

Corporate Social Responsibility (CSR)

In all its interactions with stakeholders, the Yamaha Group seeks through its business activities to exceed customer expectations and create excitement. Through activities grounded in the fields of sound and music, we will continue to share passion and performance and enrich culture along with people around the world.

Basic Approach to CSR

The mission of the Yamaha Group is to continue pursuing its corporate philosophy of “with our unique expertise and sensibilities, gained from our devotion to sound and music, we are committed to creating excitement and cultural inspiration together with

people around the world.” To put this philosophy into practice, Yamaha works to establish and maintain bonds of trust with its stakeholders while also contributing to the creation of a sustainable society through its business activities.

Policy and Framework for CSR Promotion

The Yamaha Group continues to engage in a variety of CSR issues by offering products and services and engaging in business processes and corporate activities in regional societies. The Group uses the social responsibility international guideline ISO 26000 to identify and organize the CSR issues it involves itself in. By taking into account the importance of these issues to the Group and their impact on stakeholders, we decide which issues to prioritize as well as the details of our efforts toward these issues. In fiscal 2016, a council made up of our top management established strategic CSR themes in which the Group should strengthen its initiatives. Along with the revision of our CSR policy in fiscal 2017 based on these themes, we incorporated them into our medium-term management plan as part of our ESG agenda. The status of initiatives pertaining to each theme is followed up on through review at management meetings headed by the President.

- Development of regional community-based business and social contribution activities (resolution of regional issues through music, contribution to the development of regional communities, etc.)
- Lowering of greenhouse gas emissions (emission management that expands the scope of emissions throughout the entire supply chain, etc.)
- Sustainable procurement of timber (stringent verification of traceability and lawfulness, expanded use of certified timber, etc.)
- Socially responsible procurement (by confirming adherence to the Yamaha Supplier CSR Code of Conduct and making requests for improvements when necessary, etc.)
- Systematic initiatives for the respect of human rights (evaluating the influence of our business activities on human rights, etc.)
- Promotion of diversity and human resources development (promotion of the active role of female workers, cultivation of global human resources, etc.)

Strategic CSR Themes

- Development of products and services with a focus on social issues (universal design, environmentally friendly products, application of sound technologies, etc.)



Yamaha Corporation Group CSR Policy

■ Our aim is “Sharing Passion & Performance”

The Corporate Philosophy of the Yamaha Corporation Group is, “With our unique expertise and sensibilities, gained from our devotion to sound and music, we are committed to creating excitement and cultural inspiration together with people around the world.”

Based on this philosophy, Yamaha conducts its CSR activities according to the following guidelines, seeking to contribute to the sustainable development of society and to further strengthen the bond of trust with its stakeholders through sound, transparent management methods, and corporate activities that balance social and environmental concerns.

- 1 By creating new values through products and services focused on social and environmental issues, Yamaha contributes to the sustainable development of society.
- 2 Through business development and social contributions based in each region of the globe, Yamaha contributes to the promotion and popularization of music, and to the development of communities.
- 3 By understanding the significance of protecting the natural environment and maintaining biodiversity, and by promoting the reduction of environmental burden through measures such as sustainable procurement of timber and lowering greenhouse gas emissions, Yamaha works to maintain a healthy global environment.
- 4 Yamaha observes laws, ordinances, and social norms, and moreover, conducts business in a fair and impartial manner throughout the entire value chain, including activities such as socially responsible procurement carried out in cooperation with business partners.
- 5 Yamaha endeavors to prevent abuses of human rights, responding appropriately to the effect of its business activities as well as to any attendant risks to human rights, with the goal of achieving a society that safeguards the dignity of all.
- 6 Yamaha works to create an atmosphere that holds in high regard the employee diversity that is a source of the new values created within the Company, and which allows each person to fully demonstrate their sensibilities and creativity through training and use, without regard to race, nationality, gender, or age.

Formulated in February 2010 and revised in June 2016

Participation in the United Nations Global Compact

Yamaha endorses the United Nations Global Compact, a voluntary code of conduct that encourages businesses worldwide to adopt sustainable and socially responsible policies. Yamaha signed the Compact in June 2011 and has been promoting initiatives in adherence with the Compact’s 10 principles in the four areas of

human rights, labor, environment, and anti-corruption. At the same time, the Company has been actively cooperating with Global Compact Network Japan in such ways as managing subcommittees.



