

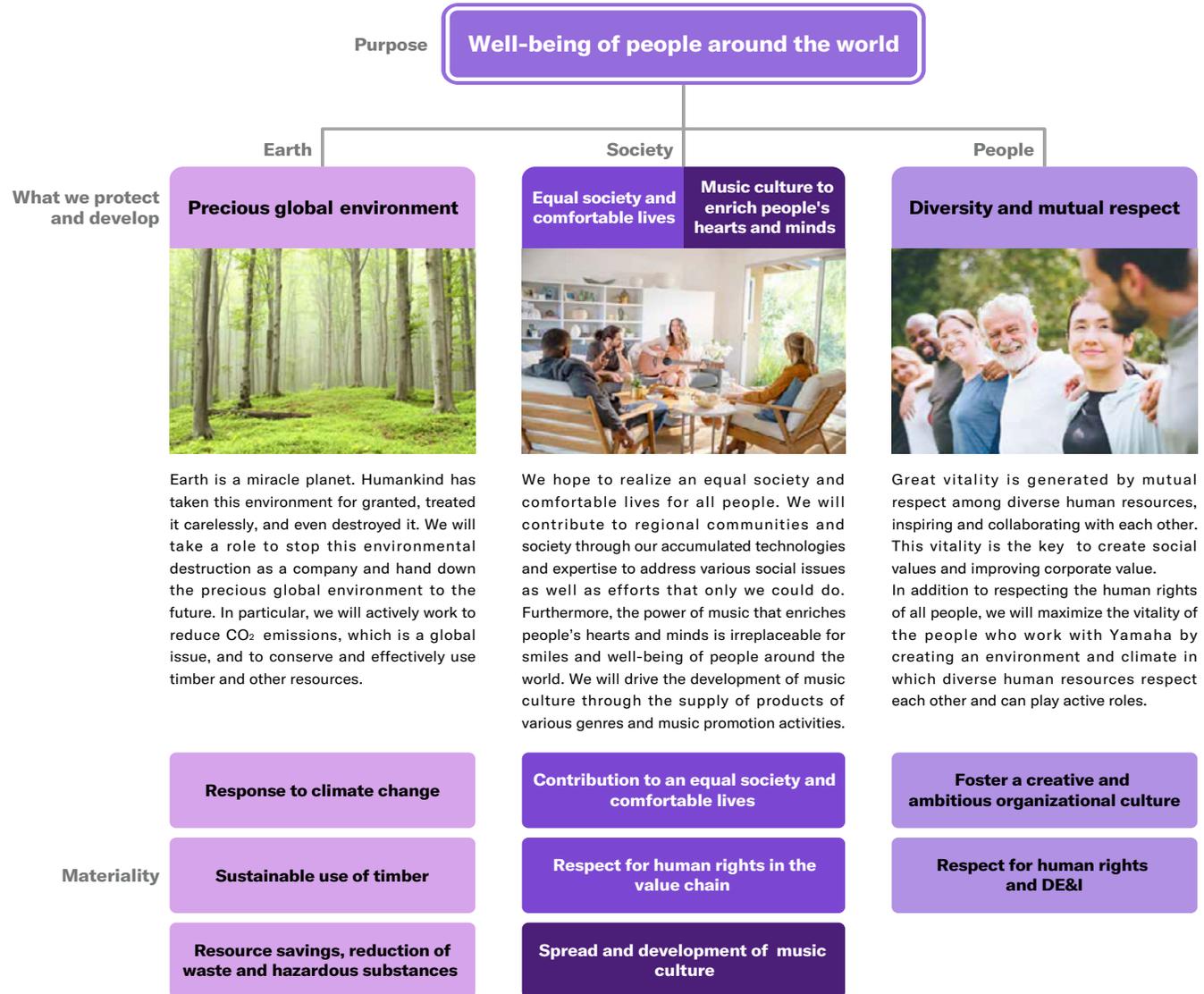
Yamaha Group Sustainability

Yamaha Group Sustainability Policy

Throughout its long history, the Yamaha Group has made various efforts to promote people's "well-being," while remaining conscious of its connection with nature, society and culture. Our products, made of timber and other natural materials and carefully finished by skilled craftspeople, have been handed down from generation to generation and, with some products being given new life through renewal, loved by many people. In addition to simply selling products, we have also contributed to promoting the spread and development of music culture in various countries and regions around the world as our own business. These activities range from the spread of instrumental music education for children and the development of music schools to the support of top artists. These ideas and initiatives are in line with social sustainability and have been passed down through the company's more than 130-year history, shaping the "distinctive brand identity of Yamaha."

Yamaha Group Sustainability Policy

The Yamaha Group aims to create a society that realizes the well-being of all people around the world. To achieve this goal, we will work to protect our one precious earth and contribute to the development of an equal society, comfortable lives, and a music culture that enriches people's hearts and minds, with our corporate philosophy of "Yamaha Philosophy" as the foundation to draw from. At the same time, we will not only respect for human rights but also create an environment in which diverse human resources can respect each other and actively play a role. Through these initiatives, we will continue to create excitement and cultural inspiration together with people around the world. Based on this concept, we have identified materiality and will actively promote sustainability activities to enhance our medium-to-long-term corporate value through the creation of social value by working toward the realization of a sustainable society.



