

SUSTAINABILITY MANAGEMENT

To support the “Well-Being of People around the World,” the Yamaha Group is advancing initiatives for contributing to the realization of a sustainable society based on the Yamaha Group Sustainability Policy. The Group places sustainability at the heart of its management and business activities. We are therefore advancing initiatives based on material issues defined to guide efforts to contribute to social sustainability and medium- to long-term improvements to corporate value. These issues were shaped by the relationship between our business activities and the environment and society as well as by stakeholder expectations and social demands.

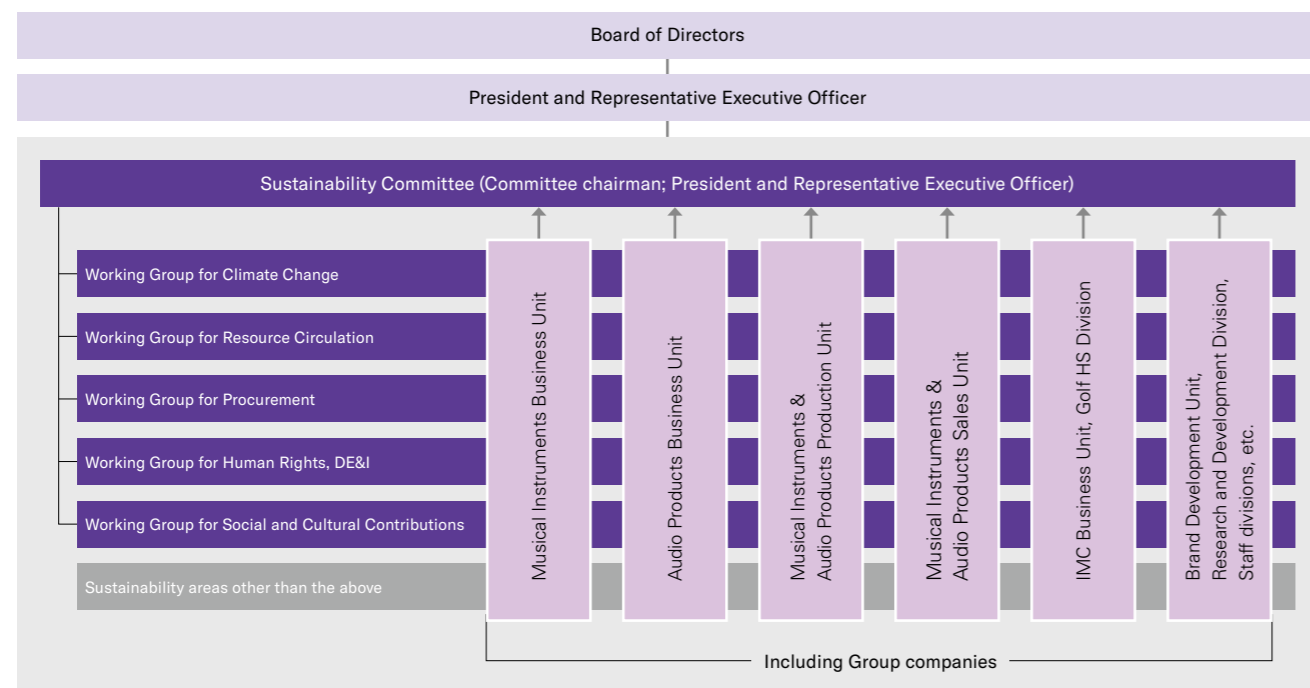
Sustainability Promotion System

Under the supervision of the Board of Directors, Yamaha has established the Sustainability Committee as an advisory body to the president. This committee is tasked with discussing directives for Groupwide sustainability initiatives, monitoring initiatives, and reporting to the president on these matters.

Five working groups—the Working Group for Climate Change, Working Group for Resource Circulation, Working Group for Procurement, Working Group for Human Rights, DE&I, and Working Group for Social and Cultural Contributions—have been formed under the Sustainability Committee. The working groups act on a cross-business basis by coordinating with the relevant divisions to advance activities based on the important Groupwide theme of their assigned area.

Important Themes Assigned to Each Working Group

Working Group for Climate Change	Decarbonization, disclosure based on Task Force on Climate-related Financial Disclosures (TCFD) recommendations, water risk response measures, etc.
Working Group for Resource Circulation	Circular value chains, eco-friendly product designs and packaging, etc.
Working Group for Procurement	Timber due diligence, sustainable timber procurement, Tone Forest activities, supply chain human rights due diligence, response to conflict minerals, etc.
Working Group for Human Rights, DE&I	Human rights due diligence; promotion of diversity, equity, and inclusion; etc.
Working Group for Social and Cultural Contributions	Popularization of music, community outreach, etc.



Fiscal 2023 Sustainability Committee Meetings

Meetings	Major Agenda Items
6 times	<ul style="list-style-type: none"> Review of sustainability initiatives under the previous medium-term management plan Progress and challenges of sustainability initiatives under the current medium-term management plan Disclosure based on TCFD recommendations Discussion session with an external expert (lecture, Q&A session, and exchange of opinions regarding the challenges faced in Yamaha's sustainability initiatives)

