

Make Waves 1.0

Yamaha formulated its new medium-term management plan, Make Waves 1.0, which targets the three-year period starting from April 2019, to follow after its previous medium-term management plan, NEXT STAGE 12, which concluded on March 31, 2019. For the new plan, we analyzed the rapid changes in the business environment and determined our future outlook. In addition to establishing a management vision that will act as our future image for the medium to long term, we also unveiled a value creation story that will serve as our approach to realizing this management vision. At the same time, taking into account the results we have achieved thus far, we formulated not only a basic strategy but also management targets that comprise the three pillars of financial targets, non-financial targets, and shareholder returns.

Ahead of the implementation of strategy and targets, in January 2019, we established the new brand promise of Make Waves to serve as the message we wish to convey to our customers. The expression Make Waves captures the moment when customers feel enthusiastic excitement. Through Make Waves, we promise our customers we will become an indispensable, brilliantly individual company that can make customers feel such excitement. We position the new plan as a management plan that can first put the words Make Waves into action, which is why the title of the plan was determined to be Make Waves 1.0.

Review of NEXT STAGE 12 27
 Approach to Formulating the New Medium-Term Management Plan 28
 Positioning of the New Medium-Term Management Plan 30
 Four Key Strategies 32



Review of NEXT STAGE 12 (April 2016 to March 2019)

Our key strategies generally progressed as planned, allowing us to achieve the targets adopted under NEXT STAGE 12

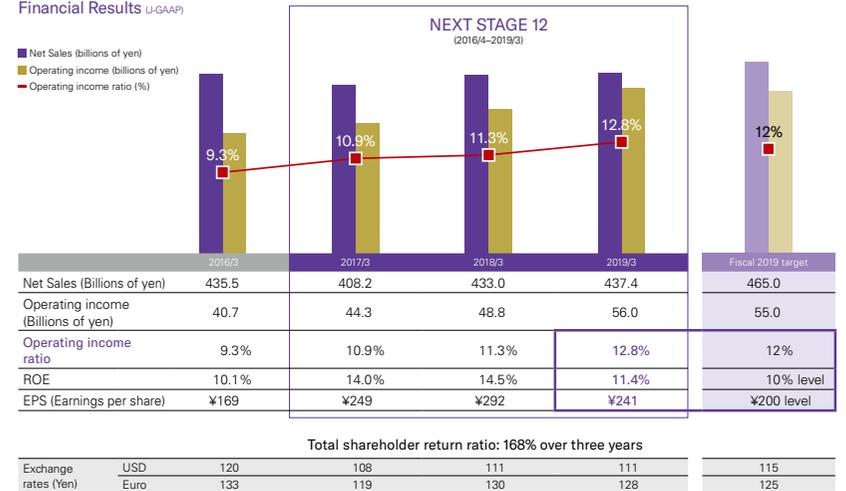
Our medium- to long-term management vision under NEXT STAGE 12 was “Becoming an Indispensable, Brilliantly Individual Company—Boosting brand power to become a highly profitable enterprise.” Guided by this vision, we worked to reinforce our brand power and were able to improve our operating income ratio as a result. NEXT STAGE 12 also entailed the four key strategies of develop products with distinctive individuality, enhance customer interaction, continually reduce costs, and strengthen global business platforms. As the result of steadily promoting efforts in accordance with these strategies, we were able to reach our financial targets of an operating income ratio of 12%, ROE at the 10% level, and EPS at the ¥200 level. We also realized a total shareholder return ratio of 168% over the three years of the plan.

Accomplishments of Key Strategies

Key strategy	Progress	Level of accomplishment
Develop products with distinctive individuality	<ul style="list-style-type: none"> Launched many unique products by merging technologies Won numerous design awards globally (Good Design Grand Award, etc.) 	○
Enhance customer interaction	<ul style="list-style-type: none"> Expanded number of accounts (as planned) (10% increase in contract dealers, 50% increase in audio contractors) Promoted music popularization for learning musical instruments in emerging countries (cumulative total of 260,000 people, 260% above target) 	○
Continually reduce costs	<ul style="list-style-type: none"> Progress in reducing costs did not fully compensate for rising procurement prices, and net cost reductions amounted to ¥5.3 billion (vs. target of ¥8.0 billion) 	△
Strengthen global business platforms	<ul style="list-style-type: none"> Promoted global human resources management, established three global IT headquarters, and introduced IFRS (in April 2019) 	○