Formulated in February 2010 and last revised in April 2022

Sustainability Management

Sustainability Initiatives

The Yamaha Group is advancing initiatives for contributing to the realization of a sustainable society in accordance with the Yamaha Group Sustainability Policy. This policy was formulated based on the Group's material sustainability issues, which were shaped by the relationship between its business activities and the environment and society as well as on stakeholder expectations and social demands. We thereby aim to contribute to the well-being of people around the world.

- [Philosophy & Vision >](#)
- [Yamaha Group Sustainability Policy >](#)
- [Material Issues >](#)
- [Engagement with Stakeholders >](#)
- [Participation in Initiatives >](#)

Promotion System

Under the guidance of the Board of Directors, Yamaha Corporation established the Sustainability Committee as an advisory body to the president. This committee is tasked with discussing directives for Groupwide sustainability initiatives, monitoring Group initiatives, and reporting to the president on these matters. The Board of Directors receives and reviews regular reports on discussions by the Sustainability Committee and the status of sustainability activities throughout the Group.

Five working groups—the Working Group for Climate Change, Working Group for Resource Circulation, Working Group for Procurement, Working Group for Human Rights, DE&I, and Working Group for Social and Cultural Contributions—have been formed under the Sustainability Committee. The working groups establish frameworks for advancing initiatives based on important Group themes; formulate policies, targets, measures, and activity

plans; advance and monitor activities; and report on these matters to the Sustainability Committee.

Fiscal 2025 Sustainability Committee Meetings

Meetings: 7

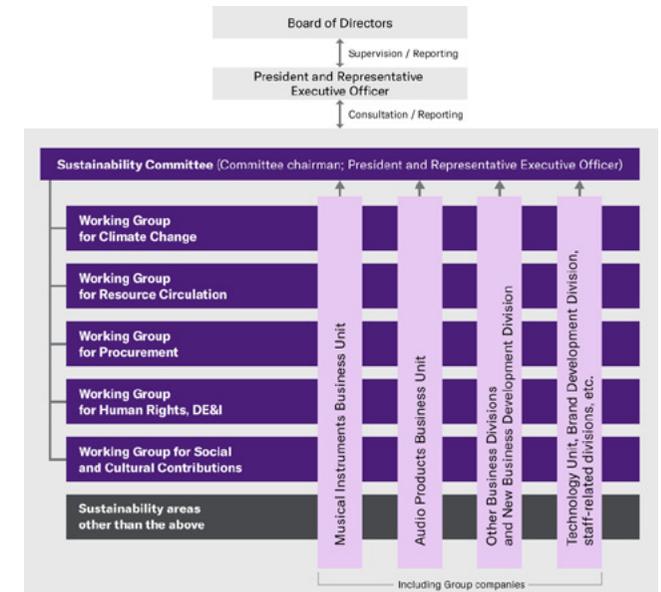
Major agenda items:

- Review of fiscal 2024 sustainability initiatives and confirmation of disclosures, including those based on Task Force on Climate-related Financial Disclosures (TCFD) and Taskforce on Nature-related Financial Disclosures (TNFD) recommendations
- Progress, results, and challenges in fiscal 2025
- Measures, key performance indicators (KPIs), and targets for the next medium-term management plan

Working Group Activities in Fiscal 2025

| Name | Key themes | Chair | Number of meetings |
|---|--|-------------------|--------------------|
| Working Group for Climate Change | Decarbonization, TCFD compliance, water risk response, etc. | Operating officer | 6 |
| Working Group for Resource Circulation | Circular value chains, eco-friendly design, packaging and packing, etc. | Operating officer | 7 |
| Working Group for Procurement | Timber due diligence, sustainable timber, Otonomori (Forest of Sound) Activities, supply chain human rights due diligence, conflict minerals, etc. | Executive officer | 7 |
| Working Group for Human Rights, DE&I | Human rights due diligence, diversity, equity, and inclusion, etc. | Operating officer | 6 |
| Working Group for Social and Cultural Contributions | Music popularization, community outreach, etc. | Executive officer | 9 |

Sustainability Promotion System



Oversight and Other Activities by the Board of Directors in Fiscal 2025

Major activities:

Monitoring of Sustainability Committee activities: Twice
Discussions with external expert (Naoki Adachi, CEO, Response Ability, Inc.): Once

Major agenda items:

- Sustainability policies and targets
- Regular review of sustainability measures, etc.

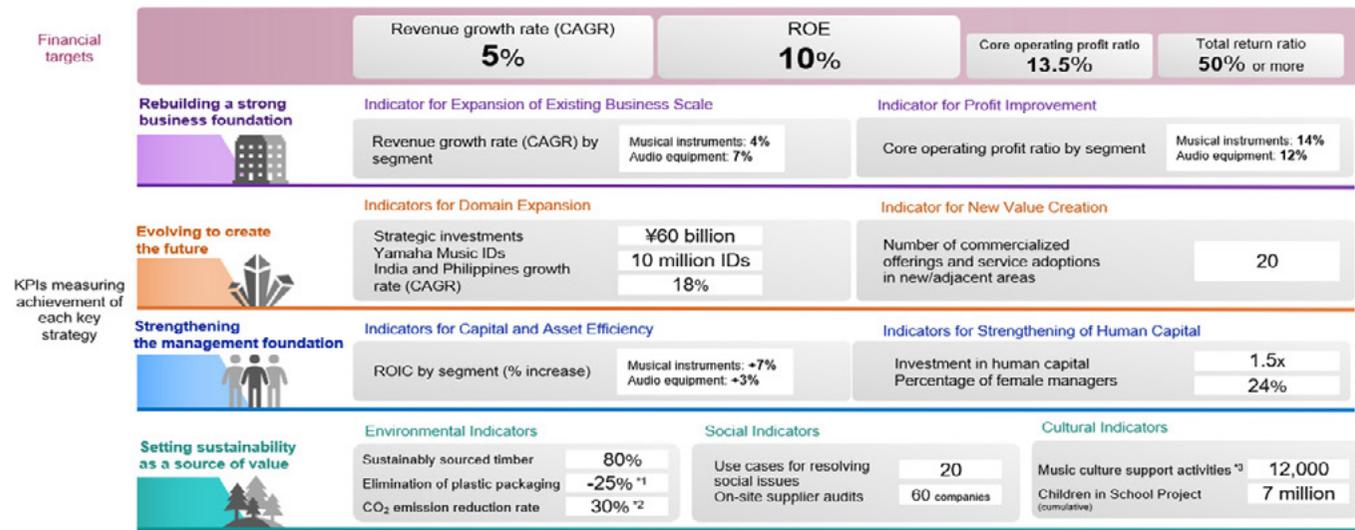
■ Connection Between Officer Compensation and Targets