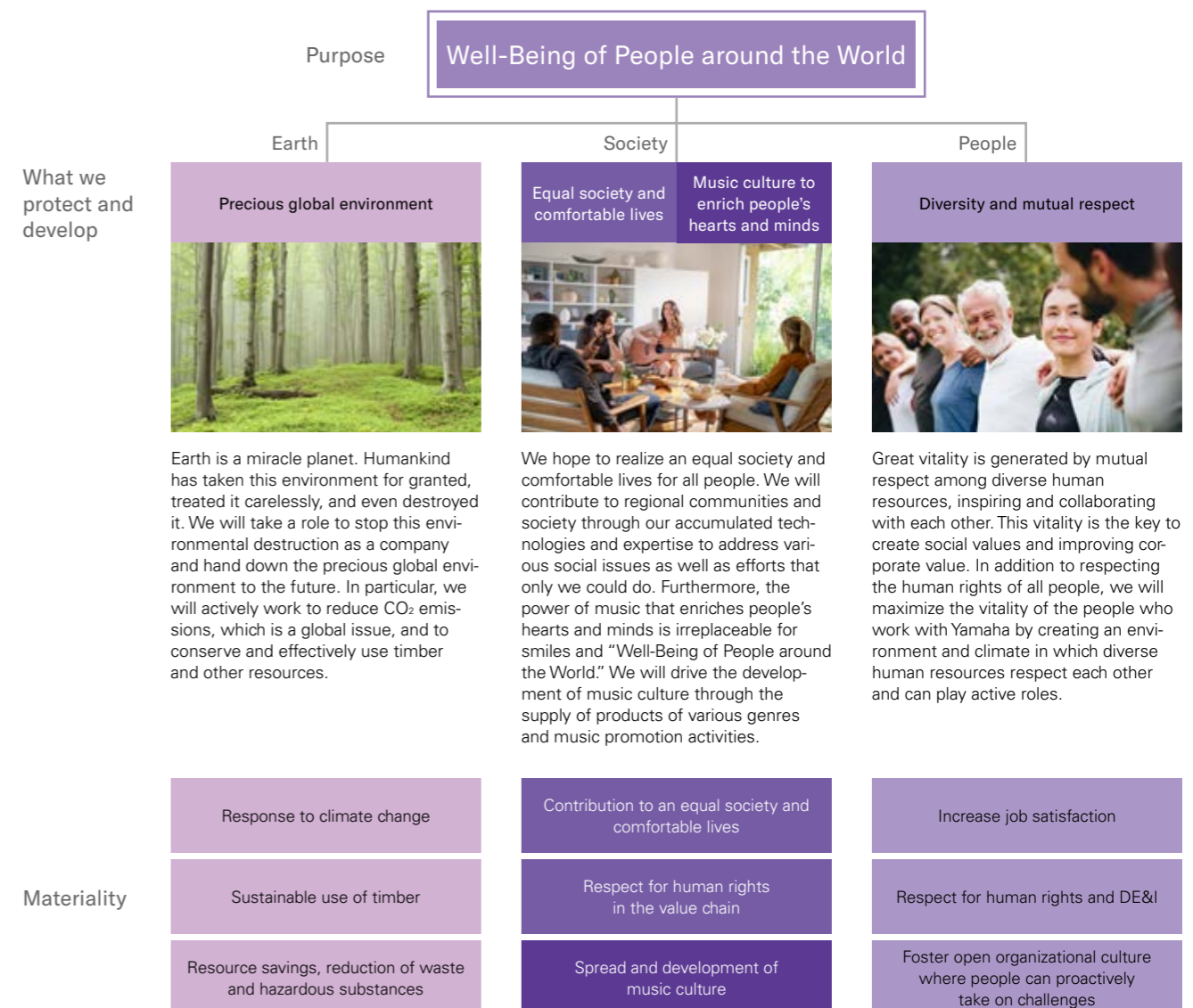
Yamaha Group Sustainability Policy

Throughout its long history, the Yamaha Group has made various efforts to promote people's “well-being,” while remaining conscious of its connection with nature, society and culture. Our products, made of timber and other natural materials and carefully finished by skilled craftspeople, have been handed down from generation to generation and, with some products being given new life through renewal, loved by many people. In addition to simply selling products, we have also contributed to promoting the spread and development of music culture in various countries and regions around the world as our own business. These activities range from the spread of instrumental music education for children and the development of music schools to the support of top artists. These ideas and initiatives are in line with social sustainability and have been passed down through the company's more than 130-year history, shaping the “distinctive brand identity of Yamaha.”

Yamaha Group Sustainability Policy

The Yamaha Group aims to create a society that realizes the well-being of all people around the world. To achieve this goal, we will work to protect our one precious earth and contribute to the development of an equal society, comfortable lives, and a music culture that enriches people's hearts and minds, with our corporate philosophy of “Yamaha Philosophy” as the foundation to draw from. At the same time, we will not only respect for human rights but also create an environment in which diverse human resources can respect each other and actively play a role. Through these initiatives, we will continue to create excitement and cultural inspiration together with people around the world.

Based on this concept, we have identified materiality and will actively promote sustainability activities to enhance our medium-to-long-term corporate value through the creation of social value by working toward the realization of a sustainable society.



Material Sustainability Issues

The Yamaha Group reflects priority sustainability initiatives for contributing to social sustainability and medium- to long-term improvements to corporate value into its sustainability policies, and advances and manages activities on these policies. In fiscal 2022, we reassessed

our prior sustainability material issues to identify issues pertaining to the environment, society, and human resources and to align the sustainability material issues with the material issues used in overall management. Initiatives are currently underway based on the redefined issues.

Material Issues



For more information on material sustainability issues, please refer to the following website.

