

CSR Report 2017



Message from the President

1. Aiming for “Becoming an Indispensable, Brilliantly Individual Company”
2. Integrating CSR into Management
3. Addressing Strategic CSR Themes
4. Aiming to Contribute to Attaining Sustainable Development Goals (SDGs)



Aiming for “Becoming an Indispensable, Brilliantly Individual Company”

With its activities based on sound and music as the origin, for 130 years, since its founding in 1887, the Yamaha Group has worked to share passion and performance with its customers and society as a whole. Music is a powerful and noble force that soothes and refreshes people’s minds and hearts, and, going beyond language, shares feeling with people around the world. Yamaha will contribute to the sustainable development of society as it takes initiatives to spread and further develop musical culture through its business activities.

In June this year, Yamaha reviewed its corporate governance system and made the transition to a Company with Three Committees (Nominating, Audit, and Compensation). As a consequence, Yamaha has made a clear separation between the oversight and execution in the management of its activities and, thereby, is working to enhance the overall management oversight functions, and accelerate the execution of business. In tandem with these measures, Yamaha appointed a woman to its Board of Directors as an Outside Director for the first time in order to reflect a diversity of viewpoints into management decision making. Going forward, Yamaha aims to attain sustainable growth and increase its corporate value through these initiatives in the medium-to-long term.

During the next fiscal year, Yamaha will set up its “Innovation Center” at the Headquarters, which will be a development building that will gather its research and development personnel together. Moreover, Yamaha is establishing new factories in Indonesia and India, and, by creating closer ties with local markets, will respond to the expanding needs of markets in emerging countries. Going forward also, Yamaha will accelerate its future growth with the aim of realizing its management vision of “Becoming an Indispensable, Brilliantly Individual Company,” and contribute to the creation of a sustainable society through the conduct of sound and highly transparent management as well as business activities with an eye to addressing social issues.

Integrating CSR into Management

In fiscal 2017, ended March 2017, which was Yamaha's first year under its three-year medium-term management plan "NEXT STAGE 12," Yamaha was able to make a steady start toward attaining its plan target of a 12% operating income ratio, which it has positioned as a key performance indicator. This was despite the negative impact of foreign currency fluctuations and was made possible through the contributions of many products with distinctive individuality, enhanced customer interaction, improvements in productivity, and other factors. To continuously realize growth like this in the medium-to-long term, Yamaha is aware that it will be necessary to position CSR at the core of its management and integrate CSR into its management. To do this, last year Yamaha identified the CSR issues that it should pursue more actively, designated them as strategic CSR themes, and included them in its medium-term management plan. By reviewing the progress toward realization of these themes in the Management Council, the Yamaha Group as a whole is taking initiatives to promote CSR through its business activities.

Addressing Strategic CSR Themes

Yamaha believes that the area where it can contribute the most to the creation of social value through its businesses is the activities and innovation for further spreading and developing musical culture. Initiatives Yamaha has taken to attain its strategic CSR theme of "development of regional community-based businesses" include its "School Project" that it is conducting mainly in the countries of Southeast Asia. This project is being implemented to offer opportunities to learn to play musical instruments to children who may have never had such opportunities before. Under this project, Yamaha is providing musical instruments, textbooks, and training programs as a package to public schools in Indonesia, Malaysia, and Russia. In fiscal 2017, Yamaha conducted these activities in 248 schools in these three countries. In Vietnam, Yamaha has begun to provide support for introducing musical instruments education, including recorders, and, in November 2016, Yamaha's initiative was selected as a Certified Project of the "Public-Private Initiative to Disseminate Japanese-Style Education Overseas" (EDU-Port Japan) of Japan's Ministry of Education, Culture, Sports, Science and Technology.

A representative example of Yamaha's initiative of "development of products and services with a focus on social issues" is its beginning to offer its Smart Education System to school music education classes, which is an ICT solution that nurtures the creativity of children and enhances the active learning experience. Also, in a series of events entitled "Geidai Arts Special—Disability & Arts," which explores the possibilities of artistic endeavor above and beyond disabilities, held at the Tokyo University of the Arts as a base, Yamaha drew on its technologies to provide support for richer performance expression by persons who have hand and foot or hearing disabilities. In addition, with these activities as a source of opportunities, using AI technology, Yamaha overcame the restrictions of time and space to recreate performances of the late Sviatoslav Richter, one of the greatest pianists of the 20th century, with a string quartet drawn from the Berlin Philharmonic Orchestra. Looking ahead, through research and development and technical collaboration with other organizations, Yamaha will continue to contribute to the creation and succession of musical culture into the future.

On the other hand, the principal area of risk where Yamaha's business activities may impair social value is in the procurement of timber for use in manufacturing musical instruments. Forests and ecosystems are valuable shared social assets that should be passed on to future generations, and it is Yamaha's responsibility to use these assets in a sustainable manner. Yamaha has indicated that "sustainable procurement of timber" is one of its strategic CSR themes, and in fiscal 2017, with the cooperation of its suppliers, Yamaha conducted a traceability study on the wood resources that it procures, and, to ensure that the wood Yamaha uses has been derived from proper sources, it has begun strict risk assessments. Moreover, regarding African Blackwood, which is used in the manufacturing of woodwind instruments, based on a partnership with NGOs, Yamaha has begun activities aimed at realizing sustainable resource management and procurement in Tanzania, the source of these resources.

In the area of “promotion of diversity and human resources development,” Yamaha is proceeding with activities to create a workplace environment where diverse human resources can be fully motivated and work energetically. In February this year, Yamaha’s employee health management and promotion of a good work life balance were recognized by Japan’s Ministry of Economy, Trade and Industry as a Health and Productivity Management Organization 2017. In addition, Yamaha Group company Yamaha Business Support Corporation received a best award in improvement activities by the Japan Management Association because of a high evaluation of its improvements in processes related to payroll processing, principally by female employees. Looking ahead, all members of the Yamaha Group will work to pursue the essence of their business activities to improve efficiency and put “true work style reforms” into practice to create time for creating new value in daily work and their lives.

Aiming to Contribute to Attaining Sustainable Development Goals (SDGs)

As a signatory to the United Nations Global Compact, Yamaha observes the Compact’s Ten Principles of corporate behavior and also wants to contribute to the attainment of the Sustainable Development Goals (SDGs) that have been cited as common issues that societies around the world are confronting. Going forward, as business activities become increasingly global in scope, Yamaha recognizes the importance that each and every member of the Yamaha Group will incorporate the proper understanding of SDGs and put them into action in our management and business activities. The Yamaha Group will continue to position CSR as the core of its management and work to find solutions to social issues through its business activities.

President and Representative Executive Officer
Yamaha Corporation



CSR Management



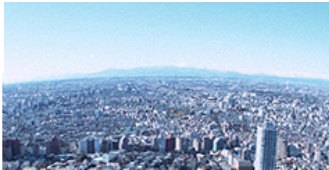
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Yamaha Corporation Group CSR Policy

Our Aim is "Sharing Passion & Performance"

The Corporate Philosophy of the Yamaha Corporation Group is, "With our unique expertise and sensibilities, gained from our devotion to sound and music, we are committed to creating excitement and cultural inspiration together with people around the world."

Based on this philosophy, Yamaha conducts its CSR activities according to the following guidelines, seeking to contribute to the sustainable development of society and to further strengthen the bond of trust with its stakeholders through sound, transparent management methods, and corporate activities that balance social and environmental concerns.

1. By creating new values through products and services focused on social and environmental issues, Yamaha contributes to the sustainable development of society.
2. Through business development and social contributions based in each region of the globe, Yamaha contributes to the promotion and popularization of music, and to the development of communities.
3. By understanding the significance of protecting the natural environment and maintaining biodiversity, and by promoting the reduction of environmental burden through measures such as sustainable procurement of timber and lowering greenhouse gas emissions, Yamaha works to maintain a healthy global environment.
4. Yamaha observes laws, ordinances, and social norms, and moreover, conducts business in a fair and impartial manner throughout the entire value chain, including activities such as socially responsible procurement carried out in cooperation with business partners.
5. Yamaha endeavors to prevent abuses of human rights, responding appropriately to the effect of its business activities as well as to any attendant risks to human rights, with the goal of achieving a society that safeguards the dignity of all.
6. Yamaha works to create an atmosphere that holds in high regard the employee diversity that is a source of the new values created within the company, and which allows each person to fully demonstrate their sensibilities and creativity through training and use, without regard to race, nationality, gender, or age.

Formulated in February 2010 and revised in June 2016

Yamaha Corporation Group CSR Policy

[📄 Japanese](#) / [📄 English](#) / [📄 Chinese](#) / [📄 Indonesian](#)

CSR Management

1. Basic Policy
2. CSR Management Applying ISO 26000
3. Promotion of Strategic CSR Themes
4. Initiatives for Sustainable Development Goals (SDGs)
5. CSR Education
6. Participation in Initiatives

Basic Policy

The mission of the Yamaha Group is to continue pursuing its corporate philosophy of "With our unique expertise and sensibilities, gained from our devotion to sound and music, we are committed to creating excitement and cultural inspiration together with people around the world. To put this philosophy into practice, Yamaha is working to understand the impact of our business activities on the environment and society and pursue dialogue with stakeholders, while solving challenges toward the creation of a sustainable society.

[CSR Issues and Initiatives in the Value Chain](#) >

[Engagement with Stakeholders](#) >

CSR Management Applying ISO 26000

The Yamaha Group continues to engage in a variety of CSR issues by offering products and services and engaging in business processes and corporate activities in regional societies.

In promoting CSR initiatives, it is important to respond as well as possible to the needs and expectations of society in addition to the issues on which the Yamaha Group itself focuses.

Based on this recognition, as of fiscal 2014, the Yamaha Group has been applying ISO 26000 Guidance on Social Responsibility to inspect the status of CSR behavior. We are also organizing activities in accordance with the core subjects of ISO 26000, and managing the promotion plan and progress of CSR activities.

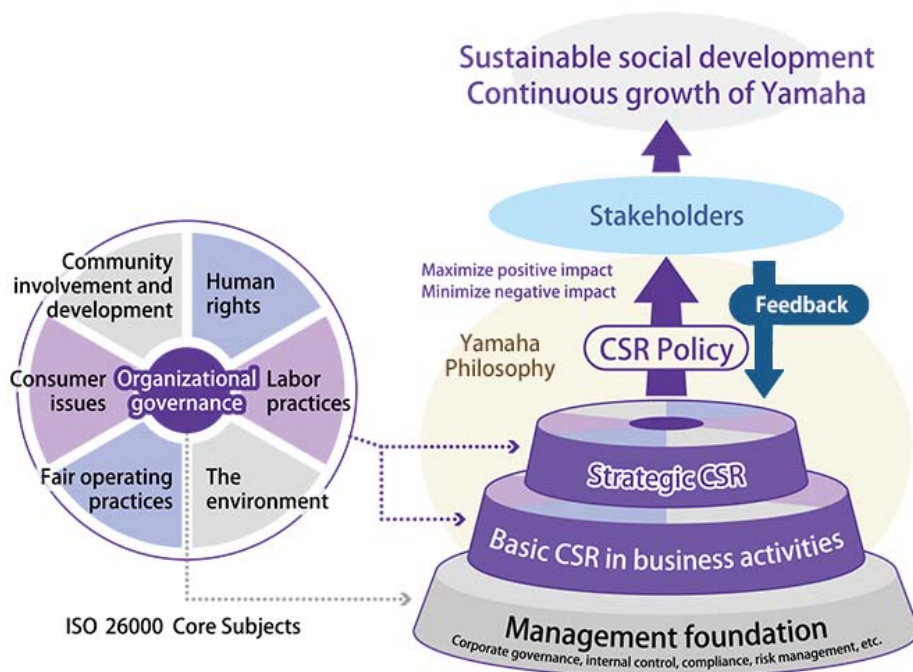
[CSR Management Promotion Plan](#) >

Promotion of Strategic CSR Themes

In fiscal 2016, the Yamaha Group made sure that we understood the demands and need of our customers, the local communities in which we work, NPOs and NGOs, our employees, socially responsible investment (SRI) research organizations, and others, and listened to external experts. From this, we then devised the themes necessary for further promotion. On the basis of medium- and long-term management strategies, those themes were discussed at the executive level and we formulated “The Strategic CSR Themes” with a medium-to long-term focus.

Based on the strategic CSR themes, in fiscal 2017, we revised our Yamaha Corporation Group CSR Policy, and incorporated these themes in our mid-term business plan as an ESG challenge. We make effort to manage progress and promotion by monitoring the status of each theme activity and conducting reviews in the Management Council which is overseen by the president.

[Yamaha Corporation Group CSR Policy](#) >



Strategic CSR Themes and their Progress

Theme	Related core subject /GRI-G4 indicators	Progress	Future issues and activity targets
Development of products and services with a focus on social issues (Universal design, environmentally friendly products, application of sound technologies, etc.)	The environment	<ul style="list-style-type: none"> Incorporation of social viewpoints in product plan guidelines 	<ul style="list-style-type: none"> Contribute to important social issues, such as SDGs
	Consumer issues	<ul style="list-style-type: none"> Over 300 products certified as environmentally friendly products 	<ul style="list-style-type: none"> Effective provision of information to customers
	Community involvement and development EN7, EN27, PR3	<ul style="list-style-type: none"> Proposal of solutions to social issues (Omotenashi Guide, etc.) 	<ul style="list-style-type: none"> Promote development of viable businesses

Theme	Related core subject /GRI-G4 indicators	Progress	Future issues and activity targets
<p>Development of regional community-based business and social contribution activities (Resolution of regional issues through music, contribution to the development of regional communities, etc.)</p>	<p>Community involvement and development EC1, EC7, SO1</p>	<ul style="list-style-type: none"> • Music Time program: Introduced to 248 schools in three countries • Introduction of musical instrument education in Vietnam: Certification of MEXT-approved project and launching recorder club activity in 10 Hanoi schools • Creation of music education infrastructure in Latin America: Includes musical instrument maintenance and the development of a training program for repair technicians • Promotion of Oto-Machi project (vitalize local community) 	<ul style="list-style-type: none"> • Develop Music Time for new countries and regions (1,000 schools in five countries by the end of fiscal 2019) • Vietnam: Introduce music instrumental instruction to Course of Study • Latin America: Establish a technician training program, develop human resources • Ongoing promotion of the Oto-Machi project
<p>Lowering of greenhouse gas emissions (Emission management that expands the scope of emissions throughout the entire supply chain, etc.)</p>	<p>The environment EC2, EN3-7, EN15-19</p>	<ul style="list-style-type: none"> • Promotion of greenhouse gas emissions reduction at production sites (saving energy, etc.) • Expansion of scope for greenhouse gas emissions calculation (Scope 3) 	<ul style="list-style-type: none"> • Establish mid-to long-term strategies for reducing GHG emission such as shifting to renewable energy • Develop a GHG emission calculation system
<p>Sustainable procurement of timber (stringent verification of traceability and lawfulness, expanded use of certified timber, etc.)</p>	<p>The environment EN12, EN14</p>	<ul style="list-style-type: none"> • Request timber suppliers to ensure legitimacy of logging and to make considerations for sustainability • Risk evaluation such as supplier self-assessment • Development of business model for sustainable use of African Blackwood timber 	<ul style="list-style-type: none"> • Organize due diligence procedures • Confirm 100% legality in tree logging based on in-house standards • Expand use of certified timber • African Blackwood: Research of forest management, timber processing, and distribution. Establishing a tree nursery production to forestation scheme carried out by local communities

Theme	Related core subject /GRI-G4 indicators	Progress	Future issues and activity targets
Socially responsible procurement (confirming adherence to the Yamaha Supplier CSR Code of Conduct and making requests for improvements when necessary, etc.)	Fair operating practices EN32-33, LA14-15, HR5-6, HR9-11, SO9-10	<ul style="list-style-type: none"> • Primary supplier research (self-assessment requested to 4,044 companies / 3,981 companies responded / 4 companies requested for correction in writing) • Stipulation of compliance with Yamaha Supplier CSR Code of Conduct in basic business agreement 	<ul style="list-style-type: none"> • Respond to additional requests from society (to be reflected to CSR Code of Conduct, etc.) • Train procurement personnel • Establish batch inspection (supplier self-assessment) items and evaluation methods
Systematic initiatives for the respect of human rights (Evaluating the influence of our business activities on human rights, etc.)	Human rights HR1-12	<ul style="list-style-type: none"> • Gap analysis to compare actual action with social requirements, and establishment of an action plan • Promotion of understanding towards human rights-related issues such as the UN Guiding Principles and SDGs 	<ul style="list-style-type: none"> • Establish a human rights policy and due diligence system • Maintain consistent response to societal demand such as the UK Modern Slavery Act
Promotion of diversity and human resources development (Promotion of the active role of female workers, cultivation of global human resources, etc.)	Labor practices EC6,LA1,LA3,LA11-12	<ul style="list-style-type: none"> • Systematic formation of global managerial human resource management and development • Increase the ratio of female managers by developing a work-life balance support system for a more favorable work environment. (Yamaha Corporation had improved from 4.8% to 5.0% as of April 1, 2017) 	<ul style="list-style-type: none"> • Establish and implement a global human resources development plan • Expand and promote utilization of the work-life balance support system. • Create female manager development program (increase ratio of female managers to 7% by the end of fiscal 2019)

Initiatives for Sustainable Development Goals (SDGs)

The Yamaha Group intends to contribute to the attainment of the “Sustainable Development Goals” (SDGs) established as common global goals at the “UN Sustainable Development Summit” in September 2015. To contribute to the achievement of SDGs through business activities such as creating products and services that help solve issues related to society and the environment, the accurate understanding of the meaning and content of SDGs is essential to develop an appropriate action plan in each business. In the Yamaha Group, we share information at the Management Council and through Intranet, so that all company personnel fully understand SDGs. Moving forward, we will add and arrange goals as needed by comparing currently focused CSR themes and SDGs with each goal and target.

SUSTAINABLE DEVELOPMENT GOALS 17 GOALS TO TRANSFORM OUR WORLD



CSR Education

The Yamaha Group aims to promote CSR throughout each aspect of its business operations and in all levels of the work force, from managers to new recruits. In order to make that possible, we engage in educational and awareness-raising activities by sharing CSR information via our website and Intranet, as well as through training and seminars for all employees.

Fiscal 2017 Results

Item	Target	Content	Number of participants
Basic CSR training	New recruits, etc.	Introduction to CSR, explanation of Yamaha Group CSR Policy and measures, etc.	47
E-learning	Domestic Group employees	Confirmation of degree of understanding of the Yamaha CSR Report	828
CSR intranet	Domestic Group employees	Explanation of key CSR themes, introduction of best practices at Yamaha and other companies, etc.	—



CSR education at new recruit training

Participation in Initiatives

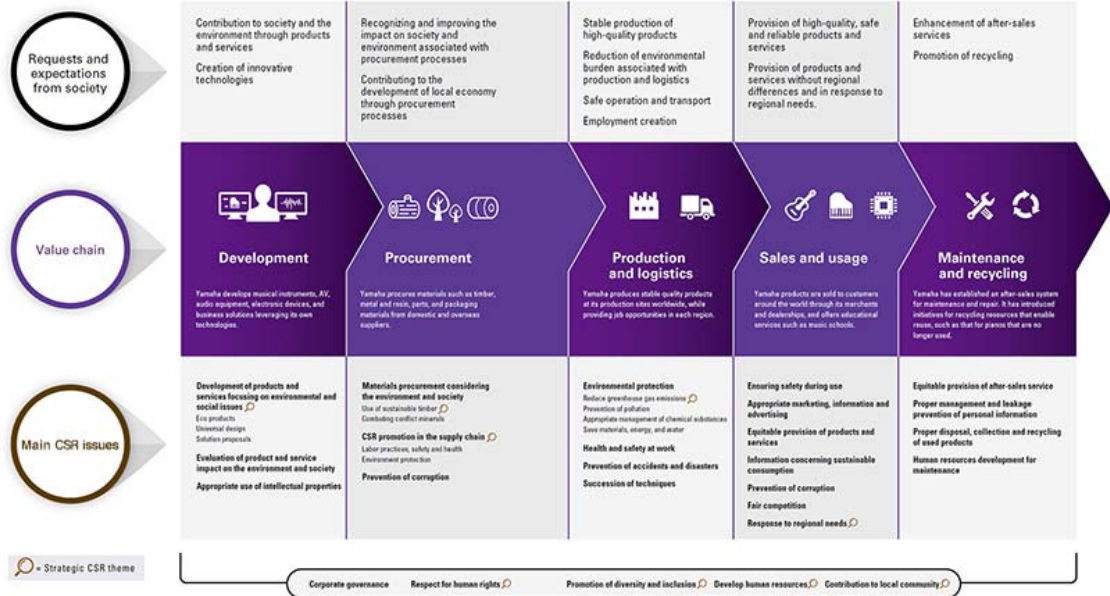
With a commitment to cooperating and forming ties with the global society as we work toward building a sustainable society, Yamaha signed the Global Compact in June 2011, and is working to adhere to the 10 Principles. Additionally, as a member of the Global Compact Network Japan, we are also actively participating in subcommittees.*

*FY2017 subcommittee participation: Supply Chain, Environmental Management, Reporting, Kansai, Human Rights Due Diligence, Human Rights Education, Corruption Prevention, Disaster Prevent/Mitigation, SRI/ESG.

[UN Global Compact](#) >

CSR Issues and Initiatives in the Value Chain

The Yamaha Group provides various products and services, including musical instruments. Yamaha is fulfilling its social responsibilities by addressing issues related to the value chain by focusing on the impact of its products, services, and production processes on society and the environment.



Engagement with Stakeholders

1. Opportunities and Methods for Communicating with Key Stakeholder
2. Customers
3. Shareholders/Investors
4. Employees
5. Business partners (suppliers, clients, subcontractors)
6. Local communities
7. Global environment

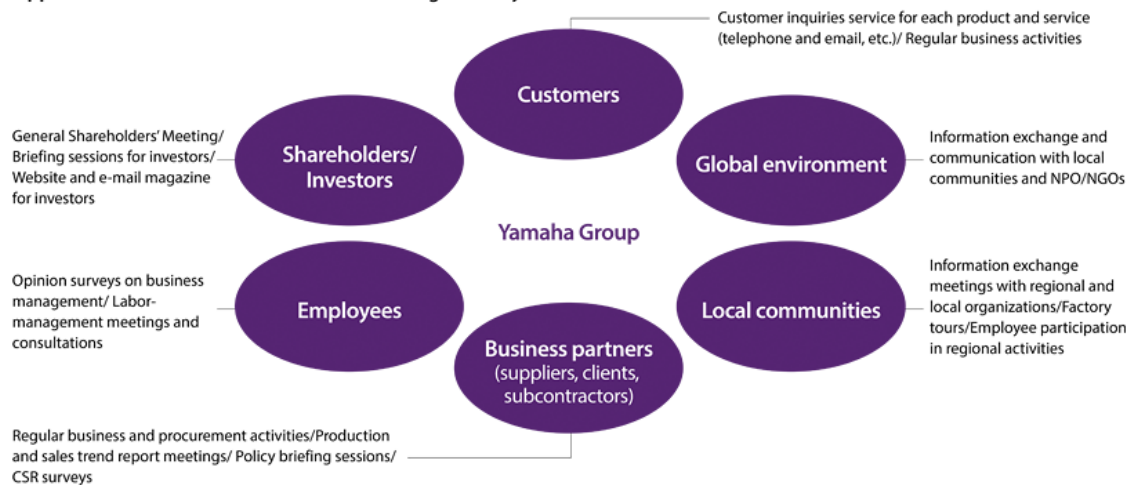
Opportunities and Methods for Communicating with Key Stakeholder

The Yamaha Group's business activities are conducted through relationships with various interested parties. We consider these parties to be key stakeholders and categorize them into separate groups, such as the customers to whom we provide products and services, the shareholders and investors, our employees, our business partners (suppliers, clients and subcontractors), and the people in the regional communities where we develop our business. We also place importance on consideration for the global environment, since our business activities could have both positive and negative influence on it.

The Yamaha Group encompasses "Customer-Oriented and Quality-Conscious Management," "Transparent and Sound Management," "Valuing People," and "Harmony with Society" as promises to stakeholders. In order to pursue these values and remain committed to our corporate slogan, "Sharing Passion & Performance," we use various opportunities for communication that enables us to listen to the opinions and needs of all stakeholders and reflect these in our corporate activities.

We also solicit third-party opinions on the CSR Report from an expert each year, and work hard to incorporate his/her ideas into our CSR activities and the report. We will continue to examine more multifaceted review systems.

Opportunities and Methods for Communicating with Key Stakeholders



Customers

In offering products and services, we aim to impress and deeply satisfy the customer.

Key Responsibility

Provision of safe and secure products and services of value/Promotion of universal design/Appropriate provision of product information/Appropriate customer response and support/Appropriate protection of customer privacy and personal information

Usual Method of Communication

Customer inquiries service for each product and service (telephone and email, etc.)/Regular business activities

Communication examples

[Improving Customer Satisfaction](#) >

[Initiatives for Improved Customer Response and Support](#) >

Shareholders/Investors

We disclose management information to and engage in proactive and continuous communication with the shareholders and investors who financially support our business activities.

Key Responsibility

Timely disclosure of accurate management information/Appropriate profit allocation/Maintenance and improvement of corporate value

Usual Method of Communication

General Shareholders' Meeting/Briefing sessions for investors/Website and e-mail magazine for investors

Communication examples

[Information Disclosure](#) >

Employees

We respect the individuality and sensitivity of the people who work at Yamaha, we work to create an environment where each and every one of them can display creativity, and we aim to create a corporate culture that allows us to offer better products and services.

Key Responsibility

Fair evaluation and treatment/Respect for human rights and diversity/Application and training of human resources/Support for diverse working styles/Ensuring health and safety

Usual Method of Communication

Opinion surveys on business management/Labor-management meetings and consultations

Communication examples

[Communication with Employees](#) >

Business partners (suppliers, clients, subcontractors)

We consider our business partners to be partners we walk hand in hand with toward the goal of achieving our corporate philosophy, and we work to deepen mutual understanding and build and maintain a good relationship of trust with them, based on a foundation of fair and transparent dealings.

Key Responsibility

Selection of business partners by fair and reasonable standards/Fair trade practices/Elimination of dubious business relationships/Prohibition of the abuse of dominant bargaining positions

Usual Method of Communication

Regular business and procurement activities/Production and sales trend report meetings/Policy briefing sessions/CSR surveys

Communication examples

[Promotion of Social Responsibility in the Value Chain](#) >

Local communities

Regarding our business activities in different countries and regions, we comply with the related laws, ordinances and international standards, giving ample consideration to environmental conservation and respect for human rights. Moreover, we proactively participate in various activities that contribute to the development of regional society and culture, and we contribute to building a better community as a corporate citizen that is one member of society.

Key Responsibility

Coexistence with the region and contribution to its development (promotion of culture, education of the next generation, welfare, job creation, technology and skill development, etc.)

Usual Method of Communication

Information exchange meetings with regional and local organizations/Factory tours/Employee participation in regional activities

Communication examples

[Connection to Local Communities](#) >

[Contributing to Regional Community Development](#) >

Global environment

We understand the significance of environmental conservation and the preservation of biodiversity for the sake of the earth's environment, which is the basis of a sustainable society. We are engaged in various activities to contribute to the environment, including of course reducing the environmental burden of our business activities, products, and services.

Key Responsibility

Prevention of pollution/Conservation of water resources/Management and reduction of chemical substances/Conservation of biodiversity

Usual Method of Communication

Information exchange and dialogue with the local communities and NPO/NGOs

CSR Management Promotion Plan

1. CSR Management
2. Organizational Governance
3. Human Rights and Labor Practices
4. The Environment
5. Fair Operating Practices
6. Consumer Issues
7. Community Involvement and Development

CSR Management

CSR Management

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
PDCA activities to promote CSR	<ul style="list-style-type: none"> • Confirmed Strategic CSR Themes promotion, and implemented review by management • Progress management based on the CSR Management Promotion Plan <p>*Applicable to all initiatives including Strategic CSR Themes</p>	<ul style="list-style-type: none"> • Promote Strategic CSR Themes based on the review by management • Evaluate increasing the sophistication of the CSR Promotion Plan (KPI configuration, achievement level assessment, etc.)
Ensuring penetration of CSR throughout the Group	<ul style="list-style-type: none"> • Made the CSR website compatible with mobile devices • Disseminated information via the intranet • Implemented e-learning using the CSR Report 	<ul style="list-style-type: none"> • Promote understanding of SDGs making use of the Intranet, etc. • Reinforce dissemination of information via the intranet • Plan seminars and E-learning

Engagement with Stakeholders

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Developing a system that reflects stakeholders' input	<ul style="list-style-type: none"> • Responded to issues identified in third-party opinions of the CSR Report • Implemented dialog between experts and executives 	<ul style="list-style-type: none"> • Confirm social requirements, and reflect in initiatives and disclosure

Organizational Governance

Corporate Governance

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Strengthening the corporate governance system	<ul style="list-style-type: none"> • Appropriate operation of the Board of Directors and Board of Auditors • Reviewed governance system (move to company with nominating committee, etc., appointment of female directors, etc.) 	<ul style="list-style-type: none"> • Move to new governance system (transfer to company with nominating committee, etc.) and consolidate management
Development of internal control system	<ul style="list-style-type: none"> • Promoted the development of an internal control system Initiatives to maintain work performance and efficiency Initiatives related to managing the risk of loss, etc. • Construction of an internal control system for use throughout the Group 	<ul style="list-style-type: none"> • Revision of internal control system policy • Promote the development of an internal control system Initiatives to maintain work performance and efficiency Initiatives related to managing the risk of loss, etc. • Construction of an internal control system for use throughout the Group

Compliance

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Thorough observation of the Compliance Code of Conduct within the Group	<ul style="list-style-type: none"> • Published revised Code of Conduct • Operated Compliance Hotline appropriately (Consultation /Reports: 39 cases) 	<ul style="list-style-type: none"> • Ensure penetration and extension of revised Compliance Code of Conduct (create versions in various languages, study workshops at workplaces, etc.) • Plan and establish awareness promotion content on the intranet • Establish a Global Hotline where consultations in multiple languages can be accepted

Risk Management

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Strengthening the risk management system	<ul style="list-style-type: none"> • Reorganized risk categorization, definitions, scenarios, and assessment • Developed BCP related rules, improved BCP (reflected results of drills) • Executed earthquake-resistance 3-year plan 	<ul style="list-style-type: none"> • Create overall risk management PDCA • Construct a global framework and system for BCP • Execute earthquake-resistance 3-year plan

Information Disclosure and IR Activities

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Promoting and expanding IR activities to enhance understanding of the Company	<ul style="list-style-type: none"> • Held investor briefings (results briefings, business briefings, factory/facility tours, individual interviews, visiting foreign investors, medium-term management plan briefings, company briefings for individual investors) • Collected and analyzed opinions of participants in briefings 	<ul style="list-style-type: none"> • Hold investor briefings, collect and analyze opinions of participants • Evaluate new IR projects

Human Rights and Labor Practices

Respect for Human Rights

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Promoting human rights awareness throughout the Yamaha Group	<ul style="list-style-type: none"> • Implemented employee education and awareness promotion via the Intranet, etc. • Performed gap analysis between the Company's efforts and social requirements, and formulated execution plan 	<ul style="list-style-type: none"> • Develop policies based on global norms and requirements • Build framework for evaluation of impact on human rights
Promoting measures to prevent harassment	<ul style="list-style-type: none"> • Education and awareness promotion for employees overall and the management class • Familiarization activities, and maintained appropriate operation of the hotline 	<ul style="list-style-type: none"> • Education and awareness promotion for employees overall and the management class • Familiarization activities, and maintain appropriate operation of the hotline

Promotion of Diversity and Inclusion

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
<p>Promoting employee diversity</p>	<ul style="list-style-type: none"> • Partially implemented key measures in diversity management promotion plans (Japan) (evaluated female managerial candidate selection and development program, proactively hired foreign employees including recruiting activities overseas) • Publicly announced action plan for assisting women's careers • Investigated overseas group companies (number of managerial positions for men and women, etc.) 	<ul style="list-style-type: none"> • Ongoing implementation of key measures in diversity management plans (Implementation of female managerial candidate selection and development program, proactive recruitment of foreign employees, overseas group R&D, promotion of localization of development staff, etc.) • Investigate overseas group company employment status
<p>Meeting employment requirements of society</p>	<ul style="list-style-type: none"> • Maintained ratio of employees with disabilities, streamlined work environment • Expanded scope of rehiring system for persons accompanying family on overseas assignment • Developed system for rehiring of employees who retired to care for the elderly • Reviewed aspects of treatment of senior partners (re-employment system after retirement) such as new establishment of allowance for working in remote areas 	<ul style="list-style-type: none"> • Promote employment of people with disabilities, streamline work environment • Operate and stabilize rehiring system

Promoting a Better Work-Life Balance

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Improving work-life balance	<ul style="list-style-type: none"> Implemented individual follow-up for employees who have difficulty in using paid leave days as preset company holidays* *Set up as measures to improve the rate of paid leave utilized Implemented Go Home at the Same Time Day (A day when employees must leave company at a designated time) Checked work hours more strictly (limited unpaid overtime work) 	<ul style="list-style-type: none"> Thorough use of paid leave days for preset company holidays, and promote taking paid leave for 15 days or more per year Implement Go Home at the Same Time Day Thoroughly implement proper management of work hours making use of objective data

Communication with Employees

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Enhancing communications between labor and management	<ul style="list-style-type: none"> Set up labor and management meetings and consultations Began dissemination of information transmission through in-house journals (ASEAN, China) 	<ul style="list-style-type: none"> Set up labor and management meetings and consultations Promote labor and management communication in Group (e.g. expanding ER activities)

Health and Safety

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Standardizing Group rules and activities	<ul style="list-style-type: none"> Developed foreign language versions (English, Chinese, Indonesian) of handy safety card and implemented education to promote dissemination Expanded introduction of risk assessment activities to facilities Implemented Group-wide safety and health monitoring 	<ul style="list-style-type: none"> Review standards on personnel and goods (globally standardized) Issue safety card in Malay, and implement education to promote dissemination Expand introduction of risk assessment activities to facilities Implement Group-wide safety and health monitoring
Maintaining employee health	<ul style="list-style-type: none"> Implemented awareness promotion for undergoing health checkups and 100% achievement of necessary follow-up measures Introduced stress checks and implemented follow-up measures 	<ul style="list-style-type: none"> Implement awareness promotion for undergoing health checkups and 100% implementation of necessary follow-up measures Expand stress checks for employees assigned overseas

Human Resource Development Initiatives

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Fair evaluations and treatment, support for growth	<ul style="list-style-type: none"> • Implementation of a new personnel system (Yamaha Corporation) • Conducted evaluation training for management 	<ul style="list-style-type: none"> • Consolidate operation of new personnel system • Conduct evaluation training for management
Promoting purposeful, targeted education and training	<ul style="list-style-type: none"> • Enhanced management personnel training program (sales-related) • Train manufacturing and crafting personnel (core skill transmission, etc.) • Developed system for management and development of global management personnel 	<ul style="list-style-type: none"> • Develop Group personnel training systems • Train manufacturing and crafting personnel • Formulate plan for management and development of global management personnel

The Environment

Environmental Management

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Establishing environmental management system	<ul style="list-style-type: none"> • Maintained ISO 14001 certification at each facility • Applied Yamaha Environmental Management System (YEMS) throughout the Group • Expanded scope of targets for environmental performance data collection 	<ul style="list-style-type: none"> • Maintain ISO 14001 certification at each facility • Acquire new standards certification • Apply YEMS throughout the Group
Maintaining environmental management capabilities	<ul style="list-style-type: none"> • Implemented environmental education in accordance with jobs and roles • Held seminars for training internal environmental auditors and advanced training 	<ul style="list-style-type: none"> • Promote environmental education in accordance with jobs and roles • Reorganize capabilities needs, and implement assessment • Train and improve skills of environmental auditors

Prevention of Pollution

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Environmental risk management	<ul style="list-style-type: none"> • No environmental pollution accidents • Reinforced environmental management at overseas manufacturing facilities • Promoted observance of Environmental Facility Standards for prevention of environmental pollution, implemented environmental audits at eight facilities • Started efforts for low-density PCB waste disposal 	<ul style="list-style-type: none"> • Reinforce environmental management at overseas manufacturing facilities • Promote observance of Environmental Facility Standards for prevention of environmental pollution, implement environmental audits at eight facilities • Promote low-density PCB waste disposal • Update wastewater disposal facilities at domestic manufacturing subsidiaries
Chemical substance management and reduction	<ul style="list-style-type: none"> • Continued reduction activities in accordance with the Chemical Substances Usage Standards • Introduced VOCs processing devices in China, reduced emission volume • Total discontinuation of dichloromethane at two facilities • Substitution of 80% of 1-bromopropane 	<ul style="list-style-type: none"> • Continue reduction activities in accordance with the Chemical Substances Usage Standards (especially for VOCs, activities to use alternative materials and reduce emissions)

Environmentally Friendly Products and Services

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Creating environmentally friendly products	<ul style="list-style-type: none"> • Operated in-house standards for environmentally friendly products • Calculated and disclosed greenhouse gases emitted while using products • Implemented education for environmentally-friendly design 	<ul style="list-style-type: none"> • Enhance environmentally friendly products • Improve accuracy of calculation of greenhouse gases emitted while using products • Ongoing implementation of education for environmentally-friendly design

Use of Sustainable Resources

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Using wood resources appropriately and effectively	<ul style="list-style-type: none"> • Implemented primary investigation of traceability and sustainability of procured timber • Created framework for timber tallying system • Started construction of a business model for sustainable use of African Blackwood timber 	<ul style="list-style-type: none"> • Improve rate of confirmation of legality at time of cutting trees according to in-house standards • Organize timber procurement standards, due diligence procedures • Confirm supply conditions of certified timber, evaluate use thereof • Investigate and select out issues for improvement of forestry management skills at local sites (African Blackwood)
Reduction and recycling of waste	<ul style="list-style-type: none"> • Maintained zero emissions at Japanese production facilities 	<ul style="list-style-type: none"> • Maintain zero emissions at Japanese production facilities • Promote effective use of waste
Conserving and effectively using water resources	<ul style="list-style-type: none"> • Started water recycling by installing new effluent treatment facilities in Chinese factories • Promoted water recycling at overseas manufacturing facilities • Checked water-related risks at all facilities of the Group 	<ul style="list-style-type: none"> • Promote water recycling at Chinese factories • Promote water recycling at Indonesian factories, reduce water use volume

Climate Change Mitigation and Adaptation

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Reducing greenhouse gas emissions related to business activities	<ul style="list-style-type: none"> • Regarding greenhouse gas emissions, <ul style="list-style-type: none"> - Group-wide understanding of Scope 1 and 2 emission volumes - Implemented trial of expansion of calculation scope to Scope 3 • Continued ongoing efforts to reduce greenhouse gas emissions at domestic and overseas facilities • Abolished use of sulfur hexafluoride, which has major potential warning value for global warming 	<ul style="list-style-type: none"> • Regarding greenhouse gas emissions, <ul style="list-style-type: none"> - Improve precision of calculations for Scope 3 - Formulate medium-to-long term reduction plan for Scope 1 and 2 • Continue ongoing efforts to reduce greenhouse gas emissions at domestic and overseas facilities

Biodiversity Preservation Initiatives

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Promoting forests and natural environment preservation activities	<ul style="list-style-type: none"> • Held Enshunada coastal forest recovery activities • Participated in activities to protect rare organisms • Implemented evaluation of impact on wetlands (WET analysis) 	<ul style="list-style-type: none"> • Enshunada coastal forest recovery activities • Participate in activities to protect rare organisms

Fair Operating Practices

Protection from Corruption

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Thoroughly preventing corruption, and building a deterrence system	<ul style="list-style-type: none"> • Conducted surveys at domestic and overseas Group companies (54 companies) 	<ul style="list-style-type: none"> • Conduct surveys at domestic and overseas Group companies • Create Group-common guidelines

Responsible Participation in Politics

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Maintaining transparency with respect to participation in politics	<ul style="list-style-type: none"> • Consistently applied systems for conferences, consultations and audits 	<ul style="list-style-type: none"> • Consistently apply systems for conferences, consultations and audits

Fair Trade Practices

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Strictly adhering to fair competition and building a deterrent system to eliminate anti-competitive behavior	<ul style="list-style-type: none"> • Implemented laws and regulations training for the Anti-Monopoly Act, etc., with a total of 220 participants 	<ul style="list-style-type: none"> • Implement laws and regulations training for the Anti-Monopoly Act, etc.

Promotion of Social Responsibility in the Value Chain

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Promoting socially responsible procurement	<ul style="list-style-type: none"> • Self-assessment for first-tier suppliers (requested: total 4,044 companies, answered: total 3,981 companies, written confirmation of correction: 4 companies) • Implemented self-assessment at 76 new suppliers • Expressly stated observance of CSR Code of Conduct in master transaction agreement 	<ul style="list-style-type: none"> • Request self-assessment by new suppliers (at time of execution of contract) • Educate personnel in charge of procurement

Respect for Property Rights (Protecting Intellectual Property)

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Managing and appropriately using intellectual property	<ul style="list-style-type: none"> • In-Group monitoring regarding handling of intellectual property • Hosted copyright seminars, lecture meetings • Effectively managed intellectual property owned by Yamaha 	<ul style="list-style-type: none"> • In-Group monitoring regarding handling of intellectual property • Internal education and awareness promotion for proper use of intellectual property rights of others (e.g. hosted copyright seminars, lecture meetings) • Effectively manage intellectual property owned by Yamaha

Consumer Issues

Product Information Disclosure

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Appropriately disclosing information on the safety of products and services	<ul style="list-style-type: none"> • Improved safety awareness promotion information on websites (musical instruments overall, sound proof rooms) 	<ul style="list-style-type: none"> • Periodic review of safety awareness promotion information • Operate in-house provisions for proper information disclosure

Ensuring Product Safety

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Ensuring product safety and taking immediate action when faced with a product safety issue	<ul style="list-style-type: none"> • Implemented "R-Map" methodologies for product safety risk assessment 	<ul style="list-style-type: none"> • Improve effectiveness of product safety risk assessment • Consolidate operation of product safety risk assessment standards

Quality Assurance

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Strengthening the quality assurance system and quality management	<ul style="list-style-type: none"> • Education in response to ISO 9001 2015 for QMS internal auditors • Promoted reinforcement of safety management for customers (resort business) 	<ul style="list-style-type: none"> • Expand scope of application of Group quality management system • Review quality assurance training system • Promote reinforcement of safety management for customers (resort business)

Sustainable Consumption

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Contributing to sustainability through products and services	<ul style="list-style-type: none"> • Certified over 300 products including retroactive certification for environmentally friendly products (Eco products) 	<ul style="list-style-type: none"> • Develop Eco products, and promote eco-labeling

Improving Customer Satisfaction

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Improving customer satisfaction with products and services	<ul style="list-style-type: none"> • Improved collection of customer evaluation information in primary markets • Expanded divisions for fostering a culture of understanding customer orientation • Created design standards for improvement of usability 	<ul style="list-style-type: none"> • Improve process to reflect customer evaluations in products and services • Improve management of customer relationship services • Promote systematic expansion of efforts to foster a culture of understanding customer orientation

Initiatives for Improved Customer Response and Support

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Initiatives for improved and more uniform customer response and support	<ul style="list-style-type: none"> • Established Group After-sales Service Management Policies Operation Manual • Expanded after-sale service quality management to manufacturing subsidiaries and operations subsidiaries 	<ul style="list-style-type: none"> • Monitoring of operation status of Group After-sale Services Management Policy and correction • Establish processes to create value in customer relationships

Personal Information Protection (Customer Data and Privacy)

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Preventing information leaks by managing the personal information of customers	<ul style="list-style-type: none"> Improved security for personal information management (preparation of storage facilities equipped with automatic encryption functionality) 	<ul style="list-style-type: none"> Reinforce measures for prevention of leaks Prevent recurrence of loss of terminal equipment

Enhancing Products and Services

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Promoting universal design	<ul style="list-style-type: none"> Exhibited in UD Plus in Hamamatsu 2016 Test demonstration of "Omotenashi Guide" for support of making universal sound Incorporated response to social issues into development policies 	<ul style="list-style-type: none"> Promote introduction of Omotenashi Guide Select UD recommendation items and include in provisions
Proposing solutions for issues in society	<ul style="list-style-type: none"> Development of applications for thin film displacement sensors (wearable devices in healthcare field, etc.) 	<ul style="list-style-type: none"> Plan products and services based on important social issues such as SDGs

Community Involvement and Development

Connection to Local Communities

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Building good relations with communities that are home to our offices and factories	<ul style="list-style-type: none"> Held discussions with local communities at individual offices (information exchange sessions, etc.) Participated in local activities (environmental preservation, social welfare) Hosted piano factory tours, 9,400 participants 	<ul style="list-style-type: none"> Hold ongoing discussions with local communities at each facility Ongoing active participation in local activities Host piano factory tours

Promoting Music Culture (Promoting Initiatives through Sound and Music)

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Help promote and develop music culture	<ul style="list-style-type: none"> • Music Time program: introduced to 248 schools in three countries • Introduction of musical instrument education in Vietnam: launched recorder club activities in 10 schools • Hosted and participated in local music events including Hamamatsu Jazz Week 	<ul style="list-style-type: none"> • Music Time program: introduced to 500 schools in four countries • Introduction of musical instrument education in Vietnam: expand recorder club activities to 50 schools in three cities • Host and participate in local music events including Hamamatsu Jazz Week

Contributing to Regional Community Development

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Helping regional community making use of resources	<ul style="list-style-type: none"> • Implemented Oto-Machi Project for Creating Musical Towns • Promoted maintenance of musical instruments in Central and South America, expanded training program for fostering repair specialists 	<ul style="list-style-type: none"> • Ongoing implementation of Oto-Machi Project for Creating Musical Towns • Ongoing promotion of maintenance of musical instruments in Central and South America, and ongoing expansion of training program for fostering repair specialists

Support that Helps Foster Future Generations

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Provision of study experience to children and youth	<ul style="list-style-type: none"> • Implemented manufacturing classes: hosted 4 times, total 200 participants • Began provision of digital music classroom teaching materials such as "VOCALOID for Education," "Guitar Class," "Koto Class," etc. 	<ul style="list-style-type: none"> • Implement manufacturing classes and evaluate new programs • Plan and develop educational support contents

Donations and Social Welfare Activities

Key Theme	Results in Fiscal 2017	Plans in Fiscal 2018
Promoting donations and social welfare activities	<ul style="list-style-type: none"> • Expanded activities to foster a volunteer spirit amongst employees • Evaluated continuation of support and the ideal state of support for areas affected by disasters 	<ul style="list-style-type: none"> • Expand activities to fostering a volunteer spirit amongst employees • Evaluate continuation of support and the ideal state of support for areas affected by disasters

Environmental and Social Data

[Yamaha Group Environmental Data >](#)

[Yamaha Group Social Data >](#)

[Environmental Data by Site >](#)

Yamaha Group Environmental Data

Environmental Accounting (G4-EN31)		Boundary: Headquarters Area, Manufacturing/Resort Facilities in Japan, Manufacturing Facilities in Indonesia Settlement period: March 31					
Indicator		Units	3/2013	3/2014	3/2015	3/2016	3/2017
Environmental Costs	Environmental Investments	Million yen	203	142	245	169	373
	Environmental Expenses	Million yen	1,454	1,383	1,376	1,343	1,240
Environmental Benefits	Reduction of CO ₂ Emissions (G4-EN19)	10,000 tons	0.1	0.3	-0.2	1.1	0.5
	Reduction of Water Consumption	10,000 m ³	-6.6	-14.5	-15.8	84.8	77.8
Economic Benefits	Total Savings	Million yen	-69	-156	-465	826	223
	Income from Sales of Valuable Wastes	Million yen	288	292	329	357	256

ISO14001 Internal Environmental Audits		Boundary: Headquarters Area, Manufacturing/Resort Facilities in Japan Settlement period: March 31					
Indicator		Units	3/2013	3/2014	3/2015	3/2016	3/2017
Internal Environmental Auditor (employee ratio)		Persons	—	—	—	490 (6.9%)	419 (6.2%)
Number of Internal Environmental Audits		—	9 (all sites)	9 (all sites)	9 (all sites)	8 (all sites)	8 (all sites)

Prevention of Pollution (ISO26000 6.5.3)		Boundary: Headquarters Area, Manufacturing/Resort Facilities(*: Japan) Settlement period: March 31					
Indicator		Units	3/2013	3/2014	3/2015	3/2016	3/2017
Water Discharge (G4-EN22)		10,000 m ³	—	—	265.0	209.8	175.7
Volume by Destination	Fresh Surface Water	10,000 m ³	—	—	195.6	135.5	94.9
	Brackish Surface Water/Seawater	10,000 m ³	—	—	0.0	0.0	0.0
	Groundwater	10,000 m ³	—	—	0.0	0.0	0.0
	Municipal/Industrial Wastewater Treatment Plant	10,000 m ³	—	—	69.4	74.3	80.8
	Wastewater for Other Organizations	10,000 m ³	—	—	0.0	0.0	0.0
Nitrogen Oxide (NOx) Emissions* (G4-EN21)		Tons	39.1	38.5	34.8	32.4	32.6
Sulfur Oxide (SOx) Emissions* (G4-EN21)		Tons	15.6	15.7	15.9	4.0	4.6
PRTR-Designated Substances Released* (G4-EN21)		Tons	44.9	48.3	48.5	74.0	52.7
Volatile Organic Compounds (VOCs) Atmospheric Emissions* (G4-EN21)		Tons	138	145	152	179	165
Environmental Audits*	Japan	Sites	2	2	2	2	4
	Overseas	Sites	2	4	3	2	4

*Audit by staff who have skills and expertise in environmental preservation

Sustainable Resource Use (ISO26000 6.5.4)		Boundary: Headquarters Area, Manufacturing/Resort Facilities(*: Japan) Settlement period: March 31					
Indicator		Units	3/2013	3/2014	3/2015	3/2016	3/2017
Water Withdrawals (G4-EN8)		10,000 m ³	—	—	297.8	240.5	221.0
Volume by Sources	Fresh Surface Water	10,000 m ³	—	—	0.0	0.0	0.0
	Brackish Surface Water/Seawater	10,000 m ³	—	—	0.0	0.0	0.0
	Rainwater	10,000 m ³	—	—	0.0	0.0	0.0
	Groundwater (Renewable)	10,000 m ³	—	—	179.7	116.0	91.7
	Groundwater (Non-Renewable)	10,000 m ³	—	—	0.0	0.0	0.0
	Produced/Process Water	10,000 m ³	—	—	0.0	0.0	0.0
	Municipal Supply	10,000 m ³	—	—	118.1	124.5	129.3
	Wastewater from Other Organizations	10,000 m ³	—	—	0.0	0.0	0.0
Water Recycling* (G4-EN10)	Volume of Recycled Water	10,000 m ³	—	—	6.2	6.2	6.6
	Recycling Rate	%	—	—	2.7	4.6	4.7
Wood Materials Usage* ¹		1,000 m ³	—	—	—	—	85.2
Volume by Types	Solid wood	1,000 m ³	—	—	—	—	47.4
	Wood composite	1,000 m ³	—	—	—	—	37.8
Volume by Logging Area	Japan	1,000 m ³	—	—	—	—	1.1
	China	1,000 m ³	—	—	—	—	6.9
	Southeast Asia	1,000 m ³	—	—	—	—	34.7
	Oceania	1,000 m ³	—	—	—	—	16.0
	North America	1,000 m ³	—	—	—	—	12.0
	Europe	1,000 m ³	—	—	—	—	8.0
	Africa	1,000 m ³	—	—	—	—	0.5
	Others	1,000 m ³	—	—	—	—	6.1
Usage of PRTR-Designated Substances/VOCs*		Tons	759	758	300	232	206
Waste Generated (G4-EN23)		1,000 tons	15.4	13.6	14.3	13.5	13.6
Recycling Activity*	Waste Generated	1,000 tons	8.4	8.2	8.2	7.6	7.2
	Recycling Rate* ²	%	99.8	99.9	99.3	99.2	99.0

*1: Counted by the system constructed in fiscal 2017/3

*2: Calculated using values of land fill rate

Energy (ISO26000 6.5.4/6.5.5)		Boundary: Headquarters Area, Manufacturing/Resort Facilities Settlement period: March 31					
Indicator		Units	3/2013	3/2014	3/2015	3/2016	3/2017
Energy consumption (G4-EN3)		TJ	1,363	1,349	1,355	1,218	1,134
Amount by Area	Japan	TJ	863	854	855	717	619
	China	TJ	262	263	255	246	246
	Southeast Asia	TJ	238	232	245	255	269

Climate Change Mitigation and Adaption (ISO26000 6.5.5)		Boundary: Headquarters Area, Manufacturing/Resort Facilities Settlement period: March 31					
Indicator		Units	3/2013	3/2014	3/2015	3/2016	3/2017
GHG Emissions	Scope1 (G4-EN15)	10,000 tons-CO ₂	3.64	3.59	3.30	2.60	2.50
	Scope2 (G4-EN16)	10,000 tons-CO ₂	16.23	16.06	15.68	14.04	13.14
GHG Emissions Intensity* ¹ (G4-EN18)		10,000 tons-CO ₂ /10 billion yen	0.542	0.479	0.439	0.382	0.383
Reduction of GHG Emissions* ² (G4-EN19)		10,000 tons-CO ₂	—	0.22	0.67	2.34	1.00
Transport Volume* ³ (G4-EN17)		1 million tons ×kilometers	—	—	—	332,822	369,353
Logistics-Related CO ₂ Emissions* ³ (G4-EN17)		t-CO ₂	—	—	—	121,441	110,794

*1: Calculated by summation of Scope 1 and Scope 2

*2: Difference from previous year (summation of Scope 1 and Scope 2)

*3: Category 4 of Scope 3

Environmentally Friendly Products and Services (ISO26000 6.5/6.7.5)		Settlement period: March 31					
Indicator		Units	3/2013	3/2014	3/2015	3/2016	3/2017
Yamaha Eco-Products Program*	Qualified Products	Number	—	—	—	4	306
	Labelling Products	Number	—	—	—	2	13
Education for Environmentally Friendly Designing of Products		Persons	43	24	24	19	17

* An initiative started in December 2015, aimed at certifying environmentally-friendly products that meet standards established by Yamaha.

Yamaha Group Social Data

Hiring and Employment (G4-10,LA1)		Boundary: Group (*: Yamaha Corporation) Settlement period: March 31			
Indicator		Units	3/2015	3/2016	3/2017
Total Number of Employees (including temporary employees)		Persons	27,827	28,338	28,113
Permanent Employees by Region	Japan	Persons	6,541	6,149	5,937
	North America	Persons	795	774	765
	Europe	Persons	1,045	1,065	1,065
	Asia/Oceania/Others	Persons	11,586	12,360	12,408
Temporary Employees by Region (Yearly average)	Japan	Persons	1,847	1,950	1,954
	North America	Persons	29	29	27
	Europe	Persons	88	91	98
	Asia/Oceania/Others	Persons	5,896	5,920	5,859
Total Number of Employees*		Persons	2,617	2,441	2,360
Average Age by Gender*	Male	Age	44.5	44.2	45.6
	Female	Age	42.9	43	43.8
Distribution by Age Group*	Under 30	%	9.5	9.3	8.8
	30-39	%	22.2	23.4	23.5
	40-49	%	32.2	31.4	30.8
	50-59	%	30.0	28.3	29.7
	60 or Over	%	6.0	7.5	7.3
New Employee Hires*	New Male Graduate Hires (April 1)	Persons	40	38	54
	New Female Graduate Hires (April 1)	Persons	14	8	18
	Mid-career Hires	Persons	4	7	14
Employee Turnover*	Retirement	Persons	246	232	189
	Other Resignations	Persons	68	51	46
Turnover Rate for Period up to Three Years after Hiring*		%	3.2	4.1	0
Years of Continuous Employment*	Yamaha Corporation/National Average (Japan)*	Years	20.3/ 12.1	19.8/ 12.1	20.9/ 11.9
By Gender	Male Yamaha Corporation/National Average (Japan)*	Years	20.2/ 13.5	19.6/ 13.5	20.9/ 13.3
	Female Yamaha Corporation/National Average (Japan)*	Years	20.7/ 9.3	20.6/ 9.4	20.8/ 9.3

*Data from a statistical survey by Japan's Ministry of Health, Labour and Welfare

Diversity and Inclusion (ISO26000 6.3/6.4 G4-LA12)		Boundary: Group (*: Yamaha Corporation) Settlement period: March 31			
Indicator		Units	3/2015	3/2016	3/2017
Employee Ratio (Female)*		%	17.2	17.8	17.5
New Employee Hiring Ratio (Female, University Graduate)*		%	25.9	17.4	25.0
Number of Foreign Employees*	(Including temporary employees)	Persons	46	45	41
Management Ratio (Female)	Yamaha Corporation	%	4.8	4.8	4.6
	Group Companies in Japan	%	—	—	(Now counting)
	Group Companies in Overseas	%	18.1	15.7	(Now counting)
Number of Senior Employees* (over 60 years old)		Persons	170	197	212
Employees with Disabilities*	Employment Numbers (March 1)	Persons	129	127	120
	Employment Rate (March 1)	%	2.38	2.42	2.35

*Yamaha Corporation, Yamaha Business Support Corporation, Yamaha Ai Works Co., Ltd.

