



The Yamaha Group is guided by its corporate philosophy: “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 its business activities on the environment and society and to pursue dialogue with stakeholders, while solving challenges to help create a sustainable society.

#### Yamaha Group Sustainability Policy

##### Our aim is “Sharing Passion & Performance”

The Corporate Philosophy of the Yamaha 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 the Corporate Philosophy, Yamaha conducts its sustainability 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 July 2018

#### Sustainability Management

By offering products and services and implementing business processes and corporate activities in local communities, the Yamaha Group continues to address a variety of sustainability issues while engaging in dialogue with stakeholders. To manage the promotion, planning, and progress of our initiatives, we utilize the ISO 26000 standard, which provides international guidance related to social responsibility.

#### Establishment of Sustainability Priorities

Taking into account the influence of our business activities on the environment and society, as well as the expectations of stakeholders and social requirements, we have formulated sustainability priorities and are implementing initiatives to address those themes (see page 50). In selecting themes, we made sure that we understood the opinions of our customers, the local communities in which we work, NPOs and NGOs, our employees, and others, as well as the priority items in ESG evaluations. We also listened to external experts. In these ways, we identified the themes that required further promotion. With consideration of our medium- and long-term management strategies, senior executives discussed and made decisions about the themes. We are working to manage progress and promotion by monitoring the implementation plans and initiatives for each theme and by conducting reviews in the Managing Council, which is overseen by the president and representative executive officer.

#### Participation in the UN Global Compact

With a commitment to cooperating and forming ties with 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, which cover the four areas of human rights, labor, the environment, and anti-corruption. In addition, as a member of the Global Compact Network Japan, we are also actively participating in subcommittees.

#### Initiatives for Sustainable Development Goals (SDGs)

Through its business activities, the Yamaha Group intends to contribute to the attainment of the Sustainable Development Goals (SDGs), which have been established as common global goals. Moving forward, Yamaha will work to implement product and service development and business process improvement with an awareness of the goals and targets for each SDG. These efforts will reflect our sustainability priorities, such as music promotion activities to address Goal 4, “Quality Education,” and sustainable procurement of timber to address Goal 12, “Responsible Consumption and Production” and Goal 15, “Life on Land.”

In fiscal 2018, to ensure that each person at the Yamaha Group linked the SDGs to their own work, we took steps to deepen understanding of the SDGs, such as through the use of our Intranet, Group newsletter, posters, and in-house seminars. We are working to link our businesses and the sustainability-related themes that we are implementing with the SDG goals and targets. In addition, with the aim of realizing our management vision of “becoming an indispensable, brilliantly individual company,” senior executives are discussing further contributions to the SDGs under the next medium-term management plan.