<https://www.yamaha.com/en/csr/sustainability/materiality/>



Major KPIs and Targets of Make Waves 2.0 (April 2022 to March 2025) and Progress in Fiscal 2023

Category	Sustainability Issues	KPIs and Targets for Fiscal 2025 (Make Waves 2.0 Medium-Term Management Plan)	Progress in Fiscal 2023	Evaluation
Environment	Response to climate change	Reduce CO ₂ emissions by 5% through energy conservation (CO ₂ emissions/production volume, compared with fiscal 2018) Management target	Promoted energy conservation measures including installation of electricity monitoring systems, regardless of reduction in electricity efficiency amid the COVID-19 pandemic	Fair
		Maintain inclusion on CDP Climate Change A List	Received A- climate change rank from CDP	Fair
		Improve logistics packing efficiency by 5%	Established collective packing standards that included provisions concerning container packing rates	Good
Environment	Sustainable use of timber	Increase rate of sustainable timber use to 75% Management target	Expanded certified timber use and examined potential in-house standards for sustainable timber	Fair
		Cultivate and preserve three scarce tree species necessary for musical instrument production (Tone Forest activities)	Planted 15,000 African blackwood in Tanzania and conducted Indian rosewood field survey in India	Good
		Resource savings, reduction of waste and hazardous substances	Developed systems for collecting information and determining specifications and eliminated plastic packaging from certain products	Fair
Society	Contribution to an equal society and comfortable lives	Install Listening Care function for reducing burden on ears by delivering high-quality sound at low volumes into all new headphones and earphones*	Installed Listening Care function into all new wireless headphones and earphones	Good
		Promote respect for human rights in the value chain	Conduct on-site audits of suppliers (60 companies)	Selected auditing institution to conduct on-site audits
Culture	Spread and develop music culture	Promote instrumental music education at schools in emerging countries (School Project); provide instrumental music education opportunities to aggregate total of 2.3 million children in 10 countries Management target	Provided instrumental music education opportunities to aggregate total of 2,025,000 children in seven countries through the School Project	Excellent
		Increase number of students enrolled at overseas music school by 100,000	Increased number of students enrolled at overseas music schools by 17,000, despite challenges in recruiting students and expanding locations due to impacts of the COVID-19 pandemic in China, etc.	Fair
Human resources	Increase job satisfaction	Continue improving ratio of employees offering positive responses regarding motivation on employee engagement surveys Management target	Moved forward with development of systems and frameworks	Fair
		Double human resources investment	Prepared for the introduction of a talent management system and formulated new education and learning systems	Fair
	Promote respect for human rights and DE&I	Achieve global ratio of female managers of 19% Management target	Raised global ratio of female managers to 17.3% and administered unconscious bias training to 6,100 individuals	Good
		Conduct cross-border positioning of 30 individuals	Conducted cross-border positioning of two individuals and established Group International Mobility Specialized Rules	Fair
Foster open organizational culture where people can proactively take on challenges	Continue improving ratio of employees offering positive responses regarding workplace comfort on employee engagement surveys Management target	Achieved inclusion in the Health & Productivity Stock Selection for second consecutive year and made progress in improving workplace environment	Fair	

Excellent: Exceeded plan Good: Proceeded as planned Fair: Measures progressed, but lagged behind plan

* Excluding certain special models

For more information on sustainability initiatives, please refer to the following website.

<https://www.yamaha.com/en/csr/>



ENVIRONMENT

The Yamaha Group recognizes the extreme importance of environmental issues. Accordingly, we have established the Yamaha Group Environmental Policy, which defines the environmental issues that the Group should prioritize and describes the approach to be taken in addressing these issues. Initiatives based on this policy are incorporated into our medium-term management plan and into the action plans of individual divisions to guide earnest and ongoing contributions to the realization of a better global environment.

Environmental Management Systems

The Yamaha Group has created a system for promoting global environmental preservation activities that is overseen by the officer responsible for environmental issues of the Yamaha Group. In addition, the Working Group for Climate Change, Working Group for Resource Circulation, and Working Group for Procurement have been positioned under the Sustainability Committee, which is chaired by the president, to engage in discussions regarding important sustainability issues, such as addressing climate change and procuring timber in a sustainable manner, and to promote Groupwide action.

Major Initiatives and Results under Make Waves 2.0

Furnish Responses to Climate Change

Endorsing the goals of Science Based Targets, an international initiative encouraging companies to formulate greenhouse gas emissions reduction targets in accordance with scenarios based on scientific evidence, the Yamaha Group has received certification from this initiative for reduction targets. Originally, the Group had targeted a 32% reduction in Scope 1 and Scope 2 emissions from fiscal 2018's level to be achieved by fiscal 2031, but we later raised this target to 55% in light of the global community's push for carbon neutrality. This ambitious target has been certified by Science Based Targets as a target for helping limit the average rise in global temperatures to 1.5°C above pre-industrial levels. In addition, the Group declared its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in 2019 and commenced initiatives for analyzing the impact of climate change on its finances and disclosing related information. Going forward, the Yamaha Group will continue to seek to achieve net zero emissions in its operations and across its value chains. At the same time, we will strive to create products, services, and business models that help mitigate climate change and promote the decarbonization of society through energy-efficient products and other means.



Furthermore, an internal carbon pricing system was implemented in fiscal 2023 to facilitate investment in high-efficiency and renewable energy equipment. In addition, quantitative reduction targets are set on an individual-site basis, and electricity monitoring systems are being installed along with other measures for conserving electricity. We are also introducing additional solar power generation systems as we seek to expand usage of renewable energy. These efforts resulted in Yamaha achieving a 10% rate of renewable energy use in fiscal 2023.

Sustainably Use Timber

The Yamaha Group has established a due diligence system to prevent the procurement of timber from illegal sources, and promotes a strict confirmation process for the legality of timber harvesting through site visits and surveys of documents for procurement sources.

