | 0                      | 0                    |
| Total                           |                                      | 117                    | 459                  | 81                     | 100                  | 75                     | 100                  |

Unit: million yen

## **Reducing CO2 Emissions**



As a manufacturer of motorcycles and other transportation machinery, the Yamaha Motor Group is undertaking a number of measures to reduce greenhouse gas emissions, which it considers the most critical environmental issue facing the world today, throughout the entire life cycle of its products, from development through to manufacturing, use, and final disposal. We set 1% reduction of CO2 emissions per unit of sales each year as the group's common goal.

We will be working to efficiently reduce greenhouse gas emissions via such means as checking the status of programs targeting the reduction of energy consumption by domestic and overseas Group companies, and providing assistance to those needing to advance their programs.

The Yamaha Motor Group's CO2 emissions in 2012 totaled 621 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 by providing support to Group companies.



Yamaha Motor group CO2 emissions







#### **Reducing CO2 Emissions at the Manufacturing Stage**

Yamaha Motor's 2012 target for all of its manufacturing facilities was a 3% reduction per unit of sales compared to 2009 (total emissions: 84 thousand t-CO2), but we achieved a 13% reduction per unit of sales (74 thousand t-CO2). In addition, new energy sources such as solar power and natural gas cogeneration accounted for 44 thousand MWh (23% of total electric power consumption), resulting in an 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



Note: 1990 does not include the former Yamaha Marine (Yamaha Marine merged with Yamaha Motor in January 2009)



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.
# **Reducing CO2 Emissions**



#### 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, 413 MWh of total power was generated, reducing CO2 emissions by approximately 285 tons. 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 (Fukuroi South Factory)

The Fukuroi South Factory has constructed a new heating system by installing heat pumps on its surface processing line. The new system makes possible a 24% reduction in CO2 emissions compared to the previous steam heating system. Introduction of the system at other plants is planned.







# **Reducing CO2 Emissions at the Distribution Stage**

Yamaha Motor has established the goal of "Improving transportation efficiency by 1% a year (compared to 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 2012, emissions worsened by 2.7% compared to the basis year due to the impact of higher unit sales of utility boats and generators in eastern Japan, and the goal of 27% reduction in CO2 emissions compared to the basis year was not achieved. Yamaha Motor will continue to examine its distribution methods and implement measures to improve transport efficiency, such as sharing of the details of activities of concerned divisions.



Note: CO2 emissions figures for 2009 were revised following a re-examination when calculating the totals for 2010.





\*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**

Yamaha Motor group comprehensively assesses the environmental impact of our products throughout their entire lifecycle, 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.

#### F200F Compact, 4-Stroke Outboard Motor is Lightest in its Class\*

Yamaha Motor launched the F200F, a 200-horsepower, 4-stroke outboard motor that incorporates a lightweight, compact design to achieve the lightest weight in its class,\* on March 1, 2013.

The F200F uses a newly developed direct action in-line 4 power unit with a displacement of 2,785cc. The lightweight, compact design achieves major reductions of roughly 60kg in weight and 85mm in width compared with Yamaha Motor's previous V6 200-horsepower outboard motor (the F200C). This makes it possible to use the motor on an even wider range of boat types.

In terms of environmental features, the F200F has received the highest rating of three stars by the California Air Resource Board (CARB), which is considered to have the world's strictest air quality standards.



\* Based on Yamaha Motor data, compared with other 200-horsepower, 4-stroke outboard motors (as of February 2013)



# Yamaha Motor Group CO2 Emissions Data

By Energy Source (Fiscal 2012)



### By Area (Fiscal 2012)

|                       | Japan   | North<br>America | Europe | Oceania | Asia    | Central and<br>South America | China  | Total<br>Emissions |
|-----------------------|---------|------------------|--------|---------|---------|------------------------------|--------|--------------------|
| Manufacturing         | 130,658 | 42,373           | 7,027  | 0       | 352,627 | 24,987                       | 42,803 | 600,473            |
| Non-<br>manufacturing | 2,706   | 7,992            | 3,860  | 1,825   | 2,498   | 78                           | 1,586  | 20,544             |
| Total                 | 133,364 | 50,364           | 10,886 | 1,825   | 355,125 | 25,065                       | 44,388 | 621,017            |

(Unit:t-CO2)

Note: Totals may not sum due to rounding.