In fiscal 2023, sustainability targets were introduced as part of the management targets used to evaluate restricted stock compensation, which accounts for a portion of officer remuneration. This change was made to strengthen motivation for ongoing improvements in social value.

| Material Sustainability Issues

The Yamaha Group has defined material sustainability issues for contributing to sustainable development and medium- to long-term improvements in corporate value based on the relationship between its business activities and the environment and society as well as on stakeholder expectations and social demands. Initiatives for addressing these issues are currently underway.

Management Targets



*1 Styrofoam (vs. FY2023) *2 Scopes 1+2 (vs. FY2018)

*3 Activities to create opportunities for people to connect through music

■ Identified Material Sustainability Issues

Environment

Response to climate change

- Reduction of CO₂ emissions from business sites (Scope 1 and Scope 2)
- Reduction of CO₂ emissions from procurement, logistics, and product use (Scope 3)

Sustainable use of timber

- Sustainable sourcing and utilization of timber
- Promotion of forest cultivation

Resource savings, reduction of waste and hazardous substances

- Resource savings and improved resource recycling of products and packaging
- Reduction of hazardous chemical substances (volatile organic compounds (VOCs), etc.)

Society

Contribution to an equal society and comfortable lives

- Mental and physical safety and health
- Remote communication
- Consideration for universal design and accessibility

Respect for human rights in the value chain

- Human rights of workers at suppliers, etc.

Culture

Spread and development of music culture

- Products, services, and activities that contribute to the promotion and development of music culture
- Contribution to the development of the next generation

Human Resources

Foster a creative and ambitious organizational culture

- Human resource development; employee engagement surveys; creation of opportunities for dialogue; promotion of work-life balance, safety, and health; etc.

Respect for human rights and DE&I (diversity, equity, and inclusion)

- Initiatives to respect the human rights of people who work with Yamaha (human rights education and due diligence)
- DE&I promotion (gender, nationality, etc.)

[Material Issues >](#)

■ Material Issue Identification Process

Sustainability issues pertaining to the Yamaha Group's value chain were identified with reference to the United Nations Sustainable Development Goals (SDGs) and other relevant materials. The level of priority of these issues was then assessed based on input from customers, employees, and community members; environmental, social, and governance (ESG) evaluation criteria; opinions and requests from NGOs; advice from external experts; our corporate philosophy and vision; and medium- to long-term management policies. We thereby identified the material issues requiring an enhanced approach.

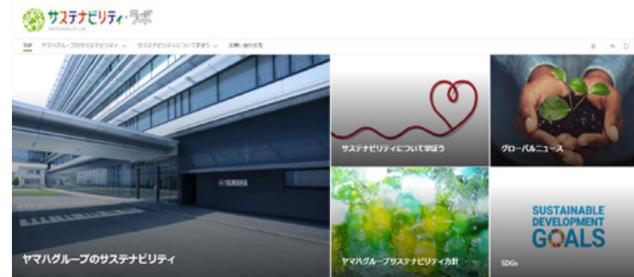
Based on the material sustainability issues, KPIs for gauging the progress of measures by the Sustainability Committee working groups and relative divisions was established along with related targets and action plans. The material sustainability issues will be assessed and reviewed as appropriate going forward. The Sustainability Committee is responsible for monitoring the progress of initiatives pertaining to material issues.