The Group conducts surveys targeting all business partners from which timber was purchased to assess the place of origin, the legality of harvesting, and the sustainability of relevant resources. Based on the results, we perform stricter verification of legality for timber deemed to represent a high risk by undertaking further investigations including local site visits and assessments by a committee comprised of members of the timber procurement division and the sustainability division. We confirmed that 99.6% (volume ratio) of procured timber was low risk in fiscal 2023. The Group conducts such surveys each year with the cooperation of suppliers and is aiming to achieve a 100% rate of low-risk timber procurement. Additionally, we are actively adopting certified timber. Certified timber constituted 53.2% of timber purchased in fiscal 2023 (by volume, 5.6% of which was from newly adopted sources). We have formulated internal standards to evaluate the sustainability of non-certified timber. Going forward, the Group intends to expand usage of timber that complies with its internal standards to work toward its target of achieving a ratio of sustainably sourced timber of 75% by fiscal 2025.

Realize Resource Savings and Reduce Waste and Hazardous Substances

The Yamaha Group strives to use less resources in its products from a variety of standpoints, such as lowering product size and weight, integrating several products into one, and reducing the amount of and, when possible, completely eliminating, product packaging and cushioning. Moreover, we are working to reduce resource use by extending product lifespans, developing instrument maintenance and repair service systems, and collecting and refurbishing products through services such as those offered in our piano renewal business. Other measures for making the best use of finite resources and reduce waste include reassessing our use of plastic, which contributes to global warming and pollution; switching to paper and other renewable materials; and lowering waste emissions and recycling in manufacturing processes.

In our efforts to reduce plastic packaging, we are researching new technologies and revising product specifications, and we plan to stop using plastic packaging for newly launching small products in fiscal 2025.

For more information on environmental initiatives, please refer to the following website.

https://www.yamaha.com/en/csr/activity_report/environment/



Endorsement of the TCFD Recommendations

Rapid climate change poses a major threat to humanity and to all life-forms on earth. We recognize that helping combat this threat and contributing to the decarbonization of society are corporate responsibilities and important management issues.

In fiscal 2020, the Yamaha Group declared its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and commenced initiatives for analyzing the risks and opportunities for its business created by climate change. This information is reflected in management strategies, and information on the financial impacts of these risks and opportunities is disclosed.



Yamaha's Initiatives

Governance

Climate change and other important sustainability issues are discussed at meetings of the Sustainability Committee, which is an advisory body to, and chaired by, the president that was established in January 2021. Matters discussed by this committee are regularly raised to the Board of Directors, which confirms the progress of and oversees measures. The Sustainability Committee met six times in fiscal 2023.

In November 2022, a discussion forum was arranged with sustainability experts as part of our efforts to heighten awareness regarding climate change and other social issues.

The Working Group for Climate Change, an organization positioned under the Sustainability Committee, leads discussions on measures for responding to climate change-related risks and opportunities, and relevant topics are also examined by the Working Group for Resource Circulation and the Working Group for Procurement. The results of these discussions are reported to the Sustainability Committee.

In fiscal 2022, Yamaha revised its sustainability priorities (material issues), the management issues with the potential to impact corporate value over the medium to long term, to include climate change among these issues. The Make Waves 2.0 medium-term management plan launched in April 2022 defines "set sustainability as a source of value" as one of its key policies, thereby positioning response to climate change as a central theme of the plan. Moreover, the Company has introduced frameworks for reflecting the degree of

accomplishment of targets for CO₂ emissions reductions and other non-financial indicators into officer compensation.

Strategy

Scenario analyses have been performed to confirm the potential impacts of climate change on the Yamaha Group. A number of scenarios were used including those projecting global warming of between 1.5°C and 2°C above pre-industrial levels, which involve significant transition risks, and scenarios assuming global warming of 4°C above pre-industrial levels, which forecast substantial physical risks, as well as various other scenarios.*¹ Applied to all businesses, these assessments were used to identify short-term, medium-term, and long-term risks and opportunities.*² Given the potentially large impact on business activities, strategies, and financial performance from climate change, the related risks and opportunities are regularly reviewed, and strategies are revised as necessary (see table below).

*¹ NZE Scenario (net zero emissions by 2050 and global warming of 1.5°C above pre-industrial levels, 2022 World Energy Outlook, International Energy Agency (IEA)); Sustainable Development Scenario (global warming of less than 2°C above pre-industrial levels, 2022 World Energy Outlook, IEA); Representative Concentration Pathway (RCP) 2.6 (global warming of less than 2°C above pre-industrial levels); RCP 8.5 (global warming of 4°C above pre-industrial levels); Announced Pledges Scenario; Stated Policies Scenario (Business as Usual); etc.

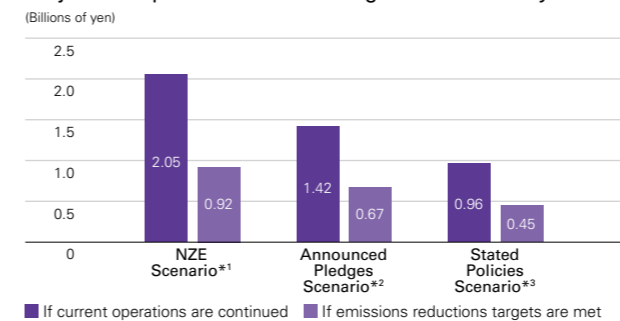
*² Risks and opportunities are classified as "short-term" if their impacts will be most strongly felt over the next several years, "medium-term" if their impacts will be felt leading up to 2030, and "long-term" if the impacts will appear in 2050.