#### Top Ten Countries (Fiscal 2012)

| Indonesia | Japan   | India  | Thailand | USA    | China  | Vietnam | Taiwan | Brazil | Malaysia |
|-----------|---------|--------|----------|--------|--------|---------|--------|--------|----------|
| 164,380   | 133,364 | 56,563 | 51,351   | 49,224 | 44,388 | 43,089  | 31,858 | 24,100 | 6,110    |

(Unit:t-CO2)

Note: Totals may not sum due to rounding.



### **Reducing PRTR\* Substances**

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

We are reducing VOC emissions in the painting process by means including optimization of robot systems, and the Fukuroi South Factory has operated a regenerative thermal oxidizer system since 2009.

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)

#### **Complying with the REACH Regulation**

In response to the enactment of Europe's Registration, Evaluation, Authorization 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.

# **Recycling, Reusing and Reducing**



The "3R" concept (Reduce, Reuse, Recycle) is becoming ever more important in all phases of product lifecycles, 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.

To reduce product weight and thus increase fuel efficiency, we are implementing various approaches such as reducing component size, increasing the use of magnesium, aluminum and plastic resins, reducing the number of parts, reducing the thickness of parts by pursuing optimal shapes, improving the recyclability of parts, etc. in order to improve the applicability of the 3R concept to our products.

# Measures to Reduce Waste and Conserve Resources at the Manufacturing Stage

In 2012, Yamaha Motor generated a total of 21 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%).

Waste generation at the manufacturing stage and recycling ratio at Yamaha Motor



#### Proportion of recycled materials procured by Yamaha Motor



© Yamaha Motor Co., Ltd.

# **Recycling, Reusing and Reducing**



# **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 2012)





# **3R Initiatives in 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). Yamaha Motor maintained the 74% returnable rate for export containers, achieved the previous year.





### **Conservation of Water Resources**

The Yamaha Motor group addresses the conservation of water resources as a group-wide issue and is taking global measures to improve the operational aspects involved in the investigation of actual water consumption.



© Yamaha Motor Co., Ltd.

# **Biodiversity**



Before construction started on a new test course for motorcycles in Kikugawa City, Shizuoka Prefecture in June 2011, Yamaha Motor conducted an environmental assessment of the construction site and surrounding area in 2008. 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 and continued ongoing monitoring in 2012.



A Cymbidium lancifolium (lance-leafed Cymbidium) replanted in 2012 has been marked using biodegradable tape.

The company is working to minimize the effect of air pollution, noise, vibration and water quality degradation that the surrounding area might suffer during site preparation, and is maintaining wildlife diversity as well as preserving the environment through measures such as protecting a certain width of existing ground cover around the perimeter of the test course.

### **Beach Clean-up and Baby Turtle Watching Event**

Since 1991, the Yamaha Motor Group has held a beach clean-up 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. (In 2010, sandbags containing sand and sweet grass seed were stacked in depressions in the dunes in a beach recovery project.)

About 600 employees, family members, and interested persons participated in the event in 2012.



Briefing participants at Enshunada Beach

Sandbag stacking

# **Environmental Communication**

In order to help achieve sustainable growth for the 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.

Regarding our initiatives pertaining to eco-commuting activities, which have been implemented since 2004, under the Excellent Eco-Commuting Business Site Accreditation System of Japan's Ministry of Land, Infrastructure, Transport and Tourism in 2012, we have a total of 12 registered sites.



Parking lot for electric motorcycles at Yamaha Motor headquarters



The Excellent Eco-Commuting Business Site Accreditation System Certificate

### **Introducing the Eco Point System**

One of the goals of the Yamaha Motor Group Environmental Plan 2010 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 2012, participation in this program reached 6,875 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 communications with local communities and the public. These efforts serve to raise employee awareness concerning the environment and to encourage participation.