Promoting a Better Work-Life Balance (ISO26000 6.4.4)		Boundary: Yamaha Corporation Settlement period: March 31			
Indicator		Units	3/2015	3/2016	3/2017
Number of Employees That Took Parental Leave (By Gender) (G4-LA3)	Male	Persons	2	9	12
	Female	Persons	34	24	30
	Returned to Work	%	100	100	100
	Cumulative Maternity Leave Rate	%	100	96.9	93.8
Total Employee Work Hours		Hours/Person	1998.5	1992.1	1984.4
Overtime Work Hours		Hours/Person	255.5	258.4	257.7
Paid Leave Days Taken		Days/Person	13.7	13.4	14.2

Labor/Management Relations (ISO26000 6.4.5)		Settlement period: March 31			
Indicator		Units	3/2015	3/2016	3/2017
Rate of Unionization (G4-11)	Yamaha Corporation	%	78	77	77
	Group Company in Japan*	%	40	40	42

*Yamaha Music Japan Co., Ltd., Yamaha Music Retailing Co., Ltd., Yamaha Musical Products Japan Co., Ltd., Yamaha Piano Manufacturing Japan Co., Ltd., Yamaha Fine Technologies Co., Ltd., Yamaha Business Support Corporation

Health and Safety (ISO26000 6.4.6)		Boundary: Group (Smoking Ratio data is Japan only) Settlement period: March 31			
Indicator		Units	3/2015	3/2016	3/2017
Frequency of Work-Related Accidents (G4-LA6)	Yamaha Corporation	—	0.76	0.81	0.84
	Group Companies in Japan	—	2.08	3.19	1.9
	Group Companies Overseas	—	1.02	1.46	1.19
Implementation of Safety Patrols	Group Companies in Japan	Sites	6	3	1
	Group Companies Overseas	Sites	2	4	1
Self-Directed Health and Safety Diagnoses (Japan)		Sites	9	4	16
Smoking Ratio* ¹	Male Yamaha/Nation Average (Japan)* ²	%	24.3/ 30.3	24.6/ 31.0	24.1/ 29.7
	Female Yamaha/Nation Average (Japan)* ²	%	7.2/ 9.8	8.3/ 9.6	7.9/ 9.7

*1: Group companies in Japan (Excludes Yamaha Resort Inc., Kitami Mokuzai Co., Ltd., Sakuraba Mokuzai Co., Ltd. (Sakuraba Mokuzai is excluded only for 2015/3))

*2: These values are cited from a survey by Japan Tobacco.

Compliance/Fair Business Practice (ISO26000 6.3.6/6.6)		Boundary: Group (Japan) Settlement period: March 31			
Indicator		Units	3/2015	3/2016	3/2017
Status of Calls to the Compliance Hotline	Name Provided	Numbers	25	19	26
	Anonymous	Numbers	6	7	13
Number of Participants in In-house Legal Training		Persons	250	180	220

CSR in the Supply Chain (ISO26000 6.6.6 G4-LA14, LA15)		Boundary: Group Settlement period: March 31		
Indicator		Units	3/2016	3/2017
Supplier's Self-Assessment (whole survey)	Request	Company	1,554	2,490
	Responses	Company	1,535	2,446
	Collection Rate	%	98.8	98.2
Supplier's Self-Assessment (when starting a contract)		Company	—	76
Corrections on File		Company	0	4

Contributing to Communities (ISO26000 6.8)		Boundary: Group Settlement period: March 31			
Indicator		Units	3/2015	3/2016	3/2017
Expenditures for Social Contributions	Expenditures G4-EC1	10,000 yen	25,245	31,947	47,321
	Number of Social Contributions Made	Numbers	446	551	712

Environmental Data by Site

Yamaha Group (Japan)

- [!\[\]\(9063468a59e93f469b71000ac5796bc3_img.jpg\) Headquarters Area](#)
- [!\[\]\(1db6320223680ab4bd04b0d269ab6c8a_img.jpg\) Toyooka Factory](#)
- [!\[\]\(cd69309a3e813d8c682e56d54a0f4a01_img.jpg\) Takegawa, Iwata Factory](#)
- [!\[\]\(10da5836d64f6bfda0e81f64eb06c09d_img.jpg\) Tenryu Factory](#)
- [!\[\]\(64ffe1f7747b0ebf9d3de05413a827ba_img.jpg\) Yamaha Musical Products Japan Fukuroi Factory](#)
- [!\[\]\(48ca033094687ae35179967b129920cd_img.jpg\) Yamaha Musical Products Matsunokijima Factory](#)
- [!\[\]\(62aee36f74ae3183ab09e8d3ffe50364_img.jpg\) Yamaha Musical Products Iida Factory](#)
- [!\[\]\(751c9e446f61c8f82144499002de1a38_img.jpg\) Sakuraba Mokuzaï](#)
- [!\[\]\(eb803b8fdde7500bcf82afed11b47c67_img.jpg\) Kitami Mokuzaï](#)
- [!\[\]\(68bdb588ed455981d68a9611d6b4c3a0_img.jpg\) Yamaha Resort Inc. - TumagoiTM](#)
- [!\[\]\(3c943ceda096d8eb5042402eb8fea037_img.jpg\) Yamaha Resort Inc. - KatsuragiTM](#)

Yamaha Group (Overseas)

- [!\[\]\(48a7667d09d5a06397e047ee4537bb6f_img.jpg\) Tianjin Yamaha Electronic Musical Instruments, Inc.](#)
- [!\[\]\(3df135a685d1b545c4fa64a5f3516545_img.jpg\) Xiaoshan Yamaha Musical Instruments Co., Ltd.](#)
- [!\[\]\(de62294faded52808857591d246c2e7a_img.jpg\) Yamaha Electronics \(Suzhou\) Co., Ltd.](#)
- [!\[\]\(632b91ede65784e1fc241c52ebe20c23_img.jpg\) Hangzhou Yamaha Musical Instruments Co., Ltd.](#)
- [!\[\]\(9e570ad7bd1e47f5a8419f32768deae0_img.jpg\) PT. Yamaha Musical Products Indonesia](#)
- [!\[\]\(6692b3d3a64e68ec6056ddd5389ee32a_img.jpg\) PT. Yamaha Music Manufacturing Indonesia](#)
- [!\[\]\(5ec757c80307729d6f34e7a3a8648015_img.jpg\) PT. Yamaha Music Manufacturing Asia](#)
- [!\[\]\(1f958451d87d2e14018a59d2c94d174e_img.jpg\) PT. Yamaha Indonesia](#)
- [!\[\]\(e864df2dcf039ec85fb71a4d174d217f_img.jpg\) PT. Yamaha Electronics Manufacturing Indonesia](#)
- [!\[\]\(fc2a12dfe2770e83eaf09334b8360e6f_img.jpg\) Yamaha Electronics Manufacturing Malaysia Sdn. Bhd.](#)

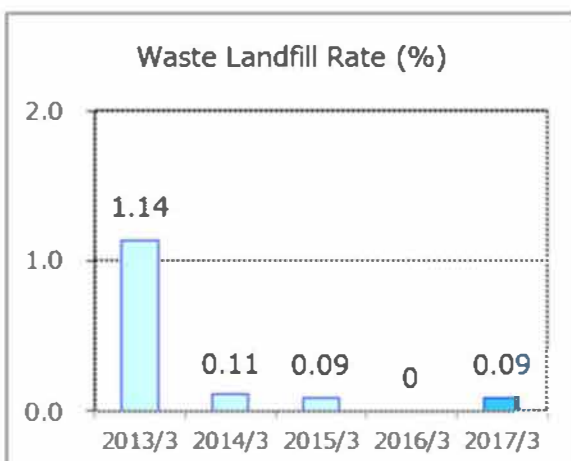
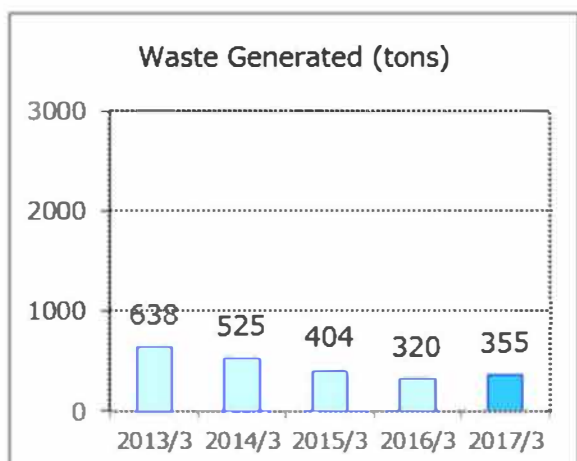
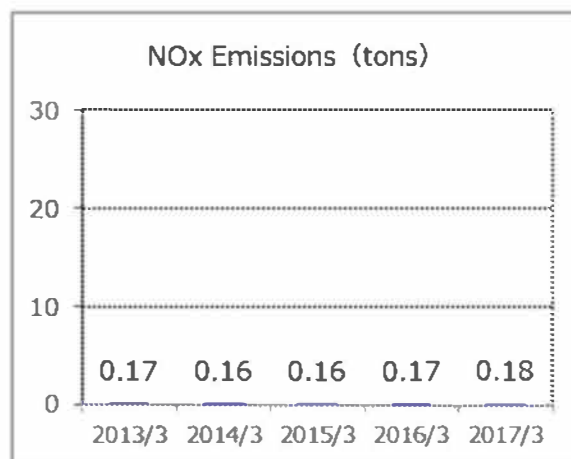
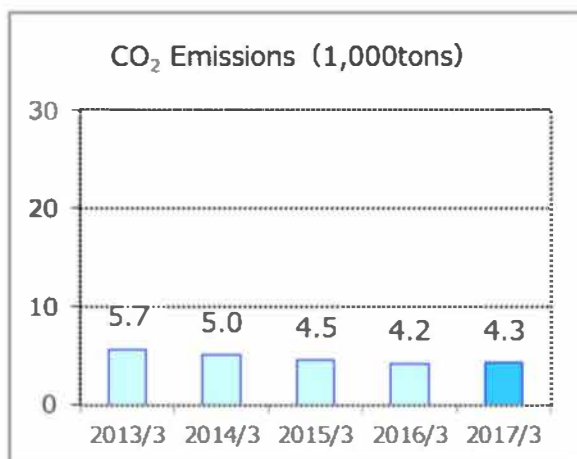
FY2017 Environmental Data by Site

Headquarters Area

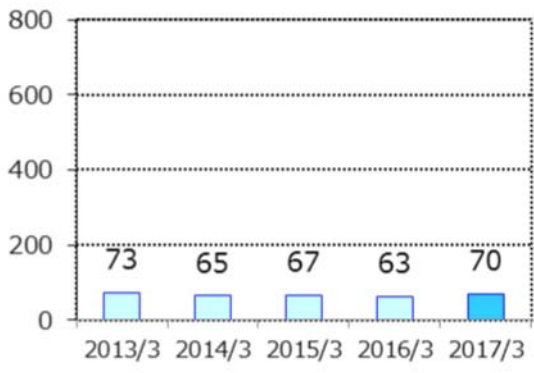
Including Yamaha Corporation headquarters, Yamaha Music Japan Co., Ltd., Yamaha Business Support

Corporation, Yamaha Travel Service Co., Ltd., Yamaha Ai Works Co., Ltd., YAMAHA UNION and various other organizations.

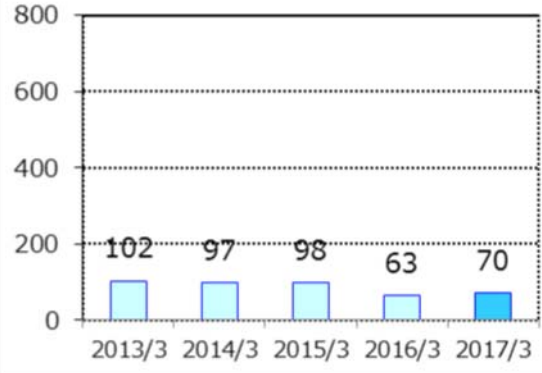
Business lines	Development, design and sales of pianos, audio equipment, ICT devices, electronic devices, wind, string and percussion instruments, PA equipment, and sound proof chambers; as well as administrative functions		
Location	Hamamatsu City, Shizuoka Prefecture		
Site area	225,600 m ²	No. of Employees	3,019



Water Consumption (1,000m³)



Water Discharge (1,000m³)

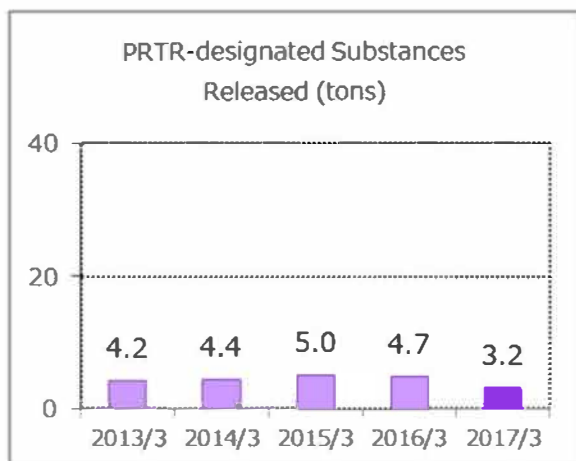
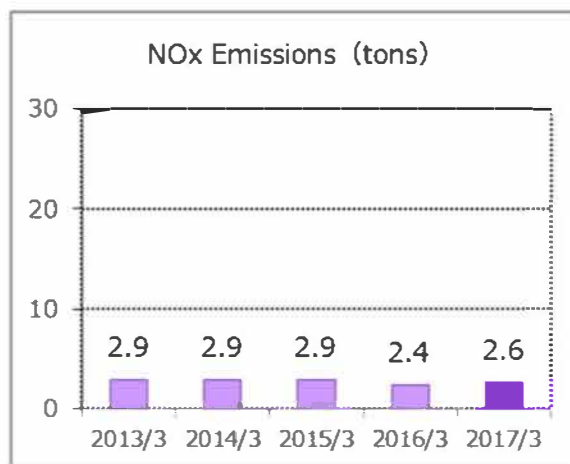
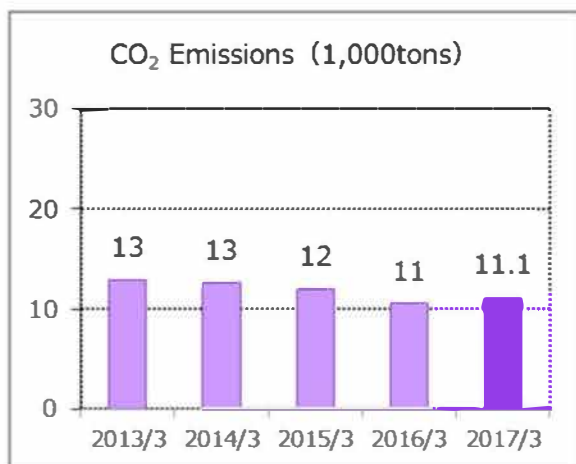


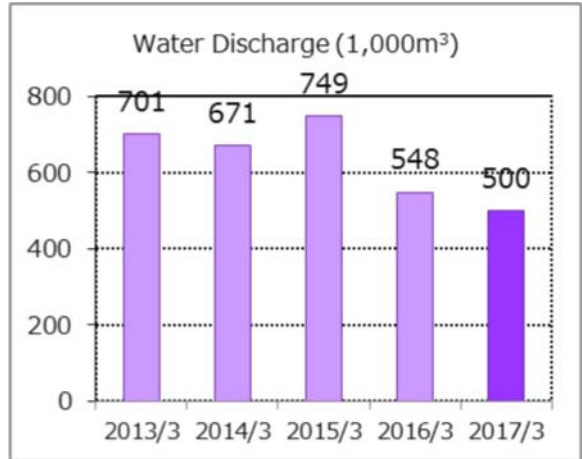
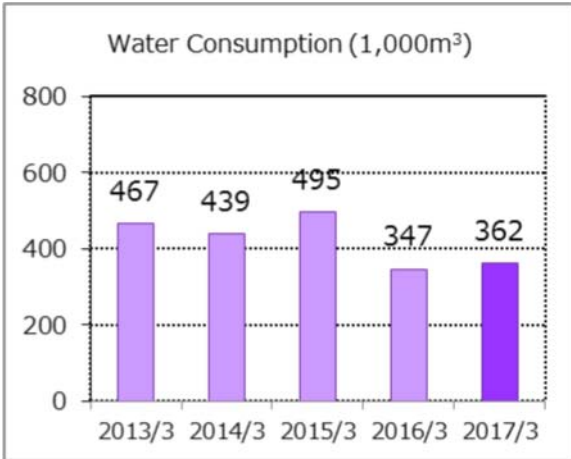
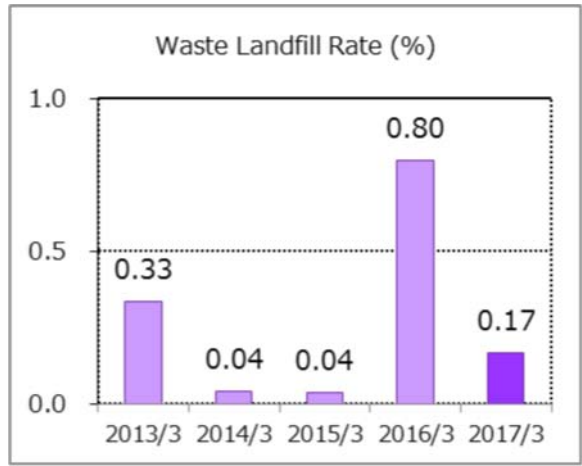
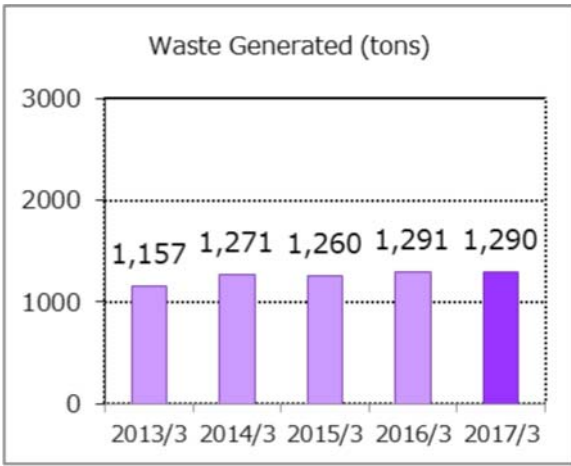
FY2017 Environmental Data by Site

Toyooka Factory

Yamaha Corporation Toyooka Factory, Yamaha Musical Products Japan Co., Ltd. Main Factory

Business lines	Manufacture of electronic instruments, wind, string and percussions instrument, PA equipment and electronic components		
Location	Iwata City, Shizuoka Prefecture		
Site area	184,197 m ²	No. of Employees	1,444





FY2017 Environmental Data by Site

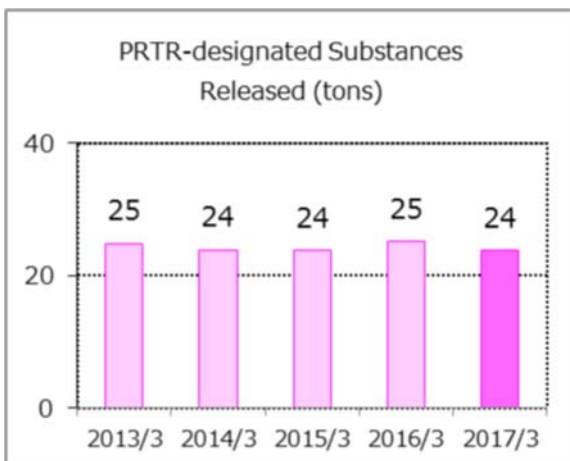
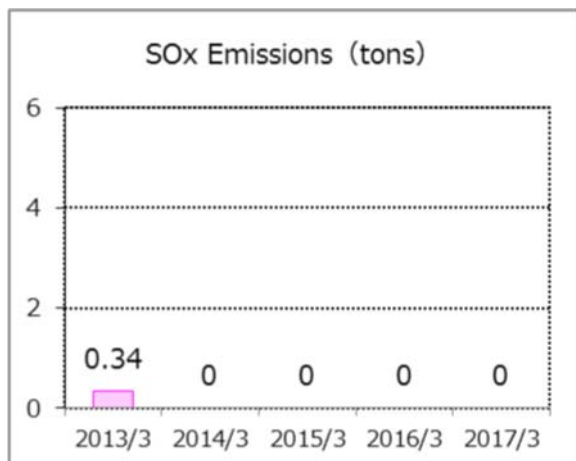
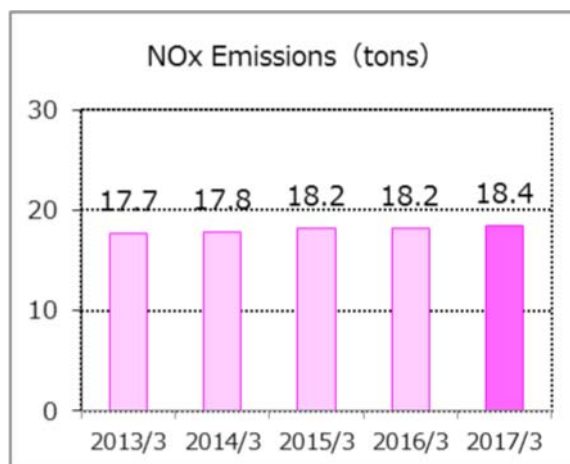
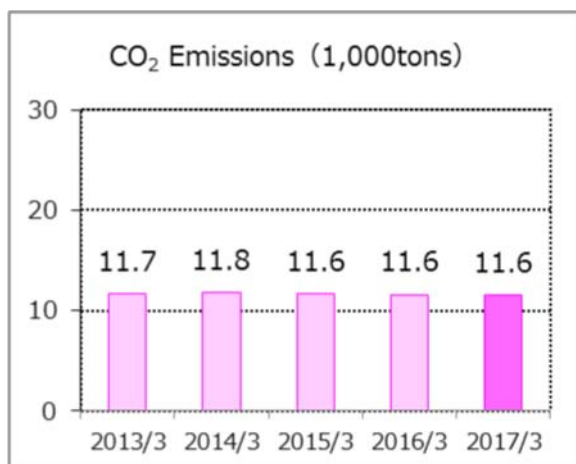
Takegawa, Iwata Factory

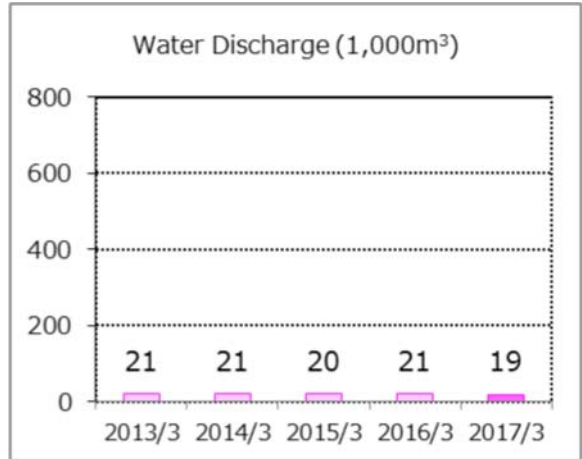
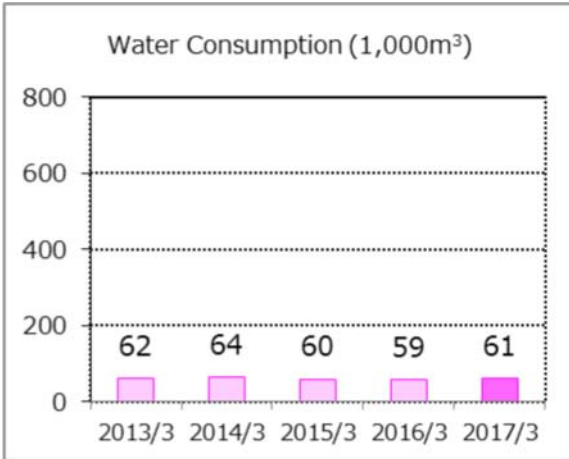
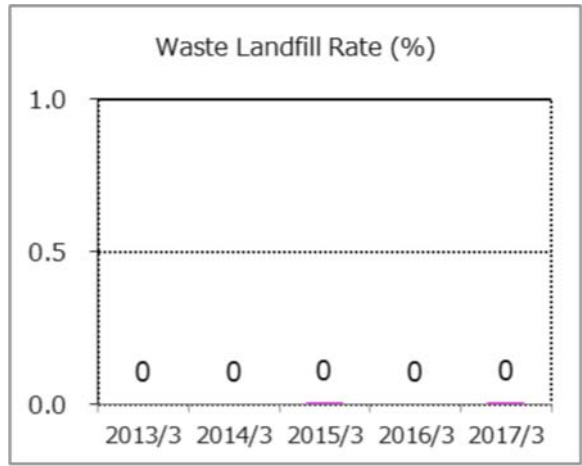
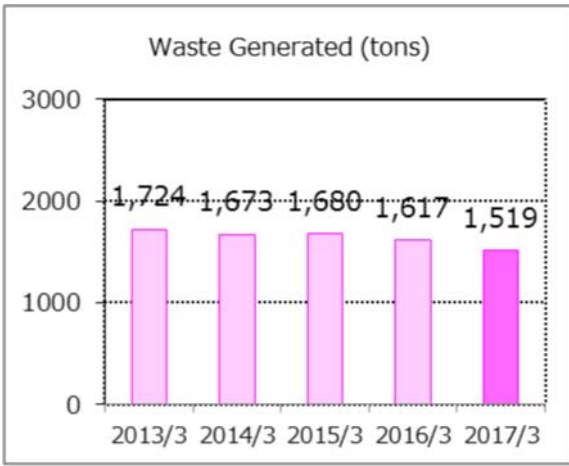
Yamaha Corporation Takegawa Factory, Yamaha Piano Manufacturing Japan Co., Ltd.

Headquarters Factory, Yamaha Piano Manufacturing Japan Co., Ltd. Iwata Factory

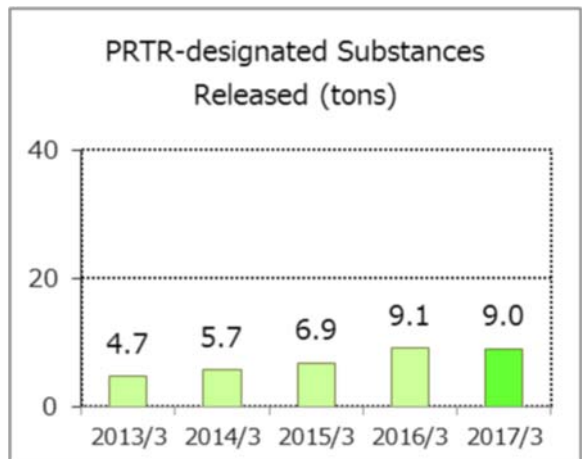
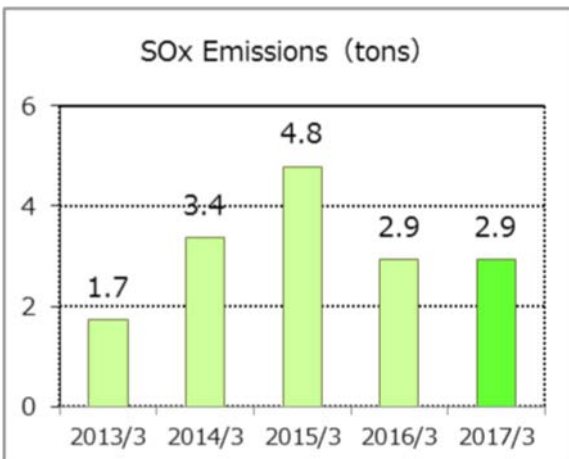
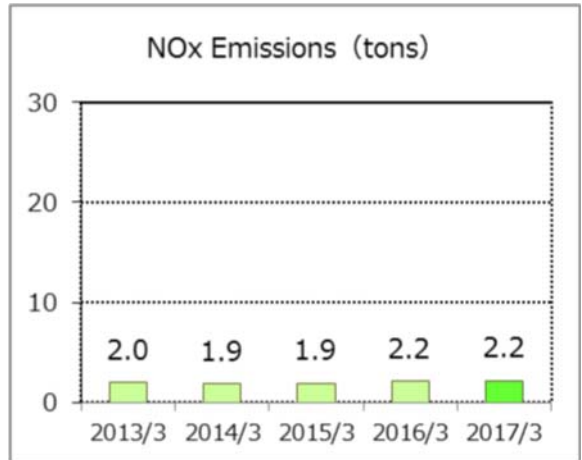
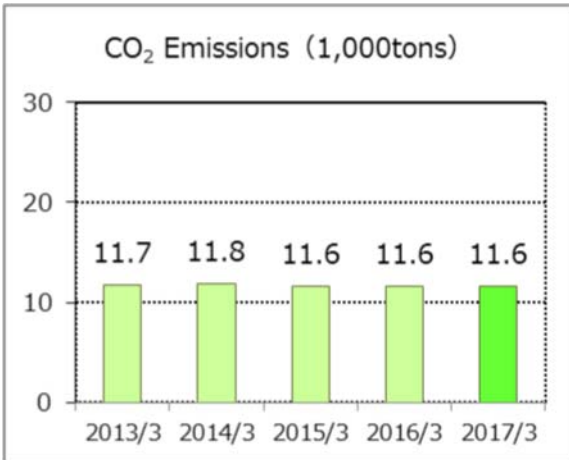
Business lines	Manufacture of pianos, hybrid pianos, electric pianos and piano parts; manufacture of piano frames; and manufacture of furniture and wood products		
Location	Takegawa Factory : Takegawa City, Shizuoka Prefecture Iwata Factory : Iwata City, Shizuoka Prefecture		
Site area	Takegawa Factory: 222,410 m ² Iwata Factory: 47,855 m ²	No. of Employees	787

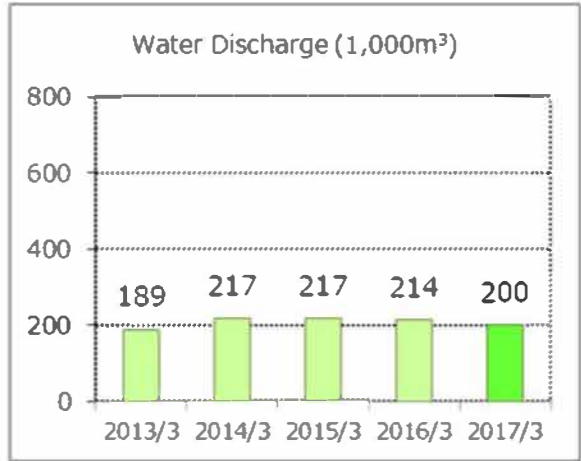
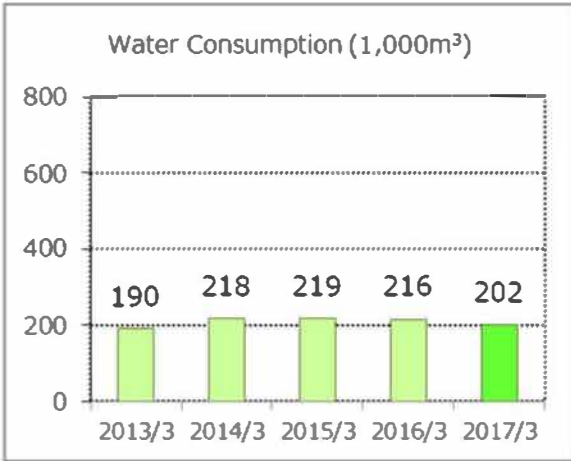
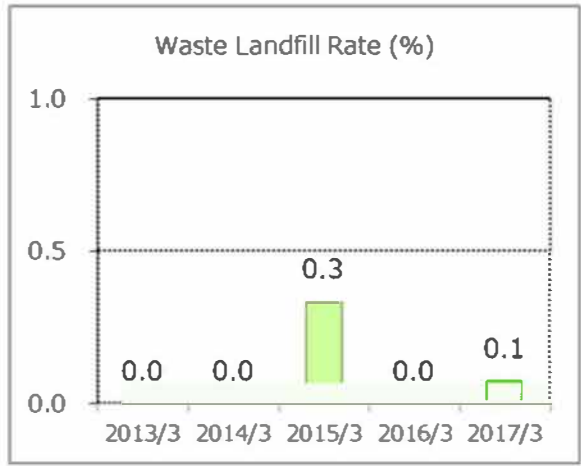
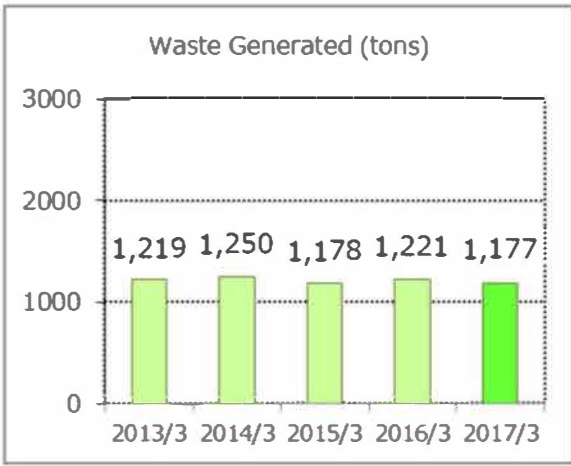
Takegawa Factory





Iwata Factory



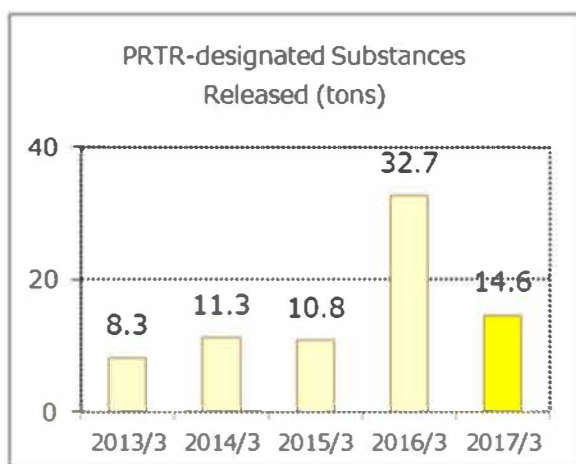
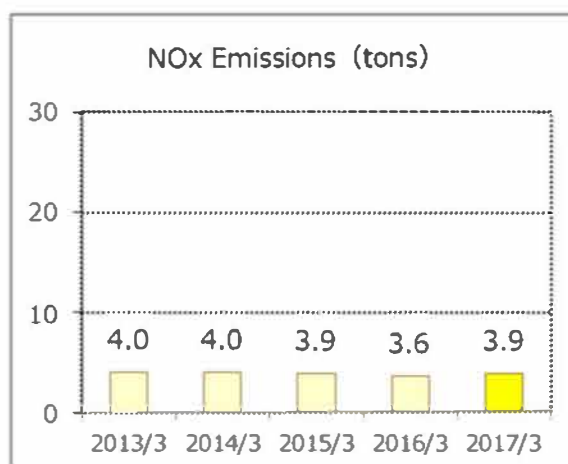
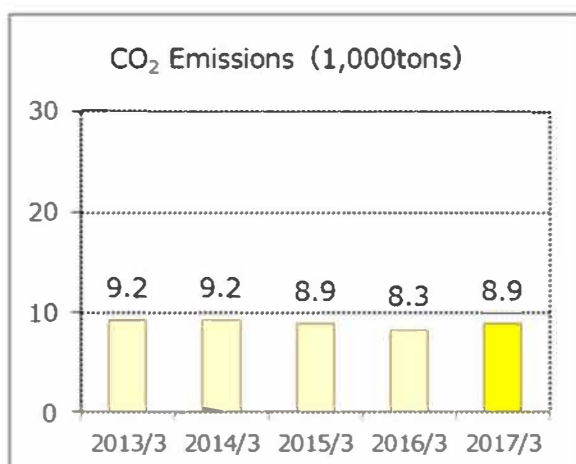


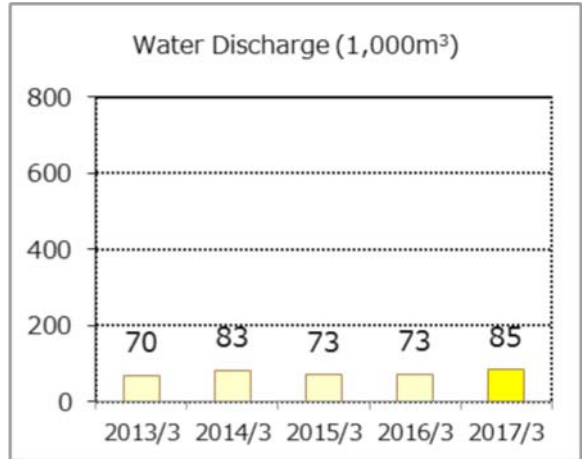
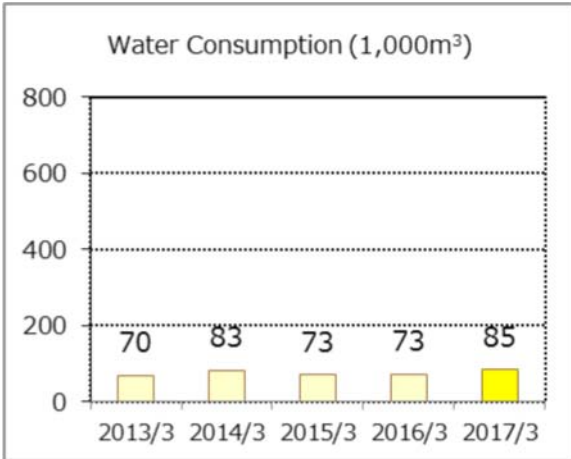
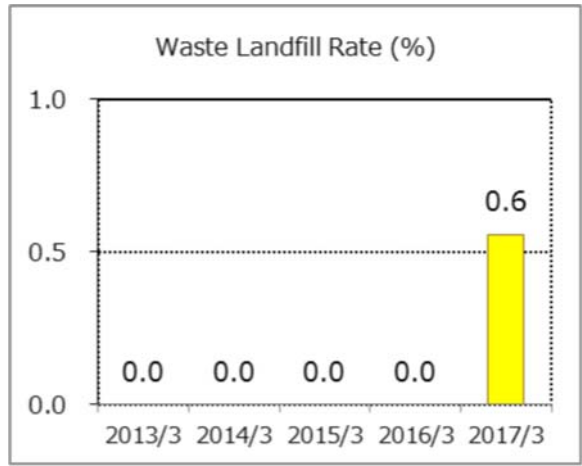
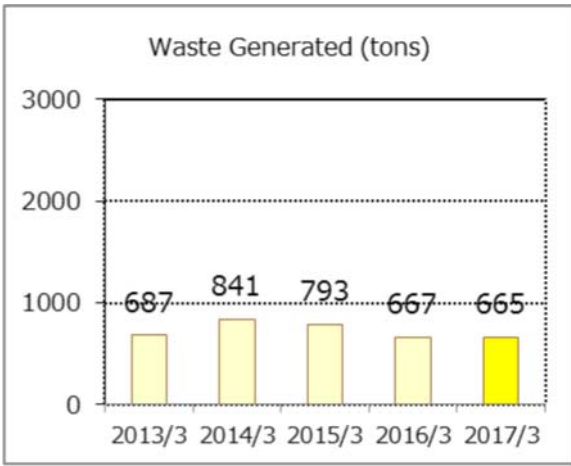
FY2017 Environmental Data by Site

Tenryu Factory

Yamaha Corporation Tenryu Factory, Yamaha Fine Technologies Co., Ltd.

Business lines	Manufacture of automobile interior components, development, manufacture and sale of factory automation (FA) equipment, development of golf products, and business activities based mainly on production technologies for the Yamaha Group as a whole		
Location	Hamamatsu City, Shizuoka Prefecture		
Site area	182,829 m ²	No. of Employees	880



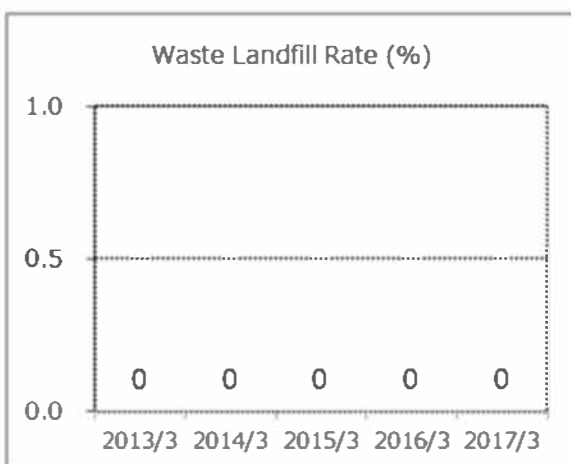
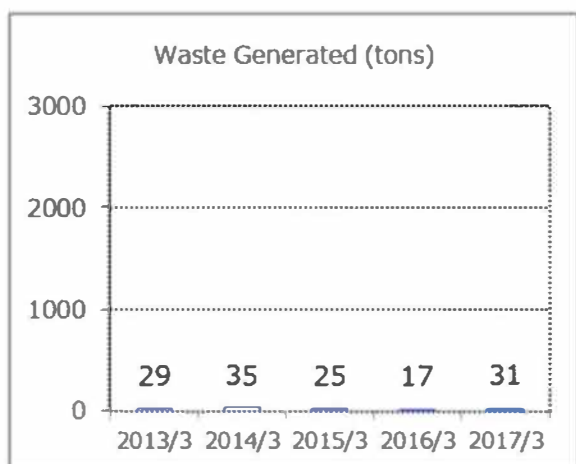
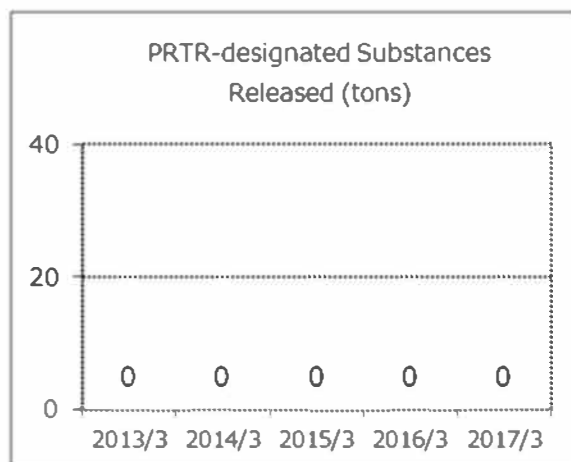
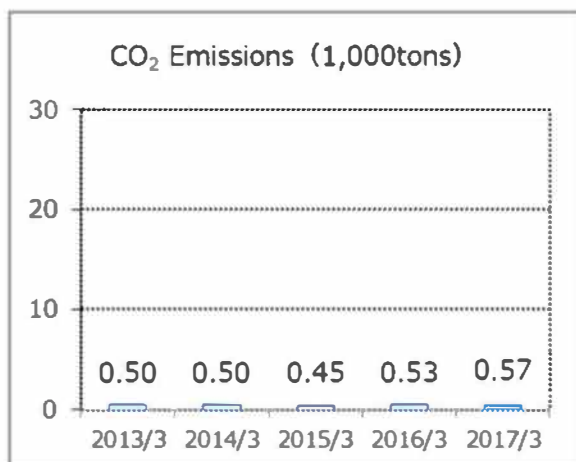


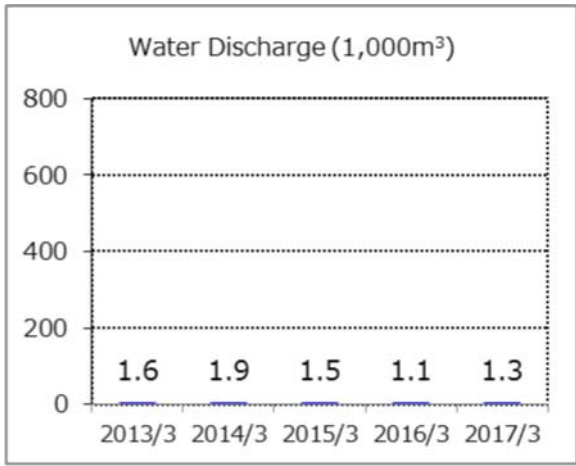
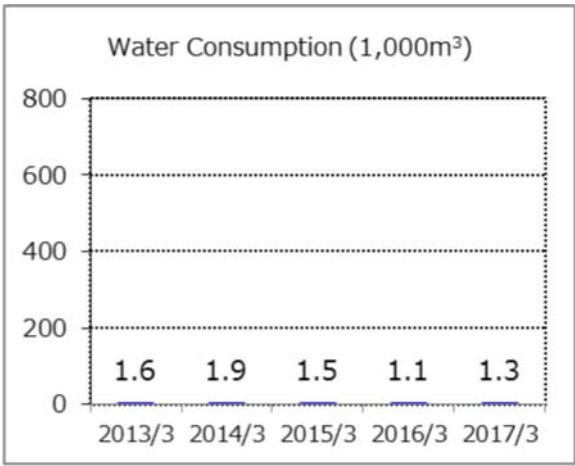
FY2017 Environmental Data by Site

Yamaha Musical Products Japan Fukuroi Factory

Yamaha Musical Products Japan Co., Ltd. Fukuroi Factory

Business lines	Manufacture of printed circuit board products, audio, visual, and instrument related devices, and ICT device products		
Location	Fukuroi City , Shizuoka Prefecture		
Site area	8,900 m ²	No. of Employees	112



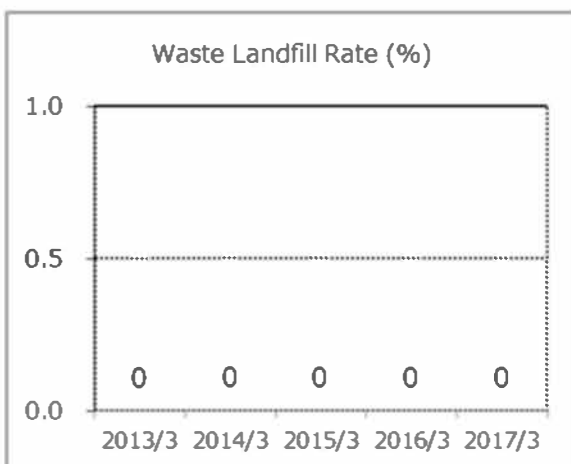
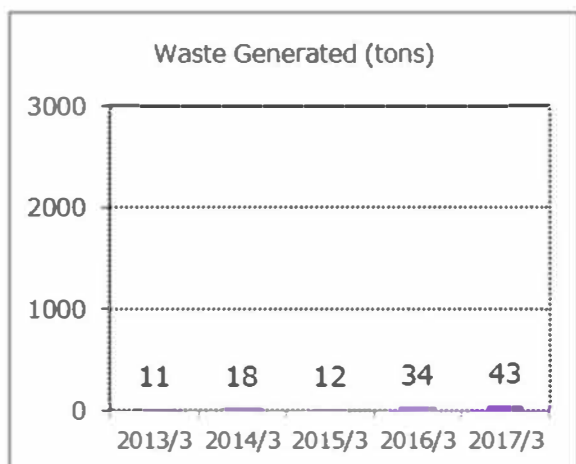
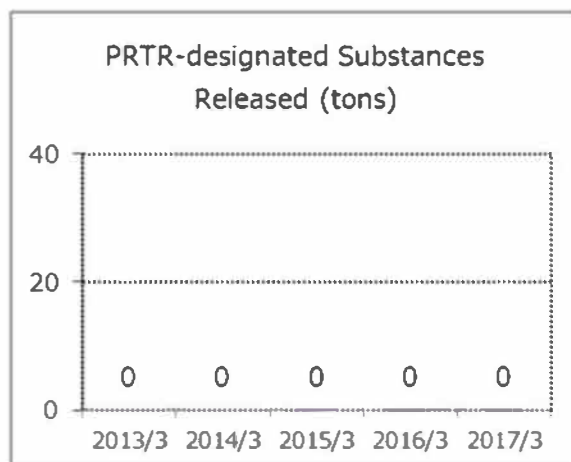
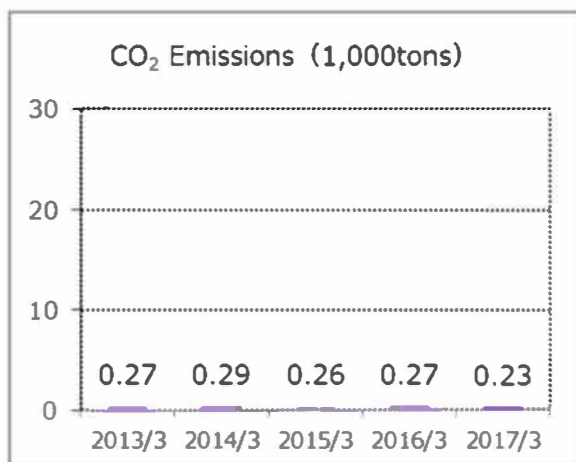


FY2017 Environmental Data by Site

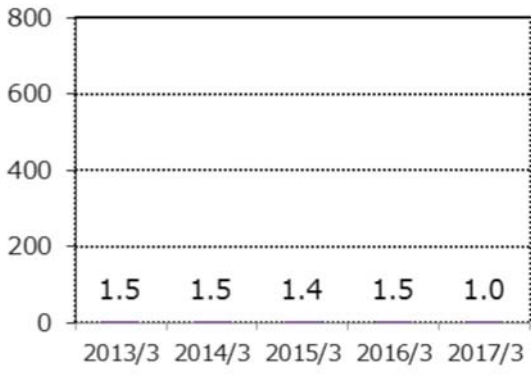
Yamaha Musical Products Matsunokijima Factory

Yamaha Musical Products Japan Co., Ltd. Matsunokijima Factory

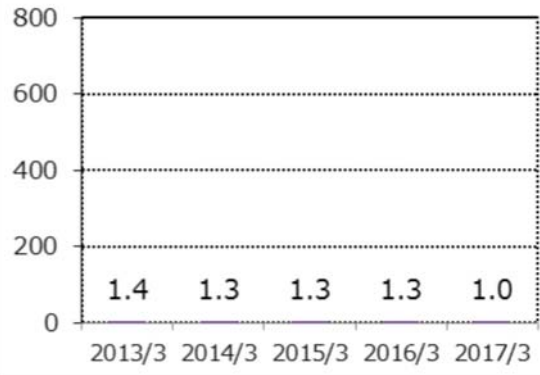
Business lines	Processing, assembly, packing and shipping of wind instrument parts		
Location	Iwata City, Shizuoka Prefecture		
Site area	4,742 m ²	No. of Employees	49



Water Consumption (1,000m³)



Water Discharge (1,000m³)

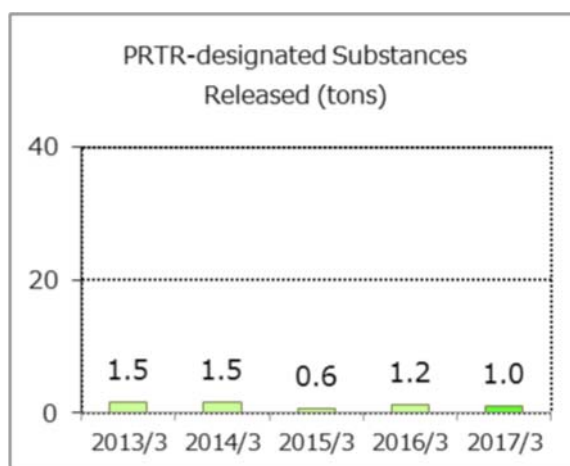
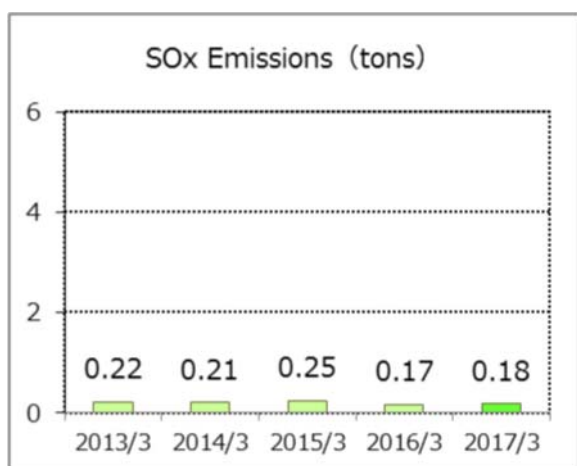
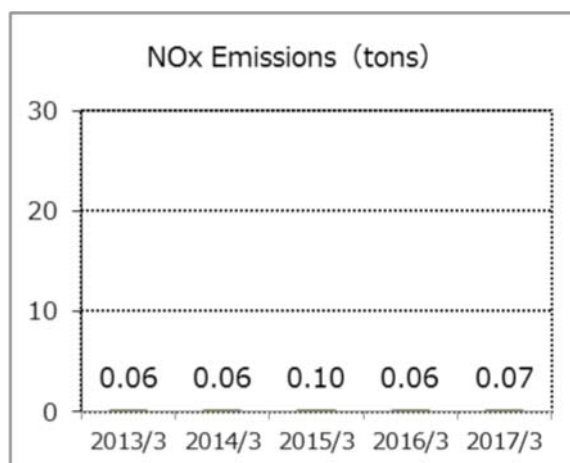
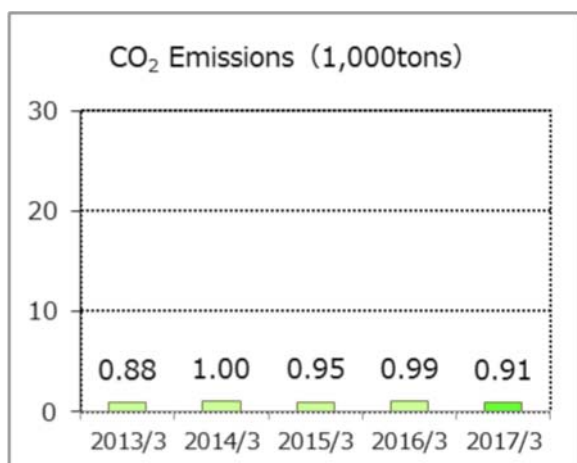


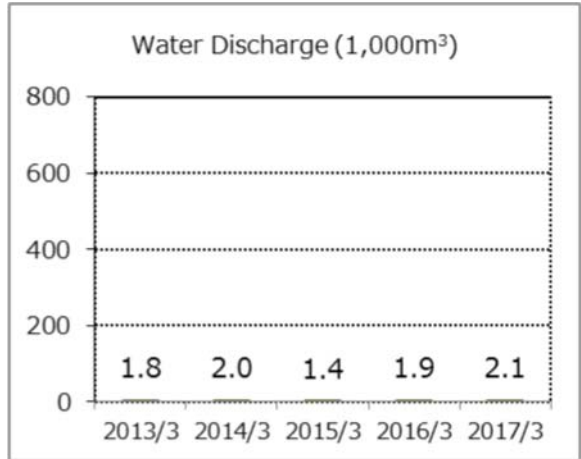
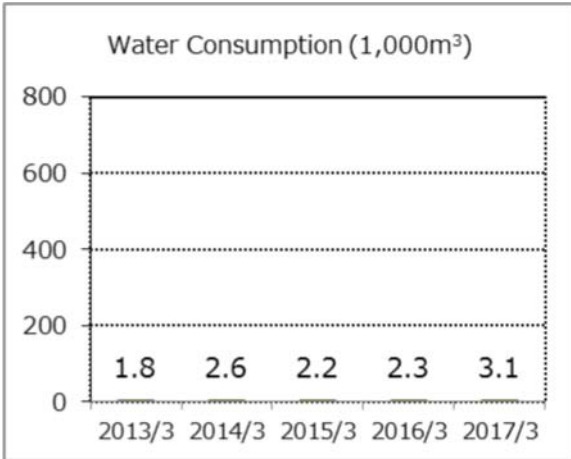
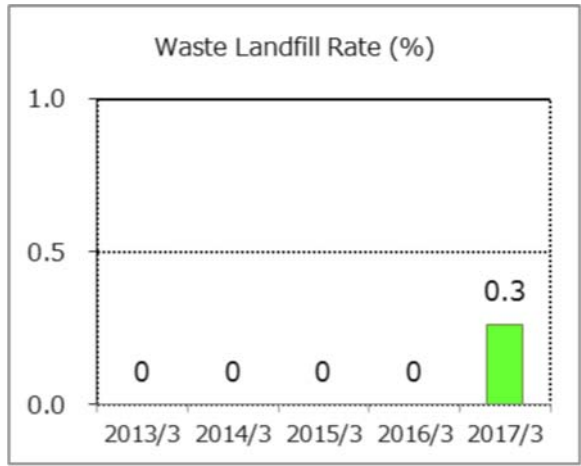
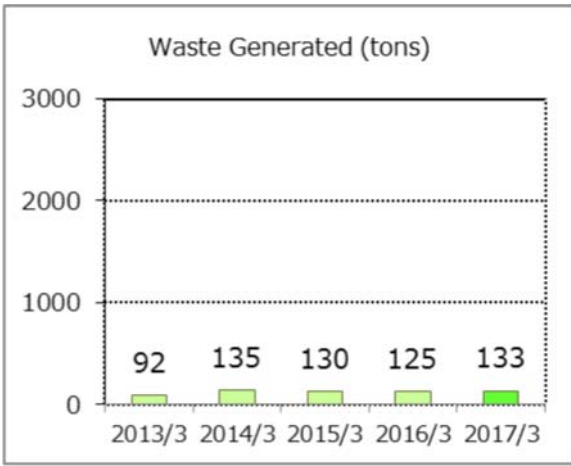
FY2017 Environmental Data by Site

Yamaha Musical Products Iida Factory

Yamaha Musical Products Japan Co., Ltd. Iida Factory

Business lines	Manufacture of string, and percussion instruments		
Location	Hamamatsu City, Shizuoka Prefecture		
Site area	14,474 m ²	No. of Employees	81



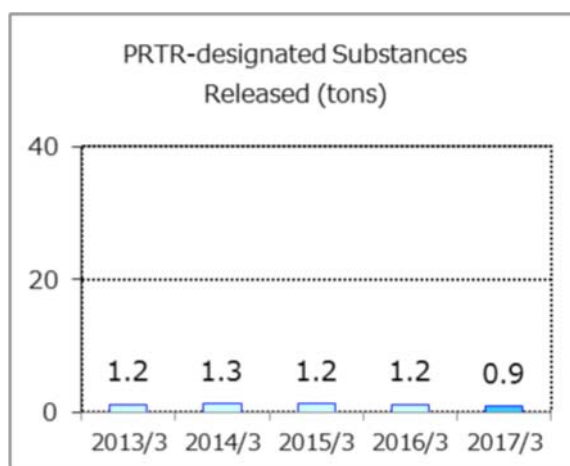
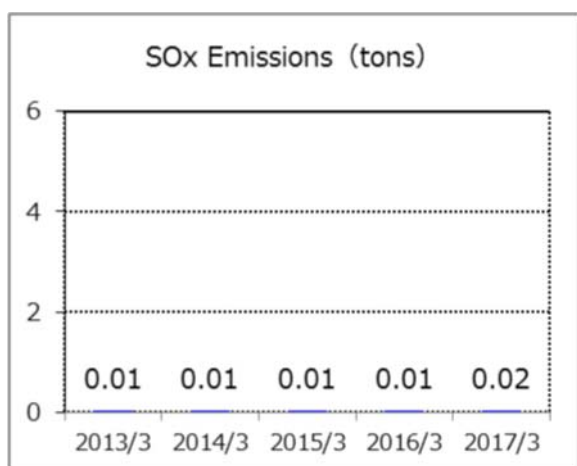
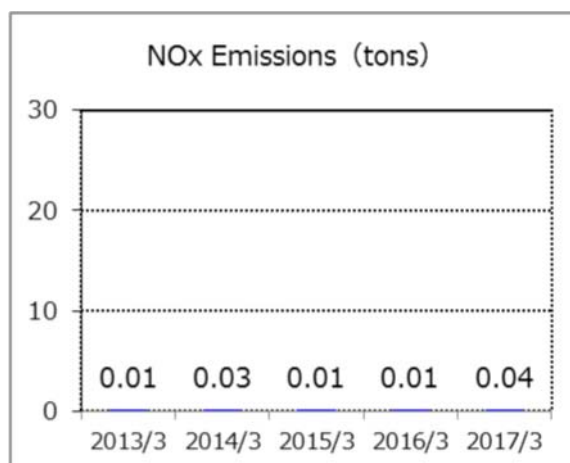
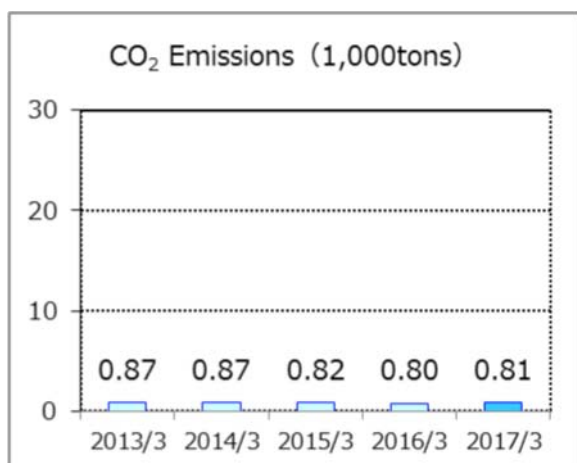


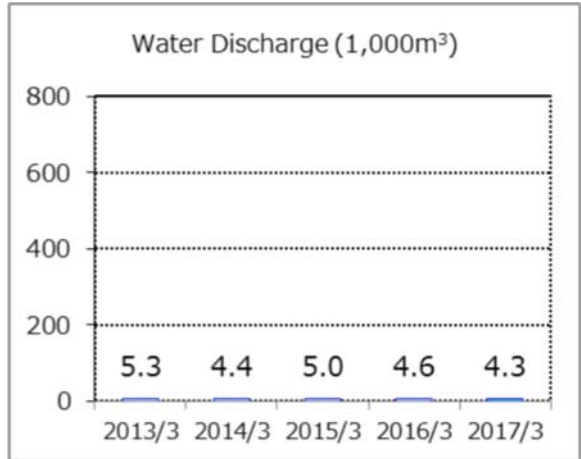
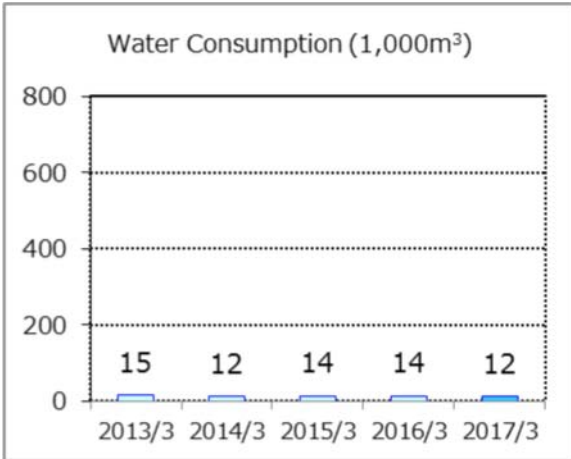
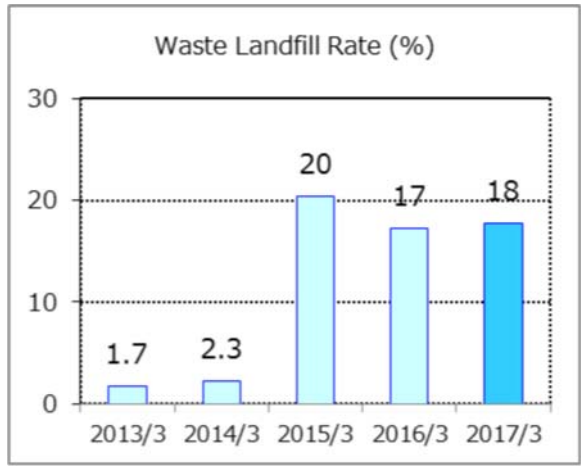
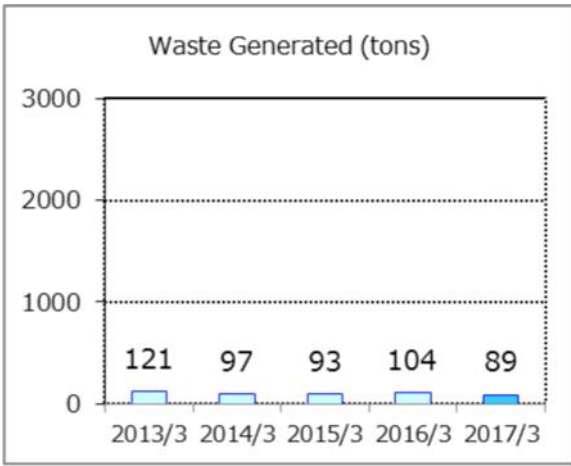
FY2017 Environmental Data by Site

Sakuraba Mokuzai

Sakuraba Mokuzai Co., Ltd.