High-Materiality Risks and Opportunities and Response Strategies

Category	Risks and Opportunities	Yamaha's Response Strategies	Scenario Analyses		
			Scenarios Projecting Global Warming of 1.5-2°C	Scenarios Projecting Global Warming of 4°C	
Transition risks	Institution or increase of carbon prices	<ul style="list-style-type: none"> Increases to production or procurement costs due to introduction of carbon taxes Potential for ¥1.0-2.0 billion increase in Group energy costs by fiscal 2031 (see graph to right) 	<ul style="list-style-type: none"> Exhaustive energy conservation and advancement of conventional energy use reduction plan focused on utilization of renewable energy (rise in energy costs to be limited to ¥0.4-0.9 billion by achieving energy conservation targets) Promotion of investment in low-emissions equipment through introduction of internal carbon pricing system (¥14,000 per t-CO₂) Promotion of emissions reduction together with suppliers 	Increased impact	Continuation of current level of impact
	Withdrawal of suppliers from timber businesses	<ul style="list-style-type: none"> Increase in withdrawals from timber businesses due to popularization of forest-associated carbon credits 	<ul style="list-style-type: none"> Increasing of rate of sustainable timber use Advancement of Tone Forest activities to achieve sustainable procurement of timber suited to musical instrument production 	Increased impact	Increased impact

Physical risks	Increasing frequency and severity of natural disasters	<ul style="list-style-type: none"> Halts to production due to damages to production bases or disruptions to supply chains resulted from natural disasters 	<ul style="list-style-type: none"> Reevaluation of flooding risks and potential damages to Yamaha Group bases (manufacturing, sales, and logistics) to enact preemptive measures in preparation for natural disasters 	Continuation of current level of impact	Increased impact
	Changes to the environments of regions from which Yamaha procures timber	<ul style="list-style-type: none"> Difficulty procuring timber as a result of changes to the environments of regions from which procured timber is produced stemming from climate change (see table below) 	<ul style="list-style-type: none"> Increasing of rate of sustainable timber use Development of new materials and timber processing technologies to provide substitutes for scarce timber used currently (retention and enhancement of timber-related technologies and procurement expertise) 	Increased impact	Increased impact
Opportunities	Development of substitutes for timber and establishment of new quality standards	<ul style="list-style-type: none"> Improvement of competitiveness and reputation among customers and investors by utilizing eco-friendly alternative materials in products 		Increased impact	Increased impact
	Growth demand for products and services associated with increase in time spent indoors spurred by rising temperatures	<ul style="list-style-type: none"> Higher demand for telecommunications equipment in conjunction with increases in teleworking and online events and gaming Growing demand for audio equipment in conjunction with rise in video distribution and emergence of hybrid live streaming events as de facto standard 	<ul style="list-style-type: none"> Supply of solutions for remote and online events that combine acoustics, signal processing, and telecommunications technologies Creation of new customer experiences through remote concerts, lessons, and ensemble performances 	Increased impact	Increased impact

Projected Impact of Carbon Pricing in Fiscal 2031 by Scenario



*¹ Scenario targeting effectively net zero emissions by 2050
*² Scenario assuming the implementation of adaptive climate change response measures based on current government policies and regulations and technological progress
*³ Scenario assuming that countries will enact their stated climate change response policies and accomplish their announced targets

Potential Changes in Timber Procurement Region Environments from Base Year

Tree Species	Region	Rise in Average Global Temperature from Pre-Industrial Levels (°C) and Potential Change in Procurement Region Environments (%)									
		0.6°C*	1.0°C	1.5°C	2.0°C	2.5°C	3.0°C	3.5°C	4.0°C	4.5°C or more	
Conifer species A	North America A	100	100	99	98	96	94	92	90	Less than 90	
Conifer species B	Europe A	100	101	84	74	62	47	31	11	Less than 11	
Broadleaf tree species A	Asia A	100	101	105	107	109	111	113	115	More than 115	
Broadleaf tree species B	Asia B	100	101	103	104	104	104	103	101	Less than 101	
Broadleaf tree species C	Europe B	100	102	96	86	72	55	37	14	Less than 14	
	Europe C	100	100	100	99	98	96	94	92	Less than 92	
					2°C scenario			4°C scenario			
		RCP 8.5 (4°C scenario)		Today*		2040s		2060s		2080s	2090s
		RCP 2.6 (2°C scenario)		Today*		2040-2090s					

* "Today" represents the average between 1986 and 2005.
Source: Yamaha Corporation

Risk Management

Process of Identifying and Assessing Climate Change-Related Risks and Opportunities

Having established the Risk Management Committee, Yamaha has implemented Companywide frameworks for assessing all of the climate change and other risks faced in its corporate activities. These frameworks are utilized to identify and assess climate change-related risks.

Risks are assessed and categorized from the perspectives of potential damages and frequency. This approach is utilized to determine the effective financial and strategic impact of said risks on the Yamaha Group's business, and this information is used as the basis for the formulation of risk countermeasures.

Based on the results of scenario analysis, the Working Group for Climate Change, an organization positioned under the Sustainability Committee, determines and assesses the potential damages and frequency of the risks identified through scenario analyses. The working group then compiles lists of risks based on the risk categories put forth by the TCFD. The potential damages of the risks contained on these lists are assigned one of three ranks based on the portion of revenue represented by said damages, and the potential frequency is given one of four ranks. This approach is used to identify material risks. A similar approach is employed in specifying material opportunities.

Climate Change-Related Risk and Opportunity Management Process

The Working Group for Climate Change meets four times a year, and these meetings are attended by officers and division management responsible for organizations pertaining to such functions as

production, procurement, logistics, the environment, finances, and corporate planning. Meetings of this working group are used to monitor and revise measures for responding to the identified material risks and opportunities.

In addition, measures are discussed as necessary by other working groups, such as the Working Group for Procurement and the Working Group for Resource Circulation, which provide advice pertaining to the identification of themes for countermeasures as well as the allocation of resources and decide upon indicators for monitoring progress.

Material risks and opportunities warranting measures that exceed the scope of responsibilities of the working groups are reported to the Board of Directors, which will then examine the potential response measures.