○: Successful accomplishment △: Partial accomplishment

Financial Results (J-GAAP)



Approach to Formulating the New Medium-Term Management Plan

Amid the rapid changes occurring in the external environment, the environment within the Company's business domains, which center on sound and music, is undergoing particularly dramatic changes. In light of these changes, we formulated our new medium-term management plan by making use of the backcasting method. Under this method, we established a long-term outlook for the future and analyzed how the changes in the external environment would impact our businesses. We then examined which domains would allow us to realize further development as a company as well as the future growth opportunities and risks that may arise.

Assumptions of Our Outlook for the Future Business Environment

The external environment that surrounds Yamaha is experiencing dramatic changes that are happening at an unprecedented speed. These changes include global population increases, aging populations, a growing middle class, expanding urbanization, and increasingly more severe environmental issues such as global warming. They also include changes to social, political, and industrial structures, as well as people's lifestyles, which have been brought about by the accelerated evolution of IoT, AI, and other cutting-edge technologies.



Environmental Changes That Majorly Impact Yamaha

As the industrial structure changes rapidly due to the acceleration of digitalization, we are now able to form closer ties with our customers. Additionally, with remarkably enhanced levels of convenience realized through AI and IoT, we find ourselves entering into an era where there will be a greater demand for emotional satisfaction and authenticity. We are also seeing an even greater social awareness of sustainability. Furthermore, we anticipate that there will be a continued trend of expansion in the regional macroeconomic environment, as the middle class in emerging countries is expected to grow.

Transformations caused by accelerated digital technologies

- The industrial structure and the world in general are undergoing major changes due to advances in digital technologies.
- Customer interaction has become closer and more direct.



Greater diversity in lifestyles and senses of value

- AI and IoT technologies are taking automation and convenience to new levels.
- In addition to material wealth, people are seeking greater emotional satisfaction and authenticity.



Heightened awareness of sustainability

- There has been a greater requirement of corporate social responsibility.
- Awareness that social contribution is linked to corporate value creation over the medium to long term has become more widespread.



Regional macroeconomic environment

- Although mature economies remain steady, a sense of uncertainty has been growing stronger.
- The pace of growth is slowing in China.
- The general trend in emerging markets is expansion, but there are disparities among countries and regions.

Market outlook

- Musical instruments: A gradual expansion will be driven by the growing middle class in emerging markets (+6%)
 - Audio equipment: Expansion will be driven by technological innovation and commercial equipment demand (+8%)
- Note: Figures in parentheses indicate market growth over three years.



Key to Growth / Yamaha's Strengths

Transformations caused by accelerated digital technologies

- Long-cultivated, cutting-edge digital technologies
- Utilization of network technologies
- Progression of direct digital marketing

Greater diversity in lifestyles and senses of value

- Scientific insight on sensibilities
- Provision of emotional satisfaction through the unique strength of combining technologies and sensibilities
- Progression of direct digital marketing

Heightened awareness of sustainability

- Utilization of advanced materials technologies
- Initiatives toward sustainable timber procurement
- Initiatives to resolve social issues through sound and music

Regional macroeconomic environment and market outlook

- Musical instruments: Continuous growth and acceleration in the markets of China and emerging countries
- Audio equipment: Business domain expansion by investing management resources in growth domains (commercial audio equipment and personal audio domains) where we can leverage company strengths

The value our products offer can be divided into two categories: functional value and emotional value. In the era in which there is greater demand for emotional satisfaction and authenticity, the need for emotional value will unquestionably surpass the need for functional value.

Our business domains center on sound and music, which offer significant value in the form of sensibilities and emotional impact. Accordingly, these kinds of needs will without

a doubt provide a positive boost to the Yamaha Group, which has assessed sound and musical instruments as a part of culture itself and has striven to refine its technologies and sensibilities.

It is therefore imperative that we fully leverage our strengths to capitalize on this growth opportunity by enhancing our ties with customers and society as well as our connection to market growth and growth domains.