[Material Issues >](#)

| Awareness Raising

At the Yamaha Group, employees are promoting sustainability in their respective roles and jobs in order to contribute to the realization of a sustainable society. In addition, sustainability education and awareness-raising elements are being incorporated into the rank- and field-based training and seminars, intranet postings, internal events, and Company newsletters. We also provide a range of content for learning about external trends, including sustainability quizzes that offer an easy way to study sustainability and the SDGs as well as case studies designed to help employees learn from examples of companies on the forefront of sustainability. Furthermore, an annual sustainability seminar is arranged for all Group employees. In fiscal 2025, an online seminar was organized in which Makiko Soma from WWF

Japan provided insight pertaining to biodiversity, an indispensable topic to the Yamaha Group given that it is promoting sustainable timber use.



Internal sustainability information site



Sustainability training for new employees

Material Issues

The Yamaha Group incorporates material sustainability issues into its sustainability policy to contribute to social sustainability and enhance corporate value over the medium to long term. The Group advances and manages activities based on this policy.

| Identified Material Sustainability Issues

■ Environment

Response to climate change

- Reduction of CO₂ emissions from business sites (Scope 1 and Scope 2)
- Reduction of CO₂ emissions from procurement, logistics, and product use (Scope 3)

Sustainable use of timber

- Sustainable sourcing and utilization of timber
- Promotion of forest cultivation

Resource savings, reduction of waste and hazardous substances

- Resource savings and improved resource recycling of products and packaging
- Reduction of hazardous chemical substances (volatile organic compounds (VOCs), etc.)

■ Society

Contribution to an equal society and comfortable lives

- Mental and physical safety and health
- Remote communication
- Consideration for universal design and accessibility

Respect for human rights in the value chain

- Human rights of workers at suppliers, etc.

■ Culture

Spread and development of music culture

- Products, services, and activities that contribute to the promotion and development of music culture
- Contribution to the development of the next generation

■ Human Resources

Foster a creative and ambitious organizational culture

- Human resource development; employee engagement surveys; creation of opportunities for dialogue; promotion of work-life balance, safety and health, etc.

Respect for human rights and DE&I (diversity, equity, and inclusion)

- Initiatives to respect the human rights of people who work with Yamaha (human rights education and due diligence)
- DE&I promotion (gender, nationality, etc.)

[Yamaha Group Sustainability Policy >](#)

| Material Sustainability Issues, Key Performance Indicators (KPIs), and Targets

■ Major Sustainability KPIs, Targets, and Progress of Make Waves 2.0 (Previous Medium-Term Management Plan)

| Category | Material Issues | KPIs and Targets | Progress | Evaluation |
|--|--|--|---|------------|
| Environment | Response to climate change | Reduce CO ₂ emissions by 5% through energy conservation (CO ₂ emissions/production volume, compared with fiscal 2018) Management target | Achieved emissions reduction of 6.1% | Excellent |
| | | Maintain inclusion on CDP Climate Change A List | Included on CDP Climate Change A List for second consecutive year | Excellent |
| | | Improve logistics packing efficiency by 5% | Improved logistics packing efficiency by 5% | Excellent |
| | Sustainable use of timber | Increase rate of sustainable timber use to 75% Management target | 69.5% | Good |
| | | Cultivate and preserve three scarce tree species necessary for musical instrument production (Otonomori Activities) | Planted aggregate total of 27,000 trees in Tanzania and promoted other preservation activities targeting three tree species | Excellent |
| Resource savings, reduction of waste and hazardous substances | Eliminate plastic packaging used for newly launching small products | Replaced Styrofoam packaging with alternative materials for a wider range of products, but faced difficulty using plastic alternatives in place of other packaging materials | Good | |
| Society | Respect for human rights in the value chain | Conduct on-site audits of suppliers (60 companies) | Conducted on-site audits of 60 suppliers | Excellent |
| Culture | Spread and development of music culture | Promote instrumental music education at schools in emerging countries (School Project); provide music education opportunities to aggregate total of 2.3 million children in 10 countries Management target | Provided music education opportunities to aggregate total of 4.25 million children in 10 countries through the School Project | Excellent |
| | | Increase number of students enrolled at overseas music schools by 100,000 | Increased number of students enrolled at overseas music schools by 11,000 | Fair |
| Human Resources | Increase job satisfaction | Continue improving ratio of employees offering positive responses regarding job satisfaction on employee engagement surveys Management target | Maintained positive response rate for job satisfaction around same levels as seen in the past | Good |
| | | Double human resources investment | Increased human resources investment by 60% | Good |
| | Respect for human rights and DE&I | Achieve global ratio of female managers of 19% Management target | Achieved global ratio of female managers of 19% | Excellent |
| | | Conduct cross-border positioning of 30 individuals | Conducted cross-border positioning of 32 individuals | Excellent |
| Foster open organizational culture where people can proactively take on challenges | Continue improving ratio of employees offering positive responses regarding workplace comfort on employee engagement surveys Management target | Achieved improvement of two percentage points in positive response rate for workplace comfort | Excellent | |