Relationship between Management of Climate Change-Related Risks and Comprehensive Risk Management

The Risk Management Committee is tasked with identifying material risk scenarios pertaining to all of the risks faced in the Company's corporate activities, formulating measures to mitigate the potential impacts of risks, and managing the progress of said measures.

Based on instructions from the Risk Management Committee, the Working Group for Climate Change identifies and assesses risks and coordinates and supports the related response measures.

The Sustainability Committee, of which the Working Group for Climate Change is a part, and the Risk Management Committee are both chaired by the president of the Company to allow for organic coordination between the activities of these committees.

Identified Climate Change-Related Risks and Opportunities and Potential Impacts

Category	Impact Level	Potential Impacts
Transition risks	Government regulation	<ul style="list-style-type: none"> Large impacts on R&D, production, and sales plans stemming from restrictions on greenhouse gas emissions seen around the world and other current regulations Widespread impacts on R&D, product, and production plans from future regulations
	Technologies	<ul style="list-style-type: none"> Need to address important management tasks of reducing costs and developing low-carbon technologies
	Markets	<ul style="list-style-type: none"> Concern for impacts on material procurement and costs associated with efforts to reduce greenhouse gas emissions
	Reputation	<ul style="list-style-type: none"> Impacts on revenue and stock price from changes in social reputation
Physical risks	Direct operations	<ul style="list-style-type: none"> Concern for potential impacts on important factories from storms or floods resulted from climate change
	Procurement	<ul style="list-style-type: none"> Concern for impacts on ability to procure materials due to changes to the environments of regions from which Yamaha procures timber stemming from climate change Concern for impacts on production plans and water costs at certain factories due to widespread droughts as a result of climate change
Opportunities	Market	<ul style="list-style-type: none"> Potential growth in demand for products and services due to changes in lifestyles arising amid climate change
	Products and services	<ul style="list-style-type: none"> Possible rises in demand for products and services that do not entail greenhouse gas emissions

Metrics and Targets

Reductions to CO₂ emissions are managed in a comprehensive manner encompassing the entire Yamaha Group and its supply chains. To facilitate these efforts, the Greenhouse Gas Protocol is used as the standard for calculating total greenhouse gas emissions (Scope 1, Scope 2, and Scope 3 emissions), and third-party verification is received for these calculations.

Yamaha has set the medium-term targets of reducing total Scope 1 and Scope 2 greenhouse gas emissions by 55% (a target certified by Science Based Targets as sufficient for helping limit average global warming to below 1.5°C) and total Scope 3 greenhouse gas emissions by 30% from fiscal 2018 levels by fiscal 2031. In addition, we have set a long-term target for Scope 1 and Scope 2 emissions of achieving carbon neutrality by fiscal 2051.


Targeting effective zero emissions of greenhouse gases across its value chain, Yamaha announced its commitment to achieving net zero emissions, as defined by Science Based Targets, in June 2023 (see diagram on next page).

As short-term milestones on our path toward this larger target, we aim to achieve a 5% improvement in energy efficiency during production and a 10% rate of renewable energy use by fiscal 2025.

Yamaha aspires to protect forest resources and biodiversity as it responds to the risks associated with suppliers withdrawing from timber businesses and changes to the environments of regions from which it procures timbers. To guide these efforts, we have set the target of achieving a 75% rate of sustainable timber use by fiscal 2025.

For more information on Scope 1, Scope 2, and Scope 3 emissions, please refer to the following website.

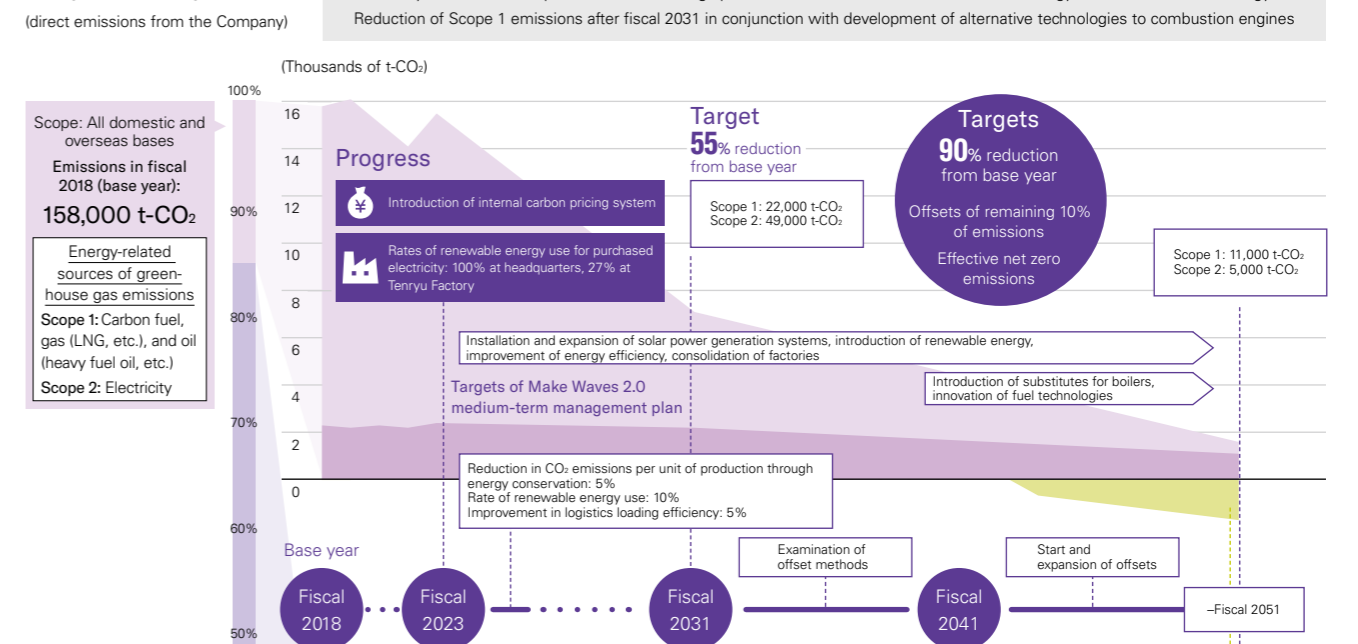
https://www.yamaha.com/en/csr/related_information/esg_data/



