

SUSTAINABILITY MANAGEMENT

We have established the Yamaha Group Sustainability Policy, and seek to exercise the Yamaha Philosophy by engaging with stakeholders based on an understanding of the environmental and social impacts of our business activities. Through this process, we aim to help resolve the issues necessary to realize a sustainable society.

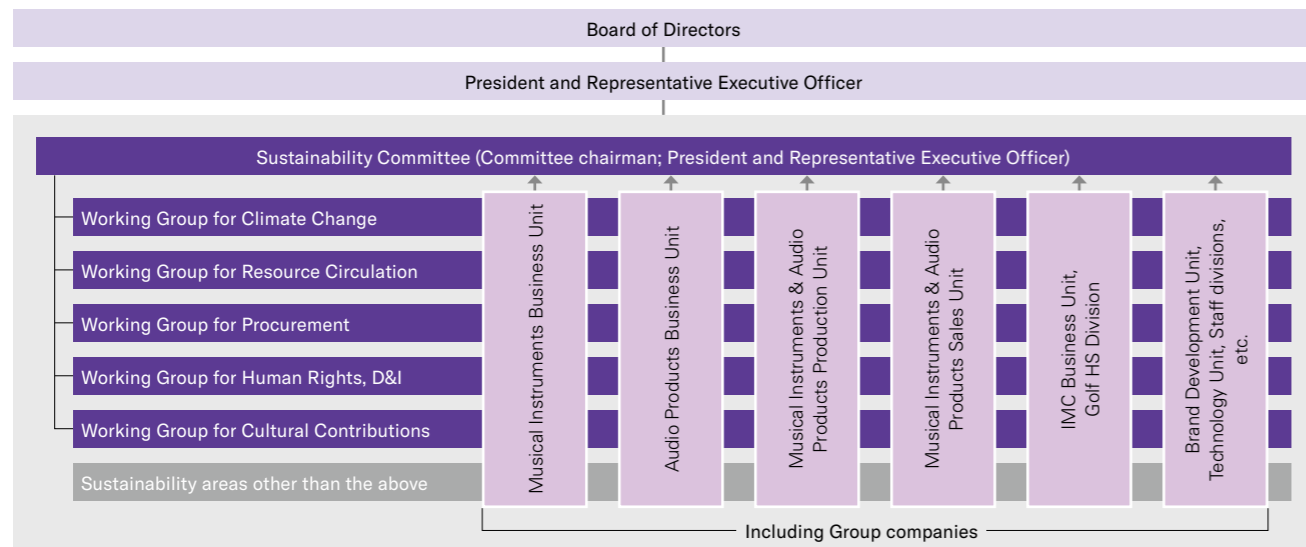
Today, numerous environmental and social risks are materializing on a global scale, placing humanity at a crossroad staring down two paths: one to a sustainable society and one to an unsustainable society. As a responsible company, Yamaha places sustainability at the heart of its management and business activities. We are thus accelerating various initiatives to help shape a sustainable society.

Sustainability Promotion System

Establishment of the Sustainability Committee

Under the guidance of the Board of Directors, Yamaha Corporation established the Sustainability Committee as an advisory body to the president in January 2021. This committee is tasked with discussing directives for Groupwide sustainability initiatives, monitoring these initiatives, and reporting to the president on these matters. Five working groups—the Working Group for Climate Change, Working Group for Resource Circulation, Working Group for Procurement, Working Group for Human Rights, D&I, and Working Group for

Cultural Contributions—have been formed under the Sustainability Committee to formulate activity policies for important Groupwide themes and monitor trends in their respective areas. The working groups act on a cross-business basis by coordinating with the relevant divisions to advance activities based on the theme of their assigned area. The activity policies and measures examined by the working groups are incorporated into Companywide strategies by the Sustainability Committee, and these strategies shape the policies and measures of divisions and Group companies.