External Evaluation

Socially responsible investment (SRI) is an investing activity that values companies not only from a financial perspective but also from social and environmental viewpoints as well. SRI indexes are used by investors to determine what companies to invest in based on whether or not a company is fulfilling their social responsibilities. Yamaha is listed on such major international

SRI indexes as the FTSE4Good Global Index, MSCI Global Sustainability Indexes, and Morningstar Social Responsibility Index (MS-SRI).



CSR Education

In promoting initiatives based on our CSR Policy, the Yamaha Group believes it is important to deepen employee understanding of CSR and raise awareness for environmental and social issues. The Yamaha Group engages in educational and awareness-raising

activities by sending CSR information via its website and Intranet, as well as training for all employees, from managers to new recruits, with the aim of promoting CSR throughout each aspect of its business operations.

Fiscal 2017 Results

Item	Target	Content	Number of participants
Basic CSR training	New recruits, etc.	Introduction to CSR, Explanation of Yamaha Group CSR Policy and measures, etc.	47
E-learning	Domestic Group employees	Comprehension check of CSR reports	828
CSR Intranet	Domestic Group employees	Explanation of key CSR themes, Introduction of best practices in Yamaha and other companies, etc.	—

Topics

Yamaha Eco-Products Program

Guided by its Environmental Policy, the Yamaha Group is working to create environmentally friendly products in order to contribute to the creation of a sustainable society. To support this effort, Yamaha established the Yamaha Eco-Products Program in 2015, which certifies environmentally friendly products that meet standards established by the Company.



The Yamaha Eco-Label is attached to products that meet the Company's standards. By providing customers with easy-to-understand information on the environment, the program aims to assist customers in selecting which products to purchase.

Yamaha Forest

Yamaha Corporation and its six local Indonesian subsidiaries contribute to local communities in Indonesia, where the Yamaha Group has its production and sales offices, by carrying out Yamaha Forest project activities, such as environmental preservation through tree-planting and educational support.

Indonesia is a treasure trove of diverse world species. In recent years, however, that bounty of biodiversity has been in rapid decline. Phase I (fiscal 2006–2010) of the Yamaha Forest project, conducted in conjunction with the Yamaha Motor Group, involved planting roughly 110,000 saplings over approximately 127 hectares of public land in Sukabumi, West Java in efforts to restore the functionality of the forest. This area has been designated as *hutan kota* (city forest preserve) and is thus appropriately managed by the provincial government. Phase II (fiscal 2011–2015) of the project involved planting roughly 50,000 saplings over approximately 50 hectares of arid land in Gunung Ciremai National Park in Kuningan, West Java with the goal of restoring natural forests and ecosystems of the area. Fiscal 2016–2017 involved maintenance work, such as cutting grass and addressing moisture retention. Once completed, we transferred control of the newly grown

trees to Gunung Ciremai National Park, which will appropriately manage them going forward.

At present, the two phases are showing steady growth. Moving forward, Yamaha Forest will persist in its conservation efforts under the management of local governments and concerned parties.



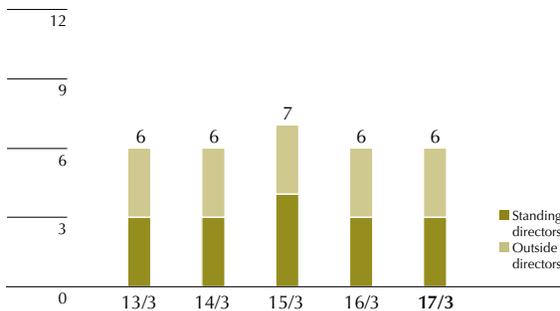
Promoting Introduction of Instrumental Music Education in Vietnam

Music education programs teaching children how to play instruments have been adopted on a large scale in schools worldwide. However, due to a lack of equipment and instructors, as well as curriculum issues, instrumental music education is not provided, or is of insufficient quality, in music classes in some countries. Yamaha is developing a "school project" program to offer opportunities to play instruments and allow as many children as possible to experience the joy of musical instruments.