Business lines	Lumber manufacturing for musical instruments, processing of wooden parts, and manufacturing of other woodworking.		
Location	Kitaakita City, Akita Prefecture		
Site area	52,854 m ²	No. of Employees	63



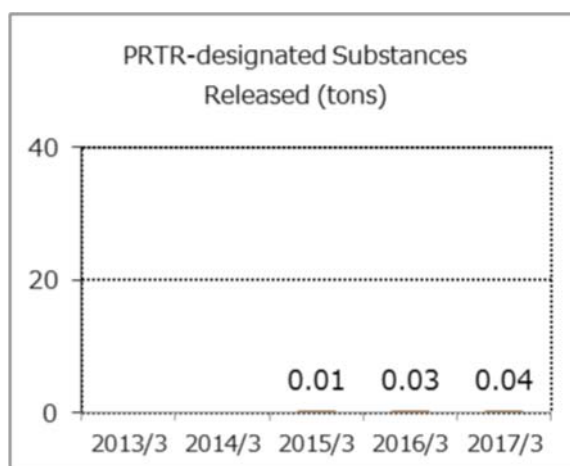
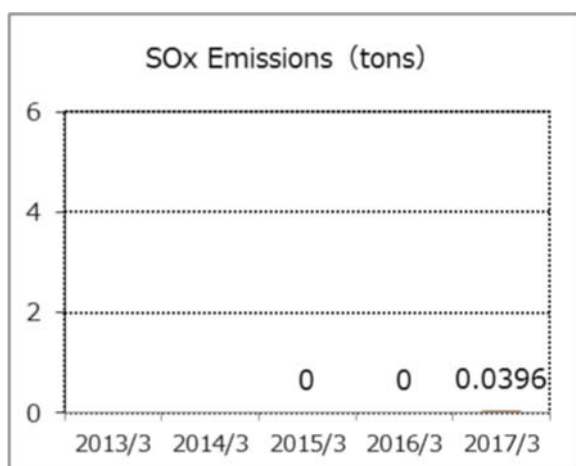
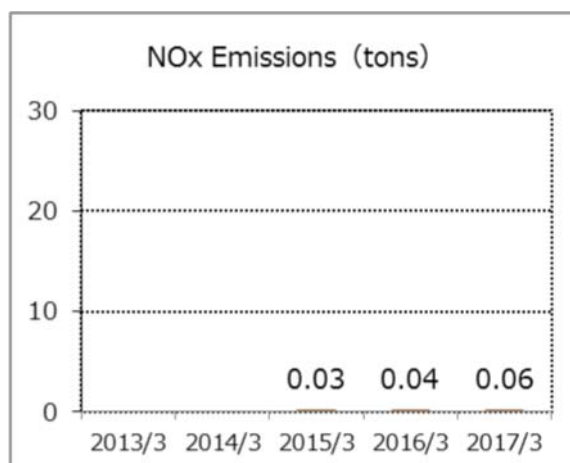
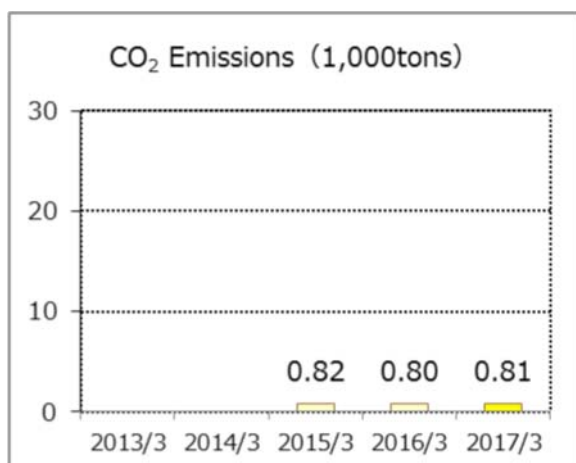


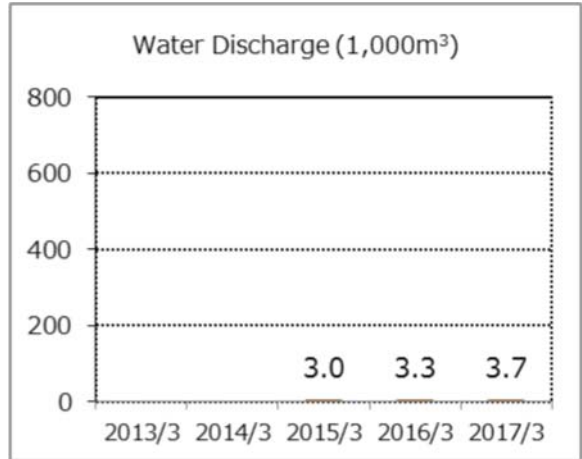
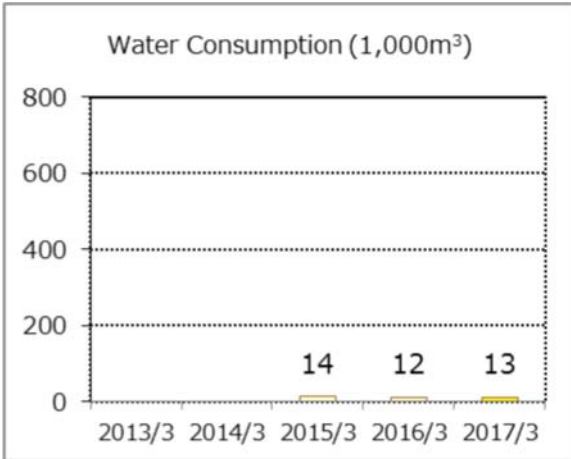
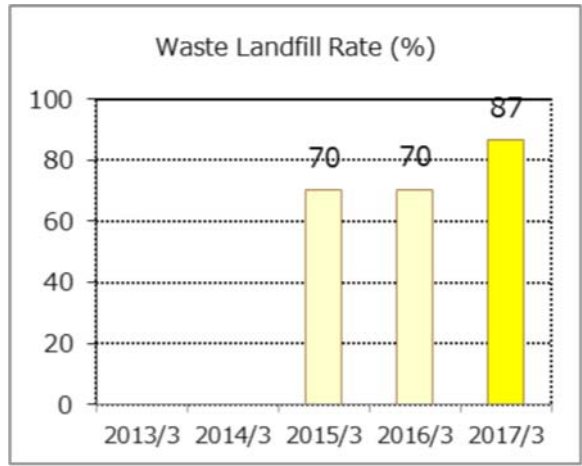
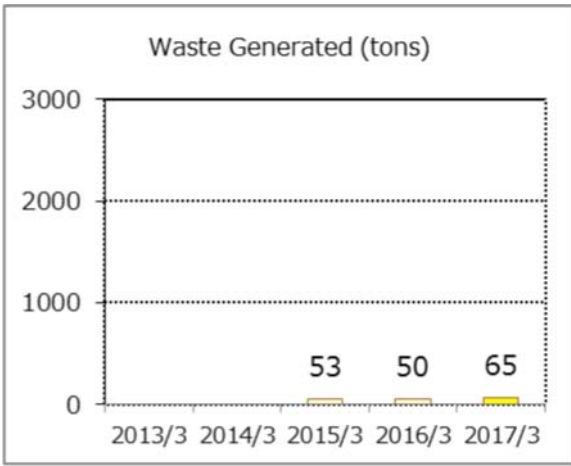
FY2017 Environmental Data by Site

Kitami Mokuzai

Kitami Mokuzai Co., Ltd.

Business lines	Lumber manufacturing for musical instruments, processing of wooden parts, and manufacturing of other woodwork.		
Location	Mombetsu-gun, Hokkaido		
Site area	97,000 m ²	No. of Employees	118



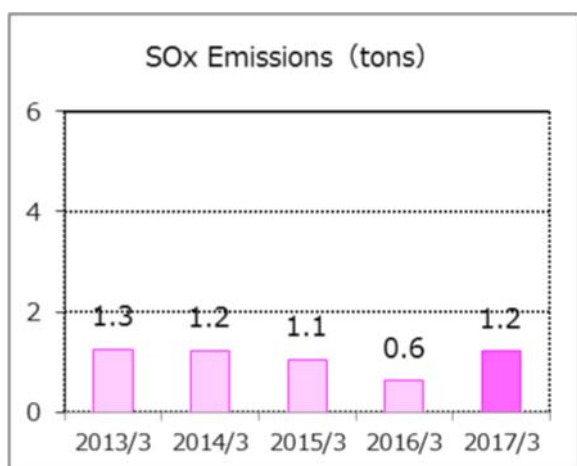
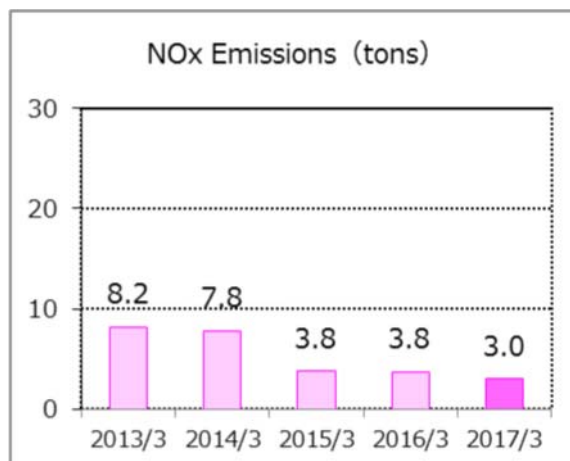
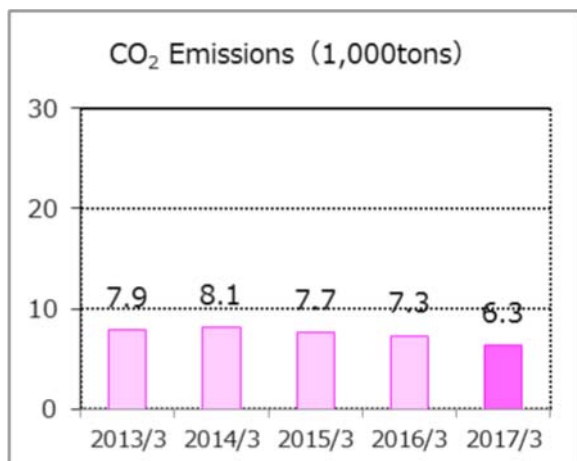


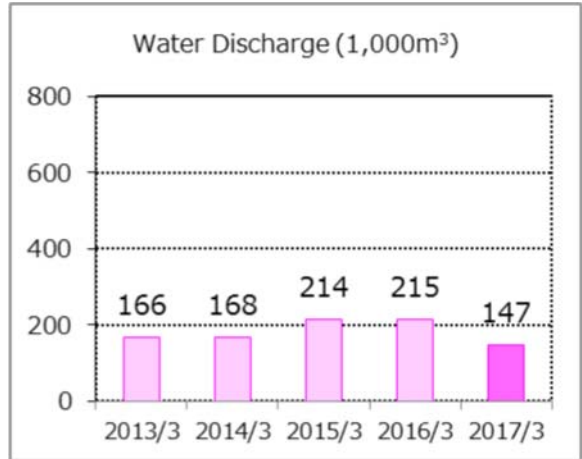
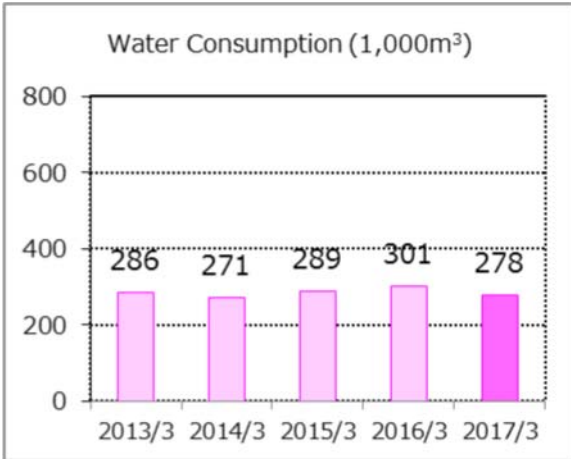
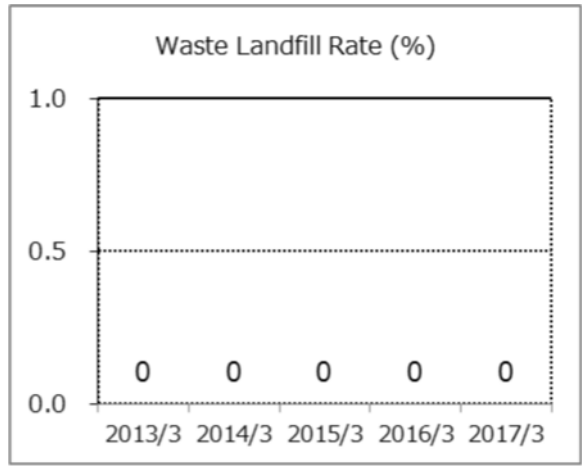
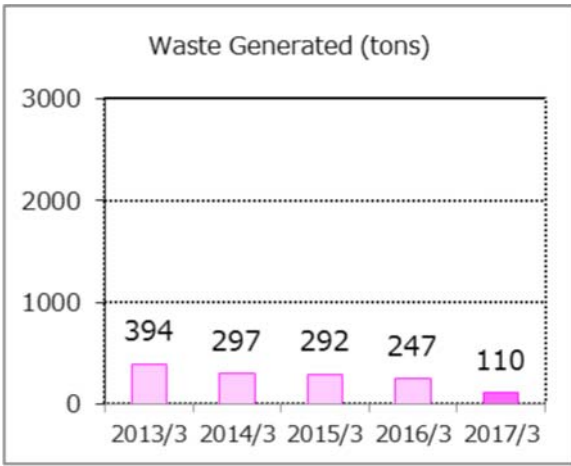
FY2017 Environmental Data by Site

Yamaha Resort Inc. - Tumagoi™

Note: The Yamaha Group fully closed its operations as of March 26, 2017.

Business lines	Operation of lodging facilities, restaurants, relaxation and related facilities		
Location	Kakegawa City, Shizuoka Prefecture		
Site area	1,290,000 m ²	No. of Employees	166



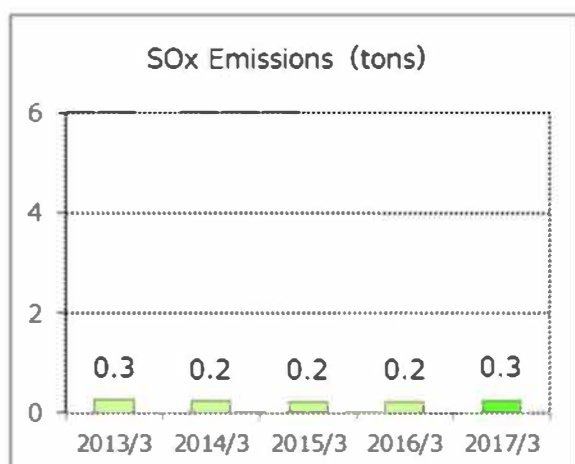
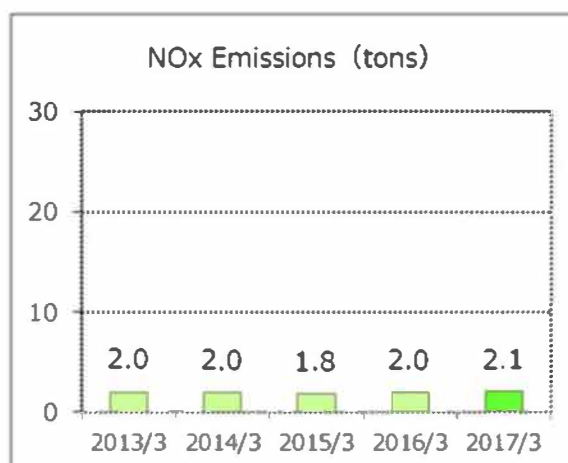
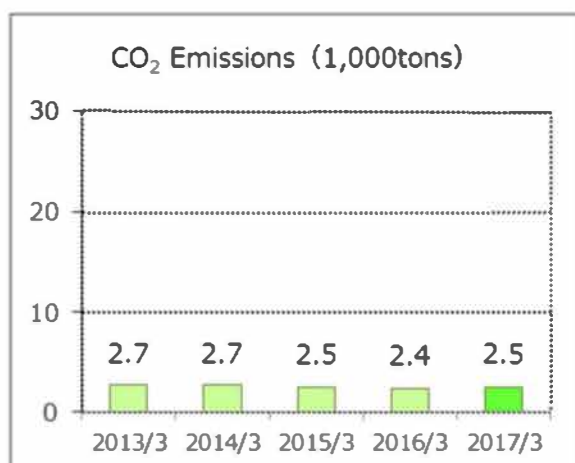


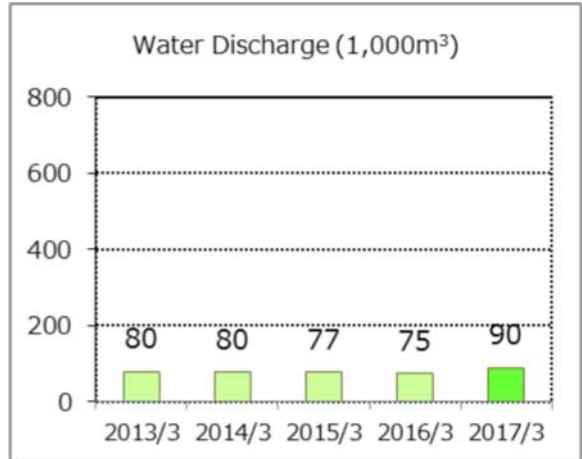
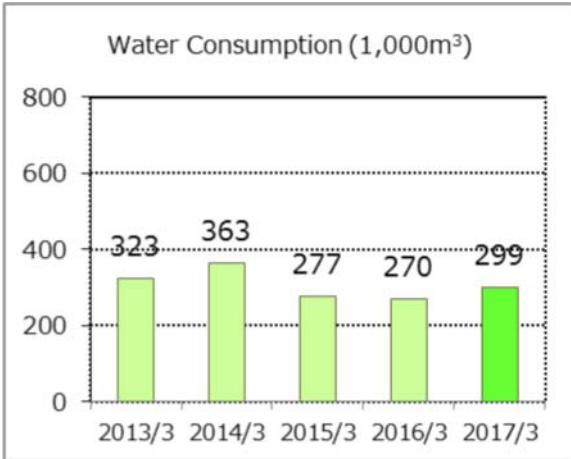
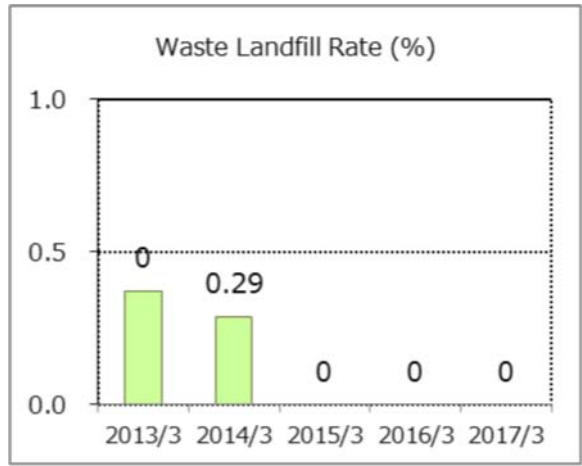
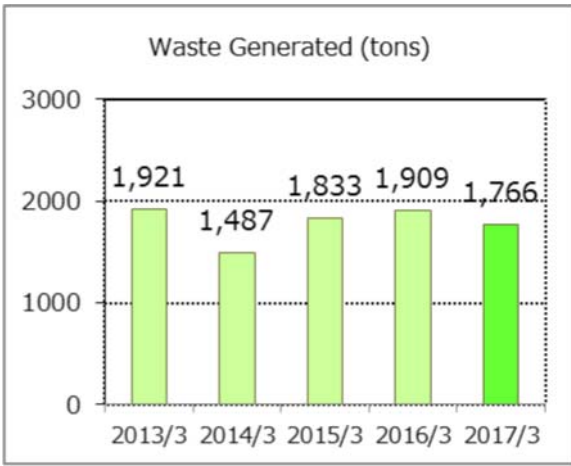
FY2017 Environmental Data by Site

Yamaha Resort Inc. - Katsuragi™

Yamaha Resort Inc. - Katsuragi™

Business lines	Operation of lodging facilities, restaurants, golf courses and related facilities		
Location	Fukuroi City, Shizuoka Prefecture		
Site area	1,380,000 m ²	No. of Employees	209

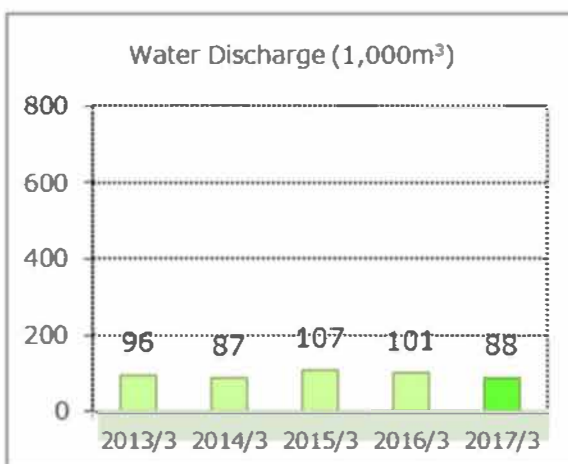
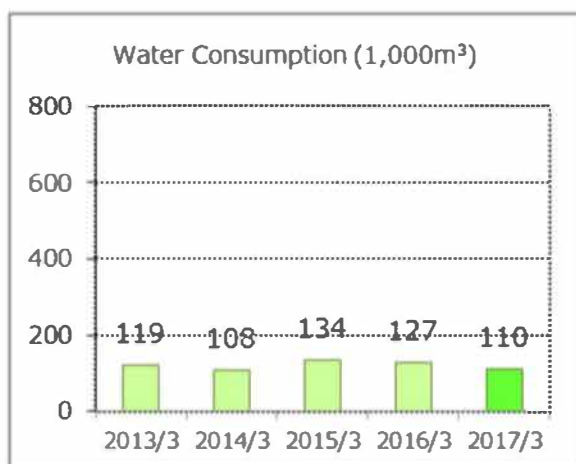
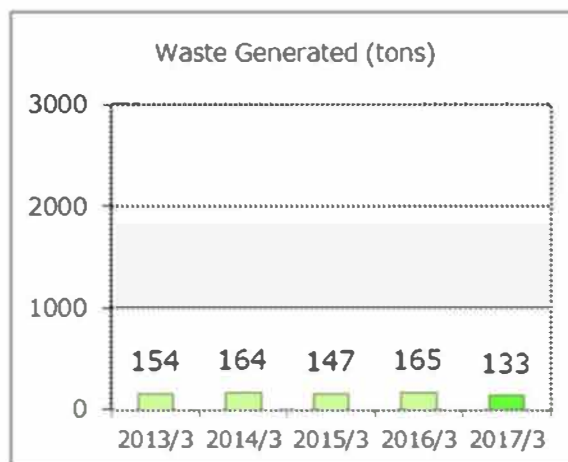
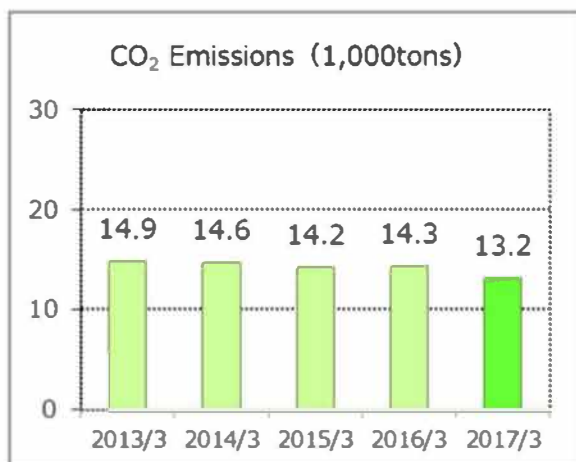




FY2017 Environmental Data by Site

Tianjin Yamaha Electronic Musical Instruments, Inc.

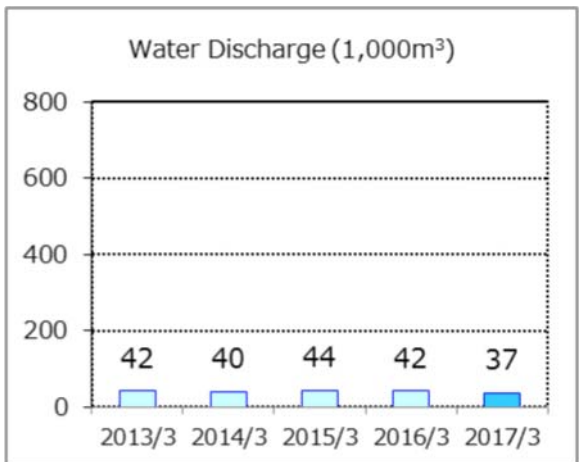
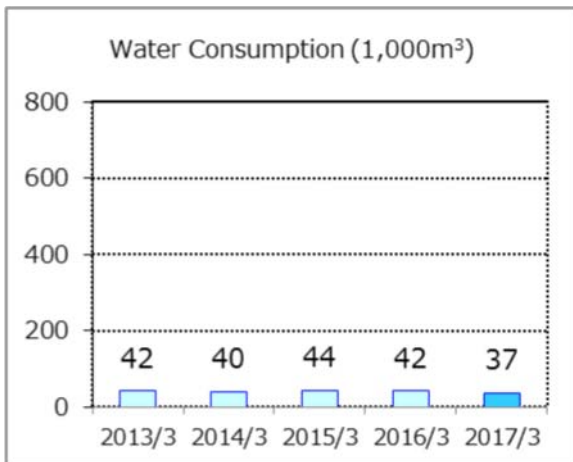
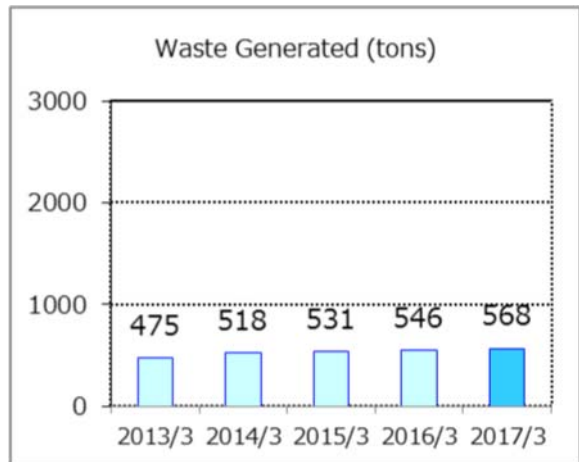
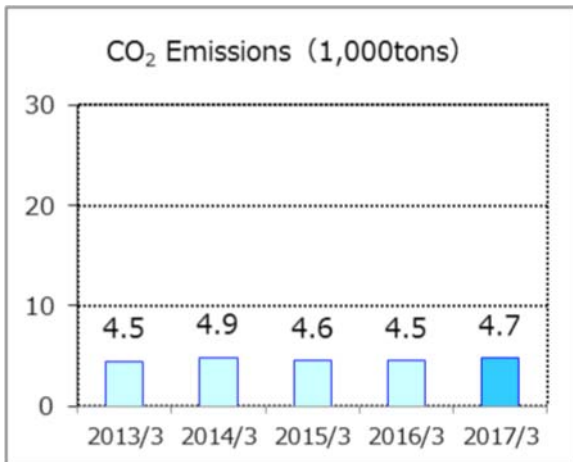
Business lines	Manufacture of electronic musical instruments		
Location	China		
Site area	30,729 m ²	No. of Employees	974



FY2017 Environmental Data by Site

Xiaoshan Yamaha Musical Instruments Co., Ltd.

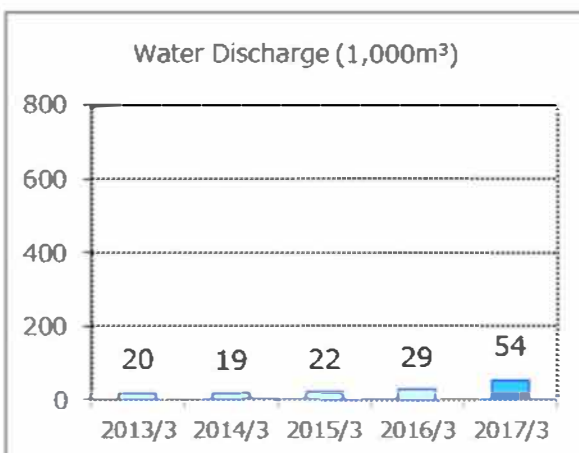
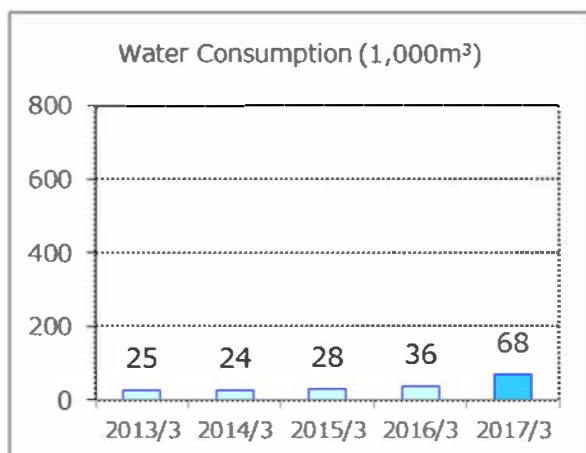
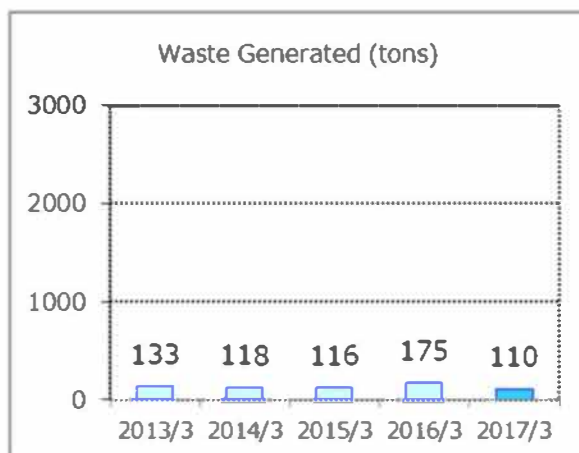
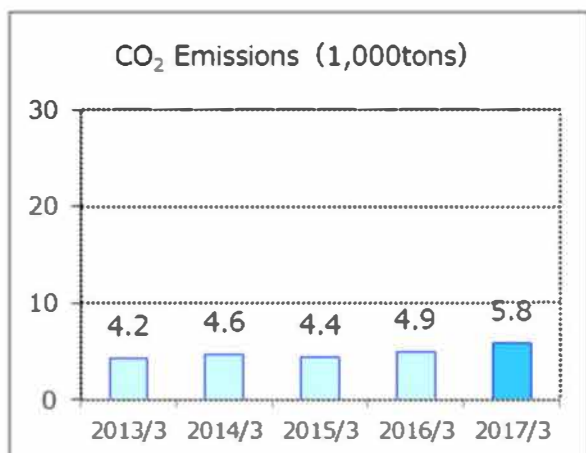
Business lines	Manufacture of wind instruments and percussion instruments		
Location	China		
Site area	56,000 m ²	No. of Employees	688



FY2017 Environmental Data by Site

Yamaha Electronics (Suzhou) Co., Ltd.

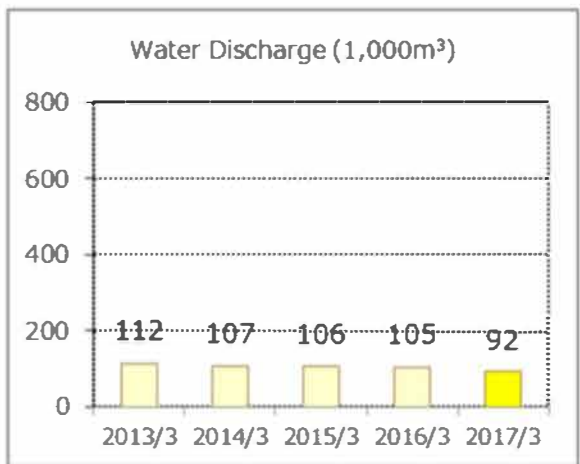
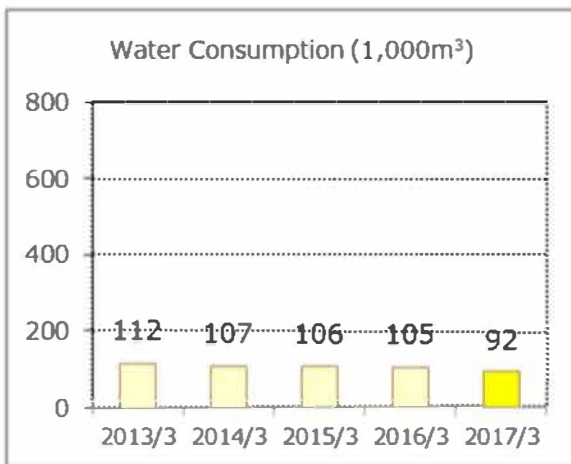
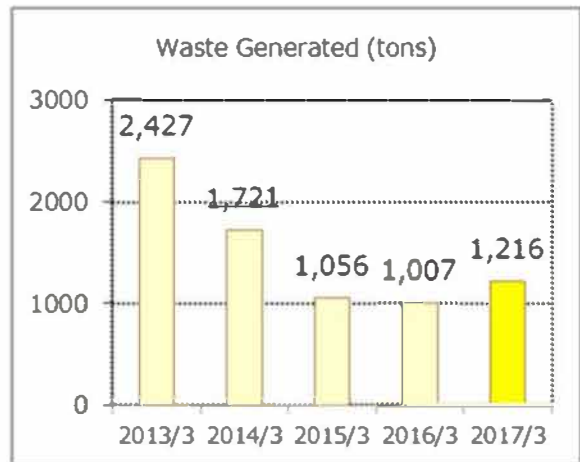
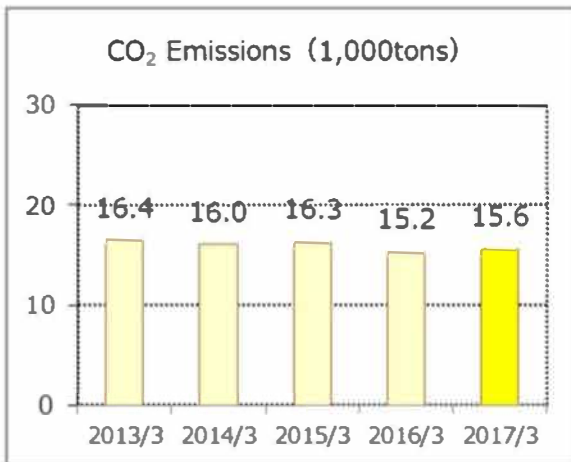
Business lines	Manufacture of AV, PA and sound network products, and manufacture and sales of AV service parts		
Location	China		
Site area	120,000 m ²	No. of Employees	1,273



FY2017 Environmental Data by Site

Hangzhou Yamaha Musical Instruments Co., Ltd.

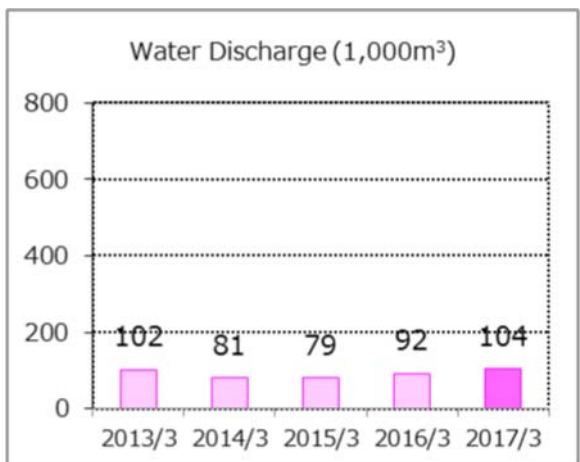
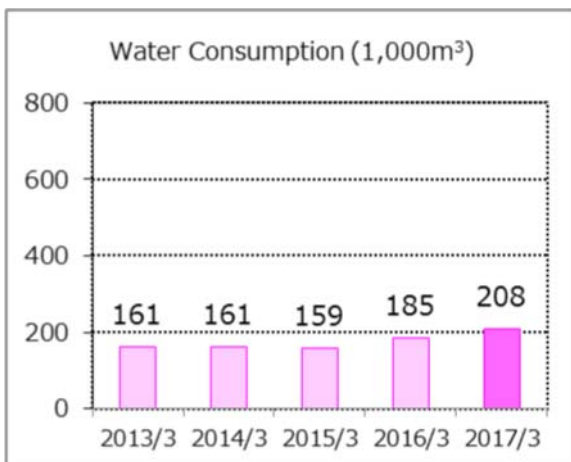
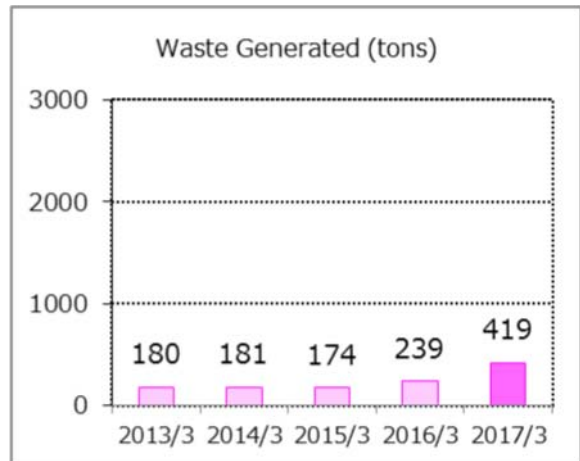
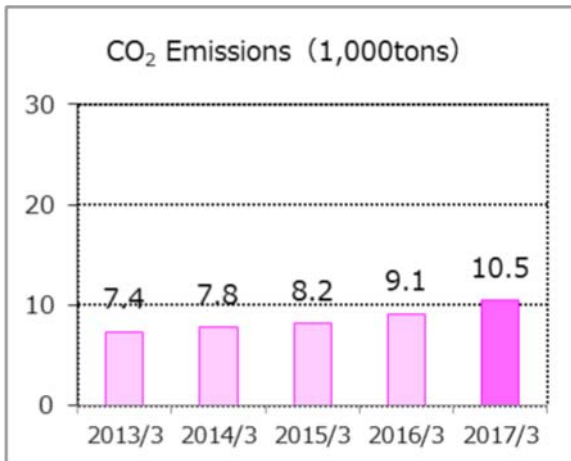
Business lines	Manufacture of pianos, piano parts, and guitars		
Location	China		
Site area	150,000 m ²	No. of Employees	2,497



FY2017 Environmental Data by Site

PT. Yamaha Musical Products Indonesia

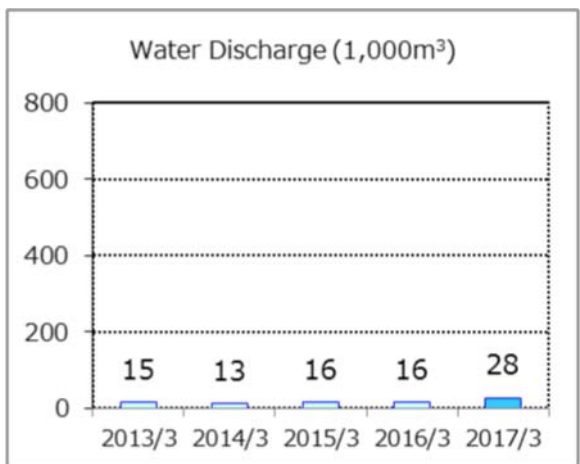
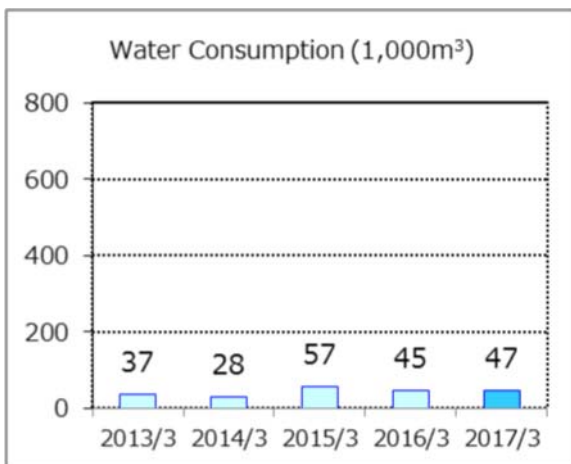
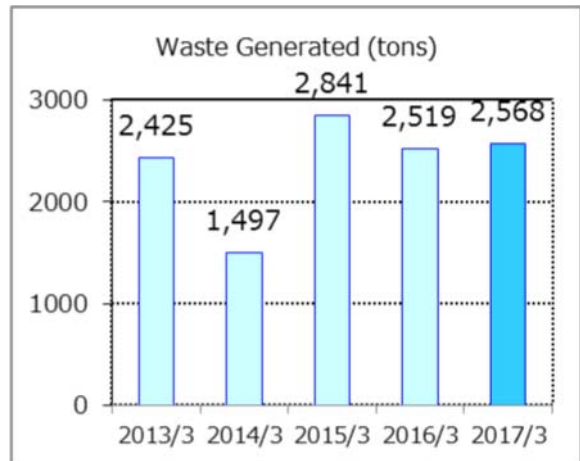
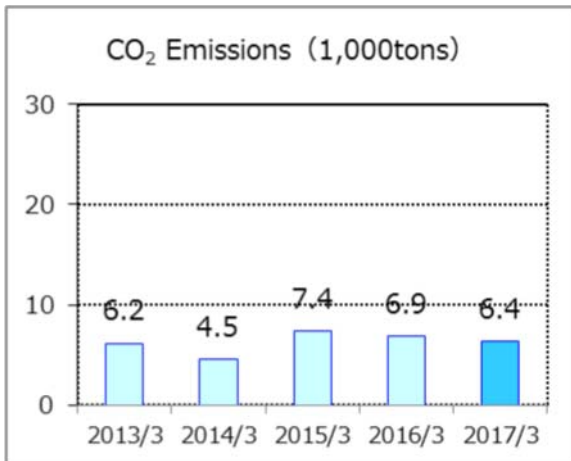
Business lines	Manufacture and assembly of wind instruments, pianicas™, recorders, etc.		
Location	Indonesia		
Site area	58,500 m ²	No. of Employees	1,761



FY2017 Environmental Data by Site

PT. Yamaha Music Manufacturing Indonesia

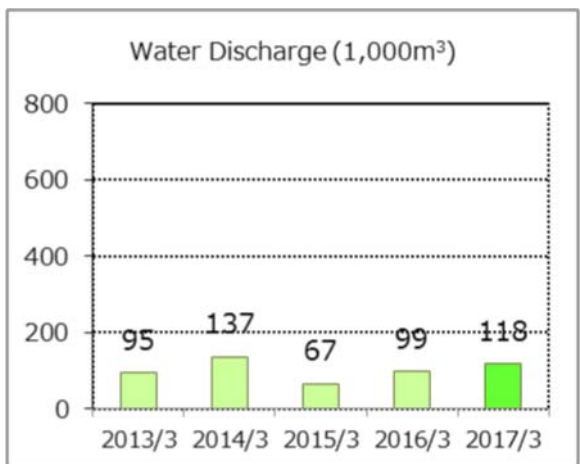
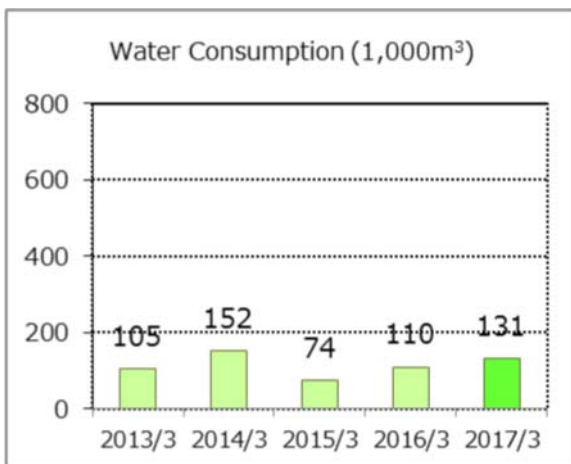
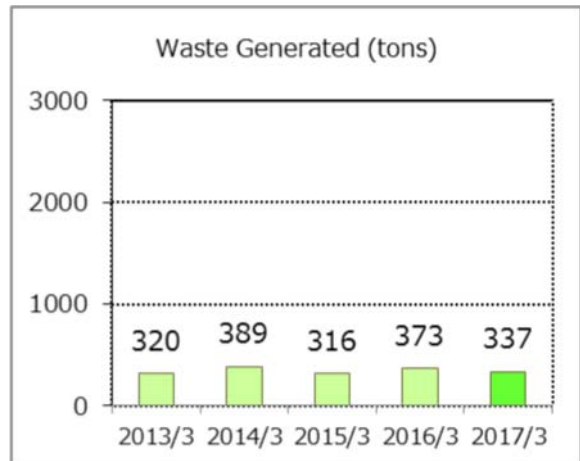
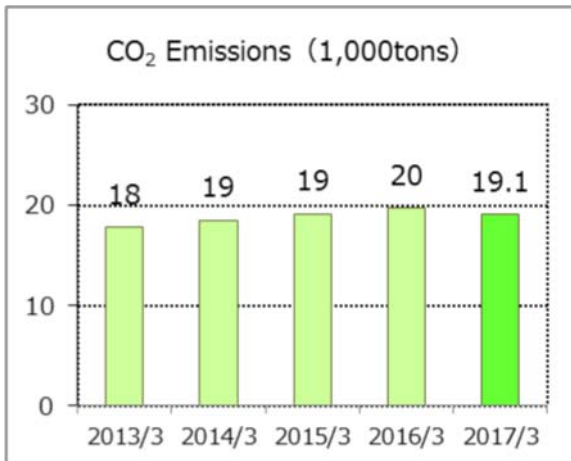
Business lines	Manufacture of guitars		
Location	Indonesia		
Site area	22,500 m ²	No. of Employees	1,943



FY2017 Environmental Data by Site

PT. Yamaha Music Manufacturing Asia

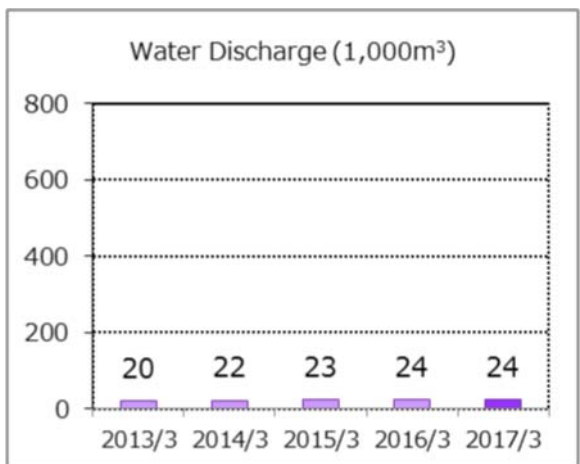
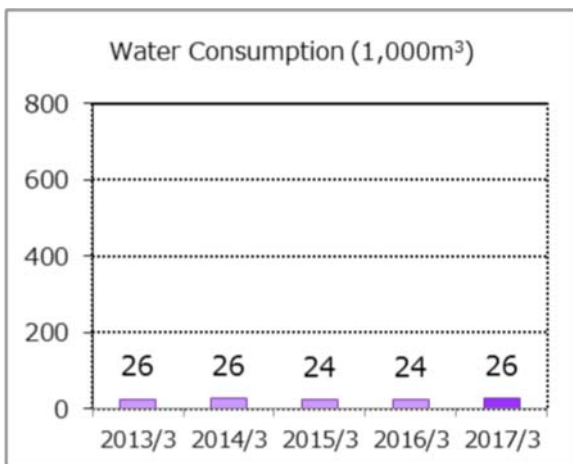
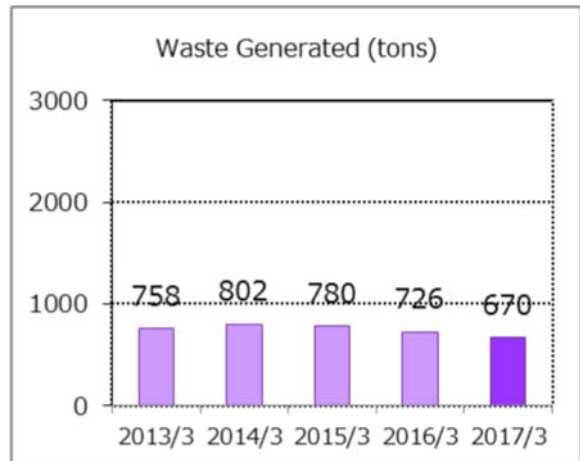
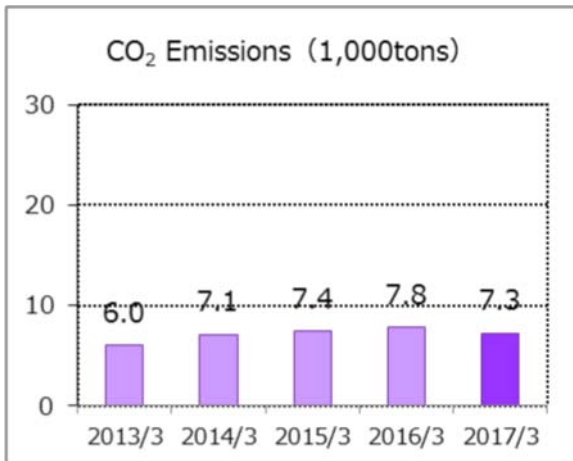
Business lines	Manufacture of electronic musical instruments and PA equipment		
Location	Indonesia		
Site area	120,000 m ²	No. of Employees	4,108



FY2017 Environmental Data by Site

PT. Yamaha Indonesia

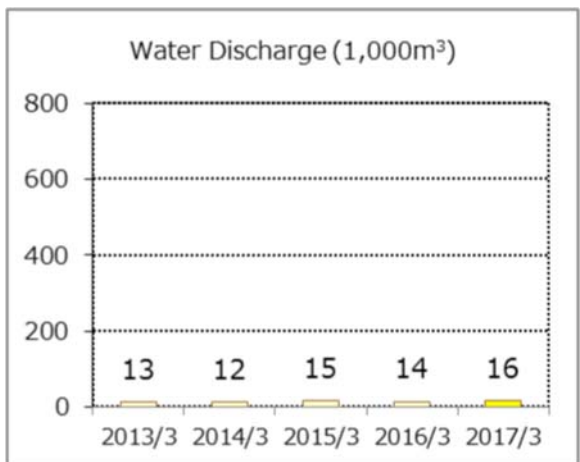
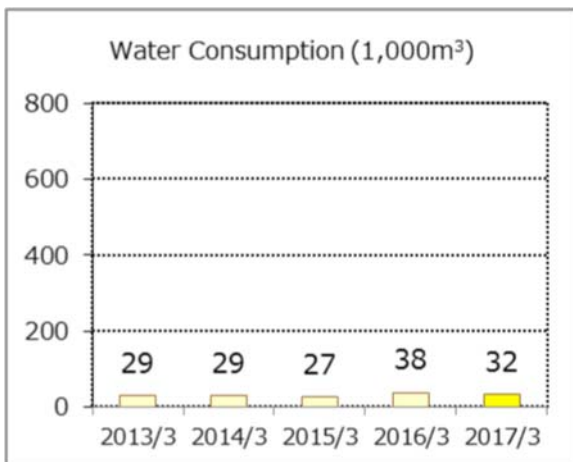
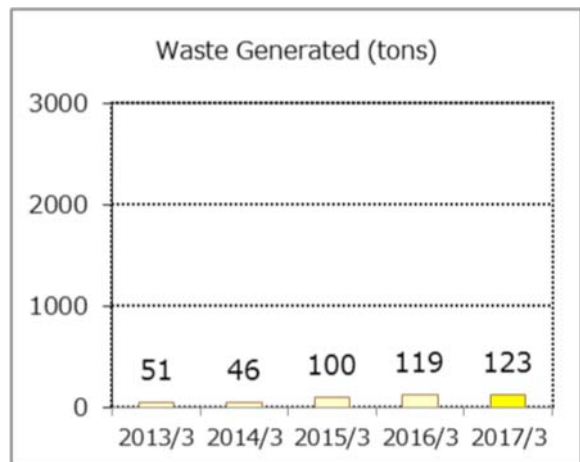
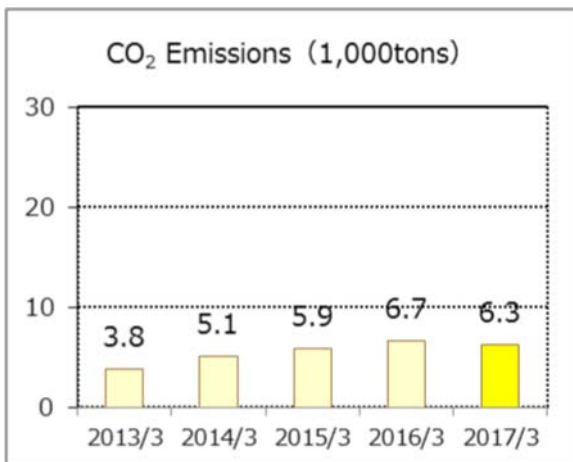
Business lines	Manufacture of pianos		
Location	Indonesia		
Site area	19,542 m ²	No. of Employees	1,174



FY2017 Environmental Data by Site

**PT. Yamaha Electronics Manufacturing
Indonesia**

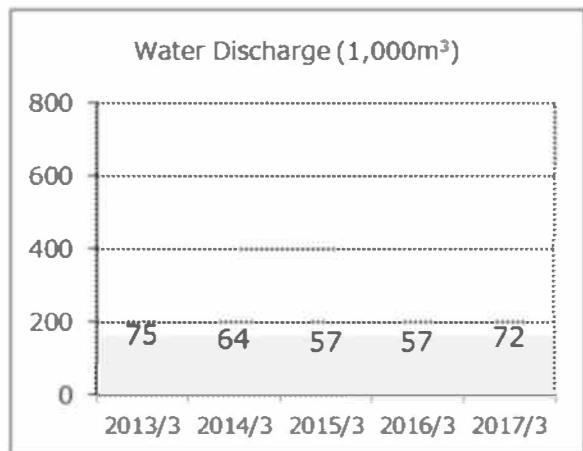
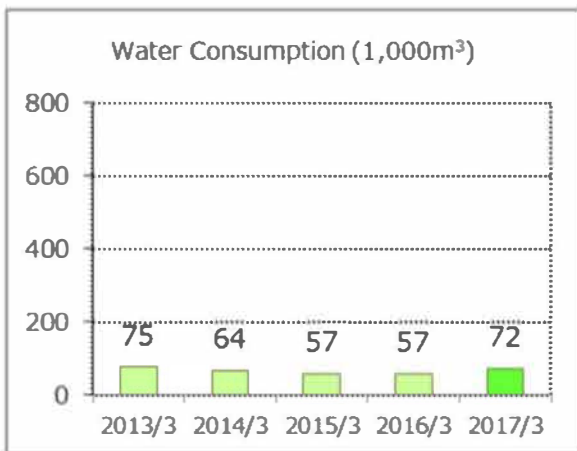
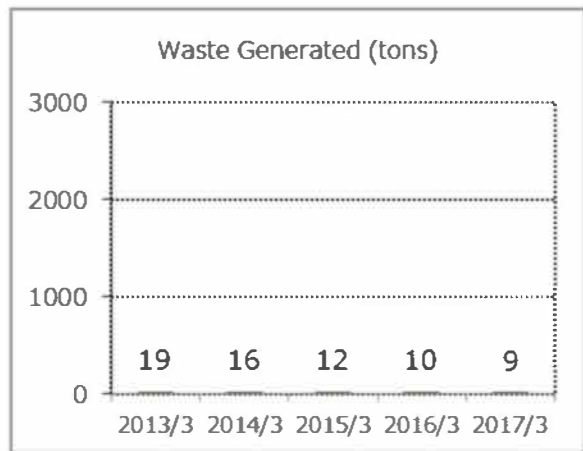
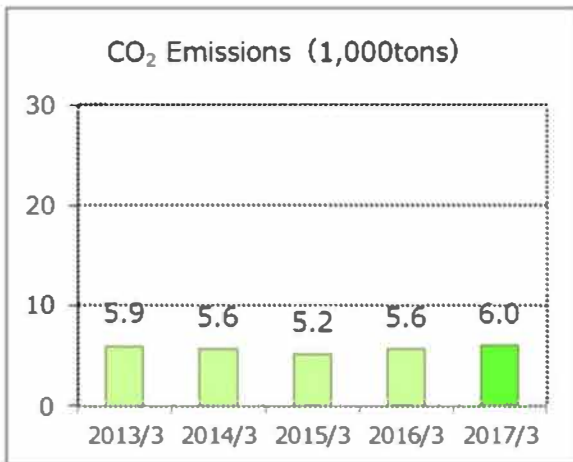
Business lines	Manufacture of AV and PA products, manufacture and sale of AV service parts		
Location	Indonesia		
Site area	50,000 m ²	No. of Employees	1,518



FY2017 Environmental Data by Site

Yamaha Electronics Manufacturing Malaysia Sdn. Bhd.