Excellent: Target achieved **Good:** Measures progressed, but missed target **Fair:** Measures delayed

*Note: For details on the scope of data collection, please refer to the ESG Data available on Yamaha's corporate website.

[Sustainability KPIs, Targets, and Progress of Make Waves 2.0 \(Previous Medium-Term Management Plan\)>](#)

Major Sustainability KPIs and Targets of Rebuild & Evolve (New Medium-Term Management Plan)

| Category | Material Issues | KPIs and Targets |
|-----------------|---|--|
| Environment | Response to climate change | Reduce Scope 1 and Scope 2 CO ₂ emissions by 30% (compared with fiscal 2018) Management target |
| | Resource savings, reduction of waste and hazardous substances | Reduce use of Styrofoam packaging by 25% (compared with fiscal 2023) Management target |
| | Sustainable use of timber | Increase rate of sustainably sourced timber use to 80% Management target |
| Society | Respect for human rights in the value chain | Cultivate and preserve scarce tree species necessary for musical instrument production (Otonomori Activities) Plant and preserve 20,000 trees a year in Tanzania Produce and present musical instruments made using Sakhalin spruce in Hokkaido Introduce pilot tree planting project in India Develop preservation model for one species of tree in Latin America Conduct on-site audits of 60 suppliers Management target |
| | Contribution to an equal society and comfortable lives | Develop 20 use cases for resolving social issues Management target |
| Culture | Spread and development of music culture | Engage in 12,000 music culture support activities under the Community Building with Music initiative (activities to create opportunities for people to connect through music) Management target |
| | | Provide music education opportunities to aggregate total of 7 million children through the School Project Management target |
| Human Resources | Respect for human rights and DE&I | Achieve ratio of female managers of 24% Management target |
| | | Conduct global positioning of 40 individuals |
| | Foster a creative and ambitious organizational culture | Continue improving ratio of employees offering positive responses regarding job satisfaction on employee engagement surveys Increase human capital investment by 50% Management target |

Material Issue Identification Process

The Yamaha Group continuously assesses and reviews the material issues it has identified based on social trends, sustainability issues, and stakeholder expectations.

1. Identification of Important Stakeholder Groups

Important stakeholder groups were identified to compile the sustainability issues to be assessed and guide priority assessments of social issues.

[Engagement with Stakeholders >](#)

2. Compilation of Sustainability Issues to Be Assessed

A list of around 110 sustainability issues was prepared based on the targets of the United Nations Sustainable Development Goals (SDGs) and on global risk reports, global risks, and other risks. Redundant issues and issues deemed to be of low materiality to Yamaha and to the stakeholder groups identified in Step 1 were excluded for the list. Then, certain sustainability issues were divided into risks and opportunities and sustainability issues unique to the Yamaha Group were added to compile a list of approximately 60 sustainability issues that were subject to materiality assessment.