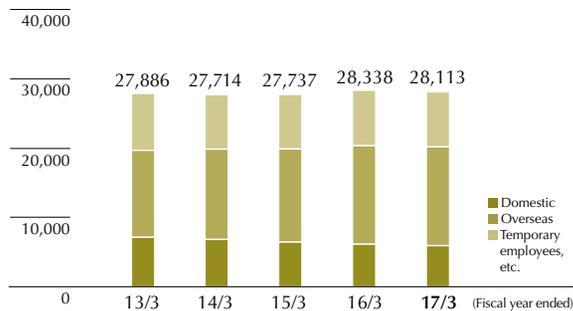
As an element of the "school project," Yamaha began support activities in January 2016 for the introduction and sustainment of musical instrument instruction as part of music classes in primary and secondary education in Vietnam. The "Course of Study" in

Human Resources Data

Number of Directors



Number of Employees



	2013/3	2014/3	2015/3	2016/3	2017/3
Percentage of female employees	21.6%	20.0%	17.2%	17.8%	17.5%
Percentage of female employees in management positions	4.4%	4.7%	4.8%	4.8%	4.6%
Average years of continuous employment (years)	20.1	20.6	20.3	19.8	20.9
Percentage of persons with disabilities employed	2.08%	2.15%	2.38%	2.42%	2.35%

Note: Figures in this table are for Yamaha Corporation only

elementary and junior high schools in Vietnam does not include the actual playing of musical instruments as part of musical education. For that reason, teaching in music classes is focused on reading music and music theory/knowledge, with singing as the only form of practice.

As a comprehensive musical instruments manufacturer, Yamaha has been spreading the advantages of instrumental music education in music classrooms all over the world. Based on this experience, Yamaha is working in cooperation with Vietnam's Ministry of Education and Training toward revising the "Course of Study" for primary and secondary education to include musical instrument instruction, slated to begin in 2018.

In fiscal 2017, this initiative was chosen as an official project by the Ministry of Education, Culture, Sports, Science and Technology for their ongoing "EDU-Port Japan" project to spread Japanese-style education overseas. Yamaha is working with the Japanese government to enrich music education and improve the overall quality of education in Vietnam through the introduction and sustainment of musical instrument instruction.



Omotenashi Guide: A system supporting the universal design of sound

Yamaha Corporation has been conducting demonstration experiments of the *Omotenashi Guide* service since 2015. This service supports the development of convenient guides featuring a number of written and spoken languages for use by businesses, public institutions, and tourist destinations looking to promote themselves to inbound tourists and become more barrier free.



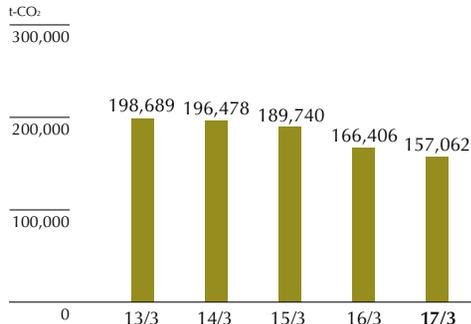
In places where voice announcements are made using this technology, *Omotenashi Guide* users can receive real-time information translated into their required language simply by opening the application on their smartphone or tablet. Through this service, people who do not speak Japanese, are elderly or have difficulty hearing will have easy access to the contents of spoken Japanese announcements.

As a global sound and music company, Yamaha aims to help even more people gain easy access to useful information through advancing initiatives to support universal design of sound.

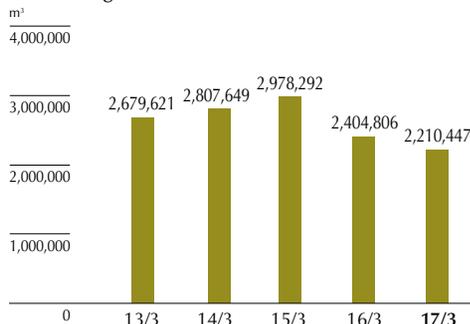
Furthermore, the IAUD (International Association for Universal Design) Award 2016 Selection Committee chose the *Omotenashi Guide* for a gold award, praising its simplicity and utility, particularly with the approaching influx of foreign visitors arriving for the 2020 Olympic and Paralympic Games. The service was further recognized by the Japanese Cabinet Office for "demonstrating outstanding achievements in promoting barrier-free universal design in fiscal 2017" and earned the Minister of State Encouragement Award.

Environmental Performance Data

GHG (Greenhouse Gas) Emissions



Water Usage Amounts



- Notes: 1. The environmental performance data includes figures of Yamaha headquarters, all the production sites, and resort facilities covering more than 90% of the group site.
 2. Total of direct CO₂ emissions from purchased energy and steam generation, direct CO₂ emissions from private power generation and use of heat, and the amount of GHG used and emitted in the manufacturing processes
 3. Numerical figures differ from previous measurements as recalculations have been broken down by fiscal year and according to the CO₂ emission coefficient of manufacturing bases by power company and region.

For more in-depth reporting on Yamaha's CSR activities, please visit

"Corporate Social Responsibility" on Yamaha's website: <https://www.yamaha.com/en/csr/>