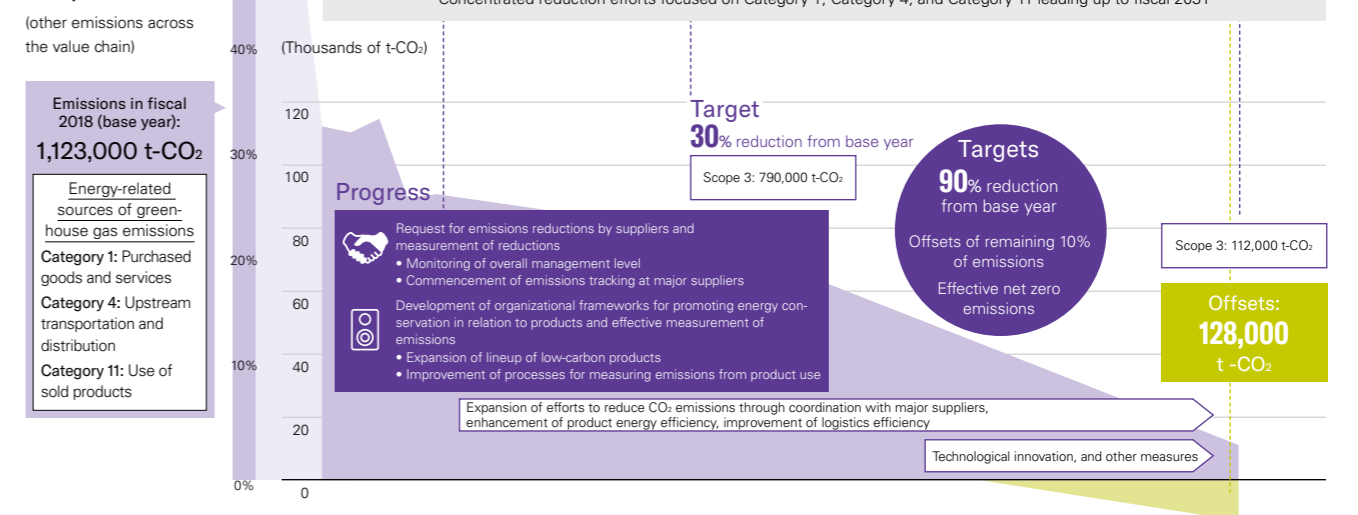
Decarbonization Plan

Reductions to CO₂ emissions are managed in a comprehensive manner encompassing the entire Yamaha Group and its supply chains. By pursuing steady reductions in greenhouse gas emissions (Scope 1, Scope 2, and Scope 3), Yamaha seeks to combat rapid climate change, which is a threat to human society as well as to all living organisms on the planet, and to contribute to the realization of a decarbonized society.

Scope 1 + Scope 2



Scope 3



HUMAN RIGHTS

To help realize a society in which everyone's human rights are respected, the Yamaha Group remains keenly aware of its responsibility with this regard and promotes respect for the human rights of all stakeholders touched by its business activities and value chain.



Basic Policies and Systems Regarding Respect for Human Rights

The Yamaha Group expects all Group companies to conduct their business activities with integrity and founded on respect for human rights, and has established the Yamaha Group Human Rights Policy and the Yamaha Compliance Code of Conduct to describe its basic policies and action guidelines regarding human rights. In addition, suppliers are expected to adhere to the Yamaha Supplier CSR Code of Conduct, which stipulates requirements for respect for human rights and appropriate labor practices.

Furthermore, Yamaha has established the Working Group for Human Rights, DE&I under the Sustainability Committee to facilitate responsible action for addressing the potential impacts of its business activities on human rights. This working group is tasked with formulating our visions and directives for promoting respect for human rights across the Group and with monitoring progress with this regard.

Promotion of Human Rights Due Diligence

We assess our activities across the value chain based on international norms on human rights and on the self-assessment items of the United Nations (UN) Global Compact and actively engage in dialogue with stakeholders and experts. Through this process, we identify and specify the human rights risks apparent in our business. In fiscal 2023, we began working with external experts to improve the Yamaha Group's human rights due diligence processes. The first step of these improvements entailed the identification of 17 material human rights issues based on factors such as the characteristics of our business and the risks associated with the countries and regions in which we operate (see table to the right). With regard to these material issues, surveys are administered to domestic and overseas Group companies to determine the potential for human rights violations, the possible severity of such violations, and any vulnerabilities in management systems and prevention measures. From among these issues, consistent procurement practices (supplier management), harassment and abuse, and occupational health and safety have been identified as human rights issues requiring priority attention.

