

Creation of an Open Corporate Culture in Which Everyone Respects One Another

- Initiatives for Heightening Employee Engagement -

Goal 8 of the United Nations Sustainable Development Goals (SDGs) defines the concept of decent work (motivating work that is respectful of human dignity). Decent work can be provided in the truest form by enabling all employees to grow and achieve self-actualization through motivating work in an environment in which their safety and security is protected.

In this feature, we introduce our initiatives for improving employee engagement in order to create an open corporate culture emphasizing mutual growth in which everyone respects one another among all Yamaha Group employees and between employees and the Company.



Communication for Creating an Open Corporate Culture – Initiatives for Energizing Corporate Culture

An overemphasis on work efficiency threatens to undermine workplace communication and therefore lead to a diminished sense of belonging at one's company and workplace, decreased work motivation, and reduced organization energy. This threat is all the greater amid the substantial restrictions on face-to-face communication imposed in response to the COVID-19 pandemic.

The Yamaha Group is promoting communication among employees and between management and employees based on the belief that an open organization in which employees have a sense of emotional

security and feel safe in freely communicating their thoughts is crucial to energizing organizations. Since April 2020, we have been providing opportunities for online communication between employees and management on the division level, thereby promoting mutual understanding through meetings and facilitating communication based on themes and methods matched to the unique flair of each division. Through this communication, we aim to create an open corporate culture in which everyone respects one another.

Creation of Opportunities for Communication

Creation of opportunities for communication between management and employees to foster a corporate culture emphasizing openness and mutual respect

Goals	<ul style="list-style-type: none"> Creating an open corporate culture in which everyone respects one another Encouraging cross-organizational communication
Themes	Open
Applicable participants	All division employees (separated by rank to facilitate ease of discussion)
Method	Microsoft Teams online meeting system
Details	Casual conversation between participations (no predetermined themes)
Participants	Unit general managers and employees (approx. eight)
Frequency / Duration	Twice a month / One hour

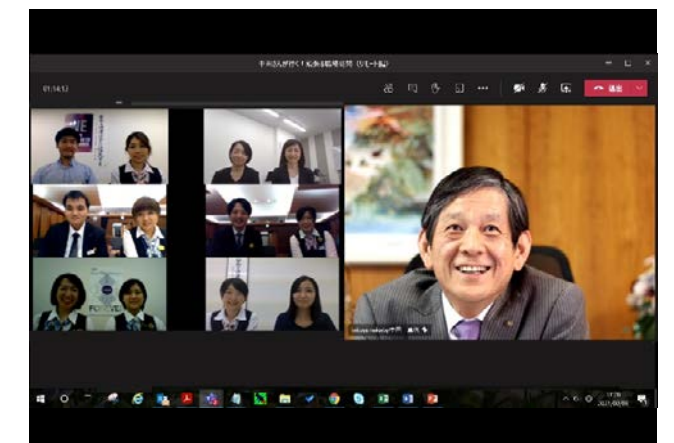
Note: Example of application on unit level

Remote Workplace Visits – Communication between President Nakata and Hard-Working Business Sites

As one facet of its employee engagement initiatives, the Yamaha Group has been arranging remote visits to hard-working business sites by President Nakata since June 2020.

In these online meetings between the president and employees from the designated workplaces, President Nakata offers input based on the concerns and issues of the employees in attendance, and these impassioned examinations are shared with all employees (40 such meetings have been held as of June 30, 2021).

Although communication was limited to online venues by the COVID-19 pandemic, this restriction was framed as a positive opportunity to increase the numbers, participants, and length of such workplace visits by the president. These efforts have helped foster mutual understanding between management and employees, within workplaces, and among employees while also demonstrating our stance toward adapting to the changes to be seen in the future.



Recognition of Contributions to Increased Brand Value and Fostering a Culture of Ambition – The Yamaha Awards

The Yamaha Awards are a program through which Yamaha's president honors activities that heighten the value of the Yamaha brand. The goal of this program is to share examples of activities embodying the Yamaha Philosophy on a global scale and to foster a culture of ambition that encourages employees to soar to new heights. Open to all employees at domestic and overseas Yamaha Group companies and at Yamaha Music Foundation, this program comprises five categories. Award winners are selected in each category, and then the most deserving entry from among these winners is presented with the grand prix award.

A major characteristic of these awards is that finalists make presentations to judges in the final event. These presentations are considered when giving awards for each category. The recipient of the grand prix is selected from among the winners in the program's five categories. Moreover, this program helps share best practices to

stimulate employee motivation and allow the Yamaha Philosophy to be reexamined from a variety of angles.