Business lines	Manufacture of AV products, manufacture and sale of AV service parts		
Location	Malaysia		
Site area	106,610 m ²	No. of Employees	1,302



UN Global Compact

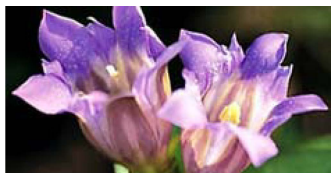
The United Nations (UN) Global Compact was proposed by the Secretary General of the UN in 1999 and consists of 10 universally accepted principles in the areas of human rights, labor, the environment, and anti-corruption. The top management of companies that become signatories to the Global Compact pledge their commitment and, within the scope of their enterprises, promise to work consistently to achieve the objectives espoused under the 10 principles. Since signing the Global Compact in June 2011, Yamaha has actively worked to cooperate with the Global Compact Network Japan in conducting subcommittees.



The 10 Principles of the United Nations Global Compact

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

Organizational Governance



Corporate Governance >



Compliance >



Risk Management >



**Information Disclosure and IR
Activities (Communication with
Shareholders and Investors) >**

Corporate Governance

1. Basic Policies for Corporate Governance
2. Basic Corporate Governance System
3. Support system for Outside Directors
4. Internal Control System
5. Policy and Status Concerning Executive Officer Remuneration
6. Reflecting the Opinions of Stakeholders

Basic Policies for Corporate Governance

Yamaha Corporation and our Group companies have issued the [Yamaha Philosophy](#) and our [Promises to Stakeholders](#), which outline our commitment to ensuring strong profitability while upholding our social responsibilities as a company, and thereby to achieving sustainable growth and improving corporate value over the medium- to long-term. We carry out transparent, high-quality business management based on the basic policies indicated below.

Basic policies for corporate governance

- From a shareholder's perspective, ensure the rights and equal treatment of shareholders
- Taking into consideration our relationships with all stakeholders, proactively fulfill the Company's social responsibilities
- Ensure that information is disclosed appropriately and the management is transparent
- By separating the oversight and executive functions and strengthening the oversight function, ensure that the Board of Directors is highly effective while at the same time executing decisions appropriately and with a sense of urgency
- Proactively engage in dialogue with shareholders

In addition, on our website we have posted our [Corporate Governance Guidelines](#) , which contain these basic philosophies.

Basic Corporate Governance System

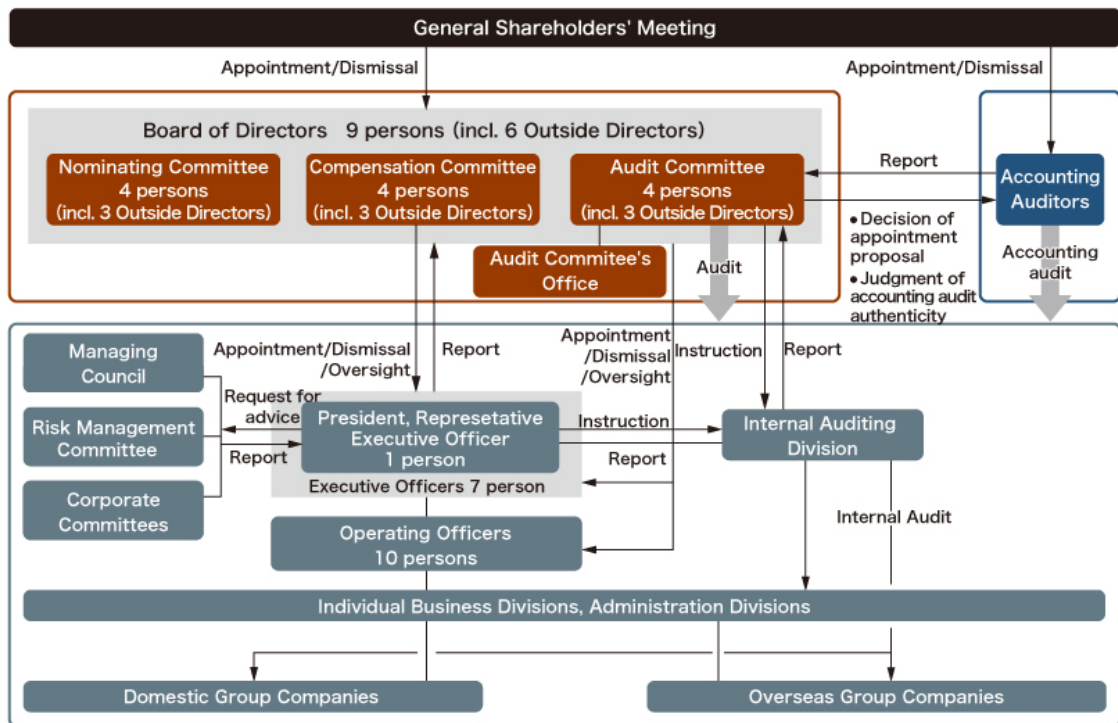
Yamaha Corporation made the transition to a Company with Three Committees (Nominating, Audit, and Compensation) from June 22, 2017, with the objectives of making a clear separation between the oversight and the execution in management, thereby enhancing the oversight function of the Board of Directors and speeding up the execution of business.

Regarding the composition of the Board of Directors, the Company has appointed a Board with two thirds (2/3) of the members from outside with a diversity of backgrounds and specialties, including persons with management experience in other industries. Also, by forming a Nominating Committee, Audit Committee, and Compensation Committee with a majority of Outside Directors, as obligated by law, the Company can execute its oversight function with transparency and objectivity. The Audit Committee, which replaces the Board of Corporate Auditors, will strengthen the oversight function through audit by implementing validity checks in addition to conventional legal checks, in cooperation with the Internal Audit Division.

Also, as an official function under the Companies Act, the Executive Officer position has been newly established. Persons in this role bear direct responsibility to shareholders and they have been delegated major authority from the Board of Directors. By having the Executive Officers functioning as important decision-makers in the execution of business, the Company aims to speed up the execution of business.

By implementing the abovementioned measures to strengthen the oversight functions and speed up the execution, the Company endeavors to further strengthen corporate governance and increase corporate value on a sustainable basis.

Corporate Governance Structure (As of June 23 ,2017)



Governance Organization Personnel
(Yamaha Corporation, as of June 23, 2017)

		Male	Female
Directors	Total	8	1
	Outside Directors	5	1
Executive Officers	Total	7	0
	President and Representative Executive Officer	1	0
	Managing Executive Officer	2	0
Operating Officers	Total	10	0
Nominating Committee Members	Total	4	0
	Outside Directors	3	0
Audit Committee Members	Total	3	1
	Outside Directors	2	1
Compensation Committee Members	Total	4	0
	Outside Directors	3	0

Governance Organization Personnel, by Nationality
(Yamaha Corporation, as of June 23, 2017)

		Japan	Overseas
Directors	Total	9	0
	Outside Directors	6	0
Executive Officers	Total	7	0
	President and Representative Executive Officer	1	0
	Managing Executive Officers	2	0
Operating Officers		9	1

[Directors and Officers](#) >

Board of Directors

The Board Meeting held monthly (in principle).

The makeup of the Board of Directors is diverse and comprises persons with expertise and experience who have the necessary insight, high ethical values, sense of fairness, and integrity.

Regarding the composition of the Board of Directors, the Company has appointed a Board with two thirds (2/3) of the members from outside with a diversity of backgrounds and specialties, including persons with management experience in other industries. Also, by forming a Nominating Committee, Audit Committee, and Compensation Committee, with a majority of Outside Directors, as obligated by law, the Company can execute its oversight function with transparency and objectivity.

The Board of Directors oversees the conduct of duties by the Executive Officers and the Directors, and makes decisions on important matters that are specified in laws and regulations, the Articles of Incorporation, and Regulations of the Board of Directors, including basic management policy. The Board of Directors shall have the number of people that allows the Board of Directors to perform its functions effectively and efficiently.

The number of Directors of the Company is nine (9) as of June 23, 2017 (six (6) of them are Outside Directors). In keeping with its fiduciary duties, the Directors act to ensure the Company's sustainable growth and enhance its enterprise value over the medium- to long-term, taking into consideration the relationships with all stakeholders. Directors understand relevant laws and regulations and the Company's Articles of Incorporation and gather sufficient information in order to proactively express their opinions and engage in constructive discussions at the Board of Directors' meetings as elsewhere.

Nominating Committee

The Nominating Committee has four (4) members (including three (3) Outside Directors) as of June 23, 2017. A majority of the members are Outside Directors, and both committee members and the chair are appointed by the Board of Directors.

The Nominating Committee decides on the content of the proposals to be submitted to the General Shareholders' Meeting for selection/dismissal of Directors and the content of proposals submitted to the Board of Directors for selection/dismissal of Executive Officers and Operating Officers. The Nominating Committee also implements the succession plan for the Chief Executive Officer and other officers through activities to develop human resources that can assume the positions of Director, Executive Officer, and Operating Officer.

Corporate Governance Structure (As of June 23, 2017)

The Audit Committee has four (4) members (including three (3) Outside Directors) as of June 23, 2017. A majority of the members are Outside Directors, and both committee members and the chair are appointed by the Board of Directors.

The chair shall be an Independent Outside Director. The Audit Committee stands in for the Board of Auditors, either working in collaboration with the Internal Auditing Division or conducting audits directly on its own initiative, and audits the structure and operation of the internal control systems of the Company and other Group companies. Based on audit results, the Audit Committee conducts audits to determine the legality and appropriateness of the conduct of duties by the Executive Officers and Directors.

When deemed necessary, members of the Audit Committee report to or express their opinions to the Board of Directors, or may issue cease and desist orders to Executive Officers and/or Directors. In addition, the Audit Committee may decide on proposals to be considered in the General Shareholders' Meeting, including the selection/dismissal of the accounting auditor.

The Audit Committee shall select full-time member to increase the effectiveness of internal information gathering. In addition, an Audit Committee's Office will be established as a specialized organizational unit that reports directly to the Audit Committee to assist the committee members in the performance of their work. To secure independence from the Executive Officers and other persons engaged in the conduct of business, personnel evaluations, changes in personnel assignments, and rewards/disciplinary punishments of the staff of the Audit Committee's Office will require the approval of the Audit Committee.

For matters where it is necessary to undertake auditing of the conduct of duties by the Executive Officers and Directors, the Audit Committee will make arrangements to ensure that sufficient and appropriate audits can be conducted, including collaboration and sharing information with the Accounting Auditor and the Internal Auditing Division, and engage in activities to increase auditing quality and realize the efficiency of auditing.

Internal Auditing Division must report on the results of their auditing activities themselves to the Audit Committee periodically and at other times when appropriate, and any time when there are requests for such reports from the Audit Committee.

The Audit Committee shall be able, when necessary, to give instructions regarding audits to the Internal Auditing Division.

In cases where audit -related instructions given by the Audit Committee conflict with those given by the President and Representative Executive Officer, the instructions of the Audit Committee will take precedence.

When the manager of the Internal Auditing Division is going to be reassigned, the opinions of the Audit Committee shall be heard in advance.

Compensation Committee

The Compensation Committee has four (4) members (including three (3) Outside Directors) as of June 23, 2017. A majority of the members are Outside Directors, and both committee members and the Committee Chairman are appointed by the Board of Directors.

The Compensation Committee establishes policies regarding the setting of compensation for Directors, Executive Officers, and Operating Officers and, based on these policies, sets the compensation of such officers individually.

Executive Officers

As an official function under the Companies Act, the Executive Officer position has been newly established. Persons in this role bear direct responsibility to shareholders.

There are seven (7) Executive Officers as of June 23, 2017. The Executive Officers shall be responsible for the execution of business and will make important decisions from a Companywide perspective on matters related to the conduct of business that have been delegated to them by the Board of Directors and will be subject to the oversight of the Board of Directors.

A member of the Executive Officers, the Representative Executive Officer will represent the Company and, with supreme duties for matters of the Company, will be in overall charge of business under the basic policies set by the Board of Directors.

Managing Executive Officers and Executive Officers will provide assistance to the Representative Executive Officer and will have the position and duties corresponding to general managers in charge of core divisions.

Operating Officers

The Operating Officers will execute the business activities they are responsible for from a Companywide perspective based on the important decisions related to conduct of business by the Board of Directors or the Executive Officers, under the oversight of the Executive Officers.

Operating Officers will be heads of core divisions of the organization and/or be officers responsible for major Group companies.

As of June 23, 2017, the Company has 10 Operating Officers.

Process and Standards for Selecting Directors and Other Personnel

Regarding the selection of candidates for Director, the Nominating Committee selects candidates based on basic personal qualities and capabilities, competency, experience and record of achievements that are required of internal directors and outside directors as defined by their respective roles, and then decides on the content of selection proposals to be submitted to the General Shareholders' Meeting.

Regarding the selection of members and the chairs of the Nominating Committee, Audit Committee, and Compensation Committee, the Nominating Committee select candidates based on personal qualities and capabilities as defined by the roles of the committee. The Nominating Committee then decides on the content of selection proposals to be submitted to the Board of Directors. Note that for the selection of candidates for members and the chair of the Audit Committee, the Nominating Committee gathers opinions from the Audit Committee in advance. For Executive Officers, the Nominating Committees selects candidates based on basic personal qualities and capabilities, competency, experience, and record of achievements that are required of Executive Officers as defined by their respective roles, and then decides on the content of selection proposals to be submitted to the Board of Directors.

For Operating Officers, the Nominating Committee selects candidates based on personal qualities and capabilities they are required to play as defined by their respective roles, and then decides on the content of selection proposals to be submitted to the Board of Directors.

Reason for Appointment of Outside Directors and Auditors

Title	Name	Reason for appointment
Director	Hiroyuki Yanagi	<ul style="list-style-type: none"> • He is a person of desirable personality and has considerable insight as a director. • He has served as Representative Director of Yamaha Motor Co., Ltd. • He can be expected to oversee and provide advice on the Company's management for improving the Company's brand value.
Director	Shigeru Nosaka	<ul style="list-style-type: none"> • He is a person of desirable personality and has considerable insight as a director. • He has vast experience in running businesses in other industries. • He can be expected to oversee and provide appropriate advice from an objective viewpoint.
Director	Masatoshi Ito	<ul style="list-style-type: none"> • He is a person of desirable personality and has considerable insight as a director. • He has vast experience in running businesses in other industries. • He can be expected to oversee and provide appropriate advice from an objective viewpoint.
Director	Junya Hakoda	<ul style="list-style-type: none"> • He is a person of desirable personality and has considerable insight as a director. • He is a certified public accountant and is acquainted with finance and accounting. • He can be expected to oversee and provide appropriate advice from an objective viewpoint.

*Yamaha has registered five Outside Directors — Shigeru Nosaka, Masatoshi Ito, Junya Hakoda, Yoshimi Nakajima, and Taku Fukui — as independent directors pursuant to Tokyo Stock Exchange provisions (as of June 23, 2017).

Major Activities by Outside Directors and Outside Auditors in the Year Ending March 31, 2016

		Board of Directors	Board of Auditors
Total meetings held		13	15
Outside Director Hiroyuki Yanagi	Attended	12	-
	Attendance rate*	92. 3%	-
Outside Director Shigeru Nosaka	Attended	13	-
	Attendance rate*	100%	-
Outside Director Masatoshi Ito	Attended	8	-
	Attendance rate*	80%	-
Outside Auditor Hirohiko Ikeda	Attended	13	15
	Attendance rate*	100%	100%
Outside Auditor Junya Hakota	Attended	13	14
	Attendance rate*	100%	93. 3%

*The attendance rate denominator is the total number of meetings held during each person's term of service

Support system for Outside Directors

Providing Information to Outside Directors

In principle, management meetings are held monthly with the aim of sharing important management matters with all directors so that they better understand the performance of the company. In addition, directors and corporate auditors receive individual explanations regarding the agenda of the Board of Directors and other reported matters where necessary.

Regular Meetings Among Outside Directors

The Outside Directors regularly hold meetings for only the Outside Directors for the purpose of exchanging views based on an objective perspective and developing a shared awareness of issues.

They also regularly hold meetings to exchange ideas with the President and Representative Executive Officer.

Internal Control System

Based on the Companies Act and Ordinances for the Implementation of the Companies Act, Yamaha Corporation has put in place systems to secure the proper conduct of its business activities (hereinafter, Internal Control Systems). The aims of these systems are conducting business efficiently, securing the reliability of reporting, securing strict compliance with laws and regulations, preserving the value of Company assets, and strengthening risk management. The Company has structured the Internal Control Systems for the Group as a whole, based on the "Group Management Charter," which sets forth basic Group management policies, and the "Group Internal Control Policy," which sets internal control policy for the Group.

For the status of management and other decisions that are of some degree of importance and may have an effect on the management condition of the Group, Subsidiaries are required to receive approval from the Company in advance and report certain items to the Company.

Information Relating to Conflicts of Interest

When engaging in transactions with Directors, Executive Officers, or close relatives thereof, necessary systems shall be put in place and monitored to ensure that they are not detrimental to Yamaha Corporation or its shareholders' common interests. With the approval of the Board of Directors pursuant to the Companies Act, the results of related party transactions shall be reported after a transaction is completed.

Reporting Serious Items of Concern to the Board of Directors and Taking Corrective Action

Yamaha has established a Compliance Help Line as a conduit for internal whistle-blowing, and this help line accepts reports of violations, or potential violations, of the YAMAHA Compliance Code of Conduct, Rules of Employment, or government laws or regulations. In addition to a dedicated line within the Company, reports can also be accepted through a line at a law firm outside of the Company. Anonymous reports can also be accepted, and, along with strictly protecting confidentiality, reports are appropriately addressed after they are checked, and the response is discussed by the Working Group for Compliance of the Risk Management Committee, a Companywide committee. There were no serious items of concern within the Yamaha Group in FY 2017.

Policy and Status Concerning Executive Officer Remuneration

The compensation of members of the Board of Directors, excluding Outside Directors and Audit Committee members, and the compensation of the Executive Officers, excluding the officer in charge of the Internal Audit, shall consist of basic compensation and a bonus that reflects short-term Company performance. In addition to these forms of compensation, restricted stock of the Company will be paid with the objective of reflecting the medium-term performance of the Company in compensation and aligning the interests of the corporate officers with those of the shareholders. Compensation is determined by the Compensation Committee after due consideration.

Please note that that compensation of Outside Directors, director of members of the Audit Committee, and the officer in charge of the Internal Audit will consist of basic compensation only, in view of the roles these officers must play. The compensation of Operating Officers shall be determined after deliberation in the Compensation Committee based on a similar compensation structure.

Remunerations for Directors

Director remuneration comprises, within the bounds of that approved in advance at the General Shareholders' Meeting, fixed remuneration and performance-linked remuneration as well as director bonuses meant to reflect near-term performance, and acquired type remuneration of stock to provide more incentive to enhance enterprise value over the medium-to-longer term. These are decided by the Board of Directors after deliberation by the Corporate Directors Personnel Committee. Remuneration for corporate auditors is set through discussions with the Corporate Auditors, within the scope approved at the General Shareholders' Meeting.

The remuneration for each Director (excluding Outside Directors) is set to consist of (1) a fixed amount, (2) a performance-based amount, and (3) bonuses for Directors. The performance-based amount in (2) is determined based on evaluation indices, namely, rate of sales (ROS), return on equity (ROE), the degree of increase in sales compared to the same period of the previous fiscal year, and the degree of improvement in operating income compared to the same period of the previous fiscal year, on a consolidated basis. The performance-based amount changes within the range from 0% to 50% of the fixed amount, depending on the performance. Bonuses for Directors in (3) are calculated in tandem with consolidated net income, within the upper limit of 0.5% of the consolidated net income for the previous fiscal year as predetermined at the General Shareholders' Meeting. Starting from July 2015, Directors will acquire the Company's shares via the Director Shareholding Association in an amount of 12.5% of the fixed amount, and will continue to hold the shares during their terms of office. This will further enhance the Directors' incentive to improve medium- and long-term performance.

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Each Outside Director is paid remuneration in only a fixed amount determined in consideration of the balance with the remunerations for Directors and the scale of the Company's business operations. Each Corporate Auditor is paid remuneration, within the scope approved at the General Shareholders' Meeting, in only a fixed amount determined in consideration of the balance with the remunerations for Directors and the scale of the Company's business operations.

Please note that, as of June 22, 2017, accompanying the Company's transition to a Company with Three Committees (Nominating, Audit, and Compensation), the policy for setting compensation of Directors and Executive Officers and the compensation of individuals was set by the Compensation Committee.

In addition, beginning in July 2017, the following compensation policy for Directors and Executive Officers became effective.

The compensation of Directors, excluding Outside Directors and members of the Audit Committee, and compensation of Executive Officers, excluding the Executive Officer in charge of the internal audit, will consist of (1) fixed compensation, (2) performance-linked bonuses, and (3) compensation in the form of restricted stock. The approximate breakdown of total compensation of (1), (2), and (3) will be 5:3:2. "(2) Performance-linked bonuses" will vary according to the Company's consolidated net income and return on equity (ROE) in the previous fiscal year, and these bonuses will be calculated with consideration for the individual's record of performance. The evaluation of individual performance will be based on indicators of performance set by business and function in each area the individual is responsible for. "(3) The Restricted stock compensation plan" has been introduced with the intent of having the Directors and Executive Officers share a common interest for the long term with shareholders. Compensation based on Company performance has also been introduced to provide a motivation for reaching performance goals in the medium term, therefore the two thirds (2/3) of the total amount is linked to the Company performance. Conditions for performance will be measured with an indicator, which is contained in the medium-term management plan that gives equal weight to rate of sales (ROS), earnings per share (EPS), and return on equity (ROE).

The restricted period shall be for ten (10) years (or till the retirement of Director or Executive Officer) for the purpose of aligning the interests of the corporate officers with those of the shareholders over a long period after the end of the medium-term management plan. In addition, in the event of serious cases of accounting fraud and/or major losses, depending on the responsibility of the officers in charge, a claw-back clause is included that will require the return of all or a portion of restricted shares transferred to officers on an accumulated basis to date.

Outside Directors and Directors who are members of the Audit Committee as well as the Executive Officer in charge of the internal audit will receive only the fixed compensation.

**Amount of Remuneration and Other Compensation Provided to Yamaha
(Fiscal 2017)**

Classification	Total Compensation (Millions of Yen)	Compensation by Type (Millions of Yen)			Number. of directors and corporate auditors
		Fixed Remuneration	Performance-based compensation	Bonuses	
Directors (excluding Outside Directors)	248	125	46	76	3
Corporate Auditors (excluding Outside Corporate Auditors)	60	60	–	–	2
Outside Directors and Outside Corporate Auditors	39	39	–	–	6

(Fiscal 2016)

Classification	Total Compensation (Millions of Yen)	Compensation by Type (Millions of Yen)			Number. of directors and corporate auditors
		Fixed Remuneration	Performance-based compensation	Bonuses	
Directors (excluding Outside Directors)	256	125	47	82	5
Corporate Auditors (excluding Outside Corporate Auditors)	60	60	–	–	3
Outside Directors and Outside Corporate Auditors	32	32	–	–	7

Reflecting the Opinions of Stakeholders

A System to Reflect the Opinions of Stakeholders in Management

In addition to the respective dialogue with shareholders and investors, Yamaha Corporation gives presentations on its medium-term management plan and quarterly earnings, provides business briefings, and conducts facilities tours for securities analysts and institutional investors, and gives presentations to individual investors. The Company also posts its management plan and the explanatory materials used in earnings presentations on the Company website. The results of the dialogue with shareholders and investors are reported to the Board of Directors by the Director responsible, Executive Officers, or Operating Officers on a timely basis, and they will be appropriately reflected in the management of the Company, leading to the Group's sustainable growth and enhancing enterprise value over the medium-to-longer term. Additionally, the voting is analyzed for each resolution at the Ordinary General Shareholders' Meeting, and this is reported to the Board of Directors.

[Investor Relations](#) >

[Information Disclosure and IR Activities \(Communication with Shareholders and Investors\)](#) >

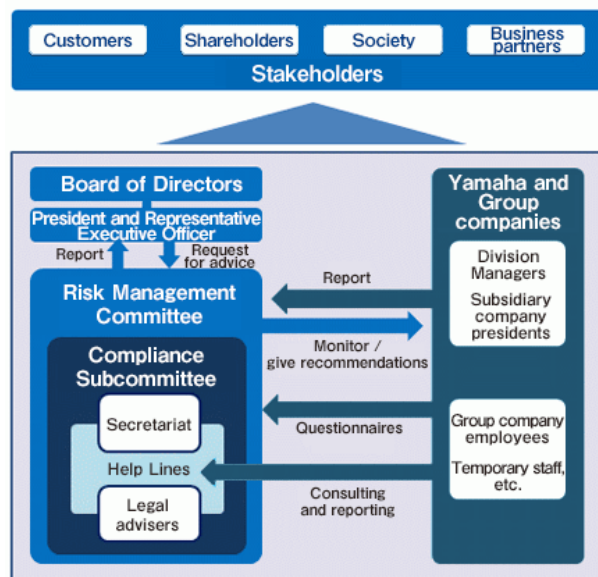
Compliance

1. Compliance Management Mechanisms and Promotion System
2. Compliance Code of Conduct
3. Training and Education
4. Monitoring
5. Help Line Operation

Compliance Management Mechanisms and Promotion System

The Yamaha Group aims to achieve a high level of compliance management not only by conforming with laws and regulations, but also through adherence to social norms and corporate ethics.

We have established the Compliance Subcommittee under the Risk Management Committee to serve as the organization with primary responsibility over the setting of policy and consideration of items concerning compliance. In addition to formulating policies for ensuring compliance within the Yamaha Group, this subcommittee shall monitor every department and Group company to ensure that business is being done ethically and according to law. It also takes measures aimed at maintaining sound business activities. These measures include providing training and education to employees, conducting questionnaires, and setting up help lines for internal reporting and consulting.



Compliance Promotion System

Compliance Subcommittee Activities

Activities

4 meetings in FY 2017

Major Achievements

- Examined activities to ensure compliance throughout the Group
- Reported activities during Compliance Improvement Month
- Revised the Compliance Code of Conduct and the Code of Conduct booklet

Compliance Code of Conduct

The Yamaha Group formulated the Compliance Code of Conduct in 2003 as the code of conduct for each company and individual employees. Since then, we have made revisions according to the changes in environment and social circumstances and developed individual language versions, promoting dissemination of the Compliance Code of Conduct.

Major Revisions to Date

Added "Prohibition of Forced Labor and Child Labor" (2006)

Expanded on explanation concerning Code of Conduct and related laws (2011)

Unified our terminology and expressions to reflect the change to our Corporate Philosophy and group policies. Our expressions associated with Japanese laws were revised to globally-accepted expressions. (2016)

Country-Specific Versions

The global versions (Japanese and English) were referenced to create Codes of Conduct in languages spoken by each country in which we have a Group company in order to comply with the laws of those countries. We also created explanatory booklets. (33 companies as of FY 2017)



Overseas versions of the Code of Conduct booklet

Training and Education

Publication of Compliance Code of Conduct Booklets

The Yamaha Group publishes and distributes to all its employees a booklet that describes in detail the Group's Compliance Code of Conduct. In addition to these efforts, we also make the booklet available in PDF format on our intranet.

Code of Conduct recipients

All Yamaha Group employees (including part-time staff working under employment contracts) and temporary staff

Code of Conduct education efforts

- Code of Conduct explanations were given as part of a compliance program in stratified training for employees
- Conducted read through at every information session and within every department when revisions are made (Yamaha departments and domestic Group companies)

Month to Bolster Compliance

The Yamaha Group has designated October as the month to bolster compliance every year in line with Keidanren's Corporate Ethics Promotion Month, and is working on a number of initiatives in this regard.

Major Efforts in FY 2017

- Conducted seminars centered on revisions to the Act on the Protection of Personal Information
- Put up posters to promote awareness
- Held legal training on achieving compliance with the Antimonopoly Act and Act Against Delay in Payment of Subcontract Proceeds, etc., to Subcontractors (Subcontract Act) (10 sessions held, 220 participants)

Monitoring

To confirm and improve compliance within the Yamaha Group, we sent a questionnaire to each department of Yamaha Corporation and Group companies on a regular basis.

Summary of Compliance Status Questionnaire Results

Respondents	Yamaha departments and Group companies (54 companies)
Content	Reviewing of the system for promoting compliance, methods for familiarizing employees with the Code of Conduct, status of education being systematically offered, establishment of internal reporting systems, number of reports made
Frequency	Once/year

*For questionnaire conducted in February 2016

Help Line Operation

The Yamaha Group has set up help lines (internal and external) aimed at providing consultation and taking internal reports related to compliance-related matters. The internal help line provides support by telephone, fax, email, and mail, while the external help line (legal adviser's office) fields inquiries via fax, email, and mail.

Contact information is provided in Compliance Code of Conduct booklets and on posters put up at Yamaha Group companies, and the system is advertised on such occasions as questionnaires and training sessions.

Internal rules that establish means to protect whistleblowers have been put in place to ensure that those who make sincere reports will not suffer reprisal.

After an issue is reported, the aim of the person reporting or seeking consultation is carefully considered and, if a fact-finding survey determines that there has been a compliance violation, efforts are made to resolve the issue. Disciplinary action is taken against violators in accordance with the Rules of Employment.

As an effort to prevent the reoccurrence of such issues and promote better compliance, the issue is discussed at theme-based training at all workplaces involved and at stratified training.

A total of 39 reports and requests for consultation were made to the help line in FY 2017.

As of FY 2017, a majority of the consultations and reports concerned were labor-related and concerned issues such as harassment and employment problems.

Although the help lines are intended primarily for regular Yamaha Group employees, temporary staff and certain contracted staff are also permitted to make reports via the help lines. In FY 2017, there were three reports and requests for consultation from non-regular employees.

Reports to the Compliance Help Line

	Name Provided	Anonymous	Total
FY 2013	30	9	39
FY 2014	18	17	35
FY 2015	25	6	31
FY 2016	19	7	26
FY 2017	26	13	39

Risk Management

1. Basic Policy
2. Promotion System
3. Risk Management Initiatives

Basic Policy

The Yamaha Group implements risk management based on the following policy.

1. We shall establish a structure and framework for risk management and work to enhance responsiveness to risk and maximize corporate value.
2. We shall identify, evaluate and reduce risk through risk management activities during ordinary times, conduct awareness-raising activities such as education and training, and instill a greater awareness of, fostering a greater sensitivity to risk.
3. We shall prioritize people's safety when risks manifest themselves as crises, and coordinate with the local community to ensure sincere, appropriate and speedy response as a means to minimize all adverse impact. In addition, we shall strive to ensure the stable supply of products and services, continue business to the extent possible and contribute to the sustainable development of society.
4. After addressing risks, we shall analyze the reasons they occurred and how they were addressed in order to ensure they do not occur again.

Classification of Risk and Definition of Risk Management

The Yamaha Group classifies the various types of risks related to its business in the following manner and is working on measures to counter each type.

External Management Environment Risk

External risk that is difficult for a company to predict

Business Process Risk

Risk in which the impact can be reduced through internal control and factor analysis, etc.

Business Strategy Risk

Risk associated with business strategy and management judgment

The Yamaha Group broadly defines "risk management" as general activities implemented to properly control the various types of risk that occur in conducting business. In addition, risk management is divided into measures and response at ordinary times and during an emergency in the following manner.

At ordinary times

Risk management (Narrow definition)

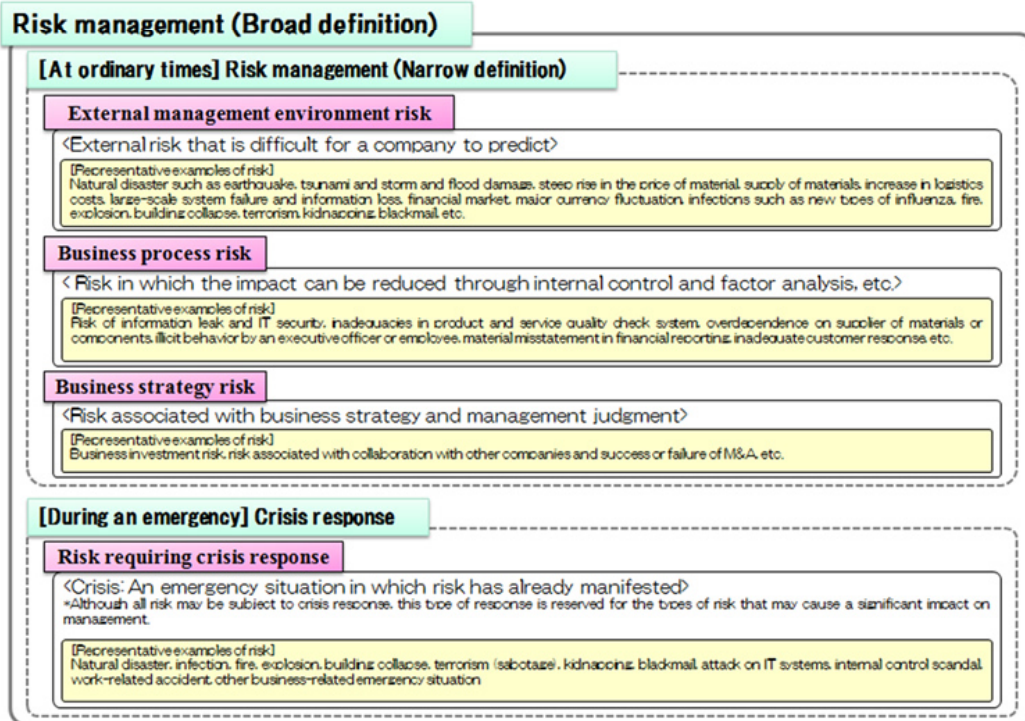
Yamaha implements measures to prevent the incidence of risk at ordinary times based on a narrow definition of risk in which risk can potentially manifest in any situation.

During an emergency

Crisis response* In case a crisis occurs, Yamaha will react quickly and accurately to minimize the impact and ensure immediate recovery based on a definition of crisis as an emergency situation in which risk has already manifested.

* Although all risk may be subject to crisis response, this type of response is reserved for the types of risk that may have a particularly significant impact on management.

Definition of Risk Management

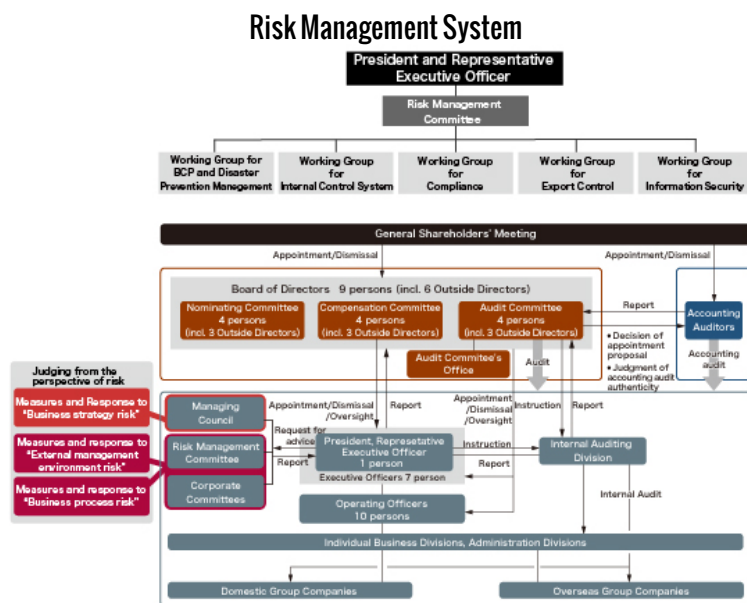


FY 2017 Initiatives

In fiscal 2017, we implemented a review of our risk management capabilities. We re-organized risk categories, definitions, and scenarios to ensure complete coverage, and set the plan-do-check-act (PDCA) cycle of the activities based on a risk map. Moving forward, we will put the PDCA cycle on track, as well as systematize and enhance risk management activities.

Promotion System

Yamaha Corporation established a Risk Management Committee as an advisory body to the President and Representative Executive Officer. This committee deliberates on matters related to risk management from a company-wide standpoint and reports its findings to the President and Representative Executive Officer. Within this committee we also established the following working groups such as the working groups for the business continuity plan (BCP) and disaster countermeasures, internal control, compliance, export screening, and information security have been established to address companywide important issues.



Risk Management Initiatives

Business Continuity Management (BCM)

In preparation for large-scale natural disasters, fires, infectious disease outbreaks, and other emergency situations, the Yamaha Group has made a number of business continuity management efforts, including the formulation of a BCP.

Main Efforts

Topic	FY 2017 Achievements
System development	The production, purchasing, and sales departments all began participating in the BCP/Disaster Countermeasures Working Group
Formulation of a basic policy and rules	Formulated Infectious Disease Countermeasures following on the formulation of the BCP guideline as well as BCP/Disaster Basic Countermeasures, Earthquake Countermeasures, and Fire Countermeasures and Storm and Flood Damage Countermeasures
Drafting of a BCP and conducting training	<ol style="list-style-type: none"> (1) As part of BCP revisions, established target times for carrying out business recovery policies in a short timeframe (2) In order to ensure the effectiveness of current response measures and improved BCP effectiveness, conducted Disaster Task Force training ("blind scenario" training) that puts participants in a situation where business is stopped immediately after a disaster occurs. Made improvements to the BCP based on training results
Develop infrastructure	<ol style="list-style-type: none"> (1) Implemented a 3-year earthquake resistance plan based on building earthquake proofing standards established in FY 2016 (2) Formulated the Yamaha Equipment Earthquake Resistance Standards (3) Implemented an employee safety check system



Disaster Management
Headquarters Training



Improving earthquake resistance at
a Nagoya business site

Safety Management at Overseas Production Sites

In the Yamaha Group, health and safety managers from Yamaha conduct patrols while facility control managers conduct facility audits at overseas production facilities. Focused on production and other equipment, these efforts are aimed at preventing accidents and disasters while improving health and safety levels. With respect to occupational health, the Group conducts risk assessments and otherwise improves safety levels while at the same time having health and industrial physicians from Japan to provide education and guidance on improving the workplace environment, which includes making improvements to personal protection equipment.



Industrial physician advising on the
proper way to wear protective
equipment



Facility audit in Indonesia

Export Control

The Yamaha Group has established provisions for national security-related trade control in its Compliance Code of Conduct as rules pertaining to international trading.

[8-3 National security-related trade control](#) >

A Working Group for Export Screening has been established under the Risk Management Committee at Yamaha Corporation, formulating export control regulations and regulations for import and export procedures among others, and establishing a work process related to export control. Yamaha is also working to educate its employees on and improve their awareness of the importance of export control in the company by conducting export control seminars led by industry experts.

Environmental Risk Management

In order to prevent environmental contamination, the Yamaha Group carries out a range of activities that include regularly monitoring its plants, conducting environmental audits, and providing emergency response training.

[Preventing contamination](#) >

Information Security

The leakage of personal information and other important information held by a company has the potential to not only damage third parties but also become a case of gross negligence that can harm the company's reputation. The Yamaha Group perceives information security as a critical aspect of risk management. Accordingly, we established the Information Security Working Group under the Risk Management Committee in 2014. The subcommittee has put together a policy on information management and is working to enhance the quality of this management by keeping track of the current management system while identifying vulnerabilities and guiding efforts to address them. In addition to having established rules for the usage and management of the information system as part of the Compliance Code of Conduct, the subcommittee is working hard to ensure employees understand the importance of preventing inadvertent data leaks and protecting against hacking by third parties.

[9-8 Utilization and Management of the Company's Information Systems](#) >

Information Disclosure and IR Activities (Communication with Shareholders and Investors)

1. Information Disclosure Policy
2. IR Activities
3. Efforts Towards Socially Responsible Investment
4. Returns to Shareholders and Retained Earnings

Information Disclosure Policy

Proper information disclosure is critical for conducting continued transparent business operations with the true understanding of shareholders, investors, and other stakeholders. The Yamaha Group states in its Compliance Code of Conduct that it will provide a true and accurate report of financial conditions and operational results to its shareholders. This will be done in accordance with laws and other regulations, and shall be provided to shareholders and government entities. Appropriate management information is provided to shareholders and investors as well.

[2-1 Accurate accounting records and financial reports](#) >

[2-2 Timely disclosure of information](#) >

IR^{*1} Activities

The Yamaha Group strives to disclose information in a fair and timely manner for the benefit of institutional and private investors in Japan and abroad. Rules for this disclosure are set forth in the Disclosure Policy, which is published on the Yamaha website.

*1 IR: Investor Relations(corporate communication for shareholders and investors)

[Disclosure Policy](#) >

Website for Investors

We have launched an English and Japanese website for investors on the Yamaha website that provides access to news as well as a mail magazine with up-to-date information on our business, including financial reports and data.

[Investor Relations](#) >

Proactive IR Activities

Yamaha makes effort to communicate with stockholders and investors in both Japan and overseas through regular events such as result briefings, and other events including business briefings for securities analysts/institutional investors, factory/facility tours, and explanatory meetings for private investors. The opinions and information gathered through dialogue with our stockholders and investors are shared internally among related departments, and these findings are reflected in our IR activities and execution of management.

Main activities

	Target Audience	Timing	Conducted in FY 2017
Results briefings	Securities analysts Institutional investors	Quarterly	4
Business briefings	Same as above	Irregular	1
Factory/facility tours	Same as above	Irregular	1
Individual sit-downs	Same as above	About 250 times/year	260
Overseas investor visits	Overseas institutional investors	3 times/year (U.S., Europe, Asia)	3
Medium-term management plan briefings	Securities analysts Institutional investors	As needed	1
An explanatory meeting for private investors	Private investors	Irregular (in Japan)	1



An explanatory meeting for private investors

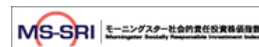


A briefing for securities analysts and institutional investors to explain about Yamaha's business strategies

Efforts Towards Socially Responsible Investment

In recognition for the company's regard for society and the environment, Yamaha Corporation continues to be included in indexes in Japan and abroad that include the Socially Responsible Investment (SRI) indexes^{*2} and SRI funds. Among these SRI indexes are the FTSE4Good Global Index, MSCI Global Sustainability Indexes, and the Morningstar Social Responsibility Index (MS-SRI).

*2 SRI (Socially Responsible Investment) Index: An index that monitors movements in the share prices of companies grouped together selected for their outstanding financial and CSR qualities.



As one way of measuring financial soundness, each year Yamaha Corporation commissions a long-term preferred debt rating assessment from credit rating agencies. The results are shown below.

Credit Ratings (as of March 31, 2017)

Rating and Investment Information, Inc. (R&I)	A
Japan Credit Rating Agency, Ltd. (JCR)	A+

Returns to Shareholders and Retained Earnings

Information about the Company's policy concerning returns to shareholders and retained earnings can be found below.

[Dividends and Stock Prices](#) >

Shareholder benefits

Yamaha conducts a special incentive plan for shareholders in Japan.

[Learn about shareholder benefits\(Japanese Only\)](#) >

Human Rights and Labor Practices



Respect for Human Rights >



Promotion of Diversity and Inclusion >



Promoting Work-Life Balance >



Communication with Employees >



Health and Safety >



Human Resource Development >



Environmental and Social Data >

Respect for Human Rights

1. Basic Policy
2. Employees' Human Rights
3. Consideration of Human Rights in the Supply Chain
4. Prohibition of Forced/Child Labor
5. Organize and Operate Help Line
6. Human Rights Education

Basic Policy

The Yamaha Group strives to comply with the human rights and labor principles of the United Nations Global Compact, and as such states in its Compliance Code of Conduct respect for basic human rights, prohibition of discrimination, prohibition of forced and child labor, and executes its business activities accordingly.

The Yamaha Group CSR Policy, revised in 2016, clearly states the Group's resolve to respect human rights, with the goal of achieving a society that safeguards the dignity of all. In order to identify human rights impacts resulting from our activities and respond appropriately, along with communicating with stakeholders, we also engage in establishing and operating help lines, and providing human rights education.

In fiscal 2017, we reviewed our activities and conducted a gap analysis by checking those activities against principles related to human rights such as "Guiding Principles on Business and Human Rights." Moving forward, we will rebuild the policies and systems to evaluate the impact on human rights so that we can incorporate these concerns into our business processes more systematically.

[3-3 Favorable employer-employee relationships](#) >

[3-7 Prohibition against forced labor and child labor](#) >

[4-1 Respect for human rights and prohibition against discrimination](#) >

[UN Global Compact](#) >

[Yamaha Corporation Group CSR Policy](#) >

Employees' Human Rights

Hiring without Discrimination

In its hiring and employment practices, the Yamaha Group strives for fair selection, while providing employment opportunities to a diverse group of people.

Yamaha determines evaluation and compensation of employees according to fair rules using criteria such as the ability to perform tasks, job responsibilities, and achievements. We also carry out training for managers involved with evaluations in order to ensure their ability to make accurate assessments.

[3-5 Fair Evaluation and Compensation](#) >

[Promotion of Diversity and Inclusion](#) >

Establishment of Good Employer-Employee Relationship

The Yamaha Group adheres to the protection of employee rights prescribed by international treaties, laws, collective labor agreements and other agreements. Furthermore, in pursuing the Yamaha Corporate Philosophy, employees and the Company strive to achieve favorable relationships based on ample communication.

[Communication with Employees](#) >

Prevention of Harassment or Unfair Discrimination

In order to spread awareness of this stance, Yamaha has distributed the Compliance Code of Conduct in the form of a booklet which includes detailed explanations to all employees.

Employment regulations, etc. also clarify that harassment is grounds for disciplinary action. We also work to maintain a healthy workplace environment by offering a hotline and by educating employees through workplace meetings and management training.

[3-2 Prohibition Against Harassment](#) >

Consideration of Human Rights in the Supply Chain

In the interest of furthering its policy concerning human rights not only within the Group but also throughout its supply chain, Yamaha requests that its business partners comply with its Yamaha Supplier CSR Code of Conduct. From fiscal 2017, we have clearly stated this request in agreements signed with business partners and we ask them to carry out self-assessment when the business partnership begins. Please see the Promotion of Social Responsibility in the Value Chain section for details on these efforts.

 [Yamaha Supplier CSR Code of Conduct](#)

[Promotion of Social Responsibility in the Value Chain](#) >

Prohibition of Forced/Child Labor

The Yamaha Group Compliance Code of Conduct prohibits any form of forced labor or labor by children under the minimum age permissible by law. In addition, the Yamaha Supplier CSR Code of Conduct clearly states the same conditions and requests that our business partners follow them. We also ask business partners to perform self-assessment using a questionnaire and, based on the results, ask for improvement measures when necessary.

[3-7 Prohibition against forced labor and child labor](#) >

Organize and Operate Help Line

The Yamaha Group has set up a help line that deals with requests for advice and notifications from employees and business partners concerning harassment. We investigate the facts behind each consultation and notification and take corrective measures or provide guidance if a problem is identified. For harassment matters, however, we may be unable to conduct concrete investigations if the victim strongly requests anonymity. In such cases, we may still conduct an investigation, while obtaining the understanding of the person who reported the matter, or make specific efforts to improve the workplace environment regardless of whether or not a specific investigation is carried out. We strive to promote awareness by outlining details of the help line in the Compliance Code of Conduct booklet, displaying posters inside the Company, and mentioning the help line in our Company magazine.

[Compliance Hotline Operation](#) >

Human Rights Education

The Yamaha Group disseminates information to employees to improve understanding concerning human rights issues.

Using our intranet, for example, we provide explanations of the issue of conflict minerals and of terminology such as "guiding principles on business and human rights" and the "Act for Eliminating Discrimination against Persons with Disabilities. We also hold expert-led in-house CSR seminars and CSR procurement seminars for personnel in charge of procurement, where discussions address themes such as human rights issues in the supply chain.

Training Held on the Theme of Human Rights

Content	Style	Participants
Explaining business and human rights	Intranet	All domestic Yamaha Group employees
Sexual/power harassment	Lecture E-learning	New upper managers
Supply chain human rights	Lecture	Employees in charge of procurement

Promotion of Diversity and Inclusion

1. Policy for Promoting Diversity
2. Assisting Women's Careers
3. Promoting Employment and Advancement of Foreign Employees
4. Establishing Employment Extension and Rehiring Programs
5. Promoting Employment of People with Disabilities

Policy for Promoting Diversity

The Yamaha Group believes that human resources diversity is a well-spring for new value generation. In its hiring and employment practices, the Group strives to provide employment opportunities to a diverse group of people, while leveraging the diversity of employees to increase corporate competitiveness.

Yamaha Group Promotion of Diversity Management Action Plan activity policy

Through the promotion of diversity management, the Yamaha Group respects and leverages the diversity of its employees (age, gender, nationality, various lifestyles that involve time constraints due to childcare or nursing care, etc.) in order to further strengthen its corporate competitiveness, grow, and develop further

[Human resources development](#) >

Assisting Women's Careers

As part of its diversity management, the Yamaha Group strives to promote a workplace environment in which women can excel, while the Group creates systems to make this a reality.

Initiatives to Date

FY2005: Yamaha Corporation launches the Positive Action Project

FY2006: Yamaha Corporation establishes a dedicated role for the project within the Human Resources Division

FY2014: Yamaha announces the Positive Action Declaration of the Ministry of Health, Labor and Welfare

FY2015: Shizuoka Prefecture's (renewed) campaign for "Creating a Society for Gender Equality"

March 2016: formulated an action plan based on the Act on the Promotion of Women's Participation and Advancement in the Workplace

Yamaha Corporation Action Plan (formulated March 2016)

Item	Details
1. Planning term	Three years: April 1, 2016 - March 31, 2019
2. Yamaha's issues	<p>Issue 1: The work-life balance support system has been streamlined, and now there is almost no difference in the number of continuous years of employment for men and women. However, as the ratio of women in management roles is still low, greater initiatives for improvement in this aspect are required.</p> <p>Issue 2: We are implementing initiatives to increase opportunities for women to participate in training courses, etc. However, the process for systematically preparing women for mid-level management is still inadequate.</p>
3. Goal	Women in management roles ratio of 7% or higher
4. Contents of Initiatives and Implementation Period	<p>Initiative 1: Increase the number of women hired as technical experts (from April 2016)</p> <ul style="list-style-type: none"> • Publish Yamaha initiatives for assisting women with work-life balance support, etc. on the company's career website. • To appeal the image of having a career after entering the company to female university students, provide the opportunity for women working in the company to introduce job content. • Increase the opportunity for communications between women taking science courses and women working as technical experts in the company. <p>Initiative 2: Implement selected programs for training personnel (from April 2016)</p> <ul style="list-style-type: none"> • Continuously introduce various examples of role models and career paths via the Intranet. • Create an environment where women can personally discuss career plans with supervisors and expand their career scope through training courses, etc. • Encourage women to participate in business leadership training courses, etc. <p>Initiative 3: Focus on reducing total annual working hours and lowering the number of employees work long hours (from April 2016)</p> <ul style="list-style-type: none"> • Enforce continuous "Go Home at the Same Time Day." • Promote employees to use paid holidays of special promotion holiday system. • Implement training courses, etc. to improve line supervisor awareness.