The world is undergoing major changes at a rapid pace due to accelerated digitalization and diversification of value systems.

→ **Combining technologies and sensibilities** presents growth opportunities for Yamaha

Management Strategy

Positioning of the New Medium-Term Management Plan

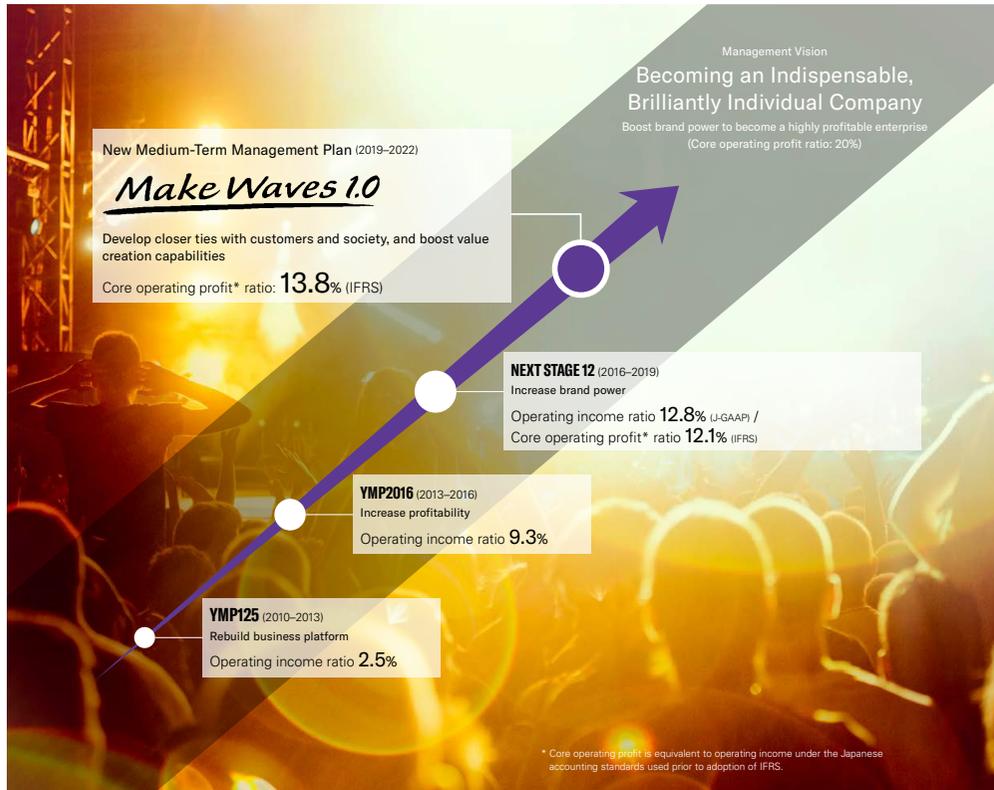
Looking back on our medium-term management plans to date, YMP125 was carried out in a period when our businesses faced tough conditions due to yen appreciation. The period of YMP125 was positioned as a phase for rebuilding our business platforms through such means as restructuring our core businesses and integrating our sales offices in Europe and plants.

After completing that phase, we commenced YMP2016, under which we transitioned from a business-unit organizational structure to a function-specific one, promoted optimized pricing, and moved forward with selection and concentration from a multifaceted perspective to focus on core businesses. Through these efforts, we were able to achieve an operating income ratio of 9.3%.

With the previous medium-term management plan, NEXT STAGE 12, we established the management vision of becoming

an indispensable, brilliantly individual company. Guided by this vision, we worked to boost our brand power in an effort to take the next step toward further growth as a company. As a result, we raised our operating income ratio to 12.8% (J-GAAP).

Taking into account the achievements we have made thus far, we have positioned the three years of the new medium-term management plan, Make Waves 1.0, as a period in which we will aim to develop closer ties with customers and society, and boost value creation capabilities, and we have adopted that aim as the basic strategy of the plan. Based on this strategy, we will pursue a two-pronged approach of boosting profitability and reinforcing our growth foundation. By fiscal 2022, the final year of plan, we plan to increase our core operating profit ratio to 13.8% as a step toward reaching our long-term target of 20%, which we adopted under our management vision.