3. Assessment of Materiality of Sustainability Issues

The sustainability issues compiled in Step 2 were divided into risks and opportunities and mapped through materiality assessments of the impact on Yamaha and Yamaha’s impact on the environment and society conducted based on the perspectives described under (1) and (2) below.

(1) Business Perspective (Materiality to Yamaha, Impact on Yamaha)

A cross-Company assessment team was assembled to score the materiality of the identified sustainability issues from the perspectives of profits, losses, costs, reputation, compliance, corporate philosophy, and management and business continuity.

(2) Stakeholder Perspective (Materiality to Stakeholders,

Yamaha’s Impact on the Environment and Society)

Customer input, employee surveys, and other methods were used to identify the needs and opinions of the stakeholder groups identified in Step 1. The materiality of the identified sustainability issues was then scored based on this information, the requirements of industry initiatives, and environmental, social, and governance (ESG) evaluation criteria (of FTSE Russell, MSCI, and other institutions).



4. Identification of Material Issues

Sustainability issues deemed to be of high materiality based on the mapping in Step 3 were grouped to make a number of material issues, which were then further categorized and organized into the areas of environment, society, culture, and human resources.

5. Approval

The identified material issues were discussed by the Sustainability Committee, which is chaired by the president, and then approved by the Board of Directors.

Engagement with Stakeholders

Based on its Promises to Stakeholders, the Yamaha Group promotes wide-ranging initiatives for communicating with its various stakeholders. The input and guidance gained through such communication is used in identifying and assessing sustainability-related risk and opportunities and our impacts on the environment and society as well as in formulating related measures.

[Promises to Stakeholders >](#)

| Stakeholder Engagement Program

The Company has been participating in the Stakeholder Engagement Program of Caux Round Table Japan since fiscal 2020. Through the program, input on potential issues is received from NPOs, NGOs, and experts as part of the process of identifying important, industry-specific human rights issues. [Stakeholder Engagement Program \(Caux Round Table Japan\)> 2024 Final Report >](#)

| Initiatives Targeting Specific Stakeholder Groups

| Stakeholder | Purpose | Daily Means of Communication | Examples of Initiatives |
|---------------------------------|---|--|---|
| Customers | Offer valuable products and services that are safe and offer peace of mind, promote universal design, supply accurate product information, provide customers with appropriate service and support, store customer information appropriately | Product and service helpdesks, daily sales activities | Safety and Quality of Products and Services > Improvement of Customer Satisfaction > |
| Employees | Evaluate and treat people fairly, respect human rights and diversity, utilize and train personnel, support a wide range of workstyles, ensure health and safety | Survey questionnaires (motivation, workplace comfort, and management), labor-management meetings and discussions | Communication between Labor and Management > Respect for Human Rights > Promotion of Diversity, Equity, and Inclusion > Human Resource Development > Promotion of Work-Life Balance > Employee Health and Safety > |
| Business Partners | Select business partners based on fair and rational standards, engage in fair transactions, eliminate dubious business relationships, prohibit abuses of power | Daily business activities, production and sales trend briefing sessions, policy explanation meetings | Promotion of Social Responsibility in the Value Chain > |
| Communities and Greater Society | Coexist with communities and contribute to their development (including promoting culture, development of the next generation, aiding welfare, creating employment, and developing skills and technology) | Information exchange sessions with local communities and municipalities, factory tours, employee involvement in community activities, participation in social contribution activities, exchange of information and dialogue with communities and NPOs/NGOs | Responsibility to Local Communities > Contribution to Regional Community Development > |
| Environment | Prevent pollution, combat climate change, preserve natural resources, manage and reduce the use of chemical substances, protect biodiversity | Exchange of information and dialogue with communities and NPOs/NGOs | Environment > |
| Shareholders | Disclose accurate management information in a timely manner, distribute profit appropriately, improve corporate value | General shareholders' meetings, explanatory meetings for investors, investor website and email newsletters | Dialogue with Shareholders and Investors > |