Major Measures

Goal	Measure
Proactive hiring of female employees	Increase the ratio of female new graduate hires
	Hiring activities that include information about the active roles played by female employees
Active promotion and expansion of opportunities to develop the abilities of female employees	Setting a 3-year target (by fiscal 2019) for increasing the promotion of women for managerial positions
	7% or higher for Yamaha Group and 17% or higher for the Group
	Enhancing various education and training programs
	Implementing selective training programs
Creating comfortable environments for women	Responding to the Equal Employment Opportunity Act, the Child Care and Family Care Leave Act, the Act on Advancement of Measures to Support Raising Next-Generation Children, and the Act on Promotion of Women's Participation and Advancement in the Workplace
	Creating, promoting, updating work-life balance support programs
	Preparing to adopt a work-from-home system
Changing workplace awareness and fostering a corporate culture	Conducting educational activities (training, seminars, providing information through Intranet websites, etc.)



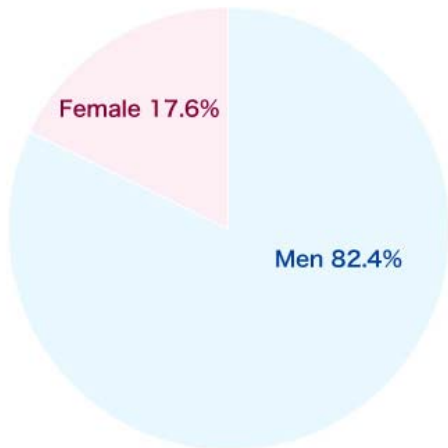
An Intranet website disseminating information on diversity and work-life balance

Major results and achievements

- Nearly an equal average number of years of continuous employment for male and female employees
- Nearly 100% proportion of women taking maternity/childcare leave and returning to work after maternity leave/childcare leave
- Awarded the fiscal 2006 "Family Friendly Company Award" from the Ministry of Health, Labor and Welfare
- Based on the Act for Measures to Support the Development of the Next Generation, acquired the "Kurumin" mark (2008, 2014) and the "Platinum Kurumin" mark (2016)

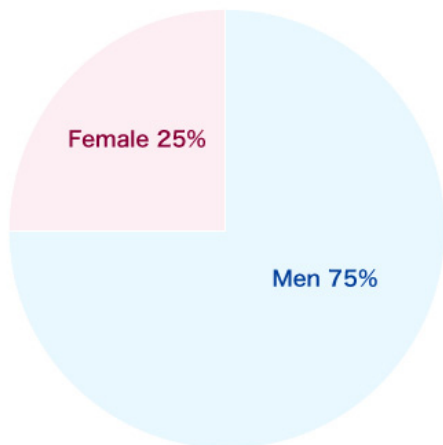
Principal Indicators Related to the Active Role of Female Employees

Ratio of Female Employees (Yamaha Corporation)



*As of the end of March 2017

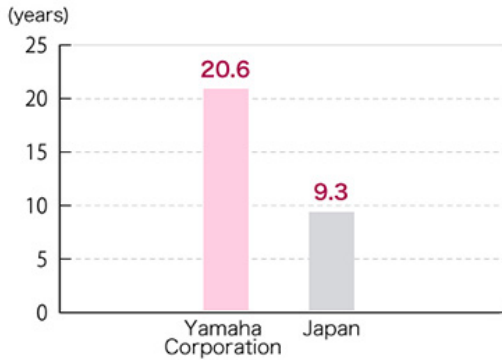
New University Graduate Employment Ratio (Yamaha Corporation)



*As of April 1 2017

Female Workers: Number of Years of Continuous Employment (vs. Japan nationwide*¹) (Yamaha Corporation*²)

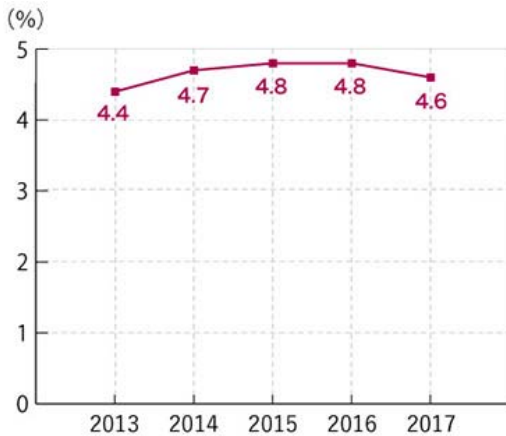
Female Workers: Number of Years of Continuous Employment (vs. Japan nationwide^{*1}) (Yamaha Corporation^{*2})



*1 Nationwide numbers excerpted from results of the 2015 Basic Survey on Wage Structure

*2 Statistics for Yamaha Corporation are as of the end of March 2017

Female Manager Ratio (Yamaha Corporation)^{*1}



*1 As of the end of March each year

*2 From fiscal 2017, hiring schedule changed from March 1 to April 1 of the following year. (Ratio of 5% if measured from April 1)

Annual trends for each data group are shown on the [Social Data page](#).

Promoting Employment and Advancement of Foreign Employees

Yamaha Corporation had 41 foreign employees working in the company as of March 1, 2017 (annual trends are shown on the [Social Data page](#)). In order to enhance the roles of diverse personnel regardless of nationality, we set a numerical target for hiring new graduates from foreign countries and provide information on our English website.

As a company that engages in businesses in countries around the world, the Yamaha Group appoints local personnel from each base to important posts within the Group. In April 2015, Yamaha Music Europe, our regional sales company in Europe, hired a German president for the first time. Additionally, we hired local presidents at five overseas companies that we welcomed into the Yamaha Group through acquisitions.

Establishing Employment Extension and Rehiring Programs

The Yamaha Group believes that enhancing employees' lives at work by ensuring employment opportunities that correspond to motivation and ability contributes to economic and social development. Under this philosophy, we have augmented our vacation and leave programs with employment extension and rehiring programs that flexibly accommodate employees' lifestyles.

Senior Partner System (started 2004)

A system at Yamaha Corporation that provides willing employees with the opportunity to continue working beyond age 60 (utilized by 212 employees as of March 31, 2017; annual trends are shown on the [Social Data page](#)). Group companies have adopted similar measures and are striving to hire retired workers.

Re-employment System for Family Members Accompanying Expatriates

As part of its diversity management, the Yamaha Group promotes programs that flexibly accommodate employees' individual lifestyles. From fiscal 2009, Yamaha Corporation maintains a system to re-employ workers who left the company in order to accompany a spouse on an overseas assignment after returning to Japan. In fiscal 2017, the scope of this system that was limited to spouses of Yamaha corporation employees not working for the Yamaha Group are allowed to be re-employed within 5 years of their retirement.

Since the program started in fiscal 2009, a total of 21 employees have submitted applications before retiring. Of that number, 6 (as of March 31, 2017) have been rehired after returning to Japan.

Rehiring Program for Workers Committed to Nursing Care

In July 2016, Yamaha Corporation also introduced a system that allows an employee to be rehired if they retired to provide nursing care for a family member. In such cases, the valid re-employment period is within 5 years of said retirement.

Promoting Employment of People with Disabilities

Yamaha Corporation is promoting employment for people with disabilities as well as developing working conditions conducive to active participation for these employees. The Company strives to encourage independence for people with disabilities and to achieve a society of co-existence, which are the goals of Yamaha's hiring program in this area, while we are also increasing skills and spreading awareness within the Company.

As of March 1, 2017, 82 people with disabilities were employed at Yamaha Corporation, of which 38 were employed at Yamaha Ai Works. The employment rate has hovered above 2% since fiscal 2010, steadily remaining above standards set for April 2014 in the Act on Employment Promotion etc. of Persons with Disabilities.

Employment Rate of People with Disabilities^{*1,2}



*1 Scope of statistics: Yamaha Corporation, Yamaha Business Support Corporation, Yamaha Ai Works Co., Ltd.

*2 The employment rate uses a formula for the annual employment rate of person with disabilities in the Act for Promotion of Employment of Persons with Disabilities.

Special Subsidiary* Yamaha Ai Works Co., Ltd.

Established in 1989, Ai Works handles work tasks such as data processing, printing, filling/sealing envelopes, accounting, and benefit program-related tasks from Yamaha Group companies. Additionally, the company dedicates effort to activities for informing and educating others about employing persons with disabilities.

* Subsidiaries recognized under the Act for Eliminating Discrimination against Persons with Disabilities. Special subsidiaries must meet certain criteria in connection with the number and ratio of employees with disabilities. People with disabilities employed by such subsidiaries are counted as employees of the parent company when calculating its employment ratio.



Visiting on-site at a special subsidiary



Study session on employing persons with disabilities

Promoting Work-Life Balance

1. Basic Policy and Promotion System
2. Reducing Total Working Hours
3. Building and Improving Work-Life Balance Support Systems
4. Results of Evaluations by External Parties

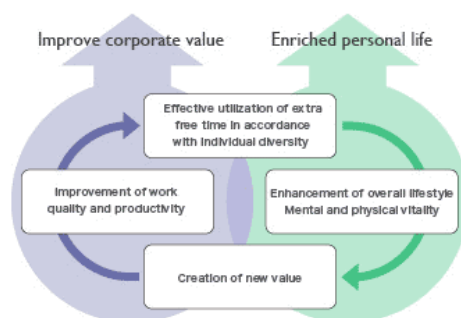
Basic Policy and Promotion System

The Yamaha Group is actively promoting work-life balance based on the basic policy below. In 2006, we established a Work-Life Balance (WLB) Promotion Committee, jointly run by labor and management, while we are also striving to shorten overall working hours and create and enhance work-family support systems. Furthermore, each department formulates Work-Life Balance Action Plans and is rolling out activities aimed at work styles that are self-directed and productive.

Basic Policy

In order to realize both expanded business activities and lifestyles that offer personal fulfillment, we will proactively promote work-life balance that respects a wide range of values and lifestyles.

People can use the extra time created by increases in the quality and productivity of work in many different ways, which in doing so leads to the enhancement of the overall quality of life while energizing the body and mind. This energy can provide the power for new value creation, and serves as a source of continued good work, the enhancement of corporate value, and the realization of a fulfilling life. We will work toward the creation of this type of virtuous cycle at Yamaha.



Reducing Total Working Hours

In order to reduce total working hours and prevent excessive work, Yamaha Corporation established guidelines for overtime through labor-management agreement. At the same time, we are promoting awareness and building structures toward self-directed, highly productive work styles. We have programs such as "All Go Home at the Same Time Day," which encourages all employees to leave work on time, and programs to urge employees to fully use their paid leave days. We are gradually rolling these programs out at domestic Group companies as well.

Major initiatives and FY2017 results

Initiative	Content	Participants	Fiscal 2017 results and follow-up
Full staff paid leave days	Annual 3-day period (summer)	Yamaha Corporation and some Group companies	Staff who could not take leave during the period were encouraged to take substitute days off; implemented as planned (Yamaha Corporation)
Full use of paid leave days	Encouragement for employees and supervisors not fully utilizing their leave	Yamaha Corporation	E-mail sent to those who utilized less than 10 days of paid leave the prior fiscal year; reports requested from those who utilized less than 5 days (FY2017 average paid leave taken: 14.2 days)
Go-home-on-time day	At each office, weekly days (or every other Friday) set as All Go Home at the Same Time Day	Yamaha Corporation and Group companies within its office	Approx. 92% compliance (Yamaha Corporation)
Awareness and education	Seminar by a noted expert	Yamaha Group employees	—
	Information shared on the Intranet	Yamaha Group employees	—

FY2017 Performance Self-Evaluation and Future Planning

The number of employees at Yamaha Corporation who exceed the upper limit for overtime hours noted in the internal labor-management guidelines is decreasing every year in both monthly and annual metrics. With regard to annual paid leave, we took the target of 13 days (held in place until 2015) and increased it to 15 days in fiscal 2017, backed by both labor and management. As a result, usage for fiscal 2017 improved to 14.2 days. Although this was below the 15-day target, efforts by labor and management to actively promote the policy yielded results. In fiscal 2018, we will work to spread awareness of productivity defined by "producing results within a limited amount of time." Additionally, we plan to adopt a Shift Interval System requiring a minimum rest period between the end of one work shift and the beginning of another, in addition to increasing the numbers of "All Go Home at the Same Time Days," addressing standard limits on overtime hours, and continuing labor-management discussions for reviewing these types of guidelines.

Annual trends for total working hours and other data are shown on [the Social Data page](#).

Building and Improving Work-Life Balance Support Systems

The Yamaha Group is creating and improving its support systems for work-life balance by building flexible work systems responsive to the varied circumstances of individual employees. Furthermore, we are spreading awareness and education on these systems among employees.

Based on the Act on Advancement of Measures to Support Raising Next-Generation Children, Yamaha Corporation formulates and carries out an action plan.

As a result of the third phase of the three-year plan beginning in fiscal 2014, we acquired "Platinum Kurumin"* certification.

Acquisition of certification related to support for developing future generations*

Certification	Date acquired	Main measures implemented
"Kurumin"	Aug. 2008	<ul style="list-style-type: none">• Extended childcare leave period, etc.• Adapted the shorter work hours for childcare system• Mandatory group paid leave, etc.
	Aug. 2014	<ul style="list-style-type: none">• Held work-life balance seminar• Adopted "Go Home at the Same Time Day," etc.
"Platinum Kurumin"	Jun. 2016	<ul style="list-style-type: none">• Encouraged males to take paternity leave• Shortened working hours, etc.

*A Ministry of Health, Labor and Welfare system for certifying companies that provide support for developing future generations.

Company action plans are reviewed in accord with the Act for Measures to Support the Development of the Next Generation. Certified companies are allowed to carry the "Kurumin" mark. "Platinum Kurumin" is a system that certifies, among the companies that have acquired the Kurumin mark, companies that conduct initiatives to support work-life balance at or above a specific standard.



"Platinum Kurumin" special certification mark recognizing support for developing future generations

Systems for Childcare/Nursing Care (compared to statutory requirements)

System	As required by law	Yamaha Corporation
Maternity leave (pre-birth, post-birth)	42 days before birth (98 days in the case of multiple pregnancy), 56 days after birth	56 days before birth (98 days in the case of multiple pregnancy), 56 days after birth
Childcare leave	In principle, until the child turns 1 year old (or 1 year and 6 months when certain requirements are met)	Until the child is 1-year 6-months old or the end of April after the child has turned 1 year old whichever is longest
Leave to care for sick children	Children up until elementary school age	Children in the first year of elementary school and up until the end of March
Shorter work hours for childcare	Until the child turns 3 years old	Until the child completes the first 3 years of elementary school
Exemption from overtime work for childcare purposes	Limited overtime work until child turns 3 years old	Exemption from overtime work until child completes the first 3 years of elementary school
Scope of nursing care	Spouse, child(ren), father/mother, spouse's father/mother, grandfather/grandmother, siblings, grandchild(ren)	Family within two-degrees of kinship
Leave of absence for nursing care purposes	Up to 93 days for each family member requiring care	Up to 1 year for each family member requiring care
Shorter work hours for nursing care	Two times or more for 3 uninterrupted years; separate from the nursing care leave period	Up to 3 years total
Nursing care leave	5 days a year for each family member and 10 days for 2 or more family members	5 days a year for each family member

Data regarding usage of childcare and nursing care systems are shown on the [Social Data page](#). Acquisition rates and return to work rates for maternity leave have remained at or above 90% in recent years.

Results of Evaluations by External Parties

Awarded the Best Award for Improved Business Practices

The 35th Gathering of Leading Supervisors was an event for presenting outstanding examples of supervisors at the forefront of manufacturing who excel at worksite management, improvement activities, and workforce development. The Payroll Group within the Human Resources Department of Yamaha Business Support Corporation was awarded the “Taiichi Ono/Tomoo Sugiyama Award” for its business improvement activities. This is the highest award for improvement activities offered by the Japan Management Association in fiscal 2017.

This group operates from November to December working overtime to prepare for the Yamaha Group’s annual year end adjustment. All members are challenged with improving work processes. Since 2015, documentation verification procedures have been streamlined and improved so that it is easy to divide work and manage progress. As a result, overtime work for year-end adjustment was reduced by 30% in fiscal 2016 in comparison to the previous year. This was the grounds for the award.



Members of the Payroll Group in the Human Resources Department of Yamaha Business Support Corporation



Tallying work hours



A sign saying “Concentrating —Please Do Not Disturb”

Communication with Employees

1. Basic Policy
2. Labor Unions
3. Employer-Employee Communication

Basic Policy

The Yamaha Group adheres to the protection of employee's rights prescribed by international treaties, law, collective labor agreements and other agreements. Furthermore, in pursuing the Yamaha Corporate Philosophy, employees and the employer strive to achieve favorable relationships based on ample communication.

[3-3 Favorable Employer-Employee Relationships](#) >

Labor Unions

Labor unions have established a union shop system at Yamaha Corporation. Labor unions or employee associations have also been set up at each Yamaha Group company in Japan and hold dialogues between labor and management. At each Group company, these organizations coordinate with each other as the Yamaha Union Conference*¹ and exchange information and interact through regular labor and management liaison meetings that are convened.

Each Yamaha Group company outside Japan also holds dialogues between labor and management following the labor laws of each country. At the Yamaha Corporation headquarters, we will continue to carry out monitoring to ensure that favorable employer-employee communication is taking place at each Group company.

*¹ Yamaha Union Conference (established in September 1990)

Along with deepening solidarity among those working within the Yamaha Group, the Council works to develop each organization, create better working environments, maintain and improve labor conditions, conduct social contribution activities, and exchange a wide range of information aimed at enriching personal lives.

Rate of Unionization (as of March 31, 2017)

Yamaha Corporation (includes employees temporarily posted to other companies)	77%
Yamaha Group in Japan*²	42%

*² Scope of statistics: Yamaha Music Japan Co., Ltd., Yamaha Music Retailing Co., Ltd., Yamaha Musical Products Japan Co., Ltd., Yamaha Piano Manufacturing Japan Co., Ltd., Yamaha Fine Technologies Co., Ltd., Yamaha Business Support Corporation

Employee numbers and previous years' data are shown on [the Social Data page](#).

Employer-Employee Communication

At Yamaha Corporation, joint management councils are regularly held so that critical management issues can be examined and discussed between labor and management. The joint management councils allow participants to hear from labor unions about current working conditions and engage in lively discussions.

The administration and revision of various programs related to human resources and labor are conducted after thorough discussion based on labor and management's perceptions of the issues at hand. Yamaha Corporation also explains matters concerning various corporate policies to labor unions, publishes reports from the discussions whenever necessary, and otherwise works to keep employees informed.

Labor union directors also participate in the running of things such as corporate pension funds, health insurance societies, the Mutual Aid Foundation, and employee stock ownership plans.

Regular Labor and Management Conferences and Committee Meetings

Name	Frequency Held	Participants	Main Topics
Joint management Council	Twice/year (August and February)	Company: President, directors, etc. Union: Central Executive Committee	Company-wide management issues
Company-wide Production and Sales Committee	Monthly	Company: Director in charge of labor administration, Human Resources Division (department managers and personnel in charge of labor administration) Unions: Central Executive Committee	Monthly topics (reports and labor conditions)
Business Site Labor and Management Committee	Monthly	Company: Business office managers, business office division managers, administrators Unions: Branch Executive Committee (Central Executive Committee)	Monthly production and sales conditions within each division; reports on labor conditions
Allocation Committee	Twice/year (May and November)	Company: Human Resources Division (department managers and personnel in charge of compensation) Unions: Central Executive Committee	Pay raise and bonus
Work-Life Balance (WLB) Promotion Committee	Any time Reports published at least once a year	Company: Human Resources Division (personnel in charge of labor administration) Unions: Central Executive Committee	Reducing long working hours, encouraging the taking of paid vacation days, and various other initiatives related to WLB

*In addition to the above, the Overseas Work Committee, discussions of annual operation schedules, and labor-management discussions to address issues that come to light at union meetings, and that are relevant to company/division policies, are held.

Health and Safety

1. Yamaha Group's Basic Policy and Framework on Health and Safety
2. Formal Labor Agreement Concerning Safety and Health
3. Preventing Occupational Accidents
4. Maintaining and Ensuring Employee Health
5. Ensuring the Safety of Employees Stationed/Traveling Overseas
6. Results of External Evaluations

Yamaha Group's Basic Policy and Framework on Health and Safety

Yamaha Group's Basic Health and Safety Policy

The Yamaha Group believes that one of the most important management issues is ensuring the health and safety of our employees. In 2009, the Yamaha Group created the Group Health and Safety Management Policy and we aim to continually enhance the level of our health and safety.

Group Safety and Health Management Policies

This policy sets for the Yamaha Group's basic philosophy regarding health and safety, recognizing that ensuring the health and safety of everyone involved in Yamaha's business activities constitutes the foundation of those activities, that all employees should work together to promote the formation of a healthy, safe, and comfortable working environment, while also maintaining our health and safety management standards with respect to our customers.

Health and Safety Management Structure and Activity Guidelines

The Yamaha Group created the Industrial Safety and Health Committee, which is headed by the Director in Charge of Industrial Safety and Health. Committee members include business office managers, representatives of worksite supervisors, and representatives of major Group companies. The committee promotes a variety of policies related to managing health and safety.

At the start of each fiscal year in April, Yamaha Corporation and Yamaha Group companies regularly hold a Group-wide Health and Safety Convention. At the convention, there is a general overview of health and safety activities in the previous fiscal year, confirmation of policies and activities for the current fiscal year, and targets for occupational accident prevention are set. Approximately 500 people, including company representatives, labor union representatives, and representatives from each division and Group company, participated in the Group-wide Health and Safety Convention held in April 2017. In addition, each company attending the Convention introduced examples of activities relating to health and safety and shared information in order to prevent accidents.

Fiscal 2018 Action Plan

1. Occupational safety: **Enforce "Safety Must Be Prioritized Over Everything"**
2. Traffic safety: **Enforce elimination of accidents largely attributable to negligence and defensive driving**
3. Health management: **Improve health management and the workplace environment in order to work safely**



Fiscal 2018 Yamaha Group Safety and Health Convention

Formal Labor Agreement Concerning Safety and Health

The formal labor agreement that Yamaha Corporation has with the labor union sets forth that "The Company must take all necessary measures to ensure safe, healthy conditions at its factories and improve its work environments while union members must uphold all rules concerning safety and health. The company and union shall also work together to improve union members' knowledge of safety and health." The agreement also establishes provisions concerning issues such as the Safety and Health Committee, dangerous and injurious work, medical examinations, and accident compensation.

Preventing Occupational Accidents

The daily work of the Yamaha Group entails the possibility of occupational accidents, particularly with regard to production activities, from operating equipment and machinery, processing products, and handling various raw materials.

The main injuries incurred in the Yamaha Group are cuts, scrapes, getting caught or entangled in factory equipment, machinery, etc., and falling, etc. In fiscal 2017, there were 44 accidents requiring time off of work and no work-related deaths.

Frequency^{*1} of Work-Related Accidents over the Past Three Years

	FY2015	FY2016	FY2017
Yamaha Corporation	0.76 ^{*3}	0.81 ^{*3}	0.84
Group companies in Japan ^{*2}	2.08	3.19	1.90
Group companies overseas	1.02	1.46	1.19

Preventing Occupational Accidents

The daily work of the Yamaha Group entails the possibility of occupational accidents, particularly with regard to production activities, from operating equipment and machinery, processing products, and handling various raw materials.

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*1 Frequency = number of work related deaths/injuries ÷ total man hours×1,000,000

*2 The Yamaha Group updated its statistical method for counting the total number of accidents irrespective of their gravity from fiscal 2014. We are aiming to target "from zero accidents to zero danger" through thorough safety measures that include minor accidents.

*3 Revised after recalculation

Risk Assessment

The Yamaha Group positions risk assessment as a fundamental activity for preventing occupational accidents before they happen and the Group continues to engage in activities to predict risks and dangers. Risk mitigation activities particularly focus on assessing risks with regard to work and surrounding environments where the work is performed, while putting in place measures corresponding to the degree of risk. Currently, the Yamaha Group continues to provide education on, and ensure the implementation of, risk assessment at Group companies and production sites in Japan and overseas.

Safety Patrols

Safety patrols are conducted at Group companies under the guidance of the Health and Safety Management Lead Office (Human Resources Division, Yamaha Corporation), which oversees Group-wide health and safety management. Patrols are carried out at applicable bases chosen every year, allowing all sites to be visited over a three- to four-year cycle.

These patrols took place at one base in Japan and one base overseas in fiscal 2017 (previous years' patrol numbers are shown on [the Social Data page](#)).

Content of Safety Patrols

- Health and safety level checks following a health and safety management analysis table (approximately 170 items focusing on the clarification of health and safety management systems and policies, and the status of regulations and standards established)
- Workplace inspections to check health and safety and to correct and provide guidance on problematic areas



An on-site safety patrol

Self-directed Health and Safety Diagnosis

Meanwhile, the Group's non-production companies in Japan carry out a self-directed health and safety diagnosis,*3 which is in line with the compliance policies and based on the number of employees. Based on the results of the diagnosis, Yamaha Corporation health and safety managers provide feedback and give support for improvement measures.

This diagnosis was carried out at 16 sites in fiscal 2017 (previous years' implementation numbers are shown on [the Social Data page](#)).

*3 A diagnosis used for self-evaluation of approximately 150 items to be understood to ensure compliance and make efforts to improve personal health and safety.

Establishing and Standardizing Group Rules

Yamaha Corporation has, since 1977, gradually established rules relating to people and their surroundings such as employees' attitude towards health and safety, a basic code of conduct, and equipment safety standards. These have been compiled into handbooks and portable cards, etc. and distributed to employees. With the aim of further standardizing these rules throughout the entire Yamaha Group, we conducted a large-scale revision in fiscal 2016. At present, we are continuing to compile new rules in multiple languages and promote awareness and implementation.

Maintaining and Ensuring Employee Health

The Yamaha Group provides support for employees to look after their own health, for reasons that include improving work productivity.

Health Checkups

In addition to diligently offering general health checkups, mandatory under Japanese law, Yamaha uses health checkups as opportunities to try to prevent lifestyle- and work-related diseases. In fiscal 2017, the Yamaha Group offered statutory stress evaluations and, for Group employees eligible for health checks in the vicinity of the headquarters, we carried out group education explaining the stress check program. Additionally, we petitioned employees to help us meet our goal of achieving a 100% checkup completion ratio for regular health checkups, while also taking thorough follow-up measures based on checkup results. In fiscal 2017, Yamaha Corporation and the Yamaha Group had 99.8% and 95.7% checkup completion ratios respectively, while an industrial physician*4 passed a decision on the best place for the particular employee to work in 100% of cases for Yamaha Corporation and 99.7% of cases for the Yamaha Group.

*4 Workplace decisions by industrial physicians: based on Article 66.4, 5 of the Industrial Safety and Health Act, the Company is required to seek the opinion of an industrial physician regarding health checkups for eligible employees.

Mental Healthcare

In order to ensure that workers remain mentally healthy, Yamaha is promoting mental health activities based on the policies of Japan's Ministry of Health, Labor and Welfare. Specifically, by operating a return-to-work support program that connects industrial physicians, nurses, and contracted psychiatrists working in coordination with an external Employee Assistance Program (EAP)^{*5} counselor, we halved the rate at which workers took a subsequent leave of absence, compared with the period prior to adopting the program.

Major initiatives

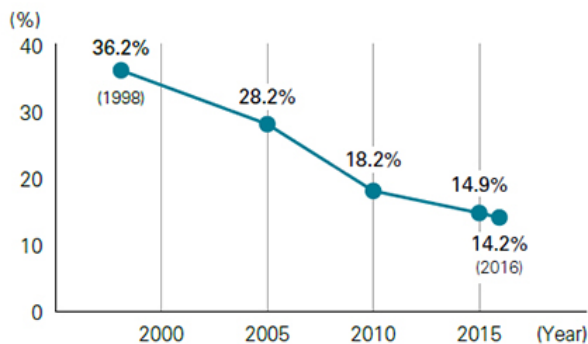
- Training for managers, supervisors and new recruits through an internal industrial physician and counselors
- Operation of a return-to-work support program that connects occupational health and safety staff, supervisors, managers, and HR personnel
- Operation of a mental health counseling desk staffed by psychiatrists and clinical psychologists from outside medical institutions
- Operation of a counseling desk provided by outside institutions through an external Employee Assistance Program (EAP).

*5 Program provides counseling to employees and their families for mental health issues, helps employees return to the workplace after leave for mental illness, and utilizes external specialists such as ones that offer health-related training for managers in charge of with employees working under them.

No Smoking Policy

Yamaha Corporation makes it a top priority issue to protect the health of workers and implement smoking countermeasures. At health checkups since 1998, we have continued to advise employees to stop smoking, while, in April 2011, we began prohibiting smoking throughout the premises during work hours. As a result of these initiatives, the percentage of smokers among all employees declined from 36.2% in 1998 to 14.2% in 2016.

Transition of Smoking Ratio (Yamaha Corporation)



Going forward, we will aim to further reduce the ratio of smokers by reducing the number of smoking areas inside the premises, thereby preventing passive smoking, and continue to provide individual support to quit smoking. These efforts are also being rolled out at our Group companies in Japan and the rate of smokers at Yamaha has been low compared to the nation-wide rate. Data on comparisons of smoking rates for the Group and smoking rates for Japan as a whole are shown on [the Social Data page](#).

Health Support for Employees Stationed Abroad

For each Yamaha Group employee stationed overseas, we have an industrial physician send an email specifically relating to that individual containing personalized health advice in light of results of the annual regular health checkup. Moreover, in fiscal 2014, we started holding health consultations and interviews with employees stationed overseas at production sites in Indonesia. Information gained from the interviews is used to improve the health and environmental aspects of employees stationed overseas.

Ensuring the Safety of Employees Stationed/Traveling Overseas

The Yamaha Group believes that the safety of employees working inside and outside Japan is paramount and is taking various steps to prevent accidents and incidents before they occur.

In order to ensure the safety of employees that are stationed overseas and that go overseas on international business trips, measures are being carried out from the perspective of prevention and emergency response in the event of an accident. Information concerning dangers in each country and region is gathered from sources such as Japan's Ministry of Foreign Affairs, private security companies, employees stationed at overseas Group companies, and those who have returned from abroad. It is then analyzed and distributed internally in the form of reminders and business trip regulations. Safety-related education is also provided to employees prior to being dispatched overseas, while their families also receive separate education programs.

Furthermore, for those taking international business trips for the first time, an orientation is held that covers safety education, including basic knowledge and measures to handle emergencies while abroad.

Fiscal 2017 results

Content	Target	Frequency	Number of participants
Training prior to assignment overseas	For employees	9 sessions	30 employees
	For employees' families	6 sessions	16 people
Overseas business trip orientation	For employees such as those going on an overseas business trip for the first time	4 sessions	60 people

Results of External Evaluations

Certified as Health and Productivity 2017 (White 500)

In February 2017, Yamaha Corporation was certified under the Health and Productivity (White 500) certification system hosted by the Ministry of Economy, Trade and Industry/Japan Health Conference.

This system certifies those companies that consider employee health management in its management and work strategically to achieve it. In the "Large Company Section" categorized by Yamaha, 500 companies will be selected by 2020. Yamaha was evaluated on its measures for reducing long working hours and efforts at the promotion of work-life balance in addition to the regular health check, mental health, and measures to prevent passive smoking.



Human Resource Development

1. Establishing Education and Training Programs
2. Development of Management Personnel
3. Fostering Human Resources to Support Manufacturing
4. Development of Global Personnel
5. Supporting Employee Development through Regular Face-to-Face Meetings
6. Introduction of New Human Personnel System and Assessment Training for Managers

Establishing Education and Training Programs

Under the belief that creating a mutually beneficial relationship between the employee and the Company inspires motivation, the Yamaha Group strives to support each employee in exercising their talents to the fullest and developing professionally while working toward self-fulfillment. The Group works to create an education and training system that is equally focused on skill improvement and career development as the basis for nurturing human resources that can act globally. At the same time, each training program implemented is tailored to a specific objective and group of employees. In tandem with these, the Group also supports employees' autonomous learning projects and lifestyle design.

Main Training and Education Programs and their Status of Implementation (FY2017)

Name	Target/Content	Annual Participants	Training Hours per Person	Cumulative Participants
Stratified Training	Increases individual skills level to match career stages	400	15-30 hrs/yr	2,000/past 5 yrs
Yamaha Global Institute	Development of core personnel who will be involved in company management in the future		15 days/yr	37
Yamaha Management Institute	Development of core personnel who will be involved in company management in the future	—	27 days/yr	54/past 5 yrs
Senior Specialist Institute	Development of personnel to manage production (production base managers, supervisors, etc.)	14	40 days	74
Yamaha Sales Company Executive College	Development of personnel to manage sales (sales base managers, supervisors, etc.)	8	12 days	-8 Started in FY2017
Yamaha Advanced Skill School	Development of supervisory personnel on domestic production shop floors	16	370 hrs	700

Name	Target/Content	Annual Participants	Training Hours per Person	Cumulative Participants
Yamaha Technology Training Center	Development of core personnel on domestic production shop floors	30	180 hrs	1500
From-To Program	Passing down core technologies relating to musical instrument manufacturing	20		500
Function-Specific Training	Quality engineering, international training, core technology training (signal processing, acoustic vibration engineering, materials engineering), etc.	GAME 260 Technology academy/core technology 195	20 hrs 24 hrs	1200/past 5 yrs 1240/past 5 yrs
Overseas/Language Study	Studying abroad to acquire and improve foreign language skills	2	6 mos	29
Yamaha Business School	Supporting autonomous learning by employees (training by correspondence)	340	Autonomous learning	1690/past 5 yrs
Life design seminars	Opportunity for employees turning 50 to contemplate life designs and information-sharing	Not implemented	7.5 hrs	400/past 5 yrs
Second Life Preparatory Seminar	Opportunity for employees 2 years out from retirement to contemplate life beyond retirement and information-sharing	225	7.5 hrs	830/past 5 yrs

Development of Management Personnel

The Yamaha Group strives to develop management personnel who will be the backbone of business activities. In 2011, the Group started a manager training program for Japanese personnel at production bases, mainly at overseas production subsidiaries. Subsequently, a training program for managers was started in 2013. Then, from 2014, we have proceeded to expand and restructure programs to include non-Japanese personnel at overseas production bases, while we have been training production managers globally since 2016 under a program titled Senior Specialist Institute (SSI).

Additionally, for human resources engaged in sales, we started the Yamaha Sales Company Executive College (Y-SEC) in February 2017 as a program that trains candidates for site manager, mainly at overseas sales companies. Going forward, we will systematically establish programs equally focused on job category and rank as we take a structured approach to training human resources who will work in management positions.

Fostering Human Resources to Support Manufacturing

The Yamaha Group aims to create an optimal production system by clarifying the roles and functions of each of its bases. At the same time, we are promoting the development of human resources that support manufacturing so that we can maintain and improve "Made in Yamaha" quality.

Positioning each plant in Japan as a manufacturing base of high-value added products, we focus on developing manufacturing technologies that are highly competitive, while ensuring that core skills required to manufacture musical instruments are passed on. Plants in China, Indonesia, and Malaysia, for example, are designated as key manufacturing bases for affordably priced products and we dispatch many technicians and supervisors from Japan to provide support and guidance at these sites.

Development of Global Personnel

The Yamaha Group appoints local personnel from each base around the world to important posts within the Group and exerts efforts to develop personnel who can play a strong role at a global level. In 2015, the Company established a Global HR Development Group within its Human Resources Division, and has been promoting the following 4 initiatives since.

1. Identifying global core human resources
'Place the right core person in the right core position' regardless of nationality or company of origin.
2. Global Grading
Promotion of personnel transfer among Group companies with Group standards.
3. Assessment and compensation
Consistent evaluations based on Group-wide standards; acquisition and retention of excellent personnel.
4. Succession Plan
Creating succession plans for Group executive management.

Supporting Employee Development through Regular Face-to-Face Meetings

Yamaha Corporation holds regular face-to-face meetings with all employees to both assess performance and support employee development. The meetings serve to align perspectives of employees and their supervisors with regard to the objectives and mission of the Company and its divisions, in addition to each person's role and goals. This allows the Company to confirm levels of achievement, future challenges, and the direction of skills development.

Furthermore, employees (including employees who are hired mid-career) and the Company have face-to-face meetings to exchange opinions regarding career plans at the one-year, four-year, and eight-year marks after joining the Company. Meetings are attended by workplace managers, the HR manager assigned to each department, and HR Department staff in order to assess whether employees are able to find a sense of fulfillment in their work, and to discuss future career plans.

In order to ensure that these meetings are conducive to fair evaluations and effective support for employee growth, Yamaha Corporation carries out training for managers and staff who serve as evaluators in the meetings.

Introduction of New Human Personnel System and Assessment Training for Managers

Based on the progress of globalization and changes to management and business structures, Yamaha Corporation introduced a new personnel system in October 2016. This system expands on both fair evaluation and support for cultivation of human resources in order to utilize its diversity and encourage highly motivated employees.

The new HR system is characterized by: ranking, evaluation, and compensation systems focused on employee roles; a decreased emphasis on seniority and an increased emphasis on willingness to accept challenges; and targeted evaluations of both human resources who contribute as leaders and human resources who contribute through advanced specialization. Aiming for an HR system that facilitates continuous on-site learning for each and every employee, as well as being able to feel a high sense of motivation when executing challenging work tasks, Yamaha spent approximately two years in labor-management discussions and in talks with managers when making the revisions.

To introduce the system, we held an orientation meeting to help employees understand the system, and conducted "Assessment Training" for management-level employees in charge of evaluating and instructing employees. Our intention is to communicate the plan and purpose of this system, and to produce a system that is appropriate and effective, as well as create fair working conditions and improve support for employees.

The Environment



Environmental Management >

INPUT	OUTPUT	BALANCE	OUTPUT	BALANCE
1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

Material Balance >



Prevention of Pollution >



Environmentally Friendly Products and Services >



Use of Sustainable Resources >



Climate Change Mitigation and Adaptation >



Protection of Biodiversity >



Application of Environmental Technologies >



**Environmental Data >
Environmental Data by Site >**

Environmental Management

1. Yamaha Group Environmental Policy
2. Environmental Management Systems
3. Initiatives for Promoting Environmental Management
4. Environmental Education and Training

Yamaha Group Environmental Policy

Recognizing environmental issues as an important issue, the Yamaha Group is committed to continuing its contribution to the realization of a better global environment.

Based on the Yamaha Group Environmental Policy, Yamaha is actively involved in measures related to climate change on a global scale, including the reducing emissions of hazardous chemical substance and risk of leaking related to business activities, the appropriate use of timber and forest prevention.

These resolutions related to environmental issues are incorporated into our mid-term management plan, and we are conducting business according to the action plans in related business divisions.

[Yamaha Group Environmental Policy](#) >

Environmental Management Systems

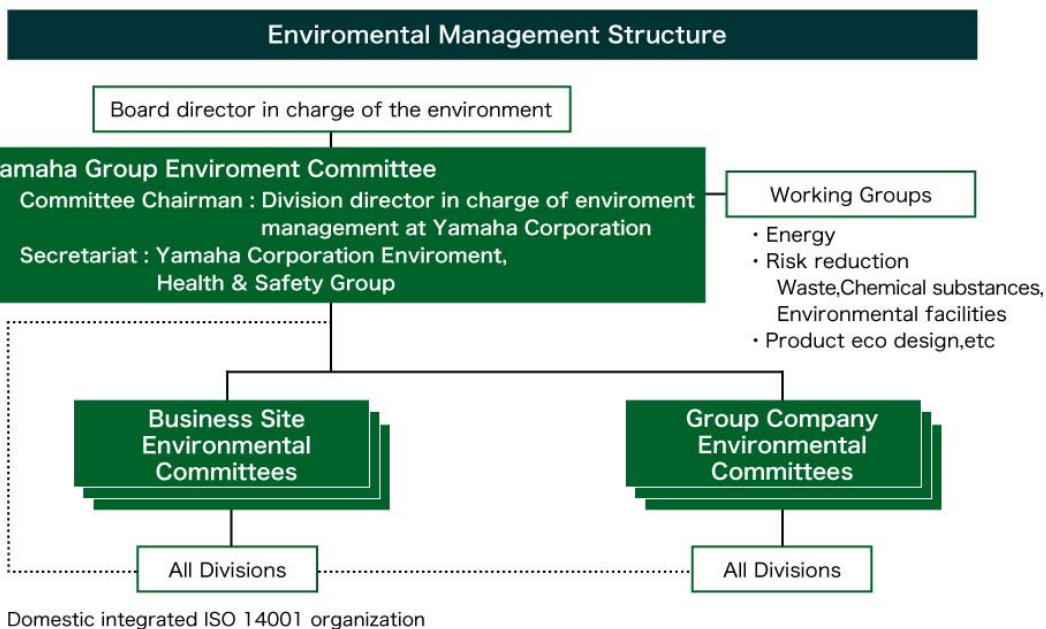
The Yamaha Group has created a global environmental promotion system with the Yamaha Group Environmental Management System (YEMS) at its core. The board director in charge of environment at Yamaha Corporation is the representative in charge.

The board director in charge of environment conducts a management review once every half-year to check the progress of ongoing measures, items based on requests by stakeholders and laws and regulations, and information about accidents or complains related to environment. Important issues that arise are deliberated in the management meeting.

Based on the YEMS, integrated for all domestic business sites, each business site overseas has created an Environmental Management System (EMS).

In this system, each business site determines its own environmental goals, develops measures and action plans to realize it, and executes those measures. We then verify that each business site is actively pursuing its goals through internal environmental audits, and process the results for continuous improvement and strengthening.

The Environmental Division of Yamaha Corporation supports and leads all activities related to the environment, such as collecting information on laws and regulations, enacting policies for the entire Yamaha Group, establishing regulations, conducting environmental audits, and following through on each measure.



Acquisition of ISO 14001 Certification

The Yamaha Group is acquiring ISO 14001 certification for environmental management systems that meet international standards.

As of the end of March 2017, the Yamaha Corporation and 25 Group companies in Japan and overseas (total of 26 companies) have acquired certification, including approximately 95% of the Yamaha Group with GHG emissions (scope 1 and 2). The Yamaha Group believes the currently acquired certification is sufficient considering its own environmental load, laws and regulations, and other matters. In the future, when establishing business sites that may have a large impact on the environment, they will be added to the certification scope sequentially.

Under ISO 14001 revised in September 2015, the Yamaha Corporation completed revisions by the end of the same year. The plan is to acquire integrated certification in Japan based on the new standard revisions in 2017.

ISO 14001 Certified Sites

Yamaha Corporation Business Sites in Japan

Site	Acquisition Date	Integration Date
Kakegawa Factory	November 1998	November 2010
Toyooka Factory (including Yamaha Hi-Tech Design Corporation)	June 2000	November 2010
Headquarters Area	February 2001	November 2010

Group Manufacturing Companies in Japan Site

Site	Acquisition Date	Integration Date
Yamaha Fine Technologies Co., Ltd.	March 2001	November 2010
Sakuraba Mokuzai Co., Ltd.	September 2002	November 2010
Yamaha Musical Products Japan Co., Ltd.*1	August 2014	August 2014
Kitami Mokuzai Co., Ltd.	August 2014	August 2014

*1 Name changed to Yamaha Music Manufacturing on April 2017 following merger.

Resort Facilities

Site	Acquisition Date	Integration Date
Yamaha Resort Inc, Katsuragi	November 2001	August 2011
Yamaha Resort Inc, Tsumagoi ^{*2}	January 2003	August 2011

*2 Business of Yamaha Resort Inc, Tsumagoi transferred at the end of March 2017.

Group Manufacturing Companies Located OverseasSite

Site	Acquisition Date
Yamaha Electronics Manufacturing (M) Sdn. Bhd.	December 1998
Tianjin Yamaha Electronic Musical Instruments, Inc.	December 1999
PT. Yamaha Musical Products Indonesia	January 2001
PT. Yamaha Music Manufacturing Indonesia	December 2001
PT. Yamaha Indonesia	May 2002
PT. Yamaha Music Manufacturing Asia	July 2002
PT. Yamaha Electronics Manufacturing Indonesia	January 2003
Yamaha Electronics (Suzhou) Co., Ltd.	March 2004
Hangzhou Yamaha Musical Instruments Co., Ltd.	May 2012
Xiaoshan Yamaha Musical Instruments Co., Ltd.	March 2013

Initiatives for Promoting Environmental Management

Environmental Accounting

Yamaha Corporation introduced environmental accounting in fiscal 2000 as a means of quantitatively evaluating the effectiveness of its environmental conservation activities. These environmental accounting practices were then implemented at Yamaha Group production companies and resort facilities in Japan, and have also been implemented at some overseas Group production sites.

For inter-annual records regarding this data, please refer to [the environmental data page](#).

Environmental Education and Training

The Yamaha Group offers a variety of training and education opportunities to company employees in an effort to raise their knowledge and skills with respect to the environment. The Group provides environmental training such as "general education" to all employees, "specialty education" for instructors and others, and "environmental facilities education and training" for individuals in charge of environmental facilities. Training is adjusted according to the needs of each site and work-related duties throughout the year.

Specialized Training for Environmental Preservation Staff

The Group has established curriculum for employees engaged in operations that require specialized knowledge, including personnel involved in waste management, water treatment, and chemical substance handling operations. We also conduct education related to chemical substance management and accident prevention such as the leakage of environmental pollutants. This educational initiative is based on Yamaha Group Chemical Substance Usage Standards or Yamaha Group Environmental Facility Standards, and conducted onsite to prepare for emergency response.

Fostering Internal Environmental Auditors

Training the staff who actually perform our self-regulated activities with respect to environmental preservation is essential for improving the operations of our environmental management system. The Yamaha Group invites lecturers from external organizations and holds annual seminars to train internal environmental auditors as an initiative to improve our environmental preservation activities.

At business sites in Japan, to date, more than 1,137 participants have obtained their internal environmental auditor qualification and of these, 419 employees are still currently employed at Yamaha. This is 6.2% of our employees at relevant business sites.

With the migration to an ISO integrated management system since fiscal 2011, we have held an Internal Environmental Auditor Brush-Up Seminar to improve the skill set of staff members responsible for internal audits.

Promoting Environmental Activities of Employees

The Yamaha Group provides support and training to improve the environmental awareness of our employees and to promote eco activities that employees can perform as part of their daily routines.

Environmental Awareness Activities in the Home: Smart Life in My Home Commitment and My Eco Commitment Coloring Page

The Yamaha Group has worked with the Yamaha labor union to promote eco-conscious activities in daily life through projects and tools such as keeping track of eco-conscious household activities, "Smart Life in My Home Commitments" that accomplish eco-conscious activities suitable to each employees' home, and the "My Eco Commitment Coloring Page" for families with children.

Examples of Initiatives under the Smart Life in My Home Commitment (Fiscal 2017)

Details of Commitment	Report on Activity
Grow Green Eco curtain, shorten air-conditioning hours, and reduce electricity (Target: reduce electricity use, same as last year).	We grew another Green Eco curtain this year, just like last year. Similar results to last year were produced, as cost of electricity was reduced.
Save energy by coating the interior wall with plaster	We created energy-saving effects by switching from vinyl cloth and coating the interior wall with plaster, and raised the air-conditioning setting by 1°C. We have finished coating 50% of the wall and will finish coating the rest of the wall.
Used less electricity and gas than last year for each month between July and September	Monitored the electricity and gas meters for the three months between July and September. Used less of both each month compared to last year.



The Smart Life in My Home
Commitment activity report sent
from employees



My Eco Commitment Coloring Page

Green Eco Curtains Activities in Employee Homes

Beginning in fiscal 2010, the Yamaha Group has encouraged employees to create Green Eco-Curtain in their homes, in parallel with Green Eco Curtain activities at Yamaha business locations.

In addition to providing how-to instructions, Yamaha distributed seeds for morning glories and bitter melons to those interested.



Photos of Green Eco Curtains
collected from employee families

Material Balance

Results of Material Balance in FY 2017 (Japan)

INPUT	FY2016	FY2017	Comparison with FY2016
Energy (TJ)	717	619	-13.6
Water (10,000m ³)	136.0	138.7	2.0
Surface water (marsh,river,lake,ocean,etc.)	0	0	-
Ground water (well water,hot-spring water)	89.0	91.7	2.5
Rainwater directly saved by organization	0	0	-
Drainage water from other organization	0	0	-
Local municipal water and other water facilities (tap water,industrial water)	47.0	47.0	-0.9
Volume of recycled water (10,000m ³)	6.2	6.6	5.9
(Recycling rate)	4.6%	4.7%	3.8
Amount of PRTR-designated substances used (t)	232	206	-10.9
Wood Raw materials (1,000m ³)	21.3	17.9	-15.8

OUTPUT	FY2016	FY2017	Comparison with FY2016
CO₂ emissions (10,000t)	4.7	5.7	21.5
Wastewater (10,000m³)	122.2	112.3	-8.1
River,lake	106.3	94.9	-10.8
Brackish water intake source/ocean	0	0	-
Ground water	0	0	-
Sewage	15.9	17.4	9.7
Water drainage to other organization	0	0	-
Amount of PRTR-designated substances released (t)	74	53	-28.8
Wood debris (1,000t)	0.7	0.6	-15.7

Prevention of Pollution

1. Structure for Prevention of Environmental Pollution
2. Response to Pollution and Toxic Substances
3. Chemical Substance Management and Reduction of Emissions
4. Environmental Accidents and Litigation

Structure for Prevention of Environmental Pollution

In 2014, the Yamaha Group organized the Yamaha Group Environmental Facility Management Standards, which defines Group standards regarding the installation, management and operation of environmental facilities to prevent environmental pollution from occurring in our business activities. The road map is determined at each individual site and is on schedule. We will complete adaptation at all sites in fiscal 2021.

Monitoring and Response to Laws and Regulations

The goals of the Yamaha Group include reducing the environmental impact of our business activities and ensuring compliance with environmental laws. In accordance with the annual plan created by the Yamaha Corporation Environmental Division and the management divisions of each business site, the division in charge of environmental measurement regularly monitor emissions, wastewater, noise, odors, and other by products of our activities at each of our places of business, confirming our management status and strictly assessing compliance.

We assess our monitoring according to our own standards, which exceed existing legal standards. In the event that measurements exceed standards or are unusual in some way, we take immediate emergency and correction measures.

To make quick response to the revision of laws and regulations, the Group collects the latest legal and regulatory information, and the Yamaha Corporation Environmental Division summarizes, checks and disseminates the information throughout each business sites to ensure the consistent compliance as a whole Group. Furthermore, the management division and production division of each business site have established working groups to reducing risk and determine responses. These efforts enabled us to achieve compliance with revisions to the Water Pollution Prevention Act, which introduced standards concerning things such as facility structures in 2013, two years before the law went into effect. The Yamaha Group is carrying out initiatives in both Japan and overseas. For example, in China, where environmental laws have been amended frequently in recent years, the Yamaha Group works closely with Group companies in China to strengthen compliance systems.



Environmental measurements

Environmental Audits

The Yamaha Group conducts internal environmental audits according to the ISO14001 integrated management system. We also conduct Group-wide environmental audits to prevent environmental accidents or violations of law. These activities serve to reduce our environmental risk as a corporate group.

The Yamaha Corporation's Environmental Division conducts these audits, using audit staff who have skills and expertise in environmental preservation. In addition to certification as an internal environmental auditor based on ISO 14001 standards, Yamaha audit staff have also received official Pollution Control Manager, Working Environment Measurement Expert and other relevant certifications.

In fiscal 2017, the audit system was adjusted to comply with the Yamaha Group Environmental Facility Management Standards to reduce risk as the audits are conducted in direct correlation to the risk level. In fiscal 2017, we conducted environmental audits at four sites in Japan and four sites overseas.



Environmental audit conducted by audit staff of the Yamaha Corporation Environmental Division.

Preparation for Emergency

The Yamaha Group is working to prevent environmental pollution caused by the leak of harmful substances and oils from business locations by assuming emergency situations.

Yamaha is eliminating risk using Group integration evaluation standards, and as a result, the Yamaha Group is striving to prevent accidents during assumed emergency situations at business sites by improving plans and procedures. Additionally, each site has put procedures, equipment and tools in place to respond to such emergency situations should they occur and is conducting emergency response training.



Emergency response training

Response to Pollution and Toxic Substances

During fiscal 1998, the Yamaha Group conducted a soil and groundwater survey at all Group manufacturing facilities. We confirmed contamination due to chlorine-based organic solvents at two locations.

Having initiated cleanup measures based on these findings, we completed groundwater cleanup at the Yamaha Corporation Toyooka Factory at the end of fiscal 2009. We reported our status to the prefecture authorities and held a meeting with the local citizens. The Yamaha Headquarters business site has been restored to near-standard levels, and we continue cleanup activities at present.

By fiscal 2001, we had completed cleanup activities at all business sites with confirmed soil contamination. Surveys focusing on water quality and biodiversity in waterways where the waste is discharged are periodically conducted, and constantly monitored for evidence that water discharged from business sites does not exert a negative impact on the watershed and related habitat.

Additionally, as of April 2015, all Group sites in Japan disposed of large machinery, like transformers or condensers that contained high-density PCBs. We have completed pre-registration of small size high-density PCB wastes such as fluorescent lamp stabilizers, and we are organizing proper disposal. Our activities to remove devices containing low-density PCBs started in fiscal 2017.



Groundwater purification equipment
at the headquarters office

Chemical Substance Management and Reduction of Emissions

When utilizing chemical substances, the Yamaha Group strives to minimize adverse impact on people and the environment by thoroughly managing chemical substances such as those designated under the PRTR^{*1} Law, and reducing emissions of substances from production processes and products. In 2013, the Group reviewed management regulations regarding chemical substance use in factories and established Yamaha Group Chemical Substance Usage Standards to reduce environmental load and improve the work environment at all major factories in Japan and overseas.

At present, the chemical emissions that occur in the course of production processes in companies of the Yamaha Group mainly consist of volatile organic compounds (VOCs)^{*2}. In fiscal 2006, the Group fixed a target to “reduce the use of VOCs by 30% by fiscal 2011 compared to the level in fiscal 2001.” Since achieving this goal in fiscal 2009, the Group has maintained this level.

For inter-annual records regarding VOC emission, please refer to [the environmental data page](#).

In accordance with the Yamaha Group Chemical Substance Usage Standards, from fiscal 2016, Yamaha began activities to abolish all use of dichloromethane and reduce the use of 1-bromopropane. In fiscal 2017, two business sites eliminated the use of dichloromethane and replaced the use of 1-bromopropane by 80% through the introduction of an alternative substance. Additionally, our factory in China introduced a VOC disposal facility to reduce emissions.

*1 PRTR: An abbreviation for Pollutant Release and Transfer Register. The PRTR Law is an abbreviation of the Law Concerning Reporting, etc. of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management.

*2 VOCs (volatile organic compounds): These compounds, contained as thinning agents for coatings and adhesives, are believed to be one factor in the release of photochemical oxidants and suspended particulate matter (SPM).

Reducing Chemical Substance Emissions in Coating Processes

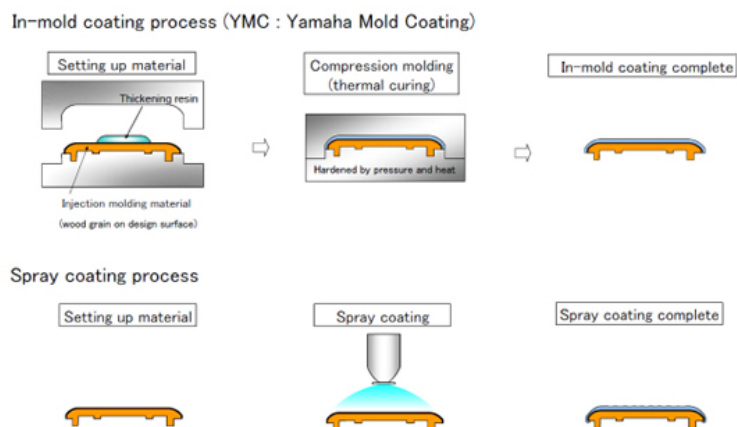
In the coating processes that give musical instruments and automotive interior components their beautiful appearance and durability, Yamaha continues to research and introduce coating methods that reduce the environmental impact by reducing the use of paints and the emission of organic solvents.

To date, we have developed applications for electrostatic coating, powder coating and flow coater in accord with each product and are making use of them in our production process.

Yamaha Music Manufacturing Co., Ltd. began switching the coating materials for parts from one containing an organic solvent to a water-based coating in the piano manufacturing process. Water-based coating also has the positive effect of improving the work environment.

Similarly, Yamaha Fine Technologies Co., Ltd. developed an in-mold coating method that completes the coating process inside of the mold, and has adapted this method for automobile interior components. By switching from traditional spray coating to in-mold coating, more than 90% of adhesion efficiency^{*3} is achieved, less organic solvents are released into the atmosphere, and less paint is used owing to high coating efficiency. Ventilating operations in the workplace have been reduced as well. This, in turn, contributes to a significant reduction in the amount of energy used.

*3 Adhesion efficiency: ratio of materials adhering as coat compared to total used.



Protecting the Ozone Layer

The Yamaha Group has historically worked to reduce usage of fluorocarbons to protect the ozone layer. We eliminated the use of all special chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs). After we eliminated the use of all special CFCs used in manufacturing processes in fiscal 1994, we used HCFCs, which have a lower ozone depletion potential compared to special CFCs, in the degreasing process for metal materials. However, we also eliminated the use of all HCFCs by fiscal 2006 because of its large impact on global warming.