Management Vision and Value Creation Story

We established a new value creation story that serves as our approach to realizing the management vision (medium- to long-term vision) that we adopted under the previous medium-term management plan, NEXT STAGE 12.

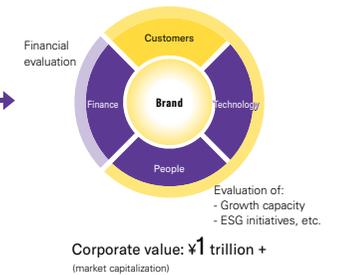
Management Vision (Our future image in the medium to long term)	Becoming an Indispensable, Brilliantly Individual Company Boost brand power to become a highly profitable enterprise (Core operating profit ratio of 20%)
Value Creation Story	Enhance corporate value and realize vision by creating social value

Basic Strategy

In a world undergoing major changes at a rapid pace, we will develop closer ties with customers and society, and boost value creation capabilities.

Management Objectives

Financial targets (IFRS) Boost profitability while also building stronger business platforms for growth	Core operating profit ratio	13.8%
	ROE	11.5%
	EPS (Earnings per share)	¥270
Non-financial targets	Corporate brand value*	+30%
	Music popularization for learning musical instruments in emerging markets (cumulative total)	1 million people
	Certified timber use	50% of total use
Investment and shareholder returns Well-balanced allocation to investment in growth and returns to shareholders	Total return ratio	50%



* Brand value added with Yamaha and Yamaha Motor Company; US\$1.2 billion (Best Japan Brands 2019 issued by Interbrand)

Path to Improving Core Operating Profit Ratio

We will leverage our unique strengths to increase our core operating profit ratio to the 14% level over the three years of the plan, with the overall goal of reaching our long-term target of 20%, which was adopted under our management vision. Focusing on reaching a core operating profit ratio of 20%, a target we adopted under our medium- to long-term vision, or management vision, we set a goal of increasing core operating profit ratio to the 14% level over the three years of the new medium-term management plan. While providing unique products and services that cannot be imitated by our competitors, we will achieve a leading position in the market by leveraging our strengths such as our tremendous market presence and high market share. We will also work to optimize pricing. In these ways, we will enhance profitability.

In addition, our high marginal income ratio and sales growth centered on emerging countries are two strengths that will also help us boost profitability. Furthermore, increasing profitability through efforts to reduce costs will contribute significantly to improving our core operating profit ratio.



Four Key Strategies

Basic Medium-Term Strategy

Develop closer ties with customers and society, and boost value creation capabilities

Make Waves 1.0



To promote our basic strategy of "develop closer ties with customers and society, and boost value creation capabilities," we established four key strategies. By steadily executing these key strategies, we will realize Yamaha value creation and social value creation.

We will create customer value by developing closer ties with customers and offering them new value. We will also increase our profitability by enhancing productivity. Furthermore, we strive to contribute to society through our business activities, which we believe will lead to improvement in corporate value over the medium to long term.

1 Develop Closer Ties with Customers

Develop Broader, Deeper, Longer Ties with Customers

To develop broader, deeper, and longer ties with our customers, we will promote our brand through our new brand promise and develop digital and physical customer interfaces with a focus on digital marketing. We will also take steps to contribute to lifetime value enhancement. Additionally, in emerging countries centered on China and ASEAN, we will engage with middle-income earners and accelerate growth. For the audio equipment business and the industrial machinery and components business, we will achieve growth by expanding our business domains in growth markets.

Reinforce customer interface	Achieve growth in emerging markets	Expand business domains
Broader, Deeper, Longer	Broader, Deeper, Longer	Broader, Deeper, Longer
<ul style="list-style-type: none"> Communicate brand appeal through brand promise Develop customer interface with focus on digital marketing Contribute to lifetime value enhancement (communicate value proposals suited to customer life stages) 	<ul style="list-style-type: none"> Engage with middle-income earners and accelerate growth 	<ul style="list-style-type: none"> Expand audio equipment business domain Shift IMC business domain into in-vehicle solutions
Sales = customer numbers (broad) × frequency (deep) × unit price (deep) × duration (long)		

Reinforce Customer Interface Deeper, Longer

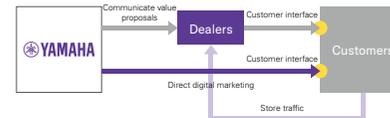
Communicating Brand Appeal through Brand Promise
To Make Waves with our customers, we will offer original products and services that exceed their expectations. We will also leverage our brand promise to engage in communication with customers around the world as we work to become a brand that customers admire and cherish. In these ways, we will aim to develop deeper and longer ties with our customers.