Participation in Initiatives

With a commitment to cooperating and forming ties with global society as we work toward building a sustainable society, Yamaha signed the UN Global Compact in June 2011 and is advancing its business activities based on the Ten Principles. In addition, we actively participate in subcommittees of Global Compact Network Japan as a member. The Group is also actively contributing to the accomplishment of the SDGs, which are a set of shared targets embraced by global society, through its business activities. The goals and targets of the SDGs are emphasized in the

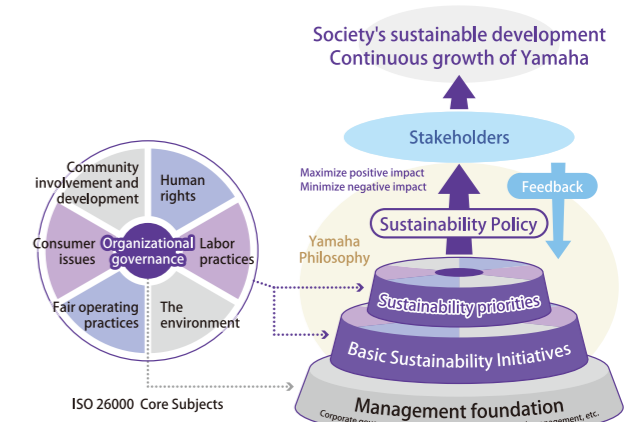


development of products and services and in efforts to improve business processes. Specific examples of these efforts include advancing music promotion activities to contribute to Goal 4 “Quality education” and practicing sustainable timber procurement to help achieve Goal 12 “Responsible consumption and production” and Goal 15 “Life on land.”



Sustainability Priorities

The Yamaha Group has established sustainability priorities for the medium to long term based on the impact of its business activities on the environment and society as well as on stakeholder expectations and social demands. The Make Waves 1.0 medium-term management plan defines social contribution through our business as an important strategy, and the sustainability priorities have been incorporated in the plans of business divisions. Key performance indicator (KPI) targets have been established to gauge the progress of these plans, and efforts are being made to accomplish these targets. We are also working to accomplish KPI targets for non-financial management goals related to our sustainability priorities of spreading instrumental music education within emerging countries and of procuring sustainable timber.



For more information on the Yamaha Group Sustainability Policy, please refer to the following website.

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

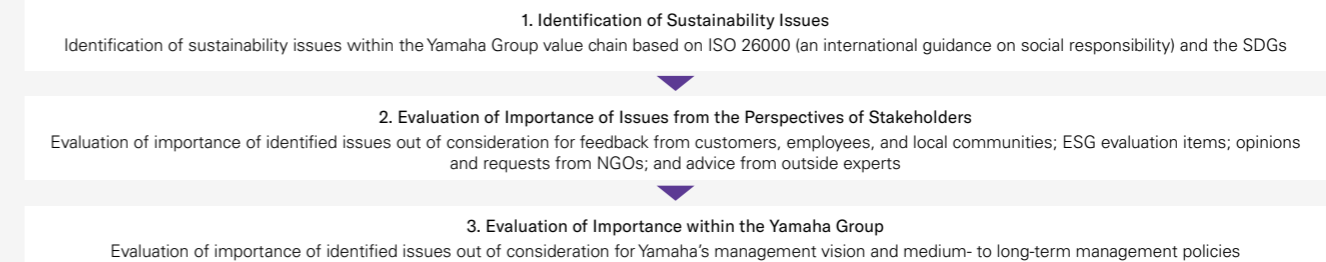


For more information on sustainability priorities and related progress, please refer to the following website.

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



Priority Identification Process



Sustainability Priorities

Selection of issues warrants a strong approach based on results of important evaluations followed by identification of sustainability priorities through discussion among senior management

Culture	Society	Environment	Sustainability Priorities
●	●	●	Development of products and services with a focus on social and environmental issues
●	●	●	Development of regional community-based business and social contribution activities
		●	Lowering of greenhouse gas emissions
		●	Sustainable procurement of timber
		●	Promotion of the “3Rs” in products
	●		Systematic initiatives for the respect of human rights
	●		Promotion of diversity and human resources development

KPI management targets established for two sustainability priorities

Make Waves 1.0 Medium-Term Management Plan

Four key strategies

1. Develop closer ties with customers
2. Create new value
3. Enhance productivity
4. Contribute to society through our businesses

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

ENVIRONMENT

Recognizing the extreme importance of environmental issues, 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 engaged in initiatives through its business activities, products, and services to respond to shared global issues, such as climate change, biodiversity, and the promotion of recycling. At the same time, the Company is involved in environmental preservation activities, such as the reduction of emissions of chemical substances, prevention of leaking of hazardous materials, appropriate use of timber, forest preservation, and other activities that contribute to preserving the environment.