Employees and their families participating in a beach clean-up program

### Yamaha Motor Exhibits at Eco-Products 2012

In December 2012 Yamaha Motor exhibited its PAS electrically power assisted bicycles at the bicycle eco academy corner at Eco-Products 2012, Japan's largest environment-related product exhibition. Yamaha Motor also provided the bicycles for use in the test-ride event held in a special outdoor area.

# **The Nakase Factory Wins a Planning Prize** at the Hamamatsu City Flower Contest

In 2012 Yamaha Motor's headquarters and the Nakase Factory installed "green curtains" made of bitter melon vines as a global warming countermeasure. The Nakase Factory also installed a large passion fruit curtain, an activity that raised awareness of eco activities among employees and won a planning prize at the 15th Hamamatsu City Flower Contest held this year.



The Nakase Factory's passion fruit curtain

Participants at work at company headquarters



The curtain at the headquarters office building

# ISO26000 Reference Table

| ISO 26000 Core Subjects   | Issues  | Web Links  |
|---------------------------|---|--|
| Organizational Governance |   | <ul> <li>Approach to CSR</li> <li>Basic Policies of CSR</li> <li>Corporate Governance</li> </ul>   |
| Human Rights              | 1 Due diligence   | •Workplaces Thriving on  |
|                           | 2 Human rights risk situations  | <ul> <li>Diversity</li> <li>Internal Reporting Systems</li> </ul>  |
|                           | 3 Avoidance of complicity   | <ul> <li>(Hotlines)</li> <li>Activities in Supply Chains</li> </ul>  |
|                           | 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   | •Supporting the Work-Life<br>Balance   |
|                           | 2 Conditions of work and social protection  | •Workplace Safety and Health     •Developing Human Resources   |
|                           | 3 Social dialogue   |  |
|                           | 4 Health and safety at work   |  |
|                           | 5 Human development and training in the workplace                                       | ne   |
| The Environment           | 1 Prevention of pollution   | •Approach and Policies   |
|                           | 2 Sustainable resource use  | •Environmental Management     •Reducing CO2 Emissions  |
|                           | 3 Climate change mitigation and adapta  |  |
|                           | 4 Protection of the environment,<br>biodiversity and restoration of natural<br>habitats | <ul> <li>Recycling, Reusing and<br/>Reducing</li> <li>Biodiversity</li> <li>Global Afforestation Activities<br/>to Preserve the Environment</li> </ul> |
| Fair Operating Practices  | 1 Anti-corruption   | •Activities in Supply Chains   |
|                           | 2 Responsible political involvement   | •Activities at Dealerships   |
|                           | 3 Fair competition  |  |
|                           | 4 Promoting social responsibility in the value chain                                    |  |
|                           | 5 Respect for property rights   |  |
| Consumer Issues           | 1 Fair marketing, factual and unbiased<br>information and fair contractual practi       |  |
|                           | 2 Protecting consumers' health and safe   |  |
|                           | 3 Sustainable consumption   | •Thorough Import and Export<br>Management  |
|                           | 4 Consumer service, support, and complaint and dispute resolution                       | •Initiatives for Protection of<br>Personal Information   |
|                           | 5 Consumer data protection and privacy  |  |
|                           | 6 Access to essential services  |  |
|                           | 7 Education and awareness   |  |

# ISO26000 Reference Table

| Community Involvement and Development | 1 | Community involvement                      | •Developing Future Leaders           |  |  |
|---------------------------------------|---|--|--------------------------------------|--|--|
|                                       | 2 | Education and culture                      | <ul> <li>Community Issues</li> </ul> |  |  |
|                                       | 3 | Employment creation and skills development |                                      |  |  |
|                                       | 4 | Technology development and access          |                                      |  |  |
|                                       | 5 | Wealth and income creation                 |                                      |  |  |
|                                       | 6 | Health                                     |                                      |  |  |
|                                       | 7 | Social investment                          |                                      |  |  |