Rendered image of Make Waves in action

Developing Direct Ties with Customers with a Focus on Digital Marketing

In addition to engaging in conventional customer communication at stores, we will leverage digital marketing to directly promote value that caters to our customers. At the same time, we will use digital marketing to encourage customers to visit our stores, where they can experience our products and services firsthand. Through these efforts, we will further develop contact points with our customers.



Contributing to Lifetime Value Enhancement

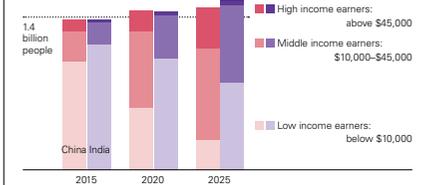
We will work to build customer data platforms and establish structures that allow us to promote our brand in manner that best fits each and every one of our customers and enables us to continue to maintain ties with them.



Achieve Growth in Emerging Markets Broader

By strengthening our ties with the growing middle class in emerging countries, starting with China and India, we will accelerate growth and expand our customer base.

Expected Expansion of Middle Class in China and India



Source: Ministry of Economy, Trade and Industry of Japan

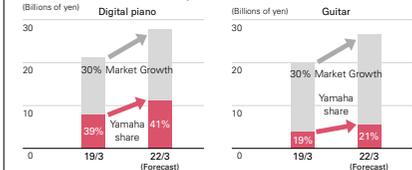
Growth in China

Aiming for 25% Growth over the Next Three Years through Sales Network Expansion and Brand Promotion

Achieve Market Growth and Share Expansion

In the Chinese market, Yamaha is known as a brand admired by many, which has helped us attain a high market share and realize a high level of profitability. In addition, the growth rate of the market itself in China has been strong for many years. Going forward, we will achieve a sales growth rate that surpasses the rate of this strong market growth and further expand our market share through such initiatives as promoting the strength of our products and brand, expanding our sales networks, and pursuing digital marketing.

Market Growth and Share Expansion in China



Note: Yamaha estimation

Boost Product Power

In the Chinese market, we will roll out China-specific models based on local needs, expand the sales of high-value-added products made in Japan, and supply pianos made in Indonesia. In these ways, we will move forward with proposals that meet customer needs through a diverse product lineup.

Realizing Growth in India, ASEAN, and Other Markets
Aiming for 50% Growth over the Next Three Years in the Indian Market by Engaging with Middle-Income Earners through the Expansion of Sales Networks and Introduction of Local Models Expanding Sales Networks and Launching E-Commerce Sales (India)

The market in India is expected to continue to grow in the future. In this market, we will expand our sales networks primarily in cities with over 1 million people. Additionally, we will leverage e-commerce and individual delivery to cover areas where we do not have physical stores.



Unifying Manufacturing and Sales Systems and Offering Products Suited to Local Music Culture (India)

Our newly constructed Chennai Plant began shipping products in April 2019 and has been gradually increasing its production capacity since. Going forward, by realizing integrated manufacturing and sales operations, we will promote the production and sale of products that incorporate the local needs of customers in the Indian market.



Chennai Plant



Local portable keyboard model for the Indian market

Focusing on Store-Based Measures and Use of E-Commerce

Following the rise in income levels in emerging countries, there has been a rapid increase in middle-income earners who are purchasing educational, hobby, and luxury products more frequently. In response to this trend, we will expand stores that emphasize hands-on experiences and communicate the high-quality value we offer. We will also utilize e-commerce to establish omnichannel sales that cater to local customers. In these ways, we will strengthen our approach to middle-income earners.



Directly owned store in Singapore

Developing Local Models Catered to Local Music Cultures

We will strive to expand our customer base through the development and sale of models equipped with local musical instrument sounds reflecting local music cultures in regions such as Asia, the Middle East, Africa, and Latin America.