SDGs educational poster

Progress of Sustainability Priorities

Sustainability Priorities	Major Initiatives	Progress	Future Issues and Activity Targets	Major related SDGs
Development of products and services with a focus on social/environmental issues	Response to social issues	<b>Universal design</b> <ul style="list-style-type: none"> <li>Established a consortium with the aim of promoting universal design in the sound field (<i>Omotenashi</i> Guide)</li> </ul> <b>Educational solutions</b> <ul style="list-style-type: none"> <li>Developed and released a variety of educational materials using PC and tablet for alto recorder, chorus, etc. (Smart Education System; SES)</li> </ul> <b>Health/safety solutions</b> <ul style="list-style-type: none"> <li>Developed in-vehicle communication modules for emergency call systems</li> </ul>	<b>Universal design</b> <ul style="list-style-type: none"> <li>Advancing consortium member support and technical standardization</li> <li>Formulating systems and standards for the promotion of universal design for Yamaha products</li> </ul> <b>Educational solutions</b> <ul style="list-style-type: none"> <li>Considering comprehensive solutions for next-generation music education</li> </ul> <b>Health/safety solutions</b> <ul style="list-style-type: none"> <li>Starting market supply of in-vehicle communication modules, expanding suppliers</li> </ul>	
	Response to environmental issues	<ul style="list-style-type: none"> <li>Certified 16 models of Yamaha Eco-Products** (cumulative total of 320 models)</li> <li>Developed and established production system of thermoelectric power generation modules that can use waste heat</li> </ul>	<ul style="list-style-type: none"> <li>Yamaha Eco-Products** certification: 40 models/year</li> <li>Verifying market provision of thermoelectric power generation modules</li> </ul>	
Development of regional community-based business and social contribution activities	Extending instrumental music education to schools	<ul style="list-style-type: none"> <li>Southeast Asia/Russia (School Project): Implemented classes for a total of 124,000 students at 533 schools in 4 countries</li> <li>Africa/Middle East: Implemented classes for 3,300 students at 33 schools in 5 countries</li> </ul>	<ul style="list-style-type: none"> <li>Southeast Asia/Russia (School Project): Implementing classes for a total of 240,000 students at 1,350 schools in 5 countries</li> <li>Africa/Middle East: Implementing classes for 7,000 students at 60 schools in 8 countries</li> </ul>	
	Supporting youth development orchestras and bands	<ul style="list-style-type: none"> <li>Latin America (AMIGO Project): Held musical instrument maintenance seminars; systematized and rolled out wind, string, and percussion instrument repair technicians development program</li> </ul>	<ul style="list-style-type: none"> <li>Latin America (AMIGO Project): Expanding target countries and organizations</li> </ul>	
	Community support	<ul style="list-style-type: none"> <li>Promoted Creating Community through Music (<i>Oto-Machi</i>) project</li> </ul>	<ul style="list-style-type: none"> <li>Bolstering promotion of <i>Oto-Machi</i> project</li> </ul>	
Lowering of greenhouse gas emissions	Building system for calculating greenhouse gas emissions throughout the value chain	<ul style="list-style-type: none"> <li>Calculated and disclosed scope 3 greenhouse gas emissions</li> </ul>	<ul style="list-style-type: none"> <li>Third-party verification of greenhouse gas emissions</li> </ul>	
	Reducing greenhouse gas emissions from business activities	<ul style="list-style-type: none"> <li>Studied establishment of medium- to long-term reduction targets in conformity with scientific knowledge (SBT)</li> </ul>	<ul style="list-style-type: none"> <li>Establishing SBT and emissions reduction measures</li> </ul>	
Sustainable procurement of timber	Avoiding illegally logged timber, expanding use of certified timber	<ul style="list-style-type: none"> <li>Established due diligence procedures to avoid illegally logged timber</li> <li>Confirmed legality in tree logging (including on-site investigation)</li> </ul>	<ul style="list-style-type: none"> <li>Implementing due diligence and enhancing procedures</li> <li>Implementing 100% legality based on in-house standards</li> </ul>	
	Timber procurement with consideration for sustainable forest conservation	<ul style="list-style-type: none"> <li>Completed survey in Tanzania for production of high-quality materials, started forestation pilot project (African Blackwood)</li> </ul>	<ul style="list-style-type: none"> <li>Reflecting survey results, expanding forestation project, starting procurement (African Blackwood)</li> </ul>	
Systematic initiatives for the respect of human rights	Establishing systems and frameworks	<ul style="list-style-type: none"> <li>Formulated Yamaha Group Human Rights Policy in January 2018</li> <li>Promoted human rights due diligence (established items to be managed)</li> </ul>	<ul style="list-style-type: none"> <li>Promoting education based on human rights policy</li> <li>Promoting human rights due diligence (monitoring of items to be managed)</li> </ul>	
	Supply chain management	<ul style="list-style-type: none"> <li>Requested and implemented self-assessment for 79 supplier companies at the start of transactions</li> </ul>	<ul style="list-style-type: none"> <li>Increasing effectiveness through improvement of supplier assessment framework</li> <li>Promoting education for people in charge of procurement and suppliers</li> </ul>	
Promotion of diversity and human resources development	Global human resources management	<ul style="list-style-type: none"> <li>Established Group standard grading and fostering system, implemented on a trial basis</li> </ul>	<ul style="list-style-type: none"> <li>Promoting human resources management based on Group standard grading and fostering system</li> </ul>	
	Assisting women's careers, addressing diverse working styles	<ul style="list-style-type: none"> <li>Enhanced the work-life balance support system, implemented trials of work-style improvement, started female managerial candidate selection and development program</li> <li>Ratio of female managers, end of March 2018, Group (domestic and overseas combined): 14.3%</li> </ul>	<ul style="list-style-type: none"> <li>Promoting use of work-life balance support system and identifying needs for enhancement, sharing results of work-style improvement trials and confirming issues, promoting female managerial candidate selection and development program and implementing Groupwide</li> <li>Ratio of female managers, Group (domestic and overseas combined): 17%</li> </ul>	

\*1. Yamaha Eco-Products are evaluated as the environmentally friendly products that meet the standards of the Yamaha Eco-Products Program.

Specific Examples of Initiatives

Initiatives for the Environment

The Yamaha Group considers measures to address environmental problems to be an important management issue. Based on the Yamaha Group Environmental Policy, we are working to reduce the environmental burden from our business activities.

We use a variety of wood in our business activities, and accordingly we are working to implement rigorous confirmation of the sustainability and legality of the timber that we procure in order to better conserve this precious resource as well as ensure its availability for continued use. In addition, in Tanzania we are implementing a project to build a business model for the sustainable use of timber for musical instruments (see page 35). Regarding climate change countermeasures, we are taking steps to reduce greenhouse gas emissions, such as implementing a wide range of energy-saving measures and fuel-changing initiatives at production sites. Emissions are managed in accordance with the GHG Protocol\*1, and from fiscal 2017 we commenced calculation and management for the entire value chain (scope 3). For scope 1 and scope 2 greenhouse gas emissions, we have formulated a medium- to long-term reduction plan using industry-specific calculation rules under the SBT\*\*2 international initiative.

We launched the Yamaha Eco-Products Program to promote the creation of environmentally friendly products. A Yamaha Eco-Label is affixed to those products that are certified as meeting our own original standards for environmentally friendly products. Through this process, we aim to provide easy-to-understand environmental information to customers and to support them when they are selecting a product. As of the end of March 2018, the number of certified models was 320.

\*1. GHG Protocol: International standard for the calculation and reporting of greenhouse gas emissions  
 \*\*2. SBT (Science Based Targets): Greenhouse gas emissions reduction targets established in line with scientific knowledge, for the achievement of the 2 degree Celsius target determined in the Paris Agreement at COP 21 (United Nations Framework Convention on Climate Change).



Yamaha Eco-Label



Example of certified products  
 AV Receiver RX-V585  
 Reason for certification: reduction of network-standby power consumption

Initiatives for Human Rights

In accordance with the UN's "Guiding Principles on Business and Human Rights," we are working to rigorously observe international standards related to human rights, such as the International Bill of Human Rights and the United Nations Global Compact. In order to identify the effects on human rights of our own activities and to respond appropriately, we take such steps as engaging in dialogue and communication with stakeholders, implementing supplier personnel assessments, and establishing and operating help lines.

In fiscal 2018, we formulated the Yamaha Group Human Rights Policy, which expresses the Group's approach and responsibilities in regard to respect for human rights. In addition, based on this policy and international standards, we established items to be managed in the area of human rights due diligence. Moving forward, we will establish a framework for the monitoring of items to be managed and advance measures to prevent human rights violations and address risks.