Yamaha Awards Categories and Application Scope

Product Award

Products and services released and on sale at the time of entry

Sales & Marketing Award

Activities with the aim of sales promotion, and activities that strengthen ties with customers for the purposes of market growth and share expansion

Invention Award

Technologies believed to demonstrate foresight from a technical or market perspective (including technologies already installed in products)

Bolstering Business Award

New activities and far-reaching reform of existing efforts with the aim of supporting and driving business

Process Innovation Award

Yamaha Productivity Management activities involved in improving processes in order to accomplish work

Employee Motivation Fostered through Ongoing Process of Surveys and Improvement – Engagement Survey

In October 2020, an engagement survey was administered to all domestic Yamaha Group employees to gauge employee motivation and workplace comfort.

This survey was designed based on the belief that the Yamaha Group must be a place in which employees and the Company are aligned toward a common goal in order to foster motivation and promote mutual growth.

Specific goals of the survey included (1) promotion of the mutual growth of employees and the Company through increased motivation and workplace comfort and (2) tracking of information on employees and organizations to clarify issues and guide initiatives for energizing organizations.

Responses were received from approximately 97% of the 6,663 domestic Group employees surveyed, demonstrating the strong interest among employees regarding their workplace environments and corporate culture.

This survey indicated that employees feel pride in working at the Yamaha Group and are able to tangibly experience their own growth and learning. In regard to workplace environments, positive scores were received for relations between team members, collaboration with coworkers and supervisors, and workplace openness. However, room for improvement on the organizational level was indicated with regard to the dissemination of management visions, inter-divisional communication, and support for achieving career goals in human resources development programs. The survey results were

communicated to members of management and all other employees so that they could be used by employees in efforts to foster a culture emphasizing openness in their respective organizations.

In fiscal 2022, we plan to expand the scope of surveys to include overseas Group companies and to conduct pulse surveys*1 when deemed necessary as part of a larger scope of finely tuned initiatives.



*1: Simple surveys administered frequently to gauge employee satisfaction

Overview of Engagement Survey

- Timing: October 2020
- Scope: All domestic Yamaha Group employees
- Method: Online and paper questionnaires

Purpose and Goals

- Promotion of the mutual growth of employees and the Company through increased motivation and workplace comfort
- Tracking of information on employees and organizations to clarify issues and guide initiatives for energizing organizations

Response Rate

Responses received from 6,459 employees (96.9% response rate); response rates exceeding 90% achieved at all Group companies

Number of employees surveyed	Non-responding employees	Responding employees	Distribution by medium		Response rate
			Online questionnaire	Paper questionnaire	
6,663	199	6,459	6,328	131	96.9%

Summary

Section 1: Engagement

- Favorable relationships with teammates and supervisors
- High pride for working at the Yamaha Group and ability to tangibly experience one's own growth and learning through work
- Issues regarding inter-divisional communication and support for achieving career goals in human resources development programs

Section 2: Shared Understanding of Values, Issues, and Plans

- High level of awareness with regard to the Yamaha Philosophy and customers
- Issues regarding dissemination and understanding of management vision and brand promise

In addition to the above statistics, comments regarding organizational issues were received from numerous employees through the survey. These findings were communicated to division heads to make them aware of the newly identified organizational issues. Each division is arranging opportunities for discussion to allow every employee to freely speak and share their own observations and thoughts regarding the corporate culture.

COMMENT

Message from the President – Working Together to Build the Yamaha Group Where Employees Feel Free to Voice Opinions and that Doing So Is Beneficial

– Response to Engagement Surveys

I would like to extend my sincere appreciation to everyone who took time out of their busy schedules to communicate their earnest opinions through engagement surveys, which was no doubt based on a desire to help build a better the Yamaha Group.

Around 60% of respondents also took the time to fill out the optional comment sections, offering information about the issues they faced along with other valuable input. I personally read each of the roughly 4,000 comments received. This wealth of input reminded me that it is my mission to turn an ear to the voice of every employee, carefully consider and discuss these opinions, and to use them to drive improvements.

There is a lot we can and must do to make the Yamaha Group into a company that is more comfortable and motivating for everyone. There are some issues to be addressed at the management level, some for the organizational level, and others that everyone will need to consider and address on an individual level. The underlying issue behind all of these various issues is a lack of communication. I am committed to addressing this issue together with everyone.

Several aspects of good communication, like proactively greeting people, expressing appreciation rather than keeping these feelings to one's self, and referring to people by name instead of title when calling upon them, may seem trivial, but it is these trivialities that close the gap between people. I personally intend to be active in practicing such good communication going forward.

We aim to build a better the Yamaha Group where employees feel free to voice opinions and that doing so is beneficial. Management will continue to transform its behavior to contribute to this goal going forward.

The response to this survey reaffirmed my commitment to this task.

It may take time and steadfast effort, but I aim to build a Yamaha where employees feel free to voice opinions and that doing so is beneficial. I am committed to doing what is necessary to accomplish this objective.

Director, President and Representative Executive Officer

Takuya Nakata