Promoting Musical Instrument Education and Developing New Markets

To date, we have provided a cumulative total of approximately 260,000 children with musical instrument education within their school education. Going forward, we will expand this provision to cover a cumulative total of 1 million children in seven countries. Through these activities, we will seek to understand and analyze the conditions of music-related activities in the markets of Asian and African countries, thereby developing new markets.

Expand Business Domains Broader

Expanding Business Domains into Growth Markets and Accelerating Growth

We will expand our domains in the audio equipment business and promote a shift in the industrial machinery and components business to focus on in-vehicle solutions. In these ways, we will expand sales in growth markets.

Commercial audio equipment: Realize 30% growth over three years

We will pursue a full-scale expansion into commercial audio equipment domains including not only live performances and music events but also in churches, concert halls, retail spaces, and corporate conference rooms.

	Live performances / music events	Churches / halls / broadcasting studios	Retail space background music / conference equipment
Market scale	¥200 billion	¥350 billion	¥500 billion
Market growth rate	+8%	+5%	+10%
Direction	Yamaha's existing strengths → Further expand domain		

AV Products: Transform our business portfolio

We will realize growth by shifting product lineups toward the personal audio domain, such as wireless speakers, to accommodate changing lifestyles.

	H-Fi, AV receivers	Sound bars	Wireless speakers	Headphones
Market scale	¥250 billion	¥550 billion	¥1 trillion	¥1.5 trillion
Market growth rate	-8%	+12%	+12%	+40%
Direction	Yamaha's existing strengths → Further expand domain			

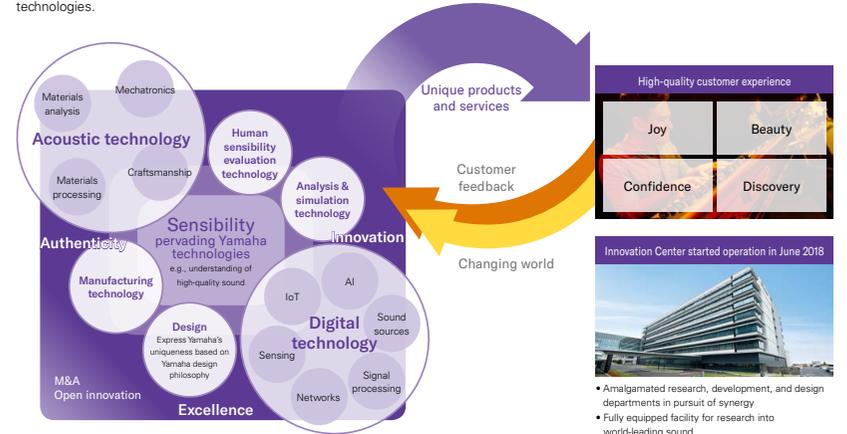
In-vehicle components: Realize 30% growth over three years

Going beyond interior wood panels, we will leverage our strengths to expand into the comprehensive in-vehicle solutions domain, including integrated sound, voice, and noise control systems for vehicle interiors.

	Interior panels	Microphone modules	Audio systems
Market scale	¥100 billion	¥100 billion	¥600 billion
Market growth rate	+5%	+40%	+10%
Direction	Yamaha's existing strengths → Further expand domain		

2 Create New Value
Create New Value by Combining Technology and Sensibility

We will create new value by leveraging our unique strength of combining technologies and sensibilities. Based on the changes occurring around the world and the feedback we have received from customers, we will provide unique products and services to our customers by making full use of our technologies for the scientific evaluation of assessing human sensibilities as well as our analysis and simulation technologies. We will also offer such products and services by melding the technologies we possess, including our acoustic and digital technologies.



Yamaha Strength of Combining Technologies and Sensibilities

Evaluating sensibilities regarding what determines a good sound or a good sound environment is not something that can be done simply by analyzing quantitative data. The source of our competitiveness lies in our deep understanding and insight toward sensibility value cultivated through our long history, which started with the creation of musical instruments. Leveraging our core competency pertaining to this sensibility evaluation as our foundation, we are able to combine a wide variety of technologies, including acoustic and digital technologies, human sensibility evaluation technologies, and analysis and simulation technologies. This in turn enables us to provide unique products and services that cannot be imitated by competitors. In addition, by earnestly dealing with the changes occurring around the world and the feedback from our customers, we will draw on our diverse lineup of technologies to the greatest extent possible in order to provide new value, products, and services.