Initiatives for Addressing Sustainability Priorities Reduction of Greenhouse Gas Emissions

The Yamaha Group is engaged in the procurement of sustainable timber, the development of eco-friendly products, the reduction of greenhouse gas emissions, and other environmental preservation initiatives for the purpose of achieving



harmony with the natural environment in its business activities and contributing to the accomplishment of the SDGs. Moreover, the Group has established a medium- to long-term greenhouse gas emissions reduction target, which was certified by Science Based Targets* in June 2019 as a target based on scientific rationality for limiting global warming to 2°C above pre-industrial levels. We later altered this target and then received certification from Science Based Targets, indicating it as a target based on scientific rationality for limiting global warming to 1.5°C above pre-industrial levels in September 2021. Initiatives for accomplishing this target include proactively adopting renewable energy, introducing equipment with high levels of energy efficiency, developing energy-saving products, and rationalizing distribution.

In April 2021, Yamaha began using renewable energy for 100% of the electricity purchased at its Company headquarters. We began adopting renewable energy in fiscal 2020, and the shift to renewable energy for all of the headquarters 11,000 MWh worth of annual electricity consumption is anticipated to contribute to a reduction of 4,700 tons of CO₂ a year beginning in fiscal 2022.

Going forward, we will transition to renewable energy on a Groupwide basis, including overseas bases, and take other proactive steps to combat climate change in order to contribute to a carbon-neutral world.

* Science Based Targets is an international initiative established by CDP, the UN Global Compact, World Resources Institute, and World Wide Fund for Nature for the purpose of encouraging companies to pursue greenhouse gas emissions reductions targets based on scientific rationality for limiting global warming to 2°C above pre-industrial levels.

Sustainable Timber Procurement

The Yamaha Group has established a due diligence system to prevent the procurement of timber from illegal sources, and promotes a strict confirmation process for the legality of timber harvesting through site visits and surveys of documents for procurement sources. In addition to environmental considerations, the Group is expanding the use of certified timber, which is produced in socially and economically sustainable forests and contributes to the advancement of the community.

The Group conducts surveys targeting all business partners from which timber was purchased to assess the place of origin, the legality of harvesting, and the sustainability of relevant resources. Based on the results, we perform stricter verification of legality for timber deemed to represent a high risk by undertaking further investigations including local site visits and assessments by a committee comprised of members of the Timber Procurement Division and the Sustainability Division. We confirmed that 99.4% (volume ratio) of procured timber was low risk in fiscal 2021. The Group conducts such surveys each year with the cooperation of suppliers and is aiming to achieve a 100% rate of low-risk timber procurement. We are actively utilizing certified timber, and the Group set the goal of achieving a 50% ratio of certified timber use by fiscal 2022. Smooth progress is being made toward accomplishing this target (48% ratio of certified timber use in fiscal 2021).

Development of Eco-Friendly Products

The Group has established the Yamaha Eco-Products Program through which products that meet our environmental standards are adorned with the Yamaha Eco-Label to certify as Yamaha Eco-Products. In this way, we aim to provide customers with easy-to-understand environment-related information to aid them in their choices of products.

A total of 29 new product models were certified under the Yamaha Eco-Products Program in fiscal 2021. As of March 31, 2021, the number of certified products, including prior products, was 454, of which 70 were newly developed products bearing the Eco-Label. Sales of certified products represented 16% of total net sales in fiscal 2021.



Yamaha Eco-Label



SR-C20 Series sound bar
Reason for certification: Energy efficiency (industry-low levels of standby electricity consumption)

For more information on the Yamaha Group Environmental Policy please refer to the following website.

https://www.yamaha.com/en/csr/guideline_environment_policy/



Endorsement of TCFD Recommendations

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



In fiscal 2019, the Group declared its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and commenced initiatives for analyzing the risks and opportunities for its business created by climate change. This information is reflected in management strategies, and information on the financial impacts of these risks and opportunities is disclosed.

Yamaha's Initiatives

Governance

Addressing climate change has been positioned as an important management strategy and a portion of our sustainability governance and management systems. Climate change and other important sustainability issues are discussed at meetings of the Sustainability Committee, which is an advisory body to the president established in January 2021, after which these matters are discussed and examined by the Board of Directors to make for a system of appropriate supervision by the Board of Directors. The Sustainability Committee is scheduled to meet 10 times in fiscal 2022.

Measures for responding to climate change-related risks and opportunities are discussed by the Working Group for Climate Change, a working group chaired by a managing executive officer positioned under the Sustainability Committee, and the results of these discussions are reported to the Sustainability Committee.