Environmental Accidents and Litigation

During fiscal 2017, the Yamaha Group did not violate any laws, receive fines, pay fees, or be named in any lawsuits with respect to environmental concerns. The Yamaha Group did not experience any accidents having an effect on the outside environment, nor did we receive any significant complaints.

Environmentally Friendly Products and Services

1. Environmentally Friendly Design and Green Procurement
2. Yamaha Eco-Products Program
3. Products Supporting the Reduction of Environmental Load

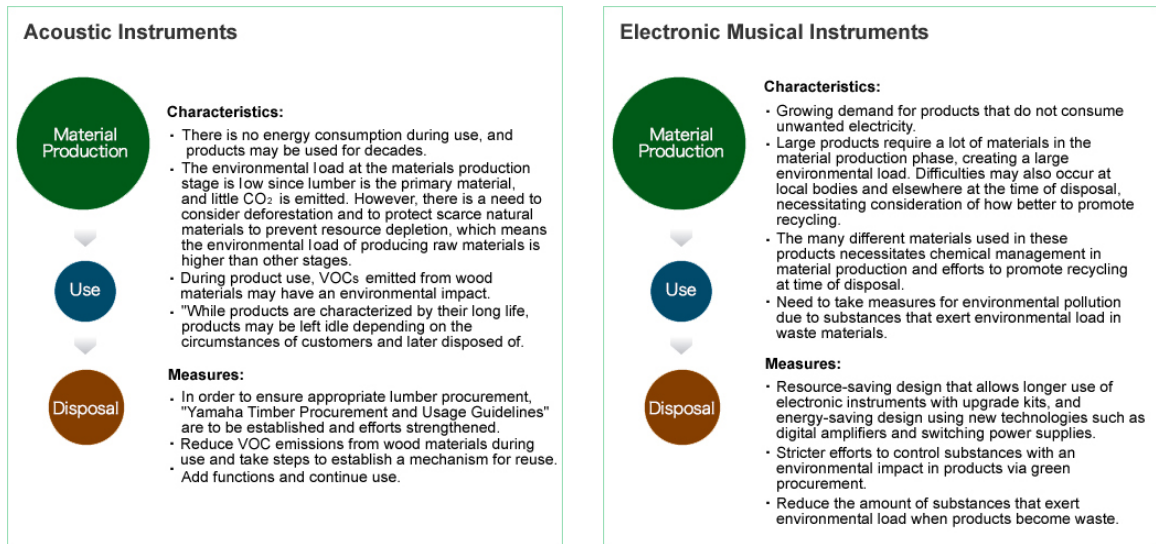
Environmentally Friendly Design and Green Procurement

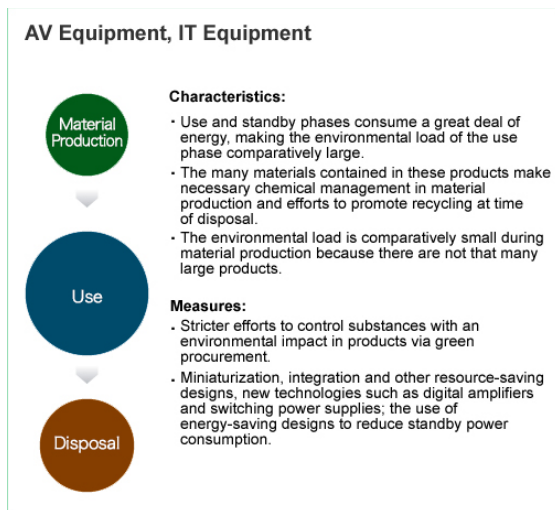
The Yamaha Group has positioned efforts to develop technologies and provide products that are friendlier to the environment under its [Yamaha Group Environmental Policy](#).

With respect to the various product groups, steps are taken to conduct product life cycle assessments (LCA) that cover all product life cycle stages, including material procurement to production, transport, use, and disposal to identify what aspect of a product group life cycle has the largest environmental impact and to tackle environmentally friendly design from multiple angles.

For chemical substances contained in our products, we have created containment standards and a management system, and perform green procurement.

Primary Product Characteristics According to Life Cycle Assessments, and Initiatives





(Note: The size of each circle indicates the relative environmental load associated with that stage in the product life cycle.)

Management of Chemical Substances Contained in Products

Some chemical substances contained in products have an environmental impact and therefore require proper treatment on disposal. Other substances may have potential health impacts to their users depending on application. For that reason, countries around the world have been strengthening restrictions for chemical substances contained in products and requiring data disclosure.

In February 2003, Yamaha established its own Standards for Chemical Content in Products. These standards are used to manage chemical substances in products during design and development to help ensure legal compliance and reduce environmental load. The standards are revised when necessary in response to legislative changes, the accession of voluntary standards, and other factors.

Creation of the Management System for Chemical Substances Contained in Products

In order to manage chemical substances contained in products, it is imperative to identify and control the chemical substances contained in the parts and materials making up finished products.

In fiscal 2009, the Yamaha Group established a management system and the Yamaha Group conducts a survey of its chemical-containing parts and materials with the cooperation of its suppliers, thereby contributing to improved management of these substances.

In fiscal 2011, Yamaha renewed its chemical substance management system, and adopted the AIS,^{*2} a standard industry format for the identification of chemical substances in products. The new system was likewise designed to comply flexibly with the European Union's ever-growing chemical substance regulations, such as SVHC^{*3} under REACH. Yamaha also holds briefing sessions in Japan and internationally to explain to and gain the cooperation of suppliers in implementing its new chemical management system.

*2 AIS: An abbreviation for Article Information Sheet. A basic communication sheet standardized by JAMP (Joint Article Management Promotion Consortium) for providing information on chemical substances contained in products. Parts makers can use the chemical information they receive from material makers to pass on to those they supply, ensuring the fluid transmission of information downstream.

*3 SVHC: An abbreviation for Substance of Very High Concern such as carcinogens. Under the REACH regulations, if a product contains more than a certain amount of an SVHC-designated substance, there is an obligation to disclose information and manage the product.

Promotion of Green Procurement

The Yamaha Group formulated and published the Green Procurement Standards in 2002. Data on the substances contained in materials and the status of initiatives for managing chemical substances provided by suppliers plays a role in confirming the status of restricted substances contained in products and assessing the influence of environmental regulations. For this activity, we set the core issue connected to human health and environment. We strive to procure materials and parts that have minimal load on the environment, and review Green Procurement Standards as required in line with changes in global environmental regulations.

[Green Procurement Standards](#) >

Yamaha Eco-Products Program

The Yamaha Eco-Products Program was launched in 2015 to promote the creation of environment-friendly products. A Yamaha Eco-Label is affixed to those products meeting our environmental standards, thus certifying them as Yamaha Eco-Products. Our objective is to provide straightforward information on our environmental efforts and support our customers in the decision-making process when selecting a product.

[Yamaha Eco-Products Program](#) >

[Sustainable Consumption](#) >



Yamaha Eco-Label

Products Supporting the Reduction of Environmental Load

The Yamaha Group products are not only for general consumers, but also for businesses. Some of the products help to reduce the environmental load of our customers' business activities or can be used to reduce environmental load when using products manufactured by the customer. The Yamaha Group works to reduce environmental load throughout society through the development and promotion of such products.

[Application of environmental technologies](#) >

Use of Sustainable Resources

1. Initiatives for Timber Resources
2. Reduction and Sustainability of Raw Materials
3. Preservation of Water Resources

Initiatives for Timber Resources

Among the instruments that the Yamaha Group produces, including pianos as well as string, percussion, and woodwind instruments, many require a primarily wood construction for acoustic reasons. Large amounts of timber are also used when making electronic musical instruments, speakers and soundproof rooms, due to the merits of wood in terms of acoustic performance, function, design, and texture.

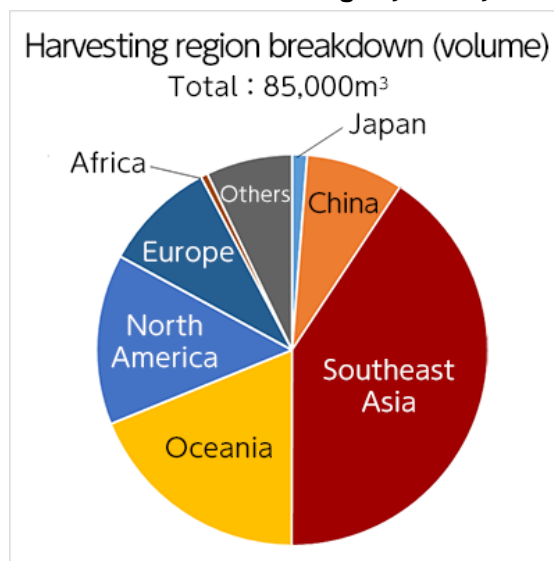
Considering the diverse variety of timber used in our business operations, the Group established a policy indicating the fundamental guidelines for procurement and application of timber in fiscal 2008. The guidelines indicate the direction of our timber usage in order to better conserve this precious resource as well as ensure its availability for continued use. In fiscal 2015, the Yamaha Group established the Yamaha Supplier CSR Code of Conduct, which clearly stipulates points related to the harvesting and trading of timber resources, that Yamaha suppliers are requested to observe.

The guidelines and Code of Conduct help the Group accomplish sustainable procurement that is friendly to the environment and the biodiversity within its ecosystems, and meet its aim to maximize the use of timber as a first-rate recyclable resource without waste.

[Yamaha Group Timber Procurement Policy](#) >

[Yamaha Supplier CSR Code of Conduct](#) >

Ratio of Yamaha Timber Resources Origin by Country (fiscal 2017)



Excludes some products that are not Yamaha brand.

For figures regarding volume, please refer to [the environmental data page](#).

Investigation of the Timber Resources Supply Chain

It is necessary to consider the environment in a way that ensures forest resources are utilized in a sustainable way, and this requires the management of both forestry in the production region and the supply chain. Operations must be economically sustainable and contribute to advancement of the community through creating jobs and encouraging infrastructure. The Yamaha Group strictly confirms the sustainability and legality of timber resources by cooperating with suppliers, and conducts research regarding resource volume and the management status of forests that produce timber for musical instruments.

In fiscal 2016, Yamaha investigated African Blackwood (commonly known as granadilla), which is the material used for wood wind instruments, specifically regarding the amount of resources and forestry management status in the United Republic of Tanzania where the timber was being procured at that time.

African Blackwood is highly valued for its use in various products such as furniture, crafts, and musical instruments. However, it has been discovered the availability of the wood as a resource is decreasing, and an accurate understanding of resource volume is required.

The investigation was conducted with the cooperation of a local NGO as a part of Japanese Forestry Agency's program "Promotion of Sustainable Forestry Management in Developing Countries." As a result, we received a number of ecological findings related to the distribution, growth and natural regeneration of African Blackwood and Yamaha also investigated the FSC-certified forest*¹ that was being operated by the local community, and confirmed the existing forest management system as well as the current status of processing and supply chain of wood.

In fiscal 2017, Yamaha began forming a business model for the African Blackwood as a sustainable instrument material, aiming for the effective utilization of existing resources and securing of sufficient future resources by systematic forest management and planting in cooperation with the Japan International Cooperation Agency (JICA)*².

Currently, based on the investigation conducted in fiscal 2016, Yamaha is extracting the previous issues relating to a model for the sustainable timber procurement. From fiscal 2018, Yamaha will conduct further forest investigations focusing on approximately 15 hectares of FSC-certified forest. Through this Yamaha aims to improve forest management techniques. In addition, an appropriate forestry system to produce sustainable timber by local residents will be established based on investigation results. We will also conduct social economy investigation in local communities. The sustainable forest Yamaha aims for will be achieved through close collaboration with local people and our own technical support.

*1 FSC-certified forests are believed to be guaranteed as having sustainable forestry management as certification is received after auditing by a third-party organization

*2 These activities were adopted as "preparatory investigation for the sustainable timber procurement project from FSC-certified forests (cooperative promotion of BOP business)" for "corporative preparatory investigation (BOP business) (currently: investigation of problem-solving business on developing countries (SDGs business))" which is one of JICA's private cooperative businesses, (BOP Business) on August 2016.



African Blackwood Tree



Ecological survey



A cross-section of African Blackwood

Creation of a Circulating-type Forest

Kitami Mokuzai Co., Ltd., a Hokkaido-based company that manufactures piano sound boards using natural *Picea glehnii*, signed an agreement to establish "Piano Forests" in cooperation with the Okhotsk Sub-prefectural Bureau and the town of Engaru, Monbetsu-gun, Hokkaido Prefecture in March 2016. Since then, these organizations have been working together to create a circulating-type forest and expand the demand of artificial *Picea glehnii*.

In recent years, due to a decrease in natural forest timber, it has become essential to secure a stable supply for the timber grown in Hokkaido. As a result, to secure a stable supply of *Picea glehnii*, the three parties established "Piano Forests" in the forestlands owned by the Okhotsk Sub-prefectural Bureau and the town of Engaru. The aim is to preserve the forests and to ensure that the Okhotsk "tree culture" is passed on to future generations.

Moreover, in the future, we will work to grow high-quality timber in this forest and use it to manufacture piano sound boards.



A *Picea glehnii* plantation

Use of Timber Resources in Environmentally Friendly Products

The decline of timber resources makes it more difficult each year to stably acquire the wood materials needed for musical instruments and other products in good condition. The Yamaha Group strives to make full use of wooden materials and proactively introducing wood cultivated specifically for industrial purposes on planned plantations.

In addition, the Group focuses on developing alternative materials that accurately reproduce the sound quality of rare wood materials best suited for making instruments.

Case examples are introduced in [the application of environmental technologies page](#). >

Reduction and Sustainability of Raw Materials

Resource-Conserving Products

The Yamaha Group strives to conserve resources used in its products from a variety of standpoints, such as reducing product size and weight, integration of several products into one and by reducing product packaging. Further, with waste reduction in mind, the Group also focuses on the longevity of its products that will ultimately lead to less use of resources.

[Environmentally Friendly Products and Services](#) >

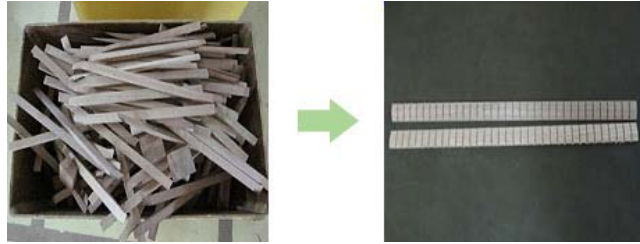
Utilization of Sustainable Raw Materials

Yamaha conducts initiatives to develop alternative materials that can be substituted for scarce timber, and adopts sustainable materials such as biomass-derived resins for use in its products

[Environmentally Friendly Products and Services](#) >

Making Effective Use of Timber Resources

Yamaha is working to reduce waste by improving the yield ratio in timber processing, and reusing and recycling timber offcuts from processes and unused materials.



Some timber offcuts previously disposed of as waste are instead reused as angle rafters (reinforcing materials inside guitar bodies)

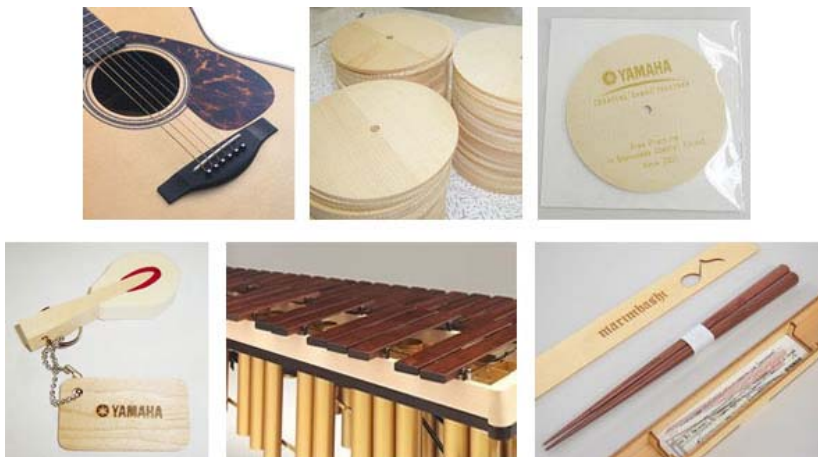


Wood chips are being sold to building material makers as raw material for hard board.



Briquettes made from sawdust left over from the piano manufacturing process (pellet)

Recycling as a material for wood plastic composite (WPC)



Memorabilia using timber offcuts or unused materials

Waste Reduction and Resource Recycling

Aiming at the most effective use of limited resources, the Yamaha Group (in Japan) has established systems to perform recovery/separation in order to reduce the volume of waste produced and promote recycling. Waste going to landfills from the Yamaha Group amounted to less than 1% of total waste generated, maintaining a zero-emission^{*3} status for the Group.

*3 The Yamaha Group defines "zero emissions" as less than 1% of total waste emissions ending up in landfills.

Examples of Waste Reduction

Business-site	Timing	Description of activity
Toyooka Factory	Nov. 2010	Introduced vacuum concentration equipment for liquid waste and reduced the amount of waste acids and waste alkali generated in the wind instrument manufacturing process. Factory waste discharge was 49 tons in fiscal 2012 (80% reduction compared to fiscal 2010), largely contributed to reduction of domestic waste for the Yamaha Group.
	Fiscal 2012	Began processing waste from the R&D Department, which includes rare metals, as valuable resources and effectively utilizing it.
Takegawa Factory	Sep. 2009	Installed more wastewater processing equipment and began the in-house processing of wastewater including adhesive agents generated in the piano manufacturing process. This has led to a waste reduction of around 900 tons annually since fiscal 2011.
	Sep. 2012	Increased ability to process wastewater including adhesive agents in newly installed processes. This has led to a waste reduction of around 270 tons annually.
Xiaoshan Yamaha Musical Instrument Co., Ltd.	Fiscal 2014	Reduced paint process-related waste by keeping the circulating water used in the musical instrument painting booths clean to enable longer usage. Waste produced was reduced more than 50% in fiscal 2014 compared to fiscal 2012 (202 tons reduced to 85 tons)
Yamaha Fine Technologies Co., Ltd.	Fiscal 2012	Reduced car part rejects by reducing equipment defects and quality defects. Reduced the factory's overall waste generation by 16% and achieved energy savings and resource savings by improving productivity.



Vacuum concentration equipment
(Toyooka Factory)

For data related to waste, please refer to [the environmental data page](#).

Preservation of Water Resources

The Yamaha Group uses water to wash products and cool facilities. The Group does not have production activities in areas where water resources are poor, so we believe there is not a large impact on the environment due to water use.

In the manufacturing of wind instruments, much water is used in the plating and washing process. Since the first half of the 1970s, the Yamaha Group has been recycling cooling water and wastewater from production processes using a reverse osmosis (RO membrane) device, as well as actively pursuing a policy to prevent leakage in water facilities.

[Protection of Biodiversity\(water quality preservation\)](#) >

[Prevention of pollution \(monitoring and compliance to laws and regulations\)](#) >

For data related to water usage and reuse, please refer to [the environmental data page](#).

Initiatives for Reduction and Recycling Use

Xiaoshan Yamaha Musical Instrument Co., Ltd.

Xiaoshan Yamaha Musical Instrument Co., Ltd., which manufactures wind instruments and percussion instruments in China, installed a wastewater treatment facility that purifies wastewater to the level of pure water. As a result, approximately 80% of the wastewater is now being reused for manufacturing processes. (In compliance with legal provisions for the inspection and improvement of corporate pollution resulting from electroplating in Zhejiang Province.*4)

In January 2015, a change was made to the cooling method for the annealing furnaces used for heat treating the copper tube components of wind instruments. The new cooling method uses a circulating water supply. As a result, water used for cooling was reduced by approximately 5,700 tons from the previous fiscal year.

*4 Legislation passed in Zhejiang Province aims to enhance environmental preservation in electroplating factories. Companies engaged in electroplating processes must conform to 56 items related to environmental preservation system and equipment. Standards for metals such as copper and nickel are stricter than those for general factory wastewater.



Wastewater treatment facility
(Xiaoshan Yamaha Musical
Instrument Co., Ltd.)



Cooling unit using circulated water
(Xiaoshan Yamaha Musical
Instrument Co., Ltd.)

P.T. Yamaha Musical Products Indonesia

The Group also introduced a new wastewater treatment facility that enables the reuse of 60% or more of the wastewater at the wind instrument manufacturer P.T. Yamaha Musical Products Indonesia (YMPI) in fiscal 2015. Furthermore, wastewater treatment processes are rationalized to reduce the use of chemicals.



Wastewater treatment facility at
YMPI

Hangzhou Yamaha

In response to increasingly stringent wastewater standards, Hangzhou Yamaha introduced a new wastewater treatment facility in May 2016.

This facility enables us to clean wastewater for reuse. The wastewater treated in this facility is reused for cooling water, etc., enabling 10,000 tons of water to be saved in fiscal 2017.



Wastewater treatment facility
(Hangzhou Yamaha)



Reusing wastewater for cooling
water (Hangzhou Yamaha)

Climate Change Mitigation and Adaptation

1. Basic Measures and Targets/Achievements
2. Reduction of Greenhouse Gases

Basic Measures and Targets/Achievements

Regarding measures against climate change, the Yamaha Group endeavors to reduce its greenhouse gas emissions through optimization of production methods and equipment configuration, improving air conditioning equipment operational methods, installation of equipment with high energy efficiency, and extensive energy management, including adjustments to facility operating hours and thermostat settings. The Group has also introduced cogeneration systems and fuel switching.

Emission volumes are controlled in accordance with the GHG Protocol^{*1}. The calculation and management of the whole process, including the supply chain (Scope3), began in fiscal 2017. We will continue advancing our reduction measures while improving the accuracy of GHG calculations.

*1 Standard for the calculation and reporting of greenhouse gas emissions

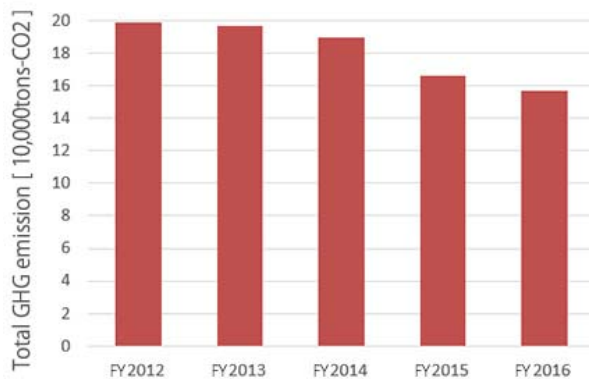
Initiatives and Achievements to Date

Yamaha Corporation and its production sites in Japan set the goal to reduce CO₂ emissions basic unit by 1% each year, and overseas production sites have set their goals using numerical values corresponding to each site, and all locations have proactively worked to achieve their targets.

Scope 1,2 Achievement (Yamaha Corporation and all production sites)

GHG emission (Scope 1+2)

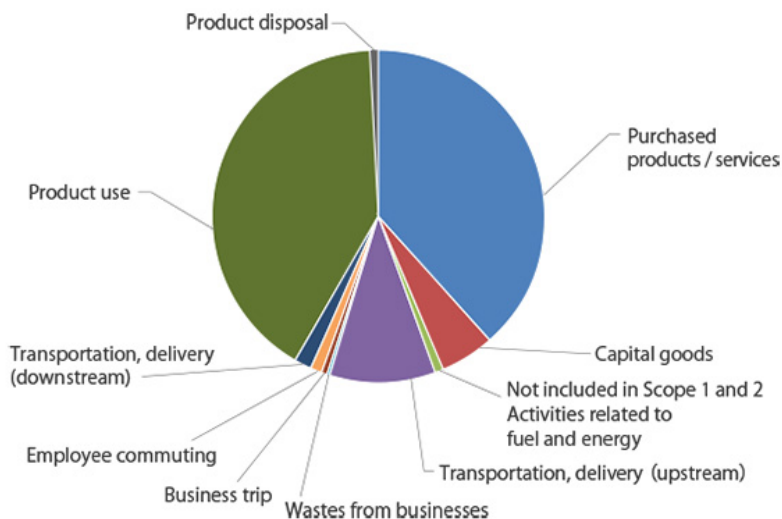
Total GHG emission (site / yearly emission coefficient)



*GHG ... Green House Gas

- Combined value of indirect emission through purchased electricity and steam, direct emission of carbon dioxide through in-house power generation heat usage, and GHG emission through manufacturing processes. (Scope 1+2)
- This data was collected from Yamaha Group headquarters, major manufacturing factories, and resort facilities on a worldwide basis. (estimated to consist over 90% of all Yamaha Group sites)

Scope 3 calculation (fiscal 2017)



[Environmental Data](#) >

Reduction of Greenhouse Gases

Manufacturing Process Initiatives

Energy Conservation Activities at String and Percussion Instrument Factory

The Ida Factory of string and percussion instrument manufacturer Yamaha Musical Products Japan Co., Ltd. (currently Yamaha Music Manufacturing Japan Corporation^{*}) established the Energy-saving Promotion Committee in fiscal 2011, and since then has been engaging in initiatives to reduce CO₂ emissions. In fiscal 2012, measures taken included ensuring the appropriate pressure for compressors, partitioning work booths, introducing power usage monitors and installing mosquito screens in offices. In fiscal 2014, the company implemented measures to save space and improve energy efficiency by consolidating equipment inside factories and rationalizing equipment layouts. In fiscal 2016, the company applied a thermal-barrier coating on the roof of the factory, improving air conditioning efficiency as a result. The company will continue to conserve energy through appropriate management of air conditioning and process integration.

^{*}Name changed following the merger on April 1, 2017.



Compressor in which the pressure has been set at an appropriate level

Energy Conservation Measures at Piano Factories

Yamaha Piano Manufacturing Japan Co., Ltd., (currently Yamaha Music Manufacturing Japan Corporation^{*3}) is conducting a range of ongoing efforts to conserve energy.

Specific activities include the removal of unnecessary lighting, changing from rapid-type fluorescent lighting to Hf-type lighting, replacing compressors with inverter compressors, updating distribution transformers and air-conditioning equipment, improving air-conditioning control, and others. With these activities, we have achieved our goal, including reducing CO₂ emissions by approximately 183 tons, and reducing electricity usage by approximately 354MWh for the cumulative total over three years from fiscal 2015.

^{*3} Name was changed following the merger on April 1, 2017.

Reduction of Peak Power at Factory

At Yamaha Fine Tech Co., Ltd., power consumption was reduced by efficiently managing air-conditioning and sprinkling water on the factory roof during the period of peak power consumption. In fiscal 2015, a summer system (July-September), whereby the start time is moved two hours ahead to 6:00 a.m., was introduced for the automobile interior parts painting process where the air-conditioning load is high. Through these measures, the peak power point was shifted from 2:00 p.m. to 11:00 a.m. Compared with fiscal 2014, peak power consumption was reduced by approximately 310kWh in the hotter part of the afternoon, and power consumption by 200,000kWh during the three-month period. Moreover, improved labor efficiency enables the company to save electricity by shortening facility operating hours.

We will continue efforts to reduce power consumption through a range of measures, such as reducing the number of air-conditioning and heating units required, by reviewing workplace layout the use of steam during the winter.

Energy Conservation Activities at a Factory in China

Hangzhou Yamaha Musical Instruments Inc. introduced various energy-saving measures that include making technological improvements and enhancing everyday management to suppress growing energy consumption as a result of increased production.

In fiscal 2012, these measures let the factory reduce energy consumption by 15% per unit of sales on a year-on-year basis. Recognizing these efforts to help the environment, Hangzhou City officials presented the company with "Cleaner Production Certification*1" in accordance with China's Cleaner Production Promotion Law at the end of 2011.

Since then, the company has implemented measures to reduce energy usage as follows:

- Fiscal 2013: The appropriate operation management of dust collectors
- Fiscal 2014: Reducing water supply operation times, the strategic use of lighting, and reducing the amount of time lights are used
- Fiscal 2015: An automatic control system for dust collectors was introduced and digital electricity meters were installed in switchboards to further minimize energy consumption, thereby reducing downtime for machinery at night
- Fiscal 2016: Sequential shift of electric light to LEDs.



Notice board of environmental activities such as those for saving energy



Environmental education for employees

Environmental Initiatives at Resort Facilities

Yamaha Resort Inc. is working to reduce CO₂ emissions as follows:

Introduced a means of concentrating on work (Katsuragi Kitanomatsu)

Established fixed dates of closure in fiscal 2015. Power consumption reduced approximately 10%.

Reduced power consumption of golf course operations (Katuaragi Golf Club)

Green fan (greens maintenance) and air-conditioning in the facilities were adjusted, resulting in a 25,000kWh drop in power consumption during fiscal 2015, compared to previous fiscal year.

Introduced electric golf carts (Katuaragi Golf Club)

Since fiscal 2009, gasoline-powered golf carts have been replaced with electric models. Completed the changeover in 2013. Eliminated more than 8 tons of CO₂ emissions a year.

Changed lighting to LEDs.

Implemented in prioritized areas where business necessitates keeping lighting on, resulting in a yearly reduction of around 20,000 kWh, or roughly 10 tons of CO₂.

Initiatives at Offices

Key Measures to Conserve Electricity

Efforts included reducing the amount of lighting (after examination of luminance), introducing LED lighting, turning off advertising lights, suspending elevators and notifying employees of power consumption to raise awareness.

The Move to LED Lighting

The Yamaha Corporation headquarters saved 24,600kWh of power per year by replacing approximately 200 florescent lights and mercury lamps with LED lighting in offices between fiscal 2014 and 2017. In fiscal 2015, the Yamaha Toyooka Factory saved approximately 44,000kWh by changing outside lighting to LEDs. Moreover, in fiscal 2017, 1,100 units of indoor fluorescents lights were changed out to LED lights, resulting in a power savings of approximately 15MWh per year. Further efforts will be taken to systematically install more LED lighting in factories and business sites in the future.

Implemented "Cool Biz" and "Warm Biz" initiatives (since 2005)

Summer (May to October): Encourage light attire such as no necktie and set air conditioning temperature to over 28°C

Winter (November to March): Wear warmer clothes so as not to rely too heavily on heating equipment and set temperature of heaters to under 20°C



In-house educational posters promoting the Cool Biz and Warm Biz programs

Participated in the Ministry of the Environment's Lights Down Campaign (since 2006)

The Yamaha Group's offices and facilities have participated on an individual basis in the Lights Down Campaign, where businesses turn off illuminated outdoor advertising. The campaign raises awareness of saving electricity and realizing use of daily lighting. Performance in fiscal 2015: 20 facilities conducted and cut back electric power consumption by approximately 2,600kWh while reducing CO₂ emissions by approximately 1.0 ton.

Green Eco Curtain Activities (since 2009)

These activities conserve energy and boost awareness in employees by planting "curtains" of morning glories, bitter gourd and other vine-type plants along the windows and walls of the buildings. Every year, approximately 10 business sites in Japan participate in these Green Eco Curtain activities.



Green Eco Curtain at Yamaha Corporation's headquarters office



Green Eco Curtain at Yamaha Labor Union office

Initiatives in Logistics

Saving Electricity and Reducing CO₂ Emissions in Logistics

The Yamaha Group is working to increase energy efficiency and reduce CO₂ emissions in logistics operations.

Guided by a basic policy of raising transport efficiency, we continually review transport routes, adopt routes that incorporate more efficient modes of transport, raise container loading ratios, streamline loading sites and warehouse facilities, and conduct joint transport with other companies. Efforts are also being made to reduce CO₂ emissions by disposing of waste locally and switching from air to sea for international shipping.

The Yamaha Group's total domestic transport volume and CO₂ emissions in fiscal 2017 remained about the same compared to the previous fiscal year, reaching 1,891 million ton-kilometers, while CO₂ emissions also resulted similar to last year's figures reaching 2,862 tons.

Reducing CO₂ emissions from logistics requires the cooperation of transport companies, so we are working with them to develop appropriate systems by requesting transportation companies we work with to cooperate in environmental efforts and incorporating environmental matters into questionnaires.

[Environmental Data](#) >

Reduced Resources and CO₂ Emissions in Piano Frame

Previously, Yamaha used disposable iron packing racks when transporting piano frames from Japan to Hangzhou Yamaha Musical Instruments Co., Ltd. To eliminate this waste, we are gradually introducing returnable packing racks for piano frames that can be used multiple times.

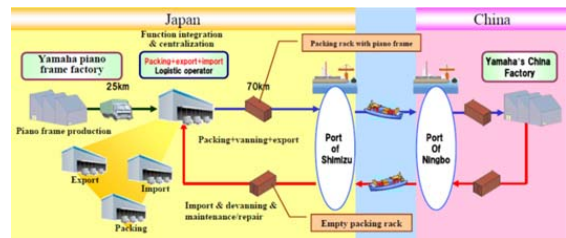
We completed the transition to returnable packing racks for pianos bound for China in fiscal 2012, and for Vietnam-bound pianos in fiscal 2014. Other initiatives included shortening the transportation route and improving load efficiency. These efforts resulted in a 100-ton reduction in CO₂ emissions associated with the disposal of iron packing and a 1,600-ton reduction in iron resource consumption for the year. Going forward, we will examine the possibility of shortening transport distance and reducing disposable packing materials, including for parts aside from piano frames.



Returnable rack for grand piano frames



Folded packing rack (when being returned)



Flow of returnable packing racks in logistics

Conserving Resources and Reducing CO₂ Emissions by Standardizing Packing Materials for Shipping Components and Materials

The Yamaha Group designs and standardizes packing boxes according to container size used in transportation, thereby improves the loading ratio of the container. This has let us reduce the number of containers used and eliminate 3 tons of associated CO₂ emissions a year. The Group has also cut down on paper resource usage by designing packaging that uses as little cushioning and other packaging material as possible.

Our assumption is that the supply of materials and components from overseas locations to Japan will increase.

Therefore, we first designed the standard packing boxes for piano components that can be used between China and Japan, and we are conducting validation for its practical use.



Loading container with packing boxes prior to standardization (left), Loading container using standardized packing boxes (right)

Protection of Biodiversity

1. Responsibility as a Company Using Timber
2. Initiatives for Environmental Preservation/Protection of Biodiversity

Responsibility as a Company Using Timber

The Yamaha Group conducts business activities supported by natural resources and an ecosystem that produces these resources, such as using timber as a raw material to make a variety of products including acoustic musical instruments.

The Group promotes applicable business activities, appropriate timber use and environmental preservation activities based on its commitments for the preservation of forests and biodiversity, as stated in our corporate social responsibility and environmental policies.

[Yamaha Corporation Group CSR Policy](#) >

[Yamaha Group Environmental Policy](#) >

[Use of Sustainable Resources](#) >

Initiatives for Environmental Preservation/Protection of Biodiversity

Measures for Chemical Substances

In an effort to inhibit the impact of chemical substances on the environment and ecosystem, Yamaha is working to strengthen management and reduce usage, and implementing measures to prevent leakage.

[Prevention of pollution](#) >

Water Quality Preservation

We build treatment facilities, and monitor and audit them so that the wastewater from processes will not contaminate public water systems, land and groundwater.

[Prevention of pollution](#) >

Evaluation of the Impact of Factory Wastewater on the Ecosystem (Toyooka Factory)

In 2016, Yamaha Corporation's Toyooka Factory conducted an evaluation to assess the impact of factory wastewater on the ecosystem.

At the Toyooka Factory, Yamaha Musical Products Japan Co., Ltd. (currently Yamaha Music Manufacturing Japan Corporation^{*1}) produces wind instruments, and detoxifies wastewater generated production processes before releasing it into waterways. In this investigation, we evaluated the effectiveness by using the WET Method^{*2}, and confirmed that the impact on the ecosystem is minimal.

*1 Revised accompanied with the merger as of April 1, 2017

*2 WET method: Whole Effluent Toxicity. This is the wastewater management method to evaluate whether the wastewater from factories/businesses is harmful to ecosystems by measuring the impact on the existence, growth and reproduction of aquatic organisms, such as algae, water fleas, and fish in diluted wastage.

Preservation of Forests/Natural Environments

Yamaha Forest Activities in Indonesia

Yamaha Corporation and six local Indonesian subsidiaries^{*3} have carried out Yamaha Forest activities in the form of planting in Indonesia, thus contributing to the regional society.

Indonesia is a treasure trove of diverse world species. In recent years, however, the forests that produce the bounty of biodiversity have been in rapid decline.

Phase 1 activities of the Yamaha Forest project begun in fiscal 2006 involved planting approximately 110,000 saplings over approximately 127 hectares of public land in Sukabumi, West Java in efforts to restore the functionality of the forest together with Yamaha Motor Group. This area is designated by the provincial government as "HUNTAN KOTA" (city forest preserve), and is managed appropriately. In Phase 2, which commenced in fiscal 2011, the project involved planting approximately 50,000 saplings over approximately 50 hectares of arid land in Ciremai National Park in Kuningan, West Java to regenerate the forest and recover the ecological system.

Yamaha worked with the Japan International Cooperation Agency (JICA), the Ministry of Forestry of the Republic of Indonesia, and the Forestry Department of the University of Kuningan. These initiatives involved planting tree types selected based on academic studies in order to restore natural forests and rehabilitate ecosystems in accordance with regional characteristics. A tree planting event was held annually and various local parties participated. The event consisted of commemorative tree planting and educating the children involved about the environment. Afterwards, Yamaha conducted maintenance, such as cutting grass and addressing moisture retention, and transferred control of the newly grown trees to Ciremai National Park in fiscal 2017. Two of the Yamaha Forests are steadily growing and will be preserved for future generations through the management of the local government and people involved.



Achievements of Indonesia Yamaha Forest Activities

	Phase 1 (FY2006 — FY2010)	Phase II (FY2011 — FY2015)
Sponsor	Yamaha Corporation and six local Indonesian subsidiaries Yamaha Motor Co, Ltd. and two local Indonesian subsidiaries	Yamaha Corporation and six local Indonesian subsidiaries
Cooperation	OISCA	Japan International Cooperation Agency (JICA)) , Local National Park Management Office, Local Consultant : National Kuningan University Forest Department (FY2011-FY2012) /Field Manager Mr. Ir NURHADI, Msi (FY2013-FY2017)
Location	Purabuhanratu County, Sukabumi Regency, West Java, Indonesia (100km from Jakarta)	Chiremei Mountain National Park, Chirimusu County, Kuningan Regency, West Java, Indonesia (200km east south east from Jakarta)
Period	From December 2005 to March 2010	From December 2010 to March 2015 (planting activities) April 2015 to March 2017 (Maintenance)
Main cause of forest loss	Destructive timber practices	Forest fire
Purpose	Recovery of biodiversity, recharge water source, prevention of soil erosion, CO ₂ absorption and fixation	Recovery of biodiversity, recharge water source, prevention of soil erosion, CO ₂ absorption and fixation

	Phase 1 (FY2006 — FY2010)	Phase II (FY2011 — FY2015)
Area	126.7ha	50ha
Number of trees	115,110	52,870
Type of tree	Mahogany, teak, Paraserianthes falcataria, eucalyptus, Melina, Meranti etc. Total of 21.	Based on domestic vegetation research (Bayur, Peutag, Salam, AcaciaMimosa, Teurap, etc.) Total of 46.
Type of Activities	<ul style="list-style-type: none"> • Planting and management by OISCA Indonesia Developing Group. • Employees from Yamaha and Yamaha Motor participated in planting ceremony once a year • Environmental education activities (farmers' group or planting activity at schools, eco camps, etc.), Education support (support of desk, chair, sporting goods), Regional support (construction of community water area) 	<ul style="list-style-type: none"> • Participated in Rehabilitating Degraded Lands Project for protection of biodiversity in Indonesia Preservation Area (National Park). • Planting activities by local consultant under JICA management. • Employees from Yamaha Group participated in planting ceremony once a year • Conducted environmental education for elementary school students at the ceremony.
Planting ceremony	<ul style="list-style-type: none"> • Once a year • Total participants of 9,180 in 5 years (local elementary school, junior high school and high school students, residents and government affiliates) People related to Yamaha and Yamaha Motor totaled 930 	<ul style="list-style-type: none"> • Once a year • Total participants of 1,300 (local elementary school, junior high school and high school students, residents and government affiliates) People related to Yamaha totaled 120



Tree planting event (December 2014)



Left : Start of planting (2011) , right : Steady growth (2017)

*3 Six local Indonesian subsidiaries: Yamaha Indonesia, Yamaha Music Manufacturing Indonesia, Yamaha Music Indonesia (Distributor), Yamaha Music Manufacturing Asia, Yamaha Musical Products Indonesia, Yamaha Electronics Manufacturing Indonesia

Enshunada Coastal Forest Recovery Support

As one part of our environmental preservation activities, Yamaha Corporation signed on as a "Shizuoka Forests of the Future Supporter" with Shizuoka Prefecture and Hamamatsu City in March 2007.

Based on this agreement, Yamaha works to support reforestation of the Enshunada Coastal Forest in Hamamatsu City. This activity is to continuously plant young trees in the coastal forest that was seriously damaged by pine weevils. Trees planted have been growing steadily.

In October 2016, the 9th planting event was held jointly with Yamaha Motor Co., Ltd., and approximately 140 people, including employees of Yamaha and Yamaha Motor and their families, members of the community and related parties participated.

Planting achievement

Timing	Number of trees
1 st year 2008	115
2 nd year 2009	180
3 rd year 2010	150
4 th year 2011	155
5 th year 2012	160
6 th year 2013	200
7 th year 2014	300
8 th year 2015	480
9 th year 2016	245
Total	1,985



Planting young trees



Participants gather for a group photo in front of coastal trees

Preservation Activities for Protecting Scarce Species

In September 2016, the “Baby Sea Turtle Observation and Sustainable Beach Strategy” event planned by Yamaha Motor Co, Ltd. was held at Enshunada Beach in Hamamatsu City, Shizuoka Prefecture. A total of 69 employees from the Yamaha Group participated. Since 1991, Yamaha Motor Co, Ltd. has continued these preservation activities to save the baby *Caretatinae* turtles, which were categorized as an endangered species.

On the day of the event, members released the baby *Caretatinae*, removed waste from the beach, and placed sandbags on the beach to prevent erosion. Vegetation not natural to the area was also removed from the beach to protect the scarce organisms living on the sandy beach.



Released baby *Caretatinae*

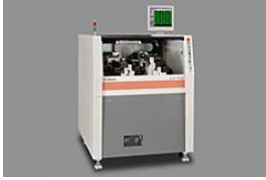




Removal of alien vegetation

Application of Environmental Technologies

1. Products supporting the reduction of environmental load. (Yamaha Fine Technologies Co., Ltd.)
2. Products Considering Timber Resources

Products supporting the reduction of environmental load. (Yamaha Fine Technologies Co., Ltd.)


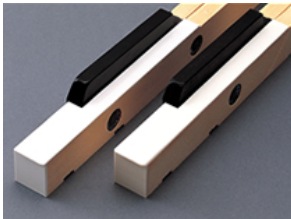

Products/ Services	Environmental feature/effect	Appearance	Related pages
Micro prober (a conduction and insulation inspection device)	Reduce waste and saves resources by improving yield rate of test objective products		Micro prober
Helium Leak Tester	Comply with automobile environmental regulations. Reduces environmental load while driving.		Helium Leak Tester
Hydrogen leak detector	Promote hydrogen as next generation energy		Table-top sniffer hydrogen detector

Products Considering Timber Resources



Protection of Natural Forests

Products/ Services	Outline	Appearance	Related pages
Electric guitar 『RGX-A2』	Use afforested timber in place of natural timber		RGXA2(Japanese Only)

Substituting Parts for Scarce Timber

Products/ Services	Outline	Appearance	Related pages
Glass- strengthened plastic resin "Acoustalon™"	Substitute Marimba sound board parts made from scarce timber using alternative material		-
Ebony-style natural wood	Substitute piano black key parts made from scarce ebony using alternative material		-
Carbon bow	Substitute for Brazilwood and other rare woods used		-

Chemical Substance Use Control (timber reform using A.R.E.)

Products/ Services	Outline	Appearance	Related pages
YVN500S acoustic violin, L Series acoustic guitar, etc.,	Using A.R.E. * treatment on body materials to improve sound features without using chemical substances		YVN500S
Yamaha Hall in the Yamaha Ginza Building	Using A.R.E. * treatment on stage floor to improve the sound characteristics without using chemical substances		Yamaha Hall(Japanese Only)

* A.R.E.: Acoustic Resonance Enhancement

Yamaha's proprietary technology for aging wood in a short time to improve its acoustic characteristics. Through precise control of temperature, humidity, and atmospheric pressure, the acoustic properties of the wood can be manipulated into a more ideal condition, similar to the acoustic characteristics of wood materials in instruments that have been played for years. Existing timber reform technologies are achieved utilizing chemical agent-based reforming method; however, A.R.E. does not use chemical agents in the processing stage at all. Therefore, this technology has a lower environmental impact.

[Yamaha Eco-Products Program](#) >

Fair Operating Practices



Prevention of Corruption >



Responsible Participation in Politics >



Fair Trade Practice >



Promotion of Social Responsibility in the Value Chain >



Respect for Property Rights (Protecting Intellectual Property) >

Prevention of Corruption

1. Anti-corruption Policy
2. Efforts to Be Thorough in Preventing Corruption

Anti-corruption Policy

In accordance with the United Nations Global Compact, the Yamaha Group has declared its intention to work against corruption, which is one of the Global Compact's principles. The Group also stipulates in its Compliance Code of Conduct that it rejects improper relationships with customers, governments, local governments and public institutions and that it will engage only in fair dealings.

[5-4 Elimination of improper relationships \(gift giving, business entertainment, etc.\)](#) >

[7-1 Transactions with governments, local governments and public institutions](#) >

[7-2 Prohibition against gift giving to and entertainment of government officials, etc.](#) >

[8-5 Prohibition against gift giving to foreign government officials](#) >

Efforts to Be Thorough in Preventing Corruption

The Yamaha Group has established and implements rules on entertainment and gift-giving for each department, based on the Yamaha Compliance Code of Conduct. In addition, Yamaha's legal department conducts activities to raise awareness among Group companies concerning international conventions and regulations to prevent corruption, such as the prohibition of bribery of foreign public servants. At Group companies overseas, we make an effort to understand risks related to corruption, such as indirect gift-giving by our clients, not only by the Group itself.

Risk of Gift-Giving in Business Activities

Since the Yamaha Group sells musical instruments and audio equipment to educational institutions and operators of public venues, and as such frequently participates in tenders. Moreover, in countries where specific business activities require approval from government bodies, we are required to negotiate with such parties. Yamaha is aware that the risk of gift-giving is high in business domains and countries such as these, and is engaging in efforts as a response to this risk.

In regards to specific regions, Yamaha particularly focuses its efforts on the BRICs countries, which rank high in the corruption perception index run by Transparency International, an NGO for the prevention of corruption, and Indonesia, where Yamaha has many group companies.

Preventing Gift-Giving to Public Servants in Japan and Overseas

Yamaha's overseas group companies have a particularly high awareness of the issue of giving gifts to public servants. Practically all of our overseas group companies have measures in place to discipline employees who commit bribery.

Meanwhile, only around 30% of our overseas group companies have established concrete countermeasures regarding the risk of gift-giving by their business partners, an issue that we know requires attention in the future.

Measures and Training for the Prevention of Corruption

In order to prevent unfair trade practices such as bribery, Yamaha Group companies, mainly overseas, take various measures.

Also, we require both Japanese and overseas group companies to conduct self-assessments in order to assess compliance status including prevention of corruption.

Main Measures and Results (FY 2017)

Measure	Results
Implementation of training for employees and business partners	Conducted at 21 companies
Regular transfer of employees in high-risk departments	Conducted at 9 companies
Establish contract provisions against bribery, unfair entertainment and gift giving	Provided for through agreements with 21 companies

Discovered Cases of Corruption

There were no reports of bribery at Yamaha in FY 2017 by any person claiming to be a Yamaha supplier or employee.

[Compliance \(Helpline system\)](#) >

Responsible Participation in Politics

1. Relationships with Governments, Local Governments and Public Institutions
2. Political Contributions

Relationships with Governments, Local Governments and Public Institutions

With respect to involvement in politics and policies, the Yamaha Group aims to demonstrate good faith in formulating and promoting policy that benefits not only our stakeholders but society as a whole.

Guided by this philosophy, we maintain appropriate relationships with the government and politicians in accordance with prescriptions concerning relationships with such in the Yamaha Compliance Code of Conduct.

[7-1 Transactions with Government and Public Officials](#) >

[7-2 Prohibition Against Gift Giving to and Entertainment of Government Officials, etc.](#) >

[7-3 Political Contributions](#) >

[7-4 Response to Government Authorities](#) >

Political Contributions

The Yamaha Group takes a neutral stance toward political parties and politicians, and it complies with the Public Office Election Law, the Political Funds Control Law and other laws and ordinances related to politics. It prohibits contributions to an individual politician since it is prohibited by law, and to a political organization or party in excess of the permissible amount under the law.

Under authoritative regulations for political contributions of 500,000 yen or more, it is mandatory for Yamaha Corporation to obtain approval of the company president, consult with the General Administration Division, the Corporate Finance Division and the Legal Division, as well as confirm the contribution with auditors. Group companies are also required to conform to the restrictions placed on each country's political fund control laws when making political contributions or payments of any kind to politically-related persons or persons belonging to public institutions in addition to the same regulations as Yamaha Corporation.

Furthermore, the auditors carry out an audit of political contributions every April and determine whether or not these rules are being appropriately obeyed throughout the Group.

[7-3 Political Contributions](#) >

Fair Trade Practice

1. Basic Policy
2. Mechanisms and Policies for Ensuring Fair Competition and Trade
3. Fair Competition Violations

Basic Policy

The Yamaha Group does not engage in any unfair trading practices or unjust practices designed to restrict competition, and makes every effort to ensure fair competition, the bedrock of healthy development in a market economy.

Moreover, as a partner working closely with its suppliers, Yamaha strives to maintain trusting relationships by proactively practicing fair trade. Yamaha familiarizes all its employees with rules governing corporate practices concerning market competition and rules regarding the maintenance of fair relationships with suppliers as laid out in the Yamaha Compliance Code of Conduct.

[5. Relationship with Business Partners >](#)

[6. Relationship with Competitors >](#)

Mechanisms and Policies for Ensuring Fair Competition and Trade

Our accounting system employs mechanisms that allow for managing business conducted with subcontractors and preventing payment delays.

Furthermore, through opportunities that include conferences with Procurement Department employees, we inform internal departments of related standards and notifications from the government regarding the Subcontract Act as part of measures to stay abreast of and familiarize employees with legal requirements.

Legal Training for Fair Trade Practices

In Japan, the manufacturing industry in particular heavily relies upon subcontracting and, as such, fair trade is an important topic. Every year, the Yamaha Group conducts training on laws and regulations including the Subcontractors Act, the Antimonopoly Act, and consumer laws. In fiscal 2017, a total of approx. 220 employees from domestic group companies participated in the Antimonopoly Act and the Subcontractors Act training programs. In addition to this legal training was held for Yamaha Music Entertainment Holdings Inc., whose main business is software, which differs from the manufacturing industry.

Moreover, within a personnel development program suited to career stages, we disseminate knowledge regarding compliance points specifically relating to fair trade.

In Europe, we prevent unfair trade practices such as resale price fixing among retailers by stipulating this clearly in business agreements and educating employees.

Legal training* (Yamaha Corporation and domestic Group companies)

	FY 2015	FY 2016	FY 2017
Legal training participants	About 250	About 180	About 220

*Total participants



Legal training

Fair Competition Violations

In FY 2017 the competent authority identified two cases of fair competition violations within the Yamaha Group. Yamaha Music Communications Co., Ltd., which designs, produces, manufactures, and sells music and video software, received an on-site inspection by the Small and Medium Enterprise Agency. An error was pointed out in the company's order form content along with one outstanding case of payment not being made within 60 days after product delivery. The company has taken corrective action and submitted remedial measures.

As a result of on-site inspection conducted at the end of FY 2017, the Golf HS Division of Yamaha also received word that its order forms contained errors. Corrective action has been taken for these errors and remedial measures have been submitted.

Promotion of Social Responsibility in the Value Chain

1. Basic Policy
2. Basic Policy Promoting CSR in the Supply Chain
3. Responsible Raw Material Procurement
4. Communication with Business Partners

Basic Policy

The Yamaha Group promotes CSR throughout the entire value chain in areas such as product and service development, materials procurement, manufacturing, selling and recycling.

[CSR Issues and Initiatives in the Value Chain](#) >

Basic Policy Promoting CSR in the Supply Chain

The Yamaha Group exerts efforts to promote CSR within its supply chain in cooperation with its business partners. As a part of this, in addition to informing suppliers about our procurement policies, we request that suppliers comply with the CSR code of conduct (labor/human rights, occupational safety, environmental conservation, and ethics), implement self-assessment, and make improvements where necessary.

Yamaha Procurement Policies

[Yamaha Group Purchasing Philosophy](#) >

[Yamaha Group Timber Procurement Policy](#) >

[Green Procurement Standards](#) >

[Response to Conflict Minerals](#) >

CSR-related Requests to Suppliers

In March 2015, we established the “Yamaha Supplier CSR Code of Conduct,” which documents CSR-related requests made by suppliers in writing, and began requesting suppliers to comply with the Code of Conduct and implement self-assessment.

And, from fiscal 2017, Yamaha clearly stipulates [the Yamaha Supplier CSR Code of Conduct](#) in every business agreement.

CSR-related Requests to Suppliers (Yamaha Supplier CSR Code of Conduct)*1

Category	Requests
Labor and Human Rights	<ul style="list-style-type: none"> No forced labor No child labor Appropriate working hours Fair wages and benefits No inhumane treatment Non-discrimination Freedom of association Handling of conflict minerals
Occupational Safety	<ul style="list-style-type: none"> Safe workplace Accident prevention and emergency preparedness Prevention of occupational injury and illness Management of physically-demanding work Machine & equipment safety measures Healthy and safe facilities
Environmental Conservation	<ul style="list-style-type: none"> Compliance with environmental regulations Resource and energy saving Wastewater management Air emission management Proper disposal of solid waste Management of chemical substances Management of hazardous substances Biodiversity conservation
Ethics	<ul style="list-style-type: none"> Prohibition of all forms of corruption and bribery Prohibition of anticompetitive behavior Information disclosure Provision of appropriate product information Fraud early detection and prevention Protection of intellectual property Protection of personal information

*1 In addition to the above, suppliers of lumber are requested to procure sustainable timber resources.



Yamaha Supplier CSR Code of Conduct

ヤマハサプライヤー-CSR自己点検表(BAQ)		社名	業種	所在地	代表者	担当	電話番号	メールアドレス
<p>本表は「Yamahaサプライヤー-CSR自己点検表(BAQ)」を基に、各サプライヤーの状況に合わせて作成されたものです。特定の項目に該当する場合は、必ず「Yamahaサプライヤー-CSR自己点検表(BAQ)」の「注」を必ずご確認ください。また、本表は、各サプライヤーの状況に合わせて作成されたものです。特定の項目に該当する場合は、必ず「Yamahaサプライヤー-CSR自己点検表(BAQ)」の「注」を必ずご確認ください。</p>								
<p>(回答方法) 〇：該当する項目に該当する場合は「〇」を記入してください。△：該当する項目に該当する場合は「△」を記入してください。×：該当する項目に該当しない場合は「×」を記入してください。</p>								
<p>(必須のプロフィール)</p>								
1. 法人名								
2. 所在地								
3. 代表者								
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5. 売上(前年実績)の増減率								
6. 従業員数								
7. 業種								
8. 業種別								
9. 1000万円未満の売上								
10. 1000万円以上の売上								
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Yamaha Supplier CSR Self-Assessment Questionnaire

Status of Supplier CSR Self-Assessment

From fiscal 2016 to fiscal 2017 we requested Yamaha Group's tier 1 suppliers (totaling 4,044 companies^{*2}) to conduct self-assessment. Based on responses from 3,981 companies, we requested correction in writing to four companies specifically in need of improvement and verified those corrections.

Status of Supplier CSR Self-Assessment (the Yamaha Group)

	FY 2016	FY 2017	Total
Main Targets	Suppliers for domestic production sites	Suppliers for production sites abroad	-
Requested companies^{*2}	1,554	2,490	4,044
Responses^{*2}	1,535	2,446	3,981
Response rate	98.8%	98.2%	98.4%

^{*2} The overall number is given as some suppliers may have conducted more than one self-assessment due to having multiple sites.

Education for Employees in Charge of Procurement

The Yamaha Group promotes internal training for its employees in charge of procurement relating to fair trade, such as the Act against Delay in Payment of Subcontract Proceeds, etc. (Subcontract Act) and the Worker Dispatching Act, information security and protection of personal information. Also we held orientation meetings for our employees who request suppliers to adhere to the Yamaha Supplier CSR Code of Conduct and introduce self-assessment. From fiscal 2016 to fiscal 2017, a total of 19 sites and 151 employees participated in the orientation meetings, gaining a deeper understanding of CSR procurement.

Socially responsible procurement orientation meetings Held

		FY 2016	FY 2017	Total
Sites	Japan	7	-	7
	Overseas	5	7	12
	Total	12	7	19
Total participants		128	23	151



Socially responsible procurement orientation meetings (Malaysia)



Socially responsible procurement orientation meetings (Indonesia)

Responsible Raw Material Procurement

In the procurement of various types of raw materials and other resources, it is important to practice responsible procurement with a view to the impact on the environment and society. The Yamaha Group is focused on themes that include green procurement and the sustainable procurement of timber, an important natural resource for instruments and other products.

[Click here](#) for our efforts at sustainable timber procurement.

[Click here](#) for our green procurement activities.