Products and Services
 Enhance added value by pursuing combination of authenticity and innovation

Pursuing Authenticity
 Tireless enhancement of expressive power: In the musical

instruments domain, we will strengthen our ties with leading artists. At the same time, through a scientific approach, we will aim to develop products that pursue the highest levels of expressive power. In the audio equipment domain, we will pursue audio characteristics by leveraging various cutting-edge technologies, such as materials technology and analysis and simulation technology.
Scientific study of human sensibility: We will study human sensibility and tacit knowledge of accomplished players and forge ahead with development processes that pursue the essence of high-quality sound. By doing so, we will promote the development of products that cannot be imitated by competitors.

Pursuing Innovation
Efforts to spur innovation: In June 2018, we established the Innovation Center research and development building with equipment that handles leading-edge research and experiments at our headquarters, thereby bringing together all of our engineers. Leveraging the Innovation Center, we will meld various technologies in a manner that goes beyond business domains in order to create new value. In addition, we will use IoT to not only provide customer support but also accelerate the development of customer-driven products and services.
Harness AI for technological innovation: By promoting our long-cultivated strength of combining technologies and sensibilities together with AI technologies, we will personalize accompaniment and music lessons as well as automate and assist professional audio equipment operations. In these ways, we will pursue the development of products and services unique to Yamaha.

Business Platform to Drive Value Creation
 Establish business platform to drive profitability
 Profitability = customer value × productivity

Promoting a Digital Transformation

To deepen our ties with customers, we will focus our efforts on reinforcing business platforms such as our customer data platform (CDP) and SCM systems. In addition, through the promotion of a digital transformation (DX), we will transform our business processes themselves in an effort to promote productivity.

Establishing a Foundation for Global Human Resource Management

We will transition from region-specific human resource systems to a Groupwide, globally shared system. We will also promote the cross-border allocating of human resources and the discovery and development of managerial talent. Additionally, we will step up our efforts toward diversity and protecting human rights.

Digital Transformation Initiatives

Initiative	Aim	Implementation process
Establishment of CDP	Build CRM platform to develop closer customer ties	Development and establishment of CDP → Full-scale start of operations and global rollout
Operation of next-generation SCM systems	Innovate SCM systems to optimize efficient operation with customer information	System trial → Full-scale start of operations and global rollout
Promotion of business process transformation	<ul style="list-style-type: none"> Reform all work processes through DX Expand introduction of agile methods to development process Seamlessly connect accounting systems to business Utilize robotic process automation to automate routine work 	Establishment of systems and frameworks → Advancement of DX activities (optimization and reforms)

Timeline: 2019/4 → 2022/3

3 Enhance Productivity
Boosting Profitability by Improving Productivity

We will work to optimize pricing by enhancing added value and strengthening efforts to showcase our product value. At the same time, we will strive to continuously reduce production costs. In addition, we will perform a zero-based analysis of expenditures and promote a shift toward strategic spending aimed at improving customer value. In these ways, we will reinforce profitability going forward.



Optimize Pricing, Reduce Production Costs, and Use Expenditures Strategically

Optimizing Pricing

We will create new added value for our products and services and make concerted efforts to promote product value. By doing so, we will optimize our selling prices to reflect the increased amount of added value, thereby improving profitability.

Reducing Production Costs

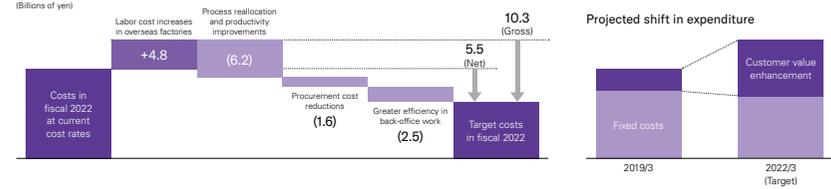
We will reduce product costs by reorganizing production processes on a global scale, including transferring production processes conventionally performed in Japan to our overseas plants. For procurement, we will transition from our conventional component procurement methods, which were previously conducted

by each plant, to regional-specific procurement as well as comprehensive purchasing by our headquarters. In this way, we will work to lower procurement costs. Additionally, we will significantly reduce costs by expanding automated production lines used in Japan to overseas locations and promoting labor-saving activities through the use of IT. Through such efforts, we aim to achieve cost reductions totaling ¥5.5 billion over the three-year period of the new medium-term management plan.