Strategy

The risks and opportunities that may result from climate change or the accompanying phenomena are incorporated into the important elements of business strategies. For example, the current medium-term management plan includes among its core measures efforts to reduce greenhouse gas emissions, develop eco-friendly products, and realize sustainable timber use.

We recognize that the impacts of climate change will likely be felt over the medium to long term. Accordingly, we have defined the associated risks and opportunities from a medium- to long-term perspective looking to 2030 and beyond rather than based on the short-term time frame of the three-year medium-term management plan. The identified risks will be periodically examined and revised based on internal and external trends.

Risks and Opportunities

The Group employed the various scenarios described to determine the risks and opportunities that could occur as a result of the transformation of the operating environment in response to rapid climate change and the accompanying phenomena. The specific scenarios utilized were the Sustainable Development Scenario (global warming of less than 2°C above pre-industrial levels) and the NZE Scenario (net zero emissions by 2050 and global warming of 1.5°C above pre-industrial levels) of the International Energy Agency (IEA) for transition risks and the Representative Concentration Pathway (RCP) 2.6 (global warming of 2°C above pre-industrial levels) and RCP 8.5 (global warming of 4°C above pre-industrial levels) scenarios of the Intergovernmental Panel on Climate Change for physical risks. Based on these scenarios, we are evaluating the degree of materiality of risks and opportunities based on their potential financial impact and likelihood of materialization.

Major Climate Change-Related Risks and Opportunities

Although climate change risks are not expected to have a serious impact on the Company's business within the next several years, long-term business impact projections and strategies associated with these risks are slated to be formulated based on discussions centered on the Working Group for Climate Change. The following measures are being implemented to address the risks identified at this point in time, and we will continue to strengthen management of these risks to ensure that they do not have a significant impact on our business over the medium to long term.

Transition Risks

Scenarios that involve the implementation of various measures aimed at the realization of a decarbonized society present risks related to higher energy prices and additional costs resulting from carbon pricing systems.

The Yamaha Group will address these risks by ramping up its decarbonization initiatives. Specifically, we altered our prior greenhouse gas emissions reduction target (reduction of 32% in Scope 1 and Scope 2 emissions from fiscal 2018 to be achieved by fiscal 2031), which had been certified by Science Based Targets as a target for limiting global warming to 2°C above pre-industrial levels, and received certification for the new target (reduction of 55% in Scope 1 and Scope 2 emissions from fiscal 2018 to be achieved by fiscal 2031) in September 2021, indicating it as being viable for limiting global warming to 1.5°C above pre-industrial levels. By accelerating initiatives to achieve this more ambitious target, we aim to mitigate various transition risks.

Other transition risks include the risks of companies withdrawing from the timber business due to the decarbonization trends, resulting in difficulties procuring timber.

The Group has proceeded to raise the rate at which it uses certified timber, which can be procured reliably, from the perspective of the sustainability of forest resources, and our ratio of certified timber use was 48% in fiscal 2021. In addition, with our dedicated timber-related technology and procurement divisions, we have accumulated the expertise necessary to quickly switch to an alternative source should it become difficult to procure timber from a specific location. Furthermore, we conduct rigorous legal checks to prevent the procurement of timber from illegal sources and ensure that we are able to continue using timber resources in a sustainable manner.

Physical Risks

Global warming threatens to change the environments in which the timber we procure is produced. The Group undertook an investigation that looked at the major tree species from which we procure timber and was based on an academic thesis. This investigation indicated a possibility that the environments in which several of these tree species are cultivated might shrink as a result of global warming. Should it become difficult to procure timber from these tree species, resulting in increases in raw material prices, it would constitute a business risk. For this reason, we will carefully monitor circumstances related to the production of these tree species in the future and make preparations so that, should it be deemed that our operations might be impacted by these circumstances, we will be able to quickly shift to alternative tree species.

With regard to floods and other risks, we completed establishment of business continuity plans for all Yamaha business sites around the world. We have also taken precautionary measures such as installing drainage equipment to safeguard against damages from typhoons, floods, and other natural disasters projected on an individual business site basis. In addition, we have implemented measures such as

revising the locations and structure of Company business sites and even external warehouses. Based on the results of scenario analyses (evaluation of RCP 8.5 (global warming of 4°C above pre-industrial levels) and projected once-in-a-century flooding in 2050), the risk of major Yamaha Group bases becoming submerged has been determined to be low (there are no bases in river or coastal flood zones with the potential to experience flooding of more than one meter above floor level).