Combating conflict minerals

Mineral resources such as tin, tantalum, tungsten, gold and others mined in the Republic of the Congo and neighboring countries are called "conflict minerals" as they may be the source of funds for armed groups violating human rights through inhumane acts including violence and plunder. Aiming to procure minerals that play no part in the violation of human rights or environmental destruction, the Yamaha Group promotes efforts to stop the use of conflict minerals. To satisfy clients who demand that we investigate the sources of raw materials, we promote initiatives for our suppliers to avoid the use of conflict minerals based on the Yamaha Supplier CSR Code of Conduct.

Communication with Business Partners

The Yamaha Group promotes communication with its business partners in its value chain. In Japan, we share information about management and production and sales trends among the suppliers that provide us with raw and processed materials, parts, and equipment and the subcontractors that provide construction and other services. We also provide support for worker safety and environmental conservation activities. In addition, we tour the waste treatment subcontractors that come to our domestic production bases, inspecting the environment and discussing issues.

Events held in fiscal 2017

Annual general meeting — Twice a year (once each with suppliers and with equipment/construction/etc. subcontractors)

Briefing session on trends in production and sales — Twice a year with suppliers and equipment/construction/etc. subcontractors

Safety and health inspection patrols — Site construction work at 2 factories

Waste management subcontractors — Site tours taken at 26 companies

Respect for Property Rights (Protecting Intellectual Property)

1. Basic Policy and Framework
2. Measures to Protect Intellectual Property
3. Accolades from Outside Organizations

Basic Policy and Framework

The Yamaha Group has worked hard to acquire patents and other intellectual property rights for the intellectual capital we have built up since our founding, and are taking a variety of measures aimed at maximizing the business benefits of intellectual property. We also respect the intellectual property rights of third parties, and have made this clear in our Compliance Code of Conduct.

Under the leadership of Yamaha Corporation, the Yamaha Group centrally manages the intellectual property of all companies in the Group and liaises closely with related departments to promote the unification of business strategy, research and development strategy and intellectual property strategy. Moreover, it has provisions for handling rights (such as patents and design rights) related to creation that occurs in the course of business duties and a compensation system in place.

[6-3 Respect for Intellectual Property Rights >](#)

Measures to Protect Intellectual Property

Yamaha works to protect intellectual property based on respect for third parties' intellectual property rights while proactively acquiring rights to new intellectual property that is created in the course of business activities.

Patents

We have formulated a patent strategy to match the characteristics of our business and are aiming to build a strong patent portfolio.

With regard to each business, we are engaged in patent activities with the main aims of differentiation from other companies as well as acquisition and maintenance of business superiority, and we are moving forward with licensing to third parties in some business areas.

What's more, regarding all patent rights retained in Japan and overseas, every year we are working to optimize our property by evaluating the rights, including the state of current utilization and future possibilities, and rigorously categorizing rights held.

The total number of patents and utility models for practical use held by the Yamaha Group in Japan as of March 31, 2017 was approximately 4,700. The total number it holds overseas, principally in the United States, European Union, and China, is 4,400.

Design

In the Yamaha Group, we see design as an important element of product differentiation and are working to protect and use it appropriately. In recent years, the Yamaha Group has been strengthening its acquisition of design rights in China as an anti-counterfeiting measure.

As of March 31, 2017, we held approximately 1,100 design rights, with 380 in Japan and 730 overseas.

Copyright

In addition to the industrial property rights of patents, designs, and trademarks, the Yamaha Group creates and owns a large number of copyright works in sound, music, and other fields. In particular, music-related copyrights are important intellectual property, and Yamaha tries to manage and fully utilize these rights (including through legal action).

Education and training on the proper use of copyright works are also provided to employees. In addition to holding annual copyright seminars, we invite experts from various industries relating to copyrights, to give lectures once a year. In fiscal 2017, Yamaha invited Mr. Minoru Mukaiya, a regular member of the Japanese Society for Rights of Authors, Composers and Publishers (JASRAC), and a composer, player, and music producer, to give a lecture. In his lecture entitled "Music Copyright from the Eyes of the Copyright Holder/Performer", Mr. Mukaiya introduced various experiences on the music production site. A lively Q&A session followed.



In-house educational tools related to copyright



Copyright lecture by Mr. Mukaiya

Brand

Brands are an important asset for Yamaha Group. While ensuring the brand image they have worked hard to cultivate is not tarnished, we must also remain continually focused on further enhancing brand value as part of their business activities.

In 1986, the Yamaha Group established a management procedure related to the Yamaha brand, while at the same time building a companywide brand management organization (Brand Committee). Ever since, we have been advancing the creation of rules governing how our brands are shown and working to maintain and improve brand value by achieving appropriate use.

Yamaha has trademarked its brand in almost every part of the world, and conducts preliminary investigations and acquires rights via the appropriate methods for the sub-brands of its products, services, and technologies.

Measures to fight counterfeit goods

There has been no abatement in the counterfeiting and unauthorized usage of Yamaha brand products. The Yamaha Group continues to take action against these problems in order to eliminate the economic disadvantage for consumers while ensuring safety and, by extension, maintain trust in the Yamaha brand. With efforts focused on China in particular, we are strengthening measures to stop the sale of counterfeit goods over the electronic commerce in recent years, while filing lawsuits and requesting administrative disciplinary action against the counterfeit goods supplied by real stores and/or factories..

Accolades from Outside Organizations

Named One of the "2016 Top 100 Global Innovators" by Clarivate Analytics

In January 2017 Yamaha Corporation was selected as one of the "2016 Top 100 Global Innovators" by Clarivate Analytics, based on the high appraisal of its intellectual property activities in Japan and overseas. Having also received this honor in 2011, 2014, and 2015, this year's achievement took the total to four, as well as being the third consecutive year to be honored with this recognition.

In 2016, Yamaha received high evaluations for "globalization" in its patent activities, which was the key point that led to the selection.

Going forward, Yamaha will continue its intellectual property activities by further accumulating its stock of intellectual assets, including patents.

2016

TOP 100
GLOBAL
INNOVATORS



Consumer Issues



Product Information Disclosure
>



Ensuring Product Safety >



Quality Assurance >



Sustainable Consumption >



Improving Customer Satisfaction
>



Initiatives for Improved Customer Response and Support >



Personal Information Protection
>



Enhancing Products and Services
>

Product Information Disclosure

1. Structure of Information Disclosure
2. Situation Regarding Incidents such as Product Defects
3. Initiatives for Awareness of Safety
4. Proper Product Labeling and Advertising
5. Status on Violation of Laws and Regulations Regarding Labeling and Advertising

Structure of Information Disclosure

The Yamaha Group takes all possible measures to prevent any damage on the lives or physical well-being or the belongings of customers caused by products, services, facilities, etc. provided by the Group. In the unlikely event of an accident, the Group notifies relevant authorities according to the laws and regulations, undertakes a product recall for customer safety, and conducts proactive disclosure of information without delay.

The Group painstakingly convey information to customers using methods that range from information posted on the Company's website to press releases, notification through newspapers and industry magazines, direct mail and telephone. The type of customer contact is determined by the level of gravity and urgency as well as the status of customer product use.

Situation Regarding Incidents such as Product Defects

In fiscal 2017, a total of 27 cases were recorded as product accidents or defects within the Yamaha Group.

An accident involving a lock-in inside a wooden soundproof slide door occurred on July 2016, and a recall for inspection and repair of the product's defective door was started in November. Since all of the customers to whom the product was delivered were listed and identified, individual customers were immediately contacted by direct mail or telephone for support.

[Status of Violation of Laws and Regulations Regarding Product Safety and Services](#) >

Initiatives for Awareness of Safety

The Yamaha Group provides information through media that is easy for customers to access such as instruction manuals, catalogues as well as its website to promote the safe use of its products, and works to enlighten people on safety to prevent accidents from occurring.

Yamaha posts information to promote safety on its catalogues for school-use musical instruments and devices, and also publishes individual product information on its website. In fiscal 2017, information regarding the safe use of musical instruments in general and soundproof rooms, were additionally published on our website.

[For the safe use of products. \(Japanese only\)](#) >

Proper Product Labeling and Advertising

The Yamaha Group conducts advertising and promotions that accurately convey the details of products and services to customers. At the same time, we strive to provide accurate information related to our products and services in accordance with laws and regulations. To achieve this, we have stipulated a Code of Conduct and are implementing it. Furthermore, the labeling is validated based on the quality management system.

[1-3 Proper Advertisement and Publicity and Accurate Presentation of Information](#) >

Status on Violation of Laws and Regulations Regarding Labeling and Advertising

In fiscal 2017, ten incidents of law or regulation violations regarding product labeling were detected (3 cases of incorrect regulation marking, 2 cases of insufficient labeling language, 1 case of unlabeled regulation marking, 2 cases of certificate clerical error, 1 case of nameplate attachment error, and 1 case of incorrect labeling of country-of-origin) All of the incidents were handled appropriately. No fines were imposed regarding these regulation violations.

Ensuring Product Safety

1. Basic Policy
2. Structure and Correspondence to Ensure Safety
3. Training for Product Safety
4. Status of Violation of Laws and Regulations Regarding Accidents and Safety Involving Products and Services

Basic Policy

The Yamaha Group believes that the safety of its products, services and facilities falls under the concept of fundamental quality that must be provided.

The Group define how we ensure the safety of products and services in our Compliance Code of Conduct. To put this into practice, we are working to organize the structure, and strengthen design processes towards essential safe design.

[1-2 Ensuring Safety of Products and Services >](#)

Structure and Correspondence to Ensure Safety

The Yamaha Group endeavors to ensure and improve product safety through the safety-conscious designing of products, and correspondence to safety inspections and Laws and Regulations related to its products.

Safety-Conscious Product Design

The Yamaha Group pursues safety-conscious designing of its products, and its efforts include incorporating a risk assessment process into the design review at the time of development.

Through the risk assessment process, we identify and hypothesize potential risks involved in each product and manner of using it, allowing us to consider the minimization or removal of these risks during the product design process.

In fiscal 2017, we introduced the "R-Map," method*, an internationally recognized risk assessment process. We are proceeding with activities to further enhance the efficiency of our risk assessment activities.

*The R-Map method is a method proposed by the Union of Japanese Scientists and Engineers, and visualizes risk on a 6x5 matrix. It is utilized for risk reduction during designing processes and evaluation of product risk. The Ministry of International Trade and Industry, and National Institute of Technology and Evaluation (NITE) also evaluate risks by using the R-Map method.

Safety Reviews of Major Products

The Yamaha Corporation Quality Assurance Division conducts labeling confirmation and safety inspections of the Yamaha Group's major products (approx. 40 products per year) that are actually being sold, and provides feedback of the results to the department in charge, and strives to improve safety.

Corresponding to Product Regulations and Standards in Each Country

Yamaha monitors trends in information for regulations and has decided on an internal policy and developed a structure for full compliance with each country's regulations and standards pertaining to product quality and safety as well as environmental protection through the cooperation with local group companies.

Based on recent year's strengthening standards that apply to electromagnetic waves, Yamaha Corporation has installed electromagnetic wave measurement equipment and various other kinds of measurement, analysis and evaluation equipment, to evaluate products for compliance with respect to the regulations of relevant countries at this facility. Regulations for chemical substances have also become more stringent in each country, and in line with this, Yamaha has created and implemented a management system for chemical substances contained in products and established its own Standards for Chemical Content in Products. These standards have been used to manage chemical substances in products during design and development and have helped facilitate legal compliance as well as minimize the environmental impact of products. The standards undergo revisions as and when necessary, in response to legislative expansion and change, the accession of voluntary standards and other factors.



An anechoic chamber used for electromagnetic wave measurement

Taking Immediate Action When Faced with a Product Safety Issue

The Yamaha Group has put in place a system that places top priority on ensuring the safety of customers. In the event of a product safety issue in the marketplace, employees who receive notification of a safety problem report it immediately to the responsible department and the Quality Assurance Department. The department that receives the report immediately notifies top management of the occurrence of an issue. At the same time, the head of the Quality Assurance Department convenes the relevant departments from across the company, moving to respond to affected customers, notify the appropriate government authorities, and initiate measures aimed at preventing recurrence.

Training for Product Safety

Since 2010, The Yamaha Group has initiated product safety training courses in human resource training in efforts to prevent product safety issues from arising. In addition to introducing case studies of specific safety issues, the Group has commenced training courses in essential safety design policies as well as statutory and regulatory requirements with respect to product safety. During the seven years between fiscal 2011 and fiscal 2017, there were approximately 664 hours of lectures attended by a total of 161 employees comprised mainly of engineers and personnel from development areas.

Status of Violation of Laws and Regulations Regarding Accidents and Safety Involving Products and Services

In fiscal 2017 one recall due to an accident involving a Yamaha product occurred.

In July 2016, an accident involving a lock-in inside a wooden soundproof slide door occurred, and Yamaha initiated a recall to inspect and repair the defect in November. The inspection was 97% complete by the end of March 2017, and was 100% complete by the end of May.

Two regulation violations regarding product safety were discovered (nonuse of fire-retarding material, excess amount of lead contained in paint), of which were corresponded with appropriate measures. No damage to customers due to these issues have occurred so far.

[Product Information Disclosure \(Situation Regarding Incidents such as Product Defects\)](#) >

Quality Assurance

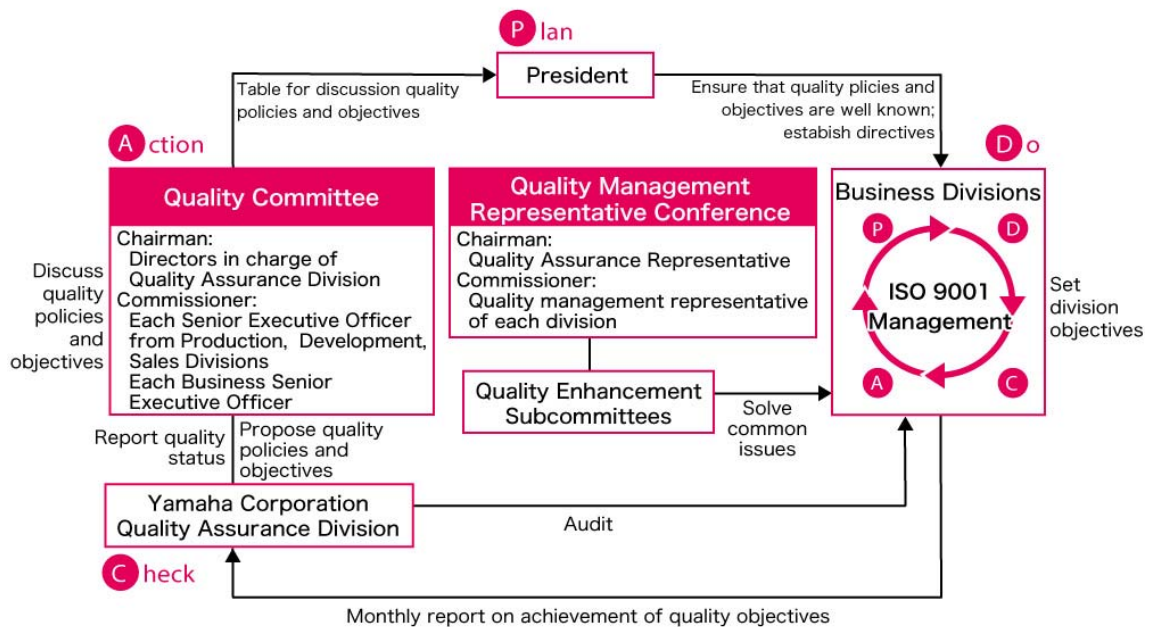
1. Quality Management System
2. Quality Audit
3. Quality Management Training

Quality Management System

The Yamaha Group strives for quality improvement through the operation of a quality management system to ensure the production of high quality products and the provision of high quality services.

Quality policies and targets as well as important quality-related measures being implemented by the Yamaha Group are deliberated by the Quality Committee and then issued from the president and representative executive officer to operating divisions. Each business division sets its own division targets in line with the quality policies and objectives set by the president. The Yamaha Corporation Quality Assurance Division confirms whether each business division achieves its goals and monitors quality audits (refer to the next section.)

In the Quality Management Representative Conference, each division reports on its status and activities regarding quality, shares information, and reflects this in examinations of measures aimed at resolving common challenges. Also, by regulating the consolidation of information regarding quality from every Group company to the Quality and Assurance Division of Yamaha Corporation through the Group Quality Management Policy, Yamaha aims to strengthen governance of quality management throughout the whole Group.



*Plan, Do, Check and Act

The Site Acquiring ISO 9001 and TS16949 Certifications (As of the end of March 2017)

ISO9001: acquired in seven business domains

ISO/TS16949: acquired in one business domain

Quality Audit

Auditors of the Yamaha Corporation Quality Assurance Division conduct audits to check whether or not the quality assurance systems of each business division they are in charge of, as well as the quality of products and services, meet the standards required by Yamaha Group. While urging improvements if needed, the results of these audits are taken into account in improving the company-wide quality management system. On the other hand, each business division instructs and audits the factories they oversee, both inside and outside of Japan. Every effort is made to further enhance product quality.

Quality Management Training

The Yamaha Group's personnel training system is comprised of expert training related to quality assurance, as well as training tailored to individual job positions. The goals of this system are to raise awareness and enhance skills with respect to quality management. In addition to existing quality engineering, and product safety development courses, the Yamaha Group is revising its quality assurance education system to encourage mid-level employees in the engineering field to acquire experience with quality related technologies in the future. The quality management education system will also be revised, aiming to raise the awareness of management.

Sustainable Consumption

Provision of Information Related to Environmental Consideration in Products

In order to spread products and services considering environment and society, and meet rising awareness toward environmental preservation among customers, the Yamaha Group discloses examples of environmental consideration initiatives of its products on its website.

The Yamaha Eco-Label is attached to products certified as Yamaha Eco-Products. The aim of the program is to provide customers with environment-related information and facilitate recognition that our products meet the Eco-Products standards when they are selecting an item to purchase.

[Environmental Friendly Products and Services](#) >

Yamaha Eco-Products Program

The Yamaha Group launched the Yamaha Eco-Products Program in 2015. This initiative is designed to promote environmentally friendly products by Yamaha through clarifying the standard for environmental efforts.

A Yamaha Eco-Label is affixed to those products meeting our company standards, thus certifying them as Yamaha Eco-Products. Through this process, we aim to provide straightforward information on our environmental efforts and support our customers in the decision-making process when selecting a product.

As of the end of March 2017, the number of certified products exceeded 300 including existed products. Amongst these, 13 newly developed products are affixed with the Yamaha Eco-Label.



Yamaha Eco-Label

[For details on the program, please see](#) >

[Environmental Friendly Products and Services](#) >

Improving Customer Satisfaction

1. Basic Concept
2. Structure for Improving Customer Satisfaction
3. Improving Usability
4. Evaluations by Third Parties

Basic Concept

The Yamaha Group declares in its corporate philosophy structure, the Yamaha Philosophy, to continuously produce products and services that exceed our customers' expectations, and to keep creating excitement, by focusing on the viewpoint of our customers. We specifically define our commitment to our customers through a particular principle referred to as the "Customer Experience." All Yamaha employees continually remember that the purpose of their day to day work is to realize this "Customer Experience."

The diagram of the Yamaha Philosophy



[1-1 Realization of Customer Satisfaction >](#)

Business Based on the Customer's Viewpoint

From fiscal 2015, during "Quality Month," which is every November, employees at each Yamaha Group workplace in Japan set goals so that they will conduct business utilizing a customer-oriented approach that follows the PDCA cycle.

Focusing mainly on our musical instrument and audio divisions, customers' comments are distributed and shared by e-mail, company magazines and the Intranet. Our aim is to nurture an organizational culture that utilizes a customer-oriented approach and focuses on each customer's evaluations and requests.

Structure for Improving Customer Satisfaction

The Yamaha Group has created a Quality Assurance Officers Committee that consists of staff responsible for quality management in our operating and sales departments. The theme set for the committee was "Enhancing Customer Satisfaction."

To comprehensively understand our customers' evaluations and requests, each business division of the Yamaha Group conducts customer satisfaction surveys using various formats.

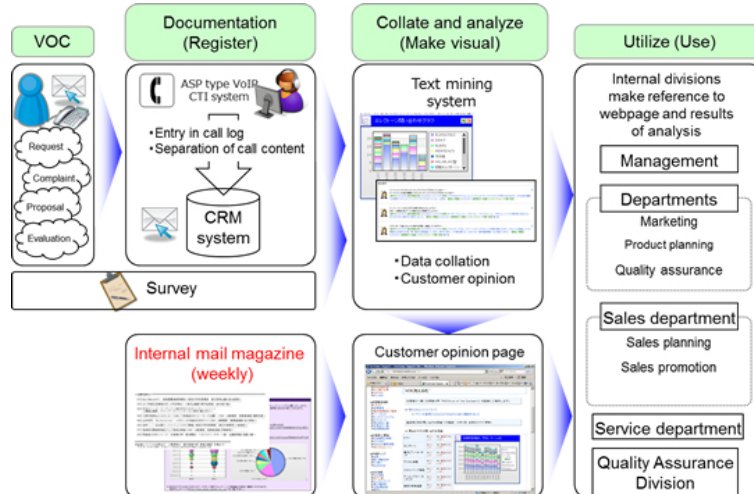
In particular, our musical instruments/audio divisions have been globally collecting and utilizing feedback from the voices of our customers not only through customer inquiry services, but also through various forms of daily communication. We established the "Voice of the Customer (VOC)" project in cooperation with a sales company in North America in fiscal 2015, for the purpose of strengthening the process of gathering and utilizing formation. Information acquired through this project is analyzed and is reflected in product planning and development.

Example

Voice of the Customer (VOC) - Visualization (in Japan)

In Japan, we collect in a database then collate and analyze opinions and requests from customers in our customer support department, discussing the results in monthly meetings attended by product development and quality assurance managers from each business division. Also, we established a system to visualize the voice of the customer (VOC), which shares information on customer opinion and requests internally in real time, and allows us to rapidly reflect customer feedback in our sales activities and product development.

Structure of VOC Visualization



Improving Usability

The Yamaha Group conduct usability tests^{*1} with the aim of improving the user-friendliness of our products and making manuals easier to understand, and we conduct product evaluations with the cooperation of actual customers. Results are reflected in our product specifications and manuals.

The development and other departments involved in products and services work together to conduct usability tests and product evaluations by users in order to swiftly share information about problem areas. This makes it possible to quickly take the steps necessary for improving the usability of existing products and uncovering operability issues with new products in development.

^{*1} Usability test: Having likely customers actually use a product to determine the product's ease of use (usability). Yamaha uses employees as volunteer testers.

Example of Product Development

Product Category	Model Name	Feature of Usability	Release Date
Digital Mixing Console	Rivage PM10 Series	<ul style="list-style-type: none">• Improved flexibility and utility when connecting various input/output devices• Enhanced flexibility for sound engineering• Shorten work time	December 2015
Alto Saxophone	YAS-875	<ul style="list-style-type: none">• Improved the size and shape of the key buttons for a better 'feel' regardless of the player's hand size• Enhanced operability for effortless playability	September 2015
Synthesizer	reface DX	<ul style="list-style-type: none">• Verified electrostatic sensor operability by carrying out usability tests• Improved keyboard feel• Reduced malfunction	September 2015
Portable keyboard	NP-32 NP-12	<ul style="list-style-type: none">• Enhanced playability for both males and females of all ages	February 2016
Entry-level digital mixing console	TF Series	<ul style="list-style-type: none">• Multi-touch screen for simplified operation• Installed presets for a wide variety of microphones	May 2015
Digital mixer	TF RACK	<ul style="list-style-type: none">• Improved portability/installation by compacting the "TF series"• Full control of the main unit through multi touch display/special GUI• Verified operability by carrying out usability tests	December 2016

Product Category	Model Name	Feature of Usability	Release Date
Unified communication speakerphone	YVC-300	<ul style="list-style-type: none"> • Audio guide installed for easy initial setting 	October 2015
Synthesizer	MONTAGE	<ul style="list-style-type: none"> • Improved continuous usability by implementing UI upgrade system • Improved operability for live playing and sound editing based on usability test 	May 2016
Smart device application	Chord Tracker	<ul style="list-style-type: none"> • Simplified interface based on usability test • Visual display of chord score for intuitive comprehension 	May 2015
Processor for equipment iPad application for "MTX/MRX series"	ProVisionaire Touch V1.2	<ul style="list-style-type: none"> • Improved display allowing users to easily customize the control panel • Reduction of errors regarding network settings between connected devices 	November 2016

Evaluations by Third Parties

Selected First Place in the Educational Service Industry in Japanese Customer Satisfaction Index (JCSI)

Yamaha (Music School · English School) was selected as first place in the educational service industry for the 4th Japanese Customer Satisfaction Index (JCSI) research in 2016 for the first time in three years.

Selected First Place of the Network Device Category in Nikkei Computer Customer Satisfaction Survey

Yamaha Corporation was selected as first place of the network device category in Nikkei Computer Customer Satisfaction Survey 2016-2017.

[Related pages\(Japanese Only\)](#) >

Initiatives for Improved Customer Response and Support

1. Customer Response and Support Structure
2. After-sales Service Management System
3. Education/Training Related to After-sales Services

Customer Response and Support Structure

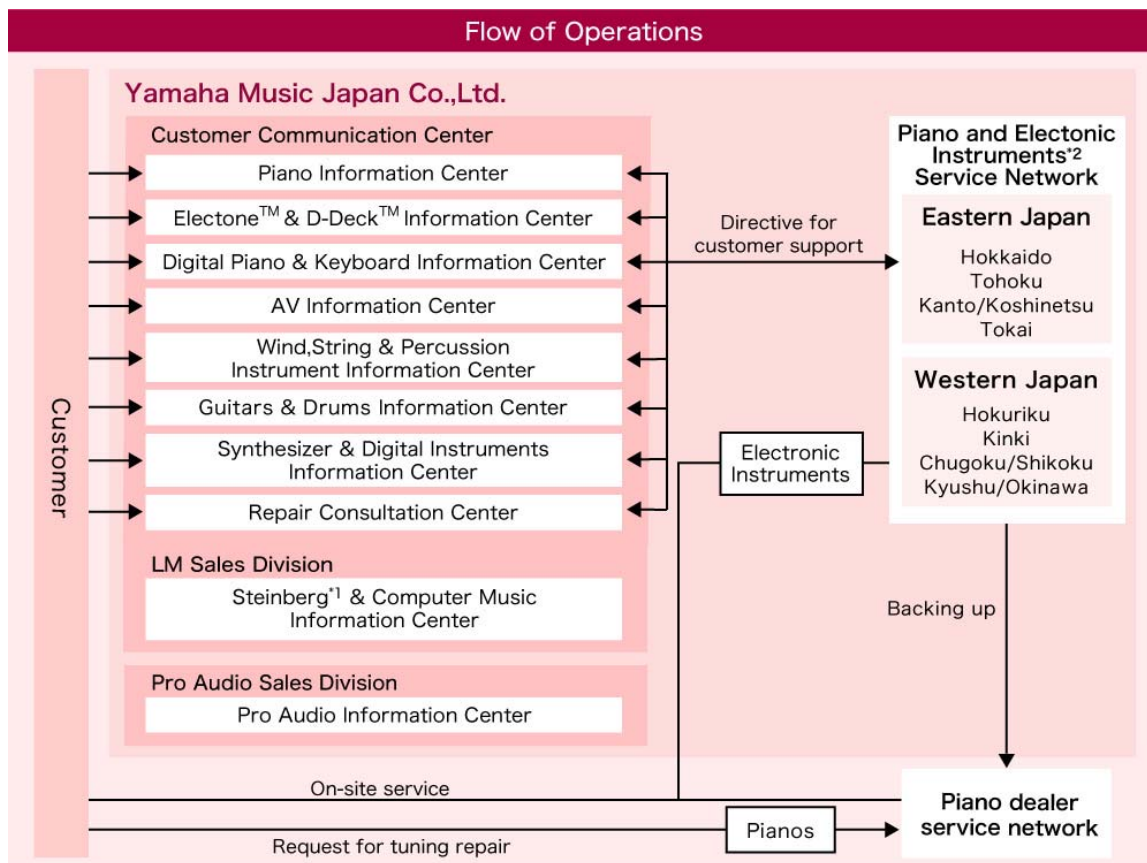
The Yamaha Group has established an After-sales Service structure for customers. The organization is working to respond to customer inquiries and requests with integrity.

In Japan, the musical instruments and audio products divisions set up a Customer Support Department in Yamaha Music Japan Co., Ltd. which is a sales company, and organizes customer service by product. Overseas, we created an After-sales Service network for each region. This network serves as a point of contact for customers and includes Yamaha Group Service Centers, Yamaha Authorized Service Centers, distributors and contracted engineers.

The customer support departments develop customer support systems that make use of telephone, website and social networking services in order to respond smoothly to inquiries. Some of these departments have introduced a customer management system using cloud computing.

[1-6 Offer of After-sales Services and Response to Customer Inquiries](#) >

Customer response and support system in Japan



¹ Steinberg: Music production software

² Electronic instruments includes electronic and electric acoustic instruments



Yamaha Music Japan Co., Ltd.



Yamaha Corporation of America



Yamaha Music Europe GmbH

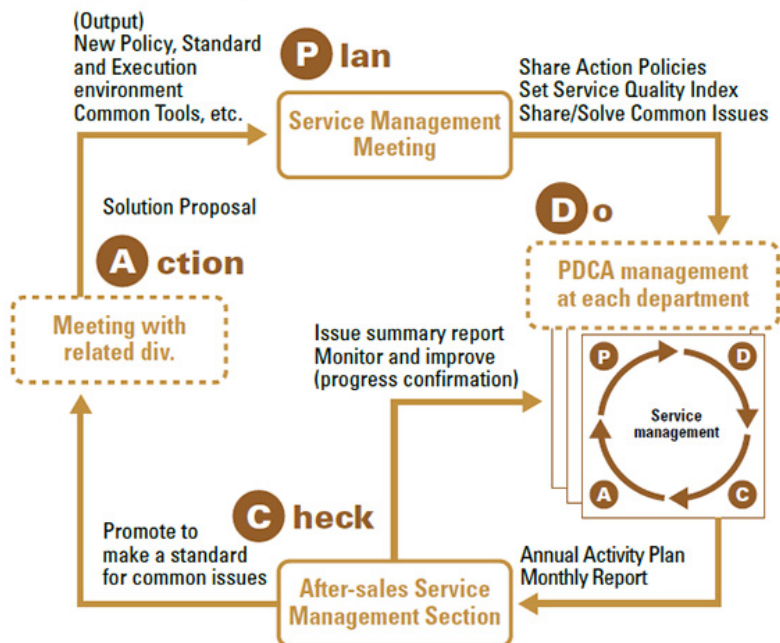
After-sales Service Management System

The Yamaha Group has created an After-sales Service Management System and is working to continually improve the quality of our customer response and support based on the slogan “ONE YAMAHA.” The Yamaha Group policy is shared at the annual Service Management Meeting and each sales company and manufacturing company with a service parts center in Japan and overseas set target values for improving After-sales Service quality. Each Group company conducts activities according to its plans, and Yamaha Corporation’s Quality Assurance Division monitors their progress. In this way, the entire Yamaha Group works to make improvements to continuously enhance response to customers and customer support.

After-sales Service representatives from 22 Japanese and overseas companies participated in fiscal 2017’s Service Management Meeting, and discussed a management program related to After-sales Service.

Furthermore, in order to provide standardized high-quality after-sales support to the customers all over the world, in January 2015, the Yamaha Group established the After-sales Service Management Policy, which outlines the basics of after-sales services that need to be shared in the Group. In January 2017, we established an operation manual to systematically apply this business policy to the operation.

Yamaha Group After-sales Service Management System





Service Management Meeting

Initiatives

Evaluation of Customer Service Call Centers from the Customers' Viewpoint

Yamaha Music Japan Co., Ltd. has adopted targets such as Response Rate* (ease of contacting us by telephone at the call center) and time taken to respond to email inquiries. Using these indices helps us maintain and improve customer service quality. The customer services are operated under management guidelines which specify that the telephone response rate be better than 90.0% and the response rate of an email inquiry replied within 24 hours on business days after it is received to be more than 95.0%. This goal was achieved in fiscal 2017.

Yamaha Music Japan also evaluates customer satisfaction. Results of the customer satisfaction survey showed approximately 80.0% of our customers were satisfied by the support and of which more than 50.0% were dealt with more promptly than expected and had the problem resolved.

In addition, Yamaha Music Japan has taken the initiative to improve the quality of its frequently asked questions (FAQs) section on the website. As a part of the initiative, smartphone browser accessibility was enhanced, doubling the website traffic of the FAQ page in the past two years.

* Ratio of incoming calls answered by an operator.

Education/Training Related to After-sales Services

Yamaha Corporation is striving to develop and fulfill an After-sales Service network in which customers can continue using our products at ease. We periodically hold technical training for After-sales Service skills for employees of Group sales companies in Japan and overseas, and the participants then teach the same skills to the repair technicians in each region. We also visit overseas sales distributors in areas where there are no Group companies, and hold technical training for After-sales Service skills.

Personal Information Protection

Policies and System for the Personal Information Protection

The Yamaha Group appropriately protects and manages the personal information of its customers in accordance with the Yamaha Personal Information Privacy Policy and the Personal Information Protection Regulations, complying with laws, ordinances and regulations relating to the protection of personal information.

The Yamaha Group manages a system for protection of personal information, its management, and quick response to incidents in order to appropriately handle the important information we have in our custody, such as the personal information of customers using its products and services. In 2004, the Group established the Personal Information Protection Regulations, and appointed an officer to assume overall responsibility for the handling personal information and an officer responsible for managing personal information by each division.

Based on the aforementioned regulations, we have formulated a manual that explains key considerations when handling personal information and have put it into practice. Each year we also conduct education, training and audits for divisions handling personal information. We have also implemented measures to enhance awareness of and make improvements in personal information protection, particularly through the training of employees.

In 2015, the Information Security Working Group was established under the Risk Management Committee, since then the Working Group manages work related to the promotion of personal information protection such as monitoring operation status and coordinating accident reports.

Status of the Execution of Training Related to Personal Information Management (Yamaha Group)

Training theme	Target	Place	Number of participants
Explanation of revised Personal Information Protection Act	Employees	Hamamatsu	121
		Tokyo	66

Customer Personal Information Service Desk and Handling Status


In compliance with the law, the Yamaha Group has appointed an office to manage the personal information collected from its customers. That office is in charge of managing requests to delete personal data or edit the information stored, as well as managing any claim that a customer may make. In fiscal 2017, one request asking to delete personal information was received and the office responded to that request accordingly. There were no inquiries or claims made.

Initiatives for Customer Information Management

The Yamaha Group promotes the information security management of personal information at a practical level based on an "IT Management Policy" specifying IT management of personal information. In fiscal 2017, we endeavored to improve security by providing an auto-encryption feature for the storage of personal information.

In the unlikely case of an information leakage, the system is structured so that only authorized personnel can view or use the personal information.

Meanwhile, an incident arose in fiscal 2017 concerning a loss of a laptop computer which stored customer information. Yamaha directly reported the loss and apologized to approximately 370 affected customers. We also disclosed the event on our website. We have been unable to confirm the specific problems experienced by customers as a result. To prevent recurrence, we promoted employee awareness of the problem, and ensured PC encryption measures were taken.

 Notice and apology regarding the loss of personal information (Japanese only)

Enhancing Products and Services

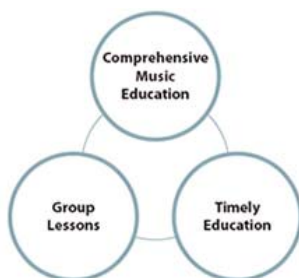
1. Music Education Business
2. Promoting Universal Design
3. Proposing Solutions that Utilize Sound Technologies

Music Education Business

Conveying the joy of playing music to people throughout the world, the Yamaha Group operates a music education business both in and outside Japan as a part of efforts to contribute to the enrichment of society. Since opening an experimental organ class (a predecessor of Yamaha Music Schools) in Tokyo in 1954, the Yamaha Group has provided music education to help enrich the growth of children and established and developed the Yamaha Music Education System, a unique education method. Yamaha provides courses that meet the needs of each generation. These include Yamaha Music Schools for children between age 1 and junior high school/senior high school age, Yamaha Music Lessons for Adults, etc., for both music enthusiasts and individuals interested in learning to play a musical instrument as a hobby.

Yamaha Music School Expanding to more than 40 Countries and Regions in the World

Yamaha Music School provides lessons that focus on nurturing a love of music based on the three features of comprehensive music education, timely education and group lessons. Our aim is to empower children with the ability to express themselves freely with music through our unique musical methods which include elements such as listening, singing, playing, reading and creating,



"Yamaha Music School" logo



Yamaha Music School

Yamaha Music School enrollment in Japan

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Japan	380,000	350,000	320,000	300,000	280,000

*As of June, in each fiscal year

Overseas, currently around 196,000 students are given the opportunity to learn the joy of music at a Yamaha Music School in over 40 countries and regions, including Asia, Europe, North America and Latin America. Each course is developed in light of the culture and character of each region while being based on a philosophy and curriculum for music education developed in Japan.

Countries in which Yamaha Music School operate (As of June 2017)



Music School enrollment overseas

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Asia, Oceania (including China)	144,000	148,000	144,000	146,000	144,000
Europe	31,000	27,000	26,000	31,000	33,000
North, South America	21,000	21,000	20,000	20,000	19,000
Total	196,000	196,000	190,000	197,000	196,000

*As of June, in each fiscal year

Spreading Yamaha's Music Education Philosophy Around the World

Yamaha holds the Yamaha Junior Original Concert (JOC), an event which calls for children under 15 years of age studying at Yamaha Music Schools to turn their feelings into music and perform their own compositions. We now receive around 35,000 original compositions from children every year. The concerts are held not only in Japan but throughout Asia, Europe and other regions as well. In addition, the International JOC event has been held in Japan since 1972. Through the common language of music, Yamaha's philosophy of music education is spreading throughout the world.

Responding to Various Needs, "Yamaha Music Lessons for Adults"

Yamaha provides Yamaha Music Lessons for Adults for a wide range of age groups, from junior high/senior high school students, to adults, at around 1,300 locations throughout Japan. We provide a variety of courses from musical instruments such as the saxophone or guitar to vocal (currently 37 courses, 110,000 students enrolled). Each course is basically comprised of small group lessons. Concerts or events are planned within each school or course, and provides a platform for sharing the joy of music and performing with others. Convenience is another benefit for students as they can come after school or work, since the location of the music schools are close to the station and they do not need to bring anything. In addition, we are developing health programs for seniors, making use of the effect which music has on health, through programs such as "Music and Health" and "Sing for Health."



Yamaha Music Lessons for Adults



"Music and Health" Program

Yamaha Music Lessons for Adults enrollment

FY 1987 (started)	FY 1991	FY 1996	FY 2001	FY 2006	FY 2011	FY 2016	FY 2017
6,000	40,000	50,000	92,000	105,000	110,000	110,000	110,000

*As of June in each fiscal year

Development of New Program and Its Introduction into Market

In an attempt to meet the demand for customers who enjoy their abundant life through music, Yamaha developed the "Seishun Pops" a program designed for senior enthusiasts, and started deploying it in advance at the Tokai region (Aichi/Mie/Gifu Prefecture) in October 2016. This program mainly features popular Japanese pop music or folk songs from the 1960s to 1970s that senior people enjoyed in their youth. Without using a score, participants can enjoy songs by singing in harmony or step to the music along with their friends while watching originally made videos. Three months from its launch, 1,000 members gathered in over 70 locations. The program was deployed all over Japan as of June 2017.



"Seishun Pops" Program

Promoting Universal Design

The Yamaha Group is keen to create an environment in which all people can enjoy the pleasures of music, and we promote universal design to realize a society that is both rich in communication and that allows people of diverse backgrounds and attributes to live comfortably and harmoniously.



The Yamaha Group promotes initiatives that give product developers and designers a better understanding and greater awareness of universal design. As one of these initiatives, we hold exhibitions or in-house seminars on universal design to enhance employee understanding and awareness.

In August 2016, we exhibited our electronic piano with audio guide CVP-709 and our electrically power-assisted wheelchair that plays music “&Y”, developed with Yamaha Motor Co., Ltd., at the UD Plus in Hamamatsu 2016 held by Hamamatsu City as a part of universal design promotion.

This was an initiative to deploy new value and appealing universal design by incorporating Yamaha’s “sound/music” elements together with the “UD Plus” concept which combines positive feelings such as “excitement” and “joy” and the idea “something everyone can use, and is convenient for everyone”.

Yamaha will further continue to cooperate with the initiatives to widely transmit the ideas of universal design and the joy of music to society.



UD Plus in Hamamatsu 2016



Electronic musical instruments and PA equipment that takes visibility into consideration (in-house exhibition)



In-house seminar

OMOTENASHI GUIDE—A Sound Support System Implementing

Since 2015, Yamaha Corporation has performed verification tests of the OMOTENASHI GUIDE—a service supporting the creation of an extremely convenient multi-language voice and character guide frequently used at businesses, public facilities, and tourist facilities that have inbound tourism promotion and barrier-free initiatives. It is important to effectively transmit Japanese announcements in multiple languages due to the growing number of foreign tourists coming to Japan. It is also necessary to convey verbal information in an easy-to-understand format that enables the realization of a society where senior citizens with hearing disabilities and the hearing-impaired can live comfortably. With the OMOTENASHI GUIDE, people can receive text translations of Japanese announcements in their native language after downloading and installing the application on their smartphone or tablet.

This enables easy communication of the appropriate information in Japanese announcements to foreigners who do not understand Japanese, the elderly, and those who have hearing disabilities.

In December 2016, the Yamaha Group's OMOTENASHI GUIDE was awarded Gold Title for the "IAUD Award 2016"^{*1} by the International Association for Universal Design (IAUD), and "Award of Minister of State for Special Missions" in "Barrier Free Universal Design Promotion Honor in 2016"^{*2} by the Cabinet Office.

This is the first time that the Yamaha Group has been awarded these two prizes.

Yamaha will pursue the "universal design of sound" though spreading OMOTENASHI GUIDE.

*1 Honor awarded to an association or individual that executes or proposes remarkable activities for realizing the Universal Design (UD) society where many people can live in comfort and ease without feeling inconvenience in their life because of a difference in ethnic group, culture, custom, country, gender, age, or skill.

*2 Honor awarded to an individual or association that particularly promotes barrier-free universal design recommended/elected by Relevant Ministries and Agencies, Prefectural government and designated city. This is executed for spreading excellent initiatives.



"OMOTENASHI GUIDE" image



IAUD Award 2016 Logo

[See here for the latest information on OMOTENASHI GUIDE.](#) >

[Contributing to Develop Inbound Tourism by Supporting the Universal Design of Sound](#) >




Proposing Solutions that Utilize Sound Technologies

Since achieving success in manufacturing the piano in 1990, Yamaha has been developing its technologies to keep up with the changing times, and has also been continuing to develop traditional acoustic musical instruments as well as musical instruments/technologies using the latest electronic technologies.



In addition, the Yamaha Group has been continuing to create better listening environments through research and development regarding sound fields and related control systems while pursuing superior sounds through the manufacturing of sound-generating products. We also have been proposing solutions utilizing technologies such as our sensor technologies, etc. cultivated through product development.

case example



Creating Better Sound Environments

Products	Feature of sustainability	Related pictures	Product page (Japanese only)
Speech Privacy System™	Camouflages conversation with an “information masking sound” synthesized from human speech,		Link
Acoustic Conditioning Panel	Alters reverberations in the room, and provides a clear and comfortable acoustic environment.	 <p>Conference room built using acoustic conditioning panels</p>	Link
Avitecs™ Soundproof Room	Easily realizes a reverberant and soundproof space.		Link

Sensor Technology Application Proposals

Products	Feature of sustainability	Related pictures	Product page (Japanese only)
Thin-film Strain Sensor	Monitors human motion in real time by mounting the sensor on body supports or training wear.	 example use	-
Hydrogen Leak Detector	Features high-speed response and high sensitivity over a wide, dynamic range and supports various forms and leakage volume.		Link

Proposing Applications of Sound Technology

Products	Feature of sustainability	Related pictures	Product page (Japanese only)
SoundSignage™ TLF speaker	Electrostatic, thin, light, and flexible.	-	Link
SilentBrass™	Makes practicing and performing possible anywhere at any time.		Link
TransAcoustic™ Piano	Enables volume adjustments to be made just like an electric piano.		Link

Community Involvement and Development



Connection to Local Communities
>



Promoting Music Culture >



**Contributing to Regional
Community Development** >



**Support that Helps Foster Future
Generations** >



**Donations and Social Welfare
Activities** >



**Expenditures for social
contributions** >

Connection to Local Communities

1. Responsibility to Local Communities
2. Examples of Communication with Local Communities

Responsibility to Local Communities

The Yamaha Group acknowledges that a corporation is a member of society and we endeavor to be a "good corporate citizen," while fostering socially acceptable values and conduct. We are working to have dialogue with the members of local communities so that we can assess our impact on them and pursue business with low environmental impacts.

At each of our offices and factories, we regularly hold information exchange sessions with surrounding municipalities and solicit opinions at neighborhood council meetings.

When we build or retire a Yamaha office, we report and explain the matter to the head of the local government in the area, while also using our exchange sessions with surrounding municipalities to make reports, as appropriate, and ask for their opinions and requests. Furthermore, when we retire a Yamaha factory, we carry out soil and ground water surveys to assess environmental impacts on the area. In the event that an impact, such as contamination, is discovered, we take prompt and appropriate measures for decontamination or removal.

In fiscal 2017, we decided to transfer operations of Yamaha Resort Tsumagoi. When making this decision, we held meetings and individual consultations with employees and also provided an explanation to the local municipality.

[4-3 Harmonization with Society >](#)

Examples of Communication with Local Communities

The Yamaha Group makes efforts to have ongoing communication with local governments and residents to maintain good relations with communities.

Examples of exchange sessions with neighborhood councils (Yamaha Corporation)

Office	Frequency	Participants	Details
Headquarters	Annually	8 local neighborhood councils	Business status update, soliciting requests/concerns, exchanging opinions
Kakegawa Factory	Annually	7 local neighborhood councils	Business status update, soliciting requests/concerns, exchanging opinions
Toyooka Factory	Annually	3 local neighborhood councils	Business status update, soliciting requests/concerns, exchanging opinions
Tenryu Factory	Annually*	10 local neighborhood councils	Introduction of the Yamaha Group, business status update, exchanging opinions

*Commenced from FY2017

Examples of the communication efforts conducted at business sites and factories in fiscal 2017

- Holding regular information exchange sessions with neighborhood councils
- Accepting factory tour visitors
- Accepting local middle and high school visitors for hands-on workplace experiences and tours
- Holding summer festivals to strengthen relationships with communities
- Signing of memorandums to open up facilities to the public during disasters
- Participating in local events and celebrations
- Lending of facilities, parking lots, etc.
- Participation in regional cleanup efforts by employees
- Participation in joint disaster drills led by municipalities
- Donating books, household goods, sweets, etc. gathered through charity bazaars and donation campaigns for local elementary schools and groups
- Donating food stockpiled for emergencies to food bank Fujinokuni
- Lending a grand piano to Kakegawa City Hall (mini concerts offered)
- Accepting local elementary school groups for community study trips (observing music sirens used in neighborhood PA systems)



Information exchange sessions at local neighborhood council meetings



Summer festival



Regional cleanup effort



School field trip to observe a music siren

Tours of Grand Piano Manufacturing Process

At our Kakegawa factory, which is our domestic manufacturing site for grand pianos, we open our doors to public visitors so that they can see the process for making grand pianos and experience the appeal of instruments and music.

Visitors to the factory see how we use modern techniques and some traditional, more than 100-year-old manufacturing processes. They get to pass through the show room, where we display an early model grand piano that has been recognized as part of Japan's Heritage of Industrial Modernization, while also seeing our environmental protection initiatives that are part of our craftsmanship. A total of 9,400 people took the grand piano tour in fiscal 2017.

[Kakegawa, the home town for Yamaha Piano Manufacturing \(Japanese only\) >](#)



Visitors observe a grand piano being made



An exhibition at the show room

Cooperating with Environmental Activities in Kakegawa City, Shizuoka Prefecture

Yamaha's Kakegawa Factory (presently, Yamaha Piano Manufacturing Japan Co., Ltd.) has been a co-sponsor of Kakegawa City's Environmental Fund since fiscal 2008, as a part of our activities to contribute locally and preserve the environment. The Kakegawa Factory emits about 20 tons of waste paper annually. This waste paper is given to an environmental organization that sells it and the proceeds are given to the Environmental Fund. The Environmental Fund was used to install solar power generation equipment and hybrid lighting at elementary and junior high schools in Kakegawa City and has also been used to encourage citizen gatherings to discuss smart community promotion projects and the environment.

In October 2012, we signed a Kibo no Mori Partnership Agreement for forest preservation activities with Kakegawa City and started participating in related activities in support.



Growing acorn seedlings at the Kakegawa Factory

Cooperating with Regional Health Promotion Activities

The Yamaha Corporation Kakegawa Factory was certified in April 2016 as a Kakegawa City Health Promoting Business, which was the city's recognition of our proactive initiatives for improving health at the factory. Additionally, the Tenryu Factory participated in Hamamatsu City's Move & Smile campaign, receiving a commendation certificate in February 2016.



Certificate of commendation from Hamamatsu City (Tenryu Factory)

Promoting Music Culture

1. Supporting Aspiring Musicians
2. Propping Up School Music Education
3. Efforts to Spread Music Through Events and Contests
4. Providing Opportunities and Places to Come in Contact with Instruments

Supporting Aspiring Musicians

The Yamaha Group contributes to the spread and development of music culture at various music contests and clinics both in Japan and overseas. The Group not only provides musical instruments to those pursuing a high artistic standard, but also assists with the running of the events.



Hamamatsu International Wind Instrument Academy and Festival



Performance by a prize winner (China)

Additionally, the Yamaha Group has set up scholarship systems in different regions of the world as support for aspiring musicians. Yamaha also teams up with music education institutions, continues to support the educational curriculum, and provides seminars for instructors.



Piano scholarship recipients' concert (China)

Propping Up School Music Education

The Yamaha Group supports music education at schools in various regions of the world. Efforts are made to contribute to the enrichment of course content by providing instruments, giving courses on methods of instruction to music instructors, and providing music-related information.

Yamaha "School Projects" Providing Opportunities to Play Instruments

The educational effects of learning to play musical instruments are so well documented that such instruction is standard in schools around the world. However, in some countries, lack of equipment or trained teachers, or inadequate curriculum often limits to what extent schools can offer. As a project to provide the chance for as many children to experience the joys of playing instruments, Yamaha is currently expanding the School Project.



The Music Time program in Indonesia



Supporting the introduction of instrumental music education in Vietnam

[Supporting Children's Development through Playing Musical Instruments >](#)

[Enriching Education in Vietnamese Schools through the Introduction of Instrumental Music Education >](#)

Music Time Adopted School Education in Malaysia

Yamaha supports musical instrument education within schools in developing countries through a "Music Time" program. In Malaysia, this Music Time program has been ongoing since February 2015. The program was introduced with the approval of the Ministry of Education's co-curriculum Division as a co-curriculum activity in public elementary schools. In Malaysia, Music Time has been introduced at more than 100 public schools (as of end of March 2017) and is continuing to expand by this certification. We expect to develop it to all over Malaysia.

In April 2017, children who participated in the Music Time program played the keyboard in front of the Japanese Crown Prince in the 60th Anniversary of Diplomatic Relations between Japan and Malaysia celebration ceremony (sponsored by the Embassy of Japan in Malaysia). In the future, Yamaha will continue to support children's education through music.



Play keyboard in front of Crown Prince
Photo: BERNAMA



Children play music
Photo: Embassy of Japan in Malaysia



Posing for a photograph with Japanese ambassador Miyagawa and his wife
Photo: Embassy of Japan in Malaysia

Band Clinics & Band Directors' Clinics

Since 2010, Yamaha Music & Electronics (China) Co., Ltd. has dispatched instructors to school bands in major cities in Japan and overseas. The number of workshops and participants are increasing every year, with 40 workshops held in fiscal 2017 and approximately 4,830 students receiving guidance from prominent instructors. Yamaha also holds clinics for band directors so that general music teachers can teach band music.



A band clinic in Guangzhou city



A band clinic in Beijing led by instructors of the Sichuan Conservatory of Music

Student Orchestra Maintenance Seminar (Korea)

In Korea, the formation of orchestras at schools is recommended as a government policy. However, in some schools (local schools in particular), students do not have much opportunity to learn about musical instrument maintenance and there arise situations in which the students own high quality instruments, but the instruments become damaged and do not produce a good sound.

To support the music performing environment at these schools, Yamaha Music Korea Ltd. (YMK) has been offering their support since 2013 by visiting schools that have an orchestra, holding seminars on musical instrument maintenance, and offering to repair instruments free of charge. Since this activity started, YMK has visited over 100 schools to provide instrument maintenance, teach students how important it is to maintain their instruments in good condition, and contribute to the development of music culture in Korea by supporting music activities in these schools.



A maintenance seminar



A lecture on the importance of musical instrument maintenance

"Music pal" School Music Education Support Website

Yamaha Corporation established the website "Music pal" to support school music education. The site has a wealth of information that is useful for music coursework and covers the history of music, musical composition, and a variety of different instruments. Additionally, in order to let visitors further deepen their musical knowledge, the website "Musical Instrument Guide Plus" provides content useful for music coursework and investigative learning, including the origin and makeup of instruments and a full encyclopedia of musical instruments including playing style.

["Music pal" website supporting school music education \(Japanese Only\) >](#)

Efforts to Spread Music Through Events and Contests

The Yamaha Group takes steps to spread music in the different regions of the world through events and contests. This includes proposing new ways to enjoy musical instruments and music for all ages as well as planning and providing spaces for performances by amateur musicians looking to make the next step up.

Hamamatsu Jazz Week

Each year, Yamaha Corporation holds "Hamamatsu Jazz Week" in cooperation with the city of Hamamatsu, where our headquarters is located, and other co-organizers. The event, which started in 1992, is part of the Hamamatsu city government's efforts to create a city with music at its core.

The unique regional gathering strives to have music throughout the city, and to have music help create the fabric of the city. United under jazz that can be enjoyed by people of all ages, the government and the community come together to host the event and produce something appreciated by participants whether they are jazz fans or not. The 25th Hamamatsu Jazz Week in 2016 featured commemorative events, including a public big band clinic, concerts that featured top-notch domestic and international artists as well as school students from outstanding big bands throughout Japan, combined with events organized in collaboration with civic groups and local jazz clubs, and in-school jazz concerts at Hamamatsu elementary schools.



“Student Jazz Festival”



“Yamaha Jazz Festival” held on the final day of Hamamatsu Jazz Week

Asian Beat

The Yamaha Group plans and runs the amateur band contest "Asian Beat", which aims to promote popular music and develop amateur musicians in the Asia region. The winning bands from the regional competitions in each country go on to the grand final where they perform and compete to be the top amateur band in Asia.

Brass Jamboree

The Yamaha Group holds the Brass Jamboree, in which wind instrument enthusiasts gather together in one large venue to enjoy playing music together. The Brass Jamboree offers a place to perform to people who want to casually enjoy playing musical instruments. With experienced musicians, beginners, parents and children, families, and friends participating, it is a day for everyone to enjoy music and is aimed at enthusiasts of all wind and percussion instruments. At the 8th Brass Jamboree in 2017, conductor Daisuke Soga gave a pre-rehearsal seminar on how to study wind and other musical instruments in a way that reveals their charm. Approximately 500 people, ranging in age from 9 to seniors in their 70s, participated in the concert, where they enjoyed meeting other people through music and playing music with many others. They created a special, large-scale performance playing altogether during the concert.

[Brass Jamboree \(Japanese Only\)](#) >



Large ensemble with all of the event participants



Ensemble director and conductor Daisuke Soga (left)

Wind Instrument Karaoke Contest (China)

Yamaha Music & Electronics (China) Co., Ltd. holds a wind instrument karaoke competition every year, which provides an opportunity for beginners and others that have just started learning music to enjoy playing simple tunes with a wind instrument on stage. The music is played together with a sound source as musical accompaniment that has been made solely using wind instruments. Some 6,900 children took part in 29 cities nationwide in fiscal 2017.



Preliminaries in Chengdu city



Finals held in Shanghai

Providing Opportunities and Places to Come in Contact with Instruments

Piano Placement in National Railway Stations in France

Yamaha Music Europe GmbH, France has placed pianos at more than 100 premises in major French National Railway stations since 2015. Yamaha proposed this idea to France's National Railway, the SNCF (Société Nationale des Chemins de Fer Français), as they realized that this would allow many people to freely experience playing the piano. Several million people utilize the National Railway each day. Following this initiative we have received many positive comments about the joy discovered by playing the piano or listening to the music. Along with placing pianos, we also established a video contest where users record their music then upload it to social media and get a chance to show their performance to viewers all over the world. We set up a terminal with a "like" button for visitors who felt an affinity for the piano thanks to this experience. Over one million visitors have pressed this "like" button. The installation has also garnered attention from various local media outlets.