Using Expenditures Strategically

We will perform a zero-based analysis of expenditures and promote a shift toward strategic spending aimed at improving future customer value, rather than simply pursuing cost reductions. This shift will be realized in such ways as transforming our business processes through a digital transformation.

Cost Reduction Analysis



4 Contribute to Society through Our Businesses
4 Contributing to the Sustainable Development of Music Culture and Society

We will contribute to the global music scene through the provision of diverse musical instruments. We will work to spread musical instrument education in emerging countries. In this manner, we will not only contribute to the sustainability of music culture but also work to resolve social issues through our products and services. Also, we will realize a peaceful coexistence with the natural environment through such efforts as promoting the sustainable procurement of timber and developing environmentally friendly products.



Culture

Contribute to global music scene by supplying a diverse range of musical instruments

Launch approximately 800 models (over 3 years)

Spread the joy of music through music school business

30% growth in students at overseas music schools (over 3 years)

Promote musical instrument education in school music lessons in emerging markets (see page 71)

3,000 schools in 7 countries, cumulative total of 1 million students

Support education in schools for children of migrant workers in China by donating musical instruments

Support 18 schools (over 3 years)

Contributing to the Sustainability of Music Culture

By offering a diverse lineup of musical instruments, we will contribute to the global music scene. In addition, through such initiatives as globally expanding Yamaha Music Schools and promoting activities to spread musical instrument education at schools in emerging countries (see page 71), we will extensively convey the joy of music across the globe.

Spreading musical instrument education in emerging markets

Supporting education in the schools for children of migrant workers in China

Society



Resolving Social Issues through Our Products and Services

We will support the healthy development of youth through music popularization activities in Latin America (see page 72). We will also work to revitalize communities through the *Oto-Machi* project, which aims to create communities filled with music in Japan. By doing so, we will carry out continuous efforts to leverage our products and services with the aim of resolving the various social issues facing each country and region of operation.

Enhancing Diversity and Fulfillment among All Employees

We will take steps to create an environment where diverse personnel can make full use of their individuality and creativity (see page 64). Also, with the aim of preventing human rights violations, we will promote human rights due diligence across our entire supply chain.



I'm a HERO Program in Colombia

Shibuya Zunchakal Oto-Machi Project in Japan



Promoting flexible workstyles such as telecommuting

Establishment of an in-house childcare facility (August 2019)

Environment Coexistence with the Natural Environment



Utilizing Sustainable Timber

We will promote due diligence to avoid the purchase of timber from illegal sources. Additionally, we will aim to expand our utilization rate of certified timber (target of 50%), which is produced from sustainable forests. Furthermore, we will promote the sustainable use of timber through a broad range of efforts, such as undertaking activities to sustainably conserve scarce timber resources in collaboration with local communities and promoting collaborative research with academia including Kyoto University (see page 67).



Activities to conserve scarce timber resources in Tanzania

Yamaha Eco-Products (environmentally-friendly material)

Developing Environmentally Friendly Products

We will create environmentally friendly products through the Yamaha Eco-Products Program*1 (deployment of 120 models over three years) and promote the development of sustainable resources that can be used in place of scarce timber.

Reducing Greenhouse Gas Emissions

We will work to meet our Science Based Target (SBT)*2 through such means as installing highly energy-efficient equipment and shifting toward renewable energy sources. Also, we will work to reduce GHG emissions throughout our entire value chain through the development of energy-saving products and the streamlining of distribution, among other initiatives (see page 67).



*1. Environmentally friendly products certified as meeting standards established by Yamaha

*2. A Science Based Target to achieve the 2 degrees Celsius GHG emission reduction goal set in the Paris Agreement (32% reduction by fiscal 2031)