Opportunities

Climate change-related opportunities for Yamaha include the potential for increased demand for its products as consumers limit movement to help combat climate change or face restrictions on outdoor activities due to rising temperatures. Specifically, it is possible that demand will grow for all varieties of musical instruments as well as for communications equipment. In addition, the trend toward decarbonization could drive the popularization of EVs, leading to increased sales of high-end in-vehicle speaker systems to customers seeking to enjoy high-quality music in their quiet vehicles.

Results of Scenario Analyses

Category	Impact Level	Risks and Opportunities	Impact on Business (Potential)	Impact on Business (Potential)
Transition risks (Global warming of 1.5°C)	Procurement	Risks Risk of difficulties in procuring timber because of companies withdrawing from the timber business due to the decarbonization trends	<ul style="list-style-type: none"> Forests are garnering attention for their ability to absorb CO₂, and major oil and IT companies have thus begun investing in projects for reducing carbon levels through forestry. As a result, some timber business operators have started withdrawing from this business after receiving payments from such companies. Should timber business operators that supply Yamaha withdraw, it could impede the Company's ability to procure the necessary timber for manufacturing its products. 	- -
	Direct operations	Risks Risk of additional costs due to institution or increase of carbon prices	<ul style="list-style-type: none"> It can be expected that the number of companies introducing carbon pricing schemes will increase in the future. The IEA's NZE Scenario (net zero emissions by 2050) projects carbon prices of U.S.\$130 per t-CO₂ in developed countries, U.S.\$90 per t-CO₂ in emerging countries (Brazil, Russia, and China), and U.S.\$15 per t-CO₂ in other countries in 2030. Major Yamaha Group bases (in Japan, Indonesia, and China) could be affected by the institution or increase of carbon prices. 	- -
		Risks Risk of additional costs due to increased procurement of renewable energy	<ul style="list-style-type: none"> The procurement of renewable energy is imperative to achieving significant reductions in emissions. A large portion of the Company's Scope 1 and Scope 2 emissions are associated with electricity, meaning that increased use of renewable energy will be crucial to reducing emissions. 	-
Product demand	Opportunities Opportunities created by increased product demand as people limit movement to combat climate change	<ul style="list-style-type: none"> There has been a trend toward people limiting their movement (via airplanes, etc.) to combat climate change, and it is possible that this trend may continue or expand going forward. This transition from outdoor to indoor activity may create opportunities by increasing demand for Yamaha's communication equipment (speakerphones, routers, etc.). In addition, the accelerated popularization of EVs may lead to rises in demand for in-vehicle speaker systems for enjoying high-quality music in vehicles. 	+ +	
Physical risks (Global warming of 4°C)	Procurement	Risks Risk of difficulties in procuring timber due to changes in production region environments	<ul style="list-style-type: none"> Global warming may change the environments in the regions from which Yamaha procures timber. Yamaha undertook an investigation that looked at scarce and difficult-to-substitute tree species from which it procures timber and was based on an academic thesis. This investigation indicated a possibility that environments in which several of these tree species are cultivated might shrink. Should it become difficult to procure timber from these tree species, resulting in increases in raw material prices, it would constitute a business risk. 	- -
	Direct operations	Risks Risk of halts to operations and lost profit due to heavy rains, floods, or other natural disasters impacting operating bases (factories)	<ul style="list-style-type: none"> Global warming is projected to cause increases in the damages from heavy rains, floods, and other natural disasters. It is therefore possible that profits may be lost should operations be halted at an operating base (factory) as a result of flooding. However, even when using analyses based on a scenario projecting global warming of 4°C above pre-industrial levels in 2050, the Company's investigations have found no major Yamaha Group bases at risk of experiencing flooding of more than one meter above floor level. 	-
	Product demand	Opportunities Opportunities created by increased product demand as people refrain from leaving homes during summer as a result of rising temperatures	<ul style="list-style-type: none"> There has been a trend toward people refraining from leaving their homes during the summer as a result of rising temperatures (risks of heatstroke, etc.), and it is possible that this trend may continue or expand going forward. This transition from indoor to outdoor activity may create opportunities in the form of increased demand for Yamaha's communication equipment (speakerphones, routers, etc.) and for guitars and other types of musical instruments. 	+ +

Note: Certain risks and opportunities have been omitted in reflection of their likelihood of occurrence or potential impact on business.