Piano attracting people



The Yamaha stage in Lyon station, Paris, with a terminal for submitting "likes"

Providing Opportunities for New Ways to Enjoy Music at "Yamaha Music & Life"

In April 2016, we established Yamaha Music & Life, which is a business directly operated by Yamaha Music & Electronics Taiwan Co., Ltd. and is located in a department store in Taiwan. This store allows visitors to test out instruments and AV equipment free of charge. Introductions to each instrument, free trial lessons, and free hands-on testing are provided in four display areas: the Experience Zone, the Living Room Zone, the Studio Zone, and the Break Zone. The services of the store help provide stress-free opportunities to customers who are interested in musical instruments but not yet ready to buy one or start taking lessons. For those who are interested, it is possible to purchase an instrument and pay for lessons. In Taiwan, it is expected that demand for casual hobbies will increase among adults. By providing new opportunities to experience musical instruments, Yamaha can showcase the appeal of music to more people, while aiming to increase the size of the music playing population



The Experience Zone where customers can try out instruments



The Living Room Zone where recommendations for pianos and AV equipment are made to suit different lifestyles

Contributing to Regional Community Development

1. Regional Contribution Activities through Music
2. Supporting Youth Development in Central and South America

Regional Contribution Activities through Music

The Yamaha Group aims to contribute to regions and community activities by planning and holding music events in different regions.

Creating Community through Music

Yamaha Music Japan Co., Ltd. developed the “Oto-Machi Project for Creating Musical Towns.” Oto-Machi Project aims to revitalize the community and helps create shared value of companies and society by harnessing “the power of music to connect people.” To solve the issues faced by communities and companies, Yamaha proposes and supports citizen participatory projects, events, and programs for community planning with music as a tool by using Oto-Machi Project mechanism.

Yamaha aims to create sustainable, independent communities. The Oto-Machi Project promotes a new-style of social contribution project which supports early stages of community planning through building a scheme to provide the place and time for local people to participate freely and continue these activities.

[Urban Development Project Through Music \(Japanese only\)](#) >



Jozenji Street Jazz Festival Swing
Carnival



Funabashi Mori no City “Forest City
Big Band”



“Kashiwa facilitator training lecture”

Regional Contribution Activities by the Yamaha Symphonic Band

The Yamaha Symphonic Band, which was established in 1961, is an amateur band whose members are Yamaha Group employees. The band's activities include holding regular musical performances and pop concerts, supporting the Yamaha Baseball Club, and performing regularly and appearing in contests in Japan and overseas. The band also actively participates in events rooted in the local region, while cooperating with the "city of music" vision promoted by the city of Hamamatsu, and by participating in the Symphony Band Parade of the Hamamatsu Festival as well as the Promenade Concert held in front of JR Hamamatsu Station. Furthermore, the band also performs to support, through music, areas affected by natural disasters.

[Supporting Activities of the Yamaha Symphonic Band in Affected Areas](#) >



The Wind Instrument Parade, part of the Hamamatsu Matsuri festival



Promenade Concert

[Yamaha Symphonic Band website](#) >

Supporting Youth Development in Central and South America

The Yamaha Group contributes to the healthy development of youth and the development of music education and culture through activities that include bringing music and musical instruments to local communities, in addition to activities to popularize music.

In many countries in Central and South America, crime and poverty as well as social inequality are serious social problems. In order to enable the children in such environments to grow up with a healthy spirit instead of leaning towards crime, delinquency or violence, music education activities are provided free of charge as a country policy, including forming regional youth orchestras and band groups. In Latin America, Yamaha's local subsidiary companies have been providing support to these activities.

However, in promoting these activities, some issues of lack of maintenance for many musical instruments and technicians to repair damaged instruments have arisen. Therefore, in cooperation with each subsidiary in fiscal 2015, Yamaha Corporation began a new project to teach maintenance of musical instruments as well as to train repair technicians. We contribute to further development of music education and culture, and to solving social issues, by providing technologies for, and knowledge of, musical instruments to many people.

Cooperating with "El Sistema"

Yamaha Music Latin America, S.A. (YMLA) has been supporting El Sistema^{*1}, a music education project promoted by the Venezuelan government. YMLA has supported "Fundación del Estado para el Sistema Nacional de las Orquestas Juveniles e Infantiles de Venezuela (FESNOJIV)," which has run the project, for more than 15 years and has provided musical instruments and technical seminars. El Sistema is a delinquency prevention and poverty eradication system to stabilize society by promoting music activities and securing jobs for children. The number of children and young adults participating in El Sistema has reached approximately 780,000, mostly from poorer demographics. Through music study, participants enhance their moral character and take part in constructive social events such as orchestras and teaching opportunities throughout the country.

The fostering of skilled people who can maintain wind and percussion instruments in the country is a way to help create job opportunities. For this reason, YMLA dispatches band instrument experts from Japan, Europe, and U.S. and holds experts seminars to contribute to job creation. Additionally, the program has purchased and put to use a cumulative total of approximately 10,000 Yamaha brass instruments to date.

Currently, YMLA is collaborating with the Yamaha Corporation headquarters to design and implement a new El Sistema program called the Venezuela Musical Instrument Post-Purchase Service Network Development Program.

^{*1} A music education system that started in 1975 to promote the sound development of less fortunate youngsters through the practice of music in symphony orchestras by providing free lessons and instrument rental.



Children with El Sistema founder José Antonio Abreu
Courtesy of FUNDAMUSICAL



Band instrument maintenance seminar



Model CFX piano in the Sala Simón Bolívar concert hall in Caracas, Venezuela
Courtesy of FUNDAMUSICAL

Supporting the Activities of "Cauca Wind Orchestra"^{*2}

YMLA established the Cauca Wind Orchestra (OCV) in cooperation with the Polifonia Foundation^{*3} and Incolmotos S.A.^{*4} and supports its activities. Cauca, Colombia is an unsettled region known for cocaine smuggling and frequent bombings and kidnappings.

Given this situation, the aim of OCV's activities is to change the lives and hearts of children through music, to protect the daily lives of general citizens, and to give children positive futures. OCV aims to advance the sound development of youngsters in the Cauca region of Colombia through orchestra activities.

*2 FESNOJIV: Fundacion del Estado para el Sistema Nacional de Orquestas Juveniles e Infantiles de Venezuela

*3 This foundation in Popayan in the southern part of Colombia works toward the sound development of youth by drawing them into musical activities.

*4 This company is a group company of Yamaha Motor Co., Ltd. and sells products from Yamaha Motor Co., Ltd. as well as musical instruments from Yamaha Corporation.



Cauca Wind Orchestra (OCV)



Young students with a passion for music



Cauca Wind Orchestra (OCV) logo

Recorder Music Popularization Seminar by "Sopro Novo"

Yamaha Musical do Brasil Ltda. (YMDB) formed the volunteer organization Sopro Novo in 2005, and it is holding seminars all over the country to train music teachers and popularize recorder music. These seminars provide lessons giving participants comprehensive training and include instruments, textbooks, and teaching methods. Starting with how to read music and ending, ultimately, with ensemble performance, seminar members learn music performance techniques, so that they can begin giving music instruction to beginners after completing the lessons. In Brazilian schools, there is no regular music education in the compulsory curriculum and the Sopro Novo activity is a precious opportunity to offer many people, from children to adults, their first music learning experience. Lessons offered through the project, which involves NGOs, churches, and regional social activities, also function as character building classes for children.

Over the past 11 years, Sopro Novo has held seminars nearly 1,500 times in 174 cities, and has trained over 4,000 teachers. The number of children taught by those teachers has reached more than 500,000.

In 2017, we plan to establish the non-profit organization Fundação Sopro Novo Yamaha. Going forward, there are also plans to lobby the government to adopt direct music education and to work toward introducing music teacher training and music education in public schools.



Teacher training seminar



Annual national gathering

Support that Helps Foster Future Generations

1. Cooperating with On-Site Tours and Hands-On Learning
2. Support for Exhibits at Learning Facilities
3. Supporting Child Education
4. Education Solutions Utilizing Information and Communications Technologies (ICT)

Cooperating with On-Site Tours and Hands-On Learning

As part of our local contribution activities, the Yamaha Group accepts requests from regional educational facilities in parts of the world where we have business sites and opens our workplaces for visitors to experience hands-on learning. We also offer internships and accept tours at our workplaces and factories.

Accepting Students for Workplace Hands-On Learning

The Yamaha Group contributes to the goals and future work ambitions of young people by providing opportunities such as hands-on work experience for young visitors who are the country's next generation of citizens. In fiscal 2017, we continued to accept junior high school students visiting for hands-on learning, as well as high school students interested in internships.



High school students participating in an internship at a factory



Junior high school students getting hands-on experience at a sales store

Work Training for New High School Graduates

Yamaha Musical Products Indonesia (YMPI) offers vocational training to new high school graduates. This project was created in response to requests by high schools and the government of Indonesia to help solve the issue of educating students before starting to work in society.

In the company's training facility, lectures are offered on basic factory operations, understanding what it means to be a member of society, 5S* methodology, safety and health issues, making improvements, communication, and traffic safety. All of these items are also lectured to educate Yamaha employees. The 5S methodology of YMPI and its employee education system are well-received in the region. The vocational training receives high praise from the government and high schools as well.

YMPI also offers factory tours to high school and university students. In fiscal 2017, 318 students from 10 schools participated.

*5S is the name of a workplace organization method that uses a list of 5 Japanese words: seiri, seiton, seiso, seiketsu, and shitsuke, all of which start with the letter "S." They mean organizing, picking up after oneself, cleaning, cleanliness and discipline, respectively.



Work experience participants



Students participating in a lecture

Support for Exhibits at Learning Facilities

Hamamatsu Science Museum (Hamamatsu City, Shizuoka Prefecture) opened in 1986 to develop science-oriented minds and includes a planetarium and participation-type exhibits that people can touch to aid in learning. Many parts of the exhibits can be attributed to the participation and support of regional companies and groups, and Yamaha Corporation has also played a role since the museum opened. The following items are currently on display in the "sound" corner. (They were donated in 2012.)

Exhibit Items Provided in the "Sound" Corner

Section	Details
Variable acoustic room	Exhibit using audio signal processing technology. Visitors can experience sound vibrations virtually in such simulated settings as a theater, echo room, cave and church simply by flicking a switch.
Cutaway models of musical instruments	Exhibit where the cross-section of eight different kinds of musical instrument, including wind, string and percussion instruments, can be observed close-up.

Supporting Child Education

The Yamaha Group provides a variety of programs to help support child development. Every year, we respond to requests from local governments and educational institutions when offering classes outside the Company and providing child programs focused on the themes of manufacturing and science. The Yamaha Baseball Club also participates by offering youth baseball clinics and other activities.

Manufacturing Classes and On-site Lessons

Throughout the year, Yamaha Corporation works with local educational institutions to offer classes teaching children about manufacturing. We held a handmade guitar class in which children created their own handmade one-string guitars using everyday items such as cardboard boxes and toothpicks. Another class taught children how to make a folk instrument from Africa called a kalimba using off-cuts from piano and marimba manufacturing.

These classes use musical instruments to offer students a way to experience the process of manufacturing. Upon request, we also offered on-site lessons that included ion plating and universal design classes.



Handmade guitar class



Handmade kalimba class



Manufacturing class jointly held with Yamaha Motor Co., Ltd.



An on-site lesson on “plating”

Efficiently Using Piano Off-cuts to Make Wooden Blocks for Children

Yamaha Piano Manufacturing Japan Co., Ltd offers off-cuts generated in piano manufacturing as wooden blocks to kindergartens, elementary schools, and public facilities in Kakegawa City, Fukuroi City, Iwata City, and Hamamatsu City. Continuing since 1998, this program is a chance to contribute to the community while simultaneously finding a useful purpose for waste material.

Other uses for the off-cuts include selling them to local companies that make woodcraft products and providing them to local people at summer festivals after making them into items such as wooden mouse pads, shoe horns, and folding chairs. The off-cuts are also turned into woodcraft kits that Yamaha Corporation uses in its manufacturing classes for children.



Using manufacturing off-cuts for woodcrafts



Children playing with wooden blocks

The Yamaha Baseball Club Provides Baseball Clinics for Youth Teams

The Yamaha Baseball Club holds clinics for local youth baseball teams in its home region of western-central Shizuoka Prefecture as part of its efforts to contribute to the community and the development of young people in the area. At these clinics, members of the Yamaha Baseball Club provide guidance and instructions, teaching young ball players techniques such as how to shift their weight, stance, basic posture when fielding infield and outfield, play combinations and batting. The clinics help foster healthy young baseball players and the dreams and development of young people.

A total of 54 such clinics have been held since the program started in 2000. In fiscal 2017, they took place at five locations in four different cities in Shizuoka Prefecture, which included 1,027 elementary school students from 87 teams.

Furthermore, the Junior Baseball Instructing Club, made up of many former members of the Yamaha Baseball Club, gave baseball health examinations to children during the clinics. As part of the exams, sports medicine doctors help children with baseball injuries and give them advice to help prevent injuries and accidents.



Baseball clinics



Baseball physical examination

Education Solutions Utilizing Information and Communications Technologies (ICT)

The active use of ICT in school education is increasing year by year. In Japan, the Ministry of Education, Culture, Sports, Science and Technology has set a target for a tablet terminal to be available for every student in schools by the end of 2020. Today, utilizing ICT in the classroom is crucial.

Yamaha Corporation is acknowledging the advance of ICT and is proposing new means of learning in the classroom.

Music Education Solutions Utilizing ICT Smart Education System

Yamaha Corporation is promoting the Smart Education System (SES) as a new solution for the field of education which primarily focuses on sound and music.

The first SES digital classroom teaching materials—VOCALOID for Education, Guitar Class, and Koto (a traditional Japanese musical instrument) Class—were launched in February 2017. Primarily aimed at elementary and junior high school students, the material is a content package covering how to lead the class following the course curriculum guidelines, cautionary tips to keep in mind when teaching, and videos of foundational knowledge needed for performance. Teaching class while following this system helps foster students' imaginative and theoretical skills. Additionally, teachers leading guitar or koto class for the first time can do so in an efficient manner.

Yamaha Corporation developed these teaching materials after receiving cooperation with testing them in 20 elementary and junior high schools across Japan from 2014. Going forward, we will continue to create Yamaha's unique brand of ICT music education solutions that are suited to real classroom situations.



Composing using VOCALOID for Education



Practicing in Koto Class

Distance Learning Using a Web Conference System

As the utilization of ICT grows in classrooms, distance learning is being proposed more frequently thanks to its ability to bring classes of different schools in the same city together, support meetings between sister schools, and provide collaborative classes in under-populated areas with a shortage of specialized teachers. As Japan's Ministry of Education, Culture, Sports, Science and Technology recognizes distance learning programs and grants accreditation in high schools, more forms of distance learning programs are expected to be offered in the future.

In corporation with each prefecture's Boards of Education, education institutions and other companies, Yamaha Corporation promotes the use of sound communication devices, such as speakerphones for distance meetings.



English conversation class using a tablet terminal and remote teaching system (Koga Daiichi Municipal Junior High School, Koga City, Ibaraki Prefecture)



A presentation utilizing ICT (Komagamine Municipal Elementary School, Shinchi Town, Fukushima Prefecture)

Donations and Social Welfare Activities

1. Promoting Employee Volunteer Activities
2. Regional welfare activities
3. Support for Areas Devastated by Earthquakes
4. Contributing to Local Regions and Hosting an Environmentally Conscious Event

Promoting Employee Volunteer Activities

The Yamaha Group promotes its employees' participation in volunteer activities. Along with establishing various programs, we use the Company intranet and other means to share information on available volunteer opportunities, while also publicizing examples of previous volunteer activities.

Voluntary Philanthropic Activities by Employees

Yamaha Corporation of America launched Yamaha Cares in 2003 as a way for employees to implement voluntary philanthropic activities. Yamaha Cares aims to contribute to the regions in which employees live and work through donations, collecting contributions, providing Yamaha products, and so on. Among these is an activity benefitting a children's hospital researching the treatment of Type 1 juvenile diabetes. Every year employees participate in the Southern California Half Marathon and solicit contributions, which have exceeded \$110,000 in total. Yamaha Cares continues to support the hospital, one of the few institutions researching the treatment of childhood diabetes.

Major Yamaha Cares activities

- Fundraising efforts for a pediatric hospital
- Donations, including donating Yamaha products, to after-school programs (run by United Sound, Inc.) providing musical performance experiences to children with intellectual disabilities
- Participation in Making Strides Walk, an activity supported by the American Cancer Society

[United Sound website](#) >

[American Cancer Society website](#) >

[Making Strides Walk](#) >



Funds raised from a half marathon were donated to Children's Hospital of Orange County (CHOC)



Fundraising activities and donating the Company's products to many other programs

Regional welfare activities

The Yamaha Group carries out welfare activities rooted in local communities by efforts that include donating instruments to local schools and organizations.

Donation of Musical Instruments for the Children of Migrant Farmers

Commemorating its 10th anniversary, Yamaha Music & Electronics (China) Co., Ltd. (YMEC), and four of its local manufacturing companies and major sales agents, began donating instruments to schools for the children of migrant farmers all over China in fiscal 2014. This is a five-year project to show gratitude toward local areas for the development of business in China.

This activity is carried out with the idea that, by donating musical instruments and AV equipment for music classes in the schools, more children will have the opportunity to experience music and learn the wonders of music, thereby helping them to develop artistic sensitivity. In fiscal 2017, instruments worth a total of 500,000 yuan were donated to five schools in five cities, with the objective of strengthening relationships with agents in local cities and expanding regional contributions. Over the past four years, 50 schools have received donations all total, and the cumulative amount has reached approximately 4 million yuan.

Major Donations and Their Recipients

Date	Region	No. of schools	Donations
Mar 2013	Shanghai	2	2 pianos, 40 portable keyboards, 2 AV systems
Sep 2013	Beijing	2	2 pianos, 72 portable keyboards, 2 AV systems
Oct 2013	Tianjin	7	7 pianos, 210 portable keyboards, 7 AV systems
Dec 2013	Hangzhou	18	15 pianos, 13 electronic pianos, 360 portable keyboards, 18 AV systems
May 2014	Suzhou	5	5 pianos, 150 portable keyboards, 5 AV systems
Oct 2014	Guangzhou	2	2 pianos, 70 portable keyboards, 2 AV systems
May 2015	Shanghai	2	2 pianos, 60 portable keyboards, 2 AV systems
Dec 2015	Hangzhou	5	5 pianos, 150 portable keyboards, 5 A systems, PA systems
Apr 2016	Qingdao	1	Electric keyboards worth approx. 100,000 yuan
Sept 2016	Yiwu	1	Electric keyboards worth approx. 100,000 yuan
Nov 2016	Lu'an	1	Electric keyboards worth approx. 100,000 yuan
Dec 2016	Pingdingshan	1	Electric keyboards worth approx. 100,000 yuan
Mar 2017	Beijing	1	Electric keyboards worth approx. 100,000 yuan



Musical instrument presentation ceremony (Pingdingshan)



Donated portable keyboards

Donating Food for Disaster Stockpiling to Food Bank FUJINOKUNI

Food bank FUJINOKUNI is a charitable organization seeking to help build a mutually supportive society. The food bank has developed and runs a system for accepting donations of food that is safe to eat but would otherwise be discarded from companies, organizations, and individuals, and equitably distributes this food to people who need it. The Yamaha Group fully supports the organization. At each of its offices in Shizuoka Prefecture, Yamaha stockpiles food to be distributed in the event of a disaster. One month before the food is due to be replaced, Yamaha donates it to the food bank.

Support for Areas Devastated by Earthquakes

For the purpose of supporting restoration and recovery in areas affected by the Great East Japan Earthquake, the Yamaha Group provided school musical instruments and other products through its sales agents, held a variety of charity concerts, and supported the activities of the School Music Revival. Going forward, we will continue to provide support in the hope that recovery from the disaster can be achieved as soon as possible.

Yamaha Symphonic Band Helps Support Activities in Disaster Affected Areas

The Yamaha Symphonic Band is devoted to supporting victims of the Great East Japan Earthquake. To date, the band has held charity concerts and other activities to help promote the recovery of the Tohoku region, in addition to collecting donations from audiences attending the band's independent concerts, with proceeds going toward Ofunato city, Iwate, the target of Hamamatsu City's efforts to provide focused support. On April 29, 2016, the band performed at the "Special Concert for Recovery from the Great East Japan Earthquake," held in the Grand Hall of Iwate Prefectural Hall in Iwate. The diverse performance thrilled the audience and included famous pieces of wind instrument music, a solo performance by Nobuya Sugawa, as well as pieces that incorporated dances and other solos. The Yamaha Symphonic Band also donated part of the proceeds of its CD "Yamaha no Oto," which was released in October 2015, to the affected areas through the Japanese Red Cross Society. They plan to continue such activities in order to support recovery from disasters.

Concerts by the Yamaha Symphonic Band to Support Disaster Afflicted Areas

Date	Venue	Contents
April 2011	Hamamatsu City, Shizuoka Prefecture	The 45th Anniversary Regular Concert/The Great East Japan Earthquake Recovery Assistance Concert
October 2011	Ofunato City, Iwate Prefecture	Takonoura Elementary School "Fureai Concert"
August 2013	Inazawa City, Aichi Prefecture	The Great East Japan Earthquake Recovery Assistance Concert
October 2013	Ofunato City, Iwate Prefecture	The Yamaha Symphonic Band x Nobuya Sugawa Special Concert in Ofunato
November 2015	Koriyama City, Fukushima Prefecture	Special Concert for the Recovery of Fukushima
April 2016	Morioka City, Iwate Prefecture	Special Concert for Recovery from the Great East Japan Earthquake

[The Yamaha Symphonic Band](#) >



Concert to support the disaster afflicted area

Contributing to Local Regions and Hosting an Environmentally Conscious Event

Contributing Locally through the Yamaha Ladies Open Katsuragi

Each year in April, Yamaha Corporation and Yamaha Motor Co., Ltd. jointly host the Yamaha Ladies Open Katsuragi golf tournament at the Katsuragi Golf Club operated by Yamaha Resort Corporation in Fukuroi, Shizuoka. At the tournament, efforts are made to address global warming by purchasing Green Power Certificates for the electric power consumed during the event, while also asking visitors to use public transportation or carpool, sort and separate garbage, recycle plastic bottles, and use disposable chopsticks made with timber from thinned forests. These and other environmentally conscious efforts are undertaken in order to help reduce waste and efficiently use resources. Also, holding this major event is made possible with the support of volunteer staff from across Japan and the support of many local residents and regional governments.

Since the first tournament in 2008, Yamaha has given donations to local governments that have backed the tournament as a token of our appreciation to local residents for their cooperation and support of the event. At the April 2017 tournament, we donated a total of ¥6 million, comprising ¥1 million each to Shizuoka Prefecture and five cities in the region. These donations will be used to revitalize the region and improve social welfare, such as maintaining sports facilities and buying vehicles for volunteer activities. The total amount donated to date stands at ¥53 million.

In addition, a total of 314 new Group employees from Yamaha Corporation and Yamaha Motor Co., Ltd. took part as tournament operations staff alongside 1264 volunteer staff.



A Green Power Certificate purchased for the 2nd annual Open in 2009



An "eco-station" for separating garbage



Volunteer staff at the tournament in 2017



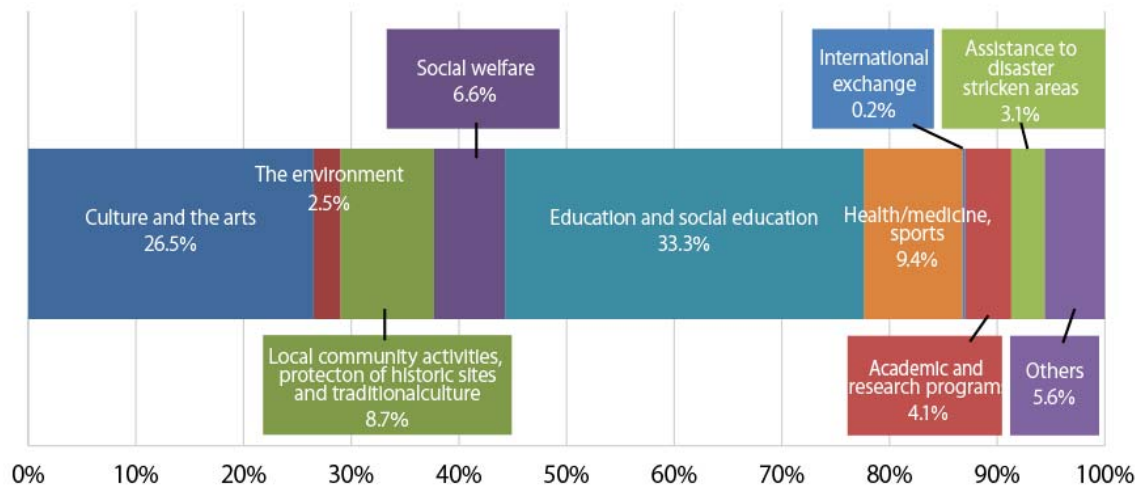
Charity donation presentation ceremony conducted after the tournament award ceremony

Expenditures for social contributions

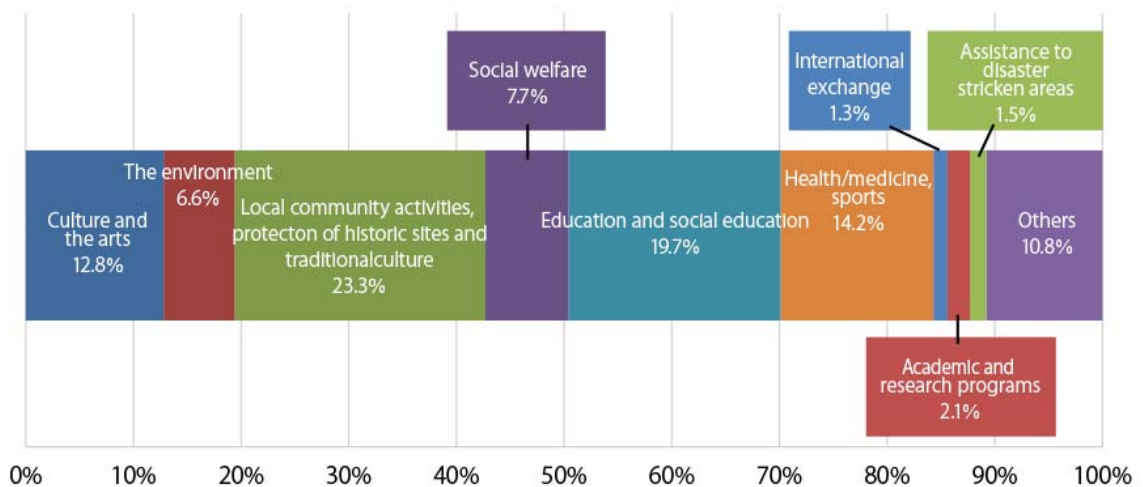
In fiscal 2017, the Yamaha Group spent 473.21 million yen on social contributions, including activities contributing to the popularization and development of music and music culture, and contributions to the region and to welfare of society.

*The above expenditures do not include actions taken by the Yamaha Music Foundation.

Expenditures for social contributions made: 473.21 million yen



Number of social contributions made : 712



Feature / Creating Value for the Next Generation



Enriching Education in Vietnamese Schools through the Introduction of Instrumental Music Education >



Propose Active Learning by Utilizing ICT (Information and Communication Technology) tools >



Create New Art Expression through Technologies which Accommodate People's Needs >



Feature / Creating Value for the Next Generation 01

Enriching Education in Vietnamese Schools through the Introduction of Instrumental Music Education

The educational effects of learning to play musical instruments are so well documented that such instruction is standard in schools around the world. However, in some countries, lack of equipment or trained teachers, or inadequate curriculum often limits to what extent schools can offer. As a project to provide the chance for as many children to experience the joys of playing instruments, Yamaha is currently expanding the School Project.

In 2016, Yamaha's initiative to introduce instrumental music education into music classes at the elementary and secondary schools in the Socialist Republic of Vietnam (hereinafter Vietnam) as a part of the School Project, received official recognition under the Public-Private Initiative to Disseminate Japanese-Style Education Overseas (EDU-Port Japan) of Japan's Ministry of Education, Culture, Sports, Science, and Technology (hereinafter MEXT). Yamaha will continue to contribute to the dissemination of instrumental music education and the development of music education in Vietnam, in cooperation with the Japanese government.



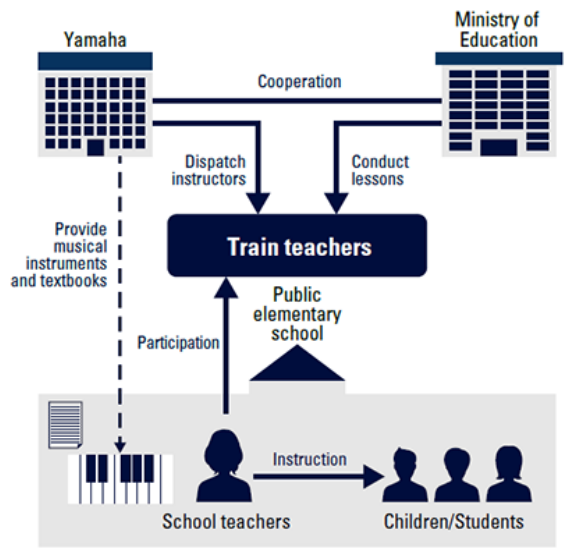
Overview

The “School Project” Conveying the Joys of Playing Instruments

The School Project is a program unique to Yamaha, taking into account its position as a musical instrument manufacturer and its possession of know-how concerning the music education business. While starting the introduction of its uniquely developed Music Time program in Malaysia, Indonesia and Russia from 2015, Yamaha also initiated implementing instrumental music education as a part of compulsory education in Vietnam in 2016. By enabling children to become familiar with musical instruments in the course of school education, we make it possible for children to experience the joys of music while facilitating their growth. Additionally, we help enrich musical education by providing the infrastructure required for carrying out classes. Research concerning the educational values of this program is conducted in cooperation with the Faculty of Education of Yokohama National University.

Music Time Program

Yamaha’s Music Time program offers musical instruments, textbooks, and training programs to public elementary schools in one package. Instructors who have gone through Yamaha training teach classes using instruments and class materials specially developed for the Music Time program. Currently, we are developing instructional materials for portable keyboards (PKs) and guitars, and are organizing recorder and Pianica programs.



Music Time Structure

Music Time Implementation Status

Country	Year Started	Number of Participating schools	Instruments used
Malaysia	February 2015	100 schools	PK/guitar
Indonesia	August 2015	141 schools	PK
Russia	September 2016	7 schools	PK

(as of the end of March 2017)

Supporting the Introduction of Instrumental Music Education in Vietnam

From January 2016, Yamaha started supporting the introduction of instrumental music education in music classes for elementary and secondary education in Vietnam. In Vietnam, no “Course of Study” is provided in the elementary and secondary schools for teaching pupils to actually learn to play musical instruments. In order to develop music education in the country, Yamaha, with an eye to the revisions in course of study for elementary and secondary schools scheduled after 2018, is promoting the introduction and establishment of instrumental music education in cooperation with Vietnam’s Ministry of Education and Training.

The population in Vietnam is increasing by approximately one million persons per year*, thus an increase in the number of children is expected in the future. Through this initiative, this program will not only contribute to promoting music education in the country, but also expand the market for musical instruments due to the expected increase in the number of instrument players.

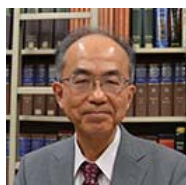
*Source: UNESCO

Comment

I Will Continue to Support New Music Education

The introduction of instrumental music education is a natural step for the development process of music education, and I feel Vietnam has just opened its doors to take its first steps in new music education.

The business know-how that Yamaha has gained through its global expansion is a large advantage. I was able to perceive Yamaha’s strong passion to go beyond the boundaries of the company in order to contribute to the development of music culture around the world, and I empathize to this strongly as a collaborator. I would like to support Vietnam’s music education through the introduction of instrumental music education, by steadily integrating it with the local music culture without imposing our own culture during the process.



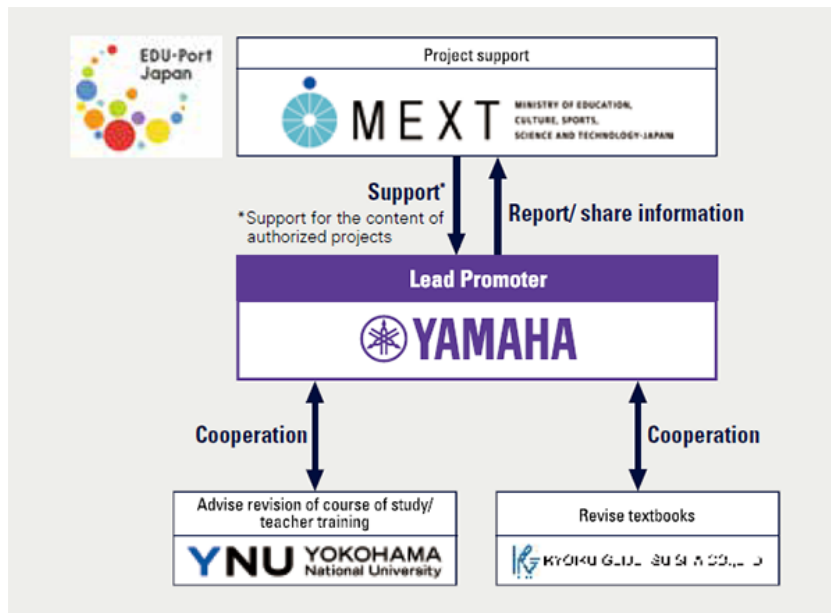
D.M.E., Professor of Music Education, Faculty of Education,
Yokohama National University
Masafumi Ogawa

Point1 Development of Music Education

Improving the Quality of Music Education through Collaboration of Industry, Government and Academia

Recently, Japanese education, which cultivates both basic study knowledge and lifestyle habits, has drawn considerable positive attention from abroad. However, the provision of educational contents to foreign countries have been mostly carried out only by individual efforts of companies and organizations. Under these circumstances, MEXT began the Public-Private Initiative to Disseminate Japanese-Style Education Overseas (EDU-Port Japan) through a framework involving the collaboration of all-Japan public private sectors. Through this project, MEXT aims to revitalize the Japanese education industry through overseas expansion, and strengthen its relationships of trust and cooperation between foreign countries through education.

This project proposed by Yamaha was evaluated based on our long-standing performance in Japan, and correspondence with the domestic needs of our counterparts, and received certification as an official project. From now on, Yamaha, along with MEXT support, will conduct negotiations and make arrangements with the Vietnam government and local educational associations, and will continue to support the introduction and establishment of instrumental music education in Vietnam.



Project Implementation Structure

Interview

Q. Please explain the purpose of “EDU-Port Japan.”

Expanding Japanese-style education out to a foreign country does not only act as global contribution, but also allows us to find issues in Japanese education itself. We believe our purpose of carrying out EDU-Port Japan as MEXT is to provide our own country with feedback concerning those issues to further improve education in Japan.

Q. Please tell us about Yamaha businesses that support the introduction of instrumental music education.

This is a sustainable business model that the local businesses in the supported countries can maintain by themselves after implementation, and we expect it to lead to an instrument export business in the future. This is precisely the development model that EDU-Port Japan strives for. Some countries in the world attempt to learn Japanese discipline through Japanese moral education. We believe that in a similar way, music education can guide people in fundamental human education in the form of emotional education. We expect this business to expand all over Vietnam, and hope Yamaha will continue to carry on what they have worked on up until now.



Director, International Affairs Division Minister's Secretariat (at the time)*
Ministry of Education, Culture, Sports, Science and Technology, Japan
Katsuhisa Sagisaka

*interviewed on March 2017

Nurturing Youth Enriched with Sensitivity and Cooperativeness

By playing musical instruments, children are provided the opportunity to express wider ranges of emotions, and gain options for self-fulfillment. Also, through playing in ensemble, children are given opportunities to learn about responsibility and cooperation. The foundation of Yamaha's music education business is the Yamaha Music School which has a history of more than 60 years.

Yamaha utilizes this experience and know-how acquired in more than 40 countries and regions, in order to support the implementation of instrumental music education.

From here on, Yamaha will also promote the introduction and establishment of a recorder education program in Vietnam. The recorder can be easily played by anyone, and instruction is also relatively easy, making it a suitable starting point for students who are beginners of musical instruments. Along with this process, we plan to introduce other instruments, in order to contribute to the growth of children and the creation of a musical culture.

Achievements

2016	January	First recorder seminar for elementary, secondary school music teachers (Hanoi)
	May	Recorder seminar (Hanoi)
	July	Music Education Forum for people involved in the Ministry of Education and Training by Professor Ogawa of Yokohama National University
	August	Recorder seminar (Hanoi)
	September	Recorder club activities started in 10 elementary, secondary schools in Hanoi
	December	Teacher training class for practicing music teachers by Professor Ogawa of Yokohama National University
2017	April	Recorder seminar for college students training to become teachers (Ho Chi Minh City)
	May	Yamaha Recorder Festival held in cooperation with the Embassy of Japan in Vietnam (about 200 students from 10 schools participated) Recorder seminar (Hanoi/Da-Nang)

Comment

Enhancing Children's Talents for Future National Culture Development

In Vietnam, the quality of equipment and instructors greatly differ depending on the region or school, and I was aware of the problem that musical instrument classes were not included in the "Course of Study."

Instrumental music education not only improves children's abilities, but also gives them a chance to learn from different cultures. I have positive expectations for the improvement of music education in Vietnam and the further development of our national culture.



Music education director,
Vietnam National Institute of Educational Science
Le Anh Tuan

A Learning Program Giving Equal Chances to Children

The recorder is easy to carry, making it easy to handle even for young children, and can be played in ensemble with many people.

Therefore, this instrument is suitable for Vietnamese schools which have large number of students in one class. I think Japanese style education, which gives the same experience to all of children, is a great system because it provides all of the children with equal opportunities for growth.



Principal,
Thanh Cong A Primary School
Can Thi Ngoc Bich

Enhancing Concentration and Sense of Unity through Playing Instruments

The children not only developed a better sense of rhythm by playing musical instruments, but also gained concentration through listening to each other's sounds when playing the recorder in ensemble. As a result, a sense of class unity was built up and improved the class's teamwork. I am filled with happiness when I see fulfillment reflected on the children's faces.



Music teacher,
The Brendon Primary School
Phung Ngoc Ha



Feature / Creating Value for the Next Generation 02 Propose Active Learning by Utilizing ICT (Information and Communication Technology) Tools

In line with the government's policy to promote ICT-based education, much effort is being exerted to introduce ICT in schools. The learning environment has changed significantly and we anticipate the demand for educational software, such as digital learning tools, will continue to increase. Accordingly, Yamaha has been developing a music education solution, Smart Education System (SES) which utilizes ICT. We propose a new solution for the field of education which primarily focuses on sound and music.

[SES URL \(Only available in Japanese\) >](#)



Overview

Smart Education System “Achieving Enriched Learning”

ICT-based advanced technologies instill both teachers and learners with a sense of excitement, and contain elements that enrich education. As such, ICT is expected to have a positive impact on children insofar as cultivating creative and cognitive processes and developing proactive learning for finding/solving problems. The Japanese government announced a new education policy as a part of its Japan Revitalization Strategy 2016, which was approved in a cabinet meeting in June 2016. This policy calls for obtainment of devices for each child as well as the establishment of classes leveraging ICT by 2020.

Effective Solutions for the Learning Environment, Smart Education System

Since 2014, Yamaha has been devising its own original ICT music educational solutions effective in learning environments. We held demonstrative classes at 20 Japanese elementary/junior high schools based on our accumulated know-how and technologies. We developed SES to solve concerns teachers have through discussion. Following this, in February 2017, we began providing SES as a new business, and released digital music learning tools such as VOCALOID for Education, Guitar Class and Koto (a traditional Japanese musical instrument) Class as our initial products.

Digital Learning Tools to Enhance the Appeal of Music Education

VOCALOID for Education is a learning tool optimized by VOCALOID™, Yamaha's singing synthesis software, for use in music classes at schools. With this tool, children can input any lyrics or melody that come to their minds into devices such as PCs or tablets and then enjoy creating music, with consideration to notes, rhythm and harmony. As music creation develops both creativity and logical thinking, we believe that our solution would educate children with effective skills for "computational thinking education" which is scheduled to be implemented as compulsory classes at elementary schools in 2020. Therefore, Yamaha will continue to holding demonstrative lessons.

Guitar Class and Koto Class are the learning tools for instrument learning based on video and various lessons. Rich instruction and sample play videos by specialists are included, and students can learn to play by visually confirming key points using functions to adjust playback tempo or angle.



Creating music by utilizes ICT

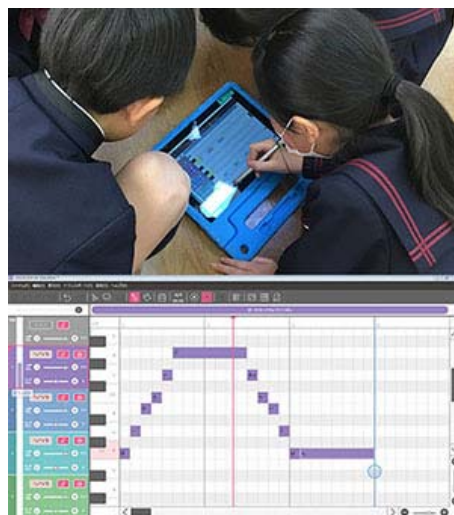


VOCALOID for Education (left) Guitar Class (middle), Koto Class (right)

Point1 Helping Children Grow

Developing Creativity by Active Learning

One of the features of VOCALOID for Education is the visualization of melodies on screen. Users can try various melodies by intuitive operation to create music and learn about scale and score through this process. This task stimulates children's curiosity and encourages self-initiative, in other words, encourages active learning. It is an optimum platform for collaborative learning among children as well. By repeating demonstrative classes, we discovered that even children who are not so good at music could still learn and gain understanding, easily by arranging notes at will, and that children are motivated once they gain an understanding of this. Yamaha provides comprehensive solutions including more musical instruments and network equipment, and would like to support new forms of music education based on the innate power of music and active learning.



Creating music with VOCALOID for Education

< Trial Example >

Creation of a Grade Song Using VOCALOID for Education

- linoya Elementary School, Hamamatsu city -

In December 2016, a project to create grade songs was launched at linoya Elementary School in Hamamatsu city. This was triggered by 5th grade students. The students found a newspaper article about another school that created a song for their class using VOCALOID for Education, and asked their teacher saying, "We want to do it too." The students' inspiration madethe teachers decide to start trial lessons.

Students learned the basics of music creation through “VOCALOID for Education,” and were challenged to create an original song for 5 months. The children sang the song for their teachers at the end-of-school-year closing ceremony in March as a gesture of their appreciation.



Students creating a song
(5th grade, Inoya Elementary School)

Comments

We Used Digital Learning Tools Effectively

We value our students' self-initiative. In this case, we thought the students' request to create a song by themselves was a good opportunity for them to mature, so we decided to provide the challenge.

Digital learning tools have technologies that cannot be taught using a stick of chalk and a blackboard. On the other hand, we have something that we want to teach in our own words on a meaningful level. By combining the benefits of these two methods, we wish to continue developing lessons which students can learn while enjoying the classes.



Keigo Takabayashi
Teacher
Inoya Elementary School, Hamamatsu City (at that time)

Learning Something Unobtainable from a Textbook

Creating music is the ideal opportunity for children to learn about important social matters such as communication with their peers. In music lessons also, they grasp a sense of the chord and structure of music naturally through music creation, and I believe this project produced a great achievement that cannot be obtained through textbooks.

Also, creating a song by using VOCALOID for Education was so simple that students not naturally adept at music could participate too. The song was created by everyone, so they have a very strong sense of the song as “our song.” I hope they will continue to sing and treasure this song.



Shoko Ikuma
Teacher
Inoya Elementary School, Hamamatsu City (at that time)

Balancing Fulfillment of Lessons and Teacher Workload Reduction

The curriculum guideline specified by MEXT requires for one or more Japanese musical instruments in the three years of secondary school so that students may experience the good points of Japanese traditional music culture. Koto Class is a digital learning tool focusing on “koto,” one of the Japanese musical instruments most used in classrooms.

When we started development of musical instrument learning tools, we pursued the learning affect and workload reduction of teachers as well. The accompanying “Lesson model pack” provides teachers, with a way of conducting lessons and considering teaching based on the curriculum guideline. Basic knowledge required for performing can be learned via video, so teachers teaching koto for the first time can give lessons without problem.

In this way, streamlining of fulfilling lessons using ICT allows teachers more time for one-on-one lessons or student care instead of lesson preparation. Yamaha will support fulfillment of school education multilaterally through the development of such learning tools.



Practicing in Koto Class

Comment

Both Students and Teachers Improve Their Knowledge and Skills

To convey Japanese traditional music culture and aesthetics to students, I chose the koto. Yamaha Koto Class instructs with videos as well as illustrations. Students can learn using their visual and auditory senses, therefore their skills can be effectively improved. In addition, even a teacher who cannot play koto can give lessons. This is a huge advantage. The process of listening to sample play, practicing, solving any issues that arise and polishing their skill is very effective, not to mention useful for teachers to improve their skill.



Miho Yamashita

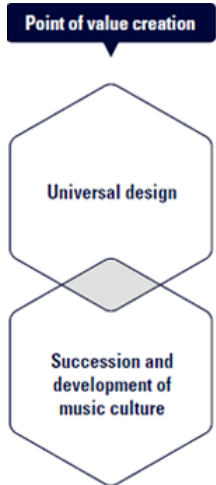
Teacher

Hamamatsu Junior High School, Faculty of Education Shizuoka University



Feature / Creating Value for the Next Generation 03 Create New Art Expression through Technologies Which Accommodate People's Needs

In our long history, Yamaha has endeavored on a day-to-day basis to accumulate research on how we can best deliver the joys of sound and music to people all over the world, and we have been developing our own technologies to this end. By proposing Yamaha's new value, the opportunity for anyone and everyone to enjoy music, we provide many people the happiness of playing music. As a part of this, in terms of universal design, Yamaha proposes to develop content and infrastructures that enable more people to experience music. As a participant of the Center of Innovation (COI), Tokyo University of the Arts since 2015, we have cooperated with their COI Program which aims at foreseeing and resolving future social issues with our technologies.



Overview

Pursuing New Potential of Art by Business-Academia Collaboration

COI STREAM* was launched by Ministry of Education, Culture, Sports, Science and Technology, Japan (MEXT) and Japan Science and Technology Agency (JST) in fiscal 2014. Holding a vision for the ideal future society and lifestyle, this project aims to identify innovative research and development issues with a 10-year outlook. Upon doing this, the COI STREAM removes barriers of existing fields and organizational walls in order to promote practical applications from the fundamental research level. The COI STREAM intends to provide a business-academia collaboration platform to create innovation that could not be achieved independently as either a company or a university.

One of the sites that promotes this program is the Center of Innovation, Tokyo University of the Arts where Yamaha is a participant. This center attempts to establish a society filled with not only material richness but also spiritual happiness, and to develop abundant cultural contents for the next generation's infrastructure by introducing "research to cultivate culture" themed on "Synesthetic innovation using art and science technologies that create emotion," and "research to foster the human spirit" to realize a society where all people live in harmony."

In this center, an event called the Geidai Arts Special-Disability & Arts is held annually to provide a space to enjoy art and music regardless of disability as well as seek the potential of art in the context of modern society. Yamaha has worked with this event since 2015 and supported people who have disabilities resulting in hand, foot or hearing difficulties to express their music performance better by leveraging our own technologies. Moreover, we're working to create an innovation using AI by maximizing this event as an opportunity.

*COI STREAM: Center of Innovation Science and Technology based Radical Innovation and Entrepreneurship Program

Supporting Music Expression of People with Disability

Automatic Support of Hand and Foot Operation along with the Performance

Geidai Arts Special 2015—Disability & Arts was held in December 2015. At the concert held during this event, a performance support system developed with Yamaha as the core developer assisted a piano performance by students of a special support school with hand or foot disability, and received a high level of attention.

This system combines Disklavier™*1, an auto playback function piano, with following performance technologies*2. It supports performance by automatically adding the music of the left-hand portion with the music of Disklavier played by the right hand. The system enables players with hand or foot disabilities to play piano by themselves more freely. Supporting people by machine expands the possibility of music expression and helps to make the dream of a high school student to play their favorite song come true.

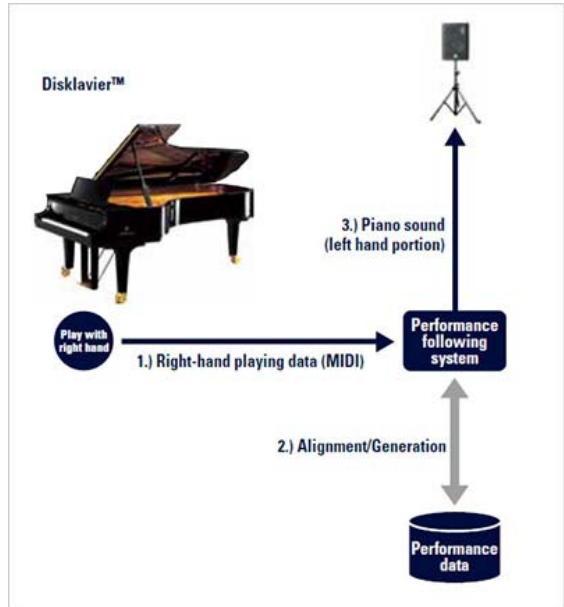


Image of the performance support system

*1 Yamaha acoustic piano with automatic performance function that correctly records the performance information and replay.

*2 Technologies to analyze the performance in real time and identify the playing part on the score. It is possible to automatically play accompaniment along with the performance, flipping score, and synchronize images.



Nocturne of Chopin presented using the performance support system

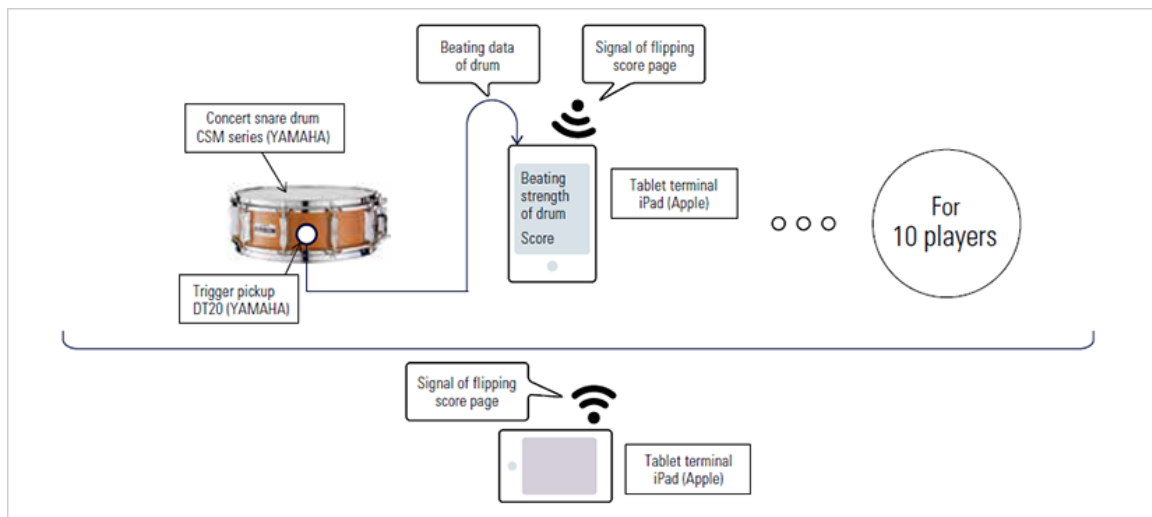


A concert attracting much attention

Visualizing Drum Performance Loudness

At the concert in Geidai Arts Special 2016—Disability & Arts, elementary school students who have hearing difficulties were challenged to play drum. Yamaha Corporation, Tokyo University of the Arts COI and Special Needs Education School for the Deaf, University of Tsukuba developed a performance support system for students who have difficulty perceiving the volume of drum.

This system detects drum volume and shows loudness along with the score on iPad in real time, so students can play the drum while monitoring the volume on the iPad screen. When they played with Geidai Philharmonia Orchestra, they produced wonderful music by beating pianissimo to fortissimo correctly.



Performance support system that visualizes loudness



Photo (left): Students of Special Needs Education School for the Deaf, University of Tsukuba played with the Orchestra. (right): Concert snare drum and performance support system. Photo: Taira Tairadate, Tokyo University of the Arts

Comments

The Children's Ability Was Drawn Out

By being able to rehearse many times for the performance, the orchestra and the students could play ensemble in perfect order at the concert. The children's learning ability was incredible, and I think it was made possible by the performance support system as this enabled the children to recognize their own sound visually.



Oko Arai

Project Associate Professor of the "Research on disabilities and expressions" group
The Center of Innovation, Tokyo University of the Arts

They Shared a "Common Language"

When I listened to perfectly synchronized sounds and precise pianissimo, I was touched beyond words. Thanks to the performance support system, the students were able to play expressive music and all of the performers shared a "common language." Our goal was achieved.



Yukiyo Takahashi

Project Researcher of the "Research on Disabilities and Expressions" group
The Center of Innovation, Tokyo University of the Arts

It Led to Autonomous Learning

Thanks to the developed system, the students were able to recognize the strength of their own beating sound, and it led to independent learning. Likewise, it allowed them to see the sound volume objectively by comparing the volume produced by their friends around them.



Kayoko Yamamoto

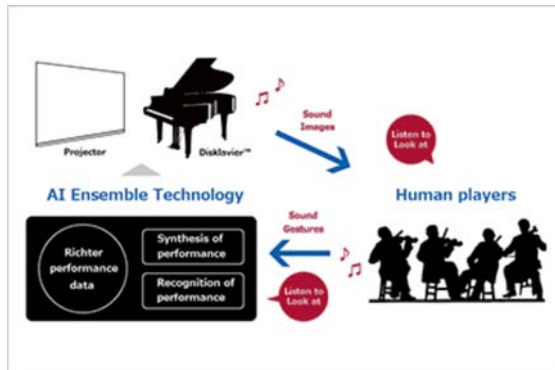
Music teacher of Special Needs Education School for the Deaf
University of Tsukuba

Challenging to New Music Expression by Using AI

Inspired by the Geidai Arts Special, Yamaha Corporation supports the COI Programme at the Tokyo University of the Arts by tackling with various needs through technology.

One example is an achievement of music expression that transcends space and time. To accomplish this, we developed "AI Ensemble Technology" that can understand the music played by human and play automatically along with the performance. By combining this system with Disklavier™, we enabled a music ensemble performance featuring the Scharoun Ensemble of the Berliner Philharmoniker and a recuperated performance of the late Sviatoslav Richter, a legendary pianist of the 20th century.

Moving forward, Yamaha will explore new possibilities with our technologies and products through further research, development, and technical cooperation with other organizations, and we will contribute to the creation and preservation musical culture for the future.



AI Ensemble Technology developed by Yamaha



Joint concert with Scharoun Ensemble of the Berliner Philharmoniker

Third-party Opinion

Yamaha Group attempts to respond to each CSR issue on a global scale. To achieve further improvement in the future, we obtained a third-party opinion on Yamaha's CSR initiatives and report from Mr. Hidemi Tomita. The Yamaha Group accepts his opinions and concerns with sincerity, and will contribute to the creation of a sustainable society through business activities that originate in sound and music for the future.



Lloyd's Register Japan K. K.
Director
Hidemi Tomita

In regards to the content disclosed in Yamaha Group CSR Report 2017 and on its CSR website, from my professional view point, my opinion on items considered to be of particular importance are as follows. As a reference for future policy and information disclosure, I hope my feedback will help lead the company toward achieving an even higher level of CSR practices.

Relationship between CSR and Business

This year's CSR Report included the new addition of a figure expressing "CSR Issues and Initiatives in the Value Chain." This helps to clarify the expectations and demands of society toward each process of the Yamaha value chain, as well as the main CSR issues and strategic CSR themes. As a result, the related initiatives described in this report are clearer for readers. This is a noteworthy improvement.

Particularly in regards to the GRI standards released last year, this addition satisfies the requirement to disclose material issues and their boundaries.

Disclosure of Data and Information

The outstanding feature of the Yamaha CSR Report is that it willingly discloses "negative" information such as the number of complaints and violations, as well as detailed numerical values that most Japanese companies are hesitant to disclose. This enhances the credibility of the report as the company's official media for disclosing information, not just as a material for reading pleasure. What is particularly noteworthy about this year's report in comparison with last year's is its expanded level of disclosure, including the disclosure of labor union participation rates, political donations and the status of supply chain evaluation. I hope this stance on disclosure will continue, and the next report will be in accordance with the GRI standards aiming for information disclosure as a global leading company.

In addition, "Creating Value for the Next Generation" featured in this booklet and on the Yamaha website is an essential activity that takes advantage of Yamaha's distinctive feature. I expect ongoing monitoring including evaluation of its social impact.

Diversity and Work-Life Balance

Selecting the first female board director is a symbolic example of Yamaha's efforts to ensure equal opportunity in the workplace. Also, the number of male employees taking paid childcare leave is gradually improving. I feel these examples are the results of steady efforts so far. In addition to these examples, both initiatives and results of increased application for paid holidays are clearly disclosed, giving readers a good understanding of the situation. This issue is not one which can easily be improved in the short term, but following the examples mentioned above, I expect the company will improve its performance in this area by introducing creative measures.

Sustainable Procurement

Regarding socially responsible procurement, it is noteworthy that implementation of self-assessment has progressed gradually, and not only where these checks formally conducted, but corrective actions were also made. I can see the right effort was made by quantitative disclosure on the training of procurement. This effort is also emphasized in the newly issued ISO 20400 "Guidance on Sustainable Procurement."

Also, regarding activities on securing sustainable timber resources, which are essential to Yamaha's business, the company is making comprehensive efforts from a long-term perspective with the cooperation of external stakeholders. I expect the company to establish a long-term vision and disclose its progress in this area.