The Yamaha Group's 17 Material Human Rights Issues

Issues	Stakeholders			
	Customers	Employees	Business Partners	Communities and Society
1 Legal equality and prohibition of discrimination	●	●	●	
2 Legal access to remedies	●	●	●	●
3 Consistent procurement practices (supplier management)			●	●
4 Harassment and abuse		●	●	
5 Women's rights		●	●	
6 Child labor (respect for right to education)			●	
7 Forced labor			●	
8 Occupational health and safety		●	●	
9 Working hours (right to breaks and days off)		●	●	
10 Safe work environment (including access to water)		●	●	
11 Wages (right to a living wage)		●	●	
12 Freedom of association and right to collective bargaining		●	●	
13 Equal access to training and education		●	●	
14 Intellectual property rights	●	●	●	
15 Rights of indigenous people and local communities				●
16 Consumer interests (right to safety and access to information)	●			
17 Management of personal information of consumers	●			

Consistent Procurement Practices (Supplier Management)

Yamaha products are primarily produced by Group companies with bases around the world. Procurement at the Yamaha Group is conducted based on defined policies. When procuring raw materials and parts, these Group companies select suppliers in accordance with the standards set in the Yamaha Group Purchasing Philosophy. Moreover, suppliers are asked to adhere to the Yamaha Supplier CSR Code of Conduct, which contains items pertaining to labor, human rights, the environment, and other sustainability considerations. In this manner, we seek to ensure consistent procurement practices in order to prevent adverse impacts to human rights across our supply chain. Inspections based on the Yamaha Supplier CSR Code of Conduct are conducted when transactions are commenced with new suppliers and on a regular basis thereafter. Corrective measures are implemented and transactions are reconsidered as necessary.

Harassment and Abuse

The Yamaha Group has defined in its Compliance Code of Conduct its strict prohibition of harassment, an act that undermines people's human rights. Also, Yamaha Corporation and domestic Group companies make it clear that harassment is a form of misconduct warranting discipline and disclosure, taking a stern stance toward all violations of human rights.

Training sessions, seminars, and other education programs are instituted with the goal of fostering a workplace environment free of harassment. In order to prevent abuses of power and other forms of harassment, manager training programs are implemented with a focus on acquiring harassment-related knowledge, developing skills for instructing subordinates, and improving communication between supervisors and subordinates. We are also bolstering the range of educational content we provide employees with regard to the prevention of harassment.

Furthermore, in fiscal 2023 compliance questionnaires were administered to overseas Group employees in addition to the domestic employees that we have been regularly surveying for some time now. The results of these questionnaires were used to analyze harassment risks on an organizational level, and the findings were reflected in efforts to address identified issues and improve our corporate culture.

Occupational Health and Safety

The Yamaha Group believes that one of its most important management issues is ensuring the health and safety of its employees. The Group promotes health and safety activities in accordance with its basic policy of prioritizing health and safety over everything, and we aim to continually enhance the level of our health and safety.

Steps are taken to prevent adverse impacts on employees from occupational accidents by implementing Group standard safety rules, conducting risk assessments, and performing audits of the safety of equipment and machinery to improve workplace safety. In fiscal 2023, we launched rank-based occupational safety and health training programs for core health and safety staff members at production bases in China, Indonesia, and Malaysia. For other employees, we arranged danger experience workshops at Safety Dojos, which are our educational facilities designed to help heighten sensitivity toward danger. Through these efforts, we are developing workplaces where everyone can feel safe and secure with no fear of occupational accidents.

Human Rights Education and Awareness-Raising Activities

The Yamaha Group encourages all employees to view human rights as an issue that directly relates to them, and human rights education programs are implemented to help us exercise our corporate responsibility to respect human rights. At domestic Group companies, the Yamaha Human Rights Guidebook is used to provide opportunities for



all employees to think and learn about potential human rights violations that may occur during their daily business activities and the steps to be taken to prevent said violations. Shared e-learning programs are held based on the content of this guidebook. At overseas Group companies, unique education programs related to human rights are carried out using this guidebook as well as the Yamaha Compliance Code of Conduct. Furthermore, the Group Labor and Human Rights Specialized Rules specify the content required for human rights education programs. Domestic and overseas Group companies are encouraged to spearhead their own human rights education programs, and the progress of these programs is monitored.

Human Rights-Related Consultation and Whistleblowing Systems

The Yamaha Group has set up compliance-related consultation and whistleblowing systems for use by employees (including contract employees, part-time employees, and dispatch employees) inside and outside of the organization. Employees are able to receive consultation or make reports regarding harassment and other human rights issues through these systems. In addition, we have developed multi-language inquiry forms, and a dedicated consultation system for sexual minorities at domestic Group companies has been established within the Human Resources Division of Yamaha Corporation. Information on the respective helplines or these systems is provided on an ongoing basis through internal publications, notifications, and the Company intranet in order to entrench awareness of these reporting options.

Non-employee stakeholders are able to submit opinions and reports through the inquiry forms available on Company websites. In addition, Yamaha joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) in October 2022 and has begun accepting claims filed through its Engagement and Remedy Platform. This platform is compliant with the stipulations of the UN Guiding Principles on Business and Human Rights and will be used to address the wide range of human rights issues found across various value chains.

For more information about compliance initiatives, please refer to page 106.

Product and Service Accommodation

The Yamaha Group seeks to improve the safety and accessibility of its products and services to allow them to be enjoyed by a wide range of people, regardless of disability or other restrictions and to ensure that they do not cause or exacerbate physical or mental health conditions. Examples of the innovations we have used to this end include the installation of the Listening Care function into our earphones and headphones, the provision of voice guidance functions for digital musical instruments, the development of recorders that can be played with one hand, and the deployment of the SoundUD universal design support system for sound.

Furthermore, we prepared a diversity, equity, and inclusion communication handbook for employees in April 2022 to facilitate inclusive communication that does not discriminate against or exclude others through use of advertisements or through social media as part of product and service marketing activities. Yamaha is also a member of the Unstereotype Alliance, a movement spearheaded by UN Women that aims to eliminate harmful stereotypes in media and advertisements.

For more information on human rights initiatives, please refer to the following website.

https://www.yamaha.com/en/csr/activity_report/social/human_rights/