Potential Changes in Timber Procurement Region Environments from Base Year

None (100% or more) Minor (95-100%) Moderate (80-95%) Large (80% or less)

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

* "Today" represents the average between 1986 and 2005.

Source: Yamaha Corporation

Risk Management

The Risk Management Committee has been established as an advisory body to the president, and regular evaluations and analyses are performed on the potential damages, frequency, and control levels of risks. This process is used to facilitate ongoing improvements in risk control levels by identifying risks and designating the divisions responsible for managing these risks. In addition, the Working Group for BCP and Disaster Prevention Management has been set up under the Risk Management Committee to establish business continuity plans and implement other business continuity management initiatives to address the physical risks associated with natural disasters.

For more information on risk management, please refer to page 94.

Metrics and Targets

The Company has set the medium-term targets of reducing total Scope 1 and Scope 2 greenhouse gas emissions by 55% and total Scope 3 greenhouse gas emissions by 30% from fiscal 2018 levels by fiscal 2031. In addition, we have set a long-term target of achieving carbon neutrality by fiscal 2051. These targets have been certified by Science Based Targets as targets for limiting global warming to 1.5°C above pre-industrial levels. On a short-term basis, we have established the target of reducing CO₂ emissions per unit of production by 1% or more each year at major domestic business sites.

We manage greenhouse gas emission volumes in accordance with the Greenhouse Gas Protocol, and third-party verification has been received for Scope 1 and Scope 2 and certain Scope 3 emissions since fiscal 2017. Energy consumption amounts pertaining to Scope 1 and Scope 2 emissions are calculated on a by-source basis, which is translated into greenhouse gas emission data using emission coefficients. Third-party verification is received for this data.

One example of CO₂ emission reduction activities was the fiscal 2020 switch to renewable energy for a portion of the electricity purchased at the Yamaha Corporation headquarters. In April 2021, we transitioned completely to renewable energy at our headquarters, and we are planning a phased increase in the portion of electricity purchased from renewable sources at other bases going forward.

In addition, we are actively promoting the use of certified timber, and the ratio of certified timber use (volume ratio) was 28% in fiscal 2020 and 48% in fiscal 2021. In addition, the medium-term management plan announced in April 2019 set the goal of achieving a 50% ratio of certified timber use by fiscal 2022, and smooth progress is being made toward achieving this target.

HUMAN RIGHTS

The Yamaha Group believes that human rights form the basis for responsible business activities. To help realize a society in which everyone is respected, we remain keenly aware of our responsibility with this regard and promote respect for the human rights of all stakeholders touched by our value chain.



Basic Policy

Based on the United Nations Guiding Principles on Business and Human Rights, the Yamaha Group strives to comply with international norms pertaining to human rights, including those described in the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights), the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact.

In 2018, the Company created the Yamaha Group Human Rights Policy, which displays our thoughts and responsibilities regarding respect for human rights and describes our commitment to practicing human rights due diligence, based on internationally respected human rights standards, to prevent human rights violations throughout the Group's business activities. This policy shapes our business activities as well as our efforts to educate and promote awareness of human rights.

Among the five working groups established under the Sustainability Committee, which is an advisory body to the president, in January 2021, were the Working Group for Human Rights, D&I and the Working Group for Procurement. These working groups discuss the direction for human rights initiatives and monitor the status of due diligence across the supply chain and in other areas. In addition, Yamaha has defined "systematic initiatives for the respect of human rights" among its sustainability priorities, and we are establishing systems and frameworks and implementing initiatives for preventing human rights violations across the supply chain accordingly.

For more information on the Yamaha Group Human Rights Policy, please refer to the following website.

https://www.yamaha.com/en/csr/human_rights_policy/



Promotion of Human Rights Due Diligence

The Yamaha Group is committed to responsibly addressing the potential impacts of its business activities on human rights. To this end, we assess our activities across the value chain based on international norms on human rights and on the self-assessment items of the UN Global Compact and actively engage in dialogue with stakeholders and experts. Through this process, we identify and specify the human rights risks apparent in our business. We also work to identify the material human rights issues faced in different industries through participation in the Stakeholder Engagement Program of Caux Round Table Japan. Our involvement in this project has helped us identify issues related to human rights issues pertaining to raw material procurement (illegal logging), workers in the Group and across the supply chain, customers (product and service safety, protection of personal information), and the residents of communities in which the Group has business sites.

Through inspections of our operations focused on these issues, we were able to supplement the Group's rules and regulations by including items deemed necessary from a human rights perspective. In the future, the Group will continue to monitor the status of compliance with its rules and regulations as part of its efforts to implement comprehensive risk assessments.

Human Rights Education

The Yamaha Group encourages all employees to view human rights as an issue that directly relates to them, and human rights education programs are implemented to help us exercise our corporate responsibility to respect human rights. Specific training activities include workplace readings of the Yamaha Human Rights Guidebook; internal seminars, training, and study sessions; and information provision and quizzes through the Company intranet. Through these activities, we aim to improve employee awareness regarding human rights.



Yamaha Human Rights Guidebook

In addition, the Guidelines for Labor and Human Rights contain provisions for human rights training and stipulate that the human rights of everyone working at the Group are to be respected while also providing guidance on enabling employees to exercise autonomy and creativity in their work. Awareness regarding these guidelines is being promoted and the degree to which the guidelines have been disseminated is monitored.

Supply Chain Human Rights Initiatives

The Yamaha Group promotes sustainability throughout the entire supply chain in areas such as product and service development, raw material procurement, manufacturing, selling, and recycling, and steps to prevent human rights violations are implemented across the supply chain.

Yamaha products are primarily manufactured by Yamaha Group companies with bases in Japan, China, Indonesia, Malaysia, and India. The status of labor conditions, occupational health and safety, and environmental management at Group companies that function as production sites is monitored by dedicated staff members from the Company. These staff members offer support for developing frameworks and advice for implementing improvements with regard to these matters to facilitate countermeasures against risks of violations to the human rights of employees or local residents. When procuring raw materials and components, these Group companies select suppliers according to the standards set in the Yamaha Group Purchasing Philosophy. Moreover, Group companies are expected to use contracts and other methods of ensuring adherence to the Yamaha Supplier CSR Code of Conduct, which contains items pertaining to labor, human rights, the environment, and corporate ethics. Inspections for ascertaining compliance with this code of conduct are conducted when transactions are commenced with new suppliers and on a regular basis thereafter. Corrective measures are implemented and transactions are reconsidered as necessary.

The following initiatives are carried out to ensure respect for human rights across the supply chain.

- Define the need for human rights and CSR measures in the selection requirements for suppliers
- Require that suppliers comply with the Yamaha Supplier CSR Code of Conduct, which defines practices related to human rights and labor (specify in contracts)
- Request that suppliers carry out self-assessment based on the this code of conduct (correction requested as needed) as part of human rights due diligence

Yamaha Supplier CSR Code of Conduct

https://www.yamaha.com/en/csr/supplier_code_of_conduct/



Efforts to Combat Conflict Mineral Issues

Tin, tantalum, tungsten, gold, and other mineral resources mined in the Democratic Republic of the Congo and neighboring countries are referred to as conflict minerals as they may be the source of funds for armed groups violating human rights through inhumane acts such as violence and plunder. The Yamaha Group works to procure minerals that play no part in the violation of human rights or environmental destruction. We respond to customer requests to conduct investigations regarding conflict minerals, and also ask suppliers to avoid the use of conflict minerals based on the Yamaha Supplier CSR Code of Conduct.

Prevention of Harassment

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

In addition, with the goal of fostering a workplace environment free of harassment, messages from the president on the prohibition of harassment have been issued to employees on an ongoing basis. We have also been increasing the number of opportunities for various forms of engagement, including with senior management. In this manner, we are bolstering efforts to ensure that the Company offers psychological safety.

Proactive antiharassment training is conducted, and we have also begun supplementing conventional group training sessions with e-learning programs and online training to help as many employees as possible take part in this training.

Furthermore, internal and external compliance helplines have been set up to facilitate quick detection of and appropriate response to acts of harassment and other human rights violation risks. These helplines can be used by all domestic Group employees (including full-time employees, part-time employees, dispatch employees, and contracted staff). For overseas Group companies, multilingual global helplines were set up in 2017 to accommodate reports from various countries and regions. In implementing these helplines, we spread awareness regarding contact venues and usage methods, and internal regulations include report-related provisions ensuring the confidentiality of reports and protecting those submitting reports from retaliation.

For more information on compliance, please refer to page 96.